

Title: Platinum Jubilee weekend 2022 RPC Reference No: RPC-DCMS-5045(1) Lead department or agency: Department for Digital, Culture, Media and Sport Other departments or agencies: Department for Business, Energy and Industrial Strategy	
	Impact Assessment (IA)
	Date: 08/04/2021
	Stage: Final
	Source of intervention: Domestic
	Type of measure: Royal Proclamation
	Contact for enquiries: enquiries@dcms.gov.uk

Summary: Intervention and options	RPC Opinion: GREEN
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Cost of preferred (or more likely) option (in 2019 prices)

Total net present social value	Business net present value	Net cost to business per year	Business impact target status
N/A	N/A	N/A	Non-qualifying provision

What is the problem under consideration? Why is government action or intervention necessary?

Her Majesty The Queen's Platinum Jubilee will be a truly historic moment, the first time any British monarch has reached this milestone. Reflecting on Her Majesty's reign, and her impact on the UK and the world since 1952, the government is planning to mark the Platinum Jubilee with a one-off additional Bank holiday in June 2022. This will create a four-day Jubilee weekend which will bring the entire nation and the Commonwealth together in a fitting tribute to Her Majesty's reign.

This follows the precedent set for the Diamond Jubilee in 2012, the Golden Jubilee in 2002 and the Silver Jubilee in 1977. The late May bank holiday will be moved to Thursday 2 June 2022 and the additional bank holiday will take place on Friday 3 June 2022 throughout the UK (including Scotland). Government intervention is necessary

because only the government can recommend to The Queen that she declare an extra bank holiday via a Royal Proclamation.

What are the policy objectives of the action or intervention and the intended effects?

An additional bank holiday will enable celebrations for The Queen's Platinum Jubilee to be centred around a four-day Jubilee weekend in June 2022. This will allow communities across the UK from all sections of society the time to come together, should they so wish, to celebrate together. There will be costs (e.g. business closure) and benefits (national pride and tourism) associated with having an additional bank holiday.

What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)

Do nothing: The first option considered involved doing nothing and breaking the tradition of marking Jubilees with an additional bank holiday.

Option 1 (preferred): Create an additional bank holiday and the moving of the late May bank holiday to create a four-day Jubilee weekend in 2022. - **preferred option**. It follows precedent and tradition and will create a special four-day Jubilee weekend which gives communities sufficient opportunity, should they so wish, to enjoy the occasion and arrange special celebrations. There is no statutory right to take time off or extra pay for employees on a bank holiday - this is a contractual matter between employer and employee. Therefore, non-regulatory options, or alternatives to regulation, are not relevant, and so have been discounted.

Is this measure likely to impact on international trade and investment?		N/A		
Are any of these organisations in scope?	Micro Yes	Small Yes	Medium Yes	Large Yes
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)		Traded:		Non-traded:
Will the policy be reviewed? It will not be reviewed. If applicable, set review date: N/A				

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Patricia of Whitley Bay

Signed by the responsible: _____ Date: 23/02/2022

Summary: Analysis & Evidence

Policy Option 1

Description:

FULL ECONOMIC ASSESSMENT

Price Base Year 2019	PV Base Year 2020	Time Period Years	Net Benefit (Present Value (PV)) (£m)		
			Low: -2570	High: -2210	Best Estimate: -2390

COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate			

Description and scale of key monetised costs by 'main affected groups'

The key monetised cost is the loss of output due to business closure during the additional Jubilee bank holiday. This is measured by considering changes in GDP, which is also subject to any positive impacts of the Jubilee, for example increased retail expenditure. For this reason, there is not an overall assessment of costs as they cannot be disaggregated from benefits in the method used.

Other key non-monetised costs by 'main affected groups'

Businesses will also face familiarisation costs from having to read and understand the details of the policy and any legal requirements associated with it. There will also be implementation costs, which is the time involved in disseminating this information to the rest of the business, as well as other administration costs. We expect this to be negligible as there are already several bank holidays a year, and businesses are likely to already be aware of how a bank holiday will apply to them, as well as being given warning of the upcoming bank holiday.

Further costs may be incurred for businesses that remain open and decide to pay staff a premium wage for working during the bank holiday. However, there is no legal obligation for businesses to do this.

BENEFITS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate	N/A	N/A	N/A

Description and scale of key monetised benefits by 'main affected groups'

Key benefits include

1. The 'bounce back' in output in the quarter following the business closure on the Jubilee weekend.
2. Increase in demand during the Jubilee weekend for certain sectors such as Retail, Hospitality and Tourism - both domestic, and international.

As with the costs, these benefits are one-off impacts. We have not included an overall assessment of the benefits as the impacts of an additional bank holiday during the Jubilee is estimated using changes in GDP, which captures both the costs and benefits. Therefore, we have been unable to disaggregate for an estimation of the benefits.

Other key non-monetised benefits by 'main affected groups'

There is a significant evidence base showing the benefits of holidays for mental health and wellbeing. The Platinum Jubilee weekend can be expected to have further benefits to wellbeing since it will be part of a national celebration that can increase civic pride, social cohesion and national identity. Wellbeing benefits are not captured in our approach which considers the potential impact of the Jubilee on national output.

Key assumptions/sensitivities/risks**Discount rate (%)**

3.5

1. Estimating the net present value is sensitive to future UK GDP and growth rates which are uncertain.
2. The impact of an additional bank holiday on output is difficult to measure. Other variables that affect GDP may be captured when trying to examine the previous impacts of Jubilee Weekends.
3. Other uncertain factors that will impact the costs and benefits include consumer and business confidence, tourism and the economic context, the weather and post-COVID restrictions during the Jubilee weekend.

BUSINESS ASSESSMENT (Option 1)

Direct impact on business (Equivalent Annual) £m:			Score for Business Impact Target (qualifying provisions only) £m: N/A
Costs: N/A	Benefits: N/A	Net: N/A	

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1.0 Policy rationale

Policy background

1. Queen Elizabeth II acceded to the throne on 6 February 1952 and the Coronation took place on 2 June 1953. The Platinum Jubilee in 2022 will mark 70 years since Her Majesty's accession -no previous British Monarch has ever celebrated a Platinum Jubilee.
2. The government is planning to mark the Queen's Platinum Jubilee with a one-off additional bank holiday in 2022. This follows the precedent set for the Diamond Jubilee in 2012, the Golden Jubilee in 2002 and the Silver Jubilee in 1977. Government intervention is necessary because only the government can recommend to The Queen that She declare an extra bank holiday via a Royal Proclamation.
3. The late May bank holiday will be moved to Thursday 2 June 2022 and the additional bank holiday will take place on Friday 3 June 2022 throughout the UK which will therefore create a special four-day Jubilee weekend, following the precedent of previous Jubilee years.
4. Buckingham Palace is responsible for organising The Queen's programme, as well as overseeing the central plans for the four-day Jubilee weekend.
5. The Department for Digital, Culture, Media and Sport (DCMS) is responsible for co-ordinating the government-led aspects of the Platinum Jubilee celebrations. DCMS and the Royal Household will work together to ensure that this historic occasion is marked in a fitting manner. This will allow communities across the UK from all sections of society the time to come together, should they so wish, to celebrate the events of the last 70 years.
6. Her Majesty's power to declare additional bank holidays arises under the Banking and Financial Dealings Act 1971, and is usually undertaken on advice of ministers and BEIS.

