Commissioned by:

Visit Herts

Economic Impact of Tourism

Hertfordshire - 2019 Results

Produced by:

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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 2019 and provides comparative data against the previously published data for Hertfordshire (2017).

Destination Research was commissioned by Visit Herts to produce 2019 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.

Domestic tourism

National Performance

In 2019, British residents took 99.7 million overnight trips in England (down from 100.6 million overnight trips in 2017), totalling 290 million nights away from home (down from 299 million nights in 2017). Expenditure reached £19.4 billion (up from £19.05 billion in 2017). The spend per trip was £194.58 and with an average trip length of stay of 2.9 nights, the average spend per night was £66.89.

Regional performance

The East of England region experienced a 2% decrease in overnight trips between 2017 and 2019. Bednights were down 4% on 2017 and expenditure was down by 3%. The average expenditure per trip in 2019 was £170.87, down from £172.83 in 2017. The average expenditure per night in 2019 was £52.83, down from £56.15 in 2017. Visitors spent an average of 3.23 nights per trip, compared to 3.29 nights per trip in 2017.

Domestic visits to Hertfordshire

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 figures.

The domestic tourism results for Hertfordshire used in this model combine a mixture of supply and demand data. We do this because extracting county level data from national surveys can sometimes lead to inaccurate results due to low sample sizes. By combining the supply and demand results we estimate that trips to Hertfordshire were up by 1%, nights per trip were up by 2% and expenditure increased by 4%.

Visits from overseas

At national level, the number of visits in 2019 was 36.1 million (33.0 in 2017). The number of visitor nights spent in England was 252.4 million (245.7 million in 2017), with the average number of nights per visit standing at 7.99 in 2019 (from 7.45 in 2017). Expenditure in 2019 was £24.78 billion, slightly below the £24.94 billion achieved in 2017.

Overseas trips to the East of England region were 7% down on 2017 to reach 2.3 million overnight trips. The total number of nights was down by 2% to reach 16.4 million in 2019. Spend was up by 11% compared to 2017 reaching £1.02 billion.

Hertfordshire also experienced a drop in volume of trips between 2017 and 2019. Trips were down 4%, nights per trip were also down by 4%. However, expenditure was up by 4%.

The International Passenger Survey (IPS) data is a key driver for the Cambridge model. However, as with the GBTS, 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 highlight longer-term trends, whilst helping smooth out short-term market fluctuations and reducing the impact of any methodological changes affecting the survey. As such, county and district level results relating to 2019 are an average of 2017, 2018 and 2019 results. The number of interviews conducted in England in 2019 was 25,147.

Tourism Day Visits

National Performance

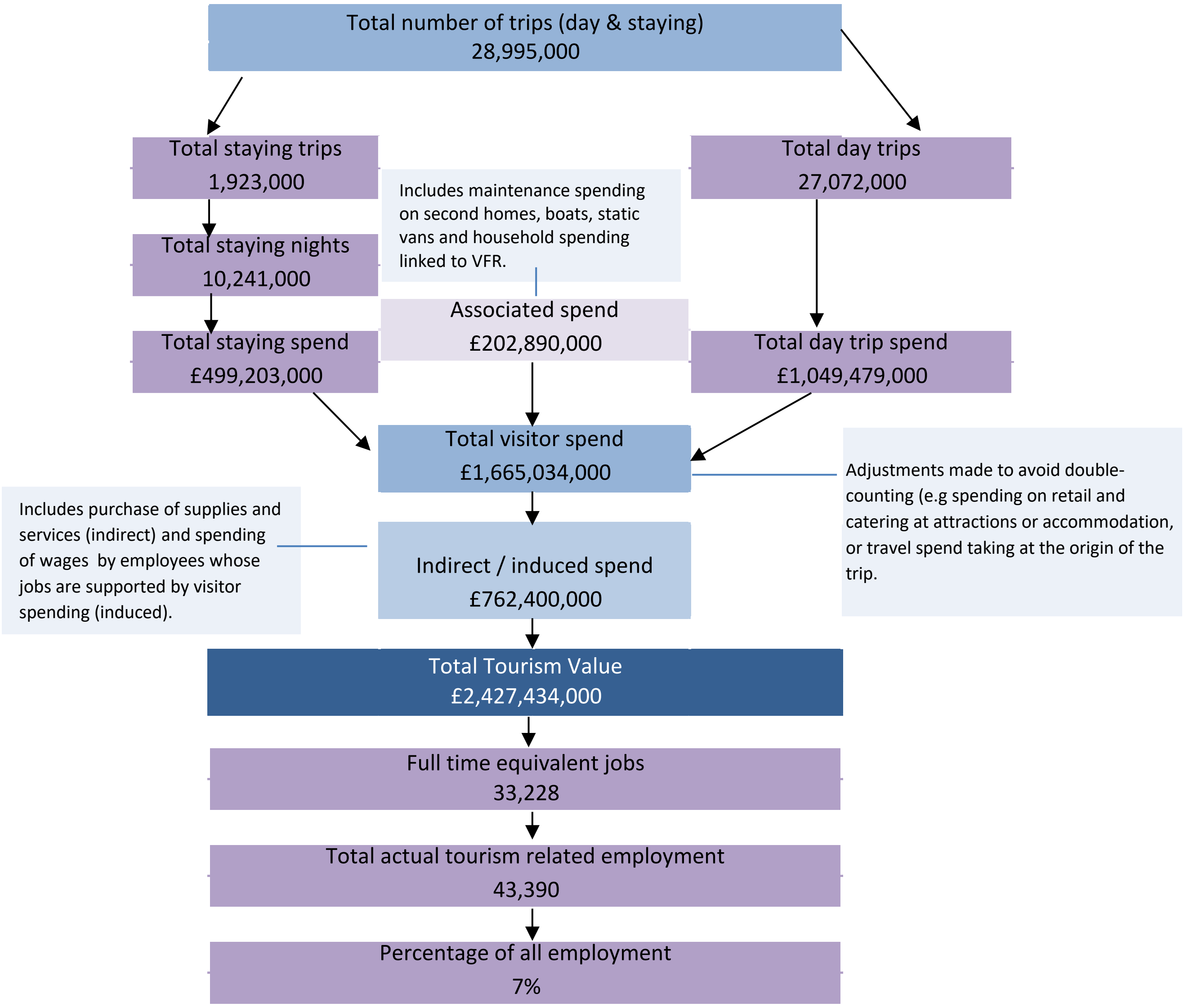
During 2019, UK residents took a total of 1,390 million Tourism Day Visits in England (down from 1,505 in 2017). Around £56.5 billion were spent during these trips, up from £50.9 billion in 2017.

