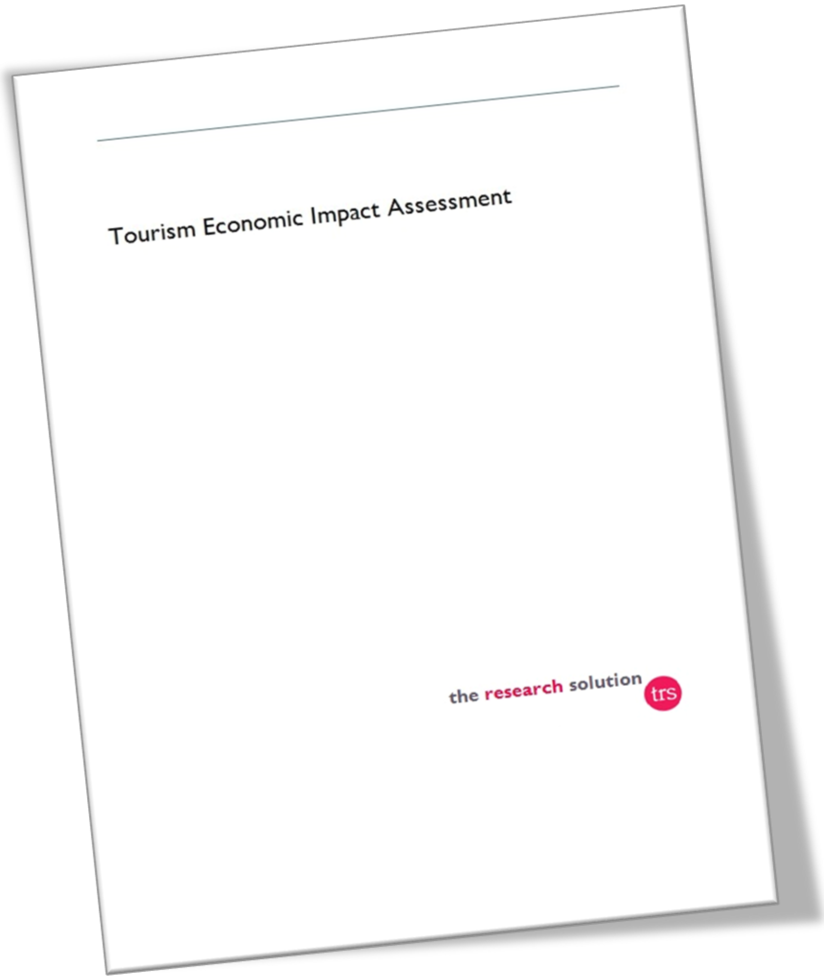
the research solution trs


Tourism Economic Impact Assessment

