

**UK OCCUPANCY SURVEY
FOR SERVICED ACCOMMODATION**

2006 SUMMARY



Northern Ireland
Tourist Board



Visit
Scotland™



Visit Wales
Croeso Cymru

This report presents a summary of the main findings from the UK Occupancy Survey for Serviced Accommodation 2006 which is jointly commissioned by the four statutory tourist boards of the UK.

The report was written by Sue Tait on behalf of TNS Travel and Tourism.

No part of this publication may be reproduced for commercial purposes without written permission of the sponsors. Extracts may be quoted provided that the source is acknowledged.

© Sponsors: British Tourist Authority (trading as VisitBritain), Northern Ireland Tourist Board, VisitScotland, Visit Wales.

CONTENTS

1. MAIN FIVE YEAR TRENDS	1
1.1 Introduction	1
1.2 Bedroom occupancy	1
1.3 Bedspace occupancy	4
1.4 Weekend and weekday occupancy	6
1.5 Origin of Visitors	7
1.6 Occupancy by type of establishment	9
1.7 Occupancy by location of establishment	11
2. ABOUT THE UK OCCUPANCY SURVEY	12
2.1 Survey sponsors	12
2.2 Coverage of survey	12
2.3 Survey method	13
2.4 Full reports	14

1. MAIN FIVE YEAR TRENDS

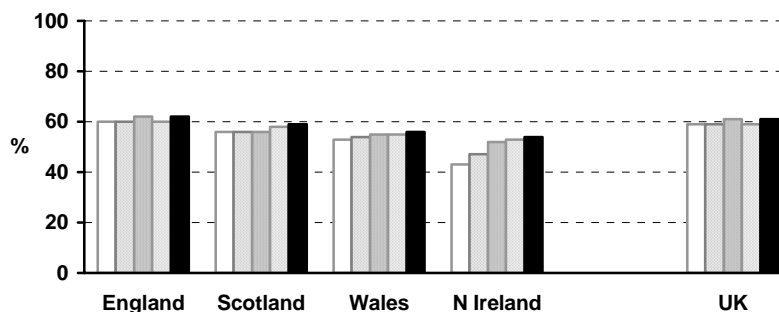
1.1 Introduction

This report summarises the main trends apparent from the individual surveys carried out in England, Scotland, Wales and Northern Ireland during the period 2002 – 2006 which have been aggregated to provide occupancy figures for the UK as a whole. In addition to this summary, fuller separate reports for Scotland, Wales and Northern Ireland are available (see page 14). Each of these boards holds its own data from which this report was compiled, together with further details about occupancy according to the size and tariff of the establishments and average length of stay. Data for England was collected on behalf of VisitBritain by the ten English regional tourism organisations, co-ordinated by Heart of England Tourism.

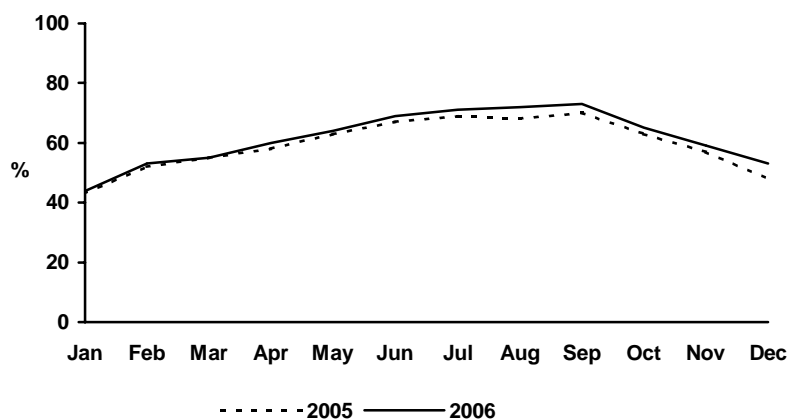
2006 again saw a year of recovering confidence in the travel industry following the adverse effects of the terrorist events in the UK in July 2005. Occupancy levels in England rose throughout the year (with the increases being especially marked in July, August, September and December) as, to a lesser degree, did those in Scotland. In Wales, after a disappointing first three months start when figures fell, trade picked up and showed an increase on the previous year. In Northern Ireland the reverse was true as the early part of the year saw increases when compared with 2005 but the last three months saw a fall.

