

Article

Economies of ale: changes in the UK pubs and bars sector, 2001 to 2019

Changes in the UK pubs and bars sector in the latest year, following 2018's Economies of ale report.

Contact:
Tom Liu
cities@ons.gov.uk
+44 (0) 207 592 8625

Release date:
16 January 2020

Next release:
To be announced

Table of contents

1. [Small pubs and bars bounce back after more than 15 years of decline](#)
2. [Food for thought](#)
3. [State of the nation's pubs and bars](#)
4. [Your local](#)

1 . Small pubs and bars bounce back after more than 15 years of decline

The number of small pubs and bars in the UK has increased for the first time in more than 15 years.

The net closure of pubs in the UK has been well documented by several organisations, including the British Beer and Pubs Association and the Campaign for Real Ale. [Economies of ale: small pubs close as chains focus on big bars](#), published by the Office for National Statistics (ONS) in November 2018, showed that turnover and employment in the sector were holding up, despite previously consistent pub and bar closures.

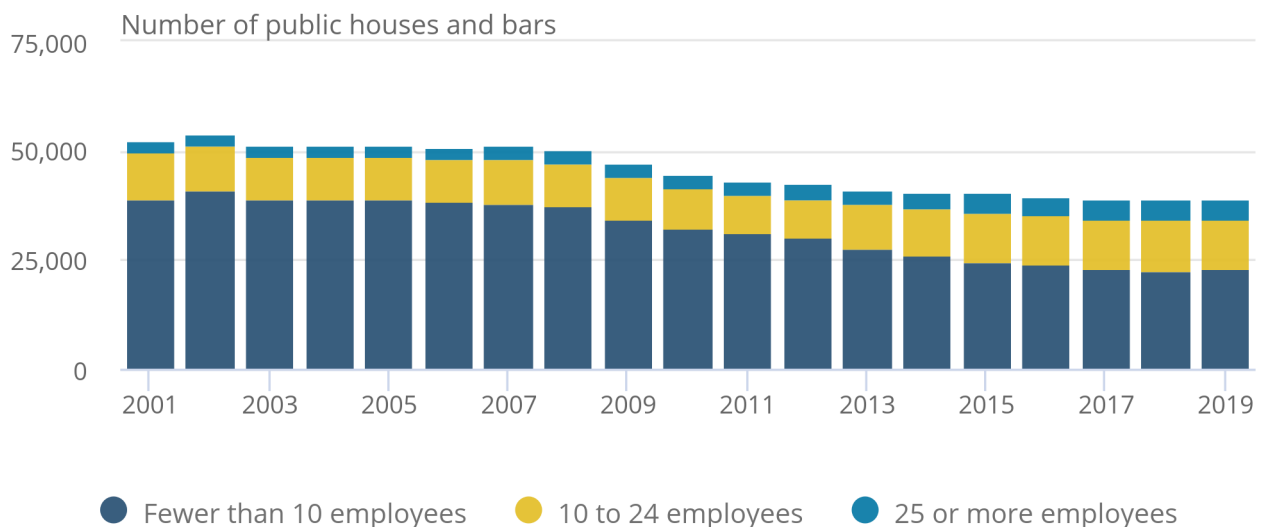
The latest ONS data show that the number of small pubs and bars (that is, those with fewer than 10 employees) increased by 85 (a 0.4% increase) in 2019. This follows more than 15 years of closures. The overall number of pubs and bars in the UK increased by 315 (a 0.8% increase) between 2018 and 2019, the first increase for a decade.