Policy implications

7. The additional bank holiday scheduled for the Platinum Jubilee in 2022 will be a one-off bank holiday and does not add to the number of permanent bank holidays in the UK.
8. The government regularly receives requests for additional bank holidays to celebrate a variety of occasions. However, the current pattern of permanent bank holidays is well established and there is no intention to increase the number. In addition, there is no statutory right to time off for bank holidays. Any right to time off or extra pay for working on a bank holiday depends on the terms of an employee's contract of employment.
9. Most bank holidays are listed in the Banking and Financial Dealings Act 1971. There are other Public Holidays such as Good Friday and Christmas Day which arise through custom and practice. In addition, there are some bank holidays which are appointed or moved to another date by Royal Proclamation pursuant to powers under the 1971 Act - these include one off bank holidays to celebrate a particular occasion such as the Millennium or Royal Event. Bank holidays are devolved in Scotland, and the Scottish Government have agreed to seek bank holidays on identical dates.

10. A public consultation was not held on this issue as it was not deemed appropriate. It was also not possible to consult with business during the process of creating this Impact Assessment, as the Palace had not yet spoken publicly about the Platinum Jubilee.

2.0 Costs and benefits

Option 0 – Do nothing

11. This option involves doing nothing, which would mean both not having an additional bank holiday and not moving the late May bank holiday to coincide for a four-day Jubilee weekend. This option was not agreed as it would break with the tradition of marking Jubilees with an additional bank holiday.

Option 1 – Creating an additional bank holiday and moving the late May bank holiday to create a four-day bank holiday weekend

12. This motion follows precedent and tradition and will create a special Jubilee weekend (moving late May bank holiday and creating an additional bank holiday) which gives communities sufficient opportunity, should they so wish, to enjoy the occasion and arrange special celebrations.

Costs and benefits

13. Due to the policy being a one-off event it falls outside of the Better Regulation Framework; therefore, we will not calculate an Equivalent Annual Net Direct Cost to Business (EANDCB). It would be inappropriate to annualise a one-off cost such as this additional bank holiday, and as a result it is not required to calculate the EANDCB for the purposes of Business Impact Targeting reporting. As a result, the figure given is the net present value of the additional bank holiday, which is calculated by assessing the likely change in GDP because of the additional bank holiday and Jubilee celebrations.
14. To estimate the impact of the Jubilee weekend, we took a top-down approach to calculate the likely impact on GDP associated with the policy. This incorporates both the estimated monetised costs and monetised benefits associated with the Jubilee weekend.
15. The fall we predict in GDP takes into account both the output lost from the extra bank holiday, but also the output that might be gained in certain sectors like hospitality and tourism.
16. We predict a 'bounce-back' effect¹ in the following quarter, as has been observed in previous Jubilee years, because output is displaced and businesses increase productivity to meet delivery deadlines.
17. A detailed sector-by-sector assessment would enable us to disaggregate the costs and benefits and give a more comprehensive estimation of the impacts of the Jubilee weekend. However, it was not feasible to quantify the specific effect on each sector. Instead, we have examined sectoral impacts under the non-monetised costs and benefits to provide further detail, acknowledging that this does not give a comprehensive analysis of all sectors.

¹ [Do bank holidays cost the economy?](#) - BBC

Familiarisation and implementation costs

18. The initial costs are those associated with businesses familiarising themselves with the additional bank holiday and implementing any necessary changes, which would fall on businesses between when the additional bank holiday was announced and the bank holiday in 2022.
19. All businesses will have the familiarisation cost associated with this policy, which is the cost of having to read and understand the details of the policy and any legal requirements associated with it.
20. Following this, there may be some implementation costs:
 1. Time spent deciding whether to remain open during the bank holiday
 2. Time spent deciding whether to pay staff extra during the bank holiday and how much
 3. The time involved in disseminating this information to the rest of the business.
 4. Adjusting websites or physical signs.
 5. Other administration costs.
21. The extent to which these costs are experienced depends on:
 1. Whether a business decides to remain open or close during the Jubilee weekend.
 2. Whether a business decides to pay staff extra for working during the Jubilee weekend.
22. It can be assumed that all these costs are negligible, as there are already several bank holidays a year, and businesses are likely to already be aware of how a bank holiday will apply to them. Also, businesses will have been given warning of the bank holiday, with the early announcement in November 2020. Therefore it is unlikely that a significant amount of time will be spent adjusting to the policy.
23. We were unable to engage with businesses and other stakeholders on this as the Palace had not yet spoken publicly about the Platinum Jubilee.

Previous impacts of Jubilee bank holidays on output

24. Prior to the COVID-19 pandemic, the largest monthly decreases in GDP were in the months of the Queen's Golden Jubilee in 2002 (-2.2%) and the Queen's Diamond Jubilee in 2012 (-1.5%), as outlined in Table 1 below. This highlights that the additional bank holiday and the associated business closure are likely to have a significant negative effect on GDP in the month they occur. However, these significant falls in GDP have historically been paired with a 'bounce back' in the following month. The 'bounce-back' effect may occur as businesses increase production to meet delivery deadlines.
25. Table 1 below demonstrates both the historic decrease in month-on-month GDP during June (when the Jubilee Weekends occurred) and the 'bounce-back' effect in July. Considering both these effects allows for us to consider the totality of impacts for the Jubilee weekend. Purely looking at the impacts in the month of June may be misleading as it will overestimate the costs of the additional Jubilee bank holiday.

Table 1: Monthly GDP growth rate in Jubilee bank holiday month and month following²

CVM, Seasonally Adjusted	June (Jubilee month)	July
5-year average 1997-2001	0.35%	0.31%
Golden Jubilee (2002)	-2.23%	1.55%
5-year average 2007-2011	0.06%	0.19%
Diamond Jubilee (2012)	-1.61%	1.85%

Note: Monthly figures included in the table above are ONS modelled estimates, not direct observations.³

Table 2: Quarterly GDP growth in Jubilee bank holiday quarters, and the quarter following (chained volume measures, seasonally adjusted)⁴

CVM, SA	Quarter 2 (Jubilee Quarter)	Quarter 3
5-year average 1997-2001	0.7%	0.8%
Golden Jubilee (2002)	0.5%	0.7%
5-year average 2007-2011	0.2%	0.1%
Diamond Jubilee (2012)	-0.1%	1.2%

26. As shown above, if the Platinum Jubilee bank holiday weekend is considered within only one month or quarter, then there is likely to be a sharp negative impact on output, as the loss in output is likely to exceed the increase in spending for that one day. However, if the impact of the bank holiday is measured over a longer period of time, then the net effect may counteract some of this decrease. The evidence suggests that firms boost production in later months to offset the loss in production from the additional day of business closure. Though firms might not be able to totally offset the loss in production for that one additional bank holiday, three months gives time to 'play catch up'. It is therefore important to consider the impact of the bank holiday on output over both Q2 and Q3 for 2022 rather than the impacts on monthly GDP.

