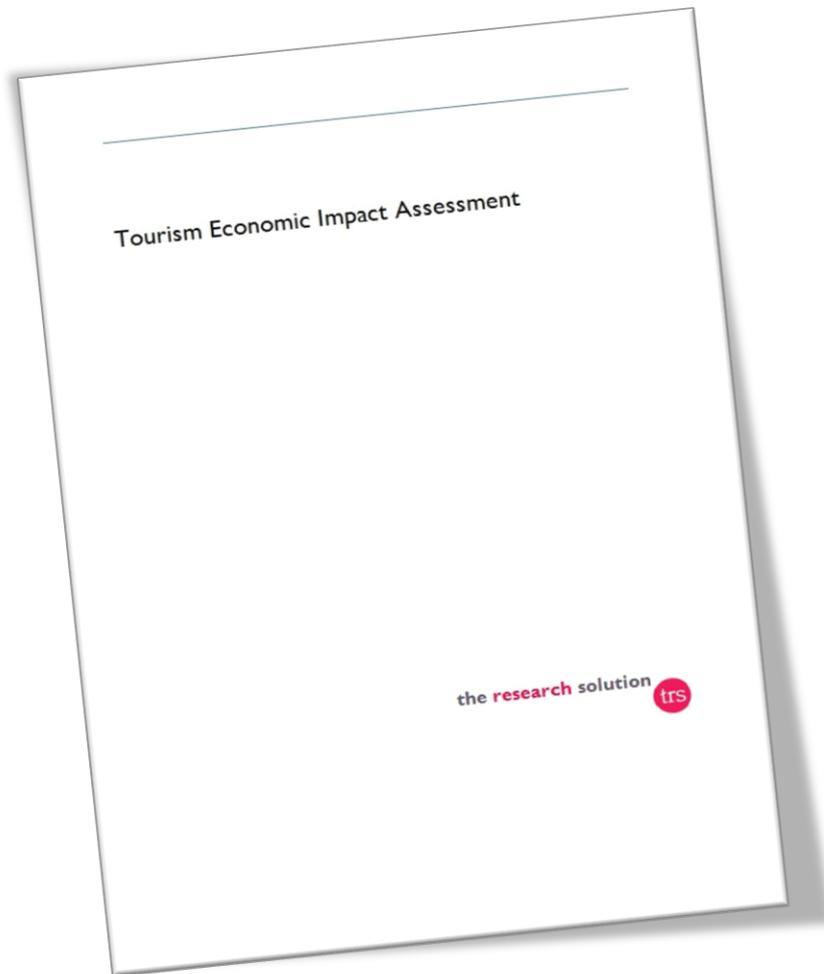


the **research** solution

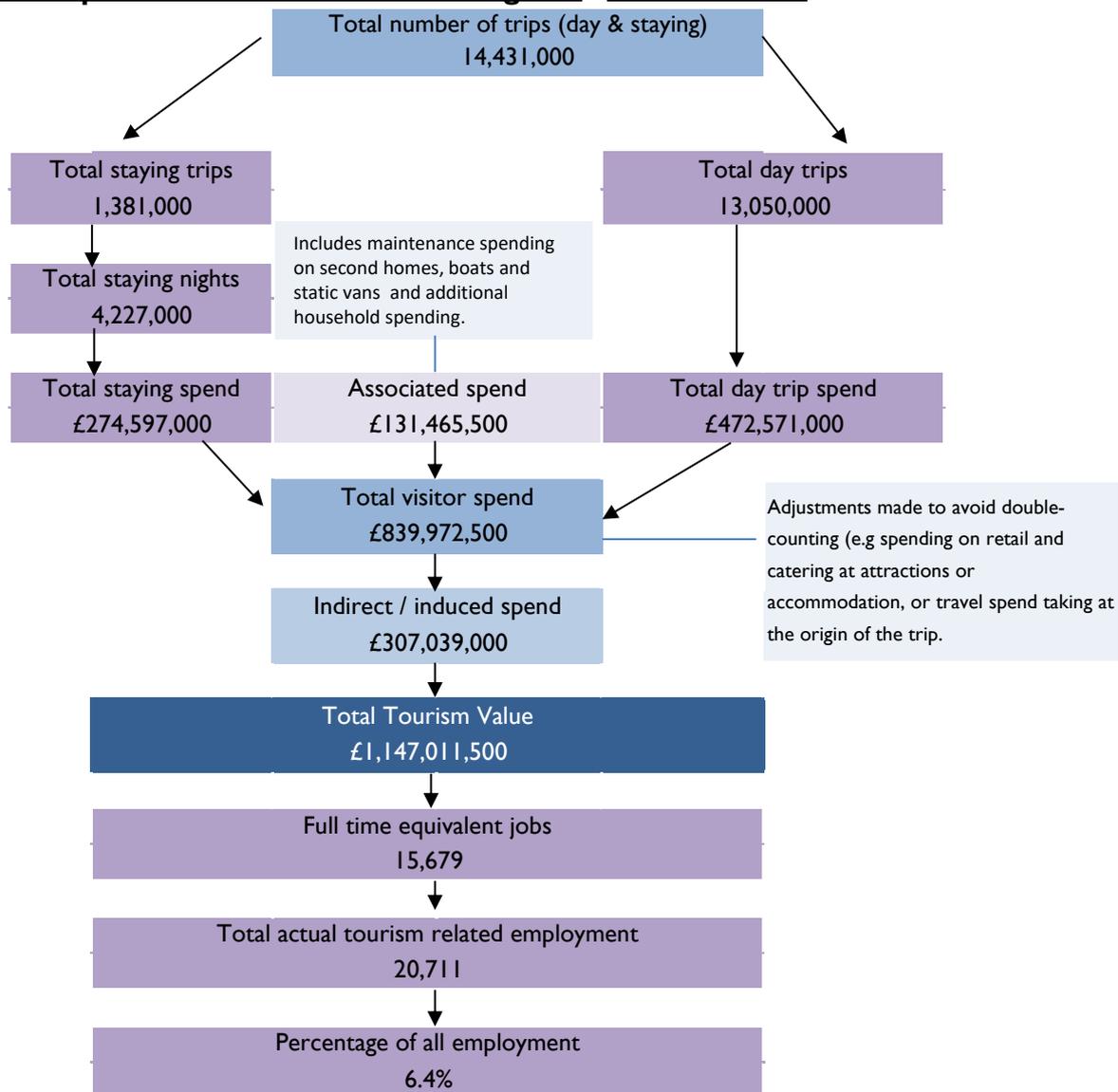


Produced by:

The Research Solution  
Christine King, Director

Economic Impact of Tourism  
Warwickshire - 2016

## Economic Impact of Tourism – **Headline Figures** **Warwickshire**

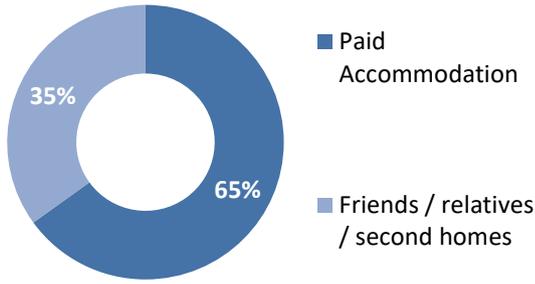


### Economic Impact of Tourism – **Year on year comparisons**

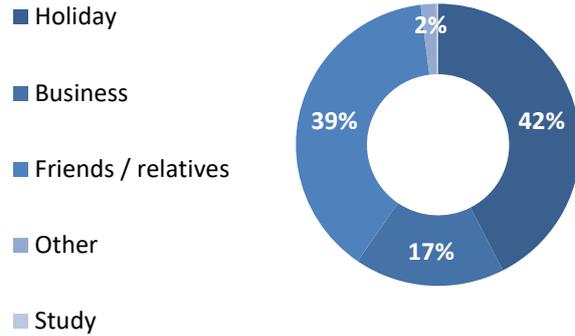
<b>Day Trips</b>	<b>2015</b>	<b>2016</b>	<b>Annual variation</b>
Day trips Volume	13,150,000	13,050,000	-0.8%
Day trips Value	£454,404,000	£472,571,000	4.0%
<b>Overnight trips</b>			
Number of trips	1,334,000	1,381,000	3.5%
Number of nights	3,980,000	4,227,000	6.2%
Trip value	£272,284,000	£274,597,000	0.8%
<b>Total Value</b>	<b>£1,051,136,500</b>	<b>£1,147,011,500</b>	<b>9.1%</b>
<b>Actual Jobs</b>	<b>18,937</b>	<b>20,711</b>	<b>9.4%</b>

	<b>2015</b>	<b>2016</b>	<b>Variation</b>
Average length stay (nights x trip)	2.98	3.06	2.6%
Spend x overnight trip	£ 204.11	£ 198.84	-2.6%
Spend x night	£ 68.41	£ 64.96	-5.0%
Spend x day trip	£ 34.56	£ 36.21	4.8%