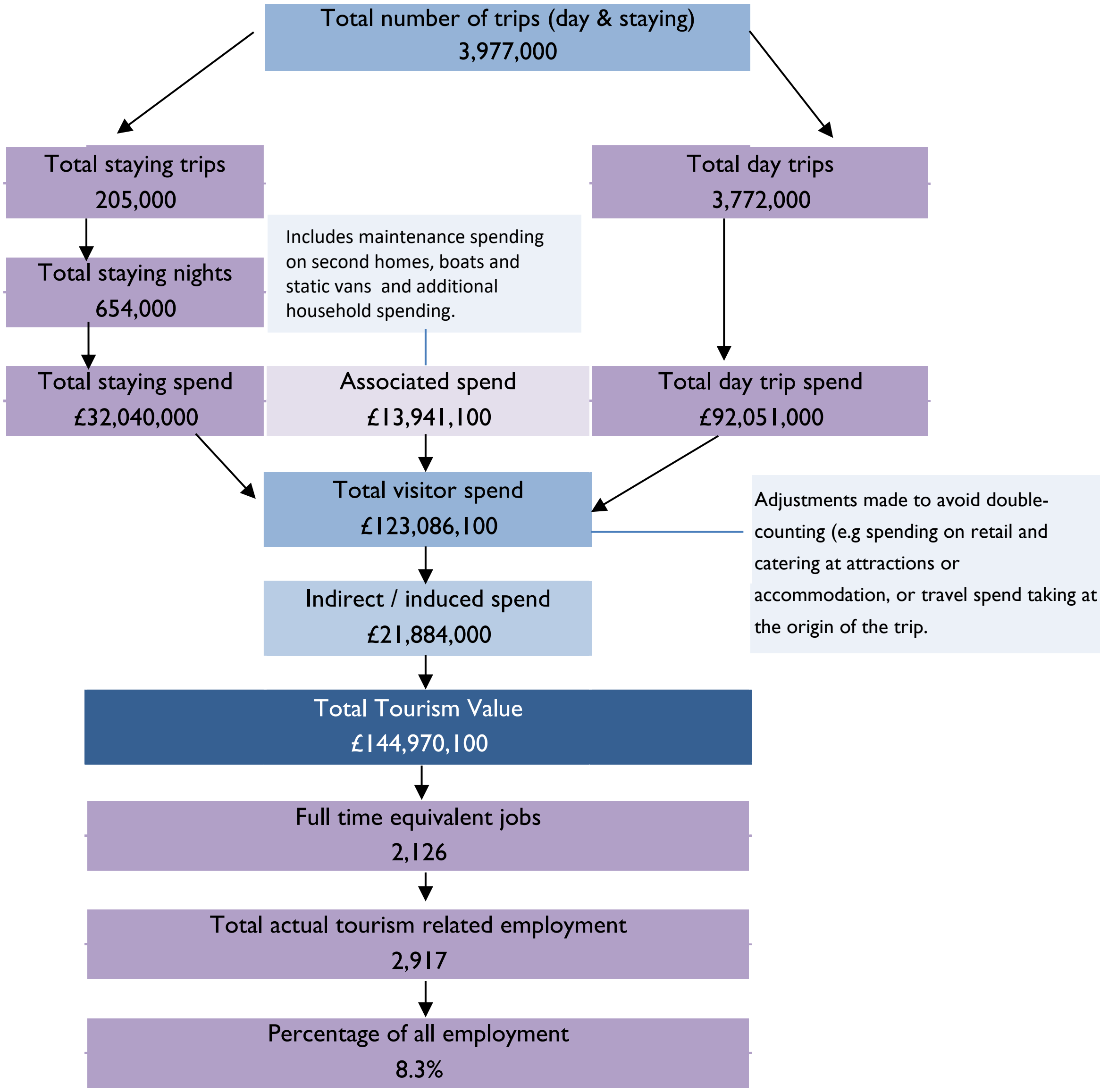
the research solution trs

Produced by:

