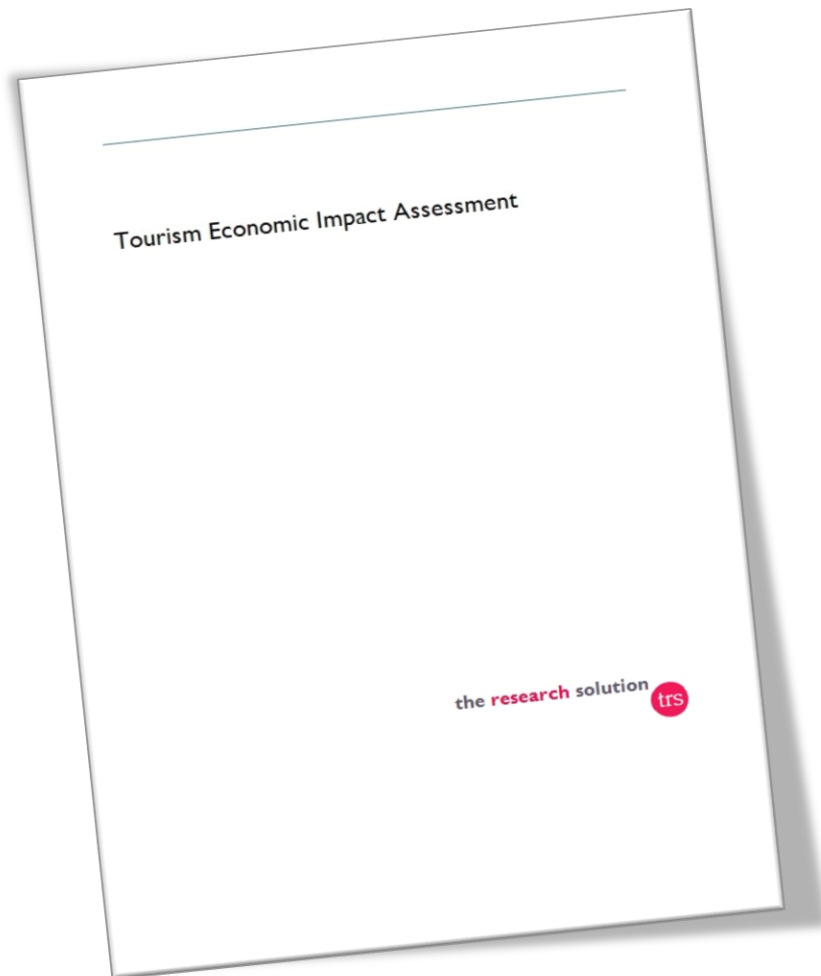


the **research** solution



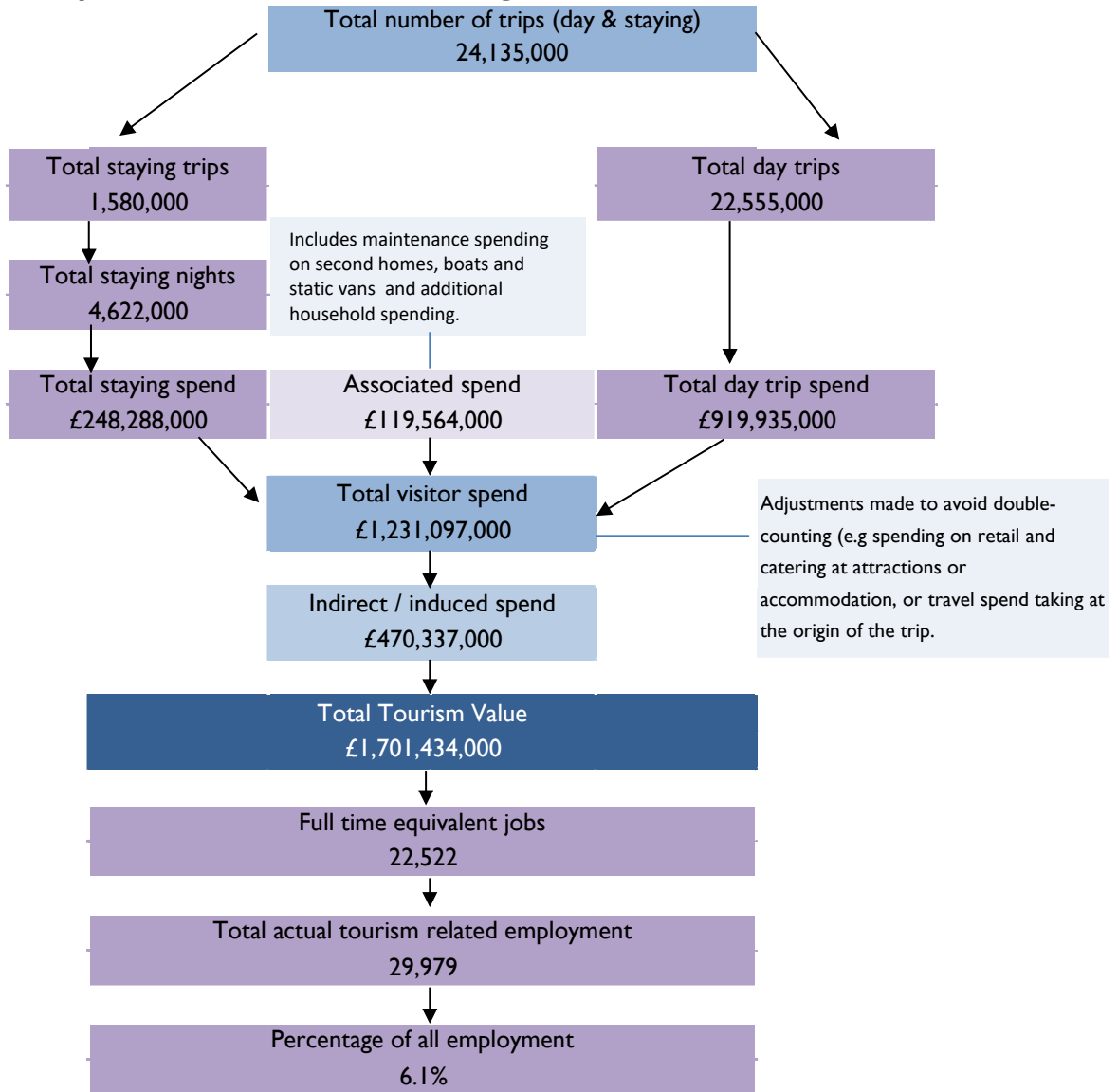
Produced by:

The Research Solution  
Christine King, Director

Economic Impact of Tourism  
Staffordshire - 2015

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## Economic Impact of Tourism – Headline Figures Staffordshire

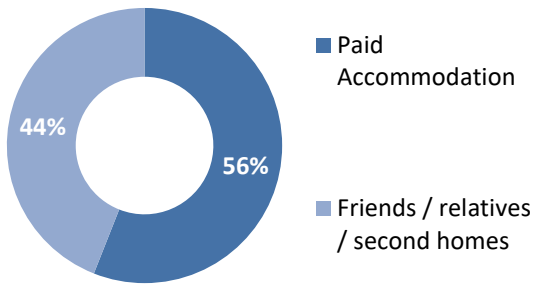


### Economic Impact of Tourism – Year on year comparisons

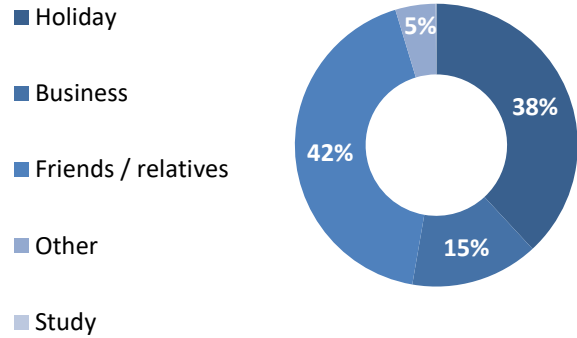
<b>Day Trips</b>	<b>2014</b>	<b>2015</b>	<b>Annual variation</b>
Day trips Volume	22,600,000	22,555,000	-0.2%
Day trips Value	£921,782,000	£919,935,000	-0.2%
<b>Overnight trips</b>			
Number of trips	1,573,000	1,580,000	0.4%
Number of nights	4,424,000	4,622,000	4.5%
Trip value	£239,522,000	£248,288,000	3.7%
<b>Total Value</b>	<b>£1,690,259,000</b>	<b>£1,701,434,000</b>	<b>0.7%</b>
<b>Actual Jobs</b>	<b>29,760</b>	<b>29,979</b>	<b>0.7%</b>