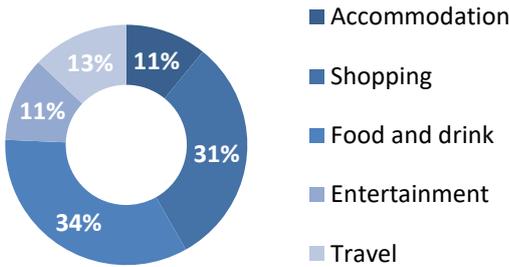
### Type of Accommodation



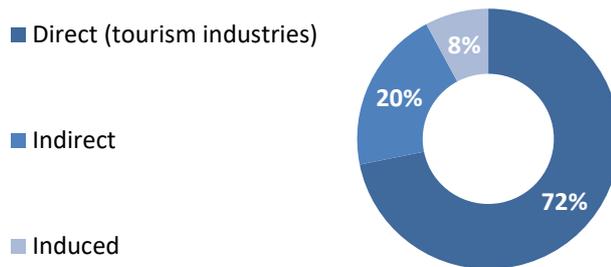
### Trips by Purpose



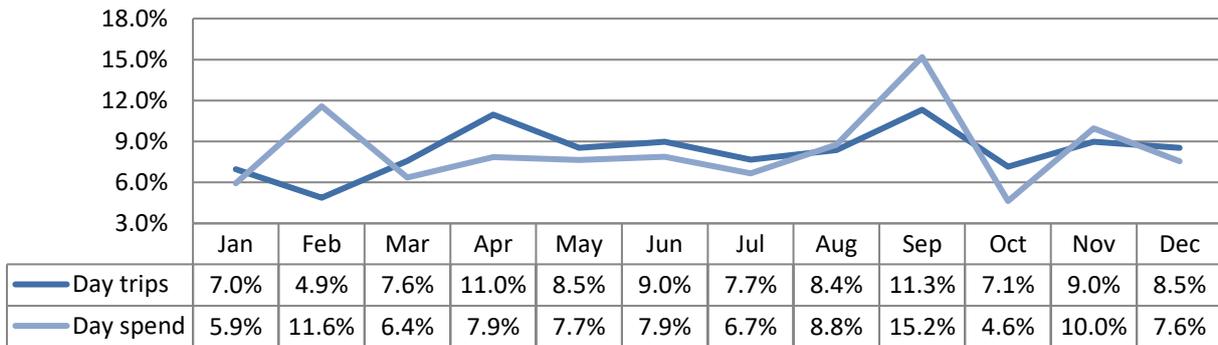
### Breakdown of expenditure



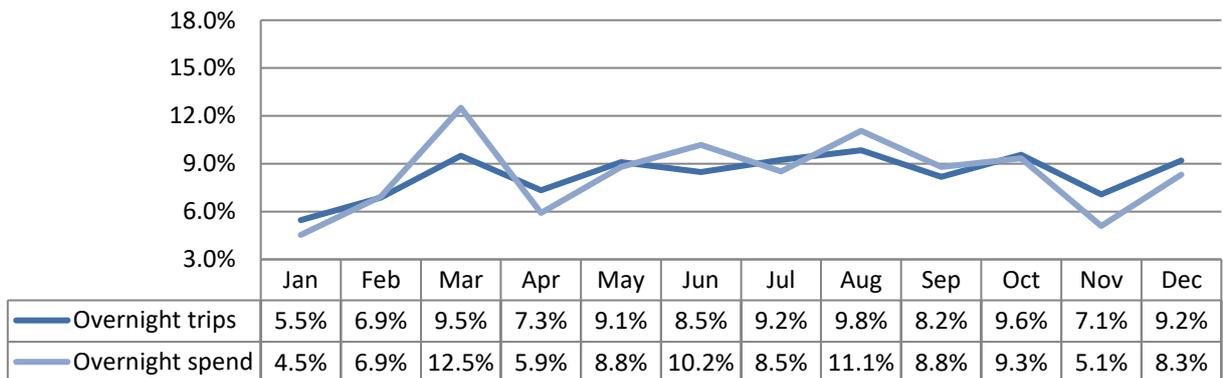
### Type of employment



### Seasonality - Day visitors



### Seasonality - Overnight visitors



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## **Contextual analysis**

### **INTRODUCTION**

This report examines the volume and value of tourism and the impact of visitor expenditure on the local economy in 2016 and provides comparative data against previously published data. The results are derived using the Cambridge Economic Impact Model under licence by The Research Solution Ltd based on the latest data from national tourism surveys and regionally/locally based data.

### **CONTEXTUAL ANALYSIS**

The three key surveys used to measure volume and expenditure from tourism trips are the GB Tourism Survey (for domestic overnight trips), the International Passenger Survey (IPS) for visits from overseas, and the GB Day Visitor Survey (GBDVS), which measures tourism day visits.

#### ***Domestic tourism***

In 2016, British residents took 99.3 million overnight trips in England, totalling 295 million nights away from home. The number of domestic trips was 4% lower than in 2015, and nights were down by 5% in 2015. Holiday Trips in England in 2016 increased by +2% compared to the same period last year, with 44.7 million trips recorded. Visits to friends and relatives decreased by -9% to 36.9 million. Business trips increased for the January to December period, up by +2% to 14.1 million.

The volume of trips to the West Midlands region in 2016 was unchanged on the previous year. However, this is on the back of a 10% year-on-year increase in overnight trips between 2014 and 2015. The GB Tourism Survey data is a key driver for the Cambridge model. However, it is not specifically designed to produce highly accurate results at sub-regional level. In order to improve the accuracy of results we have applied a 3-year rolling average to this data to help smooth out short term market fluctuations and highlight longer-term trends. The 2016 volume and value of trips to Warwickshire are based on three-year average (2014-2016) and are compared to the 2015 performance, which is an average of 2013-2015 average.

### ***Visits from overseas***

The number of visits in 2016 grew 4% to a record 37.6 million, after several years of growth since 2010. The number of visitor nights spent in the UK increased by 2% in 2016 to 277 million, with the average number of nights per visit declining at 7.4.

The value of spending increased by 2% to £22.5 billion. Average spend per visit was £599 in 2016, down from the peak of £650 per visit in 2015 and reflecting a lower spend per visit, due to shorter average length of stay.

Overseas trips to the West Midlands region were 4% up on 2015 to reach just 2.2 million overnight trips. The total number of nights was down by 2% to reach 15.9 million nights in 2016. Spend was up 5% to £855 million in 2016.

- Holiday visits are particularly likely to include going to a theatre with Stratford-upon-Avon a major draw
- The West Midlands is also one of the most popular areas for watching sport, the number of visitors coming primarily for this reason is behind only London and the North West
- Going to the pub and socialising with locals are popular, whilst eating out is less likely here than in many areas - probably a reflection of the high proportion of visits which involve staying as a guest with friends or relatives
- Those from the Irish Republic and France dominate overseas visits to the area, accounting for two in five holidaymakers (compared to around one in five nationally). Short travel times and event based visits may contribute to relatively few visits lasting over a week
- The West Midlands attracts holiday visits all year round, possibly boosted by non-seasonal activities such as shopping or going to the theatre. The area sees relatively high numbers of visits from those travelling with children but also from older visitors.

The International Passenger Survey (IPS) is conducted by Office for National Statistics and is based on face- to-face interviews with a sample of passengers travelling via the principal airports, sea routes and the Channel Tunnel, together with visitors crossing the land border into Northern Ireland. The number of interviews conducted in England in 2016 was 33,157. This large sample size allows reliable estimates to be produced for various groups of passengers despite the low proportion of travellers interviewed. The IPS provides headline figures, based on the county or unitary authority, for the volume and value of overseas trips to the UK. The sample for West Midlands was 2,049 interviews.

### ***Tourism Day Visits***

During 2016, GB residents took a total of 1,834 million Tourism Day Visits to destinations in England, Scotland or Wales, 3% up from 2015. Around £64 billion was spent during these trips, less than 1% up from 2015. The largest proportion of visits were taken to destinations in England (1,557 million visits or 85% of the total). The distribution of expenditure during visits broadly reflects this pattern, with a total value of day trips to England totalling £53.5 billion (84%) of the total for GB).

