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Commissioned by:

Visit Herts

Economic Impact of Tourism

St Albans - 2020 Results

February 2022



**VISIT HERTS**

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## Introduction

This report examines the volume and value of tourism and the impact of visitor expenditure on the local economy in 2020 and provides comparative data against the previously published data for Hertfordshire (2019).

Destination Research was commissioned by Visit Herts to produce 2020 results based on the latest data from national tourism surveys and regionally/locally based data. The results are derived using the Cambridge Economic Impact Model.

In its basic form, the model distributes regional activity as measured in national surveys to local areas using 'drivers' such as the accommodation stock and occupancy which influence the distribution of tourism activity at local level. Whenever possible, results have been enhanced by building in additional local-level data gathered by the districts. See Appendix I for further details.

## 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. 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 Visits Survey using information on visits lasting more than 3 hours and taken on an irregular basis.

The above 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.

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. No data was collected for the period when the surveys were not operational.
- 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 (e.g. accommodation occupancy), car parking data, 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, visiting friends and relatives and miscellaneous journeys), 17 categories of spending for leisure day trips.
- Overseas visits estimates based on results of the International Passenger Survey (IPS), published by the ONS (Office for National Statistics) as well as additional administrative sources and modelling work carried out by VisitBritain.

## **Additional Methodology Changes**

**SEASONALITY:** The Cambridge Model template produces annual (calendar year) results. Additional template development work will be required to add a monthly breakdown analysis. Based on a multi-year seasonality analysis data from the key surveys (GBTS, IPS and GBDVS), our modelling will assume a level of tourism activity on a monthly basis depending on the type of destination. Coastal destinations are likely to be affected by higher levels of seasonality compared to rural destinations. Urban areas will be the least affected by seasonality.

**TRIPS AND WEIGHTING FACTORS:** Our model uses a set of weighting factors to reflect the fact that urban areas attracted proportionately higher levels of expenditure from day trippers due to the shopping opportunities, whereas coastal and rural areas experienced an increase in the proportion of all visits compared to 2019, but lower levels of spend, and a proportionately stronger overnight visitor market, due to the availability of self-catering accommodation and the wider offer of socially distanced holidays.

**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. However, please note that due to limited sources of information available to us our assessment will not be detailed enough to identify specific effects to the results that can be directly attributable to the above interventions.

