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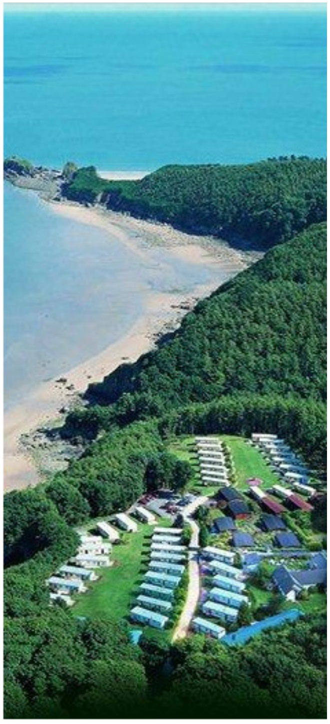
British Holiday & Home Parks Association / Visit Wales

Economic Impact Assessment of the Holiday Park Industry in Wales

With THE TOURISM COMPANY

BRITISH HOLIDAY & HOME PARKS ASSOCIATION

Visit Wales

Llywodraeth Cymru
Welsh Government

Final Report | September 2011

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APPENDICES

1 EXECUTIVE SUMMARY

1.1 This study was commissioned from Roger Tym & Partners (RTP) and The Tourism Company in February 2011by the British Holiday Home & Park Association and Visit Wales with the objectives of:

- Providing an independent, evidence based understanding of the direct and indirect economic impact / contribution of the holiday park sector in Wales
- To provide the economic impact / contribution from different types of accommodation unit provided in holiday parks.

1.2 The study method comprised:

- Desk research into the context of the industry
- Interviews with key stakeholders to understand the past, current and future trends in the industry and the catalytic economic impacts
- Interviews with a representative selection of park owners (covering 43 parks in total) to understand the accommodation offer in each park, expenditure on goods and services, staff numbers and wages, visitor origins, and information to estimate the number of visitor nights by accommodation type
- Face to face visitor surveys carried out in 21 parks with 517 people at three different times in the season. Information gathered included accommodation type, length of stay, size of party, where they came from and visitor spend by category,
- Analysis of results and estimation of the gross and net economic impact of the industry.

1.3 The results of any study based on surveys and sampling must be considered indicative rather than absolute. However we consider that we have obtained sufficient information for the results to give a reasonably accurate and interesting picture of the industry.

Key Points

1.4 The key findings from the study are shown below:

Economic Impact[1]

- The total turnover and visitor expenditure as a result of the Wales holiday park industry is £727 million per annum. Its total economic impact to Wales has been calculated as a Gross Value Added (GVA) contribution of £317 million per annum supporting a total of 10,645 direct and indirect jobs in Wales
- The estimated total park and visitor expenditure and GVA by accommodation type is shown in the following table

[1] The Tourism Impact Model for Wales (TIM) was used to trace the link between gross expenditure and regional impact.

Table 1.1 Expenditure & GVA by Accommodation Type per annum

	Accommodation Type		
	Owned Static Unit	**Rented Static Unit**	**Touring Pitch**
Park expenditure per unit	£3,625	£5,900	£200
Visitor expenditure per unit	£3,900	£9,400	£2,600
Total spend per unit per annum	£7,525	£15,300	£2,800
Total GVA per unit per annum	£3,390	£6,900	£1,340

The difference between expenditure (and therefore GVA) between accommodation types is not surprising given the required expenditure by parks on rented static units such as marketing, cleaning, additional maintenance and more frequent unit replacement than is the case with owned units. Visitor expenditure is also higher for rented static units due to their higher occupancy rates than owned static units. Touring pitches require the least amount of park expenditure and had the lowest occupancy rates, reflecting the generally shorter season for tourers

- Although assessing the UK-wide impact of the Wales holiday park industry is beyond the scope of this report, it is important to note that the industry supports many jobs in the rest of the UK (for example in the caravan production industry)

Accommodation Type Totals

- The total number of holiday park units / pitches in Wales is estimated at 71,700 of which 64% are owned static units (ie caravans, lodges, chalets etc), 8% are rented static units and 27% are touring pitches (for caravans, tents, trailer tents and motor homes). The BH&HPA estimates that its members own and manage 80% of all static unit pitches (owned and rented) and 60% of all touring pitches

Visitor Numbers

- The holiday park industry in Wales attracts approximately 2.9 million visitors per annum, who spend 24.8 million visitor days in Wales.
- Of these 2.9 million visitors, 1.95 million stay in static owned units, 500,000 stay in rented static units and 450,000 stay in tourers
- Of the 24.8 million visitor days, 16.6 million are spent staying in static owned units, 4.2 million in rented static units and 3.9 in touring caravans and tents.

Park Spend on Goods and Services

- Parks in Wales spend £207 million per annum on goods and services. Of that total, £99m (48%) is spent on new and secondhand static units and £108m (52%) on other items (maintenance, utilities, rates, equipment, stock for owned on-park shops, etc.)
- Of the £207 million overall spend, £93m (45%) is spent in Wales and £114m (55%) elsewhere in the UK. The share of the spend on static unit purchase is split 29% Wales / 71% non Wales, and of other items 59% Wales and 41% non Wales

- Park owners' spend on all goods and services averages £2,890 per unit / pitch. Highest spend is on rented static units (average £5,900 per rented static unit) followed by £3,625 per owned static unit and £200 per touring pitch. Excluding purchases of new and used static units, the average expenditure per unit / pitch was reduced to £1,500

Direct Staff Numbers, Costs and Locations

- The number of staff working on the parks fluctuates throughout the season with many jobs being part time and / or temporary (some for just a few hours a week). Converting these jobs to full time equivalent (FTE) jobs suggests that the Wales holiday park industry supports 4,000 direct jobs, of which 99% are in Wales.
- We estimate that one job is created for every 15 static units[2] and every 36 touring pitches
- The average wage per FTE job on park is £18,500 and the median wage £16,000 (i.e. there are more lower paid jobs e.g. cleaners and maintainers than higher paid jobs e.g. managers and accountants)

Visitor Origins

- Information from parks suggested that the majority of visitors come from outside Wales (96% for owned static units, 63% for rented static units and 50% for touring pitches). However, the owned static unit figures in particular need to be treated with caution as most information for our study was provided by parks in north Wales which have particularly high percentages of owners from outside Wales.

Visitor Survey Results

Length of Stay

- The average length of stay of all visitors for their current holiday was 8.6 days. Longest average stay was by visitors in owned static units (10.2 days), followed by touring visitors (7.6 days) and then visitors to rented static units (6.2 days).
- The average number of days that owners expected to use their unit in 2011 is 83.5. In addition, owners allowed other people (eg family and friends) to stay an average of 25 days per annum, making a total average of 108.5 days usage per owned static unit

Group Size

- The average size of group for all survey respondents was 3.49 people comprising an average of 2.21 adults and 1.28 children. Groups in owned static units averaged 3 people, in rented static units averaged 4.82 people and in tourers 3.54 people

Visitor Spend

- The average spend per group while in Wales was £337 or an average of £11.25 per person per day. Highest category of expenditure was eating and drinking out (30%, split

[2] It was not possible from the information given by park owners to separate the results for owned and rented static units

between 16% on park and 14% off park) followed by purchasing food and drink (for self catering) at off park shops (26%), and transport (14%)

- Visitors in rented static units appear to spend slightly more (£13.20) a day than the average visitor spend, while visitors in touring units spend £12 and those in owned static units spend £11
- Static unit owners incurred additional expenditure (insurance and maintenance) averaging £418 per unit per annum
- Total spend by all holiday park visitors while in Wales was calculated at approximately £300 million per annum

Other Information

- 83% of all visitors in rented static units arrange the rental through the park
- On average owners replaced their holiday homes every 11 – 15 years at an average cost of £32,500

Catalytic Impacts

- The caravan sector is recognised by key stakeholders in the Welsh tourism industry as a very important part of the Welsh visitor economy, because of its size and its apparent resilience in the recent economic downturn
- The caravan sector's impact on other parts of economies local to individual parks and to Wales's visitor economy as a whole is widely known and appreciated
- The sector was felt to have changed considerably over the last decade in particular enhancements to parks' landscaping and the improved image of the sector

Social and Environmental Benefits

- Parks also provide a wide range of social and environmental benefits to their local communities (into which most appear to be well integrated). The scale of benefits depends on the scale of park operation and include:
    - Social benefits – for example charity fundraising, support for local sports teams, providing community infrastructure (eg contributing funds for a village hall appeal) and allowing local people to use park facilities. Also, the presence of additional people (visitors) in an area may result in increased public transport services which benefit local residents
    - Environmental benefits – both on and off site. Examples on site include providing and maintaining wildlife areas, wetlands and woodland walks. Examples off site include joint ventures with local environmental groups, maintaining local footpaths and coastal paths, funding a range for protected sand dunes, repairing sea defences and providing information boards for areas of local environmental interest

2 INTRODUCTION

2.1 Roger Tym & Partners and The Tourism Company were commissioned by the British Holiday & Home Parks Association (BH&HPA) and Visit Wales in January 2011 to carry out an economic impact assessment of the holiday park industry in Wales. The study was undertaken between February and September 2011.

2.2 BH&HPA is the national trade body representing developers and operators of holiday, caravan and chalet parks and residential home parks in the UK. Visit Wales, the Welsh Assembly Government tourism department is responsible for the promotion and development of tourism in Wales.

2.3 The objectives of the study are:

- To provide an independent, evidence based understanding of the direct and indirect economic impact / contribution of the holiday park sector in Wales
- To provide the economic impact / contribution from different types of accommodation unit provided in holiday parks. In practice and after discussion with park owners, the main subsets of the sector for which we could provide some separate assessment were owned static units (including caravans, chalets, lodges, apartments and bungalows), rented static units (as above), and touring pitches (caravans, tents, trailer tents and motor homes). [3]
- To understand the type of spend by sector and each accommodation type. For example - make some estimates as to how much tourism spend both direct and indirect is made and how much stays in the Welsh economy (eg remove VAT and duty and imported goods)
- The number of full-time equivalent jobs supported by the sector and each accommodation type, both employed directly and indirectly (off park eg attractions, restaurants, plumbers, builders etc).

2.4 BH&HPA members have approximately 53,500 pitches in total in Wales (this is a mean figure as it fluctuates slightly year on year). It estimates that BH&HPA members own and manage 80% of caravan holiday home units in the UK and 60% of touring pitches on parks in the UK.. We have assumed therefore that the holiday park industry in Wales consists of 71,700 units / pitches broken down into the following numbers by accommodation type (see Appendix 1 for details of assumptions made in this study).

[3] In park owners' experience there was unlikely to be any difference in spend between caravans and other static units; however within the static units subset, it was expected that expenditure (by parks and by visitors)would be different for owned statics and rented statics

Figure 2.1 Wales Holiday Park Industry - Accommodation Type Totals

Type of Pitch / Unit	Total in Wales	% of all pitches / units in Wales
Owned static caravan holiday homes (CHHs)	44,700	
Owned static other units (chalets / lodges / apartments / bungalows)	1,625	
Total owned static units	**46,325**	**64%**
Rented static CHHs	4,350	
Rented static other units	1,625	
Total rented static units	**5,975**	**8%**
Touring pitches (for caravans, tents, trailer tents and motor homes	**19,400**	**27%**
TOTALUNITS	**71,700**	**100%**

2.5 These totals by category are used to extrapolate our interview and survey results for the economic impact assessment.

Methodology

2.6 The study was carried out in phases:

- Phase 1 –Desk research into industry context
- Phase 2 - Park owner interviews
- Phase 3 - Stakeholder consultations
- Phase 4–Visitor Surveys
- Phase 5 – Analysis and Reporting

Phase 1 – Industry Context

2.7 Information from Visit Wales, International Passenger Surveys. UK Tourism Surveys and industry studies were used to provide a summary of the industry context which is in Section 3 of this report.

Phase 2 Park Owner Interviews

2.8 Park owner interviews were carried out in February to April 2011. Face to face interviews were carried out with ten park owners covering 39 parks, and a further four telephone interviews with park owners covering four parks, making a total of 43 parks in total.

2.9 The interviewees were selected to give results from parks which have only owned static units, parks that have a mixture of owned and rented static units, and parks with only touring pitches. This mix enabled us to differentiate some different patterns of park owner expenditure by type of accommodation unit. All park owners supplied some information and complete information was gathered from 29 parks.

2.10 Quantitative information gathered included:

- Type of static units and whether owned or rented
- Number and nature of touring pitches
- Total season length and how it divides into peak, high, medium and low periods
- Average occupancy of different unit types by season (park owners' assumptionsor actual figures if available)
- Assumptions of the percentage of static units and / or touring pitches occupied by season
- Postcodes of owners / visitors (to understand the percentage from Wales and percentage from elsewhere)
- Staff numbers (permanent full and part time, temporary full and part time), salary costs. Also confirmation that any freelance workers are included in goods and services expenditure.
- Park owners' expenditure on goods and services including expenditure type (if possible), location of supplier and amount spent.
- Details of any third party businesses on the park (e.g. shops, health clubs, catering establishments)[4].

