

**DEMONSTRATING
THE ECONOMIC VALUE
OF COUNTRYSIDE
RECREATION II**

2005 Seminar Proceedings
of the
Countryside Recreation Network

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Countryside Recreation Network Seminar

'DEMONSTRATING THE ECONOMIC VALUE OF COUNTRYSIDE RECREATION'

WELCOME AND INTRODUCTION

Glenn Millar
British Waterways

Placing a value on countryside recreation has become a major issue for managers and practitioners in recent years. Many studies have been undertaken to value recreation resources as a whole, or appraise related aspects, such as the environment or green economy. Such studies may be used for advocacy purposes - to ensure that the role of countryside recreation is recognised and valued by decision-makers. Increasingly though, assessments are undertaken to appraise and evaluate individual recreation projects, often in support of funding applications.

A range of techniques is available to undertake valuations. These, together with the terminology used, are often confusing to the non-specialist.

The aim of this workshop was to give non-economists:-

- an overview of how economic values can be placed on countryside recreation; and
- the confidence to commission studies in this area and understand the results.

The first speaker, George Barrett of Ecotec Research & Consulting Ltd introduced the topic by giving an overview of appraisal and evaluation, including:-

- the importance of being clear as to the purpose of the work being undertaken;
- the appropriateness of different techniques for different circumstances, particularly the difference between "Green Book" appraisals and economic impact assessments;
- a discussion of some of the key issues that arise in undertaking appraisal and evaluation.

Using case study examples, the following speakers gave practical illustrations of some of the issues raised by George. Paul Downward (Loughborough University) explored evaluation in the context of work in progress on the North Sea Cycle Route and Martin Shaw (Countryside Agency) looked at how we value rights of way and greenspace, drawing upon work being carried out in the north-east of England. Justin Sacks (K2A) emphasised the importance of project design in delivering economic impacts, as illustrated by the "Local Multiplier 3" technique, developed by the New Economics Foundation, which aims to demonstrate how impacts can be maximised within local economies. Simon Shibli (Sheffield Hallam University) reviewed some of the issues related to economic appraisal, particularly regarding the use and misuse of data.

In the afternoon, there were three further speakers. John Taylor (Stirling University) looked at the economic impact of sporting events, with particular reference to the Mountain Biking World Cup in Scotland. Steve Green (Bowles Green Limited) drew on a range of examples to illustrate a checklist of points to consider when designing a monitoring and evaluation programme. Finally Gareth Maeer (Heritage Lottery Fund) illustrated the funder's perspective on appraisal and evaluation.

Countryside Recreation Network Seminar

'DEMONSTRATING THE ECONOMIC VALUE OF COUNTRYSIDE RECREATION'

INTRODUCTION TO ECONOMIC APPRAISALS AND EVALUATION

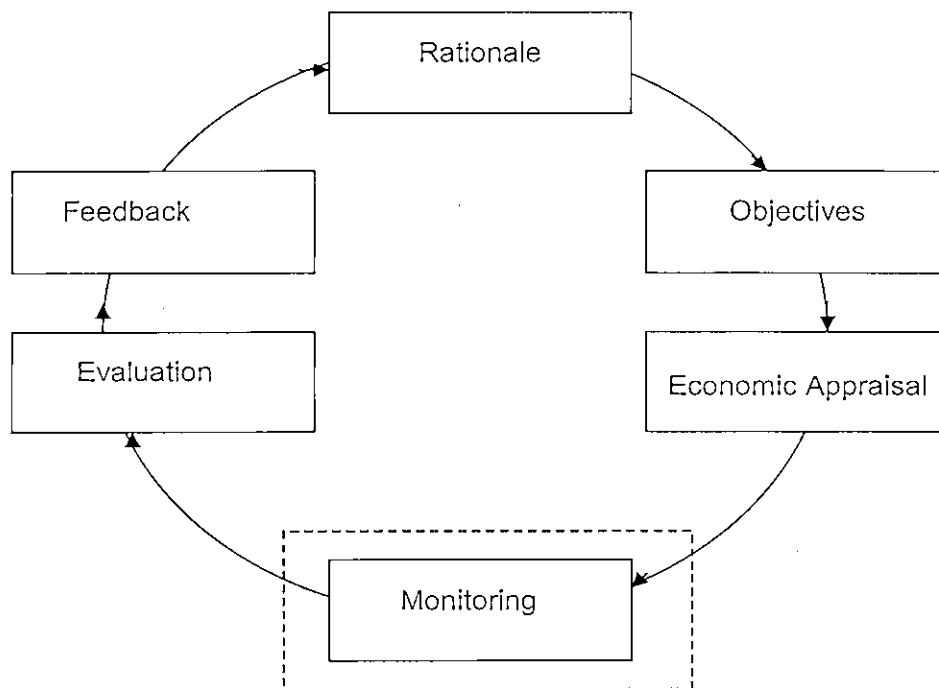
George Barrett
Ecotec

1. Introduction

The purpose of economic appraisal is to inform choices between different courses of action. Central to this is a comparison of a number of options, including 'do nothing' or at least do the statutory minimum. The key test is which of the options has the most beneficial effect on economic welfare and thus represents the most efficient use of resources. As a minimum the appraisal needs to assess whether the prospective benefits of a proposed project exceed its costs.

The process and purposes of appraisal are conceptually distinct from those of evaluation. The latter is concerned with assessing the implementation or consequences of actions which have already been decided upon and are underway or completed – either with a view to their modification, if this is still practicable, or to learn lessons for the future. Needless to say, a clear appraisal of what the action in question was expected to achieve, and at what cost, is immensely valuable to – and is arguably indispensable for – the evaluation of its effectiveness in practice. The way that appraisal and implementation fit within the project management cycle is shown in schematic form in Figure 1.

Figure 1 : ROAMEF Cycle



The general principles governing public sector appraisals are set out in the Treasury 'Green Book', a new version of which was launched in 2003. In many/most applications there will also be a range of supplementary guidance material in the form of 'daughter documents', typically produced by Government departments and building from the general principles – for example, the so-called "3Rs" guidance in relation to regeneration projects which has replaced the former 'EGRUP'.

Key aspects of the appraisal process include:

- An analysis of the rationale for the intervention, generally based upon some form of perceived failure of the private market – either because the market does not exist, or because market prices are believed to differ from society's true valuations, possibilities discussed further below;
- Establishment of a framework of (SMART) objectives – **S**pecific, **M**easurable, **A**chievable, **R**elevant and **T**imebound;
- Development of a set of options;
- Assessment of their costs and benefits – expressed as far as possible in quantified terms, with monetary values attached wherever possible – to identify a preferred option;
- Testing the robustness of the emerging choice under alternative potential assumptions, increasingly with more formal risk analysis.

In principle economic appraisal is relevant to – almost – all aspects of public sector decision-making, including most importantly in the current context to decisions on whether to grant aid particular projects. However, the level of analysis needs to be proportionate to the decisions and resources at issue. Many appraisals are undertaken 'in house' and are relatively brief analyses. However, where decisions exceed an organisation's delegated limits the process becomes much more formalised. For example, the appraisal of RDA projects which involve public expenditure in excess of the (current) delegation limit of £10m goes forward for scrutiny by the Central Project Review Group (CPRG) – a joint ODPM/DTi committee – whilst those with spend in excess of £20m, or raising novel or contentious issues, also go to Treasury.

In practice the potential usefulness of appraisal to decisions on resource allocation is very often undermined because it is:

- Done too late when the promoter has already developed a substantial commitment to a particular course of action and regards the appraisal less as a means of informing choices than as a means of overcoming what are perceived as bureaucratic hurdles to its implementation;

Done on the basis of consideration of artificial rather than real potential alternatives.

The appraisal process then becomes one of, at best, quasi-judicial testing of decisions which have, in reality, already been made.

In principle appraisal should cover an assessment of all of those aspects which are likely to be changed by the decision in question. It should encompass:

- A wide view, including:
 - not only aspects which can be readily quantified and measured in monetary terms – such as capital and operating costs and revenue streams; but also,
 - those where this is either difficult or maybe impossible (such as environmental costs and benefits, and unpriced benefits to users);
- A long view, although costs and benefits which arise in the future need to be discounted back to 'present values'. This process has nothing to do with allowance for inflation – which is taken out through focussing on a 'real terms' analysis. Rather it seeks to allow (under current practice) for an assumed collective preference for benefits now rather than in the future.

It is worth noting that the latest Green Book introduced a range of new elements:

- A reduction in the discount rate, generally to 3½% pa;
- A requirement to make specific provision for likely 'optimism bias';
- Greater analysis of risks/uncertainties and their implications than in the past;
- An enhanced emphasis on quantification and the assignment of monetary values – albeit with a recognition that this will not always be appropriate, or possible, and that other techniques (such as multi-criteria analysis) may be appropriate;
- Opening up the possibility of weighting costs and benefits to different income groups to allow for the influence of income on willingness to pay.

2. Key Appraisal Issues

Significant issues arise on the cost side of the analysis, most importantly:

- The need to exclude 'sunk costs' which have already been incurred and which will not therefore be changed by the decision (bygones are bygones);
- The need to focus upon the 'opportunity costs' – or benefits lost from not using a resource in its best alternative use, even where there is no market transaction involved (for example, the value of the site to be used for a project which, although already owned by the promoter, could be sold for another purpose);

However, the major issues typically arise in relation to the assessment of benefits. Here market prices may be:

- Inappropriate measures of the social value of the resource in question. Typically – although by no means exclusively – this will be because of external effects on the wider community from the consumption of the good or service in question which are not reflected in the price paid by the user. Thus, for example, the potential willingness to pay for the use of a facility in, say, a National Park may overstate the benefits to society of that use if it involves access by car with associated costs which are not borne fully by the user;
- More often, wholly absent – because no charge is levied for the enjoyment of the asset in question. The challenge then – which will no doubt be dealt with in the more specialist papers – is to infer the potential willingness to pay of the intended beneficiaries from other sources of evidence.

The issues involved in eliciting values become more complicated where people attach values to assets which are not directly related to their use. For example, they may value the conservation of a particular asset (existence values) or the possibility that they may choose to make use of it at some future stage (option values).

Where market prices are absent it may be possible to establish 'shadow prices'. A number of approaches are available:

- Contingent valuation seeks to establish values through carefully designed survey work in which respondents are expected to undertake thought experiments involving resource allocation decisions;
- Hedonic pricing seeks to establish the valuation of particular attributes from revealed preferences through other market transactions – most commonly, the way that the factors involved influence the prices of otherwise similar houses;
- The travel cost method – a variant of the revealed preference approach – infers the demand curve, and thus the extent of the benefit to users who do not pay, from the way that the levels of usage of the asset by different populations decay with rising distance/increasing travel costs.

Indicative values may also be drawn from other – ex-ante or ex-post – studies, perhaps where greater resources were available to investigate the relevant issues. The appropriateness of such a 'benefit transfer' approach may clearly depend heavily on the extent to which contexts involved are truly similar.

It needs to be stressed that such analyses involve complex and often contentious issues. These may be of:

- Principle – for example, does the willingness to pay of current generations take proper account of the interests of future generations; do we take into account benefits to residents of other countries?

- Practice – for example, contingent valuation techniques may suffer from 'strategic behaviour' by respondents designed to influence decisions, or the provision of responses reflecting a range of wider valuations than that of the particular asset concerned (embedded values) – or people may simply be unable to offer realistic judgements!

Other problems which may confront the appraisal process include:

- How to deal with contributions to other public policy objectives which may involve much wider issues than (quasi) market valuations – for example, reducing social exclusion. Whilst my focus here is on economic – and environmental – issues it needs to be borne in mind that such social issues are an important aspect of the rationale of many public policy interventions and they may therefore be a central focus of the processes of appraisal and evaluation. Even where this is not the case, social impacts – whether intended or incidental – may be important.
- Sometimes related to this, how to treat contributions to Central Government targets – such as reducing CO₂ emissions. The targets and indicators approach is clearly a major feature of current policy making but the targets often appear arbitrary in economic terms (although economics will often have a valuable contribution in showing how they can be met most cost effectively and shadow prices may emerge – for example, through emissions trading);
- A range of complications – largely left on one side here – in dealing with hybrid public-private projects. In principle all resource costs and social benefits should be considered, irrespective of whether the costs fall upon the public or the private sector. In practice a key focus of public decision making is how to maximise the benefits of public expenditure – the 'bangs per buck' test.

3. *Economic Impact Assessments*

Such assessments may be a component of a wider economic appraisal, or they may be freestanding. The focus is on showing the impacts of a project – or some other change or event – on employment and sometimes other measures, such as incomes. The focus on these issues reflects the significance of regeneration objectives to the decision making of bodies such as the RDAs and the importance of funding streams such as EU Objective 1 and Objective 2 programmes.

The focus of economic impact assessments is normally on effects in specific priority areas. The basic analytical framework is shown in schematic form in Figure 2. Its focus is on tracing through the causal chain from the immediate outputs of a project to its ultimate impact on key economic indicators. The key steps in this are:

- Netting off:
 - 'deadweight' changes in activity which would happen in the absence of the project (for example, the 'Reference Case' employment which would be expected to continue or be created if a site were left in private hands);
 - 'displacement' of activity elsewhere in the priority area if the new activities will draw turnover (product market displacement) or locally scarce skilled labour or other resources (factor market displacement) from existing local businesses;
- Adding on possible multiplier effects associated with:
 - (indirect) impacts down the supply chain associated with local procurement by the new activities;
 - (induced) impacts associated with the increased local spend of those who derive additional incomes through the other mechanisms.

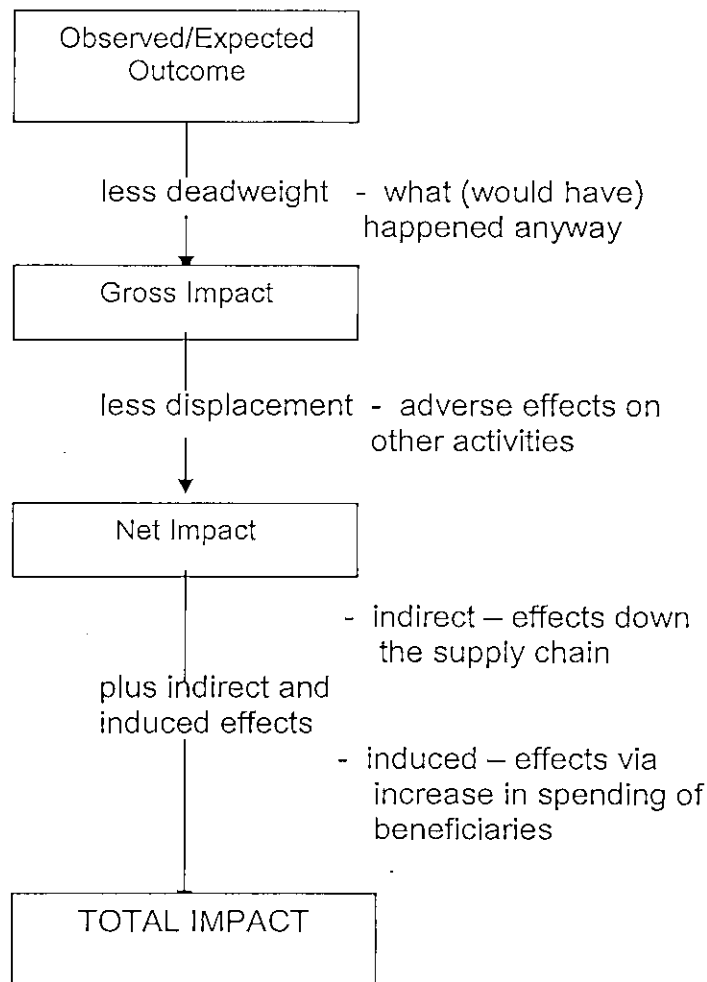
Other factors which may need to be taken into account in the analysis include:

- Leakage – the extent to which impacts accrue to people outside the target area or group; and,
- Substitution – in particular where beneficiaries of public support secure employment at the direct expense of non-beneficiaries.

Two particular issues are worth noting about the significance of the framework in policy terms:

- Effects on employment may only carry much weight in areas with an excess of job seekers over available opportunities. It is difficult to see why such issues should be a major focus of policy in, say, the pressurised labour markets of the Thames Valley;
- Their importance in policy terms generally may well decline if the era of relatively low unemployment continues. The emphasis may well need to shift – for example, to the quality of economic opportunities which will result or to other types of benefit.

Figure 2: The Methodical Framework



4. Concluding Thoughts

I would want to stress three points in conclusion:

- Appraisal is a (potentially) very helpful basis for improving decision making – being both rational and transparent;
- Even where valuation is difficult, establishing plausible orders of magnitude may well be a useful advance;
- Appraisal will contribute more and save resources if it happens early in the process rather than – too often as now – at the end and if it is viewed by project promoters as a means of facilitating rather than justifying choices

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'DEMONSTRATING THE ECONOMIC VALUE OF COUNTRYSIDE RECREATION'

EVALUATING THE IMPACTS OF PROJECTS

*Dr Andy Cope, Sustrans
Professor Les Lumsdon, Lancashire Business School
Dr Paul Downward, Loughborough University*

In order to evaluate the impact of projects, a clear conception of economic impact is required, coupled with practical guidelines for measuring it. This brief paper addresses these issues.

Conceptualising Economic Impact: Definition

In general, this issue is associated with assessing the impact of decisions on the deployment of resources between options to meet decision-makers' objectives. It is important to draw a distinction between two types of assessment;

(a) Financial assessment - concerned typically with the private sector and the contribution of project options to the financial wealth of organisation. Market values are typically treated as key data.

(b) Economic assessment – concerned typically with the public sector and the contribution of project options to broader objectives associated with a wider set of stakeholders in society than a commercial business. Naturally public authorities embrace such objectives. In this context market values are not necessarily the key data but those which reflect social and environmental conditions

With regard to timescale and scope there are a number of important points to note. Firstly, option impacts can be forecast – in which case they are 'appraised' *ex ante*. Secondly, the impact can be monitored – in which case they are 'evaluated' *concurrently or ex poste*. The spatial dimensions of the impact also need to be determined and thus the study area might be regional, local or site specific. Finally, it is important to note that impact analyses should account for the 'opportunity costs' of projects. As well as alternative options, the 'do nothing' alternative should be considered.

An example would be as follows. If a land manager wanted to enable a business to build/run a café in a Forestry Commission site then this resource would attract visitors. The financial impact would focus on the profits for the business, the income to the employees and suppliers. However, an economic impact would seek to evaluate the contribution to profits/income not only for the business *but also the area*. If there was a need to provide better access road, for example, then the social/environmental impacts, such as pollution, congestion, scenic impairment brought about as a result of the business development would require assessment. Alternative options should be assessed. Thus in providing a

picnic area instead there would be a need for further maintenance costs, and possibly a new road. However, the scenery and wildlife might remain relatively undisturbed. Finally, a full opportunity cost analysis would assess the costs and benefits associated with not building the café or picnic site. The loss of profits and income being balances against not having to build a new road and preserving the scenery. Thus, there is a need to understand how to assess the trade-offs between the opportunities to develop or to do nothing.

There are a very clear set of Government guidelines set out in

'The Green Book: Appraisal and Evaluation in Central Government'

H.M. Treasury, 2003 (London:TSO). This advocates the ROAMEF cycle as indicated in Figure 1 below:

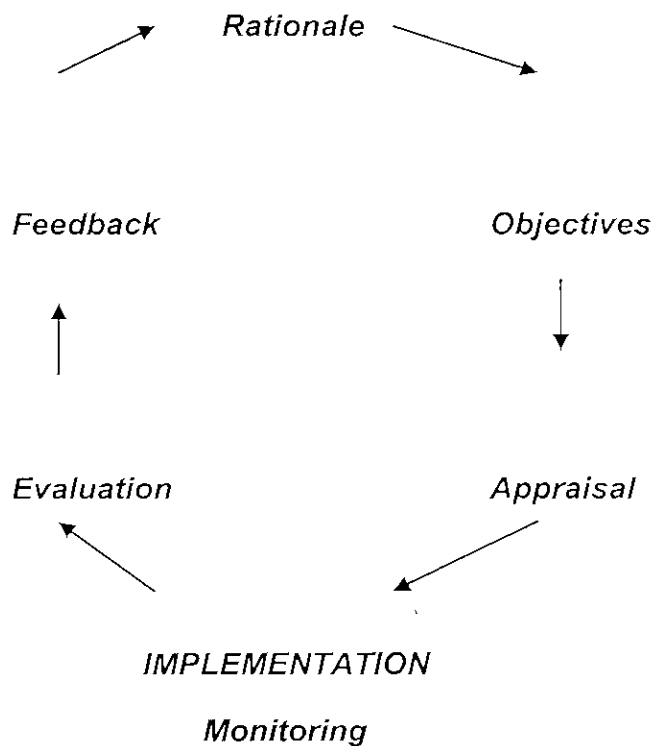


Figure 1 ROAMEF cycle

The elements in the cycle are summarised as follows:

- Rationale – What is the need for a ‘policy’ intervention; e.g. public policy commitment of resources, allow private sector commitment
- Objectives – spell out desired outcomes/targets
- Appraisal – forecast benefits and costs of alternatives
- Implement policy – monitor target variables
- Evaluate – were targets met
- Feedback – analogies for future appraisal/presentation of results/dissemination

Triple S Model: Evaluation/Appraisal

As a research team the authors find 'The Triple S model' a good way of conceptualising the relationship between the economic, social and sustainable development elements. The three core elements are:

1. Spending: Direct Monetary costs and revenues associated with the project
2. Spillovers: Indirect and induced costs and revenues – multiplier effects to the area
3. Sustainability: value the non-priced effects of the project

While this appears to focus only on monetary equivalents, real resource implications, e.g. jobs, can be ascertained from the scale of monetary values, through suitable assumptions about the production process and how much revenue is required to sustain a job in the area.