The volume and value of tourism day visits in the East of England decreased by 8% between 2017 and 2019, from 133 million to 123 million. Expenditure levels were up by 22% to £4.7 billion in 2019.

The GB Day Visitor Survey (GBDVS) is not specifically designed to produce highly accurate results at sub-regional level. For this reason, the GBDVS data used in the Cambridge Model is based on three year rolling averages to reduce some of the more extreme fluctuations which are due to small sample sizes and high margins or error. The results for Hertfordshire are based on a combination of results from the GBDVS, visits to visitor attractions and other relevant local level data including off-peak rail journeys to key stations in Hertfordshire between 2017 and 2019.

Based on these sets of data the model assumes that the volume of day trips was up 5% between 2017 and 2019 and expenditure for the same period was up by 8%.

Economic Impact of Tourism – Headline Figures Hertfordshire - 2019 Results



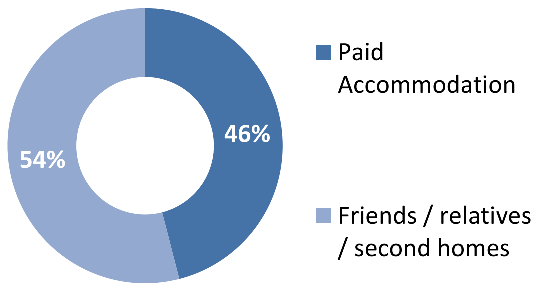
Economic Impact of Tourism – Year on year comparisons **Hertfordshire**

Day Trips	**2017**	**2019**	**Annual variation**
Day trips Volume	25,860,000	27,072,000	5%
Day trips Value	£974,494,000	£1,049,479,000	8%
Overnight trips			
Number of trips	1,925,000	1,923,000	0%
Number of nights	10,232,000	10,241,000	0%
Trip value	£484,129,000	£499,203,000	3%
Total Value	£2,263,292,000	£2,427,434,000	7%
Actual Jobs	40,312	43,390	8%

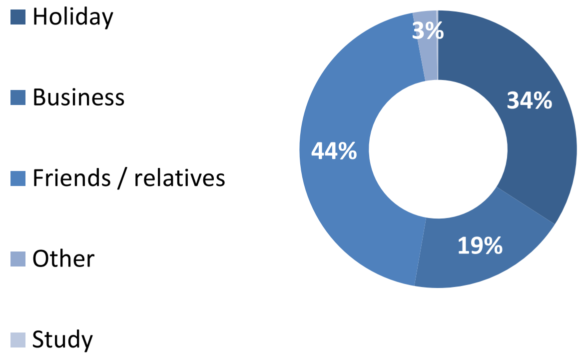
Hertfordshire	**2017**	**2019**	**Variation**
Average length stay (nights x trip)	5.32	5.33	0%
Spend x overnight trip	£ 251.50	£ 259.60	3%
Spend x night	£ 47.32	£ 48.75	3%
Spend x day trip	£ 37.68	£ 38.77	3%

Economic Impact of Tourism – Headline Figures   Hertfordshire - 2019 Results

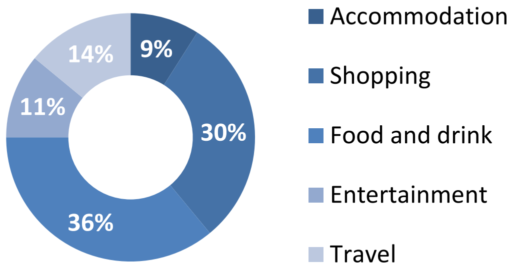
Trips by type of accommodation



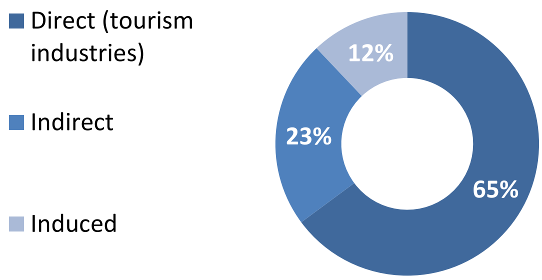
Trips by Purpose



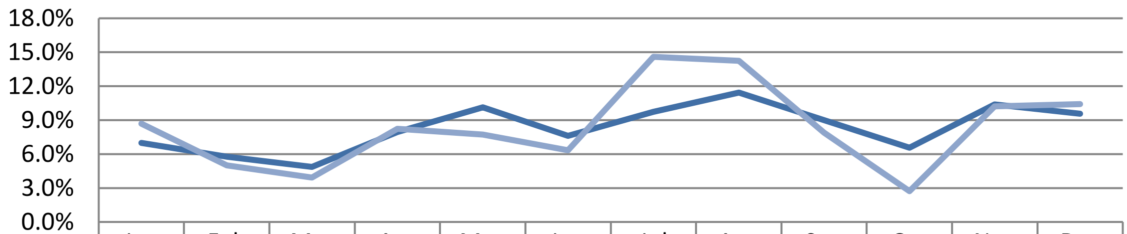
Breakdown of expenditure



Type of employment

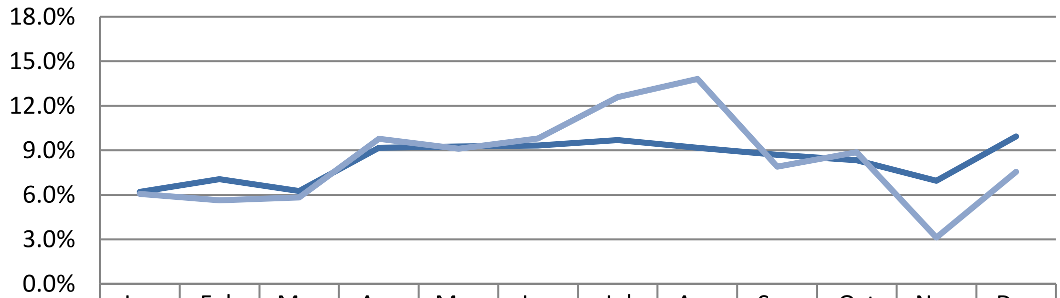


Seasonality - Day visitors



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Day trips	7.0%	5.8%	4.9%	7.9%	10.1%	7.6%	9.7%	11.4%	9.0%	6.6%	10.4%	9.6%
Day spend	8.7%	5.0%	3.9%	8.2%	7.7%	6.3%	14.6%	14.2%	7.9%	2.7%	10.2%	10.4%

