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Economic Impact of Tourism

2020 Results

Commissioned by:

Kent Downs
Area of Outstanding Natural Beauty

Economic Impact of Tourism

Kent Downs AONB - 2020

KENT DOWNS AONB VISITOR ECONOMY

Kent Downs
Area of Outstanding Natural Beauty

The ongoing COVID-19 pandemic has caused global disruption to the visitor economy. The 2020 economic impact results show a significant drop in volume of trips and related expenditure, compared to 2019. To reflect the impact of the pandemic, the results for 2020 are based on administrative sources and modelling work. The results also consider the impact of interventions such as the 'Eat Out to Help Out' and the 'We're Good to Go' assurance schemes and the Job Retention Scheme, known as furlough.

6.4M VISITORS **£258M** VALUE **5,625** JOBS

KEY COMPARISONS WITH KENT COUNTY

KENT COUNTY		KENT DOWNS
-49%	Day trips - Volume	-28%
-61%	Day trips - Value	-20%
-22%	Spend x day trip	-2%
-56%	Overnight trips - Volume	-36%
-58%	Number of nights per trip	-63%
-60%	Overnight trips - Value	-59%

Our model uses a set of weighting factors to reflect the fact that coastal and rural areas experienced a proportionately smaller loss of trade due to the availability of self-catering accommodation and the wider offer of socially distanced holidays and daytrips.

2019 → 2020

-29.1% DECREASE IN TRIPS

-42.4% DECREASE IN VALUE

-42.2% DECREASE IN JOBS

VISITOR BREAKDOWN

OVERNIGHT VISITORS	Kent County
375,800 VISITORS	2.2 M
1.2 MILLION NIGHTS	7.2 M
£62.6MILLION VALUE	£355M

DOMESTIC VISITORS
339,200 VISITORS
1 MILLION NIGHTS
£51.4 MILLION VALUE

OVERSEAS VISITORS
36,600 VISITORS
0.2 MILLION NIGHTS
£11.2 MILLION VALUE

DAY VISITORS	Kent County
6M VISITORS	33.4M
£153M VALUE	£1.6BN

Source: Cambridge Model Impact Research, published February 2022. Some of the statistics have been rounded.

