

## 6. VOLUME & VALUE ESTIMATES

### 6.1 Introduction

Estimating the volume of tourism activity in the New Forest Park presents difficulties given the dynamic nature of tourism throughout the area and throughout the year. Some information is available from the visitor observation and interviewing survey carried out at numerous sites in the Forest, particularly with regard to the profile of visitors, but there are no measures of the volume of visits within the Park area as a whole.

The site survey was primarily concerned with a count of movements rather than individuals, and given the large scale of the New Forest there were numerous sites and areas that could not be covered during the survey. Furthermore, even if an overall number of visits could be derived from summing the total visits to all sites in the New Forest, it would not provide an estimate of the total number of visitors or visitor days. Individual visitors may visit several sites within the National Park area during the day, while residents of the National Park may well visit the same site more than once during the day.

In order to provide a basis for identifying the economic impact of visitors to the New Forest National Park, it is necessary to generate an estimate of the volume of 'visitor days' spent within the New Forest and the associated expenditure.

In generating the estimate, the process has been divided into three stages, namely:

- An estimate of the volume of visitor days by tourists staying in the New Forest National Park, based on the capacity and use of tourist accommodation in the area
- An estimate of day visits into the National Park from holiday accommodation outside the area, based on the relationship between visitors staying in the National Park and those staying outside as determined by the visitor survey
- An estimate of day visits from home both by those living in the National Park and those from adjoining areas and further afield, based primarily on the household survey.

It is believed that this approach will provide a reasonably robust estimate of the total volume, but it is emphasised that each element is subject to potential error arising from incomplete or inaccurate information, survey error and inappropriate responses from interviewees during the surveys

### 6.2 Estimating visitor volumes

#### 6.2.1 *Estimates of staying visitors*

Information on the accommodation available in the New Forest was collated by Tourism South East, based on their internal records and cross-referenced to data from the local authority. Information on second homes and resident population was obtained from the 2001 Census, while boat moorings in marinas were derived from the Royal Yachting Association directory.

**Table 114: Accommodation capacity in the New Forest National Park area 2004**

Accommodation type	Capacity	Measure
Hotels	1,622	Bedspaces
Guest houses	221	Bedspaces
Inns	117	Bedspaces
B&B	574	Bedspaces
Farmhouses	53	Bedspaces
Self-catering houses, cottages & flats	79	Units

Touring caravan & camping	4,476	Pitches
Static caravans	769	Units
Group accommodation	156	Bedspaces
Second homes	346	Units
Marinas & moorings	250	Berths
<b>Population</b>	<b>34,400</b>	<b>People</b>

*NB: Second homes are based on New Forest District Council number pro rata with the self-catering accommodation in that District*

Information on accommodation occupancy is collected by Tourism South East in respect of serviced accommodation, self catering units and touring caravan and tent pitches. The volume of nights for these categories of accommodation can be calculated by multiplying the capacity by occupancy, and applying average group size derived from the visitor survey for self catering and touring caravan and tent pitches. The volume of trips in each category can also be calculated by dividing the nights by the average length of stay in each type of accommodation.

Occupancy data does not however exist for a number of accommodation types, notably static caravans, group accommodation, second homes, boats and people staying with friends and relatives. To generate estimates for these types of accommodation, outputs from the 2003 Cambridge Model for New Forest District have been used. The latter model is based on the data from the UKTS and the IPS for Hampshire between 2001 and 2003. The ratios derived in that model have been applied to the capacity of those accommodation types, which do not have occupancy data available.

**Table 115: Accommodation occupancy data**

Accommodation type	Average annual occupancy (%)	Average length of stay (nights)	Average spend per day (£)
Serviced accommodation	48%	2.98	£59.34
Self-catering houses, cottages & flats	65%	5.98	£38.98
Touring caravans & tents	17%	6.34	£16.91
Static caravans	23%	4.20	£28.15
Second homes	32%	9.12	£38.98
Group accommodation	14%	13.33	£20.40

*NB: Data for serviced, self-catering and touring caravans & tents are based on results from the onsite visitor survey. Remaining categories are proxy measures derived from Cambridge model outputs for New Forest District. In addition to the above, Cambridge model outputs suggest a total of 4.8 nights per resident for visitors staying with friends and relatives, with an average spend of £9.72.*

A further adjustment was made in the case of second homes. The Cambridge Model indicated a high level of self-catering demand in the New Forest District, which could not practically be taken up by the capacity of the commercial self catering provision in the area. However, the District has a particularly high level of second homes, and in practice, many of them are let or used for self catering by people other than the owner. Therefore the levels of use for second homes have been adjusted to take account of this factor.