**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.

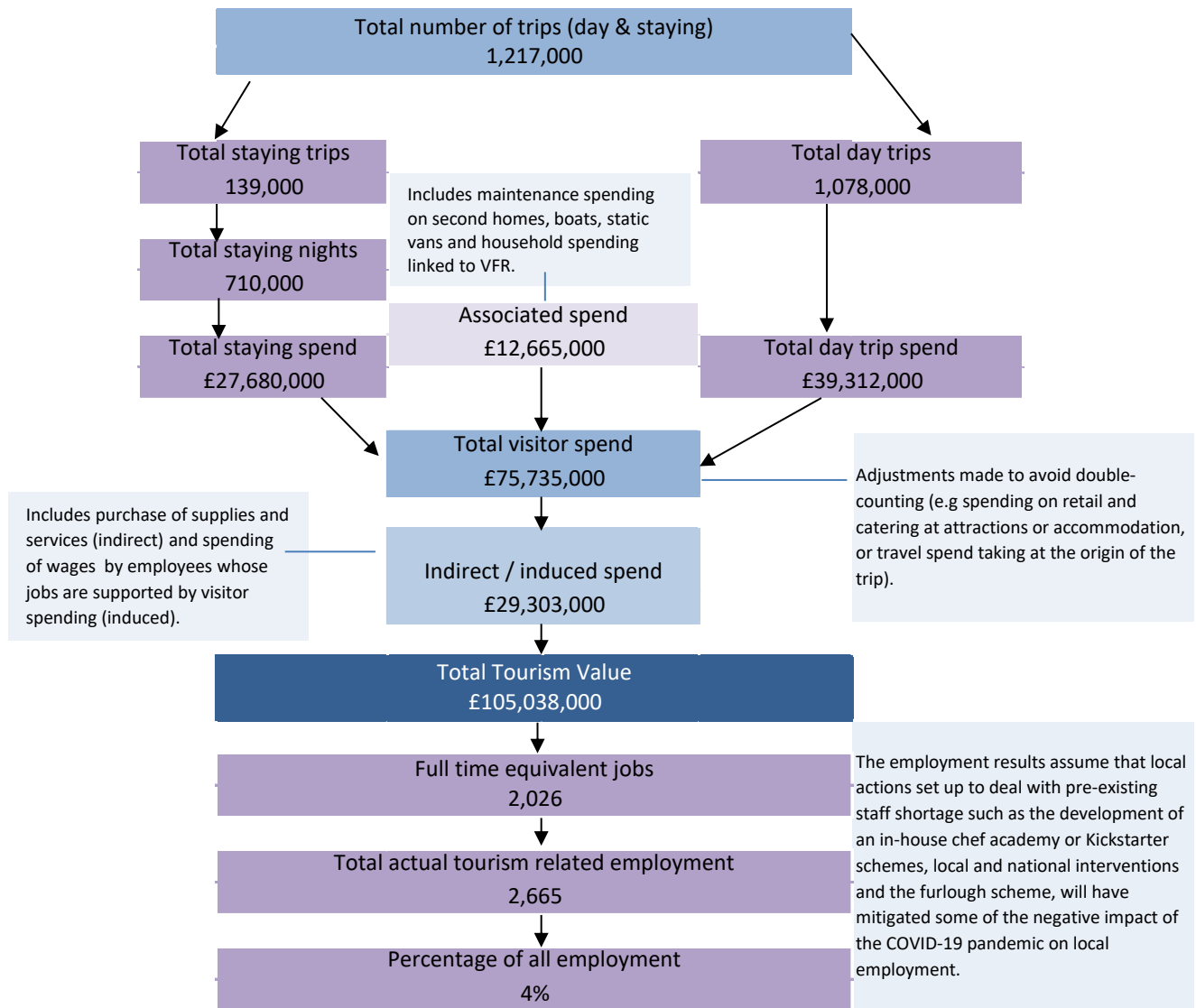
### **2020 National forecast**

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 20, 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.

## Economic Impact of Tourism – Headline Figures

## St Albans - 2020 Results



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

### St Albans

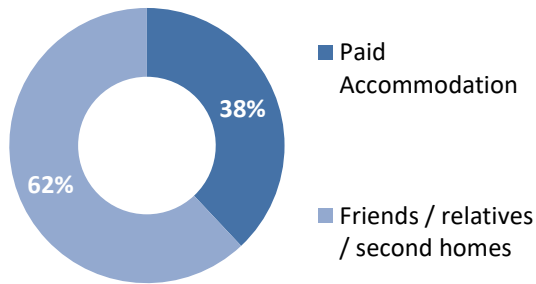
	2019	2020	Annual variation
<b>Day Trips</b>			
Day trips volume	1,919,000	1,078,000	-43.8%
Day trips value	£73,028,000	£39,312,000	-46.2%
<b>Overnight trips</b>			
Number of trips	267,000	139,000	-47.9%
Number of nights	1,281,000	710,000	-44.6%
Trip value	£66,635,000	£27,680,000	-58.5%
<b>Total value</b>	<b>£209,923,000</b>	<b>£105,038,000</b>	<b>-50.0%</b>
<b>Actual jobs</b>	<b>3,548</b>	<b>2,665</b>	<b>-24.9%</b>

St Albans	2019	2020	Variation
Average length stay (nights x trip)	4.80	5.11	6.5%
Spend x overnight trip	£ 249.57	£ 199.14	-20.2%
Spend x night	£ 52.02	£ 38.99	-25.1%
Spend x day trip	£ 38.06	£ 36.47	-4.2%

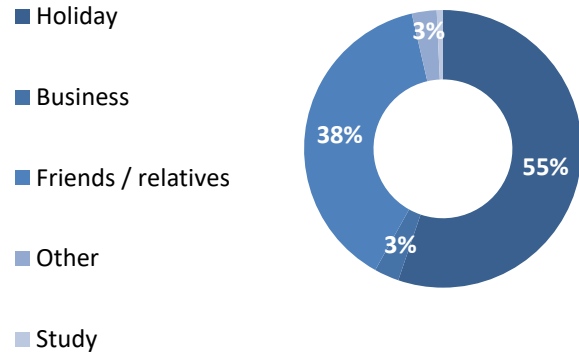
**Economic Impact of Tourism – Headline Figures**