	<b>2014</b>	<b>2015</b>	<b>Variation</b>
Average length stay (nights x trip)	2.81	2.93	4.0%
Spend x overnight trip	£ 152.27	£ 157.14	3.2%
Spend x night	£ 54.14	£ 53.72	-0.8%
Spend x day trip	£ 40.79	£ 40.79	0.0%

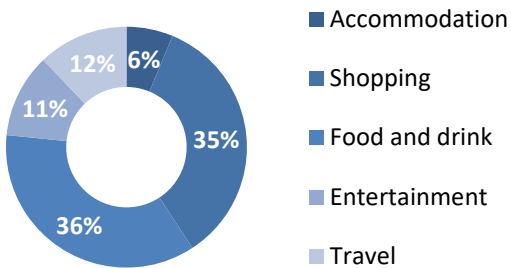
### Type of Accommodation



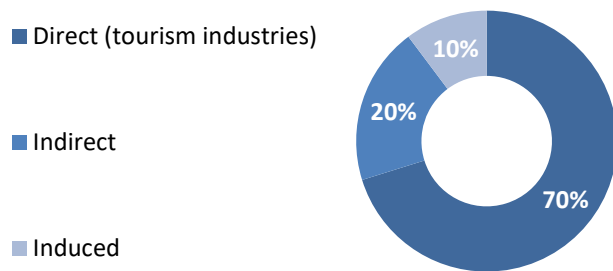
### Trips by Purpose



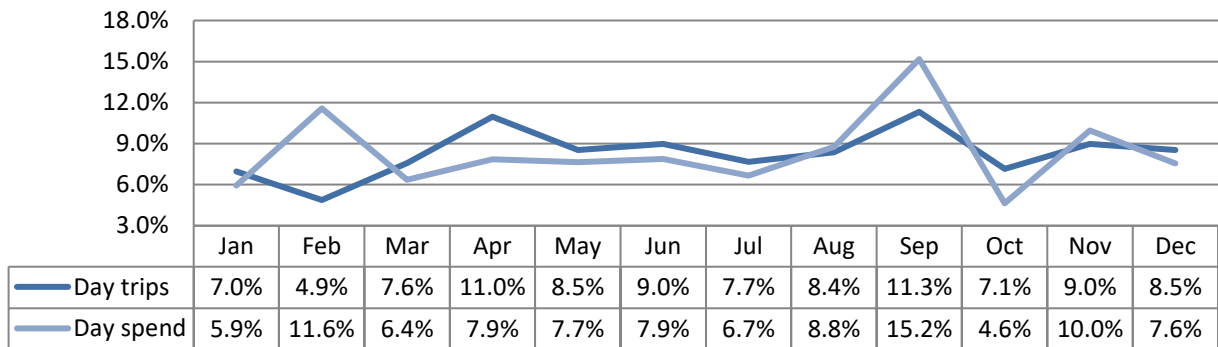
### Breakdown of expenditure



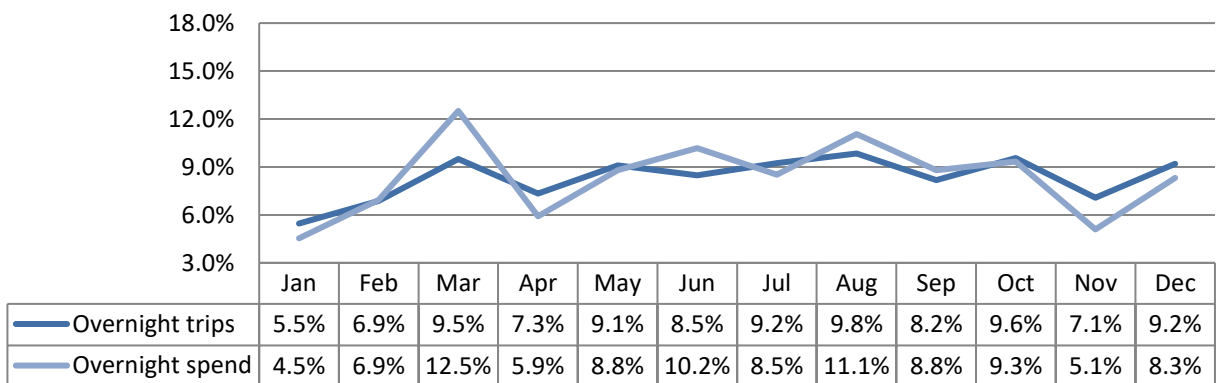
### Type of employment



### Seasonality - Day visitors



### Seasonality - Overnight visitors



## Contextual analysis

### *Domestic tourism*

In 2015, British residents took 102.7 million overnight trips in England, totalling 300 million nights away from home, with an expenditure of £19.6 billion. The number of domestic trips was 11% higher than in 2014, and the amount spent increased by 8%, reaching an all-time high in nominal terms. The West Midlands region experienced a 10% year-on-year increase in overnight trips during 2015. Bednights were down 4% on 2014 and expenditure was down by 4%.