The total number of trips is thus estimated at 413,340 staying trips and 1,910,600 nights. The visitor survey collected data on the spending pattern of staying visitors by main accommodation type. Applying this information to the number of nights generates an estimate of total spending of £56,853,000.

Estimated trips, nights and spend in the New Forest National Park by staying visitors is shown by accommodation type in Table 116, below.

**Table 116: Estimated trips, nights and spend by staying visitors in the New Forest (2004) – by type of accommodation used**

	<b>Trips</b>	<b>Nights</b>	<b>Spend</b>
Serviced accommodation	151,130	450,400	£26,725,000
Self-catering accommodation	10,120	60,500	£2,360,000
Touring caravans & camping	138,800	880,000	£14,883,000
Static caravans	<i>49,060</i>	<i>206,100</i>	<i>£5,800,000</i>
Group accommodation	<i>600</i>	<i>8,000</i>	<i>£163,000</i>
Second home	<i>14,520</i>	<i>132,400</i>	<i>£5,161,000</i>
Marinas	<i>3,350</i>	<i>7,100</i>	<i>£146,000</i>
With friends or relatives (VFR)	<i>45,750</i>	<i>166,100</i>	<i>£1,615,000</i>
<b>Total</b>	<b>413,340</b>	<b>1,910,600</b>	<b>£56,853,000</b>

*NB: Figures in italics make use of Cambridge Model outputs. Any differences between sum and total are due to rounding.*

Not all the tourism activity in the New Forest will be for leisure purposes, but will also include business tourism trips and visits to friends and relatives for social and personal reasons.

The New Forest District Cambridge Model indicated that business tourism nights accounted for the equivalent of 19% of serviced accommodation nights, while personal and social visits accounted for 68% of all nights staying with friends and relatives. Assuming the same relationship holds good in the New Forest, then:

- Business tourism in the New Forest National Park is estimated to account for 85,600 nights
- Personal and social visits are estimated to account for 113,000 nights.
- Holidays in the Park are estimated to account for 1,712,100 nights.

The number of nights and spend can be estimated on the same basis using the ratios from the Cambridge Model.

**Table 117: Estimated tourism activity by purpose in the New Forest (2004)**

	<b>Trips</b>	<b>Nights</b>	<b>Spend</b>
Holidays	365,190	1,712,100	£50,702,000
Business	21,160	85,600	£4,811,000
Visits to friends and relatives	26,990	112,900	£1,340,000
<b>Total</b>	<b>413,340</b>	<b>1,910,600</b>	<b>£56,853,000</b>

Not all the 1.7 million holiday visitor days will be spent within the New Forest but holidaymakers will make a number of day trips to destinations around the circumference of the National Park and further afield.

The 2002 GBDVS found that on average, holidaymakers took the equivalent of 9.3% of their days on tourism day trips away from their holiday destination. Assuming that holidaymakers staying in the New Forest took a similar amount, then they made 159,200 day trips out of the National Park area. Assuming that half of their average daily catering and travel spend, and the whole of their average day spend on retail and entertainment is spent on their day out, then total leakage of expenditure out of the New Forest associated with the day trips will amount to £1,529,000.

Thus holidaymakers staying in the New Forest National Park will account for 1,552,900 visitor days in the New Forest with associated expenditure of £49,174,000.

### **6.2.2 *Estimates of day visits to the New Forest from holiday accommodation outside the National Park boundary***

There is a substantial amount of holiday accommodation in the three counties surrounding the New Forest. In 2003, the Cambridge Model estimated that some 6.7 million holiday trips accounting for 24 million nights were made to Dorset, Wiltshire and Hampshire, excluding New Forest District.

Information on day visitors from holiday accommodation outside the Park was collected in the onsite visitor survey. The ratio of such holidaymakers to holidaymakers staying within the New Forest National Park was 736 to 803, i.e. 0.92 'out of Park' holidaymakers to every 'in Park' holidaymaker. It is therefore estimated that day visits by 'out of Park' holidaymakers amounted to 1,423,300.

**The visitor survey indicated that each out of Park holidaymaker spent £11.54 during their trip. Thus total associated spending amounted to £16,425,000.**

### **6.2.3 *Estimates of day visitors from home***

Estimates of day visits from home can be made using data from the onsite visitor survey or from the household survey. However, both approaches raise problems in interpreting the data.

Firstly, the visitor survey is likely to undercount day visitors, particularly local residents, in that many of the visits may be made out of working hours when there was reduced survey activity. Locals are also likely to make use of a wider range of sites with local knowledge than the holidaymaker, including sites not included in the visitor survey.

