

Sector I: Accommodation and food service activities, plus the wider visitor economy

Introduction

This article is one of a series that considers the employment and economic value of various sectors of the Lancashire economy. Please see the [sector profiles introduction page](#) for details of where we derive the employment and gross value added results, plus how we identify various organisations in Lancashire as belonging to particular sectors.

Accommodation and food service activities cover the [standard industrial classifications](#) 55.10 to 56.30.

This article also considers the visitor economy in Lancashire which includes accommodation and food services activities and a range of additional sub-classifications (see table 2). The definition of the visitor economy is derived from the [geography of tourism employment report](#) published by the office for national statistics.

Besides accommodation and food service activities, the visitor economy includes culture, sport, heritage and retail. It covers a wide range of businesses and employment sectors, and this is exemplified by the different classifications detailed in Table 2. It is one of the most important economic activities in the UK; it enhances local quality of life, for example, cultural activities that are of benefit to local inhabitants.

The economic value of accommodation and food services activities

Gross Value Added (GVA) is generally regarded as the best measure of the sum of economic activity within an area. Local estimates of gross value added (GVA) are published by the [Office for National Statistics](#) that are split by various industrial sectors. The estimates of GVA for 2014 reveal that accommodation and food services accounted for £998 million which represented 3.6% of the total GVA figure for the Lancashire 14-authority area.

Employment in accommodation and food services activities

Table 1 details employment levels by the accommodation and food services sub-sectors. In 2014, a total of 45,500 were allocated to this sector, which represented 7.3% of total employment in the Lancashire-14 area.

The various sub-sectors within accommodation and food services reveal a mixed employment picture with some quite volatile changes from year to year. The employment results are broadly indicative of general employment trends, but some of the yearly shifts in employment between various sub-sectors may reflect statistical anomalies in recording jobs, rather than actual movements in employment levels.

In general terms, there appears to have been some recent growth in the hotels and similar accommodation sub-sector, whilst the modest total allocated to camping grounds and other short-stay accommodation has shown a broad pattern of increases over the past few years. The two largest sub-sectors are restaurants and mobile food services, and beverage serving activities.

Employment estimates fluctuate quite noticeably from year to year in these two sub-sectors, but the 2014 results were well ahead of the 2013 figures.

Table 1 Employment in accommodation and food services, Lancashire (14 authorities), 2009 to 2014

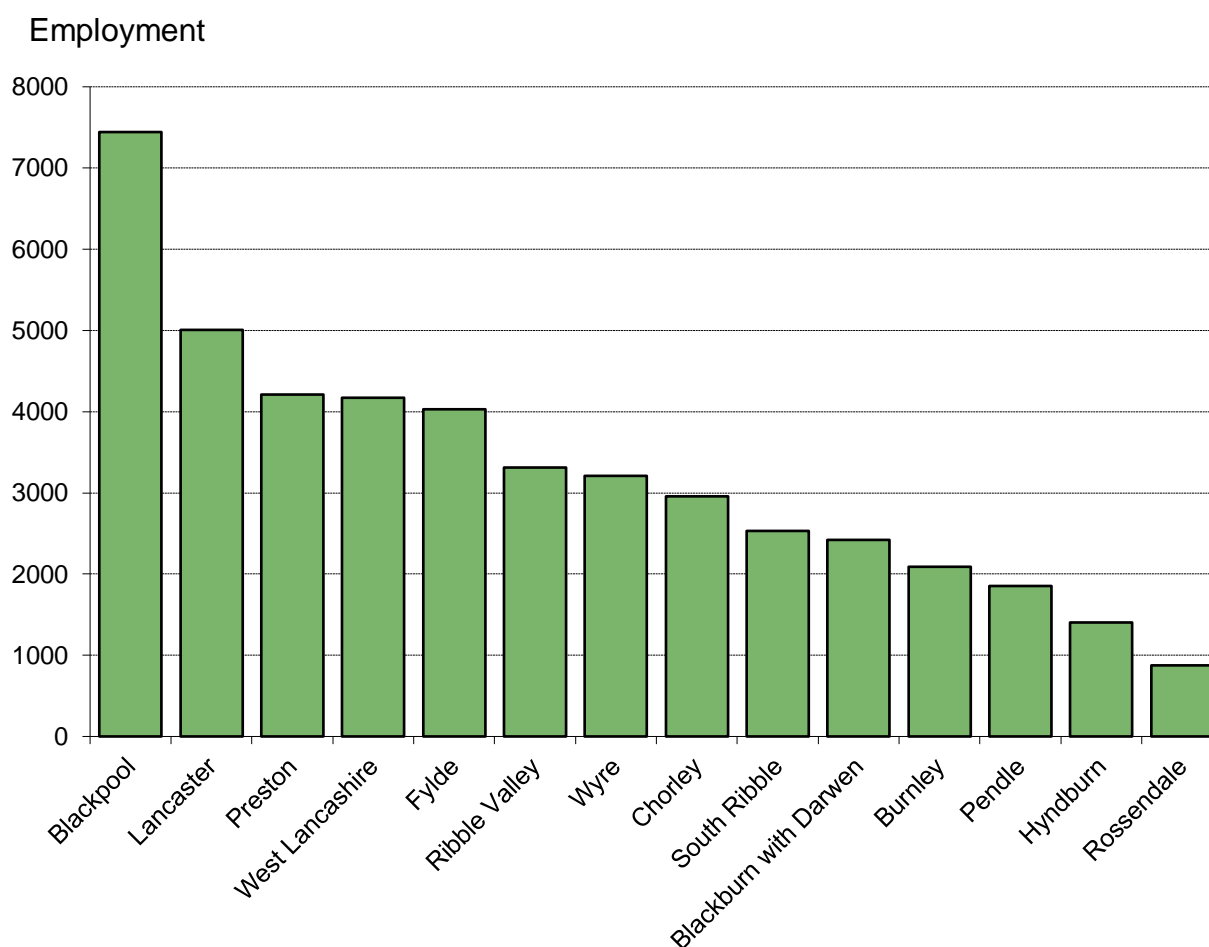
Year	Hotels and similar accommodation	Holiday and other short stay accommodation	Camping grounds, and other accommodation	Restaurants and mobile food service activities	Event catering and other food service activities	Beverage serving activities	Total
2009	8,000	1,200	900	15,900	4,000	14,300	44,300
2010	6,700	1,200	900	13,100	6,400	12,600	40,900
2011	9,500	1,000	1,200	16,600	4,200	10,800	43,300