### *Visits from overseas*

The number of visits in 2015 grew 5% to a record 36.1 million, after several years of growth since 2010. Average spend per visit was £611 in 2015, down from the peak of £650 per visit in 2013 and reflecting the relative strength of sterling in 2015. The number of visitor nights spent in the UK increased by 3% in 2015 to 273 million, with the average number of nights per visit standing at 7.6.

London is a key destination for inbound visitors to the UK. In 2015 18.6 million visitors spent time in the capital, spending just short of £11.8bn. This represents 54% of all inbound visitor spending, with 40% of visitor nights spent in the capital. The rest of England attracted 15.2 million inbound visitors who spent an estimated £7.5bn, representing 34% of all inbound visitor spend.

Overseas trips to the West Midlands region were 8% up on 2014 to reach just 2.11 million overnight trips. The total number of nights was down by 12% to reach 13.7 million in 2014. Spend was also up 7% to £815 million in 2015.

- 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 2015 was 40,830. 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 2,054 interviews.

### ***Day visitors***

The 1,525 million Tourism Day Visits that were taken by GB residents during 2015 is lower than compared to those taken in 2014 (1,585 million Tourism Day Visits), falling by -4%. Total expenditure during these visits remained unchanged year-on-year, however, at £53.9 billion in 2015 and £53.8 billion in 2014.

The largest proportion of visits were taken to destinations in England (1,298 million visits or 85% of the total) while 8% of visits (124 million) were taken to Scottish destinations and 5% to places in Wales (75 million). The distribution of expenditure during visits broadly reflects this pattern.

The West Midlands region experienced a 3% decrease in the volume of trips between 2014 (119 million trips) and 2015 (115 million trips). The overall value reached £4.7 billion in 2015.

The 2015 Visits to Visitor Attractions Survey also provides useful volume and value data at regional and County levels. We have used changes in the volume of admissions at county level (+14%) and regional (West Midlands) level (+6%).

Based on these results the model assumes flat growth for day trips and expenditure to increase by approximately 5%.

### **How accurate is the Regional data?**

The regional data has to be interpreted with lots of caution, as the IPS has never been designed to be able to produce highly accurate results at regional level. Whilst the survey gives good precision at the national level, regional breakdowns of the data will almost inevitably lead to less reliable results. For example although the sample size for Merseyside was 322 in 2004 the margin of error for visits to this area is 40.9%. We have to bear in mind that although the IPS matches accurately the overall volume of overseas visitors coming to the UK, the IPS does not give a precise picture of where these overseas visitors stayed during their stay in the UK. This is because some interviews are not done in a few regional airports. For example until 2005 no interviews were carried at Prestwick and Liverpool airports, which may have resulted into less accurate estimates for Scotland and Northern England.

The International Passenger Survey (IPS) data is a key driver for the Cambridge model and as outlined above, needs to be used with caution when looking at regional level data. We have applied a 3 year rolling average to this data to help smooth out short term market fluctuations and highlight longer-term trends.

## Volume of Tourism



## Staying Visitors - Accommodation Type

### Trips by Accommodation

	UK		Overseas		Total	
Serviced	592,000	42%	67,000	38%	659,000	42%
Self catering	32,000	2%	4,000	2%	36,000	2%
Camping	90,000	6%	1,000	1%	91,000	6%
Static caravans	21,000	1%	0	0%	21,000	1%
Group/campus	24,000	2%	2,000	1%	26,000	2%
Paying guest	0	0%	1,000	1%	1,000	0%
Second homes	9,000	1%	2,000	1%	11,000	1%
Boat moorings	14,000	1%	0	0%	14,000	1%
Other	28,000	2%	11,000	6%	39,000	2%
Friends & relatives	596,000	42%	87,000	50%	683,000	43%
<b>Total</b>	<b>2015</b>	<b>1,405,000</b>	<b>175,000</b>		<b>1,580,000</b>	
<b>Comparison</b>	<b>2014</b>	<b>1,400,000</b>	<b>173,000</b>		<b>1,573,000</b>	
<b>Difference</b>		<b>0.4%</b>	<b>1.2%</b>		<b>0.4%</b>	