The household survey also raises difficulties in that respondents may over estimate the number of trips that they make, and secondly, there is some ambiguity as to whether the response related to the household or to the individual.

#### ***Estimates based on the household survey***

The household survey involved contact with a sample of households in three zones, namely:

- Households living within the New Forest National Park boundary (Zone 1)
- Households living in areas adjacent to the National Park (Zone 2)
- Households living in the urban areas of Southampton and Bournemouth beyond zone 2 (Zone 3)

Information on the frequency of visit was obtained for each of the zone samples for those visiting the Park. In calculating the average frequency, it is assumed that respondents will over estimate their trips in that they will not take into account time they spend away from the area, or are unable to undertake their normal activity because of illness or other causes. Thus in using the responses we have assumed the following levels of use:

- Every day assumes 301 days
- Several times a week assumes 130 days
- About once a week assumes 41 days
- At least once a month assumes 10 days
- Less than once a month assumes 5 days.

Using these assumptions and excluding those households who make no visits during the year, the average number of visits by resident households is estimated at 128.71 per year, 54.45 by adjacent households in zone 2 and 17.62 by households in zone 3.

	<b>Zone 1</b>	<b>Zone 2</b>	<b>Zone 3</b>
Households	14,957	85,935	169,284
Households not visiting	748	14,609	42,321
Visiting households	14,209	71,326	126,963
Average frequency	128.71	54.45	17.62
<b>Total visits</b>	<b>1,828,800</b>	<b>3,883,800</b>	<b>2,237,100</b>

In addition to the visitors from the three zones, there will also be additional visits from home from other areas further afield. The visitor survey obtained responses from 504 visitors from outside the zones, compared to the total of 466 responses from zone 3. Using the ratio between the two figures in the visitor survey suggests that there were a further 2,419,500 visits from home from outside the household survey zones.

The estimated total of day trips from home using the household survey as the base therefore amounts to 10,369,100.

#### ***Estimates based on the onsite visitor survey***

**The visitor survey obtained 1,328 responses from day visitors in zones 1 and 2, together with 970 from further afield,** compared with 803 from holidaymakers staying within the Park. Thus the ratio between holidaymakers and day visitors from within zones 1 and 2 is 1.65, and between holidaymakers and day visitors from further afield, it is 1.21.

Applying these ratios to the volume of holidaymakers generates estimates of 2,570,100 individual day trips from zones 1 and 2 and 1,875,800 individual day trips from further afield. In order to estimate the total number of day visitors from home, it is necessary to multiply the individual visitor days by the average group size. The total estimate taking account of group size is 10,230,700.

	<b>Resident in Zones 1 and 2</b>	<b>Resident further afield</b>
Visitor survey response	1,328	970
Ratio to holidaymakers staying in the New Forest National Park	1.65	1.21
Individual day trips	2,570,100	1,875,800
Average group size	2.01	2.70
<b>Total day trips</b>	<b>5,165,900</b>	<b>5,064,800</b>

#### ***Summary of day visitor estimates***

Given the possible errors in the two survey approaches, the estimates derived from the two approaches are close, with the household based estimate generating slightly more overall, mainly accounted for by a higher estimate of trips from zones 1 and 2.

A further estimate of day trips to the New Forest can be obtained from the Cambridge Model day trip estimates for the New Forest District Council area. The latter uses data from the GBDVS, distributing trips within the region according to measures of attractiveness for each District and the relative distance from origin districts. The overall estimates for New Forest District Council area suggest 8.7 million countryside leisure day trips, 6.5 million coastal leisure day trips and 8.6 million town leisure day trips.

Most of the town trips will fall outside the Park given that the larger settlements are excluded from the Park area, while a majority of coastal trips will also be distributed to the resort areas around the edge of, but outside the National Park.

Taking these factors into account, the volume of trips to the New Forest National Park overall is in the range of 10 to 11 million trips, consistent with the estimates based on the two surveys.

For the purposes of this study, it is proposed to use the estimate based on the household survey, i.e. a total of 10,369,100 day trips from home to the New Forest National Park, including 2,038,800 generated by residents living within the National Park boundary.

#### *Day visitor expenditure*

The visitor survey indicated that average expenditure by day visitors from zones 1 and 2 amounted to £3.75, while for non-local day visitors from home, it amounted to £5.91. Applying these spend figures to the number of visitor days generates estimates of £22,210,000 by local day visitors and £27,520,000 for day visitors from further afield, or £49,730,000 in total. Spending associated with resident day trips is estimated at £7,646,000.