Year	Hotels and similar accommodation	Holiday and other short stay accommodation	Camping grounds, and other accommodation	Restaurants and mobile food service activities	Event catering and other food service activities	Beverage serving activities	Total
2012	8,400	1,300	1,100	16,200	3,900	13,100	44,000
2013	7,900	1,100	1,100	13,900	5,900	11,000	40,800
2014	9,100	1,100	1,400	15,600	4,400	14,000	45,500

Source ONS – Business Register and Employment Survey

Figure 1 details employment numbers in the sector by local authority. Accommodation and food service activities have a close association with tourism so it is not surprising that Blackpool had by far the largest number (7,400) in this sector. Lancaster district, which contains the coastal resort of Morecambe, had 5,000 in employment, whilst Preston was third with 4,200. The four authorities with the lowest employment numbers were in the east of the county. These included Rossendale with an employment level of below 900.

Figure 1 Accommodation and food services activities by district, 2014 (Employment)



Source ONS – Business Register and Employment Survey

Local employers (accommodation and food services)

The hotel and other similar accommodation sub-classification accounts for a significant proportion of total employment (Table 1). Blackpool is noted as a major location of employment in this sector and the [Visit Blackpool](#) website lists a significant number of local hotels, apartments and guesthouses in the town. The accommodation available in other coastal towns such as [Morecambe](#), and [Lytham St. Annes](#) leads to local concentrations of employment in this particular sub-sector. The [visit Lancashire](#) website has a wealth of information on the large range of local hotels and restaurants etc., in the county.

The accommodation sector includes holiday centres and villages, and a prime example in Lancashire is [Ribby Hall](#). Also the [Pure Leisure Group](#) has its headquarters near Carnforth and owns the nearby South Lakeland Leisure Park. [Amber Taverns](#) has its HQ in Blackpool, and operates a large number of pubs in the North West and beyond. [Ribble Valley Inns](#) has its HQ at Northcote Manor near Blackburn and has licensed restaurants in Lancashire and beyond. The [Villa Group](#) has hotel and leisure interests in the county, and its portfolio of interests also includes Preston's Guild Hall. [James' Places](#) has a number of well-known hospitality venues across the Ribble Valley. The [Partington Group](#) in Thornton-Cleveleys is a well-established company that owns and operates five holiday parks in the North West.

Short-stay accommodation includes camping grounds, and there are a large number scattered around the county. Lancaster district for example, contains stretches of attractive coastline and the authority includes sections of [Arnside/ Silverdale](#) and the [Forest of Bowland](#) Areas of Outstanding Natural Beauty. This may help explain the very large number of [caravan sites](#) located in the area. Employment at these sites is also classified within the accommodation sub-sector.

