

The Countryside Recreation Research Advisory Group Conference 1976

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Proceedings: Economic Aspects of Countryside Recreation Management

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<i>Session 5</i>	<i>A.J. Grayson</i>	<i>Chief Economist Forestry Commission</i>

PREFACE

CRRAG is a technical liaison committee which was established in 1968 to ensure that the powers of its government agency members to undertake research and experimentation into aspects of countryside recreation were used as effectively as possible. Subsequent legislation has brought about changes to the agencies concerned and hence membership of the Group has been widened from time to time; it has also been joined by the local authority associations whose members not only rank amongst the chief "customers" for research undertaken but also themselves carry out a good deal of research, experimentation and monitoring, mainly in a local context. CRRAG is thus concerned to keep its members in touch with current work; but the Group also publishes information on current research and statistics and holds a conference each year.

The earlier conference themes dealt with technical subjects but more recently CRRAG has taken issues of policy interest as a focus for discussion designed, inter alia, to bring to light gaps in research which member agencies or others might wish to follow up in due course.

In selecting a theme for their 7th annual conference, CRRAG took the view that it was becoming increasingly important for managers, policy-makers and their advisers to try to make the most effective use of existing facilities in the countryside and, in developing new recreational opportunities, to make better use of methods of economic and financial appraisal. Thus the conference theme of economic aspects of countryside recreation management gave those engaged in, or concerned with recreation management in the public and private sectors an opportunity to consider how questions of pricing and charging for countryside recreation could be approached and how these issues, in turn, related to new investment. CRRAG felt it essential for the conference to be concerned with the realities of these questions, rather than being concerned with philosophical or academic debate. In publishing these proceedings, therefore, CRRAG hopes that a wider audience will derive value from the two days spent discussing this subject at Durham

CRRAG MEMBERS

Association of County Councils
Association of District Councils
Association of Metropolitan Authorities
British Tourist Authority
British Waterways Board
Countryside Commission
Countryside Commission for Scotland
English Tourist Board
Forestry Commission
Natural Environment Research Council
Nature Conservancy Council
Sports Council
Scottish Tourist Board
Wales Tourist Board
Water Space Amenity Commission

PREVIOUS CRRAG CONFERENCES

1970 The demand for outdoor recreation in the
 countryside.

1971 Cost/benefit analysis in relation to planning.

1972 Use of aerial photography in countryside recreation
 and conservation research.*

1973 Use of site surveys in countryside recreation
 planning and management.*

1974 Information systems for recreation planning.*

1975 The recreation future of the countryside near
 towns and cities.*

* Reports still available.

ECONOMIC ASPECTS OF COUNTRYSIDE RECREATION MANAGEMENT

PRICING: A BACKGROUND PAPER

by

R. Stoakes
Countryside Commission

"I went to take the aire in Hide Park, where every coach was made to pay a shilling, and horse 6d, by the sordid fellow who had purchas'd it of the state, as they were cal'd"

Entry for 11 April 1653 in John Evelyn's diaries.

1. INTRODUCTION

The purpose of this background paper is to sketch out a number of the theoretical and practical aspects of pricing which face providers of recreation facilities, whether in the public or the private sector. It should be stated at the outset that no hard and fast pricing policies can be advocated because pricing policy must be seen as a means to an end rather than an end in itself. Consequently an agreed policy can only be established when the overall objectives have been defined and relative priorities determined. This paper seeks to highlight some of the wider issues facing private and public providers when considering questions of pricing. It is therefore hoped that this paper will enable (a) the objectives of recreation provision to be more clearly defined, (b) the roles of the public and private sectors to be more apparent, and (c) the pricing mechanism to be seen as a significant instrument of management.

2. THE OBJECTIVES OF RECREATION PROVISION

2.1 Whether provision for recreation is made by the public or the private sector a set of overall objectives can be put forward against which particular pricing policies can be appraised. The most important economic objective will probably be to ensure that resources are used as efficiently as possible. This means attaching the greatest importance to the provision and maintenance of a variety of recreation opportunities of the right kind, the right number, scale, and location which provides the greatest benefits to consumers, at least cost.

2.2 The first difficulty facing the recreation provider in attempting to realise this objective is to determine whether recreation should be treated as a tradeable commodity or as a social service. The former implies that benefits will be maximised through the market mechanism, that is by charging for the facilities provided, whilst the latter suggests that the facilities will be made available, by local authorities and/or government, possibly free of charge. The present

situation resembles a mixture of the two with some private provision, some public provision which is priced and some which is free of charge. Recreation, therefore, can be seen to be both a tradeable commodity and a social service.

2.3 However, it must be recognised that within the overall objective of using resources as efficiently as possible, there are a number of goals which could override a strictly economic approach to the meaning of efficiency. These might include for example (a) social welfare, ie concern for disadvantaged social groups: (b) environmental objectives, ie to ensure that scarce and valuable resources are adequately protected, or (c) the need to minimise levels of public expenditure and public subsidies.

2.4 These goals are considered in turn in the following parts of the paper. The first (part 3) examines the efficient use of scarce resources so as to maximise social benefits. This approach begins by looking at recreation as a commodity and then examines where the market mechanism is likely to fail to produce satisfactory results in terms of social welfare. The discussion of the economic objective in recreation provision also provides a comparison between the behaviour of the public and private sectors in terms of price levels and scale of provision for visitors. Examples of "market failure", where private enterprise (or the market mechanism) is likely to produce results which diverge from the objective of overall efficiency, include:-

- a. monopolistic power: in this case because of the existence of a unique natural phenomenon, or a man-made resource which is expensive or impossible to replicate, private ownership may, through its ability to restrict the level of particular types of provision, be able to charge higher prices, and allow fewer visitors than would be the case if public provision were made;
- b. indivisibilities: this problem arises where economies of scale are so substantial relative to the number of people who can be expected to visit the site that profitable competition is not possible, in this case pricing would result in financial deficits and consequently no private provider would wish to enter the market for comparable recreation services. However, the possibility of losses by the private sector does not mean that public provision should not be made as social benefits may still exceed costs;
- c. "public goods": recreation sites and areas which lie in the public domain are quite common. On such sites the cost of supplying an additional visitor with the recreation activity is zero and the provider of the activity is unable to collect any revenue from the users at a cost which covers the cost of provision, collection of fees and administration. This is a situation where private provision would mean under provision because private providers would be unable to cover costs with revenue.

2.5 But it is also necessary to introduce other components into this discussion. Environmental objectives are concerned with the conservation of natural resources as well as problems associated with site congestion, quality deterioration or secondary effects of pricing on other sites or other land uses, and need to be considered in determining pricing policies. Part 4 of the paper examines these aspects in greater detail.

2.6 Social goals. It is often considered necessary to provide recreation as a social service rather than a tradeable commodity. In order to satisfy broad social objectives, it may be desirable for public intervention to provide facilities when the market mechanism fails to provide social benefits at least cost to resources. Another possibility to be taken into account is that public provision of recreation might be used as a means of redistributing income in favour of the poor and other disadvantaged groups in society, that is to say that the availability of a facility is not dependent solely on the ability to pay but on some concept of social need. These issues are discussed in greater detail in part 5.

2.7 One other objective may be the need to minimise public expenditure costs generally and to reduce levels of subsidy to the private sector. This should be seen more as a constraint on recreation policy than as an objective. Nevertheless, it is an important consideration because it limits the extent to which providers can consider economic and social objectives rather than purely financial considerations. These issues are discussed in greater detail in part 6.

3. ECONOMIC OBJECTIVES

3.1 Profit maximisation. In the private and many parts of the public sector managers are expected to behave as "profit maximisers". This objective is usually expressed as a financial target, namely as a rate of return on assets employed. These returns are expected to act as an indicator of where resources can be channelled to earn the greatest financial return. If this criterion were to be adopted by recreation providers then provision would be made only if the revenue earned from each activity were at least as great as the cost of provision. Following the profit maximisation criterion means that consumer benefits from provision equal the revenue received by the provider, and the only costs involved are money costs.

3.2 The "profit maximiser" in the recreation sector will choose that level of provision which equates marginal revenue with marginal costs, that is where the extra revenue earned from an additional visitor is equal to the extra cost of providing for an extra visit. It should be noted that this pricing rule is applicable whether the decision concerns provision for an additional visitor, an additional activity, or an additional site.

3.3 Social surplus maximisation. Where private objectives of profit maximisation fall out of line with the objective

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of maximising social benefits, an alternative criterion should be used, namely the social surplus criterion. This attempts to provide monetary measures of benefits and costs of provision from society's standpoint and so aims to go beyond the purely financial arithmetic of the private operator. This becomes an important means of appraising projects where revenue is often difficult or impossible to raise.

3.4 Taking a social standpoint means in practice that provision is made in the consumer's interest. The value of a recreation trip, using this criterion, is determined by the amount a person would be prepared to pay in order to enjoy the experience. We can all think of instances where the value of a trip around an ancient monument was worth more than the 10p entrance fee. The consumer's willingness to pay can be measured directly from the demand curve which measures the responsiveness of visits to the site to changes in entrance fees. Thinking again of the ancient monument, we can also imagine an entrance fee which would deter us from entering the site. The demand curve for the site simply traces out the number of people who would visit the site at varying entrance fees. At any one time there is likely to be only one entrance price. This means that there are likely to be some people visiting the site at that price who would have been prepared to pay more to enter. Total willingness to pay is represented by the area below the demand curve. "Consumer surplus" represents the difference between what people are willing to pay and the price they actually have to pay. These benefits may be provided by using scarce resources which have value in uses other than recreation, eg in agriculture. So provision should be restricted to a level where the value to the visitor of an additional recreation trip is equal to the cost he incurs on society in using resources at the site. Thus on this basis the price charged for entrance to the site should be set at a level which maximises consumer surplus net of resource costs. Going back to the ancient monument example, this would mean that the price charged should be set at a level which restricted use to the point where willingness to pay of the last visitor equals the costs of making provision for that extra visitor. As in the case of the "profit maximiser", the costs and returns relevant for a particular management decision will depend on whether the manager wants to know whether it is worth providing for an extra visitor, an extra activity, or an extra site.

3.5 The distinction between profit maximisation and the social surplus criterion only becomes relevant if it is necessary to guarantee the achievement of social welfare objectives through the market mechanism. The degree of "market failure" in the recreation sector is often used to justify public intervention to provide what is considered a desirable range of facilities. These conditions, where profit maximisation and the social surplus criterion are likely to diverge are discussed in the remainder of this section.

3.6 Monopolistic power. One case where the two criteria diverge arises when the enterprise or activity possesses some degree of monopoly power. This exists when the individual provider has some control over the price he is able to charge for the use of his facilities, rather than taking market price as given and adjusting his scale and level of provision to maximise profits or surplus. The "profit maximiser" will adjust the visit level to his facility by varying the entrance fee until the extra revenue from an additional visitor equals the cost of provision. On the other hand in setting his optimal visit level, the "social surplus maximiser's" pricing rule will be to equate willingness to pay of the last visitor with the costs of providing for that visitor.

3.7 We can also compare the behaviour of the private and public manager by representing the private sector by the "profit maximiser" and the public sector by the "social surplus maximiser". However, it is not uncommon for public sector enterprises to behave as "profit maximisers". The purpose of this comparison is to demonstrate the differences in price and visitor levels that one could expect from a site operated under private and public management.

3.8 This can be shown most easily with the aid of Figure 1. The provider of recreation in the private sector will maximise profits by attracting OQ_1 number of visits; and given the demand curve D-D, this means an entrance fee equal to OP_1 .

3.9 The public provider will maximise consumer surplus less costs at a visitor level of OQ_2 . Given the demand curve D-D this will be achieved at a price of OP_2 . We can see immediately that the two pricing rules produce different results. The public provider's price will be lower, and the level of provision greater, than in the private sector. Thus, although in this case the public sector charges a lower entrance fee, it cannot be said that this represents price discrimination against the private sector: it is simply following a pricing rule which is nearer to the objective of maximising social benefits, than is the rule followed by the private supplier.

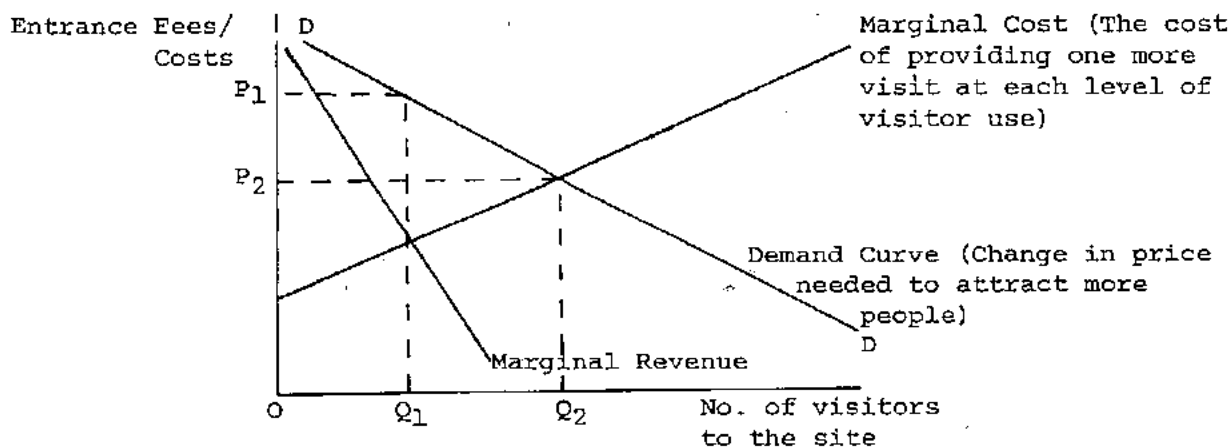


Figure 1

3.10 Indivisibilities. Many recreation sites exhibit the characteristics of what has become known as the indivisibility problem. This arises when the scale of investment required to provide for recreation at the site is so large in relation to the number of visitors expected that if the site were provided for one visitor, other people could visit the site at zero or nominal extra cost to the provider without detracting from the value of the first person's visit. Marginal costs are, therefore, zero, because the investment has already been made and would still be there at the same level if visit levels either increased or decreased. A private supplier would not be likely to enter the market for the activity under such circumstances because a policy of equating price with marginal costs would not cover capital costs. This example of "market failure" could justify public provision if it could be shown that consumer benefits exceeded costs. Swimming pools, which require high initial capital outlays in relation to volume of use, fall within this category.

3.11 Private provision may be worthwhile, even where the indivisibility problem exists, if the capacity of the site is small relative to the expected level of use. In this case the provision of facilities for one person also allows provision to be made for all users at no extra cost, the limit being determined by the capacity of the site. The function of price in this instance is thus to ration use so that it is constrained within capacity. A private provider may make profits if the capacity of the site is such that the overall market for the activity can sustain a profitable price. If shifts in demand occur, or if overall capacity is expanded by the public sector, the price facing private suppliers may be eroded as visitors change to cheaper public sites. The private provider is then back to a situation where revenue does not exceed expenditure.

3.12 The cinema presents a good example of the indivisibility problem. Providing a film to one person could at no extra cost also allow a great number of people to view the film. Providing films for people to look at only becomes a profitable venture if there are more people who want to see a film at a particular moment than there are seats available. Prices are necessary to ration the seats available rather than to ration the film among cinema-goers. The main costs in providing a film show are the costs of producing the film and the cinema building itself. The building could be viewed as a means of restricting access to the film. Profits can be made if the capacity of cinemas in any one area is small enough in relation to the market for film-going that people are willing to outbid each other for seats. However, television and other substitutes have developed which have reduced the size of the cinema market to such an extent that the capital costs of operating large cinemas are not covered by revenue.

3.13 Planning for recreation is often considered to require a need to plan the capacity of sites so that they can absorb

peak period demand. Presumably this means that capacity should be able to serve the number of people who can be expected to visit the site at 3.15 on a warm Sunday in August. Thus different site capacities would be required for each pricing rule that a manager might be asked to follow. If all costs have to be covered by revenue, then prices should be higher, and the scale of provision less than if the requirement is to cover running costs only, which, for many countryside recreation sites, might be low, if not zero. If provision is to be made simply to meet demand, and the pricing rule is that zero prices should be charged, the scale of provision required could obviously be even greater than the case where running costs have to be covered by revenue. This means that policies which plan to cover running costs only, or to meet demand, do so at the expense of other costs. Planning to meet peak demand may thus be a particularly expensive form of recreation provision. This means that if the private and public sectors are in competition for a particular recreation service, the level of profits for private providers may be very sensitive indeed to the overall site capacity being supplied.

3.14 Peak and off-peak pricing. This is possible at recreation sites because they are not used at a constant rate throughout the year, or even during the week or a single day. This system of pricing enables operators to maximise profits from the site, or each activity, by taking account of the variations in visitor use.* Its use also depends on the existence of rigid capacity constraints. Figure 2 below represents an example of a country park where demand varies between summer and winter and where management is able to define a rigid capacity level for the park, which is determined by the size of the car park. To simplify the diagram, only running costs have been presented and these have been assumed to remain constant up to the capacity limit.

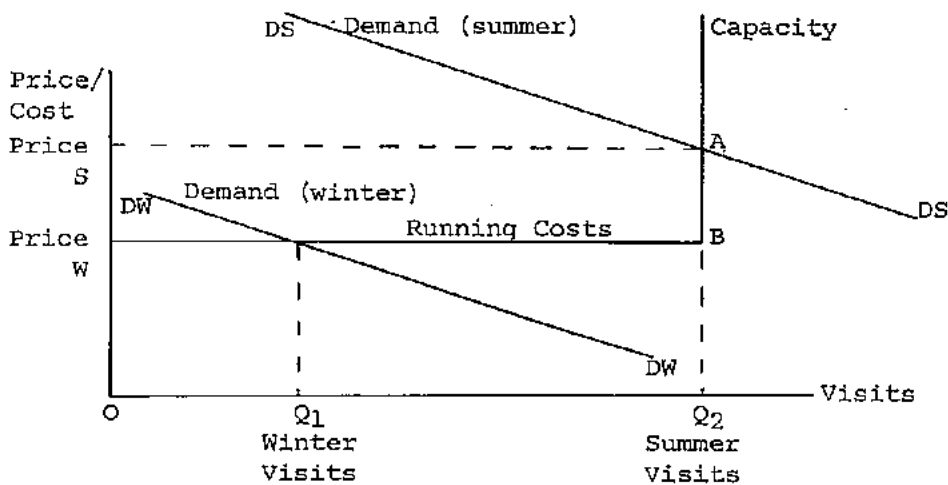


Figure 2

* It should be noted that the following discussion is also applicable to the pricing of different activities on a recreation site as well as to the peak/off-peak pricing question.

Winter demand is represented by DW-DW. The optimal winter price is OW, where the visit level is OQ_1 , so that the providers are likely to follow the price rule of equating price with running cost (marginal cost). Thus, in winter only running costs are covered. The summer demand on the other hand is represented by DS-DS. The optimal summer visit level OQ_2 is also the capacity level. Again the price rule is to equate price to margin cost at the capacity visit level OQ_2 . Summer demand generates a revenue in excess of running costs equal to the rectangle SABW. This represents a contribution to capital costs and possibly to profits and so enables the enterprise to cater for both summer and winter demand.

3.15 "Public Goods". Certain goods and services possess characteristics which if left to the open market would result in under-provision. This is particularly relevant to recreation provision because many recreation areas and sites exhibit the characteristics of such "public goods". It should be noted that this term refers to characteristics of the goods not to the provider. A recreation site would be termed a "public good" if the site fulfilled two criteria: (a) if the site is available for one person it is available to all - this is often referred to as non-excludability; and (b) if full satisfaction from the visit by one person does not impede the full satisfaction of a similar visit by other people - this characteristic is often referred to as non-rivalness.

3.16 Few recreation sites exhibit these two characteristics of non-rivalness and non-excludability in the extreme yet many exhibit some characteristics of the public good. Perhaps the main consideration affecting the "public nature" of the recreation site is whether it is physically possible and practical to exclude people. It may be possible to conceive of a case where people are willing to pay a charge that exceeds normal running costs yet that charge would not cover the costs of collection. Thus the administrative and collection costs of charging becomes a significant consideration; it may be a case of spending two pounds to raise one.

3.17 If sites exhibit characteristics where use was non-rival but where exclusion facilities were feasible and cheap, pricing could be used to recover expenditure. If a site exhibited rival but non-excludable characteristics visitors would control the level of use themselves by stopping away from congested sites. If sites are pure "public goods", that is where use is non-rival and non-excludable, then by definition no control by pricing is possible. If recreation sites exhibit the characteristics of "public goods" then this may prevent any attempt to raise revenue through pricing. This is a case for public provision, but it also means that it is difficult to measure consumer preference and the optimal level of provision.

3.18 Resource Costs. One function of prices is to ration scarce resources between alternative uses so as to yield the greatest net benefit. Therefore, if resources are not being

used there is no need to charge a price. Recreation trips are likely to involve three types of cost: (i) costs to the user, (ii) environmental and external costs to the community, and (iii) costs to the provider. The magnitude and relative importance of each of these categories of cost is likely to vary greatly between recreation facilities.

3.19 User costs, the costs of time and money to the person making the recreation trip, will be excluded from the discussion of resource costs because they do not involve resources directly used in providing the recreation facility; they are incurred by the beneficiary of provision. Also excluded for the moment are the environmental costs which, because of their importance in countryside recreation provision have been left over for separate consideration in the next part of the paper. The costs which are discussed here as resource costs are those which are incurred by the provider of the recreation resource.

3.20 The costs incurred by the provider of the facility can be simply categorised as land acquisition, site development, operating and maintenance costs. These categories of cost can be expected to vary in their level and relative importance because costs will reflect the capital intensity of development and the value of the resources in competing uses. The manager, in determining which costs are relevant for his particular purposes should attempt to estimate costs of operating the site over the relevant period of time and resources should be valued on their worth in their alternative uses rather than at historic book value. The planning horizon will depend on how the manager views the future of current price-cost relationships. Prices and costs should be seen as interdependent, where decisions about future levels of output and costs will also affect price levels.

4. ENVIRONMENTAL OBJECTIVES

4.1 Congestion at recreation sites can impose additional costs on visitors to the site in the form of a reduction in the value of their visit. The problem here is that, although these costs are generated by additional visitors above a level of acceptability, they are not included in the travel and other associated costs which the visitor considers when deciding whether or not to make the trip. This suggests, on the basis of the economic efficiency criterion, that in making the trip the benefits received by this additional visitor should at least cover the congestion costs he imposes on other people. Prices which reflect these extra costs could thus be charged on entry to the congested facility. However, for this theory to work efficiently the visitor must clearly have some idea of the price he will be expected to pay before he sets out on his recreation trip, otherwise he may waste his own time and travel costs going to a site he thought was free, but which has an entrance fee which he is not prepared to pay.

4.2 Figure 3 demonstrates the congestion problem and the

theoretical pricing solution. If there was no entry fee, visitors would only be concerned with covering their own travel costs. Thus given the demand curve, the number of visits to the site would be QQ_1 : where costs to the user equal demand (point C).

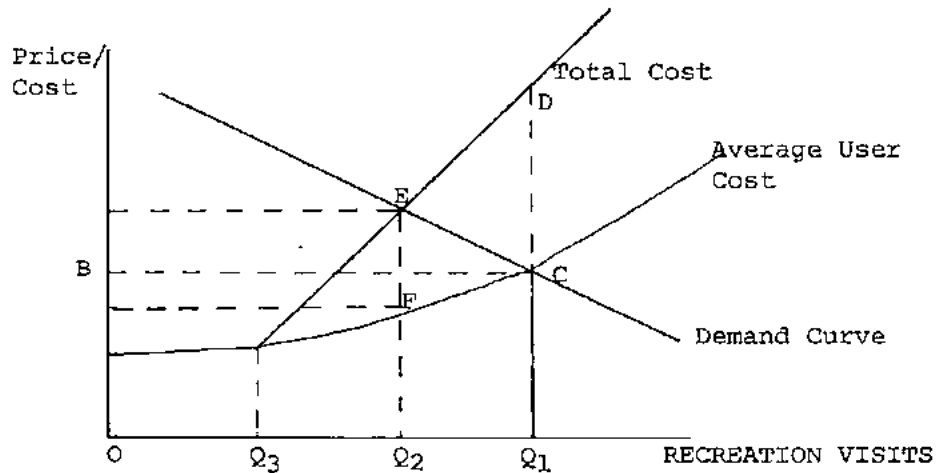


Figure 3

But at that level of visits additional congestion costs are imposed on other users; these are included in the total cost curve. At QQ_1 visits the congestion costs imposed by the last visitor are equal to CD . The efficient solution is to raise entrance fees until visits are reduced to a level where the total cost incurred by the last visitor equals his demand (willingness to pay) for that trip. This requires a price, equal to EF , being charged for entry to the congested area. This price reduces the number of visitors to QQ_2 . Even at this level of visitor use there will still be some congestion but it is not desirable to seek to reduce this by a further increase in charges because these costs are matched by benefits from the visits which create the congestion. This result suggests that free entry will not produce an optimal level of use at a congested site.

4.3 Quality. Where use of a site is not rationed by price the resources may become over-used. Large numbers of people visiting a site may cause a serious reduction in the quality of the recreation experience provided at the site. We have already described how these conditions may result in congestion costs as use increases above a certain level. One effect of this situation is that the single demand curve that we have been assuming to exist may in fact be very different. It may be more realistic to think in terms of a series of demand curves for recreation at each site, each one representing the responsiveness of visits to changes in price, with the quality of the visit held constant. These demand curves allow us to demonstrate how, because of the effect of crowding or congestion or the willingness of people to visit a crowded site, the level of use will be self-limiting. With free access this could result in low intensity recreation areas becoming high intensity recreation areas. Yet, if there were a pricing policy, the low intensity

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users may be able to outbid the high intensity users for the use of the site. This supports the view that congestion itself does not act as an efficient rationing device on the use of the facility. However, one important implication of this is that willingness to pay, or benefits from recreation at a site, may be much lower than would be estimated if the effects of quality were not incorporated into the identification of demand curves. So although congestion is self-limiting, if surplus or benefit maximisation less costs is to be pursued, pricing is still more efficient. The seriousness of the loss of social benefits will obviously depend on the relative slope and position of the constant quality demand curves.

4.4 Irreversibility. The two effects described above may be important at the present time and could become more so in the future. This poses a particularly difficult problem because the demand for natural resources is expected to grow over time relative to income. Recreation providers in the public sector not only face the problem of achieving the most desirable distribution of resource use among high and low intensity recreation use at the present time but, over time, can also expect sites with low levels of use to command a premium. This means that recreation provision is not only concerned with price and costs of provision within existing scales of activity but that an attempt must be made to forecast future prices and costs. This is important because decisions taken today affect future choices. Appraisal of schemes must not only be concerned with demonstrating or measuring the value of resource relative to their use in alternative sectors of the economy, they should also be concerned with devising alternative criteria for achieving the optimal density of provision between natural and capital inputs. In investment appraisal, the analysis assumes consistency in relative prices over time. If technological change and economic growth are likely to result in changes in relative prices in favour of higher relative prices for natural resources, then discount rates may need to be adjusted to reflect these changes in future prices.

4.5 External Effects. Pricing at a recreation site may induce certain undesirable side effects. This arises when the benefits obtained from a pricing policy at one site may be more than outweighed by unacceptable consequences at other sites and in the rest of the countryside generally. Pricing may, after all, divert people to more ecologically and environmentally sensitive areas. Free car parking is often allowed at sites if it is thought that this will avoid road congestion which often occurs when people attempt to avoid charges. However, arguments about external effects are not directed against pricing as such but at inefficient pricing. Rather than subsidise the use of recreation sites it may be preferable to charge high prices for entry to sensitive areas. However, because these more sensitive areas may exhibit the characteristics of "public goods", it may be difficult to exclude people from them by charges. In

this case subsidised parking at recreation sites may be the only solution. Local authorities may be in the best position to accept these external costs because they are able to view recreation provision as a series of interdependent facilities within a wider framework. This suggests a need for experimentation to determine relationships between sites and acceptable levels of use; together with policies to regulate relative use levels.

5. SOCIAL GOALS

5.1 In part 2 it was suggested that provision of recreation facilities may be to meet social welfare objectives which might give high priority to recreation provision for low income and disadvantages groups in society. The House of Lords Select Committee on Sport and Leisure considered that "the provision of opportunities for the enjoyment of leisure is part of the general fabric of the social services". This clearly asserts that public provision should give priority to meeting social objectives. Such a social criterion becomes important if society decides that money cannot be regarded as a measure of welfare independent of the distribution of income. The effect of this train of thought is that economic efficiency and the other goals need, at the very least, to be modified in order to avoid the assumption, implicit in the use of the market mechanism, that money has the same value irrespective of the social position of the person who receives and spends it.

5.2 The pricing rules outlined in the earlier sections of the paper do not necessarily imply that the income distribution effects of policies are desirable. If policy-makers want to weight their policies in favour of particular groups then it is perfectly feasible to do so. Income distribution objectives can be incorporated as constraints to the economic efficiency criteria. Any financial deficits resulting from such a policy would need to be paid for out of a social fund eg by central government grants. It might therefore be useful to policy-makers if grants and subsidies provided to meet objectives of public provision and social provision to redistribute income were presented separately in the accounts of grant-aiding organisations.

5.3 Given the need to consider social objectives, the basic issue is to determine whether it is desirable or equitable to set prices at levels which impose costs on providers, other consumers, or taxpayers. In this case the policy-maker becomes involved in a balancing act between attempting to meet economic efficiency objectives and social acceptability. At present there is no statutory duty on the part of providers of recreation to distribute their funds to the benefit of identifiable social groups within the population. This possibility might compel providers to determine the requirements of the population in greater detail and to devote rather less attention to land use considerations than at present with the net result that the availability of specific recreation resources in particular locations might

not always prove to be in the most beneficial location when consumer interests were considered.

5.4 A major problem with subsidised recreation provision is that the subsidies are indiscriminate. Charges for many informal countryside recreation sites are either zero or at a token level: yet surveys have shown that users tend to be from higher income groups. This raises the question of whether sites should be subsidised at all. Alternative, more effective, ways of meeting social objectives could be considered. Vouchers have been proposed in the USA, but these are likely to engender a great deal of consumer resistance, because of the means testing aspects associated with their introduction. In urban areas additional problems arise because land values are likely to be high if amenity value is high. Urban parks and golf courses generate benefits to nearby residents which are capitalised into land values. Provision of these amenities may thus represent a subsidy paid in part by those who are unable to live near a park to those who do so. Nevertheless, this imbalance would be likely to be reflected in the rating system.

5.5 Although subsidies tend to be indiscriminate across users they are thought to encourage poorer people to use facilities. This assumes that the location of suitable recreation sites is such that even where provision is free, all consumers would have equal opportunity to participate. It has been suggested that the cost of making a recreation trip comprises four components (a) money costs of travel, (b) time costs, (c) entrance fees, (d) effort, and that entrance fees represent (and would continue to do so under efficient pricing policies) only a small and insignificant proportion of the total cost. Therefore, the social objections to entrance fees may be minor, and that, if social goals are important objectives then ways of reducing the other components of trip costs could be more significant. A number of alternative solutions could be suggested to reduce these costs. These would include either transport subsidies, income supplements, longer paid holidays, or locating sites nearer to users assuming that the characteristics of sites reflect consumer preferences which may not be uniform across social groups. This latter policy may generate a demand sufficient for users to be able and willing to pay for a level of use which covers costs.

5.6 Recreation might also be held to fall within the category of what are known as "merit goods". That is goods which should be subsidised because, left to their own devices, consumers will not consume enough of them. Similarly goods which consumers would tend to consume too much of but which are bad for them ought to be taxed. An example of this would be in recent changes in the excise tax for tobacco, which are thought to have been made to discourage people from smoking, as much as to raise revenue. The "merit good" argument is a difficult one to accept simply because one can think of so many categories which could fall within it.

6. PUBLIC EXPENDITURE

6.1 Recoupment of Accounting Costs. One objective of recreation provision may be the need to minimise public expenditure costs and reduce levels of subsidy. This is not so much an objective of recreation policy as a constraint on the achievement of other recreation objectives. This policy constraint is often introduced in those situations where, for reasons already discussed in part 3.4, adherence to the pricing rules results in the marginal cost pricing rule producing financial losses. Where economic and financial criteria diverge it may not be feasible or desirable to charge, but in certain cases the costs incurred by particular users may be recoverable as money revenue by adjustments to the pricing rule.

6.2 A two part tariff could be introduced to generate sufficient revenue to cover expenditure. The charge to visitors would include two components - a unit charge which reflected the marginal cost price up to the average cost price, that is the price where no deficits arise. The correct balance between the unit and the fixed cost element can be achieved by experimenting with prices. A local authority operating a number of recreation sites could vary the fixed charge between types of user and type of site according to the responsiveness of each to price; so that customers who are less responsive to price changes carry the greatest burden of fixed charge. This policy of covering expenditure with revenue is achieved, therefore, through price discrimination between users and between sites.

6.3 Taxes versus prices. Recreationists (and non-recreationists) pay for the development and upkeep of recreation sites indirectly through local rates or general taxation. There does not appear to be an easy method of recouping public expenditure on recreation provision through a separate recreation tax. Although suggestions have been made for a special tourist tax to finance investment in recreation facilities and on environmental/landscape conservation in holiday areas, this would mean that if prices were not charged, revenue and expenditure are likely to continue to be dissociated from the use of particular recreation resources. A consumer or collective view on how much public expenditure should be devoted to recreation provision seems therefore to be lacking.

6.4 Cost effectiveness. Subsidies for recreation provision aim to ensure that maximum social benefits are obtained from the resources. These resources may well have value in alternative uses. Methods of assessing the effectiveness of subsidies are required. This means that alternative ways of achieving financing provision should be compared and the most cost-effective method determined. Because the subsidies emanate from the public purse this does not automatically mean that the most efficient way to use them is through direct public provision. More cost-effective solutions may be achieved through the private sector or other public agencies.

6.5 Incentives and efficiency. A further argument which

is often levelled against subsidies is their potentially detrimental effect on the attitudes and behaviour of managers in using the public funds at their disposal. When revenue does not cover expenditure it is felt that a certain amount of accountability to the providers is lost. Financial incentives are thought to give managers something to aim for, a measure of individual achievement. This approach to pricing may also reduce administrative and other costs associated with attempts to monitor and control the effectiveness of a subsidy scheme. The importance of this approach, in terms of the loss in economic efficiency and other objectives, could be gauged by the scale of deficits operating under the various pricing rules; that is the extent of the divergence between financial and economic efficiency. A second approach would be to examine the levels of innovation in the two sectors, that is their willingness to develop new forms of provision which the public are willing to support.

7. CONCLUSIONS

7.1 Theory and practice. To the individual manager of a recreation site some of the concepts discussed in this paper may not be seen to be entirely relevant to the day-to-day problems of how to attract visitors, how to control them, how to cater for their "needs". To the planner or investor the paper may not seem to reflect the way decisions are made. These reactions would be relevant if the paper was concerned solely with how to manage a recreation site or with how people make investment decisions for recreation. However, the intention has been to provide a benchmark against which the behaviour of decision-makers can be compared and objectives and assumptions explicitly determined. Hopefully it will have provided some additional insight into the purposes of particular types of provision in relation to overall policy objectives and indicated that there are a wide range of alternative means of achieving them, either through the public or private sectors and with and without the use of charging.

7.2 Problems of estimation. A second aim has been to demonstrate the kinds of information required in making decisions about the role of pricing and the level of prices to be charged. It is a common occupational hazard of the decision-maker that his decisions are made with imperfect knowledge. In the recreation sector information about consumer preferences and costs seem to be particularly difficult to obtain. Even if it is available it is often not in correct form. The identification of supply and demand curves for recreation are extremely difficult to determine without a pricing system, yet planning for recreation is often couched in terms of supply and demand. Even though the relevant statistical information may not be available the evaluation of alternatives using the criteria proposed can still be used as a checklist in tandem with the knowledge and experience of managers. It is not proposed that

the necessary statistical information should be collected. Expenditure on provision, maintenance and management of recreation sites is small in comparison with other types of public expenditure and private industries and thus detailed measures of performance may prove to be unduly expensive in relation to the total funds involved. It may be preferable, using economic efficiency criteria, to sacrifice economic and social efficiency in the provision of facilities given the possible costs of guaranteeing a performance level which may not be very different from the present.

7.3 Balancing objectives. The major difficulty facing the recreation provider is having to cope with multiple objectives which frequently conflict with each other. Once a balance has been struck between objectives, the means of implementing them must be determined and pricing must be considered as a possible alternative. Pricing must not be regarded as a rigid formula to be adopted in the same manner at every site. Neither should the potential of pricing be completely disregarded because it does provide an essential link between provider and consumer if used wisely. Some indication of the range of pricing policies that have been proposed for the recreation sector and a range of opinions about the role of pricing by providers are attached as appendices to this paper. They are drawn from two official reports, one from the report of the House of Lords Select Committee on Sport and Leisure, and the other from evidence to the House of Commons Select Committee on Expenditure. These extracts are included because they reflect what appear to be contradictory and conflicting pricing policies. They show quite clearly that proposals for particular pricing policies must be seen in relation to the objectives they are intended to achieve and that taken separately they are meaningless. It has been left to the reader to suggest what objectives are being assumed by each pricing policy advocated in the appendices.

*

APPENDIX 1

EXTRACTS FROM SECOND REPORT

HOUSE OF LORDS SELECT COMMITTEE ON SPORT AND LEISURE

Charging Policy

153. The criteria governing local authority provision were stated in paragraph 62 to be the criterion of maximum opportunity and the criterion of personal choice. In addition the provision of recreational facilities is a social service (paragraph 67).

155. Because of the element of social service in recreational provision, charges should be kept low, where possible. Some facilities will be free. The level of charges will obviously vary from place to place and the need for cheap facilities will be different in rich suburban areas and old industrial towns. Despite these variations however the object should be to ensure that those who wish to take part in recreational activity are not prevented from doing so by high charges. Running costs inevitably have a bearing on what is a "high" charge and the most costly activities cannot be made to compete on equal terms with the cheapest.

156. Each authority must therefore recover as much of the running expenses of each facility as it reasonably can, and not allow a deficit on one account to drain money away from other facilities. If a facility is worth more to the public than what they are paying, it would often be improper to continue charging at low rates on the basis of custom, and the level of charges should be raised till it is more in line with what the market will bear.

157. The local authority thus has to strike a balance in its charging policy between rates which will allow all-comers to use a facility and rates which will maximise revenue. In general this balance should attempt to come at a point where the facilities are self-financing on a day-to-day basis, leaving capital costs out of account (see paragraph 132). The Committee believe that it is proper in such instances for the loss-making facilities to be coupled with other facilities which are capable of making money, and in an ideal combination the winners would pay for the losers.

159. No mention has yet been made of the effect on private enterprise of the public sector's charging policy. Local authorities who provide facilities at a loss offer unfair competition with private enterprise and can price the latter out of the market. Nevertheless the objectives of the local authority and the private sector are different and comparable prices may not be suitable, in a competitive situation. There is no reason why the local authority should allow private enterprise to cream off the profit-making facilities, taking all the loss-making ones upon itself.

APPENDIX IIEXTRACTS FROM EVIDENCE TAKEN BEFORE THE EXPENDITURE COMMITTEE
OF THE ENVIRONMENT SUB-COMMITTEEEvidence given by Department of Environment

38. Question You encourage the local authorities and the national parks to generate income?
- Answer *As a general principle, where there is a charge for a service because it is regarded rather as of the nature of the trading service rather than a social service, as it were, there is encouragement to recover as far as possible full cost by way of charges. So, as you say, there is encouragement to increase charges to match increasing costs.*
42. Q. Could I follow the further point? (charging specifically in the context of the countryside)
- A. *I think that this is a difficult subject which we have not really mastered. In present circumstances, obviously we must be pressing local authorities and park authorities to raise their charges because of the basic financial situation in which we are. Whether if one were relieved of that particular situation and were looking at this problem in a long term way, it would be clear, I do not know. One is in the difficulty that, of course, there are many facilities in the countryside which it is extraordinarily difficult to charge for without incurring administrative expenses, without disproportion. Secondly, publicly provided facilities are in competition with privately provided facilities in some places, not in all. The other thing is very often one in providing a facility primarily in order to relieve some hard-pressed honey-pot point of great attraction, a beauty spot or whatever it may be. It may well be, therefore, for the purposes for which you have provided it, the desirable thing is that the facility you have provided should be as full as possible because it is providing relief to a sensitive area down the road*
43. Q. With the honey-pot people would be prepared to pay; is there not significant evidence people are prepared to pay? Is it not right that a pricing policy would be contribution to the management?
- A. *I was considering where the honey-pot was not in the local authority's hands, as is often the case. It may be a piece of de facto public access land. Local authorities have no opportunity to charge for that*
45. Q. Have you issued a circular recently on the subject? (referring to the answer in paragraph 42 about

pressing authorities to raise their charges). I am thinking of things like car park charges and that sort of thing?