The Research Solution
Christine King, Director

Economic Impact of Tourism
Malvern Hills District Council - 2019

Economic Impact of Tourism – Headline Figures   Malvern Hills District Council

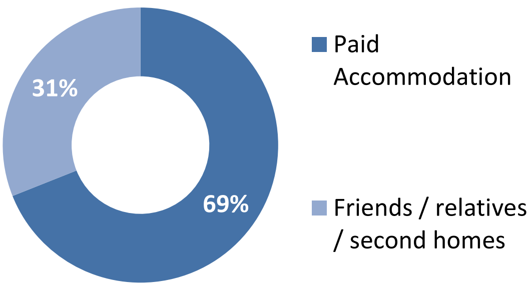


Economic Impact of Tourism – Year on year comparisons

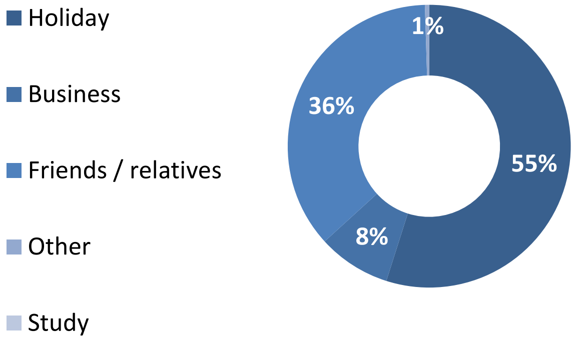
Day Trips	**2018**	**2019**	**Annual variation**
Day trips Volume	3,492,000	3,772,000	8.0%
Day trips Value	£85,229,000	£92,051,000	8.0%
Overnight trips			
Number of trips	211,000	205,000	-2.8%
Number of nights	677,000	654,000	-3.4%
Trip value	£31,918,000	£32,040,000	0.4%
Total Value	£137,902,000	£144,970,100	5.1%
Actual Jobs	2,780	2,917	4.9%

	2018	**2019**	**Variation**
Average length stay (nights x trip)	3.21	3.19	-0.6%
Spend x overnight trip	£ 151.27	£ 156.29	3.3%
Spend x night	£ 47.15	£ 48.99	3.9%
Spend x day trip	£ 24.41	£ 24.40	0.0%

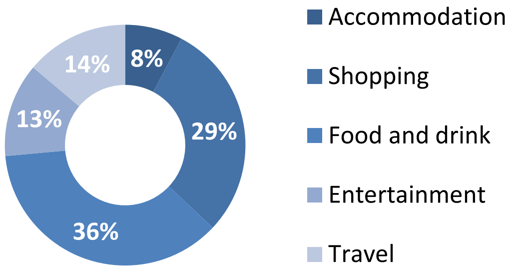
Type of Accommodation



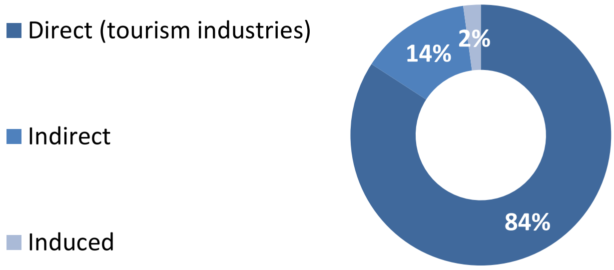
Trips by Purpose



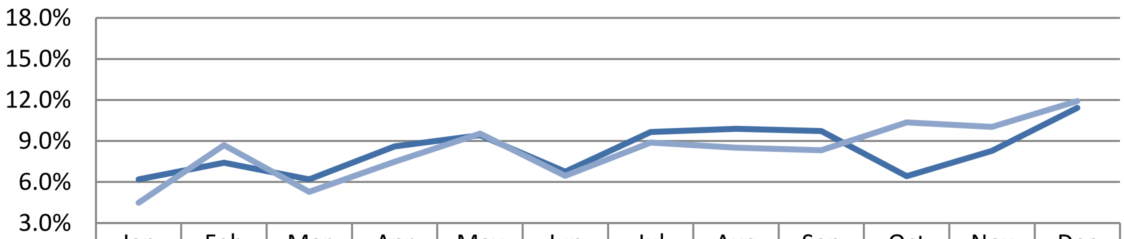
Breakdown of expenditure



Type of employment

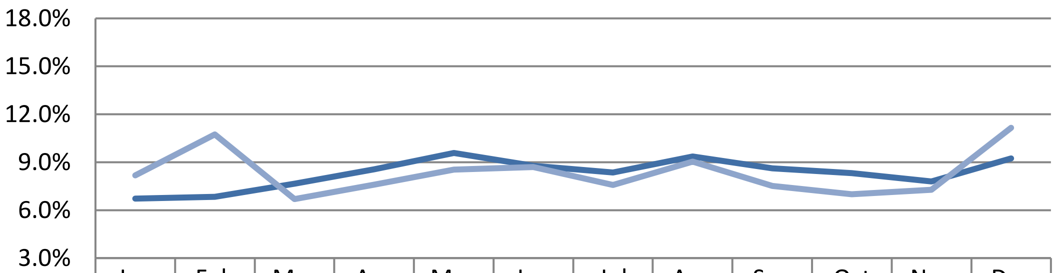


Seasonality - Day visitors



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Day trips	6.2%	7.4%	6.2%	8.6%	9.4%	6.8%	9.7%	9.9%	9.7%	6.4%	8.3%	11.4%
Day spend	4.5%	8.7%	5.3%	7.5%	9.6%	6.5%	8.9%	8.5%	8.3%	10.4%	10.0%	11.9%