Seasonality - Overnight visitors



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Overnight trips	6.2%	7.1%	6.2%	9.2%	9.3%	9.3%	9.7%	9.2%	8.7%	8.3%	7.0%	9.9%
Overnight spend	6.1%	5.6%	5.8%	9.8%	9.1%	9.8%	12.6%	13.8%	7.9%	8.9%	3.1%	7.5%

Volume of Tourism

Staying visits in the county context

Staying trips in the county context 2019

District	Domestic trips ('000)	Overseas trips ('000)
North Herts	144	48
Stevenage	116	36
East Herts	189	62
Broxbourne	103	32
Welwyn Hatfield	147	50
St Albans	199	68
Dacorum	213	64
Three Rivers	70	26
Watford	152	48
Hertsmere	118	39
Hertfordshire	1,451	472

Staying nights in the county context 2019

District	Domestic nights ('000)	Overseas nights ('000)
North Herts	703	300
Stevenage	541	179
East Herts	904	541
Broxbourne	517	224
Welwyn Hatfield	704	716
St Albans	866	415
Dacorum	956	406
Three Rivers	415	181
Watford	626	244
Hertsmere	559	244
Hertfordshire	6,791	3,450

Expenditure in the county context 2019

District	Domestic spend (millions)	Overseas spend (millions)
North Herts	£28	£17
Stevenage	£27	£12
East Herts	£38	£31
Broxbourne	£19	£12
Welwyn Hatfield	£32	£38
St Albans	£41	£25
Dacorum	£47	£25
Three Rivers	£13	£8
Watford	£33	£17
Hertsmere	£24	£14
Hertfordshire	£300	£199

As part of that data release, the ONS has revised overseas tourism data from 2009-19. Data has been significantly revised for some countries of residence, and to some degree for all countries. This has resulted in changes in the proportions of trips between paid accommodation and VFR when compared to 2017 results.

Staying Visitors - Accommodation Type

Hertfordshire - 2019 Results

Trips by Accommodation

		UK		Overseas		Total	
Serviced		547,000	38%	142,000	30%	689,000	36%
Self catering		13,000	1%	7,000	1%	20,000	1%
Camping		18,000	1%	4,000	1%	22,000	1%
Static caravans		0	0%	0	0%	0	0%
Group/campus		18,000	1%	6,000	1%	24,000	1%
Paying guest		0	0%	8,000	2%	8,000	0%
Second homes		5,000	0%	7,000	1%	12,000	1%
Boat moorings		15,000	1%	0	0%	15,000	1%
Other		75,000	6%	39,000	8%	114,000	6%
Friends & relatives		760,000	52%	259,000	55%	1,019,000	53%
Total	**2019**	**1,451,000**		**472,000**		**1,923,000**	
Comparison	**2017**	**1,433,000**		**492,000**		**1,925,000**	
Difference		**1%**		**-4%**		**0%**	

Nights by Accommodation

		UK		Overseas		Total	
Serviced		1,526,000	22%	312,000	9%	1,838,000	18%
Self catering		51,000	1%	114,000	3%	165,000	2%
Camping		165,000	2%	23,000	1%	188,000	2%
Static caravans		0	0%	0	0%	0	0%
Group/campus		69,000	1%	241,000	7%	310,000	3%
Paying guest		0	0%	83,000	2%	83,000	1%
Second homes		20,000	0%	160,000	5%	180,000	2%
Boat moorings		61,000	1%	0	0%	61,000	1%
Other		398,000	6%	46,000	1%	444,000	4%
Friends & relatives		4,501,000	66%	2,471,000	72%	6,972,000	67%
Total	**2019**	**6,791,000**		**3,450,000**		**10,241,000**	
Comparison	**2017**	**6,631,000**		**3,601,000**		**10,232,000**	
Difference		**2%**		**-4%**		**0%**	

Spend by Accommodation Type

		UK		Overseas		Total	
Serviced		£146,635,000	49%	£55,530,000	28%	£202,165,000	40%
Self catering		£4,299,000	1%	£6,428,000	3%	£10,727,000	2%
Camping		£2,768,000	1%	£722,000	0%	£3,490,000	1%
Static caravans		£0	0%	£0	0%	£0	0%
Group/campus		£5,805,000	2%	£11,091,000	6%	£16,896,000	3%
Paying guest		£0	0%	£3,672,000	2%	£3,672,000	1%
Second homes		£1,011,000	0%	£4,406,000	2%	£5,417,000	1%
Boat moorings		£2,414,000	1%	£0	0%	£2,414,000	1%
Other		£17,459,000	5%	£4,956,000	3%	£22,415,000	4%
Friends & relatives		£119,995,000	40%	£112,012,000	56%	£232,007,000	46%
Total	**2019**	**£300,386,000**		**£198,817,000**		**£499,203,000**	
Comparison	**2017**	**£292,522,000**		**£191,607,000**		**£484,129,000**	
Difference		**3%**		**4%**		**3%**	

Serviced accommodation includes hotels, guesthouses, inns, B&Bs 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