### **Day trips to Warwickshire**

There were 13.05 million day trips made to Warwickshire in 2016, down slightly (0.76%) from the volume of trips achieved in 2015. However, there was a dip in performance in 2015, with the volume of trips down 6% compared to 2014. As with the domestic overnight trips the district results reflect the drop in the volume of trips between 2016 and 2014. The exception is Warwickshire as the comparisons are 2015 vs 2016 with only marginal changes.

## Volume of Tourism

## Staying Visitors - Accommodation Type

### Trips by Accommodation

	UK		Overseas		Total	
Serviced	545,000	50%	136,000	46%	681,000	49%
Self catering	19,000	2%	5,000	2%	24,000	2%
Camping	75,000	7%	5,000	2%	80,000	6%
Static caravans	5,000	0%	0	0%	5,000	0%
Group/campus	23,000	2%	10,000	3%	33,000	2%
Paying guest	0	0%	5,000	2%	5,000	0%
Second homes	19,000	2%	3,000	1%	22,000	2%
Boat moorings	20,000	2%	0	0%	20,000	1%
Other	29,000	3%	20,000	7%	49,000	4%
Friends & relatives	352,000	32%	110,000	37%	462,000	33%
<b>Total</b>	<b>2016</b>	<b>1,087,000</b>	<b>294,000</b>		<b>1,381,000</b>	
<b>Comparison</b>	<b>2015</b>	<b>1,064,000</b>	<b>270,000</b>		<b>1,334,000</b>	
<b>Difference</b>		<b>2.2%</b>	<b>8.9%</b>		<b>3.5%</b>	

### Nights by Accommodation

	UK		Overseas		Total	
Serviced	972,000	39%	456,000	26%	1,428,000	34%
Self catering	24,000	1%	71,000	4%	95,000	2%
Camping	238,000	10%	52,000	3%	290,000	7%
Static caravans	7,000	0%	0	0%	7,000	0%
Group/campus	73,000	3%	186,000	11%	259,000	6%
Paying guest	0	0%	20,000	0%	20,000	0%
Second homes	76,000	3%	31,000	2%	107,000	3%
Boat moorings	84,000	3%	0	0%	84,000	2%
Other	92,000	4%	46,000	3%	138,000	3%
Friends & relatives	909,000	37%	888,000	51%	1,797,000	43%
<b>Total</b>	<b>2016</b>	<b>2,476,000</b>	<b>1,751,000</b>		<b>4,227,000</b>	
<b>Comparison</b>	<b>2015</b>	<b>2,420,000</b>	<b>1,560,000</b>		<b>3,980,000</b>	
<b>Difference</b>		<b>2.3%</b>	<b>12.2%</b>		<b>6.2%</b>	

### Spend by Accommodation Type

	UK		Overseas		Total	
Serviced	£111,794,000	70%	£53,823,000	46%	£165,617,000	60%
Self catering	£1,713,000	1%	£4,325,000	4%	£6,038,000	2%
Camping	£6,617,000	4%	£2,114,000	2%	£8,731,000	3%
Static caravans	£608,000	0%	£0	0%	£608,000	0%
Group/campus	£1,531,000	1%	£11,582,000	10%	£13,113,000	5%
Paying guest	£0	0%	£1,922,000	2%	£1,922,000	1%
Second homes	£2,207,000	1%	£2,066,000	2%	£4,273,000	2%
Boat moorings	£6,555,000	4%	£0	0%	£6,555,000	2%
Other	£3,879,000	2%	£1,682,000	1%	£5,561,000	2%
Friends & relatives	£23,734,000	15%	£38,445,000	33%	£62,179,000	23%
<b>Total</b>	<b>2016</b>	<b>£158,637,000</b>	<b>£115,960,000</b>		<b>£274,597,000</b>	
<b>Comparison</b>	<b>2015</b>	<b>£171,287,000</b>	<b>£100,997,000</b>		<b>£272,284,000</b>	
<b>Difference</b>		<b>-7.4%</b>	<b>14.8%</b>		<b>0.8%</b>	

Serviced accommodation includes hotels, guesthouses, inns, B&B and serviced farmhouse accommodation. Paying guest refers to overseas visitors staying in private houses, primarily language school students. Other trips includes nights spent in transit, in lorry cabs and other temporary accommodation.

## Staying Visitors - Purpose of Trip

### Trips by Purpose

	UK		Overseas		Total	
Holiday	438,000	40%	148,000	50%	586,000	42%
Business	210,000	19%	26,000	9%	236,000	17%
Friends & relatives	430,000	40%	101,000	34%	531,000	38%
Other	9,000	1%	15,000	5%	24,000	2%
Study	0	0%	3,000	1%	3,000	0%
<b>Total</b>	<b>2016</b>	<b>1,087,000</b>	<b>294,000</b>		<b>1,381,000</b>	
<b>Comparison</b>	<b>2015</b>	<b>1,064,000</b>	<b>270,000</b>		<b>1,334,000</b>	
<b>Difference</b>		<b>2.2%</b>	<b>8.9%</b>		<b>3.5%</b>	

### Nights by Purpose

	UK		Overseas		Total	
Holiday	997,000	40%	621,000	35%	1,618,000	38%
Business	499,000	20%	122,000	7%	621,000	15%
Friends & relatives	938,000	38%	853,000	49%	1,791,000	42%
Other	42,000	2%	110,000	6%	152,000	4%
Study	0	0%	44,000	3%	44,000	1%
<b>Total</b>	<b>2016</b>	<b>2,476,000</b>	<b>1,751,000</b>		<b>4,227,000</b>	
<b>Comparison</b>	<b>2015</b>	<b>2,420,000</b>	<b>1,560,000</b>		<b>3,980,000</b>	
<b>Difference</b>		<b>2.3%</b>	<b>12.2%</b>		<b>6.2%</b>	