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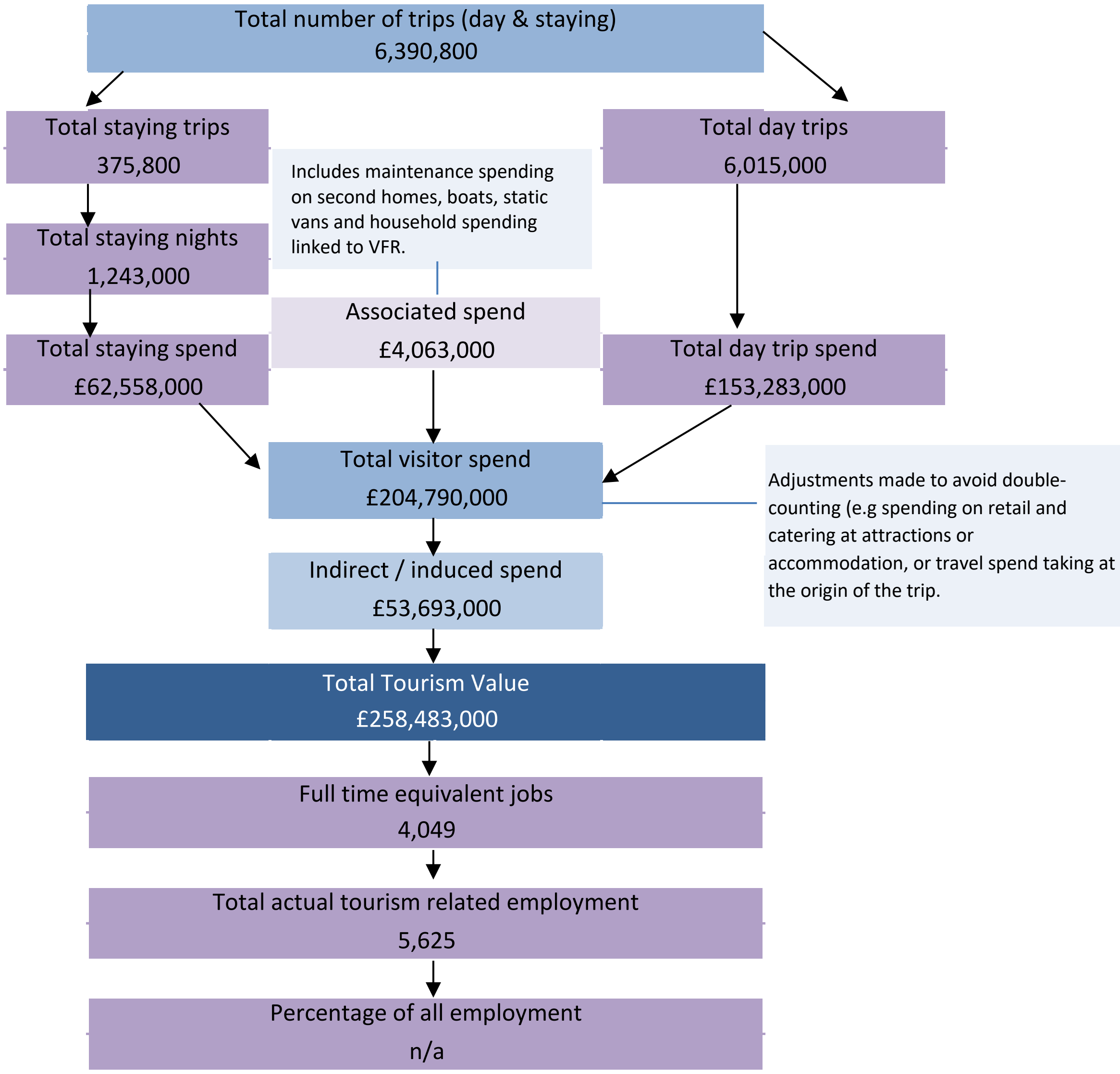
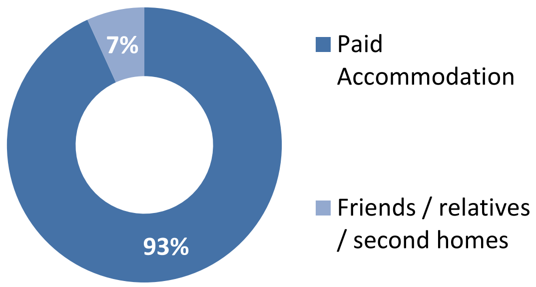


Economic Impact of Tourism – Year on year comparisons

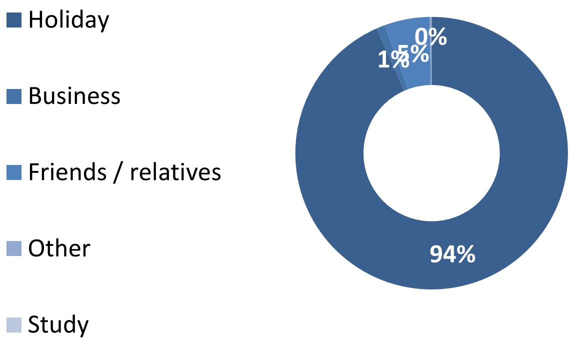
Day Trips	**2019**	**2020**	**Annual variation**
Day trips Volume	8,390,000	6,015,000	-28%
Day trips Value	£217,913,000	£153,283,000	-30%
Overnight trips			
Number of trip	618,200	375,800	-39%
Number of nights	3,392,000	1,243,000	-63%
Trip value	£151,252,000	£62,558,000	-59%
Total Value	**£447,385,000**	**£258,483,000**	**-42%**
Actual Jobs	**9,770**	**5,625**	**-42%**

	2019	**2020**	**Variation**
Average length stay (nights x trip)	5.49	3.31	-39.7%
Spend x overnight trip	£ 244.63	£ 166.46	-32.0%
Spend x night	£ 44.59	£ 50.29	12.8%
Spend x day trip	£ 25.97	£ 25.48	-1.9%