The framework is illustrated in Figure 2.

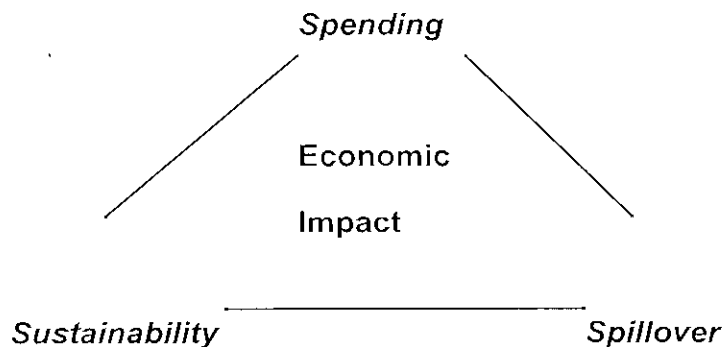


Figure 2 The Triple S Model

In evaluating the elements in more detail there are firstly, spending and direct impacts:

- These typically focus on market prices
- They may need to be adjusted for taxes/subsidies (These are not opportunity costs of the project)
- They should account for the timescale of revenues and costs. Thus discounted cash flows should be employed if benefits and costs occur in different timescales. Eg. If rate of interest is 10% (0.1), £100 next year is worth $100/1.1 = £0.91$ now. This measures the opportunity cost of investing the cash used on the project in financial assets.
- They should allow for inflation
- In the hypothetical example of the café in the Forestry Commission location, the turnover of the café would be the key data for capturing the direct effects.

Secondly it is necessary to consider the spillover effects or the indirect or induced effects.

- This requires establishing the 'multiplier', or ripple effects of an initial injection of expenditure into the local area.

- In areas of full employment the multiplier really traces out the displacement activity of projects. Multiplier effects are thus beneficial in areas of less than full employment or in need of regeneration.
- An example of the multiplier, known as a Keynesian multiplier as discussed below, based on assuming that individuals spend, say, 80% of any additional income implies that an initial £10 spend -> £10 income -> £8 further spend -> £8 further income -> £6.40 further spend still etc. The sum of this 'infinite' series would add to £50. Thus, the £10 'injection' of extra spending provides £50 overall extra spending in the area.
- Referring to the hypothetical example of café in the forest, the indirect effects could be obtained from data on the incomes received by suppliers, employees of the café **IN THE LOCALITY!**
- The induced effects could then be obtained from data on the incomes received by the expenditures of suppliers and employees

In order to measure the spend and spillover effects there are two main approaches or types of economic multiplier

- Demand side: Keynesian Multiplier

Survey consumers/visitors to establish incremental local spending following increments to disposable income

- Supply side: Input-output; supply chain models

Survey businesses to establish local trading links and dispersal of income either as a complete system or one business within the system – See LM3 Presentation.

Thirdly is the Sustainability factor. The concern is to 'value' non-market impacts.

Again there are two basic approaches

Revealed Preference -- This involves inferring values from observation; e.g. the travel cost method calculates a value based on the distance of visitors travelled x cost per mile; The hedonic method calculates a value from observed market values in the area e.g. wages, property values before and after a change

Stated Preference – This involves inferring a value from a survey. Contingent valuation methods ask of respondents their 'willingness to pay' for a benefit or 'willingness to accept' compensation to a cost; Choice modelling methods present respondents with alternative scenarios, characterised by different attributes and model the probability of their choosing one option or the other. The probability can be converted into monetary terms as a measure of 'utility'.

The North Sea Cycle Route

The case study of the North Sea Cycle Route explores evaluation in practice. The original aim of the study was explained as:

"The thrust of the research strategy will be to establish and trial research methods which will measure impacts attributable to the introduction of a long-distance cycle route"

Importantly, this suggested that the options had already been established, and investments made. The role of the study was thus to evaluate the route and feedback information for the appraisal process, as described earlier.

The key target indicators that are being measured are:

The number of cyclists on the route
Level of direct spend in communities

The authors reported their initial findings in Countryside Recreation Volume 12 No. 1 (2004). It should be noted that a triangulated research strategy utilising travel diaries, intercept surveys and counts has been employed to capture motivational, cycling and economic behaviour and characteristics of users as well as flows. Surveys were also focussed around access and egress to typical centres of gravity – villages, towns and cities to be representative of 'segments' of use. The researchers have continued to refine their analysis and the model has been re appraised. It is clear that whilst income, duration and group size are still the core factors driving spending by users, the nature of route [urban/rural] and user characteristics [levels of experience] are important.

The modelling of user spend on different routes is the subject of an ongoing research project sponsored by One North East and Sustrans. It is expected that the findings of the next stage of the work will be reported in 2006. However, it is clear that the volumes and values of activity on routes varies inversely between urban and more rural settings, a reflection of tourism and recreational use. Lower volume, higher spending value activity is thus typically associated with more rural settings. On this basis, opportunity now exists to expand the depth of the study to include indirect and induced and non-valued impacts in a more appropriate manner. Moreover, proper weightings can be attached to the spending determinants through multivariate analysis as the sample -is grown over time.

Summary

In closing it should be noted that in all of the methods discussed above measurement can be very sophisticated or simplistic. Typical issues include:

- Statistically representative samples of businesses, visitors etc, producing statistically robust forecasts of impacts through a detailed input-output model *versus* a census of a small number of firms in a supply chain
- Hedonic, travel cost, choice models involving multivariate modelling of visitor characteristics *versus* simple survey of willingness to pay

The issue is to be robust on the weightings to be attached to valuations and clear on the methodology involved in providing value for money based on the scale of the project. Finally, it should be noted that government guidelines recommend concern for equity in assessing projects. A simple guideline for adjusting values thus is to vary values inversely proportional to income levels.

References:

Cope, A., Downward, P. and Lumsdon, L. (2004) The North Sea Cycle Route: Economic Impacts of Linear Trails, 12 (1),2-5

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'DEMONSTRATING THE ECONOMIC VALUE OF COUNTRYSIDE RECREATION'

CASE STUDY: RIGHTS OF WAY AND GREENSPACE, HOW DO WE VALUE THEM?

*Martin Shaw
Countryside Agency*

Martin Shaw is the team leader for Recreation and Countryside Access in the Countryside Agency's North East Region.

This paper is written from the perspective of one who is neither a statistician nor a researcher, but someone who is keen to show that managing our environment or green infrastructure can deliver tangible economic benefits. It covers two recent studies undertaken in the North East,

- Economic and Social Benefits of Countryside Access Routes in the North East
- Perceptions of Greenspace

But just as importantly, sets out what we have done, and intend to do with the data generated.

Economic and Social Benefits of Countryside Access Routes in the North East (Regeneris consulting, January 2005)

The purpose of the study, which was jointly funded by ourselves and the Regional Development Agency, was to quantify the direct and indirect economic benefits (in terms of health and tourism) of our rights of way network and to set out priorities for future action. In order to make the results as applicable as possible, as well as producing the usual full report and executive summary, we also asked the consultants to produce two targeted summaries; one aimed at the health sector and the other aimed at the tourism sector.

Copies of all the reports are available on our website at:

<http://www.countryside.gov.uk/LAR/Regions/NorthEast/activities/landscape/ciat/index.asp>

<http://www.countryside.gov.uk/LAR/Regions/NorthEast/activities/recreation/accessroutes.asp>

The study involved a trawl of over 70 publications and interviews with over 60 professionals from a variety of recreation, health and tourism agencies. Perhaps more interestingly, as part of the study we commissioned some original research, which looked at 3, recently improved routes in an attempt to assess how this upgrading had affected use of the paths (involving interviews with 315 users).

The clear overall conclusion was that local rights of way can deliver public health and well being benefits, whereas, our major regional/national routes contribute to tourist spend.

The study did raise two important factors that need to be taken into consideration, namely:

- Causality – how easy is it to link cause and effect, especially in the complex world of health benefits?
- Displacement – if we improve a right of way and increase its use, is that a net gain or have we displaced users from elsewhere?

The study reports set out our findings in detail, but the highlights included:

An annual investment of £1 per person (approx £2.5 million) generated some £240 million per annum, and helped create 9000 full time jobs.

Major routes deliver significant returns. Whilst these figures can be difficult to estimate, if we take Hadrian's Wall Path, for example, we calculate that from it's opening in May 2003 to the time of the study, it had generated some £4 million of new spend. Indeed, unofficial figures of spend to date take that to over £9 million (against a creation cost of around £7 million!).

Poor health, resulting from lack of exercise, costs over £110 million per year. This is probably an underestimate. In the North East around a third of the population are effectively sedentary, and of those who do take exercise, this is often less than once per month, so overall, around half of our population are inactive!

The greatest exercise driven health benefits come from those who move from inactive to moderate. Improving a right of way did seem to attract new, as opposed to displaced, users. Over 12% of adults would use 'improved' routes (an increase of 10% would deliver health savings of £25 million).

It is also worth noting that evidence gleaned from our Walking the Way to Health initiative indicates greater attendance and adherence rates for walking than for other forms of exercise. So, our rights of way system might provide a more cost effective solution to raising participation than investment in sports halls.

Perceptions of Greenspace (Study by WoodHolmesGroup, April 2005)

Following an extensive consultation period, in January 2005, the Countryside Agency and Groundwork jointly published 'The Countryside In And Around Towns – a vision for connecting town and country in the pursuit of sustainable development', so we had a good idea of what 'professionals' thought but what about local people? We commissioned our perceptions study specifically to better understand what urban dwellers in the region thought about:

- The importance of green space
- Whether, how & why they use the existing greenspace and countryside
- Preferred greenspaces and countryside
- Attitudes towards greenspace & the countryside

The methodology was detailed and complex (see full report on web link above) but in essence it had the following components.

Scoping meeting – to confirm and clarify 'greenspace'

Desk research – to understand greenspace and its context

Four Anecdote Circles – to understand people's perceptions of and values associated with greenspace.

Survey of 750 Residents – shaped by the above, quantify usage and perceptions of greenspace

Many interesting results came out of the study.

92% think greenspace is important because:

- Need space to walk in (39%)
- Children need space to play (35%)
- A place to go (24%)
- Nicer place to live (24%)
- Exercise (16%)

88% respondents have greenspace within a 10 minute walk of their homes (defined as 'local greenspace' in the research)

86% think it is easy to access local greenspace (50% think it is 'very easy', 36% 'quite easy')

Parks and grassy areas are the most preferred type of local greenspace (50%) and the most frequently visited. But remember, this is based on what's available. People may not have easy access to a range of different greenspace.

Local greenspace is often viewed more negatively than 'the countryside' (litter, dog fouling, vandals, lack of maintenance etc). Different people have different reasons for choosing spaces to visit, suggesting a need for spaces that suit different needs.

Greenspace has to be maintained to an adequate standard to be well used (poorly maintained greenspace is seen as a 'wasteland')

Low lighting levels and undergrowth can make people feel areas are scary and unsafe (BUT only 10% of respondents find open spaces unsafe).

Main barrier is dirt/litter/rubbish, which may lead to negative connotations, less use and increased presence of vandals.

Clearly there are tensions between the desire for trees and bushes, which encourage the feeling of escape and the desire for safety, which declines with the increase in undergrowth; between the desire for a natural environment, including a range of plants and wildlife and the need for a space that looks well maintained; between the different requirements of space (walking, children's play, escape, dog walking, sport, picnics and peace and quiet/relaxation). In order to resolve these tensions, there is a clear need for strategic 'green infrastructure' planning to ensure people can access a variety of spaces within their neighbourhood and good landscape design to create spaces which meet the needs of different users.

Regional Conference

On the back of carrying out these studies we held a regional conference, targeted at key players in the public, voluntary, private, funding, environmental, regeneration and health sectors. We gave presentations on research, listened to local people's views and provided time for discussion. Overall there were four main conclusions:

- Planning – need to be strategic AND engage with private sector
- Maintenance
- Involve the community
- Engage beyond Environment sector

It's easy to bask in the warm glow of a successful conference, but we have also done work to take the agenda forward.

Working with colleagues in the Northern Regions, and in partnership with the Community forests, we are working to influence the development of the Northern Way programme, concentrating on the development of the Green Infrastructure component.

We have also established a regional Green Exercise Group, which draws together a range of professionals and sectors around a common agenda. One early output from this group has been the impetus to set up a Gateshead Green Exercise Pilot, which seeks to build on the good works already being done to promote green exercise and outdoor recreation, but in a way that adds value by the various sectors working more closely together.

The real challenge for us comes as we evolve into our new organisation, Natural England, to move beyond rhetoric and develop our rights of way and greenspace network to meet the needs of our 21st Century public. This presents a challenge to us all to diversify our audience; to engage with a wider spectrum of movers and shakers, be they health, regeneration or the development sector. But, we need to steep ourselves in 'evidence based analysis' – we can't rely on rhetoric, we have to be able to talk in hard facts and figures.

Countryside Recreation Network Seminar

'DEMONSTRATING THE ECONOMIC VALUE OF COUNTRYSIDE RECREATION'

RETAINING THE IMPACTS LOCALLY

Justin Sacks
K2A

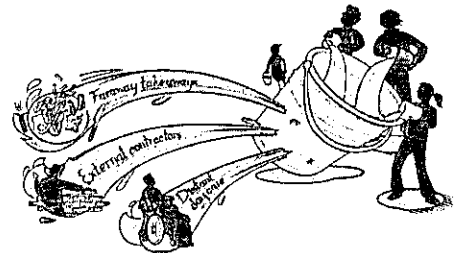
Promoting local economic linkages

For many years, the proposed solution for regenerating urban and rural areas has been to attract more money into them, whether it is in the form of tourism, agriculture, corporate relocations, and other forms of inward investment. There is, however, a different approach that can have an even greater, more sustainable, impact: regenerating the local economy from within by taking advantage of the resources that communities *already possess*.

The leaky bucket

In many areas, the issue is not that too little money comes in but that most of the money that does enter the local economy flows right out again in the form of spending on and contracts to non-local businesses and labour.

The local economy looks a lot like a leaky bucket. Money enters the way we pour water into a bucket. But a lot of that water leaks out of the bucket, just as we spend money on external services. Leaking is not innately bad because economies are connected, and this exchange of money promotes innovation and cultural exchange.

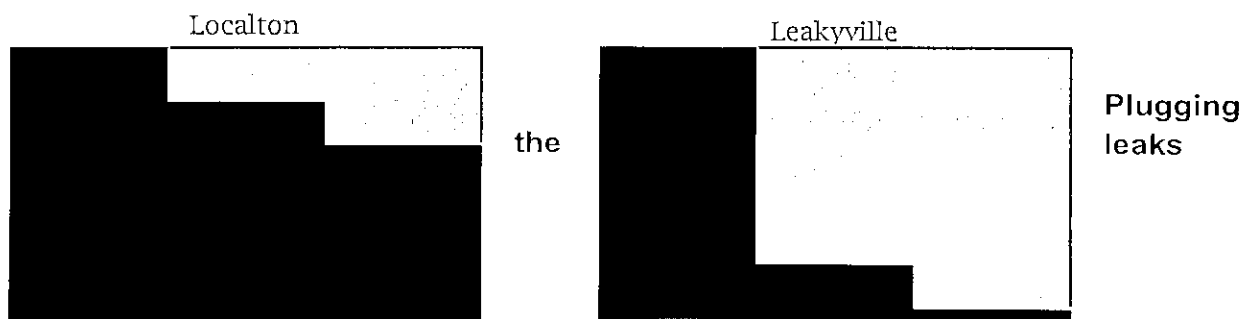


In communities facing economic disadvantage, however, there are two ways to increase the circulation of money: pour more water into the bucket or find ways to 'plug the leaks'. By finding ways to plug the leaks by creating economic linkages between local businesses, labour, and public bodies, poorer communities can build a healthy local economy that can stand on its own long after regeneration funding dries up.

The multiplier effect

There is a way to measure just how much the water flowing into your bucket circulates around before leaking out, and it's called the multiplier effect. This name comes from the notion that money that circulates within an economy has a *multiplied* impact the more it circulates.

Take two imaginary local economies: Localton and Leakyville. In Localton, everyone magically spends 80 percent of his/her income locally. That means if someone receives £100, she spends £80 locally on a service, that person spends £64 locally, and so on. In Leakyville, that same £100 is spent differently, with £20 going on to the next person, then £4, and so on. The area in blue in the charts below depict the multiplier effect, and the different amount of income generated in Localton versus Leakyville.



Plugging the Leaks is an action-planning tool, based around a one-day workshop, which enables people to explore together how their local economy works and to develop ideas for improving it.

Residents, the public sector and businesses cannot revitalise the local economy alone. Most creative solutions involve people working together. Plugging the Leaks brings everyone to a workshop setting to explore their local economy with the use of simple visual images. The Plugging the Leaks process explores how money enters an area, how it leaks out, and what action will plug those leaks. The result is a simple tool that shows everyone how to strengthen the local economy and how to take action for lasting change.

Local Multiplier 3 (LM3)

Local Multiplier 3 (LM3) is a tool that nef (the new economics foundation) developed, based on the multiplier effect, to help all members of a community understand and take action around local money flows. LM3 enables organisations to measure the impact they have on a local economy by tracking where the money they receive is then spent and re-spent. The purpose of tracking and measuring this spending is to identify opportunities to get more money circulating locally. Economically disadvantaged communities can achieve more local circulation of money by strengthening linkages in their local economies.

LM3 works like this:

- 1) Measure an organisation's income, which may be a combination of public and private funds (Round 1);
- 2) Then look at how that organisation spends its income in a defined local area (i.e. parish, ward, district, or 30 mile radius) – suppliers, staff, subcontractors, and overhead are typically the principal expenditures (Round 2);
- 3) Then look at how the local people and local businesses who received money from that organisation – the suppliers, staff, etc. – spend their money (Round 3);
- 4) Finally, run through some quick maths to arrive at the LM3, which tells you how much spending by the organisation impacts the local economy.

In many cases, people find that they can spend less money to generate more income for the local economy! It's not just a matter of how much money you spend but how you spend it.

More information

You can find more information on both Plugging the Leaks and LM3 on the nef website, www.neweconomics.org. To find out what else nef is doing on local money flows, please contact Elizabeth Cox at +44 (0)20 7820 6381 or elizabeth.cox@neweconomics.org.

To find out about how these tools are being further used to link public spending to public benefit, please contact Justin Sacks at +44 (0)7753 408 692 or justin.sacks@k2a.cc.

Countryside Recreation Network Seminar

'DEMONSTRATING THE ECONOMIC VALUE OF COUNTRYSIDE RECREATION'

ISSUES IN ECONOMIC APPRAISALS

Simon Shibli
Sheffield Hallam University

Introduction

Assessing the economic impact of countryside recreation amenities and events is a relatively new discipline for countryside recreation managers and is typically sub-contracted to consultants with an "expertise" in the subject. However, in order to be able to draw up a brief for consultants, to work with them as an equal partner and to have confidence in the end results requires a familiarity with the rationale for conducting such studies and the techniques used. The starting point must be a clear idea of why you are committing resources to an economic impact assessment and how you plan to use the results. Economic impact assessments sometimes suffer from a lack of credibility because of inappropriate methodologies, over ambitious assumptions, exaggerating the positives, ignoring the negatives, political interference, and using the results for purposes for which they were not designed.

How can economics help?

There is a logical commonsense sequence of events which illustrates how investing in countryside recreation projects can have positive economic benefits. This sequence is outlined below.

1. Investment in a countryside recreation resource can lead to an increase in economic activity via attracting visitors and their spending from outside of the local area.
2. If this additional economic activity is sustained, then positive economic benefits can accrue.
3. The best measure of an increase in sustained economic activity is an increase in household income i.e. the amount of this economic activity that is retained within the local economy.
4. Increased household income can lead to enhanced employment opportunities if the enhanced local income is spent locally i.e. there is an increase in demand for goods and services.
5. New jobs can materialise after 'slack' has been taken up such as when those in receipt of the increased economic activity can no longer cope with increased workloads and need to expand their businesses to cope with demand.

What are the key problems with some economic impact studies?

In an environment in which there is excess demand for project funding and a finite supply of such funding, the 'market' adjusts by pushing up the price. In practice the price is often the criteria by which applications are judged and often relate to concepts such as economic impact and job creation. This combination of factors creates a situation whereby in order to

convince funders of the merits of a particular scheme, favourable supporting economic impact data is required to support applications. Thus an agenda is introduced which often leaves those bidding for funds needing to demonstrate the added value of their projects hiring consultants who wish to 'please' their clients with 'big' numbers to help 'prove' a particular point. The Millennium Dome cost around £750m (a conservative estimate) and it was predicted that it would attract 12m visitors in its year of operation. The reality was that it attracted 6m visitors at most, but the ambitious claims of 12m and the implicit assumptions about economic impact in a run down area of London were in part used to justify the funding decision. Nobody was held to account and no money was repaid for the project's failure to meet its stated objectives. Over ambitious claims about the consequences of investment decisions are a sad but seemingly unavoidable reality of attempts to seek public sector investment in projects.

What does 'economic impact' mean?