### Spend by Purpose

	UK		Overseas		Total	
Holiday	£77,331,000	49%	£54,135,000	47%	£131,466,000	48%
Business	£43,789,000	28%	£11,319,000	10%	£55,108,000	20%
Friends & relatives	£32,691,000	21%	£39,060,000	34%	£71,751,000	26%
Other	£4,826,000	3%	£5,616,000	5%	£10,442,000	4%
Study	£0	0%	£5,830,000	5%	£5,830,000	2%
<b>Total</b>	<b>2016</b>	<b>£158,637,000</b>	<b>£115,960,000</b>		<b>£274,597,000</b>	
<b>Comparison</b>	<b>2015</b>	<b>£171,287,000</b>	<b>£100,997,000</b>		<b>£272,284,000</b>	
<b>Difference</b>		<b>-7.4%</b>	<b>14.8%</b>		<b>0.8%</b>	

## Day Visitors

### Trips and Spend by Urban, Rural and Coastal Area

	Trips		Spend	
Urban visits		8,129,000		335,780,000
Countryside visits		4,921,000		136,791,000
<b>Total</b>	<b>2016</b>	<b>13,050,000</b>		<b>472,571,000</b>
<b>Comparison</b>	<b>2015</b>	<b>13,150,000</b>		<b>454,404,000</b>
<b>Difference</b>		<b>-0.8%</b>		<b>4.0%</b>

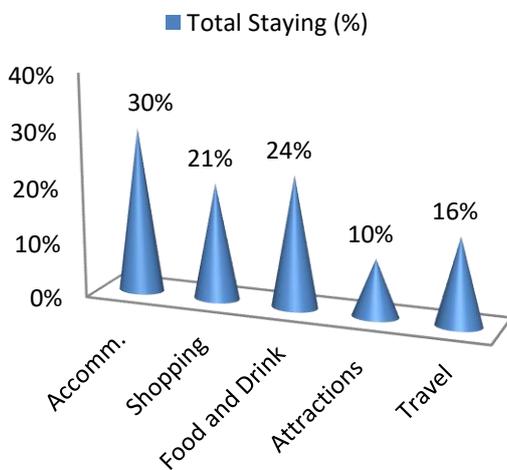
## Value of Tourism

**Expenditure Associated with Trips:**

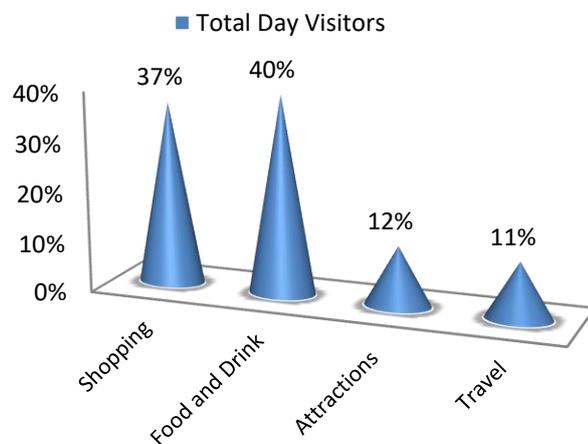
**Direct Expenditure Associated with Trips**

		Accomm.	Shopping	Food and Drink	Attractions	Travel	Total
UK Tourists		£48,315,000	£24,002,000	£38,631,000	£16,254,000	£31,435,000	£158,637,000
Overseas tourists		£33,060,000	£33,402,000	£26,106,000	£11,903,000	£11,489,000	£115,960,000
<b>Total Staying</b>		<b>£81,375,000</b>	<b>£57,404,000</b>	<b>£64,737,000</b>	<b>£28,157,000</b>	<b>£42,924,000</b>	<b>£274,597,000</b>
<b>Total Staying (%)</b>		<b>30%</b>	<b>21%</b>	<b>24%</b>	<b>10%</b>	<b>16%</b>	<b>100%</b>
<b>Total Day Visitors</b>		<b>£0</b>	<b>£173,687,000</b>	<b>£188,227,000</b>	<b>£56,931,000</b>	<b>£53,725,000</b>	<b>£472,570,000</b>
<b>Total Day Visitors</b>		<b>0%</b>	<b>37%</b>	<b>40%</b>	<b>12%</b>	<b>11%</b>	<b>100%</b>
<b>Total</b>	<b>2016</b>	<b>£81,375,000</b>	<b>£231,091,000</b>	<b>£252,964,000</b>	<b>£85,088,000</b>	<b>£96,649,000</b>	<b>£747,167,000</b>
<b>%</b>		<b>11%</b>	<b>31%</b>	<b>34%</b>	<b>11%</b>	<b>13%</b>	<b>100%</b>
<b>Comparison</b>	<b>2015</b>	<b>£80,195,000</b>	<b>£222,348,000</b>	<b>£245,807,000</b>	<b>£82,609,000</b>	<b>£95,728,000</b>	<b>£726,687,000</b>
<b>Difference</b>		<b>1.5%</b>	<b>3.9%</b>	<b>2.9%</b>	<b>3.0%</b>	<b>1.0%</b>	<b>2.8%</b>

**Breakdown of expenditure**



**Breakdown of expenditure**



**Other expenditure associated with tourism activity**

Other expenditure associated with tourism activity - Estimated spend				
Second homes	Boats	Static vans	Friends & relatives	Total
£735,000	£1,251,600	£44,538,900	£84,940,000	£131,465,500

Spend on second homes is assumed to be an average of £2,000 on rates, maintenance, and replacement of furniture and fittings. Spend on boats assumed to be an average of £2,000 on berthing charges, servicing and maintenance and upgrading of equipment. Static van spend arises in the case of vans purchased by the owner and used as a second home. Expenditure is incurred in site fees, utility charges and other spending and is estimated at £2,000. Additional spending is incurred by friends and relatives as a result of people coming to stay with them. A cost of £175 per visit has been assumed based on national research for social and personal visits.