27. Some firms, particularly in sectors that are more likely to see an increase in demand during the Jubilee weekend (e.g. retail and hospitality), may pay staff extra to work on the additional bank holiday; this could reflect an anticipated increase in productivity for those firms and their workers. The expected sectoral impacts of the Jubilee weekend are discussed in more detail on page 15.

² [Dataset Monthly GDP and main sectors to four decimal places](#)

³ [Statistical Special Events, Q2 2012](#)

⁴ [Gross Domestic Product: Quarter on Quarter growth: CVM SA](#)

28. In their Special Events in 2012 note⁵ the ONS took a retrospective look at the potential impact the Diamond Jubilee extra bank holiday had on UK GDP. In this they estimate that in Q2 ‘the impact of the Diamond Jubilee is likely to have been around 0.3 to 0.4% [decrease in] GDP’. Caveating that “this is clearly a very approximate approach, but it is impossible to be more precise. Such an estimate should therefore be regarded as indicating the broad order of magnitude rather than a statistically robust estimate”. It also appears this does not include any possible ‘bounce-back’ effect that may have occurred.

Degree of business closure

29. The degree of business closure will likely impact the scale of the output change from this additional bank holiday. There is little evidence available on the response of businesses to the bank holiday in terms of granting their employees the day off. Moreover, the 2022 additional bank holiday falls on a Thursday immediately followed by the late May bank holiday on Friday. Coupled with the fact that this will also be school half-term week in many cases, this long weekend is likely to have a marked effect on business decisions and the behaviours of workers in planning annual leave.

Monetised costs and benefits

30. Replicating the method used in the 2012 Impact Assessment (see Annex C for detail) has not been deemed appropriate for estimating the impacts of the 2022 Platinum Jubilee weekend.

31. The approach used in this Impact Assessment examines changes in output (GDP) from the past two Jubilee Weekends (2002 and 2012) and uses this to make estimates for 2022 output in Q2 and Q3. Comparing this with a baseline gives an estimation for the impacts of the 2022 Platinum Jubilee.

32. It’s important to consider the impacts of output across both Q2 and Q3. Since cost benefit analysis should consider all impacts of government intervention, it makes sense to include not only the effect on output over the Platinum Jubilee month, or quarter, but also the upward distortion in production figures for the quarter following the event.

The level of national output in 2022

33. In order to calculate the net present value of a given reduction in GDP, a forecast of national output in 2022 is required. There is a large degree of uncertainty involved in forecasting the level of Gross Domestic Product (GDP) in 2022, particularly in light of the COVID-19 pandemic. For the purposes of this Impact Assessment, we assume that 2022 GDP follows the path implied by forecasts produced by the Office for Budget Responsibility (OBR), who produce the Government’s official macroeconomic forecasts. The OBR forecasts used for this analysis were published in the OBR’s November 2020 economic and fiscal outlook⁶. Table 3 below shows OBR’s central forecast scenario for real GDP.

Table 3: OBR central scenario forecast (Real GDP) - 2016 prices. Source: November 2020 economic and fiscal outlook

Central Scenario	2022 Q1	2022 Q2	2022 Q3	2022 Q4
Index*	98.1	99.2	99.9	100.6
GDP (£m)	513963	519726	523393	527061

* 2019 Q4 = 100

⁵ [Special Events in 2012: Impact of the Diamond Jubilee and London 2012 Olympics on the UK Economy \(ONS, 2013\)](#)

⁶ [Economic and fiscal outlook - November 2020](#)

34. If you take the central estimate, then real GDP at the time of the bank holiday (2022 Q2) is expected to be £519 billion in 2016 prices. See Annex B for the upside and downside forecast scenarios which are also included in the OBR’s economic and fiscal outlook.
35. There is a large degree of uncertainty involved in forecasting GDP for specific quarters in 2022, especially when considering the uncertainty created by COVID-19. Using the November 2020 OBR forecasts, GDP grows by -12.4% in 2020, 8.7% in 2021 and 4.5% in 2022.

Methodology: monetised costs and benefits

36. To quantify the costs and benefits, we have estimated the impact of previous Jubilee weekends (2002 and 2012) by examining the Q-o-Q past GDP growth rates for quarter of the Jubilee weekend in Q2 and the following quarter Q3 in comparison to a 6-year average of Q-o-Q growth rates observed in the years surrounding the 2002 and 2012 Jubilees.
37. The Q-o-Q GDP growth rates in Q2 and Q3 are averaged together (Table 5) in order to create a baseline to estimate the *Jubilee effect* against. This is assumed to represent what growth would otherwise have been in Q2 and Q3 in 2002 and 2012..
38. The 1977 Jubilee bank holiday has not been considered due to the 45-year time gap for the upcoming Platinum Jubilee. It is assumed that due to structural changes (e.g. deindustrialisation) in the UK economy over this time period, the effects of this additional bank holiday would not be comparable.
39. We start by looking at the quarterly growth rates in GDP for the Jubilee years (2002 and 2012) taken from ONS (Table 4). Q2 in each year (2002 and 2012) is the quarter in which we typically would expect lower levels of growth, due to business closure on the day of the additional Jubilee bank holiday. Whereas Q3, the following quarter, we might expect an increase in growth due to a ‘bounce-back’ effect, for example businesses may become more productive to meet delivery deadlines. Given the absence of better data, averaged growth rates for Q2 and Q3 from 6 non-Jubilee years either side of 2002 and 2012 are used as an estimate for what growth rates would have been in Q2 and Q3 in 2002 and 2012 for a counterfactual without a Jubilee bank holiday. We then apply these growth rates to the level of GDP in Q1 in 2002 and 2012 to get an estimate of what output would have been. Dividing actual GDP by the counterfactual GDP in Q2 and Q3 gives us multipliers for an estimated *Jubilee effect*. This is then applied to the OBR forecasts for real GDP in 2022 Q2 and Q3 to give an estimate of the net present value of a Platinum Jubilee bank holiday.

Table 4: Quarter-on-quarter growth rates in past Jubilee years ONS⁷

	Q1	Q2	Q3	Q4
2002	0.44%	0.51%	0.76%	0.86%
2012	0.64%	-0.08%	1.22%	-0.15%

⁷ [Gross Domestic Product: Quarter on Quarter growth: CVM SA % - ONS](#)

40. Using the 6-year average growth of Q-o-Q growth rates for Q2 and Q3 in the years surrounding the Jubilees as a proxy for what the growth rates could have been in Q2 and Q3 of the Jubilee years. The 6-year average growth rates for Q2 and Q3 are shown in Table 5 below.

Table 5: Average quarter-on-quarter GDP growth rates of Q2 and Q3 in the 3 years either side of the Golden and Diamond Jubilees.

	Q2 Growth	Q3 Growth
6-year average 1999-2001 and 2003-2005	0.68%	0.87%
6-year average 2009-2011 and 2013-2015	0.52%	0.50%

41. Applying these growth rates to GDP in Q1 gives the estimations for a baseline of what real GDP would have been in Q2 and Q3 had the Jubilee not taken place. Dividing estimated GDP without a Jubilee bank holiday by actual growth in Q2 and Q3 in 2002 and 2012 gives us estimates for 2002 and 2012 Jubilee effect multipliers.