2.11 In addition we gained qualitative / anecdotal information about catalytic impacts of the holiday home industry in Wales, such as the positive impact on businesses close to the park that are likely to be sustained by the park visitors (e.g. local shops, garages, pubs, visitor attractions, cinemas etc), . We also discussed with park owners the social and environmental impacts of the park such as improved transport services during the holiday season which also benefit local inhabitants, support for local community groups in the form of sponsorship and / or provision of facilities, and environmental schemes and green infrastructure projects supported by the parks.

2.12 Further details and the results of the park owner interviews are set out in Section 5 of this report.

Phase 3 - Stakeholder consultations

2.13 Interviews with eight key stakeholders in the Wales Holiday Park Industry were carried out in April and May 2011.They were asked about past, current and future industry trends and also about catalytic impacts of the industry. The list of consultees is in Appendix 2 and a synthesis of their views is set out in Section4 of this report.

Phase 4 – Visitor Surveys

2.14 517 visitor surveys were carried out in three stages to cover different seasons:

- First tranche – 31st May – 4th June 2011 (Summer half term); 154 in total

[4] In practice these economic impacts from third party businesses were captured during the visitor surveys as part of the on-park visitor expenditure so the goods and services information was not used as it would have resulted in double counting.

- Second tranche – 1st July to 3rd July 2011 (mid season); 154 in total
- Third tranche – 27th July to 6th August 2011 (Summer holidays), 209 in total

2.15 A copy of the questionnaire used in the face-to-face interviews is in Appendix 3, the analysis of the results in Appendix 4 and a summary of the results is in Section 6.

Phase 4 – Analysis and Reporting

2.16 The phase resulted in an assessment of the economic value of the Wales Holiday Park Industry in Wales. The economic value is measured by the gross value added (GVA) output supported in the local economy in one year and the number of full-time equivalent (FTE) jobs that this output can support. The economic impact assessment is set out in Section 7.

3 CONTEXT

3.1 This section describes the importance of tourism in Wales and then focuses on the nature and value of tourism from the holiday park sector in Wales. It starts with a caveat about the challenges in using official statistical sources for this sector.

Coverage of the Holiday Park Sector in Official Tourism Statistics

3.2 There are several challenges in using official statistical sources to convey the volume and value of the holiday park sector as it has been expressed in this study's terms of reference. Below we set out these challenges in terms of the statistics that are available for i) the domestic market (i.e. visits by residents of the UK to Wales) and ii) inbound markets (i.e. visits to Wales by those living outside of the UK).

Domestic statistics

3.3 On the domestic side, the Great Britain Tourism Survey (GBTS)[5] provides three separate caravan-related figures on the volume and value of trips. The first two cover static owned caravans and static non-owned caravans. The third category (which is sometimes confusingly-labelled in official reports as 'towed caravans') includes towed caravans, campervans, motor caravans and motorhomes. With regard to trips made to chalets, lodges etc, these are included as part of the category 'self-catering rented accommodation', which also includes rented flats/cottages/ houses etc. Given that chalets and lodge accommodation is only part of this accommodation category, the analysis in the following section excludes it.

3.4 In the case of camping, this study is interested in camping that takes place in holiday parks – i.e. sites that also have touring caravans and/or caravan holiday homes. However, figures from GBTS on camping do not separate out this activity from camping taking place elsewhere. Therefore in order to derive estimates of the value and volume of the holiday park sector in Wales, the figures presented elsewhere in this chapter use a BH&HPA estimate that 75% of camping takes place on holiday parks.

Inbound statistics

3.5 In terms of inbound figures, the situation is even less satisfactory than it is on the domestic side. The main survey that provides inbound statistics, the International Passenger Survey, does not separate out touring from caravan holiday homes and in fact only has one category that covers camping, caravans and mobile homes. In the absence of any more granular measurement, much of the following analysis uses this figure as a proxy measure of the inbound caravan accommodation sector.

[5] Formerly called 'United Kingdom Tourism Survey' (UKTS)

Tourism in Wales

3.6 A recent Deloitte & Oxford Economic report[6] into the visitor economy estimated that tourism contributes £6.2bn of GDP to the Welsh economy and supports 170,000 jobs. In percentage terms, tourism accounts for 13.3% of Welsh GDP and 12.7% of the total workforce. A separate study[7], indicated total annual tourism demand of around £4.2.billion, Gross Value Added (GVA) by tourism of £1.8 billion, equating to 4.3% of total direct GVA for the Welsh economy.

3.7 Tourism is more important to the Welsh economy than in other parts of the UK. Tourism's 13.3% share of the total economy in Wales is larger that the 8.6% in England, 10.4% in Scotland and 4.9% in Northern Ireland[8]. The direct contribution is £2.7bn which equates to 5.8% of Wales GDP compared to 3.9% in England, 4.9% in Scotland and 2.1% in Northern Ireland[9]. The sector in Wales is also more important in terms of jobs than in other parts of the UK. Wales tourism's 12.7% of the total workforce compares with 8.3% in England, 10.0% in Scotland and 4.7% in NI[10]. The direct contribution supports around 0.09m jobs, 6.9% of the Wales workforce, considerably higher than the 4.4% figure for England, 4.2% for Scotland and 3.0% for Northern Ireland[11].

3.8 Tourism in Wales is forecast to grow over the next decade. Deloitte forecast[12] that the visitor economy by 2020 will provide a total contribution of 6.9% of the Wales GDP, support 188,000 jobs and account for 13.7% of total employment.

Holiday park tourism in Wales

3.9 Using the latest available figures[13] it is estimated that there are 2.7 million overnight trips[14] to holiday parks in Wales, generating £381m for the Welsh tourism economy. Domestic trips dominated, being responsible for 98% (2.64m) of the total number of overnight trips to holiday parks in Wales. Inbound (i.e. international) overnight trips, meanwhile, generated the remaining 2% (55,000 trips). In terms of spend, the domestic overnight market brings in £366m with overseas visitors adding a further £15m. The tables below summarise the holiday park tourism volume and value in Wales.

[6] The Economic Case for the Visitor Economy" by Deloitte & Oxford Economics published in June 2010. Figure includes impacts through the supply chain, of capital investment and Government expenditure.

[7] Wales Tourism Satellite Account (TSA) 2010 update, The Welsh Economy Research Unit (WERU) at Cardiff University - quoted on the Visit Wales website http://wales.gov.uk/topics/tourism/research/tourisminwales/?lang=en

[8] See ref 6

[9] Ibid

[10] Ibid

[11] Ibid

[12] Ibid

[13] The latest annual figures available for domestic and inbound overnight trips are from 2010..

[14] Inbound figures (from International Passenger Survey) include stays in mobile homes/ camping. Figures for domestic overnight trips (taken from Great Britain Tourism Survey) include 75% of camping value and volume and include static owned, static not owned and towed/motorhome/campervan

Table 3.1 Estimated size of the Wales Holiday Park Sector (Domestic and Inbound)

	No of trips (m)	% of total caravan sector
Domestic	2.64	98%
Inbound	0.055	2%
TOTAL	2.7	100%

Sources: Inbound figs from IPS 2010, Domestic figs from GBTS 2010. Note. Figures from IPS include stays in mobile homes/ camping. Figures from GBTS include 100% of trips to static owned; static not owned, towed / motorhome /campervan and 75% of camping trips to Wales

Table 3.2 Estimated value of the Wales Holiday Park Sector (Domestic and Inbound)

	No of trips (£m)	% of total caravan sector
Domestic	366	96%
Inbound	15	4%
TOTAL	381	100%

Sources: Inbound figs from IPS 2010, Domestic figs from GBTS 2010. Note. Figures from IPS include stays in mobile homes/ camping. Figures for GBTS include 75% of camping spend and 100% spend from static owned, static not owned and towed/motorhome/campervan

3.10 Holiday park holidays account for approaching a third of all domestic overnight trips to Wales. There were 8.69m domestic overnight trips taken in Wales in 2010 and of these an estimated 31% (2.64m) were to holiday parks. The table below summarises the sector’s contribution.

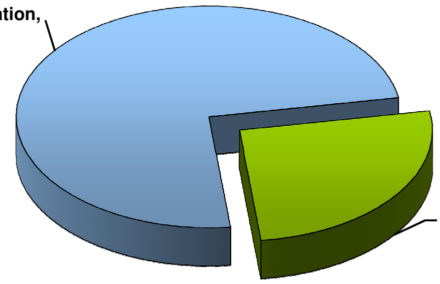


Figure 3.1 Share of Total Domestic Overnight Trips to Wales by Accommodation Type

	Trips	
	million	**% of all total**
Hotel/motel/guest house	1.88	22%
Holiday Park accommodation	2.64	31%
Friends/relatives home	2.28	26%
Self catering in rented	0.80	9%
B&B / farm / private home	0.5	6%
(Non holiday park) camping	0.13	1%
Holiday camp/ village	0.14	2%
Hostel/university/school	0.11	1%
Other	0.21	2%
TOTAL	8.69	100%

Note: Holiday Park accommodation includes all caravan trips plus 75% of camping trips to Wales. Non-holiday park camping represents the 25% of camping in Wales that BH&HPA estimates does not take place on holiday parks.

3.11 In the last three years, the number of domestic overnight trips made to holiday parks in Wales has risen by nearly a tenth (9%). In 2008, there were 2.3m trips to holiday parks, a figure which by 2010 had risen by 343,000 to 2.64m trips. The sector's share of the overall domestic overnight tourism market in Wales has also risen in this time, rising from 27% in 2008 to reach 30% in 2010.

3.12 The caravan holiday home sector is much larger than other parts of the holiday park sector in Wales. For instance, 64% of domestic overnight trips within the holiday parks sector are to caravan holiday homes. Nearly 4 in 10 (38%) of these are trips to owned caravan holiday homes and 26% to hired caravan holiday homes. Trips to holiday parks with touring caravans/motorhomes/campervans make up 22% of the market. Camping taking place on holiday parks accounts for 14%. The pie chart below summarises the situation.

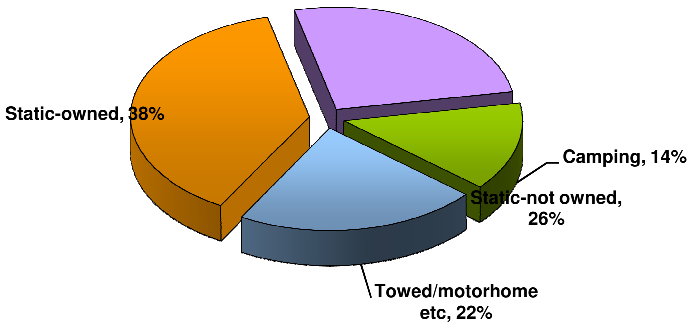


Figure 3.2 Market Share (% Trips) of Holiday Park sector by segment

4 STAKEHOLDER INTERVIEWS

4.1 This section summarises the main findings from a series of seven interviews conducted with representatives of tourism organisations that have a strategic interest in the Welsh holiday park sector. This includes representatives from Wales's regional tourism partnerships, trade associations and membership organisations.

4.2 The aim of the interviews was to explore the catalytic impact of holiday parks on the rest of the visitor economy, and below we summarise the main findings under four headings:

Importance of the sector

Past trends

Future trends

Perceptions of the sector and influence on Wales's image as a tourist destination

4.3 At the end of the section we draw together some overall conclusions.

Importance of the Sector

4.4 The sector was seen as a very important part of the Wales visitor economy, both in terms of supply and demand. On the supply-side, the sector's significant contribution to Wales's supply of visitor accommodation was particularly remarked upon.

"In terms of bedstock, we have got just short of 200,000 units. Of those, 150,000 are camping or caravanning-related."

"It's made up for the lack of serviced accommodation that has been a problem in this area for a long time."

4.5 In terms of demand, a few of those interviewed were able to quantify the sector's contribution.

"A figure I often quote is 60-65% of tourism income in North Wales comes from the caravan sector."

4.6 The resilience of the sector was seen as contributing to the sector's importance

"It appears to be one sector that doesn't appear to have suffered in the downturn."

4.7 The holiay park sector was acknowledged to have a considerable impact on a range of enterprises elsewhere in the visitor economy. Shops and other retail establishments were commonly cited.

"Doldowlod Caravan Park is alongside the A470. There's a petrol station there with a café, I reckon that place gets a lot of its trade from the nearby park."

"There's a site in Caerswys where the local Spar shop says to me that income goes up by 28% when the local caravan site is open."

"Rhandirmwyn Camping and Caravanning site, 7 miles north of Llandovery - the post office in the village and the village shop rely heavily on the site. The Royal Oak pub also sees a lot of business from the site."

4.8 One interviewee who runs a visitor attraction provided a specific example of the holiday park sector's impact on attractions sector;

"I reckon that 20% of my visitors are staying in caravan holiday homes or touring caravans."

4.9 One or two respondents felt that the rented sector had more impact on local economies than the privately owned caravan holiday home sector.

"We will get a visit once every 2 years form those that own their own vans whereas we might get 4 or 5 visits from those that are renting a caravan."

