

Edinburgh's Evening Economy

A report for the City of Edinburgh Council

March 2010

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1: Introduction

Introduction to the study

- 1.1 SQW was commissioned to carry out research to investigate the scale of Edinburgh's Evening Economy. The focus of this research is on identifying the scale in terms of the number of businesses and jobs that are directly supported and the Gross Value Added (GVA) that these businesses (and employees) generate. The research also discusses some of the wider literature on the Evening Economy and the positive and negative aspects of the perception of Edinburgh (by visitors and residents).
- 1.2 For the purposes of carrying out the quantification and calculations in this report, the Evening Economy is defined in terms of businesses falling within the main relevant SIC codes as recorded in the Annual Business Enquiry (ABI). This analysis uses three broad categories of Evening Economy business: accommodation (including hotels, camping sites and other provision of short-stay accommodation), restaurants and bars.
- 1.3 It is also important to recognise that other types of business such as theatres, cinemas and casinos play a prominent part of the Evening Economy, but are not all easily classified using SIC codes. While it would be possible to identify the relevant businesses in Edinburgh from our own knowledge and through consultation, it would not then be possible to compare Edinburgh with other cities on the same basis. Therefore these businesses have not been included. The Evening Economy, as defined within this report, includes a majority of businesses that sell alcohol, as well as some that may not (e.g. take away food shops etc).
- 1.4 In interpreting the findings of this research, a number of issues should be kept in mind. The analysis in this report describes the *scale* of the number and activity of Evening Economy businesses rather than what might happen if there were any changes in how they are managed.
- 1.5 Secondly, there is also an issue about causation. The Evening Economy may influence visiting, studying, living and investing but, equally, it is also a result of them, growing to meet the demands of the city's residents and visitors. They are mutually supportive which makes it difficult to say, for example students come to Edinburgh for the nightlife, when it is probably equally true that nightlife develops to profit from large number of students.
- 1.6 It is helpful to consider the activity of Evening Economy businesses initially like any others. People invest in them, employ staff and offer services to meet the demands of customers, as in any other business. The difference for many of these businesses is that they involve the sale of alcohol, which is associated with anti-social behaviour; it is argued that this can have negative effects on other groups, impose costs for individuals and for the public sector.
- 1.7 This has a number of effects, but specifically requires effective management of evening activity within the city centre, allowing residents and visitors to enjoy their time while minimising the negative effects on other residents and on perceptions of the city that could, in the longer term, damage the city's reputation.

- 1.8 We have looked at the issue from the level of the city economy rather than from the point of view of residents (which we understand is being covered by other work). There are inevitably cases of anti-social behaviour of varies levels of seriousness in the city centre which will have direct impacts on some residents and visitors. The issue here is at what point this becomes such a widely perceived problem that it reduces overall levels of demand and ultimately harms the Edinburgh economy. Alternatively, over-management or restrictions could also reduce the attractiveness of the city to visitors, reducing demand and impacting on the economy.
- 1.9 The report considers the current scale and perceptions of the Evening Economy from available sources and we suggest that monitoring these perceptions is crucial in determining whether there is a risk that the activities of the Evening Economy and its management are having a detrimental effect.

Methodology

- 1.10 Our methodology has been desk based involving:
- a literature review of published studies on the Evening Economy and Night-time Economy strategies from other local authorities and areas of the UK
 - an analysis of data sources such as Annual Business Enquiry (ABI), City of Edinburgh Licensing Board data and Scottish Government published data
 - a review of previous research relating to visitor perceptions such as the latest Edinburgh Visitor Survey, STEAM data and Business Improvement District (BID) Benchmark of Attitudes Survey.
- 1.11 In addition, we carried out a small number of consultations with stakeholders including representatives from City of Edinburgh Council licensing team, Destination Edinburgh and the Beer and Pub Association.
- 1.12 The remainder of this document is set out as follows:
- In Section 2 we provide a discussion of the importance of the Evening Economy, with reference to other published literature.
 - In Section 3 we give a quantitative assessment of Edinburgh's Evening Economy.
 - Section 4 looks at Edinburgh's Evening Economy and the perceptions associated with it.
 - Section 5 provides some conclusions from this work and recommendations for the client.

2: Role of the Evening Economy

- 2.1 There are huge benefits to the City of having a thriving Evening Economy:
- it is an integral part of the cultural offer for visitors, tourists and residents
 - it contributes to the image of Edinburgh as a vibrant capital city
 - it is an important source of employment for residents
 - it helps make the City attractive to a variety of people, including both the students and knowledge-sector workers that are so important to other parts of its economy.
- 2.2 The majority of the firms that are engaged in the Evening Economy derive large proportions of their total income between the hours of 6pm and 6am – with a heavy weighting towards the weekends. In particular, business activities related to alcohol feature significantly in the Evening Economy although clearly restaurants and cultural/leisure venues are also important, as are hotels.
- 2.3 At the UK level, the turnover of the pub and club industry was estimated to generate 3% of GDP. The numbers of licensed premises having increased by over 30% over the past quarter of a century and the sector employing around one million people, creating ‘one in five of all new jobs’ (Home Office, 2000)¹.

Why the interest in the Evening Economy?

- 2.4 Interest in the Evening Economy in many places has been linked to a more general interest in revitalising town-centres. Developing a “vibrant” town centre to compete with “out-of-town” developments (shopping malls, leisure complexes). This includes a range of integrated measures aimed at improving their attraction, safety and diversity. A key concept in this is the promotion of the “Evening Economy”.
- 2.5 At one level this was about meeting latent demand for consumption. In some cases, the hours immediately after the usual shop closing time (5.30 – 7pm) were seen as a wasted opportunity when people were keen to continue shopping at these times. For example, from the primary research that was carried out in York, 40% of respondents indicated that evening shopping would encourage them to come into the city centre. The researchers from that study concluded that as 35% of visitor expenditure was on shopping, the city has been missing out on potential revenue from visitors (and residents) by not offering a co-ordinated late-night shopping experience.
- 2.6 At a broader level, an argument put forward by Richard Florida and others in relation to the growth of cities was also placing a high level of importance on the Evening Economy in creating places that are attractors of talent, creativity, entrepreneurship and wealth. For example, Florida regarded the Evening Economy as a key attractor of members of what

¹ http://www.esrc.ac.uk/ESRCInfoCentre/about/CI/CP/research_publications/seven_sins/gluttony/nighttime.aspx

Florida has termed “*the creative class*” that are considered to be critical for growth within cities in the age of the knowledge economy².

- 2.7 Glaeser, Kolko and Saiz (2001)³ report that “consumer and personal service industries such as restaurants, theatres, and museums tend to be localized and thus demand geographical closeness between producer and consumer. Lloyd and Clark (2001)⁴ as well as Florida (2002)⁵ stress the role of lifestyle – in the form of entertainment, nightlife, culture, and so on – in attracting educated populations. Florida (2002) introduces a measure of observed locational preferences of the producers of artistic and cultural amenities, the “bohemian index,” and found it to be associated with concentrations of human capital and innovation.
- 2.8 Along similar lines, linkages have been made between cultural and creative regeneration within cities, and the establishment of the Evening Economy. Advocates of this approach have argued not only for support of cultural “production” as well as “performance” (that is support for the wider creative and cultural industries alongside venue/performance management) but also for activities to stretch into the evening as well as being available during the day time. “*It is important that as many venues as possible should remain open in the evenings as well as during the day.*”⁶
- 2.9 In their 1995 paper, Lovatt and O’Connor⁷, talked about the night-life of a city “not as a problem for local authorities, but as both a source of new opportunities for creative industries development, and as part of a creative milieu that gives a city or region a dynamic image, and acts as an attractor to creative personnel in globally networked new economy industries” and went beyond this to consider the night-time economy of a city “as a factor in the development of sustainable creative infrastructure, and as a potential source of locational advantage in a globalised economy”.
- 2.10 It is evident that cities are competing on all sorts of levels - for entrepreneurs and inwardly investing employers, for talented employees, for students and for visitors. The quality of Evening Economy can be seen as an important factor influencing perceptions of these cities.
- 2.11 The growth of the Evening Economy has been seen as a key element of regeneration for many city centres (e.g. Manchester, Newcastle Gateshead, Belfast, Dublin) where the re-vitalisation of the city centre has been led by improvements in both the infrastructures and services

² The distinguishing characteristic of the creative class is that its members engage in work whose function is to “create meaningful new forms.” The super- creative core of this new class includes scientists and engineers, university professors, poets and novelists, artists, entertainers, actors, designers, and architects, as well as the “thought leadership” of modern society: nonfiction writers, editors, cultural figures, think-tank researchers, analysts, and other opinion-makers.

The creative class also includes “creative professionals” who work in a wide range of knowledge-intensive industries such as high-tech sectors, financial services, the legal and healthcare professions, and business management. These people engage in creative problem-solving, drawing on complex bodies of knowledge to solve specific problems. Doing so typically requires a high degree of formal education and thus a high level of human capital. People who do this kind of work may sometimes come up with methods or products that turn out to be widely useful, but it’s not part of the basic job description. What they are required to do regularly is think on their own. They apply or combine standard approaches in unique ways to fit the situation, exercise a great deal of judgment, perhaps try something radically new from time to time.

³ Glaeser, E. L., Kolko, J., and Saiz, A. *Consumer city*, 2001

⁴ Lloyd, R. and Nichols Clark, T. *The City as an Entertainment Machine*, 2001

⁵ Florida, R. *The Rise of the Creative Class. And How It’s Transforming Work, Leisure and Everyday Life*, 2002

⁶ Montgomery, J. *Cultural Quarters Briefing Note*

⁷ Lovatt, A and O’Connor, *Cities and the Night-time Economy*, 1995

available. In many town and city centre development strategies, the development of a healthy Evening Economy has been a key feature of the “place-making”.

2.12 The “holy grail” from a planning perspective, is to create a European style Evening Economy based on:

- shops opening into the early evening
- so-called “café culture”
- street entertainment
- cultural consumption taking place into the evening
- a range of ages including families involved.

2.13 This is reflected in the vision of many of the Evening Economy Strategies that were developed by local authorities (mainly in the early 2000s). For example, to quote just one example, the aims of the Belfast Evening Economy More Time campaign⁸ were to:

- increase trade in shops, cafés, bars, restaurants and private businesses
- drive and increase footfall in Belfast City Centre between 5pm and 8pm
- increase the attractiveness and vibrancy of the city centre
- create a pleasurable city centre experience for visitors and locals
- ensure that Belfast continues to develop into a vibrant cosmopolitan European city.

