

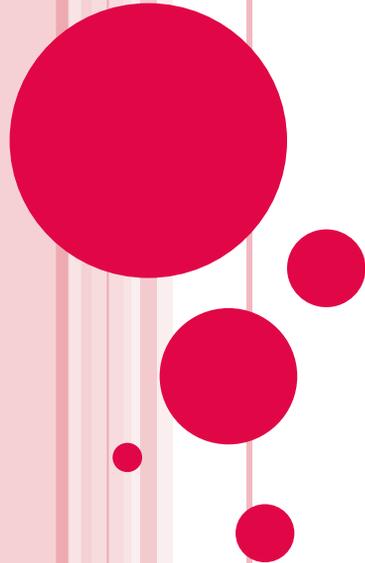


UNITED KINGDOM OCCUPANCY SURVEY

Serviced Accommodation
Annual Report 2017

May 2018

the **research** solution



INTRODUCTION

This report presents a summary of the main findings from the UK Occupancy Survey for Serviced Accommodation 2017 which is jointly commissioned by the National Boards of England, Northern Ireland and Scotland and by Visit Wales (part of the Welsh Government) and supported by the Department for Culture, Media and Sport.

This report has been compiled by Christine King at The Research Solution.



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SUMMARY: BEDROOM OCCUPANCY

- The average annual bedroom occupancy for the UK in 2017 increased by 3 percentage points when compared to 2016 data. Both Scotland and Wales remained on a par with 2016, Wales remaining static at 61% and Scotland at 64%. Northern Ireland bedroom occupancy levels were up by 2 percentage points, when compared to the previous year. England mirrored the UK increasing by 3 percentage points, up to 74% during 2017.
- UK bedroom occupancy levels on a monthly basis, saw increases in 8 out of the 12 months during 2017 when compared to the same period in 2016. The largest increase in monthly data compared to 2016 was in October, November and December, up by 4, 7 and 6 percentage points respectively. May, July and August all increased by 2 percentage points, with June and September up 3% on last years data. July and September recorded the highest levels of bedroom occupancy throughout the year, both at 83%.
- Bedroom Occupancy levels in England mirrored that of the UK with both November and December witnessing the biggest increase during the year, up by 8 and 7 percentage points when compared to 2016. All other months during 2017 increased when comparing against the same period in 2016, with only February remaining static at 63%.
- In Scotland at the start of the year, room occupancy rates were lower than those witnessed the previous year, with occupancy 3%, 11% and 4% down in January, February and March respectively when compared to 2016. May and August saw an increase of 5 and 4 percentage points, with all other months witnessing slight increases or remaining flat against 2016.
- Room occupancy across Wales fared better during 2017 than in 2016. Six out of the twelve months saw a rise in bedroom occupancy when compared to 2016. The largest monthly increase was in April with levels at 64%, an increase of 6 percentage points. The highest occupancy rates throughout the year were in July and August, at 74% and 75% respectively.
- Northern Ireland fared well with increases in 7 out of the 12 months during 2017, with only February and July decreasing in room occupancy. The biggest increase was found in January where levels rose by 15% when compared to 2016. All other months remained static in occupancy against 2016 data.

SUMMARY: BEDSPACE OCCUPANCY

- Bedspace occupancy levels in the UK increased in five months of the year when compared to 2016. Across all other months occupancy levels remained static (+/-1%). The largest increase in bedspace occupancy compared to the same period the previous year was in December where rates were 4% higher than in 2016.
- England bedspace occupancy levels increased by 2% in both April and October, and by 4% and 5% in November and December respectively. All other months remained static with 2016 levels, with the exception of September where a 2 percentage point decrease was seen.
- Scotland saw increases in eight months during 2017 compared to 2016 data. Both June and July were up 5 percentage points on last year, with August and September rising 4 percentage points. The largest increase in bedspace occupancy was in January with levels up 12 percentage points when compared to the same period last year. Aside from February and March which witnessed a fall of 6 percentage points each, the remaining months remained static in bedspace occupancy levels.
- Wales bedspace occupancy remained flat in 6 out of the 12 months during 2017. April saw the largest increase up 6 percentage points compared to April 2016. An increase of 3% in May and 2% for both June and November were the only other increases in 2017 when compared with 2016. Occupancy rates were down by 3 percentage points in December and 2 percentage points in August.
- Northern Ireland bedspace occupancy levels remained static in 5 out of the 12 months in 2017. The largest increase was in January and June where bedspace occupancy levels increased by 9 and 4 percentage points respectively. All other months fell slightly in bedspace occupancy, with the largest being a 4 percentage point difference in November.