Seasonality - Overnight visitors



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Overnight trips	6.7%	6.8%	7.7%	8.6%	9.6%	8.8%	8.4%	9.4%	8.6%	8.3%	7.8%	9.2%
Overnight spend	8.2%	10.7%	6.7%	7.6%	8.5%	8.7%	7.6%	9.0%	7.5%	7.0%	7.3%	11.2%

Contents	Page

Contextual analysis

INTRODUCTION

This report examines the volume and value of tourism and the impact of visitor expenditure on the local economy in 2019 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 BG Day Visitor Survey (GBDVS), which measures tourism day visits.

Domestic tourism

In 2019, British residents took 99.7 million overnight trips in England, totalling 290 million nights away from home and expenditure of £19.4 billion, with an average trip length of 2.9 nights. England saw an overall increase in trips compared to 2018 of +1.7%. Holiday Trips in England in 2019 increased by 2.6% compared to 2018, with 46.4 million trips recorded.

The volume of trips to the West Midlands region in 2019 was up 15% on 2018 (8.88 million trips), the number of nights increased by 2% to 20.9 million nights. Value was also up by 9%. 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. As such, county and district level results relating to 2019 are an average of 2017, 2018 and 2019.

Based on three-year averages (2017-2019), the volume of domestic overnight trips to the county for 2019 was down 12% compared to the 2016/2018 period. Bednights were down 11% on 2016/2018 and expenditure was down by 7%. whilst there were less overnights visits, these lasted slightly longer and expenditure per night and per trip was higher than in the previous year.

Visits from overseas

The number of visits in 2019 reached 40.9 million, up from 40.3 million in 2018. The value of spending increased by 14%, from £26.5 billion in 2018 to £28.4 billion in 2019. Average spend per visit was £696 in 2019, up from £658 the previous year. The number of visitor nights spent in the UK was almost on 2018 (290 million nights in 2019 and 291 million nights in 2018), with the average number of nights per visit declining slightly to 7.1 in 2019 (from 7.2 the previous year).

Overseas trips to the West Midlands region were 11% up on 2018 to reach just over 2.43 million overnight trips. The total number of nights was marginally up by 0.2% to reach 16.03 million nights in 2019. Spend was up 9.5% to £1.05 billion in 2019.

- 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, Poland and Germany dominate overseas visits to the area, accounting for two in five holidaymakers. 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 2019 was 28,519. 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 1,699 interviews.

Tourism Day Visits

During 2019, UK residents took a total of 1,653 million Tourism Day Visits (down from 1,703 in 2018). Around £67 billion was spent during these trips, about 4.8% up on 2018.

The largest proportion of visits were taken to destinations in England (1,390 million visits or 84% of the total). The distribution of expenditure during visits reflects this pattern, with a total value of day trips to England totalling £56.5 billion (84% of the total for GB).

Regional performance

During 2019, the volume tourism day visits in the West Midlands increased by 2% to 124 million trips. Spend was down by 4% to £3.69 billion.

Day trips to Worcestershire

There were 17.5 million day trips made to Worcestershire in 2017-2019, up 8.0% from the volume of trips achieved in 2016/2018. Expenditure was also up by 8.0% year-on-year to reach £486 million.

