

**THE 2016
NATIONAL HISTORIC
VEHICLE SURVEY
STRUCTURAL REPORT**

Published by The Federation
of British Historic Vehicle Clubs



About the Federation of Historic Vehicle Clubs

The Federation of British Historic Vehicle Clubs Limited (FBHVC) exists to uphold the freedom to use historic vehicles on the road. It does this by representing the interests of owners of such vehicles to politicians, government officials, and legislators both in the UK and through the Fédération Internationale des Véhicules Anciens in Europe.

There are over 500 subscriber organisations representing a total membership of over 250,000 in addition to individual trade supporters.

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TABLE OF CONTENTS

1. Introduction	3	6. Economic value of the historic vehicles sector	41
Foreword: David Whale, Chairman, FBHVC	4	6.1 Spending trends past and future	43
Introduction: Paul Chasney, Director - Research FBHVC	6	6.2 Calculating economic value	44
Scope and report structure	8	6.3 Associated spending on historic vehicles	45
2. Executive summary	13	6.4 Indirect expenditure on historic vehicles	49
3. National interest in historic vehicles	19	6.5 Vehicle sales	51
3.1 Behaviours associated with historic vehicles	21	6.6 Foreign investors	53
3.2 Attitudes towards historic vehicles	22	6.7 Trade spending	54
4. Historic vehicles in Britain	23	6.8 Total spending in the historic vehicles sector	55
4.1 Pre-'85 registered historic vehicles	25	7. Historic vehicle related employment and the trade	57
4.2 Number of owners of historic vehicles	26	7.1 Employment levels	59
4.3 Number of historic vehicle enthusiasts	26	7.2 Employment profile	60
4.4 Estimated total value of historic vehicles	26	7.3 Future recruitment and the skill sets needed	61
4.5 Estimated value of historic vehicles by type and make	28	7.4 Apprenticeships	64
5. Owning and keeping historic vehicles	29	7.5 Potential problems arising in the future	66
5.1 Year of manufacture and vehicle condition	31	7.6 Changing activity and future turnover expectations	68
5.2 Licensed and SORN status	33	APPENDIX 1	72
5.3 Vehicle acquisition and tenure	34	National behaviours associated with historic vehicles in Britain	72
5.4 Frequency of using vehicles and distances travelled	35	National attitudes associated with historic vehicles in Britain	73
5.5 Reasons for using historic vehicles	37	APPENDIX 2	74
5.6 Keeping historic vehicles and their security	38	Demographic profile of historic vehicle owners and enthusiasts	74
5.7 Future historic vehicles	39	APPENDIX 3	75
		Volunteer activities	75

DEFINITIONS

Historic vehicle – a vehicle made more than 30 years ago.

Historic vehicle movement – the collective industry, activity and social interaction resulting from interest in historic vehicles.

Historic vehicle trade – businesses that specialise in serving the needs of historic vehicle owners.

8.2 MILLION PEOPLE

The number of people interested in historic vehicles in Britain



1,039,950

Registered
Historic
Vehicles



Registered for
road use

34,900

The number of people
employed in the
historic vehicle
industry in Britain

1,124

MILES
PER
ANNUM



The average distance travelled by each historic vehicle in Britain



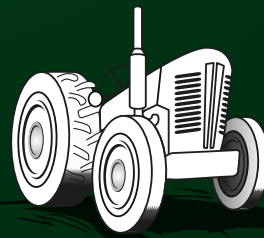
£5.5bn

Annual spending on historic vehicle related activity

c500K



owners of
historic vehicles
in Britain

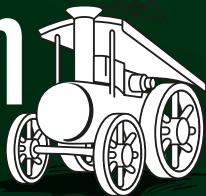


23 MILLION PEOPLE

See historic vehicles as an
important part of Britain's heritage

£17.8bn

The estimated value of all
historic vehicles in Britain



54%

The proportion of employers that
expect their historic vehicle
business to grow in the future

£662M



Annual spend by international historic vehicle owners



1. INTRODUCTION

FOREWORD

Welcome to the results of the 2016 National Historic Vehicle Survey. I am pleased to report that the historic vehicle movement is alive and flourishing although there are challenges to address in several areas.

Research of this nature typically has a life span of five years. This report builds on our previous study, The £4 Billion Hobby, which was published in 2011. Our latest research shows the movement to be now generating annual revenues of £5.5 billion, an increase of 27.9%. To those closely associated with the historic vehicle community this may not be a great surprise, one only has to look at developments over the period. We now have a much wider historic vehicle ownership and based on the number of events and publications, a much more active body of enthusiasts. Specialist facilities such as Bicester Heritage have been developed which allow vehicle ownership to extend to owners who do not have the facilities to store their vehicles nor perhaps the mechanical aptitude to maintain them but who wish to join in the enthusiasm for our motoring heritage in its many and varied aspects. In addition, whilst we have enjoyed a period of low inflation the values of historic vehicles have risen steadily. Some modestly, others not so modestly! The benefit to enthusiasts is that their passion has also become an investment.

The survey clearly demonstrates the whole movement is evolving and is in extremely good health with individual segments increasing generally in line with the overall outcome.

The format of the 2016 research is quite different to the work that has been conducted previously; before the enthusiast research began we studied data from



the DVLA which defined the registered number of historic vehicles to be 1,039,950 with 58% registered for road use. This data also determined the types of vehicle: cars, motorcycles, lorries, buses and coaches, military, agricultural and steam. The second innovation was to conduct an omnibus survey: this is a well proven research technique which gathered the opinions of the general public towards historic vehicles in the broadest sense. This research shows high levels of support for the movement. For example, 8 million adults have an interest in historic vehicles and 23 million see these vehicles as an important part of Britain's heritage. We then progressed to the enthusiast and specialist research that is also summarised in the following pages.

The exciting and very empowering news is that we have not just the annual revenues associated with the movement but we now understand far better than ever before the key components: heritage, employment, clubs and enthusiasts, trade and museums.

Let us just explore the heritage and culture aspect, perhaps four years ago we had a feeling that we should target this area but did not really know how. Now we are in regular dialogue with The Heritage Alliance who unite over 100 independent heritage organisations. In 2016 the Fédération Internationale des Véhicules Anciens, the international body representing the historic vehicle movement, is celebrating its 50th anniversary and UNESCO has added their patronage to the FIVA World Motoring Heritage Year programme. Over the next five years, the heritage agenda is probably our major development area.

We have focused on employment and the creation of formal training to provide viable employment opportunities for young people and to ensure that skills such as wheel building and coach painting amongst others were transferred from time served

craftsmen and women. The survey has shown the number of people employed within the industry increasing from 28,000 to 34,900 in the five year period, an increase of 28%. In 2014 the Federation created and launched the only Ofqual accredited course in historic vehicle restoration. The course has been successfully delivered by Banbury & Bicester College with steadily increasing numbers of students and zero drop out of students in the first year, quite unheard of in further education. P & A Wood, the world renowned specialists in Rolls-Royce and Bentley motor cars, recognised the opportunity too and employed eight apprentices, they are following the Federation curriculum based on a modern version of the traditional 'Indentured Apprenticeship'. The survey clearly shows that more apprentices are required to meet the anticipated demands.

Of course, many trade specialists generate revenue to the benefit of the UK economy. About 25% of total trade revenue, some £662 million, arises from exports of parts and services supplied to international clients. This is very much a developing trend as more and more UK businesses invest in people and facilities and are recognised worldwide for their expertise.

The events scene is vibrant. Enthusiasts wishing to drive their vehicles on events specifically targeted at perhaps early vehicles as well as the more sporting. Imposing events like the Goodwood Revival provide an impressive spectacle but equally there are thousands of small events each delivering an enormous amount of pleasure both to those taking part and to interested visitors. This survey also looks at the charitable work of clubs, covering large scale ventures such as the 40th anniversary Marie Curie Marathon by the Morris Minor Owners' Club to the many agricultural tractor clubs carrying collecting buckets to raise funds for local causes whilst they enjoy our rural roads.

The survey indicates a number of different challenges for historic vehicle clubs. For some the average age of members is steadily rising and they are experiencing problems reaching out to younger members. Others see a bright future with a growing membership base. There are no simple answers but it is clear that technology and the use of the internet is having a significant effect on clubs and the way in which clubs engage with their members.

Just before I became chairman we wrote a strategy document for the Federation, that strategy has proven to be insightful, it has enabled us to recruit board members with specific skills and pursue a holistic agenda for the movement. Having had the opportunity of seeing the research develop over the past months I am pleased that this survey delivers far more than a financial value.

We are indebted to our member clubs, their members, individual enthusiasts, museums and the trade for supporting this survey; some organisations such as the National Association of Road Transport Museums so motivated by our request for help, actually researched and wrote a seven page paper valuing the historic public service vehicle sector, part of which has been incorporated into these results.

We hope you will find the information both intriguing and useful. Rest assured the future of the historic vehicle movement looks very positive, let us get out onto tomorrow's roads to enjoy yesterday's vehicles!

David Whale
Chairman

October 2016

INTRODUCTION



Welcome to the 2016 National Historic Vehicle Survey. The 2016 Survey is the fourth such survey completed by the Federation and is the most comprehensive to date. This report is not intended to be an entertaining novel but does tell an important story and gives a clear picture of how the historic vehicle movement stands today.

The survey involved over 14,000 individuals and over 400 clubs and traders connected to the industry.

This year for the first time we have had access to a summary of the DVLA records for vehicles registered before 1985. Whilst the date of registration is only a proxy for the date of manufacture the data gives a clear indication of the spread of different types of vehicles. Some may find it surprising that 10% of the vehicles on the DVLA database are agricultural tractors. Less surprising perhaps is the fact that cars represent 49% of the vehicle parc and motorcycles 29%. Whilst there continue to be a regular number of 'barn finds' and new imported vehicles each year that will not be known to the DVLA we have used the DVLA database as our base population of historic vehicles.

For the 2016 survey we have adopted a new approach. We started by undertaking a National Survey of adults to establish their attitudes and behaviours towards, historic vehicles and related activities. This survey has given us an important insight into the national view of historics and it gives us a useful background to the detailed surveys completed by enthusiasts, clubs and traders.

We all 'know' that the public at large are interested in historic vehicles but without the National Survey we do not have the evidence. However we are now able to show, through our research, that almost 50% of the country wish to see historic vehicles preserved for the future and given the opportunity, 5 million people or 10% of the population would like to own a historic vehicle. These attitudes show true support for the historic vehicle movement.

The survey of individual enthusiasts was, on this occasion, carried out substantially 'on line' but towards the end of the survey period, our friends at Classic Car Weekly published a physical copy of the survey to be completed by those less familiar with technology. To ensure we covered the full range of enthusiasts the survey was promoted in a wide variety of historic vehicle publications and through our member clubs. In addition, the results from the individual enthusiast surveys have been moderated to ensure that the populations of different types of vehicle are fairly represented based on our access to the DVLA data.

During our research we have been made aware of a material number of wealthy individuals who have assembled, in some cases, significant collections of vehicles. Typically these collectors and investors keep a low profile and we know that they were not properly covered by our enthusiast survey. The survey results include estimates of the spending incurred by these individuals.

Our club survey was designed to investigate changes in the club scene. The findings from this part of the survey are quite specific to historic vehicle clubs. We have prepared a separate report focussed on clubs and their activity which in the first instance will be made available to participating clubs and made public early in 2017.

The trade survey was designed to cover all types of commercial organisation involved in the historic vehicle industry, including museums, insurance

agents, auction houses and those involved in restoration, servicing and parts supply. There is again an increase in the numbers employed in the industry but the survey shows quite clearly that more skilled engineers and craftsmen are needed to service the growing demand. The survey underwrites the importance of the Federation's work to promote its apprenticeship scheme.

It is important to note that the trade survey has flagged a note of caution. Whilst 54% of traders expect their business to grow, compared to 52% in 2011, over 60% are concerned that regulation connected to historic vehicles will cause them problems in the future.

It is a key part of the Federation's work to monitor and review all types of regulation that might affect the historic vehicle movement and to make appropriate representation to Government and statutory bodies. Armed with the results of the 2016 National Historic Vehicle Survey the Federation has the facts with which to undertake this task. The value of hard evidence when it comes to dealing with Government cannot be overstated.

On behalf of the Federation I would like to thank all those who have taken time to complete our surveys. We know that some enthusiasts experienced technological problems when trying to take part. We apologise to them that their voice may not have been heard. However we are particularly pleased that so many enthusiasts have signed up to help us with future research projects. The Federation, backed by its membership, is in a strong position to represent all historic vehicle owners and to ensure we are all able to continue to use 'yesterday's vehicles on tomorrow's roads'.

Paul Chasney
Director - Research
FBHVC

October 2016

SCOPE AND REPORT STRUCTURE

The Federation of British Historical Vehicle Clubs Ltd (FBHVC) is an industry body that represents more than 500 subscriber organisations and a total membership of over 250,000 enthusiasts in addition to individual trade supporters in Britain. The aim of this report is to give an informed understanding of the historic vehicle sector by illustrating its scale, significance and contribution to the British economy, culture and heritage.

As a major stakeholder in the sector, the FBHVC commissioned an independent review capable of delivering an objective update on previous work conducted in 2011. This report provides that update, with the goal of presenting the most accurate, robust and comprehensive picture of the sector that is possible.

In order to meet that challenge, we have completed four research projects, collected nearly 14,000 surveys and analysed two external data sets (including DVLA database for pre-'85 registered vehicles). Together they constitute The 2016 National Historic Vehicle Survey and the findings that emerge present, we believe, the most comprehensive analysis of the sector in Britain ever undertaken.

The objectives of this report are to provide an update on the 2011 report and to create a new and fresh valuable resource to the industry.

Our hope is that findings will stimulate understanding of the sector across a range of important stakeholders including government and politicians, international partner bodies, together with historic vehicle enthusiasts and interested members of the British population.

The report includes a very detailed picture of national interest in historic vehicles, as well as an exploration of historic vehicle characteristics and owner spending patterns. We also provide an update on employment trends and employer perspectives towards the sector.

Scope

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Report structure

The report is split into the following 5 sections:

1

Public Interest in historic vehicles

This section is based on 2,440 surveys with a representative sample of the British population measuring interest, ownership, attitudes and behaviours towards historic vehicles.

2

Historic vehicles in Britain

This section is based on more than 1 million DVLA records of pre 1985 registered vehicles in Britain. We include vehicle profiling by type and make of vehicle.

3

Owning and keeping historic vehicles

This section is based on 10,576 surveys completed by owners and enthusiasts updating the patterns and behaviours of ownership from vehicle condition and acquisition to average mileage completed per annum.

4

Economic value of the historic vehicle sector

Based on 10,154 surveys completed by vehicle owners, 422 surveys completed by enthusiasts and 356 surveys completed by the trade, measuring expenditures on associated items relating to vehicle ownership, interest or service delivery, including trade turnover estimates for parts and services sold to foreign enthusiasts.

5

Employment and trade

Based on 356 surveys completed by owners and senior staff members of companies and organisations operating in the historic vehicle sector delivering services, parts and products, measuring employment numbers, future turnover expectations and attitudes towards the sector.



General notes to the reader:

While every care has been taken to ensure accuracy in presenting results, there is nevertheless the need to review these findings with a critical eye. The sector is resistant to a complete analysis due to its complexity and wide variety of stakeholder groups. Where possible we have validated findings from expert external sources.

For the purpose of clarification, where appropriate we refer to the British population (relating to England, Scotland and Wales). This is to help the reader appreciate the scale and volumes associated with the historic vehicles sector. For the purposes of estimating populations, we have assumed that questions relating to households (in the national omnibus stage) equate to at least one person. Population estimates are based on grossing up responses to a 16+ adult population of 51.1 million adults in Britain.

Overall estimates associated with owning and associated spending related to owning vehicles have been weighted to reflect the known registered vehicle profile from the DVLA i.e. based on individual vehicles rather than owners that may spend across multiple vehicles. Our aim is always to attempt to represent results in such a way that they reflect the real world picture as best we can.

The estimates for economic value (defined in spending terms) remain rudimentary, but are effective and enable a comparison with previous estimates.

Wherever appropriate we have removed outliers that could disproportionately impact or influence estimates. This has been done by reviewing individual responses.

When referring to the trade we have used 4000 known businesses that operate in the historic vehicle trade sector to extrapolate findings. This is likely to be an underestimate of the exact number of businesses that operate partly or wholly in the sector. The exact profile of these businesses in terms of their activity is unknown; the survey sample reflects 10 different areas of involvement including, museums, vehicle sales, maintenance and repair product dealers, structural and mechanical repair and restorers, batch manufacturers of parts and products, specialist component repair, secure storage facilities, event organisation and other services targeted at owners of historic vehicles such as insurance and publishing. In many instances trade organisations operate across multiple activities. Base sizes for the trade survey vary due to different levels of question completion.

The common definition of historic vehicle used in this report is 'registered pre-1985', or 30 years old. The vehicle types, whilst many and varied, most commonly reflect cars, motorcycles, buses and coaches, lorries, military, steam and agricultural vehicles. In many instances reporting on specific types of vehicle e.g. bus and coaches, has not been possible due to small sample sizes.





2. EXECUTIVE SUMMARY

The 2016 National Historic Vehicle Survey has been effective in presenting updated and new information about the sector that delivers a far greater understanding and focus on the issues it faces moving forward.

There are many conclusions that can be made from the findings of the survey - the key headlines have been drawn together below for the reader to digest.

National interest in historic vehicles

8.2M

PEOPLE IN BRITAIN ARE INTERESTED IN HISTORIC VEHICLES

- ▶ More than 8 million people in Britain have at least some interest in historic vehicles - be it owning, reading about them, visiting events, or maybe simply enjoying them when they drive past on the road. This equates to around 1 in 6 adults and a clear illustration of the mass appeal of the sector as a whole.

23M

PEOPLE SEE HISTORIC VEHICLES AS PART OF BRITAIN'S HERITAGE

- ▶ Nearly half the British adult population (48%), or an estimated 25 million people, think historic vehicles should be preserved for people to enjoy in the future. A similar number (23 million) see historic vehicles as an important part of Britain's heritage. These findings show there can be no doubt that the sector represents a unique window on our motoring history and that many people support and encourage historic vehicle preservation today.
- ▶ Findings further reveal 1 in 3 (32%) adults think historic vehicles should be used rather than sit unused in a museum, with 1 in 5 (an estimated 11 million people) going further and agreeing that historic vehicle owners should be actively encouraged to use them on the road. These findings create a compelling case for ongoing use of historic vehicles today.