Table 6: Estimated Jubilee multipliers

Year	Q2	Q3
2002	0.9982	0.9972
2012	0.9941	1.0012

*Rounded to 4 decimal places

42. When applied to OBR forecast scenarios⁸ (see Table 3 for central scenario forecasts and Annex B for the upside and downside scenarios), this gives 6 different estimates for GDP in 2022 (2 sets of Jubilee effect multipliers x 3 scenarios) with a Jubilee weekend which includes an additional bank holiday. The net effect is therefore the difference between the original OBR forecast scenarios and the Jubilee-adjusted forecasts. The tables below show the net present value upside, central and downside OBR scenarios for the 2002 and 2012 Jubilee effect multipliers (adjusted to 2019 prices). Note that the upside (downside) scenario does not necessarily reflect an optimistic (pessimistic) net present value for the Jubilee weekend in comparison to the best estimate. This is because these scenarios represent an upside or downside for GDP in the UK as a whole (which is used as a baseline) rather than the impacts of the Jubilee weekend

Table 7: Estimate net present value of 2022 Jubilee bank holiday under 2002 multiplier scenarios

OBR Forecast Scenario	Net present Value (£bn)
Upside	-2.45
Central	-2.35
Downside	-2.29

⁸ (Jubilee multiplier Q2 Year X * OBR Scenario Y GDP Q2) + (Jubilee multiplier Q3 Year X * OBR Scenario Y GDP) = Jubilee-adjusted output

Table 8: Estimated net present value of 2022 Jubilee bank holiday under 2012 multiplier scenarios

OBR Forecast Scenario	Net present Value (£bn)
Upside	-2.57
Central	-2.45
Downside	-2.29

43. In the table below, we give the final net present value estimates produced. This uses the upper and lower bound from the 6 estimates produced above, and also the best estimate, which is the average of all 6 scenarios.

Table 9: Estimated net present value of 2022 Jubilee bank holiday.

	Net Present Value (£bn)
Upper	-2.21
Best	-2.39
Lower	-2.57

*Rounded to the nearest £10m

44. A best estimate for the final monetised impact is -£2.39 billion net present value for a Platinum Jubilee bank holiday in 2022. While the upper bound net present value is estimated to be -£2.21 billion, the lower bound net present value is estimated to be -£2.57 billion.

Caveats

45. An important caveat to this approach is that in the attempt to measure the Jubilee effect we looked at changes to GDP in specific quarters, however there may also have been other one-off events that had a significant impact on GDP:

- In Q2 2012, the UK experienced the wettest April to June on record. This is likely to have impacted sectors such as distribution and agriculture⁹. This wet weather may account for a portion of the fall in construction output over this period, for which some work may be weather dependent. This indicates there may be an overestimation of the negative impact on production and GDP that an extra Jubilee bank holiday had in Q2 2012.
- The London Summer Olympic Games, which took place between 27 July - 12 August 2012 may have produced higher levels of economic growth in Q3 2012 (and preceding quarters) than would otherwise have been achieved as examined in DCMS' meta-evaluation of The Games¹⁰, resulting in an overestimation in the bounce-back following the Jubilee bank holiday in Q2.

⁹ [Special Events Q2 2012 ONS](#)

¹⁰ [London 2012 meta-evaluation - DCMS \(2013\)](#)

- Other sporting events could also impact expenditure in certain areas, for example the UEFA European Football Championships in 2012 (hosted in Poland and Ukraine) may also have seen an increase in GDP in the UK, or at least boosted specific sectors, such as food and beverage from fans watching the games in bars and pubs. This sporting event was not considered significant enough to be classified as a special event¹¹ by the ONS, and the impact on output is on a smaller scale than hosting the 2012 Summer Games.
46. A second important caveat is that the baseline of a 6-year average of Q-o-Q GDP growth rates in Q2 and Q3 in the non-Jubilee will also measure other events that influence growth in those years. For example, in 2001 shocks to the economy included 9/11 terrorist attacks in Q3 which caused national uncertainty and disruption to UK/US trade. Additionally, there were the economic impacts from a February outbreak of foot and mouth disease, which lasted 34 weeks and which is estimated to have had a cost of 0.2% of GDP in 2001¹². The 6-year average of Q-o-Q growth rates is used to reduce the baselines sensitivity to the impacts of any exceptional events.
47. Four other factors that increase uncertainty in estimating the cost and benefits for the 2022 Jubilee bank holiday include:
1. Weather
 2. Consumer Confidence
 3. Business Confidence
 4. Domestic and International Tourism
48. *Weather* - A large degree of spending on a bank holiday is both discretionary and last minute. Many individuals will observe the weather and adjust their spending pattern accordingly. Weather reports¹³ show that on the Jubilee weekend in 2012, there was rain or drizzle and highs of 11-12 degrees Celsius (in London). This could result in an underestimation of the potential benefits in the '2012' scenario if the weather is significantly better in 2022, as we could expect higher levels of expenditure.
49. *Consumer confidence* will also impact spending and in turn GDP. Consumer confidence is impacted by several factors including uncertainty, economic news and unemployment. Consumer confidence during the last Jubilee weekend was low, Deloitte's Confidence Index was -14.7% in Q2 2012¹⁴. Following this period consumer confidence never dropped below that level and peaked at -4.0% in Q2 2018, until the impacts of COVID-19 in Q1 2020. If consumer confidence is higher in Q2 2020 than in Q2 2012 and Q2 2002 then this could mean we have underestimated the benefits of the Jubilee weekend as optimism about consumer finances would likely lead to higher levels of expenditure in sectors such as retail, hospitality and entertainment.
50. *Business confidence* the negative impacts of the Jubilee weekend will likely come from the loss of production due to business closure. The additional bank holiday is not a statutory requirement and therefore the decision to grant time off to staff is up to businesses. Logically, we could expect businesses that are thriving to be more likely to shut down for the Jubilee weekend and allow staff to have time off as they can absorb the loss in output. Conversely, if business confidence is poor it could be that fewer businesses will decide to shut down, perhaps reducing the drop off in production over the Jubilee weekend.

¹¹ [GDP and special events in history - ONS \(2016\)](#)

¹² [GDP and special events in history - ONS \(2016\)](#)

¹³ [Weather in June 2012 in London, England, United Kingdom](#)

¹⁴ [The Deloitte Consumer Tracker Q3 2020](#)

51. *Tourism* contributed £106 billion to the British economy (GDP) in 2016 and supports 2.6 million jobs according to Visit Britain¹⁵. Tourism expenditure is anticipated to be a significant economic benefit of the Jubilee bank holiday. It is possible that due to the restrictions on international travel due to COVID-19 that there will be pent-up demand by June 2022 and that tourism expenditure will be greater in previous years. Equally, there is a risk that if there are lower levels of consumer confidence internationally fewer overseas visitors will participate in the Jubilee celebration and tourism expenditure will be lower. Due to the high degree of uncertainty, we have not made an attempt to estimate how tourism expenditure may be impacted in relation to previous Jubilee bank holidays.
52. The economic benefits derived from consumer spending within the UK, may be reduced if more UK residents decide to spend the Jubilee weekend abroad. If more UK residents use this opportunity to holiday abroad, this may reduce domestic demand for retail and domestic tourism. However, the uncertainty involved with Brexit coupled with the impacts of COVID-19, makes it difficult to estimate whether demand for international travel will be higher or lower than previous Bank holiday weekends.
53. Unfortunately, the lack of a counterfactual to these events makes the impact of any specific event difficult to quantify, therefore we have not tried to adjust our calculations to consider these four factors in this methodology. For example, the ONS point out in their note on Special Events in 2012¹⁶ the challenges in examining the GDP impact from the London Olympics Games, explaining 'while we might expect the overall impact on economic activity to be positive, in most cases it is impossible to distinguish the precise effects of the Games from the normal variation that typifies most economic time series. And even the direction of the impact may not always be clear to the extent that the Games might have displaced other activities, the impact in some sectors could even be negative.'
54. Finally, there is a large degree of uncertainty present when forecasting 2022 GDP. Since this is used as a baseline for estimating the impact of the Jubilee weekend on output this increases the uncertainty of the net present value estimates.