#### **6.2.4 Total visitor volumes and spend**

The total visitor volumes using the New Forest Park are therefore estimated at 13,555,400 visitor days (excluding business tourists and personal and social visits to friends and relatives), with total associated spending of £115,329,000.

<b>Table 120: Volume &amp; expenditure by visitors to the New Forest National Park</b>		
	<b>Total visitor days</b>	<b>Associated expenditure</b>
Holidaymakers staying in the New Forest National Park	1,552,900	£49,174,000
Day trips from holiday accommodation outside the Park	1,423,300	£16,425,000
Day trips from home by residents	1,828,800	£7,646,000
Day trips from home from adjacent areas	3,883,800	£14,564,000
Day trips from home from further afield	4,656,600	£27,520,000
<b>Total day trips</b>	<b>13,345,400</b>	<b>£115,329,000</b>

*NB: Excludes business and social and personal visitors staying in the New Forest, and day trips and associated spend by holidaymakers staying in the National Park on visits outside the Park.*

## 6.3 Visitor Expenditure

### 6.3.1 Value of leisure visitor spend in the New Forest

Based on the estimate of the volume of visitors and the visitor survey information on expenditure patterns, it is estimated that total spending by visitors to the New Forest National Park amounts to £123 million. Of the total, leisure visitors spent a total of £115 million on their visits to the New Forest. In addition, business visitors and visits to friends and relatives for social and personal reasons accounted for a further £6 million while holidaymakers staying in the New Forest spent a further estimated £1.5 million on day visits out of the Park area.

**Table 121: Summary of visitor spending associated with visits to the New Forest National Park**

<b>Tourists staying within the New Forest</b>	<b>£56,853,000</b>
of which	
Holidaymakers staying in the New Forest National Park	£50,702,000
Business tourists staying in the National Park	£4,811,000
Social and personal visits staying in the National Park	£1,340,000
Spend by holidaymakers staying in the Park on day trips out of the Park	-£1,529,000
<b>Spend by holidaymakers staying outside the New Forest</b>	<b>£16,425,000</b>
<b>Spend by day visitors from home</b>	<b>£49,730,000</b>
of which	
Day visits by residents living within the New Forest National Park	£7,646,000
Day visits from homes in areas adjacent to the New Forest	£14,564,000
Day visits from homes further afield	£27,520,000
<b>Total spend associated with trips to the New Forest</b>	<b>£123,008,000</b>
<b>Total spend associated with leisure trips to the New Forest</b>	<b>£115,329,000</b>
<b>Total spend associated with leisure trips to the New Forest excluding local resident spend</b>	<b>£107,683,000</b>

In estimating the additional spending generated by the New Forest as a leisure destination, spending by business visitors, visits for social and personal reasons and day visits by holidaymakers staying within the Park to destinations outside the New Forest is discounted, since the reasons for the trips are for other purposes than the leisure enjoyment of the Park.

In estimating the additional economic impact, spending by local residents on day trips within the Park is also discounted since it is assumed that such spending would have occurred in any event. **Thus the total additional spending associated with the leisure use of the New Forest National Park is estimated at almost £108 million.**

### 6.3.2 Breakdown of leisure expenditure

Based on the information collected in the onsite visitor survey, it is possible to breakdown the total leisure expenditure into the main categories of spending. For those staying in the Park, information is available by type of accommodation used, while averages are available for day trips by holidaymakers staying outside the New Forest, day trips by residents of the New Forest and adjacent areas and day trips from home from further afield.

Compared with the national surveys, the average spend appears to be on the low side, suggesting some under estimates in the survey responses of the actual volume of spending.

**Table 122: Average spend per day by category by accommodation type**

	Serviced accomm.	Self-catering	Touring caravan & camping	Static caravan	Other	Staying with friends or relatives
Accommodation	£ 41.44	£ 21.97	£ 5.40	£ 13.17	£ 10.88	£ 0.06
Retail	£ 4.21	£ 5.07	£ 4.27	£ 3.98	£ 3.31	£ 3.14
Catering	£ 10.63	£ 8.50	£ 5.06	£ 7.58	£ 5.23	£ 5.06
Attractions	£ 1.11	£ 2.22	£ 0.76	£ 1.81	£ 0.00	£ 0.11
Travel	£ 1.94	£ 1.23	£ 1.42	£ 1.61	£ 0.98	£ 1.36
<b>Total</b>	<b>£ 59.34</b>	<b>£ 38.98</b>	<b>£ 16.91</b>	<b>£ 28.15</b>	<b>£ 20.40</b>	<b>£ 9.72</b>