4.10 Despite acknowledgment of its importance, the sector was not always seen by respondents as a priority for intervention.

"It's fair to say that if there were two bids for investment – one for a hotel development and one for caravan development, I would probably go with the hotel one."

4.11 For some, the sector's resilience was the reason that lay behind its treatment ("it's a sector that sells itself") whilst for others it was more to do with the fact that the sector did not meet strategic objectives such as extending the season and there is some antipathy towards caravans as a product that is seen as visually intrusive and often contrary to local planning policy. There were also one or two that had a more jaundiced view of the sector.

"If anyone in tourism is making money it's them [holiday park owners]. They also have the BH&HPA looking after their interests."

Past Trends

4.12 Stakeholders were asked about the changes that they had observed in the holiday park sector over the last 10 years. Most respondents offered some views on this subject but one or two felt they didn't know the sector well enough to pass judgement. Of those that did offer an opinion, a range of changes covering the sector's customer base, product and image were highlighted.

Product Trends

4.13 A number of respondents highlighted development of, and investment in, central facilities such as shops, bars, leisure facilities etc as one of the key trends of the sector.

"That wave of investment has generated a lot of improvement to central facilities."

"It's mind-blowing what they have done. They have a swimming pool and casino that you would expect to see only in Las Vegas."

4.14 There was also the observation from one or two respondents that a desire for more home comforts was driving other changes on-site.

"Whereas they used to draw 5 – 10 amps of electricity they now require at least 16 amps."

4.15 Landscaping within many parks was considered to have changed considerably. Several interviewees highlighted the fact that there had been a move towards less dense placement of caravan holiday homes and more landscaping of the parks themselves.

Market Trends

4.16 Motor-homes, camping and touring caravans were segments that were mentioned by one or more respondents as having seen increases in market share over the last 10 years. By contrast, a number of respondents thought that sales of caravan holiday homes had reduced in recent years.

4.17 Comments from interviewees suggest that the downturn has had a mixed effect on the sector. Most respondents felt that the sector had experienced growth in demand terms due to the 'staycation' effect and the desire amongst customers to tighten their belts. However, several people pointed out that consumer spend, both on-site and off-site, has reduced.

"Operators have commented to me that they are seeing less use of their central facilities."

"In the recent past because of the downturn, although sales and sites are on a par with previous years, we are being told that secondary spend in the local economy is down."

Other Trends

4.18 There were some general observations about the sector's image having become more 'upscale'.

"It used to be considered as a sector for people with limited means. The type of people has changed. These are people with disposable income."

"Caravans used to be almost a cheapskate approach, not now."

Future Trends

Product

4.19 There were a number of comments about the future shape of the camping product. One respondent thought that the sector would see growth in the supply and use of camping pods (wooden tents) and 'glamping'. Another felt that challenges in generating significant revenues from camping pitch fees might see site owners switch from tents to caravans.

4.20 It was felt that increasing customer expectations would continue to drive changes to parks. For instance, several interviewees felt that were likely to be continued moves away from high density layout of parks;

"Eventually, sites with high densities will move over to radial designs. They will realise when demand drops off that they need to do something."

4.21 One or two respondents also thought there would be a demand for larger pitches on sites.

"People want to bring along more stuff- touring caravans are bringing awnings with them. It all requires more space."

4.22 Technological advances were also highlighted by some as a possible stimulus for change, with increased use of electric cars possibly leading to the need for electric charging points on sites.

Market

4.23 Several respondents felt that rising fuel prices would impact on the touring sector. However, views on the nature of this impact differed. Some felt that levels of touring would reduce overall whilst others thought that numbers would hold up but the distances travelled by those towing caravans would reduce. This, they felt, would have adverse effect on parts of the UK located a long way from origin markets such as Scotland and the South West.

4.24 An extended season was envisaged by some. One respondent felt that this would be the result of a relaxation of planning laws which currently means that some sites have to close for two months a year. Another thought that the better insulation and heating available in caravans would be the main driver. One respondent noted that Christmas and New Year was already a very busy time for the sector.

4.25 A variety of other likely market changes were mentioned. One respondent felt that there was a job to be done to retain the campers that had entered the market during the recession whilst another saw an opportunity to position the sector as a green travel option, as it doesn't involve flying off abroad. Another respondent remarked on the trend he had observed of people buying boats instead of caravans and using them as 'floating caravans' and never taking them out on the water. Another observation was that the challenging economic conditions may cause those that own caravan holiday homes to visit them less regularly, something that would have an adverse knock-on effect for the local economy.

Sector Perceptions and Influence on Wales's Tourist Destination Image

4.26 Respondents were asked to reflect on how the holiday park sector is perceived and how this, in turn, impacts on the image of Wales as a tourist destination.

4.27 Respondents were personally positive about the sector but most felt that the sector was perceived negatively by some sections of the public. Two main factors were felt to be fuelling the problem – the view of the sector as downmarket and the visual impact of parks on the landscape.

"Yes, when we do focus groups it does come up as a negative. It's the Coronation Street moment when a character says that she's going on a caravan holiday in North Wales."

4.28 A number of respondents felt that the image of the sector in North Wales was worse than other parts of Wales;

"In Mid Wales the parks tend to be tucked away so we don't have that problem. It's more on the coast, when they are extremely visible. And they are metal boxes."

"We don't have the problems of North Wales."

4.29 The majority of respondents also felt that other groups, aside from the public, also held less than positive views of the sector. Locals, politicians and planners were all mentioned.

"In certain places the locals moan about caravans and in particular towing caravans that clog up the roads"

4.30 However it was not all doom and gloom, with several respondents highlighting more positive perceptions of the sector.

"People at the local level, tourist authorities etc have all been very enthusiastic. "

"No we don't get any negative comments about caravans."

Conclusions

4.31 All respondents regarded the holiday park sector as a very important part of the Welsh visitor economy. Acknowledgment of the sector's Importance stemmed from both respondents' awareness of the sector's relative size in Wales but also acknowledgement of characteristics such as its resilience in the recent economic downturn.

4.32 The holiday park sector's impact on other parts of the visitor economy was widely known and appreciated. Respondents were also readily able to highlight specific examples of where the sector positively impacted on other parts of local visitor economies

4.33 The sector was felt to have changed considerably over the last decade. Enhancements to parks' landscaping and the image of the sector were two key changes identified.

4.34 Respondents offered a number of observations about the likely future characteristics of the sector. However, they tended to shy away from offering predictions regarding volume and value.

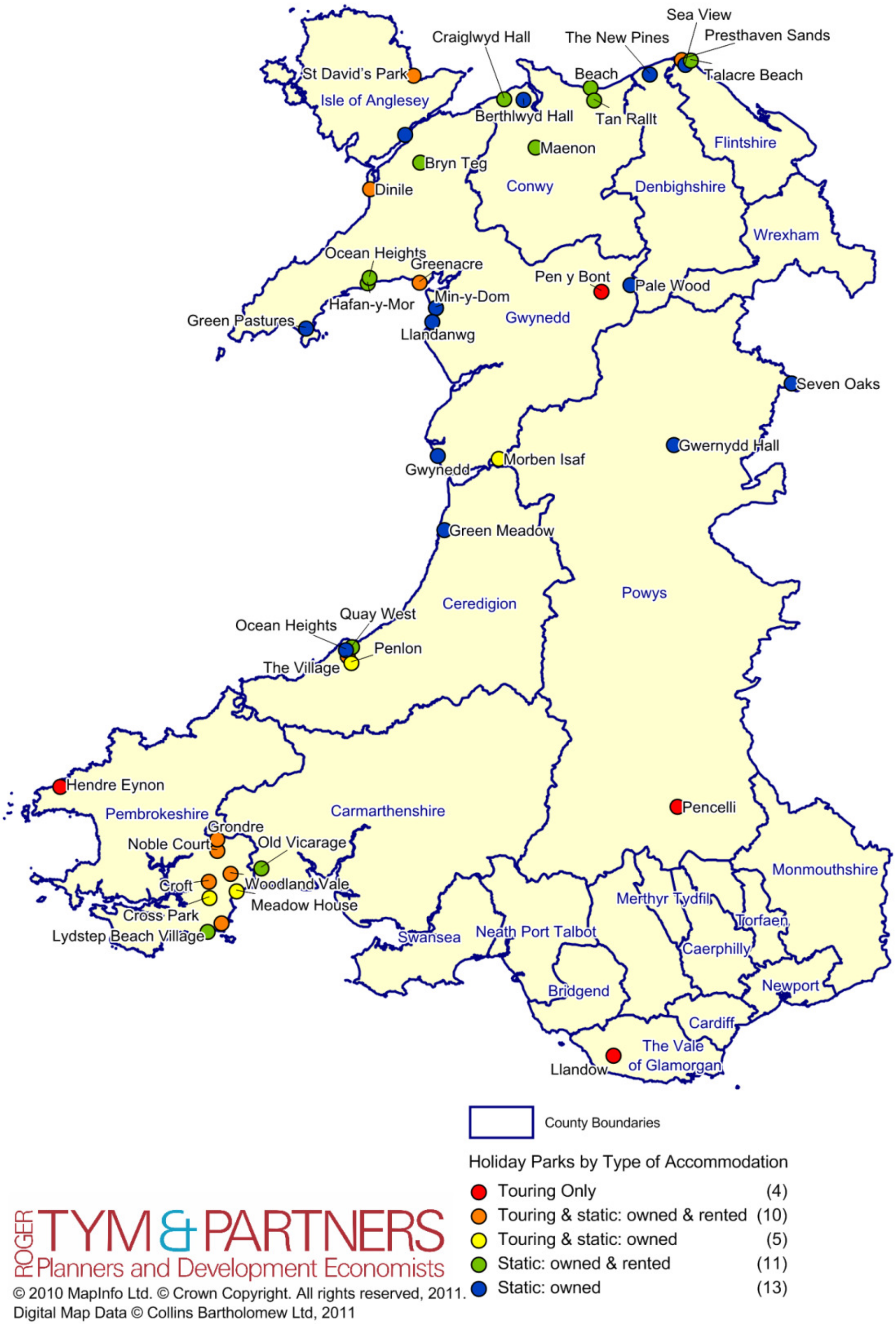
4.35 Despite personally holding positive views of the caravan sector, most respondents felt that the sector had residual image problems. These were felt to be amongst some sections of the public, as well as parts of the tourism industry and planning authorities.

5 PARK OWNER INTERVIEWS

Park Characteristics

5.1 The locations and accommodation mix of the 43 parks included in this study are shown in Figure 5.1 below.

Figure 5.1 Wales Holiday Parks by Accommodation Type



5.2 The parks were selected to give a good spread of location (coastal and inland), size (from 40 to 1,310 units / pitches) and mix of accommodation type. The total of each accommodation type included in the study and the percentage this total represents of the Wales total are set out in the following table.

Table 5.1 Park Accommodation Type

	Total in study	Total in Wales	% of Wales total covered by the Study
Owned static CHHs	8,200		
Owned static other units	174		
Total owned static units	**8,374**	**46,325**	**18.1%**
Rented static CHHs	1,406		
Rented static other units	310		
Total rented static units	**1,716**	**5,975**	**28.7%**
Touring pitches*	**1,368**	**19,400**	**7.0%**
TOTALUNITS	**11,458**	**71,700**	

*Generally available for touring caravans, tents, trailer tents and motor homes

Results

5.3 Details of the analysis of park owner expenditure are set out below. Not all information was provided by all parks and some of the samples are relatively small so the results must be considered to be indicative. Nevertheless they give an interesting picture of the nature of parks' expenditure, staffing and visitor origins as set out below.

Park Expenditure on Goods & Services

5.4 Information on park expenditure on goods and services in the 2010 season was received from 25 parks covering a total of 2,461 owned static units (i.e. about 5% of all such units in Wales), 119 rented static units (2%) and 846 touring pitches (4%). The parks reported separately on how much they spent buying new and second-hand static units (for both letting and for sale to private individuals) to avoid distorting data from parks that do not provide them. Where a park operated a shop or other business (e.g. cafe, pub, restaurant) this expenditure was included in the goods and services expenditure total[15].

5.5 Salary and wage costs are reported separately and are not included in park expenditure on goods and services, apart from any freelance workers whose costs are included here.

[15] From our interviews we estimate that 50% of on-park shops and catering establishments are owned and run by the park and 50% are run by third party operators. The park owned shops' economic impact is included in park owners' expenditure; the remaining 50% is accounted for in visitor spend (see Table 6.4)

5.6 The results of our analysis show an indicative average expenditure by park owners on goods and services per unit / pitch of £2,890. By using the various mixes of accommodation type in the participating parks we calculated that this average expenditure varied from £5,900 per rented static unit, to £3,625 per owned static unit and £200 per touring pitch. When purchases of new and used caravans / lodges / chalets were excluded, the average expenditure per unit / pitch was reduced to £1,500.

5.7 Using the number of units / pitches of each of the three categories (i.e. static owned units, static rented units and touring pitches) and the unit spend figures we estimate that total expenditure on goods and services for all parks in Wales is £207 million of which £99m (48%) relates to purchasing new and secondhand static units and £108m (52%) relates to the remaining expenditure.