- A. *There has been general advice to local authorities, not specifically in relation to the countryside, to review their charges on car parking and there has been repeated advice to increase their charges so as to meet not only the running expenses, but also contribute towards the capital costs of car parks.*

Evidence given by the Countryside Commission

229. Q. Do you encourage national parks and these various statutory authorities including local authorities, to try to generate income from their activities?

- A. *We encourage them to charge for the facilities which they provide. A good deal of the provision which is made by local authorities and national park authorities is of a nature where it is difficult to make a charge*

231. Q. With the limited resources available from the public purse and in view of the readiness on the part of the public to pay for the facilities that they enjoy, do you think that that is a policy which can be sensibly pursued in terms of adding to the availability of resources?

- A. *Yes, and we do pursue it in the sense that when we give a grant we take into account the income potential.*

232. Q. Could you give an example of that?

- A. *We discount the likely income from various aspects of a country park, for example, in deciding the level of grant that we should pay.*

233. Q. (The Countryside Commission was asked to send the Clerk of the Committee one of their budget appreciations for grant aid).

- A. *Yes indeed. May I add that our grant-aid to the private sector is frequently associated with a certain level of entrance fee to a country park or whatever it may be*

235. Q. Are the same criteria applied to the public sector?

- A. *No, it is different because by statute you cannot charge for entering a public country park but you can charge for facilities in a public country park*

Evidence given by the Lake District National Park

776. Q. I wonder if our witnesses could tell us whether, as we are obviously in a time of

very substantial restraint on resources, they see further possibilities of increasing the fee income in order to try and decrease that percentage of expenditure (previously calculated to be about 13 to 14 percent).

A. *I do not see any vast increase in income from these sources. We are being quite realistic at the present time in charging wherever we can charge*

Obviously if we overcharge we will price ourselves out of the market and the result would be quite disastrous, so I think we charge up to the limit we feel the market will accept.

778. Q. Presumably when you use the term realistic you mean you are charging what seems to be the right figure?

A. *I think it is about right.*

The main sources of income are caravan and camping sites. The two sites we operate are running at a profit

On car parks, we have just decided to increase our charges once again and they are now going to 20 pence. We cannot really introduce sophisticated equipment to distinguish between the man who is there for half an hour and the man who is there for five hours. We only charge where it is worth making a charge. In some cases the congestion is such that one has got to put in a man to run the car park and in point of fact, the total income does not pay for his wages, but he has to be there otherwise the congestion would be quite appalling. But on the whole the car parks for which we charge collect far more than the cost of collecting the money and that includes, of course, keeping the car park clean, keeping it tidy and organising and manipulating the traffic. But I would not like to say it includes the whole cost of servicing the initial capital outlay.

Evidence given by the Council for the Protection of Rural England and the Ramblers Association

892. Q I see that there is a dichotomy in that recognition (that it is desirable that private resources should go into the preservation of the countryside) on the one hand and on the other which says that you will contest wherever there is a proposal for a county council to charge for entering a woodland. That seems to be a contradiction in these two approaches.

A. *First and foremost, I think we are concerned that where public rights of access to the countryside exist at the moment, for example, as on public rights*

of way, no attempt should be made to try to charge for access there. Beyond that, I really cannot say any more than that we would probably want to judge individual cases on their merits. The problem with charging is that once a charge is established, quite possibly that area of countryside would become inaccessible to people who cannot afford the charges being levied. Any kind of discrimination on that basis we would oppose.

894. Q. I agree (that money from the Government and local authorities is crucial in this field) but I am talking about it being supplemented (by private means). Has the CPRE any view on that?

A. I do not support that anyone could object to a proper charge being made in car parks, although even that requires thinking about, because if a charge is made there is the cost of collecting it, of supervision and the problem that if there is a charge for parking in the park there is an incentive to park not in a park, and that may accentuate the damage the park is intended to relieve. Perhaps that can only be overcome by extensive policing arrangements and that sort of thing. In principle, for that sort of facility, if it is justified in the particular circumstances and on balance will serve a useful purpose, I do not think any objection could be raised. I am quite sure that, like the Ramblers Association, we would take a very poor view of having to pay a toll to use a footpath, let us say

895. Q. May we obtain some understanding of the kind of proportions in this matter?

A. I think really charges are only a feasible proposition for small areas of high intensity recreation - for example, private country parks. I would not have thought it feasible or desirable to try and charge for access to a wide upland area.

SESSION 1

ASPECTS OF RECREATION FINANCING BY PUBLIC AGENCIES

Chairman

T. Huxley

- T. Huxley: Introduction to the conference
- D.A. Mithen: Financing countryside recreation as part of the national forest enterprise.
- A. Colbeck: Financing water recreation.
- S. Mills: The impact of grant assistance for tourist projects.
- Discussion

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OPENING REMARKS

by

T. Huxley,
Deputy Director, Countryside Commission for Scotland

This is the seventh annual conference that CRRAG has organised and I have to open it with an apology from John Davidson who is unfortunately indisposed and therefore unable to be with us today. He has asked me to convey his sincere regrets for his unavoidable absence: regrets which we must all share because, as well as not now having his own contribution, it is sad that we should be holding a CRRAG conference without the Chairman of CRRAG being with us. I know that he would want me to welcome all of you and to hope that you will enjoy the occasion.

I must also report that unfortunately Mr. Kennedy Brown (the second speaker indicated on your programme) is unable to attend but we have been very fortunate in that Mr. Colbeck, the Recreation Officer for the Northumbrian Water Authority, has agreed to address us in Mr. Brown's place. I know you would all wish me to thank him warmly for stepping into this breach at such short notice. Finally, because of John Davidson's illness there will be a change in the final Panel Discussion session. Maurice Masterman has kindly agreed to take his place.

I must now turn to my own introductory remarks to the conference. About two months ago I drafted some notes which had the approval of colleagues on the conference organising committee. However, when I looked at these again recently, they clearly needed revision in the light of having read the pre-distributed copies of conference papers and reviewed the list of delegates. It is now self-evident, for example, that this is going to be a conference of timely interest, both in the papers themselves and in the discussions that will follow. We must also be grateful, both corporately and individually, to the Countryside Commission and to Robbie Stoakes for his background paper. I want to take this opportunity of thanking him for his valuable contribution.

Even with the benefit of pre-distributed papers, however, I believe it may still be helpful to hear a brief explanation as to how CRRAG came to choose the theme of this conference and to take note of the issues which CRRAG hopes may be clarified in the next 36 hours.

Each year CRRAG considers suggestions from members as to possible subjects for the next year's conference. On this occasion CRRAG was concerned that the conference might develop into a battle between entrenched political attitudes about the rights and wrongs of charging the public for the use of

facilities, many of which they had already paid for through taxes and rates; or equally emotive arguments about public sector support (by way of grants and loans) for facilities provided by the private sector for which some commercial profit might accrue. For example, in regard to charging for entrance fees, one need only recall the heated exchange in Parliament and the national press about entrance charges to the national art collections and museums. Furthermore, although I have used the word "political", views are often more related to individually held attitudes than to political points of view. For example, there does seem to be an oddly contrary attitude amongst us to charging for car parking in town as compared to country: the reluctance to do so in the countryside seeming to be almost as strongly held as is the general acceptance now of this practice in towns. Indeed, there seems to be a common feeling that the countryside should be available free, especially if the costs of the facility or site are being provided at public expense. One suspects that the main burden of helping to change public attitudes in this regard has largely fallen to the private sector, who may be criticised for adopting too "commercial" an approach.

In the event, however, the upshot of our discussions in CRRAG was in favour of the theme subject to the proviso that the conference itself should emphasise the research and technical components of the subject, and discussion amongst practical people directly involved in management decisions acting within constraints of policy decisions already made. In part, perhaps, this explains the somewhat complicated title of the conference - Economic Aspects of Countryside Recreation Management - and why some of the particular words have been chosen for session titles. Throughout, the aim has been to direct the conference in a way which will look objectively at the problems before us.

I hope, therefore, that we are going to derive a clearer understanding of a complete balance sheet for a recreational provision in the countryside. I think perhaps we do not all have an adequate idea of what such a balance sheet should consist of because this is an exercise which - for one reason or another - not everyone may have to carry out. Thus I hope that we shall build up a picture of what are the normal outgoings and revenue opportunities, and I am quite certain that from the private sector we shall gain some interesting lessons about the types of problems which they encounter.

In this matter some of us are in the business of trying to disperse monies to both the private and public sectors in various different ways and we may not always appreciate how it looks if one is on the receiving side of grant assistance. I am sure that a clearer understanding of this sort of problem would be a help to us all.

TH/3

Secondly I look forward to hearing about the ways in which different kinds of recreational provision are judged to be more or less appropriate for deriving a revenue. One is aware, for example, of the difficulties in creating revenue earning opportunities in regard to much of the type of land owned for public recreation by the National Trusts.

Thirdly, I know that CRRAG is looking forward to benefiting from the experience of the different ways whereby managers arrive at particular pricing policies: for example, whether to charge people or cars; whether to charge children and adults separately and so on, and the extent to which a pricing policy may be used to influence demand.

One last remark. CRRAG stands for Countryside Recreation Research Advisory Group. Amongst its several objectives is a desire to encourage an exchange of understanding and opinion, of ideas of thinking between all people who are interested in the subject of recreational provision and management in the countryside. CRRAG is also interested in any idea which people may have or which may emanate from this conference concerning research aimed at throwing a clearer light upon the issues which we are now about to debate. Therefore if anyone has ideas please let us know of them either during the course of the conference or by mentioning them personally to any member of CRRAG.

This brings to a close my introductory remarks and I look forward with very great interest to hearing what speakers and delegates alike have to say to us.

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FINANCING COUNTRYSIDE RECREATION AS PART OF THE NATIONAL
FOREST ENTERPRISE

by

D.A. Mithen,
Director, Forest Management Division, Forestry Commission

T. Huxley

We are going to start today with a paper by Dallas Mithen; he is one of the directors of the Forestry Commission and, as such, head of the Forest Management Division.

Dallas is one of the many people whom I have been privileged to collaborate with in various sorts of ways and I have had guidance from him in numerous situations. I have been immensely grateful to him and I am quite certain that we are all going to enjoy and appreciate the paper which he is going to give us. (Dallas Mithen, would you like to begin, please).

*

The Forestry Commission's expenditure on countryside recreation is authorised by the Forestry Act 1967 and the Countryside Act 1968, and the Countryside (Scotland) Act 1967. The stated objectives of the Commission include inter alia

- a. to protect and enhance the environment,
- b. to provide recreational facilities.

The protection and enhancement of the environment is the essential backcloth for the provision of countryside recreation. One must have and maintain or create attractive countryside and the financing of this is part and parcel of the financing of countryside recreation - a point which is sometimes overlooked even though the sums involved may be considerable. The actual provision of a forest recreation facility is seldom at much loss to timber production, but meeting the demands of good landscaping and conservation by employing other than the optimum felling rotations and choice of species, leaving areas unplanted to protect fine vistas and the non-use of herbicides in sensitive areas (to name a few), will produce less than the economic maximum timber production from a particular site. We are beginning to gain some knowledge of the cost of protecting and enhancing the environment and initial indications are that this may be of the order of £0.5M per annum over the next 20 year period, ie the measures being adopted by the Commission to meet the demands of good landscaping and conservation will result in our annual revenue from timber production being some £0.5M less than the maximum it could be. It could be argued

however, that the optimum revenue for the Commission is that which takes into account the requirements of good landscaping and conservation.

The Commission is currently financed by a Grant-in-Aid from Government, being the net requirement of expenditure less revenue. The level of the Grant-in-Aid is determined by the Government working through the Treasury. The level of expenditure as between the different activities of the Commission such as acquisition of land, planting, purchase of machines, use of fertilisers, harvesting, recreation, etc. is, within certain limitations, a policy decision of Commissioners. As one may expect, during a period of economic restraint like the present time, recreation, which some consider is a peripheral activity of the Commission, may suffer a more severe cut-back than other activities. During 1975/76, the Commission's expenditure on recreation, (including overheads) represented 7% of the Commission's total expenditure. It is unlikely that this proportion will alter drastically during the next few years.

The financial accounting system of the Commission distinguishes between what is termed Commercial Recreation and Forest Recreation. The former refers to the operation of camping and caravan sites, the letting of forest cabins and fishing and shootings. The account is a Trading Account and the aim is to obtain a commercially acceptable rate of return (currently 10%) on the capital employed. Forest Recreation deals mainly with the provision for day visitors, for example, car parks, picnic places, forest walks and visitor centres. For Forest Recreation no particular rate of interest is required as costs under this activity are considered to be part of forest management expenditure. However, revenue is obtained for facilities provided wherever it is reasonable to collect it.

COMMERCIAL RECREATION

The overall expenditure and revenue in the Commercial Recreation account for 1975/76 was:-

Direct Expenditure (including overheads)	£548,000
Revenue	£474,000
Deficit	£74,000

The overhead element includes a 10% rate of interest on capital, and it will be seen that overall we are not making the required rate of return on capital and consequently there is a need to curtail expenditure or increase revenue or a measure of both. How is this to be achieved? It is helpful in this context to consider the component parts of the Commercial Recreation account.

Camping and Caravan Sites

We manage 25 camping and caravan sites in England, 9 in Scotland and 1 in Wales providing a total of nearly 8,000 pitches. Some of our sites are what are termed Class A, which have full facilities, and others Class B where only a water standpipe and an Elsan disposal point is provided. Our camping and caravan sites, as a policy decision, are essentially for the touring van and tents and we do not provide and hire out static caravans. The profitability of privately run caravan sites is largely dependent on the number of static vans available.

We find that for a Class A site to be financially viable we need a minimum of about 280 pitches - a number of our Class A sites are below this capacity - and we are finding an increasing reluctance by Planning Authorities to give permission for this size of camp site. We are also encountering difficulties getting planning permission for our Class B sites because of the (apparent) minimum sanitation facilities being offered. It is to be hoped Planning Authorities will adopt a more realistic approach in future otherwise the Commission's ability to provide additional camp sites will be severely restricted.

Charges for our camp sites are reviewed annually with the aim of ensuring that revenue will balance total expenditure plus 10% interest on capital. During the past few years this has proved extremely difficult due to the rapid rate of inflation and the constraints placed upon price increases. As may be expected the financial viability of individual camp sites varies and the aim is to strike a balance overall. A minimum charge is determined and Conservators have discretion to vary this upwards depending on the quality of the site. Some sites charge by the pitch and others by the person and the current minimum charge (applied on most camp sites) for the peak period (1 July - 30 August) is for Class A camp sites: 50p for adults, 35p for children, or £1.50 per pitch, and for Class B sites: £1.00 per pitch. The New Forest charges are £1.10 per pitch. This compares with the previous year's prices of Class A: 40p for adults, 20p for children, and for Class B sites: 75p per pitch. The New Forest was 80p per pitch.

A careful financial appraisal is undertaken before embarking on a new camp site and with rising costs and the need to comply with DoE model standards, we are finding it increasingly difficult to establish the required level of viability, particularly for a Class A site. The capital investment required for a 280 pitch Class A site is of the order of £150,000. The allocation for capital improvement to existing camp sites and the provision of new ones for the current year is £175,000 from which you will see that the ability to provide new camp sites is distinctly limited on financial grounds, let alone planning difficulties.

To sum up the position regarding camp sites. The Commission provides them to enable the public to enjoy the forest and not because they are attractive financial investment. With the rising standard of facilities and other constraints being required by Local Authorities, we are finding it increasingly difficult to meet the financial viability required by us. Funds for further investment in new camp sites are distinctly limited.

Holiday Houses and Forest Cabins

During the past few years we have been furnishing and letting as holiday houses (on a weekly basis) staff houses which are temporarily not required for that purpose. We have a total of 37 houses being used in this way: 29 are located in 2 places - Glen Trool in South Scotland Conservancy and Dalavich in West Scotland Conservancy. The charges for these houses vary depending on the type of accommodation being offered and also for different periods of the season. The peak charges at Glen Trool and Dalavich during the current season are £47 and £55 per week compared to £45 for last year.

These holiday houses are currently being managed on the same financial basis as described for camp sites, ie, they are expected to achieve a 10% return on capital required under the Commercial Recreation Account. However, the purpose of retaining and maintaining these houses is to meet the need for staff houses in the future and their letting as holiday houses is not being undertaken as a commercial operation but as being financially preferable to leaving them vacant. Thus, in future, although we will continue to make the letting of these houses as profitable as possible, the financial accounting for their management will be under the Estate Management Account (in common with all our other houses for whatever purpose they are used), rather than the Commercial Recreation Account.

Forest cabins, on the other hand, like camp sites, are accounted for under Commercial Recreation. We have 17 forest cabins, all at Strathyre Forest in West Scotland. They were erected on an experimental basis and we have had to pay for experience. Therefore they tend to be over capitalised and difficult to make financially viable on a 10% interest basis. However, they have been extremely successful in other ways and are in great demand and probably justify a higher letting charge. The present weekly rates at peak period are £70 compared to £56 per week last year.

A feasibility study commissioned a few years ago indicated that the erection of some 7,000 forest cabins throughout the country would be a worthwhile financial investment. The Commissioners have accepted the general recommendations contained in this study but have been unable to implement them as quickly as they would like due to the limitations on available capital. During the present

year we are building 30 forest cabins on a site in Cornwall at a cost of about £7,000 each, ie, a capital investment of about £200,000, and this level of annual capital expenditure is unlikely to be exceeded for the next few years. It may be possible to work on the basis of a comparable investment of private capital in joint developments for the future and so increase the number of cabins erected per year to about 60.

Forest cabins will be provided in suitable locations to encourage the enjoyment of the forest but investment in this project is being undertaken as a strictly commercial venture with the aim of producing an acceptable rate of return on capital employed.

Shooting and Fishing

The management of shooting and fishing in the forest has not previously been considered as Commercial Recreation. However, there has been a gradual increase in this activity and it is now appropriate to deal with it on a more strictly commercial basis and in future it will be accounted for under the Commercial Recreation Trading Account.

The sporting and fishing rights on much of the forest estate were either retained by the previous owner or let at a nominal rent. However, with the passage of time, an increasing number of shooting and fishing rights are now in hand and it is possible to let them on a commercial basis or preferably manage them ourselves and let them on a daily permit basis for both fishing and stalking.

The revenue from shooting and fishing for 1975/76 was £183,000 against an expenditure of £41,000. In West Scotland Conservancy there has been an increase in revenue from £10,000 in 1970/71 (at 1975/76 values) to £26,000 in 1975/76 which indicates the potential of this activity.

FOREST RECREATION

It has been stated previously that the cost of providing for Forest Recreation - which includes such facilities as car parks, picnic areas, forest walks, visitor centres, forest drives and catering for specialist activities such as horse riding and pony trekking, RAC rallies, orienteering and visits from school children - is considered as part of general forest management expenditure and as such is currently financed by means of a Grant-in-Aid from Government. However, revenue is obtained for facilities provided where it is reasonable to collect it.

The expenditure and revenue for Forest Recreation for 1975/76 was:

Direct Expenditure (including overheads)	£3,047,000
Revenue	£398,000

The expenditure in 1971/72 on Forest Recreation at 1975/76 values was £1.3M gross so there has been an increase in expenditure on this activity of some £1.7M over the past 5 years. Clearly, this order of increase in the level of expenditure will not be maintained over the next few years.

At present the overall level of expenditure on Forest Recreation is governed empirically by the likely availability of funds. The national scale of forest recreation investment justified in future should depend not only on the availability of funds but on the usage of the opportunities already provided and the expected increase in use, and on the standard of provision it is policy to develop. This is required for strategic planning and the assessment of priorities. A start has been made on this form of analysis but much remains to be done.

However the overall level of expenditure is determined, it is important, especially under the present financial climate, that the total available funds to the Commission are allocated to Conservancies so that the most effective use is made of them. In the past the allocation of forest recreation funds to Conservancies has also been on a somewhat empirical basis influenced by the degree of enthusiasm of the Conservator and his staff for the provision of recreational facilities in his area. Money is likely to go to those who work hardest or shout loudest for it. A method has now been developed of appraising the allocation of funds between Conservancies which takes into account the major factors which influence demand. Population accessibility and forest attractiveness have been used as key parameters to determine an index of demand potential for each Conservancy against which can be judged investment priorities and the request for funds. It is intended that the index should be subject to periodic review so that changes in social and economic circumstances can be taken into account.

Besides the overall level of expenditure and where it is to be deployed as regards locality, we also need to know the public's preference for the type of provision being made for them. Should we provide more of this type of facility and less of that, or what? Clearly, some measure of the effectiveness of existing facilities is desirable. This would involve monitoring studies applied to a sample of formally designated facilities consistently throughout the Commission. It would reveal which areas were under the greatest demand pressures and if associated with cost show where the most cost effective provision was being made in terms of day visits. There is much to learn in this field and clearly more research is required.

Finally, on Forest Recreation, we come to the slightly vexed question of charging for facilities provided. The Commission gets criticised for not charging enough and equally criticised for charging too much or charging at all.

However, the Commission's policy is clear on this point although not always understood. Access on foot to all forests is free of charge but where we provide a facility or need to exercise control by the issue of a permit, we make a charge where it is reasonable to do so and feasible to collect it. Thus, we make a charge for entry to visitor centres, for horse riding and pony trekking, for orienteering, and even for certain car parks where this is practicable. The revenue we obtain in no way covers the cost of providing the various facilities but it does make a contribution and we think this is justified. RAC motor rallying is rather a special case as we are required to charge at a level which will cover all our costs involved in this activity.

SUMMARY

The financing of forest recreation as part of the National Forest enterprise is in 2 distinct parts. Firstly, in respect of what is called Commercial Recreation - which consists of the operation of camping and caravan sites, the letting of forest cabins and fishing and shootings - the provision of facilities is self-financing with the aim being to obtain a commercially acceptable rate of return on the capital employed. Secondly, in respect of Forest Recreation, which covers the provision of all other recreation facilities, the cost is considered as part of general forest management expenditure which currently is financed by a Grant-in-Aid by government. In due course it would be financed by the revenues obtainable from timber production. The cost of providing for Forest Recreation is partially offset by charging for facilities provided where it is reasonable to do so.

FINANCING WATER RECREATION

by

A.L. Colbeck,
Northumbrian Water Authority
-----T. Huxley

Now we have Mr. Colbeck and, as I mentioned earlier, he is the Recreation Officer of the Northumbrian Water Authority. He has been good enough in the first session on aspects of recreation financing by public agencies, not only to step in to replace Mr. Kennedy Brown but also to keep the same title.

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In 1964 a report on Inland Waters and Recreation prepared by the University of Birmingham's physical education department, concluded with the comment:

"Whenever feelings of annoyance and helplessness mingle as in the case of a thrifty housewife grumbling at the price of meat, they are apt to find expression in the cry "Something ought to be done about it" and so almost last in our report but first in our priority for remedies we place the need for a clear statement at government level of a national policy about water based recreation."

Ten years later and one year after that most excellent and liberal report of the Institution of Water Engineers of 1972, that clear statement was still awaited though it was beginning to take shape in Sections 1, 20, 22 and 23 of the Water Act.

I am aware of but not embarrassed by the Group's brief not to be specially concerned with political, philosophical or academic views of the economic issues involved and I do not intend to inflict on you a historical review of the water industry's progress towards recreational enlightenment, but a quick backward glance may help to understand some of the attitudes which shape current policies.

Water Authorities and their agents the Water Companies not only have powers now to develop water recreation but are charged with the duty of:

"taking such steps as are reasonably practicable for putting their rights to the use of water and of any land associated with water to the best use for those purposes."

The fiscal progress of the Water industry from blank refusal to qualified acceptance of recreational access to reservoirs can hardly be described as a headlong rush to the brink of toleration though the mathematically minded will detect a notable acceleration in the progress curve of the last ten years. It took the hundred years between the 1847 Waterworks Code and the 1948 River Boards Act for social pressure to change from adulation of Manchester Corporation's praiseworthy lead in the battle for an efficient water supply (albeit for the textile industry) to vitriolic opposition to its Ullswater intentions of the early sixties.

In the next twenty years under the Water Resources Act of 1963 and the Countryside Act of 1968, River Authorities and Water Undertakers acquired or were given discretionary powers to provide water recreation facilities on their reservoirs. Five years later in the 1973 Water Act we find a positive insistence on the importance of recreation and amenity, indeed, two of the six policy aims in the first section of the Act are devoted to these headings. In it the Secretary of State is charged with the duty to "secure the effective execution of so much of the National Policy for water as relates to:

- (a) conservation and proper use of water supplies
- (b) the dispersal of sewage and other effluents
- (c) the restoration of wholesome rivers and inland waters
- (d) the use of inland water for recreation
- (e) the enhancement and preservation of amenity in connection with inland water"

The last aim concerns the use of inland water for navigation.

In view of the imprecise phrase "such steps as are reasonably practical" in Section 20 to which I have already referred, it is some comfort to the recreation lobby to find the Secretary of State in the longstop position of Section 1.

Section 22 in three pious subsections emphasises the desirability of preserving natural beauty, conserving flora, fauna and geographical or physiographical features of protecting buildings and other objects of architectural, archaeological or historic interest and preserving public rights of access to mountain moor, heath, down, cliff and foreshore.

Section 23 devotes two pages to the constitution and function of the new Water Space Amenity Commission.

As the bishop said when he fell past the 92nd floor of the Empire State Building, "so far, so good!"

The sting is in Section 29 on General Duties and powers relating to finance. Here there is no lack of precision.

"It shall be the duty of every water authority so to discharge their functions as to secure that taking one year with another their revenue is not less than sufficient to meet their total outgoings properly chargeable to revenue account"

and if there are any who harbour any doubts that water authorities are expected to make ends meet in their recreation accounts, I would refer them to the statement by Mr. Graham Page, the Minister for Local Government and Development, opposing an amendment in Standing Committee D of the Water Bill meeting on 12 April 1973.

This is what he said.

"I understand the intention of the amendment, to put it bluntly, to be to obstruct any attempts to make recreational and navigational facilities on waterways self-supporting. This would be against the principle of the Bill. It may well be that the water authorities will feel that they can treat them partly as a social service but we are not writing that into the Bill."

The statutory duties of water authorities in the recreation field contrast oddly with the permissive powers of local authorities. Until the Act is redrafted, as the Daymond judgement recently showed, RWAs may not legally charge for services which have no identifiable users. By contrast, local authorities are not so constrained. Indeed, they receive a proportion of their rate support grant for recreation purposes and they can spend it or not on recreation as they please. The effect of this distinction is that whereas the patrons of local authorities may expect and indeed do enjoy the use of rate subsidised facilities ranging from theatres and art centres to marinas and country parks, the active recreation patrons of RWAs in future may expect such subsidies, if they can get them at all, only at the expense of the ulcerated 'innards' of water recreation officers. There will be a tendency also for RWAs to avoid spending on amenity services because the consumer is difficult to identify and even more difficult to charge.

Whatever the uncertainties in interpreting Section 20 and its references to "water and land associated with water", water authorities are, in practice, likely to be more concerned with reservoirs, rivers and their catchment areas than with estuaries and the coast. Leaving aside the question of rivers and riparian and sporting rights, it is at reservoirs where the complexities of justifiable financial policies are best illustrated.

There is a limit to the number of recreation activities

possible even at a river regulating reservoir where water quality factors are relatively unimportant. They would include sailing, fishing, canoeing, under-water swimming, water skiing, rowing, bird watching, picnicking and simply enjoying the general amenities. The facilities to accommodate these activities will at least include:

Car access roads and car parking areas,

Signs and fencing,

Toilets,

Fishing lodges,

Slipways or jetties,

Footpaths,

Bird-watching hides and possibly a club house.

It is almost certain that it will be necessary to install services for water supply, electricity, telephone and sewage disposal. Altogether, the cost, even for a modest facility, soon reaches five figure proportions since the specifications must meet water authority standards on the one hand and local planning authority standards on the other.

A specific instance will illustrate the problems.

The Northumbrian Water Authority's Selset Reservoir in Upper Teesdale, accommodates a sailing club, casual day sailing, canoeing, day and season permit fishing, bird watchers, walkers, and, until recently, a rowing club. The facilities are no more than adequate - a good service road, a car park, a dinghy park, toilets, a wooden hut which serves as a club house and a concrete slipway. There is no electricity, the club house is equipped with bottled gas for cooking and lighting. Water is supplied by bowser and sewage disposal is by periodic emptying of a holding tank. The reservoir is stocked with trout, a four brace bag limit is enforced and stocking policy aims to ensure an average catch of 1.1 to 1.3 fish per rod day. In 1974 for example, at Selset 3326 rod days accounted for 4449 fish and in 1975, 2030 rod days produced 2762 fish. At 1.3 and 1.4 per rod day these figures are better than that and are better also than the Divisional average which was 1.12 for 1975. All patrons may use the car park and toilets but the club house is for sailors only. The sailing club has been in existence just over three years and for the first two years in order to assist the club to achieve a firm establishment, payment of individual season sailing permits was made direct to the Authority. Though this helped the club as was intended, it stifled recruiting initiative and the system was changed to an annual rent payable to the Authority with the club fixing

and receiving all subscriptions from members. The change has proved successful but the excellent weather of 1976 must also be regarded a contributing factor.

Anglers paid £1 a day permit and £13 for a season permit in 1974 and these charges were virtually doubled in 1975 to £2 and £25 respectively and to £2 and £30 in 1976. I will return later to the effects of these changes. For the moment I seek only to illustrate charging arrangements in a multi-purpose reservoir recreation scheme. Canoeists and oarsmen were accommodated on an individual day permit basis at normal dinghy sailing rates and bird watchers were charged 15p per day largely as a token of their presumed use of the access road, car park and toilets.

To complicate matters still further, the Authority, clinging desperately to the notion that a public authority should try to avoid 'exclusive use' arrangements has, for just over two years, offered casual day sailing at two reservoirs, (Selset and Sealing Dam). The idea is that non-conforming potterers and messers about in boats should be able to use the sailing facilities in boats of their own choice and within limits, at times of their own choice. The snag is that a manned safety boat is necessary when dinghy sailing is in progress and the Authority had to provide both the boat and a Safety Officer. Fortunately, there is plenty of other work for the Safety Officer to do but providing a safety cover and even instructing beginners in helmsmanship is not justified by the demand for casual day sailing so far. The real problems at arriving at an acceptable charging policy were high-lighted when we negotiated with the sailing club to fix an annual rent in place of individual permits. We started on the assumption that a fair basis would be at least to cover the interest at a notional 12% on the capital cost of facilities. At the time of the negotiations in late 1975, the car park, dinghy park and final surfacing of the access road were incomplete and we had to make estimates of the likely period of availability but we also had to take into account the proportion of use attributable to anglers, bird watchers, canoeists and casual day sailors. After much prodding of pocket calculators and the dredging up of the most specious arguments, agreement was reached for a rent of £1600 on a total capital cost of roughly £25,000. This was probably as much as the sailing club could afford but it clearly does not take into account the considerable administrative cost that the Authority incurs. To meet the true cost of providing sailing facilities at Selset, the annual rent to the club of 150 members, should probably be in the region of £3000 representing an annual contribution of approximately £20 per member just to meet the rent for very basic facilities. A further £10 to £15 would be necessary to cover club running costs so that a young couple could expect to pay £60 to £70 annual subscriptions. Add to that the cost of the cheapest conceivable club house to be approved by water

and local authorities - at least another £20,000 and the annual subscription would become £50 per member. During the negotiations, the sailing club representatives referred to club subscriptions paid by members of the Derwent Reservoir and other sailing clubs. There was no gainsaying the fact that Derwent Club sailors enjoyed the amenities of a £75,000 club house (at 1967 prices) for smaller annual subscriptions than those paid by the Selset members for a dis-used contractor's hut. The answer to this anomaly is to be found in the different climate of grant-aid from the public purse when the Derwent Club was founded. Fifty thousand pounds was provided jointly by central government, northern local authorities and a Butlin fund and the facilities accommodated 1000 members at peak - 800 currently. A Derwent member could therefore expect to pay between £3 and £4 to meet his share of annual loan charges compared with approximately £20 by the Selset member.

The Selset Reservoir sharply illustrates another problem. A reservoir is built to use as a water supply - that is to draw it down as necessary. Sometimes the amount of drawdown could be such as to make sailing impossible in which case the capital investment in sailing facilities lies idle and the well-being of the club is at risk. The alternative in some cases would be to operate the reservoir with one eye on the needs of the sailors. This would be possible at Selset for example, where a sophisticated operations system of the Tees reservoirs eventually to include also the Kielder Reservoir, has been designed and could be used to ensure that the water remained at a so-called amenity level during the sailing season. The trouble with this option is that the moment the services of the Kielder Reservoir are invoked, a pumping cost would be involved and this must be regarded as a subsidy which could reach substantial proportions. The income from the relatively few canoeists and oarsmen at Selset, though small, is well worth collecting and may be regarded as a bonus since the facilities needed by these activities are so simple. The bird watching permits, however, are not worth the administrative cost of collecting. In 1975, for instance, 532 visits by 69 watchers at all our reservoirs, produced £87 and in 1976, 328 visits by 19 watchers yielded £58.

To sum up, the fixing of charges for reservoir recreation involves the Authority in complicated and somewhat arbitrary assessments of the proportions of technical services control and administration and management costs to be allocated to each activity and to each reservoir, since no two are remotely identical. The Authority accepts that the total income and total expenditure in the Water Space Service Revenue Account will not balance and as an interim objective seeks to recover approximately 50% of the total expenditure on each recreation activity from the users of the facilities for that activity and assumes that an equitable assessment of the proportion of administration and management services

can be made.

I said earlier that I would return to the subject of fishing charges. Before going into detail, I should explain that the Authority inherited a variety of arrangements but broadly of two types:

- (1) Fishing rights let to a club, and,
- (2) Public fishing (by day and season permits) operated by the Authority.

The Authority has not formally adopted any policy as between one or the other of these alternatives but when a lease falls in, the possibility of changing to a permit system is carefully examined. Amongst the factors to be considered are:

- (1) The need for a public authority, if possible, to avoid giving exclusive rights to a club.
- (2) The cost of supervision of public fishing operated by the Authority.
- (3) The estimated net income.

The Authority is acutely aware of the great demand from clubs to acquire new water and avoids any situation likely to lead to competitive bidding. No doubt income could be substantially increased if waters were put on the market but the end result of that course would be socially and politically unacceptable. The choice therefore is normally between renewal of the lease with the inclusion of a clause requiring a number of public permits to be made available on the one hand and the operation of the water totally as a permit fishery on the other.

Currently a season permit holder may fish any of the Authority's reservoirs on a permit costing £30. A day permit costs £2 and it is generally accepted that the season permit is a bargain to the keen angler at the equivalent of fifteen day visits. It must be stressed too, that since fish are highly sensitive to a wide range of environmental circumstance, the development even of a put-and-take reservoir into a successful fishery is a long-term process fraught with uncertainties of one kind and another and the results of changes in a charging policy are not easily predictable.

Finally, the water authority must be clear with regard to its attitude to income on the one hand and the number of day rods on the other. In practice, of course, the water authority is not clear. Only its finance and recreation officers are clear. They just happen to view the scene through different coloured spectacles.

AC/8

The NWA's figures for the Tees Division reservoirs illustrate this point.

The total rod days in the Division grew from 2400 in 1969 to 17,763 in 1974 - a sevenfold increase in five years - then, in 1975, as a result of an increase in permit charges from £1 to £2 and from £13 to £25, the total rod days dropped by 25% to 13,116 in 1975. Whilst total income rose by 21% from £14,090 to £17,144. Even more dramatically the number of day permits and the income derived from them, dropped by 43% from 12,088 in 1974 to 6,873 in 1975. At the same time, the number of season rod days rose from 5,675 to 6,243 suggesting that some of the day permit anglers had decided to opt for the better buy of a season permit. As for 1976 some odd things have been happening to fishing as a result presumably of this year's fine summer. For example, the Authority's Cow Green reservoir, which, at a height of 1600 feet above sea level, has been operated as a wild brown trout fishery; it was the subject of some sharp criticism last year from an expert spokesman of the angling lobby. He argued that the Authority's permit charges spelt ruin for Cow Green as a fishery since the number of day rods would diminish and the reservoir would eventually become full of uselessly small fish fighting for the limited feed supply. "Reduce your charges", he said, "and the number of rod days will increase and the process will reverse". I was assured by Dr. Crisp of the Freshwater Biological Association who is working at Cow Green, that anglers are poor predators and the permit prices stayed unchanged. What has happened can only be attributed to the weather but whether the effects have been aphrodisiac in nature and have been on fishermen rather than on fish, is an open question. Whatever the explanation, Cow Green has had an unprecedented year, unmatched by any other NWA reservoir. The number of rod days in 1974 was 1083.

It fell in 1975 to 697 as a result, no doubt, of the permit price increase. This year, a month before the end of the fishing season, it is 1370. The number of fish caught during these years was:

850 in 1974

613 in 1975

1872 this year to 12 September - with a full month to go!

The overall figures for the Authority's Tees Division reservoirs to the end of this season show a continued rise in the total rod days to 14,487 or 80% of the 1974 total with only a slight increase in day permits from 6,873 in 1975 to 7,306 in 1976 or 61% of the 1974 figure. Income is likely to be up from £17,144 in 1975 to £18,931 this year, ie an increase of 34% on the 1974 figure.

So it might well prove that the financial department forecast is correct that recovery from the shock of savage price increases takes only two or three years to work through.

The interesting question that is impossible to answer is:

What might have been the effect on both income and rod days of a rise in price from £1 to say, £1.50 for day permits and from £13 to £25 for season permits?

I tend to be fascinated by occasional bits of useless information such as Hogben's revelation some years ago that the world population could find standing room on the Isle of Wight. Such statements invariably tempt some caustic rejoinder and when a similar item came to my notice the other day, I wished I could think of a suitable response - preferably ribald. It was the remark that the Water Industry's net recreational revenue expenditure in 1974/75 was only 0.3% of total revenue expenditure.

THE IMPACT OF GRANT ASSISTANCE FOR TOURIST PROJECTS

by

Stephen Mills,
English Tourist Board
-----T. Huxley

Now we are moving to the last part of the first session on aspects of recreation financing by public agencies and we are to have a paper by Stephen Mills of the English Tourist Board.

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THE TOURIST PROJECTS SCHEME

As you probably know, the English Tourist Board, together with the Wales and Scottish Tourist Boards, has powers under the Development of Tourism Act 1969, to make grants and loans to tourist projects in Development Areas.

Between 1971, when money was first voted to us for this purpose, and March 1976, the English Tourist Board has spent over £3 million on something like 400 individual projects while the Scots and Welsh have spent about a further £2 million each.

The purpose of this financial assistance is quite simply to encourage investment in tourism in areas of economic need, and through tourism and the money which tourists spend, to create employment, to increase family incomes and, in certain areas, to help stem the flow of rural depopulation. This tourist spending may also help to provide recreation and cultural facilities for local people which they would not otherwise enjoy, encourage a variety of local industries and crafts, and pay for the conservation of historic houses and gardens and the preservation of our national and regional heritage.