16M

PEOPLE THINK IT'S IMPORTANT TO USE HISTORIC VEHICLES

Owning historic vehicles & pursuing an interest

1,039,950

HISTORIC VEHICLES IN BRITAIN

NOTE: BASED ON PRE 1985 REGISTERED VEHICLES.

- ▶ There are more than 1 million vehicles registered before 1985 in Britain. We use this as our proxy for historic vehicle numbers. They span the range of vehicle types - including cars, motorcycles, buses and coaches, lorries, military, steam and agricultural vehicles. This estimate is 18% higher than in 2011 (850,000) and constantly growing over time.

- ▶ Nearly 6 in 10 (58%) historic vehicles are licensed for 'on road' use. Two in three (65%) historic vehicles are in concours or very good condition and complete an estimated 676 million miles per annum.
- ▶ We estimate there to be around half a million individual owners of historic vehicles, and a further 1.5 million 'highly interested' enthusiasts who spend both their own time and money pursuing their hobby.

£17.8BN

ESTIMATED VALUE OF HISTORIC VEHICLES IN BRITAIN

- ▶ The value of all of historic vehicles in Britain today is estimated at £17.8 billion.
- ▶ More than 9 in 10 (94%) historic vehicles have some form of security in place, although most commonly this means being locked in a garage (84%), rather than having an installed alarm (9%), tracker system (2%), or security markings (2%).

Economic value & expenditure

- ▶ The economic value of the historic vehicle sector in annual spending terms is around £5.5 billion. This estimate is 27.9% up on the 2011 equivalent figure (£4.3bn) and illustrates the growth of the sector over that time. Key areas of spending are summarised below:

£5.5BN

NATIONAL ANNUAL EXPENDITURE ON HISTORIC ACTIVITY

Table 1. Expenditure associated with the historic vehicle movement

Associated Spending	Indirect Spending	Vehicle Sales	Overseas Income	Trade Spending
This includes expenditure that is directly related to owning an historic vehicle or involvement in owning an historic vehicle - including: maintenance, fuel, oil, storage, but also insurance, clothing and tool purchase. It also includes an estimate for high net worth collectors derived from expert opinion.	This includes expenditure that is related to an interest or enthusiasm in historic vehicles - like attending events, reading magazines, accommodation, books etc. It is not reliant on owning an historic vehicle.	This includes the estimated sales value of historic vehicles in the 12 month period prior to the survey. Estimates from industry experts provide inputs for high net worth collectors who, we believe, make a significant contribution to this spending.	This includes estimates of all spending on historic vehicles and associated expenditures (e.g. storage) by non UK residents i.e. owners that live overseas but spend on historic vehicles in Britain. It is derived from the Trade survey and proportion of non-domestic turnover.	This includes estimates of all spending by the trade on products and services to complete commissioned work*. *NB: we recognise a possible element of double counting in this category which will inflate figures slightly, but which does not impact the overall scale of sector spending.
£2,051,645,000	£414,080,000	£2,105,962,000	£661,829,000	£258,900,000
TOTAL				£5,492,416,000

Note: The estimates for expenditure value remain rudimentary but effective in enabling update and consistent comparison with previous equivalent estimates.

£662M

THE ANNUAL VALUE OF INCOME FROM OVERSEAS

- ▶ International trade (i.e. exported products and services) is growing as a proportion of turnover for British companies providing services to the sector - it is now estimated at 25%, up from 20% in 2011). This equates to an estimated £662 million per annum spent in Britain by foreign historic vehicle enthusiasts. The trade remain optimistic about future growth in turnover.

Employment and the trade

34,900 JOBS

ESTIMATED NUMBER OF JOBS RELATED TO HISTORIC VEHICLE ACTIVITY

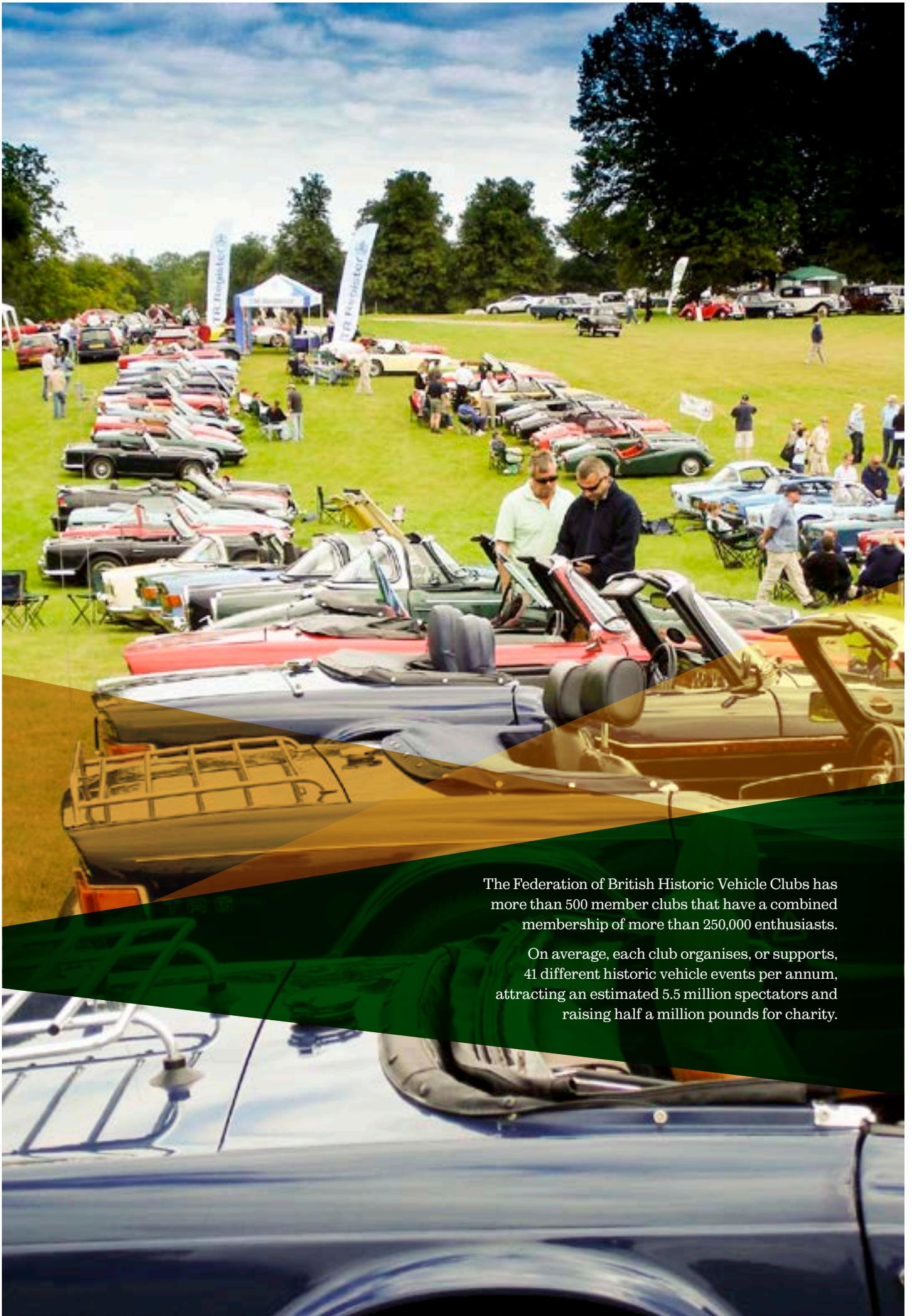
- ▶ Historic vehicle related employment has risen to 34,900 from 28,000 in 2011 - a 25% increase reflecting the growing spending, increased vehicle numbers and the positive attitude of businesses towards future turnover growth related to their historic vehicle activity.

- ▶ The industry provides more part-time jobs (7,600) and trainee/apprenticeships (3,800) than ever before, but skill shortages remain with 40% of employers struggling to find skilled staff. This scenario looks set to continue with 1 in 2 employers anticipating difficulties recruiting skilled staff in the future.
- ▶ More than half the organisations operating in the historic vehicle trade expect their business to grow in the future (54%, up from 52% in 2011)

MORE THAN 6 IN 10

THE PROPORTION OF BUSINESSES THAT ARE CONCERNED HISTORIC VEHICLE REGULATION WILL CAUSE THEM PROBLEMS

- ▶ More than 6 in 10 (61%) employers in the trade remain concerned that regulation connected to historic vehicles will present a problem for their business moving forward. Little has changed since 2011 when similar proportions of employers (68%) had the same concerns.



The Federation of British Historic Vehicle Clubs has more than 500 member clubs that have a combined membership of more than 250,000 enthusiasts.

On average, each club organises, or supports, 41 different historic vehicle events per annum, attracting an estimated 5.5 million spectators and raising half a million pounds for charity.

KEY TRENDS

Comparisons with previous surveys

The table below provides key comparisons with previous surveys that stretch back over a 20 year period to 1997. Wherever possible we have given a like-for-like comparison in order to develop trends, although this has not always been possible. The comparisons provided give a strong indication of the health of the sector today and its direction of travel for the future.

Table 2. Key Trend comparisons with previous surveys

	1997	2006	2011	2016
Number of historic vehicles	not reported	not reported	850,000	1,039,950
Number of historic vehicle owners	not reported	not reported	not reported	493,000
Average historic vehicle owner spend (per annum)	not reported	not reported	£2,900	£3,400
Expenditure associated with the historic vehicle movement	£1.6bn	£3.2bn	£4.3bn	£5.5bn
Value of exports (measured as non-domestic turnover)	£300+m	£320m	£960m	£662m
People in employment (historic vehicle activity)	25,000	27,000	28,000	34,900
Mileage (average per annum in historic vehicles)	516 miles	350 miles	288 miles	1,124 miles
Historic vehicle values	not reported	67% under £10k	70% under £10k	53% under £10k
Total historic vehicle value	not reported	not reported	not reported	£17.8bn
Historic vehicle owner household income (per annum)	not reported	30% under £20k	30% under £25k	£43,200
Attendance at all events (all club activities per annum)	500k	1.1m+	4.5m	5.5m
Business growth expectation (%historic traders expect their businesses to grow)	not reported	not reported	52%	54%

Notes on Table 2:

- Table 2 findings and estimates are based on the 2016 National Historic Vehicle Survey. A more detailed explanation of workings is provided in the main report. Please treat all findings with some caution as methodology between surveys may vary.
- Data for 1997, 2006 and 2011 is as presented in the 2011 'A £4bn Hobby' Research Report.
- Wherever possible we have tried to illustrate a like-for-like comparison across different surveys to offer trend insights. In some instances detailed data is not available and this may affect direct comparison.
- In some instances survey questionnaires have been structured in a different way and resulted in a different presentation of data. Wherever possible the sampling approach has remained consistent.



3. NATIONAL INTEREST IN HISTORIC VEHICLES

INTEREST IN HISTORICS

8.2 MILLION PEOPLE



The number of people 'interested' in historic vehicles in Britain (Based on 16% of GB population)

UBIQUITY

6 MILLION

The number of people that know someone that owns an historic vehicle



(Based on 12% of GB population)



5.1M

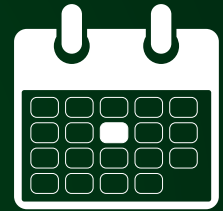
ASPIRATION

The number of people that would like to own an historic vehicle

(Based on 10% of GB population)

COMMUNITY

1 MILLION



Attended a 'local' historic vehicle event in the last 12 months
(Based on 48% of GB population)

PRESERVATION

24.5 MILLION PEOPLE



Think historic vehicles should be preserved for people to see

(Based on 48% of GB population)

HERITAGE

23 MILLION PEOPLE

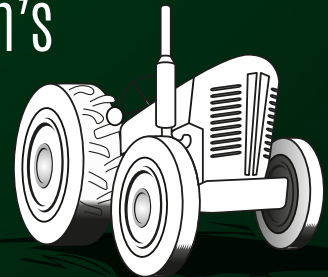


Think historic vehicles are part of Britain's heritage and are important to preserve
(Based on 45% of GB population)

PROUD 18.4M PEOPLE

Are proud of Britain's heritage in the manufacturing of historic vehicles

(Based on 36% of GB population)



UTILITY 16.4M PEOPLE



Think it is important that historic vehicles are seen to be used rather than just in a museum
(Based on 32% of GB population)

These findings are taken from 2,440 nationally representative interviews. Population estimated are based on GB Adult population of 51.1 million people 16+ (TNS Online Omnibus Survey April 2016)

This section of the report focuses on what the British population think about historic vehicles. Specifically, we explore attitudes, opinions and behaviours in order to understand what the wider British population think of the sector. This is the first time this exercise has been conducted as part of a FBHVC survey and the results are revealing.

3.1 Behaviours associated with historic vehicles

8.2M

PEOPLE IN BRITAIN ARE INTERESTED IN HISTORIC VEHICLES

Key insights:

- Interest in historic vehicles**
More than 8 million people in Britain claim to have some interest in historic vehicles. This is a huge number representing the full spectrum of interests from those with just a passing interest, to those that are involved in managing club activities.
- Aspiration to own a historic vehicle**
1 in 10 adults aspire to own an historic vehicle in the future. Encouragingly, this proportion jumps up to 15% amongst young adults (see appendix), which is cause for some optimism in the context of generational change.
- Attending historic vehicle events**
Around 1 in 20 adults, or an estimated 2 million people, attended a national historic event in the last 12 months. These include events such as Goodwood Revival and NEC Classic Motor Show.

Table 3. National behaviours associated with historic vehicles in Britain

Behaviours associated with historic vehicles Thinking about historic vehicles, which of the following would you say applies to you?	% of GB Population	2016 Estimated GB population
Interested in historic vehicles	16%	8.2m
Know someone who owns an historic vehicle	12%	6.1m
Would like to own an historic vehicle	10%	5.1m
Have attended an historic vehicle event in the last 12 months	4%	2.0m
Regularly read about historic vehicles	4%	2.0m
Used to own an historic vehicle	4%	2.0m
Have attended a local historic event in the last 12 months	2%	1.0m
Member of historic vehicle club	1%	500K
Work in the historic vehicles industry	1%	500K

Base: Nationally representative surveys (n=2,444)

Note: Population estimates are based on 2016 GB population 16+ Adults; 51.1m

3.2 Attitudes towards historic vehicles

The same survey sample were asked about their general attitudes towards historic vehicles based on a prompted list that included key sector issues such as preservation, heritage, pride and on-road encouragement.

Table 4. National attitudes associated with historic vehicles in Britain

Attitudes associated with historic vehicles Thinking about historic vehicles, which of the following would you say applies to you?	% of GB Population	2016 Estimated GB population
Historic vehicles should be preserved for people to see in the future	48%	24.5m
Historic vehicles are part of this country's heritage and it is important to maintain them	45%	23m
I am proud of Britain's heritage in the manufacture of historic vehicles	36%	18.4m
It is important that historic vehicles are seen to be used rather than just in a museum	32%	16.4m
Owners of historic vehicles should be encouraged to use them on the road	22%	11.2m

Base: Nationally representative surveys (n=2,444)

Note: Population estimates are based on 2016 GB population 16+ Adults: 51.1m

Key insights:

▶ **Historic vehicles should be preserved**

Around half the population - some 24.5 million adults - think that historic vehicles should be preserved for people to see in the future. This is the first time the wider population have been canvassed on their view and the results appear to show a huge level of support in terms of preservation.

▶ **Historic vehicles are an important part of our heritage**

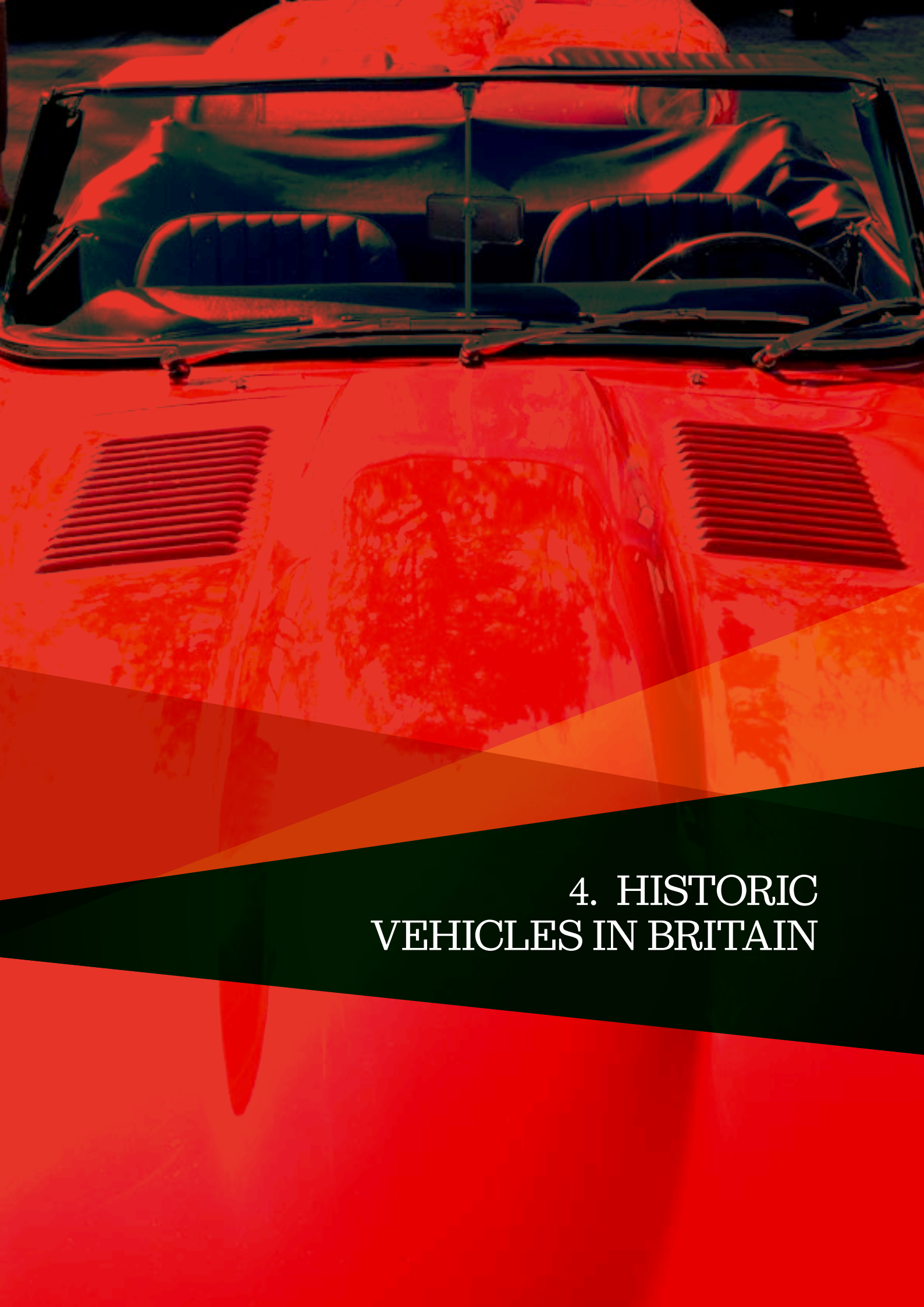
The link between historic vehicles and British heritage is visible in the 45% of the population holding the view that historic vehicles are a part of this country's heritage.