Figure 1: The number of pubs and bars of all sizes increased between 2018 and 2019

Number of public houses and bars by size, UK, 2001 to 2019

Figure 1: The number of pubs and bars of all sizes increased between 2018 and 2019

Number of public houses and bars by size, UK, 2001 to 2019



Source: Office for National Statistics – Inter-Departmental Business Register

2 . Food for thought

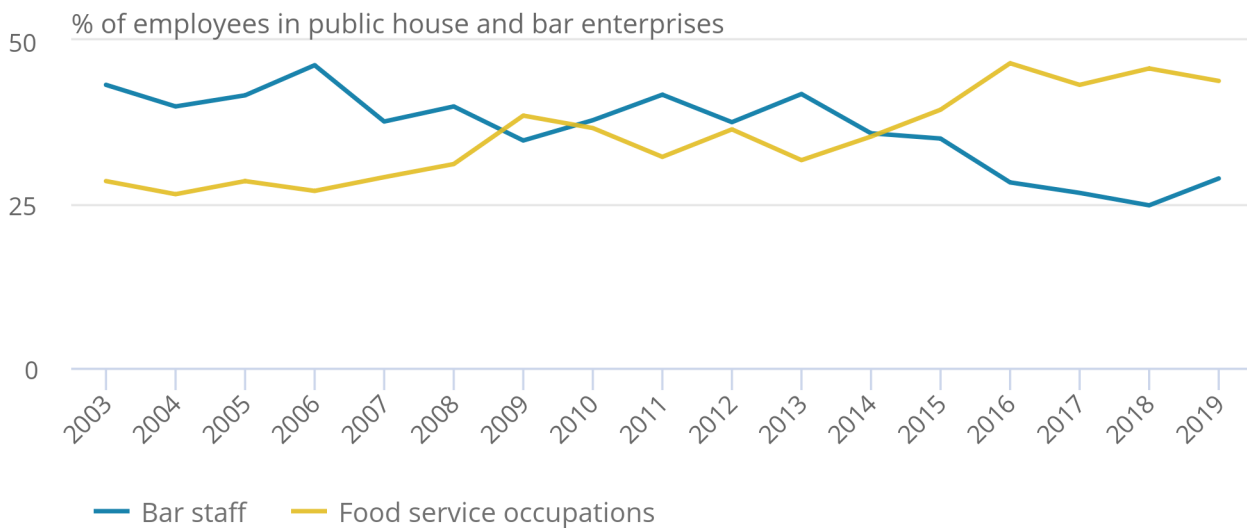
New data from the Office for National Statistics (ONS) show that pub and bar enterprises now employ more people serving food than people working behind the bar. In 2003, bar staff made up roughly 4 in 10 employees and those serving food (that is, chefs, cooks, waiting staff, and kitchen and catering staff) made up roughly 3 in 10 employees. Since 2016, the opposite has been true, with those serving food outnumbering those working behind the bar.

Figure 2: Pub and bar enterprises now employ more people serving food than working behind the bar

Employee jobs in the pubs and bars sector, UK, 2003 to 2019

Figure 2: Pub and bar enterprises now employ more people serving food than working behind the bar

Employee jobs in the pubs and bars sector, UK, 2003 to 2019



Source: Office for National Statistics – Annual Survey of Hours and Earnings

Notes:

1. "Food service occupations" includes chefs, cooks, waiters, waitresses, and kitchen and catering assistants.