**St Albans - 2020 Results**

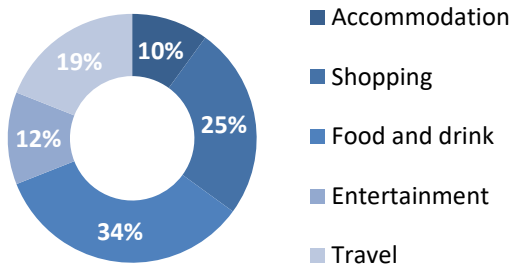
**Trips by type of accommodation**



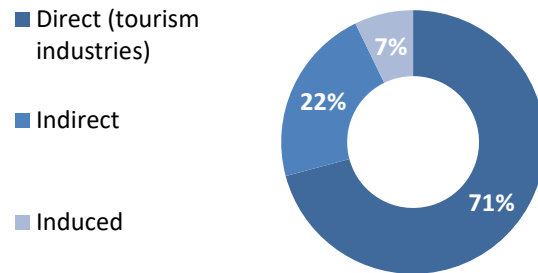
**Trips by Purpose**



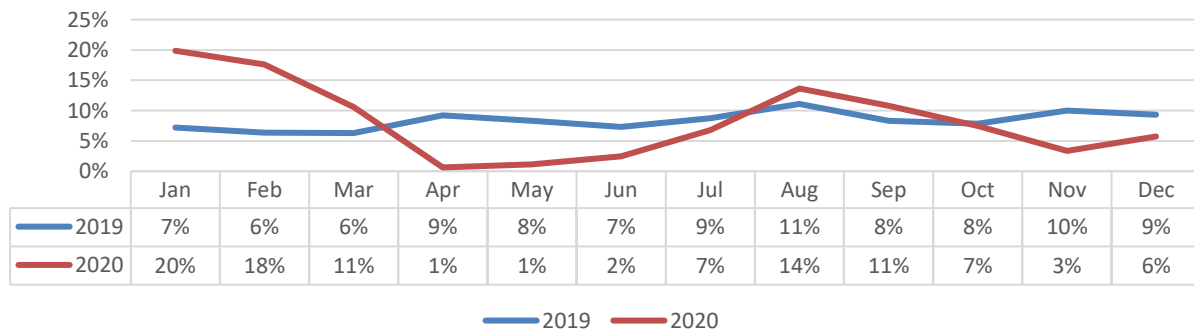
**Breakdown of Expenditure**



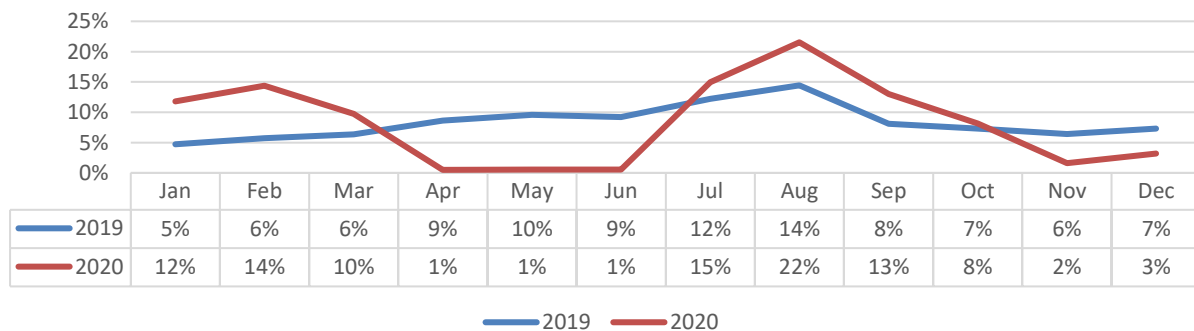
**Type of Employment**



**Seasonality - Day trip expenditure (England)**



**Seasonality - Overnight expenditure (England)**



Source: VisitBritain

## Volume of Tourism



## Staying visits in the county context

## St Albans - 2020 Results

### Staying trips in the county context 2020

District	Domestic trips ('000)	Overseas trips ('000)
North Herts	82	16
Stevenage	62	10
East Herts	115	23
Broxbourne	60	12
Welwyn Hatfield	78	16
St Albans	115	24
Dacorum	114	19
Three Rivers	45	12
Watford	78	12
Hertsmere	66	13
Hertfordshire	815	157

