

Appendix A - Countryside Estate Review – Analysis of Income Generation Options

INTRODUCTION

One of the key objectives of the Countryside Estate Review is to develop a financially sustainable operating model for Staffordshire County Council's countryside estate. Public rights of way (PRoW) maintenance has been considered as part of this review, as this forms part of the current estate operating model.

There are two key ways to increase financial sustainability. The first of these is minimising operating costs. Going forwards, site management will focus on activities that meet our legal and statutory requirements, and PRoW maintenance will be resourced according to service standards relating to risk management. The approach will be supported by increasing volunteer and community involvement and collaborating on or outsourcing activities where cost-effective. An immediate focus of this revised operating model will be to complete a reorganisation of Rural County, helping to deliver the required £318,000 savings from Rural County's net operating budget by 2020/21.

The second approach relates to increasing income coming into and derived from the countryside estate and its assets, thus broadening the funding base. There is currently some income generated through sources such as leases, licences, concessions, and car parking, which supplements the core county council budget for managing and maintaining sites and the PROW network.

These and other potential income sources have been considered in terms of what contribution they could make towards a financially sustainable operating model. Some have been identified as fundamental in contributing financially, some are worth considering but give less of an immediate payback, whilst others have been discounted as the net contribution they could make to the countryside estate's operating costs is negligible.

Please note, two sites have not been included within this paper's analysis. Wimblebury Picnic Area has recently been taken out of the county council's direct management following a transfer of management to an external body on a long-term lease arrangement. Negotiations are also ongoing for a similar arrangement to be put in place for Consall Nature Park.

KEY INCOME SOURCES

Car Parking Charges

Using income generated through on-site car park charging to support country park management is common practice across other organisations – including local authorities.

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Current situation

Cannock Chase Country Park has had pay and display arrangements on its Marquis Drive and Milford Common car parks for many years. Charges are £1 for up to 3 hours and £2 thereafter. Annual parking passes are also available for £22 per year. The two car parks plus annual pass purchases for these car parks generates in the region of £18,000 - £20,000 income per annum.

Car park charging was also introduced at Chasewater Country Park in May 2018. Whilst annual income figures are not yet available, charges are £1 for 2 hours or £3 all day. An enhanced annual car park pass costing £36 a year is also available, which can be used at Chasewater, as well as Marquis Drive and Milford Common. In 2015, Staffordshire County Council's Cabinet recommended that off-street car park charging on county council sites could be authorised by the Director of Place, following consultation with the Cabinet Member for Economic Growth.

It was on this basis that car parking charges were introduced at Chasewater Country Park and this sets out the process by which charging on other countryside sites could be introduced – which would be on a site-by-site basis, requiring public consultation and a business case.

Potential of Income Source

There is potential that car park charging could provide a cost-effective option on the remaining country park sites, in addition to some other sites across the countryside estate. Data is currently being collected to explore which sites might be viable and cost-effective on which to introduce charging, taking the benefit and risks into account.

When this was discussed by the Prosperous Staffordshire Select Committee in January 2019, concerns were raised that increasing charges could deter people from using the sites. However, committee members noted that there is little evidence of this from other visitor locations. Officers highlighted the introduction of car parking charges at Chasewater which has not noticeably deterred visitors.

Benefit

- There is potential to generate income for site investment and development which could form a key part of a financially sustainable operating model in future.

Risks

- The installation and running costs of pay and display machines can mean that on certain sites, charging is not cost-effective based on the number of visitors.

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- Other factors to be considered include the displacement of vehicles parking off-site, and how practicable it is to site pay and display machines (for example where this is no power supply, where a wooded location limits a solar powered option, or where there are potential security issues due to an isolated location).
- It can be unpopular with site users. That said, it is now a regular occurrence on many countryside sites across the country and tends to be deemed more acceptable when it is clear the income generated is supporting site management.
- There are complexities for some sites, particularly Cannock Chase Country Park. Any changes to parking provision and management there would need to factor in impacts caused to the environmentally sensitive Special Area of Conservation and would need to be linked to a broader car parking strategy for the area.