A sensible working definition of economic impact might be:

The net economic change in a host economy that results from spending directly attributable to a countryside recreation amenity or event

[adapted from Turco and Kelsey 1992]

There are a couple of parts of the definition that are worth highlighting in greater depth. First, 'net economic change' means that positives and negatives need to be taken into account - not just the positives. For example, an event might bring in extra visitors to a locality and at the same time it might displace people who would have come anyway had the event not taken place and may also lead to increases in congestion and litter. Second, 'directly attributable' means that visitors using an amenity or attending the event have come to the host economy specifically to use the amenity or event in question. People who happen to be in a host economy and who use an amenity as an incidental part of being in the area should not have their economic impact attributed to the amenity in question.

How do you measure economic impact?

The actual questions to be asked when conducting an economic impact study will vary according to the precise objectives of the study. However some indicative areas of enquiry are outlined below. These questions are difficult enough to answer for an existing amenity and can only be at best an educated guess for a proposed amenity.

The number of people using a facility or attending an event

This is the keystone piece of data as it enables the results of on site research (sampling) to be applied to the 'population' of visitors as a whole. Local people using an amenity are considered to be 'deadweight' in terms of their impact on the local economy. This means that it is assumed that whatever money they spent at an amenity or an event they would have spent anyway and therefore it represents no change to the local economy. Visitors by contrast bring new money to a host economy and thus their expenditure has a positive economic impact.

The number of people who are from outside the host economy

If 2,000 people use a facility over a weekend and 400 interviews are conducted which reveal that 90% of respondents are local people and 10% are visitors, it can be deduced

that 10% of the 2,000 attenders (200) are visitors and are eligible to be included in an economic impact calculation and 1,800 attenders are 'deadweight'.

How many visitors are specifically in the area to use a given amenity?

Having identified the number of visitors a further filtering is necessary to identify those in the area specifically to use an amenity and those whose use of it is incidental. Visitors whose main reason for being in the area is to use an amenity should be included in the economic impact assessment; those whose attendance is incidental should be discounted or at least down weighted.

Duration of stay

For those eligible to be included in the economic impact calculation, the main determinant of economic impact is duration of stay. As a simple rule of thumb, the longer the dwell time the greater the amount spent locally. This is particularly true for those who stay overnight and make use of commercial accommodation such as hotels, guest houses, camp sites and caravan parks. Whilst day visitors are just as welcome to use an amenity as overnight stayers, their economic impact is considerably less.

Accommodation usage patterns

Simply because some people stay overnight in a given location does not necessarily mean that they make use of commercial accommodation. Many people combine visits to the countryside with visits to friends and relatives with whom they stay overnight. This type of arrangement is known as non-commercial accommodation and has no impact on the host economy.

Other expenditure patterns

For all visitors whether they be commercial accommodation users or day visitors an accurate picture of their spending patterns on food, drink, shopping, entertainment, travel and other items is necessary to be able to compute the total visitor spending attributable to an amenity or event.

Regardless of the objectives of an economic impact study of an existing facility the only way to achieve credible data is by interviewing attenders. This might be on-site or via follow up telephone calls. It is people who generate economic impact and it is not possible to estimate economic impact without engaging with the people who create it. Studies such as the recent 'Economic Value of the South West Coastal Path' which did not interview users of the path and relied on accommodation providers to make an estimate of how many of their guests used the coastal path suffer from severe problems of validity, reliability and credibility. Most of the economic 'value' of the South West Coastal Path is deadweight and the results have been used subsequently in a way in which they were not originally intended.

How do you use the results?

There are two key ways in which the results of an economic impact study might be used. First, the additional spending brought into a host area as a result of a particular amenity may be sufficient for managers to gauge the economic importance of a resource. Second, the raw economic impact data can be subjected to further calculations such as multiplier analysis to compute statistics such as the number of jobs created, supported or protected by an amenity or an investment. The use (or misuse) of multipliers is probably the greatest abuse of economic impact estimates in the modern era. The most notable abuse is using sales multipliers (greater than 1) rather than income multipliers (less than 1) to take a

number simply to make it look 'bigger' and thereby demonstrate more economic impact and more jobs.

Developing the brief

In essence, developing a brief requires an outline understanding of economic impact and how it can be measured. Consultants should be able to lead and advise on the more technical aspects, the methodological implications and the strengths and weaknesses of the findings. However as a bare minimum the following points should help to clarify thinking:

- Be clear about what it is you want to measure;
- Be clear about why you want the data and how you will use it;
- Seek views (via consultancy tender documentation) concerning the optimum methods to collect the necessary data to meet the aim of the study bearing in mind the resources available;
- Don't allow yourself to be baffled by science - if you don't understand what consultants are doing or saying you can rest assured that other people who are dependent on the results will be in the same position.

Finally, always remember that the output of an economic impact study is an estimate and that the whole process is as much art as it is science. Consultants don't have to live with the consequences of their estimates but you do! Keep it simple, know what you want and make sure that your consultant delivers.

Vetting consultants

- What is their track record on similar projects? Are you seriously going to spend good money on novices who will need a massive learning curve?
- Who will be the named staff, what are their credentials and who will personally own the project for you?
- What is the required input from the client?
- Are there a clear fee structure, time line and evidence of Activity Based Costing i.e. who will do what, how long will it take and what is their daily rate?
- Does the consultant have the capacity to meet your deadline? Avoid people who get a foot in the door and then contrive excuses for time over runs.
- What quality assurance does your proposed contractor offer?
- What is their history on cost over runs and unforeseen little extras?
- Why hire company X and not company Y. What makes your preferred supplier so special that you want to engage them rather than any other applicants?

Don't doubt your own commonsense judgement. If the claimed economic impact of an amenity doesn't 'feel' right, then it probably isn't right.

Countryside Recreation Network Seminar

'DEMONSTRATING THE ECONOMIC VALUE OF COUNTRYSIDE RECREATION'

CASE STUDY

ECONOMIC IMPACT STUDY ON THE MOUNTAIN BIKING WORLD CUP AT FORT WILLIAM

*John Taylor
Stirling University*

Acknowledgements

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- To Ian Cox, Chief Inspector, Northern Constabulary; Keith Muir, Forest Enterprise Lochaber; Nicola Mackinnon, Nevis Range; Lochy Holiday Park; Linnhe Lochside Holidays; Glen Nevis Holidays; and Glen Nevis Hostel; for providing information about visitor numbers, income, expenditure and the impact of the 2002 Mountain Bike World Cup on the local area.
- Finally, to Alex Major at **sportscotland** for providing maps of the local area for use by fieldworkers.

1 Introduction

This report presents the findings of an economic impact study of the Mountain Bike World Cup 2002 held at the Nevis Range mountain bike course near Fort William, on 1-2 June 2002.

The event was organised by Rare Management, who were appointed as the event organisers by British Cycling.

1.1 Purpose

The purpose of this report is to provide financial information about the cost of hosting the Mountain Bike World Cup and to establish the impact of the event on the economy of the local area.

1.2 Background

The Mountain Bike World Cup held at Fort William was a UCI (International Cycle Union) World Cup level event, which is part of an eight venue series that determines overall World Cup rankings. It is the most prestigious mountain bike series in the world and this was the first time that this event has been held in the UK.

The event, which saw 205 of the world's top mountain bike riders compete in downhill and 4-cross¹ events, attracted over 8,000 spectators to the downhill mountain bike course on the slopes of Aonach Mor beside the UK's highest mountain, Ben Nevis.

The focal point for the action, atmosphere and side events was around the World Cup Village, which occupied most of the Nevis Range car park and the finish arena. Included in the World Cup Village were a range of Expo stands offering the latest mountain bike equipment and there were also demonstrations, competitions, food and drink, live music and other entertainment.

The Fort William Mountain Bike World Cup was a ticketed event, where spectators were able to purchase tickets in advance that permitted holders to use the Gondola to access the higher levels of the course. The tickets also provided access to the shuttle buses that operated between Fort William and the Nevis Range.

In support of the application for funding from the **sportscotland** Major Event Programme, Rare Management projected that expenditure on the event, and by visitors, would likely benefit the local economy by £378,750 (Table 1). This was based on the event attracting 1,000 event officials and competitors, and 5,000 spectators.

¹ 4-cross is a new event to the World Cup. This new racing format brings the key features of downhill mountain biking into a short head to head race. Four riders start together and race down a custom built course. The two fastest proceed to the next round until the ultimate winner is crowned.

Table 1: Projected summary of economic impact

Summary of impact	Minimum*	Likely**
Accommodation	£56,250	£93,750
Daily spend	£150,000	£210,000
Local spend of overall event budget	£75,000	£75,000
Total	£281,250	£378,750

Notes: *Estimate based on 1,000 competitors/officials and 3,000 spectators.
**Estimate based on 1,000 competitors/officials and 5,000 spectators.
Source: Major Events Programme Application: Supplementary Information

4 Economic Impact Study

The aim of the study was to establish the economic impact of the event to the local area (defined as the Lochaber Enterprise area – See Appendix III). For the purposes of this report, the Lochaber Enterprise area will hereon be referred to as the local area.

4.1 Study Approach

Using the UK Sport model for undertaking the economic impact study (detailed in the publication by UK Sport - *Major Events: The Economics - A Guide*), the objectives of the study were to establish the amount of additional expenditure generated to the local area that can be directly attributable to the event. The economic impact was established through:

- A survey of all visitors to the Mountain Bike World Cup event (including spectators, competitors, coaches, officials and media persons).
- Interviews with local businesses and services suppliers.
- An analysis of the event organiser's income and expenditure records.

4.2 Study Findings

This report will review two financial aspects of the event:

- Event income and expenditure.
- Expenditure by visitors to the event.

5 Event Income and Expenditure

5.1 Expenditure

The total cost of organising and hosting the Mountain Bike World Cup 2002 was £277,000. See Appendix I for a breakdown of expenditure on the Mountain Bike World Cup.

5.1.1 Event Organiser's Expenditure in the Local Area

Rare Management's accounts show that £70,000 was spent on services and materials in and around the local area. If the additional income to the Nevis Range of £27,000 is included (section 5.2.3), the total expenditure by the event organisers to the local economy was £97,000.

5.1.2 Additional Event Costs (Hidden)

The study found that the income/expenditure records for the Mountain Bike World Cup had not accounted for all the costs associated with hosting the event. A number of service providers absorbed the cost of the services they provided and regarded these costs as their contribution to the event. For example, Forest Enterprise Lochaber estimated that their contribution to the event amounted to £4,457. This included contractor's costs for tree felling, chipping and staff time allocated to the event.

The cost for policing the event was not passed on to Rare Management. Northern Constabulary estimated that additional police time for two motorcyclists and increased policing in Fort William to deal with increased visitor numbers amounted to £3,200.

If these hidden costs are included, the total cost of hosting the event was £285,000.

5.2 Income

The total income was £275,000. This included income from sponsorship, grant aid, ticket sales, race entries, merchandising, Expo sales and goods in kind. See Appendix I for a breakdown of income on the Mountain Bike World Cup.

5.2.1 Grant Aid and Sponsorship

A substantial amount of the cost of hosting the event was covered by grant aid and sponsorship from a number of organisations. **sportscotland** (£100,000), Visit Scotland (£50,000), Lochaber Enterprise (£27,600) and Highland Council (£12,000) all provided grant aid to the event – a total contribution from these four organisations of £189,600.

5.2.2 Ticket Sales

Income of £54,317 was also generated through ticket sales for the event, with £32,644 being generated through advance ticket sales.

5.2.3 Advance Ticket Sales

In total, 2,188 people (adults and children) purchased multi-day or single-day passes in advance of the event. Due to the success of the advance sales, tickets for the Gondola were sold out in advance of the event.

Nevis Range's (the Gondola operator) share of the ticket income for the event was £34,648. If the income for Gondola ticket sales for the equivalent weekend in the previous year, Whit Weekend 2001, is taken into account (£7,530), it is estimated that £27,000 of ticket sales represented additional income to the local economy.

5.2.4 Impact on Local Businesses

It is worth noting that many of the local businesses that were contacted during the study were positive about the impact of the event. One campsite owner indicated that income for the weekend was £3,500, substantially higher than the £300 income the owner would normally expect for a typical June weekend.

In addition, the manager of the local cycle retailer reported that, compared to a typical June weekend, sales of merchandise and cycle equipment over the event weekend had increased by 200-300 per cent.

Local business people spoken to described the Mountain Bike World Cup as a "great event" and a "roaring success" that had helped promote the area as a "Mecca for extreme sport". However, one campsite manager described the experience as "awful", due to the rowdiness of visitors to the event. They expressed concern that the behaviour of some visitors to the Mountain Bike World Cup may have an adverse effect on the return rate of their regular customers. Consequently, this campsite manager would not welcome the return of this event.

6 Expenditure by Visitors to the Mountain Bike World Cup

To calculate expenditure by visitors to the Mountain Bike World Cup 2002, a survey of all visitors to the event was undertaken. This section:

- Briefly describes the survey approach used to gather visitor expenditure.
- Presents total expenditure in the local area by all visitors to the Mountain Bike World Cup 2002.

For the purposes of this study, 'visitors' include: spectators, competitors, coaches, officials and media persons.

6.1 Survey Approach

The survey was based on the approach suggested by UK Sport (UK Sport, 1999a), although a number of amendments were made to the questionnaire used in the survey (see the final questionnaire at Appendix II).

System Three undertook the survey fieldwork and processed the survey data. Three interviewers worked six-hour shifts on the Saturday and Sunday distributing and collecting self-completion questionnaires from spectators, competitors, coaches, officials and media persons. Although the questionnaires were self-completion, the interviewers were on hand to assist respondents should they have any queries about completing the questionnaires.

The interviewers approached 927 visitors to the event. The interviewers collected completed questionnaires from 671 people at the event – 354 on Saturday, 317 on Sunday. Eighty-seven people were ineligible for the survey as they were residents of the local area, and 169 refused to be interviewed.

Expenditure by those who lived in the local area (the Lochaber Enterprise area) has been excluded from the expenditure figures presented in this report. It is assumed that local residents would have spent their money locally, regardless of whether the event had take place, therefore this does not represent additional expenditure to the local area.

6.2 Visitor Profile

The survey found that almost three-quarters (73%) of respondents were male. Thirteen per cent were local residents, 48 per cent were resident in other areas of Scotland, and 35 per cent were residents of other areas of the UK. Only 3 per cent of respondents were from outside the UK.

Six per cent of respondents were on their own and the average size of group was 4.0. Fifteen per cent of visitors were under 16 years of age.

From the survey data (see Table 2), it was established that 12 per cent of visitors to the event were day visitors from home (local residents), 19 per cent were *day visitors from home* (residents from outside the local area) while 70 per cent of visitors were *visitors staying away from home*.

Table 2: Proportion of day visitors (local and non-local) and visitors staying away from home

	Number	Percentage
Day visitors from home (local)	87	11.5
Day visitors from home (outside area)	141	18.7
Visitors staying away from home	527	69.8
Total	755	

Note: Visitors includes: spectators, competitors, coaches, officials and media persons.

Using the findings shown in Table 2, and the estimates of the total number of visitors to the Mountain Bike World Cup (n=7,778, see Table 3 below), it was possible to establish the total number of day visitors from home and the total number of visitors staying away from home.

Rare Management estimated that 7,778 people in total attended the event on the Saturday and the Sunday (Table 3). It was estimated that 896 of these visitors were local residents (11.5% of 7,778), 1,453 visitors were day visitors from home from outside the local area (18.7% of 7,778), and 5,429 were staying away from home while at the event (69.8% of 7,778).

Expenditure by visitors to the Mountain Bike World Cup were calculated using the estimated total number of day visitors from home (n=1,453) and visitors staying away from home (n=5,429).

Table 3: Number and proportion of visitors surveyed and at the event

	Survey sample	Percentage	Population*	Percentage
Spectators	622	93	6,887**	86
Competitors	13	2	205	3
Coaches	4	1	350	4
Officials	10	1	200	3
Media	9	1	136	2
Other	13	2	200	2
Total	671		7,778	

Notes:

*Event organiser's estimate of the number of visitors at the Mountain Bike World Cup

**8,504 visitors in total were estimated to be at the event on the Saturday and Sunday. However, 1,617 visitors had multi day passes and had been counted twice in the total, therefore this number has been removed from the total number of spectators to avoid doubling expenditure from these visitors.

The survey over-represented spectators to the event, while competitors, coaches, officials and media persons were under-represented in the survey. Due to the low number of respondents from competitors, coaches, officials and media persons, the estimates for total expenditure for the event has been based upon mean expenditure from 'all visitors' to the event (ie, mean expenditure from spectators, competitors, coaches, officials and media persons combined). Given that previous economic impact studies from other major sports events suggest that average accommodation and daily expenditure from competitors, coaches, officials and media persons are generally higher than spectators (UK Sport, 1999b), the estimated expenditure figures presented in this report may under-estimate the actual expenditure in the local area.

7 Total Expenditure by Visitors to the Mountain Bike World Cup

In total, it was estimated that all visitors to the Mountain Bike World Cup 2002 generated over £0.5 million additional expenditure to the local area.

It was estimated that expenditure by *day visitors from home* was £16,000, expenditure on accommodation by *visitors staying away from home* was £167,000, and daily expenditure by *visitors staying away from home* was £333,000. In total, expenditure by visitors to the local area as a result of the Mountain Bike World Cup was estimated at £516,000.

Table 4: Total visitor expenditure to the local area

	Expenditure (£)
Daily expenditure of <i>day visitors from home</i>	£16,000
Expenditure on accommodation by <i>visitors staying away from home</i>	£167,000
Daily expenditure of <i>visitors staying away from home</i>	£333,000
Total visitor expenditure to the local area	£516,000

A more detailed breakdown of this expenditure by visitor type is presented below.

7.1 Expenditure by Day Visitors from Home

The mean average expenditure by *day visitors from home* to the Mountain Bike World Cup was £12.21 per person. The greatest single item of expenditure for day visitors from home was for food and drink, with each spending on average £4.65.

Day visitors from home spent on average £3.05 per head on merchandise and cycle equipment at the event. However, care should be taken when assessing the impact of this expenditure on the local area. Many of the trade stands at the event were from organisations from outside the local area (eg, Ride On, Shimano, Fast Rider, Alpine Bikes) and as a result this expenditure will not remain in the local area. Unfortunately, it was not possible to ascertain how much of the expenditure at the trade stands was retained within the local economy, consequently, this expenditure has not been included in the estimated total daily expenditure by day visitors from home.

Table 5: Mean daily expenditure of day visitors from home

Number of day visitors from home*	1,314	
	Per day, per head (£)	Gross expenditure (£)
Food / drink	4.65	6,110
Shopping	2.78	3,653
Entertainment	1.11	1,459
Travel***	0.42	552
Other	3.25	4,270
Mean daily expenditure of day visitors from home	£12.21	£16,043
Event merchandise / cycle equipment**	£3.05	£4,008
Notes:		
*The number of day visitors excludes those that indicated that the event was not the main reason for their visit to the local area (9.6%).		
** It is not known how much of the expenditure on merchandise and cycle equipment will be retained in the local economy. Therefore, this expenditure has been removed from the estimates of total expenditure to the local economy.		
***This includes only expenditure on travel (eg petrol, tickets) purchased in the local area.		

It was estimated that daily expenditure by day visitors from home generated an additional £16,000 to the local economy.

Although the average daily expenditure for day visitors was calculated to be £12.21 (plus £3.05 on merchandise), day visitors indicated that they had budgeted to spend up to £33.08 in total while in the local area. This may highlight a limitation of the survey approach, where survey respondents are asked to provide details of expenditure on the day of the survey, before the day has ended. Consequently, the actual average expenditure by day visitors may have been higher than £12.21.

7.2 Expenditure by Visitors Staying Away from Home

In addition to daily expenditure for items such as food and drink, shopping, travel etc, most visitors staying away from home had the added expense of paying for accommodation. Expenditure for accommodation was calculated separately from daily expenditure.

7.2.1 Type of Accommodation Used by Visitors Staying Away from Home

Visitors staying away from home stayed in a range of different types of accommodation (see Table 6). The most popular accommodation types were at camping/caravan sites (39%) and at Hotels/B&Bs/Guest houses (37%). Some visitors did not pay for accommodation because they stayed at a bothy or wild camping (5%), or stayed with friends and relatives (5%).

Table 6: Type of accommodation used by visitors staying away from home

	Percentage
Camping / caravan	39
Hotel / B&B / Guest house	37
Bothy / wild camping	5
With friends and relatives	5
Hostel / Bunkhouse	4
Self-catering accommodation	3
Holiday/second home	1
Other	<1
Refused / not stated	6
<i>Base number</i>	<i>527</i>

7.2.2 Expenditure on Accommodation

On average, visitors staying away from home spent £10.59 per head per night on accommodation in the local area. Those staying in Hotels/B&Bs/Guest houses spent the most per head, per night, on accommodation (£20.56), followed by those in self-catering accommodation (£14.82), in a hostel/bunkhouse (£6.68), and camping/caravanning (£5.49).

Table 7: Mean expenditure on accommodation by visitors staying away from home

Number of visitors staying away from home*	4,935	
	Per head, per night (£)	Gross expenditure (£)
Accommodation	10.59	£52,262
Average number of nights away from home	3.2	£167,238
Notes:		
*The number of day visitors excludes those that indicated that the event was not the main reason for their visit to the local area (9.1%).		

The survey data showed that competitors/coaches spent the most per night on accommodation (£23.44), compared to spectators who spent the least (£10.13). It should be noted however, that the low response rate and incomplete data from some respondents (particularly media persons) means that the findings for the low response sub-groups are subject to wide margins of error.