### Staying nights in the county context 2020

District	Domestic nights ('000)	Overseas nights ('000)
North Herts	403	119
Stevenage	295	63
East Herts	558	249
Broxbourne	306	89
Welwyn Hatfield	380	250
St Albans	520	190
Dacorum	526	160
Three Rivers	253	81
Watford	335	90
Hertsmere	319	107
Hertfordshire	3,895	1,398

### Expenditure in the county context 2020

Expenditure in the county context	Domestic spend (millions)	Overseas spend (millions)
North Herts	£14	£5
Stevenage	£12	£2
East Herts	£19	£11
Broxbourne	£9	£3
Welwyn Hatfield	£14	£11
St Albans	£20	£8
Dacorum	£22	£7
Three Rivers	£7	£3
Watford	£14	£4
Hertsmere	£11	£4
Hertfordshire	£142	£58

## Staying Visitors - Accommodation Type

## St Albans - 2020 Results

### Trips by Accommodation

	UK		Overseas		Total	
Serviced	41,000	36%	500	2%	41,500	30%
Self catering	1,000	1%	1,500	6%	2,500	2%
Camping	0	0%	0	0%	0	0%
Static caravans	0	0%	0	0%	0	0%
Group/campus	0	0%	0	0%	0	0%
Paying guest	0	0%	4,000	17%	4,000	3%
Second homes	300	0%	1,000	4%	1,300	1%
Boat moorings	0	0%	0	0%	0	0%
Other	3,700	3%	2,000	8%	5,700	4%
Friends & relatives	69,000	60%	15,000	63%	84,000	60%
<b>Total 2020</b>	<b>115,000</b>		<b>24,000</b>		<b>139,000</b>	
Comparison 2019	199,000		68,000		267,000	
Difference	-42%		-65%		-48%	

### Nights by Accommodation

	UK		Overseas		Total	
Serviced	99,000	19%	1,000	1%	100,000	14%
Self catering	2,000	1%	4,000	2%	6,000	1%
Camping	0	0%	0	0%	0	0%
Static caravans	0	0%	0	0%	0	0%
Group/campus	0	0%	0	0%	0	0%
Paying guest	0	0%	40,000	21%	40,000	6%
Second homes	1,000	0%	12,000	6%	13,000	2%
Boat moorings	0	0%	0	0%	0	0%
Other	37,000	7%	3,000	2%	40,000	6%
Friends & relatives	381,000	73%	130,000	68%	511,000	72%
<b>Total 2020</b>	<b>520,000</b>		<b>190,000</b>		<b>710,000</b>	
Comparison 2019	866,000		415,000		1,281,000	
Difference	-40%		-54%		-45%	

### Spend by Accommodation Type

	UK		Overseas		Total	
Serviced	£8,198,000	41%	£97,000	1%	£8,295,000	30%
Self catering	£174,000	1%	£196,000	3%	£370,000	1%
Camping	£0	0%	£0	0%	£0	0%
Static caravans	£0	0%	£0	0%	£0	0%
Group/campus	£0	0%	£0	0%	£0	0%
Paying guest	£0	0%	£1,615,000	21%	£1,615,000	6%
Second homes	£68,000	0%	£294,000	4%	£362,000	1%
Boat moorings	£0	0%	£0	0%	£0	0%
Other	£1,358,000	7%	£267,000	3%	£1,625,000	6%
Friends & relatives	£10,241,000	51%	£5,172,000	68%	£15,413,000	56%
<b>Total 2020</b>	<b>£20,039,000</b>		<b>£7,641,000</b>		<b>£27,680,000</b>	
Comparison 2019	£41,205,000		£25,430,000		£66,635,000	
Difference	-51%		-70%		-58%	

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

## St Albans - 2020 Results

### Trips by Purpose

		UK		Overseas		Total	
Holiday		71,000	62%	6,000	25%	77,000	55%
Business		4,000	3%	0	0%	4,000	3%
Friends & relatives		38,000	33%	15,000	63%	53,000	38%
Other		2,000	2%	2,000	8%	4,000	3%
Study		0	0%	1,000	4%	1,000	1%
<b>Total</b>	<b>2020</b>	<b>115,000</b>		<b>24,000</b>		<b>139,000</b>	
Comparison	2019	199,000		68,000		267,000	
Difference		-42%		-65%		-48%	