The rules of the Tourist Projects Scheme are quite straightforward and in the case of England are set out in a little booklet which has been widely distributed and which is available to delegates. Unlike some schemes for public assistance, this is, however, strictly discretionary and grants are not given to applicants as of right. In practice offers of finance are made to about 1 in 3 projects coming to us and the rest are either rejected by the Board, or, more often, withdrawn after preliminary investigation.

In general terms we are seeking to create a balanced mix of accommodation and attractions so that visitors to an area can find somewhere to stay and things to see and do

which will both help to attract them into the area in the first place and help to keep them there once they have arrived. We would not obviously help a new hotel project in an area where there is already adequate hotel accommodation available, but we might consider improvements to existing accommodation if we consider this necessary to expand the market.

We are looking for pace-setting projects which are either seeking to attract new markets or which are particularly imaginative in design and concept and for projects which reflect the character of the region and are in keeping with their surroundings.

LEVELS OF ASSISTANCE

At its own discretion the English Tourist Board can make grants or loans of up to £50,000 of the capital cost of a project (£25,000 in the case of a local authority project). Amounts in excess of these can be considered, but are subject to close scrutiny by the Department of Trade and Treasury before approval is given. In practice we have found that loans at interest rates 1% or 2% below bank lending rates are not particularly attractive and that grants are generally more effective in encouraging investment. These would not normally exceed 25% except in the case of non-commercial projects such as museums, tourist information centres or visitor car parks, or where we consider a project to be desirable as an experiment in an area where demand is not well established and where the commercial risk is, therefore, disproportionately high.

By definition the areas where these grants and loans are available are economically depressed, with higher than average levels of unemployment and generally lower than average levels of income - areas where private sector investment in tourism, leisure and recreation is difficult to attract. In the West Country, an established holiday area, the problem is one of distance from main centres of population and therefore relative lack of local and winter weekend business. In the North of England the problem is much more one of inadequately developed resources and the lack of a clearly defined tourist image. In both areas there has been a relative lack of new investment in tourism in recent years.

TOURISM AND RURAL ECONOMY

I have already said that our primary purpose in administering funds is to promote investment in tourism, both public and private, and hence to improve the economy of areas which are considered to be in greatest need. We have a concern for the environment, for that elusive "quality of life", for providing opportunities for fulfilment and so on, but our primary purpose is economic, and it is by economic criteria by which we are judged.

In very simple terms we can measure the success of our policies for grant aid by reference to the number of new jobs created and the cost per job. Generally the capital cost per job in tourism compares favourably with the capital cost per job in manufacturing industry. By March 1976, we had created the equivalent of something like 1,000 full-time jobs at a cost to the Exchequer of £2,700 per job.

This is, however, a simplification, since so much of the economic impact of tourism can only be measured indirectly. The recent Treasury report on Rural Depopulation, while being aware of the difficulties of measuring the benefits which tourism can bring to an area, and the particular difficulty of measuring the effect of any given level of Government expenditure, drew attention to the value of tourists in bringing money into an area, even if the money comes mostly in a few months in the summer, and the effect this may have on families, farms, shops and local activities whose income would otherwise be marginal. The £400 - £500 which a farmer's wife might earn through tourism in an upland area might make all the difference between survival and moving off the land.

The report recognised also that tourism cannot be developed in isolation, that tourists require a wide range of services which cannot be provided unless there are thriving local communities and that the real need is for local plans for balanced development of the basic services of food and accommodation which tourists need and also of attractions and activities, based on realistic assessments of demand.

The real problem for many rural areas is that the local economy is insufficiently well developed and the population too sparse to support very much in the way of eating places, shops, public transport and attractions which would encourage visitors to the area, while at the same time only visitors in quite large numbers would justify investment on any scale. Breaking this apparent deadlock may mean a high level of public expenditure initially until such a time as the local economy and tourism become self-sufficient.

THE BALANCE OF INVESTMENT

The subject of this conference is "to consider how questions of policy and charging for countryside recreation can be approached and how these issues, in turn, relate to new investment". Who, in fact, should pay for what and how much?

The trend in the recent past has been for public authorities to provide for a wider public which might once have been provided exclusively by clubs or through private sector investment. Recreation is a social need, with which public authorities are properly concerned. Generally public authorities have stepped in initially where private investment has failed to match the public need (swimming pools and

sports centres are obvious examples) or where the profit to the commercial operator is insufficiently attractive. With public expenditure now under pressure, the proper balance between private and public sector finance, is, however, particularly important. Unless charges for publicly sponsored countryside recreation bear some relation to cost, private sector investment is unlikely to become involved.

It may be said that any policy of grant aid will upset natural market forces and encourage unfair competition with existing commercial operators. Any body such as a tourist board must occasionally expect to be rebuked by those who consider they are being disadvantaged in this way. In considering applications for assistance we need to consider very carefully, therefore, the effect on existing investment and be sure that the project is realistic commercially. It is no advertisement for us if we help to create a string of projects which ultimately fail. Since we are not able to subsidise running costs, we need to be confident that a project will be able to stand on its own financially in due course, that in the longer term the investor can achieve a reasonable return on his capital, or at the very least that he and those he employs can expect a reasonable living wage.

We would not normally expect, therefore, grant aid to have a significant impact on the price charged by a commercial operator. We certainly would not encourage him to keep his charges below the levels which seemed to be the most likely to attract the optimum level of income. Common sense might well indicate that he should be charging at different rates in and out of the main season, but ultimately the price he can charge will vary with demand and must be in line with established competitors.

BENEFITS OF TOURISM

In drafting policies for recreation, tourism can seldom be left out of account. The distinction between the recreational needs of tourists and residents may not in fact be very great. The major difference is that tourists need somewhere suitable to stay. Tourists may well provide the additional visitor numbers necessary to justify investment, the cream on the top of the milk.

Take for example the Beamish Open Air Museum, not far from here and which you will be hearing more about later in the conference. This thoroughly imaginative project, jointly sponsored by four northern counties, with assistance from a number of other sources including the English Tourist Board, is rapidly becoming a major attraction for visitors from all over the country and from overseas. A recent survey carried out by the Industrial Market Research Limited on behalf of the English Tourist Board, produced some quite surprising results.

The survey was carried out in July and August 1975 and results relate only to that period which was, of course, the height of the holiday season.

During the period some 63,000 people visited the museum; of these, 65% as independent tourists, a further 9% tourists in organised groups arriving by coach, and only 26% local excursionists. Apart from spending money at the gate, in the shop and tea room and on the tram, thus contributing quite significantly to total revenue, the independent tourists alone (for technical reasons coach parties were not interviewed in depth) are estimated to have spent about £375,000 in the immediate locality of Beamish which was defined so as to include Durham City but to exclude Newcastle and Gateshead, an average of about £9 per head. Only 26% of these were actually staying in the locality and a high proportion were staying with friends and relatives.

Perhaps more important, about 43% of tourist visitors said they would not have come into the locality at all were it not for the existence of Beamish and other projects in the area.

Beamish is financed almost wholly out of public funds and is still a long way from becoming self-supporting, but it is already contributing significantly to the local economy in its role as a major attraction for visitors to the area. Frank Atkinson sees the new visitor centre at Beamish as a 'central interpretive node' linking sites of interest in the region. We see Beamish becoming just as important as an economic node to which visitors will be attracted and from which they will be dispersed to spend their money in the region. As Beamish develops and becomes more firmly established on the itineraries of tour operators and travel agents as well as in the minds of the general public, we see opportunities for additional investments in the area, possibly a hotel, a caravan site (one is planned in the Country Park Area surrounding Beamish), and certainly for extended catering at the museum itself. We also anticipate the growth of complementary attractions in the area.

THE TYPE OF PROJECT ASSISTED

By March 1976, 314 projects assisted by the English Tourist Board had been completed and were open to the public. These covered a very wide range. Just under 40% were concerned with places to stay (64 serviced accommodation projects, 21 self-catering accommodation, 37 caravan and camp sites), 50% were tourist attractions or activities, things to see and do, and the remaining 10% were amenities of one kind or another, including Tourist Information Centres, visitor car parks, signposting and so on, all of which contribute to that balanced mix which we are seeking.

The attractions have ranged from steam railways, both

standard and narrow gauge, a bear garden, a seal sanctuary, working corn mills, the restoration of steam pumping engines, an open farm park in the West Country and another, jointly assisted with the Countryside Commission, near Middlesbrough, a wild fowl reserve, a reconstructed Roman fort, and a large number of museum projects of various kinds, including Beamish, Wheal Martin China Clay Museum, several local history museums, and so on. In selecting projects of this nature for assistance we are looking for projects which are unique to a particular region.

Under the general category of activities we have given assistance to the creation and stocking of fishing lakes, the construction of swimming pools, several pony trekking centres, multi activity holiday centres offering a wide range of pursuits including riding, climbing, orienteering, parachuting, canoeing, sailing and so on, field study centres, sea angling craft, bicycles for hire, equipment for mountain rescue teams and a Landrover for a surf life saving team. Generally we will consider any project which matches up to the standards which we require and provided also that in our view the market for the particular activity in that area is not already over-supplied. Once again we are looking for quality of management and for adequately qualified supervision and training. We will only help those projects which are prepared to make a real effort to market themselves effectively outside the Region, and we are now particularly interested in those which can be sold to the overseas market. In very many cases, however, this leaves opportunities for the joint use by local people of facilities provided, including local school groups outside the main tourist season.

FUTURE DEVELOPMENTS

Future investment in tourism and leisure depends very much on the general state of the economy. The confidence that we would all continue to become better off year by year, that our working week would get shorter and shorter, that transport would continue to become both faster and cheaper - all this has suffered a severe jolt. We are now very much less sure of the future. We have found that the leisure market is perhaps rather more price sensitive than might once have been supposed. Almost the only significant growth in the last two years has been in the number of visitors from overseas, particularly continental visitors whose requirements are becoming increasingly important when planning for tourism development and investment, and who are, of course, essential to our balance of payments. Fortunately the signs are that confidence is beginning to return and that companies are once again beginning to think in terms of new investment. Our task at the tourist boards will be to encourage at least a part of that investment into the areas of particular economic need which have already been referred to and into the type of projects best suited to the local economy.

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In the early days we had no real idea how great the response would be to the Tourist Projects Scheme. We, therefore, adopted an essentially cautious policy and dealt with each application received on its merits. We now have a very much better idea of what we consider to be development opportunities in each of the Regions, of the benefits of particular types of tourism to the local economy, the standards which we should seek to adopt, the markets we are aiming at and the levels of assistance which are needed if the scheme is to be effective. We are, in fact, ready to take advantage of any upturn in investment.

So what sort of developments would we like to see in future in the countryside? In the accommodation field the trend is towards self-catering. There is an unsatisfied demand for good quality, well-designed self-catering holiday units, particularly if associated with such activities as riding, fishing, walking, swimming, possibly golf or sailing. The Forestry Commission is already embarking on a programme of investment in self-catering cabins. We would like also to see similar holiday developments near some of the newer reservoirs, which can offer a variety of water-based activities. We know already of a number of companies which are looking at holiday village projects as possible investments. It remains to be seen whether, as we believe possible, these are killed commercially by Land Tax.

Large scale holiday village projects of this nature are not everywhere feasible or appropriate. At the other end of the scale we would like to see groups of farmers getting together to form holiday marketing co-operatives. Farm tourism is almost totally undeveloped in the North of England and is viewed with suspicion by perhaps the majority of farmers. Overcoming this natural reluctance will not be easy and is something which we, at the English Tourist Board, might hesitate to tackle on our own. But, given the local knowledge and experience of ADAS, an enthusiastic NFU local branch, some publicity from the farming journals, the cooperation of the planners and tourist board finance and marketing advice, much could be achieved. The aim would be to encourage farmers to provide accommodation of a satisfactory common standard which could be marketed through a common agency. This has worked well in Denmark and we see no reason why it should not work equally well in England. We shall continue to support high quality and well managed attractions, particularly those which are essentially regional in character and in keeping with their surroundings.

We would like to see someone experimenting with linked trail riding centres. We believe that this would be even more popular, if properly developed, than the more traditional pony trekking from a single base.

The Sports Council has proved the popularity of family

holidays with tuition in a suitable range of activities, and the potential for joint use of existing facilities in schools and universities. We believe that this is a market which is still largely untapped.

The Tourist Projects Scheme has already proved its value as an investment catalyst, and has been particularly effective in the North of England. The future depends very much on the amount of money available to us from Government, and this is never certain one year to the next. I have tried to demonstrate how we go about administering the Scheme and the sort of economic benefits which can result. Tourism thrives in areas where there is a well developed and balanced local economy. It is hardest to promote and investment is hardest to attract in areas of greatest economic need, precisely those areas on which we have been asked to concentrate our efforts. Tourism and the Tourist Projects Scheme may be part of the answer. The real need in future is for agreed and positive planning policies designed to promote a balanced mix of investment in tourism and recreation, light industry and crafts, transport and services, each contributing to the well-being of the whole.

DISCUSSION ON SESSION 1

T. Huxley

It is my duty to thank both speakers on your behalf and this I do most warmly. Are there any questions?

G. Luff, Derbyshire County Council

My question is that if the Forestry Commission generate extra income, can they keep it or does it merely reduce the amount of grant that the Government give them? In other words, is there an incentive for them to raise revenue?

D.A. Mithen

We are, like all government departments, obliged to produce a budget and endeavour to work to that particular budget. Basically, we cannot use the revenues from excess timber production, shall we say, to provide additional recreational facilities. Likewise, we cannot increase our charges and then say we will provide additional facilities. So, as regards the commercial recreational account, we produce a budget which identifies expenditure and revenue and this is meant to balance.

The question of forest recreation - again, we produce a budget and we try to work to it. Thus, I do not think that we can produce more capital by increasing our revenue.

With regard to the second part of your question, I do not see this as a disincentive to managing our facilities to produce the best possible investment.

J.M. Sword, Bedford Estates

Would Mr. Mithen be prepared to say with regard to the figure of £548 000 (direct expenditure on commercial recreation including overheads) on page 2, how much of that is represented by 10% interest on capital?

D.A. Mithen

The position, if my recollection is correct, is that the deficit of £74 000, is based on 10% return. If we were working out the actual rate of return where you get a break-even point, it would be 3% or 4%. Our camp site account for this year should be just about making the 10%.

I.B. Stapleton *Bristol Polytechnic*

I was very interested in para. 14 of the first paper which referred to the feasibility study done two years ago on forest cabins. The returns looked moderately attractive then, although, obviously, they may need to be reviewed in the light of inflation. You say you are held back by the lack of capital within the Forestry Commission; I wonder if you have looked at the use of concessions as a way of implementing the proposals which do seem worthwhile in financial investment?

D.A. Mithen

Yes indeed, as you obviously know, the report which was produced for us, did, in fact, indicate that one way of going ahead would be to do it either in partnership with, or entirely through, a concessionaire. The general policy of the Commission at the time was promulgated fairly enthusiastically by our previous Chairman, that we would go ahead, and that one of the means we would use would be to attract private capital. We decided, rightly I think, that we would prefer to do this jointly and that the Commission might well provide the infrastructure, perhaps one third of the expenditure of any particular scheme, with the balance to come from private investment. Since that time there has been a change of government and the government we have now are not prepared to go ahead on that basis. We have been having discussions with Government and we are now considering a 50/50 partnership. However, if you are looking for a 50/50 partnership and your capital is constrained, then clearly, this determines the rate at which you can progress.

R. Carter *Scottish Tourist Board*

I have a question for Dallas Mithen. It is about a recreation project being set up by the Forestry Commission as opposed to the private sector. It seems to me that as you are not eligible for grants you are in a slightly disadvantageous position. If you were in the private sector you could either get 50% under the Development of Tourism Act, or, alternatively, 75% under the Countryside Act. Now, do you consider that this lack of grant aid for your recreation projects is adequately balanced by the fact that possibly you do not need to get such a high return as private enterprise would need to get? If you do not think it is adequately balanced, have you attempted to put a case to the Government on this?

D.A. Mithen

Yes, well first let us take the question of camp sites

D.A. Mithen (Cont)

as opposed to forest cabin development. With regard to camp sites we put a shackle on ourselves to start with by saying that we would cater for the tourist rather than the static caravans. As I mentioned in my paper, this alone limits the profitability of any particular project. In addition to that we do feel that we are at a disadvantage, particularly with certain local authority sites which are not subject to the same sort of constraint and are able to get a grant from the Countryside Commission or Tourist Board to enable them to embark on what is likely to be a very large capital investment. In addition, we are also asked to make a return on capital investment of 10% which is less than private enterprise.

You ask whether we have made representations to Government. The answer is yes, it has been discussed. It is a fairly basic concept of government that one government body does not subsidise another so that the only way in which we can live with the situation is by having a lower rate of return on capital. I am by no means certain that it is an insoluble problem. For the type of camp site that people want in the forest, and which the Forestry Commission are particularly well placed to provide, I think we could produce a 10% return on capital.

P.J. Greig *Oxford Forestry Department*

I would like to ask Mr. Colbeck a question eventually but I would like to preface my question with some general remarks on the nature of the conference.

The major thrust of the conference appears to be, whether we ought to charge prices in recreation areas, and secondly, how practicable it is to do that. I am very happy to hear that so far everybody seems to have accepted that it is desirable to charge prices in order to encourage efficient distribution of resources.

Turning to the question of the practicability of making charges, the decision maker needs to know in advance what the response is going to be in terms of the number of people who will come following an initial charge or a rise in price, also whether the total revenue will change. In order to know that, one needs to know the response curve which economists tend to call a demand curve. However, whatever we may call the curve it is a very desirable piece of information. To get that information certain data is needed. Mostly, we need data about numbers of visitors over a certain period of time, a number of years perhaps, the origins of those visitors, the costs they incur in getting to the site and the things they

P.J. Greig (Cont)

do on the site - fishing and so forth, as well as certain social characteristics about them. In addition to this, certain characteristics of the site must be known.

This may seem a formidable list but Mr. Colbeck seemed to indicate that a fair bit of this information was available in some form or other. Quite often researchers find that the required data is not really accessible in readily available form. I would like to ask Mr. Colbeck what sort of data is available for reservoirs from the Northumbrian Water Authority or elsewhere and cannot something be done to generate the curve that I mentioned before?

A.L. Colbeck

Yes, of course, we would like to know more than I hinted was available. Clearly if we are going to run our affairs intelligently, we will set about gathering the sort of information from which I quoted. I was fortunate in that fishing information, at least, is available in the Northumbrian Water Authority area going back to 1969. This was very helpful but it was only information as to numbers of fish caught, day-rod visits and prices charged. There is no information about socio-economic groups, about catchment areas, where the anglers come from and what it costs them to go to fish, and so on. It would be desirable to know why a man fishes Cow Green one day and Selset the next. We have native intelligence about that and the bush telegraph will often provide clues as to why the anglers go to one reservoir rather than another, but clearly, if we had more information of this sort it would be helpful.

The changes to which I referred, the 100% increase, is a dramatic illustration of how the finance people go about it and what sort of prognostication they would make, and we would make. We rubbed our hands and said, "We told you so" and now they are doing precisely the same thing. However, as I said in my last remark, it depends on what you want - they are getting more income but we are getting less income. This is a social question, do we want more income or more day-rods?

To sum up, yes, a certain amount of information is collected where a permit system operates. As far as angling clubs are concerned, operating on a lease, there is hardly any information available in a generalised way.

Turning to sailing: obviously from the beginning of sailing on reservoirs we have been collecting base data of the numbers who come and it would be possible from the records of sailing clubs to know where they come from and even to know what their occupations were. If this process could be enlarged

A.L. Colbeck (Cont)

it would be to the advantage of us all.

One final word, within the water industry there is the Water Space Amenity Commission. The Commission has brought the people concerned together in bi-annual seminars near Reading where problems of this sort have been discussed. This has thereby involved such people as John Casson who is my opposite number from the North West Water Authority. The Commission has even employed Michael Tanner from the University of Birmingham as a research assistant who could set the scene for an overall national approach to the collection of information. This is clearly desirable; it would be a nonsense for us to collect our information in a totally different way from that which is employed by others.

So, although there is a lot of work to be done, I think our noses are pointed in the right direction and we should be able to provide the kinds of answers you want in, say, 10 years.

T. Huxley

Thank you, Mr. Colbeck. Delegates might be interested to know that Michael Tanner, the man Mr. Colbeck has just mentioned, has gone back to Birmingham because his contract period with WaSAC has ended, so we have lost him as the Water Space Amenity Commission representative to CRRAG.

Mrs. J. Mann *Central Council for Naturism*

I have a question for Mr. Mithen. When you are setting up a caravan site, which standard do you follow, the model standards of 1960 or those of the Department of the Environment Study?

D.A. Mithen

It is very difficult and I hope one of my colleagues will correct me if I say something which is incorrect. The situation, as you know, is different in Scotland from what it is in England and Wales. The Forestry Commission have a standard which we call our 'Class A' standard and that equates to the DoE working party report. In Scotland, the local authorities are endeavouring to work to the Scottish version of the 1960 standard. There has been, in Scotland, a working party sitting for a while now and it is hoped that they will come out with a range of different standards for camp sites. Some of their proposals will require legislation, some will not. I think the chances of getting legislation in the immediate future is not very great. However,

D.A. Mithen (Cont)

it is hoped that there will be an introduction of three different standards of camp sites; the first one will be based on the 1960 model standards, the second one will be approaching the DoE working party report, and the third one will be approaching the Commission's 'Class B' sites. Currently there are discussions across the Border to try to come up with something which would be uniformly applicable in the whole of Great Britain.

However, to answer your specific question: the standard that we call 'Class A' (which in most places in England and Wales is acceptable to the local authorities) is the DoE working party standard. In Scotland the situation varies considerably; on the whole it is much more difficult to get a 'Class A' site even to the working party standard accepted, but it does vary, and the biggest difficulty we have in relation to planning permission for 'Class A' standard is the size capacity.

Mrs. J. Mann

You don't know when this might be incorporated into law?

T. Huxley

I think, Mrs. Mann, we had better leave this area because it is probably taking us into general planning problems rather than the immediate subject of our conference. There are a number of people who sit on some of these working parties, David Cameron, for example, perhaps you would like to talk to him.

There is, of course, a general point which we might touch on in Session 4. This emerged from something that Dallas Mithen said. I refer to the tremendous delays and problems which can be encountered in getting planning permission. These must have financial implications, very much more so for the private sector who are involved in solicitors' fees and so on. It may be that the capital costs are considerably increased by such delays and perhaps we could come back to these aspects of planning permission in Session 4.

J. Casson *North West Water Authority*

I am looking at our heading in Session 1 - 'public agencies' ; I would like to see some discussion of this rather crucial point that there is a general social expectancy that public bodies should produce social investment. Yet the Forestry Commission and the water authorities are under a set of economic objectives within which they are required to operate. Now the North West Water Authority's programme really has been mainly concerned with producing country parks, picnic areas, at this stage and so much of the commercial potential, particularly

J. Casson (Cont)

in fisheries, is tied up in long leases. We have no directive from the Government on how much of our investment in recreation should be social and how much commercial. I think Leslie Colbeck's first remarks stress this fact. I would like to ask how far is the simple notion that you might trade off social investment against the income from commercial investment in say, the Forestry Commission or water authorities, politically feasible? This is essentially a very simple idea, that if you produce loss-making investments then you might balance them on the books with some commercial investments. For example, one might turn redundant barns and farms which are water authority property into self catering accommodation facilities for the tourist sector. This might help to balance the books. So, my question is how practical is this 'trade-off' and where does it fit in with the politics, if you like, but certainly the philosophy?

A.L. Colbeck

This is a complicated questions, obviously. The tendency is for the commercial entrepreneur to go for the plums. I believe the question is raised in the background paper of why shouldn't public authorities be commercial. I would like to refer to an example in this region which has nothing to do with countryside recreation, the Billingham Forum. I had something to do with setting that up in 1964 and the crucial question was, "What about the ice rink and the restaurant?" At the time the local authority was told, "For heaven's sake, run them both, they will help to pay for the rest". The local authority decided that they did not have the necessary skills to do that and put them out to concessions. I think they have regretted that decision but it clearly demonstrates that it is possible, under controls.

T. Huxley

Some of the speakers we are going to hear later may speak further to this point. Perhaps Stephen Mills would like to comment.

S. Mills

Undoubtedly there are opportunities for statutory bodies like water authorities and the Forestry Commission to make money out of some of their activities, and why not? It is very short-sighted of government not to be prepared to put in some money to what might turn out to be a good investment. However, I would like to take it a stage further. In seeking to develop tourism we are very much aware of the need of a basic infrastructure, including roads, but also including

S. Mills (Cont)

car parks, toilets, signposting, the kind of things which are not going to make money for anybody but without which the tourist will not come back for a second visit. This is particularly relevant in the case of a resort, the Lake District for example, which, if you treat it as a whole, is a resort in its own right because it has accommodation, a lot of natural attractions, things to do and see, and so on. Now, in a case like that, if the local authority wishes to seek the benefits which tourism can bring, the essential thing is to provide that basic infrastructure, which nobody else is going to provide, and then to weigh the costs and benefits accordingly.

T. Huxley

Thank you. One of the papers quotes Denis Howell as saying, "When you build a sports complex, open the bar first". I take it in part that this relates to your question, Mr. Casson.

D. Thompson (Chartered Surveyor)

May I ask Mr. Mithen to expand a little on the profitability of his car rallies and his visitor centres?

D.A. Mithen

May I take the visitor centre first? In the parlance of my paper they are classified as 'forest recreation' and therefore we feel ourselves free to determine what charge we should make for them, and we do this on the basis of what is reasonable and practical to charge. Currently, we are just embarking on the development of visitor centres and therefore we tend to make a fairly low charge. The purpose of the visitor centre is, in fact, as a stepping off point for the visitor to go into the forest and therefore we hope it will provide information as well as engender a general appreciation of the forest. So the charge for the visitor centre is almost irrelevant in relation to the cost of the facility.

With regard to car rallies, an undertaking was given in parliament that we would recover our costs in providing this facility. The cost is, in fact, the cost of the damage to our forest roads which is very substantial. There has been an enormous amount of criticism lately; it has not quite got to the stage of a question in parliament but I think it has created more correspondence for our Chairman to deal with than anything else in the last five years. We have been forced to increase the price to the RAC for holding the rallies in this country. Basically, one should remember that

D.A. Mithen (Cont)

one of the basic philosophies of the Forestry Commission in providing recreation is that it should be for the carrying out of 'quiet pursuits in the enjoyment of the countryside'. Therefore, car rallying and the entrance of the car into the forest is something about which we feel we have to be very, very careful. We have been persuaded that the use of the forest roads is almost cardinal to the continuation of the car industry in this country! Therefore we feel obliged to give this facility but we do it under considerable control, under severe limitation.

T. Huxley

Thank you, Dallas Mithen, that was a tricky question - and a neat answer! Delegates might be interested to know that a number of statutory agencies are, at present, carrying out some research on visitor centres but I cannot recall whether there is anything about pricing policies. Can anyone comment on this?

P.L. Pearson *Countryside Commission for Scotland*

The information is being collected in the first phase of the study.

J.T. Coppock *University of Edinburgh*

I would like to put a question to Mr. Mills about the decision on grant aid. You say that the basis of this is the jobs that it will create. Secondly, you make the point that this is a very good criterion because many of the benefits are indirect. This is a judgement you make in advance; do you attempt to monitor, in any way, whether what you have grant aided does, in fact, achieve the desired object?

S. Mills

Yes, we do monitor, we monitor effectively in two ways. There is the normal follow-up which initially is on every project although subsequently we will probably take a sample of the projects. This is to ensure that the statutory obligations imposed on the grantee are being observed. We are also now collecting data on the number of jobs created directly, that's the first point.

In the last year we have done a survey on eight separate projects to endeavour to assess their economic impact on the local economy in a wider sense: what in fact is the effect of bringing visitors into an area and the impact, therefore, of our own grant aid policy. It is a difficult form of research.

S. Mills (Cont)

in practice to try to measure local economic benefits from a single project because one can really only assess the effect of a tourism policy by reference to quite a large number of projects, groups of projects, in a particular area, and the overall impact in visitor numbers which these are creating. The results have not been made available publicly because there is lot of confidential information involved, confidential to the individual projects themselves. Also, a lot of it is pretty tentative and we need to do more work on it. However, it is an area we are looking at and no doubt the Scottish Tourist Board is as well.

T. Huxley

Thank you Mr. Mills. Is there anybody else here from a national grant aiding agency which is attempting to monitor the effect of its policies in financial terms? For example, I believe the Scottish Tourist Board did some work in Tayside region, is that right?

R. Carter *Scottish Tourist Board*

I would just comment that the work we did at Tayside was rather different from what has been described. As Stephen Mills has said, it is very difficult to identify the effect of one particular component of tourism in a given area. The study carried out for us by Professor Coppock's team at Edinburgh University, was concerned with the overall impact of tourism in a particular area. In terms of monitoring the effects of certain projects we are instituting the same sort of procedure as the English Tourist Board, in other words to keep a check on the jobs that are created and maybe, like them, we will occasionally undertake far deeper studies to look at the impact of particular projects.

S. Mills

It is not only grant aiding policies which have an impact of course. Grant aid is one of the means we have of influencing what people do, where they go, how much they spend and so on. The other way is, obviously, marketing. This is equally important. Unless one has got a consistent marketing and development policy going side by side the answer is going to be less than satisfactory. So, equally, we do monitor quite a lot of our marketing effort in some detail. However, that is a different type of exercise.

J.T. Coppock

I might add that under the job creation programme the

J.T. Coppock (Cont)

Scottish Sports Council is doing a monitoring exercise on some of the grants it has given in the past to find out whether the initial claims which came before committee have, in fact, been achieved. Actually my motivation in asking the question was that sitting on the Facilities Planning Committee of the Scottish Sports Council, I have all these things coming before me - claims that grants will have this effect and that effect, and my general impression of government as a whole is that we do things, we give money, but we never look to see whether it is doing what it was claimed it would do in the first instance.

T. Huxley

Well, I can certainly say on behalf of the Countryside Commission for Scotland, it is doing research on monitoring in various ways but, to the best of my knowledge, it has never yet introduced any research on monitoring in respect to the financial appraisal that was made before the grant was made. Roger Sidaway, do you want to come in on that?

R.M. Sidaway *Countryside Commission (England and Wales)*

Only to give the information that we are developing a proposal to monitor our grant aid within the Countryside Commission at the moment but it is at an early stage at the moment, it has yet to go before our Commission.

R. Stoakes *Countryside Commission (England and Wales)*

I would like to ask Mr. Mithen a question. In para 8 of his paper he talks about the prices charged on camp sites by the Forestry Commission. I wonder if he can expand a little bit about these prices, over what time period they are fixed, whether there is a variation in prices between areas, between seasons and between types and sizes of sites? The reason I raise this question relates to what Mr. Greig said earlier about the estimation of the demand curves. It strikes me that the prices the Forestry Commission is quoting suggest that there is a single demand curve for all camp sites in Great Britain, whereas, in fact, I would suspect that we are talking of a whole series of demand curves for different areas and in different forests. I wonder to what extent the Commission builds this variation into their pricing structure.

T. Huxley

Well, it makes life easier to have one price for all camp sites when you are publishing pamphlets but Dallas Mithen

T. Huxley (Cont)

would you like to answer that more seriously?

D.A. Mithen

I would like to divide this between the holiday houses, the forest cabins and the camp sites. On the holiday houses and the forest cabins we have a differential scale, both as regards the site, as has been indicated in the paper, but also in relation to the season. We have a peak and a non-peak period. With some of the houses there is quite a variable scale which we hope bears some relation to demand. On our camp sites we do fix a minimum charge and try to balance our whole commercial recreation account for the Commission, over Great Britain. However, we do give the Conservator a discretion to go upwards from that for different camp sites. In fact, we also have a variable charge in relation to the season on this score. I read the paper which has been produced with interest. I think we have got a lot to learn but, to answer your question, although I have given it as though it is a fixed charge, we haven't really got a fixed charge. As regards how frequently we vary it, at one period we used to do it about six months before the start of the season so it was really being fixed 18 months in advance. With the rate of inflation we quickly learned that this was a very stupid thing to do and, in fact, last season we raised our prices in the middle of the season because it was clear that we were going to go badly in the red. We hope to fix our charges shortly for the next season. When we publicise the prices we do have a note that we may well have to put them up. I hope that is a commercial approach and I hope it answers the question.

T. Huxley

This must be a problem which faces any national body, be it in the private or public sector or even a large retail body which has got a number of different types of provision of the same sort. It could be museums, ancient monuments, and so on, that have to produce publicity material in advance not only for its own interest but because there are other people like the AA or the Tourist Board who are asking for this advance information. In such a situation everybody gets nervous because they are not able to produce the right figures, or there may be variations. I suppose it is inevitable that these kinds of bodies who are acting as middle men will, increasingly, have to put in the small print that prices may change in the course of the year.

R. Stoakes

I think the marketing and consumer response to pricing

R. Stoakes (Cont)

is quite interesting. In fact, what is the cost of having an extra child visit the site? Is there any real basis for fixing the price at, say, 35p? You do say that you have an alternative between pricing individuals and pricing pitches. I wonder whether anybody has considered doing any work to look at consumer response to pricing for pitches, or for individuals. It seems to me that you do not necessarily have to price the resource that is costing you money. You could go back along the line and price various things which would thus, between them, generate sufficient revenue to cover all your costs.

G. Wright Ministry for Conservation (Australia)

I am interested in the provision of facilities in large areas of public areas such as forests; I was particularly interested in the discussion on cabins and so forth. In Victoria we have a policy which might not be expressed but it means that generally facilities of that type are provided outside the forest area or national park. Where they are provided inside they are provided by a government agency and leased back on short-term leases to various private enterprises to run. For example, we have found in the last year that we have had to buy back a fairly major motel and ski run in a national park which was causing problems. I would like to ask Mr. Mithen to comment on the fact that our policy obviously diverges from yours. Secondly, if you do require facilities and you find difficulty in financing them yourself and you are worried about private enterprise coming into your forest, do you have any mechanism by which you can go to the local council to find an adjacent area?

D.A. Mithen

I hope I am understanding the question. I am not absolutely sure about that, particularly the reference to going to the local authority about providing a particular facility. In actual fact, in most cases the boot is on the other foot. I think the local authority rightly feels that they are able to see the overall recreational requirement for their area, wherever it might be, and see the need for a camp site, a car park, a walk, or whatever. Having determined that they often look to the Forestry Commission which actually has the land and manages it, to provide the particular facility required. It is arranged through discussion, trying to meet the demand, this is what I meant earlier when I mentioned co-operation. I do not think I really understand what you mean by going to the local authorities to provide something which we cannot finance on our own land. We might even sell the land to the local authority, or lease it to

D.A. Mithen (Cont)

them, to enable them to carry out a particular project which we feel we are not able to finance or support for various reasons. There are a number of occasions where the Forestry Commission might sell some of their land or grant a concession to a private individual to do something which they are not prepared to do themselves. It is comparatively rare in the case of a private investor but it is acceptable within the general policy of managing Forestry Commission land and has been done on a number of occasions with a local authority.

K. Garton *Derbyshire County Council*

Does the Commission take into account the possibility of entering into negotiations and joint arrangements with organisations like the Camping Club and the Caravan Club, where they retain the lease?

D.A. Mithen

We have a number of camp sites which have been leased to the Camping Club of Great Britain and which they manage. One of the things which we find a slight difficulty, initially on that, is that the Camping Club wishes to restrict the use of that camp site to their own members - not unnaturally. We do not have a hand in the management - it's just a normal lease to them.

T. Huxley

The time is now 5 o'clock. I want to thank the three principal speakers, Mr. Mithen, Mr. Colbeck and Mr. Mills, on behalf of all of you for having worked very hard in providing most interesting papers and for having answered questions about them. Indeed, everyone should be thanked for having made my life easier by asking many excellent questions and so promoted a lively discussion period.

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SESSION 2

FINANCING COUNTRYSIDE RECREATION AS A PART OF A
LOCAL AUTHORITY'S RESPONSIBILITIES

Chairman

J. Wilson

C. Gordon: Personal viewpoint 1.

D. Woodman: Personal viewpoint 2.

Discussion

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FINANCING COUNTRYSIDE RECREATION AS PART OF A LOCAL
AUTHORITY'S RESPONSIBILITIES

A personal viewpoint

by

Clive Gordon

Asst. Director (Countryside), Nottinghamshire County Council

J. Wilson

Before introducing our first speaker in Session 2, I should like to add my note of welcome to you all and particularly those of you who have not been in Durham before, I am very glad that CRRAG chose Durham as the venue for this conference; it does, I hope, imply clear recognition that the county is not full of coal mines and steel works and that it does have some countryside - indeed, some of you may know that just about half of the county is being designated as an area of outstanding natural beauty.

I was a little bit worried when I saw that the theme of the conference was that of finance; I hope it does not mean, (if I may turn a phrase), 'that where there's money there's muck!' More seriously, can I invite you to pick up some of the literature which we have placed in strategic positions which will tell you much about our beautiful area.

And now to business. This evening we are going to have two personal views on the subject of Financing Countryside Recreation as Part of a Local Authority's Responsibilities and we have two gentlemen who are both from county councils. First, we have Clive Gordon - he is from Nottinghamshire and has a background in landscape architecture. He is responsible in his present job for the development of the Nottinghamshire County Council's Recreation activities and some associated work including the design and management of country parks in that area. Clive Gordon.

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The idea recently expounded by Denis Howell, that when we are building a leisure centre we should build the drinks bar first, arose out of the pressing economic difficulties we are now encountering. However, it may also be the green light to a new way of looking at leisure provision by local authorities. In the past, local authorities have tended to regard the concept of service provision as so dominant that they treated income, while often important, as some kind of bonus. I believe this attitude is changing and is signalled perhaps by the view of Denis Howell, and indeed, the content of this conference. The day is approaching in the field of

CG/2

leisure, when if a proposed development cannot substantially stand on its own feet, then it may never get off the ground. In saying this, it is important to recognise that local authorities are constrained in their development of purely commercial undertakings and to this extent local authority leisure provision can never be truly profitable. Indeed, we must never lose sight of the importance of 'service', whether this be in our care of the land entrusted to us or for the people to whom we play host.

Throughout this paper I shall refer to experience in Nottinghamshire but that does not mean that what I say is necessarily Nottinghamshire County Council policy.

To begin with, let us look briefly at the way we finance the provision, the running costs and management facilities. As a general rule, capital expenditure is financed by loan and for countryside recreation, this usually comes from the L.D.S. (locally determined sector) allocation, which basically means that the local authorities (County and District) can determine how they spend a pool of loan sanction within each county. Some capital works are financed directly from revenue which may include income from trusts and estates which are 'owned' by local authorities. All management and running costs, including the interest and loan repayments on the capital sum, are financed from revenue sources including the rates. Any grant aid on the capital sum reduces the amount to be borrowed and therefore the loan charges. Any grant aid received against running costs and management is regarded as income against the revenue expenditure.

In Nottinghamshire we have a five year "rolling programme" development budget which sets out the revenue implications of all proposed development. This allows for sound forward planning and is flexible enough so as not to exclude the unforeseen opportunity even in these days of freezes and squeezes. In fact, the service committees have to allow for the full cost of carrying out any development and all income by way of grant aid accrues directly to the Finance Committee. The object of this method of financing is to provide an absolute limit on growth of service committees and it has the added advantage of our not being expected to forecast grant aid five years in advance.

It will be seen, then, that the primary importance of income from any source is to reduce revenue expenditure and this can, of course, have a direct impact on the rates.

What then are the constraints and opportunities which enable local authorities to produce income from countryside recreation? First the constraints:

- (1) Country Parks, picnic sites and other areas grant aided by the Countryside Commission must be freely available to the public. *
- (2) Local authorities can only trade as an adjunct to a service function.
- (3) Local authorities generally adopt the view that their pricing and charging policies should not preclude a member of the public from access to the facility. One of the most outward appearances of the "service first" concept.