[Waddow Hall](#) is a manor house set in 178 acres, and has five fully equipped campsites and a range of other facilities.

For details of businesses operating in restaurants and food service activities, the government's Food Standards Agency website presents a useful source of information. The site details [food hygiene ratings](#) for restaurants, takeaways and food shops across the country and the [results are available by local authority boundaries](#), so users can view lists all 14 Lancashire local authorities.

Employment in the visitor economy in Lancashire

There are limitations in trying to identify the visitor economy since there is no easy split between jobs dependent on visitors to the area and those that are also important to local residents.

Table 2 emphasises the wide range of activities that form the visitor economy. It is apparent that the accommodation and food services activities that have already been discussed in this article account for a large proportion of total employment in the visitor economy. In Blackpool, gambling and betting, operation of sports facilities, plus activities of [amusement parks and theme parks](#), are also important sub-sectors.

In 2014, the Lancashire-12 area had an employment total of 47,000 in the visitor economy, whilst the two unitary authorities of Blackburn with Darwen and Blackpool had a further 3,200 and 12,000 respectively. The visitor economy accounts for 4.8% of all employment in Blackburn with Darwen, a substantial 21.0% in Blackpool and 9.4% in the Lancashire County Council area. In total, the Lancashire-14 area had a visitor economy employment figure of 62,300 that represented 10.0% of total employment in the area.

Table 2 Visitor economy employment, 2014

Standard Industrial Classification Code		Lancashire County Council area	Blackpool	Blackburn with Darwen
49.100	Passenger rail transport, interurban	400	0	0
49.320	Taxi operation	600	100	100
49.390	Other passenger land transport	1,700	600	100
50.100, 300	Sea, coastal and inland passenger water transport	0	0	0
51.101	Scheduled passenger air transport	100	0	0
51.102	Non-scheduled passenger air transport	100	0	0
55.	Accommodation *	8,200	3,000	100
56.	Food and beverage service activities *	27,500	4,100	2,300
68.202	Letting/ operating of conference and exhibition centres	0	0	0
77.110	Renting/leasing of cars and light motor vehicles	300	0	100
77.210, 341 & 351	Renting/leasing of recreational and sports goods, passenger water and air transport equipment	0	100	0

Standard Industrial Classification Code		Lancashire County Council area	Blackpool	Blackburn with Darwen
79.	Travel agency, tour operator, and other recreation service and related activities	1,700	100	100
82.301,302	Activities of exhibition, fair and conference organizers	100	0	0
90.	Creative, arts and entertainment activities	700	200	100
91.020	Museum activities	200	0	0
91.030	Historical sites, buildings and similar visitor attractions	100	0	0
91.040	Botanical and zoological gardens and nature reserve activities	100	100	0
92.	Gambling and betting activities	1,000	900	200
93.110	Operation of sports facilities	2,100	1,100	200
93.199	Other sports activities (not including activities of racehorse owners) n.e.c	900	0	0
93.210	Activities of amusement parks and theme parks	100	800	0
93.290	Other amusement and recreation activities	1.200	500	0
Total visitor economy employees and working owners		47,000	12,000	3,200

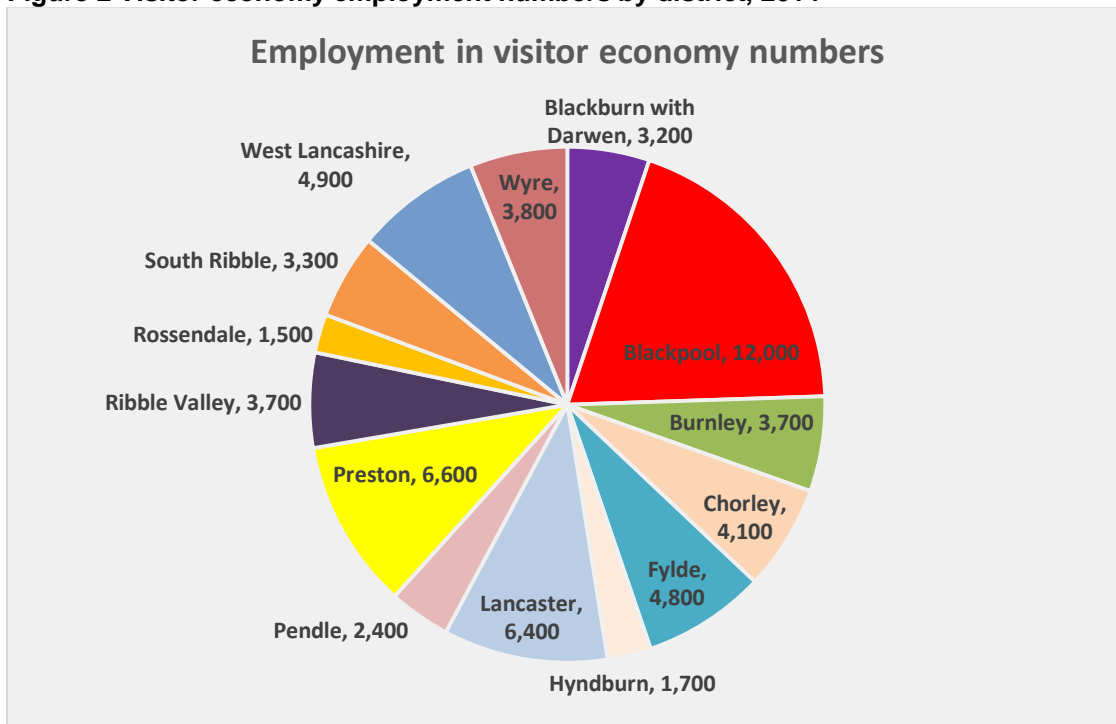
Source ONS – Business Register and Employment Survey

