Economic Impact of the Holiday-Park Sector in Scotland

A Report on Behalf of

The Scottish Caravan and Camping Forum

November 2014

A SUMMARY

1. INTRODUCTION

In 2013, the Scottish Caravan and Camping Forum (SCCF) appointed Frontline, a research consultancy firm, to undertake an assessment of the economic impact of the holiday park sector in Scotland. This is the first time that such a study has been undertaken in Scotland. Extensive desk research was followed by primary research with park-owners and visitors between January and October 2014. The resulting report has provided significant and robust data.

What follows is an extensive summary. **We recommend that the full Report is consulted as it includes detailed tables and explanatory footnotes; there are breakdowns of spend, FTEs, etc, by VisitScotland region. The report is on the Scottish Tourism Alliance website:** **http://scottishtourismalliance.co.uk/blog/the-report-into-the-economic-benefit-of-the-carava/**

The SCCF comprises the British Holiday & Home Parks Association (BH&HPA), The Caravan Club, The Camping & Caravanning Club, the National Caravan Council Ltd (NCC), Thistle Holiday Parks, and VisitScotland. The SCCF's remit is to provide a collective voice for the whole of the holiday park sector in Scotland. **http://www.scottishcaravanholidayparks.co.uk/about.php**

2. OBJECTIVES

The aims of the study were to:

- provide an independent, evidence-based knowledge of the direct and indirect economic impact of and contribution of the holiday-park sector in Scotland
- provide information on the economic impact of and contribution from different types of accommodation provided on holiday parks (touring and self-catering)
- identify the number of FTE jobs supported by the sector, both those employed directly and indirectly
- provide, where possible, a regional breakdown of findings, as well as the national picture

The key outcomes of this report provide an estimate of the economic value of the sector in 2014, together with a methodology that is easy to replicate and can be used in future years to track changes in the sector's performance.

3. EXECUTIVE SUMMARY

Tourism is one of Scotland's key industries; it is worth more than £3.2bn in Gross Value Added (GVA) terms and supports more than 175,000 jobs. The study drew evidence from a survey of 89 holiday parks and a survey of 7,034 recent visitors to holiday parks in Scotland. The research found that, in the twelve months to October 2014, Scotland's holiday park sector generated an estimated:

- **gross direct visitor expenditure impact of £491.1m**: this figure is higher than the £396m figure recorded for the self-catering (rented) accommodation sector in 2013, and significantly higher than the £86m figure for the guest house and B&B sector in *The GB Tourist - Statistics 2013.*

- **gross direct, indirect and induced visitor expenditure impact of £700.8m.**

- **net visitor expenditure impact of £307.1m**, which equates to a GVA impact of £156.1m, and to 5,688 supported FTE jobs in the Scottish economy.

Forty-five of the 89 parks surveyed were able to provide information on their capital expenditure, operating expenditure, wages and salaries. As capital expenditure by parks can vary greatly from year to year, this should be read as applying only to the year to September 2014; the **45 parks spent a combined £25.4m on these areas of expenditure.**

In terms of overall gross impacts, **£700.8m visitor expenditure supports 12,977 FTE jobs and contributes £356.3m of Gross Added Value to Scotland's economy.**

The sector's GVA contribution equates to approximately 7.8% of total Scottish tourism GVA.

Definitions of the terms are given at the end of this summary. Explanations of how the outcomes were calculated, can be found in the Report.

4. DATABASE OF HOLIDAY PARKS IN SCOTLAND

According to the Scottish Caravan and Camping Forum, there were, in the summer of 2014, **318 SCCF member holiday parks operating in Scotland**, which, in total, had 34,116 pitches. The majority of these pitches were either owner-occupied caravan holiday homes or lodges (17,012 pitches in total, equivalent to 47% of all pitches) or touring pitches (13,108 pitches in total, equivalent to 37% of all pitches). The parks have a range of other accommodation, including chalets, wigwams, yurts and pods. The Highlands have both the highest number of holiday parks in Scotland (69) and the highest number of pitches (5,819); Argyll and the Isles, Ayrshire and Arran, Dumfries and Galloway, and the Kingdom of Fife also have a high number of both parks and pitches. Please note that, in gathering information on the number of pitches, we took account only of those parks which were part of the SCCF members.