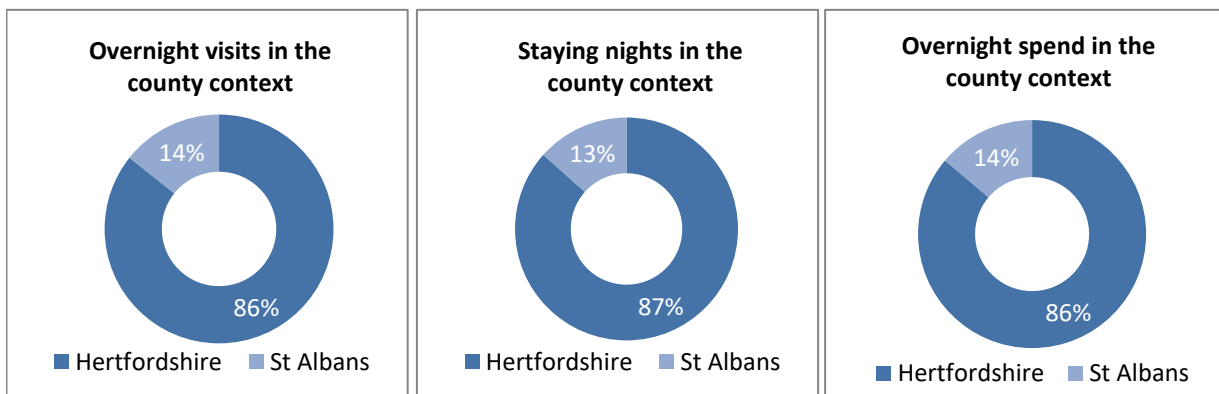
### Nights by Purpose

		UK		Overseas		Total	
Holiday		333,000	64%	30,000	16%	363,000	51%
Business		13,000	3%	0	0%	13,000	2%
Friends & relatives		167,000	32%	128,000	67%	295,000	41%
Other		7,000	1%	7,000	4%	14,000	2%
Study		0	0%	25,000	13%	25,000	4%
<b>Total</b>	<b>2020</b>	<b>520,000</b>		<b>190,000</b>		<b>710,000</b>	
Comparison	2019	866,000		415,000		1,281,000	
Difference		-40%		-54%		-45%	

### Spend by Purpose

		UK		Overseas		Total	
Holiday		£9,789,000	49%	£2,078,000	27%	£11,867,000	43%
Business		£1,051,000	5%	£20,000	0%	£1,071,000	4%
Friends & relatives		£8,851,000	44%	£4,253,000	56%	£13,104,000	47%
Other		£348,000	2%	£304,000	4%	£652,000	2%
Study		£0	0%	£986,000	13%	£986,000	4%
<b>Total</b>	<b>2020</b>	<b>£20,039,000</b>		<b>£7,641,000</b>		<b>£27,680,000</b>	
Comparison	2019	£41,205,000		£25,430,000		£66,635,000	
Difference		-51%		-70%		-58%	

### Proportion of staying visits in the county context

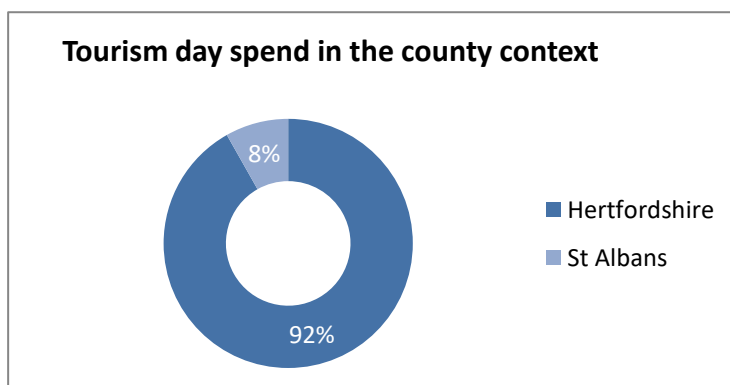
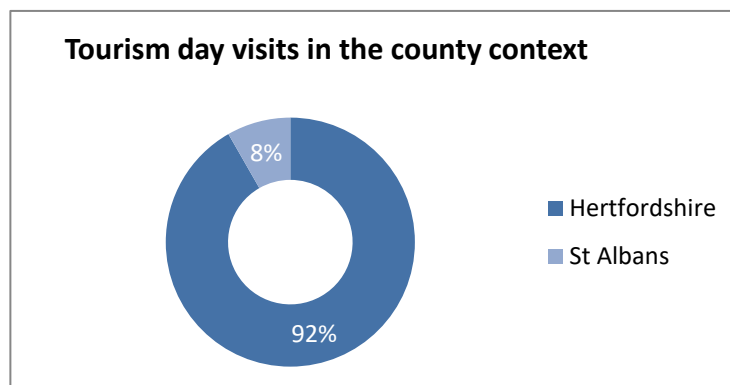