▶ **Something to be proud of**

More than 1 in 3 adults in Britain (36%) feel a sense of pride in the fact Britain played a key role in the manufacture of historic vehicles.

▶ **Using historic vehicles today**

Almost a third (32%) of the population thinks it is important that historic vehicles are used and not just kept in a museum. Further support comes from over a fifth (22%) of the population that say owners should be encouraged to use their vehicles on the road. This is a huge figure for the industry that translates to around 11 million people in Britain that support on-road use of historic vehicles today.



4. HISTORIC VEHICLES IN BRITAIN



1 MILLION PLUS
 HISTORIC VEHICLES IN BRITAIN (DVLA PRE '85)

1.5 MILLION

THE NUMBER OF HIGHLY INTERESTED ENTHUSIASTS (NON-OWNERS)



£17.8B

THE ESTIMATED VALUE OF HISTORIC VEHICLES IN BRITAIN



C.500K=



THE NUMBER OF HISTORIC VEHICLE OWNERS IN BRITAIN

**HIGH END HISTORIC VEHICLE
 MAKES INCLUDE**

CARS



Ferrari



ASTON MARTIN



BENTLEY



MOTORCYCLES



This section of the report provides an insight on the different types of historic vehicle we see today. To do this effectively, we have analysed the DVLA vehicle register and used vehicles registered before 1985 as our proxy for all historic vehicles. This approach will underestimate the number of historic vehicles as vehicles imported or 'barn finds' registered for the first time after 1985 but actually manufactured before that date, will not be included.

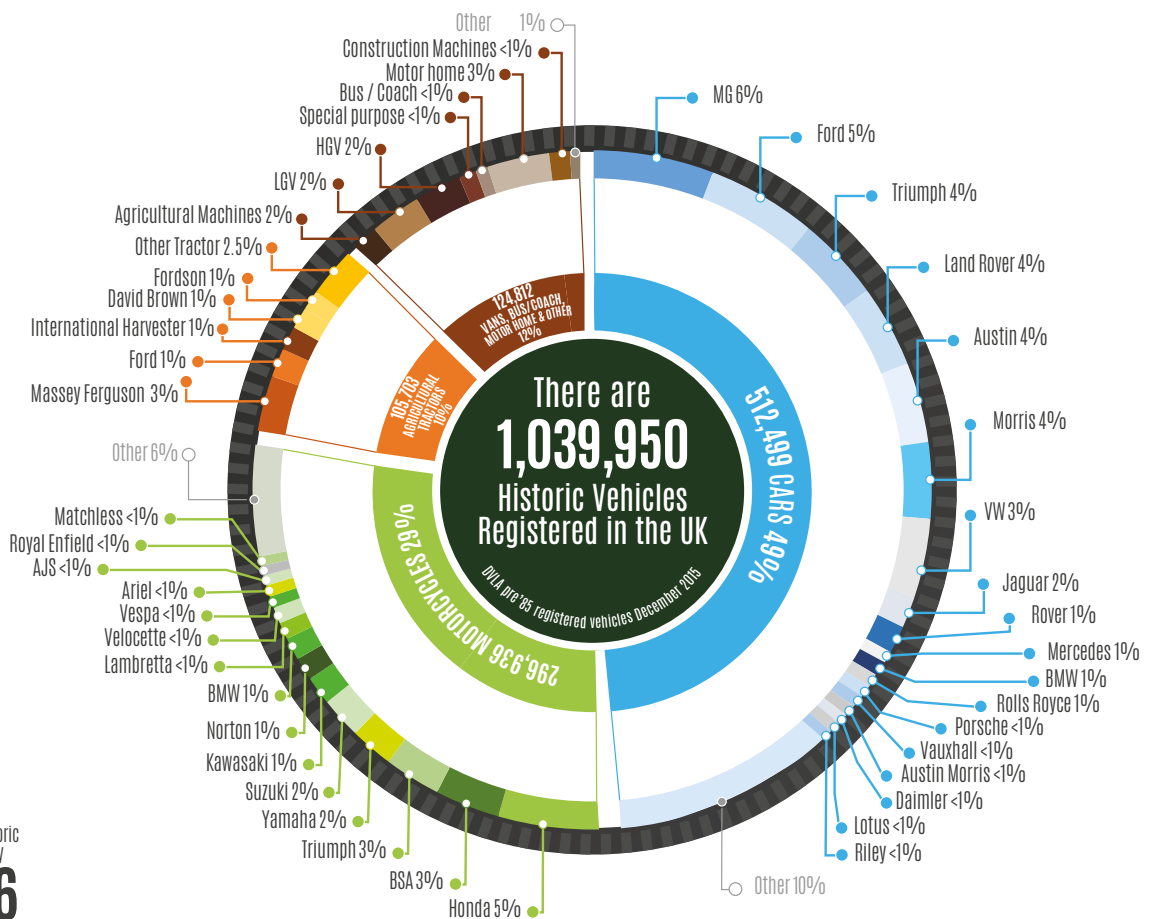
4.1 Pre-'85 registered historic vehicles

The DVLA holds 1,039,950 pre-1985 vehicle registrations at the time of producing this report. This number has grown significantly since 2011, where the equivalent figure, i.e vehicles over 30 years old, was 865,000.

The largest type of historic vehicle in volume terms are cars (49%), followed by motorcycles (29%), agricultural tractors (10%) and then a wide range of vehicle types including buses/coaches, lorries, vans, agricultural, steam and military vehicles.

MORE THAN 1 MILLION HISTORIC VEHICLES IN BRITAIN

Chart 1: Historic vehicles in Britain 2016 - type, make and volume



The largest vehicle makes illustrate the strength and depth of the British motor industry during an era when it was most active and dominant. For example, major British car manufacturing makes such as MG, Ford, Triumph, Land Rover, Austin and Morris are all very well represented and make up more than a quarter (27%) of all historic vehicles today.

Similarly, we can track the dominance of British manufacturing in motorcycles through BSA, Triumph and Norton, and also see the emergence of the Japanese super bike in the '70s and early '80s through Honda, Yamaha, Suzuki and Kawasaki makes.

Note: In many instances smaller categories including lorries, bus/coaches and motor homes do not have makes attached to their DVLA record and are defined only by type. They are therefore not detailed in this illustration due to incomplete records.

4.2 Number of owners of historic vehicles

C.500,000

HISTORIC VEHICLE OWNERS IN BRITAIN

The individual details of owners of registered historic vehicles were not available for analysis due to standard data protection rules. However, we know from the survey research conducted that many individual owners own more than one vehicle and, often, vehicles of different types.

With this in mind, we estimate from survey findings that the 'average' historic vehicle owner owns 2.1 different historic vehicles, which would mean there are 493,014 individual vehicle owners in Britain today (based on the 1,039,950 registered historic vehicles).

This estimate is consistent with previous research and expert opinion in the sector. We also believe it to be conservative when compared to the population research conducted for section 1 where an estimated 1 million owners in Britain were recorded. Importantly, we use the former estimate as a reference point in this report to avoid over estimating key insights.

4.3 Number of historic vehicle enthusiasts

1.5 MILLION

HISTORIC VEHICLE ENTHUSIASTS IN BRITAIN

We do not know the exact number of 'highly interested' enthusiasts that exist although the actual figure is likely to be somewhere between the number of owners (c.500K), and the 8.2 million people that have some kind of interest in historic vehicles.

With this in mind, we estimate there to be around 1.5 million 'highly interested enthusiasts' in Britain today. This is a key input that we have derived from the National Population Study, and reflects two survey results - 1) those that have attended a 'national' historic vehicle event in the last 12 months (c.2 million people), and 2) those that have attended a 'local' historic vehicle event in the last 12 months (c.1 million people). We have used these inputs to indicate a higher level of interest that we would consider contributes to the sector - this might be in spending, volunteering, event attending or in other ways. We believe our estimate of 1.5 million is likely to be conservative.

4.4 Estimated total value of historic vehicles

£17.8 BILLION

THE ESTIMATED TOTAL VALUE OF HISTORIC VEHICLES IN BRITAIN

By combining the number and composition of historic vehicles (by type and make) with the average values (estimated by owners), we estimate the total value of vehicles in the sector to be in the region of £17.8 billion.



Table 5: Value of historic vehicles in Britain

Base: National Historic Vehicle Survey 2016 (GB owners n=10,154)

Total value of Historic Vehicles	Vehicle Type	Average Value Estimate	Number of vehicles (based on DVLA)	Total estimated value (type)
£17.8 BILLION	Cars	£29,000	512,499	£14,862,471,000
	Motorcycles	£4,600	296,936	£1,365,905,600
	Agricultural tractor	£3,900	105,703	£412,241,700
	Bus/coach *	£17,000	8,845	£152,642,000
	Van (HGV & LGV)	£8,300	49,428	£410,252,400
	Agricultural vehicle	£4,100	16,730	£68,593,000
	Other**	£9,600	52,406	£503,097,600
			1,042,547	£17,775,203,300
Note: vehicle numbers taken from DVLA registrations with exception of bus/coaches which is provided by NARTM				
* NARTM 2016 submission to FBHVC regarding economic contribution of the historic public service vehicle sector in the UK				
** Other types include steam, military and other vehicles where DVLA descriptions can not easily be attributed to a type of historic vehicle				

4.5 Estimated value of historic vehicles by type and make

The charts below demonstrate the range of values recorded by vehicle type and make. Clearly, there are small numbers of very high value makes across each type of vehicle and a considerable tail of much lower value makes.

Chart 2: Average value of historic vehicles by make

Chart 2a. Cars: Average value £29,000

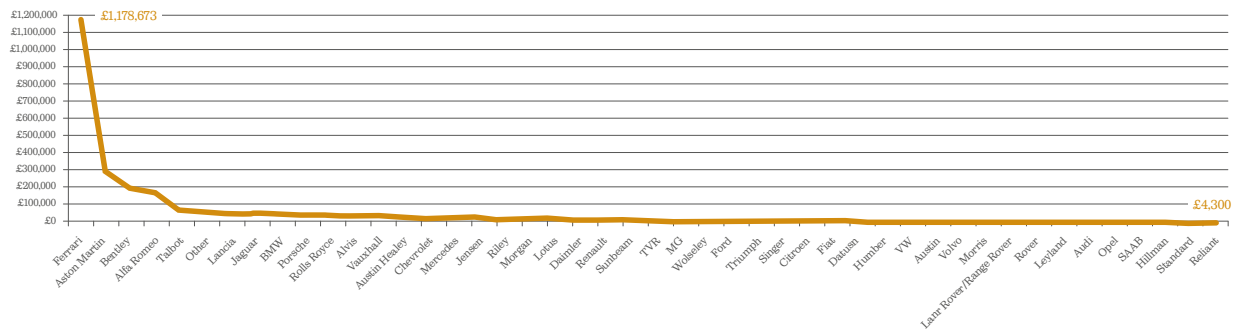


Chart 2b. Motorcycles: Average value £4,600

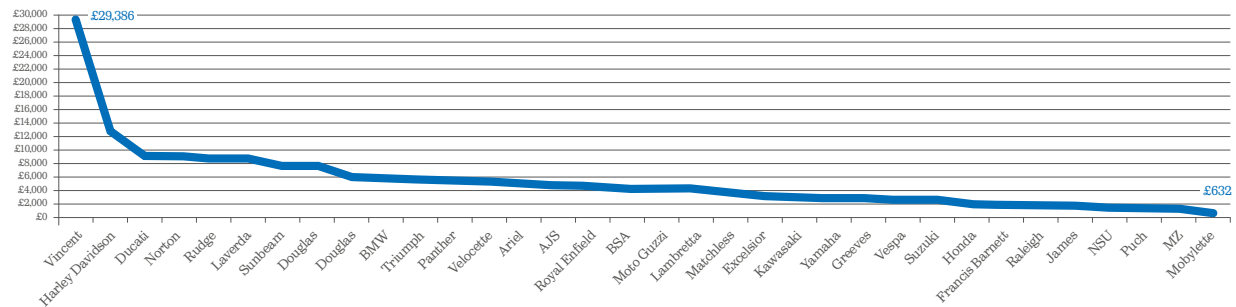
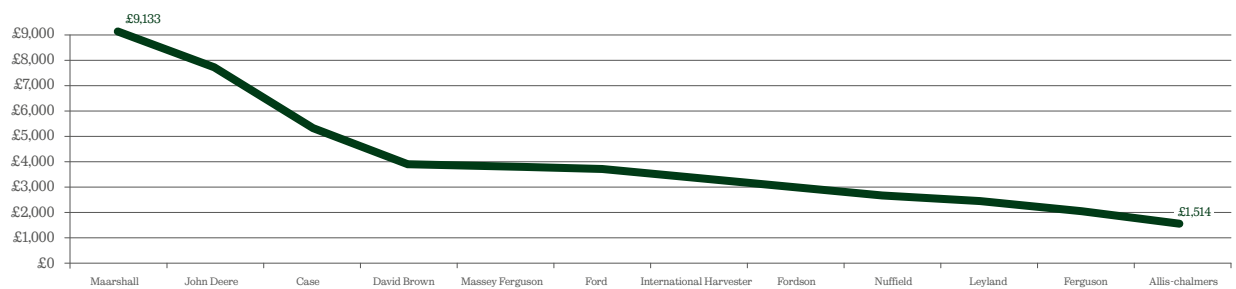


Chart 2c. Agricultural tractors: Average value £3,900



Note: the above illustrations are based on owner opinion of average vehicle value by type and make. It is not based on expert opinion or sales records at auction houses. As such it may be subject to considerable bias, although should reflect the relative standing (in value terms) of different types and makes. Estimates are indicated for cars, motorcycles and agricultural tractors only due to low sample sizes by make for other types of historic vehicle.

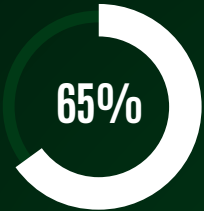


5. OWNING AND KEEPING HISTORIC VEHICLES



61 YEARS
AVERAGE AGE OF AN HISTORIC VEHICLE

16 YEARS
AVERAGE TENURE OF HISTORIC VEHICLE OWNERSHIP

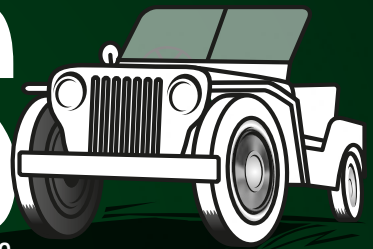


PROPORTION OF HISTORIC VEHICLES IN CONCOURS OR VERY GOOD CONDITION



VEHICLES LICENSED FOR ON-ROAD USE
601,700

1,124 MILES
AVERAGE MILES COMPLETED PER ANNUM BY ON ROAD HISTORIC VEHICLES



16



AVERAGE NUMBER OF TIMES AN HISTORIC VEHICLE IS USED PER ANNUM

54% PROPORTION OF HISTORIC CARS USED FOR SHORT RUNS



78% THE PROPORTION OF FUTURE HISTORIC VEHICLES THAT ARE CARS (VS. 49% DEC 2015)



676 MILLION MILES
ESTIMATED TOTAL MILES COMPLETED BY HISTORIC VEHICLES PER ANNUM

0.21% of the mileage driven on Britain's roads

One of the main aims of the National Historic Vehicle Survey is to add a layer of detail to the historic vehicles highlighted in the previous section so we can better understand their make-up and, importantly, how they are used today. This section focuses on these areas and is based on the 10,154 owner surveys and 21,757 vehicle profiles for which survey details were collected.

Much of this may already be known anecdotally within individual enthusiast communities, but this section provides an insight across all vehicle types. We achieve that by reviewing the key behaviours associated with vehicle ownership.

Conducting research on this topic proved challenging simply because historic vehicle owners often own a number of different vehicles, and behaviours can vary between vehicles making it very difficult to accurately record activity - for example, a historic car can be kept in the garage for half the year, then regularly driven in the warmer summer months. The same owner can keep a motorcycle that is being restored over a number of years and is registered for SORN. As a result we asked owners to tell us about each vehicle that they own in detail (up to a maximum of 5 vehicles).

Note: Wherever possible we have reported on vehicle types including, cars, motorcycles, agricultural tractors, bus / coach, lorries, military, steam and agricultural vehicles. All other vehicle types are grouped into an 'other' category for reference.

5.1 Year of manufacture and vehicle condition

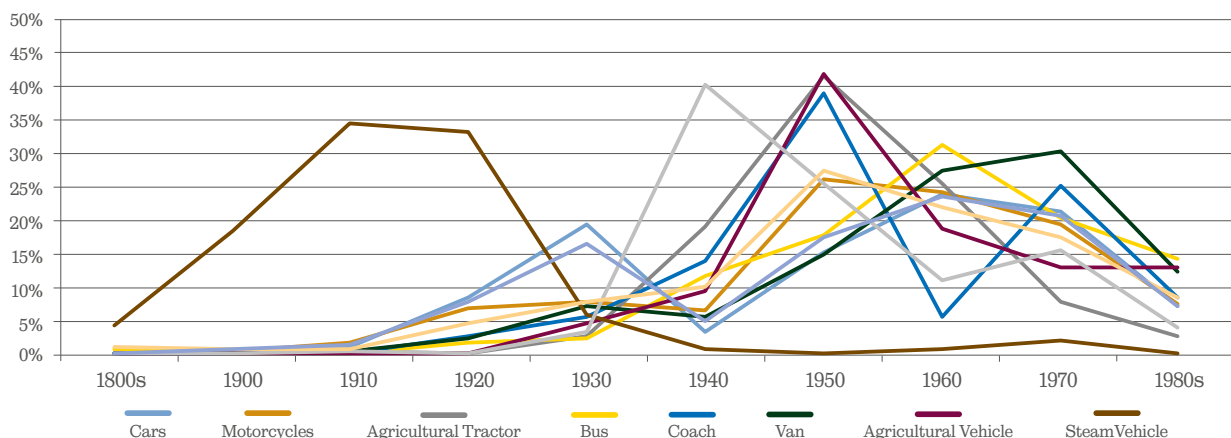
61 YEARS

THE AVERAGE AGE OF HISTORIC VEHICLES

In terms of cars, 1956 is the 'average' year of vehicle manufacture recorded from owners in the survey, meaning that many of the historic cars we see today have hit or exceeded the 60 years of age mark.