### Nights by Accommodation

	UK		Overseas		Total	
Serviced	986,000	32%	287,000	19%	1,273,000	28%
Self catering	174,000	6%	37,000	2%	211,000	5%
Camping	257,000	8%	8,000	1%	265,000	6%
Static caravans	53,000	2%	0	0%	53,000	1%
Group/campus	46,000	1%	55,000	4%	101,000	2%
Paying guest	0	0%	5,000	0%	5,000	0%
Second homes	23,000	1%	38,000	2%	61,000	1%
Boat moorings	46,000	1%	0	0%	46,000	1%
Other	42,000	1%	30,000	2%	72,000	2%
Friends & relatives	1,452,000	47%	1,085,000	70%	2,537,000	55%
<b>Total</b>	<b>2015</b>	<b>3,078,000</b>	<b>1,544,000</b>		<b>4,622,000</b>	
<b>Comparison</b>	<b>2014</b>	<b>3,112,000</b>	<b>1,312,000</b>		<b>4,424,000</b>	
<b>Difference</b>		<b>-1.1%</b>	<b>17.7%</b>		<b>4.5%</b>	

### Spend by Accommodation Type

	UK		Overseas		Total	
Serviced	£98,390,000	55%	£30,808,000	45%	£129,198,000	52%
Self catering	£8,116,000	5%	£2,054,000	3%	£10,170,000	4%
Camping	£7,837,000	4%	£536,000	1%	£8,373,000	3%
Static caravans	£2,909,000	2%	£0	0%	£2,909,000	1%
Group/campus	£6,068,000	3%	£2,259,000	3%	£8,327,000	3%
Paying guest	£0	0%	£411,000	1%	£411,000	0%
Second homes	£1,163,000	1%	£3,800,000	5%	£4,963,000	2%
Boat moorings	£4,385,000	2%	£0	0%	£4,385,000	2%
Other	£2,489,000	1%	£1,592,000	2%	£4,081,000	2%
Friends & relatives	£47,745,000	27%	£27,727,000	40%	£75,472,000	30%
<b>Total</b>	<b>2015</b>	<b>£179,102,000</b>	<b>£69,186,000</b>		<b>£248,288,000</b>	
<b>Comparison</b>	<b>2014</b>	<b>£173,644,000</b>	<b>£65,878,000</b>		<b>£239,522,000</b>	
<b>Difference</b>		<b>3.1%</b>	<b>5.0%</b>		<b>3.7%</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	559,000	40%	43,000	25%	602,000	38%
Business	183,000	13%	48,000	27%	231,000	15%
Friends & relatives	597,000	42%	76,000	43%	673,000	43%
Other	67,000	5%	6,000	3%	73,000	5%
Study	0	0%	1,000	1%	1,000	0%
<b>Total</b>	<b>2015</b>	<b>1,405,000</b>	<b>175,000</b>		<b>1,580,000</b>	
<b>Comparison</b>	<b>2014</b>	<b>1,400,000</b>	<b>173,000</b>		<b>1,573,000</b>	
<b>Difference</b>		<b>0.4%</b>	<b>1.2%</b>		<b>0.4%</b>	

### Nights by Purpose

	UK		Overseas		Total	
Holiday	1,270,000	41%	234,000	15%	1,504,000	33%
Business	529,000	17%	342,000	22%	871,000	19%
Friends & relatives	1,174,000	38%	832,000	54%	2,006,000	43%
Other	106,000	3%	45,000	3%	151,000	3%
Study	0	0%	91,000	6%	91,000	2%
<b>Total</b>	<b>2015</b>	<b>3,078,000</b>	<b>1,544,000</b>		<b>4,622,000</b>	
<b>Comparison</b>	<b>2014</b>	<b>3,112,000</b>	<b>1,312,000</b>		<b>4,424,000</b>	
<b>Difference</b>		<b>-1.1%</b>	<b>17.7%</b>		<b>4.5%</b>	

### Spend by Purpose

	UK		Overseas		Total	
Holiday	£93,060,000	52%	£12,510,000	18%	£105,570,000	43%
Business	£30,616,000	17%	£26,888,000	39%	£57,504,000	23%
Friends & relatives	£48,494,000	27%	£23,275,000	34%	£71,769,000	29%
Other	£6,931,000	4%	£2,979,000	4%	£9,910,000	4%
Study	£0	0%	£3,535,000	5%	£3,535,000	1%
<b>Total</b>	<b>2015</b>	<b>£179,102,000</b>	<b>£69,186,000</b>		<b>£248,288,000</b>	
<b>Comparison</b>	<b>2014</b>	<b>£173,644,000</b>	<b>£65,878,000</b>		<b>£239,522,000</b>	
<b>Difference</b>		<b>3.1%</b>	<b>5.0%</b>		<b>3.7%</b>	