5.8 Parks included details of supplier location. The following table shows how the total estimated expenditure of £207m breaks down between expenditure in Wales and expenditure elsewhere.

Table 5.2 Park Expenditure on Goods and Services

Expenditure	Spent in Wales		Spent Outside Wales		TOTAL
	£m	% of total spend	£m	%of total spend	
Excluding static unit purchase	£64m	59%	£44m	41%	£108m
Static unit purchase	£29m	29%	£70m	71%	£99m
TOTAL	**£93m**	**45%**	**£114m**	**55%**	**£207m**

Direct Staff Costs, Numbers & Locations

5.9 Information on direct staff numbers (ie people working directly for the parks) and postcode information on where staff lived was provided by all 43 parks and staff wage and salary costs by 34 parks.

Direct Staff Numbers

5.10 As expected, direct staff numbers fluctuate during the season with all participating parks which had static units keeping some staff on during the closed season whereas touring-only parks did not. (Several touring-only parks were family run and were part of another family-run operation such as a working farm so staff worked flexibly according to the time of year and the volume of visitors).

5.11 Most parks using temporary labour (e.g. for cleaning) specified the number of temporary hours worked from which full time equivalent (FTE) posts could be calculated. Where parks provided staff numbers without detailing different staff levels at different times of year we have assumed that the staff numbers are the maximum at peak season. We have further assumed that unless told otherwise by parks, two part time jobs are equivalent to one full time position.[16]

5.12 The analysis of staff numbers suggests that the total number of direct FTE staff in the 43 parks in the peak season is 706. Using a breakdown of unit / pitch types of the participating parks, our study suggests that the total number of jobs in the holiday park industry in Wales is approximately 4,000 as shown in the following table:

Table 5.3 Direct Jobs in Wales Holiday Park Industry

Unit / Pitch type	Units / FTE Job	Units in Wales	Total Jobs
Owned & rented static[17]	15.1	52,300	3,460
Touring	35.6	19,400	540
TOTAL			**4,000**

5.13 Information from parks showed that 99% of their direct staff live in Wales, so leakage of economic impact from direct staffing is just 1%.

Direct Staff Costs

5.14 Alongside staff numbers, 34 of the parks also provided total salary and wage costs either for the whole year or for two separate months in the year (one in summer and one in winter). In the latter case, parks also provided staff numbers for both months and we could therefore estimate their annual staff costs by assuming that they were staffed at the summer (higher) level from April to October and at the winter (lower) level from November to March.

5.15 The average wage per FTE was calculated at £18,500 and the median wage was £16,000. (The average wage in the UK in 2010 was £25,900[18]). Several parks paid average salaries closer to the UK average wage, which may reflect the rising quality of the holiday home park industry in Wales (as described in Section 4 of this report) and the scale of some of the park groups which include higher paid jobs for directors, managers, accountants, and other professional roles as well as the lower level jobs for cleaners, maintenance and grounds staff.

Visitor Origins

5.16 Parks were questioned about where their visitors came from, in order that we could estimate the displacement aspect of the economic impact of the holiday parks industry in Wales.

[16] This assumption is the norm for economic impact studies.
[17] It was not possible from the data to differentiate between owned and rented static units
[18] Annual Survey of Hours & Earnings 2010 – Office for National Statistics

5.17 Information on the origins of visitors was received from 28 parks in total. Not surprisingly, parks were able to supply information on where the owners of their static units lived more easily than where their rental visitors came from (22 parks supplied owner data and 3 parks rental data). Information on where touring visitors came from was supplied by six parks.

5.18 A summary of the results of this question are shown in the table below.

Table 5.4 Origin of Visitors

	No of parks providing data	Total units (owned), or visits (rented / tourers)	Total from outside Wales	% non-Wales	Total from Wales	% Wales
Owned static units	22	3,599 units	3,468	96%	131	4%
Owned seasonal tourers	1	29 units	23	79%	6	21%
Owned units (combined statics and seasonal tourers)		3,628 units	3,491	96%	137	4%
Rented statics	3	1,519 visits	957	63%	562	37%
Touring pitches	6	17,111 visits	8,526	50%	8,585	50%

5.2 The table shows that for the parks that provided visitor origin information, the very great majority (96%) of owners of static caravans / chalets/ lodges etc come from outside Wales[19]. This majority is somewhat reduced (63%) for visitors renting such static units, and for touring pitches the totals are split evenly between Wales residents and visitors from outside the principality.

Accommodation Usage

5.19 Usage figures are one of the key elements of calculating visitor days (along with average group size and average length of stay). Park owners were asked for figures relating to the usage of different accommodation types. Some owners had actual figures for use of touring pitches and rented units but none had actual usage figures for owned units.

5.20 In order to estimate usage where actual figures were not available, park owners all provided:

- Details of their season length
- Duration of their peak, high , mid and low seasons

[19] This figure should be treated with caution as most of the parks which suppled information on where their static unit owners live are located in North Wales where the percentage of non-Wales owners is believed to be higher than the percentage in other regions of Wales.

- Estimates of the percentage of each accommodation type that were occupied in each season

5.21 From these figures we calculated actual unit / pitch use days for each of the representative parks and then extrapolated the sample parks' results to take account of the total number of units / pitches in Wales. We then checked these figures against the findings extrapolated from the visitor survey and the results were very similar (less than 2% difference between them) which suggests that the park owners figures are reasonably accurate. The calculations of total unit / pitch days by accommodation type are show in the following table.

Table 5.5 Total Unit / Pitch Days by Accommodation Type

Unit / Pitch type	Total Visitor Days
Static owned	4,770,000
Static rented	1,211,000
Tourer	1,116,000

Social and Environmental Benefits

5.22 Although the focus of this study is on economic impacts of the holiday park industry, park owners were also asked how their operations benefit the local community, in particular any social and environmental benefits. Most parks appear to be well integrated with the local community and are pleased and proud to support local causes. Qualitative information about such support is set out below.

Social benefits

5.23 All parks participating in the study provide some social benefits to the local community, with the scale depending on the scale of the park operation. Benefits include charity fund raising (some have raised hundreds of thousands of pounds over the last ten years), support for local sports teams (e.g. funds for kit or travelling expenses), support to community infrastructure (one park had donated £25k towards the building of a new village hall), the use of park facilities by local people (e.g. swimming pool, tennis courts, shops), and additional public transport services laid on due to demand from park users which also benefit local inhabitants.

Environmental Benefits

5.24 The majority of parks provide environmental benefits to the local area. These benefits include:

- Environmental management on site, for example providing and maintaining wildlife areas, wetlands and woodland walks, or in one case maintaining an SSSI within the site boundary
- Support to offsite projects such as joint ventures with local environmental groups such as county Wildlife Trusts, maintenance of local footpaths and coastal paths, providing a ranger for protected sand dunes, repairing sea defences, and providing information boards for areas of local environmental interest.

Catalytic Economic Impacts

5.25 Although not quantified for this study, it was obvious from talking to park owners that many local shops, garages, visitor attractions etc survive because of trade from visitors staying at the holiday parks. More qualitative detail of the type of catalytic impacts is given in Section 4.

6 VISITOR SURVEY RESULTS

6.1 Visitor surveys in the form of 517 face-to-face interviews at 21 parks were carried out in three different periods of the summer season by Opinion Research Services (ORS). A copy of the questionnaire used is in Appendix 3 and full details of the results are in Appendix 4 with the key points set out below.

6.2 The largest group of visitors taking part in the survey (240 or 46%) were holidaying in owned static units, with a further 82 (16%) in rented static units and 195 (38%) having a touring holiday. This compares with the overall composition of accommodation type in Wales of 64%, 8% and 27% respectively (see Table 2.1 in Section 2 of this report). We consider therefore that the survey gives a good representation across all accommodation types.

6.3 The results are based on a relatively small sample of the total number of visitors to Wales's holiday parks in any one year, so the results must be treated as indicative. However, even if indicative rather than absolute, we believe that the results are interesting and informative and help to further understanding of holiday park visitor characteristics.

Visitor Origins

6.4 Of the 517 survey respondents, 67% came from outside Wales. Of the 186 people who live in Wales, 146 said that if they had not holidayed at the park where they were interviewed, they would have either stayed at home or holidayed elsewhere in Wales. The results from their surveys are included in calculations of the economic impact of the Wales holiday park industry but will be excluded from the calculation of the net impact of the industry within Wales as their expenditure can be considered as 'displacement' (see Section 7).

Length of Stay

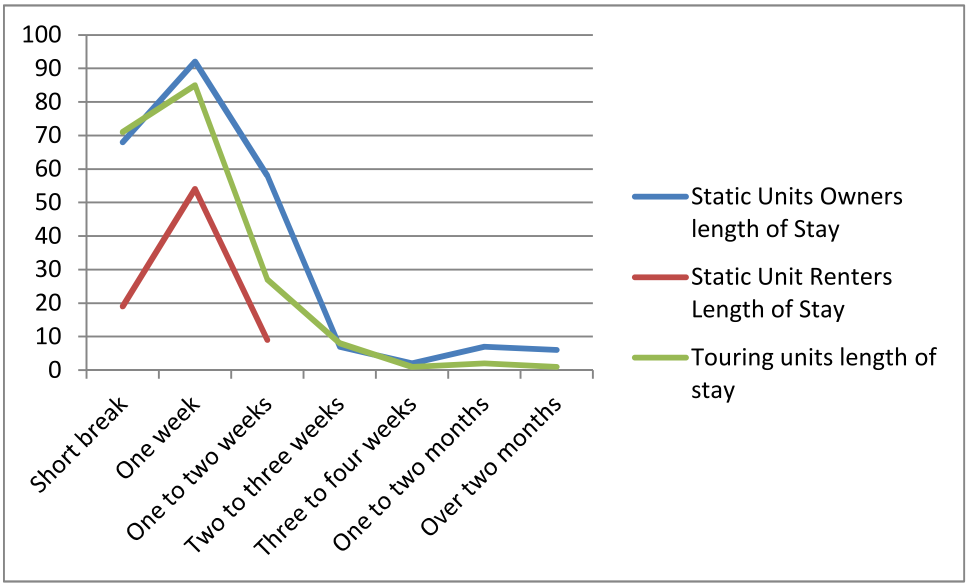
6.5 The average length of stay of all 517 survey respondents for their current holiday was 8.6 days. Longest average stay was by visitors in owned static units (10.2 days), followed by touring visitors (7.6 days) and then visitors to rented static units (6.2 days).

6.6 Characteristics of lengths of stay for visitors' current holiday varied between type of unit / pitch as follows:

- Static unit owners' length of stay ranged from short breaks (1 – 3 days) to longer stays of over two months. The longest visit recorded was 220 days, however the majority of people (91%) were staying for between one and 14 days
- Static unit renters had a more limited range of length of stay for their holiday, from a short break (1 – 3 days) to a maximum of two weeks. The majority (64%) were staying for between four and seven days
- Touring visitors length of stay ranged from short breaks (1 – 3 days) to, in one case more than eight weeks. Most visitors were either staying for a short break (36%) or up to a week (44%).

6.7 The diagram below illustrates the difference between length of stay by accommodation type:

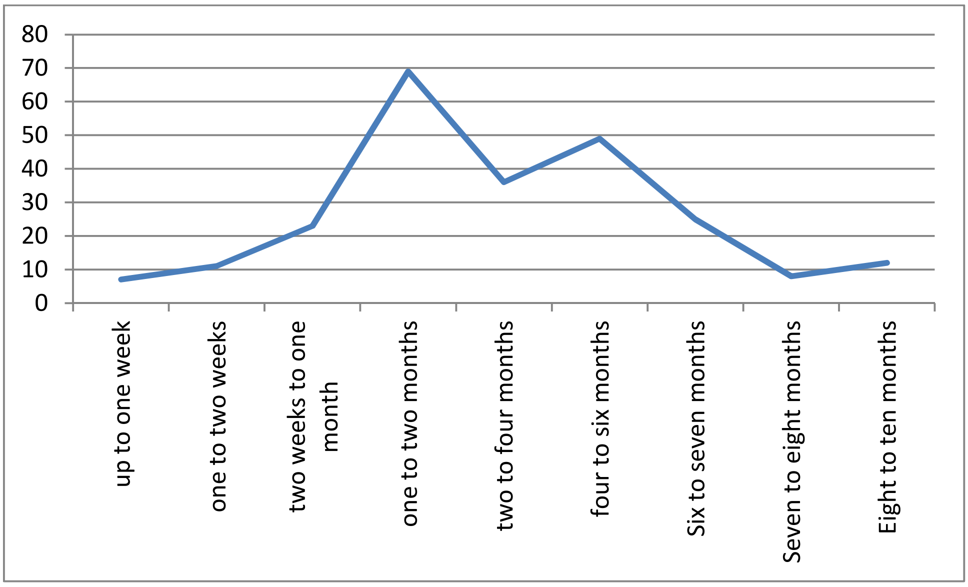
Figure 6.1 Visitors Length of Stay by Accommodation Type



(Y axis is number of respondents)

6.8 Owners of static units were also asked how many days they expected to use their caravan / lodge / chalet in 2011. The average number of nights usage was 83.5 days with results varying from up to one week to eight to ten months as shown in the diagram below. The most frequently quoted length of time that respondents expect to use their holiday home is one to two months (29% of respondents).