1.2 Bedroom occupancy

The 2006 UK annual average of 61% was two percentage points higher than in 2005, and the same as in 2004. When compared with 2005, the annual average increased in all four countries (by 2 percentage points in England and by 1 in Scotland, Wales and Northern Ireland).

Fig. 1.1: UK and National: Annual Bedroom Occupancy 2002 – 2006

Figures in Northern Ireland remain for the most part lower than in the other three countries although the differences are becoming less marked with bedroom occupancy increasing by 11 percentage points over the period 2002 – 2006 and now being only 2 percentage points lower than the figure for Wales (which has increased by 3 percentage points over this period, the same as the increase seen in Scotland). England too has seen growth over the last 5 years – by 2 percentage points.

Fig. 1.2: UK: Monthly Bedroom Occupancy 2005 and 2006

As far as the UK monthly figures are concerned, 2006 levels were generally slightly higher than those of 2005 (except for March where the figure was the same as in 2005). The increases were especially marked during the summer peak period of August and September (+ 3 percentage points) – it must be remembered however that the 2005 lower occupancy rates from July onwards reflected the downturn in international confidence in

travel to the UK (and particularly London) following the terrorist activities in the capital in July.

When compared with the levels four years previously (i.e. in 2002), the greatest increases were seen in December, April and September (+6, 5 and 5 percentage points respectively).

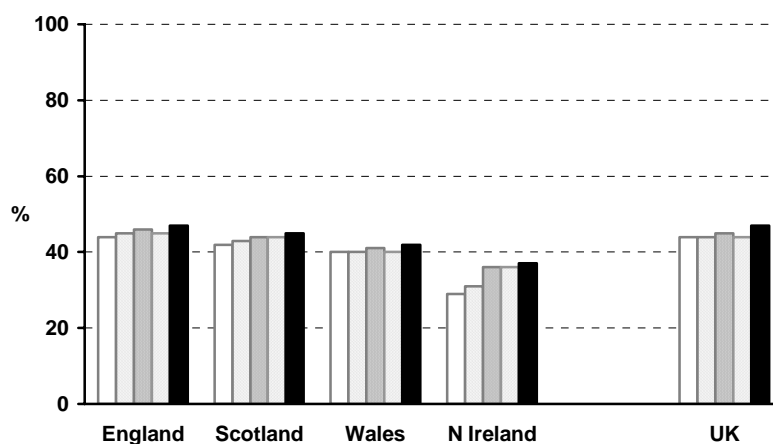
Again there were differences between the four countries with the figures for England more or less reflecting those of the UK as a whole. In Scotland, the early part of the year saw above average increases in January, February and April, while during the peak months of July and September the increases were below average, as was the case also in December. In Wales, January and March saw slight a fall in bedroom occupancy when compared with four years previously while the increases in the later part of the year were for the most part above average. Northern Ireland again showed considerable increases in figures when compared with four years previously, with the greatest increase (15 percentage points) occurring in September.

	Bedroom Occupancy (%)																								
	England					Scotland					Wales					Northern Ireland					UK				
	02	03	04	05	06	02	03	04	05	06	02	03	04	05	06	02	03	04	05	06	02	03	04	05	06
January	44	43	48	45	46	36	36	34	37	39	36	35	38	38	35	31	31	37	36	39	42	41	45	43	44
February	55	54	55	54	55	45	45	44	45	49	45	44	45	46	45	39	40	45	47	48	53	52	53	52	53
March	56	53	59	56	57	49	47	47	51	49	48	47	48	50	47	40	41	46	49	51	54	52	56	55	55
April	56	57	60	59	61	50	53	49	53	58	51	54	52	54	54	42	45	55	52	56	55	56	58	58	60
May	62	62	63	63	64	62	63	63	65	65	58	60	60	61	63	50	51	56	55	58	61	62	62	63	64
June	66	65	68	67	69	67	66	70	70	71	63	61	64	64	64	51	56	60	62	63	66	65	68	67	69
July	69	69	71	68	71	70	68	72	72	71	64	66	67	66	69	46	50	59	58	57	69	69	71	69	71
August	69	69	69	66	71	78	79	78	78	79	67	69	68	69	72	52	60	62	65	66	70	70	70	68	72
September	69	71	72	70	74	68	70	71	71	73	64	65	67	67	69	50	57	62	62	65	68	71	72	70	73
October	64	65	66	64	66	58	58	58	59	60	56	56	56	56	59	43	50	55	56	54	63	64	64	63	65
November	59	60	60	59	61	49	47	49	51	50	48	47	49	46	50	38	44	46	52	49	57	57	58	57	59
December	49	51	51	50	56	40	39	41	42	43	40	40	42	40	42	29	35	38	40	39	47	49	49	48	53
April–Oct Average	65	66	67	65	68	65	65	66	67	68	60	62	62	62	64	48	53	58	58	60	64	65	66	65	68
July–Sept Average	69	70	71	68	72	72	72	74	74	74	65	67	67	67	70	49	56	61	61	63	69	70	71	69	72
Annual Average	60	60	62	60	62	56	56	56	58	59	53	54	55	55	56	43	47	52	53	54	59	59	61	59	61