The overall picture across different vehicle type, of course, hides a great deal of variation from steam vehicles being the oldest (average year of manufacture being 1918), through to buses and vans being amongst the youngest (1963 and 1964 respectively).

Chart 3: Average age of historic vehicle manufacture



Base: National Historic Vehicle Survey 2016 (Base: All historic vehicles n=21,757)

Not surprisingly, the spread of ages reflects pre and post war manufacturing - for example Alvis, Bentley, Talbot and Rileys record an average age of 74 (the older pre-war cars), and brands like Audi and Opel record much younger ages (aged 38 and 35 respectively).

Motorcycle statistics are quite comparable to cars, with 1958 being the average year of manufacture. The older historic motorcycles were registered pre-war and include Scott and Douglas, both now well into their 80s and older. The younger bikes, Suzuki and Kawasaki, reflect the Japanese and Italian 'super-bike' era now reaching their late 30s and 40s.

Encouragingly, we report that nearly two thirds (65%) of historic vehicles represented in the 2016 National Historic Vehicle Survey are either in concours or very good condition. Whilst this is major positive, it does highlight a significant proportion of vehicles that may be at some risk or in process of restoration.

For historic car brands such as Ferrari (92% concours/very good condition), Aston Martin (79%), Porsche (76%) and Bentley (75%), the proportion that are in concours or very good condition rises dramatically (these being amongst the most valuable), whilst TVR and Datsun are those most likely to be in need of full restoration (32% and 27% respectively).

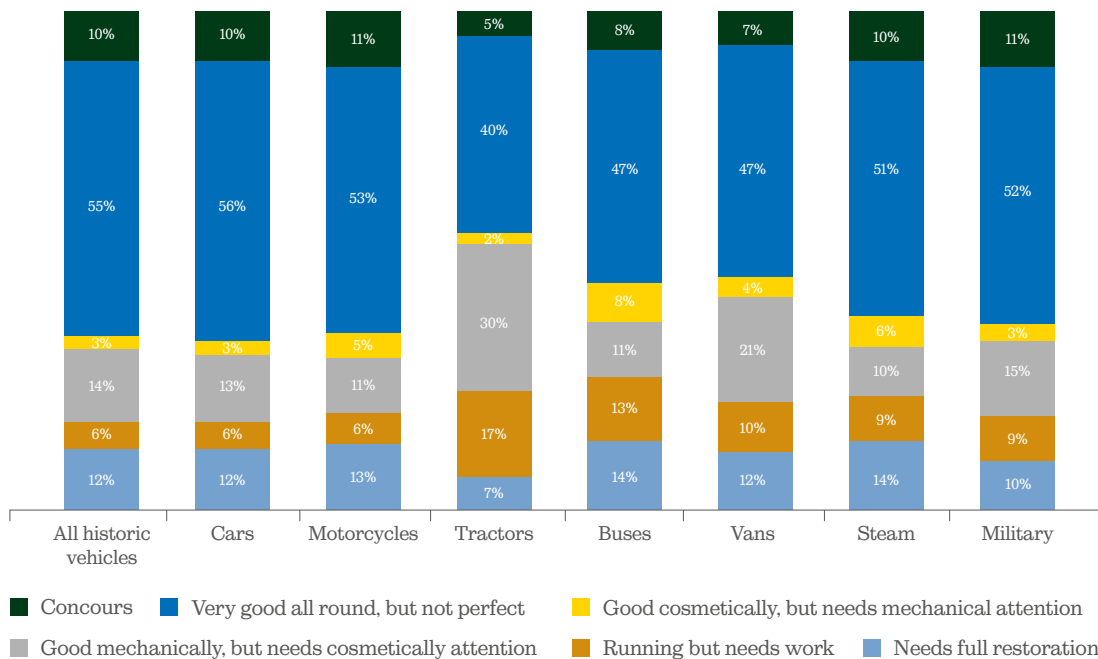
In the case of motorcycles, there are many different makes that are kept in concours or very good condition - Lambretta, Ariel, Scott, Laverda, BMW, Ducati, to name a few.

Importantly, there are similar numbers of makes where significant proportions are in need of full restoration - including older British brands such as Raleigh (26%), Excelsior (25%) and Francis Barnett (22%). It is interesting to note that Excelsior, Britain's first motorcycle manufacturer, is amongst this group.

65%

OF VEHICLES ARE IN CONOURS OR VERY GOOD CONDITION

Chart 4: Current condition of historic vehicles



Base: National Historic Vehicle Survey 2016 (Base: All historic vehicles n=21,757)

5.2 Licensed and SORN status

601,681
**HISTORIC VEHICLES LICENSED
 FOR ON-ROAD USE**

A further indication of vehicle condition is reflected in license status - here around 2 in 3 (69%) historic vehicles in the survey are licensed to be driven or ridden on the-road. Encouragingly, this is consistent

with DVLA records (58%) reflecting the estimated 601,681 historic vehicles able to be driven on roads today.

There are a significant proportion of vehicles - 1 in 5 - that are SORN (Statutory Off Road Notice) reflecting different states of repair or future restoration opportunities.

There is considerable variation in licensed status between different types of historic vehicle with cars and steam vehicles more likely to be licensed than other vehicle types, and motorcycles and agricultural tractors more likely to be SORN or in long term storage.

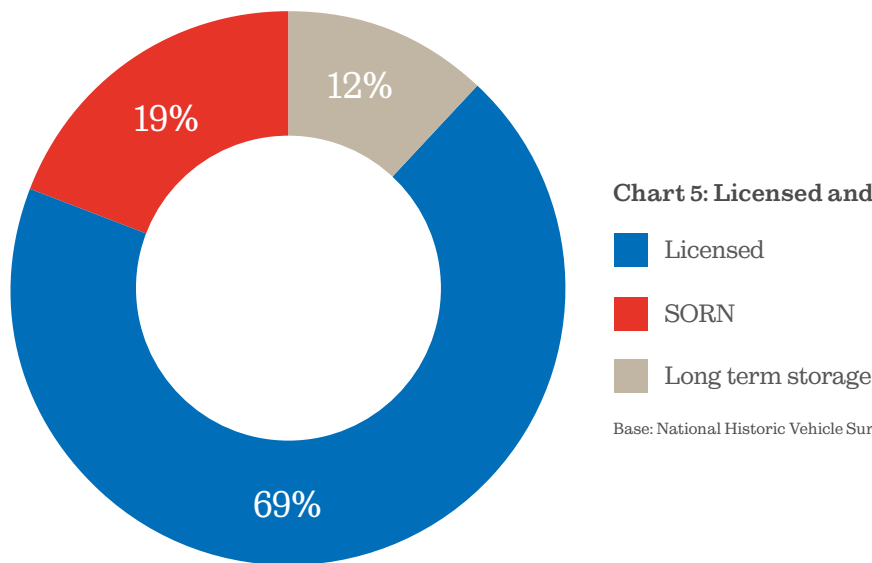
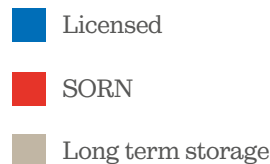


Chart 5: Licensed and SORN vehicles



Base: National Historic Vehicle Survey 2016 (Base: All historic vehicles n=21,757)

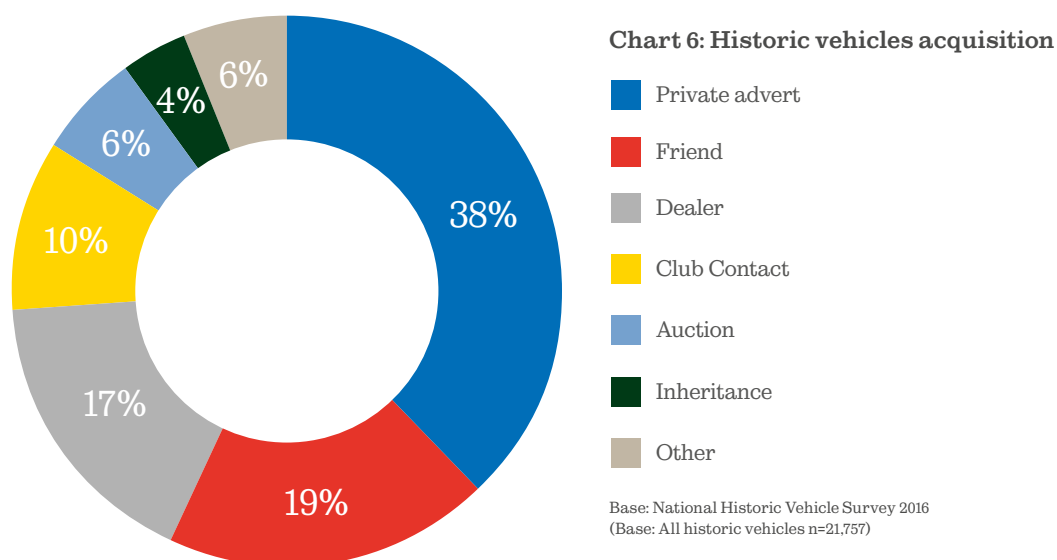
Table 6: Licensed and SORN by type of vehicle

	All historic vehicles	Cars	Motorcycles	Agricultural Tractors	Bus/Coach	Van	Agricultural Vehicles	Steam	Military	Other
Licensed	69%	72%	55%	56%	54%	68%	56%	72%	70%	62%
SORN	19%	17%	25%	20%	34%	21%	24%	15%	15%	20%
Long Term Storage	12%	11%	20%	24%	13%	11%	20%	13%	15%	19%

Base: National Historic Vehicle Survey 2016 (Base: All historic vehicles n=21,757)

5.3 Vehicle acquisition and tenure

The survey indicates a complicated picture in terms of acquisition with most historic vehicles acquired privately (38%), through friends (19%) or via a dealer (17%). That said, club contacts play a key role for some (10%), whilst fewer owners use auctions (6%) to acquire their vehicles.



Once again, the above picture hides considerable variation across different vehicle types, for example, motorcycles and tractors are more commonly acquired via friends (28% and 34% respectively) than other vehicle types, whilst tractors are nearly twice as likely to be acquired through an auction than cars (10% and 6% respectively).

Similarly, high value cars (Ferrari, Aston Martin, Bentley) are more likely to be acquired through dealers than through private adverts, whilst high end motorcycles (Vincent, Harley Davidson, Ducati and Norton) are just as likely to be acquired from friends as they are through private adverts.

Table 7: Historic vehicles acquisition by type

	Car	Motorcycle	Agricultural Tractor	Bus/Coach	Van (HGV/LGV)	Agricultural Vehicle	Steam Vehicle	Military Vehicle
Bought through a private advert	39%	35%	26%	15%	45%	35%	26%	41%
Bought from a dealer	18%	13%	11%	13%	10%	12%	8%	16%
Bought from a friend	17%	28%	34%	25%	16%	30%	23%	21%
Bought through a club contact	10%	6%	3%	12%	12%	3%	10%	8%
Bought at auction	6%	7%	10%	1%	8%	8%	4%	6%
Inherited it	4%	4%	13%	3%	3%	6%	12%	2%
Other	6%	7%	4%	32%	7%	6%	17%	5%

Base: National Historic Vehicle Survey 2016 (Base: All historic vehicles n=21,757)

16 YEARS

THE AVERAGE TENURE OF HISTORIC VEHICLE OWNERSHIP

Once acquired, historical vehicles tend to enjoy long relationships with their owners. The average ownership tenure across all vehicles is 16 years. This estimate remains broadly similar across all historic vehicle types with the exception of steam vehicles which tend to have longer tenures with their owners (average of 30 years).

5.4 Frequency of using vehicles and distances travelled

676 MILLION MILES PER ANNUM

TOTAL MILEAGE OF HISTORIC VEHICLES PER ANNUM

In total, historic vehicles complete 676 million miles per annum, which equates to 0.21%* of the total vehicle mileage on the roads in Britain. There is considerable variation by vehicle type with buses/coaches and vans covering the longest distances each year (1790 and 1725 miles respectively), and agricultural tractors covering the shortest distances (100).

When combined, we estimate historic vehicles complete more than 676 million miles per annum. This overall estimate is lower than seen in 2011 (750 million miles) which presents some cause for concern, particularly as there are also far more historic vehicles registered for road use now.

*based on 316 billion miles for all vehicles per annum. Source: Department for Transport 2015

Table 8: Estimated mileage per annum by type of vehicle

	Average Milage per annum	Universe of vehicles (pre '85 DVLA registered and on-the-road)	Estimated miles travelled per annum
Cars	1460	282,883	413,009,180
Motorcycles	835	152,530	127,362,550
Agricultural Tractors	100	76,106	7,609,839
Bus/coach	1,790	4,499	8,053,210
Agricultural Vehicles	1,150	12,046	13,852,900
Vans	1,725	35,588	61,389,300
Other	1,180	38,029	44,874,220
		601,681	676,151,199

Base: National Historic Vehicle Survey 2016 (Base: All historic vehicles n=21,757)



By type of vehicle - around a quarter of cars (26%) travel fewer than 500 miles per annum, compared to 43% of motorcycles and 47% of other types of historic vehicle.

Note: Mileage estimate is based on the average mileage of vehicles by type that are registered for road uses multiplied by the number of equivalent vehicles registered with the DVLA.

16 TIMES

NUMBER OF TIMES AN HISTORIC VEHICLE IS USED PER ANNUM

In terms of the frequency of using vehicles, there is a wide range of patterns across different types of historic vehicle. On average, cars are taken out 18 times a year (once every few weeks or so, or more often in summer months), whilst vans and agricultural vehicles appear to be used far more frequently (34 and 24 times a year respectively).

In the case of agricultural vehicles, around a quarter (23%) are used all year round suggesting these are still working vehicles regardless of their historic status. The same appears true for a relatively high proportion of vans (16%).

Interestingly, motorcycles are the vehicle type most likely not to be used at all - perhaps indicating a high level of collector-only ownership.

Table 9: Frequency of using historic vehicles

	Average times used vehicle last year	The number of times used in the last 12 months					
		50+ times	26 to 50	11 to 25	6 to 10	1 to 5	Not used at all
Cars	18	8%	14%	21%	15%	15%	27%
Motorcycles	11	7%	7%	12%	12%	20%	45%
Agricultural Tractors	17	9%	11%	14%	15%	27%	24%
Bus	7	1%	6%	12%	22%	20%	39%
Agricultural Vehicles	34	23%	16%	17%	30%	13%	20%
Vans	24	16%	11%	18%	12%	14%	30%
Other	16	9%	9%	11%	15%	21%	35%

Base: National Historic Vehicle Survey 2016 (Base: All historic vehicles n=21,757)



5.5 Reasons for using historic vehicles

54%
OF CARS ARE USED
FOR SHORT RUNS

Short runs (often with friends) are perhaps not surprisingly the most common reason for using historic vehicles. Attending events and long runs are also fairly common activities – particularly for car and van owners (which helps to explain their higher mileage per annum).

Attending events is also particularly common across military vehicles, cars, steam vehicles and buses/coaches. In terms of make of vehicle, most regularly used vehicles are Bentley (60%), Rolls-Royce (59%), Aston Martin (56%), Ferrari (55%) and Alvis (55%) – those makes that perhaps inspire and draw crowds.

Table 10: Reasons for using historic vehicles

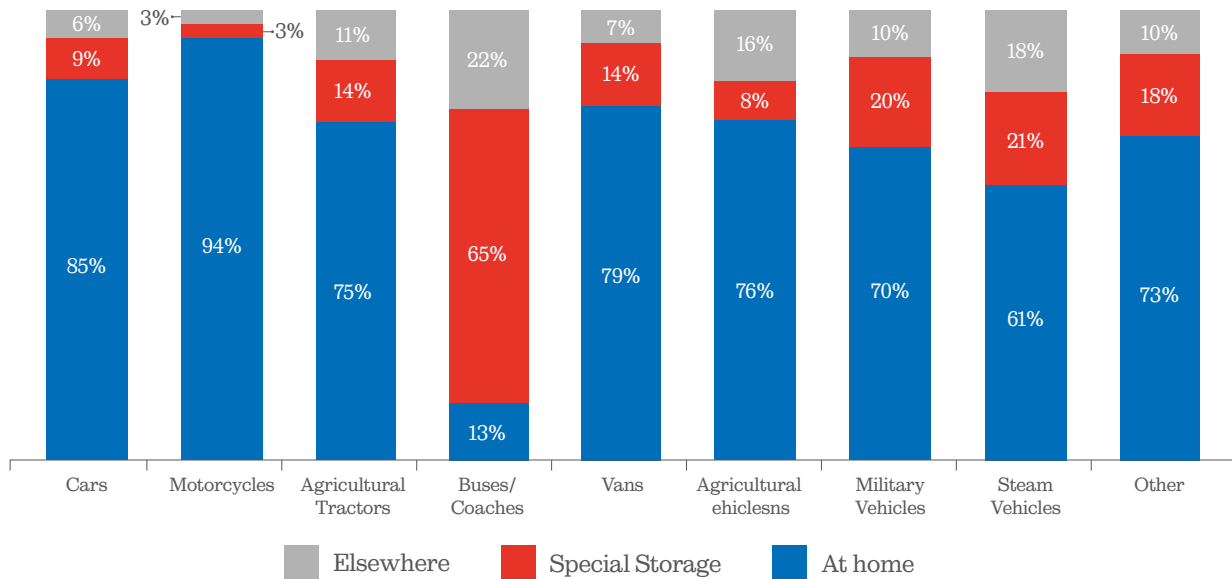
	Car	Motorcycle	Agricultural Tractor	Bus/Coach	Van (HGV/LGV)	Agricultural Vehicle	Steam Vehicle	Military Vehicle
Short runs	54%	41%	27%	34%	51%	38%	47%	48%
Drive on own/friends	51%	32%	14%	36%	41%	29%	40%	41%
Attend events	48%	26%	24%	44%	42%	27%	45%	54%
Long runs	31%	15%	6%	18%	30%	19%	15%	22%
Organised tours	20%	8%	7%	10%	10%	10%	13%	16%
Other	5%	3%	38%	9%	11%	43%	6%	4%

Base: National Historic Vehicle Survey 2016 (Base: All historic vehicles n=21,757)

5.6 Keeping historic vehicles and their security

The issue of vehicle security is important given there are more historic vehicles than ever and, in many instances, higher values associated with top end vehicles. That said, the survey indicates that most owners of historic vehicles keep them at home with around 1 in 10 (9%) using the growing number of special storage facilities available.