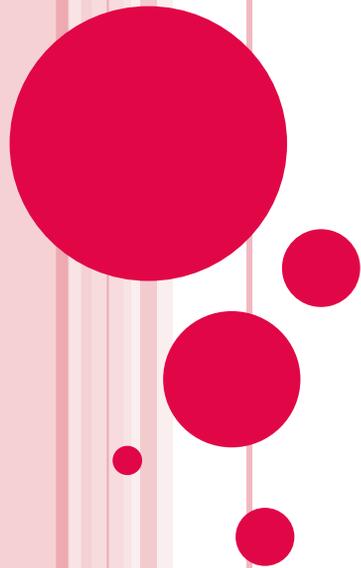


SUMMARY: ROOM AND BEDSPACE OCCUPANCY IN DETAIL

- Weekday room occupancy levels in the UK increased in 2017 when compared to 2016, increasing by 1% from 71% to 72%. Bedspace occupancy for the UK was at a similar level at 49%. England also increased in weekday room occupancy during 2017, with levels up by 2% against 2016, whilst bedspace occupancy remained at a similar level. Room and bedspace occupancy during the weekday in Northern Ireland again increased when compared to 2016, room up 4% and bedspace 3%. Scotland saw room occupancy rates down 3% when compared to the previous year, with bedspace remaining flat (-1%). Wales saw levels remain static (-1%) in both measures of occupancy.
- UK weekend room occupancy increased by 6 percentage points to 73%, whilst bedspace occupancy increased by 6% to 61%. England was similar to the UK with a 6% increase in room occupancy with bedspace increased by 5%. Northern Ireland witnessed an increase in room and bedspace occupancy rates during the weekend in 2017, up 3 and 4 percentage points respectively. Weekend room occupancy levels remained static in Scotland with an increase of 2% in bedspace occupancy. Wales room and bedspace occupancy levels for the third consecutive year remained static during the weekend in 2017.
- Room occupancy by location type increased across nearly all locations when compared to 2016 data. Seaside locations witnessed an increase of 6 percentage points from 62% to 68%, with both small town and country/village locations rising by 3 and 5 percentage points respectively. City/town room occupancy remained at 77%, consistent with the previous year. Both seaside (+4%) and small town (+3%) locations both increased in bedspace occupancy, with country/village and city/town locations remaining flat when compared to the previous year,



BEDROOM OCCUPANCY: UK AND NATIONAL



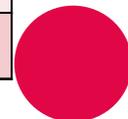
UK AND NATIONAL: ANNUAL BEDROOM OCCUPANCY 2013-2017



UK AND NATIONAL: MONTHLY BEDROOM OCCUPANCY 2013-2017

Table 1: UK and National: Bedroom Occupancy 2013- 2017

	Bedroom Occupancy (%)																								
	England					Scotland					Wales					Northern Ireland					UK				
	13	14	15	16	17	13	14	15	16	17	13	14	15	16	17	13	14	15	16	17	13	14	15	16	17
January	49	52	54	55	56	52	41	57	45	42	41	39	41	43	43	37	39	40	33	48	49	50	53	54	54
February	60	61	63	64	63	63	51	53	53	42	46	48	52	51	53	45	48	55	51	48	59	59	61	63	61
March	63	64	63	65	66	53	53	54	55	51	48	50	55	55	55	48	45	54	53	54	60	61	61	64	64
April	66	68	68	70	70	58	60	61	60	62	52	58	59	58	64	51	55	58	59	62	64	66	66	69	69
May	71	72	72	72	73	70	70	72	69	74	61	64	66	61	65	61	62	65	66	68	70	71	72	71	73
June	75	76	78	77	80	75	75	76	76	79	60	65	70	67	69	67	65	68	72	74	74	75	77	77	80
July	78	79	80	81	84	77	78	78	79	82	66	69	75	73	74	68	64	64	76	72	77	78	79	81	83
August	77	79	78	79	81	83	82	79	83	87	71	76	75	77	75	74	73	71	79	79	78	79	78	79	81
September	77	79	80	81	84	76	78	77	78	80	63	69	74	72	71	66	64	63	72	74	76	78	79	80	83
October	72	74	75	75	80	65	65	65	67	66	55	61	66	63	63	59	55	54	62	64	70	72	73	74	78
November	67	68	67	70	78	52	56	53	56	53	50	45	54	55	57	52	52	46	57	57	64	65	64	68	75
December	59	61	60	63	71	43	48	49	48	48	43	39	48	51	47	42	41	42	51	51	56	58	57	61	68



UK AND NATIONAL: ANNUAL BEDROOM OCCUPANCY AVERAGES 2013-2017

Table 1a: UK and National: Bedroom Occupancy Averages 2013 - 2017

	Bedroom Occupancy (%)																								
	England					Scotland					Wales					Northern Ireland					UK				
	13	14	15	16	17	13	14	15	16	17	13	14	15	16	17	13	14	15	16	17	13	14	15	16	17
April–Oct Average	74	75	76	76	79	72	73	73	73	76	61	66	69	67	69	64	63	63	69	70	73	74	75	76	78
July–Sept Average	77	79	79	80	83	79	79	78	80	83	67	71	75	74	73	69	67	66	76	75	77	78	79	80	83
Annual Average	68	69	70	71	74	64	63	65	64	64	55	57	61	61	61	56	55	57	61	63	66	68	69	70	73



UK AND NATIONAL: ANNUAL BEDROOM OCCUPANCY TRENDS

2013 - 2017

Table 2: UK and National: Bedroom Occupancy Trends 2013 - 2017

	England			Scotland			Wales			Northern Ireland			UK		
	13-15	14-16	15-17	13-15	14-16	15-17	13-15	14-16	15-17	13-15	14-16	15-17	13-15	14-16	15-17
January	52	54	55	50	48	48	40	41	42	39	37	40	51	52	54
February	61	63	63	56	52	49	49	50	52	49	51	51	60	61	61
March	63	64	65	53	54	53	51	53	55	49	51	54	61	62	63
April	67	69	69	60	60	61	56	58	60	55	58	60	65	67	68
May	72	72	72	71	70	72	64	64	64	63	64	66	71	71	72
June	76	77	78	75	76	77	65	67	69	67	68	71	75	76	78
July	79	80	82	78	78	80	70	72	74	65	68	71	78	79	81
August	78	79	79	81	81	83	74	76	76	73	74	76	78	79	79
September	79	80	82	77	78	78	69	72	72	64	66	70	78	79	81
October	74	75	77	65	66	66	61	63	64	56	57	60	71	73	75
November	67	68	72	54	55	54	50	51	55	50	52	53	64	66	69
December	60	61	65	47	48	48	43	46	49	42	45	48	57	59	62



