

# **Ribble Valley Country and Leisure Park Economic Assessment**

Park Leisure 2000

June 2021

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# Executive Summary



## The economic benefits of Ribble Valley Country and Leisure Park

The proposed siting of 95 new static caravans at Ribble Valley Country and Leisure Park will support the tourism sector and local economy in Ribble Valley at the time of increasing demand and a need for economic growth.



### The proposal



**95** additional static caravans on land that has not previously been used for tourism purposes

### Construction benefits



### Operational and expenditure benefits





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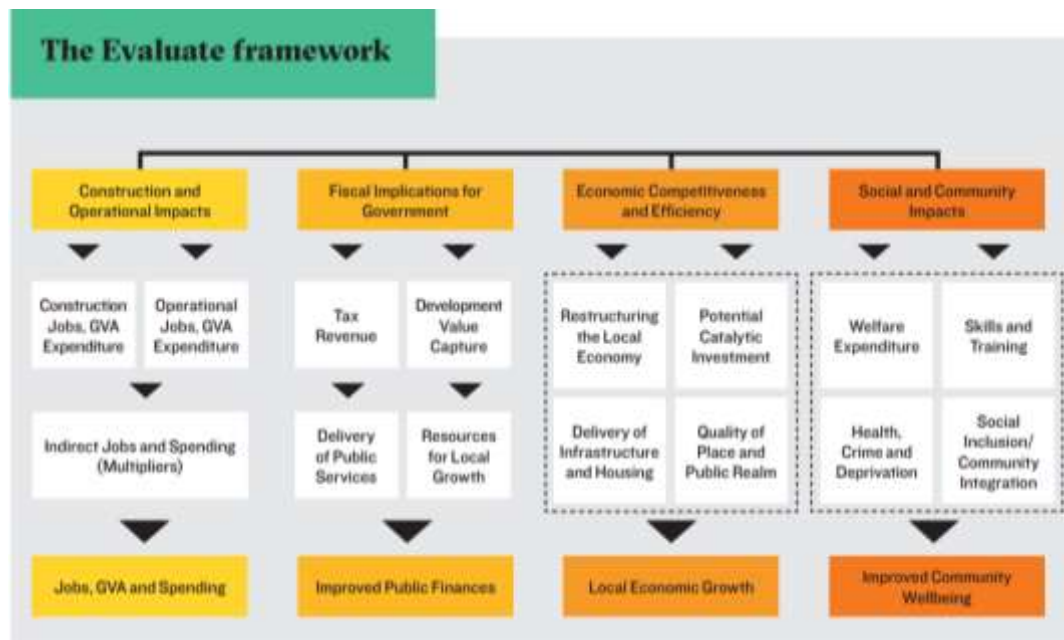
## 1.0 Introduction

- 1.1 This report has been prepared by Lichfields on behalf of Park Leisure 2000 Ltd [Park Leisure] and forms part of the package of evidence submitted to Ribble Valley Borough Council [the Council] to assist in the determination of a planning application for the proposed development of an additional 95 static pitches at Ribble Valley Country and Leisure Park [the Park].
- 1.2 The Park is a well-established and popular holiday park that comprises static pitches and provides a range of facilities on site including a gym, adventure playground, games room shop and launderette. It is located in the north of Ribble Valley Borough [the Borough], close to its border with Craven District. It adjacent the small village of Paythorne, Clitheroe and is c.7km to the north west of Barnoldswick.
- 1.3 The context to this assessment is the emphasis that the National Planning Policy Framework [the Framework] places on supporting economic growth, an approach that is echoed in Policies EC1 and EC2 of the Ribble Valley Core Strategy [the Core Strategy], and the requirement of Core Strategy Policies DMB1 and DMG2 to demonstrate of economic benefits of development proposals:
- “Developments that contribute to farm diversification, strengthening of the wider rural and village economies or that promote town centre vitality and viability will be supported in principle.”* [Policy EC1]
- “Proposals that are intended to support business growth and the local economy will be supported in principle. Development proposals will be determined in accord with the core strategy and detailed policies of the LDF as appropriate....”*
- “...the expansion of established firms on land outside settlements will be allowed provided it is essential to maintain the existing source of employment and can be assimilated within the local landscape.”* [Policy DMB1]
- “The development should be essential to the local economy or social wellbeing of the area.”* [Policy DMG2]
- 1.4 This report assesses the economic impacts of the proposed, scheme, focusing on the following metrics:
- 1 Levels of investment and construction related employment;
  - 2 Direct employment generated by the development;
  - 3 Indirect jobs in the local area supported by the development; and,
  - 4 Levels of expenditure attracted to the area.

## Study Framework

- 1.5 The report draws on Lichfields’ Evaluate methodology, which provides an analytical framework for assessing the economic benefits arising from new development (Figure 1.1).