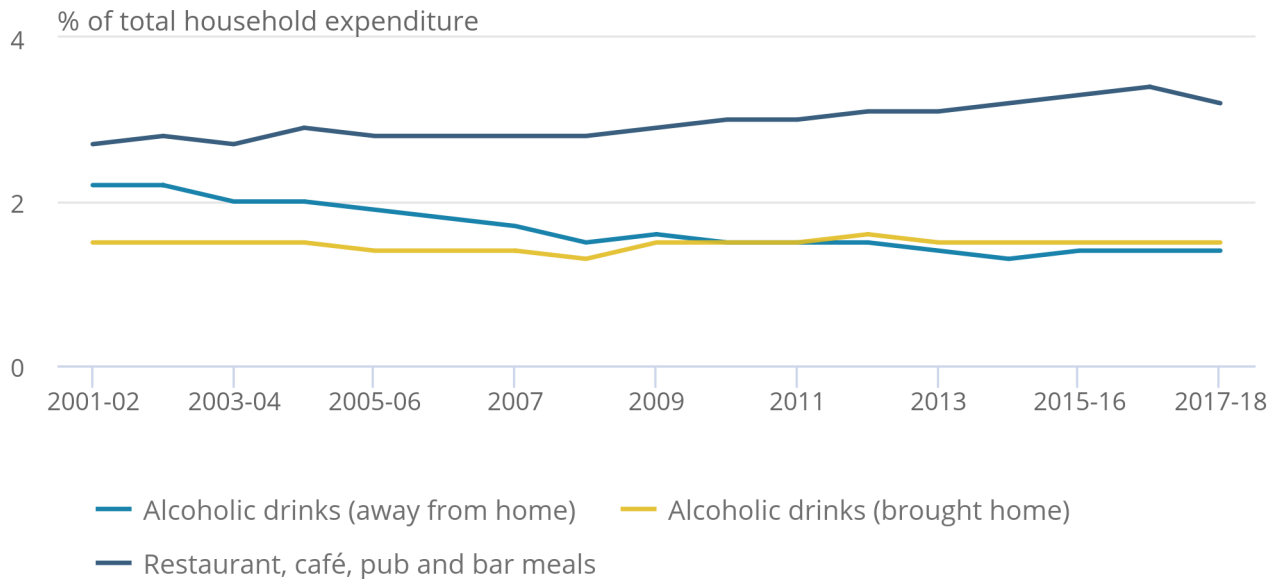
The tendency in pub and bar enterprises to employ more people serving food may be a reaction to changing consumer habits. There is a long-term trend towards people spending more of their household income on eating out and less on drinking out. We are monitoring the slight decline in spend on meals eaten out in the financial year 2017 to 2018, as this may not be indicative of a consistent trend.

Figure 3: People are spending more on eating out and less on drinking out

Spend on restaurant, café, pub and bar meals, and alcohol, as a percentage of total household spend, UK, between 2001 to 2002 and 2017 to 2018

Figure 3: People are spending more on eating out and less on drinking out

Spend on restaurant, café, pub and bar meals, and alcohol, as a percentage of total household spend, UK, between 2001 to 2002 and 2017 to 2018



Source: Office for National Statistics – Living Costs and Food Survey

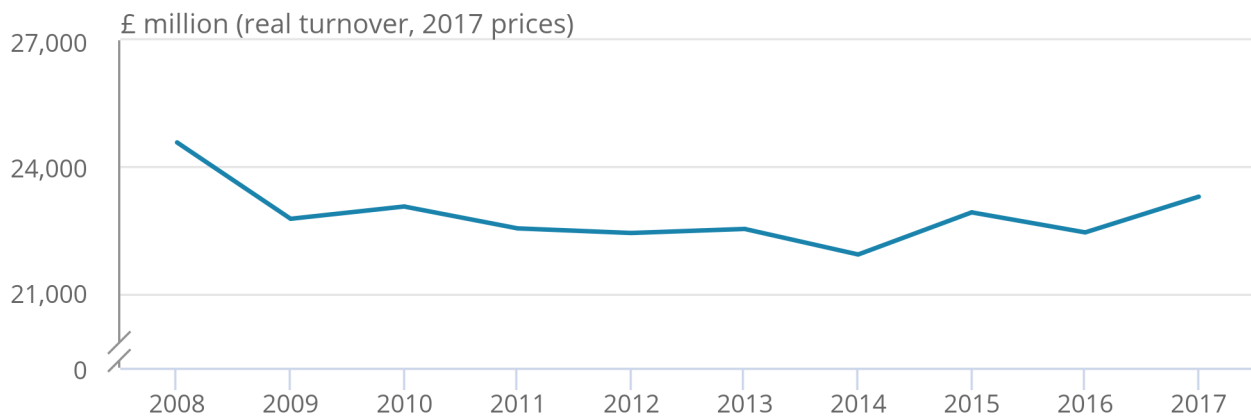
3 . State of the nation’s pubs and bars

Figure 4: Real turnover in the latest year of data is at its highest level since the end of the financial crisis of 2007 to 2008