Volume of Tourism

Staying Visitors - Accommodation Type

Trips by Accommodation

		UK		Overseas		Total	
Serviced		54,000	29%	2,000	11%	56,000	27%
Self catering		23,000	12%	1,000	5%	24,000	12%
Camping		39,000	21%	1,000	5%	40,000	20%
Static caravans		15,000	8%	0	0%	15,000	7%
Group/campus		1,000	1%	0	0%	1,000	0%
Paying guest		0	0%	1,000	5%	1,000	0%
Second homes		1,000	1%	0	0%	1,000	0%
Boat moorings		0	0%	0	0%	0	0%
Other		2,000	1%	1,000	5%	3,000	1%
Friends & relatives		51,000	27%	12,000	63%	63,000	31%
Total	**2019**	**186,000**		**19,000**		**205,000**	
Comparison	**2018**	**191,000**		**20,000**		**211,000**	
Difference		**-2.6%**		**-5.0%**		**-2.8%**	

Nights by Accommodation

		UK		Overseas		Total	
Serviced		91,000	18%	6,000	4%	97,000	15%
Self catering		99,000	20%	31,000	21%	130,000	20%
Camping		128,000	25%	3,000	2%	131,000	20%
Static caravans		41,000	8%	0	0%	41,000	6%
Group/campus		0	0%	3,000	2%	3,000	0%
Paying guest		0	0%	4,000	3%	4,000	1%
Second homes		0	0%	7,000	5%	7,000	1%
Boat moorings		0	0%	0	0%	0	0%
Other		10,000	2%	3,000	2%	13,000	2%
Friends & relatives		133,000	26%	94,000	62%	227,000	35%
Total	**2019**	**503,000**		**151,000**		**654,000**	
Comparison	**2018**	**515,000**		**162,000**		**677,000**	
Difference		**-2.3%**		**-6.8%**		**-3.4%**	

Spend by Accommodation Type

		UK		Overseas		Total	
Serviced		£10,060,000	39%	£697,000	11%	£10,757,000	34%
Self catering		£5,755,000	23%	£1,280,000	20%	£7,035,000	22%
Camping		£3,597,000	14%	£53,000	1%	£3,650,000	11%
Static caravans		£1,841,000	7%	£0	0%	£1,841,000	6%
Group/campus		£0	0%	£136,000	2%	£136,000	0%
Paying guest		£0	0%	£463,000	7%	£463,000	1%
Second homes		£0	0%	£297,000	5%	£297,000	1%
Boat moorings		£0	0%	£0	0%	£0	0%
Other		£660,000	3%	£153,000	2%	£813,000	3%
Friends & relatives		£3,599,000	14%	£3,447,000	53%	£7,046,000	22%
Total	**2019**	**£25,513,000**		**£6,527,000**		**£32,040,000**	
Comparison	**2018**	**£25,673,000**		**£6,245,000**		**£31,918,000**	
Difference		**-0.6%**		**4.5%**		**0.4%**	

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		107,000	58%	5,000	26%	112,000	55%
Business		16,000	9%	1,000	5%	17,000	8%
Friends & relatives		62,000	33%	12,000	63%	74,000	36%
Other		1,000	1%	0	0%	1,000	0%
Study		0	0%	0	0%	0	0%
Total	**2019**	**186,000**		**19,000**		**205,000**	
Comparison	**2018**	**191,000**		**20,000**		**211,000**	
Difference		**-2.6%**		**-5.0%**		**-2.8%**	

Nights by Purpose

		UK		Overseas		Total	
Holiday		304,000	60%	31,000	21%	335,000	51%
Business		32,000	6%	3,000	2%	35,000	5%
Friends & relatives		166,000	33%	111,000	74%	277,000	42%
Other		1,000	0%	4,000	3%	5,000	1%
Study		0	0%	2,000	1%	2,000	0%
Total	**2019**	**503,000**		**151,000**		**654,000**	
Comparison	**2018**	**515,000**		**162,000**		**677,000**	
Difference		**-2.3%**		**-6.8%**		**-3.4%**	