## Day Visitors

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

	Trips		Spend	
Urban visits	16,220,000		729,881,000	
Countryside visits	6,335,000		190,054,000	
<b>Total</b>	<b>2015</b>	<b>22,555,000</b>	<b>919,935,000</b>	
<b>Comparison</b>	<b>2014</b>	<b>22,600,000</b>	<b>921,782,000</b>	
<b>Difference</b>		<b>-0.2%</b>	<b>-0.2%</b>	

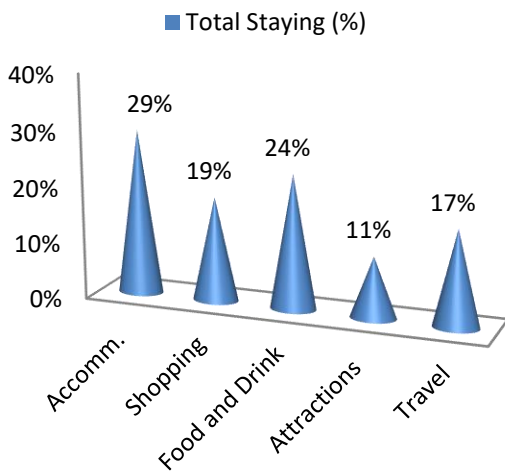
## Value of Tourism

**Expenditure Associated with Trips:**

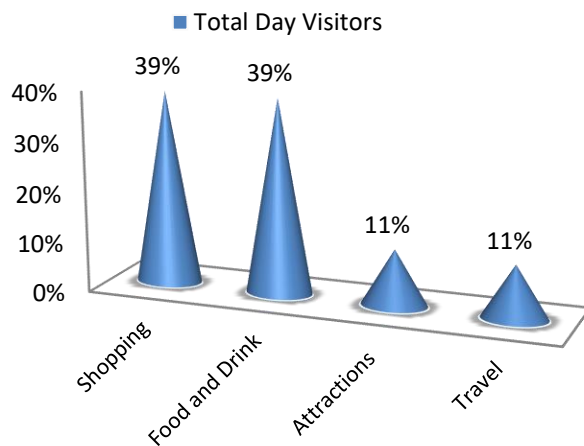
**Direct Expenditure Associated with Trips**

		Accomm.	Shopping	Food and Drink	Attractions	Travel	Total
UK Tourists		£50,733,000	£28,681,000	£44,268,000	£19,704,000	£35,716,000	£179,102,000
Overseas tourists		£22,230,000	£17,494,000	£15,080,000	£7,455,000	£6,928,000	£69,187,000
<b>Total Staying</b>		<b>£72,963,000</b>	<b>£46,175,000</b>	<b>£59,348,000</b>	<b>£27,159,000</b>	<b>£42,644,000</b>	<b>£248,289,000</b>
<b>Total Staying (%)</b>		<b>29%</b>	<b>19%</b>	<b>24%</b>	<b>11%</b>	<b>17%</b>	<b>100%</b>
<b>Total Day Visitors</b>		<b>£0</b>	<b>£357,157,000</b>	<b>£359,259,000</b>	<b>£104,439,000</b>	<b>£99,080,000</b>	<b>£919,935,000</b>
<b>Total Day Visitors</b>		<b>0%</b>	<b>39%</b>	<b>39%</b>	<b>11%</b>	<b>11%</b>	<b>100%</b>
<b>Total</b>	<b>2015</b>	<b>£72,963,000</b>	<b>£403,332,000</b>	<b>£418,607,000</b>	<b>£131,598,000</b>	<b>£141,724,000</b>	<b>£1,168,224,000</b>
<b>%</b>		<b>6%</b>	<b>35%</b>	<b>36%</b>	<b>11%</b>	<b>12%</b>	<b>100%</b>
<b>Comparison</b>	<b>2014</b>	<b>£70,339,000</b>	<b>£402,331,000</b>	<b>£417,264,000</b>	<b>£130,854,000</b>	<b>£140,515,000</b>	<b>£1,161,303,000</b>
<b>Difference</b>		<b>3.7%</b>	<b>0.2%</b>	<b>0.3%</b>	<b>0.6%</b>	<b>0.9%</b>	<b>0.6%</b>