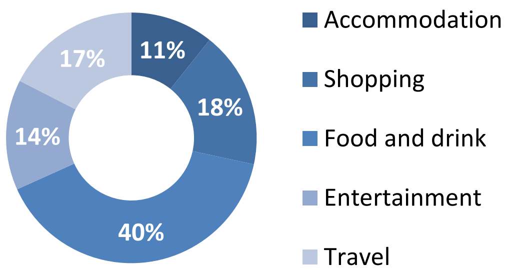
Type of Accommodation



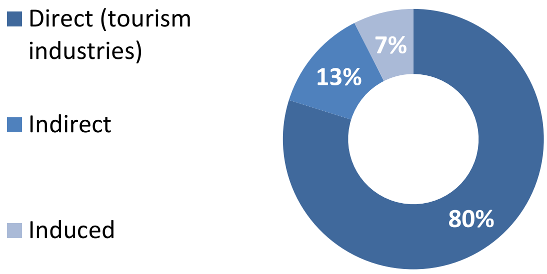
Trips by Purpose



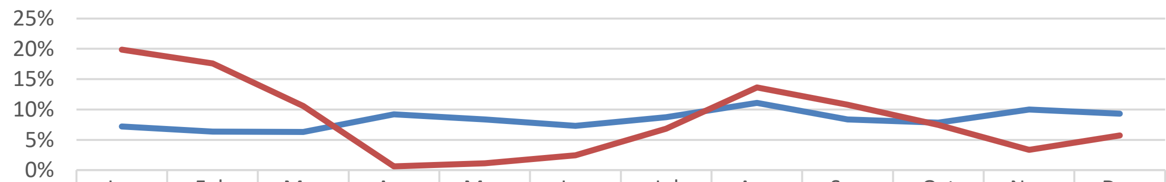
Breakdown of expenditure



Type of employment



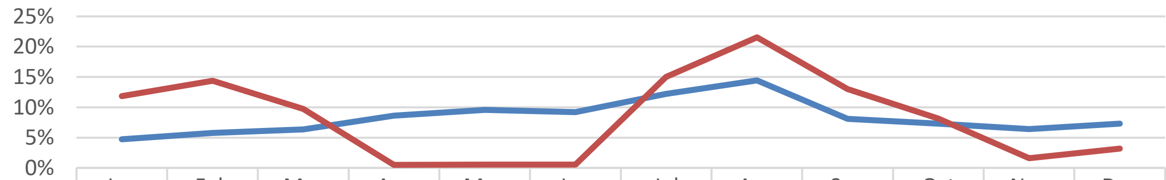
Seasonality - Day trip expenditure



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2019	7%	6%	6%	9%	8%	7%	9%	11%	8%	8%	10%	9%
2020	20%	18%	11%	1%	1%	2%	7%	14%	11%	7%	3%	6%

2019 2020

Seasonality - Overnight expenditure



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2019	5%	6%	6%	9%	10%	9%	12%	14%	8%	7%	6%	7%
2020	12%	14%	10%	1%	1%	1%	15%	22%	13%	8%	2%	3%

2019 2020

Source: VisitBritain

Contextual analysis

Covid-19: Summary of national lockdown laws between March and December 2020.

- **Phase one: first national lockdown -** England was in national lockdown between late March and June 2020. Non-essential shops re-opened on 15 June.
- **Phase two: minimal lockdown restrictions -** Most lockdown restrictions were lifted on 4 July. The Eat Out to Help Out scheme was introduced on 3 August.
- **Phase three: reimposing restrictions -** On 14 September, England's gathering restriction was tightened. People were once again prohibited from meeting more than six people socially. There is a return to working from home and a 10pm curfew for the hospitality sector.
- **Phase four: second national lockdown -** A new-three-tier system of restrictions begins on 14 October and, on 5 November, national restrictions were reintroduced in England.
- **Phase five: reintroducing a tier system -** On 2 December, the tier system was reintroduced. Tier 4 restrictions come into force in London and parts of the Southeast on 21 December.

Covid-19 – Summary of impacts on the visitor economy for 2020

- Our analysis assumes a ten-week lockdown ending at the start of July and with very limited activity. It then assumes a period in July – September when businesses start to open but social distancing remains in place and tourism spend remains well below pre-COVID levels, dipping again in November.

- Parts of the tourism industry reopened in time for the main summer school holiday window, from late July through to early September, picking up on the shoulder months of late September through to the end of October, including the October half term.

Cambridge Model 2020 results – Key methodology changes

The Cambridge Model examines the volume and value of tourism and the impact of that expenditure on the local economy. The model utilises information from national tourism surveys among other sources of information.