2.14 Some progress has been made in some areas towards this vision and many local authorities, for example, have scheduled special events and festivals taking place during the evening targeted at families and have given licenses for late night continental markets and street entertainment etc.

2.15 However, these specially orchestrated events and features do not tend to happen here without public sector intervention. The vision is based around Southern European cultures where:

- there is more of a focus on extended families
- the evening meal is traditionally eaten later than in the UK
- there is a different attitude to, and consumption patterns for alcohol
- the weather is more conducive to outdoor dining and entertainment in the evening.

2.16 The culture in the UK is far from matching this idyll and attempts to develop the evening and night time economies in town and city centres have sometimes resulted in social and cultural problems. Even some of those that espoused the virtues of the “24 hour city” during the

⁸ <http://www.belfastcity.gov.uk/moretime/>

1980s and 1990s have had to admit that “18 hours is about enough” and that there is a need “for people to sleep”⁹.

- 2.17 Some commentators (e.g. Hannah Mummery¹⁰) have focussed on the growth of “super-pubs” and the large leisure chains and blamed “rogue operators” for having an irresponsible approach within the evening or night-time economy. In her work for the Civic Trust, Mummery points out that many of the “hot-spots” of unrest in town centres are dominated by large corporate venues, which typically operate aggressive discounting and promotional techniques to sell alcohol. Some cities have put restrictions on the size and volume of new pubs. In Berlin, establishments are restricted to a maximum of 50 seats and 80 square metres¹¹.
- 2.18 But usually, in economic terms, the benefits are regarded as outweighing any disbenefits and the main concern is about establishing suitable approaches to management and control of areas affected. This is illustrated, for example, in a recent study of London’s Night Time Economy¹². This report showed that over half of the boroughs consulted identified that late-night activities had become a major issue for their borough (back in 2002). However, only four said that such activities would not be encouraged, while almost all the other boroughs were still keen to encourage more evening and late-night activity in order to support employment and output among related businesses. This study also found many respondents pointing out that the main problem is how to reconcile evening and late-night uses with nearby residential uses especially when their regeneration strategies had focussed on promoting more housing within town centre locations.

Promoting responsible behaviour in the evening economies

- 2.19 In Manchester, it was noted that the majority of violent or troublesome incidents were linked to a minority of venues. As a reaction to this, the local authority introduced a scheme called “Best Bar None” that rewards well managed bars and pubs. Similar schemes have been introduced by a number of other towns and cities across the UK.
- 2.20 In other cities, schemes have been introduced to support a broader mix of activities taking place in the evening. For example, Gloucester, scheduled a programme of events (including a Rugby festival, jazz evenings gigs and concerts) that went on into the evening and encouraged the growth of late-night shopping, ghost and heritage tours, restaurant guides for residents and other marketing initiatives to encourage further use of the centre during the evening¹³.
- 2.21 In 2007, the local authority in Hastings was faced with the problem that alcohol-related behaviour during the evenings was creating such a high level of crime and disorder that it was putting off visitors to the town. In response to the problem, a scheme (co-ordinated by town centre management, with support from the town and county councils, police, the regional development agency, retailers and members of the local education and voluntary sectors) Late and Live was devised to attract a wider evening audience by combining opportunities for

⁹ Montgomery, J. The Evening Economy and Night Time Disorder.
<http://www.urbancultures.com.au/uploads/The%20Evening%20Economy%20and%20N.doc>

¹⁰ Night Vision – Town Centres for All, The Civic Trust,

¹¹ According to the Wolverhampton Evening Economy Action Plan, 2005

¹² Greater London Authority, *Late-Night London: Planning and Managing the Late-Night Economy*, June 2002

¹³ Gloucester Evening and Nighttime Economy Strategy, 2005

shopping and dining with a programme of arts and entertainment. This widely-advertised initiative formed the central feature of a series of interventions to reduce crime and disorder and provide public reassurance about safety and security, including the provision of late toilets, covered taxi ranks overseen by security marshals, escorted bus services, youth diversionary projects and environmental improvements. In this case around fifty retailers have consistently supported the project by trading until 8 pm on Thursdays and there has been a varied programme of free, alfresco art and entertainment - ranging from a 'Battle of the Bands' to Glyndebourne Opera¹⁴.

Conclusions

- 2.22 All town and city centres face the problems of simultaneously encouraging a vibrant Evening Economy and managing these activities to limit negative effects. The literature and examples suggest that good city centre management is the key. The Evening Economy develops both in response to demand (visitors and residents create a market which offers profitable opportunities), but can also help to generate its own demand, by further attracting students, investment, businesses, tourists and residents. The result is that the scale of activity is determined by catchment area, local income, student numbers and tourists.
- 2.23 Where this is well managed it can generate positive spillovers supporting tourism, investment etc, but where it is not it can have negative effect, causing problems which in turn will damage the city's reputation leading to a reduction in tourism and investment. There are two further points to make. Aside from any additional costs of managing a vibrant Evening Economy (which falls on tax payers) most of the negative effects are likely to impact on a smaller number of local residents. These negative effects can be caused by a number of factors, perhaps including the smoking ban which has led to more people outside premises and presumably more noise for neighbours. Dealing with this comes down to effective management rather than any "economic" solution, but, it becomes a wider issue where the negative effects start to actually deter visitors, investment etc. and this is where our suggested approaches to monitoring come in later in the report.
- 2.24 The second point is that there is a self-reinforcing nature to these effects. A good reputation, a vibrant and diverse offer and good management will contribute to further investment and more visitors, which in turn will further strengthen the Evening Economy; a virtuous spiral. The same can happen in a negative way. Developing a poor reputation as a result of a limited offer and poor management will reduce investment and visitors, which further limits the level and quality of activity and the can further damage the city's reputation.

¹⁴ <http://www.atcm.org/uploads/DOCS/184-360-Hastings-Managingtheeveningeconomy.pdf>

3: Scale of the Edinburgh's Evening Economy

Introduction to quantitative analysis

3.1 The starting point is to consider how big Edinburgh's Evening Economy is relative to others. In this section, we take a quantitative approach to estimate its scale in terms of:

- business stock
- employment
- Gross Value Added (GVA).

3.2 Throughout we have used two geographies the local authority (i.e. city wide) area and also the city centre ward. Comparison has also been made with other cities and city centre's in order to identify relative scale.

City centre

3.3 Edinburgh city centre, for the purposes of this research defined is by the boundary of Ward 11: City Centre. This includes the New Town and Old Town and stretches from Haymarket in the West to Abbeyhill in the East. This is shown in the following map.

3.4 Edinburgh City Centre ward is unusual in that it covers a large proportion of all Edinburgh's business activity. In terms of the number of the number of businesses the ward has the fifth largest number of business units in the UK, so we would expect the number of Evening Economy businesses also to be high.

Figure 3-1: Ward 11: Edinburgh City Centre Boundary



Source: City of Edinburgh Council

Business base

3.5 This section identifies the number of 'Evening Economy' related businesses located within Edinburgh city centre. This is then analysed in a number of ways, looking at how Edinburgh compares to other cities throughout the UK and, within the city, how Ward 11 compares to other areas of Edinburgh. In order to identify the number of Evening Economy businesses that are located in the city centre and in Edinburgh as a whole, two different sources have been used:

- City of Edinburgh Licensing Board data
- Annual Business Inquiry.

City of Edinburgh Licensing Board

3.6 Licensing data provides a complete assessment of the number of 'Evening Economy' related businesses serving alcohol which operate within the city. Table 3-1 shows the number of licensed premises in Edinburgh in each year between 2000 and 2007. Public houses make up more than half of the total number of on-sales premises, with restaurants and hotels making up a further quarter of all licensed premises.

Table 3-1: Number of liquor licences in Edinburgh by type, 2000 - 2007

Type	2000	2001	2002	2003	2004	2005	2006	2007
Public house	739	772	750	747	747	737	733	732
Restaurant	183	192	186	186	185	181	174	181
Hotel	151	161	154	151	141	145	143	147
Entertainment ¹⁵	86	92	94	95	98	99	99	105
Refreshment ¹⁶	86	91	92	97	102	97	96	103
Restricted Hotel	46	44	48	44	42	40	34	32
Total On-sales	1,291	1,352	1,324	1,320	1,315	1,299	1,279	1,300
Off-sales	637	654	654	636	640	636	638	629
TOTAL	1,928	2,006	1,978	1,956	1,955	1,935	1,917	1,929

Source: Edinburgh City Council Licensing Dept¹⁷

3.7 In terms of change over time, the number of licensed premises has remained remarkably steady between 2000 and 2007 with an additional nine licenses in 2007 compared to 2000. The number of entertainment and refreshment licenses has increased by 20% from a relatively low base while the number of public houses, restaurants and hotels has fallen slightly by 1%, 1% and 3% respectively. The fall in the number of licensed hotels in Edinburgh is mirrored by a similar fall in the Lothians and a larger fall of 13% across Scotland. However, in both