Chart 7: Where historic vehicles are kept



Base: National Historic Vehicle Survey 2016 (Base: All historic vehicles n=21,757)

It is encouraging to report that more than 9 in 10 (94%) historic vehicles have some form of security in place, although this may mean that the vehicle is simply either locked in a garage and/or has a lock fitted. Perhaps surprisingly, given some vehicle values, relatively few have alarms installed (9%), tracker systems (2%) or security markings (2%).

Table 11: Historic vehicle security

	Car	Motorcycle	Agricultural Tractor	Bus/ Coach	Van (HGV / LGV)	Agricultural Vehicle	Steam Vehicle	Military Vehicle
Stored in a locked garage	87%	94%	61%	69%	67%	45%	68%	69%
Lock the vehicle	39%	25%	5%	20%	51%	20%	2%	31%
Use an alarm system	10%	9%	1%	6%	8%	1%	10%	5%
Use a tracker	2%	-	1%	-	4%	1%	1%	2%
Use security markings	2%	5%	1%	-	3%	1%	1%	4%
Other	11%	3%	10%	18%	12%	22%	9%	12%
None of the above	3%	2%	26%	9%	5%	27%	22%	11%

Base: National Historic Vehicle Survey 2016 (Base: All historic vehicles n=21,757)



5.7 Future historic vehicles

The issue of generational change in terms of owners and vehicle type is a really important area of debate for the sector that highlights the need of movement to sustain itself by attracting new owners and club members.

This section opens a window on the next generation of historic vehicles - those registered between 1985 and 1995 - and which will reach the defined criteria (30 years old) over the next decade. As with earlier sections of this report we asked current historic vehicle owners how many future historic vehicles they own, their type, make, condition, and vehicle

status, and we do not count new owners that may come into the movement in the future i.e. those that may be considering owning a future historic, but who fell outside the scope of the National Historic Vehicle Survey.

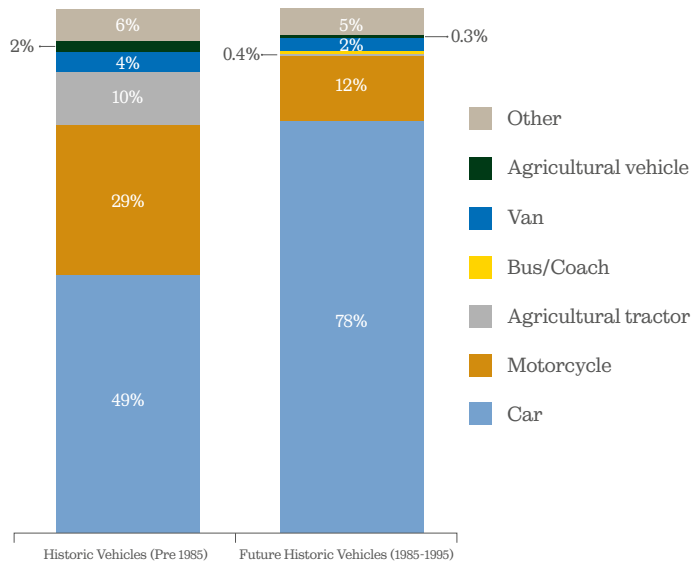
Type of future historic vehicle

It seems very probable that the future historic vehicle profile, by type, will look very different to the current shape of the sector due to the explosion of different makes up to, and throughout, the 80s. This, perhaps, is most visible in the motorcar.

Chart 8: Type of future historic vehicle (1985-1995) vs. current historic vehicle

Base: National Historic Vehicle Survey 2016 (Base: All historic vehicle owners n=10,154)

Note: Pre 1985 profile based on DVLA registered vehicles / 1985-1995 profile based on survey responses from current historic owners.



Type of future historic vehicle

Amongst cars, we are likely to see more Land and Range Rovers join the ranks of historic vehicles in considerable volume. Similarly, we will see Citroen, Ford and Mercedes all in larger numbers than currently exist. Other German makes - BMW, VW and Porsche - will also be boosted in the overall profile of historic vehicles.

In terms of motorcycles, we are likely to see continued numbers of Hondas, which will most likely result in this make being one of the highest volume historic vehicles over the course of the next decade.

Table 12: Top 5 makes of future historic vehicle

Cars	% of future historic	Motorcycles	% of future historic	Agricultural Tractors	% of future historic
Land Rover / Range Rover	7%	Honda	4%	Ford	0.1%
Citroen	6%	Yamaha	2%	Case	0.1%
Ford	5%	BMW	2%	International Harvester	0.1%
Mercedes	5%	Kawasaki, Harley Davidson, MZ, Suzuki, Triumph, Ducati	1% each	John Deere	0.1%
Rover, VW, BMW, Porsche	4% each			David Brown	0.0%

NB: Based on profile of future historic vehicles (1985-1995)

Base: National Historic Vehicle Survey 2016 (Base: All historic vehicle owners n=10,154)

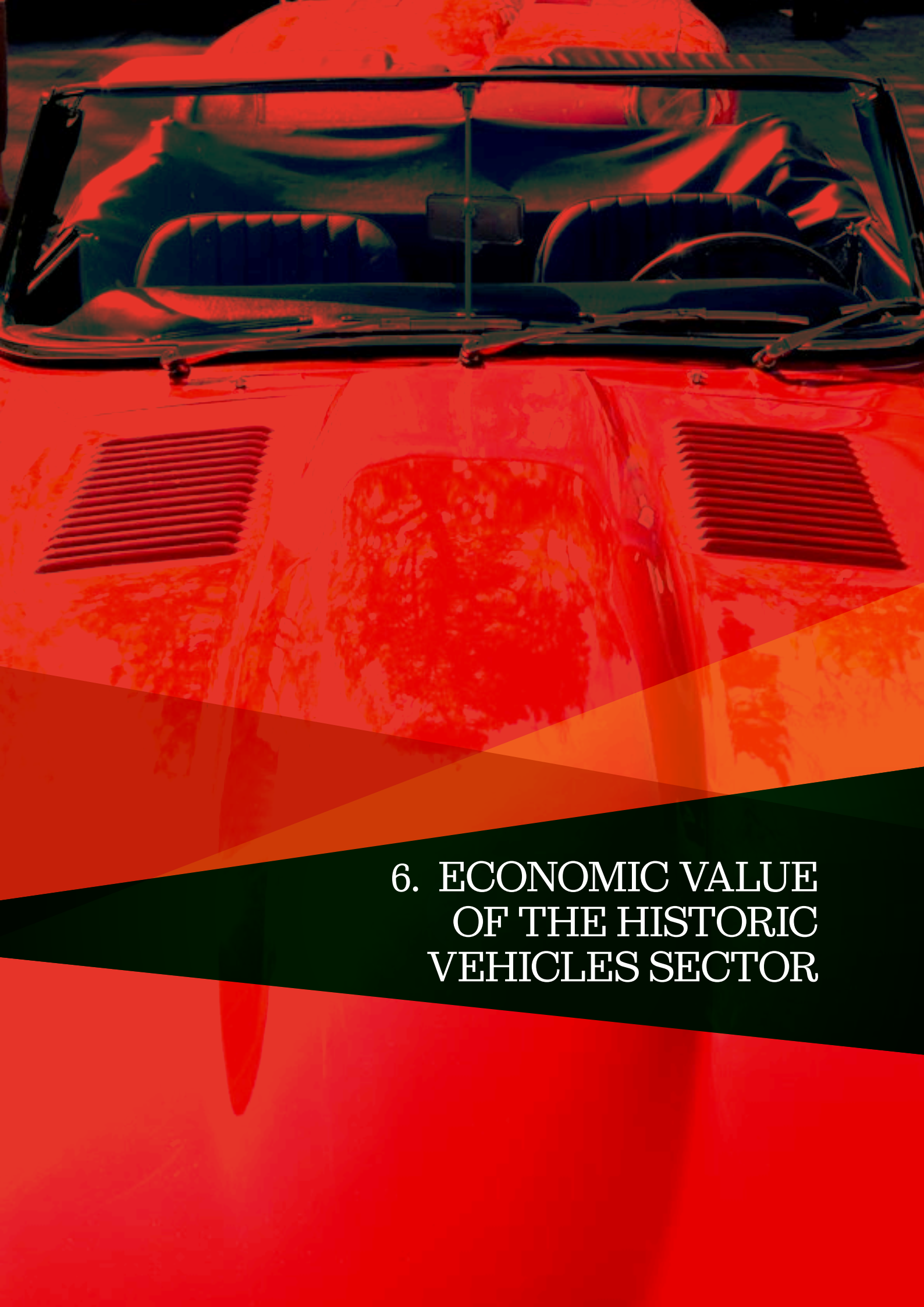
Note: Based on current owner vehicles registered between 1985-1995

Current condition and licensed status

Encouragingly, in the case of cars and motorcycles (sample sizes being too small to comment on other types of vehicle), vehicles appear to be in a reasonably healthy condition; for example, around 2 in 3 are described as being in concours, or very good condition (65% cars and 67% motorcycles) and relatively few are in need of full restoration (4% and 8% respectively).

It would also appear that many remain on the road - in the case of cars this proportion is 70%, whilst motorcycles is far lower at 49%. Comparatively few are in long term storage (3% and 8% respectively).

Note: these findings should be treated with some caution as they are based on current historic owners and may or may not reflect post historic car ownership.



6. ECONOMIC VALUE OF THE HISTORIC VEHICLES SECTOR



£5.5 BILLION

EXPENDITURE ASSOCIATED WITH THE HISTORIC VEHICLE MOVEMENT



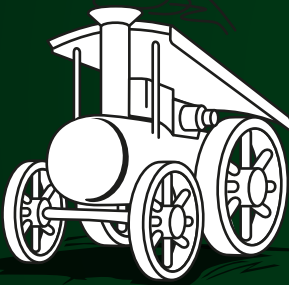
£2.05 BILLION

ESTIMATED SPENDING ON ASSOCIATED ITEMS INCLUDING MAINTENANCE, FUEL, OIL, STORAGE, INSURANCE, CLOTHING ETC



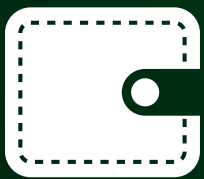
£414 MILLION

ESTIMATED SPENDING ON INDIRECT ITEMS INCLUDING ACCOMMODATION, EVENT ENTRY, MAGAZINES AND BOOKS



£2.1 BILLION

ESTIMATED EXPENDITURE ON ACQUIRING HISTORIC VEHICLES PER ANNUM



£662 MILLION

THE ESTIMATED ANNUAL SPEND BY INTERNATIONAL HISTORIC VEHICLE OWNERS

+38%

GROWTH IN THE PROPORTION OF TRADE TURNOVER DERIVED FROM FAR EAST (COMPARED TO 2011)

£3,400



THE AVERAGE SPEND ON HISTORIC VEHICLES BY OWNERS PER ANNUM (EXCLUDING ACQUISITION OR FULL RESTORATION COSTS)

The core objective of this report is to examine the economic value of the historic vehicle sector in terms of spending power. Economic data of this type is extremely useful for a host of reasons – not least to form the basis for industry-wide knowledge, but also to highlight the significant economic contribution the historic vehicle movement makes to Britain, and specifically the local communities they operate in.

In order to do this we measured owner, enthusiast and trade spending on a range of items. These questions were asked across a wide range of categories in order to build the industry picture.

The previous survey, conducted in 2011, acts a key reference point for the overall context of the sector, but we can only compare overall total spending estimates and not expenditure on detailed items.

With this in mind the overall finding is that the sector now accounts for more than £5.5 billion worth of spending, compared to £4.3 billion in 2011, and our conclusion is that the sector today is in better health than five years ago.

Notes on Approach

We define 'value' in terms of the value of purchases on items related to historic vehicle activity. This is delivered both from a consumer (enthusiast or owner) perspective, and from a business perspective (those involved in producing, manufacturing or employing staff within the sector), rather than from financial statements. As a result, while indicative of the true picture, the research is subject to the normal biases inherent in any research of this type and should be treated with caution.

For the purpose of clarification, all estimates are based on primary research among owners, enthusiasts and organisations involved in the sector, or from inputs provided by industry experts. Questions were asked regarding what items they buy and how much they spend buying them. From these inputs we have derived an industry estimate based on the population of enthusiasts, owners, number of historic vehicles and organisations involved in the sector.

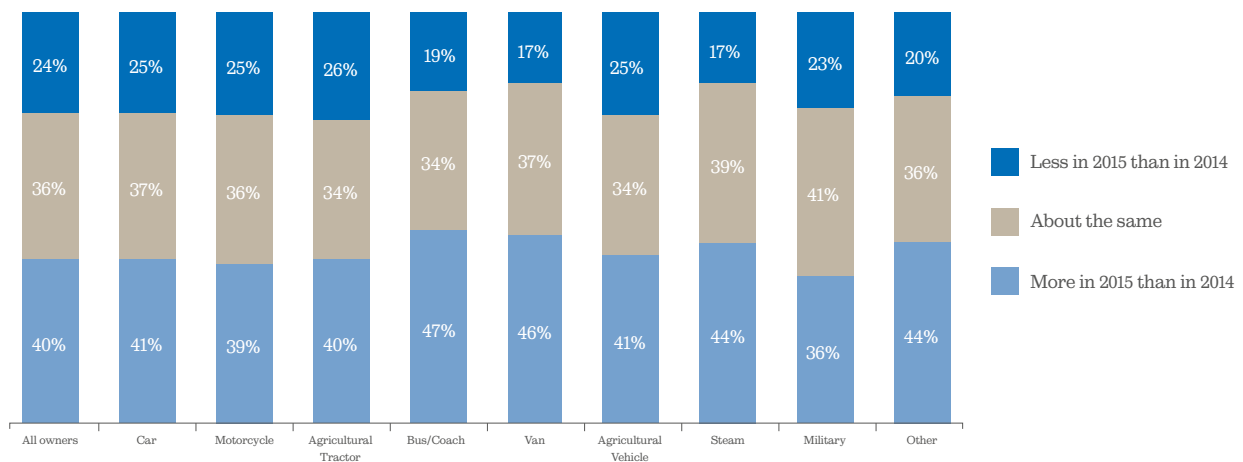
6.1 Spending trends past and future

The attitude of owners and enthusiasts towards spending provides solid clues on the direction of the sector in terms of its economic health and it adds a very useful context to help view detailed spending.

Looking at the last full 12 months (2015 vs. 2014), spending trends reveal a +16% net growth in the proportion of owners spending more on their historic vehicle(s) than the previous year – a finding that is illustrated across vehicle types in chart 9a.

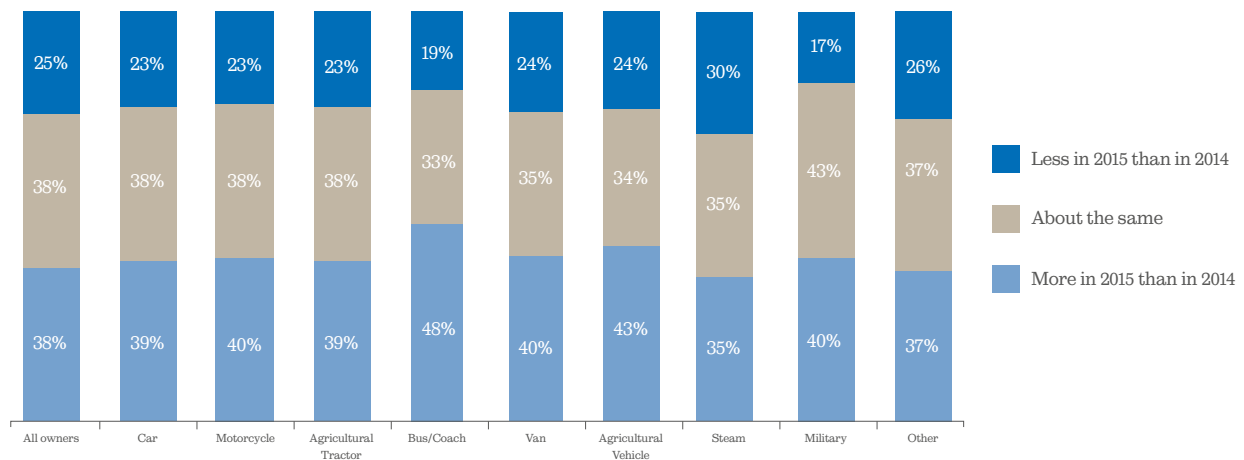
Interestingly, owner attitudes towards future spending appear more cautious, although we still report a +13% net growth in expected spending, with 38% of owners saying they expect to spend more, and 25% saying they expect to spend less in 2016 than in 2015. The future direction appears to be positive for the sector and is reflected in growth expectations of traders.

Chart 9a: Past spending patterns (2015 vs. 2014) – by vehicle type



Base: National Historic Vehicle Survey 2016 (Base: All historic vehicle owners n=10,154)

Chart 9b: Future spending patterns (2016 vs. 2015) - by vehicle type



Base: National Historic Vehicle Survey 2016 (Base: All historic vehicle owners n=10,154)

6.2 Calculating economic value

In order to examine economic value in terms of spending power we asked detailed questions of historic vehicle owners, enthusiasts and the trade across 5 key areas (highlighted in the table below). These provided the key inputs to create an overall economic expenditure model detailed in this section.