Hertfordshire - 2019 Results

Trips by Purpose

		UK		Overseas		Total	
Holiday		561,000	39%	95,000	20%	656,000	34%
Business		281,000	19%	78,000	17%	359,000	19%
Friends & relatives		570,000	39%	281,000	60%	851,000	44%
Other		39,000	3%	14,000	3%	53,000	3%
Study		0	0%	4,000	1%	4,000	0%
Total	**2019**	**1,451,000**		**472,000**		**1,923,000**	
Comparison	**2017**	**1,433,000**		**492,000**		**1,925,000**	
Difference		**1%**		**-4%**		**0%**	

Nights by Purpose

		UK		Overseas		Total	
Holiday		2,409,000	35%	430,000	12%	2,839,000	28%
Business		852,000	13%	507,000	15%	1,359,000	13%
Friends & relatives		3,412,000	50%	2,247,000	65%	5,659,000	55%
Other		118,000	2%	197,000	6%	315,000	3%
Study		0	0%	69,000	2%	69,000	1%
Total	**2019**	**6,791,000**		**3,450,000**		**10,241,000**	
Comparison	**2017**	**6,631,000**		**3,601,000**		**10,232,000**	
Difference		**2%**		**-4%**		**0%**	

Spend by Purpose

		UK		Overseas		Total	
Holiday		£87,904,000	29%	£38,251,000	19%	£126,155,000	25%
Business		£92,291,000	31%	£50,792,000	26%	£143,083,000	29%
Friends & relatives		£115,330,000	38%	£94,931,000	48%	£210,261,000	42%
Other		£4,861,000	2%	£11,326,000	6%	£16,187,000	3%
Study		£0	0%	£3,517,000	2%	£3,517,000	1%
Total	**2019**	**£300,386,000**		**£198,817,000**		**£499,203,000**	
Comparison	**2017**	**£292,522,000**		**£191,607,000**		**£484,129,000**	
Difference		**3%**		**4%**		**3%**	

Top 10 nations by volume of Visits (000s)		Top 10 nations by volume of spend (£m)	
USA	46.9	USA	£20.25
Germany	45.3	Germany	£17.57
Irish Republic	44.8	Spain	£15.34
Spain	41.1	France	£11.07
France	34.9	India	£10.93
Netherlands	21.7	Australia	£9.90
Australia	20.9	Irish Republic	£9.02
Poland	19.6	Romania	£7.41
Romania	17.6	Canada	£6.22
Italy	15.4	Italy	£5.16

Source: International Passenger Survey, 2017-2019

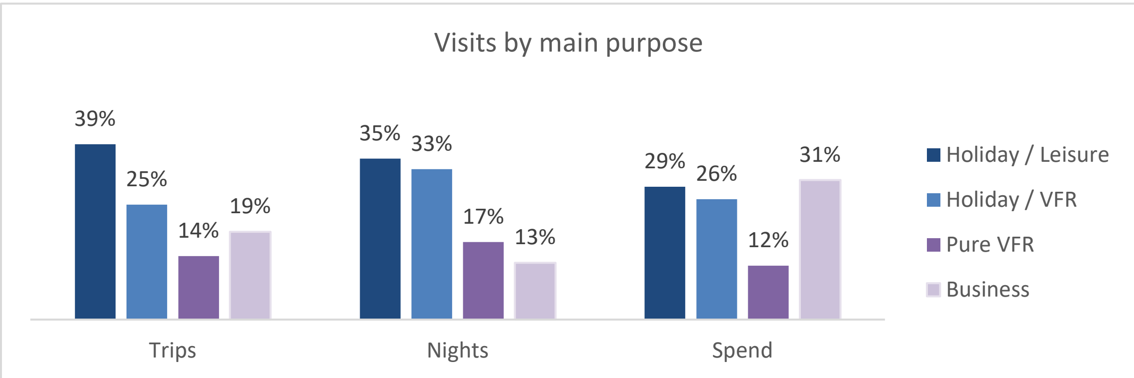
Domestic Overnight Visitors - Purpose of Trip   Hertfordshire - 2019 Results

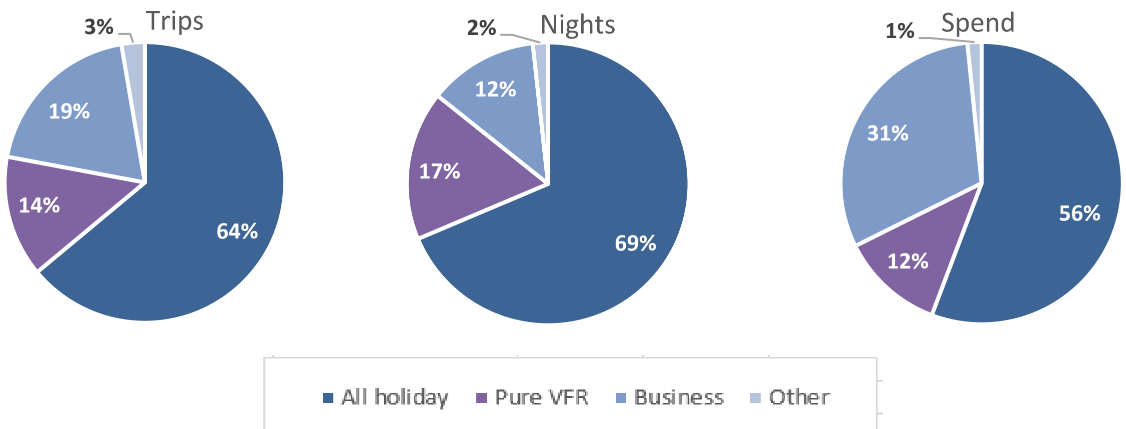
Total holiday trips include visits to destinations in Hertforshire for pleasure / leisure purposes staying with friends and relatives. Pure VFR are visits to friends and relatives for social and personal reasons, and do not include holiday trips staying with friends and relatives.

	Trips		Nights		Expenditure	
Holiday / Leisure	561,000	39%	2,409,000	35%	£87,904,000	29%
Holiday / VFR	367,000	25%	2,252,000	33%	£79,578,000	26%
Pure VFR	203,000	14%	1,160,000	17%	£35,752,000	12%
Business	281,000	19%	852,000	13%	£92,291,000	31%
Other	39,000	3%	118,000	2%	£4,861,000	2%
Total	**1,451,000**		**6,791,000**		**£300,386,000**	

Holiday trips involving paid accommodation make up the largest proportion of domestic trips and incur the highest average spend per trip and night. Pure VFR trips (i.e. for social and personal reasons excluding holiday) are the shortest in length and are subject to the lowest levels of expenditure.