The opportunities which can be taken to produce income fall into four main groups:

- (a) Grant aid
- (b) Charging for access to facilities and services
- (c) Production from the land
- (d) Trading

GRANT AID

I will not dwell on this aspect of income as most of it comes from the Countryside Commission and, to some extent the Sports Council, with whom I am sure we are all familiar. Do not forget, however, that there are other sources of grant aid; the Arts Council, (for example - do you want a piece of sculpture or an open air auditorium in your park?); the Historic Buildings Council (for example - are you using a listed building as your ranger's house?); the Area Museum Service; the Crafts Advisory Council, and many more. Look around for trusts which provide grants for specialist activities or facilities.

CHARGING FOR ACCESS TO FACILITIES

While a country park must be freely available, it may be possible to charge for the facilities which you provide within. There are two types of facility which can be provided in a countryside recreation area - those which you might normally include and for which a charge could be levied, for example, car parking: then there are those facilities/services which you might provide purely to make money, for example, train rides and donkey rides. The line which you draw between the two would be based on the type of park you are developing and what you are prepared to subsidise within that park. You may have a different view between one in a site of special scientific interest and one in the urban fringe. In any circumstances the making of a charge should be self-supporting, eg the cost of collecting the car parking charge should not exceed income though you would not necessarily expect it to cover the cost of providing the car park. However, in the case of providing a money-

* *This is the interpretation by the Countryside Commission of the Countryside Act 1968 Section 43 (2)(3) on the recommendation of their legal advisers.*

making service you would expect all the costs to be covered so that income equals profit in the commercial sense.

PRODUCTION FROM THE LAND

Whether you provide your facilities in parkland, woodland or meadow, the land can be productive and provide income.

Although a long term investment, forestry is worthy of consideration. By this, I am not suggesting that every piece of woodland (whether or not it has conservation value), should be turned into a commercial forestry plantation, but when planting trees or encouraging regeneration, we should think about how this can be done to produce timber as well as satisfy our other needs. The Forestry Commission's Basis III Dedication Scheme allows for this and provides for a planting grant - another source of grant!

What about quasi-farming activities - growing crops and animals. You will almost certainly be able to produce a crop of hay even if it is a bit stalky and providing you have a reasonably sized area, a local farmer will take it off your hands and you can at least save yourself the cost of grasscutting; and, if you choose the time of year carefully, for cutting, you may be able to improve the conservation value of your grassland. The opportunities for running animals in open spaces are enormous and also provide an attraction to the public. In this respect, it is worth thinking of something unusual, for example, rare domestic breeds, deer or even an animal not normally associated with this country but in need of a place to help its long term survival; at least, you will keep the grass down and you may make a contribution to conservation and even some money.

How about fish farming in your water or keeping bees and selling honey?

When setting up a new development consider the implications of your land holding and whether an extra piece of land, which may not be open to the public, might help with the viability of a productive enterprise within the park. Why not consider starting to run a productive estate which is used for recreation at weekends or establishing a peripatetic ranger service which uses other people's land for recreation provision on a programmed basis? Look also to see if there are opportunities for reducing costs by obtaining power from wind or water and methane gas from sewage, or any of these other ideas which so often seem airy-fairy; yours may be the place where they will work.

TRADING

This is the area where the greatest constraints exist. But to be positive, what powers are there to enable us to trade:

The Countryside Act, 1968 Section 7

The Local Government Act, 1972 Section 111

Basically, as I have said before, we can trade as an adjunct to our main purpose and in a way which will enhance the recreation experience. We can sell literature and books about the countryside, wildlife, landscape and so on, souvenirs (and this can cover a multitude of products), postcards, films and refreshments.

With all these things, as with some previous items mentioned under charges and production, it is important to think in a truly commercial sense. There is no reason why any local authority should subsidise a trading activity. If it is doing so, then the activity is not making a genuine contribution to running costs and it may be argued that the local authority should not be trading or charging in that context in the first place. While we cannot regard the establishment of a country park, for instance, as a commercially viable proposition, it should be possible to design a charging or trading policy which is in itself commercially viable. There are many opportunities which require careful consideration; do not be satisfied with a solution just because everyone else is doing it. Keep your products, if you are selling souvenirs for instance, constantly under review. For example, we have found the general standard of postcard quality to be exceedingly low. We have therefore designed our own and are having them printed by a local printer at one and two thirds pence each in runs of 60,000, instead of buying them in the normal way and paying two or three pence each for them from the producer. We can sell 30,000 postcards of the Major Oak in a year at the Sherwood Forest Visitor Centre; a postcard sells for 5p. I think that quality is very important and in order to make money, there is no need to lower standards of design or product. Pay attention to the educational/interpretational value of what you are selling.

The other major aspect of trading and one in which most urban recreation departments will have many years experience is that of refreshment sales. If you are operating on a large enough scale there is great merit in catering yourself and not leaving it to concessionaires. Whatever the outcome, the standard of provision and service will be seen by the public as the responsibility of the Council. Once again it is important to think commercially and to provide a service which should be at least self-supporting if not actually profitable. Indeed, there may be a case for promoting catering facilities purely to produce profit or adapting your facilities, such as a restaurant in a country park, to provide a service in the evenings and indeed for weekday lunches.

In conclusion I feel that there is considerable scope for producing income but the major constraint is the state

of mind of local authorities rather than any wholly reasonable legal constraints, though I for one would like to see local authorities' trading powers extended.

We must look for opportunities to make money and produce income which will help us to carry out future developments and if that means adopting a more entrepreneurial approach then let us meet the challenge. Promote your sites and products in a meaningful way; do not be afraid of advertising or the 'media'; they have had a profound influence on people's lives and they can be beneficial to our aims and objectives. Take a broad and balanced view and above all, do not do things which will place you in direct conflict with your conservation objectives. For example, the East Midlands Tourist Board promote the Major Oak as having a hollow trunk which can take 22 people inside - we have just fenced off the tree to preserve it from the damage caused by trampling feet.

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FINANCING COUNTRYSIDE RECREATION AS PART OF A LOCAL
AUTHORITY'S RESPONSIBILITIES

A personal viewpoint

by

Dennis Woodman

Deputy Director, Countryside and Recreation, Cheshire CC

J. Wilson

Our next speaker is Dennis Woodman from Cheshire County Council; he is the Deputy Director of Countryside and Recreation and he has specific responsibility for the development of countryside facilities. He also acts as the County Council's principal co-ordinator on all matters related to joint use of leisure centres. He is a chartered surveyor and immediate past-chairman of the Association of Recreation Managers; before he got into the field of recreation management he managed a number of private estates in North Wales and he joined Cheshire County Council initially as a Sports Centre Manager. Dennis Woodman.

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By way of background let me say that there are various Acts of Parliament as well as the Cobham Report and the White Paper on Sport and Recreation, all of which recognise that local authorities have a role in the provision of recreational facilities and their management. We, in Cheshire, have played our part during the past ten years, particularly in countryside recreation, due to pressures which were identified in the mid-1960's.

Cheshire is a first-class agricultural county with a population of some 6½ million people in and around the county all capable of putting pressure on the county for recreational facilities. This pressure of people living within a half-day trip distance has provided us with many problems around our roads. To tidy up this situation to enable people to reach the good facilities within our boundaries, we have had to provide high standards of car parking, toilet facilities and so on. We also had the problem that there was also a great deal of pressure on the High Peak District of Derbyshire and Snowdonia and it was county policy then (and still is) to relieve some of the pressure on the national parks. So our policy has been to set up country parks and some five or six have duly been established. Incidentally, the Wirral Country Park was one of the first to be nationally designated as a country park. We have improved where necessary and provided where possible, many facilities, safeguarding the farming and forestry interests, including picnic sites, access agreements,

footpath improvements, transit camping and picnic sites and the Countryside Enhancement scheme.

There has therefore been a strong financial commitment to the philosophy of countryside recreation provision and high quality management and maintenance of our countryside facilities. Part of our original policy and one of our continuing objectives has been to intercept the potential day-tripper to the national parks in the Peak District and Snowdonia and thus to relieve the burden imposed upon them.

We have in-house professional services for design and we have grown in experience with the present team. In the past we have been able to afford mistakes and then remedy them.

We have been orchestrating a social service with some educational connotations and we have been operating to a separate committee of the county council in doing so. We now have to decide if we can continue predominantly as a social service.

Our dilemma is a deeply philosophical one. We have a statutory duty to provide for the whole populace. By training and past experience, we, as officers, and our elected members, have tended towards the view that enjoyment of the countryside should be free and that in any case, by providing such facilities, we relieve the pressures on more sensitive areas elsewhere. We could take the view that this is but a temporary dilemma and that we shall soon recover to our erstwhile position when money for development and management will again become readily available but I do not believe that this will be in the foreseeable future. Public pronouncements tend to single out our recreation facilities as a whipping boy. For example, in the Daily Telegraph report of the Conference of the Rating and Valuation Association, six out of eight of the council activities referred to as 'gilt on the gingerbread' referred to recreational facilities.

From now on many of the suggestions I will make will be unqualified and there ought to be reservations attached to them, they are, however, meant to stimulate discussion and certainly do not represent the policy of my own Authority. My principal intention is to examine means by which we can maintain the service we have achieved to date and hopefully to continue to develop it in a financial climate totally unfavourable to us in the immediate future.

If there is one message apparent from the recent agonising appraisals and reappraisals of public authority expenditure, it is that spending on recreation is still regarded as an 'optional extra'. All of us in the profession as recreation managers have necessarily to react to this.

In the local authority sector we have to re-assess our objectives and priorities in the light of the cutbacks - both past and potential future ones. In the light of our analysis we could decide to operate on a social service level but I believe this will inevitably reduce the value of our service to the community. On the other hand we must be aware of the needs which can only be catered for in this way. It seems to me that we have to be more commercially minded, and really what I am saying is really only reinforcing what everybody else has said, i.e. that we should positively seek to realise the income potential of our present assets and ensure that our future developments are capable of providing us with the best financial return we can achieve. This is not unlike much current practice in public authorities, particularly in the Sports and Recreation Centres. I maintain, however, that what is required is a more positive hardening of purpose in order to exploit, in a financial sense, our physical resources.

I suggest that local authorities should take stock of our clientele and those for whom we should be providing. This will entail careful research and analysis. We should consider what they want and their ability and willingness to pay for it. We should then design accordingly in the right place and with an intent to attract to those locations the people - the customers - who have asked for the amenities. (Installation of money-spinning elements should attract the customers anyway). We should also design to minimise staffing costs, maintenance and capital costs although I do not think it is wise to ignore the fact that sometimes low installation costs may result in higher maintenance costs later on - it is surely unwise to reduce standards at any time.

All that seems totally self-evident but the Countryside Commission have discovered few country parks with written objectives, indeed, in some cases people do not know why the country park was put there in the first place. I would guarantee that few local authorities, managing country parks, have any detailed survey information on the current users of the existing parks, particularly regarding, the total numbers using the park, the breakdown into sex and age groups, the socio-economic groups, the attendances as family units or otherwise, and so on, but yet the spending patterns of each individual will depend on these and other factors.

If we turn to design, how often have country parks in the past been designed to a brief produced by the future managing organisation and have the factors of management costs, viability and flexibility, received due weight? I suggest very rarely because they did not seem important at the time. I believe them now to be very material.

I need say very little about the sources of capital - they are referred to elsewhere in this conference and, indeed,

well summed up, however, local authorities are commended from within and from outside to consider partnership schemes with private commercial interests. I believe that for a variety of reasons there are few occasions when this is achievable and I take a very pessimistic view of the total capital likely to accrue to local authority developments from commercial sources. On the other hand, if local authorities charged more frequently for the use of their facilities there should be a greater incentive to private investors to invest more in private developments. It seems to me that if the cost of entry to local authority facilities is always nil there is, thereby, much less incentive for private developments and thus the sum total of recreational facilities available to the general public is lessened.

When we started to consider who we were providing for and how we could ensure that our countryside facilities were made available to the majority of people, I was led back to last year's conference on the urban fringe and our own considerations in Cheshire.

As a result, I think that we have not catered as adequately as we might have done, for certain sections of the population. In addition, certain of our facilities are never under any pressure at all.

I believe that we have now reached the position that our criteria for carrying out any new development in the countryside or on the urban fringe, should include the most effective use of the physical resources available to us. I believe that we should begin to count effectiveness by the numbers of people who visit the site. We need to judge the capacity of the site and then measure the number of visitors against the capacity. The closer we get to 100% the nearer we will have become to satisfying the needs of the public on that site.

Now what I have just said is incredibly crude but, if I am building a block of squash courts, I will know the total numbers of players who can use those courts and if I cannot get 80% use of those courts throughout the whole year, I will consider my management to have been a failure.

Clearly the judgments required to assess capacity to a country park facility are very much more refined than those required for squash courts and similarly the assessment of a reasonable or acceptable level of use will need even more care, but it is the nature of the approach to the problem that I feel is correct. The precise means of the analysis will depend on the circumstances of the individual case.

I am led to the conclusion that we must concentrate our limited financial resources closer to the centres of population, thus enabling a greater proportion of the population to have easier and cheaper access to the facility.

Having given the people the best opportunity of reaching the site that we can, we should not be afraid to provide real drawing attractions as the initial stimulus to encourage them to come there. I have mentioned a fairground atmosphere in my synopsis to try and describe the feeling of excitement which we should try and engender at the thought of a visit to that particular place, and I then started listing the type of things one could include. I won't attempt to suggest what they might be because it will depend on the particular circumstances within the area. Suffice it to say, before I am accused of heresy in commending fairgrounds in the countryside, that I believe, with good design, proper grouping of compatible attractions, and the careful siting of common services and landscaping, we can provide a more desirable recreational facility and experience to more people, ranging from real excitement to the quiet and peace of grass fields and secluded woods. One only has to visit Aviemore to appreciate the success of the concept with a mixture of go-karting, ice skating, swimming, horse riding, good refreshment facilities or the quiet joy of a tramp across the heather, through the woods or over the mountains. There is no reason why local authorities cannot bring together comparable elements to create the same type of general atmosphere.

I can see no difference between selling the merits of recreation activities and selling any other commodity. The principles of marketing must apply. Most of us in the public sector have been trained in facility development and management and I believe we need special training in business management with an emphasis on salesmanship to allow us to exploit more fully the opportunities we have to offer for recreational activity. This is not to belittle our other acquired skills but to enable us to appreciate more fully the value of our product and to enable us to obtain the optimum return from it.

I must emphasise optimum return because to obtain the maximum return may entail adopting policies which would not be acceptable and standards below which we would not wish to go. Within that context I suggest that we should examine all revenue making opportunities, indeed, it is my view that we already have latent income generating potential in many of our existing facilities and that rather than accept a reduction in the quality of our service or slow down in the speed of our development, we should look to the net revenue effect of our policies.

We require ways of charging what the market will bear to equal or at least reduce the cuts in annual expenditure demanded of us.

Certainly we in Cheshire have proposed that the cut of 3½% we are expected to achieve in 1977/78 from this year's Revenue Budget, should be met, not completely by increasing charges but partly by reducing expenditure.

The position that we in recreation management may have to defend is that the net revenue budget is what affects the rate demand and not the gross expenditure. There appears to be a view prevailing amongst treasurers that all income accrues to the common fund and should not be used to offset expenditure. If that is so, then the incentive for recreation managers to improve the income is greatly reduced and should be resisted with all the strength we can muster. As to the likely effect on our customers of increased or new charges, I believe that most people value more highly what they have to pay for and that the majority would prefer to pay for our type of service rather than lose it altogether or see the standard reduced. Obviously we have to guard against diminishing returns but that will be the measure of our skill in marketing.

Earlier, I emphasised the weight which we, in Cheshire, give to good management of our countryside facilities. I have noticed, however, that since local government re-organisation, there has been a tendency to impose inhibiting control systems on the facility managers which will reduce their opportunities for dynamic action. If all departments of the local authority do not subscribe to a policy generating income from the available resources, then the facility manager can rapidly become disheartened and it is therefore necessary for the head of the recreation department to ensure the right climate within which the producers of income can operate.

I am also concerned that the income obtained shall be utilised, at least in part, to maintain the property at a high standard. We may have to fight for this but there can be no justification for lowering the attractiveness of the property because the ravages of vandalism, mis-use and normal wear and tear, cannot be left untended. In addition, it is commercially wrong to allow neglect to go unnoticed. That may seem a truism but it has been used recently as a reason for not imposing car park charges in a very popular country park.

Similarly, we have to be prepared to fight for the correct staff levels. We should not be content to allow existing staff to suffer the burden of increased administration due to newly introduced charging policies, and, hopefully, the increased numbers using the facilities because of new attractions.

Again, it may surprise you that this needs to be said, but personnel departments and management accountants do not always readily appreciate that increased costs can give a greater return on income.

As we can only provide a first-class service to the public through the activities of our staff on the ground, we should never lose sight of the need to support them in order

to maintain their effect and keep their morale. I have seen too many instances where this has been ignored and the service to the public has rapidly deteriorated. It then has to be challenged and asked whether such a particular local authority ought to be in the business of recreation at all. It does not apply only where a charge is being made.

To sum up then - local authorities are, and have to be, involved in recreation. Most local authorities, which have involvement in countryside recreation, include it in a department of recreation. Many of the other facilities administered by that department have to bear critical analysis and I can see no reason why countryside recreation should not have to do so as well. We should, therefore, explore the advantages of mixing the different types of facilities together to obtain the best financial return we can from the resources that we invest.

Finally, we must defend to our utmost the highest standards of management without which we cannot hope to improve the general quality of life.

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DISCUSSION ON SESSION 2

J. Wilson

I think that you would far sooner ask questions than listen to a summing up by the chairman.

A.J. Grayson *Forestry Commission*

I must say that I thoroughly agree with the exposition by both speakers but they did both make some reference to finance from the rates and I wonder whether, as a ratepayer, I can ask for a point of clarification. It seems to me that I dish out an awful lot of money to Edinburgh Corporation and I would have thought that I dished it out partly to service debts that they had incurred on the capital involved in setting up some of the things we have just been hearing about. I wasn't clear, was Mr. Gordon saying that the revenue side affects the rates but not the capital side? Surely in the end this side must come as a burden on the ratepayer to some extent, to the extent that it is not centrally borne by government.

C. Gordon

Yes, my point was directed at the fact that capital expenditure has an influence on the revenue expenditure; just what you are saying, in fact, the revenue expenditure included the loan charges on capital expenditure. So, in that way, I make the point that grant against capital actually reduces revenue expenditure, therefore, it can have an influence on the rates.

P.J. Greig *Oxford Forestry Department*

I would just like to make an observation on Mr. Gordon's talk which I enjoyed very much. He said that his paper represented his own personal viewpoint, that's true. However, he did make a fairly positive statement which appears to be more than simply a personal belief, that is that the provision of social services can offset other social problems. I think it ought to be stressed that this is a personal belief because I am not aware of any evidence that this is a fact and not just a belief.

C. Gordon

I would stress that this is a personal viewpoint. I deliberately included it in a sense as an aside. Having said that I think it is something which is unexplored. We continue to carry out the sort of fire-fighting operations with the development of other services without assessing whether a withdrawal from one direction with more money directed to another way on environmental improvement in housing areas

C. Gordon (Cont)

and leisure services and so on, might not actually reduce the costs of providing other kinds of social services which are a sort of healing wounds operation.

C.C. Bonsey *Hampshire County Council*

Could I just make an observation that some of the things we have been hearing about today seem rather to be emphasising the facility. I am wondering whether one of the lessons we have got to relearn is that we can't afford facilities. Perhaps what we ought to think of is making better opportunities for really inexpensive recreation. I have only seen one example mentioned so far when we saw photographs of people using a footpath. I think perhaps we ought to be more aware of the need to learn how to use the things we have now which have, perhaps, rather been ignored because they are cheap and have been there all along.

J. Wilson

I think one ought to say, in fairness to the speakers, that they were asked to prepare papers on the financing of countryside opportunities. I am quite sure that both their authorities are doing many things which are, in fact, very cheap or free or fairly easy to do. They were talking specifically on the more expensive programmes of larger projects.

D. Woodman

Yes, specifically on the countryside side of our department we have 400 miles of footpath under the management of the Countryside and Recreational Division. They are not managed by the county surveyor any longer. Very clearly the best opportunities of getting right out into the countryside are along paths which are properly maintained, looked after and signed, so that people know where they are going and can get back to where they started from without finding themselves up to their knees in mud. One of our problems in Cheshire is that we do not have an awful lot of freely available space that the public can use and therefore we cannot improve management of that sort of land. The Forestry Commission must be aware of the only 2000 acres of land that we have got freely available, Delamere Forest in the middle of the county. Again, we have done a lot of work on the periphery of the forest in order to provide car parks, and, indeed, a road going through the forest so that people can get into the forest and make better use of it. However, even the Forestry Commission is becoming concerned about the pressure being put on the boundaries of the roads and footpaths in and around the forest. I am not certain whether Colin Bonsey is going on to think about things like playing fields for schools. I think possibly that is another subject but I wouldn't disagree with him that we do need to look at

D. Woodman (Cont)

our available resources and see if we can't manage them better for greater public access.

C. Gordon

In Nottinghamshire the public rights of way are not part of the leisure services department, they are still within the planning and transportation department. In fact, the planning and transportation department, about a year ago, employed staff specifically to undertake a non-statutory review of the public rights of way throughout the county with a view to making them more viable for recreation purposes. They are obviously doing that in liaison with us and we have in mind the production of long distance footpaths as a result of this exercise. One of the things we did immediately was to look at where there were opportunities to take a circular route. The planning and transportation department have published a little book of which they have given away about 3,000 copies this summer, which lists 14 walks in the county. One of the newspapers in the county has actually taken this book and printed details of one walk every week for 14 weeks. So that is just one example; certainly we are aware of the need.

J. Wilson

Yes, I think there must be many examples of this kind throughout the country. Certainly, here in Durham, we are doing a lot of waymarking and creation of new footpaths. However, I think all of us in this room know that the 'great British motorist' can't be parted from his car and I think one has to balance that kind of effort and provision with more active things for him to do.

G. Wright *Ministry for Conservation (Australia)*

I hope you will forgive me, as a raw newcomer to this country, if I make an observation. I have heard a lot of talk about training and marketing and administration and so forth tonight. I just wonder whether it is unethical in this country to think a bit laterally about the opportunities available to you other than in the existing system within which you work. I am thinking about how the real business decisions are made in society, the cut and thrust part of the activities that occur. Looking at your planning system and the way you operate with over 12 months' delays in the planning system and so forth, the tremendous cost in investment of interest held over, it would seem to me that there are opportunities to negotiate with the individual to obtain community resources, to wheel and deal to achieve these sorts of resources by direct contact with the individual involved. In some cases it is getting an extra allocation of open space; it might be direct money concerned; it might

G. Wright (Cont)

be simply, "You give me a corner of your wood and I'll get your name in the paper" or something like that. There are all sorts of techniques which could be used to gain the sorts of facilities you want. Is this unethical in the sort of system you operate?

J. Wilson

I believe Dennis Woodman had something specific to say about that.

D. Woodman

Yes - that I didn't think it was going to work! It is a point though, isn't it? Certainly it is mentioned in our draft county structure plans that there may have to be a loosening up of the pure planning reasons for not permitting something to go into the "Countryside" (in inverted commas). In other words, if something has a greater community value then one may have to drop one's standards of planning restrictions. And here I am, you see, saying 'planning restrictions' instead of looking at the opportunities of more positive planning. Perhaps that has been the fault of the system that our planning has, to some extent, been negative in respect of receiving planning applications and then not trying to get the best out of the planning application but to say, "Well, that doesn't suit our purpose, let's say no". I wouldn't disagree with you.

C. Gordon

There is just one point which we have found within the last year. One or two things have come together in the farming world which have encouraged the Country Landowners' Association and the NFU to take more of an interest in getting the public on their land and explaining to the public what they are doing. On the question of farm open days, one of the outcomes of this is that we now find, in contrast to two or three years ago, that the NFU and CLA have stepped into this and are saying, "Let's have more farm open days, how can we go about it?" In a very small way there is a move there to what you are suggesting. The farming community has been criticised for years, it is now under a lot of pressure over access and it has suddenly found that it wants the public at large to know what farmers are up to.

J. Wilson

I think one point that should be borne in mind is that local authorities haven't gone into the countryside business in order to provide swings and roundabouts in the nearest field. They didn't set out with that kind of objective, "How can we provide the maximum number of swimming pools, roundabouts or go-kart tracks, in the countryside?" Basically,

J. Wilson (Cont)

most of them got into it almost by accident from the point of view of protecting the countryside in the first place, and from there moved on to thinking about protecting it in positive terms. So really, I don't think the opportunities have been looked for with the positive approach of, "Just what can we do, how much money can we get, can we provide all these marvellous things which Dennis Woodman talked about?"

J.M. Sword *Bedford Estates*

May I please take up what Clive Gordon has just said. I have been waiting for an opportunity to try to bring us down to earth a bit because it seems to me that we are virtually heading for a siege economy in this country. We have got to maintain an absolute priority for the use of our countryside for the production of food and timber. Any other use of the countryside should only be admitted when it is not incompatible with those two uses, in my view. This is a bit reactionary but there it is.

There are, of course, quite large areas of land which are not for producing either food or timber. I think the use of forestry and woodland for leisure purposes is not incompatible with the production of timber.

I would like to move on from these thoughts to the discussion we have been having about local authorities financing the management of countryside for leisure activities. I speak now as a director of the largest safari park in this country. If a private organisation gets hold of a piece of countryside and uses it for non-agricultural or forestry purposes - profitably - the local authority is very quick to come along with a rating bill which, in our case, is £24,000 per annum. It seems to me that there is something wrong with the idea that the local authority should use rates for setting up leisure facilities which set out to compete commercially with leisure facilities provided by private enterprise. That does not necessarily cut out the local authorities at all because there are probably a lot of leisure facilities, for example, maintenance of public footpaths, roads and so on, which are necessary though unprofitable, in order to enable the public to take advantage of the countryside.

To come back full circle, I think the reason why the CLA and NFU are keen (as you put it - I'm not sure that they are), or, at any rate, much less reluctant than they used to be, to show urban dwellers what goes on on farms, is simply because they feel themselves under quite insufferable attack from taxation. They see themselves as more important than most industries to the economic viability of this country but completely undervalued as such. I think it is purely a public relations exercise to try to educate the mass of the

J.M. Sword (Cont)

electorate in what they contribute. However, I do not think that we ought to encourage ourselves in the belief that the public is any more entitled to go and tramp over a farmer's field than to charge into the assembly line at British Leyland.

J. Wilson

Clive Gordon can speak for himself on this but I am absolutely certain that no local authority would dream of wanting to encourage people to go and trample on a farmer's field. In fact, their policies are designed to do precisely the opposite, to make sure that people do not go and trample on farmers' fields but treat the farm with the respect it deserves.

C. Gordon

I go back to the point I thought I had mentioned about six times. Our primary motivation is one of conservation and that includes conservation of land and food production and there is no question of local authorities doing anything contrary to that. Indeed, on the whole, I think local authorities use land which is valueless in other ways, for countryside recreation. You also mentioned this business of commercial competition. I think this is very interesting. I do not believe that any local authority sees itself as in business to provide a safari park such as yours. It seems to me that such a thing would not meet any of the fundamental objectives which we have in providing countryside recreational facilities; it is essentially a commercial, tourist enterprise. In Nottinghamshire and immediately around our area, there are private enterprises, not perhaps as many as in other places, which are running their estate and hall for public recreation. I am not aware that they feel that we are competing with them. I think we are providing essentially different services which must be made to be compatible. However, having said that I have harked on some aspects of taking a more commercial approach but even in those cases I am not saying that we want to compete. There may be areas where it is not unreasonable to do that providing profit constraints are placed on local authorities. For example, as in the case of the Civic Restaurants Act, if a restaurant loses money two years running, it has to be closed. That kind of constraint seems to me to be reasonable and not unfair competition. I believe development of this kind of thing is not unreasonable and it would help local authorities to balance the accounts and trade one thing off against another. Then we become less of a burden on you and the rates you pay for running a commercial enterprise.

C. Bonsey *Hampshire County Council*

Mr. Chairman, I would just like to clear up one point

C. Bonsey (Cont)

regarding the rating problem. A local authority running a safari park pays the same rates as a private enterprise. There was an implication of unfair competition but this is, in fact, not so. If a private enterprise was running a straightforward open space type of country park it wouldn't pay rates either.

J. Wilson

Both speakers have spoken so eloquently about the kind of thing one might do as part of the countryside provision to make money that perhaps there was an implication that their local authorities were in it for profit, or to compete. I am quite sure this is not the case at all. The speakers were asked to provide a specialist paper with a particular aspect of countryside recreation provision. However, I am quite sure, in both cases, that the basic objective is to provide, in a general sense, for the use of the countryside by the public and that these things are, to some extent, I won't say 'fringe' activities, but useful activities, and in no sense do they form the kernel of the programme of either authority.

D. Woodman

I would just like to say that if we have got to provide recreational facilities and manage them we might as well try to get some return from what we are obliged to provide. People can only look to a local authority, in the main, to provide the principal recreational areas within their district or county. Therefore, if we are to maintain what we have got, to reasonable standards, and if we are to make any reasonable development at all in the future to meet people's needs and aspirations, then it seems to me that we have got to justify our ability to recoup, at least some possible revenue from what we are providing. For the life of me I cannot see this as being in competition with the normal commercial recreation provisions. There are areas where we do compete; we compete in squash courts where we are charging the going rate in the main, against either clubs or commercial squash courts. We compete in the baths in our leisure centres. Nevertheless, both of these are ancillary to the primary purpose of providing swimming pools, sports halls, open areas, all-weather pitches, and that sort of thing. Therefore, it merely helps to offset some of the expenditure we have to bear in making the initial provision of management.

D.M. Groome *University of Manchester*

Mr. Woodman has touched on the way in which he and others have been forced to think about the social aims of what you are doing, in particular, the ways in which you have, perhaps, discriminated in favour of people who have got access to the

D.M. Groome (Cont)

facilities at the moment. I would certainly be interested to hear about the way in which this might take place in Cheshire. Is it simply a matter of providing new facilities near to industrial towns like Crewe or Northwich? Is it a matter of charging people less for facilities in places like that and charging them more in places like Prestbury and Knutsford?

D. Woodman

Yes, so far as the strategy for the future is concerned. Goodness knows when any future developments are going to come because of the cost involved and the size of our budget. Our capital budget for this coming year is 13% of what we have spent in 1972/3 in the county, so you can see the sort of cut-backs that are necessary. However, when we do get the opportunity of starting development again then the likelihood is that we will have to move up towards Warrington, Widnes, the northern side of the county. This is mainly because the transport routes don't come into the centre of the county. We tended to concentrate these initially because that was where the countryside was. Now I think, linked to the Derelict Land Reclamation programme, one has got to look to recreation use of some of the derelict land that we are reclaiming. That, almost automatically, is up in the conurbation.

The other point you raised was differential charging. This is one of my own personal philosophies and it is not one that is easy to substantiate I'm afraid, partly because the biggest opportunity for doing so is in the leisure centre field and the district councils have specific control over the charging policies. I certainly believe that one ought to look very carefully at providing cheaper facilities in those areas where they are really needed and people can't afford to pay so much for them, and then recouping some of the loss in those areas where they can. Mind you, as a member of the very, very poor middle classes I think it might have to be the other way round!

I.B. Stapleton *Bristol Polytechnic*

Could I return very briefly, Mr. Chairman, to the competition between the private and the public sector. It is a point which has come up in a number of talks. In a reply, Mr. Woodman talked about squash as an area where he saw the competition occurring. He said he charged the "going rate". Then he referred to the private clubs as one form of competition and what we might call the commercial clubs, as the other kind of competition. Where do you get your "going rate" from?

D. Woodman

I am moving towards trying to cover both the cost of

D. Woodman (Cont)

the initial development and the management of the development, allowing for all the costs of management, and then seeing if I can recoup that, by the charge.

I.B. Stapleton

You are really saying an 'on cost' figure rather than a rate from the observed market?

D. Woodman

No, I am also observing the market, obviously. At the moment, in fact, I have tended to keep just ahead of the market in a particular area. In other words, if three or four miles down the road the charge is £1.35 or £1.45 per hour, then I am about 5p ahead of them in any new ones I am providing. Of course, if I see that there is a very definite hole and people aren't charging enough then I go ahead to what I think it will stand. That's where the marketing comes in and one can only assess it on that basis. I may have to promote the offpeak times by dropping the rate then. I may have to do more promotion, bringing in young mothers with children at school, and that sort of thing, at various times. I may have to sell to groups in offpeak hours but I would always sell my peak time at the top rate. Incidentally, I keep clubs out as well because they reduce your bar takings.

S.R. Ankers *Greater Manchester County Council*

My comment is a follow-up really to a question Mr. Groome raised about pricing as a social tool. I was wondering about the same question from the other side, pricing as a management tool. We don't really seem to have touched on this during today. I am wondering whether either speaker has been using differential forms of pricing in different areas to spread loads? Possibly, if one site is being over-used, however you define that, and another site is being used to less than its full capacity, I might, say, charge less for car parking in the latter case. Is this something that is done at all in your authorities?

C. Gordon

In Nottinghamshire at the two country parks which we run ourselves there is no charge for access to facilities, no car parking charge or other charges. That has been the case in the county ever since we started in the business. Whether that policy will change or not I don't know but we have no experience of charging policies for management. The only thing that we have done is to limit car parking spaces. One site which we have developed was over-used in 1970 before we started any development. We have concentrated the car parking and by reducing the car parking we have reduced the number of

C. Gordon (Cont)

people using the site. We have used that as management tool; we haven't used charging.

D. Woodman

We haven't done it but I think perhaps we ought to look at it in relation to the rural country park because it may well be that we are over pressurising that one now. The problem is where people will go if they don't come there and pay the increased charges. It would probably put pressure on somewhere else.

J. Wilson

If there anybody here from an authority which has a differential charging policy of any kind? Anybody from an authority with a charging policy?

K. Garton Derbyshire County Council

We have a charging policy but it is more from a management point of view than an economic one. Access to car parks and country parks is free midweek; at weekends and bank holidays, we charge. This also enables the local residents to make use of the facilities on a regular basis midweek which is good public relations as well.

D. Woodman

That is certainly an idea we are thinking of trying in Marbury Country Park. We are making an experiment of charging there at peak times and with the very specific point that there is a lot of reaction among the local villagers against having to pay to walk their dogs twice a day and that sort of thing.

C. Gordon

Is there not a point that the weekend is probably the only time when it is economic to make a charge anyway?

D. Woodman

Indeed, yes.

P.J. Greig

Mr. Chairman, may I return briefly to the question of public versus private provision of facilities and recreational resources and to the specific example of the squash courts. Presumably there is some reason why a local authority would want to provide a squash court in preference to leaving this development to the private market.

J. Wilson

Very simply, they tend to make more money than any other part of the recreational facility - you can cover your costs on them. Secondly, strangely, the private sector did not take it up. Thirdly, when you have already set up a management for the other parts of the complex such as swimming pools, it really does not cost very much more to include management of squash courts; it's only a matter of sweeping them out. It is really only a minimal lighting charge and the capital financing charge which are additional to the overheads.

P.J. Greig

Isn't there some policy which prevents you from exploiting, let's say, the private sector? Isn't there some arrangement of that sort, that it is prohibited by legislation?

D. Woodman

They are made available.

J.M. Sword

Do you pay rates on your squash courts?

D. Woodman

You'd be surprised. All our recreation centres are, in fact, rated.

R. Stoakes *Countryside Commission (England and Wales)*

We are in the process of decision making. The way you were describing this operation seems to suggest that you made a decision to build some squash courts. You then discovered what the costs were and fixed a price. It seems to me that that assumes that the market is infinitely great and that no matter what you do there will always be plenty of people turning up to play. I wonder whether one day you might discover that not enough people will turn up. If I were a business man I wouldn't want to make any investment decision unless I had a forecast of expected prices.

D. Woodman

Yes indeed, I am sorry I gave you the wrong impression there. Clearly that wasn't the process. I went into the whole thing right at the beginning. I knew exactly what the return was going to be. I knew what the demand was likely to be because I know national levels and I know council levels. I know the way in which I can encourage children to use the squash courts because this happens to be on a joint use area anyway and we should be creating our own clientele to some

D. Woodman (Cont)

extent. I know the numbers of population required in order to provide maximum use for a single squash court. In fact, I have advised in another area that no more squash courts should be built because saturation point has been reached. So, as you can see, we go through the whole process first.

J. Wilson

Can I just ask whether anybody else wants to say anything else about squash courts before we go back to the wider aspects?

J. Casson *North West Water Authority*

Can I make the point that countryside recreation isn't really very much to do with squash. I think we are beginning to get away from what we are here to discuss. I don't mean just on squash but on the whole principle. For instance, Clive Gordon raised this point which in a sense was a question of whether we should have country parks at all. It seems to me that the British have had access to the coast and particularly to the countryside very, very freely. It is a tradition that is built in to our democracy and that is a thing we haven't mentioned yet. Our Australian friend touched on it. It seems too, that instead of providing many country parks in many different places, on the loadings I have observed, we should make agreements with farmers after hay time to open up riverside fields and so on. This is where liaison with the CLA and NFU comes in and they could make quite a bit of brass out of this and, in fact, in a summer like this last one, when the grass, in many cases, had it at quite an early stage, they would have done very well.

Many authorities have created country parks because it was the fashion. We have now got to manage them and stop this revenue budget escalation. In the water authority, fortunately, we haven't got many of these but I can see cases where there is a constant problem. Can we not look at the research aspects that we need to cover, and I would like responses on both these, to meet this escalating management cost?

There was a Countryside Commission policy that said, "Let's write off capital investment but try to make these projects pay their way". What has happened to that? I think it has got to be made to work if we are to go on having recreation investment, because it will come to a stop if the running costs get out of hand. What research data do we need and what studies do we need to make on this management cost factor in relation to the social value? This is the crunch point. Denis Howell has said this. I seriously believe that these investments reduce mental and physical disease and it is time we got to grips with that. Bannister used to make

J. Casson (Cont)

this point about sport as well. What do we need to know to be able to tell committees what we have learnt because from my experience we don't have the facts to hand.

D. Woodman

I do not think that we have got those sort of sophisticated tools at our disposal. We tried to do that very exercise in one country park that we have just taken over. The problem with it was that we had no real way of measuring the social benefit. We tried to do it on a travel/cost basis and then measured the financial return in both social and financial terms against the expenditure of the cost of running it. We analysed the cost of running it as well and we have proved, in fact, that there was a net benefit in that particular country park. The trouble was it was going to cost such a hell of a lot that the committee wouldn't accept the development at the rate we were suggesting. So we got a very low key one. Incidentally, we did not cost out the infrastructure required around it in terms of better roads and better access to it, which really ought to have been a cost against the whole. So I don't believe we have got the tools and agree entirely, I think there is some urgent need to look at these aspects of it. There is also the aspect, which I raised, that it is difficult to argue against the emotive demands of social services, education, etc. with whom we are in competition for finance if you haven't got any way in which you can measure the two activities you are promoting. I think it is going to be immensely difficult but I believe the time is now ripe for us to try and achieve something along these lines because if we ever get out of this slough we need the information to go forward again in the future.

C. Gordon

Let's face it, we have provided country parks because the Countryside Act says we should. We haven't tried to measure the social benefits, costs and so on, of doing the variety of things that one can do in providing country parks and picnic sites. However, in all fairness, I think there is a fair measure of endeavour now, through the Countryside Commission with a number of experiments and so on, to look at other ways of providing recreation. Now whether that is being done in what we may loosely call 'cost benefit' terms, I do not know. There are things like farm open days and public rights of way that we have talked about and all these are, in a sense, looking at this problem from just a management point of view - use of resources, value for money. It may not be done in a serious scientific way and I think that is probably what you are getting at. I don't know how you measure these things against one another. It is difficult enough between departments. Within our department, we did

C. Gordon (Cont)

a breakdown of the cost of a visit to Rufford Country Park. We took every conceivable cost that we could measure against it. In the first year of operating it fully as a country park we had 60,000 visitors and it cost us 70p per visit. In the same year a visit to a farm open day cost 40p and we know that it costs 20p to borrow a library book. Does one visit to a farm open day equal two books read? We have got to take a balanced view; I don't think there is any one solution. What we need are diversity and variety - those are where the real answers lie.