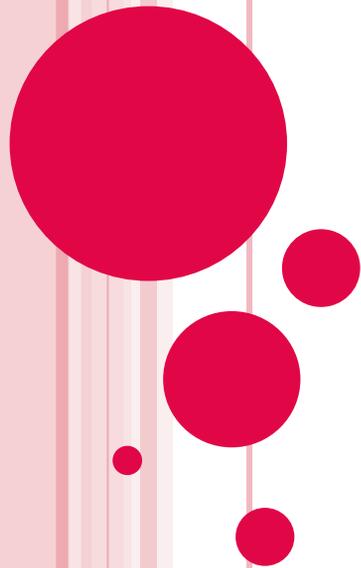
UK AND NATIONAL: ANNUAL BEDROOM OCCUPANCY TRENDS - AVERAGES 2013-2017

Table 2a: UK and National: Bedroom Occupancy Trends 2013 - 2017

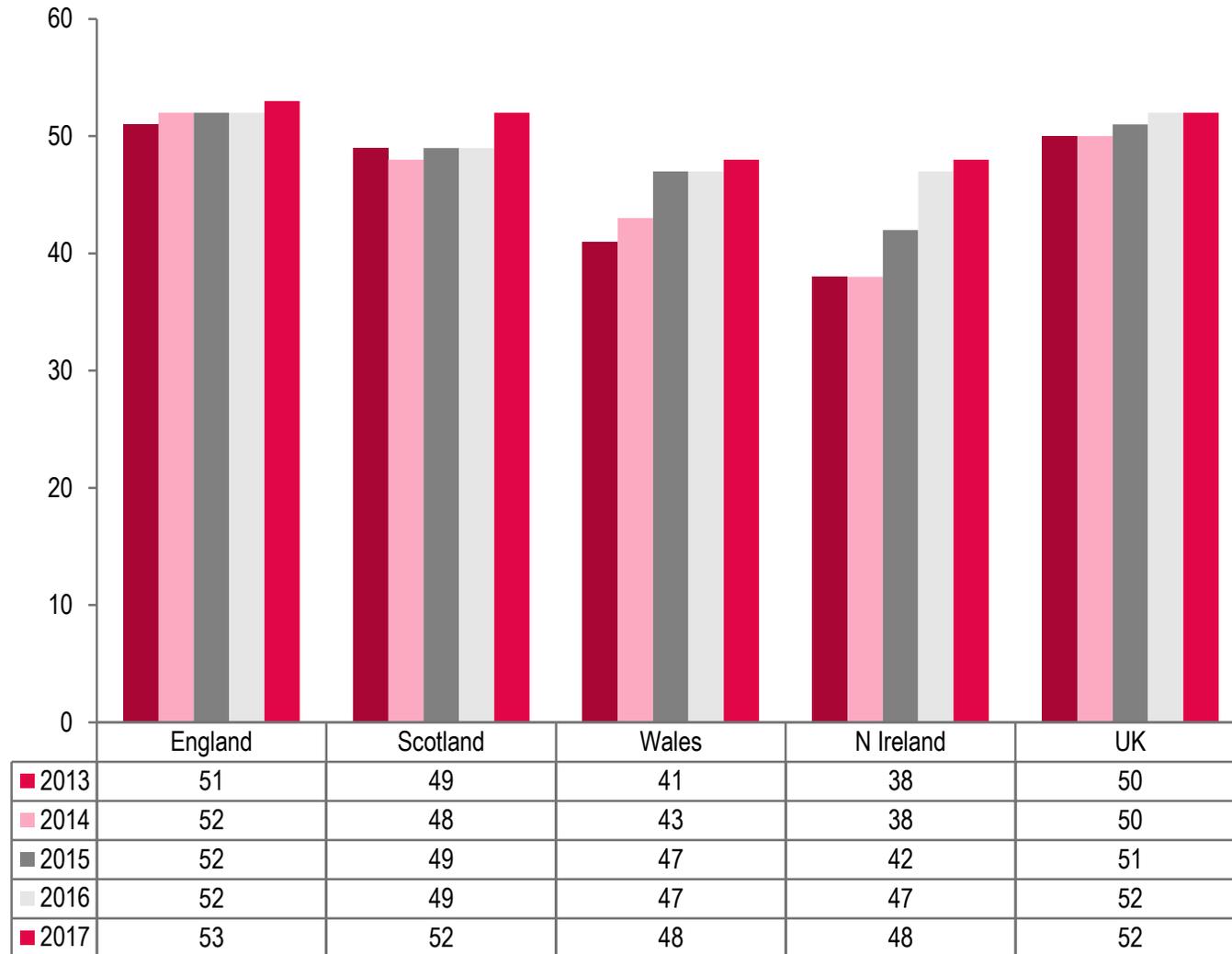
	England			Scotland			Wales			Northern Ireland			UK		
	13-15	14-16	15-17	13-15	14-16	15-17	13-15	14-16	15-17	13-15	14-16	15-17	13-15	14-16	15-17
April–Oct Average	75	76	77	72	73	74	66	68	69	63	65	68	74	75	76
July–Sept Average	79	80	81	79	79	78	71	73	74	67	70	72	78	79	81
Annual Average	69	70	72	64	64	71	58	60	61	56	58	60	68	69	71



BEDSPACE OCCUPANCY: UK AND NATIONAL



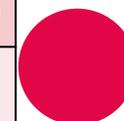
UK AND NATIONAL: ANNUAL BEDSPACE OCCUPANCY 2013-2017