1.3 Bedspace occupancy

The difference between bedroom and bedspace occupancy is explained by single occupancy of double/twin rooms or, in some cases, empty beds in family rooms. A double room occupied by one person has 100 per cent room occupancy but only 50% bedspace occupancy.

Fig. 1.3: UK and National: Annual Bedspace Occupancy 2002 – 2006



Patterns of bedspace occupancy were broadly similar to those for bedroom occupancy, with the UK annual average bedspace occupancy of 47 per cent for 2006 being three percentage points higher than in 2005, 2003 and 2002 and two percentage points higher than in 2004.

Annual average bedspace occupancy rose over the period 2002-2006 in all four countries, with the greatest increase again being in Northern Ireland (8 percentage points).

Table 2: UK and National: Bedspace Occupancy 2002 – 2006																									
	Bedspace Occupancy (%)																								
	England					Scotland					Wales					Northern Ireland					UK				
	02	03	04	05	06	02	03	04	05	06	02	03	04	05	06	02	03	04	05	06	02	03	04	05	06
January	29	29	33	31	31	24	24	24	26	28	23	22	26	24	22	18	19	22	22	25	28	28	31	29	30
February	37	38	39	38	38	31	31	31	32	34	32	30	31	31	31	24	26	30	30	32	36	37	37	36	37
March	41	37	41	41	40	35	32	34	37	34	36	33	33	35	33	26	26	30	33	34	39	36	39	40	39
April	40	43	46	44	48	37	41	43	40	45	36	42	40	39	41	28	31	39	34	41	39	42	45	43	47
May	45	47	47	47	49	48	49	50	50	50	44	47	47	45	47	33	35	38	38	40	45	47	47	47	49
June	52	49	51	51	53	54	53	56	55	55	50	46	48	48	48	35	37	40	43	45	52	49	52	51	53
July	55	54	56	54	58	57	58	61	61	60	51	52	53	53	56	34	37	45	45	44	54	54	56	54	58
August	58	58	57	54	60	66	68	67	66	67	58	59	58	58	61	39	46	48	50	51	59	59	58	56	61
September	52	54	53	52	57	53	55	55	55	57	47	49	50	51	54	34	37	42	43	45	51	53	53	52	57
October	47	48	49	48	49	42	46	45	45	45	41	40	41	40	43	28	33	37	38	36	46	47	48	47	48
November	42	41	41	41	43	34	33	33	36	67	34	33	33	31	34	24	27	29	33	30	40	39	39	40	41
December	37	38	38	38	43	28	28	30	31	62	28	29	30	29	32	19	23	26	28	27	35	36	36	36	41
April–Oct Average	50	51	51	50	53	51	53	54	53	54	47	48	48	48	50	33	37	41	42	43	49	50	51	50	53
July–Sept Average	55	55	55	53	58	59	60	61	61	61	52	53	54	54	57	36	40	45	46	47	55	56	56	54	58
Annual Average	44	45	46	45	47	42	43	44	44	45	40	40	41	40	42	29	31	36	36	37	44	44	45	44	47

