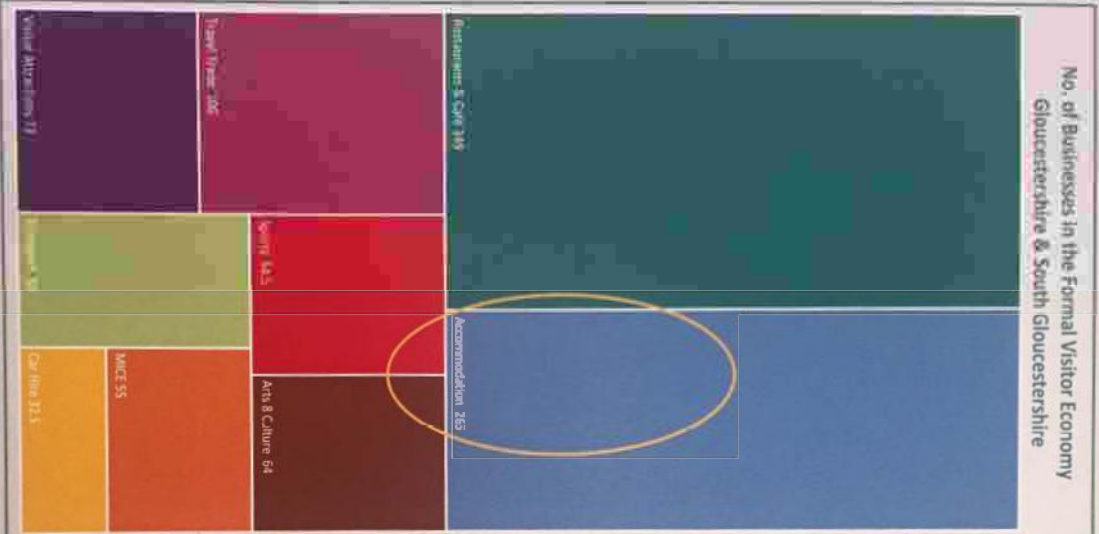
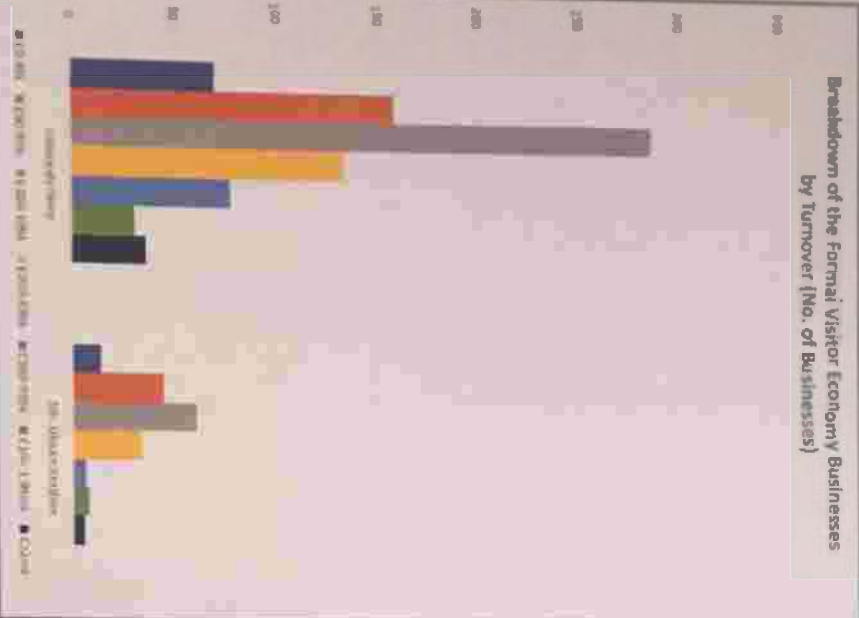


5.2 Businesses in Gloucestershire's Visitor Economy

Formal Visitor Economy Businesses		
	No.	Growth 2015-20
Gloucestershire	855	7.3%
Stn. Gloucestershire	211	8.2%
Total	1,066	



1. There are over 1,000 businesses in Gloucestershire and South Gloucestershire in the formal visitor economy, i.e. those businesses with PAYE returns. Numbers grew by 7% - 8% between 2015 and 2019. The bar chart to the far left shows that distribution.
2. The turnover is skewed towards micro-enterprises even in the formal economy. The bar chart to the far left shows that distribution.
3. There are a higher number of businesses in food & beverage services than accommodation – which reverses the employment profile and indicates a higher number of smaller businesses in the restaurants and cafés sector. (NB: The 349 businesses shown are not the actual number of businesses in the restaurants sector but an *estimate* of the numbers that are sustained by visitor spending).
4. The informal accommodation sector is dominated by self-catering, probably utilising shared housing, second homes, buy to let accommodation etc. run by owner operators many of whom will operate outside the PAYE system.
5. When considering accommodation, RevPAR is relatively poor (when compared with e.g. branded hotels) - with non-serviced being marginal in nature when looked at strategically. Looking from a personal view, a return of £4,679 annually per room could be considered reasonable for some operations and, at the estimated number of rooms per establishment, would create an annual income of £70,600 – somewhat below the current VAT threshold.

Methodology - See the Annex for the calculation relating to the formal visitor economy. The accommodation audit can be considered an accurate overview of the entire accommodation sector. The informal economy is calculated by subtracting the formal QMS accommodation figures from total stock. NB - The accommodation sector is likely to have a much higher informal element than other parts of the visitor economy because it is relatively easy to let or rent owned accommodation. The RevPAR calculation uses VisitEngland's 2016 stock database as a reference and assumes that room numbers per establishment are the same in 2020 as they were in 2016 (for both serviced and non-serviced). The spend is calculated by taking 38% of the total visitor spending (combining inbound and domestic spending) that being the typical share that is spent on accommodation. It is estimated that 65% of that spending takes place in serviced accommodation and 40% in non-serviced establishments.

Gloucestershire - Revenue per available Room - 2019						
	2020 Stock	Total No. Rooms	Avg. No. Rooms	Total Spend Accommodation	Annual RevPAR	RevPAR
Serviced	524	9,637	18.4	£95,760,000	£9,937	£27
Non-Serviced	903	13,644	15.1	£63,840,000	£4,679	£13