Figure 6.2 Annual Usage of Owned Static Units



(Y axis is number of respondents)

6.9 On average owners also allowed other people to use their static unit for an average of 25 days a year (see paragraph 6.23). These usage figures were combined (average 108.5 days a year) and then used as a cross check against the findings from the park owner interviews to work out the total unit / pitch days per year. The results were within 2% of each other which confirmed the accuracy of the park owner information.

Group Size

6.10 The average size of group for all survey respondents was 3.49 people (2.21 adults and 1.28 children). The great majority of respondents (75%) had two adults in their group. In terms of children, the largest group (40%) of respondents had no children in their group while 27% had two children.

6.11 The average groups size varied by accommodation type as shown in the following table. These figure were used in the calculation of visitor days for the economic impact assessment:

Table 6.3 Average Group Size by Accommodation Type

Unit / Pitch type	Average Group Size
All accommodation	3.49
Static owned	3.00
Static rented	4.82
Tourer	3.54

Visitor Spend

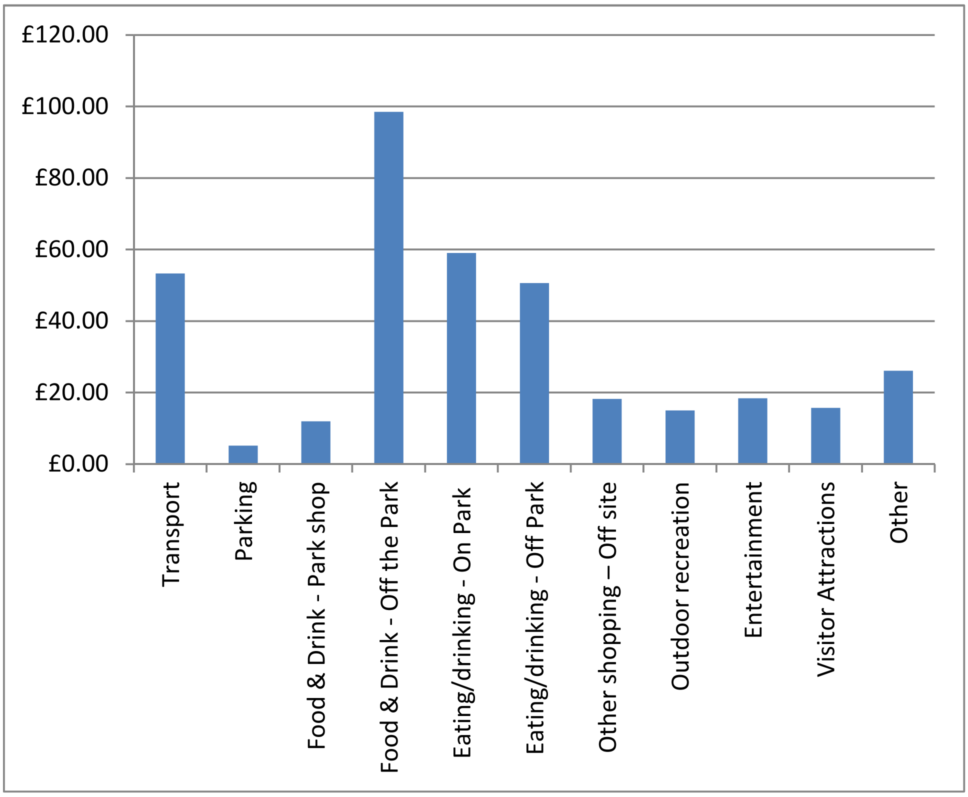
6.12 Visitors were asked to estimate the amount of money they would spend in a number of different categories in Wales as a group during their current holiday (ie the total trip if a touring group going to more than one park).

Average Spend Per Trip

6.13 The average spend per trip for all accommodation types was £337. 26% of total expenditure was estimated to be made on purchasing food and drink (for self catering) in shops off the park. Other high categories of expenditure were eating/drinking out at establishments on the park (16%), transport (14%) and eating/drinking out off the park (14%).

6.14 As explained in Section 5, from our park owner interviews we estimate that 50% of on-park shops and catering establishments are owned and run by the park and 50% are run by third party operators. The spend in the park-owned shops has already been included in the calculations in Section 5, therefore to avoid double counting (and therefore over-estimating the impact of this expenditure) we have reduced the on-park spend by 50% in the final line of Table 6.4.

Figure 6.3 Average Spend per Group



6.15 Average spend varies by accommodation type as shown in the following table:

Table 6.4 Average Group Spend by Visitor Origin and by Accommodation Type

	Average Spend			
Category of Spend	**All groups**	**Visitors to owned static units**	**Visitors to rented static units**	**Tourers**
Transport	£53.	£51	£49	£58
Parking	£5	£5	£4	£6
Food & Drink for self catering - Park shop	£12	£8	£28	£10
Food & Drink for self-catering – off park	£98	£124	£64	£82
Eating out/drinking out (including snacks/ice creams etc.) - On Park	£59	£43	£175	£30
Eating out/drinking out (including snacks/ice creams etc) – Off Park	£51	£52	£38	£54
Other shopping – Off site	£18	£27	£1	£15
Outdoor recreation	£15	£10	£40	£11
Entertainment	£18	£10	£66	£8
Visitor Attractions	£16	£12	£15	£20
Other	£26	£17	£14	£43
TOTAL	**£372**	**£357**	**£494**	**£339**
Total per group*	**£337**	**£332**	**£392**	**£319**

*Excludes 50% of spend relating to on park shop and on park eating out as remainder included in Park Owner expenditure

6.16 Using average group size and average length of stay figures, the average spend per person per day by accommodation type is shown in the following table,

Table 6.5 Average Total Spend

	All Units	Owned Static Units	Rented Static Units	Touring
Per Trip	£337	£332	£392	£319
Per Group per day	£39.27	£32.48	£63.68	£42.22
Per Person per trip	£96.44	£110.81	£81.43	£90.08
Per person per day	£11.25	£10.84	£13.22	£11.93

6.17 This analysis suggests an indicative spend of £11.25 per visitor per day, with the highest spend from visitors to rented static units at £13.22 per day.

Additional Expenditure for Static Unit Owners Only

6.18 Static unit owners have additional costs relating to maintenance and insurance.

- **Maintenance Costs**- 217 of the 240 static unit owners knew who carried out the maintenance required for their holiday home. 36% of owners undertake their own maintenance, 64% have their maintenance carried out by the Park – these latter costs are included in the Park Owners expenditure. Of those who do their own maintenance the average spend on DIY materials was £238 per annum (90% expenditure n Wales) and on contractors was £256 of which 62% was spent in Wales
- **Insurance costs** – 81 owners provided detail of their insurance costs, and the average expenditure was £251 per unit. We have assumed that this average expenditure applies to 100% of owned static units.

6.19 Extrapolating these figures for the total number of owned static units in Wales gives a total of £19.966 million.

Total Spend by Accommodation Type

6.20 The expenditure figures set out above and the total unit / pitch days from Section 5 are used to estimate total expenditure (set out in Table 6.6 below):

Table 6.6 Total Spend by Accommodation Type

Unit / Pitch type	Total Unit / Pitch Days	Av Spend Per Unit / Pitch	Total Spend £m	Total Addn'l spend (static owners only)
Static owned	4,770,000	32.48	154.930	19.966
Static rented	1,211,000	63.68	77.180	
Tourer	1,116,000	42.22	47,118	
TOTAL			£279.228m	
Total including static owners additional spend			£299.194m	

Other Information

6.21 Visitors were asked further questions which although not used in calculating the industry's economic impact, are interesting in furthering understanding of the industry.

- Static Unit Rental – 83% of visitors in rented static units arrange the rental through the park
- Static Unit Purchase – 95% of owners who knew where they purchased their holiday unit had done so through the park. On average holiday homes were replaced every 11 – 15 years at an average cost of £32,500. (136 respondents provided a figure, ranging from £10,000 to £150,000).
- Other Users of Owned Static Units –nearly half static unit owners (108 of 210 respondents) allow other people to use their holiday home, although only 7 received a rental for this use. The average usage of holiday homes used by other people is 25 nights a year.

7 SUMMARYOF ECONOMIC IMPACT

7.1 This chapter gives details of the gross output / expenditure of the holiday park industry in Wales (turnover and jobs) and its economic value. This economic value is measured by the gross value added (GVA) output supported in the economy annually, and the number of full-time equivalent jobs that this output will support[20].

From Expenditure to Economic Impact

7.2 This report has so far estimated and itemised direct expenditure by visitors to holiday parks in Wales (£299m per annum see Table 6.6), direct expenditure by the parks themselves in providing services to those visitors (£207m per annum see Table 5.2) and direct jobs (4,000 see Table 5.3).

7.3 In converting the gross economic impact into net economic impacts for Wales (ie the net regional impact), we take account of the following effects:

- Leakage – the proportion of industry outputs that benefit those outside Wales. For example, VAT and other exchequer taxes 'leak' to London (although may eventually be returned to Wales via the Barnett Formula or transfer spending). Similarly, spending by holiday parks on non-Welsh goods and services will have no regional economic impact (or only that associated with goods' distribution in Wales).
- Displacement and substitution – the proportion of industry outputs that are accounted for by reduced outputs elsewhere in Wales. In practice this means those visitors who are domiciled in Wales who, if they had not been on that particular holiday would have been holidaying anyway in Wales. (For this study the displacement is estimated at 28% - see para 6.4)
- Deadweight – outputs that would have occurred anyway – which we have assumed is zero as without the holiday park industry in Wales there would be no economic outputs from the industry in Wales
- Second round multipliers – these comprise an indirect multiplier (a supply linkage multiplier due to purchases made as a result of further purchases associated with linked firms along the supply chain) and an induced multiplier (an income multiplier associated with local expenditure by people who derive incomes from the direct and supply linkage impacts of the holiday park industry in Wales

7.4 For this study Dr Calvin Jones of the Welsh Economy Research Unit at Cardiff Business School has traced the link between gross expenditure and regional impact using the Tourism Impact Model for Wales (TIM). This model is closely related to the Tourism

[20] GVA consists of earnings, profit and investment in the area of benefit – a true economic value of the goods and services after discounting payment for supplies whereas gross output will also include labour, profit and investment outside the area of benefit for goods and services consumed within the area of benefit i.e. it produces an incorrectly inflated estimate of the economic value produced.

Satellite Account for Wales (TSA), an internationally compliant, transparent and consistent account of visitors' spending and impact in the region[21].

7.5 The model performs two key functions:

- It completes the park expenditure profile through mapping out wider linkages within the Welsh economy
- It adjusts visitor expenditure data to strip out tax and other leakages from the Welsh economy

7.6 The TIM model includes leakage and secondary multipliers but does not currently allow for displacement and deadweight loss – ie it reports economic impact gross of these factors. The results from the TIM model are shown in Table 7.1. We then amend the results for estimated displacement based on the visitor survey data (no need to amend for deadweight as we have assumed this is zero)

7.7 The model converts the direct park expenditure of £207m (see Table 5.2) to £328m by including wage costs, profits and some tax elements. It also converts the direct visitor spend of £279m[22] (see Table 6.7) to £249m by removing VAT and the non-Welsh element of spend and then applying secondary multipliers. The model then calculates the GVA.

7.8 The modelling results show the total economic impact of the Wales holiday park industry (before displacement) as a GVA contribution of £317 million per annum supporting a total of 10,645 jobs. Overall, holiday parks support around £727m of economic output in Wales (Table 7.1).

Table 7.1 Summary of Output, GVA and Jobs in Wales Holiday Park Industry[23]

	Parks / Site			Visitor Expenditure				
	On Site	Multiplier Effects	**Total Park**	Static Owned	Static Rented	Touring	**Total**	**Total**
Output / Turnover £m	328	150	**£478m**	158	66	25	**£249m**	**£727m**
GVA £m	122	75	**£197m**	77	31	12	**£120m**	**£317m**
FTE Jobs	4,000	1,425	**5,425**	3,320	1,400	500	**5,220**	**10,645**

[21] Visit Wales has supported the development of the TSA and TIM for over a decade, and we can be sure the method provides the best possible estimate of visitors' economic impact within the region. TIM has been used to assess the impacts of Visit Wales marketing spend, new hotel and other development and various major sports events. TIM was recently used to assess the impact of Walking and Hill Walking in Wales (http://www.ramblers.org.uk/wales/). The figures presented in this are comparable with other studies and the overall value of tourism to Wales as reported by TIM. Full background on the TSA and TIM are available from the Welsh Economy Research Unit (www.weru.org.uk) and detail on the data and methodology used here from Dr Calvin Jones (jonesc24@cf.ac.uk)

[22] The TIM model is not set up to include the additional visitor spend on maintenance and insurance

[23] Modelled by the Welsh Economy Research Unit at the Cardiff Business School

7.9 Park / site related economic impact (first half of the table) accounts for direct (on-site) and multiplier effects – both along supply chains as parks purchase goods and services in Wales and as park employees and owners spend their earned income in Wales. Visitor expenditure impacts (second half of the table) detail the total economic impact associated with visitors' spending away from the holiday park made as part of trips to those holiday parks.