These surveys and reports are not specifically designed to produce highly accurate results at sub-regional level. In order to improve the accuracy of results we usually apply a 3-year rolling average to this data to highlight longer-term trends, whilst helping smooth out short-term market fluctuations and reducing the impact of any methodological changes affecting the survey. For example, published results relating to 2019 were, in fact, an average of 2017, 2018 and 2019 results. For more details about the Cambridge Model methodology, please see Appendix I.

The ongoing Covid-19 pandemic has caused global disruption to the visitor economy with activity re-starting at a slow pace. There is a consensus that tourism recovery will be segmented and gradual. In order to reflect the impact of the pandemic, the 2020 results will incorporate the following methodological changes:

- The 2020 results for the three key surveys (GBTS, IPS and GBDVS) were suspended in March 2020 because of the coronavirus (Covid-19) pandemic.
- The full 2020 results presented in this report are based on a range of administrative sources and modelling work, using the published 2019 Cambridge Model data as a starting point.
- Locally sourced data supplied by destinations including (but not limited to) local business performance, annual footfall and visits to visitor attractions.
- Consumer travel insights published by STR, Deloitte, CBI and Oxford / Tourism Economics.
- Domestic tourism estimates produced by VisitBritain for each of the four journey purposes for domestic overnight tourism (holidays, business, VFR and miscellaneous journeys), 17 categories of spending for leisure day trips.
- Overseas visits estimates based on results published by the ONS as well as additional administrative sources and modelling work carried out by VisitBritain.

Additional Methodology Changes

INTERVENTIONS: Our assessment will take into account the impact of interventions such as the 'eat out to help out' scheme, the visit local / shop local campaign or the 'We're Good to Go' assurance scheme.

EMPLOYMENT: Our model assumes that a proportion of employment may have been retained through the Government's Job Retention Scheme, known as furlough. Under the furlough scheme employees continued to receive 80% of current salary for hours not worked, capped at £2,500 per month. The furlough scheme was first launched in April 2020. A more "flexible furloughing" system was started at the beginning of July 2020, continuing until the end of the year, which allowed employers to bring furloughed employees back to work part-time.

2020 National forecast

According to VisitBritain estimates, spending by domestic tourism in Britain in 2020 reached £34.0 billion (down 63% compared to 2019). The drop in expenditure is based on a decline of 60% for overnights and 64% for leisure day trips, although with different patterns throughout the year and by journey purpose. According to these estimates, the UK received 11.1 million inbound visits in 2020, a 73% decline from the visit levels seen in 2019. In 2020 inbound visitors to the UK spent a total of £6.2 billion, a decline of 78% on 2019 results.