**Total Volume and Value of Day Trips**

		Trips	Spend
Urban visits		829,000	34,457,000
Countryside visits		249,000	4,855,000
<b>Total</b>	<b>2020</b>	<b>1,078,000</b>	<b>£39,312,000</b>
Comparison	2019	1,919,000	£73,028,000
Difference		-44%	-46%

**Day Visitors in the county context**

District	Day Visits (millions)	Day visits Spend (millions)
North Herts	1.7	£60
Stevenage	0.9	£33
East Herts	2.4	£86
Broxbourne	0.7	£27
Welwyn Hatfield	1.1	£49
St Albans	1.1	£39
Dacorum	1.9	£68
Three Rivers	1.4	£55
Watford	1.0	£36
Hertsmere	0.8	£26
Hertfordshire	13.0	£479



## Value of Tourism

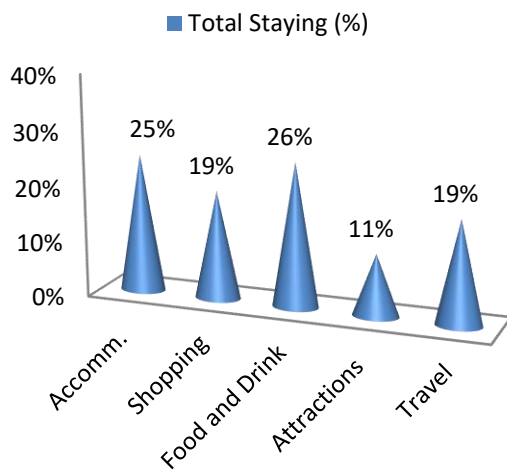
## Expenditure Associated with Trips

## St Albans - 2020 Results

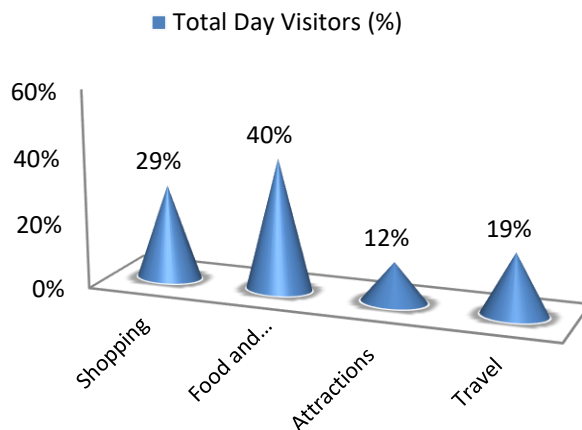
### Direct Expenditure Associated with Trips

	Accomm.	Shopping	Food and Drink	Attractions	Travel	Total
UK Tourists	£5,068,000	£3,043,000	£5,395,000	£2,140,000	£4,392,000	£20,038,000
Overseas tourists	£1,814,000	£2,350,000	£1,786,000	£924,000	£767,000	£7,641,000
<b>Total Staying</b>	<b>£6,882,000</b>	<b>£5,393,000</b>	<b>£7,181,000</b>	<b>£3,064,000</b>	<b>£5,159,000</b>	<b>£27,679,000</b>
<b>Total Staying (%)</b>	<b>25%</b>	<b>19%</b>	<b>26%</b>	<b>11%</b>	<b>19%</b>	<b>100%</b>
<b>Total Day Visitors</b>	<b>£0</b>	<b>£11,354,000</b>	<b>£15,756,000</b>	<b>£4,819,000</b>	<b>£7,382,000</b>	<b>£39,311,000</b>
<b>Total Day Visitors (%)</b>	<b>0%</b>	<b>29%</b>	<b>40%</b>	<b>12%</b>	<b>19%</b>	<b>100%</b>
<b>Total 2020</b>	<b>£6,882,000</b>	<b>£16,747,000</b>	<b>£22,937,000</b>	<b>£7,883,000</b>	<b>£12,541,000</b>	<b>£66,990,000</b>
<b>%</b>	<b>10%</b>	<b>25%</b>	<b>34%</b>	<b>12%</b>	<b>19%</b>	<b>100%</b>
Comparison 2019	£20,923,000	£39,465,000	£44,228,000	£15,337,000	£19,712,000	£139,665,000
Difference	-67%	-58%	-48%	-49%	-36%	-52%

### 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
£129,000	£0	£0	£12,536,000	£12,665,000

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 £160 per visit has been assumed based on national research for social and personal visits.