	Holiday / Leisure	Holiday / VFR	Pure VFR	Business
Average length stay (nights x trip)	4.3	6.1	5.7	3.0
Spend x overnight trip	£156.69	£216.83	£176.12	£328.44
Spend x night	£36.49	£35.34	£30.82	£108.32





Total Volume and Value of Day Trips

		Trips	Spend
Urban visits		20,373,000	£821,243,000
Countryside visits		6,699,000	£228,236,000
Total	**2019**	**27,072,000**	**£1,049,479,000**
Comparison	2017	25,860,000	£974,494,000
Difference		5%	8%

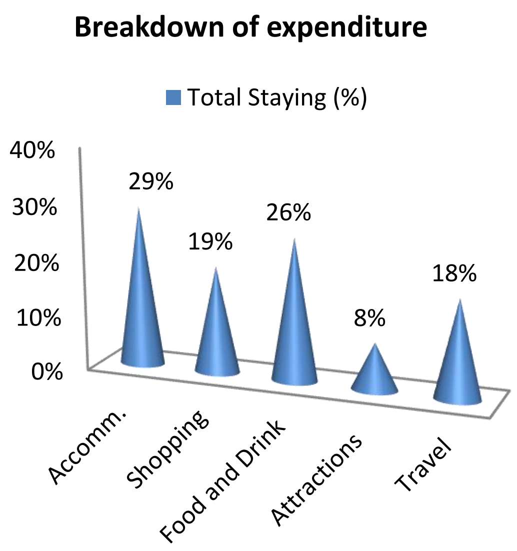
Day Visitors in the county context

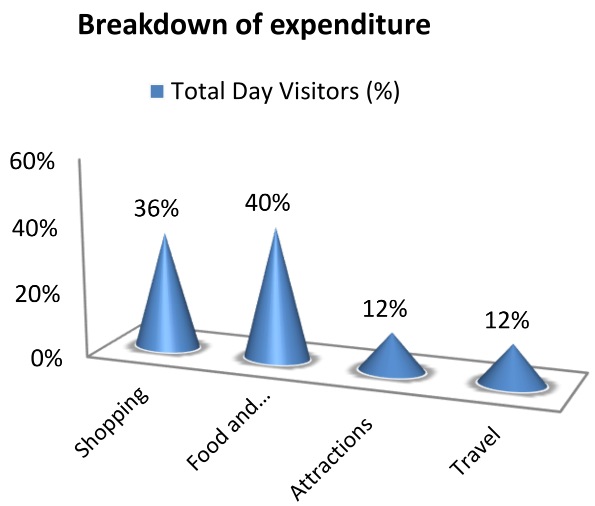
District	Day Visits (millions)	Day visit Spend (millions)
North Herts	2.8	£107.4
Stevenage	1.7	£64.6
East Herts	4.2	£160.1
Broxbourne	1.2	£46.8
Welwyn Hatfield	1.8	£70.9
St Albans	1.9	£73.0
Dacorum	3.3	£126.7
Three Rivers	3.4	£130.2
Watford	1.9	£71.3
Hertsmere	1.4	£50.2

Value of Tourism

Direct Expenditure Associated with Trips

		Accomm.	Shopping	Food and Drink	Attractions	Travel	Total
UK Tourists		£89,572,000	£41,572,000	£80,401,000	£20,809,000	£68,033,000	£300,387,000
Overseas tourists		£54,569,000	£54,566,000	£47,772,000	£21,366,000	£20,544,000	£198,817,000
Total Staying		£144,141,000	£96,138,000	£128,173,000	£42,175,000	£88,577,000	£499,204,000
Total Staying (%)		29%	19%	26%	8%	18%	100%
Total Day Visitors		£0	£374,145,000	£423,215,000	£124,348,000	£127,772,000	£1,049,480,000
Total Day Visitors (%)		0%	36%	40%	12%	12%	100%
Total	**2019**	**£144,141,000**	**£470,283,000**	**£551,388,000**	**£166,523,000**	**£216,349,000**	**£1,548,684,000**
%		**9%**	**30%**	**36%**	**11%**	**14%**	**100%**
Comparison	**2017**	**£140,153,000**	**£464,862,000**	**£501,130,000**	**£161,685,000**	**£190,793,000**	**£1,458,623,000**
Difference		**3%**	**1%**	**10%**	**3%**	**13%**	**6%**





Other expenditure associated with tourism activity

Other expenditure associated with tourism activity - Estimated spend				
Second homes	**Boats**	**Static vans**	**Friends & relatives**	**Total**
£1,799,000	£794,000	£0	£200,297,000	£202,890,000

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 £180 per visit has been assumed based on national research for social and personal visits.

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 Visitors	Day Visitors	Total
Accommodation		£146,704,000	£8,464,000	£155,168,000
Retail		£95,176,000	£370,403,000	£465,579,000
Catering		£124,328,000	£410,519,000	£534,847,000
Attractions		£44,419,000	£132,322,000	£176,741,000
Transport		£53,146,000	£76,663,000	£129,809,000
Non-trip spend		£202,890,000	£0	£202,890,000
Total Direct	**2019**	**£666,663,000**	**£998,371,000**	**£1,665,034,000**
Comparison	**2017**	**£633,449,000**	**£932,406,000**	**£1,565,855,000**
Difference		**5%**	**7%**	**6%**

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 Visitors	Day Visitors	Total
Indirect spend		£158,865,000	£290,660,000	£449,525,000
Non trip spending		£50,928,000	£0	£50,928,000
Income induced		£180,958,000	£80,989,000	£261,947,000
Total	**2019**	**£390,751,000**	**£371,649,000**	**£762,400,000**
Comparison	**2017**	**£366,422,000**	**£331,015,000**	**£697,437,000**
Difference		**7%**	**12%**	**9%**

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 Visitors	Day Visitors	Total
Direct		£666,663,000	£998,371,000	£1,665,034,000
Indirect		£390,751,000	£371,649,000	£762,400,000
Total Value	**2019**	**£1,057,414,000**	**£1,370,020,000**	**£2,427,434,000**
Comparison	**2017**	**£999,871,000**	**£1,263,421,000**	**£2,263,292,000**
Difference		**6%**	**8%**	**7%**

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. A new Full Time Equivalent tourism job is created with every £54,000 increase in tourism revenue.