On average, visitors spent 3.2 nights away from home in the local area whilst at the Mountain Bike World Cup. Consequently, it was estimated that total expenditure on accommodation by visitors staying away from home generated an additional £167,000 to the local economy.

7.2.3 Daily Expenditure by Visitors Staying Away from Home

The mean average expenditure by visitors staying away from home to the Mountain Bike World Cup was £21.08 per person per head. The greatest single item of expenditure for visitors staying away from home was food and drink, with each spending an average of £10.31 per head per day. This is over twice the amount of day visitors from home.

Visitors staying away from home also spent, on average, more on all other categories of expenditure than those on a day visit from home.

Visitors staying away from home spent on average £7.92 on merchandise/cycle equipment while at the event, with one couple alone spending £800. As with the analysis for day visitors from home, the expenditure on merchandise/cycle equipment has been excluded from the estimated total daily expenditure, because most of this expenditure will not be retained in the local economy.

The survey data revealed that visitors stayed in the local area for the Mountain Bike World Cup for an average of 3.2 nights. On the assumption that visitors staying away from home would incur the same level of expenditure each day over the duration of their visit, it was estimated that total daily expenditure by visitors staying away from home generated an additional £333,000 to the local economy (excluding expenditure on merchandise and cycle equipment).

Table 8: Mean daily expenditure of visitors staying away from home

Number of visitors staying away from home*	4,935	
Category	Per day, per head (£)	Gross expenditure
Food / drink	£10.31	£50,880
Shopping	£3.26	£16,088
Entertainment	£2.36	£11,647
Travel	£1.06	£5,231
Other	£4.09	£20,184
Mean daily expenditure of visitors staying away from home	£21.08	£104,030
Average number of nights away from home	3.2	£332,896
Event merchandise / cycle equipment**	£7.92	£39,085
Notes:		
*The number of day visitors excludes those that indicated that the event was not the main reason for their visit to the local area (9.1%).		
** It is not known how much of the expenditure on merchandise and cycle equipment will be retained in the local economy. Therefore, this expenditure has been removed from the estimates of total expenditure to the local economy.		

Including expenditure on accommodation, visitors staying away from home spent on average £31.67 per head per day at the Mountain Bike World Cup (excluding merchandise/cycle equipment). This represents a total trip expenditure of £101.34 for each visitor staying away from home.

Although the average total trip expenditure for visitors staying away from home was £101.34, the amount these visitors indicated they had budgeted for the total trip was £79.84. This may highlight a problem with multiplying survey day expenditure by the total length of trip, or it may highlight the difficulties survey respondents encounter in accurately recalling information over a few days.

7.3 Additional Expenditure by People on an Extended Holiday in Scotland

Visitors were asked if they were combining their visit to the Mountain Bike World Cup with a longer holiday in Scotland and whether their reason for taking this extended holiday was because of the event. One fifth (20%) of those staying away from home indicated that they were combining their visit to the Mountain Bike World Cup with a longer holiday in Scotland, with around a tenth (11%) indicating that the event was the reason for taking a longer holiday in Scotland.

It is estimated that the Mountain Bike World Cup has generated further expenditure of £59,000 for holidays taken outside the local area. This additional expenditure has not been included in the total shown in Table 4.

8 Summary and Conclusions

The total cost of hosting the Mountain Bike World Cup was £277,000. With income for the event totalling £275,000 (including grant aid), this means that there was a funding shortfall of £2,000 (as at 16 July 2002).

Total additional expenditure to the local economy as a result of the Mountain Bike World Cup was £613,000. This included event expenditure of £97,000 and visitor expenditure totalling £516,000.

It was also estimated that as a result of visitors taking a longer holiday in Scotland because of the Mountain Bike World Cup, additional expenditure of £59,000 was generated outside the local area as a direct result of the event.

In terms of expenditure to the local area, the event was more successful than was originally anticipated (Rare Management projected that expenditure of visitors to the Mountain Bike World Cup would likely benefit the local economy by £378,750). However, it should be remembered that the event was held on the Jubilee Holiday Weekend, which may have provided visitors with the opportunity to spend more time away from home, and consequently would result in greater expenditure in the local area.

References

- UK Sport (1999a) *Major Events – Guidance Document*, London, UK Sport
- UK Sport (1999b) *Major Events – Measuring Success*, London, UK Sport

Appendix I

Mountain Bike World Cup 2002 – Event Expenditure and Income

Mountain Bike World Cup, Fort William - Event income and expenditure

EXPENDITURE	Amount (£)
Transport	8,391
Accommodation	8,655
Promotion / marketing	37,624
Facility hire and construction	56,517
Equipment hire	30,291
Staffing	19,908
Publications	15,540
Communications / media	23,000
Medals / trophies	790
Medical services	1,266
Insurance and sanction fee	2,773
Ceremonies	2,158
Catering	4,964
Entertainment	15,146
Sports development	3,428
Event management	20,000
Prize money	13,756
Others	9,765
Economic impact survey costs	3,100
Total	277,071
INCOME	
Sponsorship	51,500
Grant aid	139,600
Ticket sales	54,317
Race entries	4,885
Merchandising	2,942
Expo sales	8,820
Goods in kind	13,000
Total	275,064
Funding shortfall (as at 16 July 2002)	2,008

Appendix II

Mountain Bike World Cup 2002 – Survey Questionnaire



Thank you for agreeing to complete this short questionnaire. All of your answers will remain strictly confidential. Answer the questions by either ticking the boxes or writing in the spaces provided. If you have any questions please ask the researcher for assistance.

OFFICE USE ONLY
1-4 638C

1. Which of the following are you? (11)
- | | |
|--------------------------------------|---|
| Spectator <input type="checkbox"/> 1 | Official <input type="checkbox"/> 4 |
| Athlete <input type="checkbox"/> 2 | Journalist/ media <input type="checkbox"/> 5 |
| Coach <input type="checkbox"/> 3 | Other (write in below) <input type="checkbox"/> X |
2. Are you.. (12)
- | | |
|---------------------------------|-----------------------------------|
| Male <input type="checkbox"/> 1 | Female <input type="checkbox"/> 2 |
|---------------------------------|-----------------------------------|
3. Where do you live? (13)
- | | |
|---|--|
| Highlands <input type="checkbox"/> 1 | Europe <input type="checkbox"/> 4 |
| Other Scotland <input type="checkbox"/> 2 | Rest of the World <input type="checkbox"/> 5 |
| Other UK <input type="checkbox"/> 3 | |
4. Are you attending the Fort William Mountain Bike World Cup alone? (14)
- | | |
|--------------------------------|-------------------------------|
| Yes <input type="checkbox"/> 1 | No <input type="checkbox"/> 2 |
|--------------------------------|-------------------------------|

If YES go to Question 5

- | | |
|--|---|
| How many other ADULTS (16 years or over) are there in your party today? <input style="width: 100px;" type="text"/> (15-16) | And, how many CHILDREN (under 16) are there in your party today? <input style="width: 100px;" type="text"/> (17-18) |
|--|---|

5. Is the Fort William Mountain Bike Cup the main reason for your trip to the Fort William area? (19)
- | | |
|--------------------------------|-------------------------------|
| Yes <input type="checkbox"/> 1 | No <input type="checkbox"/> 2 |
|--------------------------------|-------------------------------|
6. Are you on a: (20)
- | | |
|---|---|
| Day trip from home <input type="checkbox"/> 1 | Trip involving an overnight stay from home <input type="checkbox"/> 2 |
|---|---|

If you are on a day trip go to Question 13

7. How many nights will you stay away from home in total? Nights (21-22)

8. What is the name of the town/ village you are staying in while at the Fort William Mountain Bike cup? (write in name)

(23-24)

9. Approximately how far from Fort William is this town/ village?

	Miles (25-26)
--	------------------

10. How many nights will you stay there on this trip?

	Nights (27-28)	(27-
--	-------------------	------

11. What type of accommodation are you staying in?

With friends or relatives	<input type="checkbox"/>	1		<input type="checkbox"/>	5	(29)
Holiday/ second home	<input type="checkbox"/>	2	Hotel/ B&B/ Guesthouse	<input type="checkbox"/>	6	
Self-catering accommodation	<input type="checkbox"/>	3	Hostel/ bunkhouse	<input type="checkbox"/>	7	
Bothy/ wild camping	<input type="checkbox"/>	4	Camping/ caravan site	<input type="checkbox"/>	X	
			Other (write in below)	<input type="checkbox"/>		

12. How much are you personally spending on ACCOMMODATION PER NIGHT while staying away from home?

£	(30-32)
---	---------

How many people is this expenditure for? (including yourself)

	(33-34)
--	---------

13. How much will you personally spend on the following items while in the Fort William area TODAY? See map on back of clipboard, do not include expenditure taking place outside of this area.

	AMOUNT		How many people is this spend for? (including yourself)	
Food and drink	£ <input style="width: 50px;" type="text"/>	(35-37)	<input style="width: 50px;" type="text"/>	People (38-39)
Programmes/ merchandise/ cycle equipment bought at MTB world cup	£ <input style="width: 50px;" type="text"/>	(40-42)	<input style="width: 50px;" type="text"/>	People (43-44)
Shopping/ souvenirs	£ <input style="width: 50px;" type="text"/>	(45-47)	<input style="width: 50px;" type="text"/>	People (48-49)
Entertainment	£ <input style="width: 50px;" type="text"/>	(50-52)	<input style="width: 50px;" type="text"/>	People (53-54)
Travel (bus, train, taxi)	£ <input style="width: 50px;" type="text"/>	(55-57)	<input style="width: 50px;" type="text"/>	People (58-59)
Other (parking, petrol)	£ <input style="width: 50px;" type="text"/>	(60-62)	<input style="width: 50px;" type="text"/>	People (63-64)

14. How much have you budgeted to spend in TOTAL while in the Fort William area?

(see map attached)

£

How many people is this expenditure for? (including yourself)

	(65-67)
--	---------

15. Are you combining your visit to the Mountain Bike World Cup with a longer holiday in Scotland?

(70)

Yes

 1

No

 5

If NO please return the questionnaire now

IF YES: What places are you visiting?

(71-72)

Roughly, how much have you budgeted to spend in TOTAL during this part of your trip?

(73-75)

£

16. Would you have taken this holiday in Scotland even if the Mountain Bike World Cup was not being held in Fort William?
(76)

Yes

 1

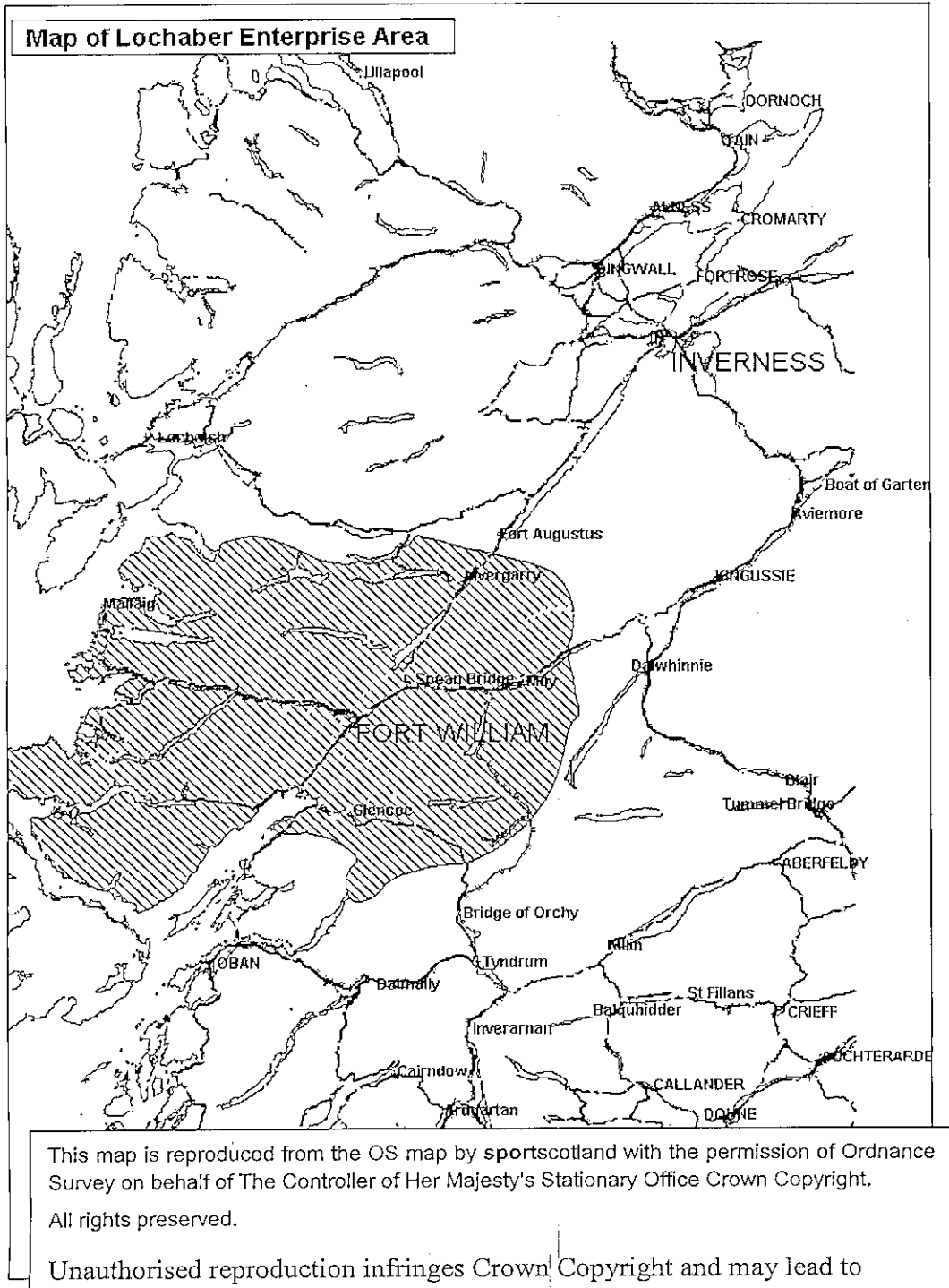
No

 2

**Thank you very much for your co-operation.
Please return this form to the research steward.**

Appendix III

Map of Lochaber Enterprise Area



Countryside Recreation Network Seminar

'DEMONSTRATING THE ECONOMIC VALUE OF COUNTRYSIDE RECREATION'

MONITORING PROJECTS

*Steve Green
Bowles Green Limited*

This presentation asks why we should monitor projects, identifies some of the challenges faced when planning and undertaking monitoring, looks at three case studies and concludes with some lessons.

Why Monitor?

There are a number of reasons why countryside recreation projects should be monitored some, such as measuring outputs to secure funding and externally driven whilst others are internal, including ensuring a project is meeting your organisation's aims and participants' needs, identifying ways to improve the project or activity and increasing the effectiveness of marketing and promotion.

Challenges

However, monitoring a project can present a number of difficulties some of the more common problems are summarised here:

- Lack of resources for monitoring – monitoring is often forgotten during budget planning, so resources are frequently inadequate
- Lack of baseline data or data from similar projects – means there is nothing to compare with
- Limited resources can lead to sample sizes which are too small – so the information collected is unreliable – or unrepresentative samples
- Organisations often collect too much information – it's more efficient only to collect what you need
- It is difficult to collect accurate spending information – interviews usually take place part way through a participant's trip so they don't know how much they are going to spend in total. Also, people forget what they have spent. The only accurate way to collect spending information is through spending logs.
- Inadequate analysis capacity – many organisations don't have data analysis software, such as SPSS or SNAP. Also, they underestimate the time needed to process and analyse the data they collect
- Using data standards that are not comparable with other surveys reduces the usefulness of monitoring data

A review of monitoring of walking festivals in 2002 by Bowles Green Ltd for the Countryside Agency identified the following issues:

- Evaluation is under-resourced
- No common methods of data collection and inconsistent questions and data standards

- Sample sizes are mostly small
- The type of information collected of limited use
- Festival organisers have limited research expertise and capacity
- There is a tendency to over-estimate numbers and economic impact
- Little use of existing systems to collect information
- Little sharing of information between organisers

Case Studies

Monitoring experience from three different projects, which posed different challenges, is considered here:

- Tall ships visit to Whitehaven in 2002
- The Hampshire Walking and Local Food Festival, also in 2002
- The B4 Network which was monitored for 3 years 2002-2004

Whitehaven Tall Ships

The event was organised by the development company for Whitehaven, W3M, as an economic development project. Three tall ships visited Whitehaven and made trips to sea and to other West Cumbrian ports over a month. Tickets were sold for sail days and people could go on board the ships when they were in harbour. The project was monitored in order to determine whether or not to invest in an annual event. Aspects monitored were as follows:

- Number of visitors
- Spending by visitors
- How many visitors were attracted from outside of West Cumbria
- Visitor satisfaction and likelihood of re-visiting in future years
- How best to promote future events

A face to face interview survey was conducted to understand the profile, spending and views of people inside and outside of the pay perimeter and a self complete questionnaire was distributed on some of the sail days.

The number of tickets sold for sail days and visits on board ship was recorded. In addition, fixed point photography was used to record the number of people present. This was combined with information obtained from the survey on how long people stayed, to estimate the total number of visits.

Difficulties encountered included:

- Obtaining information from people taking part in sail days. A number were cancelled because of bad weather and, on those that did run, stewards handed out the questionnaires at the beginning of the trip rather than towards the end of the journey which resulted in a low completion rate
- It was difficult to estimate the actual number of people who visited the town but did not go on-board ship

However, the report on the monitoring project was well received and it's conclusions in relation to visitor numbers and spending were widely accepted. Useful information was obtained on improvements which could be made to the ship visits and to marketing, and

the tall ships visits have become a regular feature of Whitehaven's annual Maritime Festival.

Hampshire Walking and Local Food Festival

The county councils of the South East region of England formed a partnership to promote walking and other countryside activities which is now known as Rural Ways. Each year, one of the County Councils organises a walking festival. In 2002, Hampshire County Council obtained funding from SEEDA and the Countryside Agency to explore the possibility of significantly increasing the economic impacts of walking festivals.

The 2002 festival in Hampshire was extended to 9 days (including two weekends) with a programme of walks and other events on each day and in the evenings. A number of local food events were also included.

The event was monitored in order to establish whether walking festivals are viable economic regeneration mechanisms. The Countryside Agency also took the opportunity to develop a standard evaluation methodology for walking festivals and other events

As a result, three visitor survey methods were tested – face to face interviews, self-complete questionnaires, both undertaken during the event and telephone interviews after the event. In addition there was a telephone survey of businesses.

There was little difference in the quality of data received in the surveys, though telephone interviewing after the event was felt to be the most complete approach.

In addition, it was found that much useful information could be collected at the enquiry and booking stage (especially profile and marketing information).

Difficulties encountered included:

- Securing face to face interviews with participants at the event
- Managing the self-completion survey – which was an extra burden for walks leaders
- Making an accurate estimate of spending – which was only accurate through the telephone after survey
- Finding an accepted multiplier

The monitoring exercise found that walking festivals are not an effective economic development tool.

The B4 Network

The B4 (bus, boat, bike and boots) Network is a through-ticketing project including boats and busses between Bowness and Coniston in the Lake District, linked to walking and cycling trails. The project was started in 2002 by the Lake District National Park Authority and partners in order to reduce car journeys in South Lakes

The scheme was monitored in its first three years by interview survey and this was significant in helping the service to meet customer needs and attract increasing numbers of users each year to the extent that it is expected to break even in 2006.

The chief difficulty encountered was in securing interviews with users:

- People were reluctant to be interviewed on the busses/boats and they felt that enjoying the scenery was a key benefit of using the service
- It was difficult to secure interviews with people waiting for the bus as they tended to gather shortly before the promoted departure times
- It was difficult to secure interviews on arrival as people were keen to get off on their chosen activity

Monitoring information was used to:

- Change the positioning of the service away from cyclists and towards general interest visitors
- Developing the marketing campaign
- Justify continued funding on the basis of reduced car journeys

Some Key Lessons

Key lessons which can be drawn from these three projects are:

- Be clear about what you want to monitor
- Plan in advance – to ensure monitoring is properly resourced and thought out
- Be realistic – don't be over ambitious in what you hope to achieve
- Use existing information collection systems where possible
- Collect information efficiently
- Use the information you collect
- Share the information you collect with others who could benefit from it

Countryside Recreation Network Seminar

'DEMONSTRATING THE ECONOMIC VALUE OF COUNTRYSIDE RECREATION'

EVALUATION THE FUNDERS PERSPECTIVE

Gareth Maeer
Heritage Lottery Fund

Introduction

The aim of this presentation was to provide delegates with an insight to Heritage Lottery Fund's perspective on economic impact within the projects we fund.

At the outset it's important to distinguish between the process of *project appraisal* – the comparison of costs and benefits across different options – and *economic impact assessment*. Economists have a lot to say about the former, with the result that appraisals can often be described as economic appraisals, even though they deal with much more than just those impacts that are to do with the buying and selling of goods and services. Some of the tools economists have developed, such as willingness-to-pay studies, are intended to make sure that social and environmental impacts of projects are incorporated into the cost-benefit equation alongside economic impacts, though economists would often recommend using simpler techniques such as multi-criteria analysis to compare costs and benefits¹. Economic impact studies, by contrast, are concerned with the more narrowly defined issue of what is happening in the various types of money flow that are connected to a project – either as a direct result of how the money needed to undertake the project is spent, or as a result of some extra economic activity that the project somehow generates. In the case of countryside recreation this extra activity is most generally based on spending by visitors.