UK AND NATIONAL: MONTHLY BEDSPACE OCCUPANCY 2013-2017

Tab55le 3: UK and National: Bedspace Occupancy 2013-2017

	Bedspace Occupancy (%)																								
	England					Scotland					Wales					Northern Ireland					UK				
	13	14	15	16	17	13	14	15	16	17	13	14	15	16	17	13	14	15	16	17	13	14	15	16	17
January	35	36	39	38	39	35	29	40	30	42	27	26	30	32	32	23	23	27	24	35	34	34	38	37	39
February	44	44	46	46	45	45	36	36	37	31	33	33	39	39	40	31	29	38	39	35	43	42	44	45	44
March	47	48	47	47	47	39	38	38	40	34	35	35	41	41	41	38	31	39	40	40	45	46	45	46	46
April	49	53	50	51	53	43	46	47	44	52	38	44	46	46	52	36	36	43	46	49	47	51	49	50	53
May	55	54	55	53	54	54	54	57	54	57	46	49	52	47	50	43	42	49	51	51	54	53	55	53	54
June	57	55	56	56	56	58	58	59	60	65	45	49	53	51	53	46	45	50	52	56	56	55	56	56	57
July	60	60	60	61	60	63	63	63	66	71	54	55	58	58	59	46	40	51	63	60	60	60	60	61	61
August	64	63	62	61	60	69	68	66	69	73	58	62	62	63	61	54	55	57	65	65	64	64	63	62	61
September	57	58	58	59	57	58	59	59	60	64	48	52	55	56	55	41	45	45	54	56	56	58	58	59	58
October	53	54	54	54	56	49	49	48	51	52	40	45	50	48	48	40	39	41	47	48	51	52	53	53	55
November	49	48	47	49	53	37	39	37	39	37	36	34	39	40	42	32	36	33	44	40	46	46	45	48	51
December	43	45	44	47	52	33	35	35	37	40	32	30	36	40	37	29	30	33	39	40	41	43	42	46	50



UK AND NATIONAL: ANNUAL BEDSPACE OCCUPANCY

TRENDS - AVERAGES

2013 - 2017

Table 3a: UK and National: Average Bedspace Occupancy 2013 - 2017

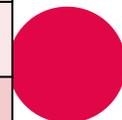
	Bedspace Occupancy (%)																								
	England					Scotland					Wales					Northern Ireland					UK				
	13	14	15	16	17	13	14	15	16	17	13	14	15	16	17	13	14	15	16	17	13	14	15	16	17
April–Oct Average	56	57	56	56	57	56	57	57	58	62	47	51	54	53	54	44	43	48	54	55	56	56	56	56	57
July–Sept Average	60	60	60	60	59	63	63	63	65	69	53	56	58	59	58	47	47	51	61	60	60	60	60	61	60
Annual Average	51	52	52	52	53	49	48	49	49	52	41	43	47	47	48	38	38	42	47	48	50	50	51	52	52



UK AND NATIONAL: MONTHLY BEDSPACE OCCUPANCY TRENDS 2013-2017

Table 4: UK and National: Bedspace Occupancy Trends 2013 - 2017

	England			Scotland			Wales			Northern Ireland			UK		
	13-15	14-16	15-17	13-15	14-16	15-17	13-15	14-16	15-17	13-15	14-16	15-17	13-15	14-16	15-17
January	37	38	39	35	33	37	28	29	31	25	25	29	36	37	38
February	45	45	46	39	36	35	35	37	39	33	35	38	43	44	44
March	47	47	47	38	39	37	37	39	41	36	37	39	45	46	46
April	51	51	51	45	46	48	43	45	48	38	42	46	49	50	51
May	55	54	54	55	55	56	49	49	50	45	47	50	54	54	54
June	56	56	56	58	59	61	49	51	52	47	49	53	56	56	56
July	60	60	60	63	64	67	56	57	58	46	52	58	60	60	61
August	63	62	61	68	68	69	61	62	62	55	59	62	63	63	62
September	58	58	58	59	59	61	52	54	55	44	48	52	57	58	48
October	54	54	55	49	49	50	45	48	49	40	42	46	52	53	54
November	48	48	50	38	38	38	36	38	40	34	38	39	46	46	48
December	44	45	48	34	36	37	33	35	38	31	34	37	42	44	46



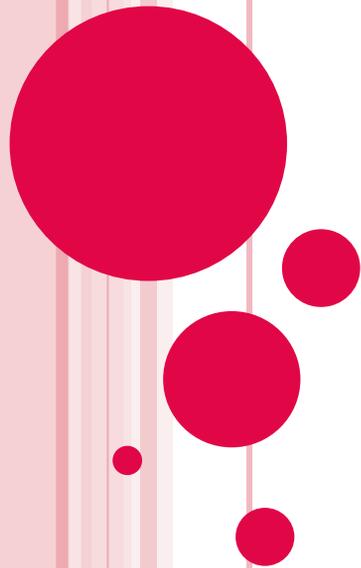
UK AND NATIONAL: ANNUAL BEDSPACE OCCUPANCY TRENDS - AVERAGES 2013 - 2017

Table 4: UK and National: Bedspace Occupancy Trends 2013 - 2017

	England			Scotland			Wales			Northern Ireland			UK		
	13-15	14-16	15-17	13-15	14-16	15-17	13-15	14-16	15-17	13-15	14-16	15-17	13-15	14-16	15-17
April–Oct Average	57	57	56	57	57	59	51	52	53	45	49	52	56	56	57
July–Sept Average	60	60	60	63	64	66	56	58	59	48	53	57	60	60	60
Annual Average	51	52	52	48	49	50	44	46	47	39	42	46	50	51	52