About Kent Downs AONB Results

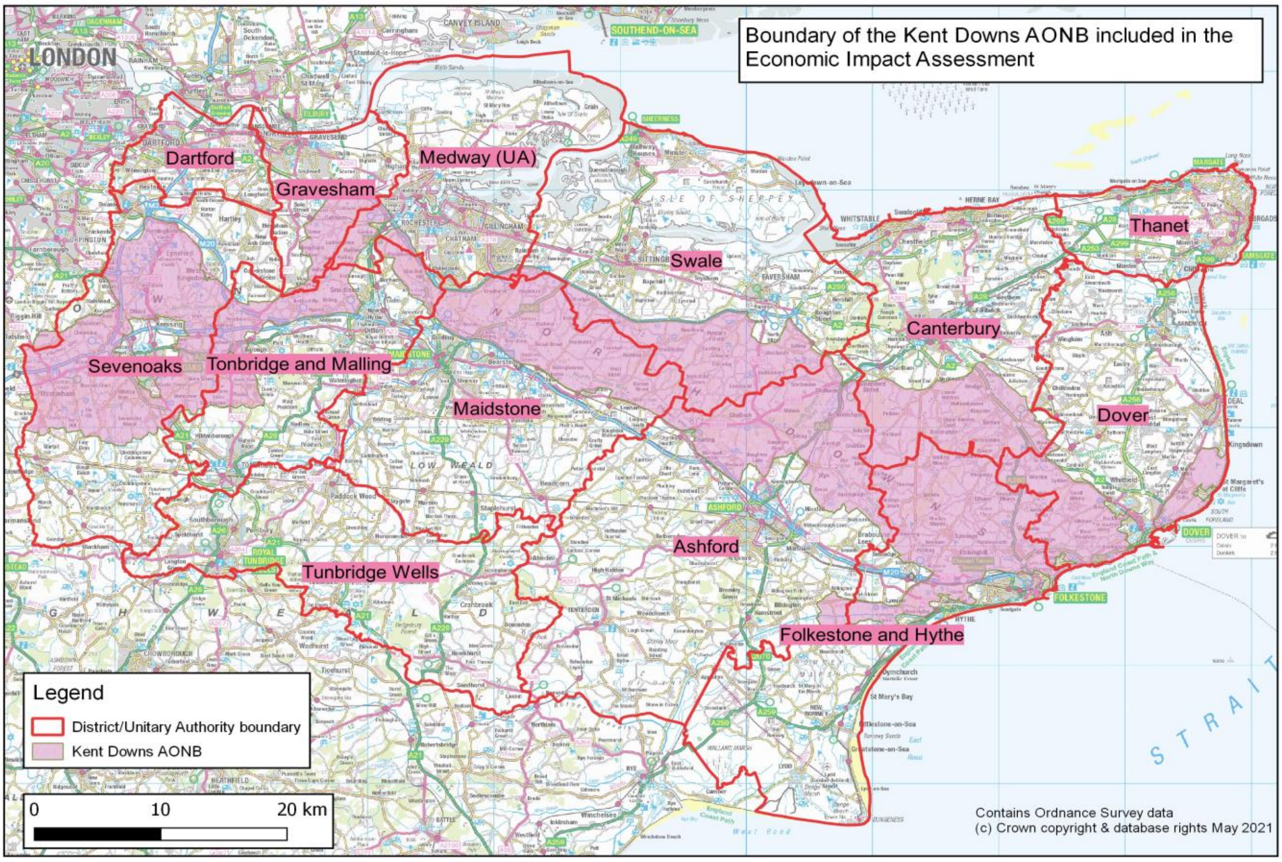
The results presented in this report were generated using a bespoke Cambridge Model template designed to cover the Kent Downs AONB area.

- Identified the districts within Kent included within the Kent Downs AONB area.
- Estimate the volume of visits (day trips and overnights stays) and related expenditure
- identify the proportion of each district (geographical area and population) included within the AONB to estimate the volume of visits and the direct expenditure within the Kent Downs AONB.
- Used the model's multipliers for indirect impacts to estimate total value and employment figures.

About Kent Downs AONB Results

District	Area (sqkm)	Area within AONB (Sqkm)	Percentage within AONB
Sevenoaks	370	166	45%
Folkestone & Hythe	357	134	37%
Canterbury	309	86	28%
Maidstone	393	107	27%
Gravesham	99	24	24%
Swale	373	86	23%
Dover	315	71	22%
Ashford	581	124	21%
Tonbridge&Malling	240	64	19%
Medway	194	14	7%

District	Population	Population within AONB	Percentage within AONB
Folkestone&Hythe	112,996	18,122	16%
Sevenoaks	120,750	19,299	16%
Ashford	130,032	7,394	6%
Tonbridge&Malling	132,153	7,012	5%
Canterbury	165,394	5,454	3%
Swale	150,082	4,732	3%
Maidstone	171,826	5,361	3%
Gravesham	106,939	2,732	3%
Dover	118,131	2,982	3%



Volume of Tourism

Staying Visitors - Accommodation Type

Trips by Accommodation

	UK		Overseas		Total	
Serviced	31,100	9%	9,300	25%	40,400	11%
Self catering	127,100	37%	2,500	7%	129,600	34%
Camping	90,800	27%	8,100	22%	98,900	26%
Static caravans	71,800	21%	6,100	17%	77,900	21%
Group/campus	0	0%	0	0%	0	0%
Paying guest	0	0%	0	0%	0	0%
Second homes	2,400	1%	700	2%	3,100	1%
Boat moorings	900	0%	0	0%	900	0%
Other	500	0%	0	0%	500	0%
Friends & relatives	14,700	4%	9,800	27%	24,500	7%
Total 2020	**339,300**		**36,500**		**375,800**	
Comparison 2019	**494,000**		**124,300**		**618,300**	
Difference	**-31%**		**-71%**		**-39%**	