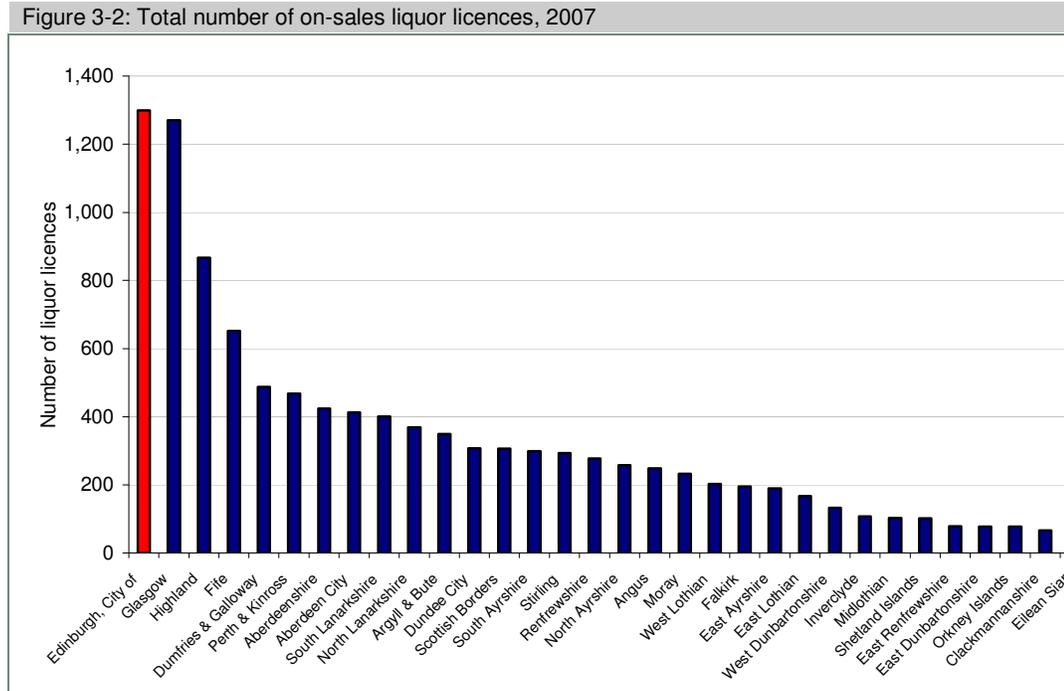
¹⁵ For premises that offer entertainment for which an entrance fee is charged

¹⁶ Premises that serve food and drink (including alcoholic drinks for consumption on the premises) but which do not have a bar counter

¹⁷ Note that this licensing regime has now been superseded by the Licensing (Scotland) Act 2005 which has introduced a different system based around Premises and Personal licenses.

the Lothians and Scotland, the number of public houses and restaurants has increased between 2001 and 2007.

- 3.8 Figure 3-2 shows the distribution of on-sales liquor licences by local authority across Scotland. The City of Edinburgh has the highest number of licensed premises of all authorities with only Glasgow having a comparable number.

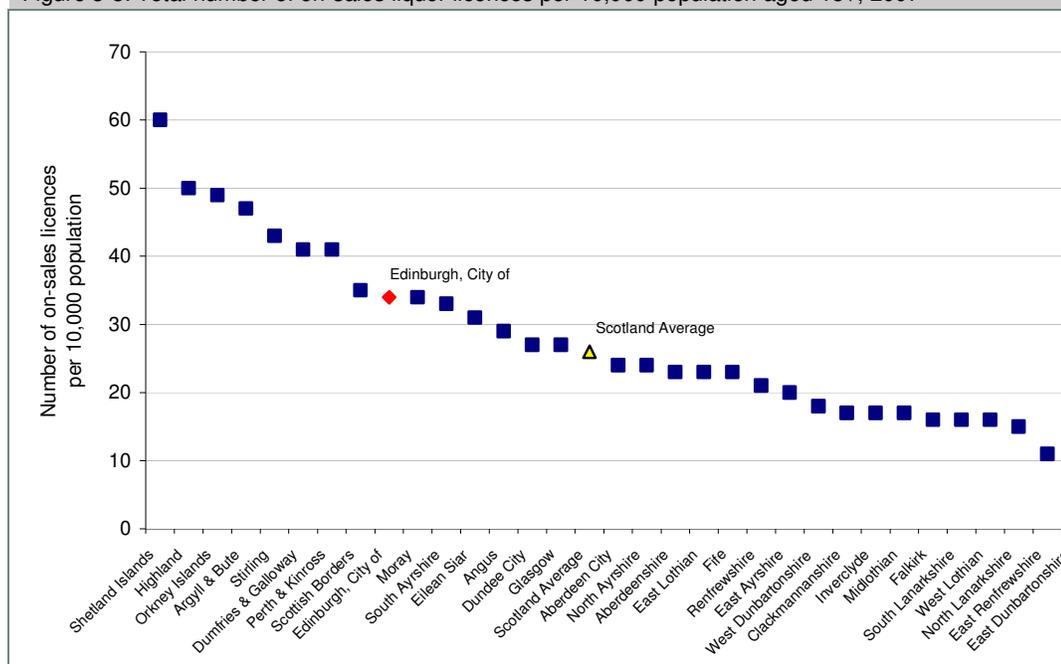


Source: Scottish Government, Scottish Liquor Licensing Statistics, 2007

- 3.9 Using the number of premises per 10,000 of the population (aged 18 and over) it is possible to compare the scale of Edinburgh's Evening Economy against other authorities. Research from the Scottish Government¹⁸ shows that on this basis, Edinburgh has around 25% more licensed premises per head than the Scotland average. The difference is even more pronounced in the number of public houses with Edinburgh having 50% more public houses per head of population than the Scottish average. However, it is the more rural local authorities covering the Shetlands, Highlands, Orkney Argyll and Bute, Stirling, Dumfries and Galloway and Perth and Kinross which have the highest numbers of licensed premises given the size of their populations.

¹⁸ Scottish government, Scottish Liquor Licensing Statistics 2007

Figure 3-3: Total number of on-sales liquor licences per 10,000 population aged 18+, 2007



Source: Scottish Government, Scottish Liquor Licensing Statistics, 2007

Annual Business Inquiry

- 3.10 The Annual Business Inquiry (ABI) is a two-part survey of a representative sample of employers in the UK, collecting employment and financial information from a sample of approximately 78,000 businesses each year. The sample is stratified using SIC 2003 codes. While all large businesses (250 or more employees) are surveyed, smaller companies are sampled. For Wales and Scotland the company size threshold at which all businesses are sampled is lower.
- 3.11 The ABI measures the number of businesses using data units. Data units are roughly equivalent to workplaces but because of the way the data are collected two or more units can be present in the same workplace. For example, a bank may have several branches and offices in a city, each one of these would be counted as a separate data unit.

Defining the Evening Economy

- 3.12 The advantage of using ABI data is that it is available across years at a number of geographic and sectoral levels. Therefore, using this data allows comparison of Edinburgh's Evening Economy with other cities throughout the UK. ABI data is based on standard industrial classifications (SIC) which allow the Evening Economy to be defined in terms of the sub-sectors which make up the Evening Economy. These are:

- 55.10 Hotels
- 55.20 Camping sites and other provision of short-stay accommodation
 - 55.21 Youth hostels and mountain refuges

- 55.22 Camping sites, including caravan sites
- 55.23 Other provision of lodgings not elsewhere classified
- 55.30 Restaurants
 - 55.30/1 Licensed Restaurants
 - 55.30/2 Unlicensed Restaurants and Cafes
 - 55.30/3 Take-away food shops
 - 55.30/4 Take-away food mobile stands
- 55.40 Bars
 - 55.40/1 Licensed clubs
 - 55.40/2 Independent public houses and bars
 - 55.40/3 Tenanted public houses and bars
 - 55.40/4 Managed public houses and bars

3.13 Data is available at the 4 digit level (e.g. 55.30) but not at any levels below this. Therefore this analysis uses three broad categories of Evening Economy business: accommodation (including hotels, camping sites and other provision of short-stay accommodation), restaurants and bars.

3.14 It is also important to recognise that other types of business such as theatres, cinemas and casinos play a prominent part of the Evening Economy, but are not all easily classified using SIC codes. While it would be possible to identify the relevant businesses in Edinburgh from our own knowledge and through consultation, it would not then be possible to compare Edinburgh with other cities on the same basis. Therefore these businesses have not been included.

3.15 The disadvantage of using ABI is that it is a sample survey and therefore discrepancies can arise between the ABI data and the 'real' number of businesses or employees in a given region or sector. For example, ABI estimates that there were a total of 456 bars in Edinburgh in 2007 while the licensing data states that there were 732 public house liquor licences in Edinburgh in the same year. There are likely to be differences in definition between these sources, but the ABI data has the benefit of providing a consistent means of comparing ward and city level measures in Edinburgh and other cities.

Identifying the scale of Edinburgh City centre's Evening Economy

3.16 In 2008, there were a total of 1,611 businesses (data units) identified as working directly within the sectors defined as 'Evening Economy' in the City of Edinburgh.

3.17 Of these, more than 40% (671) were located within the city centre, as defined by the Ward 11 boundary.

Table 3-2: Business stock in selected sectors, 2008

Area	Accommodation	Restaurants	Bars	Total "Evening Economy" business stock	Total business stock
City of Edinburgh	284	868	459	1,611	19,244
Ward 11: City Centre	110	358	203	671	6,091

Source: ABI 2008

- 3.18 Table 3-3 breaks down the total business base of Edinburgh's Evening Economy, showing individual ward's share of Edinburgh's Evening Economy business stock. The city centre accounts for 39% of accommodation providers, 41% of restaurants and 44% of bars.
- 3.19 To the North of the city centre, Leith, Leith Walk and Inverleith account for 19% of the Evening Economy business stock while to the South of the centre, the Southside and Newington and the Meadows and Morningside account for a further 14% of the Evening Economy business stock.

Table 3-3: Selected ward's share of total Edinburgh Local Authority Evening Economy businesses, 2008

Ward	Accommodation	Restaurants	Bars	All 'Evening Economy related activity'
City Centre	39%	41%	44%	42%
Southside/Newington	10%	8%	6%	7%
Meadows/Morningside	8%	9%	4%	7%
Leith	4%	7%	9%	7%
Leith Walk	9%	6%	7%	7%
Inverleith	5%	6%	3%	5%