Recommendation

Car parking income should be used to reduce net costs of managing the estate. Car park charges should be set at a reasonable level, comparable to other sites with existing charging across the countryside estate. The introduction of car park charges should follow the appropriate county council processes. Where possible, any surplus income will be carried forward and used to enhance the offer on the county council's countryside sites. The retention and investment of car parking income will be crucial to enable the county council to develop a financially sustainable operating model.

Buildings and Visitor Facilities / Activities

The buildings and assets across our countryside sites can play a large part in facilitating a positive visitor experience. They enable the provision of information and visitor orientation, toilets, catering and refreshments, in addition to providing a base for a range of on-site recreational and special-interest activities.

Current Situation

All the county council's country parks have Visitor Centres as well as additional buildings on some of the sites. The Visitor Centres vary in size, some have been built relatively recently whilst others are dated and in need of significant investment. Of the five Visitor Centres, only two open to the public on a daily basis, with the others opening occasionally or not at all – primarily being the location of toilet facilities, a base for countryside staff and in some cases community / educational use (see Appendix A (i) for a summary of key buildings across the sites).

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Where the Visitor Centres are operational; some activities such as provision of information, gift shop sales, and some small-scale sales of refreshments are done in-house. Cafés are run through a long-term contractual arrangement, whilst recreational / special-interest activities plus some other small-scale refreshment sales are delivered through leases, licenses and concessionary contracts.

Sales from the Country Park Visitor Centres (which includes leaflets and gift shop items) stands at around £18,000 per year. On average, this equates to £8,000 at Cannock Chase, £7,000 at Chasewater, and £2,000 at Greenway Bank. Deep Hayes Visitor Centre made a small contribution to this total in the lead up to its closure, however it used to make a relatively strong income (previously around £5,000 per year) from sales of refreshments.

There are currently cafés at Cannock Chase and Chasewater. These are run by Entrust (outsourced operationally to Chartwells) under a long-term Service Delivery Agreement.

Income from rents, licences and concessions totals around £100,000 per annum. This covers a wide range of sources to include trading concessions such as coffee bars, ice cream sellers and crazy golf; fishing licences; and leases for buildings and units with associated rent payments. Between £20,000 and £25,000 a year is generated at Cannock Chase Country Park (plus £2,000 a year from room hire), whilst a number of the smaller parks and sites, and Leek to Rushton Greenway generate in the region of £3,000 - £6,000 each from these sources.

Over half of the income (between £50,000 - £70,000 per year) was derived from leases, concessions and rents from businesses or special-interest groups located around Chasewater Reservoir or within the 10 Chasewater Business Units located on site. This income at Chasewater is supplemented by a further £40,000 - £50,000 a year from room hire at the Chasewater Innovation (and Visitor) Centre.

Overall Chasewater brings in a good income compared to the other countryside sites, although much of the room hire and business unit uses are not related to the site's purpose as a country park (unlike many of the leases, such as those for the Sailing Club, Wakelake wakeboarding, and the Watersports Centre, which relate to the reservoir). It should also be noted that Chasewater is expensive to run due to the range of activities taking place and the various stakeholders on site.

Other buildings across the countryside sites include the Grade II* Listed (and 'at risk' heritage asset) Prospect / Warder's Tower at Greenway Bank, which is in significant disrepair; and a number of small buildings at the entrance to Froghall Wharf – one of which used to be a Visitor Centre (and in more recent times has been used for storage).

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Potential of Income Source

In general terms, there is scope to look at how we utilise some buildings across the countryside estate, with the intention of increasing income to both cover their running costs and generate a surplus to contribute towards wider site management.

There is an aspiration for the country park sites in particular to provide a strong visitor offer through their Visitor Centres and wider on-site activities; adding to the visitor experience through the provision of high quality catering in a welcoming and modern setting, improved site information and orientation, an interesting and attractive merchandise offer, and a range of activities complementary to the type and location of the sites and profile of site visitors. An on-site events programme could build upon this offer (see 'Events' below).

Cafés on key sites have the potential to contribute to the financial sustainability of the estate and are an important source of income enabling many countryside bodies to help offset their running costs.