**Table 123: Average spend per day by type of visitor**

	Holidaymakers staying in the New Forest	Day trips by holidaymakers staying elsewhere	Day trips from home by residents of the Park and adjacent areas	Day trips from home from further afield
Accommodation	£ 15.99	£ 0.00	£ 0.00	£ 0.00
Retail	£ 4.20	£ 3.98	£ 1.56	£ 1.72
Catering	£ 6.99	£ 5.41	£ 1.48	£ 2.71
Attractions	£ 1.04	£ 0.50	£ 0.04	£ 0.27
Travel	£ 1.54	£ 11.54	£ 3.75	£ 5.96
<b>Total</b>	<b>£ 29.76</b>	<b>£ 11.54</b>	<b>£ 3.75</b>	<b>£ 5.96</b>

Applying the average spend figures to the appropriate number of visitors by type generates a total estimate of £107,683,000. Of the total:

- accommodation spend accounts for 26% of the total
- retail spending accounts for 24%
- catering spend for 35%
- attractions for 3%
- travel spend for 11%
- holidaymakers staying within the Park for 46%
- day trips from holidaymakers from outside the Park for 15%
- day trips from home from outside the Park for 39%

**Table 124: Average spend per day by type of visitor**

	Holidaymakers staying in the New Forest	Day trips by holidaymakers staying elsewhere	Day trips from home from outside the National Park	Total spending associated with leisure visits to the New Forest National Park
Accommodation	£ 27,942,600	£ 0	£ 0	£ 27,942,600
Retail	£ 6,561,800	£ 5,664,800	£ 14,067,900	£ 26,294,500
Catering	£ 11,757,200	£ 7,700,100	£ 18,367,300	£ 37,824,600
Attractions	£ 1,441,400	£ 711,700	£ 1,412,600	£ 3,565,700
Travel	£ 1,470,700	£ 2,348,500	£ 8,236,600	£ 12,055,800
<b>Total</b>	<b>£ 49,173,700</b>	<b>£ 16,425,100</b>	<b>£ 42,084,400</b>	<b>£ 107,683,200</b>

### 6.3.3 Distribution of visitor spending

While total spending is close to £108 million, a substantial proportion is likely to be spent at establishments outside the New Forest National Park boundary. Such leakage arises from visitor spending en route to and from their destination, which in the case of rural destinations, is exacerbated by the greater range of spending opportunities in urban areas en route to and/or adjacent to the rural area.

Studies in the Yorkshire Dales and more recently in the South Downs collected information on the leakage of visitor spending to those destinations. The situation of the New Forest National Park is similar to the South Downs in that both areas are close to major holiday resorts as well as major population centres. For the purposes of this study therefore, the pattern identified in the South Downs survey (TSE, 2003) has been used to estimate the leakage of spending from the New Forest.

**Table 125: Assumed proportion of spending occurring within the New Forest National Park**

	Holidaymakers staying in the New Forest	Day trips by holidaymakers staying elsewhere	Day trips from home from outside the National Park
Accommodation	100%	0%	0%
Retail	88%	41%	52%
Catering	76%	46%	46%
Attractions	68%	36%	70%
Travel	70%	44%	38%
<b>Total</b>	<b>90%</b>	<b>43%</b>	<b>51%</b>

Source: A Visitor Survey of the Proposed South Downs National Park, 2003

Based on the South Downs experience, it is estimated that spending within the New Forest on leisure trips amounts to £71,699,300, with most of the leakage occurring with day visits from holiday accommodation and homes outside the National Park.

**Table 126: Estimated leisure spend within the New Forest**

	Holidaymakers staying in the New Forest	Day trips by holidaymakers staying elsewhere	Day trips from home from outside the National Park	Total spend
Accommodation	£ 27,942,600	£ 0	£ 0	£ 27,942,600
Retail	£ 5,774,400	£ 2,322,600	£ 7,315,300	£ 15,412,300
Catering	£ 8,935,500	£ 3,542,100	£ 8,448,900	£ 20,926,500
Attractions	£ 980,100	£ 256,200	£ 988,800	£ 2,225,200
Travel	£ 1,029,500	£ 1,033,300	£ 3,129,900	£ 5,192,700
<b>Total</b>	<b>£ 44,662,100</b>	<b>£ 7,154,100</b>	<b>£ 19,883,000</b>	<b>£ 71,699,300</b>

Leisure spending associated with trips to the New Forest but taking place outside the National Park amounts to £37,512,500 including the expenditure by holidaymakers staying within the New Forest National Park on day trips to destinations outside the New Forest. The bulk of this expenditure will be in towns and villages in the area adjacent to the Park.