Non-monetised costs and benefits

Sectoral impact:

55. Certain sectors of the economy will have differing closure rates over the bank holiday and therefore the revenue impact will not be uniform across sectors. If the economic costs to firms in sectors that experience reduced output on the Jubilee bank holiday are not recovered this will create firms that are winners and losers from the extra bank holiday.
56. Tables 10 and 11 below set out the data on four broad sectors of the economy (Agriculture, Production, Construction and Services). Examining GDP in the month of the Jubilee weekend, agriculture appears to be the least impacted of the four sectors. This could be due to the essential nature of the industry resulting in lower closure rates. Both production and services have seen a net-negative impact in both the Golden and Diamond Jubilee months (June 2002 and June 2012), this may suggest they have comparatively higher closure rates during the bank holidays with more workers taking the day off. Although during the Gold Jubilee the construction sector did not see a decline in month-to-month GDP, there was a sharp decline of 4.45% in June 2012 during the Diamond Jubilee. It is unclear what exactly accounts for this distinct greater GDP loss for construction in comparison to the previous Jubilee.

Table 10: Month-on-Month change in GDP for ONS Indexes (Agriculture, Production, Construction and Services) in June (bank holiday month) 2002 and 2012

¹⁵ [The value of tourism in England - Visit Britain](#)

¹⁶ [Special Events in 2012: Impact of the Diamond Jubilee and London 2012 Olympics on the UK Economy \(ONS, 2013\)](#)

CVM, SA, %	Month on month change in GDP, June			
	Agriculture	Production	Construction	Services
5-year average 1997-2001	0.52%	0.21%	-0.27%	0.43%
Golden Jubilee (2002)	-0.85%	-3.53%	0.77%	-2.20%
5-year average 2007-2011	-0.38%	-0.49%	0.15%	0.17%
Diamond Jubilee (2012)	0.09%	-2.06%	-4.45%	-1.35%

Table 11: Month-on-Month change in GDP for ONS Indexes (Agriculture, Production, Construction and Services) in July 2002 and 2012

CVM, SA, %	Month on month change in GDP, July			
	Agriculture	Production	Construction	Services
5-year average 1997-2001	0.50%	0.21%	-0.27%	0.43%
Golden Jubilee (2002)	-0.12%	1.14%	1.33%	1.68%
5-year average 2007-2011	-0.10%	0.16%	-0.33%	0.24%
Diamond Jubilee (2012)	-0.21%	2.78%	1.45%	1.73%

57. Within each of these sectors it is likely there will also be further discrepancies in the levels of impact. For example, certain aspects of the services industry which are non-essential could face high levels of closure (e.g. financial services)¹⁷, while essential services may have comparatively lower levels of closure (e.g. government services such as health and policing). Disaggregating these sectors and examining how each might be affected has not been deemed proportional for the purposes of this impact assessment.

58. Different impacts may occur in 2022 due to the changing structure of the UK economy. There has been a continuation of the trend towards deindustrialisation in the United Kingdom - in 2019 there are 866,000 fewer jobs in manufacturing than there was in The Queen's Golden Jubilee year in 2002¹⁸. Meanwhile, employment has increased in the UK's growing services sector¹⁹. Given that the GDP loss was marginally suppressed for services than in production during the Diamond Jubilee in 2012 (1.35% GDP loss for services in the Jubilee month in comparison to 2.06% GDP loss in production, Table 10) this suggests that an additional bank holiday for The Queen's Platinum Jubilee in 2022 could have a lower cost burden on the economy than previous bank holidays. However, this is just one aspect of the economy and within these sectors there will have been further structural changes.

¹⁷ [Special Events in 2012: Impact of the Diamond Jubilee and London 2012 Olympics on the UK Economy \(ONS, 2013\)](#)

¹⁸ House of Commons Briefing Paper – Manufacturing: Statistics and Policy (2020)

¹⁹ [Services sector, UK: 2008 to 2018](#)

59. It is difficult to predict how the impact of a bank holiday on UK GDP has changed in comparison to previous years (2002 and 2012) as a result of structural changes in the economy, therefore we have not attempted to quantify this effect or adjust our monetised costs accordingly. However, because of significant structural changes (e.g. deindustrialisation) to the UK economy since the 1970s²⁰, we have not considered the Silver Jubilee (1977) impact in the previous effects of an extra Jubilee bank holiday method when estimating the impact on GDP.
60. There are likely to be some sectors which benefit from the additional bank holiday. Tourism, hospitality and retail sectors are expected to benefit significantly from the additional bank holiday for The Queen's Platinum Jubilee. Additionally, these are all sectors which have been economically impeded a disproportionate amount due to the effects of COVID-19 and the implementation of lockdown. For example, in the ONS Business Impact of Coronavirus Survey (Wave 15, 21 September to 4 October 2020) 17.3% of businesses in the Accommodation and Food Services sector reported a severe risk of insolvency.
61. For the August 2019 Bank holiday weekend, a Visit England survey showed that 17% of adults in Britain planned to take a holiday in the UK over the August bank holiday (8.6m adults) and 16% 'definitely planned' to take a holiday in England (8.1m adults). This corresponds to an estimated spend of £2.1 billion in the UK, and £2.0 billion in England alone.
62. However, this does not show the *additional* impact spend and tourism activity over a typical weekend. In assessing benefits, the 2012 Diamond Jubilee Impact Assessment cited estimates for the additional retail sales revenue generated from the Royal Wedding in April 2011, ranging from £515m by the Centre of Retail Research to £620m by Verdict Research. The circumstances surrounding 'special' bank holidays such as Jubilees or Royal Weddings could lead to a further boost in overseas tourism in comparison to regular bank holidays.
63. CEBR have previously estimated that typically, retail sales are boosted by 15% per day for a bank holiday, though the mix changes with a bias towards furniture, gardening and DIY²¹. In the report it was also estimated hospitality and catering are typically boosted by 20% on a bank holiday compared with a weekend. At 2019 spending levels that would imply additional expenditure of £180 million on retail and an additional £40 million on hospitality and catering.

Regional impacts

64. In order to examine how the additional bank holiday may create regional winners and losers in the UK we have considered the regional GVA (Gross Value Added) of the sectors of the economy who we assume are most likely to benefit (see paragraphs 72 to 75) in Table 12 below. This is considered as a proxy for the distributional effect across different regions in the UK.