### Direct Turnover Derived From Trip Expenditure

Business turnover arises as a result of tourist spending, from the purchase of supplies and services locally by businesses in receipt of visitor spending and as a result of the spending of wages in businesses by employees whose jobs are directly or indirectly supported by tourism spending.

		<b>Staying Visitor</b>	<b>Day Visitors</b>	<b>Total</b>
Accommodation		£82,670,000	£3,765,000	£86,435,000
Retail		£56,830,000	£171,950,000	£228,780,000
Catering		£62,795,000	£182,580,000	£245,375,000
Attractions		£29,378,000	£60,550,000	£89,928,000
Transport		£25,754,000	£32,235,000	£57,989,000
Non-trip spend		£131,465,500	£0	£131,465,500
<b>Total Direct</b>	<b>2016</b>	<b>£388,892,500</b>	<b>£451,080,000</b>	<b>£839,972,500</b>
<b>Comparison</b>	<b>2015</b>	<b>£337,743,500</b>	<b>£433,741,000</b>	<b>£771,484,500</b>
<b>Difference</b>		<b>15.1%</b>	<b>4.0%</b>	<b>8.9%</b>

Adjustments have been made to recognise that some spending on retail and food and drink will fall within attractions or accommodation establishments. It is assumed that 40% of travel spend will take place at the origin of the trip rather than at the destination.

### Supplier and Income Induced Turnover

		<b>Staying Visitor</b>	<b>Day Visitors</b>	<b>Total</b>
Indirect spend		£80,470,000	£108,327,000	£188,797,000
Non trip spending		£32,866,000	£0	£32,866,000
Income induced		£66,605,000	£18,771,000	£85,376,000
<b>Total</b>	<b>2016</b>	<b>£179,941,000</b>	<b>£127,098,000</b>	<b>£307,039,000</b>
<b>Comparison</b>	<b>2015</b>	<b>£157,439,000</b>	<b>£122,213,000</b>	<b>£279,652,000</b>
<b>Difference</b>		<b>14.3%</b>	<b>4.0%</b>	<b>9.8%</b>

Income induced spending arises from expenditure by employees whose jobs are supported by tourism spend.

### Total Local Business Turnover Supported by Tourism Activity – Value of Tourism

		<b>Staying Visitor</b>	<b>Day Visitors</b>	<b>Total</b>
Direct		£388,892,500	£451,080,000	£839,972,500
Indirect		£179,941,000	£127,098,000	£307,039,000
<b>Total Value</b>	<b>2016</b>	<b>£568,833,500</b>	<b>£578,178,000</b>	<b>£1,147,011,500</b>
<b>Comparison</b>	<b>2015</b>	<b>£495,182,500</b>	<b>£555,954,000</b>	<b>£1,051,136,500</b>
<b>Difference</b>		<b>14.9%</b>	<b>4.0%</b>	<b>9.1%</b>

## Employment

## Employment

The model generates estimates of full time equivalent jobs based on visitor spending. The total number of 'actual' jobs will be higher when part time and seasonal working is taken into account. Conversion of full time equivalent jobs into actual jobs relies on information from business surveys in the sectors receiving visitor spending.

### Direct employment

Full time equivalent (FTE)						
	Staying Visitor		Day Visitor		Total	
Accommodation	1,407	26%	64	1%	1,471	14%
Retailing	355	6%	1,073	21%	1,427	14%
Catering	980	18%	2,850	56%	3,830	36%
Entertainment	420	8%	865	17%	1,285	12%
Transport	159	3%	199	4%	358	3%
Non-trip spend	2,191	40%	0	0%	2,191	21%
<b>Total FTE</b>	<b>2016</b>	<b>5,512</b>		<b>5,051</b>	<b>10,562</b>	
<b>Comparison</b>	<b>2015</b>	<b>4,673</b>		<b>4,856</b>	<b>9,530</b>	
<b>Difference</b>		<b>17.9%</b>		<b>4.0%</b>	<b>10.8%</b>	
Estimated actual jobs						
	Staying Visitor		Day Visitor		Total	
Accommodation	2,083	28%	95	1%	2,178	15%
Retailing	532	7%	1,609	22%	2,141	14%
Catering	1,470	20%	4,275	57%	5,745	39%
Entertainment	592	8%	1,220	16%	1,812	12%
Transport	224	3%	280	4%	504	3%
Non-trip spend	2,498	34%	0	0%	2,498	17%
<b>Total Actual</b>	<b>2016</b>	<b>7,398</b>		<b>7,479</b>	<b>14,877</b>	
<b>Comparison</b>	<b>2015</b>	<b>6,432</b>		<b>7,191</b>	<b>13,623</b>	
<b>Difference</b>		<b>15.0%</b>		<b>4.0%</b>	<b>9.2%</b>	

### Indirect & Induced Employment

Full time equivalent (FTE)			
	Staying Visitor	Day Visitors	Total
Indirect jobs	1,889	1,805	3,694
Induced jobs	1,110	313	1,423
<b>Total FTE</b>	<b>2016</b>	<b>2,999</b>	<b>5,117</b>
<b>Comparison</b>	<b>2015</b>	<b>2,624</b>	<b>4,661</b>
<b>Difference</b>		<b>14.3%</b>	<b>9.8%</b>

Estimated actual jobs			
	Staying Visitor	Day Visitors	Total
Indirect jobs	2,153	2,058	4,212
Induced jobs	1,265	357	1,622
<b>Total Actual</b>	<b>2016</b>	<b>3,419</b>	<b>5,834</b>
<b>Comparison</b>	<b>2015</b>	<b>2,991</b>	<b>5,313</b>
<b>Difference</b>		<b>14.3%</b>	<b>9.8%</b>