In brief, HLF's perspective is that some sort of options appraisal should always be undertaken as part of the development and decision-making within the projects we fund. It's unlikely, in anything other than the most complex projects (and therefore probably very expensive ones) that a full cost-benefit analysis using willingness-to-pay or other techniques to 'monetize' benefits would be necessary, or even desirable. More practical and more useful is to adopt a simple form of MCA which distinguishes between different types of economic, social and environmental benefits and costs, and which describes and, as far as possible, quantifies those. This ensures the links and levels of integration between the economic, the social and the environmental are taken into account – the basic essence of sustainable development. It also means that project managers have a ready-made framework for undertaking monitoring and evaluation.

But on the narrower issue of economic impact, HLF's interest is less than that of many funders, such as RDA's or European funds. HLF is not an economic development fund, or

¹ Department of Culture Media & Sport. *Guidance on Appraisal and Evaluation of Projects, Programmes and Policies: "The White Book"* DCMS: 2004

even a regeneration agency, and our criteria for funding are rather more concentrated on the social than the economic.

Which isn't to say that economic impact is of no consequence at all. In common with all Lottery distributors, HLF is issued a set of policy directions by government, and a couple of these ask us to take into account the economic impacts of the projects we fund. Direction B (iii) asks us to take into account, "the scope for reducing economic and social deprivation at the same time as creating heritage benefits" – whilst direction E requires us to consider "the need to further the objectives of sustainable development". Looking to the latest government SD strategy that means pursuing the objective of "a sustainable, innovative and productive economy that delivers high levels of employment."

Also at the high strategic level, we have the aims and purposes of HLF's current, second, strategic plan. One of these is to "promote heritage conservation as an integral part of urban and rural regeneration", which I think we can take to mean both social and economic regeneration.

Economic impact and project appraisal within HLF

So much for the theory – what of the practice? This is best illustrated with reference to two of the programmes we run – Heritage Grants and Landscape Partnerships.

Heritage Grants

Heritage Grants is the main generic programme that accounts for more than 70% of HLF's overall spend each year. It's for grants in any type of heritage sector, with awards starting at £50,000 and rising to upwards of £15m. We currently distribute around £250m through this programme per year across 300/350 projects, including up to ten major grants of £5m or more.

One question in the application form asks applicants to "tell us about other ways in which you expect your project to benefit your community and the wider public" and it's here that applicants are able to describe the anticipated economic benefits of their project, along with its social and environmental impacts. Economic benefits are defined in the guidance notes as "creating jobs, encouraging tourism and local regeneration."

A couple of points can be noted here: -

- The emphasis is on describing benefits, rather than providing quantified targets.
- Economic benefit is characterised as an 'other way' that the project might be of benefit – of secondary importance to the main benefits of conserving and enhancing heritage, involving people, providing access and learning opportunities – even, at its simplest, enabling people to "enjoy" heritage.

Similarly, there is no fixed way in which economic impacts are systematically considered as part of the internal assessment process that grants officers and our regional and national boards undertake; the emphasis again is more on the impacts on heritage assets, on the involvement of people in the project and on the plans to encourage greater access, promote learning about heritage and make the visitor experience more enjoyable.

Landscape Partnerships

The Landscape Partnerships programme is much smaller than Heritage Grants. It's one of HLF's suite of targeted initiatives, focused on a particular category of heritage asset. Others include our programmes for public parks, places of worship and townscapes. LP is aimed at "addressing the needs of landscapes ... providing funding for a portfolio of projects providing a varied package of benefits within an area of strong landscape identity" It's commonly seen as HLF's rural regeneration programme. We are currently allocating £10m per year for the programme, and awards are for between £250,000 and £2m, allowing us to fund about ten a year. The programme is relatively recent and only 12 schemes are already underway.

There is nothing particularly mentioned in the programme priorities about economic impact (see box), though economic benefits do appear in the guidance notes under a section called "sustainability". This note states that: -

"Our funding under this initiative aims to contribute to the long-term social, environmental and economic benefit (sustainability) of local communities, usually in rural areas. It can do this in many ways, for example by:

- attracting investment and developing tourism;
- promoting rural facilities;
- supporting training in new skills;
- providing new jobs and volunteer opportunities."

The application questions are still relatively open, though there is a section which asks applicants to provide their own "measurable outputs and outcomes".

Landscape Partnerships Programme Priorities

- Conserving or restoring built and natural features that create the historic character of the landscape
- Conserving and celebrating the cultural associations and activities of the landscape area
- Encouraging more people to access, learn about, become involved in and make decisions about their landscape heritage
- Improving understanding of local craft and other skills by providing training opportunities

Future trends

Both these programmes illustrate that the way HLF treats economic impact (arguably the way it treats all types of impact) is very different to that of RDAs or other funds that have economic activity as a primary driver. HLF only considers economic benefit as a supplementary benefit to the main interest of social benefit and the impact on heritage assets.

However, the difference between Heritage Grants and Landscape Partnerships show the direction that the Fund has moved in recent years and the trend that it may follow further in the future. The feedback we have received from applicants about our procedures is that the application pack contains too many questions that ask for information that is available in

the project plan. In the future it may be that the application form is considerably shortened and simplified, with more onus put on applicants to 'tell the story' of their project – why it is needed, what it will involve, and what difference it will make. This 'what difference will it make' section could then require applicants to articulate the anticipated benefits of their project, across the full economic, social and environmental spectrum. There may well be more emphasis on quantifiable measures here than in the current Heritage Grants process, though applicants are still likely to have more flexibility in defining their own outputs and outcomes than they do with some other funders. However, some key outputs – numbers of volunteers, visitors, trainees for example – may be required of all projects.

HLF has just started its consultation for the third Strategic Plan which is due to come into effect in 2008 (see the HLF web-site <http://www.hlf.org.uk/future> for details). Any comments on the appraisal and application process are very welcome and can be sent through the web-site consultation, or to the author of this article, if preferred.

Undertaking economic impact assessments

Questions about the content and methods for undertaking economic impact assessments have been widely covered in the other presentations, so the following is intended more as a commentary on those.

First of all, we would always advise considering economic impact within the context of a broader sustainable development framework; don't deal with economic benefit in isolation, but be conscious of the interactions between the various parts of the project plan and how these will impact on the environment, local communities and the local economy. The great danger of having an economic impact study which doesn't relate to an environmental plan is that multiple and conflicting objectives can be set for the project.

The other aspect to using an SD framework is that this leads to an emphasis on the impacts the project will have at a *local* level. As a general point, any type of economic impact assessment which doesn't define the geographical scale that it relates to is meaningless. The impacts of the same project will be different depending on the scale that is being considered. At a UK level impacts can be regarded as zero – and for most countryside recreation projects this probably applies at the regional level as well. But at a county, local authority or otherwise defined local level, impacts are real and projects can make a difference.

With your area of impact defined, it's a good idea to separate out and analyse the different components of economic benefit.

Don't ignore the impacts associated with your project spend. This is the element of economic impact that you have most control over, and there are ways (even within the rules of competitive tendering) to encourage the involvement of local businesses in your project. The tool developed by the New Economics Foundation – Plugging the Leaks and LM3 - are very useful here and we are working with nef to encourage the projects we fund to make use of them.

Visitor-related impacts can be tricky to estimate, particularly with the need to take account of displacement and deadweight i.e. to only make sure you are measuring the *extra* economic impact. But the ways for doing this are becoming more consistent. As much as being able to deal with the conceptual difficulties, having visitor numbers and information about visitor spend that is up to the job is as critical. For larger projects it is still probably

worth involving consultancies with experience in the field, though there are more toolkits and standard surveys now available which means the DIY approach – perhaps with an external endorsement – is not out of the question.

One of the problems with simply taking a modelling approach of combining visitor numbers and spend is that it can become overly mechanical and detached from the on-the-ground reality. As a reality check it can be a very good idea to think about the 'supply side'; if you've projected a large increase in overnight stays in the local area due to people visiting your project, is that realistic? Are there places to stay that people will want to stay at? Are there eating and drinking establishments of the sort of quality and number to encourage visitor spend – or will they all bring packed lunches!? As well as lending your economic impact extra credibility this work can lead you to think in new ways about project design, by throwing up ideas for local business development. It also puts you in touch with local business, making them aware of the project you're planning.

Doing this type of appraisal work also prepares you for monitoring and evaluation, by getting the systems set up for tracking the destination of project spend, carrying out visitor counts, producing visitor surveys and obtaining local business feedback.

Further information

On economic appraisal techniques the best references remain the government guidance documents – the Treasury's Green Book, DCMS White Book and the ODPM 3's guidance – though they are all quite heavy going.

For valuation literature, good reviews of both the countryside and the heritage sectors have been put together by a consultancy called *eftec*. See www.eftec.co.uk.

There are now many good economic impact evaluations which provide an insight to the methodologies you can use. A few involving HLF funded countryside and land projects to mention are: -

- the British Waterways' Kennet & Avon study which, though a large project, shows how the demand and supply sides of an analysis can be combined;
- a recent study for the National Trust of the Llanerchaeron project in south Wales, which examined the impacts associated with the Trust's workforce, suppliers and contractors, volunteers, and visitors to the estate.
- an evaluation of the socio-economic outputs of Nadair Trust projects across the Argyll Islands in Scotland. This study concentrates more simply on the direct impacts of project spend on Argyll and Bute.

Gareth Maeer
January 2006
0207 591 6215

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Countryside Recreation Network Seminar

'DEMONSTRATING THE ECONOMIC VALUE OF COUNTRYSIDE RECREATION'

CONCLUSION

Glenn Millar
British Waterways

For undertaking economic analysis in a countryside recreation context, I would like to leave you with two key points.

Systematic approach to project delivery

The first is that, in a project context, economic appraisal and evaluation are essentially two facets of a wider systematic approach to project development and delivery. The process can be defined in a systematic way by approaches such as the ROAMEF cycle, as described by George Barrett. Essentially the process involves a number of discrete stages, starting with project rationale and objectives, then moving on through project appraisal and delivery to monitoring and evaluation and feedback into future projects.

The design stage determines the nature of the project, its objectives and potential funding sources. It also determines the appraisal methodology. Initially choices may have to be made between different courses of action – which type of project to be implemented or a comparison with the “do nothing” option. This requires an economic efficiency analysis approach, as reflected in the “Green Book” appraisal, described by George Barrett. Methods such as cost-benefit analysis (CBA) or multi-criteria analysis (MCA) are employed to do this.

Alternatively an impact analysis approach may be required in order to assess the spatial impacts upon a locality (usually in employment terms). Such an approach is often needed to justify interventions from funding sources such as the European Structural Funds, which are spatially targeted. In larger complex projects, both approaches may need to be adopted.

Whatever approach is used, in a recreational context, the appraisal stage needs to take account of both demand for the recreational resource and the economic impact of that demand. The appraisal also determines the baseline against which future progress is measured. A key component within any appraisal should be the development of an evaluation framework or plan. It is essential that this is thought about early in the process, so that measurement tools can be put in place for the evaluation stage e.g. the installation of people counters or the commissioning of visitor surveys, which are essential measurement tools for most recreation projects.

The appraisal also needs to feedback into detailed project design. For example it may be that the project can be re-configured in line with an “LM3” analysis, as described by Justin

Sacks, in order to secure a greater impact locally. Also it can help determine the stakeholders that need to be involved within the wider project catchment to ensure that the benefits identified can be delivered.

The delivery stage may seem to be independent from the appraisal / evaluation process. However this is not the case. It is important that good project records are kept, as these may supply some of the indicators required for evaluation. Also it may be possible to put monitoring systems in place in association with project delivery.

Finally with regard to evaluation, for externally funded projects, it may be possible to build in monitoring and evaluation within the overall project cost. Evaluation should not be thought of just as a chore to go through as a requirement of funding. It provides learning for future projects, as well as supplying data, which can be used as evidence to help justify future work.

Sustainability Framework

Economic assessments are often undertaken in isolation. However there are strong reasons for viewing them as part of a wider appraisal and evaluation system bringing together economic assessments with consideration of the social and environmental impacts of projects. There are a number of reasons for this:-

1. Many projects are funded from multiple sources and economic measures may not be the only ones that are appropriate. For example, Heritage Lottery Fund may be interested in cultural and environmental effects. Community-based projects may also deliver social impacts, while even economic-driven funding sources (such as the European Structural Funds) may require an assessment of other impacts, particularly the effect a project may have on the environment.
2. Organisations themselves may require a wider view of projects to be taken, possibly in terms of sustainable development strategies or corporate social responsibility.
3. Finally it may be necessary to investigate trade-offs in project delivery between economic and social / environmental impacts.

For all these reasons there is perhaps a need to begin to look at project appraisal and evaluation in a wider context – to bring economic, social and environmental impacts together in a single framework. My organisation, British Waterways, has begun to do this through relating project impacts to local quality of life indicators. This acts as a powerful advocacy tool, by providing a comprehensive review of what projects can deliver. It also introduces a further feedback loop at the design stage, whereby possible conflicts between economic and social / environmental objectives can be addressed.

Much more needs to be done to perfect these systematic approaches, but I have no doubt that they will provide a way forward to ensure that recreation-based projects continue to secure support and funding into the future.

APPENDIX A

PROGRAMME

- 9.30 Registration and refreshments**
- 10.00 Welcome by chair**
(Glenn Millar, British Waterways)
- 10.05 Introduction to Economic Appraisals and Evaluation**
(George Barrett, Ecotec)
- 10.30 Evaluating the Impact of Projects**
(Dr Andy Cope, Sustrans/Professor Les Lumsdon, Lancashire Business School /Dr Paul Downward, Loughborough University)
- 10.55 Case Study: Rights of Way and Greenspace - how do we value them?**
(Martin Shaw, Countryside Agency)
- 11.20 Refreshments**
- 11.30 Retaining the Impacts Locally**
(Justin Sacks, K2A)
- 11.55 Issues in Economic Appraisals**
(Simon Shibli, Sheffield Hallam University)
- 12.20 Question and Answer Panel Session**
- 12.50 Lunch**
- 13.45 Case Study: Economic Impact Study on the Mountain Biking World Cup at Fort William**
(John Taylor, Stirling University)
- 14.10 Monitoring Projects**
(Steve Green, Bowles Green Limited)
- 14.35 Refreshments**
- 15.00 Evaluation: the funder's perspective**
(Gareth Maer, Heritage Lottery Fund)
- 15.25 Question and Answer Panel Session**
- 15.45 Summary (Chair)**
- 16.00 CLOSE**

APPENDIX B

BIOGRAPHIES OF SPEAKERS

'Demonstrating the Economic Value of
Countryside Recreation'
7th December 2005 - The Centre in the Park,
Norfolk Heritage Park, Sheffield

CHAIR

**GLENN MILLAR
ECONOMIC DEVELOPMENT MANAGER
BRITISH WATERWAYS**

Glenn Millar is Economic Development Manager in the British Waterways Economic Research Unit.

Glenn has been with British Waterways since 1978, initially working in transport and then recreation & tourism research. Glenn now heads up a small unit responsible for:- assessing the economic and social impacts of waterway projects; securing external funding to support these; and developing and managing projects under various EU trans-national programmes.

From 1994 to 1998, Glenn was Vice-Chairman of the Countryside Recreation Network. He is currently a member of the PIANC (Permanent Association of International Navigation Congresses) Working Group concerned with Economic Studies on Inland Waterways and is one of British Waterways' representatives on Voies Navigables d'Europe (VNE), a consortium of European inland waterway authorities with interest in the development of canals and rivers for tourism and heritage.

Glenn holds a B.Sc.Hons. in Geography, an M.Sc. in Town & Country Planning, a Diploma in Management Studies and a Diploma in Marketing.

SPEAKERS

GEORGE BARRETT
DIRECTOR
ECOTECH RESEARCH AND CONSULTING LTD

George Barrett is an economist. He joined Ecotec Research and Consulting Limited as a director in 1990 after an early career in the public sector and as an economics lecturer. His experience covers both ex ante and ex-post economic impact studies, as well as economic appraisals both of small scale and very large projects. His recent studies include ex-post impact studies of English Cathedrals (for English Heritage/the Association of English Cathedrals), the National Maritime Museum Cornwall (for the Heritage Lottery Fund) and a set of major canal projects (for British Waterways). He also acted as adviser/assessor for the cost benefit analysis of the proposed new airport at Finningley. He is currently leading a three year evaluation of the impacts of emda.

DR ANDY COPE
RESEARCH AND MENTORING UNIT MANAGER
SUSTRANS

Dr Andy Cope has managed Sustrans' Research and Monitoring Unit since 2000. The Unit is tasked with looking at a wide range of impacts of the National Cycle Network, and cycling and walking projects generally. Sustrans work on the economic impact of tourism and recreation on the NCN has evolved from initial work conducted on the C2C cycle route in the mid-90s. This work was originally conducted by Andy as part of his academic research into the application of visitor monitoring information in countryside recreation to management and planning. Sustrans' current research themes include economic appraisal, health impact assessment, school travel, carbon savings measurement, social inclusion, accessibility planning, and the economic impacts of tourism and recreation.

PROFESSOR LES LUMSDON
PROFESSOR OF TOURISM
LANCASHIRE BUSINESS SCHOOL

Professor Les Lumsdon is currently researching the relationship between transport and tourism and in particular the economic impact of trails. He is Director of the Institute of Transport and Tourism located at the Lancashire Business School and is currently involved in a wide range of research and consultancy studies relating to tourism development and transport. He is co editor of 'Tourism and Hospitality, Planning & Development'.

DR PAUL DOWNWARD
SENIOR LECTURER
LOUGHBOROUGH UNIVERSITY

Dr Paul Downward has extensive consultancy and academic experience in the sports, leisure and tourism areas. As well as numerous publications and refereeing activity for a wide range of Tourism and Leisure journals, he is a founding Editorial Board member of the 'Journal of Sports Economics' and 'Tourism and Hospitality Planning & Development'. Paul has recently published a book on the Economics of Professional Team Sports and is currently editing the book, with Professor Les Lumsdon, for the Office for National Statistics on how to use Official Data in aiding decision making in the Sports, Leisure and Tourism Industries.

MARTIN SHAW
SENIOR COUNTRYSIDE ADVISOR
COUNTRYSIDE AGENCY

Martin Shaw currently works in the Newcastle Office of the Countryside Agency as leader of the 'Wider Welcome' team, covering such issues as National Trails, Rights of Way Improvement Plans, Local Access Fora and Diversity Review. He has around twenty years experience of recreational issues, particularly in the countryside in and around towns. He is a passionate believer in environmentally led regeneration, and was closely involved in setting up and delivering the Countryside Agency's work on Community Forests.

JUSTIN SACKS
K2A

Justin Sacks is the founder of K2A, a partnership-based organisation that catalyses positive social change by transforming knowledge into action. Projects focus on working with public, private and not-for-profit groups to promote collaboration, capture and share learning, and build capacity to respond to local needs. For example, K2A is assisting the Yorkshire & Humber Regional Centre of Excellence to support local authority delivery of public procurement targets by connecting innovators across the region and enabling them to document and share creative solutions. Prior to K2A, Justin worked as a senior researcher at NEF (the New Economics Foundation), a leading independent think-tank based in London that inspires and demonstrates real economic wellbeing. Justin led the LM3 (Local Multiplier 3) programme, working with communities across the UK to encourage them to use their existing financial resources to promote regeneration from within the community.

During his time at NEF, Justin organised and led projects across the UK that challenged and improved how the public, private, and not-for-profit sectors use their purchasing power to reduce poverty. Justin is the author of *The Money Trail (2003)*, the how-to handbook for

using the LM3 tool developed at nef, and *Public spending for public benefit (2005)*, a report that demonstrates how the public sector can promote social inclusion and economic development through its delivery of public goods and services. Prior to moving to the UK, Justin worked in New York as a capital budget analyst for the Housing & Economic Development Unit at the New York City Mayor's Office of Management and Budget. During this time, Justin also acted as a thought partner for New Profit Inc, a venture capital firm that invests philanthropic funds to scale up successful non-profit organisations.

SIMON SHIBLI
DIRECTOR
SPORT INDUSTRY RESEARCH CENTRE
SHEFFIELD HALLAM UNIVERSITY

Simon is a qualified management accountant who specialises in the economic and financial analysis of the leisure industry. He has a particular interest in countryside recreation and has conducted research in this area for national agencies and local authorities. Since 1997, Simon has worked for UK Sport as well as a variety of governing bodies and local authorities on projects assessing the economic impact of major sport events. The SIRC team are currently engaged by UK Sport to examine the economic impact of six major sports events being held in the UK between 2005 and 2006. In essence, economic impact studies are fairly straightforward research exercises. However, the interpretation and subsequent use of results is sometimes subjected to what can euphemistically be described as 'stretching the truth'. Simon will explain 'economic impact' in simple terms and illustrate how the findings should and should not be used.

JOHN TAYLOR
RESEARCH FELLOW
STIRLING UNIVERSITY

John Taylor is a Research Fellow in the Department of Sports Studies at the University of Stirling. A BA(Hons) graduate in Recreation (Heriot-Watt University) and an MSc in Social and Educational Research (University of Edinburgh), John has over ten years experience of undertaking and commissioning research in sport and recreation having worked as a Research Associate at the Centre for Leisure Research and as a Research and Evaluation Manager at sportscotland.