Figure 1.1 The Evaluate Framework

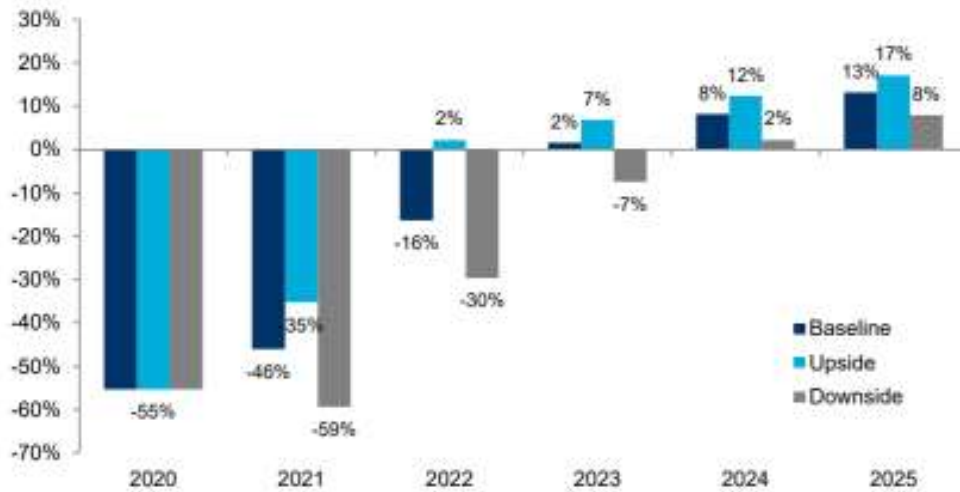


Source: Lichfields

- 1.6 The analysis focuses on the key quantifiable economic impacts of the proposed development during the construction phase and after completion in the context of the role that a leisure development of this type has in supporting economic growth generally. It does not seek to quantify the existing economic impact of the holiday park as a whole.
- 1.7 For development schemes of this type, the scale and type of economic impacts are determined by:
- 1 The scale of capital investment associated with the development, including any significant infrastructure requirements, which generates employment and economic output at the construction phase; and,
  - 2 The quantum and type of accommodation units proposed, which lead to additional operational employment at the site, and generates additional expenditure from visitors and by Park Leisure itself.
- 1.8 The findings of this economic assessment should be positioned in the wider context relating to the role of tourism in facilitating the post Covid-19 economic recovery. The tourism and hospitality sector has been disproportionately affected by repeated periods of “lockdown” and travel restrictions for both domestic and international holidaymakers. However, it is an area of the economy that will be central to the recovery. The very limited number of countries on the “green travel list”, to which UK residents can travel for holiday without needing to quarantine upon their return, means that the demand for domestic holidays in 2021 has risen substantially.
- 1.9 Visit Britain has forecast a recovery to £51.4bn in domestic tourism spending in Britain in 2021. This represents an increase of 51% compared to 2020 but remains at just 56% of the level of spending seen in 2019. Visit Britain has indicated that it does not expect an immediate return to pre-Covid levels of spending, although it does anticipate different recovery rates in different areas. The UK Tourism Scenario Forecasts which informed the recently published Tourism Recovery Plan notes that domestic demand should remain the key driver of overall UK demand in the near-term. It anticipates that domestic travel will remain 46% below 2019 levels in 2021;

but recover fully by 2023 in the baseline scenario. The upside scenario sees recovery by 2022 whilst under the downside scenario, recovery will be delayed until 2024.

Figure 1.2 Domestic overnight trips by scenario relative to 2019 levels



Source: Tourism Economics

1.10 Uncertainties regarding the length of time for which international travel will be subject to restrictions, together with the short term opportunity for British holiday destinations to showcase all that they have to offer, creates the potential for the domestic holiday market to enjoy a post-Covid renaissance.