Spend by Purpose

		UK		Overseas		Total	
Holiday		£16,903,000	66%	£1,934,000	30%	£18,837,000	59%
Business		£3,047,000	12%	£284,000	4%	£3,331,000	10%
Friends & relatives		£4,856,000	19%	£4,058,000	62%	£8,914,000	28%
Other		£707,000	3%	£105,000	2%	£812,000	3%
Study		£0	0%	£146,000	2%	£146,000	0%
Total	**2019**	**£25,513,000**		**£6,527,000**		**£32,040,000**	
Comparison	**2018**	**£25,673,000**		**£6,245,000**		**£31,918,000**	
Difference		**-0.6%**		**4.5%**		**0.4%**	

Day Visitors

Trips and Spend by Urban and Rural Area

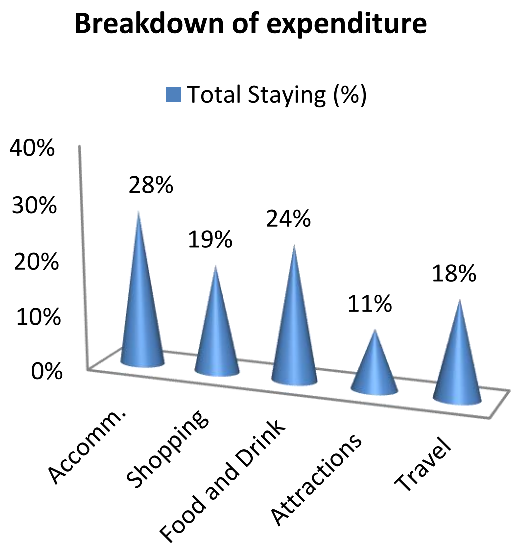
		Trips	Spend
Urban visits		1,710,000	50,635,000
Countryside visits		2,062,000	41,416,000
Total	**2019**	**3,772,000**	**92,051,000**
Comparison	**2018**	**3,492,000**	**85,229,000**
Difference		**8.0%**	**8.0%**

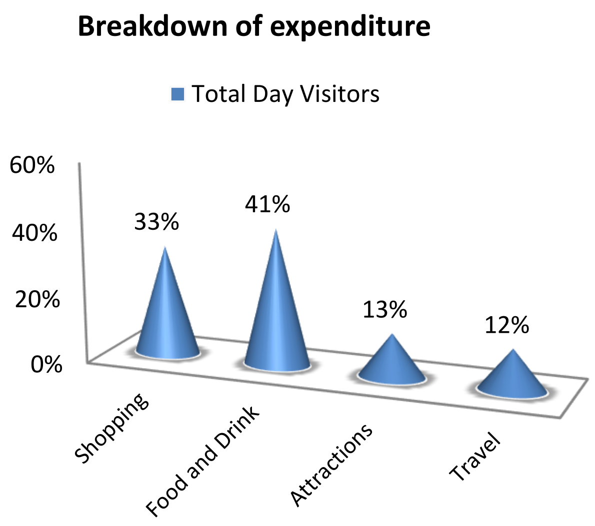
Value of Tourism

Expenditure Associated with Trips:

Direct Expenditure Associated with Trips

		Accomm.	Shopping	Food and Drink	Attractions	Travel	Total
UK Tourists		£7,421,000	£4,211,000	£6,216,000	£2,753,000	£4,912,000	£25,513,000
Overseas tourists		£1,529,000	£2,004,000	£1,577,000	£719,000	£699,000	£6,528,000
Total Staying		£8,950,000	£6,215,000	£7,793,000	£3,472,000	£5,611,000	£32,041,000
Total Staying (%)		28%	19%	24%	11%	18%	100%
Total Day Visitors		£0	£27,606,000	£34,418,000	£11,094,000	£10,385,000	£83,503,000
Total Day Visitors		0%	33%	41%	13%	12%	100%
Total	**2019**	**£8,950,000**	**£33,821,000**	**£42,211,000**	**£14,566,000**	**£15,996,000**	**£115,544,000**
%		**8%**	**29%**	**37%**	**13%**	**14%**	**100%**
Comparison	**2018**	**£9,025,000**	**£31,713,000**	**£39,571,000**	**£13,738,000**	**£15,185,000**	**£109,232,000**
Difference		**-0.8%**	**6.6%**	**6.7%**	**6.0%**	**5.3%**	**5.8%**