Direct employment

		Full time equivalent (FTE)					
		Staying Visitors		Day Visitor		Total	
Accommodation		2,107	23%	122	1%	2,229	11%
Retailing		684	8%	2,662	25%	3,346	17%
Catering		1,687	19%	5,572	51%	7,259	37%
Entertainment		693	8%	2,065	19%	2,758	14%
Transport		287	3%	414	4%	701	4%
Non-trip spend		3,560	39%	0	0%	3,560	18%
Total FTE	**2019**	**9,018**		**10,835**		**19,853**	
Comparison	**2017**	**8,574**		**10,001**		**18,574**	
Difference		**5%**		**8%**		**7%**	

		Estimated actual jobs					
		Staying Visitors		Day Visitor		Total	
Accommodation		3,118	26%	180	1%	3,298	12%
Retailing		1,026	8%	3,993	25%	5,019	18%
Catering		2,531	21%	8,358	52%	10,889	39%
Entertainment		977	8%	2,911	18%	3,889	14%
Transport		405	3%	584	4%	989	4%
Non-trip spend		4,058	33%	0	0%	4,058	14%
Total Actual	**2019**	**12,115**		**16,027**		**28,142**	
Comparison	**2017**	**11,562**		**14,801**		**26,363**	
Difference		**5%**		**8%**		**7%**	

Indirect & Induced Employment

		Full time equivalent (FTE)		
		Staying Visitor	Day Visitors	Total
Indirect jobs		3,681	5,099	8,780
Induced jobs		3,175	1,421	4,596
Total FTE	**2019**	**6,855**	**6,520**	**13,375**
Comparison	**2017**	**6,428**	**5,807**	**12,236**
Difference		**7%**	**12%**	**9%**

		Estimated actual jobs		
		Staying Visitors	Day Visitors	Total
Indirect jobs		4,196	5,813	10,009
Induced jobs		3,619	1,620	5,239
Total Actual	**2019**	**7,815**	**7,433**	**15,248**
Comparison	**2017**	**7,328**	**6,620**	**13,949**
Difference		**7%**	**12%**	**9%**

Total Tourism Jobs

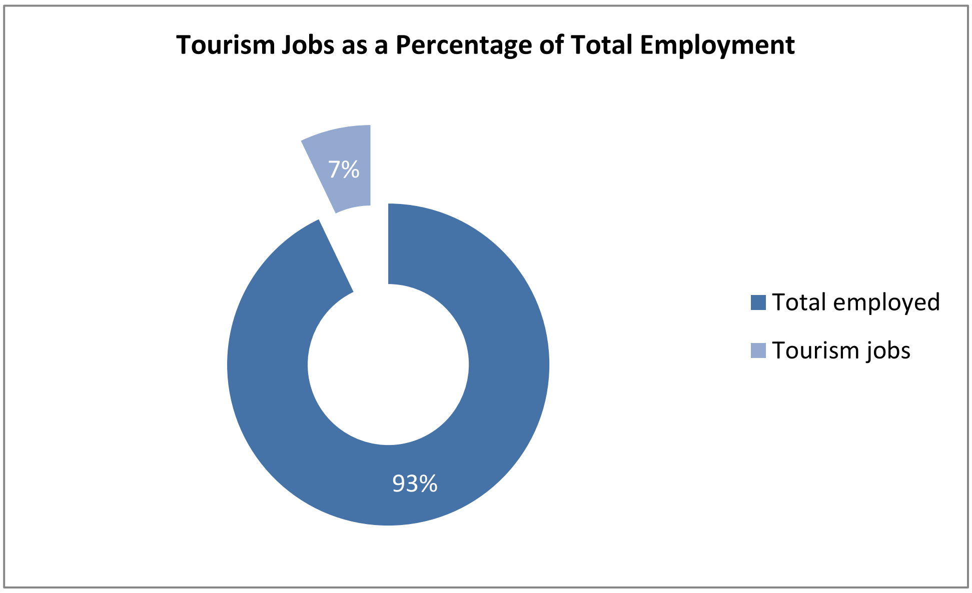
Hertfordshire - 2019 Results

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 Visitors		Day Visitor		Total	
Direct		9,018	57%	10,835	62%	19,853	60%
Indirect		3,681	23%	5,099	29%	8,780	26%
Induced		3,175	20%	1,421	8%	4,596	14%
Total FTE	**2019**	**15,873**		**17,355**		**33,228**	
Comparison	2017	15,002		15,808		30,810	
Difference		6%		10%		8%	
Estimated actual jobs							
		Staying Visitors		Day Visitor		Total	
Direct		12,115	61%	16,027	68%	28,142	65%
Indirect		4,196	21%	5,813	25%	10,009	23%
Induced		3,619	18%	1,620	7%	5,239	12%
Total Actual	**2019**	**19,930**		**23,460**		**43,390**	
Comparison	2017	18,890		21,422		40,312	
Difference		6%		10%		8%	

Tourism Jobs as a Percentage of Total Employment

		Staying Visitors	Day visitors	Total
Total employed		611,000	611,000	611,000
Tourism jobs		19,930	23,460	43,390
Proportion all jobs		**3%**	**4%**	**7%**
Comparison	2017	18,890	21,422	40,312
Difference		6%	10%	8%



The key 2019 results of the Economic Impact Assessment are:

29.0 million trips were undertaken in the area
27.1 million day trips
1.9 million overnight visits

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

£1,665 million spent by tourists during their visit to the area
£139 million spent on average in the local economy each month.