John has worked on a number of countryside research studies including:

- Realising the Potential of Cultural Services: The Case for Urban Parks, Spaces and the Countryside (2001)
- Cairngorm Mountain Recreation Survey (1999)
- Mountain Bike World Cup 2002 - Fort William: Economic Impact Study (2003)

John enjoys participating in outdoor activities including cycling and golf, and has recently taken up yacht cruising and dinghy sailing.

STEVE GREEN
DIRECTOR
BOWLES GREEN LIMITED

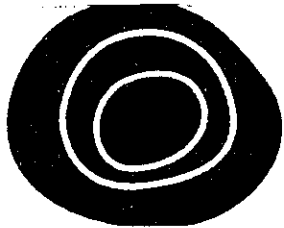
Before becoming a consultant, Steve worked as a tour operator with several companies operating holidays into the UK and outbound walking, cross country skiing, wildlife and adventure holidays in Europe and North America.

As a consultant for the last 20 years, he has worked on a range of projects, mostly in the area where recreation, tourism and conservation coincide. He has experience of auditing and evaluating a range of projects for their economic and wider impacts. Relevant work includes a recreation audit of the South West Wales coast, the Hampshire Walking Festival, the Cross Lakes Shuttle, the Whitehaven Tall Ships Visit and access provision in Redcar & Cleveland and in Lincolnshire.

GARETH MAEER
POLICY ADVISOR
HERITAGE LOTTERY FUND

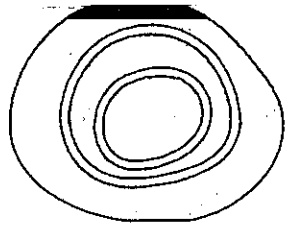
Gareth Maeer is a policy advisor at the Heritage Lottery Fund, working in the area of social and economic research and evaluation. He is responsible for commissioning evaluations of several of the Fund's grant programmes, for undertaking research into the social and economic benefits of heritage funding and for providing guidance to HLF grant recipients on evaluation tools and techniques. Before joining HLF in June 2004 he worked on the other side of the funding fence, as economic analyst at British Waterways. He has also been involved in fund-raising and management of community arts projects, local housing improvements and a social enterprise.

APPENDIX C



Countryside Recreation Network

First Name	Surname	Company Name
Mark	Allum	Yorkshire Dales National Park Authority
Jon	Balaam	Bedfordshire County Council
Ian	Bamforth	Worcestershire County Council
George	Barrett	Ecotec Research and Consulting Limited
Len	Blacow	Wyre Borough Council
Alison	Boden	Wyre Borough Council
Louise	Bonner	Staffordshire University
Carla	Boswell	Buckinghamshire County Council
Chris	Bray	Forestry Commission
Jonathan	Burney	English Nature
Berry	Coffman	Greening The Valleys
Jenny	Cooper	British Waterways
Andy	Cope	Sustrans
Lisa	Creaye-Griffin	West Sussex County Council
Tim	Dart	Defra
Paul	Downward	Loughborough University
Mike	Eastwood	Cornwall County Council
John	Elliott	ADAS
Ian	Findlay	The Paths for all Partnership
Les	Ford	Trans Pennine Trail Project
Steve	Gardner	Devon County Council
Rob	Garner	Scottish Natural Heritage
Mark	Graham	Pricewaterhouse Coopers
Steve	Green	Bowles Greens Ltd
Paul	Green	English Nature
Quentin	Grimley	Countryside Council for Wales
Ivan	Hewitt	Groundwork Northumberland
Geoff	Hughes	Countryside Recreation Network
Andy	Jackson	Leicestershire County Council
Bridget	Jones	Loch Lomond & The Trossachs National Park
Heather	Kennedy	Sport England - Yorkshire Region
Alan	Kilgore	Council for Nature Conservation & The Countryside
Phil	Lakin	The National Trust
Jim	Lennon	Countryside Agency
Sarah	Littler	Somerset County Council



Countryside Recreation Network

First Name	Surname	Company Name
Les	Lumsdon	Lancashire Business School
Jack	Mackay	Forestry Commission Scotland
Andrew	Mackintosh	Defra
Gareth	Maeer	Heritage Lottery Fund
Ian	Major	Groundwork Merthyr & Rhondda Cynon Taff
Iain	Mann	Yorkshire Dales National Park Authority
Malcolm	Marshall	Derbyshire County Council
Gavin	McNeill	Environment and Heritage Service
Josephine	Melville-Smith	Forestry Commission
Judy	Merryfield	Peak District National Park Authority
Glenn	Millar	British Waterways
Chris	Miller	Lincolnshire County Council
Marie	Millward	British Waterways
Graham	Neville	Scottish Natural Heritage
Rebecca	Pell	Worcestershire County Council
Ed	Ponfret	The Woodland Trust
Richard	Road	Dorset County Council
Phillip	Robinson	Bollin Valley Partnership
Justin	Sacks	Knowledge 2 Action
Marcus	Sangster	Forestry Commission
Steve	Scoffin	Great North Forest
Martin	Shaw	The Countryside Agency
Simon	Shibli	Sport Industry Research Centre
Tim	Slade	Isle of Wight Council
Annie	Surtees	City of Salford
John	Taylor	Stirling University
John	Thompson	Peak District National Park Authority
Roger	Valentine	The Environment Agency, Anglian Region
Chris	Waterfield	Forestry Commission
David	West	Forestry Commission
Mark	Weston	The British Horse Society
Chris	Widger	The National Trust
Colin	Wilkinson	North Lincolnshire Council
Chris	Wright	Snowdonia Active

APPENDIX D

Introduction to Economic Appraisals

Paper to CRN Seminar December 2005

George Barrett,
ECOTEC Research and Consulting
Limited



Purposes and Principles of Economic Appraisal - the Theory

- Inform choices between alternative courses of action, including 'do nothing' - as opposed to evaluation which focuses on results of past choice(s)
- Key question - would a project enhance economic and social welfare - ie do its benefits exceed its costs?
- Principles set out in the 'Green Book' and 'daughter' documents, eg 'JRS'
- In principle relevant to (almost) all aspects of public sector decision making - including whether to grant aid projects
- Level of analysis needs to be proportionate to decisions at issue. Large projects subject to external - departmental and in some cases Treasury - scrutiny/decision



The Practice

- Too often appraisal done:
 - too late when key decisions have already been taken
 - on basis of 'artificial' alternatives
- Then, at best, becomes process of 'quasi judicial' scrutiny of the decision



What is Covered

- In principle everything
- A wide view:
 - aspects which can be readily quantified and measured - eg capital and operating costs, revenue streams
 - and those where this is either difficult or maybe impossible (eg environmental aspects, unpriced benefits to users)
- A long view - but reduced to 'present values'



Changing Practice – the 'New' Green Book

- Reduction in the discount rate - generally to 3½%
- Allowance for 'optimism bias'
- Greater analysis of other risks/uncertainties
- Enhanced emphasis on quantification/ assignment of monetary values - but recognition that this will not always be appropriate/possible and that other techniques may be appropriate (eg MCA)
- Possibility of using 'distributional weights'



Valuation Issues

- Market prices may be:
 - wrong (eg because of unpriced external effects)
 - wholly absent
- We then try to use 'shadow prices' - measures of willingness to pay (revealed or potential) - use and non-use values
- But this can be fraught with difficulties of:
 - principle (eg what about future generations? non-residents?)
 - practice (eliciting values - eg the issue of embedded values 'strategic behaviour')



Other Issues

- Dealing with contributions to other public policy objectives - eg social inclusion
- The targets and indicators approach - may carry weight but targets may be arbitrary
- The complications of dealing with hybrid public/private projects

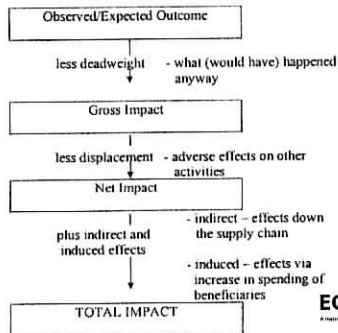


Economic Impact Assessments

- May be component of wider economic appraisal or 'freestanding'
- Focus on employment impacts and sometimes income generation - reflects significance of regeneration funding streams
- But:
 - typically area (or sometimes target group) based. Carries real weight only in relation to priority areas
 - will significance decline, or re-emphasis be needed, in an era of low unemployment?



The Methodological Framework



Concluding Thoughts

- Appraisal a helpful basis for improving decision making - rational and transparent
- Even where valuation difficult, establishing plausible orders of magnitude may well be an advance
- Will contribute more and save resources if happens early in process



Economic Impacts of Projects: The North East of England

Dr Paul Downward, Dr Andy Cope
Professor Les Lumsdon and Burc
Haddrell

Aim

- To examine the economic impacts of cycle route development in the North East of England, in line with the current One North East strategy, and how the economic impacts of linear cycle routes may be modelled

Objectives

- To examine the role of cycle tourism within rural tourism development
- To evaluate the economic impact associated with this network of cycle routes designed in part for tourism purposes
- To identify the values and unmeasured effects in relation to the development of an economic model

Sponsors

- Sustrans
 - Sustainable Transport Charity
 - National Cycle Network
- One North East
 - Regional Development Agency
 - Regional Economic Strategy

Background to the Study Area

- Decline in traditional industries
- 2/3 of region rural land
- Rural tourism as alternative
- North East Rural Action Plan (One NorthEast)
- North East Tourism Strategy 2005-2010 (Interim Regional Tourism Forum)
- 3 routes

Rural Tourism Development

- Diversification of economic activities
- Rural tourism as an attractive option
- Rural tourism as a development strategy
- Costs & Benefits
- Successful development of rural tourism

Trail Development

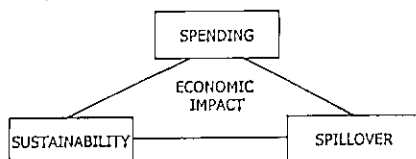
- Substantial work from overseas
 - 1930s long linear
 - 1980s short linear
 - 1990s multi user
- Benefits
 - Financial Investment
 - Quality of life for Locals
 - Quality of life for Users

Cycle Tourism

- Characteristics of Cycle Tourists
 - Male
 - Aged between 23 and 55
 - Full time employment
 - Day trips or trips of 3 days
 - 2 hours cycling period
 - B&B
 - Experienced regular cyclists
- Correlation between spending, duration of visit and group composition
- Correlation between spending and nature of route

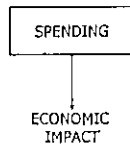
Methodology – The Model

- The Triple S Model (Cope, et al, 2004, p.20)



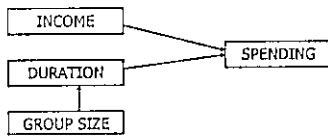
Methodology

- The Triple S Model (Cope, et al, 2004, p.20)



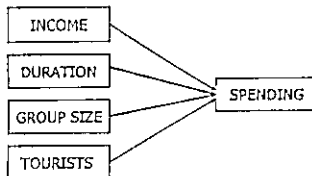
Developmental Model

- Spending Determinants on the NSCR (Lumsdon, et al ,2004, p.20)



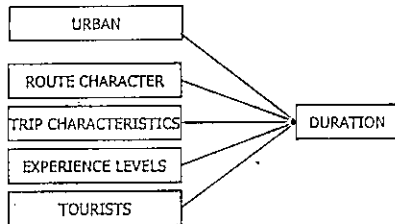
Results of Primary Analysis

- SPENDING:



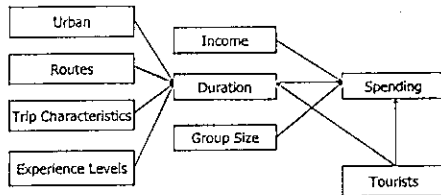
Results of Primary Analysis

- DURATION:



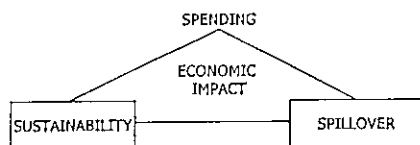
Results of Primary Analysis

- Spending Determinants on the Main Cycle Routes in the North East



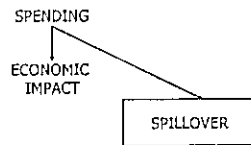
Development of the impact model

- The Triple S Model (Cope, et al, 2004, p.20)



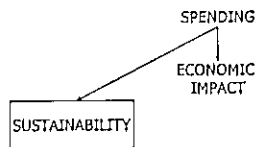
Methodology I

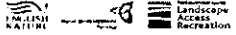
- LM2 – Local Multiplier @ 2 Levels



Methodology II

- CVM – Contingent Valuation Model
WTP – Willingness to Pay



 working towards *Natural England*
for people places and nature

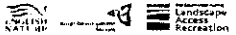
Martin Shaw

**Senior Countryside Advisor
The Countryside Agency
North East Region**

martin.shaw@countryside.gov.uk


**RIGHTS OF WAY AND GREENSPACE -- How
do we value them?**

- Economic and Social Benefits of Countryside
Access Routes in the North East
- Perceptions of Greenspace
- Regional Conference
- Where to next

 working towards *Natural England*
for people places and nature

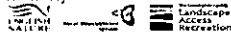
**Economic and Social Benefits of Countryside
Access Routes in the North East**

- Study by 'Regeneris Consulting', Jan 2005
- To quantify the direct and indirect economic
benefits (in terms of health and tourism) of our
rights of way network
- Set out priorities for future action
- Full report, Summary and separate summaries
aimed at Health and Tourism sectors

 working towards *Natural England*
for people places and nature

Economic and Social Benefits of Countryside Access Routes in the North East

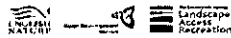
- Annual investment of £1 per person - £240 million per annum generated
- 9000 full time jobs
- Major routes deliver significant returns
- Poor health costs over £110 million per year
- Over 12% of adults would use 'improved' routes (an increase of 10% would deliver health savings of £25 million)



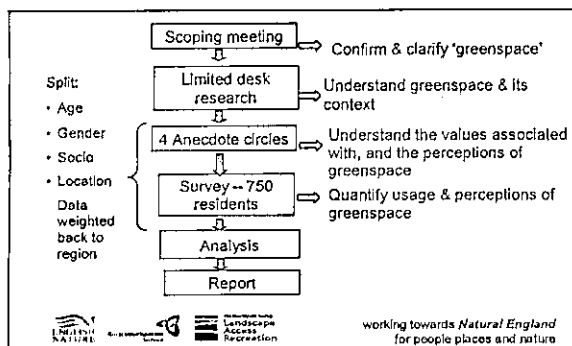
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Perceptions of Greenspace

- Study by WoodHolmesGroup, April 2005
- Key objectives:
 - The importance of green space
 - Whether, how & why they use the existing greenspace and countryside
 - Preferred greenspaces and countryside
 - Attitudes towards greenspace & the countryside



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Perception of green spaces

•92% think greenspace is important because:

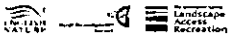
- Need space to walk in (39%)
- Children need space to play (35%)
- A place to go (24%)
- Nicer place to live (24%)
- Exercise (16%)



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People in the North East have good access to greenspace

- 88% respondents have greenspace within a 10 minute walk of their homes (defined as 'local greenspace' in the research)
- 86% think it is easy to access local greenspace
 - 50% think it is 'very easy', 36% 'quite easy'
- Parks and grassy areas are the most preferred type of local greenspace (50%) and the most frequently visited...



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Preferences for different types of greenspace

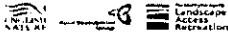
- | | |
|---|---|
| <ul style="list-style-type: none"> • Local parks: - Good for children (28%) - Big space (18%) - Activities there (7%) | <ul style="list-style-type: none"> • Countryside/National Park: - Attractive/ views (36%) - Natural (12%) - Freedom (10%) |
| <ul style="list-style-type: none"> • Woods/woodlands: - Walking & exercise (27%) - Quiet/calm/relaxing (25%) - Birds & wildlife (15%) | <ul style="list-style-type: none"> • Beach/coast: - Dog walking (29%) - Fresh air (19%) |



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Management and maintenance

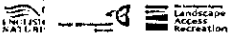
- Greenspace has to be maintained to an adequate standard to be well-used
 - Poorly maintained greenspace is seen as a 'wasteland'
- Low lighting levels and undergrowth can make people feel areas are scary and unsafe....
- BUT only 10% of respondents find open spaces unsafe
- Main barrier is dirt/litter/rubbish – which may lead to negative connotations, less use and increased presence of vandals



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Planning and design

- There are tensions:
 - Between the desire for trees and bushes, which encourage the feeling of escape and the desire for safety, which declines with the increase in undergrowth
 - Between the desire for a natural environment, including a range of plants and wildlife and the need for a space that looks well maintained
 - Between the different requirements of space: walking, children's play, escape, dog walking, sport, picnics and peace and quiet / relaxation
- Therefore a need for:
 - Strategic 'green Infrastructure' planning to ensure people can access a variety of spaces within their neighbourhood
 - Good landscape design to create spaces which meet the needs of different users



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Regional Conference

- Delegates from public, voluntary, private, funding, environmental, regeneration and health.
- Planning – need to be strategic AND engage with private sector
- Maintenance
- Involve the community
- Engage beyond Environment sector



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So where to next?

- Green Infrastructure / Northern Way
- Regional Green Exercise Group
- Gateshead Green Exercise Pilot
- Move beyond rhetoric / feel good factor



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for people places and nature

Executive Summary – Health Impacts of Countryside Access Routes in the North East

Introduction

1. This note summarises the main findings from a detailed study carried out in July to December 2004 into the economic role of recreation access routes in the North East.
2. The North East has a substantial Public Right of Way (PROW) network, measuring around 9,900km in length. The report shows that the network helps or could help support significant health benefits and so regional economic impacts.
3. Expenditure on this network, predominantly by Highway Authorities, totals approximately £2.25m (2004/5) or just £1 per person per annum in the region. This core expenditure has been falling over the last two years. The average annual expenditure on the National Cycle network also equates to around an additional £1 per person per annum in the region over the last 5 years.
4. There is a 'hard core' of PROW users who use routes every day for recreation. Overall 20% of residents cycle and 50% undertake recreational walking more often than once a month. In total about 220m recreation trips are made each year by residents of the region. However, equally there is a substantial minority who use PROW rarely or not at all for recreation.
5. A survey of 315 users of recently improved routes carried out for the study shows that good quality local routes have a positive impact on overall usage, both in terms of increased frequency and, in a small number of cases, by encouraging people to use the routes at all instead of taking no exercise.

Key Health Related Impacts

6. A lack of exercise is a key contributor to poor health, 70% of people in England do not take enough exercise to benefit their health. Walking and cycling are particularly good forms of exercise as they are relatively inexpensive, require little or no equipment and can be built into daily routines.
7. The cost to England's economy of poor health due to a lack of exercise is considerable: estimates range from £2bn to £6.5bn a year as a result of additional direct costs to the NHS, loss of working days due to sickness and premature death. These equate to between £40 and £140 per head of population.
8. The North East has the poorest health record for diseases associated with a lack of exercise of any region in England (with standardised mortality rates for such diseases which range from 10% to 20% above the national average).
9. The report estimates that the overall cost of ill health in the North East, due to a lack of exercise, ranges from around £110m to £410m pa, representing around 0.4% to 1.5% of regional Gross Value Added. Taking into account the indirect impact of a lack of exercise on obesity, the costs rise further to, potentially, over £500m pa in the region. Although there is a wide range around the estimates, the orders of magnitude are in all cases very substantial.
10. Focusing on output lost due to ill health (as opposed to the costs of the NHS), the cost to the region is between £90m pa and £320m pa.
11. An increase in levels of physical activity by 10% points in adults in the North East would deliver savings of around at least £25m pa in the economic benefits from improved health.

12. The greatest health benefits will stem from getting those almost entirely inactive to undertake moderate exercise. Some 20% of adults are infrequent users of PROW for recreation walking and between 12% and 17% of adults would use PROW more frequently if there were improvements to the network. These are a potential target for using PROW for extra exercise.
13. The findings from Walking the way to Health Initiative (WHI) projects indicate that the benefits of encouraging extra recreation through walking can be longer lasting than other forms of exercise. The difference shows the added value that can be achieved from a local scheme that promotes walking for health.

Setting Priorities for Investment in PROW

14. When considering the allocation of funding to maintain and help improve the PROW network, such funding needs to be seen as support for a whole "access route product" covering:
 - ✓ The physical fabric of the route (surfaces, stiles etc)
 - ✓ The signage/way marking
 - ✓ Route information and publicity
 - ✓ Supporting services (e.g. in the case of health focused routes, local encouragement and organisation of walks)
15. The great majority of PROW users are highly local users, so good PROW routes need to be developed close to target residential areas. Hence, in term of maximising health impacts, investment priorities need to be on PROW located in areas with particularly high levels of health related deprivation (e.g. the 10% most health deprived area as scored by the health domain of the Index of Multiple Deprivation 2004).
16. Research shows that in many areas of poor health there is relatively poor provision of PROW and there are significant volumes of potential users with poor health currently undertaking little exercise.
17. However, the provision of PROW alone is not enough to encourage usage. The active promotion of walking as exercise is necessary via a joint partnership approach. It is essential that people have information about their local routes, that they are well signposted and not obstructed or poorly maintained and that negative perceptions and behaviour is tackled.