## 6.4 Jobs supported by leisure visitor spend in the New Forest

### 6.4.1 Breakdown of business costs

Visitor spending contributes directly to the turnover of businesses in receipt of that spending. The relative costs of wages, supplies and other costs varies by business sector. Thus the proportion taken by labour costs tends to be highest in the accommodation and attractions sector and lowest in the retail sector. Information for businesses in the New Forest is not available, but data on the cost breakdown of tourism related businesses was collected in a business survey in the South Downs (Geoff Broom Associates, 2003). The breakdown in businesses in the New Forest is likely to be very similar, and therefore the South Downs data has been used for this study.

**Table 127: Breakdown of business spending by tourism related sectors**

	Stock purchases	Overheads	Maintenance	Other	Wages & profits
Accommodation	30.5%	10.4%	9.0%	8.8%	41.4%
Retail	53.1%	3.7%	5.2%	13.7%	24.2%
Catering	54.1%	5.7%	5.4%	6.8%	28.0%
Attractions	15.1%	5.6%	27.7%	7.8%	43.8%
Travel	67.8%	1.9%	1.0%	2.9%	26.3%

Source: South Downs Business Survey 2003. 'Overheads' includes marketing, legal, cleaning and other services, while 'other' includes financial services, utilities and business rates.

### 6.4.2 Direct employment arising from visitor spending

Information on wage costs in the different sectors in the New Forest is based on regional data from the New Earnings Survey for each sector adjusted to take account of local variations for New Forest District Council area. By applying the average wage cost to the wage cost proportion of turnover in each sector, the number of Full Time Equivalent (FTE) jobs can be estimated. Overall, a total of 1,255 FTE jobs are estimated to arise in tourism related businesses in the New Forest.

**Table 128: Estimated direct FTE jobs supported by leisure spending in the New Forest**

	Total spend contribution to turnover	Proportion taken by wage costs	Average Full Time Equivalent wage cost	FTE jobs supported
Accommodation	£ 27,942,600	£ 11,540,300	£ 18,431	626
Retail	£ 15,412,300	£ 3,745,200	£ 20,476	183
Catering	£ 20,926,500	£ 5,859,400	£ 17,833	329
Attractions	£ 2,225,200	£ 974,600	£ 19,649	50
Travel	£ 5,192,700	£ 1,370,900	£ 20,260	68
<b>Total</b>	<b>£ 71,699,300</b>	<b>£ 23,490,400</b>		<b>1,255</b>

Given that many jobs in the tourism related sectors are part time and/or seasonal, the number of actual jobs will be significantly higher. Using the ratios derived from the South Downs study, it is estimated that the number of actual jobs is 2,071.

**Table 129: Estimated actual direct jobs supported by leisure spending in the New Forest**

	FTE jobs	Ratio of FTE to actual	FTE jobs supported
Accommodation	626	1.67	1,046
Retail	183	1.51	276
Catering	329	1.68	552
Attractions	50	2.30	114
Travel	68	1.23	83
<b>Total</b>	<b>1,255</b>		<b>2,071</b>

*NB: Excludes jobs supported by local resident leisure trips within the New Forest*

Expenditure associated with leisure trips to the New Forest is estimated to support a further 536 FTE jobs outside the National Park, equivalent to 857 actual jobs mainly distributed in towns and villages adjacent to the New Forest.

#### 6.4.3 Spending by tourism related business located in the New Forest

Tourism related businesses in the New Forest spend part of their turnover on the purchase of stock, on overheads such as advertising, legal fees and cleaning services, on maintenance and repairs and on other costs. The total spending on these items by New Forest businesses amounts to an estimated £48 million.

**Table 130: Expenditure by New Forest tourism related businesses on supplies and services**

	Turnover	Stock purchases	Overheads	Maintenance	Other	Total
Accommodation	£ 27,942,600	£ 8,522,500	£ 2,906,000	£ 2,514,800	£ 2,458,900	<b>£ 16,402,300</b>
Retail	£ 15,412,300	£ 8,183,900	£ 570,300	£ 801,400	£ 2,111,500	<b>£ 11,667,100</b>
Catering	£ 20,926,500	£ 11,321,200	£ 1,192,800	£ 1,130,000	£ 1,423,000	<b>£ 15,067,100</b>
Attractions	£ 2,225,200	£ 336,000	£ 124,600	£ 616,400	£ 173,600	<b>£ 1,250,500</b>
Transport	£ 5,192,700	£ 3,520,700	£ 98,700	£ 51,900	£ 150,600	<b>£ 3,821,900</b>
<b>Total</b>	<b>£ 71,699,300</b>	<b>£ 31,884,300</b>	<b>£ 4,892,400</b>	<b>£ 5,114,600</b>	<b>£ 6,317,600</b>	<b>£ 48,208,900</b>

However, there is likely to be a substantial leakage of such spending out of the New Forest to suppliers based in the wider region and beyond. Thus stock purchases by retailers will normally entail purchases from distributors or producers in major centres in the region or further afield, although maintenance spending is often with local contractors.