A survey was conducted of 45 caravan-park operators in Scotland (some of whom operated more than one park), who, together, provided information on 89 parks.

5. THE PARK-OWNERS' SURVEY

The survey sample was drawn from a database of 318 caravan parks provided by the SCCF. This included all the BH&HPA member parks, all the Thistle Park members, and all the parks operated by The Caravan Club and by The Camping and Caravanning Club. The 89 parks which took part in the survey provided a comprehensive and representative sample of the overall database of parks in Scotland and were chosen according to:

- the overall number of small and large parks in Scotland
- the overall number of rural and urban parks
- the overall number of group-owned parks and independently owned parks
- the overall number of parks that mostly serve touring holiday-makers;
- and the number which mostly have either owner-occupied or rented holiday homes

Geographic Locations:

The geographic locations of the surveyed parks were broadly representative of the sector as a whole. For example, it included parks from all twelve of VisitScotland's mainland regions, as well as the Outer Hebrides, and in each of these areas there were at least 8% of all parks.

The **breakdown of parks and locations** can be found on the next page.

Locations of parks surveyed:

VisitScotland Region	Number of parks interviewed	Number of parks in area	Percentage interviewed
Aberdeen City and Shire	4	22	18%
Argyll and the Isles	3	36	8%
Ayrshire and Arran	5	31	16%
Dumfries and Galloway	16	45	36%
Dundee and Angus	2	6	33%
Edinburgh and Lothians	5	17	29%
Glasgow and Clyde	2	6	33%
Highlands	25	69	36%
Kingdom of Fife	8	23	35%
Loch Lomond and Trossachs	7	13	54%
Orkney	0	2	0%
Outer Hebrides	1	2	50%
Perthshire	5	26	19%
Scottish Borders	6	18	33%
Shetland	0	2	0%
Total	**89**	**318**	**28%**

Park size:

The survey sample contained a diverse and representative mix of small, medium, large and very large parks, including 13 very large parks (parks with 251 pitches or more); and 9 small parks (parks with 50 pitches or fewer).

Sizes of the parks surveyed:

Number	Number of parks interviewed	Number of parks in Scotland	Percentage interviewed

Small parks (1-50 pitches)	9	92	10%
Medium sized parks (51-100 pitches)	42	115	37%
Large parks (101-250 pitches)	25	82	30%
Very large parks (251 pitches or more)	13	29	45%
Total	**89**	**318**	**28%**

Accommodation provided:

Over half of the parks surveyed had touring pitches and owner-occupied holiday homes on their parks.Over two-fifths had rented caravan holiday homes or lodges. Most of the parks surveyed had both touring and self-catering.

Findings from the park-owners' survey:

Expenditure by park:

Park-owners were asked to provide details of their capital expenditure, operating expenditure, wages and salaries. For a variety of reasons, including concerns for commercial confidentiality and lack of access to the detailed information, owners of only 45 of the parks were able to provide this information. The total expenditure figures for these 45 parks were as follows:

Total expenditure by parks:

Area of expenditure	Total expenditure
Capital expenditure	£7.4m
Operating expenditure	£10.6m
Wages and salaries	£7.4m
Total expenditure	**£25.4m**

As these figures account for expenditure by **only the 45 parks** that could supply the information, the total given here is likely to be significantly lower than the total expenditure across all the parks in Scotland. It should be noted that, over this period, one major player spent significant sums on their parks and this could skew the findings. Total capital expenditure could vary considerably from year to year, because as it may be dependent on just a handful of parks.

6. THE VISITORS' SURVEY

An online survey was undertaken of 7,034 people who had taken a holiday or holidays on a holiday park in Scotland in the twelve months to October 2014.

Length of stay:
Visitors staying in rented accommodation took, on average, 4.1 caravan holidays or short breaks per year.
Visitors staying in owned accommodation took, on average, 9.1 holidays.
87% of visitors had stayed in a touring caravan, motorhome or tent over the course of the previous year.
11% had stayed in an owner-occupied caravan holiday home or lodge.
18% had stayed in some form of rented accommodation.