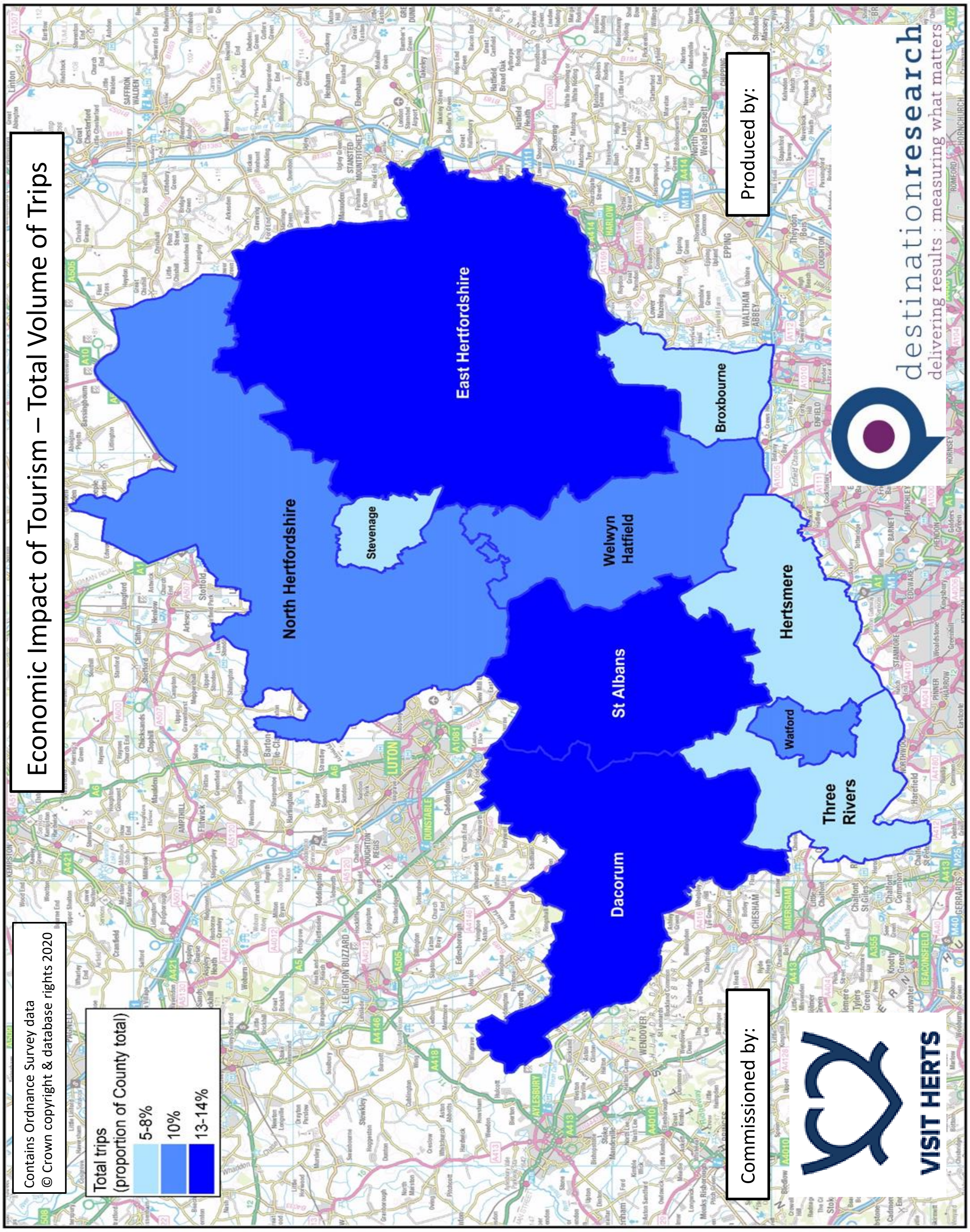
£499 million generated by overnight visits
£1,049 million generated from day trips.

£2,427 million spent in the local area as result of tourism, taking into account multiplier effects.

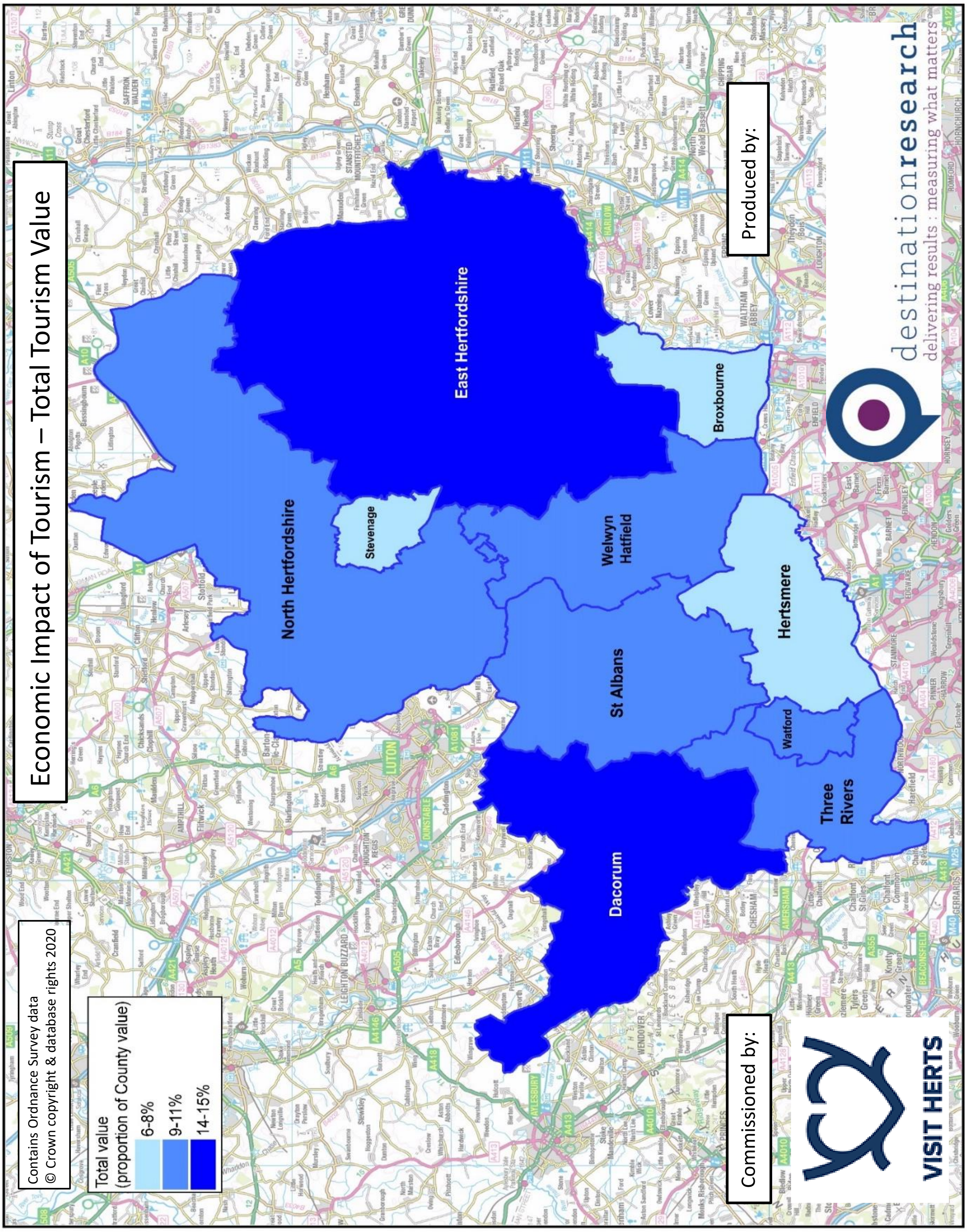
43,390 jobs supported, both for local residents from those living nearby.
28,142 tourism jobs directly supported
15,248 non-tourism related jobs supported linked to multiplier spend from tourism.