## Structure of the Report

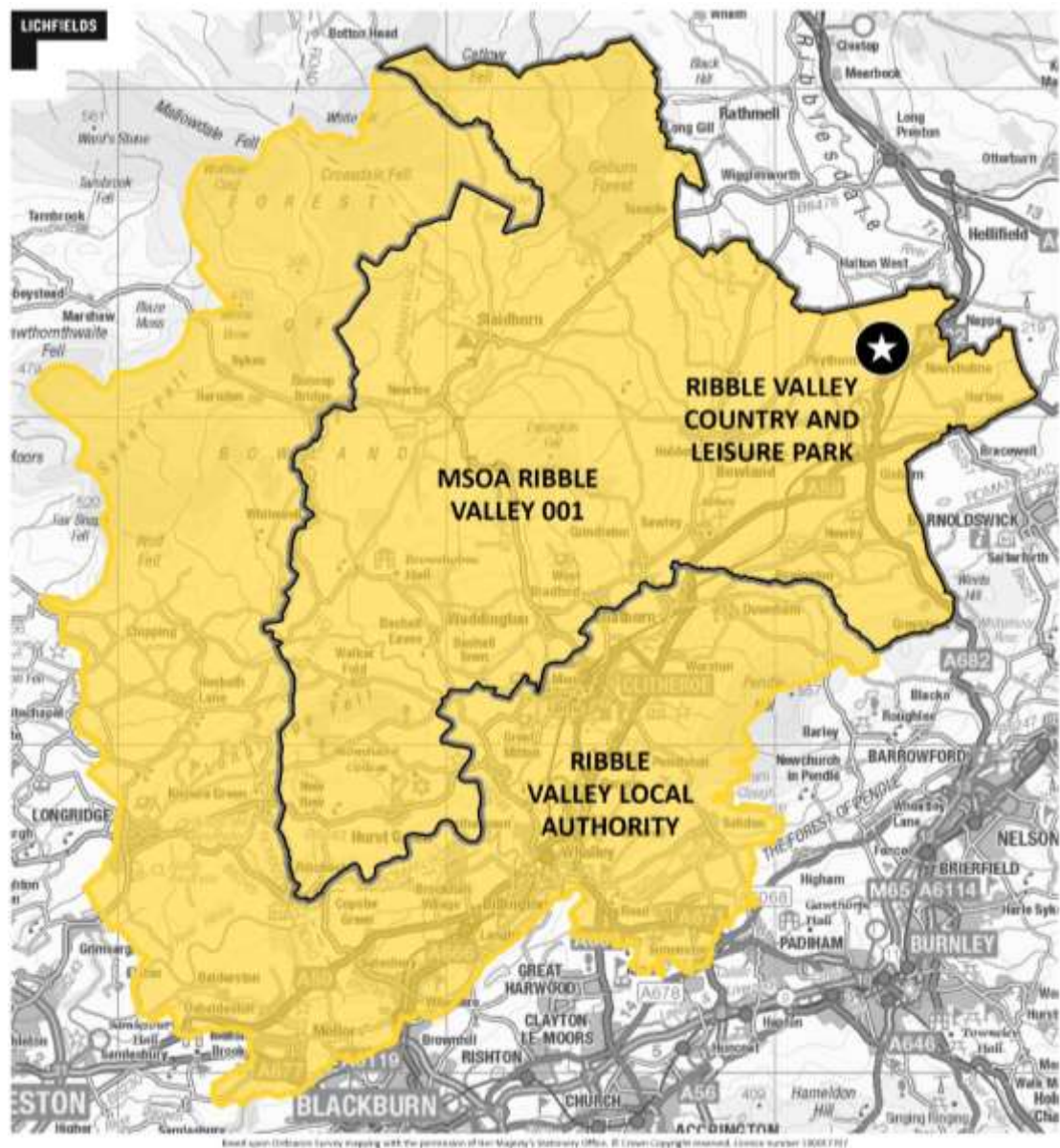
1.11 The report is structured as follows:

- Section 2 sets out the headline demographic and economic context within the local area;
- Section 3 outlines the potential economic impacts generated during the construction of the development;
- Section 4 sets out the potential operational economic impacts of the development after it is completed; and,
- Section 5 presents our conclusions.

## 2.0 Demographic and Economic Context

2.1 This section establishes the baseline socio-economic context for the proposed development at the Park. It highlights key demographic, economic and labour market trends. These indicators have been derived from published data and other information available at a local authority and Middle Super Output Area [MSOA] level. As illustrated in Figure 2.1, the Park is located in the Ribble Valley 001 MSOA. This accounts for a large proportion of the local authority area but does not include any large settlements.

Figure 2.1 Location of Ribble Valley Country and Leisure Park and MSOA Ribble Valley 001



### Demographic Context

2.2 The population of Ribble Valley in 2019 was 60,888, having increased by 6.6% since 2011. The Ribble Valley 001 MSOA had a residential population of 7,285 in 2019, equivalent to 12% of the

total population of Ribble Valley. The population of MSOA 001 declined by 1.6% between 2011 and 2019.

- 2.3 The 2018-based sub national population projections anticipate that the population of Ribble Valley will increase by a 11.7% to 68,038 by 2043<sup>1</sup>. The number of residents aged 65 and over is projected to increase by 51.1%, such that by 2043 persons aged 65 years and older will account for 32.1% of the total population in Ribble Valley, compared to 23.7% in 2019. By contrast, there is expected to be a 0.2% decrease in the number of people aged 16 to 64 over the same period.
- 2.4 This demographic context will have implications for the future economic well-being of the area and points towards the need for additional employment to attract and retain working age people. This will be necessary to ensure that adequate services and amenities can be supported and retained within the area.

## Economic and Labour Market

- 2.5 The tourism ratio is a good measure of the economic importance of the tourism sector within regions. It highlights the proportion of the output of all industries in a county or region that is attributable to tourism expenditure<sup>2</sup> and therefore demonstrates how tourism expenditure affects the economic output of a region. This calculation is the result of dividing the total demand (or visitor expenditure) by the total supply (or output of all industries) in each region.
- 2.6 In 2013, Lancashire had a tourism ratio of 3.4%. This was slightly behind the figure of 3.8% for the North West, which was the third highest regional figure in England<sup>3</sup> after the South West and London. At the sub-regional level, Lancashire ranked 17<sup>th</sup> out of 34 areas in England. However, it is reasonable to expect that Ribble Valley would make a strong contribution to the tourism sector in Lancashire. To this end, its proximity to North Yorkshire and Cumbria is noted; both of these areas had a tourism ratio of 6.6% – joint second after Cornwall.
- 2.7 Between January and December 2020, 31,600 residents of Ribble Valley over the age of 16+ were economically active and 29,800 were in employment. These figures equated to 80.5% of people between the age of 16 and 64 being economically active and 75.5% in employment. In each case, these figures were higher than the regional (economic activity: 77.6%; in employment: 74.2%) and GB (economic activity: 79.1%; in employment: 75.4%)<sup>4</sup> averages.
- 2.8 According to BRES data, 31,000 people were in employment in Ribble Valley in 2019, whilst 3,500 were employed in MSOA Ribble Valley 001 (11.2% of the District total). 87% of jobs in Ribble Valley and 88% of jobs in MSOA 001 were contained in the top ten key sectors, compared to 81% in the North West and 78% of jobs nationally:

Table 2.1 Employment by sector in Ribble Valley, MSOA001, North West and GB (2019)

Sector	No. jobs in Ribble Valley	% total jobs in Ribble Valley	% total jobs in MSOA001	% total jobs in North West	% total jobs in Great Britain
Manufacturing	8,000	25.8%	20.0%	13.1%	7.8%
Accommodation and food	3,500	11.3%	20.0%	6.8%	7.5%
Health	3,000	9.7%	2.9%	14.3%	12.4%
Retail	2,250	7.3%	4.3%	10.1%	9.2%
Education	2,250	7.3%	17.1%	8.4%	8.4%

<sup>1</sup> Increase based on 2019 Mid-Year Population Estimate of current population (i.e. 2019-2043)

<sup>2</sup> The tourism ratio is not published at local authority level

<sup>3</sup> ONS The regional value of tourism in the UK: 2013 (2016)

<sup>4</sup> ONS Annual Population Survey (January to December 2020)

Sector	No. jobs in Ribble Valley	% total jobs in Ribble Valley	% total jobs in MSOA001	% total jobs in North West	% total jobs in Great Britain
Agriculture, forestry and fishing	1,750	5.6%	0.3%	2.1%	1.3%
Construction	1,750	5.6%	4.3%	6.6%	5.0%
Professional, scientific and technical	1,750	5.6%	7.1%	6.2%	9.2%
Wholesale	1,500	4.8%	4.3%	4.7%	3.9%
Arts, entertainment and recreation	1,250	4.0%	4.3%	3.9%	4.6%
<b>Total</b>	<b>27,000</b>	<b>87.0%</b>	<b>84.6%</b>	<b>76.2%</b>	<b>69.3%</b>

Source: ONS Business Register and Employment Survey (2018) Note that this data reflects the ten most significant sectors in Ribble Valley rather than the ten most significant sectors at each spatial scale. This explains the difference between the figures set out in paragraph 2.8 and the total figures in the table above.

- 2.9 The accommodation and food services sector accounts for 11.3% of total employment in Ribble Valley and 20% of employment in MSOA001. It was the second largest sector in the district and the joint largest in the local area. In proportionate terms, it is almost twice as important at the MSOA level as across the district, and over 2.5 times more significant in the local area as it is regionally and nationally.
- 2.10 Between January and December 2020, model unemployment in Ribble Valley for those aged between 16 and 64 was 2.5%. This equated to 800 people. This is lower than the average of 4.2% for the North West and 4.6% for Great Britain. Among the claimant unemployed in Ribble Valley in April 2021, 61.5% (80) were seeking positions in 'elementary' occupations and 23.1% (30) were seeking 'sales and customer service occupations'. Within the local area (MSOA 001), 10 out of 15 job seekers sought positions in elementary occupation whilst 5 people sought sales and customer service positions. The tourism sector is a key provider of jobs in these sectors. The creation of new jobs as part of the proposed development at Ribble Valley Country and Leisure Park will therefore play an important role in helping to alleviate unemployment within the local area by focusing on those sectors within which there is the greatest need.

## Tourism in Ribble Valley

- 2.11 Visit Britain destination-specific data for the period between 2017 and 2019<sup>5</sup> shows that, on average, overnight tourism visits to Ribble Valley by visitors based in Great Britain amounted to:
- 1 3.4 million day and overnight visits per annum;
  - 2 114,000 overnight trips per annum, comprising 77,000 holiday trips, 23,000 trips to visit friends and relatives [VFR], and 14,000 business trips per annum;
  - 3 283,000 nights per annum, comprising 215,000 holiday nights, 51,000 VFR nights and 17,000 business nights per annum;
  - 4 The average stay was for 2.5 nights (all trips) and 2.8 nights for holiday trips;
  - 5 Total (day and overnight) tourism expenditure of £183.09 million per annum;
  - 6 £24m expenditure from overnight tourism per annum, comprising £16.33m for holiday trips, £5.67m for VFR trips, and £2.0m for business trips per annum.
- 2.12 Compared to the data for the period between 2006 and 2008, the Visit Britain data shows that:

<sup>5</sup> Visit Britain – local authorities spreadsheets: <https://www.visitbritain.org/destination-specific-research>