1.4 Weekend and weekday occupancy

Fig. 1.4: UK and National: Annual Weekend Bedroom Occupancy 2002 – 2006

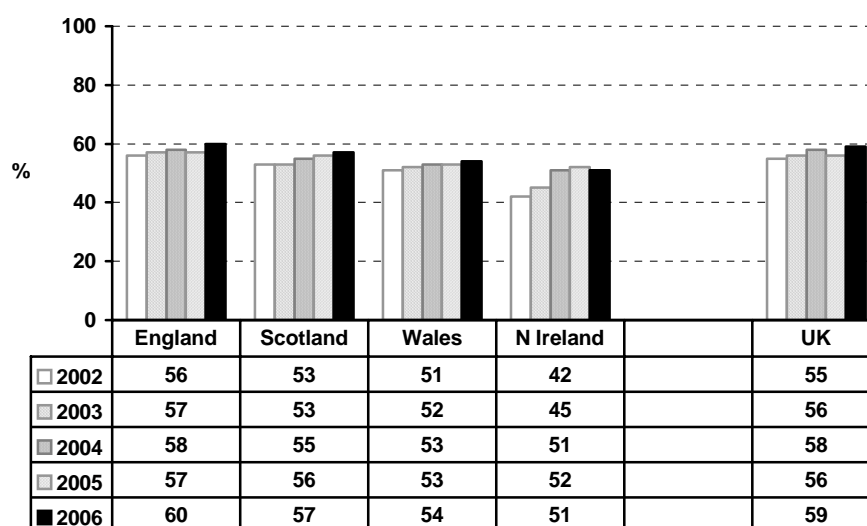
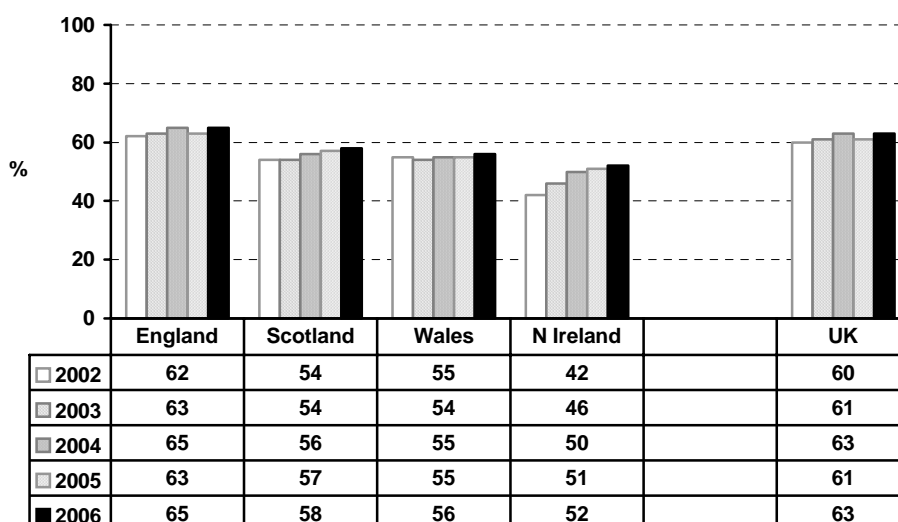


Fig. 1.5: UK and National: Annual Weekday Bedroom Occupancy 2002 – 2006



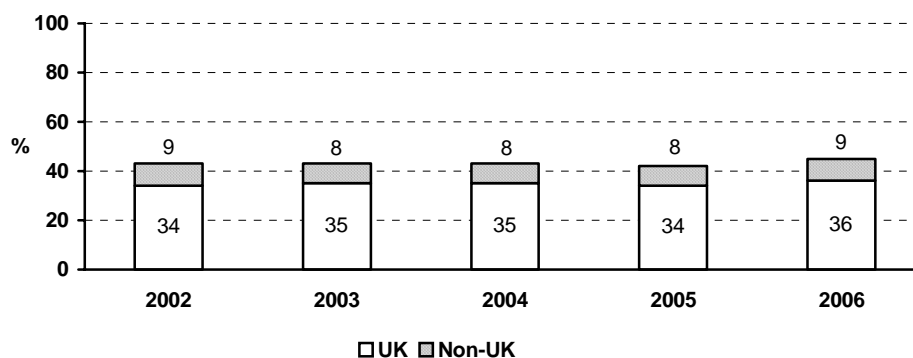
Compared with 2005, the UK annual average figures for both weekend and weekday bedroom occupancy saw a rise – of three percentage points for weekend bedroom occupancy and of two percentage points for weekday bedroom occupancy. However,

these UK figures mask considerable national differences. The increases in Scotland and Wales were only one percentage point in each case while Northern Ireland showed an increase (of 1 percentage point) in weekday bedroom occupancy but a fall (also of 1 percentage point) in weekend occupancy.