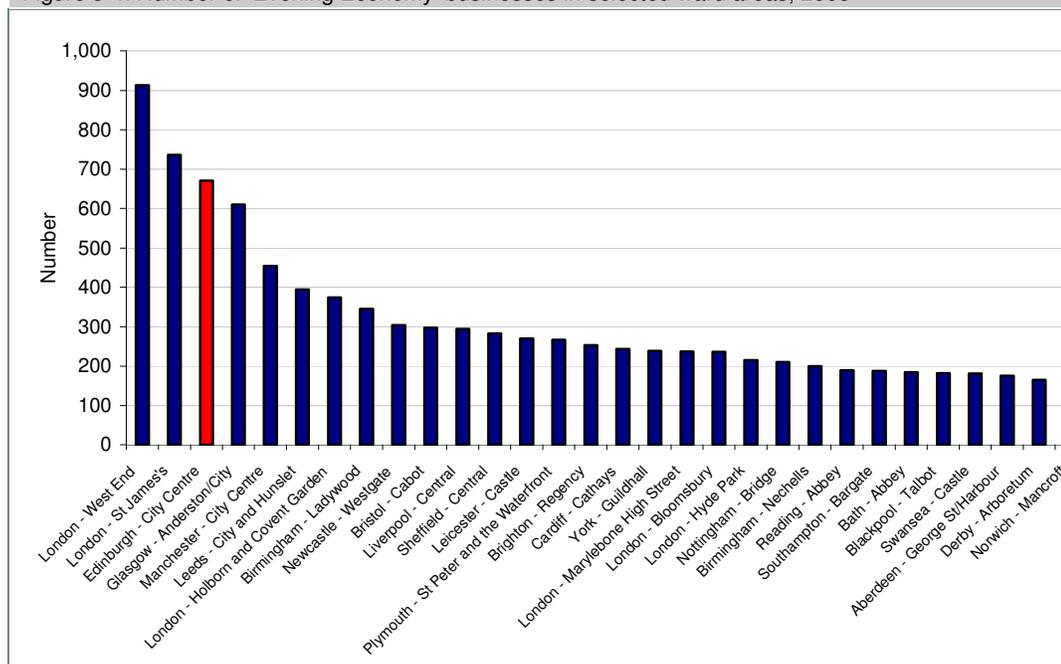
Source: ABI

Comparing Edinburgh to other cities

- 3.20 It is challenging to accurately identify other appropriate 'city centre' areas that can be compared with Edinburgh's city centre. **In a practical sense few 'city centres' conform to a single ward as in Edinburgh's Ward 11.** In most cases the city centre is spread across a number of wards. However, by identifying those wards which have the highest number of Evening Economy businesses, it is possible to identify the wards of other cities that have the highest number of hotels, restaurants and bars. In each case, it is this ward that has been used as a proxy for the Evening Economy city centre.
- 3.21 As reported earlier the Edinburgh City Centre ward has the fifth largest number of businesses of any ward in the UK and therefore will also have a large number of Evening Economy businesses. For example, the ABI data, Figure 3-4 shows the 30 UK wards with the highest number of Evening Economy businesses in 2008. Out of a total of 9,180 wards in the UK, Edinburgh city centre has the third highest number of Evening Economy businesses (671). Only West End and St James in London have a higher number.

3.22 This result shows how the boundaries if the wards complicate any direct comparison of levels of activity.

Figure 3-4: Number of 'Evening Economy' businesses in selected ward areas, 2008



Source: ABI

3.23 The ABI data estimates that Edinburgh city centre has:

- **110 accommodation providers**
- **358 restaurants**
- **203 bars**

3.24 At a local authority level, it is also apparent that the City of Edinburgh has a high number of Evening Economy-related businesses. Of all 206 Local Authority areas in the UK, the City of Edinburgh was ranked 20th in terms of the absolute number of Evening Economy related businesses in 2008. This again partially reflects the size of the Local Authorities. However, Edinburgh's ranking for individual elements of the Evening Economy are noticeably different. At a Local Authority level

- **Edinburgh ranks 13th in terms of accommodation**
- **15th for restaurants**
- **39th for bars.**

3.25 And as was explained earlier, much of this activity is within the large City Centre ward.

Identifying the relative scale of Edinburgh city centre's Evening Economy

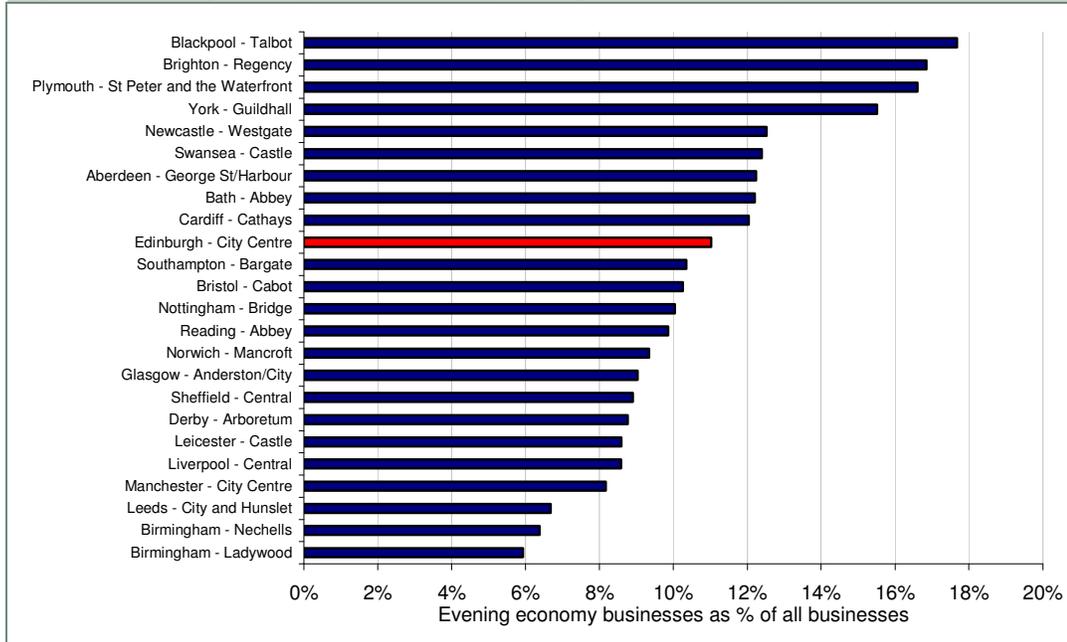
3.26 Using the absolute number of businesses provides an indication of the scale of the Evening Economy in Edinburgh's city centre. However, it is inappropriate to use absolute figures as a

means of identifying the relative importance of the Evening Economy in comparison with others. Instead we have considered:

- the number of Evening Economy businesses as a percentage of total business stock in the city centre
- the number of city centre Evening Economy businesses as a percentage of total Evening Economy business stock in the city as a whole.

- 3.27 **The proportion of all businesses in Edinburgh city centre which are part of the Evening Economy is 11%, ranking the city centre as 774th out of all UK wards in terms of the proportion of businesses which are part of the Evening Economy.** As a proportion of activity this is much lower than many tourist cities and towns.
- 3.28 The highest ranking wards tend to be those in rural areas which are popular with tourists. For example, in the ten highest ranking wards (including areas of, for example, the Lake District), Evening Economy related businesses account for over 33% of the business base. This reflects the reliance on tourism related activities in these regions.
- 3.29 A more accurate set of comparator regions are the 30 wards previously selected as having the highest number of Evening Economy businesses. All of the London wards have been excluded given the difficult nature of defining a 'city centre' for London.
- 3.30 Excluding London, of the remaining 24 wards, Edinburgh city centre is ranked 10th, suggesting that other city centres are more focused on the Evening Economy relative to other sectors.
- 3.31 **The city centres in which the Evening Economy related businesses make up a greater share of the total business stock include Blackpool, Brighton, Plymouth, York, Newcastle, Swansea, Aberdeen, Bath and Cardiff. This is an important finding as it suggests that the Edinburgh city centre economy is relatively less reliant than other city centres on the Evening Economy.**

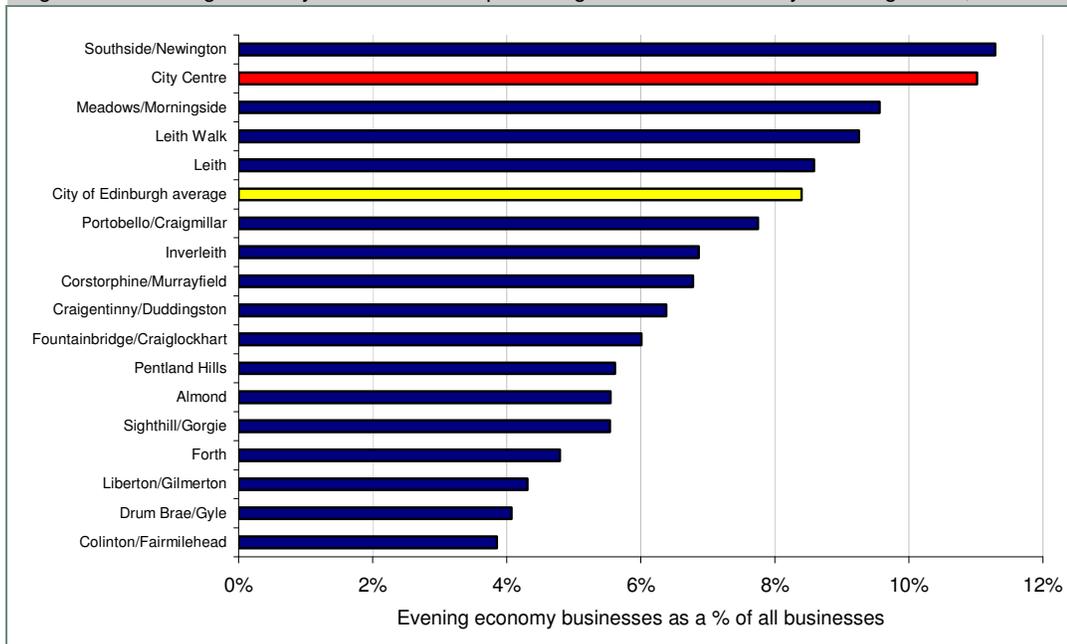
Figure 3-5: Evening economy businesses as a percentage of all businesses by ward, 2008



Source: ABI

3.32 Analysis of the 17 wards which make up the City of Edinburgh shows that Evening Economy related businesses actually make up a greater share of the business base in the Southside and Newington than in the city centre, perhaps reflecting the high proportion of students in the population there. In addition, more than 8% of businesses in the Meadows and Morningside, Leith Walk and Leith wards are involved in the Evening Economy. This evidence suggests that, **compared to the rest of Edinburgh, the city centre is more focused on the Evening Economy but that comparable concentrations can be found in other areas of the city.**

Figure 3-6: Evening economy businesses as a percentage of all businesses by Edinburgh ward, 2008