Nights by Accommodation

	UK		Overseas		Total	
Serviced	71,000	7%	20,000	10%	91,000	7%
Self catering	292,000	28%	68,000	33%	360,000	29%
Camping	222,000	21%	30,000	14%	252,000	20%
Static caravans	388,000	37%	12,000	6%	400,000	32%
Group/campus	0	0%	0	0%	0	0%
Paying guest	0	0%	0	0%	0	0%
Second homes	9,000	1%	6,000	3%	15,000	1%
Boat moorings	7,000	1%	0	0%	7,000	1%
Other	2,000	0%	0	0%	2,000	0%
Friends & relatives	45,000	4%	72,000	35%	117,000	9%
Total 2020	**1,036,000**		**208,000**		**1,244,000**	
Comparison 2019	**2,472,000**		**920,000**		**3,392,000**	
Difference	**-58%**		**-77%**		**-63%**	

Spend by Accommodation Type

	UK		Overseas		Total	
Serviced	£7,446,000	14%	£2,018,000	18%	£9,464,000	15%
Self catering	£23,621,000	46%	£4,305,000	39%	£27,926,000	45%
Camping	£5,623,000	11%	£1,221,000	11%	£6,844,000	11%
Static caravans	£12,325,000	24%	£658,000	6%	£12,983,000	21%
Group/campus	£0	0%	£0	0%	£0	0%
Paying guest	£0	0%	£0	0%	£0	0%
Second homes	£432,000	1%	£201,000	2%	£633,000	1%
Boat moorings	£232,000	0%	£0	0%	£232,000	0%
Other	£161,000	0%	£37,000	0%	£198,000	0%
Friends & relatives	£1,567,000	3%	£2,710,000	24%	£4,277,000	7%
Total 2020	**£51,407,000**		**£11,150,000**		**£62,557,000**	
Comparison 2019	**£112,269,000**		**£38,983,000**		**£151,252,000**	
Difference	**-54%**		**-71%**		**-59%**	

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		320,900	95%	32,200	88%	353,100	94%
Business		1,300	0%	200	1%	1,500	1%
Friends & relatives		16,500	5%	3,900	11%	20,400	5%
Other		600	0%	200	1%	800	0%
Study		0	0%	0	0%	0	0%
Total	**2020**	**339,300**		**36,500**		**375,800**	
Comparison	**2019**	**493,900**		**124,300**		**618,200**	
Difference		**-31%**		**-71%**		**-39%**	

Nights by Purpose

		UK		Overseas		Total	
Holiday		994,000	96%	171,000	82%	1,165,000	94%
Business		3,000	0%	1,000	0%	4,000	0%
Friends & relatives		36,000	3%	34,000	16%	70,000	6%
Other		2,000	0%	2,000	1%	4,000	0%
Study		0	0%	0	0%	0	0%
Total	**2020**	**1,035,000**		**208,000**		**1,243,000**	
Comparison	**2019**	**2,471,000**		**921,000**		**3,392,000**	
Difference		**-58%**		**-77%**		**-63%**	

Spend by Purpose

		UK		Overseas		Total	
Holiday		£50,317,000	98%	£9,670,000	87%	£59,987,000	96%
Business		£266,000	1%	£47,000	0%	£313,000	1%
Friends & relatives		£666,000	1%	£1,313,000	12%	£1,979,000	3%
Other		£159,000	0%	£120,000	1%	£279,000	0%
Study		£0	0%	£0	0%	£0	0%
Total	**2020**	**£51,408,000**		**£11,150,000**		**£62,558,000**	
Comparison	**2019**	**£112,269,000**		**£38,983,000**		**£151,252,000**	
Difference		**-54%**		**-71%**		**-59%**	