As in previous years, it is also noticeable that weekday figures are higher than weekend figures – reflecting a greater influence of business (as opposed to holiday) trade.

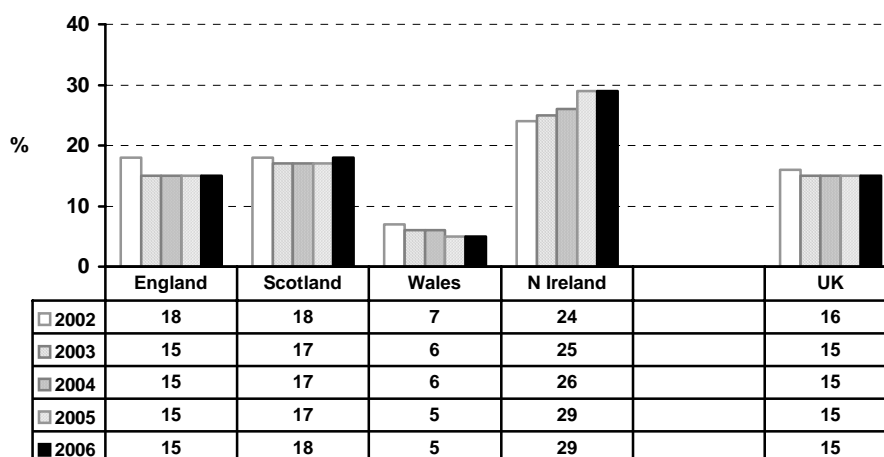
1.5 Origin of Visitors

Fig. 1.6: UK: Annual Bedspace Occupancy 2002 - 2006 by Origin of Visitors



The 2006 annual average bedspace occupancy by non-UK visitors (9%) was the same as in 2002 and one percentage point higher than in the previous three years. The annual average bedspace occupancy by UK residents (36%) was two percentage points higher than in 2005 and 2002 and one percentage point higher than in 2004 and 2003. (These figures do not sum to the annual average bedspace occupancy figures for the UK as they are based on only those establishments able to differentiate between UK and non-UK visitors which is less than the total sample).

Fig. 1.7: UK and National: Annual Non-UK Arrivals as a Percentage of All Arrivals, 2002 - 2006



The 2006 annual average percentage of arrivals at serviced accommodation attributable to non-UK visitors was the same as in the previous three years (15%, almost one in seven), but was one percentage point lower than in 2002.

Only Scotland showed an increase in the percentage of non-UK arrivals, the figures for England, Wales and Northern Ireland remaining as in 2005.

1.6 Occupancy by type of establishment

UK occupancy levels in hotels and bed and breakfast establishments showed an increase when compared with 2005, while guest houses recorded a fall in both measures of occupancy.

Fig. 1.8: UK: Annual Bedroom Occupancy 2002 - 2006 by Type of Establishment

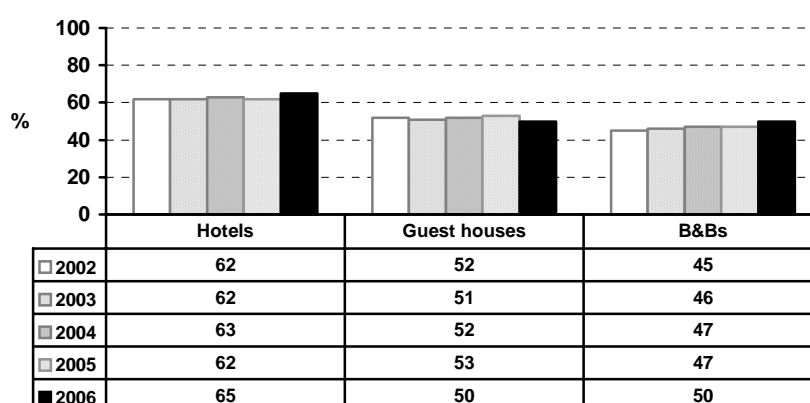
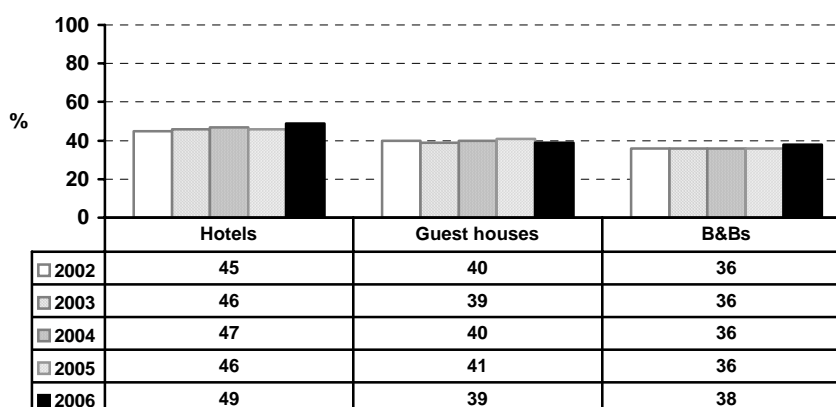