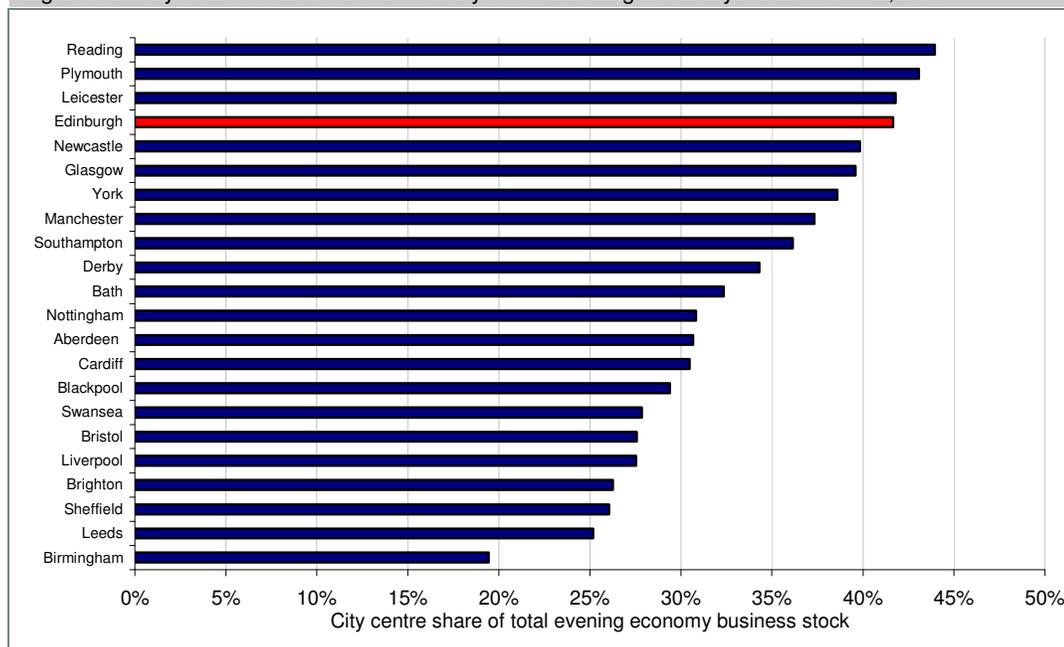


Source: ABI

3.33 A second measure which can be used to identify the importance of the city centre Evening Economy is to identify its share of Edinburgh's total stock of Evening Economy businesses. The higher the share, the greater the concentration of accommodation, restaurants and bars that are found in the city centre.

3.34 **A high concentration of Evening Economy businesses is found in the City Centre ward. Again this is affected by the boundaries of the ward and means that more than 40% of Edinburgh's accommodation, bars and restaurants are found there.**

Figure 3-7: City Centre's share of selected city's total Evening Economy business stock, 2008



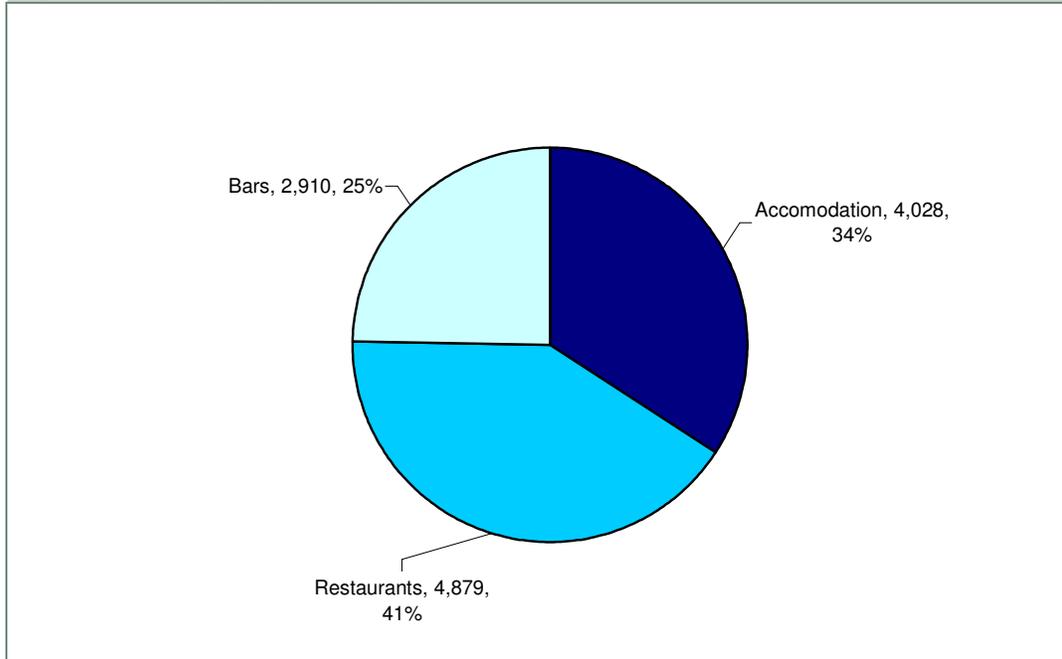
Source: ABI

Employment

3.35 In 2008, it is estimated that there were 11,817 employees working in Evening Economy-businesses in the Edinburgh City Centre ward in 2008. This is 13.6% of a total of 86,715 employees working there. This can be broken down to identify employment in the three key sub-sectors of the Evening Economy; accommodation, restaurants and bars.

- **A greater proportion of employment in Edinburgh city centre's Evening Economy businesses is made by accommodation providers (34%) compared to the UK average (24%) while employment in bars makes up a smaller proportion (25%) compared to the UK average (34%).**

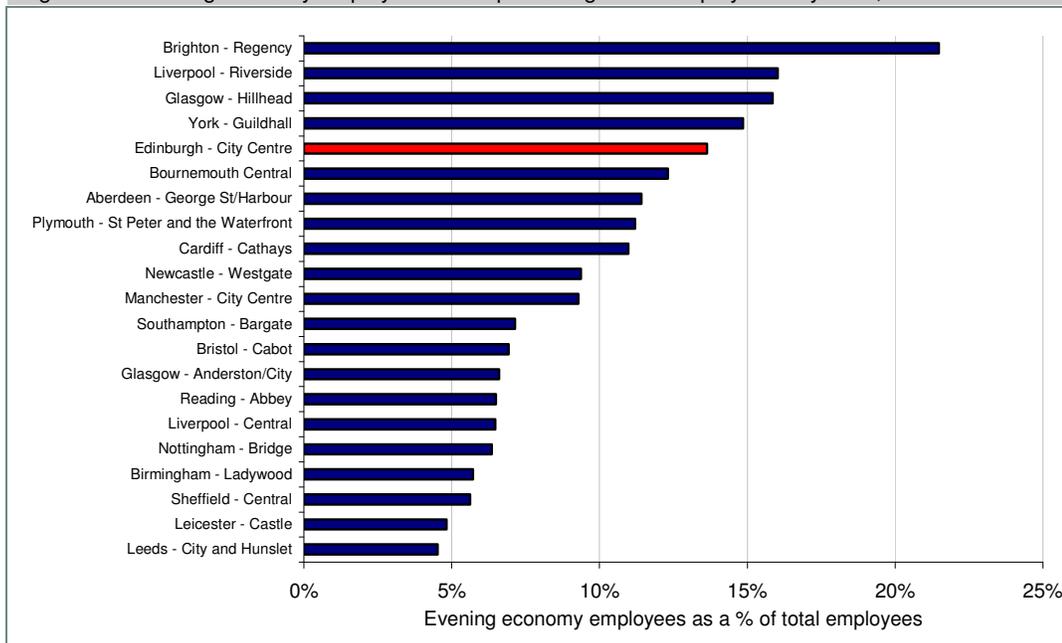
Figure 3-8: Edinburgh city centre employment in bars, restaurants and accommodation, 2008



Source: ABI

3.36 As with the business stock, because of its size the **Edinburgh City Centre ward has a large number of employees in Evening Economy businesses compared with wards elsewhere.** The proportion of all employment is a better measure of concentration. Edinburgh's City Centre has a lower concentration than for example the main Evening Economy wards in Brighton, Liverpool, Glasgow and York. In Edinburgh City Centre the proportion of employment in the Evening Economy is fairly high (13.6%), but not as high as many smaller more heavily tourism-based areas.

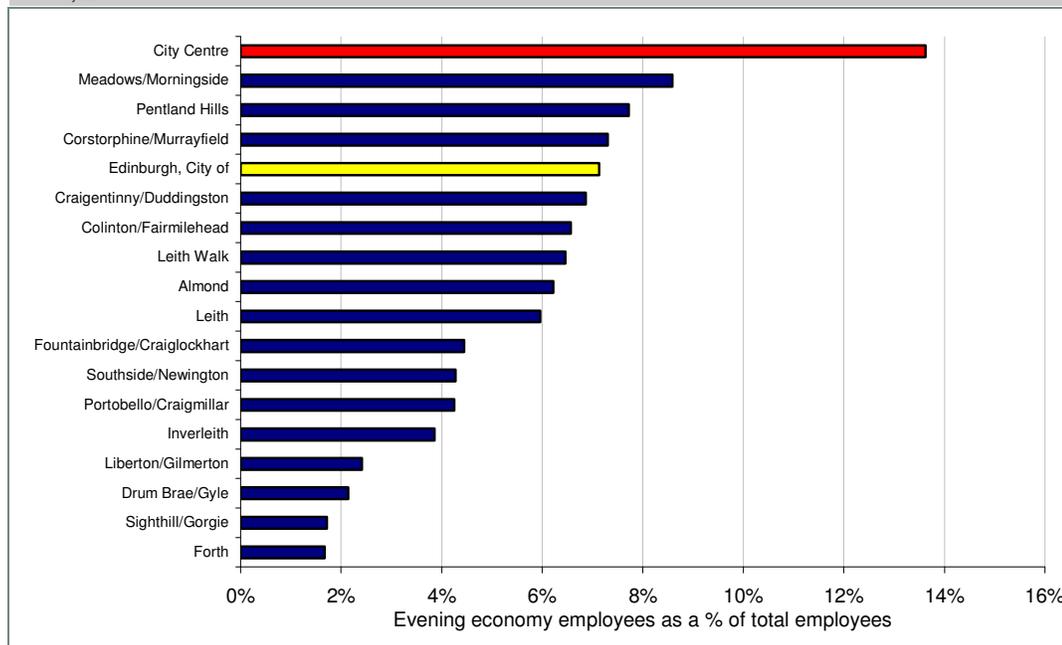
Figure 3-9: Evening economy employment as a percentage of all employment by ward, 2008



Source: ABI

3.37 Compared with the other wards which make up the City of Edinburgh, it is clear that the Evening Economy provides a greater share of total city centre employment than in the other wards.