In terms of leases, licences and concessions; whilst Chasewater should not necessarily be used as a benchmark for income generation potential given the unique opportunities it provides for workspace and special-interest leases, it does suggest that there could be potential to bring in more of an income by this means on some of the other countryside sites, particularly where there are buildings or other 'honeypot' areas of sites (with higher visitor numbers) which are unused or underutilised.

On a smaller scale, Froghall Wharf is a good all-round example of what can be achieved. There are currently leases in place on previously unused / underutilised buildings which are now used predominantly for craft and heritage purposes. The picnic area is leased to the Canal & River Trust (CRT) to maintain alongside Hetty's Tea Shop – which adjoins the Froghall site. The Tea Shop itself is in a renovated heritage building leased from the CRT and is a popular destination in its own right; it has a wide menu choice of fresh food, excellent reviews, and also has holiday accommodation on its upper floor.

It should be noted however that while some sites have strong potential for income generation from their visitor offer; some of the existing buildings on our country parks require significant investment to realise this aspiration and generate an income proportionate to the size, prominence and potential visitor catchments of the sites. At the present time, the level of investment required is cost-prohibitive for the county council.

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Benefits

- Makes a significant impact in providing a high-quality visitor experience across the countryside sites, and on the country parks in particular.
- The ability to utilise a range of contracts and agreements for activity and catering providers gives flexibility in tailoring the visitor offer to each site but allows the county council to make specifications regarding delivery where appropriate.
- There are existing buildings across a number of the sites to provide focal points for an improved visitor offer.
- Very good income generation potential to reinvest back into sites.

Risks

- That the county council's aspirations for its on-site visitor offer is unaffordable without significant external investment. Cannock Chase's Visitor Centre for example has not seen major investment in recent years and feels tired, cramped and out-dated. Feasibility work suggests a likely cost of £1.5 million for a basic rebuild of the Visitor Centre, stretching to almost £10 million for a more ambitious proposal.
- Conversely, a lack of investment in visitor facilities, such as at Cannock Chase Visitor Centre, would mean that some sites would struggle to reach their potential (both in terms of their visitor offer and the income generated and reinvested into the sites). As a result, they would lag behind that on offer at other similar sites in Staffordshire, some of which have seen far greater levels of investment in recent years.
- The more comprehensive the range of facilities and activities is across a site, the more complex and costly it is to manage. For example, the extent of the Chasewater visitor offer and wider site uses means it is particularly resource-intensive to manage the range of stakeholders on site, in addition to the Innovation Centre itself and the room hire / conferencing facilities it provides. This limits the amount of net income generated by the site.

Recommendations

It is recommended that there should be a review of the use, occupation (levels) and purpose of each Visitor Centre and other key buildings across the countryside sites – being mindful that the nature of construction and location of some of the Visitor Centres may restrict remodelling, and the cost implications are likely to be prohibitive of larger scale proposals without external investment.

Following on from this, further work should be carried out on a site-by-site basis to identify additional opportunities for room hire, leases, licences, concessions and Visitor Centre sales from both existing and new sources, which could contribute towards current income from this source.

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Additionally, whilst existing catering arrangements on countryside sites will need to be retained until the final countryside management options have been confirmed; steps should be taken following this to ensure that there are cafés on relevant sites, delivering both high quality provision and can contribute to the future financial sustainability of the countryside estate.

In consideration of all the above, particular focus should be given to those opportunities which add to the visitor experience for site users. This would mean a varied and high-quality offer is provided on sites, strengthening the reputation of the sites and resulting in them being well used by (repeat) visitors – all of which would contribute significantly to the running costs and long-term financial sustainability of the countryside sites.

Events

Hosting events is considered one of the main ways that local authorities can boost their country park operating budget and is frequently cited by Nesta and Prosperous Parks (UK organisations pioneering innovation in country park management).

Events on countryside sites generally have a specific focus, such as to increase people's understanding of the local, natural and/or historic environment. Alternatively, events are often held to engage people in physical activity in an outdoor setting.

Current situation

Events take place across a number of our countryside sites. They include activities such as running, cycling and orienteering, as well as themed events such as those related to military history. In many cases, external groups pay a modest contribution for use of the site, although there are also a small number of county council run events.