Fig. 1.9: UK: Annual Bedspace Occupancy 2002 - 2006 by Type of Establishment



Over the period 2002 to 2006, average occupancy levels in all types of accommodation increased with the exception of bedspace occupancy in guest houses which saw a slight fall.

Fig. 1.10: National: Annual Bedroom Occupancy 2005 and 2006 by Type of Establishment

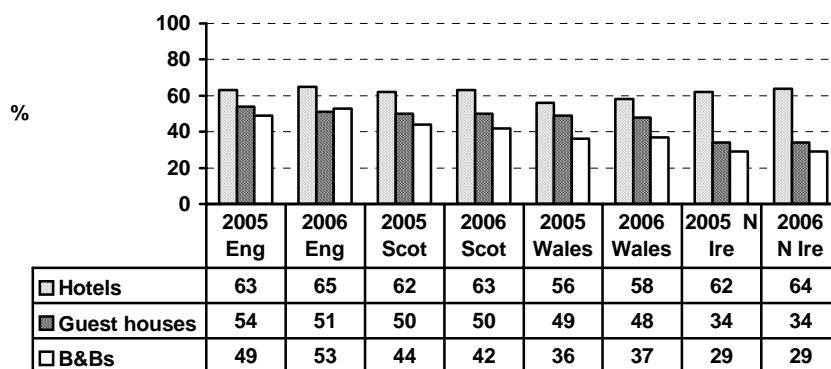
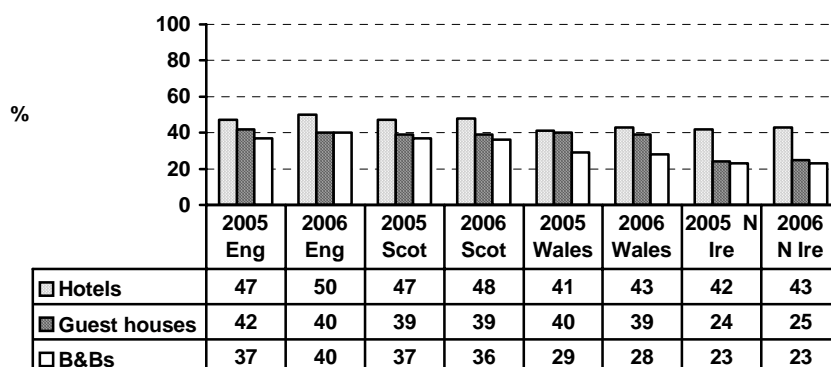


Fig. 1.11: National: Annual Bedspace Occupancy 2005 and 2006 by Type of Establishment



At a national level, when compared with 2005, occupancy levels (both bedroom and bedspace) in hotels increased. In guest houses, occupancy levels in England, Scotland and Wales either remained unchanged or fell slightly. In Northern Ireland bedspace occupancy in this type of accommodation rose slightly while bedroom occupancy remained at its 2005 level. Occupancy levels in bed and breakfast establishments varied more, increasing in England and falling in Scotland. Both measures of occupancy remained unchanged in this type of establishment in Northern Ireland while in Wales bedroom occupancy rose slightly while bedspace occupancy fell.