Figure 3-10: Evening economy employment as a percentage of all employment by City of Edinburgh ward, 2008

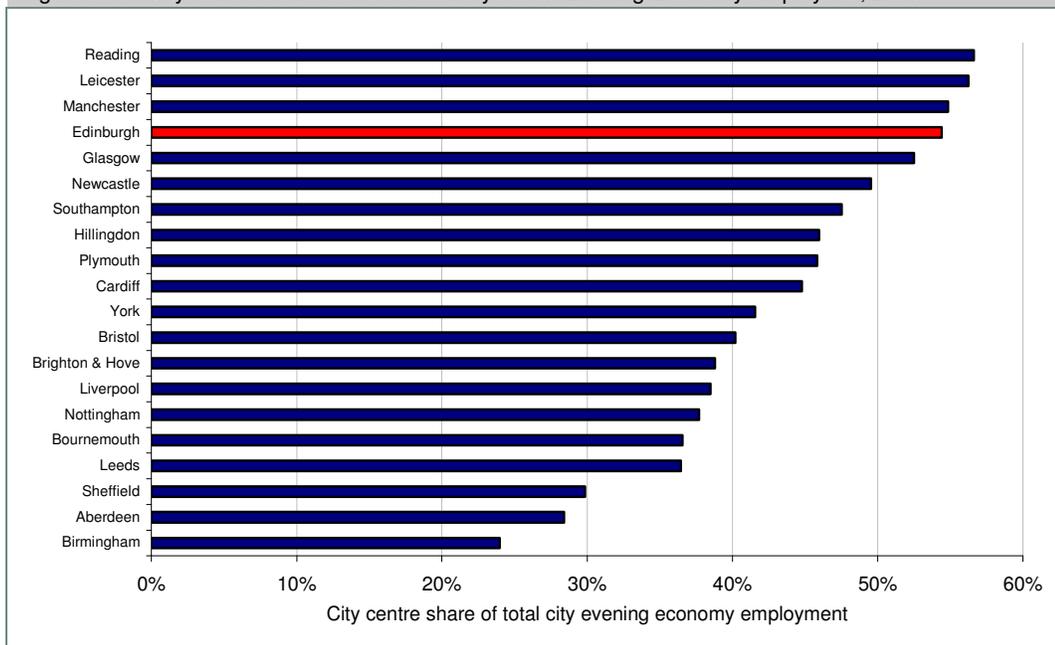


Source: ABI

3.38 A second measure which can be used to identify the importance of Evening Economy business employment is to identify the city centre's share of a city's total stock of Evening Economy employees. The higher the share, the higher the concentration of accommodation, restaurants and bars employees that are found in the city centre.

3.39 **The size of the ward relative to others also means that around half (54%) of Edinburgh's Evening Economy jobs are located in the city centre.**

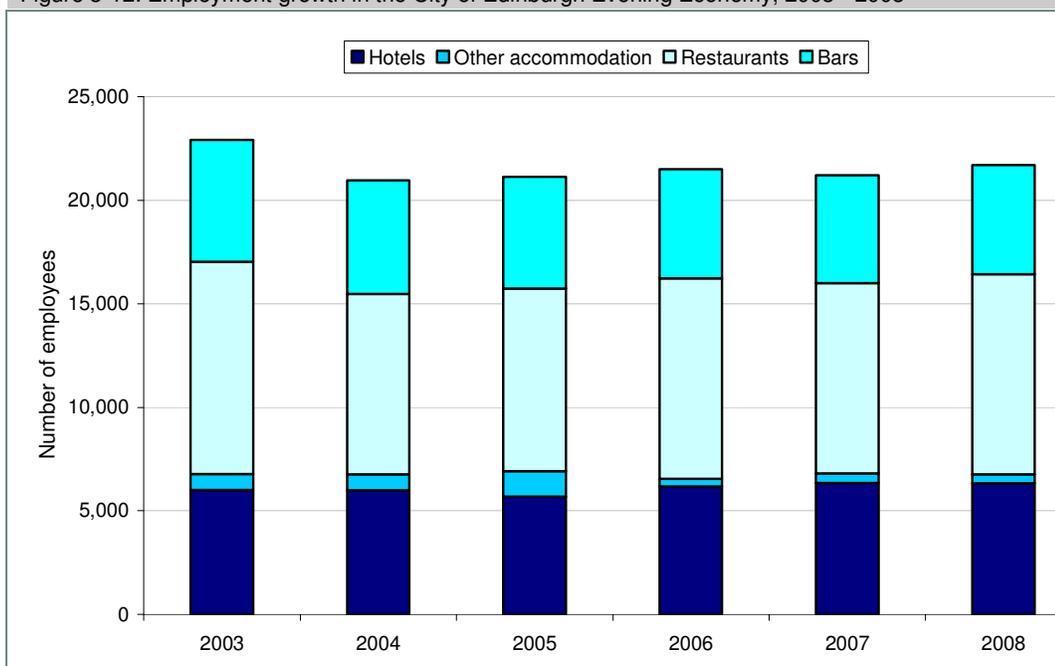
Figure 3-11: City Centre's share of selected city's total Evening Economy employees, 2008



Source: ABI

3.40 The number of employees in the City Centre's Evening Economy has fallen between 2003 and 2008. Employees working for accommodation providers in the city centre numbered 6,791 in 2003 and 6,774 in 2008. However, there were significant falls of almost 600 employees in both the city centre's restaurants and bars across the same period.

Figure 3-12: Employment growth in the City of Edinburgh Evening Economy, 2003 - 2008



Source: ABI 2003 - 2008

3.41 To help understand the scale of employment in Evening Economy related jobs, Table 3-4 shows the top ten sectors in terms of employment in the city centre. The Evening Economy

employs 11,817 people in the city centre from a total of 86,715. This is slightly more than are employed in retail and in legal, accountancy and consultancy services, but slightly less than the number employed in financial intermediation.

Table 3-4: Employment in Edinburgh City Centre ward (key sectors 2008)

Sector	Employees
Financial intermediation	14,237
Legal, accounting, book-keeping and auditing activities; tax consultancy; market research and public opinion polling; business and management consultancy	10,513
"Evening Economy" related businesses	11,817
Retail	8,789
Education	2,348
Health and social work	5,066
All employment	85,715

Source: Annual Business Enquiry

Gross Value Added (GVA)

- 3.42 GVA is an indicator of wealth creation (value added) as a result of economic activity and can be calculated for the Evening Economy businesses for comparison with other sectors. Essentially GVA is the difference between the turnover of the sector and the costs of bought in goods and services. This is done by using the turnover to GVA ratios for each sector and applying these to the number of employees within the city centre ward in Edinburgh.
- 3.43 GVA per employee figures for the hotels and restaurants sector¹⁹ are available for each local authority in Scotland up to 2007 from the Scottish Government²⁰. In order to smooth out any anomalies in the data, we have taken an average of the five most recent years for each sector. **The 2008 data is unavailable so an estimate of GVA per employee has been calculated using the average of the preceding four years.** Table 3-5 shows the estimate of GVA in Edinburgh based on the number of employees.

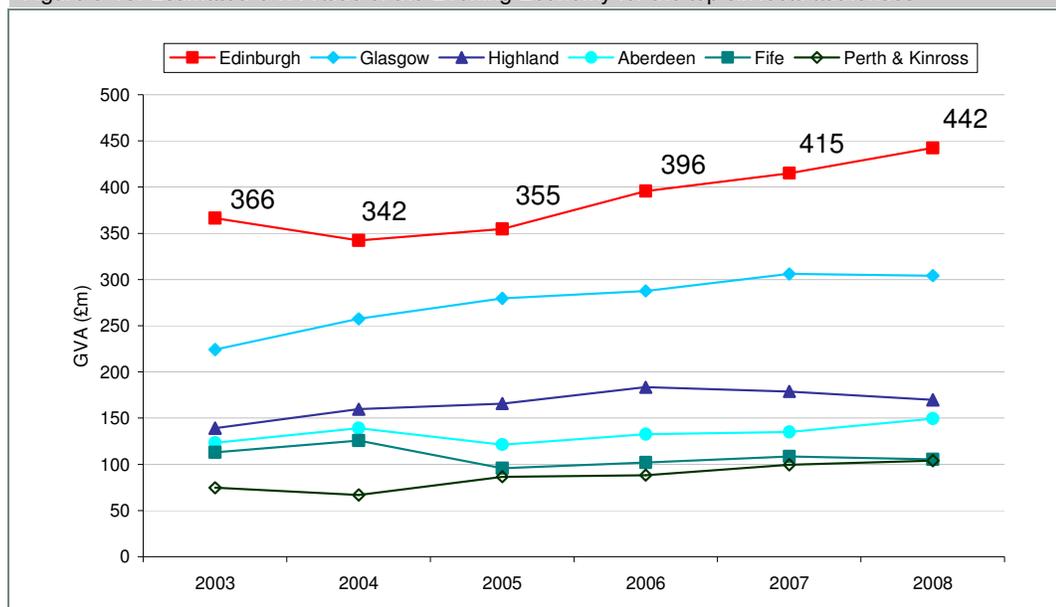
Table 3-5: Calculating GVA impact of the Edinburgh Evening Economy (2008)

Region	Employees	GVA per employee (£)	Estimated GVA (£m)
Edinburgh, City of	21,700	20,387	442

Source: ABI, Scottish Annual Business Statistics

- 3.44 This process was repeated for each of the 32 Scottish local authority regions for each year between 2003 and 2008. Employment data before 2003 do not include hotels so previous years have not been included. Figure 3-13 shows the change in Evening Economy business GVA for the six Scottish local authorities with the highest values. In Edinburgh almost half of this GVA is generated in the City Centre ward.

Figure 3-13: Estimated GVA value of the Evening Economy for the top six local authorities



Source: ABI, Scottish Annual Business Statistics

¹⁹ As well as the SIC codes used to define the Evening Economy, these statistics also include SIC 55.5: Canteens and Catering.

