

Europarc Conference 2011

Financing Quality Good Value for Money

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The Challenge for National Parks and Protected Areas

- With a reduction in the public funding for Parks and Protected Areas how do we bridge the gap through voluntary and private sector partnerships?
- How can Parks and Protected Area bodies become more businesslike and commercially minded?
- What policy changes are desirable/required to enable Parks and Protected Area bodies to develop mechanisms to generate revenues/bridge the resourcing gap?

Presentation Themes

- Parks and Funding 2011
- Lee Valley Regional Park Authority Business Model
- Revenue Generating Funding Themes
- Opportunities for National Parks/Protection Areas

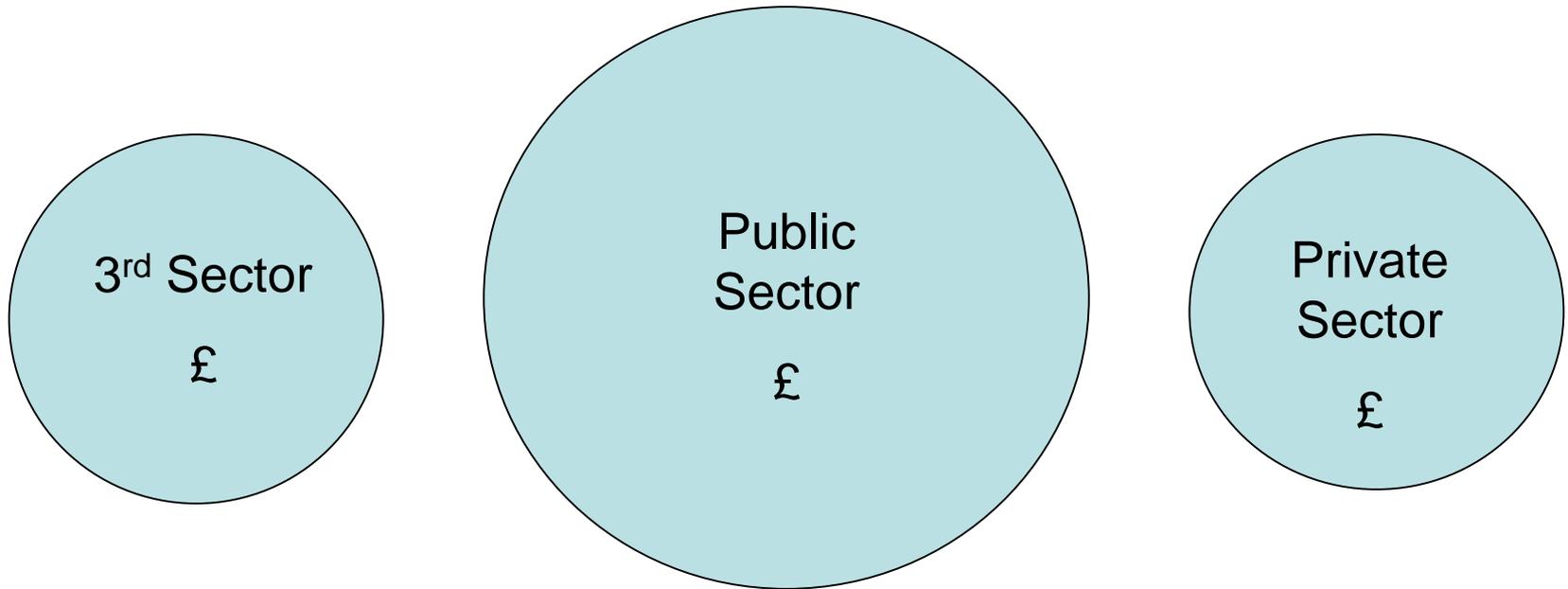


30 Years of a Declining Budgets for Parks in UK

- 1979-2005
£1.5 bill reduction in Parks budgets
- 2010-14
25% plus budget cuts



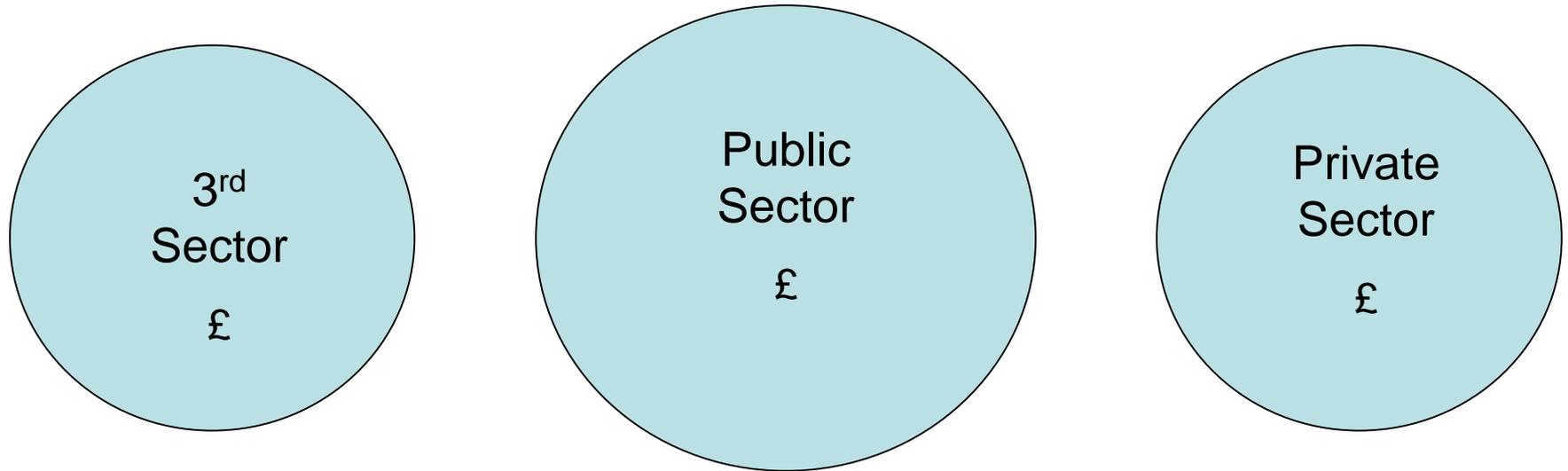
2011 Park Resourcing Model



Public Sector led



2015 Park Resourcing Model



New funding model



New Philosophy and Mindset?

Commercially focused and community centred

- “Work the assets”
- Private sector partnerships
- Maximise income generation
- New business models
- New operating models
- Community led to private sector led spectrum



Innovative Funding Models in 2011

- Centennial Parklands
- Milton Keynes Trust UK
- Royal Parks UK
- Cornwall Park NZ