7.10 The table shows therefore that the sources of economic impact are divided fairly equally between those due to on-site expenditure (£328 or 45%) and those due to spending away from the park itself (£727m - £328m = £399m or (55%). This mirrors other work carried out by the Welsh Economic Research Unit which highlights the diffuse and wide ranging nature of economic impact from tourism in Wales[24].

7.11 Table 7.1 reports the economic impact of the parks industry on Wales net of leakage and multipliers but not displacement. Although the TIM model does not consider displacement effects, we are able here to do so, thus giving an estimate of net economic impact. As set out in paragraph 6.4 we have estimated displacement at 28% - ie equivalent to the percentage of visitors to holiday parks who are domiciled in Wales who, if they had not been on that particular holiday would have stayed at home or holidayed elsewhere in Wales (we have assumed that all visitors from outside Wales are additional). Reducing the overall economic impact by 28% gives a net figure of £523m per annum, with net GVA of £228m per annum and net jobs of 7,664.

Expenditure & GVA by Accommodation Type

7.12 Our work with park owners enabled us to estimate the per annum spend on goods and services by accommodation type, and the visitor surveys suggested the per annum visitor spend by accommodation type. We have also applied the same relationship between expenditure and GVA produced by the TIM model and shown in Table 7.1 to provide an estimate of GVA by accommodation type. The results are shown in the following table:

[24] Note from Dr Calvin Jones: 'TIM provides estimates of overall levels of GVA and jobs supported in Wales by staying tourists in 2007 (directly and indirectly) at £920m and 55,150 FTEs (gross). Whilst bearing in mind the differing base years, the GVA supported by holiday parks is around 29% the size of all staying-tourism GVA, and with supported FTE jobs at 17% (the difference in these percentages likely links to the relatively low labour intensity of park management activities). However it should be noted that we cannot definitively say Parks comprise 29% of all staying tourism GVA in Wales, as it is unclear whether the spending of static-owning Welsh residents will be fully accounted in the tourism surveys that inform TIM and TSA. This is worthy of further investigation'.

Table 7.2 Expenditure & GVA by Accommodation Type per annum

	Accommodation Type		
	Owned Static Unit	**Rented Static Unit**	**Touring Pitch**
Park spend per unit	£3,625	£5,900	£200
Visitor expenditure per unit	£3,900	£9,400	£2,600
Total spend per unit per annum	£7,525	£15,300	£2,800
Total GVA per unit per annum	£3,390	£6,900	£1,340

7.13 The table suggests that expenditure (and thus GVA) is greatest for rented static units at more than twice the rate for owned static units, with touring pitches counting for the least. This result is not surprising given the expenditure by parks on rented static units such as marketing, cleaning, additional maintenance and more frequent replacement of units than is the case with owned units. The higher visitor expenditure per unit is due to the higher occupancy rates of rented units – for example one park owner claimed an occupancy rate of over 90% due to the policy of heavy discounting to ensure last minute take up of holidays. Touring pitches require the least amount of park expenditure and had the lowest occupancy rate, reflecting the generally shorter season for tourers.

APPENDIX ONE

Assumptions Used in Economic Impact Assessment

Assumptions Used in Economic Impact Assessment

Numbers of holiday home units / touring pitches in Wales

(The study has used three accommodation types throughout the analysis. These are owned static units, rented static units and touring pitches)

In terms of BH&HPA's coverage of the holiday and home park industry in Wales, membership of the association varies year on year. The association suggests that the mean total of holiday home units (ie including owned static units and rented static units) on member parks is 41,850 and this total is approximately 80% of all holiday home pitches in Wales. The association suggests that the mean total of touring pitches on member parks is 11,650 and this total is approximately 60% of all pitches in Wales. For the purpose of this study therefore we have assumed there 71,700 pitches in Wales broken down into the following accommodation types:

	Figure in BH&HPA's Brief to RTP	Rounded figures to achieve BH&HPA 's Wales total	Increased to cover non- members***	% of total units in Wales
Owned CHHS	35,593	35,750	44,700	62%
Rented CHHs	3,338	3,500	4,350	6%
Rented and owned other statics*	2,490			
Rented other statics		1,300	1,625	2%
Owned other statics		1,300	1,625	2%
Tents & Touring caravans	11,486	11,650	19,400	27%
TOTAL	**52,907**	**53,500****	**71,700**	**100%**

*Not divided between rented and owned other statics, so we have assumed 50% of each type

**Total advised by BH&HPA in email to Roger Tym & Partners 21/4/2011

*** Advised by BH&HPA that association membership owns and manages 80% of holiday home units and 60% of touring pitches in Wales

Assumptions Relating to Visitor Days

Visitor day totals are the product of three components: number of units / pitches, the number of days that a unit / pitch is occupied and the number of visitors in each unit / pitch. These totals are very important for understanding the industry's economic impact.

Figures were calculated from park owner information and then checked during the visitor survey.

Park Owner Calculations: Some park owners had actual figures for some or all of the three components needed to calculate total visitor days. Those that did not were asked to define the length of their very high, high, medium and low seasons and to give occupancy rates (%) and average party size for each season and by each type of accommodation. These rates were then applied to their units to give total visitor days by each accommodation type.

Visitor Survey check: The visitor survey asked questions relating to the average group size and the average length of stay for all accommodation units. Static unit owners were asked how many days their unit was occupied each year. The owned static unit visitor days figure was then applied to the total owned static units in Wales and the result compared with the estimated or actual figures from the park owners as calculated above. It was found that the estimates of visitor days using the park owner figures were just 1.6% lower than those from the visitor survey.

This cross check suggests that the park owner information is sufficiently accurate for us to have confidence in our calculations of visitor numbers for all accommodation types.

APPENDIX TWO

Stakeholder Consultees

Dewi Davies, Regional Strategy Director, Tourism Partnership North Wales

Gary Davies, Regional Strategy Director, South West Wales Tourism Partnership

Adrian Greason, Walker, Director, Wales Tourism Alliance

Val Hawkins, Chief Executive, Mid Wales Tourism Ltd

Bob Hill, Sales Director, Camping and Caravanning Club

Ian Rutherford, CEO, King Arthurs Labyrinth, Corris (also Board member of Tourism Partnership Mid Wales and Mid Wales Tourism Ltd)

Martin Stringer, Executive Secretary, The Caravan Club

APPENDIX THREE

Example of Visitor Survey

Visitor Questionnaire Wales Holiday Parks Economic Impact Study

Good morning/afternoon. My name is .... and I am from Opinion Research Services and we are working on behalf of the British Holiday & Home Parks Association and Visit Wales. We are carrying out a survey amongst/of visitors staying at holiday and camping parks throughout Wales to gain an understanding of the parks' importance to the economy of the region.

Would you mind if I ask you a few quick questions? Your help would be greatly appreciated, the survey should take 5-10 mins depending on your answers. All answers will be anonymous as results will be aggregated for the study and the interview is carried out according to the MRS code of conduct.

INTERVIEWER: WRITE IN THE NAME OF THE PARK

____

Q1. Are you staying at this holiday (or touring) park?

Yes ☐ Go to Q2

No ☐ Thank and close

Q2. Do you live in Wales?

Yes ☐ Go to Q3

No ☐ Go to Q4

Q3. If, for some reason, you had not been able to come to this park this time, would you have:

INTERVIEWER: READ OUT ALL OPTIONS AND CROSS ONE BOX ONLY

a) Stayed at home? ☐
b) Taken a holiday somewhere else in Wales ☐
c) Taken a holiday somewhere else outside Wales ☐
d) Done something else inside Wales ☐
e) Done something else outside Wales ☐

<u>ASK ALL</u>

Q4. Are you staying in a static unit or in a touring caravan / tent / motorhome?

Static Unit ☐ Go to Q5 and then go to Q7a

Touring (caravan/tent/motorhome) ☐ Go to Q6

Q5. What type of static accommodation is it?

INTERVIEWER: ENSURE YOU CLARIFY IF OWNED OR RENTED AND CROSS ONE BOX ONLY

Owned Caravan	☐ Go to Q7a/b
Rented Caravan	☐ Go to Q8
Owned Lodge/Chalet	☐ Go to Q7a/b
Rented Lodge/Chalet	☐ Go to Q8
Owned Apartment/cottage/bungalow	☐ Go to Q7a/b
Rented Apartment/cottage/bungalow	☐ Go to Q8

Q6. What type of touring accommodation is it?

INTERVIEWER: CROSS ONE BOX ONLY, IF TENT ENSURE YOU CLARIFY BETWEEN TENT AND TRAILER TENT.

Caravan	☐ Go to Q9a/b
Tent	☐ Go to Q9a/b
Trailer tent	☐ Go to Q9a/b
Motor Home	☐ Go to Q9a/b

<u>INTERVIEWER: Q7A AND Q7B TO BE ASKED OF OWNERS OF STATIC UNITS (CHECK Q5)</u>

Q7a.How many nights are you staying on this visit? ________

Q7b. Including this visit, how many nights do you expect to stay in your holiday home in 2011? ___________

INTERVIEWER: OWNERS OF STATIC UNITS NOW SKIP TO Q10

<u>INTERVIEWER: Q8 TO BE ASKED OF RENTERS OF STATIC UNITS (CHECK Q5)</u>

Q8. How many nights are you staying on this visit? __________

INTERVIEWER: RENTERS OF STATIC UNITS NOW SKIP TO Q10

<u>INTERVIEWER Q9A AND Q9B TO BE ASKED OF ALL TOURERS (THOSE WHO ANSWERED Q6)</u>

Q9a. How many nights are you staying at this park? ________

Q9b. How many nights in total on your current trip? ________

INTERVIEWER: ASK ALL

Q10. Thinking about this current visit, How many people are there in your party?

INTERVIEWER: CLARIFY ADULTS V CHILDREN AND NOTE UNDER 18 IS TO BE COUNTED AS A CHILD.

a. Total number of adults __________
b. Total number of children (under 18's) ____________

Q11.How much do you think you will spend in Wales as a party during this holiday (i.e. total trip if tourer going to more than one park)

INTERVIEWER: NOTE THAT WE ARE ASKING FOR TOTAL SPEND IN WALES. PROMPT FOR INDIVIDUAL AMOUNTS BELOW AND WRITE IN 0 FOR "NO SPEND".

a) Transport

£ | | | | | |

b) Parking

£ | | | | | |

Food and Drink for self-catering (i.e.cooking/eating in holiday accommodation)

c) On Park Shop

£ | | | | | |

d) Off Park Shop

£ | | | | | |

Eating out/drinking out (including snacks/ice creams etc.)

e) On Park Café's/bars/restaurants

£ | | | | | |

f) Off Park

£ | | | | | |

g) Other shopping off site (e.g. may include white goods, computing, cameras, TVs, etc.)

£ | | | | | |

h) Outdoor recreation (e.g. sailing, surfing, cycling, horse riding, golf, tennis, fishing)

£ | | | | | |

i) Entertainment (e.g. cinema, arcades)

£ | | | | | |

j) Visitor attractions (e.g. castles, theme parks, gardens)

£ | | | | | |

k) Other

£ | | | | | |

l) This adds up to £ | | | | | | for your party, does that sound right to you?

INTERVIEWER: IF NECESSARY, TAKE RESPONDENT BACK OVER FIGURES AND AMMEND IF REQUIRED

INTEVIEWER: CHECK Q4, STATICS TO CONTINUE, TOURERS TO GO TO Q22

IF STATIC THEN CHECK Q5, RENTERS TO CONTINUE TO Q12, OWNERS TO GO TO Q13a

Q12. Did you rent your holiday home from ....

INTERVIEWER READ OUT AND CROSS ONE BOX ONLY

Private owner ☐ Go to Q22

Through the park ☐ Go to Q22

From an agency/website like Hoseasons ☐ Go to Q22

Q13a. How / where did you purchase your holiday home?

INTERVIEWER READ OUT AND CROSS ONE BOX ONLY

Through this park ☐ Go to Q14

Independently ☐ Go to Q13b

Q13b. Was it purchased...

INTERVIEWER READ OUT AND CROSS ONE BOX ONLY

In Wales ☐ Go to Q14 AND CONTINUE

Elsewhere ☐ Go to Q14 AND CONTINUE

Q14. How often do you expect to replace your holiday home?

INTERVIEWER: WRITE IN

Every ___________ years

Q15. If you decided to replace your holiday home, how much would you expect to spend?

£ | | | | | | |

Q16a. Do you allow other people to use your holiday home (either free or paying)?

Yes ☐Go to Q16b/c

No ☐Go to Q17

Q16b. Approximately how many nights a year is your holiday home used by other people?

INTERVIEWER WRITE IN __________

Q16c.Approximately how much rent do you receive in total for the year?

INTERVIEWER: IF £0 THEN WRITE IN 0.