Events currently make a small contribution in terms of income generated from countryside sites and comes from the three largest country parks. Cannock Chase generates around £5,000 per year, Chasewater on average around £2,000 per year, and less than £1,000 per year comes from events at Apedale. This split is reflective of the size of the country parks in question. In 2017 there were 20 locations across the county council's sites available to host events, a quarter of which were located on Cannock Chase.

Whilst technically classed as Visitor Centre sales; Cannock Chase and more recently Chasewater have sold Christmas trees in the lead up to the festive period, which raise can raise up to £40,000 at Cannock Chase and a further £3,000 at

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Chasewater. While volunteers help oversee the sales, input from staff is also required which reduces the overall benefit – however these sales are something which could be built on as part of an events programme to add value.

Potential of Income Source

Whilst there does not always have to be a charge attached for people to attend events, there is potential that running or hosting events on countryside sites could generate some income which would in turn help support the cost of site management.

There will need to be an assessment of capacity in terms of the in-house contribution required to manage events (or support others to do so), and the capacity of each site to host events of varying activities and scale.

The level of risk events pose, specialist knowledge of events (and their planning), the impact events may have in terms of visitor and/or vehicle numbers and the effect this will have on sites both during and after events would also need to be considered, as well as mitigation or compensation for any impact to the sites as a consequence of events.

The significance of all these factors at each site will need to be assessed to fully understand where there is scope for future events to take place, which type of events might be suitable, and which might provide an opportunity for income to be generated.

Benefits

- Events can provide an increased and occasionally guaranteed income (with greater margins if delivered in-house).
- They are generally for a known and manageable period meaning impacts can be managed.
- Events could attract new and repeat visitors to the countryside sites, helping to market and develop a brand.
- Events can have wider benefits for participants, such as increased awareness of their local environment and its history, or increased levels of health and wellbeing.
- There are specialist event management companies who have the skills and expertise to generate maximum return from events. It is likely that externalising events management – particularly for larger or more complex events – would

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have more manageable risks and increased financial reward (so for example, guaranteeing an income if poorly attended, or contractual clauses meaning site damage has to be repaired or compensated for).

Risks

- Running events in-house can be risky, costly and can take significant amounts of time and resource to plan and manage.
- There can be a risk of damage to park resources if precautions are not taken or the volume of visitors is overwhelming – which has particular significance where environmental designations are in place, such as on our country parks.
- The type of events that are able to take place on each site are likely to be limited by the site's size, layout, location, car parking facilities, accessibility, and environmental designations. It can be far harder running events on publicly-owned, environmentally designated sites in comparison to privately-owned estates (which can have greater flexibilities and freedom in how they are run).
- Events can receive negative public reaction and they can disrupt the 'normal' use of the site, potentially deterring regular visitors.
- The financial viability of some large-scale or specialist events can be reduced by lack of critical mass of potential attendees (i.e. its success may rely on the event location being in a densely populated area).
- The success of events can be dependent on external factors, meaning circumstances such as bad weather could lead to losses or minimal returns.

Recommendation

The county council's green spaces such as country parks, local and amenity sites, and to some extent PRow have the potential to host a much wider range of events than they currently do. This should be investigated further to establish what, within the limitations of each site, might be realistic – and which of these opportunities has the potential to make a noticeable contribution of income to be reinvested back into the running of the countryside sites.

Agri-Environment Grants

The Countryside Stewardship Scheme (and previously the Environmental Stewardship Scheme) is the main source of grant aid that supports habitat management and is targeted at sites with environmental designations and high biodiversity.

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Current situation

There is already a small-scale Countryside Stewardship Scheme in place at Chasewater Country Park which brings in around £12,000 per year. There are also older Environmental Stewardship Schemes in place for habitat management at some of our country parks too, which are anticipated to bring in some income in their remaining years – for example at Apedale and Chasewater (Norton Bog), which are anticipated to bring in around £13,000 and £7,000 a year respectively for specified management activity on the sites for another four years. Cannock Chase is just coming to the end of its current agreement and a new one is under negotiation (see below).