OCCUPANCY IN DETAIL: UK AND NATIONAL



UK AND NATIONAL ANNUAL WEEKDAY OCCUPANCY 2013 - 2017

Fig. 3: UK and National: Annual Weekday
Bedroom Occupancy 2013 – 2017

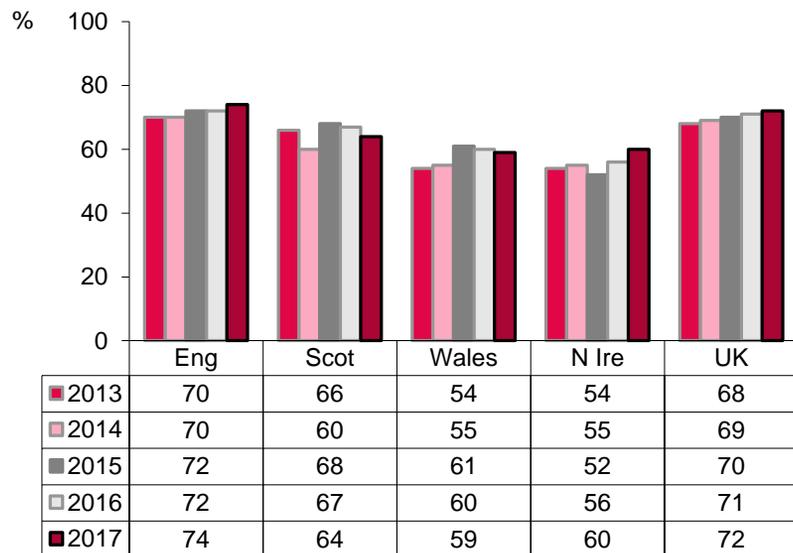
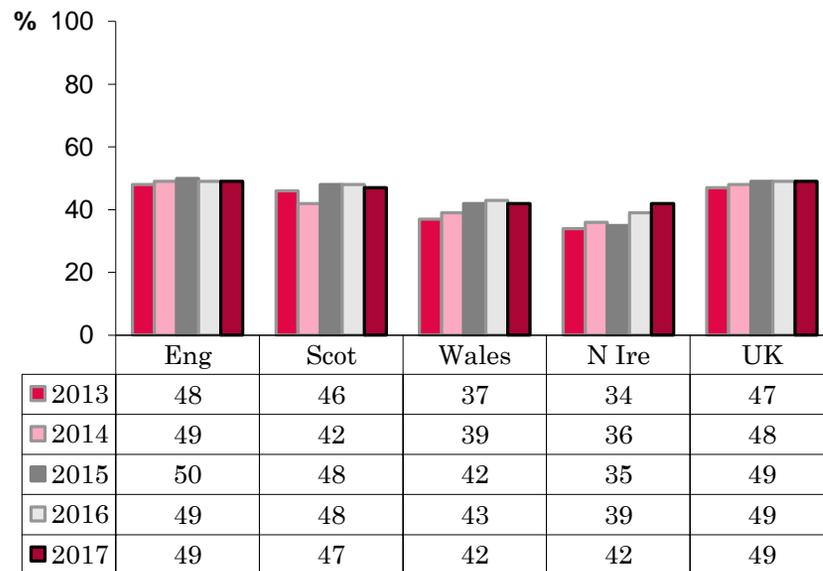


Fig. 4: UK and National: Annual Weekday
Bedspace Occupancy 2013 - 2017



UK AND NATIONAL ANNUAL WEEKEND OCCUPANCY 2013 - 2017

Fig. 5 UK and National: Annual Weekend Bedroom Occupancy 2013 – 2017

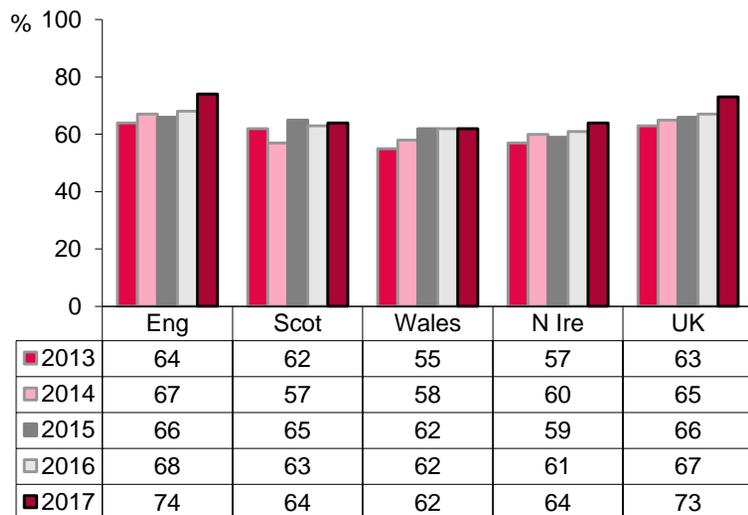
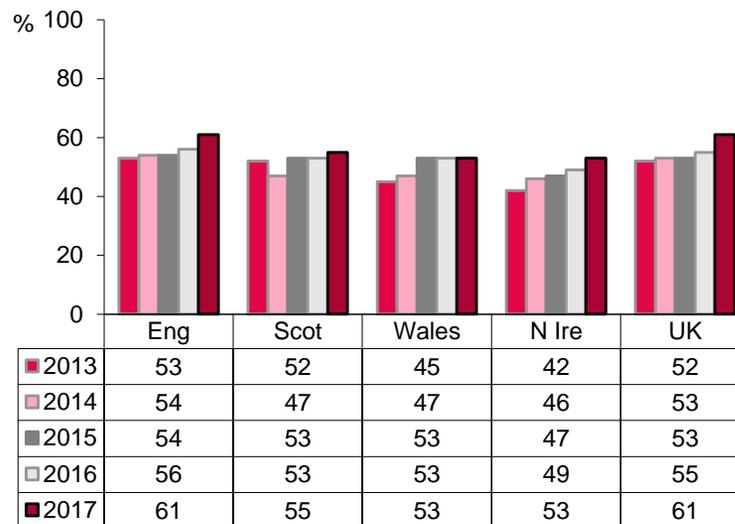


Fig. 6: UK and National: Annual Weekend Bedspace Occupancy 2013 – 2017



NATIONAL OCCUPANCY BY TYPE OF ESTABLISHMENT

Fig. 11: National: Annual Bedroom Occupancy 2016 and 2017 by Type of Establishment