- 1 The total number of trips to Ribble Valley (for holiday, VFR and business) has increased by 22.2% (from 93,000 per annum) whilst the number of holiday trips increased by 44.7% (from 53,000 per annum);
  - 2 The number of nights has increased by 14.7% (from 247,000 per annum) whilst there has been a 52.5% increase in the number of holiday nights (from 141,000 per annum), suggesting slightly shorter stays (a fall from 2.7 nights on average for total trips); and,
  - 3 Absolute annual expenditure has increased by 71.4% over the same period (from £14m per annum) whilst holiday spend has increased by 63.3% (from £10m per annum).
- 2.13 The change in tourism activity in Ribble Valley between 2006-8 and 2017-19 shows a much stronger position than for England as a whole where the number of nights fell by 2% (holiday nights +4.2%), but the number of trips increased by 0.8% (holiday trips +14.4%), and total spending increased by 20.2% (holiday spend +31.6%).
- 2.14 Over the same period, there were 3.28m domestic tourism day visits to Ribble Valley, which brought £159.1m to the local economy.
- 2.15 Average expenditure per visitor to Ribble Valley was £213.04 for domestic overnight holiday visitors, equivalent to £75.95 per night. By comparison, domestic day visitors to Ribble Valley spent £48.57 per visit.
- 2.16 This assessment, which is summarised in Table 2.2, indicates that domestic holiday visitors to Ribble Valley spend, on average, a total of £175.43m each year. This represents a major source of income and demonstrates the significance of the tourism industry within Ribble Valley.
- 2.17 Office for National Statistics [ONS] International Passenger Survey data indicates that tourism visits to Ribble Valley from overseas visitors in 2019 amounted to:
- 1 261,000 total visits per annum, of which 81,000 were holiday visits;
  - 2 1.92m nights per annum, of which 449,000 were holiday nights; and,
  - 3 £116.86m expenditure per annum, of which £46m was associated with holiday visits.
- 2.18 This analysis highlights the significance of both day and overnight tourism to the local economy, as well as the importance of different types of tourism. Whilst there is a clear need to encourage all types of tourism, it is apparent that overnight holiday visits by domestic and overseas visitors generates higher levels of spending per visit. This points to the particular importance of seeking to offer a range of high-quality holiday accommodation that is appropriately varied in terms of type, location and price-point in order to meet the demands of all overnight visitors.

Table 2.2 Key tourism data for Ribble Valley and England (2017-2019)

	Visits (m)		Nights (m)		Expenditure (£m)		Expenditure per visitor (£)	
	Ribble Valley	England	Ribble Valley	England	Ribble Valley	England	Ribble Valley	England
GB based Tourism day visits	3.28	1,492.16	-	-	£159.09	£50,326	£48.57	£33.73
GB based overnight Total visitors	0.114	99.03	0.283	295.168	£24.00	£19,281	£211.14	£194.70
GB based overnight Holiday visitors	0.077	46.294	0.215	152.084	£16.33	£11,035	£213.04	£238.37
Overseas tourism Total visitors	0.261	40.86	1.92	289.63	£116.86	£28,300	£447.65	£692.61
Overseas tourism Holiday visitors	0.081	16.92	0.449	102.53	£46.00	£13,260	£567.20	£783.69

Source: Visit Britain Combined spreadsheet for Local Authorities; ONS International Passenger Survey (2019)



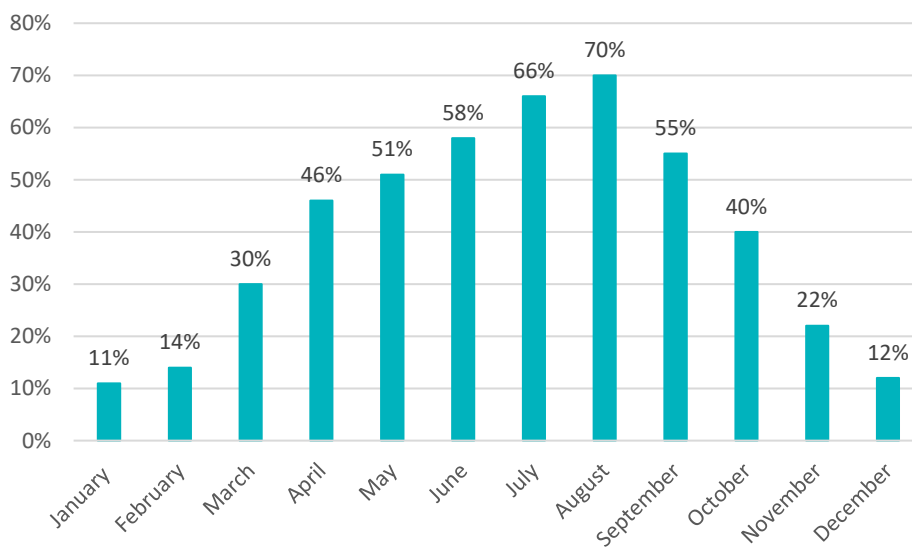
## Holiday Park Context in the UK

- 2.19 Research commissioned by the UK Caravan & Camping Alliance and published in a 2019 report entitled *Pitching the Value*<sup>6</sup> indicates that domestic visitors to holiday parks in England stayed for an average of 4.6 days per trip in 2018. The average length of stay ranged between 4.5 days for all visitors staying in rented or touring accommodation and 5.2 days for those staying in owned accommodation.
- 2.20 The proposed development at the Park includes the creation of bases for the siting of static units by individual owners. This will support longer stays and attract valuable expenditure benefits to the local economy.

### Occupancy

- 2.21 According to the UK Caravan & Camping Alliance Report, approximately 52% of holiday parks and campsites in England operate seasonally, the majority of which are open from late March until the end of October, whilst 48% of parks are open all year round.
- 2.22 The highest occupancy rates were achieved in August (70%), whilst the lowest occupancy rate was in January (11%).