**Breakdown of expenditure**



**Breakdown of expenditure**



**Other expenditure associated with tourism activity**

<b>Other expenditure associated with tourism activity - Estimated spend</b>				
Second homes	Boats	Static vans	Friends & relatives	Total
£545,000	£120,000	£1,102,000	£117,797,000	£119,564,000

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		£74,150,000	£7,185,000	£81,335,000
Retail		£45,713,000	£353,586,000	£399,299,000
Catering		£57,567,000	£348,481,000	£406,048,000
Attractions		£28,214,000	£111,603,000	£139,817,000
Transport		£25,586,000	£59,448,000	£85,034,000
Non-trip spend		£119,564,000	£0	£119,564,000
<b>Total Direct</b>	<b>2015</b>	<b>£350,794,000</b>	<b>£880,303,000</b>	<b>£1,231,097,000</b>
<b>Comparison</b>	<b>2014</b>	<b>£342,291,000</b>	<b>£882,071,000</b>	<b>£1,224,362,000</b>
<b>Difference</b>		<b>2.5%</b>	<b>-0.2%</b>	<b>0.6%</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		£72,413,000	£209,472,000	£281,885,000
Non trip spending		£26,902,000	£0	£26,902,000
Income induced		£99,950,000	£61,600,000	£161,550,000
<b>Total</b>	<b>2015</b>	<b>£199,265,000</b>	<b>£271,072,000</b>	<b>£470,337,000</b>
<b>Comparison</b>	<b>2014</b>	<b>£194,280,000</b>	<b>£271,617,000</b>	<b>£465,897,000</b>
<b>Difference</b>		<b>2.6%</b>	<b>-0.2%</b>	<b>1.0%</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		£350,794,000	£880,303,000	£1,231,097,000
Indirect		£199,265,000	£271,072,000	£470,337,000
<b>Total Value</b>	<b>2015</b>	<b>£550,059,000</b>	<b>£1,151,375,000</b>	<b>£1,701,434,000</b>
<b>Comparison</b>	<b>2014</b>	<b>£536,571,000</b>	<b>£1,153,688,000</b>	<b>£1,690,259,000</b>
<b>Difference</b>		<b>2.5%</b>	<b>-0.2%</b>	<b>0.7%</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	1,275	25%	124	1%	1,398	10%
Retailing	332	7%	2,570	27%	2,902	20%
Catering	818	16%	4,951	51%	5,769	39%
Entertainment	403	8%	1,593	16%	1,996	14%
Transport	188	4%	436	5%	624	4%
Non-trip spend	1,993	40%	0	0%	1,993	14%
<b>Total FTE</b>	<b>2015</b>	<b>5,008</b>	<b>9,675</b>		<b>14,683</b>	
<b>Comparison</b>	<b>2014</b>	<b>4,896</b>	<b>9,694</b>		<b>14,590</b>	
<b>Difference</b>		<b>2.3%</b>	<b>-0.2%</b>		<b>0.6%</b>	
Estimated actual jobs						
	Staying Visitor		Day Visitor		Total	
Accommodation	1,886	28%	183	1%	2,069	10%
Retailing	498	7%	3,855	27%	4,354	21%
Catering	1,227	18%	7,426	52%	8,653	41%
Entertainment	568	8%	2,247	16%	2,815	13%
Transport	265	4%	615	4%	880	4%
Non-trip spend	2,272	34%	0	0%	2,272	11%
<b>Total Actual</b>	<b>2015</b>	<b>6,716</b>	<b>14,327</b>		<b>21,043</b>	
<b>Comparison</b>	<b>2014</b>	<b>6,553</b>	<b>14,355</b>		<b>20,908</b>	
<b>Difference</b>		<b>2.5%</b>	<b>-0.2%</b>		<b>0.6%</b>	

### Indirect & Induced Employment

Full time equivalent (FTE)			
	Staying Visitor	Day Visitors	Total
Indirect jobs	1,655	3,491	5,146
Induced jobs	1,666	1,027	2,693
<b>Total FTE</b>	<b>2015</b>	<b>3,321</b>	<b>7,839</b>
<b>Comparison</b>	<b>2014</b>	<b>3,238</b>	<b>7,765</b>
<b>Difference</b>		<b>2.6%</b>	<b>-0.2%</b>

Estimated actual jobs			
	Staying Visitor	Day Visitors	Total
Indirect jobs	1,887	3,980	5,867
Induced jobs	1,899	1,170	3,069
<b>Total Actual</b>	<b>2015</b>	<b>3,786</b>	<b>8,936</b>
<b>Comparison</b>	<b>2014</b>	<b>3,691</b>	<b>8,852</b>
<b>Difference</b>		<b>2.6%</b>	<b>-0.2%</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.