## Direct Turnover Derived From Trip

## St Albans - 2020 Results

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	£7,084,000	£302,000	£7,386,000
Retail	£5,127,000	£15,224,000	£20,351,000
Catering	£7,465,000	£14,665,000	£22,130,000
Attractions	£2,921,000	£4,401,000	£7,322,000
Transport	£3,049,000	£2,832,000	£5,881,000
Non-trip spend	£12,665,000	£0	£12,665,000
<b>Total Direct</b> <b>2020</b>	<b>£38,311,000</b>	<b>£37,424,000</b>	<b>£75,735,000</b>
Comparison <b>2019</b>	<b>£80,694,000</b>	<b>£69,743,000</b>	<b>£150,437,000</b>
Difference	-53%	-46%	-50%

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	£8,612,000	£10,772,000	£19,384,000
Non trip spending	£2,672,000	£0	£2,672,000
Income induced	£5,654,000	£1,593,000	£7,247,000
<b>Total</b> <b>2020</b>	<b>£16,938,000</b>	<b>£12,365,000</b>	<b>£29,303,000</b>
Comparison <b>2019</b>	<b>£36,272,000</b>	<b>£23,214,000</b>	<b>£59,486,000</b>
Difference	-53%	-47%	-51%

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	£38,311,000	£37,424,000	£75,735,000
Indirect	£16,938,000	£12,365,000	£29,303,000
<b>Total Value</b> <b>2020</b>	<b>£55,249,000</b>	<b>£49,789,000</b>	<b>£105,038,000</b>
Comparison <b>2019</b>	<b>£116,966,000</b>	<b>£92,957,000</b>	<b>£209,923,000</b>
Difference	-53%	-46%	-50%

## Employment

The employment results assume that local actions set up to deal with pre-existing staff shortage such as the development of an in-house chef academy or Kickstarter schemes, local and national interventions and the furlough scheme, will have mitigated some of the negative impact of the COVID-19 pandemic on local employment.



## Employment

## St Albans - 2020 Results

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. A new Full Time Equivalent tourism job is created with every £43,000 increase in tourism revenue.

### Direct Employment

Full time equivalent (FTE)						
	Staying Visitor		Day Visitor		Total	
Accommodation	155	21%	7	1%	162	12%
Retailing	59	8%	174	29%	233	17%
Catering	147	20%	289	49%	436	32%
Entertainment	67	9%	101	17%	168	13%
Transport	26	4%	25	4%	51	4%
Non-trip spend	295	39%	0	0%	295	22%
<b>Total FTE</b>	<b>2020</b>	<b>749</b>	<b>596</b>		<b>1,344</b>	
Comparison	2019	995	675		1,670	
Difference		-25%	-12%		-20%	

Estimated actual jobs						
	Staying Visitor		Day Visitor		Total	
Accommodation	229	23%	10	1%	239	13%
Retailing	88	9%	262	30%	350	18%
Catering	221	22%	433	49%	654	34%
Entertainment	95	9%	143	16%	238	13%
Transport	37	4%	34	4%	71	4%
Non-trip spend	336	33%	0	0%	336	18%
<b>Total Actual</b>	<b>2020</b>	<b>1,006</b>	<b>882</b>		<b>1,888</b>	
Comparison	2019	1,359	1,000		2,359	
Difference		-26%	-12%		-20%	

### Indirect & Induced Employment

Full time equivalent (FTE)			
	Staying Visitor	Day Visitors	Total
Indirect jobs	262	251	513
Induced jobs	131	37	169
<b>Total FTE</b>	<b>2020</b>	<b>394</b>	<b>288</b>
Comparison	2019	636	407
Difference		-38%	-29%

Estimated actual jobs			
	Staying Visitor	Day Visitors	Total
Indirect jobs	299	286	585
Induced jobs	150	42	192
<b>Total Actual</b>	<b>2020</b>	<b>449</b>	<b>328</b>
Comparison	2019	725	464
Difference		-38%	-29%