Visitors' place of residence:

	Rented and touring accommodation	Owned accommodation

Area	Scotland	Rest of the UK	Rest of the World	Scotland	Rest of the UK	Rest of the World
South of Scotland	36%	63%	1%	55%	45%	0%
Central Belt	42%	50%	8%	64%	35%	1%
Rest of Scotland	46%	46%	8%	75%	24%	1%

Visitor expenditure:
Visitors who stayed in rented or touring accommodation spent, on average, £563.13 per visit, including £247.67 on-site and £315.46 off-site. Visitors who owned their holiday home spent, on average, £645.66 per visit, including £321.84 on-site and £323.82 off-site. Accommodation (including annual pitch fees and loan repayments), transport and food and drink were the biggest expenditure items.

Visitors' spend per visit:

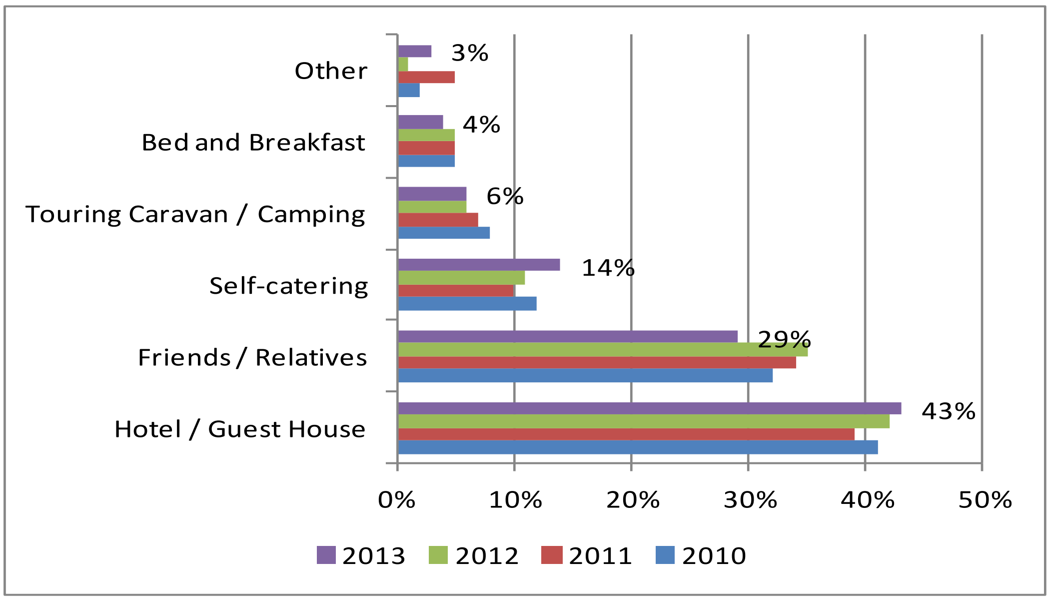
Area of expenditure	Renters and tourers	Owners
Accommodation costs (includes pitch fees, loan repayments)	£153.68	£171.20
Transport to destination (including petrol)	£88.02	£70.76
Eating out/drinking out in the area	£77.30	£88.67
Other shopping (e.g. gifts, clothes, souvenirs)	£64.02	£77.90
Eating in/drinking in holiday accommodation	£50.80	£73.97
Visitor attractions (e.g. heritage sites, gardens, museums)	£33.18	£29.62
Eating on/drinking on the park	£30.83	£50.72
Outdoor recreation off-site (e.g. cycling, golf, tennis)	£16.60	£22.09
Outdoor recreation on-site (e.g. cycling, golf, tennis)	£5.89	£11.53
Entertainment in the area	£14.31	£21.33
Entertainment on the park	£6.47	£14.42
Other	£22.04	£13.44
Total – on-site	**£247.67**	**£321.84**
Total – off-site	**£315.46**	**£323.82**
Total – both on- and off-site	**£563.13**	**£645.66**

Visitors' spend per day:

Area of expenditure	Renters and tourers	Owners
Accommodation (includes pitch fees, loan repayment)	£23.64	£23.78
Transport to destination (including petrol)	£13.54	£9.83
Eating out/drinking out in the area	£11.89	£12.32
Other shopping (e.g. gifts, clothes, souvenirs)	£9.85	£10.82