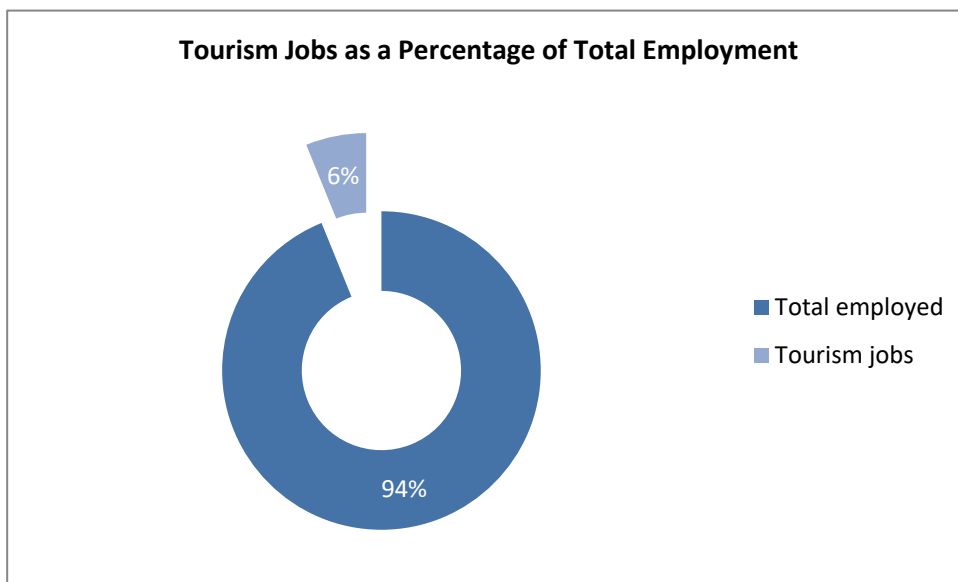
Full time equivalent (FTE)						
		Staying Visitor		Day Visitor		Total
Direct		5,008	60%	9,675	68%	14,683
Indirect		1,655	20%	3,491	25%	5,146
Induced		1,666	20%	1,027	7%	2,693
<b>Total FTE</b>	<b>2015</b>	<b>8,329</b>		<b>14,192</b>		<b>22,522</b>
<b>Comparison</b>	<b>2014</b>	<b>8,134</b>		<b>14,221</b>		<b>22,355</b>
<b>Difference</b>		<b>2.4%</b>		<b>-0.2%</b>		<b>0.7%</b>

Estimated actual jobs						
		Staying Visitor		Day Visitor		Total
Direct		6,716	64%	14,327	74%	21,043
Indirect		1,887	18%	3,980	20%	5,867
Induced		1,899	18%	1,170	6%	3,069
<b>Total Actual</b>	<b>2015</b>	<b>10,502</b>		<b>19,477</b>		<b>29,979</b>
<b>Comparison</b>	<b>2014</b>	<b>10,244</b>		<b>19,516</b>		<b>29,760</b>
<b>Difference</b>		<b>2.5%</b>		<b>-0.2%</b>		<b>0.7%</b>

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

		Staying Visitor	Day visitors	Total
Total employed		488,700	488,700	488,700
Tourism jobs		10,502	19,477	29,979
<b>Proportion all jobs</b>		<b>2%</b>	<b>4%</b>	<b>6%</b>
<b>Comparison</b>	<b>2014</b>	<b>10,244</b>	<b>19,516</b>	<b>29,760</b>
<b>Difference</b>		<b>2.5%</b>	<b>-0.2%</b>	<b>0.7%</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 2015 results of the Economic Impact Assessment are:

**24.1 million trips** were undertaken in the area

**22.6 million** day trips

**1.6 million** overnight visits

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

**£1,168 million** spent by tourists during their visit to the area

**£97 million** spent on average in the local economy each month.

**£248 million** generated by overnight visits

**£920 million** generated from irregular day trips.

**£1,701 million** spent in the local area as result of tourism, taking into account multiplier effects.

**29,979 jobs** supported, both for local residents from those living nearby.

**21,043 tourism jobs** directly supported

**8,936 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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