* SIC classification sections 55 and 56 cover accommodation and food services activities, and reveal how they form a large proportion of total employment within the visitor economy.

Employment by local authority

Figures 2 and 3 reveal the importance of the visitor economy for each of the 14 Lancashire authorities. With 12,000 jobs and 21.0% of total employment in the authority, Blackpool, naturally has a much greater reliance on the visitor economy than any other Lancashire authority. Preston and Lancaster (includes Morecambe) are highlighted as districts with each over 6,000 people employed in the visitor economy.

Figure 2 Visitor economy employment numbers by district, 2014

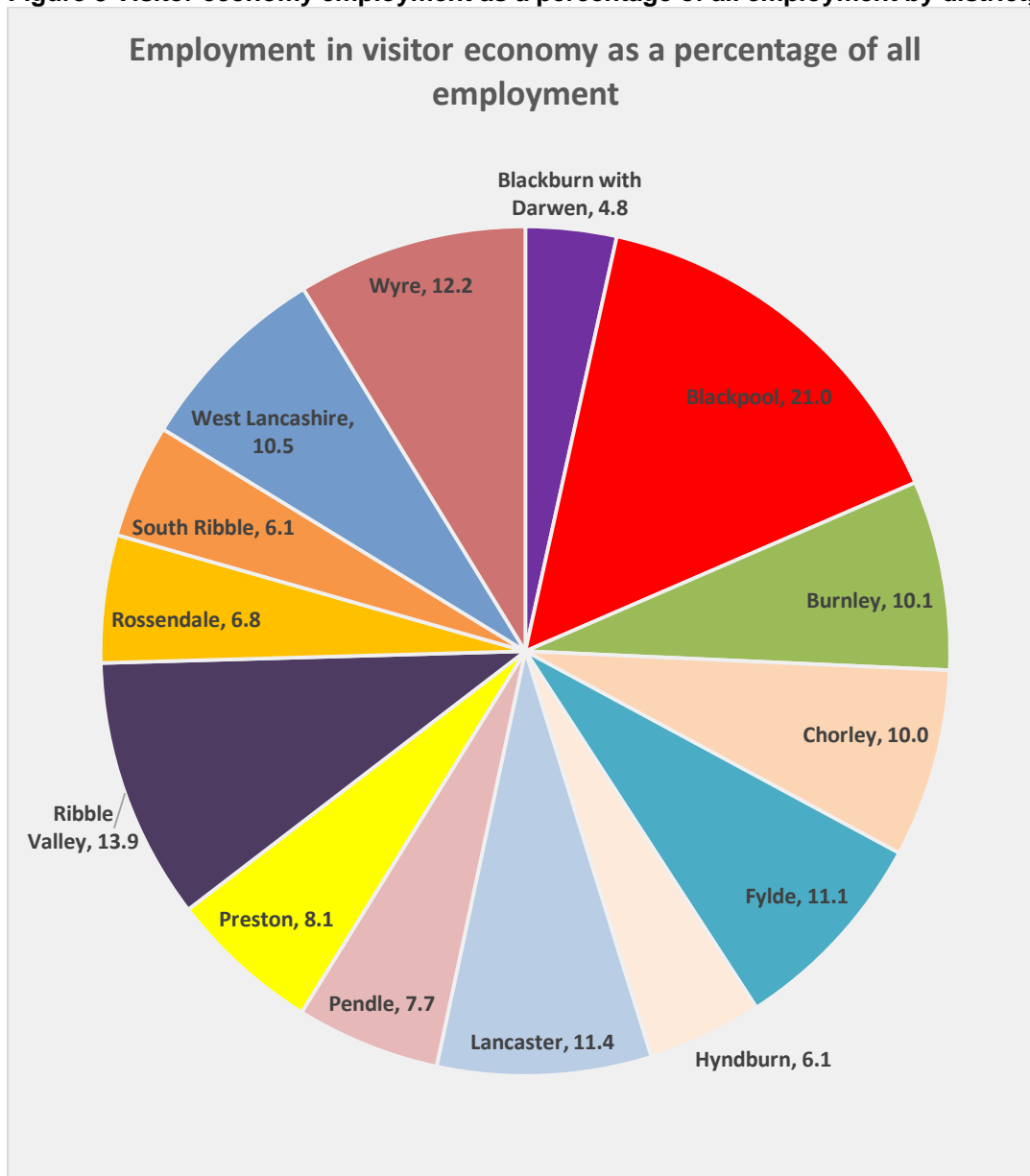


Source ONS – Business Register and Employment Survey

All four Lancashire coastal authorities of Blackpool, Fylde, Wyre and Lancaster had 11.0% or more of their employment allocated to the visitor economy. Ribble Valley (13.9%) also had a high rate and is home to a large proportion of the Forest of Bowland area

of outstanding natural beauty. West Lancashire, Chorley and Burnley, were the other Lancashire authorities 10% or more of their employment total allocated to the visitor economy.

Figure 3 Visitor economy employment as a percentage of all employment by district, 2014



Source ONS – Business Register and Employment Survey

Selected visitor economy businesses

The [Lancashire Ports article](#) contains details of businesses in the county that are associated with sea and coastal passenger water transport (50.1). The creative arts and entertainment activities sector (90) contains a few hundred employees and the [Creative Lancashire](#) website is designed to help promote local businesses that could be classified within this sub-sector. The 'network' option allows visitors to view a number of local businesses listed under a variety of headings. This sub-sector also includes the operation of theatres. Examples in the county include [the Dukes](#) in Lancaster, the [Grand Theatre](#) in central Blackpool, the [Marine Hall](#) in Fleetwood, the [Guild Hall and Charter Theatre](#) in Preston, the [Thwaites Empire Theatre](#) in Blackburn, [Darwen Library Theatre](#) and [Burnley Mechanics](#).

[Alfa Travel](#) in Euxton is a coach operator to UK and European destinations.

The museum activities sector (91.02) incorporates the range of attractions in the county managed by the [Lancashire County Museums Service](#). Also worth a mention is the [Harris Museum and Art Gallery](#) in Preston.