Other expenditure associated with tourism activity

Other expenditure associated with tourism activity - Estimated spend				
Second homes	**Boats**	**Static vans**	**Friends & relatives**	**Total**
£166,000	£0	£332,100	£13,443,000	£13,941,100

Spend on second homes is assumed to be an average of £2,050 on rates, maintenance, and replacement of furniture and fittings. Spend on boats assumed to be an average of £2,050 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 £2,050. Additional spending is incurred by friends and relatives as a result of people coming to stay with them. A cost of £180 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.

	Staying Visitor	Day Visitors	Total
Accommodation	£9,105,000	£688,000	£9,793,000
Retail	£6,153,000	£27,330,000	£33,483,000
Catering	£7,559,000	£33,385,000	£40,944,000
Attractions	£3,613,000	£11,714,000	£15,327,000
Transport	£3,367,000	£6,231,000	£9,598,000
Non-trip spend	£13,941,100	£0	£13,941,100
Total Direct 2019	**£43,738,100**	**£79,348,000**	**£123,086,100**
Comparison 2018	**£43,450,000**	**£73,468,000**	**£116,918,000**
Difference	**0.7%**	**8.0%**	**5.3%**

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

	Staying Visitor	Day Visitors	Total
Indirect spend	£5,358,000	£10,749,000	£16,107,000
Non trip spending	£2,788,000	£0	£2,788,000
Income induced	£2,271,000	£718,000	£2,989,000
Total 2019	**£10,417,000**	**£11,467,000**	**£21,884,000**
Comparison 2018	**£10,367,000**	**£10,617,000**	**£20,984,000**
Difference	**0.5%**	**8.0%**	**4.3%**

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

	Staying Visitor	Day Visitors	Total
Direct	£43,738,100	£79,348,000	£123,086,100
Indirect	£10,417,000	£11,467,000	£21,884,000
Total Value 2019	**£54,155,100**	**£90,815,000**	**£144,970,100**
Comparison 2018	**£53,817,000**	**£84,085,000**	**£137,902,000**
Difference	**0.6%**	**8.0%**	**5.1%**

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	171	25%	13	1%	183	11%
Retailing	47	7%	211	20%	258	15%
Catering	127	18%	559	54%	686	40%
Entertainment	62	9%	201	19%	263	15%
Transport	26	4%	47	5%	73	4%
Non-trip spend	258	37%	0	0%	258	15%
Total FTE 2019	**690**		**1,031**		**1,721**	
Comparison 2018	**686**		**954**		**1,640**	
Difference	**0.6%**		**8.0%**		**4.9%**	
Estimated actual jobs						
	Staying Visitor		**Day Visitor**		**Total**	
Accommodation	252	27%	19	1%	271	11%
Retailing	71	8%	316	21%	387	16%
Catering	190	20%	839	55%	1,029	42%
Entertainment	87	9%	283	19%	370	15%
Transport	36	4%	67	4%	103	4%
Non-trip spend	294	32%	0	0%	294	12%
Total Actual 2019	**931**		**1,524**		**2,455**	
Comparison 2018	**926**		**1,411**		**2,337**	
Difference	**0.5%**		**8.0%**		**5.1%**	

Indirect & Induced Employment

Full time equivalent (FTE)			
	Staying Visitor	**Day Visitors**	**Total**
Indirect jobs	151	199	350
Induced jobs	42	13	55
Total FTE 2019	**193**	**212**	**405**
Comparison 2018	**192**	**197**	**389**
Difference	**0.5%**	**8.0%**	**4.3%**

Estimated actual jobs			
	Staying Visitor	**Day Visitors**	**Total**
Indirect jobs	172	227	399
Induced jobs	48	15	63
Total Actual 2019	**220**	**242**	**462**
Comparison 2018	**219**	**224**	**443**
Difference	**0.5%**	**8.0%**	**4.3%**