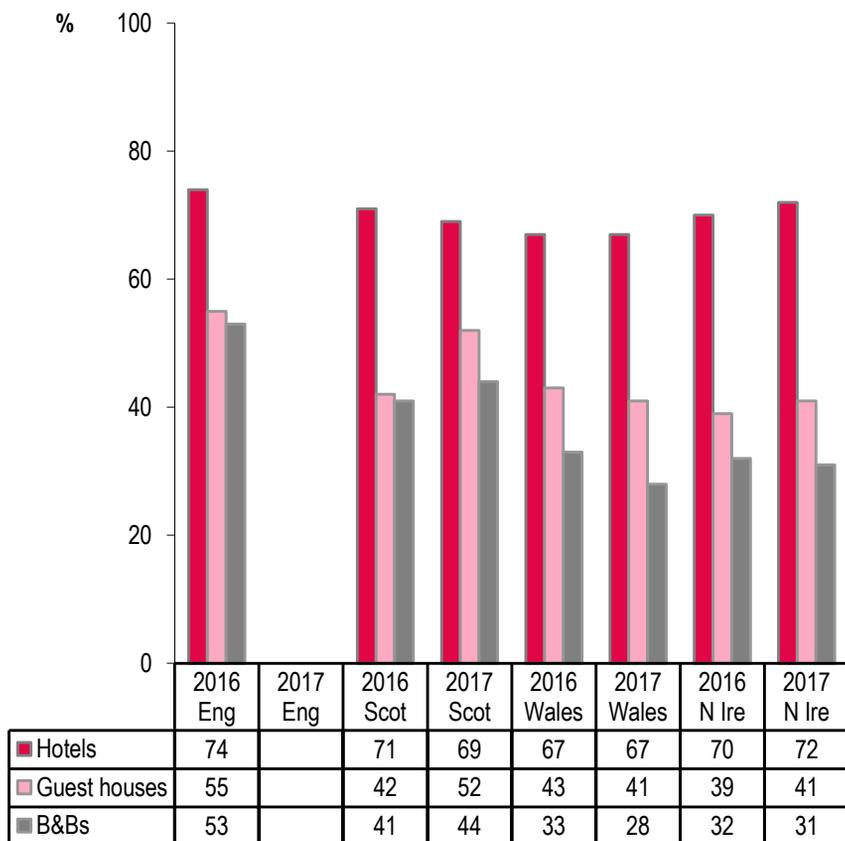
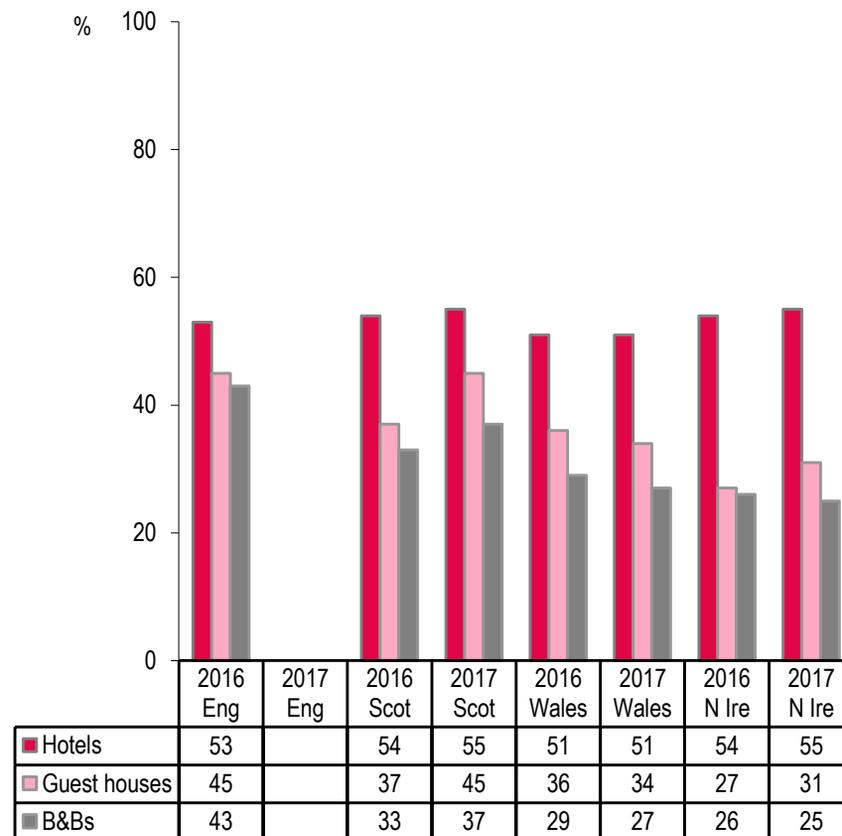


Fig. 12: National: Annual Bedspace Occupancy 2016 and 2017 by Type of Establishment



Due to a change in the methodology and collection of data for England from June onwards, comparable figures for England cannot be shown.