Table 12: Regional share of GVA as a percentage of the total for selected sectors²²

²⁰ [Changes in the economy since the 1970s - ONS \(2019\)](#)

²¹ [An October bank holiday may even boost the economy but does that mean we should move to a 4 day week?](#)

²² [Gross Value Added \(GVA\) - ONS](#)

Region	Share of UK GDP ²³	Share of Retail GVA	Share of Food and Beverage Services GVA	Share of Accommodation GVA	Share of Tourism GVA
North East	3%	3%	3%	2%	3%
North West	10%	11%	10%	9%	10%
Yorkshire and The Humber	7%	7%	6%	6%	6%
East Midlands	6%	6%	6%	4%	5%
West Midlands	8%	7%	8%	4%	7%
East of England	9%	10%	8%	8%	8%
London	23%	19%	24%	23%	26%
South East	15%	13%	14%	13%	14%
South West	7%	8%	8%	13%	8%
Wales	4%	4%	3%	5%	4%
Scotland	8%	8%	8%	11%	8%
Northern Ireland	2%	4%	2%	2%	2%

*Green: Share of industry at least 2% greater than share of UK GDP, Yellow: Share of industry within 2% of share of UK GDP, Red: Share of industry less than 2% share of UK GDP

65. The table above does not suggest there will be a significant distributional effect across the broad regions in the UK since in most instances a region's GVA share of a sector likely to benefit is within 1-2% of the region's share of total GDP. However, there are some exceptions to this, notably London having a disproportionately high share of tourism (26%) but a lower share of retail (19%) in comparison to London's share of UK GDP. Additionally, the South West appears likely to benefit with a greater share of the selected sectors than the region's share of GDP, of interest is the size of the accommodation sector in the South West. Meanwhile, the West Midlands has a much smaller share of the accommodation sector at 4% (in comparison to an 8% share in UK GDP).

66. This analysis is meant to be indicative only, showing there will likely be limited distributional impacts from an additional bank holiday.

Wellbeing benefits

67. There is a significant evidence base showing the benefits of holidays for mental health and wellbeing. For example, a study in the International Journal of Environmental Research and Mental Health found a short vacation to significantly reduce perceived stress and improve wellbeing amongst middle managers in Germany²⁴. Other literature in the area has found a positive impact to an individual's wellbeing due to the expectation of a holiday, and, health and wellbeing benefits

²³ excluding NUTS 'extra regions'

²⁴ <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5800229/>

during holidays²⁵²⁶. As discussed in the 2012 Diamond Jubilee Impact Assessment, wage rates could be used as a proxy for the wellbeing benefit of the leisure time from the extra bank holiday since many workers will choose to take the day off.

68. In addition to the usual benefits of a bank holiday, the Platinum Jubilee can be expected to have further benefits to wellbeing since it will be part of a national celebration that can increase civic pride, social cohesion and national identity.

Risks and assumptions

69. The table below lays out the assumptions that were taken when undergoing this Impact Assessment which affect our final estimates for net present value across the two methodologies. The table then includes the evidence underpinning those assumptions, and risks associated with the assumptions, and then any sensitivity analysis used to mitigate for these risks.

Assumption	Evidence	Risk	Sensitivity analysis (& page that full analysis can be found on)
Level of national output in 2022	Based on ONS real GDP data and OBR forecasts.	In the current climate with COVID-19, forecasts (scenarios) are constantly changing. The OBR provides the official UK government economic forecasts.	Sensitivity analysis is applied (page 13)
Impact of extra bank holiday on national output.	Based on previous bank holidays and their observed impacts (e.g. quarter-on-quarter GDP growth). It is difficult to establish a baseline and there are a large number of factors which influence economic growth.	Estimates are highly uncertain and can only be interpreted as indicative or possible impacts rather than conclusive.	Sensitivity analysis / indicative range is presented. (page 13)
Assume that transition costs to businesses will be negligible.	Lack of evidence in the public domain. Engagement with businesses was not possible. This was due to the sensitivity around the Jubilee not being public knowledge.	The risk is that we are underestimating the transition cost.	No sensitivity has been done, as the transition costs are unlikely to significantly impact net present value.

²⁵ <https://journals.sagepub.com/doi/10.1177/135676670200800406>

²⁶ <https://link.springer.com/article/10.1007/s10902-012-9345-3>

Wider impacts

Innovation test

70. As outlined in BRE's innovation test pilot guidance, the greater the likelihood, significance, and relevance of effects on or arising from innovation in relation to a proposed policy occurring, the greater the extent of the consideration and analysis of evidence surrounding innovation should be. In regards to the Jubilee weekend there may be a small impact on innovation as a suspension of a day's activities may slow down the innovation process, this may negatively impact the income of some businesses and could possibly reduce the investment in innovation slightly
71. It is unlikely that this policy will have a significant impact on innovation, therefore there will only be a qualitative assessment undertaken.
72. Employees of businesses are not guaranteed a day off, this is left to the businesses discretion, therefore the policy does not directly prohibit business activities. Furthermore, there will be businesses in certain sectors which may see their revenue increase as a result of the additional bank holiday, which may help facilitate innovation. This is also a blanket policy which will affect business within sectors in similar ways, and so it is unlikely that certain firms will be unfairly advantaged over their competitors. Also, by making the announcement of the additional bank holiday early, businesses have plenty of time to plan accordingly, to minimise the impact on their innovation and growth.

Small and micro business assessment

73. Table 13 below, shows that as of March 2019, 2,665,950 small or micro VAT and/or PAYE based enterprises resided in the UK (source). The table highlights that there was a total of 2,718,430 VAT and/or PAYE enterprises based in the UK. This meant that small and micro businesses made up 98% of VAT/PAYE based enterprises in the UK. This number is likely to be an underestimate as there are businesses that do not abide by the VAT/PAYE system.

Table 13: The number of VAT and/or PAYE based enterprises in the UK, broken down by business size

Total No. of Businesses	Total No. of Micro Businesses (0-9 employees)	Total No. of Small Businesses (10-49 employees)	Total No. of Small or Micro Businesses	Proportion of Small or Micro Businesses to total No. of Businesses
2,718,430	2,431,990	233,960	2,665,950	98.07%

74. With small and micro businesses making up approximately 98% of all businesses, it can be assumed that they will bear at least 98% of any transition costs associated with the policy, with transition costs likely to be proportionately higher for smaller businesses. However, as outlined earlier in the Impact Assessment, it is assumed that transition costs would be negligible in comparison to the overall NPV, as businesses will already be familiar with how they will operate over bank holidays, as there are already a number of bank holidays in the year.
75. It is assumed that there will be several sectors where employees will continue to work, as businesses are not obliged to give their workers paid holiday on the additional bank holiday. Such sectors could include tourism, hospitality and human and social work for example. There is little evidence on the degree to which businesses will grant time off for staff in response to the

additional Jubilee bank holiday. This is the case for bank holidays in general, but even more so for one-off bank holidays. Also, this additional bank holiday immediately precedes the scheduled bank holiday on Friday 3rd June 2022 also falls in half term. Therefore, the long weekend is likely to have a marked effect on the behaviour of workers in planning annual leave. In the absence of detailed evidence, for the purposes of the SaMBA, assumptions have been made on a sector-by-sector basis to show the impact on small and micro businesses.