1.7 Occupancy by location of establishment

Fig. 1.12: UK: Annual Bedroom Occupancy 2002 - 2006 by Location of Establishment

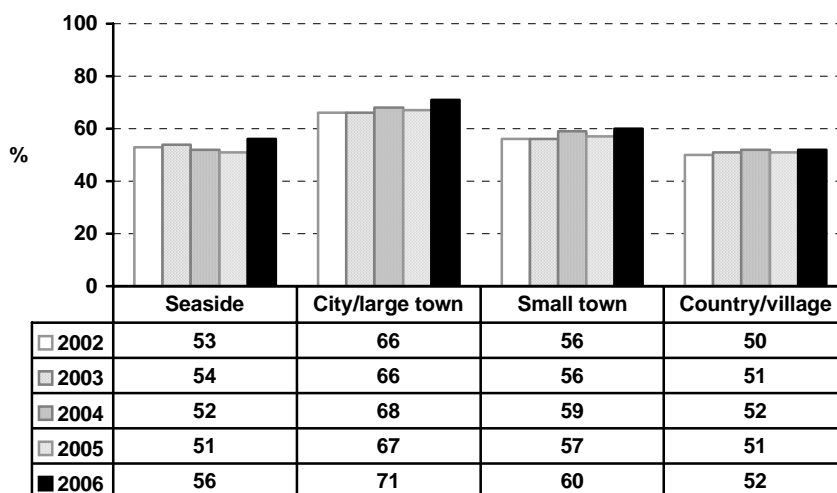
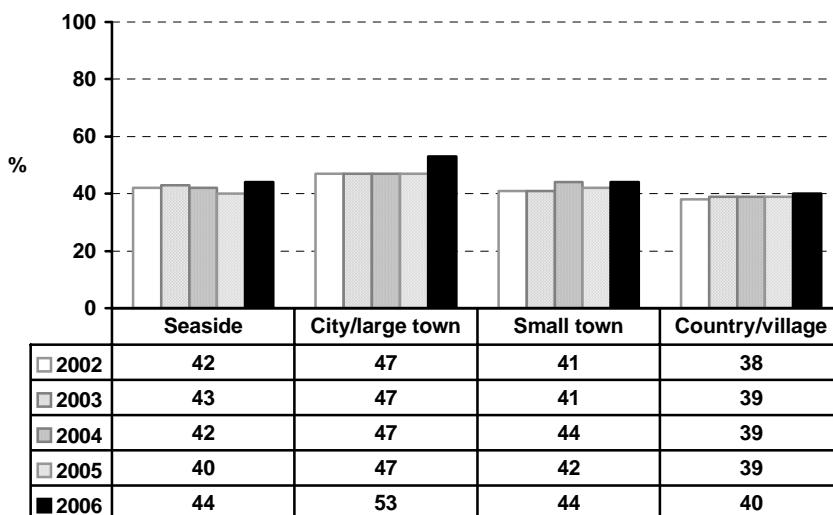


Fig. 1.13: UK: Annual Bedspace Occupancy 2002 - 2006 by Location of Establishment



When compared with 2005, UK average annual occupancy levels increased in location categories. The greatest increases were seen in seaside and city/large town locations while country/village locations recorded increases of only one percentage point.

2. ABOUT THE UK OCCUPANCY SURVEY

2.1 Survey sponsors

As part of the EU Directive on Tourism Statistics adopted in November 1995, the UK is required to submit monthly occupancy rates for hotels and similar establishments (i.e. serviced accommodation) to Eurostat, the statistical office of the European Community. Since January 1997 each of the four national tourist boards has been responsible for the implementation of an occupancy survey of serviced accommodation in its area, carried out according to a common specification and standard, thus ensuring the production of comparable occupancy data for the whole of the UK. In England this task was carried out by the regional tourism organisations (co-ordinated by Heart of England Tourism) under contract to VisitBritain.

TNS Travel and Tourism has been the UK Survey Co-ordinator for these surveys since 2002 and collates the results from each of the national and regional surveys, combining them to produce occupancy rates for the UK as a whole.