²⁰ <http://www.scotland.gov.uk/Topics/Statistics/16170/4363>

- 3.45 For comparison, the total GVA produced in Edinburgh is estimated to be £6,250 million. This would mean that the Evening Economy businesses contribute around 7% of the city's GVA. The City Centre ward contributes just over half (£240 million) of the city's Evening Economy GVA.**

Contribution by visitors

- 3.46 Between January and September 2008, the STEAM data collected for City of Edinburgh Council²¹ suggests that visitors to the city spend a total of £301 million with accommodation providers and a further £197 million on food and drink. According to VisitScotland statistics²² 80% of visitors come to Edinburgh between January and September. By adjusting these figures to include the other 20% it is possible to estimate an annual figure for 2008 of £376 million on accommodation and £246 million on food and drink.
- 3.47 The ABI data indicates that turnover of businesses in the accommodation and food and drink sectors was £897 million. This would mean that expenditure by visitors on accommodation represents around 42% of the turnover of this. Comparing these two sources suggests the results shown in Table 3-6.
- 3.48 An alternative approach would be to use household average annual expenditure on food and drink services. The Scottish average is £30.10 a week²³ (£1,596 a year). There are estimated to be 282,520 households in Edinburgh which would mean an estimated expenditure of £450 million, although not all of this would be in their own city.
- 3.49 There are challenges with all of these sources and matching them, but we would broadly conclude that resident expenditure on food and drink is greater than that of visitors.

Table 3-6: Evening economy related GVA by sub-sector and source of demand, 2008

		£ million	Source
A	Total turnover in accommodation and food and drink sector in Edinburgh	£897	ABI data 2007
B	Accommodation expenditure made by visitors	£376	Edinburgh City Council STEAM data
C	Food and drink expenditure of visitors	£246	Edinburgh City Council STEAM data

Source: SQW Consulting

²¹ STEAM data, Global Tourism Solutions (UK) Ltd

²² http://www.visitscotland.org/pdf/provisional_edinburgh-lothians_2008.pdf

²³ http://www.statistics.gov.uk/downloads/theme_social/Family-Spending-2008/A37_Final_2008.xls

4: Perceptions of Edinburgh's Evening Economy

- 4.1 Given the importance of the Evening Economy to the city, the concern is that there is a point at which the scale or nature of associated activities eventually could cause serious negative effects on Edinburgh's economy. This would happen, for example, if the city became associated with undesirable levels of rowdiness and anti-social behaviour; this is likely to manifest itself in concerns about safety in the city. This could create a reputation which would deter visitors, students and/or investors with negative consequences for the city's economy.
- 4.2 The evidence that we have gathered from various surveys does not suggest that Evening Economy activity is seriously harming the city's reputation or having a detrimental effect. It does not appear to be a strong reason for visiting, but nor does it appear to be a deterrent. However, we suggest that the City Council and partners use the range of surveys to monitor perceptions of visitors, residents and the wider public to ensure that any potential issues are identified early and can be dealt with before. This section considers some of the evidence around perceptions of the city and the Evening Economy.

The importance of the Evening Economy to Edinburgh's brand

- 4.3 Edinburgh has been judged as being a city that is associated with a good atmosphere and culture for visitors and residents. In a 2009 YouGov poll of 10,000 members of the public, Edinburgh was rated highest in the UK for overall desirability as a place to live²⁴.
- 4.4 According to representatives from Destination Edinburgh, the city's reputation for visitors and tourism is based on being a "boutique city" with "understated elegance". Those responsible for promoting the city as a visitor destination point to the city holding the largest number of Michelin starred restaurants outside London (for any UK city); its broad variety of pubs and restaurants including strong independent and boutique brands as well as the regular chains, as key features of its appeal. For example, the city's boutique hotels are seen as adding to the city's brand values combining history and heritage with style and a modern edge.
- 4.5 The Evening Economy is very important in reflecting Edinburgh's image and reputation as a contemporary cultural city. People *expect* to find a vibrant Evening Economy within the city and this is vital to maintain its position as one of the most visited European capitals.
- 4.6 The visitor profile for Edinburgh tends to be relatively wealthy and quite young, looking for café and bistro culture alongside the heritage and cultural offer.
- 4.7 Business tourism is also seen as important for the city and its credibility as a destination for conferences and conventions depends on being able to offer a range of services, pubs and restaurants as well as suitable accommodation. The primary focus for Edinburgh tends to be

²⁴ http://news.bbc.co.uk/1/hi/scotland/edinburgh_and_east/8199815.stm

on academic-related conferences rather than the larger trade fairs. One of the selling points for Edinburgh in this market is the availability of a range of accommodation options all within the city centre. For example, for academic conferences some delegates will be students or self-supported, some will be representing corporate organisations and others will be professorial level academics – all will have different accommodation requirements. Having these facilities concentrated in the city centre is a great advantage.

- 4.8 Lifestyle and location are regarded as key drivers for student recruitment. Edinburgh Napier University has reported a healthy increase in enquiries from perspective international students²⁵ since adding “Edinburgh” to the University’s title. Similarly, Edinburgh University has reportedly seen a 10% rise in applications from international students over the past year.
- 4.9 From an inward investment perspective, Edinburgh is performing relatively well. The city won the accolade of “best small city of the future” from fDI magazine for the past two years and for 2010 was placed highest of any small city in the overall rankings. This is judged on criteria including economic potential, quality of life and business friendliness.
- 4.10 According to Destination Edinburgh, Edinburgh’s ability to court particular inward investors is heavily influenced by the city’s reputation, perceived culture and quality of life. Having a diverse Evening Economy is a vital element of quality of life for the target group. For example, the city’s lively gay scene is indicative of a tolerant and inclusive society and culture which supports a diverse range of high quality talent and in which knowledge economy businesses (c.f. Richard Florida work) expect to flourish.
- 4.11 Clearly this will sit alongside other factors, such as Edinburgh’s connectivity to the rest of the UK and internationally (especially via public transport links), its supply of high quality graduates and talent.

Visitor perceptions

- 4.12 The Edinburgh Visitor Survey, undertaken between October 2009 and February 2010, reflects the importance of the Evening Economy to visitors²⁶. From a base of 556 responses, 28% of respondents stated that the city’s pub, bars and nightlife were one of the reasons that they wanted to visit the city.
- 4.13 As we would expect, the total proportion of visitors who went out to pubs and bars during their visits was much higher, at 62%. Importantly too, visitors gave comments about the quality of the Evening Economy. When asked in the same survey what “*most impressed them about the city*”, 35% referred to the city’s pubs and bars, 31% mentioned the restaurants and 11% cited the available nightlife. A considerably higher proportion of respondents stated that other aspects of city impressed them most, for example 82% of visitors were impressed by the architecture and buildings and 71% were impressed by the beautiful/picturesque setting. But the responses relating to pubs and bars; and restaurants were in line with shopping although somewhat higher than museums or art galleries.

²⁵ Reportedly up by 30%

²⁶ Note that the period reported does not include the main festival periods, although it does cover the Winter Festivals; also it covers the darkest months of the year, in which we might expect people to feel more vulnerable during the evenings

- 4.14 Nightlife did not feature particularly highly, which could either be interpreted as the offer being not particularly impressive, or that it just wasn't an important factor to these visitors. The various responses are given in Table 4-1.

Table 4-1: Responses to 'What most impressed you about the city'

Aspect of city	Number	Percentage
Architecture/Buildings	556	82%
Beautiful/ picturesque setting	482	71%
Castle	464	69%
Old town	459	68%
Everything is in walking distance	436	64%
Historic town / buildings	431	64%
Atmosphere/ ambiance	414	61%
Plenty to do and see	376	56%
Views	372	55%
Friendly / helpful people	356	53%
Green spaces / gardens	263	39%
Pubs / bars	238	35%
Everything / the whole city	230	34%
Shopping	215	32%
Restaurants	208	31%
Attractions	198	29%
Museums	152	22%
Art galleries	95	14%
Nightlife	73	11%
Aspect of nightlife	62	9%
Don't know / not sure	3	0%

Source: Edinburgh Visitor survey

- 4.15 Within another question in the same survey, few respondents reported any negatives affecting their enjoyment that related to the Evening Economy. Less than five percent (of less than half the full survey sample answering this question) mentioned drunkenness or drinking; noise or loudness or a feeling of being unsafe as aspects that would have improved their visit to Edinburgh.
- 4.16 The 2007 Business Improvement District (BID)²⁷ Benchmark of Attitudes Survey (2007) reported that a third of visitors²⁸ to the BID were in the area to visit the pubs and bars and a

²⁷ Edinburgh City Centre Management Business Improvement District: Benchmark of Attitudes, Report of key research findings, August 2007

further 15% were there to eat out in the evening. The quality of the city centre's pubs, clubs and restaurants is reflected by the fact that 61% of respondents stated that the quality of provision was the main reason for using eating and drinking in the BID area.

- 4.17 Respondents were also asked what aspects of the BID area they most disliked in the evening. Although the levels voicing concerns about “[not feeling] safe/worried about crime” are low at around 4%, almost one in five of those interviewed disliked the fact that Rose Street had “too many rowdy crowds”. This survey would suggest that in some specific areas there are perceptions of rowdiness, which are perceived by some groups as a nuisance but are not being perceived necessarily as a threat to safety. It would be useful to use this as a baseline and to monitor trends.
- 4.18 Within the same survey, visitors were asked to rate on a scale of one to seven, the level of improvement required for different aspects of the BID. The results are summarised in Table 4-2. The final column gives the mean response for each aspect. Scores are from 1 (a lot of improvement needed) to 7 (needs no improvement). **Lower scores reflect a greater level of improvement required and vice versa.**
- 4.19 The scores show that feeling safe at night was far less of an issue for visitors than many other aspects of their visit. It does not indicate significant problems around perceptions of safety at a level that might deter visits.

²⁸ In this study, “visitor” refers to a group of visitors living within 40 minutes of Edinburgh; it does not include tourists from further afield.