76. Using data broken down by UKSIC2007 Sector Letter, we made assumptions on the sectors that are likely to continue their operations (please see Annex A). Using these assumptions, the sectors that are likely to remain open represent a total of 3,801,837 employees in 790,215 businesses; 12.6% of all employees and 29% of businesses. Again, this data may underestimate the total number of businesses affected, but it can be assumed to be representative of the total population.
77. Of these businesses, it is expected that businesses within the broad accommodation and food services sector, and the wholesale and retail trade sector, as well as the air transport, museums and recreation sub sectors will benefit from the additional bank holiday and from the Jubilee celebrations. So therefore, 601,950 small or micro businesses (22.6% of total small and micro businesses), are likely to benefit from increased demand. Importantly, businesses in these benefitting sectors will be some of the businesses that have been hardest hit by the coronavirus, the enforced shut down of shops that ensued and lack of tourism. It is assumed that even though businesses in the human health and social work sector will continue to operate, they will not be positively impacted by the bank holiday.
78. We understand that there is a shortfall in the high-level approach however due to the lack of available data on the sectors that will remain open over the bank holiday, this approach was necessary. CEBR in their 2012 study (referenced), concluded that around 15% of the economy benefited from bank holidays, the total number of businesses in the sectors we assume will benefit from the bank holiday represent 22.6% of all businesses, so it is possible that we are slightly overstating the potential benefit here. Having said this, these assumptions have not been used in the overall evaluation of costs, they have just been used to give an indication of the number of small and micro businesses that will be impacted by the bank holiday, and how many might be positively impacted.
79. We assume that businesses in all other SIC Sector Letters will close on the bank holiday, and will therefore lose out on a day's business, as well as experience any other one-off costs associated with the bank holiday, which we assume to be negligible. It is highly likely that small and micro businesses will be disproportionately affected by the output impacts associated with having the extra bank holiday. This is because the cost to business is a one-day loss of output, which is likely to be more significant to smaller businesses than it is to larger businesses. SMEs are more likely to be impacted by changes, as they have less resources and dedicated functions with the organisation to focus on HR, management, finance etc. Also, they are likely to have smaller cash reserves and lower cash flows in general, so any financial change can be difficult to accommodate. Therefore, any changes are likely to impact small firms more than larger firms. This issue is exacerbated by COVID-19 as many small and micro businesses may face financial difficulty and therefore struggle to take the hit of a loss of days output, compared to larger firms who may have greater cash reserves.
80. The default assumption for a SaMBA is that where large parts of the intended benefits can be achieved without including smaller businesses, an exemption would normally be applied. However, for this policy, an exemption is not possible because all businesses will be subject to the bank holiday. Additionally, there is no statutory right to time off, so if staff are granted time off is dependent on employee contracts and the discretion of businesses. This would also detract

from the vast number of non-monetised benefits including a boost to national pride and mental health benefits. Also, the government has also taken steps to mitigate the impact for small businesses by an early announcement of the bank holiday on 12th November 2020 and by publication of this impact assessment.

81. No consultation around the impact on small businesses was carried out as the Palace has not yet spoken publicly about the Platinum Jubilee. The additional bank holiday is deemed to likely have a disproportionate impact on small and micro businesses, however, there is no statutory obligation either for employers or employees to take the day off or to give extra pay for employees on a bank holiday. Therefore, no exemption is needed, because businesses are free to continue to do as they wish with their workers.

Equalities impact assessment

82. Given the Jubilee weekend takes effect nationwide, it is not considered that there will be a significant disproportionate impact on any demographic group. Indeed, the Jubilee will strengthen civic and national pride, which will have a positive impact on community cohesion and community relations.

83. However, given certain businesses will opt to remain open during the additional bank holiday, it may be the case that if a demographic group is over-represented across those sectors which remain open there could be inequalities if a certain demographic group is less likely to realise the wellbeing benefits of the additional bank holiday. It may also be the case that these demographic groups are more likely to be compensated for working during the Jubilee weekend and receive a premium wage.

84. In order to conduct a full equalities impact assessment, detailed information on the rates of business closure during the Jubilee weekend across all sectors would be required. Following this, data on the demographics of the workforce within sectors that are either likely to close or remain open could be analysed to estimate whether certain demographics are more likely to work during the Jubilee weekend.

85. However, there is not sufficient data available to understand in detail the level of business closure across various sectors. Therefore, this analysis has not been carried out in this impact assessment. Below, we do consider the impacts on the Hospitality, Tourism and Retail sectors, which are likely to remain open. This only considers a selection of the sectors that are less likely to close and is not a comprehensive equalities impact assessment across the economy.

86. A research report conducted by Economic Insight²⁷ in 2019 analysing the Hospitality and Tourism workforce found that over 50% of employees working within the Tourism sector are aged between 25-44 years old. This is significantly higher than the 25-44 year-old age group's share of the UK population²⁸.

87. Data collected by the ONS²⁹ shows that 44% of staff working within the Retail sector are aged between 40-64 years of age. This is 12% higher than the share of 16-29 year-olds which is the second most common age group in the Retail labour force.

²⁷ [Hospitality and Tourism workforce landscape](#) - Economic Insight (2019)

²⁸ [Population estimates for the UK - ONS](#) (mid-2019)

²⁹ [Employment by age, industry and occupation, UK, 2010, 2015 and 2019](#) - ONS

Competition

88. This policy is unlikely to affect competition, as it applies to all businesses, and will therefore impact businesses and their competitors in their sectors to the same extent. Having said this, as outlined in the SaMBA, the policy is likely to impact small and micro businesses disproportionately, and therefore it may inhibit their ability to compete with larger firms in their sector. However, as outlined in the SaMBA, businesses will not be required to give employees the day off, and announcing the bank holiday early gives businesses sufficient time to plan so that the impact on them can be minimised.

Potential trade implications of measure

89. Little evidence exists on the impact of bank holidays on international trade. However, it can be assumed that the additional bank holiday will affect the overall value of trade or investment flows between the UK and the rest of the world, as a result of the one-day closure of many businesses. Having said this, the early announcement of the bank holiday will help to reduce any losses, as businesses will have time to adjust trading contracts and incorporate the additional bank holiday in any new contracts.

Monitoring and evaluation

90. A formal Post Implementation Review will not be undertaken as it is not applicable or relevant for this proposal. However, an evaluation strategy will be developed in which the success and objectives of the Platinum Jubilee programme will be measured. The evaluation is likely to include media coverage (domestic and international), levels of domestic and international tourism and public participation in key events that will take place over the four-day Jubilee weekend 2-5 June 2022.

Annex

Annex A: Assumptions on sectoral business closure

Table 17 shows the assumptions made on which sectors are likely to shut down on the additional bank holiday, based on 2-digit SICs, to inform the SaMBA. To note, some sectors are missing if data is not available on business size.