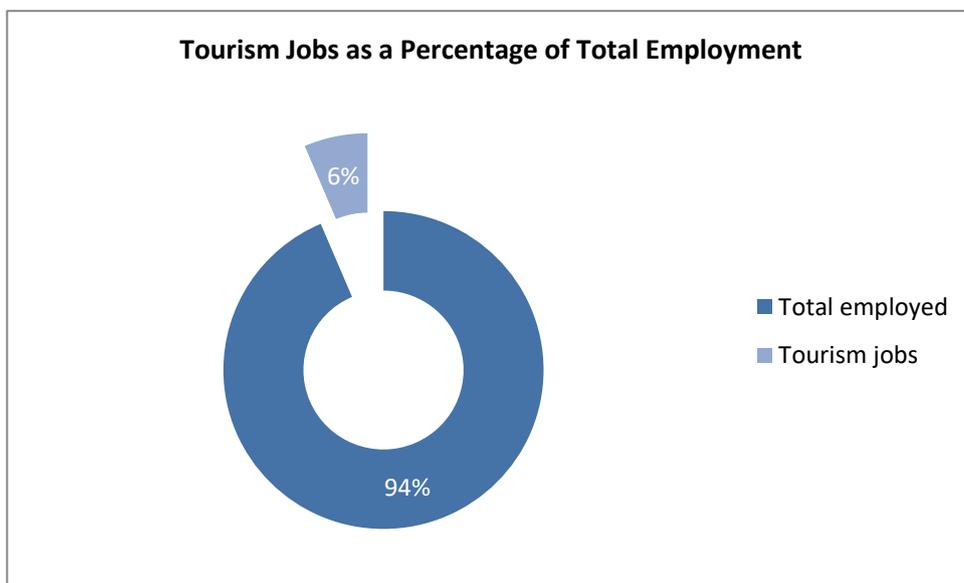
**Total Jobs**

Actual jobs are estimated from surveys of relevant businesses at locations in England and take account of part time and seasonal working.

Full time equivalent (FTE)						
	Staying Visitor		Day Visitor		Total	
Direct	5,512	65%	5,051	70%	10,562	67%
Indirect	1,889	22%	1,805	25%	3,694	24%
Induced	1,110	13%	313	4%	1,423	9%
<b>Total FTE</b>	<b>2016</b>	<b>8,511</b>		<b>7,169</b>	<b>15,679</b>	
<b>Comparison</b>	<b>2015</b>	<b>7,297</b>		<b>6,893</b>	<b>14,191</b>	
<b>Difference</b>		<b>16.6%</b>		<b>4.0%</b>	<b>10.5%</b>	
Estimated actual jobs						
	Staying Visitor		Day Visitor		Total	
Direct	7,398	68%	7,479	76%	14,877	72%
Indirect	2,153	20%	2,058	21%	4,212	20%
Induced	1,265	12%	357	4%	1,622	8%
<b>Total Actual</b>	<b>2016</b>	<b>10,817</b>		<b>9,894</b>	<b>20,711</b>	
<b>Comparison</b>	<b>2015</b>	<b>9,423</b>		<b>9,513</b>	<b>18,937</b>	
<b>Difference</b>		<b>14.8%</b>		<b>4.0%</b>	<b>9.4%</b>	

**Tourism Jobs as a Percentage of Total Employment**

	Staying Visitor	Day visitors	Total
Total employed	323,000	323,000	323,000
Tourism jobs	10,817	9,894	20,711
<b>Proportion all jobs</b>	<b>3%</b>	<b>3%</b>	<b>6%</b>
<b>Comparison</b>	<b>2015</b>	<b>9,423</b>	<b>18,937</b>
<b>Difference</b>	<b>14.8%</b>	<b>4.0%</b>	<b>9.4%</b>



The key volume and value results included in this report are derived from the various sources as described throughout the report. These include regional and county breakdowns from national level data (Great Britain Tourism Survey and International Passenger Survey) as well as jobs and income information such as the Annual Survey of Hours & Earnings.

At a local level, the occupancy survey provides accurate local occupancy levels and known accommodation stock.

The key 2016 results of the Economic Impact Assessment are:

**14.4 million trips** were undertaken in the area  
**13.1 million** day trips  
**1.4 million** overnight visits

**4.2 million** nights in the area as a result of overnight trips

**£747 million** spent by tourists during their visit to the area  
**£62 million** spent on average in the local economy each month.

**£275 million** generated by overnight visits  
**£473 million** generated from irregular day trips.

**£1,147 million** spent in the local area as result of tourism, taking into account multiplier effects.

**20,711 jobs** supported, both for local residents from those living nearby.  
**14,877 tourism jobs** directly supported  
**5,834 non-tourism related jobs** supported linked to multiplier spend from tourism.

## **Appendix I - Introduction about Cambridge Model**

This report examines the volume and value of tourism and the impact of that expenditure on the local economy. The figures were derived using the Cambridge Economic Impact Model and the research was undertaken by The Research Solution.

The model utilises information from national tourism surveys and regionally based data held by The Research Solution. It distributes regional activity as measured in those surveys to local areas using 'drivers' such as the accommodation stock and occupancy which influence the distribution of tourism activity at local level.

### **Limitations of the Model**

The methodology and accuracy of the above sources varies. The results of the model should therefore be regarded as estimates which are indicative of the scale and importance of visitor activity in the local area. It is important to note that in the national tourism surveys the sample sizes for each area changes year on year. This is as a result of the random probability nature of the methodology. As such, the results of the Cambridge Model are best viewed as a snapshot in time and we would caution against year-on-year comparisons.