Figure 2.2 Average occupancy rates on holiday parks/campsites



Source: UK Caravan & Camping Alliance, *Pitching the Value* - 2019 Economic Benefit Report: Holiday Parks and Campsites in the UK (February 2019) (Figure 3.5)

<sup>6</sup> UK Caravan & Camping Alliance, *Pitching the Value*: 2019 Economic Benefit Report: Holiday Parks and Campsites England (February 2019)

## 3.0 Construction Impacts

### Construction Impacts

3.1 This section considers the economic impacts that will arise from the construction of the proposed development. The impacts of additional visitor spending and local employment that will be supported once the development is complete are detailed in Section 4.

3.2 Park Leisure has advised that the construction costs will be £2.8 million. This amount will be spent over a 2-year build period.

### Direct Employment

3.3 Using labour coefficients from the Homes and Communities Agency [HCA] Calculating Cost per Job Best Practice Note (2015), we have calculated the number of direct construction jobs to be supported by the proposed development over the course of the construction phase. This approach assumes that for private commercial developments (including tourism proposals), 16.6 direct full time equivalent [FTE] construction jobs will be created for every £1m investment (2011 prices). This figure has been applied to calculate the number of direct FTE construction jobs likely to be supported per annum.

3.4 This calculation indicates that the proposed development could be expected to support 19 gross direct FTE jobs per annum over the construction phase.

Table 3.1 Labour coefficients

2021 construction value	Deflation adjustment factor	2011 deflated construction value	Direct FTE jobs per £1m investment pa (2011 prices)	Person-years of construction	No. direct FTE jobs
£2,810,000	0.8110	£2,278,793	16.6	38	19

Source: HCA Calculating Cost per Job Best Practice Note (2015) / Lichfields analysis

3.5 Given that construction is made up of many discrete elements of work undertaken by specialists, more construction workers may be employed on the site for shorter periods at any given point.

3.6 The proposed pattern of construction work during the winter months will provide additional benefits to the local area, in providing employment opportunities outside of the peak tourism season. It will also avoid adverse impacts on tourism in the peak season.

3.7 During the construction phase, local suppliers and contractors will be used extensively. This will further support employment and the economy of the region. Park Leisure 2000 Ltd has used a local contractor and procured materials such as stone and tarmac locally.

### Indirect and Induced Employment

3.8 In addition to direct employment opportunities, construction activity also involves purchases from a range of suppliers, some of which will be based in the local area. In turn, these suppliers purchase from other businesses further down the supply chain. Consequently, a number of indirect jobs would be supported in companies supplying construction materials and equipment.

3.9 Workers spending their wages in local shops, bars, restaurants and other facilities will help to support the creation of induced jobs. Therefore, businesses in the local area and beyond are also expected to benefit to some extent from temporary increases in expenditure linked to the direct and indirect employment effects of the construction stage.

- 3.10 Research by Centre for Economics and Business Research [CEBR] for the National Housing Federation (2019)<sup>7</sup> indicates that commercial construction work has an indirect and induced employment FTE multiplier of 2.11 in the North West<sup>8</sup>.
- 3.11 As a result, it is anticipated that the proposed development could support an additional 21 spin-off FTE jobs annually over the construction phase. This will be distributed across the UK economy, but it is expected that businesses within Ribble Valley will benefit from trade linkages established during the construction phase of the development scheme.

## **Economic Output**

- 3.12 The construction phase of the proposed development will also make a contribution to local economic output, as measured by Gross Value Added [GVA], a commonly used measure of productivity and economic performance.
- 3.13 Based on 2020 Experian data, the construction sector generates an average GVA per worker of £71,337 per annum within the North West<sup>9</sup>. Applying this to the employment impact of the scheme (as derived above), it is estimated that the proposed scheme could generate £1.4 million of direct GVA during the build period.
- 3.14 Based on an indirect GVA multiplier of 2.2<sup>10</sup> for private commercial development from the National Housing Federation research, it is estimated that a further £1.6 million of indirect GVA would be generated.
- 3.15 This equates to a total of £3.0 million. It should be noted not all of this will be retained locally.

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<sup>7</sup> <https://www.housing.org.uk/globalassets/files/resource-files/leic/local-economic-impact-calculator-2019---methodology.pdf>

<sup>8</sup> This multiplier relates to total employment and means that 1.11 indirect/induced jobs will be created across the UK for every new direct job in the construction of housing.