UK OCCUPANCY BY LOCATION OF ESTABLISHMENT

Fig. 13: UK: Annual Bedroom Occupancy 2013 - 2017 by Location of Establishment

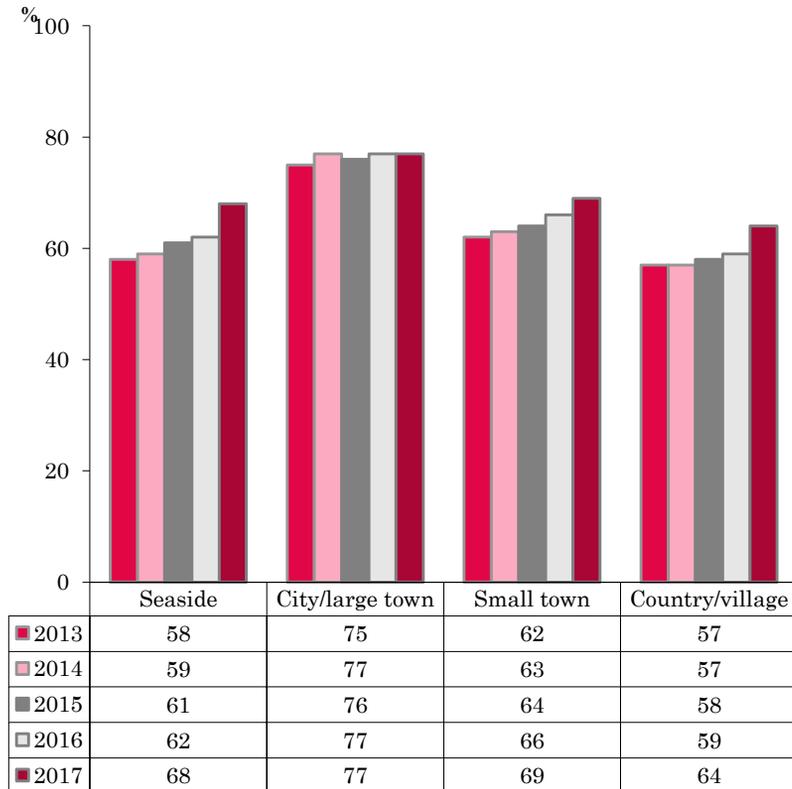
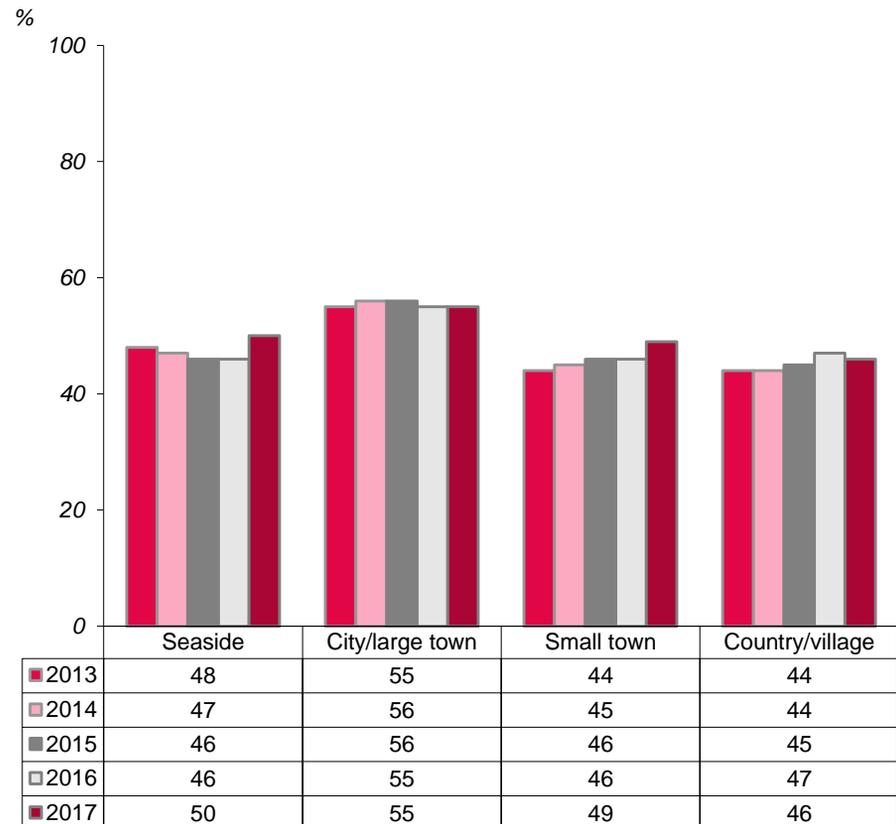
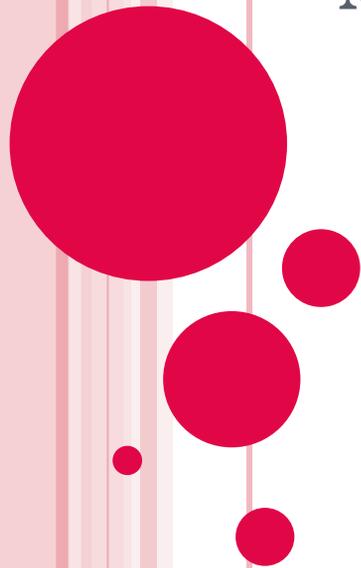


Fig. 14: UK: Annual Bedspace Occupancy 2013 - 2017 by Location of Establishment



BACKGROUND AND METHODOLOGY



BACKGROUND TO THE SURVEY

As part of the EU Directive on Tourism Statistics adopted in January 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. The responsibility for providing this data lies with the National Tourist Boards for England, Scotland and Northern Ireland and with Visit Wales (part of the Welsh Assembly Government), each of whom is responsible for the implementation of an occupancy survey in their area, carried out according to a common specification and standard, thus ensuring the production of comparable occupancy data for the whole of the UK.

The types of accommodation included in the survey are defined as *tourist accommodation which is arranged in rooms and where bed-making and cleaning services are provided*. This includes:

Hotels, motels, inns, guest houses, farm guest houses, bed and breakfast establishments

The types specifically excluded are:

Youth hostels and University accommodation

This summary has been compiled by The Research Solution (UK Survey Co-ordinator) from figures supplied by (or on behalf of) the National Tourist Boards of England, Northern Ireland (working with NISRA (the Northern Ireland Statistics and Research Agency), Scotland and Visit Wales (part of the Welsh Government).

Further information about the surveys in individual areas June be obtained from the relevant organisations:

VisitEngland (020 7578 1400)

Northern Ireland Tourist Board (02890 231 221)

VisitScotland (0131-472-2222)

Visit Wales (029 2047 9909)



BACKGROUND TO THE SURVEY (CONT'D)

- This document summarises the main trends from the surveys carried out in England, Scotland, Wales and Northern Ireland which have been aggregated to provide occupancy figures for the UK as a whole.
- The individual surveys are conducted according to a common specification to ensure the production of comparable data for the whole of the UK.
- The survey 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 compulsory registration of tourist accommodation ensures an accurate stock record, 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 and therefore, because the criteria are not objectively defined, the distinction between types is not always clear and may vary slightly.