J. Wilson

One can go back beyond the Countryside Act. Mr. Gordon says we provide country parks because the Countryside Act tells us to. It is considered a good thing to do because somebody, some day, sat down and wrote the Countryside Act and said that local authorities might well spend their time providing country parks. It was done because people were using the countryside, are going to go on using the countryside, and it was felt that it ought to be done in some kind of reasonable and orderly way before the countryside disappeared before our eyes. So I hope too many country parks have not been provided simply because it is a fashion; I hope they have been provided because there was a real need for them.

N.C. Pennington *North York Moors National Park*

I must respond to this query about whether there is a value for country parks; whether they are justified and whether money spent on facilities in the countryside is justified and so on. It seems to me that in a nation like our own, a very small one with a very large population, 80% of which is urban based, a tremendous frustration would be experienced if people couldn't get out into the countryside. In my own area, the North York Moors National Park, we have a national park which is 500 odd sq. miles in extent, visited by something like 10,000,000 people in a year and with about 20,000 people living in the area. That situation is bound to lead to a great many conflicts and one has got to spend money to resolve them. I can think of an example in one of the very popular villages in the national park where a folk museum took advantage of its popularity. There had been a parking problem before the folk museum arrived and now the village attracts a total of 60,000 visitors a year. The folk museum made no contribution towards solving the parking problem. This problem will be solved by public funds, indeed, it has already been partly solved by public funds. Here is a situation where there is a direct conflict between a very large visiting population and a local population which is suffering very considerable disturbance because of the number of visitors. The local authority appears to be the only

N.C. Pennington (Cont)

organisation which can come in and try to resolve the problem. It seems to me that the country park is somewhat similar to that and the justification for spending money in the countryside is very much clearer than has been suggested so far.

A.M. Tynan Society for the Promotion of Nature Reserves

I would like to take up the point made by Mr. Sword when he complained of the hordes of people trampling across his fields. I sympathise with that view. In fact, for many years we took the view that perhaps education was the solution to the whole problem until, being one of the urbanites who eat the food that is grown in the countryside for the profit of the farmers, I realised that in the cities we have been having open days for farmers and country landowners for many years and yet they still pulled out right to turn left and pulled out left to turn right so, really, education is out!

P.M. Burnham Coopers and Lybrand Associates Ltd.

A question of information: when you talk about charge for revenue covering the operating cost and finance charges, are you talking just about the interest on the capital or a repayment of the capital over a period of time?

J. Wilson

Interest on repayment, loan charges, paying off your mortgage.

R. Hall British Waterways Board

This evening we seemed to have discussed quite a number of different bases which could be used for charging for countryside recreation. To me this did contrast with the first session which we had where the two bodies involved had a fairly definite agreement with the government on what they could charge. For local authorities, do you think that a uniform pricing policy or whatever basis is used, is possible, and do you think it is politically desirable?

C. Gordon

I am not quite sure what you mean by a uniform pricing policy.

J. Wilson

Do you mean the same entry fee to every country park you have, or what?

R. Hall

Using the same basis. For example, of the management tool, or for trying to recover your revenue costs, or the maximum use - whatever basis you try to use.

J. Wilson

Well, in that case, I am quite sure the answer is no. There are some things which are provided that one could not possibly operate on that basis.

R. Hall

It seems to me that most of the prices charged are extremely ad hoc.

J. Wilson

Yes, well you try charging the right charge for a multi-storey car park and you will find how difficult it is.

P.J. Greig

I am sorry to speak again but I feel the necessity to say something further on the question of social benefits of providing recreational facilities and whether, in fact, something can be said in a fairly objective way about this. I am disturbed to hear the subsequent speakers on this particular topic feel so pessimistic. I commend you to read the first paper in the Proceedings by Robbie Stoakes. I would also say with reference to something I said this afternoon about this mystical demand curve, which required certain basic information about the origins of people, the amount of money they spend, their social/economic characteristics and so forth. This demand curve can be very valuable in assessing the social benefits in quantitative and objective terms, of various recreational activities and facilities. I have to confess that the whole thing is very mysterious unless you really get into it and try to understand it, but, nevertheless, it is based on people's own particular values of the various facilities that may be provided and their own choices which they make, rather than some other more paternalistic attitude of, let's say, local government decision makers about what is good for them. The concept is basically one of people's own choices for various facilities.

J. Wilson

I am sure we look forward to having advice from the universities and the Countryside Commission on that point. At the moment most of us are operating very much on a philosophy of 'suck it and see'.

C. Gordon

One point which I think is fairly important is that countryside recreation as we provide it through local authorities, is a relatively new thing, country parks, picnic sites and so on. Up to now, over the countryside as a whole, although there are exceptions, we have responded to obvious demand which need not be measured. I mentioned one place which was clearly being over-used; there were terrific problems of erosion and the investment we put into the place was to overcome some of the problems. We developed another country park nearby because we happened to own the land which was certainly not being adequately used as a recreation facility. We hoped that people would move from one to the other. In fact, the second one has also attracted people who are visiting the general area for the first time.

What concerns me is that we seem to be searching for a lot of answers when we are really in very early days. We are trying to look at things scientifically in a sense where perhaps the information simply isn't available because we have not looked at some aspects of latent demand. We are responding at the moment to provide only for people who own cars, virtually exclusively. 45% of the people who live in Nottinghamshire own cars. What about the other 55%? There are an awful lot of questions which are covered by your comment and which need answering.

P.J. Greig

I quite agree that the solutions are not immediately apparent and readily put on the table. However, the need for looking into this kind of thing for future investments is very important, especially as money tightens up and there is a tendency to provide more of the same thing instead of catering for those latent demands which you pointed out.

R. Carter *Scottish Tourist Board*

With respect, I think the answer to Mr. Casson's questions lie less in the all-pervasive influence of the economist's calculations than in community medicine. When one is talking about mental and physical health these are the directions where we should be looking for really valuable, understandable answers rather than economists' calculations. The Scottish Tourist Board had a social objective which we see as being in the realms of mental and physical health. In trying to define what we can do to meet this objective, we are having discussions with the Department of Community Medicine at Edinburgh University. I don't think this is an area where we will get immediate answers but it is very much tackling the root question of what sorts of benefits are being brought in terms of physical and mental health.

A.L. Colbeck *Northumbrian Water Authority*

Mr. Chairman, may I speak, not as a water authority representative but as the previous regional officer for the Sports Council. Much of what has been said in the last ten minutes is exhaustively treated in a report which had far too small a circulation, namely the Wolfenden Report on Sport and the Community, 1962.

May I illustrate a way in which creative and paternalistic thinking, which has been referred to by the platform, works. In 1963 there wasn't a single sports centre in Britain. Now the people who originated sports centres had no examples to go on. Nobody knew whether sports centres were desired. There was no demand expressed anywhere in Britain and yet people went to local authorities in this part of the world and said, "Please build them". As a result a sports centre was built at Stockton, followed by centres in Newcastle, Billingham and Thornley and thereafter hundreds in the rest of the country. Now, clearly it is advisable to have as much information as possible on the demand curve if we can get it. However, there is a lot of room left yet for the creative paternalistic thinking based on native inspiration. This is particularly true of the game of squash; in 1962 there were virtually no squash courts in the country except in public schools, a few universities and the armed services. When the sports centres were established, especially in the northern regions, those who were giving the advice said, "Please include four squash courts". This was simply because they realised from their local reasoning that here was a marvellous game that lots of people would enjoy if only they were given the opportunity. Certainly, if you had stopped a 100 people in the streets and asked them if they would like to play squash, their first reaction would have been, "What is squash?" Now, what has happened is that this provision has made a lot of people want to play squash and in the celebrated words of Geof. Dyson, the national coach of athletics, "Where there are no poles, there are no pole vaulters".

J. Wilson

I wholeheartedly agree there.

G.R. Canby *Lothian Estates*

In the border region where I come from, the local authority operates a caravan park which offers first-class facilities but it operates at a very great loss - certainly for the last three or four years to my knowledge. This, in my opinion, is offering unfair competition to private land-owners and I wonder what the speakers might do if they were faced with a similar position, running a loss-making caravan park.

D. Woodman

Well I suppose it depends very much on the purpose for which they are running the caravan park. If it is, in fact, to get some additional spin-off, to get more people into the area to spend their money in other ways, then there may be some purpose behind it. But certainly, faced with a similar problem at the moment we are seeking ways and means of trying to improve the caravan park. It is not easy in our particular case because we have to spend money to achieve it and the circumstances, again, are somewhat 'agin' us. We can make a profit at a very low level of provision, a very low standard of lavatories, amenity area, and that sort of thing, but we are certainly setting out to analyse the situation and to try to ensure that doesn't continue to be a drain on the rest.

T. Huxley *Countryside Commission for Scotland*

May I come in on the last question. I do think that a rather important thought has come up where a lot of money has been spent on a very good quality site. (I happen to know this site). I do think that the local authorities and national agencies and the private sector ought to jolly well get together and collaboratively look at why that site is not doing well. They should try to unearth some solution because if it is not doing well then I think a lot of other expenditure might also be placed poorly in that particular region. So I at least would say that I am concerned as a representative of a public agency - and I am sure that that goes for Roger Carter as well.

J. Wilson

With that, I will wind up the session. On your behalf I thank our two speakers. I think most of us will agree with a lot that both of them have said, that local authorities must become more income conscious in their provision of countryside recreation, and indeed, what Clive Gordon said that if they don't become more income conscious, we may find ourselves not providing as much as is needed. I am sure that both speakers would want to emphasise that they were putting forward this particular point of view and they, like me, would want to bear in mind Section 2 of the Countryside Act 1968 which asked the Countryside Commission to keep under review, firstly, "The provision and improvement of facilities for the enjoyment of the countryside", secondly, "The conservation and enhancement of natural beauty and amenities in the countryside" and thirdly, "The need to secure access to the countryside for purposes of open air recreation". In other words, local authorities are not in this to compete with the private sector in any way. They are not in it as a profit making concern. They are in it to protect, enhance and improve, both the countryside itself and people's means of enjoying it. My own authority is, in fact, involved in

J. Wilson (Cont)

most aspects of countryside recreation and there are many elements of that work which do not yield a profit and never will do so. Most of us wouldn't ever expect to make a profit, or even any income at all, on aspects of providing access to, or enjoyment of, what you might call the real countryside, or from preserving or enhancing a particular area of countryside. By all means let us cash in elsewhere on, if you like, the counter attractions, the places where we can attract people without damaging the countryside. However, this, like any other planning issue, has no single answer. It is a question of preserving the right kind of balance.

Well, thank you for being a patient audience and thank you once again to both the speakers.

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SESSION 3

FINANCING INDIVIDUAL RECREATION ENTERPRISES

Chairman

A.A. Macdonald

A.B. Bryant: Case study 1: Culzean Country Park.

C. Scott: Case study 2: Stratfield Saye and Wellington Country Park.

F. Atkinson: Case study 3: Beamish North of England Open-air Museum.

Discussion

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CULZEAN COUNTRY PARK

by

Anthony Bryant
Factor, The National Trust for Scotland

A.A. Macdonald

The first part of the conference dealt mainly with the generalities, the principles behind the thoughts and the actions of the various public authorities. Now we have three individual case studies. The managers of three different types of enterprise are preparing to put their heads on the chopping block, or perhaps I should say, bare their souls to you. We should be exceedingly grateful to them for being prepared to lay out the details of what they are doing. Let us, in listening to them, remember that they are doing a practical job on the ground and before we make any criticisms let us think how we would do the job ourselves were we in their shoes. Of course, I am not suggesting that any of us would want to criticise their work and I hope that if any of our remarks in the discussion to follow appears to criticise, they will take it as constructive criticism. We have certainly got a great deal to learn from them.

Our first speaker is Anthony Bryant who is the Factor for the National Trust for Scotland and he is going to tell us something about Culzean Country Park.

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Culzean Castle was built between 1777 and 1792 as one of Robert Adams' architectural masterpieces. At the same time he built an unusual and attractive Home Farm, now the Park Centre, and the 10th Earl of Cassillis laid out the surrounding 565 acres; he also laid out a battery as part of a defence system in case Napoleon should land.

The property was given to the National Trust for Scotland by the 5th Marquess of Ailsa in 1945 to be held inalienably.

Being only 50 miles from Glasgow and 11 from Ayr and placed as it is overlooking the Clyde, it soon became popular and by 1968 it attracted 100,000 visitors a year. It was at this point that the decision was made to form most of it, but not all, because the Castle itself was considered inappropriate, into a Country Park. The slides which I will show as I go along will, I hope, show why it is popular and give you a measure of the assets whose finances are being dissected.

The reasons for the decision were mostly financial. Whilst it was our second most popular property, the Trust were unable

to invest in, or run a major recreational exercise, but it was clearly an asset which could have been designed as a Country Park. The then new Countryside (Scotland) Act provided the means and with the enthusiastic support of the Countryside Commission for Scotland and the Scottish Development Department, a formula was worked out whereby three local authorities, Ayr County Council, Ayr & Kilmarnock Burgh Councils took Culzean policies as their country park - the first in Scotland. There were two important conditions:

- (a) That "any developments shall be in keeping with the character and atmosphere of Culzean".
- (b) That the Trust were appointed managers.

Both were put in to meet possible objections from Trust members: the first speaks, and in many way acts, for itself, but the second has in practice shown itself to have many benefits by providing a management team guided by the experience of both public and private enterprise. It is not for me to judge its success, but I can testify to the value, help and pleasure that has derived from working so closely with the local authorities.

In Culzean's case the Trust management is also important because whilst the Castle has to be run separately as a Trust property, it is important that the visitor should not be aware of this artificial and purely mechanical difference. This is easily done when the same team manages both.

On the financial side, each of the three local authorities contributed one third each, ie on 75% grant earning items 8.3% each, and on the rest 33 1/3%. Since local government reorganisation we now have five authorities contributing various percentages loosely based on a rating formula. The five are: Kyle & Carrick District, Strathclyde Region, Kilmarnock & Loudoun District Council, Cunninghame District Council and Cumnock & Doon Valley District Council.

The Trust makes no general contribution, nor, quite properly, does it have a voting seat on the committee, but it has made in practice substantial contributions in several ways.

First and foremost, by the agreement, the Trust gave, at no charge or rent, 546 acres for development as a country park in the foreseeable future. Whether you value this by the Trust's expenditure over 23 years, or look at it as the purchase price of a property ripe for a country park, a mature landscape, a proven recreational asset, together with tools, vehicles and equipment - not to mention a first-class resident staff - it adds up to a lot of money.

Secondly, although a substantial management charge is made, it is less than its cost to the Trust. My local

authority friends also tell me that it is cheaper than it would be if they had their own staff doing it. (I cannot imagine why unless I am grossly underpaid!) In addition, by its very nature, the Trust gets much valuable free advice from which the park benefits.

Thirdly, Trust members are given free car parking, for which privilege a lump sum is paid. As our experience suggests that they tend to spend the same money within a property and do not in any case cost anything anyway, this could be regarded as a contribution rather than a payment for services rendered.

Lastly, the agreement entitles the Trust to promote and pay for a project if it wishes. Several projects have already been mounted and the contribution from this source has been some £30,000.

To the asset thus available a substantial investment has been added - £250,000 of the total of about £300,000 which has been spent on the park centre. These figures relate to the time the centre was opened in 1973. The work involved the conversion from Adams' Home Farm design of four "T" shaped buildings and now contain the reception area, exhibition and auditorium (this in one building), a restaurant, lavatories, indoor picnic area and shop (in the second and third original buildings) and a house and an office in the fourth.

I am asked to relate investment to the numbers who visit the park. Investment figure is a neat £1 per visitor. This is a convenient figure and I am told that it is also a reasonable amount as well, but I can only confess that no relationship exists or was considered. The fact is that expenditure versus income was not the criterion on which the decisions to invest were made. The provision of a good "hub" in relation to park activities, ensuring control in the park appropriate to the character of Culzean, provided the motives behind our decisions. Neither, I am afraid, is there a conscious relationship to charging policy as I shall explain.

This, then, is the formula which provides the prime source of funds on which Culzean was set up and is run. Turning to the ways in which our 300,000 visitors are asked to contribute: Entrance charges are not made. Here politics cannot be avoided for the decision was entirely political on the theory that the ratepayers should not also pay at the gate. As we could think of no way to separate the sheep from the goats, free entry applied to all. Undoubtedly the visitor does regard the car park charge as entry. However, even here, politics played their part for it was held at 5/-, as it used to be before decimalisation, for the first five years. It was increased to 30p in 1974 and it is now 40p (all per car).

We have often wondered what would have been the position without this political restraint. I indulged in this wondering and have done a few sums. Assume you charge per person, not per car, and all other figures are the same - including, incidentally, the omission from the accounts of interest on capital - a charge per adult of about 35p would balance the books. (It is interesting to note that 3 years ago the amount would have been 28p). What effect would that have had on numbers? From the experience based on the increases in car park charges I would guess very little, but I doubt if we shall ever know for certain.

The other question that may interest you is our thoughts on charging as a way of controlling over use. In the first place, except for a few days a year, about 30 days in all, the pressure is not yet unbearable from the crowding point of view. The ecology is in all senses standing up well, so far, and by this I mean we suffer neither unacceptable erosion nor is the wildlife disturbed. Nonetheless, those 30 days have given us food for thought and our conclusion is that higher charging is neither ethical, politically possible, nor, above all, likely to reduce numbers on those 30 days and so other means will be needed. So far we have decided on a policy of restricting car park spaces so that all people become conscious of crowding on busy days and hopefully come on other days of the week for their next visit.

We make no charge (other than nominal charges to cover fees and hiring charges for certain lectures and films) for the ranger naturalist service. These services include guided walks for the public and an important service for schools by which our sponsoring authorities set great store. No charges are made because it is felt that if we did the ones to turn away first would be the very ones we most wish to see and we would be left preaching to the converted. In any event these services are difficult to charge for and I will be interested to hear what others feel about this.

When it comes to indirect methods of parting the visitor from his cash, there are no constraints. I expect you are all familiar with the dilemma of "do it yourself" or let a concession. We have usually done the latter, not as a matter of policy but because having looked at each on its merits that is the way it has turned out. Thus:-

Catering There is a restaurant, built and largely equipped by the country park, a kiosk, inherited from pre-country park days, and a tea room in the Victorian style, financed by the concessionaires. We felt that catering was a specialised business and Trust experience made us nervous - to put it no higher. The lease of all three granted to Scottish Express Caterers is complex but it does give a good service and provide a useful percentage rent. The percentages are 10% for the restaurant and 7½% on the other two assets in each case on gross turnover excluding VAT.

Shop and Garden Sales The Committee did not want a shop so the Trust, feeling it to be both viable and desirable, financed and runs one, the profits of which go to help maintain the Castle. We do, however, sell plants from the country park through the shop and this brings in a useful income.

Camping and Caravan Site By a 14 year old arrangement the site is let to the Camping Club of Great Britain & Ireland on a percentage basis. This is satisfactory financially but encourages overcrowding, thus we are considering a new lease to improve this facility .

Publications concerning the park fall into three categories:

- (a) Prestige Publication - this was produced by the Trust as a "gift" to the park. Whilst we sell it, it costs more than its sale price to produce.
- (b) Give away material - mainly the ranger events leaflet produced every year - this again is more in the nature of advertising than anything else.
- (c) Leaflets for sale - on wildlife matters within the park. These are sold to make a small profit and are now beginning to do so as the accounts show. You can see, however, that there is little joy for the accountants from this source.

What conclusions can one draw from Culzean? One could summarise what I have been saying thus:

1. Cooperation between public and private enterprise works very well and benefits both substantially. This is certainly so financially but I believe it is even more true of the benefits to be seen on the ground of both sides learning of the others' attitudes, experience, expertise and, indeed, the problems that beset each.

2. I believe the Culzean formula for this type of co-operation is good and I hope it will be copied.

3. There are considerations other than finance, which, in our case, have dominated decisions on capital expenditure. We have not considered the relationship of investment to visitor numbers or charging policy important, but in theory if the need arose a reasonable relationship could be achieved.

4. Direct charging policies have been unavoidably political because of the choice between a call on the rates or charging or something between them.

5. There are no such constraints on indirect earnings from visitors and it is to these that we shall be looking increasingly for revenue in the future.

STRATFIELD SAYE AND WELLINGTON COUNTRY PARK

by

Christopher Scott,
Chief Agent, Stratfield Saye and Wellington Country Park

A.A. Macdonald

I would now like to introduce to you Mr. Christopher Scott who is the agent to the Duke of Wellington. He has, in a remarkably short time, developed the Stratfield Saye Country Park. I know, from my own experience, that only a few years ago there was no such thing as the country park at Stratfield Saye and this has been a remarkable venture. I look forward very much to hearing from Mr. Scott just how this came about and how they have made it succeed.

Another point which I would like to make is that every speaker so far in the whole of this conference is, in some way, accountable to the public; the government departments, in their vague and mysterious way to their ministers; the local authorities in a slightly less vague but equally mysterious way, to their committees; the National Trust in some other way, even though we are members of your organisation, to us as members. The private sector, however, is unknown to us and I think the fact that Mr. Scott is prepared voluntarily to lay out details, financial details, of their operation at Stratfield Saye is something that we should all be grateful for and I hope that we will learn a great deal from him.

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The creation of the Wellington Country Park, and the transformation of Stratfield Saye House into a property open to the public, was part of a complete reappraisal of the assets and enterprises of the Stratfield Saye Estate which was carried out soon after my arrival as Agent in 1967.

The estate lies roughly halfway between Reading and Basingstoke, in the middle of the South of England, midway between two motorways (M.3 and M.4), within one hour's drive of London and within one hour's driving distance of approximately 6,000,000 people. At that time the estate was roughly 10,000 acres in size, and contained traditional enterprises - a very small Home Farm, about 40 tenanted farms, 1,300 acres of dedicated woodland and a large number of houses and cottages. Most of the farm buildings and a large number of the cottage properties were in poor condition.

In the course of the next four years, the traditional estate enterprises were modernised. The Home Farm was enlarged to some 3,000 acres, many farm amalgamation schemes

were carried out, and both the Home Farm and the tenanted farms were largely re-equipped with new buildings. All this was self-financed from estate resources by the sale of derelict cottage property, for which there was a large demand.

At the same time, consideration was given to adding a more modern enterprise which would produce a substantial income and which would carry the estate forward into the next century.

The decision was taken in principle to open Stratfield Saye House to the public, but the main limiting factor was that the house was at that time the home of the 7th Duke, aged about 80, and there was no question of beginning such work during his lifetime.

A decision was also taken in principle that a recreational enterprise, separate from Stratfield Saye House, should be established on land which lent itself ideally to the purpose - this land was on the eastern edge of the estate, and contained a shallow gravel pit of some 30 acres in size which would shortly be worked out. At the same time an approach was made by a local consortium of business men interested in establishing a golf course on heathland near the gravel pit. An investigation was therefore started into the suitability of the whole of the adjacent area, amounting to some 600 acres, for a recreational enterprise.

This investigation, which took about a year, looked into the viability and practicality of both Stratfield Saye House and the proposed recreational area, and included a detailed investigation into the type of management organisation which would be required to run them. Detailed costings and estimated returns were produced in December 1972.

In January 1971 the 7th Duke died and was succeeded by his son. This event accelerated the plans for improving Stratfield Saye House. The capital cost of this work was expenditure very largely incurred in modernising the house for a fairly large and fairly young family to live in. With the exception of the construction of a Reception Centre, a lavatory block, and the minor conversion of one range of stables to form a tea room, very little capital cost directly attributable to the commercial enterprise was incurred.

The original estimated capital cost of the Wellington Country Park, including equipment, was just under £300,000. This excluded both the proposed golf course and the riding school, both of which were designed to be run by concessionaires, and to be financed originally by them. The estimated gross income to be derived from the spending of approximately £300,000 was £138,000. The estimated annual running expenses and overheads were put at £89,000, leaving a return on capital before tax of approximately 16%.

The enterprises recommended, and included in the costings that I have given, were as follows:

- (a) sailing, boating and canoeing (a total of 30 boats) on the gravel pit already mentioned
- (b) coarse fishing on the same lake
- (c) paddling and sunbathing including the hire of deck chairs
- (d) a children's woodland play area
- (e) nature trails
- (f) two ski slopes, one grassland and one artificial snow
- (g) a parkland grass area later known as the Waterloo Meadow, "for events to happen"
- (h) a caravan and camping site cleared in the woodlands
- (i) a military museum as a major wet weather attraction
- (j) refreshment facilities
- (k) administration/information/lavatory/shop building
- (l) car and coach parks, and circulation roads leading to them
- (m) electricity and water supplies (neither of which existed on the site)
- (n) the golf course and the riding school which have already been mentioned as potential concessions.

The decision to go ahead with the Wellington Country Park, based on these capital costings and forecast income, was taken towards the end of 1969, and a planning application in detail was made on the 2nd January 1970. Almost exactly four years went by before we received planning consent for the Country Park, because of local opposition over a wide area. Detailed planning consent was received on the 17th December, 1973 and work started on the 1st January 1974. The Park actually opened on the 26th July in the same year, coinciding with the first day of the Game Fair held at Stratfield Saye.

With the decision to proceed with the Wellington Country Park and the improvements to Stratfield Saye House, was taken the decision on how these enterprises should be financed. The available capital resources of the estate had been used on the modernisation of the traditional enterprises, and a decision was therefore taken to sell part of the estate for the sole purpose of financing these new developments. Approximately 1,300 acres were sold and we hit the very top of the inflationary land spiral, realising just over £1,000 per acre for very third grade land on the western edge of the estate.

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An important factor in the decision-making process was that both enterprises should proceed at the same time, since we realised that they would be complementary to each other. This has been very clearly proved in the recent hot summers.

Another vital decision was that as far as possible, the Country Park should be developed as a whole and not piecemeal. There was a strong feeling at one stage that we should create the Park bit by bit, an enterprise a year or something of the kind, and let that enterprise generate income which could be used to finance the next stages. The final decision, correct I am sure, was that this would doom the project from the outset.

There was close liaison at all stages with the county council and with the Countryside Commission, who finally approved a grant of £70,000 towards the creation of the Country Park. No grant aid was sought or received in respect of Stratfield Saye House.

Although the dramatic rise in land values worked to our advantage, the delay of nearly four years between the planning application and planning consent being received was disastrous financially, as it coincided with the worst period of inflation. We watched the capital derived from the sale of land being eroded every day. Major policy decisions had to be revised almost every three months. The final decision taken was that the amount of capital originally allocated to the Country Park (£300,000) could not be exceeded, and the only alternative therefore was to cut out some of the enterprises which had been planned. Of the proposed concessions, the riding school went ahead, but the golf course has been shelved.

The main effect of inflation was that it proved impossible to finance the major wet weather attraction in the form of the Military Museum, and, in fact, no wet weather attraction exists within the Country Park. As under present management policy the Park is open for the whole year, this is a major drawback.

The enterprises which now exist at the Country Park are the boating and sailing, the fishing, the reception/information/loos/shop building, the car parks and roads, the camping and caravan site, the nature trails, the children's adventure playground and the Waterloo Meadow. In addition, a children's farm has been created very cheaply (and proves very popular) and radio-controlled model boats operate on a concession basis. Missing from the enterprises are the proposed ski slopes, and further investigation into the viability of these would almost certainly mean that even were the capital available they would not be built.

The original entry charge was 30p for adults, 20p for

children. This has recently been increased, with the approval of the Countryside Commission, to 40p for adults and 20p for children.

The original estimate of numbers of visitors in the year, on which the income forecast was based, was 100,000. It was estimated at the time that numbers would increase to approximately 265,000 within three years. This forecast may well be fairly accurate, as we expect to have by the end of the current year about 160,000 visitors in the Country Park, an increase of nearly 100% over the previous year.

Stratfield Saye House is attracting visitors at the rate of about 80,000 in the present year, a marginal increase over the previous year. Entry to the house and grounds is 60p, 30p for children.

Among the lessons learnt since opening these two enterprises are the following:

- (a) each enterprise attracts a totally different public. At the Country Park there is a large proportion of return visits and a small proportion of coach traffic. At the House, nearly all visitors come once and there is a high proportion of coach traffic. The Country Park also attracts considerable numbers of school parties which do not come to Stratfield Saye House.
- (b) in the first year, the catering was operated by the estate's own staff at both enterprises. In the current year, this has been let out to a concessionaire. This has proved unsatisfactory and it is intended that the estate will resume control of the comparatively simple type of catering which operates at Stratfield Saye House and the Country Park.
- (c) a number of special events have been held on the Wellington Meadow in the Wellington Country Park and, although creating major management problems, have proved both popular with the public and financially rewarding.
- (d) in the current budget, an amount of £10,000 was allowed for advertising public relations, jointly for the two enterprises. It is intended to double this amount for 1977.

A fairly sophisticated and detailed control of finances is exercised. Weekly, figures of numbers of visitors and income taken, divided into the various categories of enterprise, are prepared and compared each week with previous years. Four-weekly, a series of accounts are prepared showing income for the current four weeks, income for the year to date compared with the budget figure for the same period

and with the previous year. This is divided, in the Country Park for example, into admissions, fishing, boating, caravanning and others, and separate sheets deal with souvenirs, concessions including catering, and special events. Each of these sheets also shows expenditure for the same period, producing a cash profit or loss situation for each sub-enterprise. Significant figures such as the wages to takings ratio, the gross profit percentage on souvenirs, and sales per admission are also shown. These figures are prepared in such a form that instant action can be taken in any sub-department which shows up a situation which requires remedy.

There is a constant appraisal of the viability of the projects, both in detail and as a whole. Planning ahead in a period of inflation and general uncertainty is extremely difficult, but no more difficult than in any other business.

It was intended when these enterprises were planned and put into operation, that they should provide the basis for the survival of the estate into at least the 21st century. Taxation, both existing and proposed, as well as inflation, has had a very damaging effect upon such plans, and it would be a bold man who would continue to forecast the sort of success we confidently anticipated when these plans were put into operation. However, I have little doubt that Stratfield Saye House and the Wellington Country Park will both exist when the year 2,000 arrives, and it is more than likely that considerable parts of the estate, whatever size it may be by then, will also be involved in the leisure business.

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BEAMISH NORTH OF ENGLAND OPEN-AIR MUSEUM

by

Frank Atkinson

Director, Beamish North of England Open-Air Museum
-----A.A. Macdonald

Our next speaker is Frank Atkinson, well-enough known in the north and, for that matter, throughout the whole of England, for Beamish. He will explain at the beginning of his talk just why we have come to know Beamish simply as Beamish.

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I fear that I stand before you this morning under false pretences, for this conference is discussing the economics of leisure in the countryside; whereas, at Beamish we are operating by what almost amounts to a built-in deficit, we have been accused of damaging the countryside, and we exercise and educate our visitors rather than offer them leisure!

What we now term Beamish, was established in 1970 as a regional open-air museum by a Joint Agreement of practically all the top-tier local authorities of North East England. In 1974, as a result of local government reorganisation, the original Agreement was slightly revised and signed by the four new county councils of the North East, namely, Northumberland, Tyne and Wear, Durham and Cleveland.

This Joint Agreement established Beamish as an "open-air museum for the purpose of studying, collecting, preserving and exhibiting buildings, machinery, objects and information illustrating the development of industry and way of life in the North of England".

We came to Beamish after a lengthy search of the region, in terms of the proximity of big centres of population, of road access, services and so on. We were also looking for a site which would have a useful building already there, to serve as an initial centre. Moreover, the landscape qualities of the site had to include varied topography, woods and water, and an area which in general terms would be basin-shaped, so that when a period setting was recreated here, visitors would not be able to glance away and see modern buildings in juxtaposition.

With such a lengthy and pompous title as "North of England Open-Air Museum" we felt it was necessary to have a short, more 'catchy', title which could be easily remembered and which could, indeed, be used as a peg on which to hang our concept. And we seem to have succeeded because at least

our regional press now assumes that everyone knows what is meant by "Beamish". And we have tried to get away from the word museum, because of the rather old fashioned connotation of that word. Beamish is certainly a new concept and many people now think of it as something unusual and do not compare it with their traditional view of a museum. Unfortunately our theory does not always work and we are still referred to as museum on occasions.

Nevertheless, we are a museum, and as such, our first responsibility is to our collections and our second is to our visitors coming to see those collections. So let us look for a moment at some of the processes of the museum function as we carry them out at Beamish.

Specimens have to be collected. This means maintaining friendly relations with the public of our region, who are the potential donors. Next, the specimens require treatment after they have been collected, ranging from simple cleaning, oiling, etc., to heavy restoration. Then they have to be fully catalogued and cross-indexed. As much information as possible is recorded, often by talking to elderly people, who can recollect the old way of life which has now almost disappeared. And old photographs are collected whenever possible, since they help us in a precise way, to recreate the past. After all this, the specimens are stored until required. These stores are also the equivalent of an archive, or a reference collection and only a small part of our stored collection will ever be seen by most of our visitors. But finally, selected specimens will be brought out, for visitors to see and understand. And these, we try to show in their original surroundings, not in the glass cases of traditional museums.

This brings me to the methods used at Beamish to present 'Living History' to our visitors. We do this by moving complete buildings to the museum site and re-erecting them here. Then we put back into these buildings their contents as they once were. For instance our visitors can peer into the booking office of our rebuilt Rowley Railway Station, which has been restored to pre-First World War time, when the regional railway system was known as the North Eastern Railway.

We have tried various ways of bringing things back to life: for example demonstrations of skills and crafts are given, some regularly, others more occasionally; our potter is a very popular demonstrator and his wares sell well in our shop. We provide various activities from time to time, such as regular brass band concerts in our rebuilt Victorian bandstand and our replica 'Locomotion' steams during the summer, to everyone's great delight. This is not only a general attraction but provides a unique opportunity to see such an early type of steam locomotive in operation. It was built in 1975 to celebrate the 150th anniversary of the opening in 1825 of the Stockton and Darlington Railway. Farm

animals are shortly to be acquired and these will show old northern breeds such as the Durham Shorthorn, the Cheviot and Teeswater Sheep etc.

In one of our cottages we play a recording for visitors to overhear ... (a short script has been based on the recorded recollections of elderly people, and then read by a local television character, providing an acceptable trace of local accent, but not sufficiently strong that it cannot be understood by visitors from further afield). Our Gateshead electric tramcar now carries thousands of happy visitors every season. We sell a 5p ticket, designed to look as much as possible like the original tram tickets.

The overall intention is to establish a series of 'areas' on our museum site, such as railway area, urban area, colliery area, farm and so on. Within each of these areas a past way of life will be shown in a lifelike way.

The purpose of all this is to help provide an understanding of the region, and also to encourage observation of what still remains here, thereby developing an interest and a pride in the North East. We hope that as a result, our visitors, whether they be from near at hand or far afield, will more fully appreciate the region and its past, and perhaps be better able to understand why it is as it is.

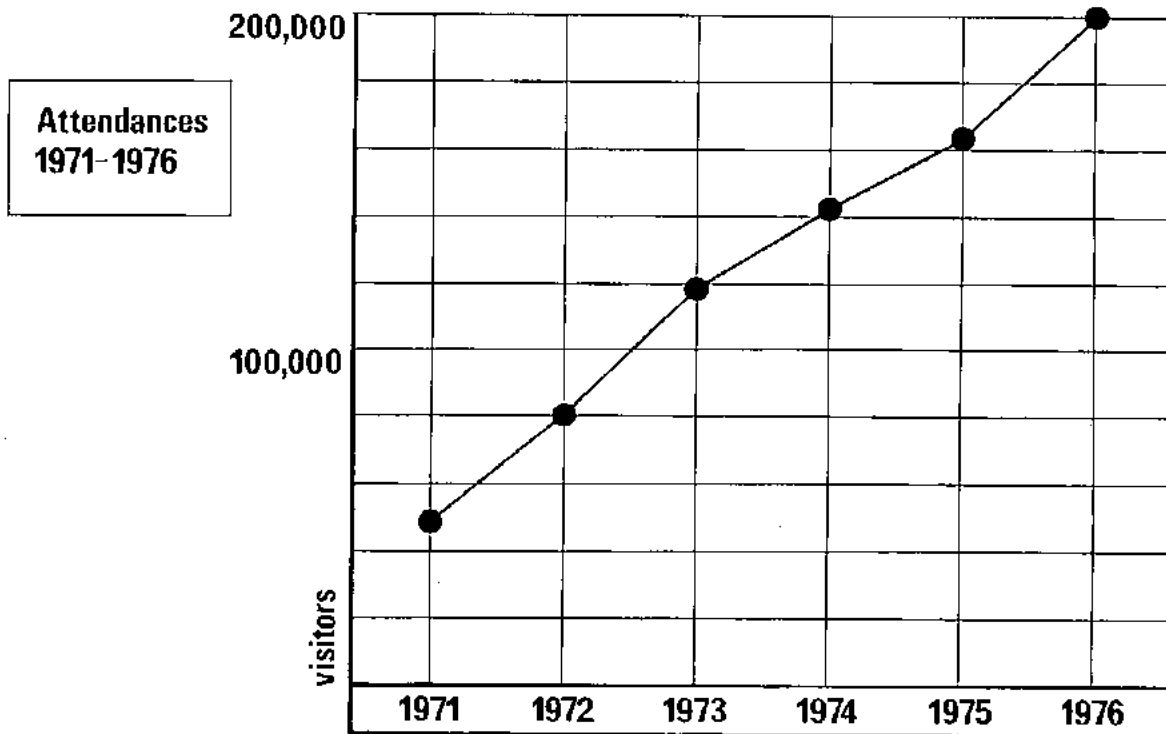
To help visitors gain an insight into all this, an introductory interpretive centre has been built, generously aided by the English Tourist Board and the Carnegie United Kingdom Trust. Here an audio-visual programme and an exhibition try to put over a very simplified history of the region. This begins by introducing a friendly cartoon figure: he absorbs the various invaders as they come to the North East thus indicating the variety of cultures which together have made up our people. Our visitors are then shown some of the physical remains from those times.

This audio-visual script goes on in somewhat more serious vein to show something of north eastern characteristics: to outline the way of life in this region, as it has been until fairly recent times, and to highlight ways in which this might differ from other parts of the country. The script then introduces visitors to the Beamish concept, namely that of recreating a regional past way of life by means of re-erected and furnished buildings. Finally the script points out various sites of historical interest still to be found in the region and which are now being linked with Beamish in a regional interpretive network.

In fact, we have an 'in-joke' at Beamish to the effect that we have found the secret inner meaning of the word 'Beamish': it stands for:

Better
Environmental
Awareness through a
Museum for the
Interpretation of
Social
History.

If all this sounds too "educational" or serious, all I can say is: people come ! And they have been coming now in ever-growing numbers since we first began in 1971. Each year since then we have developed more for our visitors to see and each year numbers have risen by 15% or more, and this year our increase is running at over 20% and the total for the year is likely to be about 200,000. If this rate continues, the attendances will reach half a million by about 1980.



From every visitor, whether he be adult or child, we at present collect an average 57p though this varies according to the time of year. Our charges are very modest; indeed many would say too modest, but there are special reasons for this to which I will return shortly.

FA/5

From our paying visitors we receive roughly one third of our revenue expenditure and the other two thirds comes from the rates. As to the details of our expenditure for 1976/77, these are approximately:

Staff	£118,000
Maintenance of buildings and site	22,000
Supplies and services	35,000
Transport	8,000
General administration expenditure	10,000
Debt charges	25,000
Total	<u>£218,000</u>

Since our largest single item of expenditure is staff, it will help if we look at a rough breakdown of the full museum staff who are in permanent employment here. We can very roughly allocate this staff according to whether they are concerned with providing what we might term museum or "behind-the-scenes" services, or whether they are providing visitor services such as sales, security, demonstrations, cleaning and so on.