£ | | | | | |

Q17. Do you arrange your own maintenance (e.g. winter drain down, gas safety checks etc.) or is it done by the park? INTERVIEWER: CROSS ALL THAT APPLY.

Own maintenance ☐Go to Q18 AND CONTINUE

Done by park ☐Go to Q21

Q18.How much do you spend on maintenance on average per year on...?

INTERVIEWER: IF £0 THEN WRITE IN 0.

DIY materials £ | | | | | |

Contractors £ | | | | | |

Q19. Do you buy materials in Wales?

Yes ☐

No ☐

Q20. Do you hire contractors in Wales?

Yes ☐

No ☐

Q21. What other expenditure on your holiday home do you have WHICH IS NOT BOUGHT THROUGH THE PARK e.g. Insurance, bottled gas?

INTERVIEWER: PLEASE SPECIFIY THE TYPE OF EXPENDITURE AND THEN THE AMOUNT

Expenditure 1 (please specify) ______________________________ £ ☐☐☐☐☐

Expenditure 2 (please specify) ______________________________ £ ☐☐☐☐☐

Expenditure 3 (please specify) ______________________________ £ ☐☐☐☐☐

Expenditure 4 (please specify) ______________________________ £ ☐☐☐☐☐

Q22. For mapping purposes please can I take the first four/five letters of your home post code

INTERVIEWER: ONLY THE POSTCODE WILL BE PASSED ONTO THE CLIENT. FULL ADDRESS AND CONTACT DETAILS COLLECTED BELOW ARE FOR QUALITY CONTROL PURPOSES ONLY. PLEASE COLLECT THE FIRST BLOCK OF THE POST CODE AND THE FIRST DIGIT FROM THE SECOND. E.G SA1 1 OR SA42 2. IF IN DOUBT COLLECT THE FULL POSTCODE AND THE EXTRA DIGITS/NUMBERS WILL BE REMOVED BY ANALYSIS.

____

May I also take your name, telephone number and address? ORS may wish to contact you to confirm that this interview took place. These details will only be used for this purpose and will not be passed on to anyone else.

INTERVIEWER: IN THE FIRST INSTANCE WE REQUIRE THEIR TELEPHONE NUMBER, FOLLOWED BY THEIR POSTAL ADDRESS

Respondent Name ______________________________

Respondent Telephone Number ___________________________

Respondent Address

____

Respondent Postcode _________

Thank you for your time and help completing this questionnaire.

<u>Interviewer Declaration</u>

I certify that I have conducted this interview personally with the person named above in accordance with the Market Research Society Code of Conduct.

Interviewer Signature _________________________________

Interviewer Name (BLOCK CAPITALS) ____________________________

Date of Interview (DD/MM/YYY) ________________________________

Time of Interview

Weekday before 6pm ☐☐☐ Weekday after 6pm Weekend

Length of Interview _________ mins

APPENDIX FOUR

Visitor Survey Results

Visitor Survey results

Introduction

Between May and July 2011 Opinion Research Services undertook three separate tranches of visitor surveys of people staying in a sample of the holiday parks throughout Wales and covering a variety of parks in terms of size, location (eg coast or inland), and accommodation mix. The survey results provide supplementary information for the Economic Impact Assessment to ensure that expenditure and additionality information is captured.

A total of 517 surveys were carried out via face-to-face interview at 21 parks detailed below:

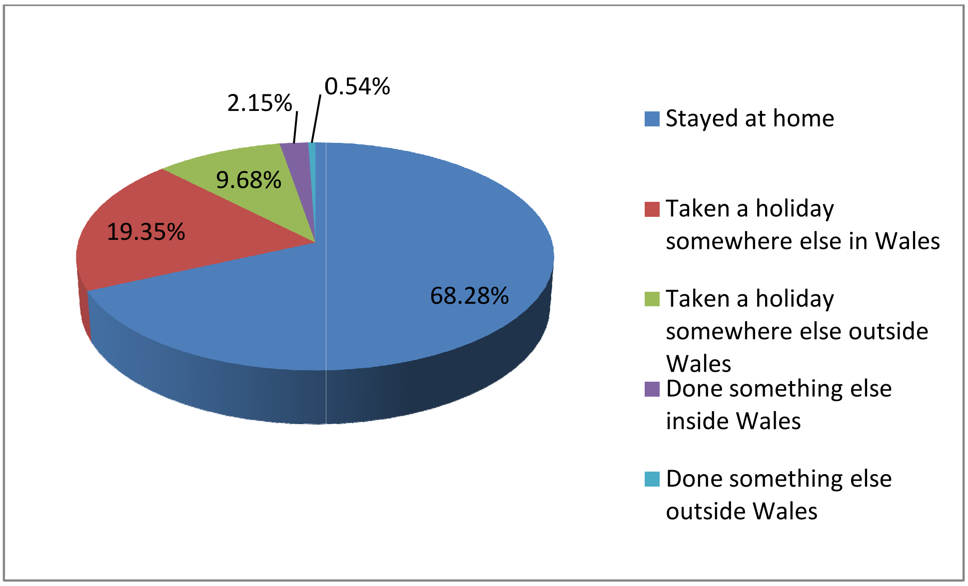
Holiday Park	**Number of surveys completed**	**Holiday Park**	**Number of surveys completed**
Ocean Heights Leisure Park	16	Croft	19
Noble Court Holiday Park	20	Morben Isaf	17
Gondre Vale Holiday Park	23	Gwynedd	28
The Village Holiday Park	6	Hafan-Y-Mor	69
St. David's	45	Greenacres	22
Dinlle	22	Presthaven Sands	46
Pale Wood	22	Gwernydd Hall	0
Pen Y Bont	22	Seven Oaks	23
The Old Vicarage	19	Hendre Eynon	26
Woodland Vale	24	Llandow	23
Meadow House	25	**TOTAL**	**517**

Visitor Origin

Of the 517 respondents, 186 live in Wales (36%). Of those people originating from Wales, all were asked what they would have done if for some reason they had not been able to come to this park on this occasion. The majority (127 of the 186 people from Wales, 68%) would have stayed at home. 19% (36 people) would have taken a holiday somewhere else in Wales; 10% (18 people) would have taken a holiday outside of Wales. Of the remaining 5 respondents, 4 would have done something else inside Wales and 1 would have done something else outside Wales.

These figures suggest that 40 of the 186 people from Wales (ie 36 people who would have holidayed elsewhere in Wales and 4 who would have done something else in Wales) can be considered as displacement / deadweight when it comes to considering the overall economic impact of the holiday park industry in Wales.

Alternative options if respondents had not come to the Park



The following table analyses the place of residence against accommodation type.

Place of residence and accommodation type

			Place of origin		
Type of accommodation	**Total respondents**	**Of which from Wales**	**% of total**	**Of which non-Wales**	
Static owned	240	87	36%	153	64%
Static rented	82	12	15%	70	85%
Touring	195	87	45%	108	55%
Total	**517**	**186**	**36%**	**331**	**64%**

Static Unit Type

The split between different types of static and touring units is shown below

Type of Static Unit

	Number of respondents	**% of respondents**
Owned	240	75%
Owned Caravan	(208)	(64.60%)
Owned Lodge/Chalet	(32)	(9.94%)
Rented	82	25%

Rented Caravan	(50)	(15.53%)
Rented Lodge/Chalet	(32)	(9.94%)
Total	322	

Type of Touring Unit

	Number of respondents	% of respondents
Caravan	118	60.51%
Tent	49	25.13%
Trailer tent	5	2.56%
Motor Home	23	11.79%
Total	195	

Length of Stay

Current Holiday

The average length of stay of all 517 survey respondents for their current holiday was 8.57 days.

Length of Stay of Owners of Static Units

Static unit owners had the longest average length of stay for their current trip (10.22 days). The range of length of stay for owners of static units varied from short breaks (1-3 days) up to longer stays of over two months. The longest visit recorded was 220 days. . However, the majority of people stay for between 1 and 14 days (91%).

	Number of respondents	% of respondents
short break (1-3 days)	68	28.33%
one week (up to 7 days)	92	38.33%
one to two weeks (8-14 days)	58	24.17%
two to three weeks (15-21 days)	7	2.92%
three to four weeks (22-28 days)	2	0.83%
one to two months (29-60 days)	7	2.92%
over two months (60+ days)	6	2.50%
Total	240	28.33%

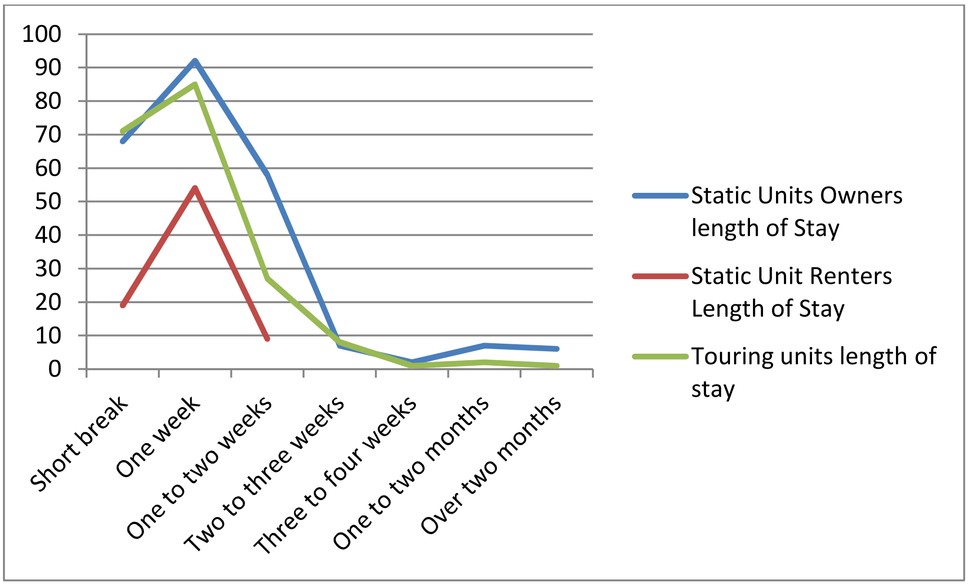
Length of Stay - Renters of Static Units

Static unit renters stayed on average for the shortest length of time on their current trip (6.16 days). As would be expected, there is a much more limited range of length of stay for renters of static units (holidays from short breaks (1-3 days) up to a maximum of two weeks). The majority of people stay for between 4 days and one week (65.85%).

Length of Stay of Static Unit respondents - renters

	Number of respondents	% of respondents
short break (1-3 days)	19	23.17%
one week (up to 7 days)	54	65.85%
one to two weeks (8-14 days)	9	10.98%
Total	82	

The difference between length of stay of owners and renters is illustrated in the following diagram:



Length of Stay – Touring Visitors

The average length of stay of respondents in touring units (tents, caravans etc) for their whole trip was 7.55 days (this trip could be spread over more than one park). The majority of respondents staying in touring units were staying for either a short break (36.41%) or up to a week (43.59%). A very small number (4, 2.05%) expect to stay for over three weeks.

	Length of stay at this Park	
	Number of respondents	% of respondents
1-3 days	71	36.41%

4-7 days	85	43.59%
8-14 days	27	13.85%
15-21 days	8	4.10%
22-28 days	1	0.51%
29 - 60 days	2	1.03%
60+ days	1	0.51%
Total	195	

Static Unit Owners – Annual Usage

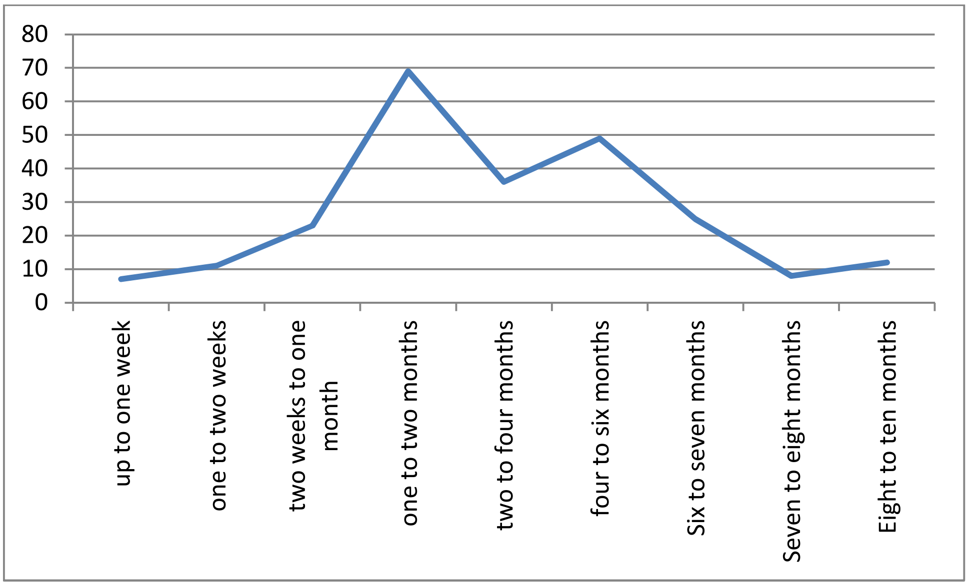
Owners of static units were also asked about their annual usage of their caravan / lodge / chalet etc. The average number of nights which such owners expect to use their unit in 2011 is 83.5 days.