2.2 Coverage of survey

The types of accommodation in the survey are those defined (in the EU Directive) as tourist accommodation which is arranged in rooms and where bed-making and cleaning services are provided. The survey therefore includes hotels (including motels, lodges and inns), guesthouses and private houses offering bed and breakfast to tourists (including farmhouses). It should be noted that only in Northern Ireland, where there is compulsory registration of tourist accommodation, is there a definition of the various types of accommodation. In England, Scotland and Wales the type is defined by each accommodation establishment itself in answering a questionnaire. Because the criteria are not objectively defined, the distinction between types is not always clear and may vary slightly.

In 2006 there were about 45,700 establishments of this type in the UK which were known to the tourist boards, with a total of just under 1.2 million bedspaces.

Figure 2.1: Distribution of total known accommodation stock: Number of establishments

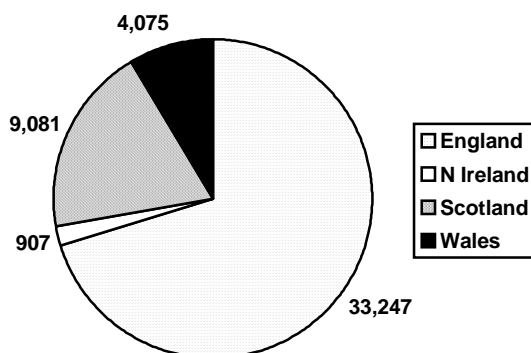
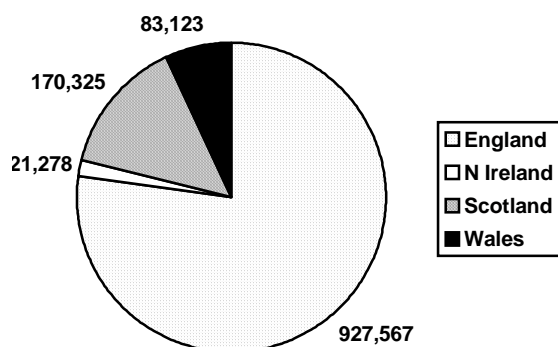


Figure 2.2: Distribution of total known accommodation stock: Number of bedspaces



2.3 Survey method

Establishments were invited to provide data for the survey on a monthly basis and over 2700 establishments agreed to do so at the beginning of 2006. Each month between 1,400 and 1,757 returned data and the occupancy rates in the report are calculated from these monthly samples. It should be noted that for 2006 the target minimum sample size for Scotland, Wales and Northern Ireland remained at 200 open establishments while that for England was reduced from almost 2,000 open establishments to 753 open establishments. Both the recruited samples (those establishments agreeing to provide data) and the analytical samples (those establishments returning monthly data) have been monitored

during the year in an endeavour to ensure that the samples are as representative as possible of the known total stock.

The occupancy figures are calculated on the accommodation available each month - i.e. only open accommodation is included. In calculating figures for the UK, occupancy rates from each country have been weighted using the number of bedspaces known to be available in the area. Prior to 2006 the same method of calculation was used to obtain occupancy rates for England with occupancy rates for each English region being weighted using the number of bedspaces known to be available in the area. With the change in sample sizes for England, the 2006 occupancy figures for that country were calculated directly from submitted data, again being weighted by bedspaces available.

2.4 Full reports

Fuller details relating to the UK Occupancy Survey and occupancy in England may be obtained from VisitBritain, Fulfilment Centre, Thames Tower, Black's Road, London W6 9EL. Individual Tourist Boards produce a wide range of other, more local, information from their own surveys which is available directly from them. It should be noted that this locally-produced information may be based on slightly different samples from the UK Survey, depending upon the timing of the analysis. The following full reports are available from the national tourist boards. Where applicable, orders should be sent including remittances.

Northern Ireland:

Survey of Hotel Occupancy Annual Report
2006: *Free*

Survey of Guesthouse and Bed and Breakfast
Accommodation 2006: *Free (available
August)*

Both available online at

www.NITB.com

or from:

Northern Ireland Tourist Board
St Anne's Court
59 North Street
Belfast BT1 1NB

Scotland:

Scottish Accommodation Occupancy Survey
2006 Final Report *Price: £20.00*

Available from:

VisitScotland
Corporate Research
Ocean Point One
94 Ocean Drive
Edinburgh EH6 6JH

or:

research@visitscotland.com

Wales:

Wales Occupancy Survey for Serviced
Accommodation 2006 *Free*

Available from:

Visit Wales
Brunel House
Cardiff CF24 OUY