2-digit SIC	Are Businesses in the SIC likely to close?
01 : Crop and animal production; hunting and related service activities	Yes
02 : Forestry and logging	Yes
03 : Fishing and aquaculture	Yes
05 : Mining of coal and lignite	Yes
06 : Extraction of crude petroleum and natural gas	Yes
07 : Mining of metal ores	Yes
08 : Other mining and quarrying	Yes
09 : Mining support service activities	Yes
10 : Manufacture of food products	Yes
11 : Manufacture of beverages	Yes
12 : Manufacture of tobacco products	Yes
13 : Manufacture of textiles	Yes
14 : Manufacture of wearing apparel	Yes
15 : Manufacture of leather and related products	Yes
16 : Manufacture of wood and of products of wood and cork; except furniture; manufacture of articles of straw and plaiting materials	Yes
17 : Manufacture of paper and paper products	Yes
18 : Printing and reproduction of recorded media	Yes
19 : Manufacture of coke and refined petroleum products	Yes
20 : Manufacture of chemicals and chemical products	Yes
21 : Manufacture of basic pharmaceutical products and pharmaceutical preparations	Yes
22 : Manufacture of rubber and plastic products	Yes
23 : Manufacture of other non-metallic mineral products	Yes
24 : Manufacture of basic metals	Yes

2-digit SIC	Are Businesses in the SIC likely to close?
25 : Manufacture of fabricated metal products; except machinery and equipment	Yes
26 : Manufacture of computer; electronic and optical products	Yes
27 : Manufacture of electrical equipment	Yes
28 : Manufacture of machinery and equipment n.e.c.	Yes
29 : Manufacture of motor vehicles; trailers and semi-trailers	Yes
30 : Manufacture of other transport equipment	Yes
31 : Manufacture of furniture	Yes
32 : Other manufacturing	Yes
33 : Repair and installation of machinery and equipment	Yes
35 : Electricity; gas; steam and air conditioning supply	Yes
36 : Water collection; treatment and supply	Yes
37 : Sewerage	Yes
38 : Waste collection; treatment and disposal activities; materials recovery	Yes
39 : Remediation activities and other waste management services	Yes
41 : Construction of buildings	Yes
42 : Civil engineering	Yes
43 : Specialised construction activities	Yes
45 : Wholesale and retail trade and repair of motor vehicles and motorcycles	No
46 : Wholesale trade; except of motor vehicles and motorcycles	No
47 : Retail trade; except of motor vehicles and motorcycles	No
49 : Land transport and transport via pipelines	No
50 : Water transport	No
51 : Air transport	No
52 : Warehousing and support activities for transportation	No
53 : Postal and courier activities	Yes
55 : Accommodation	No
56 : Food and beverage service activities	No
58 : Publishing activities	Yes

2-digit SIC	Are Businesses in the SIC likely to close?
59 : Motion picture; video and television programme production; sound recording and music publishing activities	Yes
60 : Programming and broadcasting activities	Yes
61 : Telecommunications	Yes
62 : Computer programming; consultancy and related activities	Yes
63 : Information service activities	Yes
64 : Financial service activities; except insurance and pension funding	Yes
65 : Insurance; reinsurance and pension funding; except compulsory social security	Yes
66 : Activities auxiliary to financial services and insurance activities	Yes
68 : Real estate activities	Yes
69 : Legal and accounting activities	Yes
70 : Activities of head offices; management consultancy activities	Yes
71 : Architectural and engineering activities; technical testing and analysis	Yes
72 : Scientific research and development	Yes
73 : Advertising and market research	Yes
74 : Other professional; scientific and technical activities	Yes
75 : Veterinary activities	Yes
77 : Rental and leasing activities	Yes
78 : Employment activities	Yes
79 : Travel agency; tour operator and other reservation service and related activities	Yes
80 : Security and investigation activities	Yes
81 : Services to buildings and landscape activities	Yes
82 : Office administrative; office support and other business support activities	Yes
84 : Public administration and defence; compulsory social security	No
85 : Education	Yes
86 : Human health activities	No
87 : Residential care activities	No
88 : Social work activities without accommodation	No

2-digit SIC	Are Businesses in the SIC likely to close?
90 : Creative; arts and entertainment activities	No
91 : Libraries; archives; museums and other cultural activities	No
92 : Gambling and betting activities	Yes
93 : Sports activities and amusement and recreation activities	No
94 : Activities of membership organisations	Yes
95 : Repair of computers and personal and household goods	Yes
96 : Other personal service activities	Yes

Annex B: OBR scenarios

Annex B.1 - Upside scenario

Table 14: OBR upside scenario forecast (Real GDP) - 2016 prices. Source: November 2020 economic and fiscal outlook³⁰

Upside Scenario	2022 Q1	2022 Q2	2022 Q3	2022 Q4
Index*	103.6	103.9	104.3	104.6
GDP (£m)	542778	544350	546445	548017

Annex B.2 - Downside scenario

Table 15: OBR upside scenario forecast (Real GDP) - 2016 prices. Source: November 2020 economic and fiscal outlook

Downside Scenario	2022 Q1	2022 Q2	2022 Q3	2022 Q4
Index*	90.9	92.9	94.4	95.3
GDP (£m)	476241	486719	494578	499293

Annex C

Annex C: Methodology for 2012 impact assessment for Diamond Jubilee bank holiday

³⁰ [Economic and fiscal outlook - November 2020](#)

91. An impact assessment was also produced for the 2012 Diamond Jubilee additional bank holiday, this impact assessment also analysed the impact the four-day Jubilee weekend had on output.
92. The methodology for the 2012 Jubilee impact assessment was based upon a research note published by the Office for National Statistics (ONS) in December 2002 on the 'Jubilee effect'. This note stated that, before revisions, the output for Q2 and Q3 2002 was 0.6% and 0.9% respectively. This note estimated that, without the Golden Jubilee bank holiday, output would have been between 0.2 - 0.8% in Q2 and 0.5 - 1.3% in Q3.
93. The 2012 impact assessment thus assumed that, in 2002, in the 'pessimistic case', output would have grown between 0.8% in Q2 and 1.3% in Q3 – i.e. that output would have grown by the greater values in absence of the additional bank holiday. In the 'optimistic case', output would have grown by 0.2% in Q2 and 0.5% in Q3 in the absence of an additional bank holiday. The best estimate was the average of these values.
94. The loss in output due to the 'Jubilee effect' was then calculated in two steps. The proportional change in output in absence of the bank holiday for both the pessimistic and optimistic cases compared to the actual output figures published in 2002. This was then applied to GDP figures in 2012 using forecasts from the OBR (Office for Budget Responsibility), who produce the government's official macroeconomic forecasts. These calculations show in the pessimistic case, the loss in output (in 2006 figures) over Q2 and Q3 due to the 'Jubilee effect' was £3bn. In the optimistic case, the Jubilee provided a £0.9bn boost to the economy. The average of these is a £1bn loss in output, which was taken as the best estimate. Uprating these to 2012 prices led to a £3.7bn loss in the pessimistic case, £1.1bn gain in the optimistic case and £1.3bn loss of the best estimate.
95. There are several caveats/reflections to make on using these values:
- a) There is a lot of uncertainty surrounding the impact of the Jubilee weekend in 2002 as the FIFA World Cup which occurred is highly likely to have positively distorted output figures for June (e.g. increased expenditure in pubs and bars). This follows the argument that major sporting events are generally expected to provide a temporary boost to the economy due to the positive impact of additional consumer expenditure.
 - b) The 2012 European Football Championship is likely to have had a similar impact on output. Furthermore, The London Olympics in July and August 2012 will have also distorted output, as discussed on page 13.