**Table 131: Proportion of supplies purchased locally**

	Stock purchase	Overheads	Maintenance	Other
Accommodation	56%	81%	90%	44%
Retail	3%	30%	59%	12%
Catering	11%	15%	17%	28%
Attractions	23%	34%	31%	36%
Transport	5%	100%	100%	100%

*Source: South Downs Business Survey 2003*

The value of local purchases of supplies by tourism related businesses is estimated at £10,866,500, of which half is on the purchase of stock and other supplies. The remaining £37,342,400 leaks out of the New Forest National Park to suppliers in adjoining towns and further afield.

**Table 132: Value of supplies and services purchased locally**

	<b>Stock purchases</b>	<b>Overheads</b>	<b>Maintenance</b>	<b>Other</b>	<b>Total</b>
Accommodation	£1,960,200	£ 988,100	£ 779,600	£ 885,200	£ 4,613,000
Retail	£ 245,500	£ 171,100	£ 472,800	£ 253,400	£ 1,142,800
Catering	£ 1,245,300	£ 178,900	£ 192,100	£ 398,400	£ 2,014,800
Attractions	£ 16,800	£ 124,600	£ 616,400	£ 173,600	£ 931,300
Transport	£ 1,971,600	£ 79,900	£ 46,700	£ 66,300	£ 2,164,500
<b>Total</b>	<b>£5,439,400</b>	<b>£ 1,542,600</b>	<b>£ 2,107,700</b>	<b>£ 1,776,900</b>	<b>£ 10,866,500</b>

#### 6.4.4 Indirect employment arising from business purchases

The additional turnover generated by the purchase of stock and services from supplier businesses supports indirect employment in those establishments. The business characteristics of supplier businesses vary significantly from those associated with tourism related businesses, especially professional services and building contractors where wage and profit elements are much more significant.

**Table 133: Breakdown of turnover in supplier businesses**

	<b>Stock purchase</b>	<b>Overheads</b>	<b>Maintenance</b>	<b>Other</b>	<b>Wages &amp; profits</b>
Suppliers	27.4%	12.0%	10.2%	10.5%	39.9%
Professional services	5.1%	12.3%	1.0%	17.0%	64.6%
Building contractors	16.7%	15.9%	3.4%	6.5%	57.5%

Source: South Downs Business Survey 2003

The total wage costs generated by supply spending in local businesses is therefore estimated at £5.5 million, which supports 257 FTE jobs. Taking account of part time and seasonal working, these equate to 291 actual jobs.

**Table 134: Employment in supply and service businesses in the New Forest arising from purchases by tourism related businesses**

	<b>Total spend</b>	<b>Wage costs</b>	<b>Average wage cost</b>	<b>FTE jobs</b>	<b>FTE to actual ratio</b>	<b>Actual jobs</b>
Suppliers	£ 5,439,400	£ 2,170,300	£ 17,562	124	1.21	150
Professional services	£ 3,319,400	£ 2,144,400	£ 22,253	96	1.09	105
Building contractors	£ 2,107,700	£ 1,211,900	£ 33,121	37	1.00	37
	<b>£ 10,866,500</b>	<b>£ 5,526,600</b>		<b>257</b>		<b>291</b>

NB: Wage costs and ratio based on South Downs Business Survey 2003 data

Supplier businesses will in turn spend part of their turnover on purchasing stock, overheads, maintenance and other costs. It is estimated that this second round of spending will generate further turnover of £5,339,900, of which some £2,574,800 is likely to be spent with local firms. This spending will support a further 59 FTE jobs, equivalent to 67 actual jobs.

Subsequent expenditure will add a further 18 FTE jobs or 21 actual jobs over a further two rounds of spending.

The total jobs arising in the New Forest indirectly from visitor spending as a result of business spending is therefore estimated at 333 FTE jobs equivalent to 380 actual jobs.