ESTABLISHMENT 1976

	Total	Museum services	Visitor services
Professional	6	4	2
Secretarial & Admin.	4	2	2
Technical	9	6	3
Demonstrating	1	0	1
Sales	3	0	3
Manual	8	3	5
Total	<u>31</u>	<u>15</u>	<u>16</u>

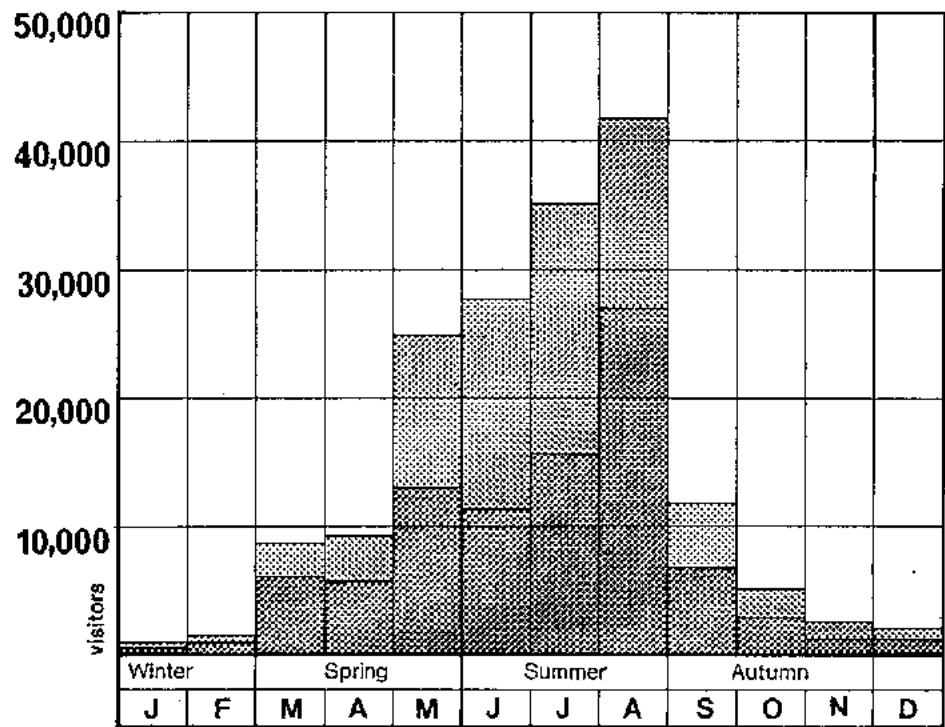
This can only be an approximate allocation, since most staff carry out a variety of work and, of course, development work has not been allocated separately from 'museum' work. But this rough exercise suggests that about half of the museum's staff-costs are spent on visitor services, and perhaps a roughly equivalent proportion of the general revenue expenditure could be similarly allocated.

Accordingly, one could argue that the costs of our visitor services and the income received from our visitors are

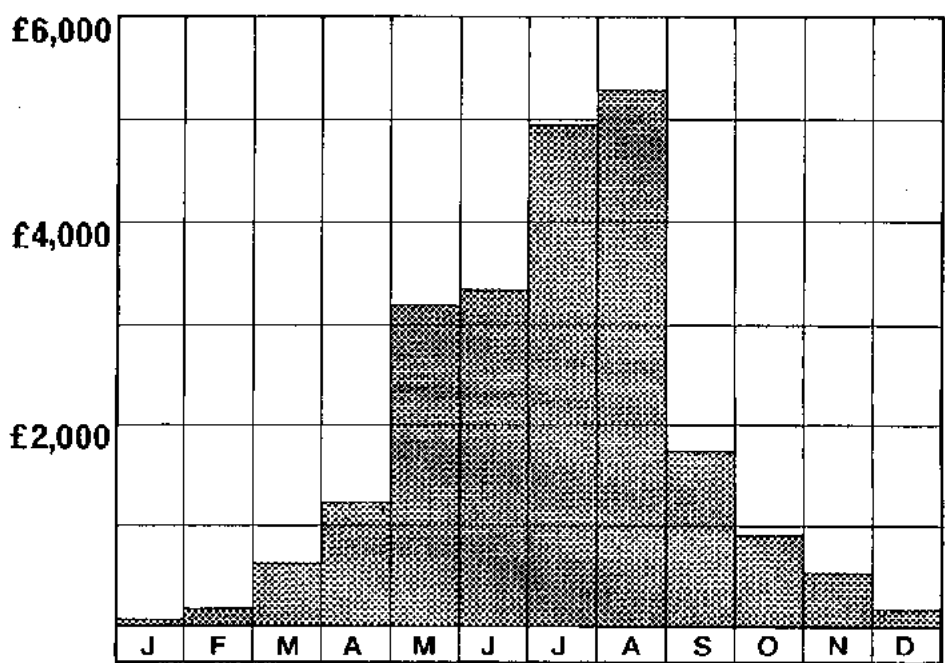
FA/6

**Attendances
1975**

adults children



**Shop:
Gross income
1975**



FA/7

fairly close and probably drawing closer. This is, of course, very approximate and does not take into account the very necessary services of our development. However, one can see that we are getting towards the point where the rates are providing the 'museum service' as an educational function and visitors are paying for the special services which they require.

Now let us take a close look at our visitors. During June and July we receive thousands of schoolchildren, but for most of the later summer season the family party predominates. We have to bear in mind that the North East not only has heavy unemployment but it also has a larger than average percentage of the working class in its population. There are fewer cars per thousand population here than almost anywhere else in the country. However, many of our visitors come from elsewhere than the North East and an independent survey made last year for the English Tourist Board showed that no less than 74% of our summer visitors were tourists and 12% of these were from abroad.

Naturally our attendances vary according to the time of year, especially so since so much of Beamish is out in the open, though each year we are able to provide more areas suitable for shelter. If we split those attendance figures into adults and children (roughly 90,000 adults and 80,000 children in 1975) we can see that the ratio varies particularly at the periods when school parties visit the museum. This is specially noticeable at the end of the summer term. Not surprisingly our gross receipts in the shop roughly follow this pattern: school children buy sweets, postcards and cheap souvenirs in June and July, and visitors coming late in the season, say in September, tend to spend more in the shop per person than do the family parties of August. Graphs illustrating these statistics are shown opposite.

Let us leave the graphs and go back to the actual people for another moment, to see whether we are providing just what they want. They seem to queue everywhere, though happily. As we provide more for them to see each year they can spread out a little better and so the queuing situation improves each year. Naturally they queue for the new audio-visual programme, since they spend eleven minutes in there watching our slides. They also queue for the exhibition in the Hall and here we have an interesting observation. We find that people stop to look at things in the exhibition for an average of 10 seconds (this, incidentally, is slightly longer than the average time that I have been showing you my slides). Now ten seconds per pause means six pauses per minute, or roughly four hundred per hour. That is the rate at which visitors move through our exhibition. Once the number of visitors approaching the Hall exceeds 400 per hour a queue begins to form. (I believe this observation is capable of wider application).

FA/8

What are we to do? Charge more and thin them out? That would be against the wishes of my committee. You will remember I pointed out the state of the impoverished North East and my committee is anxious that no-one should be excluded from Beamish by an inability to pay. Thus our charges are deliberately kept low. Were we sited elsewhere, in a more affluent part of the country, I believe that we could charge at least 50% more for admission.

Hopefully our increased developments will provide more space for our visitors and perhaps we can put up bigger or better income-earning services. Well, we are trying to do this, for example, by providing two trams where last year we only provided one. Perhaps we should get a bigger shop? We are trying to do this too and already this season we have increased the floor area of our shop by another 70%. Certainly as numbers increase we anticipate that the unit site-service costs will reduce thus helping to balance our books.

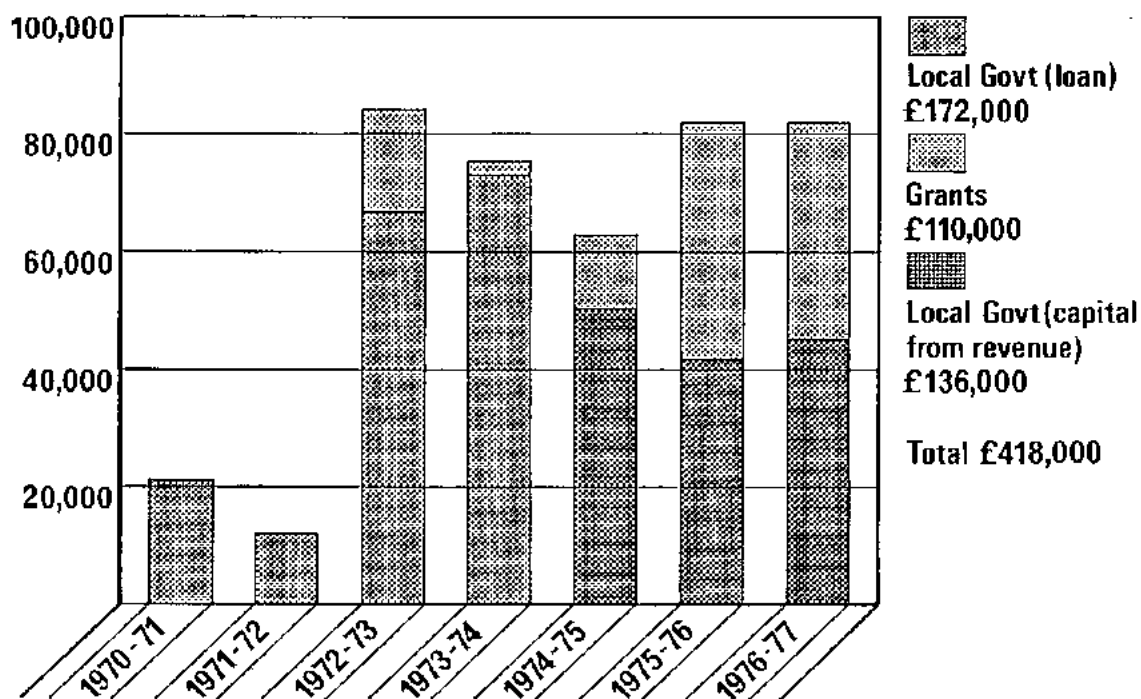
We would also like to provide a higher quality service in our Tea Room to what is, I believe, termed "up-market" but we have had some bad experiences with concessions and we do not at present have the necessary capital to do the development ourselves.

This brings me to the question of capital development. So far I have only discussed our revenue expenditure. We have had, and are still receiving, generous aid from the English Tourist Board. We have also had help from the Carnegie United Kingdom Trust and we are now to receive a grant from the Countryside Commission. We also receive considerable help in kind from regional industry, from our "Friends", from donors of specimens etc.

In the first three years of development we were mostly spending local government borrowed capital and as a result we now carry an annual burden of around £25,000 in debt charges. This would have grown considerably by now had we been obliged to continue in this way, but fortunately, since 1974, we have not only received substantial grants, but our locally-provided capital expenditure has been 'out of revenue', thus freeing us from further loan charges. The approximate totals for capital expenditure (including the current 1976/77 estimates) since the museum began in 1970 are illustrated in the graph overleaf.

Our rate of development has seemed slow to us 'in the thick of it', but looking back, one can see that we have been able to provide new features each year, and our visitors next year will find themselves benefiting still further from current capital developments which we are carrying out at the moment. Perhaps our visitor growth rate and associated popular appeal is now such that we shall be able to continue developing in this modest way for the next few years, despite the bleak national outlook.

Capital Expenditure 1970-77



Some of our recent development has been actually helped by the present state of unemployment for we have benefited greatly from the Job Creation Scheme. We also have help from Community Industry and our "Friends" carry out all kinds of voluntary help, which varies from technical advice and help in our snack bar to considerable labour in cleaning, digging and manhandling specimens.

So you will now see that we depend a great deal on the goodwill of the region. We seem to be fairly well-known here, and in a recent Tyneside survey over one third of those interviewed said that they knew about Beamish and most added that they intended to come - or had already been.

We also receive useful national publicity; all this is just as well for local government does not readily spend money on publicity. Our total budget for publicity this year is £600 - and half of that goes on leaflets. It is my belief that we need deliberately to push ourselves in certain areas. For example, as a result of the E.T.B. survey already mentioned, we have decided to persuade our own local

population to come in greater numbers and a concerted, albeit low-key effort is now under way.

Charges for museums have been a political 'hot potato' but no-one has ever objected to our charging, perhaps because we are more akin to the country-house situation than the traditional town-centre museum. Perhaps eventually, as I have already hinted, we might charge at a higher rate in the summer when our tourist visitors arrive, and when in any case, as an open-air museum, we are at our best. A more modest winter rate might attract more local visitors and so help to even out our peaks. Eventually, it is anticipated that we shall break even in overall terms and so be able to increase our spending on our 'behind-the-scenes' activities, by the kind provision of our visitors.

We, at Beamish, are certainly not complacent. Neither committee nor staff are satisfied with what has been achieved, but we are all delighted with the visitor response to our efforts. We believe that we now have solid foundations, a satisfying plan and a good team with a promising future.

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DISCUSSION ON SESSION 3

A.A. Macdonald

Well, certainly our three speakers today have raised quite a lot of interesting points. There are two things you might like to think about. Firstly, to cast back to yesterday, to what extent do the employing authorities of people like Mr. Atkinson provide a service in the form of the museum, and to what extent should that be paid for by the actual consumer?

It certainly is quite a terrible philosophy that the background bit is part of the heritage and the culture of the country and it is perhaps not fair to charge this on the individual consumer, it should be borne by society as a whole.

There is another point which I would like one of our speakers to comment on. I attended a conference a few years back, a truly gourmet's conference, and there was quoted a magic figure, a take-off point for commercial enterprise, 100,000 visitors. Is it still the case that at that point of 100,000 people you can start to talk about making money?

C. Scott

100,000 people! Well, I don't think personally that you can state a magic figure like that. I think the factors that influence whether a thing does or does not work financially are much more complicated. It depends on what you are providing, on what your ambitions are. In my particular case it depends on the wishes of the owner, what he is trying to achieve out of it. It depends on the type of finance you are talking about. We have all heard the different types of financial problems that we have between us. I think merely saying that 100,000 people is the number at which the thing takes off is really grossly over-simplifying the problem. Probably the most important thing to do is to set your objective before you start. If your objective is to break even within a certain length of time, which may be the only possible objective at the start, then you can probably say that, subject to what I am providing and to where I am situated, subject to my owner's wishes - be he local authority or private person - the figure will be 'X'. To take the figure of 10,000 is a grave error in my view.

D.A. Cameron *Countryside Commission for Scotland*

Mr. Scott mentioned that it took four years for planning permission to be granted. This seems to me to be an appalling thing to happen. However, in one paragraph he gives the return of 16%. Later on he glosses over what his returns have actually been. Is it politic to ask whether it has been

D.A. Cameron (Cont)

achieved in view of the fact that the facilities have been reduced?

C. Scott

Certainly, I am glad you noticed that I glossed over it. I did gloss over it because the return we are getting is certainly not 16% now. You will see that I did say that we were aiming at about 265,000 people a year within three years of opening. We are getting towards that stage. The four years delay and the resulting inflation and reduction in scale of what we were able to provide, was a major factor. We had to decide, in fact, whether we could go ahead at all because we realised that the 16% was completely unattainable. All one can say at the moment is that our return, instead of being 16% is about half that, but, of course, since the figures were originally prepared we have increased the entrance charge. There is no doubt in my mind that the best way of making money is to increase entrance charges because you increase absolutely nothing in the way of overheads by doing so.

So, as with anybody else in this business, we are struggling along. We are making income, certainly, about 8%. We reckon the numbers of visitors, which are 100% up on last year will eventually bring us up to the level of our original projection, 16%, if we can maintain the momentum. Obviously, we are doing everything we can to achieve a continued increase in visitor numbers.

P.V. Moore *Cheshire County Council*

Three points of detail. I wonder if Mr. Bryant could comment on whether his camping site is a financial success and also whether if he is making a profit of £2,000 on plants, this includes the cost of labour?

I would like to ask Mr. Scott whether he has now a concession for a riding school and what his thoughts are on the financial aspect of that?

A. Bryant

With regard to the camp site, this is a lease on a percentage basis. It is 50% of the takings at the gate less the cost of the warden, and it produces a useful income - about £2,000 a year on that basis. The difficulty is that the Camping Club complain that we are taking too much from them and they can't redevelop the site. It is supposed to be limited to 80 pitches but I suspect there are more than that most of the time. The standards of the site are well below what we think is desirable; I suspect that we are pushing them too hard and that there is a connection there.

A. Bryant (Cont)

Now, on the other point, the thing we find about plant sales is that we have to have a largish garden staff anyway; there is a walled garden and fountain court where the bands play. So there are seven or eight people and in the winter time they have time to produce and prepare plants for sale. So it doesn't really cost any extra labour - it is really making a better use of what we already have.

C. Scott

We find in the country park that the camping and caravan site is probably the most successful financial enterprise we have. We run it ourselves; it is a transit site only and we now have 54 sites in the woods. We recently obtained consent from the local authority to extend the length of stay from three days to one week. The season is from 7 to 10 months and the current charge is £1.75 per pitch per night. We are virtually full all the time. We have no extra staff to run it at all. It is a very simple operation. When people arrive at the country park with a caravan they have to find their way to the reception centre where they are given a key which unlocks the gate. This stops the public going through the gate into the park unchecked. Financially, this is the most successful operation we have in the park.

Turning to the question I was asked about the riding centre, yes, this exists now. I was very impressed to find that the concessionaire who took it on was a retired chartered accountant. He had done his homework and come up with answers that satisfied him - if they satisfied him, they certainly satisfied me. It has now been running for three years because it started before the country park opened. It operates simply on the basis that the concessionaire pays to us a rent which is on an increasing rate every three years. In return, he has an area of land of about 70 acres, some old farm buildings and a couple of cottages. He has improved the cottages; he is using his own capital to create the necessary buildings for a riding centre, including an indoor school, and he is doing extremely good business. We control him quite closely through the lease, particularly with regard to advertising. As far as the public is concerned, if they see a board up at his separate entrance they regard it as part of the whole organisation of the country park. It uses the same logo we use; it is a stylised version of the first Duke's head with his cocked hat and his prominent nose, and with a laurel wreath below in silhouette. There is a certain amount of cross-fertilisation in that the riding school advertises the country park and we advertise the riding centre. So, clearly, all we get from it is a fairly modest rent, albeit, on a rising basis, but, as with all the enterprises in the park, what matters to us is the way in which they spark off other things. The point, to us, of having the riding school there is that it provides an extra dimension so that

C. Scott (Cont)

the whole family can come along and have a day out. Eventually, when we get the golf course, father will play golf, teenage daughter goes and rides while Mum and the small children go and do the little things in the park that I described earlier on. So, the riding centre very much exists and is successful.

J.T. Coppock *University of Edinburgh*

I wonder whether we could explore a little further this question of what the market will bear versus the social considerations in charges. I may be recalling the fact incorrectly, but we have just been doing a study in the Highlands where, even in the poorest areas, there is a considerable sum spent weekly even at the lower levels of income bracket, on beer or whatever else is considered a necessity of life. From what people have been saying there are clearly constraints by the governing committees on what they may charge. Yet, if one looks at the costs at Beamish, for example, a country location where most people seem to come by car, the entrance charge is probably a small component of the whole cost of the visit. If the social objective was the main one, surely there are other ways in which this can be achieved to benefit those who really need help. It may be through free coach travel from the urban centres for particular social groups. In fixing admission charges I don't know to what extent we are considering what the market will bear, how sensitive people are, in fact, to what they are charged for admission. We have our own ideas in the backs of our minds of what people ought to pay but this is not necessarily the same as what they would, in fact, pay. My own feeling is that people, having decided to go and make the journey, are less sensitive than we think on this point.

C. Scott

I would like to make one point; when one is talking about any subject like that, one has got to think about which public one is referring to. There are dozens of different 'publics' - in the public relations phrase. From my own experience we have two different publics: one at Stratfield Saye House and another at Wellington Country Park. What is very clear is that the public that goes to the country park is not prepared to spend as much money as the public which goes to Stratfield Saye House. Somehow there is a division between them; maybe it is a division on money, class, or area that they come from, but there is certainly a very clear distinction between them on the amount of money they will spend. We have a shop at both and the stock in each overlaps to a large extent but the figures for takings are quite different. People spend twice as much in the shop at the House as they do in the country park. I will go a little

C. Scott (Cont)

further: although we haven't yet got a golf course I have done an enormous amount of investigation on the subject. I made a report at one stage on 14 different ways of producing a golf course, right down to getting in touch with six rich Arab oil sheiks and offering them a golf course for the exclusive use of themselves and their friends for an annual subscription of £25,000 apiece. Now, that sort of public is as wildly different a public as one could imagine from the public that normally goes to a country park. So, just as I was saying that you can't give a blanket answer to the previous question, at what level do the numbers of people produce the right answer, nor can you say how much people will pay without quantifying what people you are talking about.

F. Atkinson

This is something which concerns me greatly, as I hoped I indicated. My own belief regarding my museum is that we have nothing like reached a point where people will not come because they are being charged too much. I think we could probably double our charges without that happening. The rate was fixed purely as a political decision of my masters. For one year we had a great struggle as to whether children should be charged at all. That has now happened, but grudgingly. On the other hand, it has interested me to see that this year, although our attendance numbers have gone up by 35%, our takings have not gone up by that amount. We know there is some resistance in the shop; although the takings there have gone up, they haven't gone up proportionately. I think this means that people are spending less per head in the shop than they were last year - allowing for inflation. So it may be that one is reaching the point where the money isn't available.

W.R. Hillary *Strutt and Parker*

One point that Mr. Atkinson made concerned me. He suggested that they kept the admission charges at Beamish at a low level to ensure that nobody would be excluded from the site because of the cost. Now, five years after they opened, they find that 75% of their summer visitors are tourists and that there are no locals coming, so they have to advertise to the locals to get them to come. This, in spite of the fact that initially the charges were kept low to encourage the locals to come.

F. Atkinson

This is a complicated business. We only got those figures relating to the last year a couple of months ago, from the English Tourist Board. They came as a great surprise to us and it was too late for us to take action on them this

F. Atkinson (Cont)

year. Without intending any disrespect to my great (and very rich) friend, Stephen Mills of the English Tourist Board, because he is my greatest benefactor, I personally doubt those figures in some respects. I am not suggesting that they were incorrect but I am a bit hesitant about the extrapolation that was done with them. I would like to think that 74% of our visitors in that summer period were tourists. I suspect that a lot of them are, in fact, people who are coming back into the region. It is a great area for people to emigrate from - they have to make a living. However, they come back for their holidays, to visit their parents, relations and friends and they are brought by those people to see the latest thing of excitement in the region, which is what I like to think we are. The point I was making was that with a grand total of £600 at my disposal for publicity there was no point in publicising to the rest of England, or the rest of the world. If they come, that's fine, but we had to relate our limited funds to the area where we knew we weren't getting anything like saturation. Hence our leaflet, popped in middle class letter boxes by our Friends in the belief that middle class people with a car and two kids might decide to come and visit us on a Sunday. This is really the simple answer to trying to maximise our very minimal resources.

J.M. Sword *Bedford Estates*

Perhaps it would be of interest to give some information about Woburn which differs from Stratfield Saye in that it is well established. Since the peak of attendances at the opening of the safari park in 1970, we are experiencing a steady decline in numbers but a steady rise in income. This is partly because we have adjusted our prices but also because people apparently still have a lot of money to spend in the shops, restaurants, and the various sideshows. So it seems interesting that in the south we still have, thankfully, more expenditure per head in contrast to this part of the world where the expenditure might be declining.

D. Thompson (*Chartered surveyor*)

I would like to ask Mr. Atkinson, and possibly the National Trust people, for a little more information about the shop. I was speaking recently to someone from Wales, who had suffered a similar decline in expenditure in a shop. He felt that it was caused by the fact that on good advice he had increased the mark-up which he made from 20% to 30%.

F. Atkinson

Our shop operation is something which interests me a great deal. Obviously I can't go into it in great detail but I believe there is something in what you say. We try

F. Atkinson (Cont)

to keep our mark-up to a modest level but I think it may have been too high this year. We are also concerned to avoid selling what I would call 'tat'. So we are, in a sense, operating with one hand tied behind our back in that we want to sell things which we hope will reflect reasonably upon the serious side of the operation. However, these are problems one faces in trying to run a public service as opposed to a purely money-making exercise. This is our great difficulty.

We find, for example, that although we offer a number of hardback books on subjects relating to the museum, for instance, together with paperbacks at around 50p - 80p, on the whole people don't spend more than the price of a paperback. They haven't come prepared to buy expensive items. Anything costing up to £1 will sell - above that level sales drop tremendously.

P. Burnham *Coopers and Lybrand Associates Ltd.*

May I ask Mr. Atkinson and Mr. Bryant to turn back to the question of pricing because it looks as if we have an interesting difference in views here. Perhaps they could talk personally and not as representatives of their organisations.

I think I am right in saying that Mr. Bryant stated that differential pricing would be introduced over his dead body, whereas Mr. Atkinson proposes to introduce a peak price during the summer. Certainly he has a saturation problem and there is the question of whether the price can be used to cope with that.

A. Bryant

I don't think I said 'over my dead body' - I said I didn't think it would be effective in spreading the load. The reason is that I don't believe, at Culzean, that the entrance fee (in our case a car park charge) is really an influential factor in whether people come or not. If a man travels 100 miles from Glasgow it is going to cost him a minimum of 3 gallons of petrol, £2.25, so a charge of 40p at the gate is a small proportion of the whole cost. I do not think the entrance charge is a big consideration. Therefore, presumably it cannot be very effective as a regulator at busy times. One must bear in mind that when talking about overcrowding annual figures of attendances are irrelevant. Culzean could take four times as many people if only we could get the same number of people to come each day of the year - 365 days. In our case, what we are talking about is only 30 days of the year. I have no moral objections to differential pricing - I just don't think it is effective.

F. Atkinson

I really threw out the suggestion that we might charge more in the summer as a talking point which I hoped would attract interest with this audience. I am not absolutely convinced that it is the right thing to do. I think one possibility, which may be a year or two ahead yet, is to have what one might call a 'connoisseurs day' when one might display equipment which is not normally demonstrated because of its high value, and charge more accordingly.

I think our main way of dispersing crowds is to put more development on the site because apart from peak periods in certain limited areas of our operation, we haven't reached anything like saturation.

A.A. Macdonald

I am sure this is the kind of comment you will make, isn't it, Mr. Scott? As a commercial operation you don't want to get rid of crowds but rather get more people in and satisfy them.

C. Scott

Absolutely. Just reinforcing what Mr. Bryant said, I have a dream of doing away with the concept of the weekend altogether! If one could possibly persuade people just to regard the weeks as Days 1 to 7, throughout the year, how much simpler life would be! One only has major problems on 5 or 6 days of the year and one has to gear everything to solving problems which occur on those 5 or 6 days which is a daft concept really. I don't think I shall ever achieve that dream but it would be very nice to do so.

A.M. Tynan *Society for the Promotion of Nature Reserves*

I would just like to return to the shop question. Frank Atkinson will probably know the Ironbridge Museum which is, I won't say alike, but it is comparable. There is a large shop there and the bulk of the book sales are highly expensive stiffbacked books. This doesn't relate to Frank Atkinson's experience in Beamish. I think it highlights the fact that we don't really know anything about the nature of our visitor and what socio-economic group he comes from. I wonder when anyone is going to have the money to do the research work necessary to find out. Apparently even the survey carried out by the Tourist Board, that I should think cost a penny or two, doesn't make Frank too happy, so it has to be done more thoroughly. When are we ever going to be able to do this?

A.A. Macdonald

That is a good question! One of the purposes of the CRRAG conference is to get some ideas for research. Well, there is one.

A.A. Macdonald (Cont)

I think CRRAG might well consider the point of how to pitch the level of prices. It seems to me quite clear that people are used to paying for the specific things, golf, riding, souvenirs, food, and they pay to look at lions. They are not quite so used to paying to look at the countryside. The Great British Public feels, even though they live in towns, that the countryside does belong to them; that they have free access to the countryside and I think this is the point for countryside recreation managers. How much can they charge for this facility which the public really looks on as it's birthright? I think these must be questions for later in the conference because we have no more time.

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SESSION 4

RECREATION FINANCING BY PRIVATE ESTATE MANAGEMENT

Chairman

S. Calvert

J.A.K. Garrett: Making ends meet in The National Trust estates.

M.J. Ryan: The scope for private investment in countryside recreation.

Discussion

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MAKING ENDS MEET IN THE NATIONAL TRUST ESTATES

by

J.A.K. Garrett

The National Trust Regional Agent for Yorkshire

The National Trust's purposes and duties as a private charity set up by Act of Parliament, are to own land and buildings of outstanding natural beauty or historical or architectural interest and are explained in the leaflet, "The National Trust - an Introduction".

The estates now total more than 400,000 acres including 365 miles of coastline and 230 houses and other buildings open to the public. We are supported by 536,000 members at an adult subscription of £5 per annum. The mammoth task of making ends meet and the Trust's policies on charging can be considered under the following headings:

1. Income

In approximate order of precedence:

- (a) Rents (regularly reviewed)
- (b) Membership subscriptions
- (c) Income from visitors to properties
- (d) Gifts and legacies
- (e) Grants (particularly from the Countryside Commission and Historic Buildings Council)
- (f) Investment income
- (g) Other income from property (eg timber sales)

The total income for 1975 was £8,000,000.

2. Expenditure

Total expenditure was made to match the income by significant cuts and economies. It falls mainly into four categories:

- (a) Conservation work - maintaining the properties
- (b) Provision of facilities - essential, usually non-income producing items - roads, car parks and lavatories
- (c) Profit motivated enterprises - shops, holiday cottages, camping and caravan sites
- (d) Purchases of land and buildings.

Let us explore these four categories in more detail.

(a) Conservation work

The Trust's first duty is to maintain its existing properties at a proper standard. Thus the first call on funds

is for maintenance, and in these inflationary times money for other categories of expenditure is becoming progressively more limited.

(b) Essential but non-profit making facilities

Great care is taken to ensure that facilities such as car parks and lavatories are built as economically as possible but in keeping with the surroundings. If there is insufficient money to make a product of the right standard, the project waits until funds are available. There is no direct relationship between the sum invested and the likely return.

(c) Profit motivated enterprises

A totally commercial approach is taken to the installation of shops and holiday cottages. With shops statistics are available for the average sales per person in a variety of situations. Turnover and expenses can be forecast to estimate net profit and thus the amount of capital which can be spent to produce a proper percentage return.

Similarly, estimates for holiday cottages are carefully worked out.

Provision of tea rooms and camping and caravan sites come into a slightly different category in that they fulfil a service and must be maintained at a high standard. Thus the Trust does not always treat them as purely existing for maximum profit.

There is scope for raising more money from these and new enterprises of this sort and the Trust is on the look out for ideas and suitable sites.

(d) Purchases of new properties

Apart from coastline acquisitions, purchases elsewhere are on a very modest scale, most usually to add to or protect existing properties. The funds usually come from special gifts or legacies for acquisition, appeals, or grants, never from sources for maintenance.

3. Charges for Admission

(a) Open Spaces:

These are usually areas of open countryside. There is no charge for walking on these properties, but we may charge for each car parked. We also control numbers by limiting the size of car parks. The level of charge is unlikely to be directly related to the cost of provision but will depend on the popularity of the area and the maximum which it is felt reasonable to charge. This will be substantially less

than for admission to houses other than very minor ones. The car parking charges for Brimham Rocks are 20p per car. The charge for the nearest small Manor House is 30p per person. Car park attendants are only used where numbers demand it. Collecting boxes are the alternative - instructions to pay on the box are substantially more effective than appeals to visitors' generosity. Fears of vandalism or expense normally rule out automatic bar methods of charging.

(b) Houses and Gardens

When the Trust takes on a new property, if the financial forecast shows that an annual deficit will exist, an endowment has to be provided to meet the deficit. Thus frequently a property will have investment income as well as the money coming in from visitors and rents. The Trust's admission pricing policy is aimed at enabling all sections of the community to be able to afford entry. Again, bearing this in mind, they are fixed at the maximum level which, in comparison with other forms of recreation or entertainment, provide reasonable value.

The price will depend on two factors broadly speaking:

- (i) How much there is to see. The cheapest house in Yorkshire next year will be 15p and the most expensive 70p. The majority of visitors can get indigestion from seeing too many grand state rooms. Their enjoyment is substantially increased, as is the popularity of the property, rate of attendance, and charge for admission, if there is a variety of things to see and do. Old kitchens, laundries, brewhouses, stables, and exhibitions improve the marketability of a property. So do picnic areas and somewhere for children to let off steam.
- (ii) Where the property is situated. Charges in a holiday area such as the south-west of England can be perhaps 50% higher.

4. Use of Price to Control Numbers

As I have said, for social reasons the Trust does not put its prices beyond the reach of the normal pocket, nor attempts therefore to control numbers by this means.

Similarly differential charges to control seasonal fluctuations have not been introduced. This would also complicate administration.

5. Relationship of Admission Price to Total Receipts

I have a theory, only, that large numbers of visitors

have subconsciously set aside a certain amount of money for a visit. If it goes on a cream tea it won't be there for the shop. If the admission price is too high profitable enterprises suffer.

We find visitors are irritated by being charged for each individual enterprise at a property. They prefer an overall charge and then are not inhibited from spending in shops and tea rooms as well.

6. Conclusion

In spite of the colossal difficulties caused by inflation the Trust looks forward with considerable quiet confidence to carrying out its conservation duties in perpetuity. Its charitable purposes have never been more popular, as is obvious from the vast membership and general goodwill shown to the Trust throughout this nation and beyond.

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THE SCOPE FOR PRIVATE INVESTMENT IN COUNTRYSIDE RECREATION

by

M.J. Ryan,
Chairman, LSD Leisure and Recreation Group of Companies

It is a thankless task to suggest that the scope for private investment in countryside leisure and recreation is somewhat limited and of a risky nature, especially at the CRRAG Conference, but there are a number of good reasons for this statement which I will endeavour to explain.

The Market is the Key Factor

The main limitation is imposed by the market - upon which all successful investment depends. Of course, there are other external influences such as taxation, government policy and personal whims, but in the final analysis it is the customer that pays the piper and hence calls the tune.

We all know that the leisure business is a battle for discretionary time and income, so it goes without saying that the best opportunities are usually to be found in or near areas of dense population. Furthermore it is a fact of life that much leisure time is spent at home watching TV, drinking at the local, spending money on cigarettes and betting.

To get into the countryside people must travel by car, coach, rail or bus and few would doubt that they tend to do this when it is fine and sunny and avoid it when it is cold and rainy.

So before the private investor even considers a proposition he is confronted with a market which is largely at a distance, potential customers who spend lots of their discretionary time and money in or near their homes, who must make the effort to travel to get to him and whose demand for country pursuits is conditioned by the weather.

Still keeping to the global view the problems are further compounded by the very nature of the leisure market. For example, it is highly fragmented (divided into a mosaic of age groups, social class, sex, motivation, etc.) and as there is a strong element of choice you cannot expect to cater for everyone at the same place at the same time; indeed, most really successful leisure operations have a very definite market image which is strongly biased towards one or two market segments often to the exclusion of others.

If you stand on a bridge over one of the motorway routes from a conurbation on a fine summer's day, you will observe the market streaming out into the countryside. A coach load

of coarse fishermen on the way to a competition, families in Ford Cortinas loaded to the gunwales with beach gear heading for the seaside, a Rover 2000 with a fly rod clipped to the side of the roof, a Rolls going to the races, cars towing caravans, boats or trial motorbikes. All these types are different, with different ideas, different standards and all with the perfect freedom to choose their destination. So the scope for successful investment is further limited because the operator has to choose one or a number of compatible groups as the target market.

Earlier it was suggested that the market is the key determinant of economic (and thus ongoing) success. In more precise terms this means that to be a success there must be an adequate number of admissions with appropriate spend per head over the financial year. In looking at any opportunity this aspect must be thoroughly researched, for fixed and variable costs are reasonably easy to forecast and control but market response (admissions and spend) provides a very different kind of problem. It must follow that the scope for private investment relies on the correct assessment of these basic figures in the investment decision and also in the achievement of acceptable performance when a scheme is in operation.

Design and Management

If we turn now to the design and management of countryside leisure schemes we come up against a few problems which are of a general nature and one which is perhaps more specific to countryside operations. First the leisure industry itself, which is what can be called a "soft" industry. Soft because it does not have that obvious hard commercial flavour that is associated with manufacturing, mining or oil exploration and an industry because its turnover is enormous in this country. For example, as a nation we spend nearly four times as much in pubs every year as we have spent on Britain's share of Concorde over the past 16 years (Flight Magazine), $\frac{1}{2}$ million people play Bingo every day, up to 3 million people go fishing every week.

Finance

Turning to financial matters, I would highlight two factors (there are many others). The first concerns risk and for the investment of private sector funds this is all important.

Leisure has generally earned a reputation of being risky which is probably well deserved despite the apparent large and increasing market demand. A great deal of the blame for this image can be laid at the door of the industry's management for reasons which have already been touched on. Countryside leisure and recreation is no exception and suffers the added marketing disadvantages discussed earlier.

It is therefore hardly surprising that private sector investors are very concerned about risk. However, it is surprising that feasibility studies supporting investment proposals rarely cover the subject at all.

The important risk aspect concerns admissions and spend. It would take a couple of sessions to cover the way in which this should be tackled but two headings "Market Analysis" and "Risk Appraisal" (using techniques such as breakeven charts) give a clue to the method.

Finally on financial matters I would suggest that more attention should be paid to the time value of money. This concept highlights the error of comparing revenue earned in 3 or 4 years time with capital spent today (eg a golf course development). It also makes one consider just how long it took current successful operations to reach such a performance before using their results in one's own forecasting. Very adequate techniques (D.C.F.) exist to cope with this aspect of investment appraisal yet they are rarely used.

The way ahead

A close appreciation of the problems outlined gives a very good clue to the way we should approach private investment in the countryside. First and foremost, it must be related to a realistic assessment of market demand which will in most cases inevitably be thin, seasonal and dependent on promotion.

As an industry, it is very fragmented and run by "nice" people doing enjoyable things. The countryside section of the leisure industry is no exception. "Professional" assessors of countryside leisure projects seem over-endowed with enthusiasm often leading to outrageous optimism. Decision makers, caught up in the euphoria of such pleasant business commit thousands of pounds to schemes which have no chance of succeeding. Architects take on leisure jobs without more than a five word brief from their client. All behave in this amazing way because leisure is something "we all know about" and the hard fact that leisure business is just like any other commercial undertaking is obscured.

Still on a more general level it is a characteristic of leisure operations that customer satisfaction leans heavily on the atmosphere of the facility concerned. Atmosphere is created by a combination of design and management. Appropriate design demands that architects have a detailed brief to work to and a detailed brief implies that the client knows exactly what type of customer he intends to attract, what they want, will spend and so forth. Good leisure management demands that the organisation concerned take their business seriously - they do not tack it on to a forestry, farm, water resource or other organisation and hope for the best. Leisure

management has its own specific skills and for ongoing success they must be developed in all members of the staff who deal with leisure customers.

Promotion

I would single out one management and design problem that demands very special attention for countryside schemes, namely promotion.

The nature of the marketing problem emphasised by the distance of countryside from town, seasonality and so forth, leads straight to the conclusion that management must use imaginative promotion if they are to attract sufficient numbers of people throughout the year. There are plenty of examples around the countryside which demonstrate that an energetic campaign of this nature can persuade large numbers of people to visit what might otherwise attract no attention at all.

The realisation that promotion is so important may well persuade architects and designers to pause and consider how their work can reinforce this key factor.

By implication investment must be small and in stages. The best results coming from incremental investment - tacking something on to an existing attraction. There should be a significant amount of variable cost built into the financial profile to meet promotional needs which in turn demands low and well controlled fixed costs. Again this leads to the conclusion that existing operations must be used wherever possible.

Finally, the breakeven point of the business (where it goes from profit to loss) should be no more than 50% - 55% of the realistic best turnover for the year.

Well researched schemes that meet these guidelines will have low risk characteristics, involve relatively small sums of money and have a chance of attracting investors. This is the scope for countryside leisure and recreation investment.

DISCUSSION ON SESSION 4

J. Casson *North West Water Authority*

Could I ask Mr. Ryan to speculate about this situation? The question of the relationship between provision, promotion and the fact that demand is really created by provision. I question this notion of demand at all. It seems to me that in the leisure "business", people can really be manipulated into pursuing particular activities. I would like to hear your speculation about this feed-back circle between provision, promotion and demand and how they work in relation to each other.