The total length of time owners of static units expect to stay in 2011 is as follow:

	Number of respondents	**% of respondents**
up to one week	7	2.92%
one to two weeks	11	4.58%
two weeks to one month	23	9.58%
one to two months	69	28.75%
two to four months	36	15.00%
four to six months	49	20.42%
Six to seven months	25	10.42%
Seven to eight months	8	3.33%
Eight to ten months	12	5.00%
Total	240	

Note: one month calculated at 30 days

The majority of static unit owners expect to use their unit for a total of one to two months in 2011(28.75%). A further 35.42% expect to stay between two and six months in total this year.



Size of Group

The average size of group for all respondents was 3.49 people. The average number of adults in each group was 2.21 and the average number of children was 1.28.

The majority of respondents had 2 adults in their group (74.47%). A total of 1,142 adults were recorded for the 517 respondents to the questionnaire.

Number of Adults in Group	Number of respondents	% of respondents	Total No Adults
1	43	8.32%	43
2	385	74.47%	770
3	44	8.51%	132
4	36	6.96%	144
5	6	1.16%	30
6	1	0.19%	6
8	1	0.19%	8
9	1	0.19%	9
Total	**517**		**1,142**

The majority of respondents had no children in their group (40%). A total of 662 children were recorded for the 517 respondents.

Number of Children in Group	Number of respondents	% of respondents	Total No Children
0	207	40.04%	
1	85	16.44%	85
2	141	27.27%	282
3	52	10.06%	156
4	25	4.84%	100
5	3	0.58%	15
6	4	0.77%	24
Total	**517**		662

Visitor Spend

Spend within Wales

Respondents were asked to estimate the amount of money they would spend in a number of different categories in Wales as a group during their holiday (i.e. total trip if a touring group going to more than one park). We excluded expenditure occurring outside Wales as this study is concerned with the impact of the holiday industry within the principality.

The total spend and the average spend per group for each of the categories is shown below:

Category of Spend	Total spent	% of total spend for this category	Average spend per group
Transport	£27,572	**14.34%**	£53.33
Parking	£2,677.60	**1.39%**	£5.18
Food & Drink for self catering - Park shop	£6,186	**3.22%**	£11.97
Food & Drink for self catering - Off the Park	£50,921	**26.48%**	£98.49
Eating out/drinking out (including snacks/ice creams etc.) - On Park	£30,516	**15.87%**	£59.03
Eating out/drinking out (including snacks/ice creams etc.) – Off the Park	£26,175	**13.61%**	£50.63
Other shopping – Off site	£9,415	**4.90%**	£18.21
Outdoor recreation	£7,762	**4.04%**	£15.01

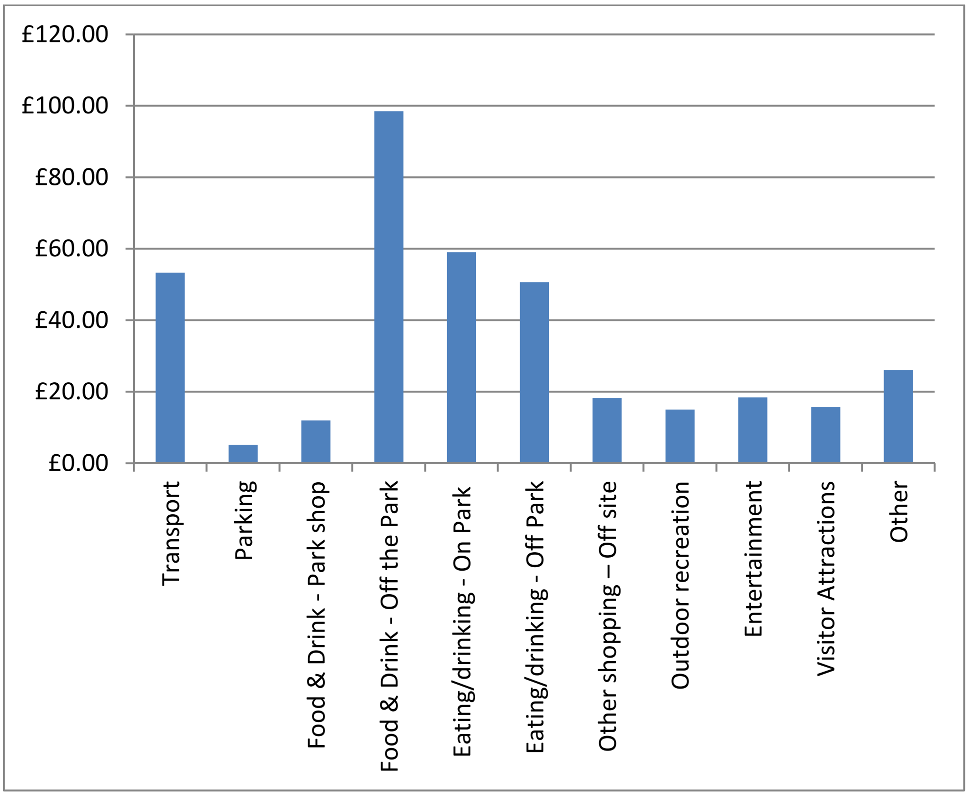
Entertainment	£9,514	**4.95%**	£18.40
Visitor Attractions	£8,106	**4.21%**	£15.68
Other	£13,489	**7.01%**	£26.14
Total per group	**£192,334**		**£372.07**

The average spend per group has been calculated by taking the total spent in each category and dividing it by the total number of respondents (which was 517 in all instances apart from one – where one expenditure estimate was removed as one respondent estimated they would spend £55,000 on 'other'- an anomaly in relation to all other estimates

The total spend of all 517 respondents and their associated group members was £192,334, giving an average spend of £372.07 per group.

26% of total expenditure was estimated to be made on purchasing food and drink (for self catering purposes) in shops off the Park site. The other highest categories of expenditure were eating/drinking out at establishments on the park (16%), transport (14%) and eating/drinking out off the Park site (14%)..

Average Spend per Group



Expenditure by Accommodation Type

The following table shows the average spend by accommodation type:

Category of Spend	All groups	Visitors to owned static units	Visitors to rented static units	Tourers
Transport	£53.33	£50.53	£49.39	£58.44
Parking	£5.18	£4.82	£4.03	£6.11
Food & Drink for self catering - Park shop	£11.97	£7.52	£28.48	£10.49
Food & Drink for self catering - Off the Park	£98.49	£123.65	£64.39	£81.87
Eating out/drinking out (including snacks/ice creams etc.) - On Park	£59.03	£42.85	£174.76	£30.27
Eating out/drinking out (including snacks/ice creams etc.) – Off the Park	£50.63	£52.08	£37.50	£54.37
Other shopping – Off site	£18.21	£26.81	£0.61	£15.03
Outdoor recreation	£15.01	£9.81	£39.74	£11.02
Entertainment	£18.40	£10.35	£65.55	£8.49
Visitor Attractions	£15.68	£12.10	£15.30	£20.25
Other	£26.14	£16.65	£14.13	£42.82
Total per group	**£372.07**	**£357.16**	**£493.89**	**£339.14**
ADJUSTED TOTAL*	**£336.57**	**£331.98**	**£392.27**	**£318.76**

* (excludes 50% of on park shop and on park eating out as remainder in park expenditure)

Additional Expenditure for Static Unit Owners only

Owners of static units were asked about other costs associated with owning a static unit on a holiday park in Wales. The main costs are related to maintenance and insurance.

Maintenance Costs

217 of the 240 owners who responded to the question on maintenance costs knew who carried out the maintenance required for their unit. The remaining 30 (‘Don’t Knows’) were probably family or friends of owners (categorised as ‘owners’ for this survey but not necessarily knowing full details of costs). 36.40% of the 217 owners undertake their own maintenance, 63.5% have their maintenance carried out by the Park so these costs will be included in the Park Expenditure..

Who arranges maintenance	Number of respondents	% of respondents
Owner	79	36.40%
Park	138	63.60%
Total	217	

Note: 7 respondents indicated that maintenance was undertaken by both themselves and the Park.

The total spend on DIY materials per year of people arranging their own maintenance was £16,650, with an average spend £237.86 (70 respondents provided figures). For the purpose of this survey we have assumed that 36.40% of £237.96 (ie £86.58) is the average spend per owned static unit. Of those who knew where they purchased their materials (78 respondents), 90% of expenditure is in Wales.

The total spend on contractors per year of people arranging their own maintenance was £9,464 with an average spend of £255.78 (37 respondents provided figures). For the purpose of this survey we have assumed that 36.40% of £255.78 (ie £93.10) is the average spend per owned static unit. Of those who knew where their contractors originate (76 respondents), 61% of expenditure is in Wales.

Insurance Costs

The remaining item of expenditure which static unit owners identified which they incur in relation to their units but not paid to the Park is that of insurance. 81 respondents spent £20,340 on insurance, ie an average of £251.11 each. For the purpose of this study we have assumed that this average expenditure applies to 100% of static units.

Total Additional Costs per Owned Static Unit

The total average additional costs per owned static unit are shown in the following table

Item	Cost £
Maintenance materials	86.58
Maintenance contractors	93.10
Insurance	251.11
Total	£430.79

Rental Information

The majority of rental respondents rented their holiday home through the Park (82.93%).

Source of rental booking	Number of respondents	% of respondents
Private owner	8	9.76%
Through the park	68	82.93%

Agency/website	6	7.32%
Total	82	

Purchase of Static Units

Owners of static units were asked about the source, frequency and cost of unit purchases.

Source

The majority of owner respondents purchased their holiday home through the Park (82.92%)

Purchased holiday home from . .	Number of respondents	% of respondents
Through this park	199	82.92%
Independently	11	4.58%
Don't know	30	12.50%
Total	240	

Of those respondents purchasing their home independently of the Park, 29.27% were purchased in Wales, and 2.44% from elsewhere. Of note is that 68.29% of respondents did not know where the unit was purchased from.

Location Holiday Home Purchased from	Number of respondents	% of respondents
In Wales	12	29.27%
Elsewhere	1	2.44%
Don't know	28	68.29%
Total	41	

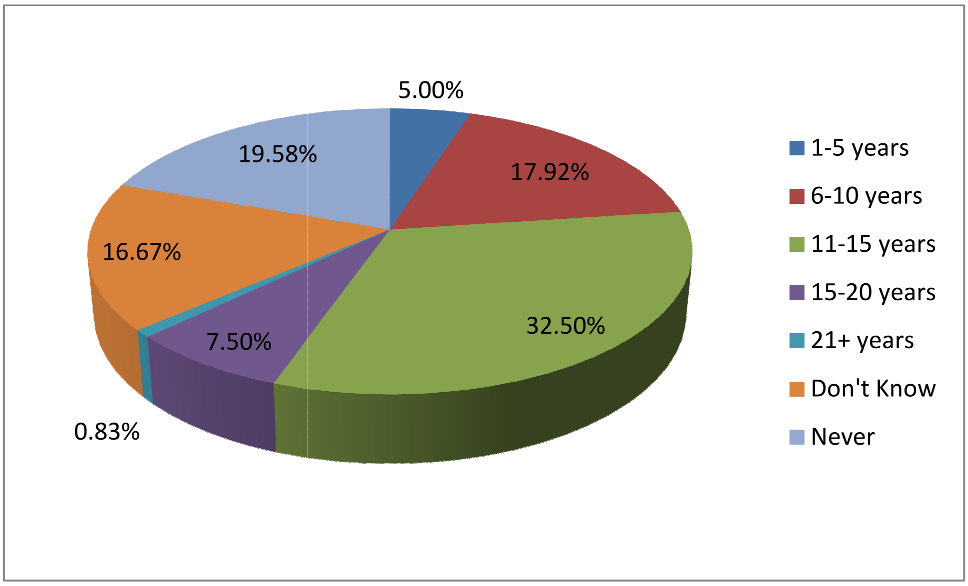
Replacement Frequency

On average Holiday Homes were replaced every 11-15 years (32.5%).

	Number of respondents	% of respondents
1-5 years	12	5.00%
6-10 years	43	17.92%
11-15 years	78	32.50%
15-20 years	18	7.50%
21+ years	2	0.83%

Don't Know	40	16.67%
Never	47	19.58%
Total	240	

Length of time Holiday Homes retained for before being replaced



Cost of replacing Holiday Homes

On average cost of replacing a Holiday Home was £32,503.68 (136 respondents provided a figure, ranging from £10,000 to £150,000).

Additional use of owners Holiday Homes

Do you allow other people to use your holiday home (either free or paying)?

	Number of respondents	% of respondents
Yes	108	45.00%
No	102	42.50%
Don't know	30	12.50%
Total	240	

Of the 108 (45%) respondents indicating that they did allow other people to use their holiday home (free or paying) the average number nights a year the holiday home is used by other people was 24.84 nights. Only 7 of these received a rental fee for this additional usage. The average yearly rental income was £2,557 (ranging from £600 to £7,000 per year).