Changing Policy Landscape

18. There are a number of important developments which mean now is an opportune time for many organisations to reconsider the role and potential of PROW.
 - ✓ **The increased focus on public health and the costs of lack of exercise** – the role of increased recreation and physical exercise as essential to reducing the cost of ill health is now been widely acknowledged by Government (for instance in the recent Public Health White Paper). There is an opportunity to work with the health sector, building on the positive experience of the region's 25 Walking the way to Health Initiative projects.
 - ✓ **The introduction of Rights of Way Improvement Plans (ROWIPs)** – there is a real opportunity to take a fresh look at priorities for investment and maintenance of the PROW network and to introduce priorities through Local Transport Plans. But at the same time there are undoubted pressures on Highway Authorities' budgets for the PROW network and the new Countryside Rights of Way 2000 Act has led to further demands on expenditure.
 - ✓ **The move to the new Integrated Land Management Agency** – this also provides an opportunity to raise the profile of and champion resources for PROW. It does also pose a period of uncertainty over funding and support for PROW and the National Trails.

Developing the Role of PROW in the Region

19. Table 1 below summarises several headline messages from the study and possible actions for regional partners in relation to PROW and the health agenda.

Table 1: The Future Role of PROW in the North East and the Health Agenda	
Message/Issue	Possible Action
Message 1. The role and importance of local PROW in providing a recreation asset for local people and encouraging better recreation and health is not widely understood and acknowledged.	Publicise their role and bring to the attention of decision makers the findings of this study
Message 2. Public resources for PROW are spread thinly across a large network and are not prioritised in a consistent manner based on economic or public benefit. The core funding is also under considerable pressure.	The move to ROWIP offers an opportunity (and need) to develop a much clearer and proactive approach by Highway Authorities to deciding on investment priorities. This report contains several suggestions in this regard. PROW need proper on-going revenue support as well as capital support in new Local Transport Plans
Message 3. Where investment is made in improving or creating new PROW It must be made as part of a package of support. The physical surface improvements although important are only part of the picture.	Production of a checklist for designing new schemes
Message 4. The case for using and nurturing the existing PROW network to support health improvement needs to be made in areas of high health deprivation.	Publicise the case studies in this report use it for the development of a good practice checklist. Publicise the inequalities in terms of access to PROW in some parts of the region and paucity of routes for recreation compared to numbers of residents with health problems.
Message 5. To continue to raise awareness of the benefits of walking and cycling	Promote good practice of cycling and walking programmes at a regional and national level. Encourage and support partnership working with a range of organisations, e.g. local authority leisure services, Primary Care Trusts (PCT) to implement and deliver programmes of activity (N.B. need to ensure that those involved have the right skills for the task).

Note: the research was commissioned by the Countryside Agency and carried out by a team led by Regeneris Consulting with Lydia Speakman Associates and Douglas Tourism Associates.

Contact: Stephen Nicol or Emma Lloyd at Regeneris Consulting 0161 926 9214 (www.regeneris.co.uk)

Accessing the Full Report: for copies of the main report please contact XXXX

Executive Summary – Tourism Impacts of Countryside Access Routes in the North East

Introduction

1. This note summarises the main findings from a detailed study carried out in July to December 2004 into the economic role of recreation access routes in the North East.
2. The North East has a substantial Public Rights of Way (PROW) network, measuring around 9,900km in length. The report shows that the network helps or could help support significant economic impacts in relation to tourism.
3. Expenditure on this network, predominantly by Highway Authorities, totals approximately £2.25m (2004/5) or just £1 per person per annum in the region. This core expenditure has been falling over the last two years. The average annual expenditure on the National Cycle network also equates to around an additional £1 per person per annum in the region over the last 5 years.
4. There is a 'hard core' of PROW users who use routes every day for recreation. Overall 20% of resident's cycle and 50% undertake recreational walking more often than once a month. In total about 220m recreation trips are made each year by residents of the region.
5. A survey of 315 users of recently improved routes carried out for the study shows that good quality local routes have a positive impact on overall usage, both in terms of increased frequency and, in a small number of cases, by encourage people to using the routes at all instead of taking no exercise.

Key Tourism Related Impacts

6. Walking and the PROW network helps **support a substantial proportion of tourism spend in the region**, acting as a destination in its own right, as the main reason for some holidays and a general part of the visitor experience and infrastructure for a large number of visitors. A good PROW network will encourage visitors to return.
7. Walking and the PROW network contributes to the generation of a substantial level of tourism spend in the region. Total spend by day trippers and visitors to/within the North East associated with walking trips is estimated at around £240m pa in 2003. This supports £57m to £107m of income and 7,000 to 9,600 full-time equivalent (FTE) jobs in the region.
8. Tourists involved in more substantial walks as part of a holiday trip generate approximately £42m pa of spend in the region, supporting £10m-£19m of income and 1,200-1,700 FTE jobs. Cyclists generate an estimated £15m of additional expenditure, supporting £4m-£7m of income and 400-600 FTE jobs.
9. Major walking and cycling routes in their own right (e.g. the C2C, National Trails, etc) can typically generate £1m-£10m of additional visitor spend along their length. The recent experience of the newly opened Hadrian's Wall National Trail is very positive. Over 400,000 walkers have used the new trail since it opened (May 2003). In total, these walkers have generated some £4.5m expenditure in Hadrian's Wall country.
10. It is the case that very popular routes can, potentially, bring environmental problems. To some extent these concerns exist in the Hadrian's Wall area – a UNESCO World Heritage site and now also with a National Trail. It is important to manage routes in a sustainable way that avoids damage.

Setting Priorities for Investment in PROW (Section 9)

11. When considering the allocation of funding to maintain and help improve the PROW network, such funding needs to be seen as support for a whole "access route product" covering:

- ✓ The physical fabric of the route (surfaces, stiles etc)
- ✓ The signage/way marking
- ✓ Route information and publicity
- ✓ Supporting services (e.g. accommodation, cycling repair/hire facilities)

12. The report suggests that in term of tourism impact, there should be prioritisation of investment towards (1) flagship cross-regional/regional routes and (2) routes in prime outdoor tourism destinations. Investment in PROW need to be thought of as supporting of tourism hubs/nodes to create a well managed, maintained and promoted network of routes, supporting and enhancing existing tourism activity.

Changing Policy Landscape

13. There are a number of important developments which mean now is an opportune time for many organisations to reconsider the role and potential of PROW.

- ✓ **The introduction of Rights of Way Improvement Plans (ROWIPs)** – there is a real opportunity to take a fresh look at priorities for investment and maintenance of the PROW network and to introduce priorities through Local Transport Plans. But at the same time there are undoubted pressures on Highway Authorities' budgets for the PROW network and the new Countryside Rights of Way 2000 Act has led to further demands on expenditure.
- ✓ **The move to the new Integrated Land Management Agency** – this also provides an opportunity to raise the profile of and champion resources for PROW. It does also pose a period of uncertainty over funding and support for PROW and the National Trails.
- ✓ **The development of a new regional tourism strategy** – ONE NorthEast is developing a new strategy for tourism in the region. This should acknowledge fully the role of walking and cycling routes – focusing on those routes which can attract additional visitors and spend into the region, but recognising the importance of PROW generally as part of the tourism infrastructure.

14. Table 1 below summarises several headline messages from the study and possible actions for regional partners:

Table 1: The Future Role of PROW in the North East	
Message/Issue	Possible Action
Message 1. The role and importance of PROW in providing underpinning support for tourism in the region is not widely understood and acknowledged.	Publicise their role and bring to the attention of decision makers the findings of this study.
Message 2. Public resources for PROW are spread thinly across a large network and are not prioritised in a consistent manner based on economic or public benefit. The core funding is also under considerable pressure.	The move to ROWIP offers an opportunity (and need) to develop a much clearer and proactive approach by Highway Authorities to deciding on investment priorities. This report contains several suggestions in this regard. PROW need proper on-going revenue support as well as capital support in new Local Transport Plans.
Message 3. Where investment is made in improving or creating new PROW it must be made as part of a package of support. The physical surface improvements although important are only part of the picture.	Production of a checklist for designing new schemes
Message 4. There is a good case for investing in a better quality PROW network and supporting infrastructure around agreed tourism hubs in the region.	Need agreed prioritisation of investment and a partnership approach – possibly trialled around one of the Market Town Initiative locations in the region. One NorthEast, Highway Authorities and other partners might need to agree a series of hubs for development following the trialling.
Message 5. There are and will be a small number of routes (walking and cycling) of national prominence in the region. These can be used to promote the region, but in reality the numbers using them and travelling especially to the region to use them will be small.	There is a case for the region developing perhaps 2-3 further trails/routes which can be of national prominence (the North East/Northumberland Coast Trail is an obvious case in point).
Message 6. To continue to raise awareness of the benefits of walking and cycling.	Promote good practice of cycling and walking programmes at a regional and national level. Encourage and support partnership working with a range of organisations, e.g. local authority leisure services, Primary Care Trusts (PCT) to implement and deliver programmes of activity (N.B. need to ensure that those involved have the right skills for the task).

Note: the research was commissioned by the Countryside Agency and carried out by a team led by Regeneris Consulting with Lydia Speakman Associates and Douglas Tourism Associates.

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Countryside In and Around Towns



Presented by Jacki Holmes
17-5-05

Knowledge
Strategy
Innovation
& Vision



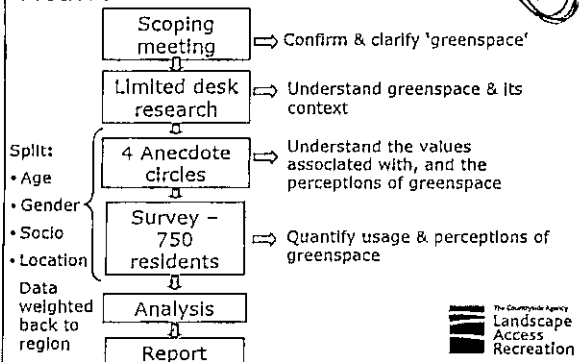
Context & Objectives




- Countryside Agency wished to add the views of the North East's urban residents about outdoor open spaces to their comprehensive, national vision for the rural urban fringe over the next five years
- Key objectives:
 - > The importance of green space
 - > Whether, how & why they use the existing greenspace and countryside
 - > Preferred greenspaces and countryside
 - > Attitudes towards greenspace & the countryside





Method






Key Findings






Perception of green spaces


- Values associated with local greenspace and countryside are largely positive and similar:
 - > Quiet/tranquillity/relaxation/stress relief
 - > Fresh air/natural surroundings/wildlife/being exposed to the elements/healthy
 - > Feeling free
 - > No traffic
- 92% think greenspace is important because:
 - > Need space to walk in (39%)
 - > Children need space to play (35%)
 - > A place to go (24%)
 - > Nicer place to live (24%)
 - > Exercise (16%)





People in the North East have good access to greenspace

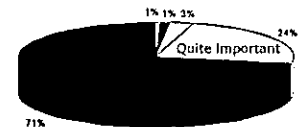
- 88% respondents have greenspace within a 10 minute walk of their homes (defined as 'local greenspace' in the research)
- 86% think it is easy to access local greenspace
 - > 50% think it is 'very easy', 36% 'quite easy'
- Parks and grassy areas are the most preferred type of local greenspace (50%) and the most frequently visited...
-but this is based on what is available - people may not have easy access to a range of different types of greenspace...



The North East has something special to offer



- People appear proud, and protective towards, quality greenspace
 - And concerned about the perceived loss of greenspace
- 94% think it important to include greenspace in developments within towns



Not at all important Quite unimportant
 Neither important nor unimportant Quite important
 Very important

The Countryside Agency
Landscape
Access
Recreation

People state preferences for different types of space for many different reasons



- They appeal to children - 20%
- Attractive - 20%
- Convenient (near by/ easy to get to) - 19%
- Appealing for walking and exercising in - 19%
- Quiet/calm/ relaxing - 16%
- Can walk the dog there - 14%
- Large space - 14%
- Birds/wildlife - 8% and nature - 5%
- Different people have different reasons for choosing spaces to visit, suggesting a need for spaces that suit different needs

The Countryside Agency
Landscape
Access
Recreation

Preferences for different types of greenspace



- The reasons apply to some spaces more than others:
- Local parks:
 - Good for children (28%)
 - Big space (16%)
 - Activities there (7%)
- Woods/woodlands:
 - Walking & exercise (27%)
 - Quiet/calm/relaxing (25%)
 - Birds & wildlife (15%)
- Countryside/National Park:
 - Attractive/ views (36%)
 - Natural (12%)
 - Freedom (10%)
- Beach/coast:
 - Dog walking (29%)
 - Fresh air (19%)
- Also different preferences for space landscaping
- This suggests that all types of spaces are valued and that we need to ensure people can access a variety of greenspaces

The Countryside Agency
Landscape
Access
Recreation

Management and maintenance



- Greenspace has to be maintained to an adequate standard to be well-used
 - Poorly maintained greenspace is seen as a 'wasteland'
- Low lighting levels and undergrowth can make people feel areas are scary and unsafe....
- BUT only 10% of respondents find open spaces unsafe
- Main barrier is dirt/litter/rubbish – which may lead to negative connotations, less use and increased presence of vandals



Planning and design




- There are tensions:
 - Between the desire for trees and bushes, which encourage the feeling of escape and the desire for safety, which declines with the increase in undergrowth
 - Between the desire for a natural environment, including a range of plants and wildlife and the need for a space that looks well maintained
 - Between the different requirements of space: walking, children's play, escape, dog walking, sport, picnics and peace and quiet / relaxation
- Therefore a need for:
 - Strategic 'green infrastructure' planning to ensure people can access a variety of spaces within their neighbourhood
 - Good landscape design to create spaces which meet the needs of different users



research
knowledge
strategy
imagination
vision

WoodHolmesGroup
Positive action born of understanding



Retaining the impacts locally

Demonstrating the economic value of countryside recreation
 Countryside Recreation Network
 Centre in the Park
 Sheffield
 7 December 2005

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Reconciling contractor-supplier concerns Sustainability at odds with efficiency?

Illustration by MFD Graphics

k2a

The business case What UK government spends now

Spend £125 billion per year
 The UK public sector spends *£125 billion per year* on delivering goods and services.
Sliver 10% of that into disadvantaged communities = £12.5 billion per year
 If the UK public sector shifted just 10 percent more of everyday spending on goods and services into the country's most disadvantaged areas, this would amount to *£12.5 billion* of income injected into those areas, in *just one year*.
This 10% shift > 15 times annual regeneration spending
 This *£12.5 billion* amounts to more than *15 times* the UK's annual spending on regeneration, which is *£835 million*.



k2a

Illustration by The Creative Element

The business case How we could spend that money better

Cornwall Food Programme
 Cornwall Food Programme generates *£47,000* more per year for the regional economy by sourcing higher-quality local ice cream that costs the same as national alternatives with less nutritional content.
Riverside Housing Association
 Riverside Housing Association saves *£46,000* on central heating supplies by working with the regional supply chain.
Lincolnshire County Council
 Lincolnshire County Council saves over *£70,000* per year by working with a local community woodland to provide alternative youth education.
Liverpool City Council
 Liverpool City Council responds to 70 percent more bulky waste removal calls for less money using a social enterprise than it previously delivered using a national company.

k2a

The local multiplier effect How a pound can be more than a pound

Location
 Where everyone magically spends 80% of their income locally.
 Someone receiving £100 of income spends £80 (80% of £100), and the next person spends £64 (80% of £80).



Leakyville
 Where everyone magically spends 20% of their income locally.
 Someone receiving £100 of income spends £20 (20% of £100), and the next person spends £4 (20% of £20).



k2a

What are we trying to buy? Contracting for outcomes

French chauffage
 Contract for maintaining warm homes
 Up to contractor how to deliver warmth
London Borough of Ealing
 Contract for waste minimisation solution
 Up to contractor to reduce waste
TfL East London Line extension
 Community benefits embedded



k2a

Putting ideas into practice
Youth education in Lincolnshire

Benefits to the council!
 Reduces anti-social behaviour
 Develops growing pool of local skills to maintain and grow local economy in the future
 Saves over £70,000 per year on external placement

Benefits to the community
 Maintains community woodland
 Achieves high attendance rates
 Accesses to external markets
LMI = 2.31

We summed up any initiative that engages with young people and diverts them away from anti-social or criminal activities. Hill Foot Wood has repeatedly demonstrated its ability to do this with individuals who have not responded to more traditional and conventional types of engagement. Furthermore, the young people from the Lincolnshire areas who have experienced Hill Foot Wood have generally stayed out of the offending and antisocial cycle. They have gone on to contribute positively towards society with the skills they have obtained and become an asset, rather than a drain on their local communities."

- Nigel Kay, Lincolnshire Policy Authority



k2a

Local solutions ≠ isolationism
Keeping your eye on the prize

Letting people do what they do best
 Humans are innate problem-solvers. The only route to 'sustainable procurement' is a persistent desire to bring common sense to bear on our decision-making.

Promoting regeneration through procurement
 The focus of action should be on improving the economy of disadvantaged communities. Wealthier areas should work in partnership with disadvantaged areas.

Getting from Point A to C
 We do need to think regionally, nationally, globally. But don't let that hinder you from starting somewhere. Start with your local area and build outwards.

Focus on solutions to local problems
 Who can help your community meet its needs best? That's who you need to work with.

Developing markets
 Where are the gaps and how can we fill them?

k2a

Taking action now
North East

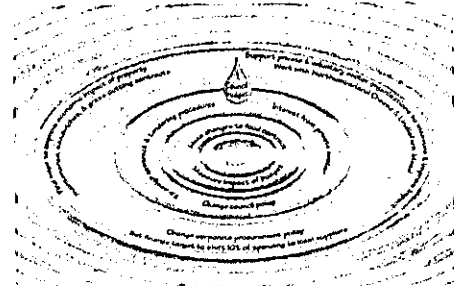


Illustration by Jeff O'Connell

k2a

Taking action now
Yorkshire & The Humber

Innovation surgeries
 Innovative practice resource
 'Procurement is sexy' campaign
 Knowledge to action series
 Make the invisible visible



k2a

Resources

Available from nef (www.neweconomics.org)

Public spending for public benefit
 How the public sector can use its purchasing power to deliver local economic development

The money trail
 How to measure your local economic impact using LMI

Plugging the leaks
 Making the most of every pound that enters your local economy

Available from SEC (www.socialenterprise.org.uk)

More for your money
 A guide to procuring from social enterprises

k2a

Issues in Economic Appraisals

Simon Shibli
Sheffield Hallam University



Sub Title:

We don't know what we want, but
we'll tell you if we like what we see!



Contents

- Rationale for economic impact data
- Definitions
- Types of study
- Data required
- Outputs
- Outputs explained
- Misapplications and abuses
- Using data sensibly
- Common sense principles



Rationale for Economic Impact Data

- To support funding applications
- To take advantage of an opportunity
- To help meet funders' objectives
- To 'compete' effectively against other projects
- To test actual v planned performance
- To protect the guilty / maintain the conspiracy
- For advocacy reasons

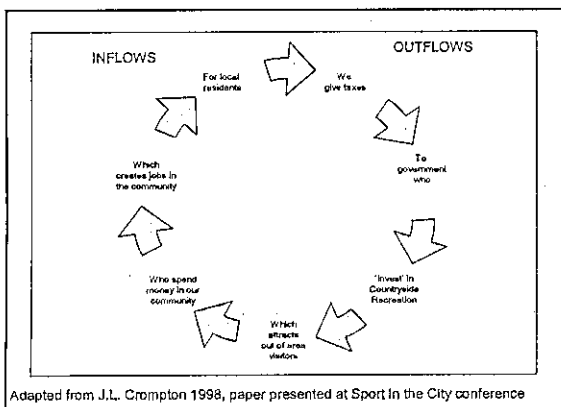


Rationale Sub Text

Both future and current rationales often have a sub text.....

To justify a position that project champions have adopted or are proposing'





Definitions

- Economic impact:
 - The net change in a host community that results from spending attributable to a countryside resource or event

[Adapted from Turco and Kelsey 1992]

- Economic "importance", "value", or "case"
 - Whatever you want it to mean!



Definitions – Case Study South West Coastal Path

- "Total economic value accrued as a direct outcome of SWCP" (£307m)
- Economic value generated by:
 - Overnight visitors (£164m)
 - Locals and their friends / relatives (£143m)



Types of Study

- Economic appraisal
 - Future economic impacts are forecast
- Economic evaluation
 - Current economic impacts are measured (or estimated)



Data Required

- How many people use facility or event?
- How many originate outside host economy?
- How many are here specifically?
- How long are they staying?
- How many are day visitors / overnigheters?
- What are their accommodation usage patterns?
- What else do visitors spend money on?
- How much do they spend?



Outputs

1. Demand in terms of visits / visitors
2. Visitors' expenditure patterns
3. Additional expenditure made by visitors
4. Sectors in which expenditure is made
5. 'Knock on effects' -- multipliers
6. Negatives
7. Economic impact (i.e. Positives -- Negatives)



Outputs Explained - Multipliers

- There is no such thing as 'the multiplier'
- There are numerous economic multipliers which have different purposes and different uses.
- The inexperienced and the disingenuous use multipliers to inflate a 'number'



Multipliers in Principle 1

$$\frac{\text{Direct} + \text{Indirect} + \text{Induced Effects}}{\text{Direct Effects}}$$

=

Sales / Income / Employment Multiplier



Multipliers in Principle 2

Sales multipliers:

A measure of how visitor spending leads to an increase in business turnover

Sales multiplier for expenditure on food and beverages

$$\frac{\text{Direct} + \text{Indirect} + \text{Induced Sales}}{\text{Direct Sales}}$$

$$\frac{1 + 0.32 + 0.47}{1} = 1.79 = 1.79$$



Multipliers in Principle 3

Income multipliers:

A measure of how visitor spending leads to an increase in local household incomes

Income multiplier for expenditure on food & beverages

$$\frac{\text{Direct} + \text{Indirect} + \text{Induced Income}}{\text{Direct Income}}$$

$$\frac{0.29 + 0.08 + 0.13}{1} = 0.5 = 0.50$$



Multipliers in Principle 4

- In Economic Impact studies sales multipliers are not useful
- Useful data is the impact of sales on household incomes and employment
- Income multipliers are unpopular because they are less than 1.0



Multipliers in Principle 5

Employment multipliers:

A measure of how visitor spending leads to an increase in local employment

£1m in additional expenditure on food / beverage supports:

- 47 Direct jobs
- 3 Indirect jobs
- 32 Induced jobs
- 82 Total jobs



Multipliers in Principle 6

Employment multipliers are not reliable.....