These models are worth researching



Lee Valley Regional Park



Facts and stats

- 4,000 ha
- 4.5 million visitors per year
- Internationally recognised wildlife sites
- 8 Green Flags
- Four Olympic Venues
- Investors in Volunteers



Facts and stats

- 85% customer satisfaction
- £50m capital investment 2004 to 2010 (40% from external sources)
- £250m investment from Olympics
- £18m revenue budget 2010/11
- Many services delivered through third parties
- £7m cash income p.a.

Lee Valley Regional Park in 2011

- Sports participation
- Community
- Biodiversity
- Waterways
- Education
- Sports development
- Volunteers
- Events
- Facilities & Attractions



Vision for Lee Valley Regional Park 2020

A world class leisure destination

Our Mission

We will lead the delivery of a world class destination through a range of private and public sector partnerships whilst maximising value for money for the taxpayers of London, Essex and Hertfordshire



2010-13 Business Plan Key Themes

- Commercial focus
- Branding and marketing
- Olympic legacy
- New organisational/
operational models



Olympic Venues in Lee Valley Regional park

- White Water
- Hockey & Tennis
- BMX
- Velodrome



Developing a Sustainable Funding Model: Current Lee Valley Business Model

- 65% of funding from region's taxpayers
- 35% from cash income
Modest commercial focus
- Mix of direct provision and contracted services
- Strong community focus