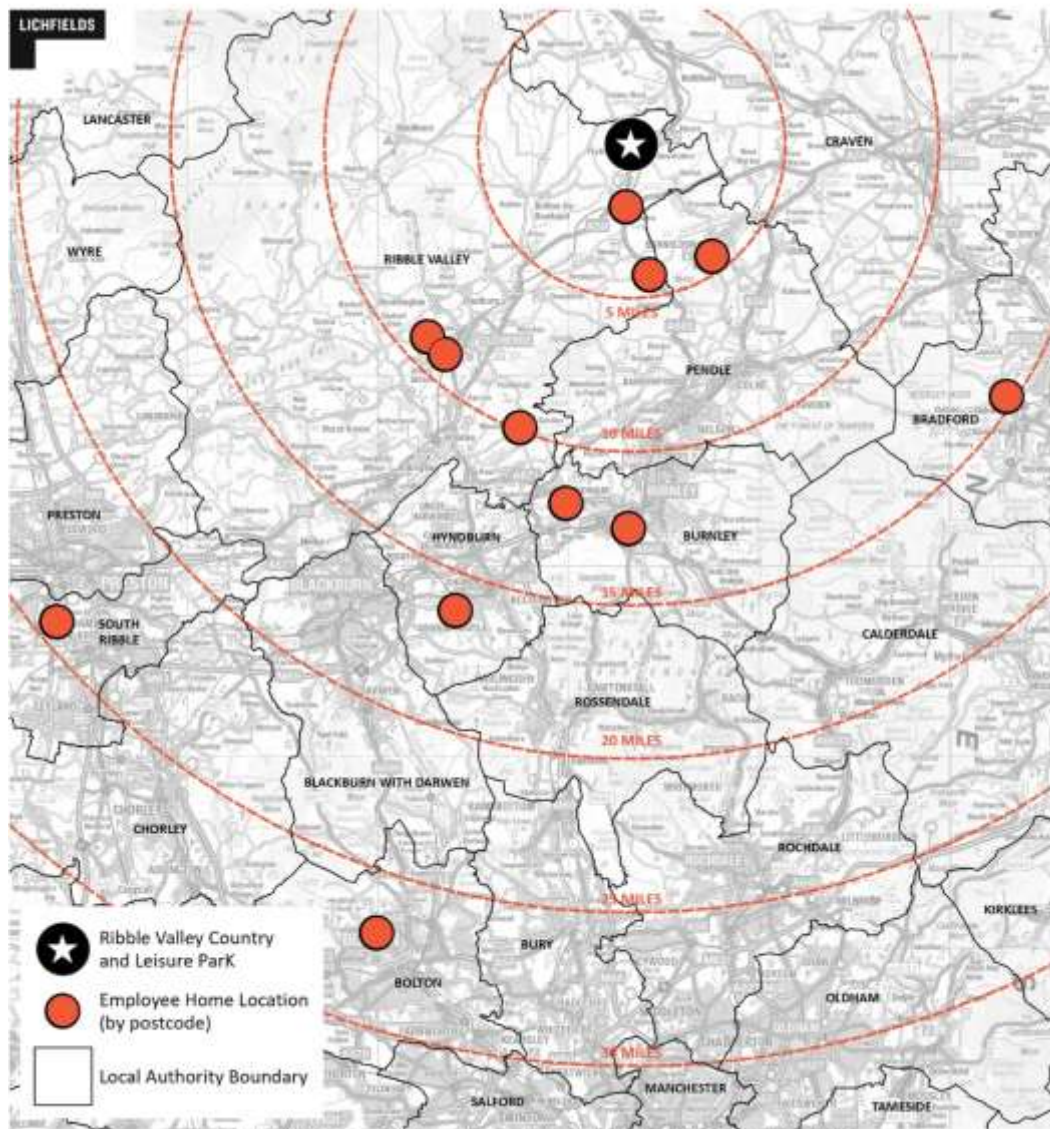
<sup>9</sup> Experian, March 2020 / Lichfields calculations

<sup>10</sup> This multiplier relates to total GVA and means that £1.20 indirect/induced GVA will be created across the UK for every £1 in direct GVA in the construction of housing.

## 4.0 Operational Impact

4.1 We have been advised that there are 17 people currently employed at the Park, and that the proposed development will support an additional 3 FTE jobs. 5 of the existing staff live within Ribble Valley District. It is expected that the additional staff will similarly be concentrated in the local area.

Figure 4.1 Distribution of home addresses of existing staff members



Source: Ribble Valley Country and Leisure Park

### Additional expenditure

4.2 The UK Caravan and Camping Alliance Report, *Pitching the Value*, quantified on- and off-site spending by guests staying at different types accommodation. It identified a total of £2.6bn on-site expenditure and £2.0bn off-site expenditure from holiday parks/campsites in England.

- 4.3 The report shows that the level of on and off-site spending varies by region and type of accommodation. A summary of the figures for caravan homes in the North West is set out in Table 4.1:

Table 4.1 Visitor expenditure relating to caravan holiday homes in the North West (per unit/per annum)

	On-site spending	Off-site spending	Direct spending	Indirect spending	Total
Owned	£8,133.81	£5,733.94	£13,867.76	£6,517.12	£20,384.87
Rented	£8,223.53	£6,769.65	£14,993.18	£7,042.25	£22,035.44

Source: Lichfields analysis of *Pitching the Value* 2019 Economic Benefit Report: Holiday Parks and Campsites England