- Assumes economy is at capacity
- Jobs are not necessarily 'created'
- What does FTE supported really mean?
- Job creation related to one-offs is spurious



Misapplications and Abuses

- Misapplication of multipliers
- Use of borrowed and generic multipliers
- Failing to define host economy clearly
- Including "deadweight" spending
- Exclusion of opportunity costs
- Reporting positives / ignoring negatives
- Needing to tell a particular story



Using Data Sensibly

1. Investment can increase economic activity
2. If sustained, economic benefits can arise
3. Increased household income is the best measure
4. Increases in household income will lead to enhanced employment opportunities
5. New jobs materialise after 'slack' take up
6. You cannot identify indirect / induced jobs - they are 'notional'



Common Sense Principles

1. Economic studies should be integral to projects
2. Data collection must be robust and defensible
3. Clarity re what you want to measure and why
4. Don't replicate other people's mistakes
5. Don't baffle or be baffled by science
6. If it doesn't feel right, then it probably isn't!



Vetting Consultants

1. Track record on similar projects
2. Named staff, credentials, ownership
3. What do you expect of us?
4. Fee structure, timeline, ABC
5. Do you have the capacity?
6. Why should we hire you?
7. Quality assurance
8. Cost over runs and unforeseen extras



Thank You
Any Questions?

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widening opportunities • developing potential • achieving excellence

Mountain Bike World Cup 2002; Fort William - Economic Impact Study

John Taylor
Research Fellow, University of Stirling

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MTB World Cup 2002

Background

- sportscotland Lottery Fund - Major Events Programme (MEP)
- £100,000 awarded to Rare Management, organisers of the MTB World Cup Event at Fort William 2002
- Dedicated MTB downhill course on Ben Nevis
- Long-Term strategy to attract MTB World Championships to Scotland

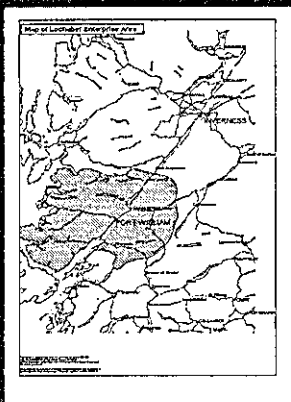
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MTB World Cup 2002

Aims of the study

- Establish the economic impact of the MTB World Cup event on the local area - (defined as the Lochaber Enterprise area)
- 'Additional Expenditure' – expenditure that can be attributed to the event

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Lochaber Enterprise area

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MTB World Cup 2002

Objectives

- Event income and expenditure
- Expenditure by visitors to the event

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MTB World Cup 2002

Research approach:

- Survey of visitors to the event
- Review event organiser's income and expenditure records
- Telephone interviews with local businesses and service suppliers

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Event Income and Expenditure

Total expenditure:

- £277,000

Event organisers expenditure in local area = £97,000:

- £70,000 - services and materials
- £27,000 - Nevis Range

Hidden costs of £8,000 (inc. policing, Forest Enterprise)

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Event Income and Expenditure

Total income:

- £275,000
- £190,000 - Grant aid and sponsorship
- £54,000 - Ticket sales
- £17,000 - Race entries, merchandising expo sales
- £13,000 - in-kind contributions

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Expenditure by Visitors

Approach:

- UK Sport - a 'BLUEPRINT' for success
- Self-completion survey
- Three interviewers on 6-hour shifts on Saturday and Sunday

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Expenditure by Visitors

Visitors included:

- Spectators
- Competitors
- Coaches
- Officials
- Media

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Expenditure by Visitors

Survey response:

- 927 visitors approached
- 671 surveys completed
- 169 refused to participate
- 87 excluded - local residents

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Expenditure by Visitors

Profile of visitors:

- Total number of visitors to the event = 7,778
- Day visitors from home (local) - 11.5%
- Day visitors from home (outside area) - 18.7%
- Visitors staying away from home - 69.8%
- Estimated no. of day visitors from home (local) = 898
- Estimated no. of day visitors from home (outside) = 1,453
- Estimated no. staying away from home = 5,429

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Expenditure by Visitors

Total visitor expenditure to local area:

- £516,000

- Daily expenditure by day visitors = £16,000
- Expenditure on accommodation = £167,000
- Daily expenditure visitors away from home = £333,000

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Expenditure by Visitors

Visitors from home:

- Daily expenditure £12.21 (+£3.05 on merchandise)

Visitors staying away from home:

- Accommodation - £10.59 per night
- Daily expenditure - £21.08 (+7.92 on merchandise)
- Average length of stay - 3.2 nights

- Total trip cost = £101.34

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Economic Impact of MTB World Cup Event

Total additional expenditure to local area:

- £613,000

- £97,000 event expenditure
- £516,000 visitor expenditure

Further impact:

- Estimated that an additional £59,000 was generated outside local area by people taking a longer holiday in Scotland because of the MTB World Cup event.

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Impact on Local Businesses

Income to local businesses:

- Camp site: Increase from £300 in 2001 to £3,500 in 2002
- Local cycle shop - 200%-300% increase in sales

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Mountain Bike World Cup 2002 - Fort William: Economic Impact Study

Research Report no.88 available at:

www.sportscotland.org.uk

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Developments since 2002

Event has been repeated in 2003 and 2004:

- 2002 - est. 12,000 visitors - est. £613,000
- 2003 - est. 14,000 visitors - est. £725,000
- 2004 - est. 17,000 visitors - est. £850,000

- Event will return in September 2005 (Finals)
- World Championships in 2007

Further Evidence of 
the Economic Impact of
Cycling in the Highlands

Highland Cycle Forum (April 2004)
*The Value of Cycling in the Highlands and
Islands of Scotland*, Stirling, dhc

www.highlandcyclecampaign.org.uk

- Cycling worth between £20m and £100m p.a. to the economy (inc. transport, health, tourism)

Economic Impact of 
Cycle Tourism

Ave. expenditure by tourists on cycle holiday = £33 day

- £5-£6 less than other visitors (use budget accommodation; no fuel costs)
- Trips last 2-3 days longer
- Leakage from budget accommodation lower
- Therefore, expenditure £10 more per trip for cyclists

Estimated value of cycle tourism to:

- Highlands (2004) - £35 million
- Scotland (2001) - £155 million


Any Questions?


widening opportunities • developing potential • achieving excellence

Monitoring Projects

Steve Green
Bowles Green Limited



Overview of Presentation

- Why monitor?
- Challenges
- Case studies
 - Whitehaven Tall Ships
 - Hampshire Walking & Local Food Festival
 - B4 Network
- Good Practice



Why Monitor?

- Evaluate performance
- Ensure a project is meeting users' needs
- Justify funding/support
- Improve operation of a project
- Improve marketing and promotion



Challenges

- Lack of resources for monitoring
- Often an afterthought
- Lack of measurable objectives/targets
- Lack of baseline data
- Sample sizes too small
- Unrepresentative/biased sample
- Collecting too much information
- Difficult of collecting spending information
- Inadequate analysis capacity
- Incomparable data standards

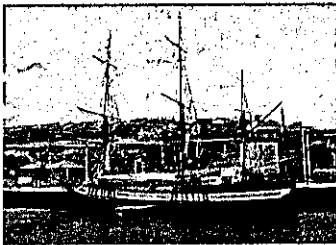


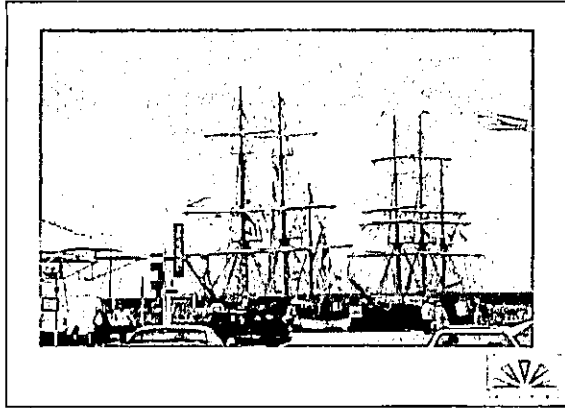
Monitoring Issues from Walking Festivals

- Evaluation is under-resourced
- No common methods and questions
- Sample sizes are mostly small
- The type of information collected of limited use
- Limited research expertise and capacity
- Tendency to over-estimate numbers and economic impact
- Little use of existing systems to collect information
- Little sharing of information between organisers



Whitehaven Tall Ships 2002





Objectives:

- Determine whether or not to invest in a long term tall ships project
 - Number of visitors
 - Economic impacts
 - Visitor satisfaction and likelihood of re-visiting
 - How best to promote future events



What was Monitored?

- Number on sail days
- Number entering pay perimeter
- Number outside of pay perimeter
- Specific information:
 - Visitor profile
 - Spending
 - Motivation and satisfaction
 - Response to promotion



Difficulties

- Counting people outside the pay perimeter
- Accurate spending information
- How many were attracted to the area by the tall ships?
- Accurate estimate of economic impact



Successes

- Broadly accepted understanding of visitor numbers and economic impact
- Suggestions to improve aspects of the project
- Useful & credible information to make future investment decisions



Hampshire Walking & Local Food Festival

- Objectives
 - Evaluate whether walking festivals are viable economic regeneration mechanisms
 - Identify non-financial benefits
 - Develop a model evaluation methodology for countryside events



What was Monitored?

- Economic impact
 - Visitor survey (face-to-face, self-complete and telephone)
 - Business (telephone)
- Cost
- Awareness and satisfaction
 - Booking form
 - Visitor survey
 - Observation



Difficulties

- Securing face to face interviews
- Managing the self-completion survey
- Accurate estimate of spending
- Multipliers



Successes

- Clear understanding of economic potential of walking festivals
- Identified non-financial benefits
- Developed standard methodology and questions

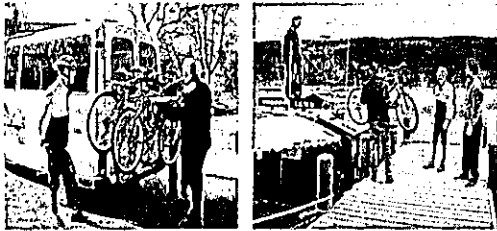


The B4 Network

- Bus
- Boat
- Bike
- Boots

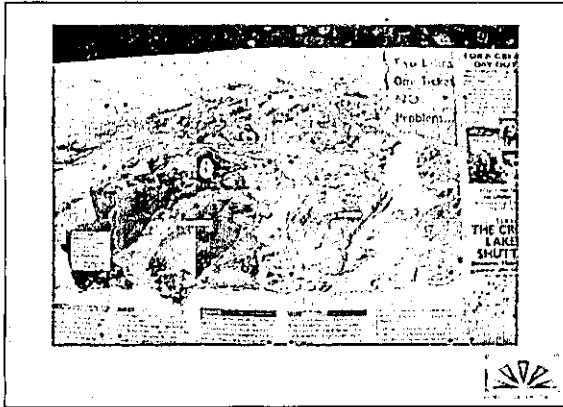


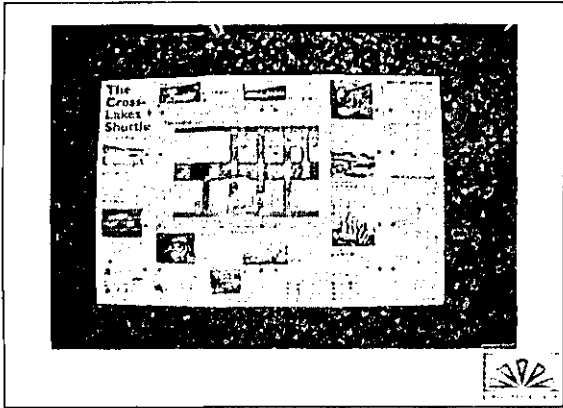
The B4 Network



Linked Trails








Objectives

- Evaluate reduction in car journeys
- Meet user needs better
 - Bus and boat
 - Trails
 - Information
- Increase effectiveness of promotion
- Increasing passengers and revenue



What was Monitored?

- User numbers
- User profile
- Awareness and satisfaction
 - Service
 - Leaflet
- Impact on car movements
- Response to promotion
- Attitudes to development options

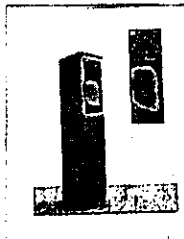


Development Options

- 2002
 - Effectiveness of the map
 - Waymarking & route information preferences
- 2003
 - Cycling packages
- 2004
 - Facilities at Grizedale



B4 Waymerkers



Challenges

- Securing interviews
 - Finding people at bus stops
 - Reluctance to interview on the journey
 - Reluctance to interview on arrival



Successes

- Annual increase in user numbers through:
 - More effective promotion
 - More efficient use of marketing budget
 - Change in target markets
- C10,000 traffic movements saved
- Strong partner support
- Continued/increased funding
- Anticipate self-funding operation in 2006



Good Practice in Monitoring

- Be clear about what to monitor
- Plan in advance
- Be realistic
- Use existing information collection systems where possible
- Collect information efficiently
- Use the information you collect
- Share the information you collect



Heritage Lottery Fund



Heritage Lottery Fund
The National Lottery

Demonstrating the Economic Value of Countryside Recreation

The funder's perspective
or
a perspective on the funder

Heritage
Lottery Fund

HLF and economic benefit

Policy directions.

- B (iii) the scope for reducing economic and social deprivation at the same time as creating heritage benefits
- E the need to further the objectives of sustainable development;

Strategic Plan purpose

- Promote heritage conservation as an integral part of urban and rural regeneration

Heritage
Lottery Fund

HLF's Strategic Aims

- Conserve and enhance UK's diverse heritage
- Encourage more people to be involved in and make decisions about their heritage
- Ensure that everyone can learn about, have access to and enjoy their heritage

Heritage
Lottery Fund

Economic Impact in the Heritage Grants *application*

- Q28 Where possible, tell us about other ways in which you expect your project to benefit your community and the wider public.
- Q31c training
- Q45 Measurable aims. Example of re-used building measures = number of people using it / focus groups on what people think of your project

Heritage
Lottery Fund

Economic Impact in the Heritage Grants *assessment*

- 1 The project makes sure that everyone can learn about, have access to and enjoy their heritage
- 2A The project conserves and enhances our diverse heritage
- 2B The project encourages more people to be involved in their heritage
- 3 Importance of the project to the heritage
- 4 Project planning and management
- 5 Financial need and viability
- 6 Identifying, charting and managing risk
- 7 Measuring success

Heritage
Lottery Fund

Landscape Partnerships Priorities

- Conserving or restoring built and natural features that create the historic character of the landscape
- Conserving and celebrating the cultural associations and activities of the landscape area
- Encouraging more people to access, learn about, become involved in and make decisions about their landscape heritage
- Improving understanding of local craft and other skills by providing training opportunities



Landscape Partnerships and economic impact

Our funding under this initiative aims to contribute to the long-term social, environmental and economic benefit of local communities, usually in rural areas

- attracting investment and developing tourism
- promoting rural facilities
- supporting training in new skills
- providing new jobs and volunteer opportunities



Heritage Lottery Fund



Thinking about economic impact and your project

- Local – where exactly?
- The obvious – where is project spend going?
- Visitor-related – data crunching
- Don't neglect supply side



Heritage Lottery Fund



Our Heritage, Our Future Your Say



A crucial moment for heritage funding!

Two consultations November 2005-February 2006:

- Government's consultation on the future of lottery funding
- HLF's pre-consultation for our next Strategic Plan 2008-2013



The Government's consultation: summary

No change:

- Art and Film, Heritage and Sport will remain the three Lottery Good Causes (in addition to Big Lottery Fund and the Olympics).

May change:

- The current equal share (one-sixth of total) allocated to each of the three Good Causes
- Distributors may receive new Policy Directions
- See <http://www.lottery2009.culture.gov.uk>



The story so far

£330 billion for 16,600 heritage projects since 1994

- £2.1 billion for regeneration
- £390 million for parks
- £458 million for industrial, maritime and transport heritage

'It is to the great credit of HLF that there are now so many excellent examples of how public parks can contribute to the transformation of our towns and cities.'
Alan Barber, Commissioner, CABE Space



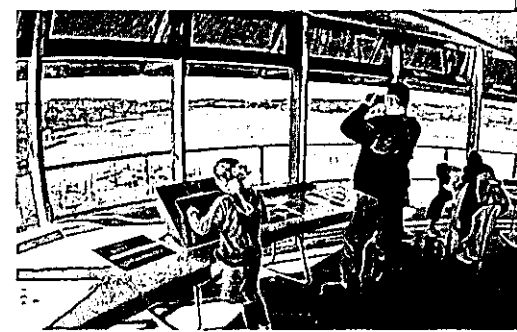
Jephson Gardens, Leamington Spa, West Midlands



The story so far

- Over £500 million for land and countryside
- £200 million for wildlife and biodiversity
- Over £1 billion for museums, libraries and archives

'It is essential that this transformation continues as a legacy to our own and future generations.'
Mark Wood, Chairman, MLA council



Connecting communities

- Since 2002 almost half of all HLF funding has gone to organisations in the voluntary sector
- 40% of funding has gone to the 25% most deprived areas of the UK

'HLF has broadened the social base for the enjoyment of heritage, so there is now an acknowledged diversity of contributions to the national story.'

Think Tank Demos



Northamptonshire Black History Project, East Midlands



Motivating young people

- £5 million a year for our Young Roots programme
- 333 Young Roots projects since 2001

'It's important that children and young people know about their heritage, that they know where they come from... HLF is helping in this process. I hope that many young people... across the UK will continue to influence and benefit from HLF funding.'

Chris Griffin, Member of the Youth Parliament, Dorset



Encouraging volunteering

- HLF awards have generated over a million hours of volunteer time for Wildlife Trust projects
- Over 70 awards have gone to the National Trust which draws on 40,000 volunteers every year

'I really enjoy the atmosphere working at Holton Lee... A big achievement for us was to build tracks for disabled people, by disabled people...'

Volunteer on Access for All project, Holton Lee



Softwing to the Sea, South West



Breaking down barriers

- £12 million for projects directly involving disabled people

'No other mainstream organisation has done so much to promote and deliver equality that makes such a difference to disabled people's quality of life.'

Disability, Equality and Inclusion Conference, North East

'take...city kids who have never smelled lavender – to watch them respond to a garden is just magic!'

Jean Reader, Gateway Project, Wales



The Gateway Project, Wales



Inspiring learning and developing skills

- 600 new education posts created
- 300 new spaces for learning
- £6 million for training bursaries

'The Heritage Lottery Fund has made a vital contribution to preserving our past and making it accessible to children and learners of all ages.'

David Bell, HM Chief Inspector of Schools



Geffrye Museum, London



Delivering wider benefits

- All top ten free heritage attractions have been funded
- In Scotland HLF projects have created 800 full-time jobs related to tourism
- £825 million has gone to the 10% most deprived areas

'If it was just left, most of that community would have disappeared by now ... and you'd just have a lot of derelict houses... Now they're a community...'

Citizens' Juror on Blaenafon World Heritage Site



Kennet and Avon Canal, South West



Our future

Our future funding:

- Even if we retain our current share we will have less money to distribute in new awards during our third Strategic Plan period because of the impact of:
 - Redistribution of Interest
 - Olympic Games
 - Our approach to over-commitment

But with around £200 million a year we will still be by far the largest funder of the UK's heritage



Our aims for 2008-2013

- We believe our basic framework of funding both people and heritage remains sound
- We will aim:
 - To conserve the UK's diverse heritage for future generations to enjoy
 - To enable more people to be involved in and make decisions about their heritage
 - To enable people to learn about their own and others' heritage



Working in partnership to improve delivery

Future directions

- Building new partnerships with other Lottery distributors and others
- Involving the public more in our work
- Simplifying our application and monitoring processes and making our funding more accessible



Our questions

- In the light of our three strategic aims, do you agree with our plans for the future? Are there things we should stop funding, or others to which we should give greater priority?
- Which approaches to increased public involvement would work best in the heritage sector?
- What more could we do to make our funding more accessible?
- What do you think HLF has done particularly well and what should we change?



HLF's Strategic Plan pre-consultation: summary

- See <http://www.hlf.org.uk/> for more information
- To request a hard copy of the pre-consultation document telephone 020 7591 6042
- Reply to our consultation at <http://www.hlf.org.uk/future>
- Or email future@hlf.org.uk
- Or write to: Anne Young, Heritage Lottery Fund, 7 Holbein Place, London SW1W 8NR



Before the end of February 2006:

- Respond to the Government's consultation at:
 - <http://www.lottery2009.culture.gov.uk>
- Tell us your views on our future at:
 - <http://www.hlf.org.uk/future>