Day Visitors

Trips and Spend by Urban, Rural and Coastal Area

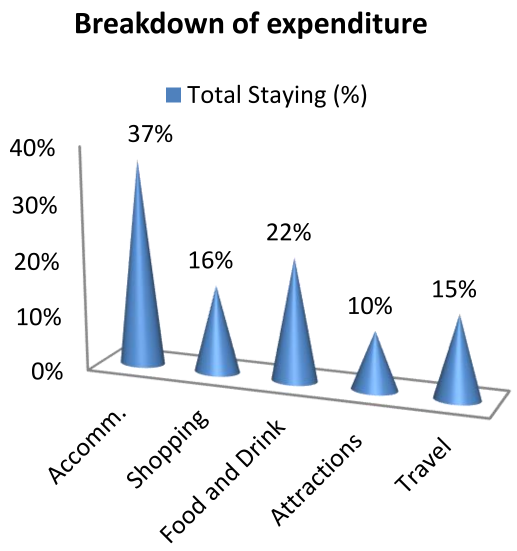
		Trips	Spend
Urban visits		240,000	£9,337,000
Countryside visits		4,556,000	£108,762,000
Coastal visits		1,219,000	£35,184,000
Total	**2020**	**6,015,000**	**£153,283,000**
Comparison	**2019**	**8,390,000**	**£217,913,000**
Difference		**-28%**	**-30%**

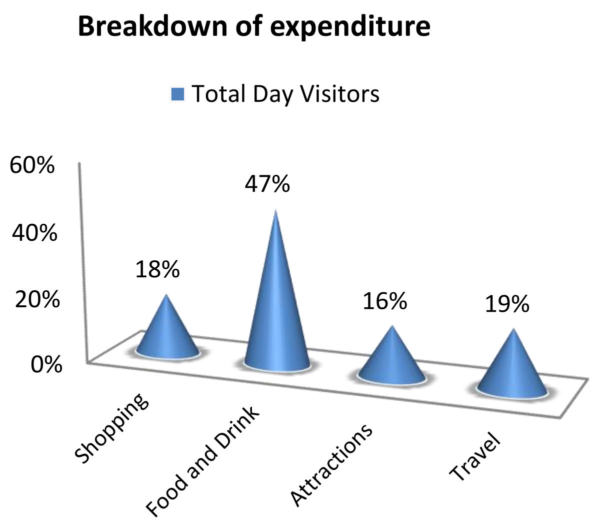
Value of Tourism

Expenditure Associated with Trips:

Direct Expenditure Associated with Trips

		Accomm.	Shopping	Food and Drink	Attractions	Travel	Total
UK Tourists		£19,590,000	£6,683,000	£11,202,000	£5,731,000	£8,202,000	£51,408,000
Overseas tourists		£3,541,000	£3,150,000	£2,542,000	£825,000	£1,092,000	£11,150,000
Total Staying		£23,131,000	£9,833,000	£13,744,000	£6,556,000	£9,294,000	£62,558,000
Total Staying (%)		37%	16%	22%	10%	15%	100%
Total Day Visitors		£0	£28,305,000	£72,311,000	£24,208,000	£28,440,000	£153,264,000
Total Day Visitors		0%	18%	47%	16%	19%	100%
Total	**2020**	**£23,131,000**	**£38,138,000**	**£86,055,000**	**£30,764,000**	**£37,734,000**	**£215,822,000**
%		**11%**	**18%**	**40%**	**14%**	**17%**	**100%**
Comparison	**2019**	**£55,792,000**	**£72,012,000**	**£133,175,000**	**£49,417,000**	**£58,791,000**	**£369,187,000**
Difference		**-59%**	**-47%**	**-35%**	**-38%**	**-36%**	**-42%**





Other expenditure associated with tourism activity

Other expenditure associated with tourism activity - Estimated spend				
Second homes	**Boats**	**Static vans**	**Friends & relatives**	**Total**
£468,000	£267,000	£58,000	£3,270,000	£4,063,000

Spend on second homes is assumed to be an average of £2,100 on rates, maintenance, and replacement of furniture and fittings. Spend on boats assumed to be an average of £2,100 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 £2,100. Additional spending is incurred by friends and relatives as a result of people coming to stay with them. A cost of £185 per visit has been assumed based on national research for social

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		£23,406,000	£1,446,000	£24,852,000
Retail		£9,735,000	£28,021,000	£37,756,000
Catering		£13,331,000	£70,142,000	£83,473,000
Attractions		£6,792,000	£25,214,000	£32,006,000
Transport		£5,576,000	£17,064,000	£22,640,000
Non-trip spend		£4,063,000	£0	£4,063,000
Total Direct	**2020**	**£62,903,000**	**£141,887,000**	**£204,790,000**
Comparison	**2019**	**£149,984,000**	**£203,234,000**	**£353,218,000**
Difference		**-58%**	**-30%**	**-42%**