Table 13: Categories of expenditure associated with historic vehicles

Associated Spending	Indirect Spending	Vehicle Sales	Foreign Investors	Trade Spending
This includes expenditure that is directly related to owning an historic vehicle or involvement in owning an historic vehicle - including: maintenance, fuel, oil, storage, but also insurance, clothing and tool purchase. It also includes an estimate for high net worth collectors derived from expert opinion.	This includes expenditure that is related to an interest or enthusiasm in historic vehicles - like attending events, reading magazines, accommodation, books etc. It is not reliant on owning an historic vehicle.	This includes the estimated sales value of historic vehicles in the 12 month period prior to the survey. Estimates from industry experts provide inputs for high net worth collectors who, we believe, make a significant contribution to this spending.	This includes estimates of all spending on historic vehicles and associated expenditures (e.g. storage) by non UK residents i.e. owners that live overseas but spend on historic vehicles in Britain. It is derived from the Trade survey and proportion of non-domestic turnover.	This includes estimates of all spending by the trade on products and services to complete commissioned work*. *NB: we recognise a possible element of double counting in this category which will inflate figures slightly, but which does not impact the overall scale of sector spending.



6.3 Associated spending on historic vehicles

£2.05 BILLION
WORTH OF ANNUAL SPENDING
BY OWNERS ON ASSOCIATED ITEMS

We estimate there to be more than £2 billion-worth of owner spending across a range of associated expenditure items that are directly connected to owning an historic vehicle. This compares to £900 million reported in 2011 and shows significant growth over the last 5 years

(NB: part of this difference may be due to a more robust measurement methodology, or differences in what is included in the spending categories).

Associated spending is broken down into three components - 1. Direct spending on historic vehicles, 2. Owner related spending on historic vehicles and 3. High net worth individual spending (maintenance, not acquisition).

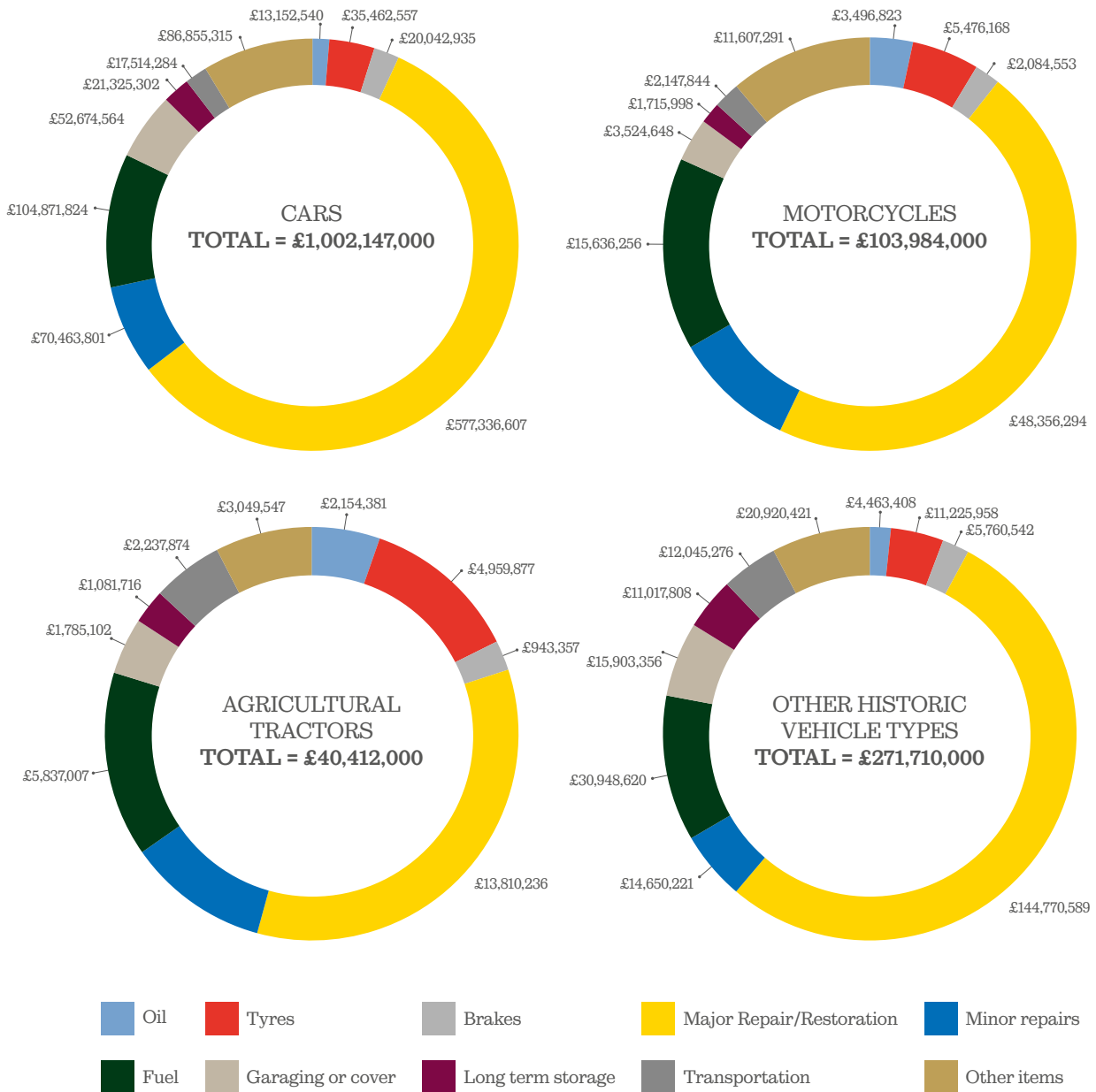
1. Direct spending on historic vehicles

Direct spending is based on items that specifically relate to individual vehicles e.g. oil, tyres, brakes etc. Survey questions were asked about spending on actual vehicles owned rather than generally by owners across all vehicles that may be owned. This enabled spending to be attributed to the known DVLA historic vehicle universe and calculations to accurately reflect the real profile by make and type.

The approach to measuring spending delivers an estimated £1,418,253,000 of owner expenditure.

£1.4 BILLION
ANNUAL DIRECT SPENDING BY OWNERS
ON HISTORIC VEHICLES

Chart 10: Direct spending by type of historic vehicle



Note: The Other category includes vehicles where sample sizes were smaller e.g. bus/coach, steam, military, vans. Base: National Historic Vehicle Survey 2016 (Base: All historic vehicles n=21,757)

Importantly, 71% of all direct historic vehicle spending is associated with cars, 7% with motorcycles, 3% with agricultural tractors and 19% with other types of historic vehicle. Whilst this might reflect the popularity of cars in particular, it is clear owner spending is distributed in similar ways. For example, the significance of major repair and restoration spending is clearly evident across all vehicle types - these are those costs incurred by owners themselves to restore and maintain their vehicles in a good state and condition and equates to nearly £785 million per

annum, or around half of all direct spending. This investment is guided towards the trade and a major source of business success and employment within the historic vehicle sector (note: we do not double count this item).

We can also see how expenditure varies across different types of vehicle - for example, the significance of tyre costs for agricultural tractors, or garaging/cover expenditure for cars.

2. Spending on owner related items

£363 MILLION
ANNUAL EXPENDITURE ON RELATED COSTS

Here we include items that are not purchased in connection with a specific vehicle, but still only really apply to vehicle owners e.g. insurance, clothing (used with, or associated with historic vehicle use) and tools or garage equipment for use in general vehicle maintenance.

To calculate this expenditure we have multiplied the estimated population of owners that have purchased each item in the 12 months to December 2015 by the average spend per annum.

Table 14: Owner Related Expenditure

	% of total owners buying item	Estimate number of owners buying	Average spend on item p.a.	Estimated Expenditure
Insurance relating to owning	92%	440,701	£417	£183,772,384
Clothing related to owning	29%	138,917	£168	£23,338,001
Tools / Equipment	70%	335,316	£433	£145,191,871
			Total expenditure	£362,592,076

Base: National Historic Vehicle Survey 2016 (Base: Historic vehicle owners n=10,154)

Note: Based on an estimated 493,014 historic vehicle owners (excluding high net worth car collectors).

3. High net worth car collectors

£271 MILLION
DIRECT EXPENDITURE
BY WEALTHY CAR COLLECTORS

This component of associated spending has been based on a set of assumptions developed by industry experts that observe this smaller, but significant, group of car collectors on a regular basis.

We have included them in this economic value model as they are likely to be underrepresented in the survey inputs, yet significant in terms of incremental expenditure.

In consultation with experts, this estimate is based on 200 high net worth car collectors (owning around 4,000 cars), and 2000 'slightly' less wealthy car collectors (owning around 30,000 cars). Two expenditure categories, those considered most critical, have been estimated as follows:

Table: 15a High net worth car collectors - direct expenditure

High net worth car collectors (c.200 owners)

Expenditure item	Number of cars owned	Average spend on item per annum	Estimated expenditure
Maintenance	4,000	£8,000	£32,000,000
Storage	4,000	£4,200	£16,800,000
Total expenditure			£48,800,000

Table 15b: Slightly less wealthy car collectors - direct expenditure

Slightly less wealthy high net worth car collectors (c. 2,000 owners)

Expenditure item	Number of cars owned	Average spend on item per annum	Estimated expenditure
Maintenance	30,000	£5,000	£150,000,000
Storage	30,000	£2,400	£72,000,000
Total expenditure			£222,000,000



6.4 Indirect expenditure on historic vehicles

£414 MILLION
INDIRECT SPENDING BY HISTORIC OWNERS
ON ASSOCIATED ITEMS

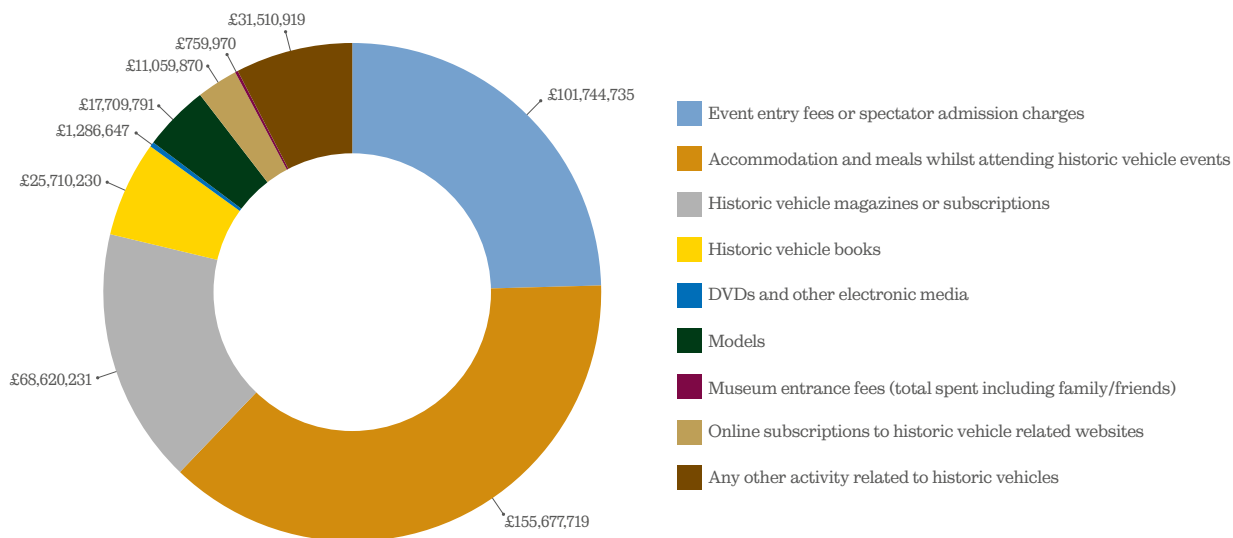
The 2016 National Historic Vehicle Survey asked questions across 9 areas of potential spending covering items ranging from event attendance and associated accommodation to purchasing vehicle models and online subscriptions to historic vehicle websites. These are important areas to review as they represent the fabric that makes historic vehicles such a successful pursuit.

Indirect expenditure describes the spending that is associated with owning a vehicle, or being a non-owning enthusiast.

Table 16: Breakdown of indirect spending - owners and enthusiasts

Historic vehicle owners (based on an estimated 493,014 owners)	% of Owners that bought item	Number of Spenders	Average spend per item per annum	Total spend estimate
Event entry fees or spectator admission charges	75%	369,761	£189	£69,884,735
Accommodation and meals whilst attending historic vehicle events	67%	330,319	£259	£85,552,719
Historic vehicle magazines or subscriptions	79%	389,481	£67	£26,095,231
Historic vehicle books	47%	231,717	£38	£8,805,230
DVDs and other electronic media	12%	59,162	£4	£236,647
Models	21%	103,533	£24	£2,484,791
Museum entrance fees (total spent including family/friends)	38%	187,345	£17	£3,184,870
Online subscriptions to historic vehicle related websites	12%	59,162	£6	£354,970
Any other activity related to historic vehicles	23%	113,393	£71	£8,050,919
				£204,650,111

Historic vehicle enthusiasts (based on an estimated 1,500,000 enthusiasts)	% of Enthusiasts that bought item	Number of Spenders	Average spend per item per annum	Total spend estimate
Event entry fees or spectator admission charges	36%	540,000	£59	£31,860,000
Accommodation and meals whilst attending historic vehicle events	55%	825,000	£85	£70,125,000
Historic vehicle magazines or subscriptions	63%	945,000	£45	£42,525,000
Historic vehicle books	49%	735,000	£23	£16,905,000
DVDs and other electronic media	14%	210,000	£5	£1,050,000
Models	29%	435,000	£35	£15,225,000
Museum entrance fees (total spent including family/friends)	35%	525,000	£15	£7,875,000
Online subscriptions to historic vehicle related websites	9%	135,000	£3	£405,000
Any other activity related to historic vehicles	23%	345,000	£68	£23,460,000
				£209,430,000
Total spend				£414,080,111

Chart 11: Breakdown of indirect spending on historic vehicles (owners and enthusiasts combined)

Base: National Historic Vehicle Survey 2016 (Base: All owner and non-owner enthusiasts n=10,576)

Perhaps not surprisingly, the items attracting the largest expenditures are associated with historic vehicle events (entry and admission), and the associated costs of accommodation and food and drink whilst attending these events. Combined we estimate these to represent around £250 million worth of spending.



6.5 Vehicle sales

£2.1 MILLION
TOTAL ESTIMATED EXPENDITURE
ON ACQUIRING HISTORIC VEHICLES PER ANNUM

SPENDING ON
ACQUIRING
HISTORIC CARS

£1.9 BILLION

SPENDING ON
ACQUIRING HISTORIC
MOTORCYCLES

£37 MILLION

SPENDING ON
ACQUIRING HISTORIC
AGRICULTURAL TRACTORS

£2.7 MILLION

This area of expenditure is the single most significant of any we estimate in this report and is dominated by the market for historic cars. It is also considerably higher than reported in the 2011 report (£505 million), which is reason for some caution in reviewing the findings, but also optimism in terms of values associated with the sector.

We have based estimates on the proportion of current owners who have purchased one or more historic vehicles in the 12 months to December 2015.

It is potentially a conservative estimate as it does not include new owners to the sector. This figure was multiplied by the average number of vehicles purchased, which was then multiplied by the average value of each vehicle (by type) to deliver an overall estimate. These are based in survey inputs rather than taken from financial statements or accounts.

Note: Bus/coach estimates have been supplied via the 2016 NARTM Survey. Estimates for 'other' types of historic vehicle have not been incorporated due to very small 'buyer' samples.

Table 17: Estimated value of historic vehicle sales

Type of historic vehicle	Number of historic vehicle buyers*	Average number of historic vehicles purchased *	Total number of	Average value of	Estimated spending on historic
Car	51,250	1.4 cars	70,550	£27,036	£1,907,389,800
Motorcycle	5,656	1.47 motorcycles	8,314	£4,415	£36,707,723
Agricultural Tractor	705	1.42 tractors	1,001	£2,761	£2,764,037
Bus/Coach**	n/a	n/a		n/a	£19,100,000
				Total	£1,965,961,560

*based on National Historic Vehicle 2016 results

** NARTM 2016 submission to FBHVC regarding economic contribution of the historic public service vehicle sector in the UK
Base: National Historic Vehicle Survey 2016 (Base: Historic vehicle owners n=10,154)

Separately, we have made assumptions around the value of spending amongst high net worth car collectors on their vehicle acquisition, as we believe these to be under-represented in the survey sample. This section of expenditure is based on expert opinion.

£140 MILLION

HIGH NET WORTH INDIVIDUALS SPENDING ON ACQUIRING HISTORIC CARS

Table 18: High new worth individuals - spending on acquiring historic cars

Wealthy Car Collectors

Type of collector	Number of vehicles purchased	Average Spend on each vehicle	Estimated expenditure
Wealthy car collector	200	£200,000	£40,000,000
Slightly less wealthy collector	1000	£100,000	£100,000,000
Total			£140,000,000



6.6 Foreign investors

£662 MILLION
THE ANNUAL VALUE
OF INCOME FROM OVERSEAS

Our estimate of spending in the UK by international historic vehicle owners is based on 25% of trade turnover being derived from overseas, a proportion which is slightly higher than previously reported in 2011 (20%). Historic vehicle museums have been calculated separately and we are cautious on estimates due to small sample sizes.

Table 19: Proportion and estimate of value of purchases of parts and services by foreign enthusiasts

Historic trade organisations		Historic vehicle museums	
Average t/o by organisation	£691,940	Average t/o by organisation	95,000
Known number of trade organisations	3820	Known number museums	180
Total trade t/o estimate	£2,643,210,800	Total trade t/o estimate	£17,100,000
Proportion of t/o that is non-UK	25%	Proportion of t/o that is non-UK	6%
Estimated foreign investment	£660,802,700	Estimated foreign investment	£1,026,000
		Total £661,828,700	

Base: National Historic Vehicle Survey 2016 (Base: All trade respondents n=214 / All historic vehicle museum n=19)

The overall conclusion is that the British historic vehicle trade sector continues to deliver a wide range of services to foreign owners, and that foreign customers are becoming more significant in terms of the contribution they make to their business.

There are some notable trends visible in the survey results with China and the USA significantly growing, and Europe appearing to decline in terms of its share of spending with British trade since 2011.