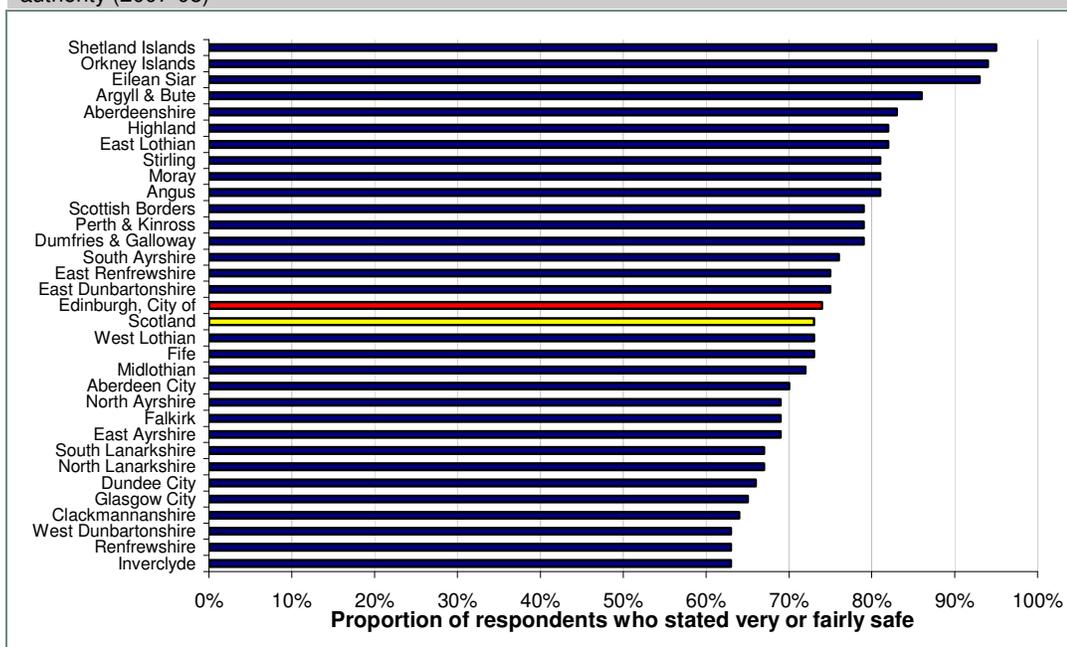
Table 4-2: Level of improvement required for aspects of BID

Level of improvement (1 – 7)	a lot of improvement required							Needs no improvement at all	Don't know	Mean
	1	2	3	4	5	6	7			
The cost of car parking	38%	19%	9%	6%	2%	3%	2%	22%	2.13	
The availability of parking	32%	16%	11%	8%	5%	5%	5%	18%	2.43	
Ease of access by car	24%	24%	15%	7%	4%	8%	3%	15%	2.52	
Child/family friendliness	3%	8%	9%	12%	17%	34%	7%	10%	3.17	
The cleanliness of the streets	2%	6%	14%	6%	20%	42%	9%	1%	3.8	
The quality of shops	3%	5%	5%	6%	19%	51%	10%	2%	3.82	
Quality of the pedestrian signage	0%	6%	5%	7%	17%	49%	11%	4%	3.94	
Ease of access by public transport	2%	6%	3%	7%	21%	43%	17%	1%	3.96	
The quality of restaurants/cafes	1%	4%	5%	8%	16%	49%	14%	2%	4.15	
The general atmosphere /ambience	0%	5%	6%	6%	18%	52%	14%	0%	4.16	
The quality of pubs/clubs	1%	4%	5%	9%	12%	43%	17%	9%	4.39	
The general attractiveness of the area	1%	6%	4%	4%	8%	51%	25%	0%	4.58	
Feeling safe when visiting during the day	1%	5%	2%	2%	13%	54%	24%	0%	5.34	
Feeling safe when walking there in the evening/at night	3%	4%	9%	10%	19%	36%	10%	8%	5.34	

Source: BID Benchmark of Attitudes Survey (2007)

- 4.20 The Scottish Household Survey asks respondents about their perceptions of safety when walking alone in the local neighbourhood after dark. The responses to this question, by local authority, are shown in Figure 4-1. For Edinburgh, three-quarters (74%) of respondents stated that they felt very safe or fairly safe when walking along in the local neighbourhood after dark. This is a very similar proportion as for Scotland as a whole (73%).
- 4.21 However, compared to other Scottish cities, Edinburgh is perceived as safer after dark. For example, a lower proportion of respondents stated that they felt very or fairly safe walking alone after dark in Aberdeen, Dundee or Glasgow.

Figure 4-1: Perceptions of Safety when walking alone in the local neighbourhood after dark by local authority (2007-08)



Source: www.scotland.gov.uk/Resource/Doc/933/0092734.xls

4.22 Further, other evidence also comes from the VisitScotland/HPI survey which compares perceptions of Scottish cities among UK residents. Edinburgh is by far the safest across these comparators, in the middle of the five for night-life and highest for culture, romance. These results indicate a fairly enviable balance of safety and strong cultural offer without being overly driven by night-life.

Table 4-3: VisitScotland/HPI UK residents' perceptions survey Q2 2007 results

	Liverpool	Glasgow	London	Manchester	Edinburgh
A great city for shopping	26	31	80	56	40
A city with great night life	40	34	73	60	45
A beautiful city	12	16	38	9	79
A city with warm friendly people	37	30	15	25	47
It's a city I would feel safe in	16	16	25	19	51
A city which is great for culture	30	33	62	23	68
A romantic city	4	5	24	3	56
A city people are talking about	24	25	49	32	54
A great city to go to with group	37	36	61	44	58
It's a fun & lively city	43	38	64	48	51
All average score	26.9	26.4	49.1	31.9	54.9

Source: VisitScotland

Conclusion

- 4.23 Based on these data that Edinburgh's Evening Economy has a good balance, being neither the main reason for visiting (which could potentially dominate its reputation and have negative effects on some of its markets), nor a reason for not visiting. Evening Economy problems would be expected to show up in perceptions of safety, but Edinburgh consistently scores well against safety worries among visitors. There are some exceptions to this and perhaps more research could be carried out to look at bottlenecks and to assess if there are detrimental effects occurring to the micro-economies of these areas of the city (e.g. Cowgate was mentioned anecdotally by several consultees; Rose Street from the BID survey).
- 4.24 Overall, it is useful to monitor attitudes and experiences of visitors to Edinburgh City Centre to ensure that their perceptions of the Evening Economy and associated rowdiness and/or safety/security perceptions do not change significantly.

5: Conclusions and recommendations

Summary

- 5.1 The Evening Economy plays a very important role in Edinburgh. The City Council has more licensed premises than any other local authority in Scotland, reflecting the demand from visitors, students and residents, but in terms of premises per head of the population Edinburgh is similar to other Scottish cities. According to The City of Edinburgh Licensing data, there were a total of 732 licensed public houses, 181 restaurants and 147 hotels across the city.
- 5.2 The Edinburgh City Centre ward boundaries mean that it has one of the largest numbers of businesses of any ward in the UK. This also means that it covers a large number of Evening Economy businesses relative to other wards. The Annual Business Inquiry data shows that Edinburgh City Centre has:
- 110 accommodation providers
 - 358 restaurants
 - 203 bars
- 5.3 There is still a fairly significant concentration which might be seen as an advantage, giving the city a great deal of diversity within a relatively small geographical area. Evening Economy businesses make up around 11% of all businesses within the Edinburgh City Centre ward, more than the central wards in big cities like Liverpool, Manchester or Birmingham, but less than the central wards in some smaller tourist cities and towns like York, Bath and Blackpool.
- 5.4 Edinburgh's Evening Economy businesses employ 21,700 people (around 11% of total employment in the city). Of these, more than half (11,817) work within the City Centre ward which represents almost 14% of all employment in the City Centre ward. This is a higher number than works in retail, but less than in financial intermediation.
- 5.5 It is estimated that just over 40% of all of Edinburgh's Evening Economy businesses are in the city centre ward.
- 5.6 Using the employment data and broad figures for GVA per employee the report estimates that the Evening Economy businesses in Edinburgh generate around £440 million of GVA. This represents 7% of the city's total.
- 5.7 The ABI data indicates that turnover of businesses in the accommodation and food and drink sectors is just under £900 million. Tourism data collected for the City Council by Global Tourism Solutions (UK) Ltd and adjusted for a full year indicates that £376 million is spent by visitors on accommodation. A broad conclusion would be that resident expenditure on food and drink is likely to be greater than that of visitors.

Perceptions of Edinburgh

- 5.8 Based on the survey evidence available perceptions of Edinburgh's Evening Economy appear to be reasonably well balanced. It is neither a strong reason for tourists to visit, nor a strong reason for not visiting. Problems would be expected to show up in perceptions of personal safety at night, but Edinburgh consistently scores well against safety worries among visitors and the perceptions of the rest of the UK public. There are some exceptions to this and perhaps more local research could be carried out to look at the problem areas (e.g. Cowgate was mentioned anecdotally by several consultees and Rose Street from the BID survey).
- 5.9 Within these surveys there is no suggestion that Edinburgh's wider reputation is being negatively affected by Evening Economy related problems or that this is impacting on visitor perceptions of safety to the extent of other cities. However, maintaining this balance within what is a concentrated and diverse set of Evening Economy activity is a major challenge. It continues to be important to closely monitor how well it functions. This should include monitoring the attitudes and experiences of visitors to the City Centre to ensure that their perceptions of the Evening Economy (and associated safety/inconvenience) improve from an already high baseline.
- 5.10 Most people recognise that within a lively modern capital city, there will be areas that can get rowdy at times. Edinburgh does attract some hen and stag parties (although there is no official estimate of the number) but the city is not promoted as "cheap and cheerful" nor is it seen that way in perception surveys. It is seen as an up-market, fairly expensive destination (which will limit its appeal to a lot of stag and hen parties).
- 5.11 The main issue is around the management of evening activity within the city centre, allowing the residents and visitors to enjoy their time while minimising the negative effects on other residents and on the perceptions of the city that could, in the longer term, damage the city's reputation.
- 5.12 Overall, our report finds that the Evening Economy businesses are an important part of the City Centre, employing almost 12,000 people (14% of those who work there). This activity is also concentrated in a single ward. The output of hotels is the largest single element of the Evening Economy while expenditure on food and drink is evenly divided between residents and tourists.
- 5.13 It is not likely that the Evening Economy is having a negative impact on the city, dissuading visitors or investment, but maintaining reputation depends on good management. It is therefore important to continue and improve monitoring of perceptions. We recommend:
- adding specific questions relating to perceptions of the Evening Economy to the Edinburgh Visitor Survey
 - repeating the attitudes research that was undertaken in the BID area on a regular basis
 - monitoring attitudes amongst visitors and business owners at other key locations such as the Cowgate and Grassmarket
 - working in partnership with organisations such as the Beer and Pub Association to develop strategies for managing a healthy Evening Economy in Edinburgh.