Real turnover in public houses and bars, UK, 2008 to 2017

Figure 4: Real turnover in the latest year of data is at its highest level since the end of the financial crisis of 2007 to 2008

Real turnover in public houses and bars, UK, 2008 to 2017



Source: Office for National Statistics – Annual Business Survey

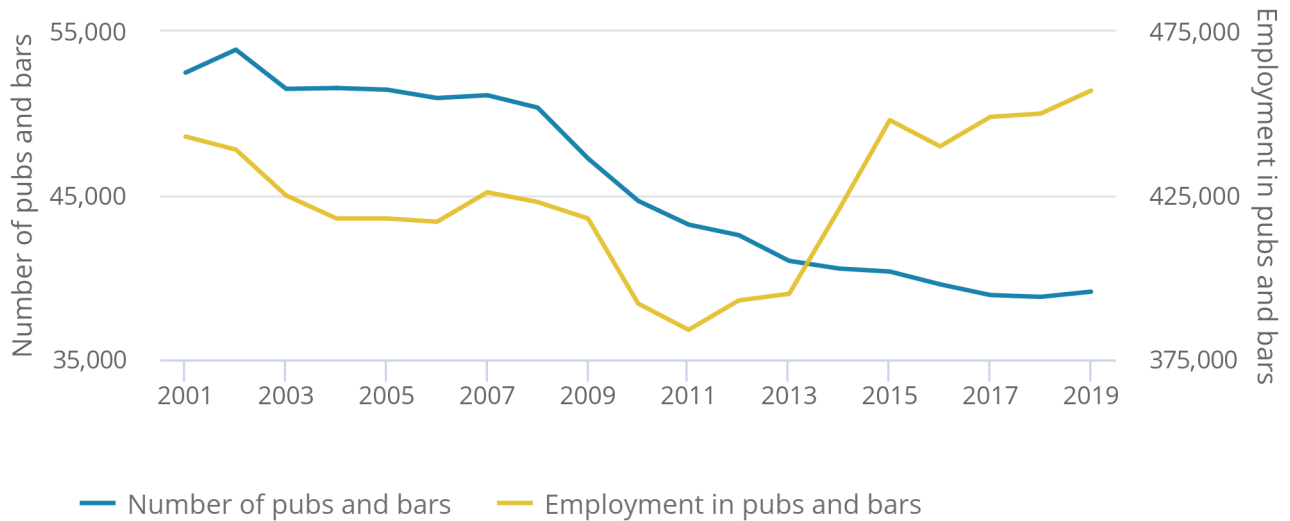
As well as an increase in the number of pubs and bars in the UK, turnover in the sector increased by £847m (3.8%) in 2017, after inflation is considered. Real turnover in the latest year of data is at its highest level since the financial crisis of 2007 to 2008 ended. Moreover, there were 7,000 more jobs in the sector in 2019 compared with 2018, an increase of 1.6%.

Figure 5: The overall trend has been for pub closures, while the number of jobs in the sector has been rising since 2011

Number of pubs and bars, and employment therein, UK, 2001 to 2019

Figure 5: The overall trend has been for pub closures, while the number of jobs in the sector has been rising since 2011

Number of pubs and bars, and employment therein, UK, 2001 to 2019



Source: Office for National Statistics – Inter-Departmental Business Register

4 . Your local

Figure 6: What has been happening in your local area?

Source: Office for National Statistics – Inter-Departmental Business Register

Figure 7: The number of pubs and bars has fallen in most parts of the UK between 2001 and 2019

Percentage change in number of public houses and bars in local authorities

Source: Office for National Statistics – Inter-Departmental Business Register

The UK pubs and bars sector may be bouncing back after years of net closures. The sector has responded by diversifying its offer, evidently in the area of food service. This year's data have shown a net increase in small pubs and bars for the first time in more than 15 years and the highest levels of real turnover since the end of the financial crisis of 2007 to 2008.