Eating in/drinking in holiday accommodation	£7.82	£10.27
Visitor attractions (e.g. heritage sites, gardens, museums)	£5.10	£4.11
Eating on/drinking on the Park	£4.74	£7.04
Outdoor recreation off-site (e.g. cycling, golf, tennis)	£2.55	£3.07
Outdoor recreation on-site (e.g. cycling, golf, tennis)	£0.91	£1.60
Entertainment in the area	£2.20	£2.96
Entertainment on the park	£1.00	£2.00
Other	£3.39	£1.87
Total – on site	£38.10	£44.70
Total – off site	£48.53	£44.98
Total – both on and off site	£86.64	£89.68

ACCOMMODATION USED BY GB TOURISTS:
To set the holiday-park sector in context, this is accommodation used by GB tourists 2010 – 2013:



Source: VisitScotland, Tourism in Scotland 2010 – 2013

7. CONCLUSIONS

This research provides evidence to demonstrate that Scotland's holiday-park sector makes a substantial contribution to Scotland's economy. There are 318 SCCF member holiday parks in Scotland, with a total of 34,116 pitches. These parks offer a choice of accommodation and facilities.

The sector brings in a large number of to Scotland, with 57% of all visitors to Scottish holiday parks resident outwith Scotland. In a peak season weekend, this equates to 16,573 visitor groups (e.g. a family or a group of friends).

Visitors tend to take a holiday or short break on a holiday park several times over the course of a year, with renters and tourers taking, on average, 4.1 holidays per year, and owner-occupiers taking, on average, 9.1 trips per year. They also tend to take lengthy stays, with renters and tourers spending, on average, 6.5 days on a holiday park on each holiday, and owners staying 7.2 days.

FURTHER INFORMATION:

The Report: We recommend that you read the full Report in order to get comprehensive information, both nationally and by VisitScotland region.
This is on the STA website: http://scottishtourismalliance.co.uk/blog/the-report-into-the-economic-benefit-of-the-carava/

The **Report, which, including appendices, is 60 pages has**:
- full information on all the above
- detailed tables showing length of stay, chosen accommodation and expenditure by visitors
- tables showing employment and gross value added breakdowns, nationally and by region
- information on the methodology
- explanatory footnotes

Contacts:
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The Scottish Caravan and Camping Forum

30 November, 2014

The Scottish Caravan and Camping Forum

The **Scottish Caravan and Camping Forum** (SCCF) is an industry body comprising organisations which, together, represent almost all the caravan and holiday parks in Scotland. The **members** are:
The British Holiday and Home Parks Association
The Camping and Caravanning Club
The Caravan Club
NCC Ltd (National Caravan Council)
Thistle Holiday Parks

The SCCF provides a forum for the exchange of views, ideas and information between the stake-holders. The SCCF acts as an interface between the parks' sector in the tourism industry in Scotland and the national tourist board and other organisations with an interest in tourism, including, amongst others, the Scottish Government, the Scottish Tourism Alliance; the local authorities; Scottish Enterprise and Highlands and Islands Enterprise. The SCCF voices the collective opinion of its members. It also, from time to time, undertakes action which is deemed to be of benefit to the holiday-park sector.
http://www.scottishcaravanholidayparks.co.uk/about.php

GLOSSARY OF TERMS USED

Total jobs: the total number of people working in a sector, counting each person as 1 job regardless of whether they are employed on a part-time, full time or seasonal basis.

Full Time Equivalent (FTE) jobs: the total number of people working in a sector, adjusted for the amount of time they spend working in the sector, based on a five-day working week. For example, somebody who works 2.5 days a week, or full time for 6 months of the year would be classed as 0.5 FTE jobs.

Gross Value Added (GVA): the total amount of money that the holiday park sector adds to Scotland's economy. This is roughly equivalent to the total value of all sales made, minus the costs associated with making these sales.

Gross Visitor Expenditure: the total amount of money spent by all visitors to holiday parks in Scotland, both on- and off-site

Indirect Visitor Expenditure: the additional, knock-on impacts that come about elsewhere in the supply chain, as a result of businesses re-investing the money that they receive from holiday park visitors

Induced Visitor Expenditure: the additional, knock-on impacts that come about elsewhere in the supply chain, as a result of employees who work on holiday parks spending their earnings in the local economy

Net Visitor Expenditure: the total amount of new visitor expenditure entering the Scottish economy as a result of visits made to holiday parks in Scotland by people who do not normally live in Scotland. This can be calculated as equal to Gross Visitor Expenditure, minus expenditure by Scottish residents, plus Indirect and Induced Visitor Expenditure attributable to non-local visitors.