+38% GROWTH IN PROPORTION OF FAR EAST DERIVED TURNOVER

+22% GROWTH IN PROPORTIONS OF NORTH AMERICAN DERIVED TURNOVER

-19% DECLINE IN PROPORTION OF EUROPEAN DERIVED TURNOVER

Chart 12: Breakdown of foreign turnover



Base: National Historic Vehicle Survey 2016 (Base: All trade respondents n=214)

6.7 Trade spending

This expenditure was recorded from the trade component of the National Historic Vehicle Survey and reflects the amount spent by the UK historic vehicle trade on the products, parts and services bought in the UK from other traders working across the industry.

Nearly 9 in 10 trade organisations (86%) said they had bought items from other historic vehicle businesses, spending, on average, £76,000 per annum.

Table 20: UK trade spending on parts/services with other UK trade

Based on a known universe of 4000 organisations	
% of trade buying parts or services from UK historic vehicle traders	86%
Average spend by trade £ UK companies	£76,148
Estimated total value of trade spending to service historics sector	£261,949,120

Base: National Historic Trade Survey 2016 (Base: All trade respondents n=249)/ Based on a known 4000 organisations operating in the historic trade sector.

Note: This estimate has been added to the calculation for total spending although we recognise possible double counting between this and consumer spending on historic trade parts and services.

£262 MILLION
ESTIMATED EXPENDITURE BY UK TRADE ON HISTORIC VEHICLE PRODUCTS AND SERVICES

6.8 Total spending in the historic vehicles sector

£5.5 BILLION
ANNUAL EXPENDITURE IN THE HISTORICS SECTOR PER ANNUM

£3,400
ANNUAL EXPENDITURE BY OWNERS ON HISTORIC VEHICLES

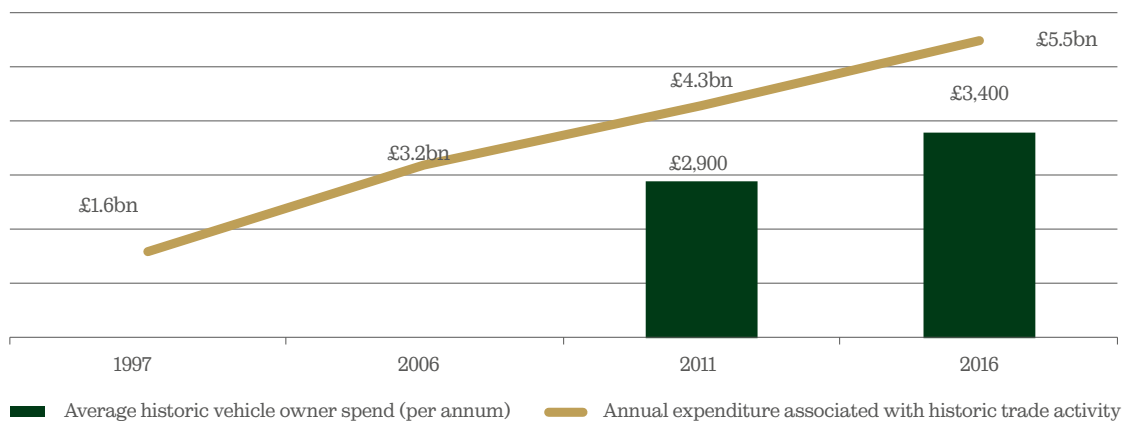
Note: £3,400 owner spend p.a. excludes vehicle purchase and restoration costs that are deemed to be one-off expenditures that does not occur every year.

When combined, the total value of the historic vehicle sector in terms of spending i.e. the value of purchases on items related to historic vehicle activity is £5.5 billion. This illustrates the growth in the sector since 2011, where the equivalent £4.3 billion.

Table 21: Total spending in the historic vehicles sector by category

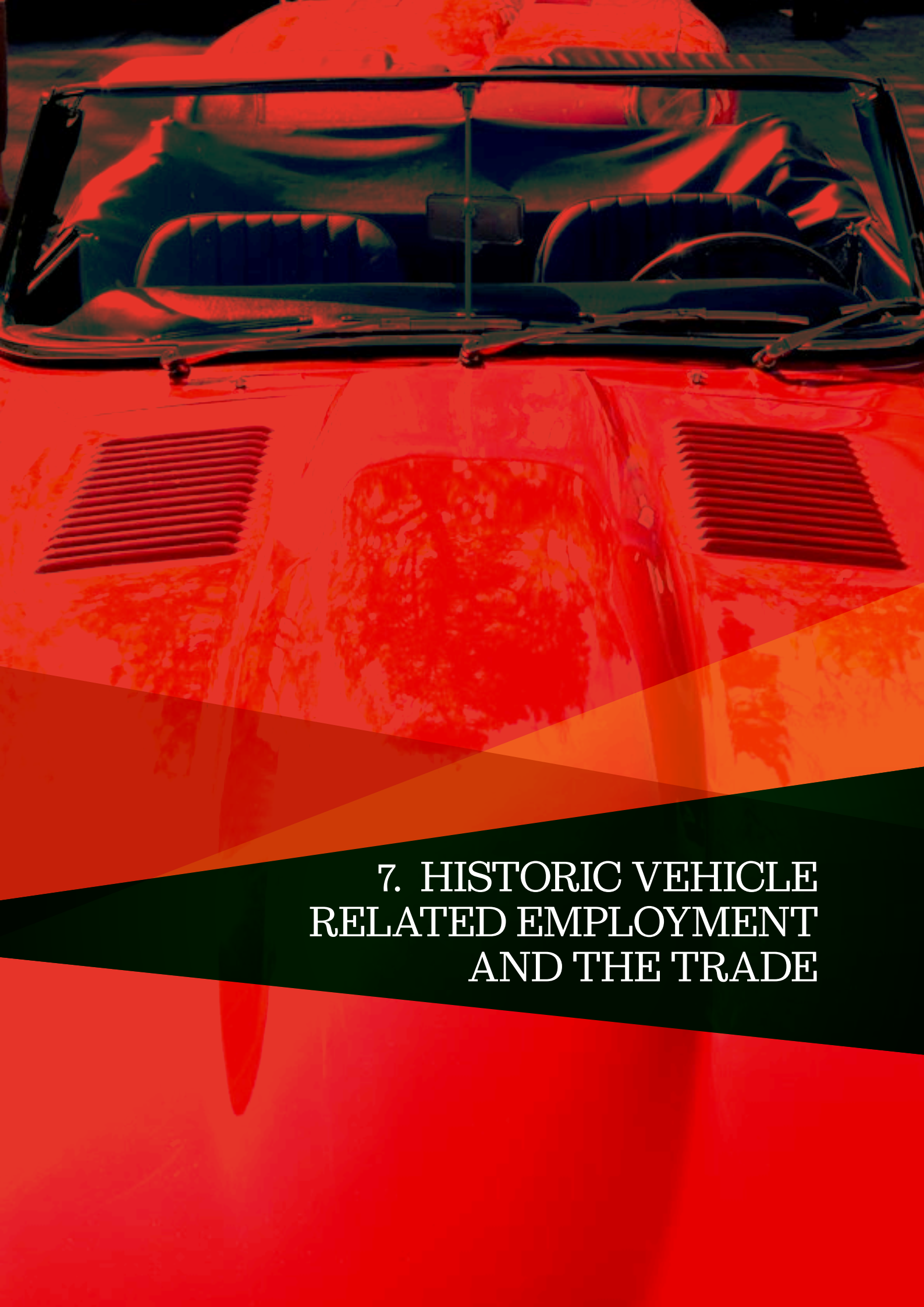
Associated Spending	Indirect Spending	Vehicle Sales	Foreign Investors	Trade Spending
This includes expenditure that is directly related to owning an historic vehicle or involvement in owning an historic vehicle - including: maintenance, fuel, oil, storage, but also insurance, clothing and tool purchase. It also includes an estimate for high net worth collectors derived from expert opinion.	This includes expenditure that is related to an interest or enthusiasm in historic vehicles - like attending events, reading magazines, accommodation, books etc. It is not reliant on owning an historic vehicle.	This includes the estimated sales value of historic vehicles in the 12 month period prior to the survey. Estimates from industry experts provide inputs for high net worth collectors who, we believe, make a significant contribution to this spending.	This includes estimates of all spending on historic vehicles and associated expenditures (e.g. storage) by non UK residents i.e. owners that live overseas but spend on historic vehicles in Britain. It is derived from the Trade survey and proportion of non-domestic turnover.	This includes estimates of all spending by the trade on products and services to complete commissioned work*. *NB: we recognise a possible element of double counting in this category which will inflate figures slightly, but which does not impact the overall scale of sector spending.
£2,051,645,000	£414,080,000	£2,105,962,000	£661,829,000	£258,900,000
Total				£5,492,416,000

Chart 13: Historic vehicle spending trends 1997 - 2016



Note: Figures are rounded up / figures for 2011, 2006 and 1997 taken from The £4 Billion Hobby Research Report.
Base: National Historic Vehicle Survey 2016





7. HISTORIC VEHICLE RELATED EMPLOYMENT AND THE TRADE

31,100



ESTIMATED NUMBER OF JOBS IN THE HISTORIC VEHICLES INDUSTRY

3,820



ESTIMATED NUMBER OF TRAINEES OR APPRENTICES WORKING IN THE HISTORIC VEHICLE INDUSTRY

+25%



GROWTH IN TOTAL EMPLOYMENT SINCE 2011



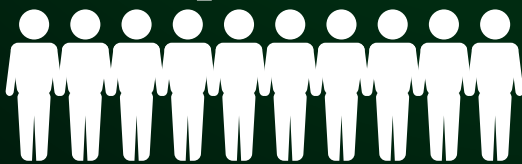
AVERAGE AGE OF A WORKER IN THE HISTORIC VEHICLE SECTOR



40%

THE PROPORTION OF EMPLOYERS STRUGGLING TO RECRUIT NECESSARY SKILLS FOR THEIR BUSINESS

10,429



ESTIMATED NUMBER OF NEW WORKERS NEEDED FOR THE HISTORIC VEHICLES INDUSTRY

16%

THE PROPORTION OF BUSINESS IN THE HISTORIC VEHICLE TRADE THAT HAVE APPRENTICE PROGRAMS

This section of the report is concerned with monitoring the trade sector in the historic vehicle industry. Detailed questions were asked of trade and museum organisations across a wide range of areas including employment levels and structure, attitudes towards the activity they conduct and anticipated future turnover associated with their historic vehicle activity.

These are all critical for the sector to understand as it is these organisations that provide the framework for owners to continue their passion. It also provides a further barometer of the health of the sector through measuring employment trends. Where possible, we have offered comparisons to 2011 findings.

Note: The profile of our trade sample reflects those involved in delivering the wide range of products, parts and services offered to historic vehicle owners and enthusiasts. We believe it to reflect the 4,000 known businesses and museums that range from sales, dealership, restorer, manufacturer, component repairer, storage facilities as well as other niche service offerings.

7.1 Employment levels

We estimate there to be 31,100 full-time or part-time positions in the historic vehicle sector, and a further 5,400 volunteers that give their time and enthusiasm to the historic museum sector.

31,100 JOBS

FULL-TIME OR PART-TIME EMPLOYMENT POSITIONS WORKING ALL, OR SOME OF THE TIME ON HISTORIC VEHICLE-RELATED ACTIVITY

In addition, we estimate there to be around 3,800 trainee or apprentice positions related to historic vehicle activity - a proportion that reflects 11% of historic vehicle workforce. These are positive news stories for the industry in terms of building a workforce capable of sustaining the sector into the future.

3,800

TRAINEES OR APPRENTICES
IN TRAINING IN 2016

As such, comparisons with the 2011 survey suggest that employment opportunities in the sector have grown significantly, which, in turn reflects the positive opinion of the trade towards future turnover levels associated with historic vehicle type products or services.

25% GROWTH

IN EMPLOYMENT LEVELS SINCE 2011

Note: Based on 28,000 in employment connected to historic vehicles in 2011 and 34,920 in 2016.

7.2 Employment profile

Importantly, the structure of employment in the sector appears to have changed since 2011 with proportionally fewer full-time positions, and considerably more part-time jobs. Findings this year also indicate positive development of training and apprenticeships within the sector.

Table 22: Historic vehicle industry employment structure

Nature of Employment	2016	2011
Full-time	67%	79%
Part-time	22%	17%
In training/Apprentice	11%	4%

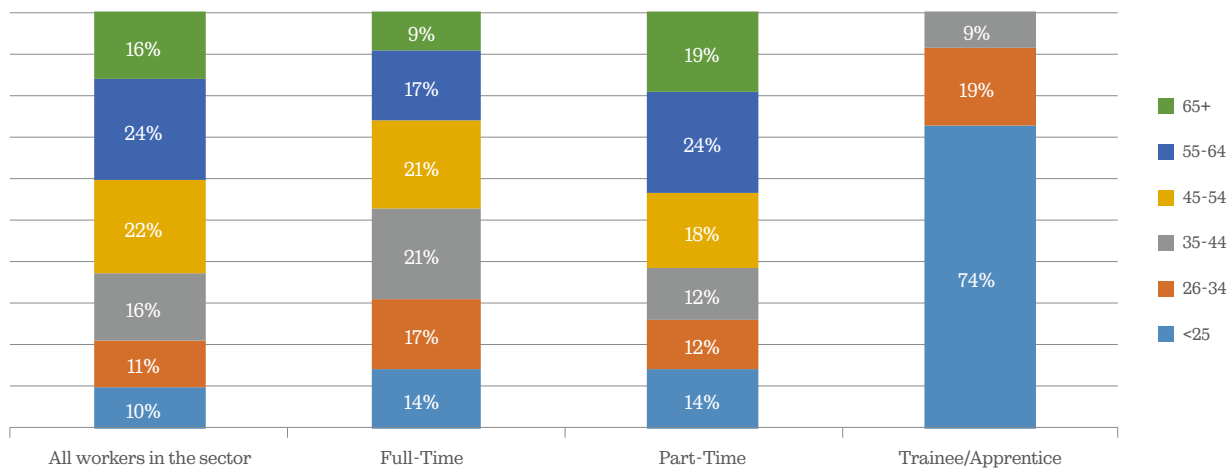
Base: National Historic Trade Survey 2016 (Base: All trade respondents n=249)

42 YEARS OLD

THE AVERAGE AGE OF A WORKER IN THE HISTORIC VEHICLE INDUSTRY

The average age of workers in the sector is now 42; this is slightly older than in 2011, with 37% being aged below 45 years vs. 57% in 2011. This, in turn, appears linked to the higher levels of part-time employment where the average age of a worker 48.

Chart 14: Age distribution of historic vehicle workforce



Base: National Historic Trade Survey 2016 (Base: All trade respondents n=214)

7.3 Future recruitment and the skill sets needed

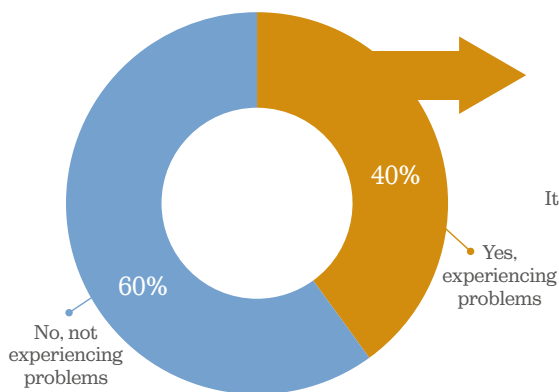
40%
OF ORGANISATIONS ARE STRUGGLING
TO RECRUIT NECESSARY SKILLS

The challenge of finding and recruiting staff remains a top priority for the sector, with 40% of organisations saying they have struggled to recruit staff in the last 12 months.

The majority state that manual skills (81%) and knowledge base (79%) are the critical components that are scarce. This, in part, may help to explain the proportional growth in older part-time workers that hold the experience and skills required for working in the trade and for whom employers are able to retain.

Chart 15: Recruitment and skill problems

Experiencing recruitment problems



Type of Problem Experienced



Base: National Historic Vehicle Survey 2016 (Base: All trade respondents n=188/78)

Against this backdrop, it is important for the sector to keep tabs on the skill sets that are in highest demand and understand the causal factors that create vacant positions - be it retirement of existing staff, growth, or simply routine staff turnover.

Many different types of skills will be required by the historic trade in the future, most notably general mechanical workers, retail sales, electrical workers and specialist fitters. In many instances these needs are stimulated by growth of the business which, in turn, reflects the overall growth in employment numbers overall since 2011.

Table 23: Expected recruitment needs from historic trade organisations

	General Mechanical Work	Retail Sales	Electrical Work	Specialist fitting	Specialist Welding	Panel Beating	Precision Machining	Traditional coachwork	Painting	Trimming
Recruitment need (% of businesses)	46%	40%	30%	30%	25%	23%	21%	20%	20%	18%
Cause of recruitment:										
Retirement	39%	18%	30%	33%	48%	30%	43%	30%	30%	33%
Routine staff turnover	24%	33%	23%	23%	16%	17%	19%	20%	20%	11%
Growth of business	39%	50%	47%	40%	36%	48%	38%	50%	50%	56%
NB: based on businesses that need to recruit skill set										

Base: National Historic Vehicle Survey 2016 (Base: All trade respondents n=277)

10,429

THE ESTIMATED NUMBER OF NEW RECRUITS NEEDED FOR THE SECTOR

These findings can be translated, albeit rather crudely, into new recruit estimates where, overall, we can see potential for more than 10,000 new workers in the sector over the next 5-10 years. If delivered this would represent an increase of around 30% on current levels working in the sector and a tremendous achievement for the industry (equivalent figure in 2011 estimated at 7,000).