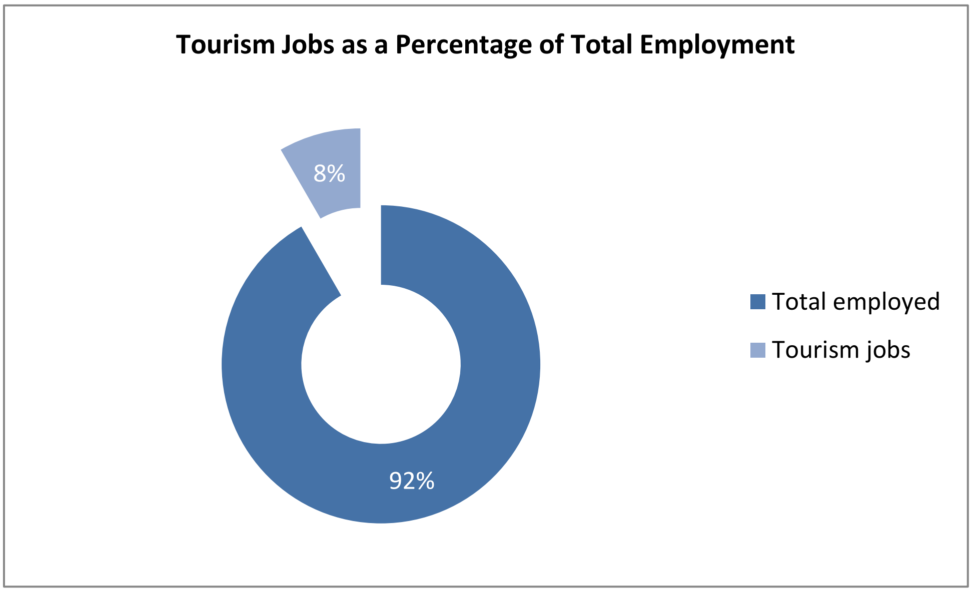
Total Jobs

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		690	78%	1,031	83%	1,721	81%
Indirect		151	17%	199	16%	350	16%
Induced		42	5%	13	1%	55	3%
Total FTE	**2019**	**883**		**1,243**		**2,126**	
Comparison	**2018**	**878**		**1,151**		**2,029**	
Difference		**0.6%**		**8.0%**		**4.8%**	
Estimated actual jobs							
		Staying Visitor		Day Visitor		Total	
Direct		931	81%	1,524	86%	2,455	84%
Indirect		172	15%	227	13%	399	14%
Induced		48	4%	15	1%	63	2%
Total Actual	**2019**	**1,151**		**1,766**		**2,917**	
Comparison	**2018**	**1,145**		**1,635**		**2,780**	
Difference		**0.5%**		**8.0%**		**4.9%**	

Tourism Jobs as a Percentage of Total Employment

		Staying Visitor	Day visitors	Total
Total employed		35,000	35,000	35,000
Tourism jobs		1,151	1,766	2,917
Proportion all jobs		**3%**	**5%**	**8%**
Comparison	**2018**	**1,145**	**1,635**	**2,780**
Difference		**0.5%**	**8.0%**	**4.9%**



Economic Impact of Tourism – Headline Figures **Malvern Hills District Council**

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 2019 results of the Economic Impact Assessment are:

4.0 million trips were undertaken in the area
3.8 million day trips
0.2 million overnight visits

0.7 million nights in the area as a result of overnight trips

£116 million spent by tourists during their visit to the area
£10 million spent on average in the local economy each month.

£32 million generated by overnight visits
£92 million generated from irregular day trips.

£145 million spent in the local area as result of tourism, taking into account multiplier effects.

2,917 jobs supported, both for local residents from those living nearby.
2,455 tourism jobs directly supported
462 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.

Produced by:

the **research** solution

trs

Christine King
Director
Tel: 01905721440
chris@theresearchsolution.co.uk
www.theresearchsolution.co.uk