- 4.4 Visitor expenditure on rented units is higher than for units that are privately owned. This is because those visiting the area and renting their accommodation would typically be more likely to visit local cafés, bars and restaurants and go to local tourist attractions. Because owners are likely to visit the area much more frequently, they would be less likely to visit local attractions. They might also tend to cater for themselves in their caravans.
- 4.5 It is understood that the proposed 95 static unit would be sold. We have therefore based the assessment of economic impact on the figures for owned units as set out in Table 4.1. It is possible that some of the units will be sublet when not in use by their owners and so the economic impact of the development might be greater than calculated below.
- 4.6 Based on the average expenditure figures for the North West set out in Table 4.1, the proposed development would be expected to generate:
- 1 £1.3 million direct (on and off-site) expenditure per annum; and,
  - 2 £620,000 indirect expenditure per annum; equating to,
  - 3 A total of £1.9 million spending per annum.
- 4.7 *Pitching the Value* also identifies the level of employment associated with on-site, off-site and indirect expenditure in different types of holiday park accommodation. Again, this information is provided at a regional level. An interrogation of this indicates that c.£54,000 spending supports 1 FTE job. As set out in Table 4.2, this evidence can be used to identify the number of jobs that could be supported by the additional spending at Ribble Valley Country and Leisure Park, as follows:
- 1 24 FTE jobs supported by direct expenditure; and,
  - 2 12 FTE jobs supported by indirect expenditure; equating to,
  - 3 A total of 36 jobs supported by the expenditure associated with the proposed 95 additional static units.

Table 4.2 Visitor impact arising from proposed 95 static units at Ribble Valley Country and Leisure Park

	On-site	Off-site	Direct	Indirect	Total
Annual spending	£772,712	£544,725	£1,317,437	£619,126	£1,936,563
Spending/FTE job	£54,012	£53,976		£53,985	
FTEs supported	14.3	10.1	24.4	11.5	35.9

Source: Lichfields analysis of *Pitching the Value* 2019 Economic Benefit Report: Holiday Parks and Campsites England

- 4.8 Based on 2020 Experian data which states that the accommodation and food sector generates an average of £20,322 GVA per FTE worker within the North West, the direct expenditure would support approximately £500,000 GVA per annum. The HCA Additionality Guide<sup>11</sup>

<sup>11</sup> HCA Additionality Guide, Fourth Edition 2014

identified a GVA multiplier of 1.56<sup>12</sup> for recreation activities (including tourism). Applying this to the estimated GVA associated with the direct expenditure indicates that that a further c.£280,000 million of indirect GVA would be generated. In total, this equates to a total of £774,000 GVA per annum being supported by the expenditure associated with the additional static units at Ribble Valley Country and Leisure Park.

Table 4.3 GVA impact arising from proposed 95 static units at Ribble Valley Country and Leisure Park

	Direct	Indirect	Total
GVA/FTE	£20,322		
FTEs supported	24.4		
GVA supported	£496,067	£277,798	£773,865

Source: Lichfields analysis Figures may not sum due to rounding

## Maintenance expenditure

- 4.9 In addition to visitor expenditure, holiday parks also support expenditure by private owners of static unit on maintenance, which is not included in the visitor expenditure figures above. *Pitching the Value* found that, on average, owners of static units in England spent £867 on maintenance per annum. Applying this figure to the proposed development indicates that the additional 95 static units would be expected to generate a maintenance cost of £82,365. No jobs have been calculated as relating specifically to this expenditure as some of these will already be present at the holiday park.
- 4.10 There will also be expenditure by the Park itself on including marketing, cleaning and maintenance of the site and its communal facilities. *Pitching the Value* found that, on average, each holiday park/campsite in England spent £1.2 million per annum on capital expenditure, operating expenditure, wages and salaries for the last financial year (2017/18). However, the research did not provide a breakdown of expenditure relating to each type of holiday accommodation and those parks that operate a rental fleet of static units would be expected to have a higher operation/maintenance budget. We have not sought to quantify the additional expenditure by Ribble Valley Country and Leisure Park as this cost would be taken from the additional expenditure by visitors identified above.

<sup>12</sup> This multiplier relates to total GVA and means that £0.56 indirect/induced GVA will be created across the UK for every £1 in direct GVA in the construction of housing.

## 5.0 Conclusion

- 5.1 Tourism is a crucial part of the economy in Ribble Valley and is particularly important in the area that surrounds the Park. The proposed development, which will deliver an additional 95 static pitches, will play an important role in enhancing the year-round attractiveness of the park as a holiday destination.
- 5.2 The impact of the proposed development can be summarised as follows:
- 1 £1.3m direct expenditure (on and off site) per annum;
  - 2 £620,000 indirect expenditure per annum;
  - 3 This expenditure could support a total of 36 jobs in the local economy; and,
  - 4 A total of £774,000 GVA per annum being supported by the increased expenditure associated with the additional static units;
- 5.3 In addition, the development will secure a capital investment of £2.8m in the local area and will support 19 direct FTE construction jobs, together with 21 indirect and induced FTE construction jobs. The construction process will generate £3.0m additional GVA.
- 5.4 Ensuring the provision of high-quality accommodation for visitors has always been critical to enhancing the attractiveness of an area as a holiday destination and boosting the value of the tourism industry. The importance of this is now greater than ever before. Although the immediate impact of Covid-19 has been very significant for the tourism industry, it is clear that the future economic recovery will depend on the strength of the local tourism offer. This is particularly the case in Ribble Valley given the importance of the tourism industry to the local economy. The proposed development will play an important role in this regard and will deliver significant economic benefits. These should be afforded considerable weight in the determination of this planning application







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