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		£11,673,000	£21,333,000	£33,006,000
Non trip spending		£812,000	£0	£812,000
Income induced		£6,637,000	£13,238,000	£19,875,000
Total	**2020**	**£19,122,000**	**£34,571,000**	**£53,693,000**
Comparison	**2019**	**£45,377,000**	**£48,790,000**	**£94,167,000**
Difference		**-58%**	**-29%**	**-43%**

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		£62,903,000	£141,887,000	£204,790,000
Indirect		£19,122,000	£34,571,000	£53,693,000
Total Value	**2020**	**£82,025,000**	**£176,458,000**	**£258,483,000**
Comparison	**2019**	**£195,361,000**	**£252,024,000**	**£447,385,000**
Difference		**-58%**	**-30%**	**-42%**

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

Direct employment

Full time equivalent (FTE)							
		Staying Visitor		Day Visitor		Total	
Accommodation		444	44%	27	1%	471	15%
Retailing		105	11%	302	15%	407	13%
Catering		240	24%	1,264	61%	1,504	49%
Entertainment		82	8%	303	15%	384	13%
Transport		52	5%	161	8%	213	7%
Non-trip spend		75	8%	0	0%	75	2%
Total FTE	**2020**	**998**		**2,056**		**3,054**	
Comparison	**2019**	**2,372**		**2,922**		**5,293**	
Difference		**-58%**		**-30%**		**-42%**	

Estimated actual jobs							
		Staying Visitor		Day Visitor		Total	
Accommodation		657	45%	41	1%	697	16%
Retailing		157	11%	453	15%	610	14%
Catering		360	25%	1,896	62%	2,256	50%
Entertainment		115	8%	427	14%	542	12%
Transport		74	5%	227	7%	301	7%
Non-trip spend		86	6%	0	0%	86	2%
Total Actual	**2020**	**1,449**		**3,042**		**4,491**	
Comparison	**2019**	**3,457**		**4,324**		**7,782**	
Difference		**-58%**		**-30%**		**-42%**	

Indirect & Induced Employment

Full time equivalent (FTE)				
		Staying Visitor	Day Visitors	Total
Indirect jobs		231	395	626
Induced jobs		123	245	368
Total FTE	**2020**	**354**	**640**	**994**
Comparison	**2019**	**840**	**904**	**1,744**
Difference		**-58%**	**-29%**	**-43%**

Estimated actual jobs				
		Staying Visitor	Day Visitors	Total
Indirect jobs		264	450	714
Induced jobs		140	279	420
Total Actual	**2020**	**404**	**730**	**1,134**
Comparison	**2019**	**958**	**1,030**	**1,988**
Difference		**-58%**	**-29%**	**-43%**

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		998	74%	2,056	76%	3,054	75%
Indirect		231	17%	395	15%	626	15%
Induced		123	9%	245	9%	368	9%
Total FTE	**2020**	**1,352**		**2,697**		**4,049**	
Comparison	**2019**	**3,212**		**3,825**		**7,037**	
Difference		**-58%**		**-30%**		**-42%**	

Estimated actual jobs							
		Staying Visitor		Day Visitor		Total	
Direct		1,449	78%	3,042	81%	4,491	80%
Indirect		264	14%	450	12%	714	13%
Induced		140	8%	279	7%	420	7%
Total Actual	**2020**	**1,853**		**3,772**		**5,625**	
Comparison	**2019**	**4,415**		**5,354**		**9,770**	
Difference		**-58%**		**-30%**		**-42%**	

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 Destination Research.

The model utilises information from national tourism surveys and regionally based data held by Destination Research. 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 vary. 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. Therefore, in some tables there may 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 Destination Research;
- VisitEngland's surveys of Visits to Attractions, which provide data on the number of visitors to individual tourist attractions ;
- Mid- 2018 estimates of resident population as based on the 2011 Census of Population;
- Selected data from the 2011 Census of Employment;
- Selected data on the countryside and coast including, national designations and length of the coastline.

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. The model uses three year rolling averages to reduce extreme highs and lows which are due to small sample sizes, rather than being a reflection on drastic changes in demand year-on-year.

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 (principally accommodation, food and drink, retail, attractions, transport). In general, the conversion factor between full time equivalent jobs and actual jobs 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.

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