New Business Model

- Less than 50% funding from the taxpayer
- Strong commercial focus
- New operational models
- Greater community involvement and ownership
- New Brand for the LVRP



Fresh Commercial Approach

- Corporate partnerships
- Sponsorship
- Commercial leisure development
- Shared Services
- Branding & merchandising



Harnessing the Commitment and Energy of the Community and Volunteers



Greater Community Ownership

- “Friends of” group and Community/User Forums
- Professional volunteer programme
- Management of ‘local’ Parks by community groups?



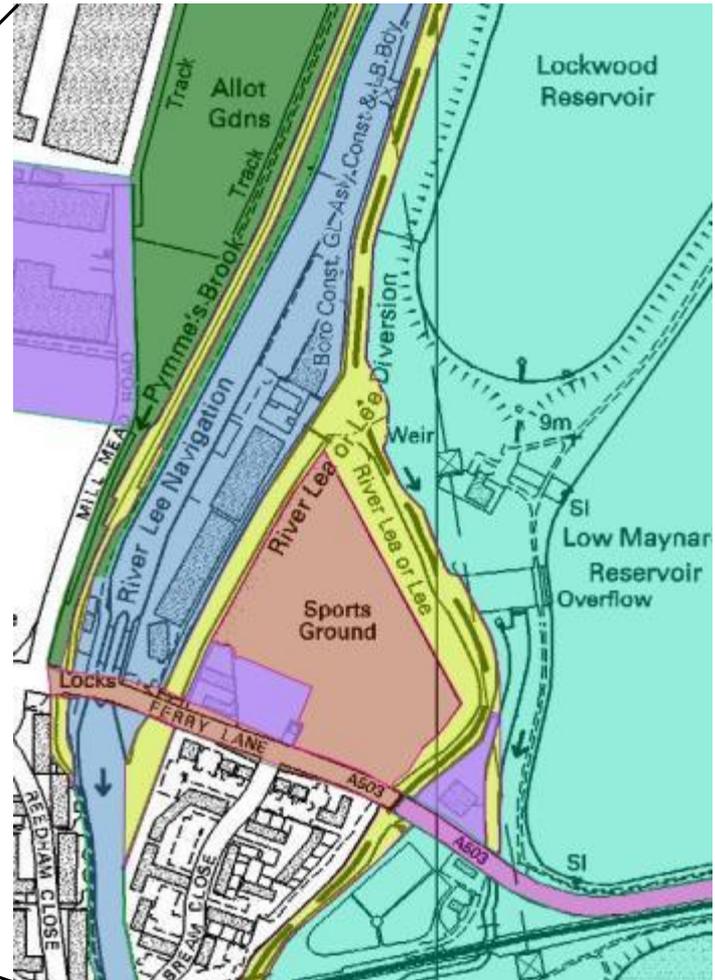
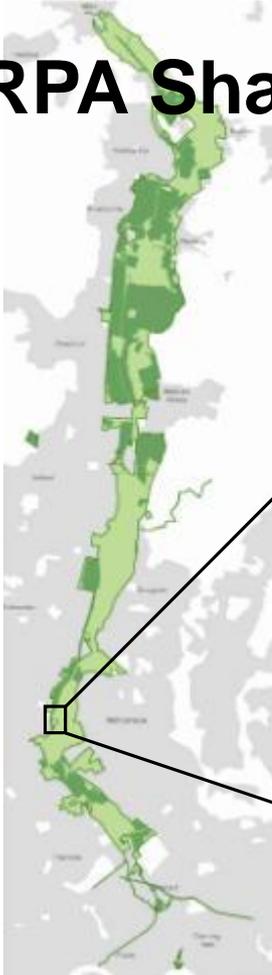
Economy of Scale Through Public Bodies Sharing Services