M.J. Ryan

There is a finite limit on discretionary time and discretionary income. Discretionary income is about 20% of total income. If you start interfering with overall income - due to inflation, if you are idle, if you work hard, or whatever it happens to be, it has a disproportionate effect on discretionary income. That is the way you have the choice. Therefore 2% or 3% from the top of your income can affect 20% of your discretionary income. There is no question that there is a limit and things will change depending on the economic situation in spending; in terms of time there is also a limit. We are talking about what people are doing in their leisure time, the whole question of substitution of demand. Can you persuade somebody spending 40% of their discretionary income on drink to give up 2% of that to spend on parks? You have to persuade people to take up certain leisure activities because it is a matter of choice.

You are quite right, in terms of squash, for example, here was an opportunity. If you looked across the board, nationally, you would have seen that there were certain people playing squash but only in certain areas. Similar sorts of people lived in all the areas so it was perfectly reasonable to assume that squash might be popular.

J. Casson

The key point is that we are repeatedly finding, particularly in deprived areas, that we provide a facility which is over-demanded, yet, you couldn't predict that demand.

M.J. Ryan

You couldn't predict that demand?

J. Casson

No, you can't. A particular activity, quite often, results in a more rapid growth in demand once you have created the facility in question. Likewise, something else may fail.

M.J. Ryan

What made you put the thing there in the first place?

J. Casson

This is the point, we have got no criteria on which to plan. We do not really have real figures of demand.

M.J. Ryan

Next year's conference will provide the answer to that, I am sure. We must start looking at the market. If you go out looking at and studying the population's needs and satisfactions, the answers will come.

J. Casson

You are talking about the economic part which is distinct from the desire.

M.J. Ryan

I knew I wasn't getting across! Every time I mention "the market" you all shut up. You don't listen, I said "needs and satisfactions". Choice, leisure is all about choice and it is socially desirable that people should exercise this choice. They sit there with their discretionary time, discretionary income, and say, "I want to go down to the pub and watch a topless go-go dancer". They do not want an art appreciation class.

J.S. Calvert

Aren't you suggesting that the needs, satisfaction and demand tend not to be changing as frequently as I think they are? Not ten years ago little girls didn't want to be gymnasts - all little girls now want to be gymnasts. This is a changing demand created by one particular impact. There is a flaw in your argument somewhere but I am not bright enough to see where it is!

M.J. Ryan

There is not a flaw in my argument! It is simply this. You are talking about "cosmetics", something that they need to do and the current craze - current cosmetics - happens to be gymnastics. In five years time it will be something else. In the "young market", which is much more clearly identified, they want to get away from home, get away from the parents, meet the girlfriends and boyfriends. Going to the discotheque and the "young pub" are some of the ways in which they spend their leisure. It could be long grass in one of your parks in the future! Cosmetics - as opposed to the basic needs and satisfaction.

F. Harrison *Loughborough University of Technology*

May I say that I subscribe to this argument strongly and the fact that you have put this forward has been refreshing to me. My dilemma, when I think about approaching recreation provision from a market orientation point of view, is that occasionally you might perceive the market to want the wrong thing. One of the things which bodies that are subsidised by the government, for example, local authorities, have at the back of them is some kind of need to preserve 'the cultural heritage' in terms of which tastes and activities people like and which people dislike. One of the fears that I would have, the only fear really, over this marketing approach, is what one does when the users ask you to provide something which society is against. I would have thought this is one of the problems which faces some of the people here. There was the Forestry Commission problem yesterday over rallying in the forests. Mr. Mithen said, "What we are providing for is that person who wants to use the forest to provide peace and quiet and tranquility". The provision of rallying meets the interest of the rally driver but it conflicts with that objective of the Forestry Commission. Having got that objective it is very difficult for the Commission to pursue a full market orientation.

M.J. Ryan

In marketing terms it is nonsense. It is a good example of product orientation.

A certain segment of the market wants to do rallying in the forest. Forests are quite large places and quite honestly it can be done. The reason why it isn't being done is because people in the organisation are steeped in the old forestry traditions of thinking about the timber and the wood but not of the market. Going back to the question of the deprived people and people wanting to do things that others don't want. This is a typical problem which comes out of the whole public sector. The public sector is run by the middle classes. They try to impose their views on the working classes. When have any of you in leisure or recreation outlets in a working class area leisure centre, ever put on topless go-go dancers, Guinness or betting? You never do because the council says, "Oh dear, that's not very nice, we can't do this!" But, that is what people want to do.

I believe that if you take a marketing approach all will fall into place. The trouble arises only when you get these other confusions. The confusion of moving from product orientation to selling. There is also the confusion from selling to marketing. If you get into marketing straight away you will save yourselves a lot of problems.

G. Luff *Derbyshire County Council*

Mr. Ryan has raised some very interesting points and I

G. Luff (Cont)

agree that there is a lot of truth in what he says, of investigating the market before local authorities and other public bodies invest in certain directions. However, if we took it to its logical conclusion there would be no concert halls, no symphony orchestras, no libraries, no museums, art galleries, no country footpaths nor a whole host of things of minority interest. The public sector provides those. The big problem that we have is distinguishing between what we must invest in to preserve our heritage or for education reasons, and what we must invest in purely to provide pleasure and recreation. The trouble is that these are mixed up.

M.J. Ryan

Once again I must ask you to think it out. You can make a political decision that we are going to have country parks. You can say, "We are going to subsidise every admission of an OAP to £445 an admission" if you like because only one is going to turn up. You can stand up in front of the public, be voted in and out of office on it. "We believe politically that this country park must be provided for OAPs and it is going to cost us £445 an admission. All those in favour, raise your hands". It is identifying your market demand on an economic basis. It will work and you can have your paths and your museums but you will understand what the market demand is and how much it costs.

G. Luff

Are you suggesting that we don't?

M.J. Ryan

I think the results are very good, super! Places like Beamish and everywhere else are marvellous. The thinking behind the running of Beamish is crazy. It is a beautiful idea, run by a very nice man in a very nice business - but it's crazy! He isn't doing the best for that operation, that's quite clear.

J.S. Calvert

Mr. Ryan has offered to buy the first round!

T.D. Kennea *Social Science Research Council*

Mr. Ryan, you have identified the complexity of the market by your motorway bridge example. As you continued you dwelt on the complexities. As you developed your argument, I am wondering if you developed it on the basis of a much simpler market. For example, in answer to the question on rallying and the problems that the Forestry Commission has

T.D. Kennea (Cont)

in this, surely you fell into the trap of identifying a single market, mainly the RAC and perhaps the motoring public generally, whereas the Forestry Commission is faced with a much more complex market. The people who buy timber and other people making use of the forest are there as well. You are saying, in effect, that the RAC should be the dominant market in this particular case whereas it needn't necessarily be so.

I have a question on the last point that you raised concerning the form of subsidy provided by organisations like the English Tourist Board to help various projects that come forward. You were suggesting that the grants and loans weren't the best way of doing it. What was required and would be more advantageous would be to subsidise the promotional aspect. Could you develop that argument a little further? There are considerable dangers, bearing in mind the organisations providing the funding are publically responsible and have to have a fair guarantee that there is going to be a return on public money.

M.J. Ryan

I will go straight back to our objectives and talk about "public responsibility". I submit the agencies should be publicly responsible to satisfy the leisure market demand on an economic basis. You can give the Tourist Board their objectives, very straightforward. You then set up the Tourist Board as it should be, as a promotional organisation, to promote tourism within the United Kingdom. You then select certain areas. You may well say, "It would be nice if we could get a few things going on here because of unemployment", but this idea of decreasing unemployment as an objective doesn't work. We will then say, "Look, because of the enormous research that we have done on the market, because we really understand what they want, we think that if you did that it would be an attraction and we would promote it". If you give £10,000 per annum to promoting their operation (a lot cheaper than £50,000 on a grant basis because you can stop it halfway through the year if they don't come up with the goods) you can measure the results quite easily in terms of admissions.

I think that method is far superior to giving £25,000 to someone to build a riding stables somewhere and not being able to know how successful it is.

D.A. Mithen

I found Mr. Ryan's talk absolutely fascinating and I appreciate and agree with him that we should bring more of a marketing approach to the question of leisure. Rightly his paper covered private investment in leisure. The Forestry Commission's name may have been taken in vain on a number of occasions. I would like to stress that a number of organisations have a number of objectives which conflict with one

another. Trying to compensate between objectives will tend to blur the marketing approach to anyone. The question of providing recreation is only ONE of the objectives of many of the organisations here, including the Forestry Commission whose prime objective is the production of timber, not the leisure industry at all.

M.J. Ryan

This is a very good point and I totally concede that you are confronted with these problems. However, you must decide what business you are in. If you are in the timber production business then you leave the leisure and recreation in forest to someone else.

D.A. Mithen

That is where I would disagree very strongly. Life is not as simple as that.

C. Gordon *Nottinghamshire County Council*

I have a comment intended as a response on middle class attitudes. I had an experience of this a month ago; a very salutary experience which interested me greatly.

The chairman of my committee is a miner. He gets on very well with miners as you would expect as he wanted to promote whippet racing in one of the country parks. My natural middle class instinct was to oppose that. I withdrew my horns very quickly when I realised what I was doing and why I was doing it. We had an extremely successful afternoon of whippet racing in the country park. There is an extremely interesting object lesson in that one experience.

R. Carter *Scottish Tourist Board*

I feel that some response to Mr. Ryan on the subject of objectives is required. I basically support what Mr. Mithen has said. The Tourist Boards have responsibilities to the community in terms of bringing the economic, social and environmental benefits to the community. We select which leisure market demands are going to help to bring the maximum benefits. We have no objective to satisfy any leisure market demands per se but we have specific social objectives for the Scottish community in our particular case. There is no general objective towards tourists coming from outside Scotland. That's the first point.

With grant assistance we provide marketing support, either ourselves or our colleague organisations in tourism. We often build into our grant aid requirements the fact that any project should undertake various forms of marketing.

Thirdly, whenever we are assessing a project, we make

R. Carter (Cont)

what we consider to be a realistic market assessment. That takes into account the necessary marketing.

Fourthly, you will find that many market operators will be happier with having the cash in their hand than the promise that we are going to be able to bring 25,000 people in.

Finally, you have done a good exercise in wrapping up old thoughts in terms which are new to many people here by making your marketing approach one that has been adopted in the recreational field for many years. The first CRRAG conference dealt with demand forecasting and the substitution of demand. Since that time there have been many demand surveys which are, in fact, market surveys. Many of the faults have been because decisions on investment haven't taken these things into account.

M.J. Ryan

We have typically woolly thinking coming forward again! I can see I am bowling on a very useless wicket and it is going to take ten years to win!

You talk about social purpose. The social purpose is really to give people the opportunities to spend their discretionary time and discretionary income.

Anon

No, no!

M.J. Ryan

In leisure terms it is - of course it is. You will eventually learn that that has got to be the answer, and you can only move things very slightly. You can go into educational ideas. You can move the market trends very slightly. That's all.

T. Huxley *Countryside Commission for Scotland*

How does Mr. Calvert think his Trust would react to a greater market approach to their business?

J.S. Calvert

I was going to ask Mr. Ryan what he thought about our activities! We are very keen on trying to make money wherever we can; we try and assess, when we are making some new facility, what income we are going to get. Our shops are fairly efficient with quite good ideas about how many people there should be and how much we are going to get per head. Our objective is really preservation. Our second and allied

J.S. Calvert (Cont)

objective is that the preservation should be of benefit to the nation.

R. Hoyle *Yorkshire & Humberside Regional Council for Sport and Recreation.*

Grants are a system that we have got for the time being, until it is changed, whether you like it or not. Mr. Garrett, do you think that the future holds better prospects for a rather more co-ordinated approach to grants? I am thinking of your own Coniston Hall Farm development with its associated sailing centre, where perhaps the English Tourist Board and the Sports Council, the Countryside Commission and other bodies, might come together in a more co-ordinated way to see that a particular project receives the support that it deserves.

J.A.K. Garrett

That would be an excellent idea. I am just about to embark on a project not far from York. At the moment we have lots of ideas on how to develop this house to get a lot more people there to see and enjoy it. I have ideas about approaching the Countryside Commission, Tourist Board and other people to see how we could get support. If we all met together in one room to discuss it and have a concerted effort, I think that this would be much more satisfactory.

R. Hoyle

The figures are given that well over 80% of families in the country are spending the whole of their income quite easily. Many of them borrow an awful lot of money and find difficulty in repaying it. Many people take their families out into the countryside, the air is free and obviously they expect a lot of the countryside to be free as well. They go out not expecting to spend any money other than to buy the kids an ice cream. Is there going to be any attempt by the selling of visits into the countryside to try and persuade families either to reduce their spending on other things, which is going to be very difficult, or are we going to put the impression to people that if you go into the countryside nowadays you have got to take some money with you?

J.A.K. Garrett

I think that if the family goes out they are each going to have an ice cream which is jolly expensive these days. They can come to Brimham Rocks and our car park, providing there is room for them, and we will certainly be competing in this sort of market for their attention.

M.J. Ryan

It goes back to the point of leisure being discretionary. I really don't think that we can start again adopting these middle class values of saying that we ought to discourage specific forms of recreation. Leisure is not like that. You merely offer them the choice. They can come out to the countryside if they wish and if they want to run up an overdraft or borrow money to do it that is their choice. That is perhaps the last bastion of freedom in this country. So, leave it alone and let them do it - let them make their own decisions.

J.S. Calvert

I am quite sure that it wouldn't need a market research programme to indicate that you will be quite anxious to spend a bit of your 20% at the bar in the time between now and lunch.

I would like to thank the speakers very much for their papers and all of you for your participation.

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SESSION 5

A REVIEW OF THE PROBLEMS AND OPPORTUNITIES

Chairman

A.J. Grayson

A Panel Discussion:

Panel members:

P. Burnham

M. Masterman

A. Smith

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A REVIEW OF THE PROBLEMS AND OPPORTUNITIES

A PANEL DISCUSSION

A.J. Grayson

First let me say how sorry I am that John Davidson has not been able to come; I would like to offer him our best wishes for his recovery. I welcome Mr. Masterman who has very kindly stepped in at short notice to join this panel. Mr. Masterman has a background of architecture and planning and altogether we have a wide range of disciplines represented here. He, like the rest of us, shares an interest in recreation although I don't believe it is a paramount part of his current job. Secondly, we have Peter Burnham whose background is economics and accountancy and he has been in practice in the consultancy field in work related to recreation over the last decade. Next there is Anthony Smith whose range of interests is so wide that I won't list them all but I have noted down here: zoologist, writer, aviator, broadcaster, consumer - and he might even give us a view as a taxpayer! My own background is forestry and economics and so you will see that economics is fairly well represented here.

We are going to spend the next forty minutes in leading discussion by the members of the panel in order to leave as much time as possible for general discussion afterwards. We hope to make it fairly diverse by having one panel member talking on a particular theme and then standing down for another member to take his place. I would like to emphasise that in this session we want to orient the discussion into what we think are useful fields in which research might be pursued. We don't want to go into details of practice and policy but rather consider what useful ideas can be put forward for consideration by CRRAG - your own 'masters' and yourselves, in terms of research into a number of topics.

The topics chosen are: objectives, marketing, financing (although there will be some overlapping here with marketing in terms of 'user charges' versus taxes), appraisal (about which we heard in the sense of it having been done very competently in the case which Mr. Scott described this morning), management. After this we want to have a general comment, an assignment which Mr. Smith is going to take on.

I propose to lead off myself on the question of objectives. The thing that struck me most about this last day is the difficulty of adding to objectives and having, in practice, an unavoidable situation where there are multiple objectives. We had a comment this morning from my colleague Mr. Mithen, in that regard, explaining the position in one agency. That doesn't mean that we can't try to clarify our objectives. I would like to suggest that the crucial thing

is to make something which is not just a ceremonial objective - it has got to be an operational objective. I am not too happy about the formulation mentioned this morning. I think it is very much a matter of each agency having to sort out something for itself, but if they can be made operational, and hence useful, that is what is required. Anything less than that seems pretty pointless.

In this whole field, the research element which we might draw to the attention of CRRAG, the research sub-groups and, indeed, the Countryside Commissions is that we know from what we have heard in the last day that there are widely varying attitudes to the weights given to various objectives, not only in recreation fields but in other land-using activities that the particular agencies are concerned with. I feel it would be of great value if we could try to get some more descriptive material from agencies. I use the term 'agencies' in a very broad sense to include local authorities, government, commissions, agencies and private estates. We need to get an idea of how different their objectives are and then to get some comparative analyses of them. At the present time this is one of the most vague areas in terms of understanding what goes on, but I would like to think that this work would not be wasted because one would see, in different areas, how impossible the jobs given to different people are. It might be a very long-term operation but it might conceivably lead to changes in the institutional set-up. In some cases the institutional set-up might not need to be changed very dramatically. It may be that all that is necessary is a separate profit centre, a separate outfit, dealing with this aspect and thus having its own accounting devices and so on.

In the more general field there has been a lot of feeling expressed today that there are far too many bodies being concerned. This is an issue which engages the attention of many people. Recently we have had the example of the Environment sub-committee, of the Expenditure Committee, of the House of Commons looking at countryside and making this point very strongly.

That is all I want to say at this stage on objectives. I am now going to ask Peter Burnham to talk about marketing.

Peter Burnham

Thank you very much. I would like to cover three topics very briefly: the nature of demand, the pricing aspect and promotion, all of which have been alluded to in papers and discussions.

I suppose it is axiomatic to say that a facility is provided to meet a perceived need. What we are saying is that we have got to identify that need. It can be done intuitively which is probably adequate if you are obliged to provide a service or if there is little competition, or, as

in the case quoted by Mr. Colbeck of sports centres, where there was no demand because the facility didn't exist. In this case it was a question of somebody being bright enough to recognise the need and act accordingly. It is also possible to act in this intuitive manner if resources are not limited. Where there is competition, where resources are limited, where the decision is a delicate one or the risks are large, then you have got to have some information on the nature of the demand and its extent if you are going to be able to make a decision to proceed effectively.

I think that very often when we are talking about information on the market we get carried away too far into predictive systems. What we tend to forget is that there is a wealth of information about present uses which is of the most immense value and which is not put together. As an example, I would say that here in this room we probably have more information than is available at any one point on the demand and use of recreational facilities. This could be of the most immense use to planners and people who are going to have to make decisions. Perhaps this is a point for CRRAG and the researchers to bear in mind - let's try and get that information into a form where it can be used, rather than automatically thinking that demand information is forecasting. Of course, one would like to use it as a basis for forecasting but I believe that there is a more immediate value which can be derived from what is currently available than we are getting from resources we have at our disposal.

Leading on from that perhaps I could make a plea on behalf of the private sector: I don't think the information which is available within CRRAG is anything like sufficiently well-known outside the privileged circle of the members.

Moving on now to pricing: I don't think that Mr. Stoakes' paper has been brought into the discussion to any extent so far. Now, while I would disagree with some of the details contained in it, it does provide a most valuable discussion of the various aspects of pricing. I think there is a danger that we will have a dichotomy, that we will regard this as an interesting, if slightly unintelligible document. I say this with no disrespect to Mr. Stoakes. The fault lies in the fact that we have not related it to the practical problems that we are all faced with, yet the messages there are entirely relevant to the decisions and points we have been talking about.

In the local authorities pricing is a discretionary factor and one has to consider the whole question of the ethos of what you charge for. Obviously it is a question capable of generating much heat but I think Clive Gordon gave us a very useful guideline in his paper. In the private sector and in bodies like the Forestry Commission (at least in its commercial recreation activities), and the water authorities, pricing is an essential element because revenue is

necessary. So, one can look on pricing as fulfilling three complementary functions, all of which are alluded to in Mr. Stoakes' paper, and which we have harked back to on a number of occasions in the last couple of days. They are not self-contained; they are all inter-related.

First of all, pricing policies are determined by objectives. You are going to have to be concerned with pricing where it is economically necessary to generate revenue. It can also be used as a method of regulating demand. I know that is not necessarily a popular view but the fact is that it is one way of dealing with saturation. On the other side of the coin it is a way of encouraging off-peak use. It is clearly absurd not to charge the going market rate for peak use. However, if you are trying to get Forestry Commission cabins used in the spring then it is clearly absurd to charge £70 per week for them. You want to encourage people to use them. So, differential pricing is regulation on one side of the coin and making the maximum revenue on the other side of the coin. The danger is that the last point is seen as unattractive but, in point of fact, I don't think it is.

Now, your pricing policy has got to be known. The point was made today regarding Culzean, that if people have travelled 50 miles to get there and then find the price has gone up, they will still go in. My guess is that if people knew in advance that the price had increased from 30p to 50p it would have brought about a marginal shift - and that is what we are talking about. There is an example from another industry, telecommunications, which illustrates this. A peak tariff was introduced in the morning in order to try to divert the demand from that peak period into the afternoon because basically the system has to be geared to meet peak demand. The trouble was that this was not publicised and the inference that was drawn was that the demand was not elastic - it didn't respond to price. When the price differential was publicised there was a marked shift from demand in the mornings to the afternoons. That means that not only are the resources being used more effectively but, more importantly, that investment which would otherwise have been needed to meet the peak within the next couple of years could be deferred.

The third point with regard to using pricing as a regulating device is that it is one means of ensuring a more efficient allocation of resources. I have a nasty feeling that by not charging for some activities you end up by generating more demand whereas if people have to give up something else in order to avail themselves of a particular facility then they may not want it quite so avidly. I think this is very relevant in the public sector.

The third use for pricing is an institutional necessity. Clive Gordon made the point here that if you can indicate that you are producing some income there is an element of

protection to the recreation service. You may be able to undertake more development out of the revenue you generate. As a pure economist I am not sure that this is necessarily a good argument but I think it is a very human one and perfectly valid in order to get people to do things which they might not otherwise do.

Finally, I consider that using pricing as an institutional necessity protects the private sector. This is illustrated by the example mentioned here on the difficulties experienced by the National Trust in charging for facilities when it is competing against the free use of York Minster. I am not suggesting the Church Commissioners should charge an entry fee but it does illustrate the point.

There are three uses then of prices. The prices are not determined just by you but by the market, by the competition of other facilities, or, if there are no other facilities, by what else is available for people to spend their money on. Therefore some understanding of how demand varies with prices for the various sectors of your market is an important element. I don't believe there is any industry that really knows its demand curve, understands it properly. The curve says that as the price goes down so the demand increases. It is not as simple as that, there can be a variety of curves and a whole lot of problems come into it. However, the concept is a valid one - usually as the price goes down you will get some increase in demand. Again, I think this is an area for CRRAG to consider but one can be over-ambitious. I believe that in this room there is a host of information which people want to know regarding pricing. "What do you charge for different facilities now?" "What happened when you last put the price up?" All right, it can be explained by a whole host of things, but at least it gives you an indication.

Going on from that there is the question of price/demand relationships. However, I believe a useful role could be played by CRRAG in just collating information which, between you, you could probably supply here and now.

I would like to make a final point, very quickly, on promotion. I think it has been sufficiently stressed but to my mind there are two points regarding promotion. It can be used as a regulator to try to direct people to where you want them to go, away from the saturated areas to the ones which have more capacity. Secondly, it can be used to achieve optimum use of a facility. For example, in the case of Stratfield Saye, you want to try to get as many people to come and pay as you possibly can, conversely, the case of the National Trust you have a capacity point and you don't want to go above a certain limit.

Again, a consideration for CRRAG, what methods are used for promoting recreational activities? What kind of results

were observed? It doesn't require anything which is terribly complicated. Then, from that, can we cull any ideas of what are the effective means of promotion?

A.J. Grayson

Thank you very much. I will now ask Mr. Masterman to talk about finance - I know he wants to link up with the objectives point again.

M. Masterman

I have to start at the point that Stephen Mills made in his paper yesterday about the reality of the future situation, that, in fact, we will find that the public and private sectors are going to divide between commercially viable propositions and other projects. I don't want to imply from those remarks that the public sector has nothing to learn from the private sector. I think today's deliberations so far demonstrate that very adequately.

Many of us may not agree with Mr. Ryan's remarks, may not be able to accept them, but they are indeed food for thought about our attitudes.

Our debate, therefore, can be concerned with the financing of public sector investment in the leisure area since the mechanics of private investment are rather more readily understood, if not always fully appreciated. The nature of the problem is that such areas of activity are likely to be, in commercial terms, non-profit making. The question therefore arises as to how far we are justified, on social grounds, in subsidising such promotions.

The two local authority speakers yesterday, expressing personal views, drew attention to the aspects of the balance sheet which they felt had to be drawn up. If one applies that kind of thinking, it is necessary to include all costs. There is a tendency only to count the costs that we want to count and to forget the rather more awkward ones, either because we haven't got the information, or, indeed, because we don't want to see the truth of the situation.

Other speakers yesterday, understandably, talked more vaguely about the less well perceived costs in terms of cost/benefit analysis. It seems to me that in the long-term it is these sort of costs which will really provide the argument in the debating chambers of local government, at least, in the allocation of resources into the recreation area. We have to see ourselves going into committee armed with the same kind of information as other programme area chief officers such as the housing manager or the highway engineer. Over the years these people have developed an ability to argue their case for the allocation of resources.

In the local authority field, because we haven't had an active client department putting its case for allocation of resources, this area has singularly failed to attract its rightful share of resources.

To sum up this first point, I think it is an attitude of mind that we are concerned with, a shift of the former position. As a planner, perhaps I can say that the planners' attitudes are not keeping pace with the real needs in the area. I think this is the thing that the recreationist has, in fact, brought to this area in recent years.

I would like to turn my attention for a moment to grant aid and make the point that Clive Gordon's paper yesterday conjured up in my mind a rather frightful picture of him tearing all over the country looking for grant aid to support recreation projects. I am sure that isn't what his life is really like but, nevertheless, can we just think for a moment of whether we are really any more justified in spending grant aid to support dubious recreational projects, just because it comes from a national pocket rather than a local pocket. I am clear that that is not what Clive is doing but it does seem to me that local authorities are too easily led by the availability of grant aid. I can illustrate that by reference to land reclamation grants. I am quite convinced, that, left to their own devices and with the money available to them to spend on "reclamation" in a wider sense than it is presently interpreted - (my authority is talking in terms of £1,000,000 a year) - that £1,000,000 would not be spent in the way it has to be spent to qualify for the grant. If the local authority was spending that money on improvement of the environment, their priorities, would be different. I think that is something which shows that the latest move to a 100% land reclamation grant was not necessarily the best way of dealing with a changing situation. I say this, of course, coming from a conurbation to the despoilation of the inner city areas. Perhaps there may be some change in view of recent government pronouncements about inner city areas.

In my opening remarks about public and private sectors I went on to suggest that we should not consider the private sector but I have heard very little during the past 24 hours about the possibility of bringing private and public capital together. There has been some talk about bringing the various government agencies together and one would be pleased to hear some evidence, in the forthcoming discussion, that public and private money can be harnessed to satisfy recreation need and perhaps also, a little prompting as to whether private money may be able to be brought into this area without some of our worst fears being realised of what development land tax might do to put off investment from private areas into leisure facilities.

A.J. Grayson

Thank you very much. I am going to ask Peter Burnham to take the floor again now because he is going to talk about appraisal.

Peter Burnham

Thank you. Now, what do we mean by appraisal? I think it is the question of bringing together the various marketing and financing aspects to make sure that the project is likely to meet the objectives in the most effective manner. It is equally applicable to a country park that is being developed by a local authority or the development of Stratfield Saye. Mr. Scott mentioned the exercise they went through every three months to review the viability, the feasibility, of the scheme. The appraisal inevitably involves many factors, reviewing them, bringing them together. Some people can do it intuitively.

I would like to tell you a little story with the greatest respect and affection to Sir Max Joseph. It was said at the time when he was transforming Grand Metropolitan Hotels into the most go-ahead and most profitable hotel company, that he did so by the simple expedient of looking on the people who came through his doors as customers rather than guests. There is a subtle but very real distinction - you make money out of customers, you don't out of guests. It was said that when he was looking at a hotel and deciding whether or not to buy it, he would look upwards in the mornings to seek advice and make his decision on the basis of the information that he got. The cynics said that there was a small army of slide rules behind him checking whether the advice he got from above was, in fact, correct. Anyone who met him and saw his office would know that there wasn't room for one slide rule, let alone a whole series of them. The man had judgement. Most of us are not blessed with that kind of ability.

Appraisal then, is really a disciplined approach of bringing together these various factors to do the job of ensuring that the project will meet its objectives as effectively as possible. That can be carried out at three levels. Firstly, it is necessary merely to ensure that the facilities offered meet the requirements that you are identifying. At the next level you are concerned with ensuring that the perceived need is met in the most cost effective manner. The third level is to ensure that the project is economically viable. Clearly, which of those you use depends on the circumstances and the objectives. It is my experience that this process, both in the public and private sector, is all too often seen as a means of justifying a decision that has already been made, or, it is done badly, or, it is not done at all. I don't think we have any cause for pride on any of those three exercises because properly done it can become

a very integral part of the policy formulation process. It involves looking and searching for ideas and then testing them out.

Mr. Ryan's paper makes reference to one approach - the discount and cash flow approach. I believe that is a valid method whether you are looking at minimising costs or, in fact, taking revenue into account in which case you are concerned with return on capital. In that exercise of appraisal you have got to have regard to risk and that means almost inevitably undertaking sensitivity analysis, in other words, just assessing the impact of different assumptions about how costs will move, how demand will move and so forth.

Another point on which the tourist boards may be able to supply information is how many of the projects which came through to them are well appraised and whether there is any relationship between those schemes which end up by being financed and those which are well appraised, because the people have done the sums well in the first instance. It is an interesting thought which may help us in our thinking.

A.J. Grayson

Thank you. I want to say something about management and it comes very close to what Peter Burnham has been speaking about just now. I am assuming that the main aim here is to make the best use of the resources you have got. That seems to me to be reliant on two factors. One is that you have got good information flows. Mr. Scott had the excellent example of how modern business management techniques had been employed to provide the data. However, that is no use until you have a person willing to do what he does and that is to jump on a bicycle, when he hears that he only sold two penceworth in a particular shop in the previous week, and go and find out why. The quality of management is as crucial as the management system itself. In the whole area I suggest there is room for cross-fertilisation by, again, collation of information by CRRAG. Perhaps I could set a question for Roger Sidaway or other persons here who are concerned with the management sub-group, in this regard, to know whether they are thinking of publicising experience such as the papers we have had so usefully presented in the last day. I think that is a topic that is worthy of attention.

We will now devote the last ten minutes of our panel to a contribution from Anthony Smith.

Anthony Smith

Ladies and gentlemen, it makes life very easy to be a person with no particular string attached to him. There is nothing on my badge except 'Smith' and you can't get any more vague than that! It means that I can just make random utterances in any direction. Also, having been given this

heaven-sent classification of 'general' down at the bottom, it means that I have no particular brief. On the other hand, that isn't easy either as far as I can see. Over lunch I wrote down four words which seemed to me to be important: money, management, country and people (people being different from management). I decided to try to present a thought about each one of those which possibly had not been raised so far,

I will haste because I know you are all agog to get on with those statements which you all so cleverly wrap up as questions by putting an inflection at the end, as if it had been a question all along! I think you are all past masters at that!

Money: a point which has not been raised so far is that as soon as somebody has paid an entrance fee or bought a ticket he has become a slightly different person. We say, on the one hand, that people don't respect anything that they haven't paid for. On the other hand, that doesn't seem to work when you arrive at your favourite bit of coastline and get thumped for the car park; there is nowhere else to go - double yellow lines or a mile to walk. There may be a change in you having paid out for the car park but it is not necessarily a change for the better, you do not automatically appreciate the beach all the more because you have had to pay for the car park. We say, in this country, how lovely it is that all our beaches are free in contrast to places like Italy where they are not free. Well, one of the odd things I did was to visit 1400 separate beaches in this country and the general trend that I saw was that more and more of them are becoming expensive. On the south coast, in Dorset, for example, the going rate might be as much as 50p just to get rid of your car. There is no alternative place to park it. So, do you still consider the beach is free? Are you more or less inclined to throw your tin cans away because you have paid that service charge? Do you regard it in the same light as any other service you pay for, for example, in a restaurant where you expect the staff to clean up after you?

I would like to see some sort of research on the association between paying for something and expensive little words like vandalism. You may find that there are extra charges to pay during the month of August; probably the only reason you are there at all in August is because you have got children. Do you feel that if the rates are double at that time then you have become a slightly different person again, either for the better or for the worse?

Culzean has been mentioned; I recall an occasion when I was trying to get in there - I say 'trying' because I happened to have turned up in a lorry which caused a problem at the entrance gate. However, during the time that it took to sort this little problem out I realised that there were

people who had driven all the way up from Glasgow and insofar as I could understand their comments I gathered they were somewhat disgruntled with the management. Apparently they had understood that it was some kind of free country park and not every Glaswegian appreciated the invidious distinction that you could get in free but immediately you had to pay to leave your car there. There was no alternative way of getting there except a very local bus. Not everyone accepted the situation and there were some people leaving. I would like to know what those people then did; whether they went and carved their names on a tree or something. Somebody in America once said to somebody else who was going into the country, "Oh, kick a tree for me!" Anyway, I think money changes people.

Now, management: years and years ago I almost went into the Forestry Commission because I liked trees. I think a lot of people might do that. I believe the Forestry Commission was set up after the First World War to ensure a stockpile of trees in case of war because apparently we ran out of trees almost before we ran out of food. However, the policy has changed slightly. A man may become a forester because he likes trees but he will be told that he must make beautiful trees, that a forest should be an amenity and a place where people go in for pleasure. Then comes the conflict regarding public access. This may not be what he thought the Forestry Commission was all about when he joined it. If that man finds himself running a swimming pool in the middle of a forestry site then he may have a slightly different attitude towards the people coming there than someone who has set up a swimming pool because he likes swimming pools and he likes making money out of them. Now, I realise that I am sweeping over all sorts of people but it may be that you won't have the right kind of management at the top as soon as it comes to earning pounds for the organisation because that wasn't why the people involved were there in the first place.

At the bottom end now, there are two favourite National Trust properties that I visit from my home in London. At one of them the gateman is very nice, and if I turn up with, say, half a dozen children, as I frequently do, he says, "My, you must have paid a lot for lunch, I'll let you in for 40p" and that is way below the rate for that place. I love him; I love it and I come time and time again, and I think he gets his moneysworth out of me. There is another place, equidistant for me from London, where I have four membership certificates from the National Trust for myself and my family. The man there looked in the car, noted that I had two extra children, and charged me 60p. I went in there determined to carve my name on any tree I saw! I think he is worth his weight in lead as opposed to the other man who is worth his weight in gold. So management at both ends is important.

When I look at something like the finance committee -

the list of all these organisations that own so much of Britain, there always seem to be General this and Sir John that, and very distinguished people. I wonder whether 'Joe Marble Arch' (as I shall call him) shouldn't be there as well. The person I respect more than anyone else in the world for earning a living is the person who sells necklaces, illegally, on Oxford Street, when there is another person selling the same merchandise, also illegally, 25 yards further down the road. I think he really knows a lot about getting rid of his produce. He knows a lot about chatting up people (rather like my National Trust friend). He is God's gift to merchandising really. When I see some name on some finance committee, that is in any way equivalent to Joe Marble Arch, then I shall feel they are learning a thing or two about management of cash.

Country: it has been mentioned so far by one speaker that the country is there for farmers to make their living in. There is a kind of war between the town and the country. The one product that the country makes, so far as fields are concerned, is food. It does that on 80% of the land in England and Wales. We can't pretend that we somehow get by on food alone and everything else we need is made by the people who live in the town, in that small 8% of the country which is, in fact, built up in its factories and homes. Therefore, it seems quite reasonable that the people in the towns like to get out into the country and enjoy it insofar as it permits them to do so. Oddly enough the first word I wrote down after 'country' was 'fear' because I think this is very important for the urbanite going out into the country. He looks at all those lovely fields which do look super from the motorway as he drives along, but he has the feeling that if he stops he may be accosted by someone with a double-barrelled shotgun unless he is in a place where it is plain that he may stop. This explains why so many people have picnics in a layby on the A-30 of all places. Lorries are pouring by but at least the people know it is legitimate for them to be there. I think this is the reason that safari parks and so on have done so well. You pay your money, you have a legitimate right to be there, nobody is going to come and attack you. It was worth the money for the peace of mind.

On the subject of peace of mind, I have a friend who is one of these very noble people who keeps the footpaths open. About once a year I pluck up the courage to go out and have a walk with him. He knows his country very well; he knows his law; where all the footpaths are, and he always goes for something better than a 1" map so as to be absolutely certain that he and his rights are in the same place, so to speak. I go with him and we walk through chest-high corn, following the footpath. I go along with my heart in my boots because I know perfectly well that however legal it is, that little Landrover which I saw suddenly start moving this way is going to turn itself into a mass of human beings who will

say in very chilling tones, "May I please have your name and address; the name of your solicitors etc." This is why I only have the courage to do it once a year. However, I think John is absolutely right in the way that he does it and we need people like him to try to keep the countryside going for the people who are, possibly, getting beyond the safari parks and realising that there is other countryside and that there are such things as footpaths.

On the subject of safari parks; I went to one down south the other day. Having been milked of all my money on such things as refreshments and subsequently getting rid of the tea, I asked if I could walk about at will having seen only about 200 of the 3000 acres making up the estate. I was told, "No, we rather discourage that, we wouldn't like people walking everywhere". Well, I think they should be made to encourage it. I would like some of these planning permissions, grant aids, and so on, to have little strings attached to them to ensure that at least the existing footpaths are kept open, if not added to.

Again, thinking of fear, I happened to be on the A-9 (that A-30 of the north) going up to Inverness the other day. I couldn't see the hills and be distracted by them so I counted the number of places where there was a footpath legible to the motorist. There was only one. If you are a little bit afraid, and think the countryside is a bit frightening with all that wire on the side of the road, then it would be comforting to see rather more signs saying, "Welcome". In America they say, "You have already paid for the National Parks, go and use them" I have never seen any signs saying anything like that in this country but 'Footpath' comes the nearest to it.

Now, people: if a Martian were to come here I think he would find it strange that we use the word 'public' because he would soon ask, "Well, who is the public? Am I not speaking to the public? Are you not the public?" At the beginning of this meeting I started ticking off every time the word 'public' was mentioned because it causes my remaining hackle to rise. Then I included the euphemisms for 'public' which are, 'them', 'motorist' and 'tourist'. I started putting them into columns and then I realised that I was getting much too excited about which column was winning and not really listening. But I don't like these terms. If you try to alter your sentences so that you don't use the word 'public', which is all 50 million of us who live in this country, and you start using words like 'we' then I think the sentence comes out very differently in the end. It isn't a 'them' thing.

On that score, I think people who are in the country, wanting our money, come into two camps, and I won't try to load one camp against the other. There are some who bemoan the approach of a bank holiday and wish it quickly over and others who welcome the approach of a bank holiday and pray

for sunshine. I think the people are either in one camp or the other and I think those in the first category use the term 'public' and 'tourist' rather more than the others.

Now, let us consider this word 'research' which gets brought up occasionally. It's a lovely word, it sounds good. However, most of the research I have been hearing of here in my general, non-committed Smith way, has been what I would call something like a census. I don't call that research at all. As you know, every ten years we have a census which tells us how many people there are in our household, how many are men, how many women, and so on. Then somebody adds that up but he doesn't have the nerve to call that research. Yet some people here, by adding up how many people go into the canteen, how many people go into the lavatory, start calling it research. I don't consider that as research at all and I would like one or two rather deeper things investigated, heaven knows by whom, but then it is easier for me in this position to say it, just asking a little bit more about us, about 'we', people. If you are in the organisation it is very difficult to put yourself in the position of those people who are arguing after breakfast about where they are going to go for the day. "Shall we go to the zoo?" "No, let's not go there, we went there last year" - those kind of conversations. On this subject, I live very near Regent's Park Zoo, and recently I asked three of the curators what the entrance fee to the zoo was. They all gave it absolutely off the cuff and they all got it wrong. So I think if you are, say, working for the Forestry Commission and you have a kind of key that opens every forest to you - you know the man as you go in and so on - then I think you are inclined to lose track of the average member of the public who sees this great quantity of forest, the remarks about fire, and doesn't know whether or not he is allowed in, possibly thinks he'd better not and so goes on to the next lay-by.