In 2017 there were about 46,000 establishments of this type in the UK which were known to the tourist boards, with a total of almost 2 million bedspaces available daily.



METHODOLOGICAL DETAILS

Figure 15: Distribution of total known accommodation stock 2017: Number of establishments

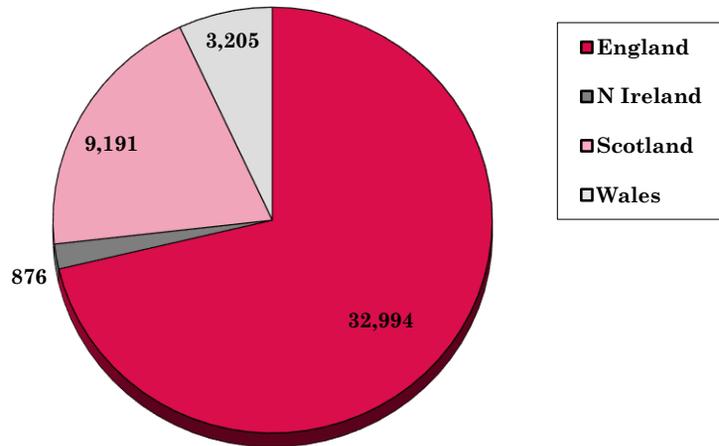
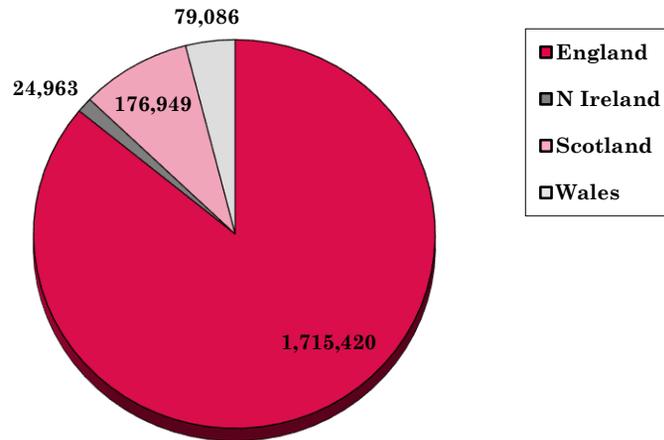


Figure 16: Distribution of total known accommodation stock 2017: Number of bedspaces



- Each month between 2,235 and 3,625 returned data and the occupancy rates in the report are calculated from these monthly samples. *The sample size for England increased from June 2017 onwards with a change in methodology and the inclusion of additional STR data.*
- The occupancy figures in this summary 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 that month.



METHODOLOGICAL DETAILS (CONT'D)

1. The figures in this summary are based on data available within eight weeks of the end of the month. In some cases the boards will re-run the monthly analysis later in the year to include data which was received too late for inclusion in this summary. These later figures will be used in the 2016 Annual Summary.
2. The minimum target sample size for Northern Ireland, Scotland and Wales is 200 open establishments per month while in England the target minimum sample size is 750. Larger sample sizes may be used in some areas in order to enable Boards to undertake further analysis based on geographical sub-divisions of the data.
3. In the calculation of occupancy rates for the UK, occupancy rates from each country have been weighted using the number of bedspaces known to be available in the area.
4. **Occupancy rates:**
 - Bedspace occupancy Percentage of available bedspaces which were occupied
 - Room occupancy Percentage of available rooms which were occupied
 - Non-UK bedspace occupancy Percentage of available bedspaces which were occupied by non-UK guests
 - Percentage of non-UK guests Percentage of arrivals which were non-UK guests
 - Percentage of non-UK bednights Percentage of occupied bedspaces which were occupied by non-UK guests
5. It should be noted that:
 - (a) the figures in Tables 2, 4, 8 and 9 will be based on a subset of the sample for all guests. This is because separate UK and non-UK data is not known for all establishments in the sample (Tables 2, 4 and 5), not all establishments provide daily data (Tables 4 and 5) and not all establishments give tariff details (Tables 9 and 10); and
 - (b) because of changes in the data collected, it is no longer possible to provide UK/non UK figures for Scotland or figures relating to arrivals for Wales (Tables 2 and 5).
 - (c) from June 2010, English occupancy data includes additional occupancy information for the 100+ room hotel sector supplied by STR Global. Given the change in the structure of the sample, care should be taken in the interpretation of year-on-year changes.
6. Accuracy of the results: The statistical accuracy of the results depends upon the size of the sample, the variation in occupancy rates between establishments and (to a smaller extent) the size of the survey population. As the sample is self-selecting, it is not possible to calculate true statistical margins of error. However, it is likely that the results are accurate to between $\pm 5.9\%$ (sample of 50) to $\pm 1.6\%$ (sample of 650). As there continues to be a substantial core of survey participants providing data every month, the trends which are identified by the survey are believed to reflect accurately overall trends in the use of serviced accommodation.
7. * Methodological note: From June 2017, the England Occupancy estimates are collected using a different methodology. Using this data makes the survey more robust but has caused a break in trends for England and the UK. From June 2017, the new methodology is based on the STR occupancy estimates which are continuously collected whereas prior to June 2017 the England Occupancy estimates were collected through a bespoke panel. This methodological change has affected trends. Meaningful comparison between estimates collected from June 2017 onwards and estimates collected prior to June 2017 can not be conducted for England and the UK. Data for Scotland, Wales and Northern Ireland remains unaffected by the change.