**Table 135: Total indirect jobs arising from business spending**

	FTE jobs				Estimated actual jobs			
	1 <sup>st</sup> round	2 <sup>nd</sup> round	Subsequent	Total	1 <sup>st</sup> round	2 <sup>nd</sup> round	Subsequent	Total
Suppliers	124	36	13	173	150	44	16	209
Professional services	96	13	2	112	105	14	2	122
Building contractors	37	9	3	49	37	9	3	49
<b>Total</b>	<b>257</b>	<b>59</b>	<b>18</b>	<b>333</b>	<b>291</b>	<b>67</b>	<b>21</b>	<b>380</b>

NB: Wage costs and ratio based on South Downs Business Survey 2003 data

#### 6.4.5 Residents enjoying employment from tourism activity in the New Forest

The total number of actual jobs sustained directly and indirectly in the New Forest by visitor activity is estimated to be 2,451. However, not all these jobs will be filled by residents living within the New Forest National Park.

Of the various business sectors, people working in the accommodation sector are the most likely to live locally, whereas people employed in professional service businesses are the most likely to commute from elsewhere. In general, a higher proportion of people in high wage sectors tend to travel further to their place of employment.

**Table 136: Proportion of employees living in local area, in nearby towns or elsewhere**

	On site/ local	Nearby towns	Elsewhere
Accommodation establishments	85%	14%	1%
Retail establishments	74%	21%	5%
Catering establishments	74%	23%	3%
Attraction/ entertainment venues	48%	37%	15%
Transport establishments	54%	44%	2%
Supplier companies	50%	50%	0%
Contractors/ tradesmen	56%	30%	14%
Professional services	59%	18%	23%

Source: South Downs Business Study 2003

Assuming a similar pattern in the New Forest to the South Downs, it is estimated that three quarters of employees live on site or locally within the New Forest, with the bulk of the remainder living in nearby towns. Only around 4% commute into the New Forest from further afield.

**Table 137: Location of residence of job holders**

	Total	Local	Nearby towns	Elsewhere
Accommodation	1,046	889	146	10
Retail	276	204	58	14
Catering	552	408	127	17
Attractions/ entertainment	114	55	42	17
Travel & transport	83	45	37	2
Direct jobs sub-total	2,071	1,601	410	60
Suppliers	209	105	105	0
Professional services	122	72	22	28
Building trades	49	27	15	7
<b>Indirect jobs sub-total</b>	<b>380</b>	<b>204</b>	<b>141</b>	<b>35</b>

Total direct & indirect	2,451	1,805	551	94
%	100%	74%	22%	4%

Source: South Downs Business Study 2003

#### 6.4.6 Income induced jobs

Wages spent locally by residents working in jobs sustained by visitor activity will generate additional economic activity in terms of turnover in local shops, catering establishments and entertainment/attraction venues. However, the multiplier associated with such activity within the New Forest is likely to be relatively low, and in the order of 1.05.

Using this assumption, the number of income induced jobs associated with visitor activity within the New Forest is estimated at 79 FTE jobs or 90 actual jobs. Additional income induced jobs will be supported by spending by individuals leaking out of the Park area into surrounding towns and cities, as well as additional jobs generated by spending by indirect jobs in suppliers located outside the New Forest. While many of these jobs will arise locally, others will be distributed across the region.

#### 6.4.7 Summary of employment impacts

Spending associated with visitor activity in the New Forest supports jobs directly in tourism related businesses, indirectly in suppliers of goods and services to those businesses and induced by the spending of people in jobs directly or indirectly supported by visitor spending.

While the bulk of direct jobs will arise within the New Forest, many of the indirect and income induced jobs will occur in the urban areas around the New Forest and further afield in the region as a whole. As a result of leakage of spending out of the Park area by both businesses and visitors, visitor spending associated with trips to the New Forest support as many jobs outside the Park as within it.

Of the jobs located within the Park, it is estimated that around three-quarters are filled by local residents, with the remainder being filled by people living mainly in the surrounding urban areas.

	Within the New Forest National Park	Outside the New Forest National Park	Total
<b>Full Time Equivalent</b>			
Direct	1,255	536	1,791
Indirect	333	1,144	1,477
Income induced	79	574	653
<b>Total</b>	<b>1,667</b>	<b>2,254</b>	<b>3,921</b>
<b>Estimated actual jobs</b>			
Direct	2,071	857	2,928
Indirect	380	1,305	1,685
Income induced	90	794	884
<b>Total</b>	<b>2,571</b>	<b>2,956</b>	<b>5,497</b>

NB: Indirect jobs include up to 4 rounds of spending by supply businesses. Income induced jobs include jobs generated by people employed outside the National Park area and assume a regional multiplier of 1.20.