I would like to see a lot more research on people in general. I wrote down some queries here. Why, as we often say, do the British people like to spend the entire day within 200 yards of their car? They do it, but surely they don't like the car park all that much. Is it because the food is there or the drink is there or what? I have never seen any kind of research into why. Why picnic on the edge of the A-30? You can drive off and stop anywhere on the little local roads which are always such a delight; you have been on the main roads for such a long time and life begins again as soon as you get off them. So why stay in that lay-by? I have no idea who would do this research but I would like to get some kind of an answer because I think it would help all of you. After all, this is the second "R" of CRRAG. Why do we go to the seaside so much? We are addicted to the seaside. 70% of those who spend holidays do so at the seaside. That's very extraordinary because we have so much beautiful countryside inland, so why do we go

there? The chances are that it is cooler there on that particular day and we don't spend all that much time bathing, not after the age of about 14 years of discretion. The sandwiches always do have sand in them. It is vilely expensive; the yellow lines tell you when you are approaching the seaside, you don't need a map. Yet just a couple of miles inland there is a beautiful moorland, there is room for the car on the edge, our children are not going to milk us for ice creams all the time. Bracken is lovely stuff to lie down in, it's much nicer than sand really. So why do we have this addiction? My particular feeling is that at the seaside you know you are free. You know your children may run off and get drowned but they won't necessarily do any damage. They can dig holes in the ground and the sea will fill them in again. They can slide about on the dunes. There are rocks for them to graze their limbs on, barnacles to tear them apart. Everything is, in a sense, free, there are no restrictions. In the country there is a slight feeling that you shouldn't scramble up this rock in case there is some precious lichen here that is being damaged by your feet. Not so at the sea. I think it spells freedom for us in a way insofar as the country ought to insofar as we can with our wretched feet doing all the damage.

Now the magic word 'recreation'. Everyone is saying that we must make recreation pay. If we are going to have a camping site in the middle of a forest it must pay. It may sound facetious but there are a lot of things in this country which don't pay. The army doesn't pay. The police doesn't pay. Supposing one decided to make the police profitable? It may not be such a stupid idea. Supposing you paid a charge of £50 for having your stolen car returned? This could be part of your insurance. We find it unthinkable that the police should charge for such services as keeping an eye on your home while you are away on holiday. That ought to cost a pound or so. If the police actually recover some of your valuables, the insurance company is happy, why shouldn't the police make a profit out of it? If you think the whole idea is mad then I say it is equally mad to try to make recreation pay everywhere. When I become dictator of this country (in competition with a good many of you who, I am sure, also covet the job) then recreation will be a right. As far as the Forestry Commission is concerned, if its main purpose is to grow trees and people were being encouraged to come into its vast ownership, then I think lots and lots of my government money should be put in the way of that so that people can get into those trees by right. They don't necessarily have to enjoy the trees but if they want to go there the money should be available for them.

That's very dictatorial and it's high time I sat down. Thank you.

C. Gordon *Nottinghamshire County Council*

I would like to return to the question of grant aid. I think you raised a very important point. We are allocated a sum of money as a matter of policy. It is a finite sum of money with which we are expected to provide for recreation in the countryside. It is a fixed sum in that we won't get less and any income that we get from grant aid won't increase that money. I don't believe that that leads to an irresponsible attitude towards obtaining grant aid.

A. Bryant *The National Trust for Scotland*

I would like to make a point on the question of charging as a regulator of numbers. People who wish to go into Culzean Castle, assuming that they are not Trust members, pay their car park charge to the country park and then they pay again to go into the castle. Next year, for the first time, we are going to have a differential price for high season and low season in the castle. We think demand will be affected. In the case of the car park charge at the gate, I believe that the cost of actually getting to the gate, as I explained this morning, is so much higher than the cost of getting in that it doesn't have much effect. There is also a psychological reason. That is that people have set out from, say Glasgow, to go to Culzean and are not going to go somewhere else because they find it is an extra 10p when they get there. They also pay any amount for car parks in Glasgow, why not at Culzean? When you come to the castle, it is a different situation altogether. Assuming that it is not raining cats and dogs they are faced with the charge at the castle and have perfectly reasonable alternatives with the beach and the farm centre nearby. Those are free.

Incidentally, I don't think that we have a car park charge for lorries so Mr. Smith will be all right there!

Peter Burnham

I certainly wouldn't like to overplay pricing as a regulator. I said that pricing has a part to play in regulation. I specifically said that I was quite sure that you were right. When people had undertaken, or paid the cost of travelling to Culzean and then find that it is 10p more they will not change their minds. I said that there could be a shift of the market if they knew beforehand, and I quoted the example of the post office. This is perhaps where promotion again comes in. I certainly don't want to overplay this point of regulation but I think that people have got to know in advance so that they can make a decision about that.

A. Bryant

I don't know how they are going to find out!

Peter Burnham

By the publicity you provide presumably.

J.T. Coppock *University of Edinburgh*

I don't know how Mr. Bryant knows the distance people have travelled to go to Culzean. It may be the case, and I suggest that a large proportion of cases it is so, that many people go out into the countryside with multiple objectives. They often have an initial objective to go out but not to multiple destinations. When people see that the place is reasonably crowded they move on to somewhere else. It may be, as Mr. Smith suggested, that people come and see that it is 50p and decide to go on to somewhere else. There are as many alternatives for the person coming in the car as for the person coming to view the castle.

Anthony Smith

I think that we are illogical about money. People were, in fact, turning away that day. We are often told that 'if you can afford to run a car then you can afford to pay a parking fee' but it doesn't necessarily work. People can be offended because they thought that it was free and it turns out they have to pay 20p. A friend of mine calls this the 'Stamp Syndrome' because he says that if you have wined and dined some couple over the weekend at your home and money has been poured out on them, you can then be very annoyed if they have written a letter during the time and asked for a stamp for it. At Culzean, and anywhere else, people can behave illogically and unhappily. If they have paid unhappily then you have a very dangerous customer on your hands who may become very expensive to entertain.

A.J. Grayson

Mr. Gordon had a very real point yesterday when he said, "So much of this is new. We really haven't sorted out how people behave." You yourself were saying that. We all recognise that certain sorts of things like going to steam railways or air shows are rather expensive affairs and we have to bargain on that. People haven't yet identified the reasons and the rationale why some people are charging differentially and some are not charging at all. This uncertainty has created as much difficulty as anything. It might work itself out as people get rather more systematic in the way that charges should be levied.

T. Huxley *Countryside Commission for Scotland*

I don't suppose that anybody doubts that people do not enter places when they discover the price is different to that which they expect, or indeed that there is a charge at all. We are monitoring a new development in Glencoe which

T. Huxley (Cont)

the National Trust manage. They had an honesty box at the entrance to the car park and suspected that a lot of people weren't paying so they put a man on and we have been having students monitoring the reaction of people. A lot of them, because they can't get past without paying, are driving on. I don't know that we should be frightfully surprised that this happens. All of us have experienced that.

I went to a new stately home. Having got inside I discovered that to go into the muniments room I had to spend an extra £1. I didn't go in. The real question is, what does that do to the objectives that we have originally set ourselves? It has been suggested that CRRAG agencies should try to research objectives in terms of charging policy. This is not altogether a new idea. We are uncertain as to how much the local authorities would like these objectives to be uncovered and published. There are a lot of very useful experiences in the story of Culzean. It would be very informative to get some objective appraisal written up. There are many real difficulties and people don't always want it to be made known particularly at the time it is actually happening. Maybe after 15 or 20 years people will be happier about disclosing this kind of information.

Would anyone from a local authority, particularly Maurice Masterman, react? Would you mind your objectives being uncovered and published?

M. Masterman

In all honesty, some local authorities would mind. However, we cannot learn as quickly as we ought to be doing unless there is a willingness to exchange that kind of information. The setting of objectives is the most important issue in this whole matter. I was somewhat critical about Dallas Mithen's paper, in which the Forestry Commission's objectives were set out. We could debate for a long time whether those are worthwhile objectives. There are many other objectives which I am sure a lot of us, probably including the Forestry Commission, would like to see within their terms of reference. The big advantage to the Forestry Commission, is that they have a framework within which to operate. The point was made by the Chairman in his opening remarks, that we have to have an operational set of objectives. Most local authorities don't have such a framework. While structure plans are not expected by DoE to say very much about recreation, many local authorities do believe significant statements do need to be made about recreation in the structure plans.

A.J. Grayson

I think Mr. Huxley is overdrawing it. It is useful to describe objectives but not indentify them to a particular

A.J. Grayson (Cont)

estate or agency. This is done quite a lot in reviewing firms' corporate objectives. It is equally well done by people like Denman of the Department of Land Economy at Cambridge University, on estate management and in other surveys I have seen.

Peter Burnham

It applies not only to objectives but to any of the information that you are trying to collate. The precedents are well established. There are plenty of trade associations that exchange information through a central point where it is rendered anonymous, processed and issued.

I apologise to Mr. Smith if I used the term 'research' in terms of data collation. My fear is that we think of research and automatically think of the grandiose and there is so much that we are not getting. It will have to be anonymous as we have to respect that a lot of this information is confidential.

M.L. Harrison *Leicestershire County Council*

What we seem to have is a finite sum of money with which we can subsidise recreation. That money is spent subsidising certain sorts of recreational activities, as it is impossible to subsidise them all. What has happened is that people are having money taken from their pockets to subsidise the provision of opportunities for recreation which sometimes they don't want. This system reduces the amount of money those people have left to buy those experiences which society at large hasn't seen fit to subsidise like beer, bingo, taking girls out to dinner or many of the other basic recreational activities to which most people attach most importance.

Would any member of the panel care to comment on the moral question of reducing recreational opportunities for some in order to expand the recreational opportunities for others?

A.J. Grayson

I am glad you raised this point because this is the general question of income distribution which we all worry about in other fields from recreation where, in fact, it is pretty trifling. I agree with you. We have an ethos, well established since about 1870 with the first Primary Education Act, that education is given to a certain age and it is a good thing. The reason is that we all like the idea that our neighbours can read and write and won't use the wrong entrance to Regent's Park Zoo. That is called external economy, which we all enjoy. People are more law abiding, and, as a result, we hope, more interesting people to meet.

A.J. Grayson (Cont)

In some fields that idea has been developed very strongly. In Britain it extends to medical care while in the USA that is regarded still as anathema. I am not at all clear that we are right in moving to the degree which you were implying such as entrance of Forestry Commission forests and having camping as a right. A paper I have just been reading on pricing of camp sites in the USA makes it clear that they regard camping as the right of every American to enjoy at a nominal rate, regardless of the costs of the particular provision. This question seems to be one essentially of a value judgement somewhere in the system, recognising that if you do go in one direction you are having certain income redistributational effects. Either the tax payer in general pays and anyone can come, but not all do, or you can rely entirely on the user paying for the facility.

J.M. Sword

I don't think this is terribly important, quite honestly, and we shouldn't spend too much time on it. I hope I am right in thinking that Anthony Smith had his tongue pretty firmly in his cheek when he was talking about "us" being afraid to venture far from our cars in the countryside, as opposed to the seaside, because we see a fully armed land-rover lurking behind every hedge. I just don't accept that.

I can quote an example of a farmer neighbour of mine, who, having sown his wheat in a particular field which has a footpath going straight across it, then takes a mower when the crop is coming up and mows a swathe right through it so that the footpath is kept open and available for members of the public who wish to use it.

Why shouldn't they go round the edge of the field? Think of the cost in terms of capital, labour, land, shipping, port facilities and so forth, of bringing wheat from Canada that might have grown on that strip of English countryside. It just doesn't make sense at all. The public are well aware of footpaths. They are pretty well signed. They could be a lot better maintained, at, I suggest, public expense. There could be small car parks here and there for people to leave their cars when they want to go on the public footpaths. However, to paint the picture that people who live in the country are regarded as occupying an armed camp ready to repel people who want to enjoy the countryside is inaccurate.

A.J. Grayson

Were there any other views on the question of balance of taxes versus user charges? A point that Mr. Harrison raised?

A. Peaker *P.A. Management Consultants Ltd.*

I think that we ought to remember that in this country, a major recipient of subsidies is the farming community and that urbanites feel that they have some rights to utilise the country for recreation. I think that the point that Mr. Smith made about legitimacy is very important. The main holiday resorts today are those that were established in Victorian times. If everyone chose to use the freedom that we now have, in the latter part of the 20th century, to use the countryside as fully as we are able, the countryside just could not cope. It is as well that we drive along to the same destinations to which people took the trains in Victorian times. People, particularly in this country, are afraid of stopping the car, getting out and going into a field, even people who are prepared to be very reasonable and don't want to spoil the countryside or spoil the crop, people who are prepared to walk round fields, sit down at the side and have a picnic.

Anthony Smith

So you go along with the fear?

A. Peaker

Yes, I think that does exist. On the other hand, as an urbanite I pay a lot of taxes to subsidise farmers and, provided that I can use the fields and so on, at no great cost to the farmer, I think it is rather unreasonable if he comes either racing across the field or shouting at me or what ever.

A.J. Grayson

The difficulty about that point of view is that it is unfair on the farmer who has a lot of population pressure.

R. Hoyle *Yorkshire and Humberside Regional Council for Sport and Recreation*

As a farmer, but not a member of the Farmers' Union, I would say that the NFU in reply would say that the cost of food is subsidised, not farming, and therefore if there were no subsidies people would pay very much more for their food.

F. Atkinson *Beamish North of England Open-Air Museum*

I was going to suggest an opposite factor to that of fear. I think that there is a kind of gregariousness about the public that we tend to forget. There is a zoological term which I won't bother you with, which means that people like being touched on all sides. I suspect that people go to places because those places are popular. I think one finds that the more popular a place is, the more people go

F. Atkinson (Cont)

to it. I can't really explain this matter in any other way but it is one of those areas that I would like to see investigated by some zoological research worker along the lines which Anthony Smith has already indicated.

Anthony Smith

Bully for you! I agree very much with that. I would like to start splitting up this fear or unhappiness. Sometimes you get the remarks back from the children. They say things with an honesty that no adults are ever capable of. Like - "Perhaps we had better not go any further here, there must be a reason although I don't know it yet" - "Perhaps there's adders around here", or just, "We are getting too far away from the ice cream". They will come back with that kind of remark which I find very interesting. There may be more explanations for this. One is that you are just on the lookout and that is where the action is and you are going to find more of the opposite sex back there. I would like it to be split up a little bit because there is a kind of class thing (and I hate the word "class"). The middle class is saying, "It was wonderful, we had the beach to ourselves" while the poorer person might say "Packed - smashing!".

On the matter of free recreation for all, it wasn't so much "free recreation for all" because there are things that have to be paid for. We accept that. If people are going to spend a night anywhere and are going to bring a caravan in, it is accepted that one always pays for one's food, for one's accommodation, and anything that you go on - a boat, or at the fair ground. I was just wanting money to be diverted, spreading the load, taking the load off some of these great pressure points where a piece of National Trust property has been worn smooth, by saying, "It is very difficult re-turfing that, but supposing that another £1000 is put into signposting the area saying 'Walk Here' and 'Why not stop your car here'" - then this wouldn't cost too much.

One other point that came to mind. The 1870 Education Act must have been very wonderful for all the do-gooders in the country to feel everyone in the country had the right to read and write at that time. I feel that there were other people who were more cynical who said that you make a better bunch of workers if they can read and write. They are more use to you, more profitable. We could also have a cynical bunch saying that a fellow is going to work on his production line better if he has had a breath of fresh air in the meantime, and get some money that way. That is a fairly light-headed thought but if I have had a day in the country I think I am better at my own production line.

J.F. Cottam *Ministry of Agriculture, Fisheries and Food*

On the subject of agricultural subsidies people have probably noticed that food prices have gone up recently! Agricultural subsidies have been reduced with inevitable feed through.

I would like to take up the point of free access to the countryside with Mr. Smith. You cannot farm efficiently in the modern context of high technology farming with people trampling all over your production line. You cannot allow people to walk over grass. Grass is a crop and the top farmer will cut his grass about three times a year. A different situation certainly pertains in the upland areas where production of animal foodstuff per acre is less and perhaps access is more acceptable there. Damage by the population can be in the form of a plastic bag that kills an animal; a dead cow is worth £150 - £200 at modest prices, and this is the sort of thing that raises the farmer's blood pressure. My first reaction yesterday was to ask the rhetorical question, "Is there a farmer in the house?" (I am delighted that we do have one!)

One final point is that if you are going to have access to the countryside it has got to be paid for and again paid through some public authority. This is the only way you are going to do it on an access agreement. It is in fact paying for the damage that will inevitably take place by, if nothing else, the feet of the populace walking on agricultural land.

There should also be a nationally recognisable symbol which can go on every gateway in the country where access is permitted. A "go" sign and if it isn't there it means "No go". CRRAG might think about this.

A.J. Grayson

Thank you very much.

We are in some danger of getting on to management questions as opposed to enquiry into them to help to resolve differences. Could we make sure that contributions are oriented towards research which is one of the main points of this conference.

P.J. Greig

Mr. Bryant suggested that promotion was one of the things that we ought to investigate. I would like to support that. In previous discussion the lack of information of "them" (or "us") which leads to either a poor choice being made, or choices being made that we think are poor ones, keeps coming up. Mr. Smith mentioned that people may be frightened because they don't know where they are allowed to go. It may therefore be worthwhile for CRRAG to investigate the question

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P.J. Greig (Cont)

of which are the most effective promotional methods for advising the public ("us") about their opportunities in recreational areas.

E.C. Todd *East of Scotland College of Agriculture*

Mr. Huxley was speaking about the problems of information of a confidential nature. Taking an example from the agricultural field - most enterprises in agriculture have very good statistics collected from various farmers throughout the country. If some of the enterprises in the recreational field are considered, would it be at all possible to reveal information on "variable costs" which would be related to that particular enterprise? The fixed costs would vary with situation, whereas the variable costs of any enterprise would be the same irrespective of where that enterprise was being conducted.

A.J. Grayson

In relation to the Forestry enterprise that is feasible, we are interested in that sort of data. Our accounts are produced with those sorts of ideas in mind.

M.J. Ryan *LSD Leisure and Recreation*

About a year ago this aspect of collecting information was discussed at a meeting which I attended in the Country-side Commission. It was suggested that some form of information system might be tied in with all the grants that are handed out. This would start to give us this kind of information on the market, and on operations.

Whilst up on my feet, could I make a couple of points? I made some errors this morning.

I jumped on Roger Carter for being woolly. That was because I thought he was. Over lunch I discovered that we were really talking about the same thing. What he is saying is that the decision maker says, "We have an objective here of creating more employment. You use the money you can get from tourism to do that". I was saying that "you create the profit out of the tourist market and we, the shareholders, will then direct that profit to where we think is the best place which happens to be to creating more employment". We were, in fact, both saying the same thing. I got so carried away with the fixation of the market I didn't listen to what he said. It was my mistake.

The other point was that I was a bit unfair about Beamish. Beamish is a very good operation. The concept is

M.J. Ryan (Cont)

marvellous; it is a wonderful idea developed with a great deal of love and pride and it actually fits with what the market wants. Why I was being so rude was that here was something that everybody wanted, yet it was running at a deficit. A profit could be made. People are willing to spend money and it should be used even more, have more things developed in it.

E.C. Todd

A lot of the disturbance effect for people in the countryside stems from pure ignorance. Some people from a Newcastle conurbation came up to the border country. It was a very wet day. They saw some lambs which looked soaked and took pity on them. They put them into their cars and dried them. Others took them down to the farmer. As a result the farmer lost 32 lambs in one weekend.

Another case of this disturbance factor occurred when people went through a field containing a set of about 30 or 40 lambs. Their live weight gain dropped completely. The lambs had to be disposed of, they weren't putting flesh on because they hadn't settled after the disturbance.

Mr. Cottam has mentioned crop damage. These are hidden costs to the farming community which most of us don't realise. Is it at all possible that some research can be done into this? Is it also possible that some quantitative information be derived from this research which could be used in devising walks and so on and perhaps form a basis for compensation to farmers?

R. Sidaway Countryside Commission (England and Wales)

Listening to some of the remarks which have been coming from the agricultural sector, I realise that some of our promotion by the Countryside Commission must be ineffective because you are unaware of several of the things that are going on.

We are looking at trespass effects in the urban fringe in particular. It is quite conceivable that some of the things that we hear from the farming community from time to time, and I mean this in the kindest sense, are taken into the folklore and become a part of the mythology and one wonders just how many incidents there really are.

The Upland Management Experiments form one relevant example. They started in the Lake District and Snowdonia and the report of that work is actually about to be published. In that case minor compensation is paid, not for trespass but to make sure that the fabric of the countryside is maintained, whether it is the stone wall which is broken down,

R. Sidaway (Cont)

the footpath that isn't clearly waymarked and so on.

There is now a standard procedure for waymarking and a standard range of symbols which we hope local authorities will be adopting. There seems to have been some confusion in the discussions about access to the countryside in terms of rights of way. Generally there can't be any question of payment for use of rights of way. Access agreements are negotiated for access to open areas, particularly in the national parks. There is quite a lot of work going on there. Obviously the information isn't getting around in the way that it should.

J.F. Cottam

The first chap to go into the UME was a member of my staff. So I know a bit about the UME. The "Great Urban Public" is not informed about where they can go and where they shouldn't go. A national symbol is needed. You find one national park uses a footprint, another an acorn. That is wrong. One symbol should be national. If you are wanting another path then have a symbol, a main symbol and a subsidiary symbol. This simple kind of thing must be got over to the public in a leaflet with not more than eight letter words in it.

R. Sidaway

The other side of the coin, which I didn't mention, is our interpretive effort. You have heard during the conference of farm open days which is one way to try to foster some kind of understanding between the farmer and the townspeople. Hopefully each understands how the other thinks and feels. The townsman gets to know what the farmer's problems are and how his business is managed.

One can't really promote countryside recreation, in a general off-hand way. It would obviously be quite irresponsible for either Countryside Commission to say, "Come into the countryside, folks, after all, it is yours and you are paying for it".

The message is much more complicated because of the interests of those who live and work in the countryside. We have difficulty in pushing a single product. We don't have a simple product to market; it is a very involved situation.

C. Scott Stratfield Saye Estate Management Co. Ltd.

I find difficulty in discovering who is doing what and what information is coming out, what research is being done on recreation on farms, using agricultural land for recreational purposes. I have been in touch with FABRIC the Farm

C. Scott (Cont)

Based Recreation Information Centre with the Commission. I attended a meeting of the Association of Agriculture, where they were terribly pleased with what they had done which eventually turned out to be two farm open days on which they produced no information at all that I can see. I may be completely barking up the wrong tree - maybe a lot of information is coming out of the Commission's researches but I would very much like to know where we are. If CRRAG thinks that this is a subject for research, could CRRAG think about it?

R. Sidaway

The Commission have a draft report on farm interpretation which covers the whole subject area. We have tried to look right across the board at all the different methods that are being used in farm recreation and that report will be available shortly.

P.J. Greig

The number of suggestions for research seem to be dwindling. May I raise, with your indulgence, the fearful question of demand curves again and to refer to Mr. Burnham's graph?

To those looking at the questions of pricing and pricing policies from different view points, I would like to ask whether they would like to have information relevant to their particular concerns?

How fast the number of visitors will drop off with one, or several increases in price? That is, if the price goes up 10p will the number of visitors drop off by 5000 people in a certain period of time or will it drop off less rapidly say by 2000 people? Also, would they like to have for their own enterprises some estimate of the optimum price to charge; optimum being defined as 'that price which brings them in most money', bearing in mind that according to Mr. Burnham's graph, if you charge a very high price you will probably get a fairly small revenue. On the other hand, if you charge a very low price you may also get a very small revenue. There would be a point on the curve Mr. Burnham drew which actually gives you the most return.

F. Atkinson

With regard to our operation, all I can say is that we have applied no pressure by means of our admission charge whatsoever. I feel we are open to Mr. Ryan's criticism that we have not taken advantage of the situation and raised our income and thereby been able to finance development. This is, of course, the kind of political pressure which so many

F. Atkinson (Cont)

of us suffer. I have no idea at all how much we would have to charge before our numbers start shrinking. Last winter we reduced our charge slightly in order to see if this would increase the numbers, assuming that there was less to be seen and people would come if they were charged less. It made not the slightest difference.

J.A.K. Garrett *The National Trust*

I think that the question really was, "Would we like to know what would happen if we put prices up and if we put them down?" The answer is very definitely "Yes". It would be tremendously useful to us to know where we are going. Not only on admission charges but on membership. We put up our membership fee from £3 to £5 this year. It was a very risky thing - to make that sort of percentage increase. If we had had some facts available on which to base a decision it would have been very helpful indeed.

C. Scott

I have also an artificial constraint here because as part of the conditions of the grant which the Countryside Commission gave to the country park, they also required the charging policy to be monitored by them, quite rightly. Therefore I have to put up a case to the Commission before I can alter the pricing structure. We put up a case recently and the Commission accepted our reasoning and the charge was put up; only from 30p to 40p - but that is a 25% increase. We have figures from last year of attendances for the same time of year. The evidence is that that has not made the slightest bit of difference to the number of people who come. It has made quite a considerable difference to the weight of our coffers.

Basically the answer to the question is "Yes" - I would very much like to know the optimum point. I have a feeling that the best way of finding this out is probably within our own resources rather than going to a university to ask the questions.

A.J. Grayson

May I just say that to some extent it has been done already. It isn't as if this whole field has been neglected. In a book published a few years ago on Recreation Economics, Snaith, at the University of York, made an investigation in relation to National Trust Historic Buildings. There is some guidance there, and masses from other countries which may be helpful.

D. Littlejohn *Highlands and Islands Development Board*

I think we have an interesting contrast here, on grant policy between the Countryside Commission and the Highlands and Islands Development Board on the one side and the Tourist Boards on the other. The Tourist Boards are saying, "The money we are giving you is going to assist the construction of projects, not to subsidise prices", The Countryside Commission, and to my knowledge, the Highlands and Islands Development Board, are saying, "We want to be involved in your pricing policy". Quite a number of people who are eligible for those grants are very reluctant to accept those grants because it imposes restrictions on pricing policies which may not be to their advantage. One can end up with a very illogical situation. Enterprises can't charge prices to enable them to expand and are then going to have to go back for further grants.

Secondly, there is no such thing as an optimum pricing point until you start looking at costs. Costs are going to vary with volume of usage, which is your demand, which is what is behind the various pricing policies in Mr. Stoakes' paper.

In the Highlands and Islands Development Board, we don't have any set conditions that we will be involved in any pricing of any projects. We do maintain an overall planning agreement. We can look in and make reasonable comments and give advice on a project and maybe pricing will come into that. There is no strict ruling that we come in on pricing.

Peter Burnham

In that case there is a lack of communication, certainly it is interpreted by people as a possible constraint on subsequent pricing patterns. They may be wrong, in which case it is unfortunate.

Maurice Masterman

I have a question to Mr. Scott. It is about grant aid. Did he consider whether or not grant aid was something that he should accept at the time that the calculations were done? What were the general reasons that made him decide that grant aid was advantageous?

C. Scott

The answer to that is the very reason mentioned this morning. The availability of capital in your pocket at the time you need it, may be the most important factor in deciding whether you do the damn thing or you don't. That is exactly what happened in our case. The inflationary situation caused by the long delays in creating the country park left us in a

C. Scott (Cont)

state where every penny of capital was important at the time. We made our policy decision, that the amount we had originally allocated was all that we could afford. The presence of £70,000 in £300,000 of available capital at that point was of supreme importance. We were glad to accept at the time and the conditions that were imposed as a result.

Peter Burnham

We are facing a situation, and I know that the Tourist Boards are concerned about it, where, under the present Development Land Tax legislation, there is every chance that Development Land Tax is going to be levied on the grant if a development changes the use of the land. The development gain is such to take it out of the exemption range and perhaps even 80% of the grant will be snatched back by the government with the other hand. This is a very serious consideration.

S. Mills *English Tourist Board*

This is something that the English Tourist Board are extremely worried about. It is going to affect major projects and maybe fairly minor projects not only in the countryside but elsewhere as well.

A.J. Grayson

If we were to suggest research into the effects of taxes, we would have the whole country beavering away at it. I am not sure if you are suggesting that there is room for enquiry. It is quite relevant to what will happen in recreation but I feel that many of these things are going to be unpredictable.

Peter Burnham

It does come back to the question raised earlier of the possible joint development between the private sector and local authorities. This might be a way of avoiding this particular problem.

Coming back to Beamish, is there scope for you being able to move faster if you could encompass under your general umbrella certain schemes which are being financed privately and for which an economic return would have to be obtained.

F. Atkinson

We are working towards that very thing at the moment. We are hoping, for instance, in our urban development we will be able to encourage one of the local brewers to help us establish our Victorian type pub, which will then be run as a kind of joint operation. That is the kind of scheme

F. Atkinson (Cont)

where we are looking for additional capital. It is, from our point of view, fraught with immense danger. One is aware of the very long spoon with which I need to sup with the devils of that kind.

A.J. Grayson

I would like to refer back to the point that although we are considering principally these financial and economic questions, Anthony Smith put forward some very definite and interesting ideas about research which I think one would think of as being of the sociological field. I don't think that we ought to neglect them. Could we have some contribution on that before going on to other things. Is there any comment on the behavioural aspects, how people respond to price, or whatever it may be?

P. Badmin *Teesside Polytechnic*

One of the common objectives that appears to be going around recreation departments is that we keep prices down so that the socially deprived can go in. Are the socially deprived taking that advantage, or are we just subsidising "middle-class"? Should we perhaps look at some positive way of suckling these "poor under-cultured people" by some other method, by giving them 25p a week to spend in the pub, or whatever it might be? We don't seem to be very effective in setting this objective.

A.J. Grayson

Some of the surveys that refer to socio-economic group distributions of visitors are a fairly good index to what is happening. I don't say that there has been any definitive work but one has got a fair idea for the sorts of facility that are at each end of the range.

R. Sidaway

Certainly we have been looking at the General Household Survey and the Study of Informal Recreation in Recreation in Southeast England, from this particular view point. You are quite right in that it is the higher income groups who tend to participate more. There are two aspects of this. Whether the social groups which we may be concerned about are not participating because of constraints (lack of car, income etc) or because of preferences (some cultural differences). I would come back to some of the things that Anthony Smith suggested. It may be that we are not providing the right sort of facility. Where we should be concerned about middle class values in the type of facility which we associate with countryside recreation. It could well be in those facilities that we put in near to towns. We should be

R. Sidaway (Cont)

widening their appeal to different social groups. Clive Gordon has already given an interesting example of how that can be done.

C. Gordon *Nottinghamshire County Council*

One of the things that interests me (this is information that we have obtained from our rangers) is that the vast majority of people who go into the countryside have an interest in wildlife. It is something that they have learnt about through the media. Since 1970, European Conservation Year, the media have done Nature Conservation proud. People know something about it and it is something that they want to know more about and experience as well. I wonder if there is any role through CRRAG to look at the role of the media, generally, in increasing awareness and understanding of the countryside, countryside recreation and the problems of the countryside.

R. Carter

I want to draw a conclusion to Mr. Scott's remarks, about the value of grant aid which is an extension of a point that Mr. Ryan was making this morning. This was whether enterprises place greater value on having assistance in terms of marketing as opposed to finance directly towards assisting capital development. Would Mr. Scott rather have had £70,000 for marketing aid offered to him or £70,000 to go towards the development?

C. Scott

I needed the money for doing the buildings.

R. Carter

Couldn't you have got it from somewhere else?

C. Scott

I tried very hard.

Peter Burnham

It is incredibly difficult to raise finance for recreation. The grant aid is a pump priming exercise. It has been proved time and time again, that once you get some money then other people will come in.

A.J. Grayson

I should thank the participants in this discussion and particularly say thank you for the support of the panel here. I am most grateful to Anthony Smith for his very enlivening talk and I will hand you over now to Roger Sidaway.

R. Sidaway

I would just like to say, on behalf of CRRAG, a series of thank you's.

This time last year we had a very successful conference on the Urban Fringe. My impression of this conference is that we have followed a successful conference with probably an even more successful one, certainly one that has been thought provoking.

In the first place I must thank the speakers. Apart from their very colourful presentation it has been a great help to have the papers in time so that they could be circulated ahead of the conference. I think that has helped the discussions.

Mr. Burnham mentioned the question of exchanging information - one small thing has already been achieved just by getting this set of papers together. They show a wide range of objectives, attitudes, and practice between various organisations. I hope that this is the start of a process whereby we can make this information available and widen the discussion.

Thank you very much indeed to contributors from the floor, the panel and the session chairmen: Tom Huxley, Jim Wilson, Tony Macdonald, Stan Calvert and Arnold Grayson. I think that the way in which Arnold structured the discussion this afternoon has been extremely helpful. I congratulate him for that.

I must also congratulate Laurie Andrews for his organisation behind the scenes and in getting this conference running so smoothly.

Finally, our thanks to the College who have been very genial hosts.

*

LIST OF DELEGATES

Andrews, L.W.	CRRAG Secretary
Ankers, S.R.	Greater Manchester County Council
Archer, D.	Lancashire County Council
Ash, Mrs. S.	British Waterways Board
Atkinson, F.	Beamish North of England Open-Air Museum
Badmin, P.	Teesside Polytechnic
Bancroft, C.	Forestry Commission
Beaver, Miss M.	London Borough of Hillingdon
Biriotti, A.	Laboratoire d'econometrie de l'école polytechnique, Paris
Blake, Cllr. W.F.	Derbyshire County Council
Bonsey, C.C.	Hampshire County Council
Botterill, T.D.	Metropolitan Borough of Calderdale
Bryan, M.P.	North York Moors National Park
Bryant, A.	The National Trust for Scotland
Burnham, P.M.	Coopers and Lybrand Associates Ltd.
Calvert, J.S.	Chairman, Northern Council for Sport and Recreation
Cameron, D.A.	Countryside Commission for Scotland
Campbell, Miss L.	Greater London Council
Canby, G.R.	Lothian Estates
Carroll, T.	Northumberland County Council
Carter, R.	Scottish Tourist Board
Casson, J.	North West Water Authority
Cherry, R.	Moray District Council
Colbeck, A.L.	Northumbrian Water Authority
Coppock, Prof. J.T.	University of Edinburgh
Cottam, J.F.	Ministry of Agriculture, Fisheries and Food
Cousins, R.L.	Dartington Amenity Research Trust
Cowling, D.	Sports Council
Craig-Smith, Dr. S.J.	North Yorkshire County Council
Croft, Cllr. J.E.	South Yorkshire County Council
Curry, N.	University of Cambridge
Dye, A.L.	Sports Council
Edwards, J.H.	North Yorkshire County Council
Elson, Dr. M.J.	Oxford Polytechnic
Ferguson, J.	Fife Regional Council
Fladmark, J.M.	Countryside Commission for Scotland
Flood, S.	St. Albans District Council
Foster, W.R.	North West Water Authority
Garrett, J.A.K.	The National Trust
Garton, K.	Derbyshire County Council
Gay, Dr. P.A.	Nature Conservancy Council
Gibbs, P.M.	Kyle and Carrick District Council
Gilbert, Miss A.	Janssen Services (Reporting Service)
Gilson, J.R.	Leicestershire County Council
Gittins, J.	Welsh National Water Development Authority
Grant-Wilson, C.	Coopers and Lybrand Associates Ltd.
Graves, R.J.E.	Hereford and Worcester County Council
Grayson, A.J.	Forestry Commission
Greig, P.J.	Oxford Forestry Department

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Greville-Heygate, C.	Strutt and Parker
Gordon, C.	Nottinghamshire County Council
Griffiths, G.A.	Hertfordshire County Council
Groome, D.M.	University of Manchester
Hall, G.G.	The National Trust (North Wales)
Hall, R.	British Waterways Board
Hallam, S.E.W.	Janssen Services (Reporting Service)
Harrison, F.	Loughborough University of Technology
Harrison, M.L.	Leicestershire County Council
Hillary, W.R.	Strutt and Parker
Hobbs, Miss M.	Scottish Development Department
Holdaway, E.W.M.	Waverley District Council
Hollinshead, K.	West Glamorgan County Council
Holloway, J.J.	Thames Water Authority
Hopper, R.	Hampshire County Council
Hoyle, R.	Chairman, Yorkshire and Humberside Regional Council for Sport and Recreation
Hubbard, B.	Member of the Countryside Commission (England and Wales)
Huxley, T.	Countryside Commission for Scotland
Jackson, A.R.	Cleveland County Council
Jones, E.J.	Corby District Council
Keighley, G.	South Yorkshire County Council
Kennea, T.D.	Social Science Research Council
Langmuir, E.	Lothian Region
Lanning, W.	East Sussex County Council
Leonard, P.M.	South Glamorgan County Council
Lindley, T.	South Yorkshire County Council
Littlejohn, D.	Highlands and Islands Development Board
Luff, G.	Derbyshire County Council
Lymbery, B.	The Prince of Wales' Committee
Macdonald, A.A.	Northumberland National Park
Maguire, J.K.	Department of the Environment, Northern Ireland
Mann, Mrs. J.	Central Council for Naturism
Martin, Mrs. P.	Countryside Commission (England and Wales)
Masterman, M.M.	West Yorkshire Metropolitan County Council
McCollum, D.	Scottish Sports Council
Millbank, P.	The Surveyor
Mills, S.	English Tourist Board
Mithen, D.A.	Forestry Commission
Moore, P.V.	Cheshire County Council
Norman, D.W.	Peterborough Development Corporation
O'Connor, D.G.	Sports Council for Northern Ireland
Owen, D.	University of East Anglia
Peaker, A.	PA Management Consultants Ltd.
Pearson, P.L.	Countryside Commission for Scotland
Pearson, Mrs. R.	Edinburgh University
Pennyngton, N.C.	North York Moors National Park
Pennyfather, K.R.	Countryside Commission (England and Wales)
Petyt, Miss N.	Youth Hostels Association (England and Wales)
Pittam, L.A.	Staffordshire County Council

Rees-Jenkins, Miss C.A.	Department of the Environment
Rickson, I.M.	English Tourist Board
Robinson, D.	University of Leeds
Rose, D.	Scottish Countryside Rangers' Association
Rowley, J.C.	Cumbria County Council
Ryan, E.	Durham County Council
Ryan, M.J.	LSD Leisure and Recreation
Savage, C.	Wyre Borough Council
Sayers, C.D.	Polytechnic of North London
Scott, C.	Stratfield Saye Estate Management Co. Ltd.
Sidaway, R.M.	Countryside Commission (England and Wales)
Simmonds, A.	University of East Anglia
Simpson, Miss L.	British Tourist Authority
Smith, A.	Writer and broadcaster
Stapleton, I.B.	Bristol Polytechnic
Statham, D.C.	North York Moors National Park
Stokes, R.	Countryside Commission (England and Wales)
Sword, J.M.	Bedford Estates
Talbot-Ponsonby, N.E.C.	Landplan, Humbert, Flint, Rawlence and Squarey
Taylor, F.N.	Northumberland County Council
Teulon, A.	Northamptonshire County Council
Thompson, D.	Chartered surveyor
Todd, E.C.	East of Scotland College of Agriculture
Tough, D.	Kyle and Carrick District Council
Townsend, P.	Peak National Park Study Centre
Turner, A.L.	Kent County Council
Tynan, A.M.	Society for the Promotion of Nature Reserves
Walbank, B.	Countryside Commission (England and Wales)
Walker, P.S.D.	Cumbria County Council
Wescraft, J.	Merseyside County Council
Wilkinson, G.J.W.	Essex County Council
Wilson, J.	Durham County Council
Woodman, D.J.	Cheshire County Council
Woods, M.J.	Durham County Council
Wright, G.	Ministry of Conservation (Australia)
Wright, Mrs. S.E.	University of London (Wye College)