Note: The figues have been rounded. For a full set of results, please refer to the main report.

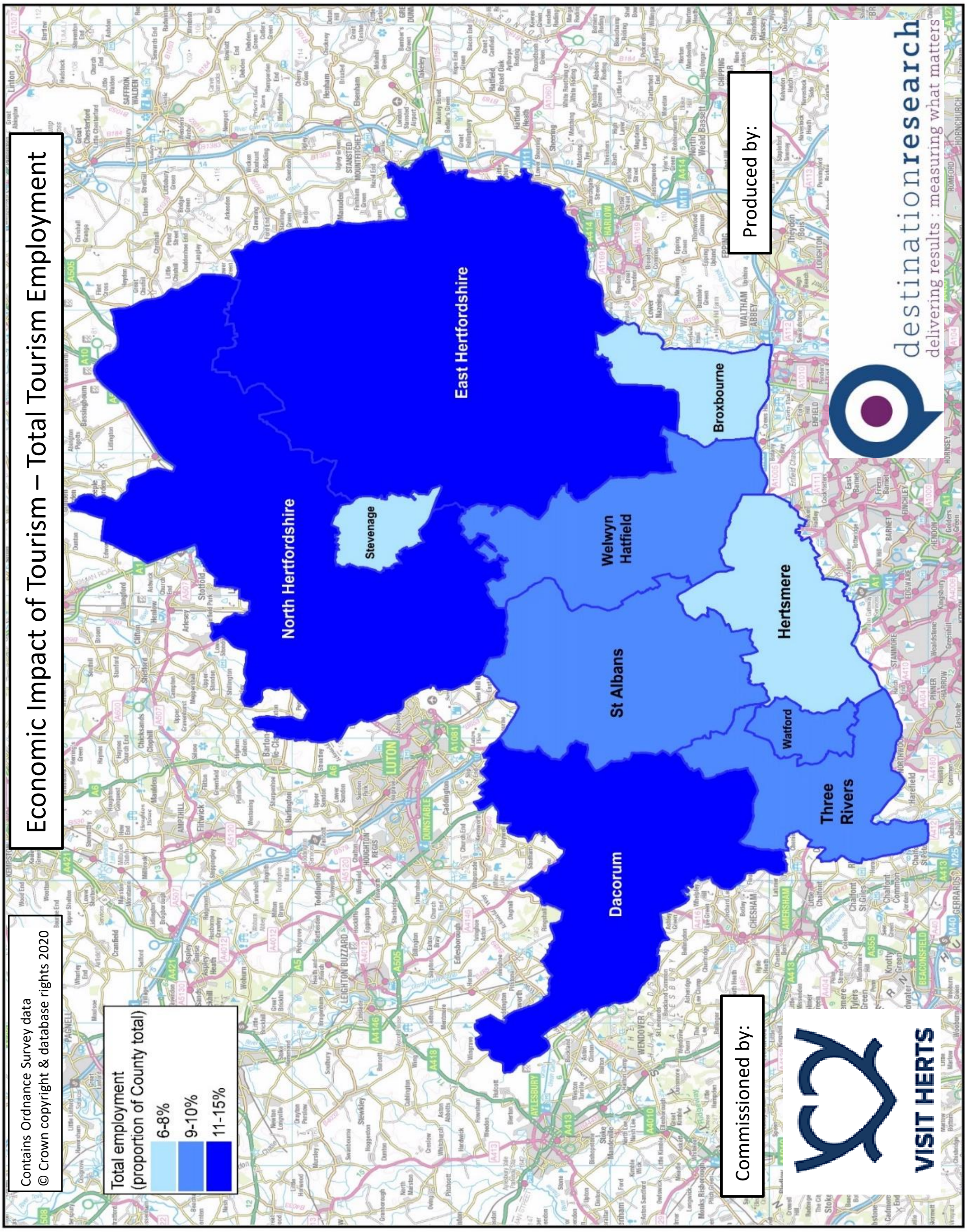
Thematic maps - Total Volume of Trips



Thematic maps - Total Tourism Value



Thematic maps - Total Tourism Employment



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 overseas day visits from holiday accommodation in London to locations receiving significant numbers from that destination.

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- 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. 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 of Culture, Media and the 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 county.

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 2019

The Cambridge Model allows for the use of local visitor related data. Local data from visitor survey and other sources is not always sufficiently detailed or available regularly enough to make the results consistent. We rely on partners to collect additional locally sourced data to feed into the model. We have also used data from the Visit Herts Business Barometer, including serviced accommodation occupancy averages.

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