- Joint procurement
- Single service/contract across boundaries
- Politically challenging
 - Example: 5 agencies juxtaposed with parkland/open space management responsibilities



LVRPA Shared Services

- Environment Agency
- British Waterways
- Thames Water
- LB Haringey
- LB Waltham Forest
- Private owners



Commercial Leisure Opportunities in National Parks/Protected Areas

- Visitor Accommodation
- Activation Centres
- Branding
- Merchandising
- Sponsorship



Commercial Investment

- **Visitor Accommodation**
 - Lee Valley Park
 - Brecon Beacons
 - Lake District
 - Cairngorms



Visitor Attractions



Lake District

- Idea rejected



Sponsorship and National Parks

- US 2005 'National Parks to Seek Corporate Sponsorship'
- "Corporate Funds Will Alter Park Landscapes and Sway Policies"?
- Unilever 4 year \$22mill sponsorship deal for National Parks
- Nature Valley in 2011- \$550,000 funding of projects in 4 National Parks

Lake District National Park UK

- Sponsorship income 2007/8 £78k 2008/9 £114k
- 2010 Sprayway sponsorship of Lake District Volunteer Service
- All volunteers kitted out with Sprayway branded waterproof jackets and fleeces



Why does an Organisation/Destination need a Strong Brand?

- Identity
- Values
- Heritage
- Ambition



Images of Fresh and Dynamic Brands

- Lochness
- Cairngorms
- Lee Valley



Lee Valley Park Brand

- Leaflets
- Website
- Signage



Lee Valley Regional Park Straplines

- ‘Sport Nature and Discovery’
- ‘National Park for Active Sport’
- ‘World Class Leisure Destination’



Merchandising

New Forest National Park

Woodland Trust

Royal Parks



Are There New Organisational Models Which Can Enable Park Agencies to be More Commercial/Efficient?



New Organisational and Operational Models

- Public sector client/commissioner
- Private and voluntary sector delivery
- Shared services between Parks agencies/public bodies eg legal
- Tax efficient organisation e.g. Trusts



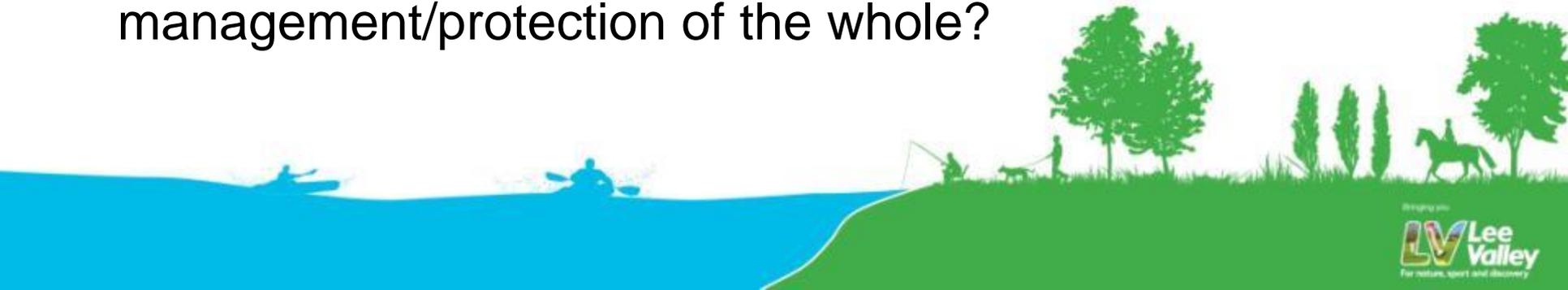
New Organisational and Operational Models

- Commercial freedom for Park agencies
- Borrow and invest
- Joint ventures



Endowment Funding from Development

- Does the Park/Protected Area have marginal land of little amenity or conservation value which could be sold/leased for development?
- A small geographical area can deliver a significant capital receipt which could result in a healthy endowment revenue stream.
- Is the sacrifice of a very small area for a revenue stream a price worth paying for the effective management/protection of the whole?



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