Table 24: Estimated number of workers needed

Estimate recruitment volume	General mechanical work	Retail sales	Electrical work	Specialist fitting	Specialist welding	Panel beating	Precision machining	Traditional coachwork	Painting	Trimming	Total expectation
Workers to be recruited	1757	1528	1146	1146	955	879	802	764	764	688	10429
Reason for recruitment need											
Retirement	688	267	344	382	458	267	344	229	229	229	3438
Routine staff turnover	420	497	267	267	153	153	153	153	153	76	2292
Growth of business	688	764	535	458	344	420	306	382	382	382	4660
NB: Based on known universe of 3,820 Historic Vehicle Trade organisations and at least one worker per skill set											

Note: Please treat these figures with caution and as indicative of the overall historic trade sector.
Base: National Historic Trade Survey 2016 (Base: All trade respondents n=277)

7.4 Apprenticeships

16%

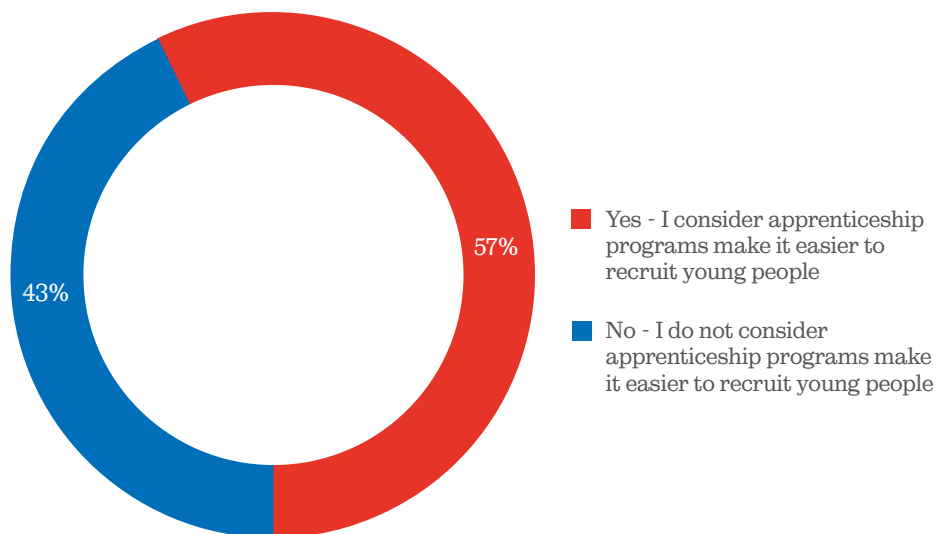
OF ORGANISATIONS HAVE APPRENTICES IN THEIR BUSINESS TO HELP BUILD SKILLS AND KNOWLEDGE

In order to maintain quality and skills in the sector it is critical that apprenticeships be offered and developed to nurture young talent and to create pathways into the industry.

Currently, around 1 in 6 historic trade organisations offer apprentice programs to help provide them with the skills they will need in the future - a proportion that is unchanged since 2011 (16%) and presents the industry with a potentially worrying trend. These organisations currently have an average of 1.4 apprentices - again, an identical number to the 2011 survey - suggesting the structure of apprenticeships in the trade hasn't changed over the last five years, albeit the actual number has grown.

On a more positive note, more than half of organisations that don't currently offer apprentice programs (57%) recognise that offering a formal apprenticeship program will make it easier to recruit young people into their businesses to plug the gaps that seem inevitable in the future. The challenge for the sector as a whole is perhaps to raise awareness to accredited apprenticeship programs that could be hugely beneficial to the historic vehicle trade.

Chart 16: Apprenticeship programs and recruitment



Base: National Historic Trade Survey 2016 (Base: All trade respondents n=271)

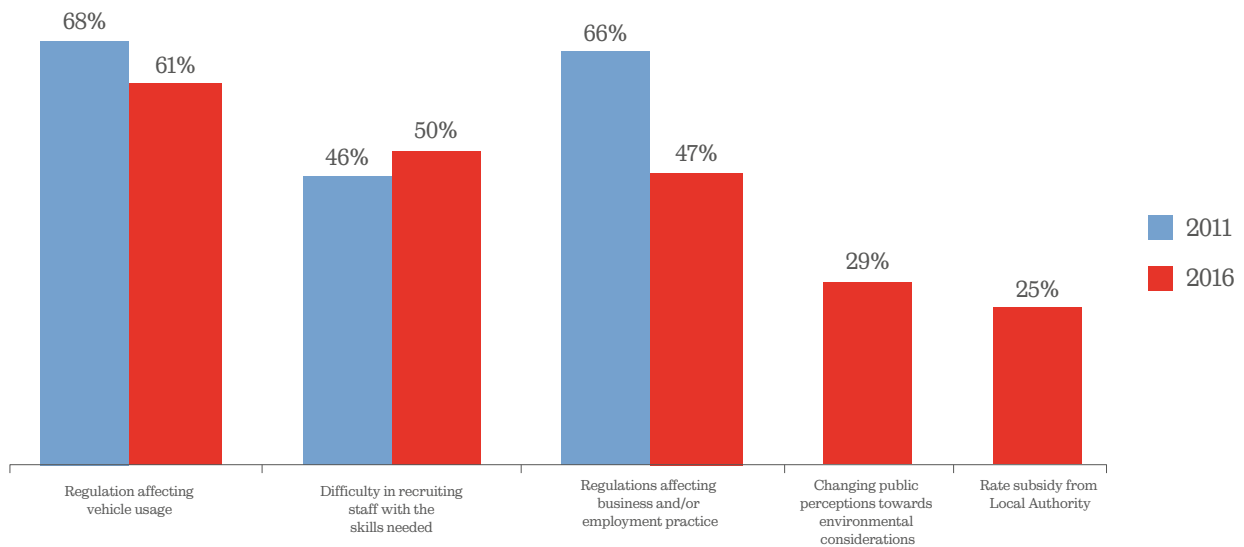


7.5 Potential problems arising in the future

Many trade organisations are, in effect, front line in terms of their interaction with owners and enthusiasts and as such they are well placed to take a view on their own business in terms of the wider industry and the issues it may face in the future.

With this in mind, we asked the trade what they saw as issues that could cause problems for their business in the short term.

Chart 17: Problems arising in the future



Base: National Historic Trade Survey 2016 (Base: All trade respondents n=259)



As it was in 2011, vehicle regulation remains the single biggest concern for business owners. Not surprisingly, any policy making that impact on the freedoms around usage would potentially reduce the demand for their services.

It is also anticipated that staff recruitment will continue to create problems, and with no change in this view over the last five years there should be a fresh impetus of skills development and promotion of relevant apprentice programs. Following close behind, but to a far lesser extent than in 2011, is the view that general business regulations will hamper growth.

Specific views were collected and a small selection are summarised for the reader below:

Table 25: Problems arising in the future

Base: National Historic Trade Survey 2016 (Base: All trade respondents n=277)

Regulation affecting vehicle usage	Difficulty in recruiting staff with the skills needed	Regulation affecting businesses	Changing public perceptions	Rate subsidy from local authorities
"Customers want to be able to enjoy their vehicles at their leisure, and for many it is a great pleasure to use just to go to the shops or on a short trip. Having this restricted takes the fun element out"	"A lot of the skills needed to help keep vintage and classic vehicles in a good roadworthy condition are dying out. I also I don't think there is enough new blood coming in to the industry"	"Health and safety and risk assessment taking up valuable time to administer"	"If cars not meeting the latest emissions regulations are restricted in their use, the whole classic car scene and industry will be affected"	"We are a small company and rely on rate subsidy"
"I can foresee a number of major cities placing restrictions on classic vehicle usage. And also there might be increased controls on the age of vehicles on the road too at some point"	"If we cannot get staff of the right calibre, the business will close at some point"	"It [regulation] takes up far too much time and creates an environment where everyone is looking for the next excuse to not work"	The public need educating as to the fact that the carbon footprint of a historic vehicle is less polluting than the cost in raw materials and fuel to manufacture a new car.	"Dwindling budget for Local Authorities means less money to go around particularly for non statutory services"
"Emissions and licensing requirements may force some enthusiasts to use newer vehicles"	"We require specialist staff with knowledge and skill to undertake the work required for a car of the nature that we deal with. Currently mechanics are trained in modern cars and modern techniques that often are not as hands-on as classic cars and that doesn't require the same level of finesse"	"Continual shifting of responsibility from the government to the employer, the example is pensions"	"Environmental concerns could be a problem in the future, if the public decide that old vehicles contribute too much pollution"	"Our rates are high enough as business rates. If storage units for historic vehicles start to incur more costs, these are passed on to their customers, and people start to be 'priced out' of owning historic vehicles. Therefore fewer vehicles and less business"

Source: National Historic Trade Survey 2016



7.6 Changing activity and future turnover expectations

The trade were also asked if they expected their own activity to change in future, and if so, how they think it would change.

Rather surprisingly, half of trade organisations (50%) expect their own activity in regard to historic vehicles to change in some way (up from 34% in 2011). There were a wide variety of attitudes towards change – table 26 summarises some themes that were provided in response.

Table 26: Attitude towards change

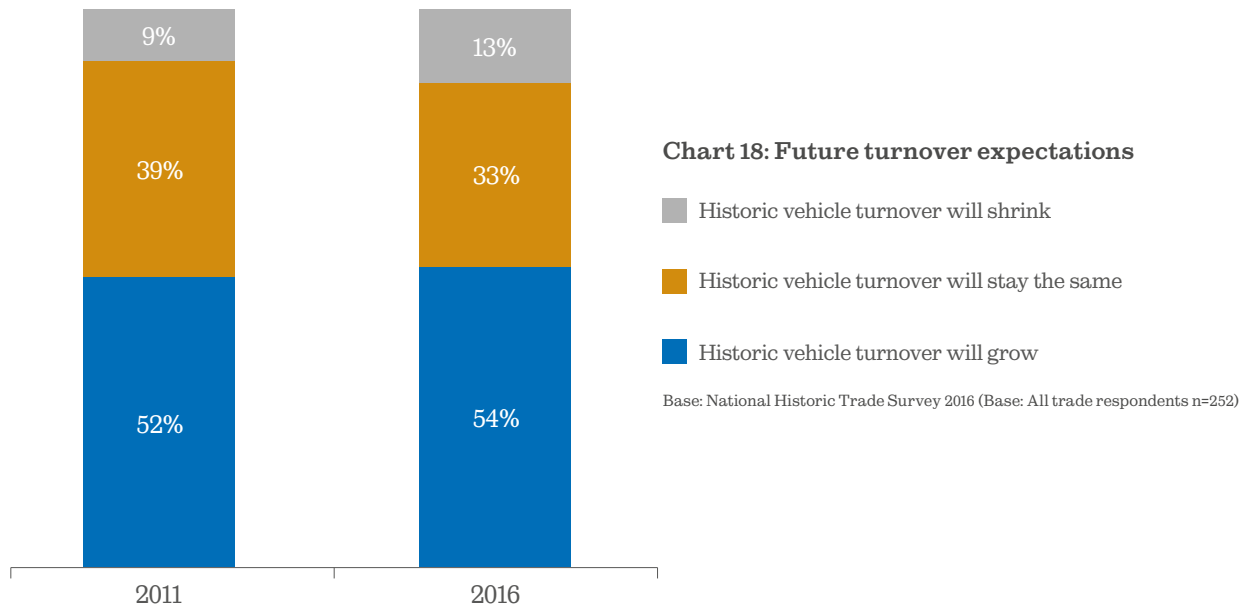
Base: National Historic Trade Survey 2016 (Base: All trade respondents n=277)

Generational change	Type of work	Investments	Business will increase
“As present participants [owners] get older there isn't the interest from younger people to replace them”	“There will be more restorations and larger jobs and less maintenance and repairs”	“As classic cars become rarer and more sought after, we will see people gravitate towards these cars as investments and see less on the road”	“There are very few garages that want to service and repair older vehicles and even less that can. We have seen a large increase in demand and see no reason for this to change”
“Owners are getting older and, to some extent, fewer in number”	“Less people are doing DIY and there is a bigger demand for restoration”	“As the value of classic cars is generally increasing people are more likely to hold on to them and spend money improving them”	“This side of our business is growing year on year as vehicles become more of an investment”
“Younger customers with little knowledge have higher expectations of their motorcycles and parts”	“New owners are high end money people relying on professional garages to prep and maintain historic vehicles”	“A growth in investment rather than use of historic vehicles”	“It will become a bigger part of my business”
“Everything changes as new generations come of age purely by different attitudes. Historic vehicles must be promoted or they will be lost”	“Work output will reduce due to lack of staff to do the work”	“There is and will be steadily increasing interest in historic vehicles in both the UK and abroad”	“Most people have been forecasting a decline in prices and interest in classic motorcycles. Current evidence suggests the market remains strong as we have sold more parts every year for the past 15 years”

Source: National Historic Trade Survey 2016



However, regardless of change there is much positive sentiment towards future success and growth within the trade. This is reflected in the relatively high proportions of trade owners (54%) that believe their historic vehicle related turnover will grow. Comparisons with 2011 show a very consistent picture in terms of opinion.





REPORT METHODOLOGY

Four stages of survey research were completed to build this update:

1. 2,444 online surveys with a representative sample of the British adult (16+) population. Conducted in March 2016 this phase built a national picture in terms of attitudes and behaviours towards historic vehicles in this country. It is a first for this project and provides an extremely strong base from which to understand the scale of opinion towards the sector.
2. 10,154 historic vehicle owner and 422 non-owning enthusiast surveys were completed between March and July 2016. A further 394 surveys were completed with non-UK respondents; these have been excluded from the analysis. This stage represented 21,757 individual historic vehicles which were profiled and responses associated with expenditure and behaviours weighted against the DVLA profile of pre-'85 registered vehicles (by type and make) to provide the most accurate understanding of ownership trends possible. This stage comprised a 15 minute online survey completed by owners and enthusiasts who responded via survey promotion channels including club member lists, websites, magazines (e.g. Classic Car Weekly) and social media activity for the period of the survey. Respondents were qualified as owners or enthusiasts and asked relevant questions dependent on behaviour. Independent consultants were responsible for questionnaire review, set up, fieldwork and analysis of the findings.
3. 159 surveys with FBHVC member club representatives - typically chairmen or secretaries. This survey was distributed to FBHVC members; it comprised a 15 minute online survey and asked questions about key activity, financing and communication methods. Independent consultants were responsible for questionnaire set up, fieldwork and analysis of the findings.
4. 356 surveys with members of the historic vehicle trade in Britain including owners and senior members of staff across a wide variety of business activities including museums, vehicle sales, product dealers, structural and mechanical restorers and repairers, maintenance specialists, batch manufacturers of parts and products, specialist component repairers, storage providers, event organisers and other services targeted at historic vehicle owners e.g. insurance. This stage comprised a 15 minute online survey and asked questions about activity, turnover, attitude trends and staffing. Respondents were contacted through a wide range of channels including email, websites and social media. Independent consultants were responsible for questionnaire set up, fieldwork and analysis of the findings.

In total, 13,929 surveys were completed with different stakeholders in the sector across the four groups highlighted above. We believe this to be the most comprehensive survey of its type anywhere in the world. The content of this summary report provides estimates that, while based on robust primary research, are not absolutes and should be treated as indicative of the historic vehicle sector.

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APPENDIX 1

National behaviours associated with historic vehicles in Britain

Behaviours associated with historic vehicles (GB population) Thinking about historic vehicles, which of the following would you say applies to you?	% of GB Population	Age					Gender		Socio-Economic Group	
		16-24	25-34	35-44	45-54	55+	M	F	ABC1	C2DE
Interested in historic vehicles	16%	16%	12%	16%	15%	19%	23%	10%	17%	15%
Know someone who owns an historic vehicle	12%	12%	12%	14%	9%	14%	15%	10%	14%	10%
Would like to own an historic vehicle	10%	14%	10%	11%	8%	9%	14%	6%	10%	10%
Have attended an historic vehicle event in the last 12 months	4%	7%	4%	4%	3%	4%	5%	3%	4%	4%
Regularly read about historic vehicles	4%	4%	5%	3%	3%	4%	6%	1%	4%	4%
Used to own an historic vehicle	4%	3%	2%	4%	3%	6%	4%	4%	4%	3%
Have attended a local historic event in the last 12 months	2%	3%	2%	2%	1%	3%	3%	2%	3%	2%
Member of historic vehicle club	1%	1%	2%	2%	-	1%	2%	-	1%	1%
Work in the historic vehicles industry	1%	1%	3%	-	-	-	1%	-	1%	1%

Base: Nationally representative interviews (n=2,444)

National attitudes associated with historic vehicles in Britain

Behaviours associated with historic vehicles (GB population) Thinking about historic vehicles, which of the following would you say applies to you?	2016	Age					Gender		Socio-Economic Group	
		16-24	25-34	35-44	45-54	55+	M	F	ABC1	C2DE
Historic vehicles should be preserved for people to see in the future	48%	40%	31%	41%	49%	62%	50%	46%	50%	46%
Historic vehicles are part of this country's heritage and it is important to maintain them	45%	30%	31%	39%	46%	59%	45%	44%	48%	40%
I am proud of Britain's heritage in the manufacture of historic vehicles	36%	29%	26%	31%	37%	41%	42%	31%	39%	34%
It is important that historic vehicles are seen to be used rather than just in a museum	32%	24%	22%	31%	29%	42%	34%	30%	34%	39%
Owners of historic vehicles should be encouraged to use them on the road	22%	20%	16%	24%	18%	26%	24%	20%	22%	20%

Base: Nationally representative interviews (n=2,444)

APPENDIX 2

Demographic profile of historic vehicle owners and enthusiasts

Age	Historic vehicle owners	Historic vehicle enthusiasts
16-24	1%	3%
25-34	2%	8%
35-44	6%	8%
45-54	17%	18%
55-64	29%	24%
65-74	36%	28%
75+	9%	11%
Average age	61yrs	58yrs

Gender	Historic vehicle owners	Historic vehicle enthusiasts
Male	97%	95%
Female	3%	5%

Gross income	Historic vehicle owners	Historic vehicle enthusiasts
<£10,000	5%	8%
£10,001-£14,999	9%	10%
£15,000-£19,999	11%	17%
£20,000-£34,999	31%	32%
£35,000-£49,999	21%	15%
£50,000-£99,999	17%	14%
£100,000+	7%	4%
Mean income	£43,500	£37,000

Employment status	Historic vehicle owners	Historic vehicle enthusiasts
Full time employment	29%	35%
Part time employment	5%	6%
Self employed	14%	11%
Unemployed	-	1%
Retired	49%	43%
Other	2%	4%

Base: National Historic Vehicle Survey (n=10,578)

APPENDIX 3

Volunteer activities

Type of activity	Historic vehicle owners	Historic vehicle enthusiasts
Local politics	5%	5%
National politics	2%	2%
Education (e.g. volunteering at a school)	4%	5%
Health (e.g. volunteering at a care home)	2%	2%
Sport coaching / training	3%	4%
Charity work	18%	17%
Live performance (e.g. theatre, concert, opera)	6%	8%
Other activities	24%	25%
None	57%	55%

Base: National Historic Vehicle Survey (n=10,578)