It should be noted that the model cannot take into account any leakage of expenditure from tourists taking day trips out of the area in which they are staying. While it is assumed that these may broadly balance each other in many areas, in locations receiving significant numbers of day visitors from London, there is likely to be an underestimate in relation to the number of overseas day visitors staying in holiday accommodation in London.

Whilst it is important to be aware of these issues, we are confident that the estimates we have produced are as reliable as is practically possible within the constraints of the information available.

### **Rounding**

All figures used in this report have been rounded. In some tables there may therefore be a slight discrepancy between totals and sub totals.

### **Data sources**

The main national surveys used as data sources in stage one include:

- Great Britain Tourism Survey (GBTS) - information on tourism activity by GB residents;
- International Passenger Survey (IPS) information on overseas visitors to the United Kingdom;
- Day Visits in the annual Great Britain Day Visitor Survey using information on visits lasting more than 3 hours and taken on an irregular basis

These surveys provide information down to a regional level. In order to disaggregate data to a local level the following information sources are used:

- Records of known local accommodation stock held by The Research Solution;
- VisitEngland's surveys of Visits to Attractions, which provide data on the number of visitors to individual tourist attractions ;
- Registrar General's estimates of resident population as based on the 2011 Census of Population;
- Selected data from the 2011 Census of Employment;

## **Staying Visitors**

The GBTS provides information on the total number of trips to the region and the relative proportions using different types of accommodation. By matching these figures to the supply of such accommodation, the regional average number of trips per bedspace or unit of accommodation can be derived. The IPS provides information on the total number of trips by overseas visitors to the region.

## **Day Visitors**

Information on day trips at the regional level is available from the Day Visits in Great Britain survey. The survey includes all leisure-related trips from home. It should be noted that a large proportion are local trips made by people resident in the locality. The model uses information from the survey to estimate the number of longer day trips (defined as those lasting at least 3 hours and involving travel of more than 20 miles) and irregular trips lasting more than 3 hours.

## **Impact of tourism expenditure**

This section examines the impact of the tourism expenditure in terms of the direct, indirect and induced expenditure as well as an estimate of the actual jobs (both direct and indirect) supported by tourism expenditure in the district.

The GBTS, IPS and Day Visits to Great Britain survey data on the breakdown of visitor spending. The impact of this initial round of expenditure will be subsequently increased by multiplier effects. These arise from the purchase of supplies and services by the businesses in receipt of visitor expenditure (indirect impacts), and by the income induced-effects arising from the spending of wages by employees in the first round of business and in subsequent expenditure in supplier business (induced impacts).

The New Earnings Survey which provides information on wage levels by industry sector and region; An internal business database which includes data on the structure of business expenditure, local linkages and multiplier ratios drawn from a wide range of business and economic studies carried out by Geoff Broom Associates, PA Cambridge Economic Consultants and others. By applying the breakdown to the estimates of visitor spending, the model generates estimates of total direct spending.

Evidence from national studies suggests that some minor adjustments are required to match visitor spend to business turnover – for example, some expenditure on food and drink actually takes place in inns and hotels that fall in the accommodation sector and within attractions. More significantly, expenditure on travel costs associated with individual trips is equally likely to take place at the origin of the trip as the destination. Therefore the model assumes that only 40% of travel expenditure accrues to the destination area.

## **Number of full time job equivalents**

Having identified the value of turnover generated by visitor spending, it is possible to estimate the employment associated with that spending. Wages for staff and drawings for the proprietors will absorb a proportion of that turnover. By applying these proportions to the overall additional turnover in each sector, the amount of money absorbed by employment costs can be calculated.

The New Earnings Survey provides data from which the average costs by business sector, adjusted to take account of regional differences, can be calculated. After allowing for additional costs such as National Insurance and pension costs, an average employment cost per full time equivalent job can be estimated. The number of such jobs in the local area can then be estimated by dividing the amount of business expenditure on wages and drawings by the average employment cost per job.

### **Number of Actual Jobs**

The model generates estimates of full time equivalent jobs based on visitor spending. However, the total number of actual jobs will be higher when part time and seasonal working is taken into account. The full time equivalent jobs arising directly from visitor spending are converted into actual jobs using information from business surveys in the sectors receiving visitor spending. In general, the conversion factor varies around 1.5 in those sectors.

The indirect and induced jobs arise across a much wider range of employment sectors. Therefore, the average 1.16 for all sectors based on Census of Employment data has been used to convert full time equivalent jobs in this sector to actual jobs.

The employment estimates generated by the model include both self employed and employed people supported by visitor expenditure. The model also includes an estimate of the additional jobs arising in the attractions sector, which are not related to visitor expenditure. However, the numbers do not include other tourism-related employment such as jobs in local authorities arising from their tourism functions, e.g. tourist information staff, additional public health, parks and gardens, public conveniences, maintenance sections and jobs arising from capital investment in tourism facilities.

### **Trips, Nights and Spend (Definitions)**

'Trips' are classified as trips or journeys away from home involving an overnight stay, taken by adults aged 16 and over and accompanying children aged up to 15. Each adult or child present on the trip counts as a trip, for example, a family of 2 adults and 2 children taking a trip away would count as 4 trips.

'Nights' are the number of nights away taken by adults and accompanying children on these trips. Each night away spent by an adult or a child present on the trip counts as a night. Thus, a family of 2 adults and 2 children taking a 3 night trip away from home would count as 12 nights.

'Spend' is the expenditure relating to these trips. It includes costs paid in advance of the trip, costs paid during the trip itself and also any bills relating to the trip received after returning home. It covers costs paid by adults on the trip for themselves and on behalf of others on the trip, including children. It also includes costs paid on behalf of the person taking the trip, such as an employer paying the cost of a business trip.

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