The operation of sports facilities sector (93.11) includes a number of employees at local authority run sports facilities. For example, the [Rossendale Leisure Trust](#) website lists a selection of sites in the authority.

Within the amusement and theme parks sub-classification (93.21), the county contains the famous [Blackpool Pleasure Beach](#) which has been in business for over 100 years and remains a family-run enterprise.

General characteristics of the visitor economy

The visitor economy is an amalgam of small and medium-sized independent businesses, and a few large multi-interest groups. The sector is an important employer of part-time and temporary workers; is where many young people obtain their first experience of employment and is also an entry point to becoming self employed. The visitor economy helps compensate for the decline in traditional industries and in aiding the diversification of the rural economy. It also stimulates improvements to the environment and public realm and contributes to creating a positive overall image for the county, for both visitors and local residents.

In general terms the sector's image as a career choice remains at best modest. Many employment opportunities tend to be seasonal in nature, labour intensive and with minimum levels of pay and conditions. This is exemplified by the fact that Blackpool, with its heavy reliance on the visitor economy, records [low average earnings](#) by both place of residence and place of work.

The visitor economy depends on promotional activities, and investment in current and new projects. It faces very tough competition from overseas destinations and the increasing demand for higher quality facilities. There is nevertheless always some optimism about future prospects. Lancashire tourism businesses have the potential to adapt to trends, and alternative products could include short or weekend themed breaks, hosting of conferences or business get-togethers, while introducing new facilities and attractions is another option.

Complementary tourism statistics

The Office for National Statistics releases [sub-national tourism statistics](#) that consider the economic value of tourism for each local authority area in the country. Results are available for the Lancashire County Council area, and the two unitary authorities of Blackburn with Darwen and Blackpool. The detailed results cover domestic day visits, overnight stays, employment, tourism enterprises and foreign visitors.

Last updated **October 2015** by [Bryan Moulding](#) with data from **2014**