## Total Tourism Jobs

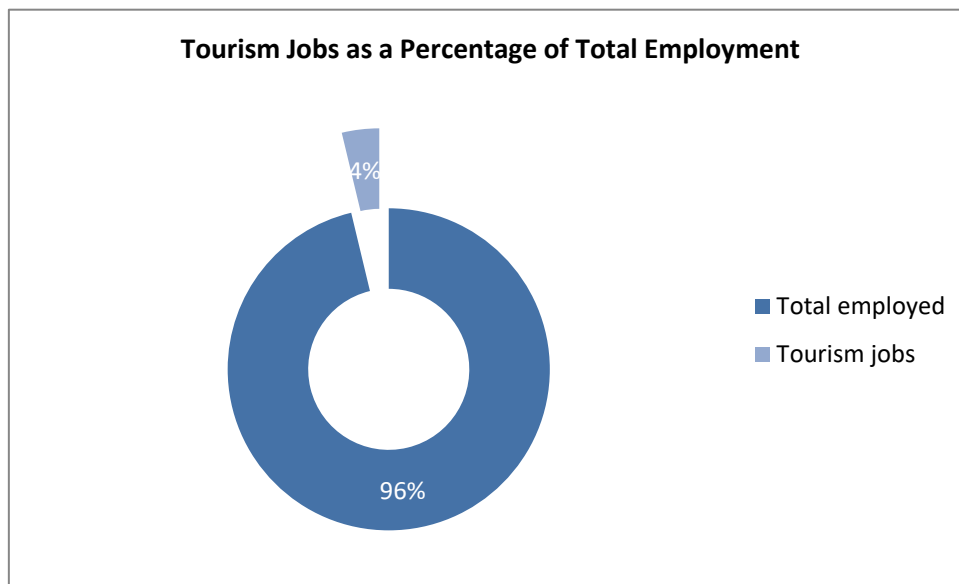
## St Albans - 2020 Results

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	749	66%	596	67%	1,344	66%
Indirect	262	23%	251	28%	513	25%
Induced	131	12%	37	4%	169	8%
<b>Total FTE 2020</b>	<b>1,142</b>		<b>884</b>		<b>2,026</b>	
Comparison 2019	1,632		1,082		2,714	
Difference	-30%		-18%		-25%	
Estimated actual jobs						
	Staying Visitor		Day Visitor		Total	
Direct	1,006	69%	882	73%	1,888	71%
Indirect	299	21%	286	24%	585	22%
Induced	150	10%	42	3%	192	7%
<b>Total Actual 2020</b>	<b>1,455</b>		<b>1,210</b>		<b>2,665</b>	
Comparison 2019	2,084		1,464		3,548	
Difference	-30%		-17%		-25%	

### Tourism Jobs as a Percentage of Total Employment

	Staying Visitor	Day Visitors	Total
Total employed	73,100	73,100	73,100
Tourism jobs	1,455	1,210	2,665
<b>Proportion all jobs</b>	<b>2%</b>	<b>2%</b>	<b>4%</b>
Comparison 2019	2,084	1,464	3,548
Difference	-30%	-17%	-25%



**The key 2020 results of the Economic Impact Assessment are:**

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

**1.1 million** day trips

**0.1 million** overnight visits

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

**£76 million** spent by tourists during their visit to the area

**£6 million** spent on average in the local economy each month.

**£28 million** generated by overnight visits

**£39 million** generated from day trips.

**£105 million** spent in the local area as result of tourism, taking into account multiplier effects.

**2,665 jobs** supported, both for local residents from those living nearby.

**1,888 tourism jobs** directly supported

**777 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 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 change 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 Visits 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-2019 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 including national designations.

### **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 report excludes trips undertaken for business or study purposes. This report presents data on those who took trips of at least 3 hours duration on an irregular basis as defined by the GBDVS. These are identified as tourism day trips by the Department for Digital, Culture, Media & Sport.

### **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.

### **Local level data for Hertfordshire EIA Reports 2020**

The Cambridge Model allows for the use of local visitor related data. Local data from visitor surveys and other sources is not always sufficiently detailed or available regularly enough to make the results consistent. We have included locally sourced data, provided by partners, into the model (town centre footfall data, visits to key visitor attractions within the county, car parking data, etc). We have also used the Visit Herts Business Barometer and headline serviced accommodation data (monthly/yearly occupancy and supply and demand).

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