Potential of Income Source

The potential of utilising this income source is dependent on successful bids for funding. The income mentioned above has already been secured for site management. In addition to the above, a major 10 year funding bid has been submitted to the Countryside Stewardship Scheme for over £2 million for the management of designated areas within Cannock Chase Country Park.

Where applications are successful, agri-environment grants are an excellent source of income for the restoration and management of designated wildlife habitats, however the funds must be used to carry out specified habitat management activity.

Benefits

- Stewardship Schemes can provide a contribution towards the management costs of designated areas on our most complex and sensitive sites and help us meet legal obligations for protected sites.

Risks

- Schemes require careful management in their own right, so can be resource-intensive both in terms of delivery on the ground (by staff, volunteers or contractors) and in terms of managing the wider scheme to achieve their long term aims.
- It should be noted that despite the size of some funding awards, these funds can only be used for delivering certain habitat management activity for specified Stewardship Schemes and will not generate surplus funds to redirect to other aspects of countryside estate management.
- Any future opportunities to access similar funds are currently limited due to the as-yet-unknown changes in agri-environment funding arrangements following Britain leaving the EU.

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Recommendation

Stewardship Schemes contribute to the financial sustainability of the countryside estate operating model whilst ensuring the most sensitive areas of our sites are managed and restored; therefore, new and existing schemes should be delivered, and further opportunities to access similar funding should be explored once the mechanisms to distribute future agri-environment funds are known.

Membership, Sponsorship and Giving

Many charitable organisations that run countryside sites derive a significant income from membership, donations, sponsorship and crowd funding; however, this income stream is not so prominent for organisations outside of that sector.

Current situation

Donations to the county council for the running of its countryside estate are generally small-scale and ad hoc, with no co-ordinated approach in place for fundraising. Added to this is the fact that the sites are in public ownership and local residents using the sites can feel they are already contributing to running costs through local taxation.

Potential of Income Source

The success of how well donations, memberships, sponsorship, crowd-funding, philanthropy and funds from similar sources can impact upon the countryside estate's financial sustainability will vary depending on the operating model, but in scenarios involving charitable bodies there is greater potential to support management through this income stream.

Benefits

- Countryside sites provide an opportunity for local businesses conscious about social responsibility to 'do their bit' for their local community, which could support site maintenance and improvements.
- Sponsorship for equipment, buildings or whole sites are less likely under county council management but have greater potential under other management options such as community management or a charitable trust.

Risks

- There are rules and regulations which must be followed regarding charitable giving, meaning generating income through this approach must be done in a legally appropriate way.

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Recommendation

That further consideration be given to fundraising as a means to support site management once the final management models are known across all sites. This will be of particular importance if a charitable trust model is taken forward across some sites.

There is some benefit from the contribution made by corporate volunteering groups – meaning there would be some gain from engaging with local businesses around the social responsibility agenda in terms of delivering certain aspects of site management (albeit, as is currently the case, any works carried out are likely to need supervising).

Site Development and Improvement Grants

The ability to access one-off grants for site improvements will be important in any future operating model. It should be noted that grant funding is not the same as developer-related capital contributions (Section 106 agreements and Community Infrastructure Levy (CIL)) which are covered in a separate section later in this document.

Current situation

External grant funding for site development and improvement has been successfully accessed for a range of projects and sites across the countryside estate over past years.

Potential of Income Source

The range of different sources of grant aid that can be applied for, based on the types of proposals and type organisations bidding for them, mean there is good potential to secure site development and improvement grants.

Examples include a range of funds such as the Heritage Lottery Fund and Sport England – which are relevant due to the heritage of many of our countryside sites, and the recreational uses of our sites respectively. These funds are derived from the National Lottery, are often flexible about the types of applicants and have a range of funds available depending on the size of project – which mean the county council is often eligible to apply.

There are also a host of other grants which are more restrictive in their eligibility, which can be accessed by community groups and charitable bodies, but not by the county council.

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Whilst numerous funding applications can be made however, bids are generally made as part of a competitive process; meaning large amounts of time can be spent applying for funding with no guarantee of success.

Benefits

- There are a range of funds available, which can be matched to project requirements.
- It can enable site development opportunities which would not be possible through core budgets.

Risks

- Some types of organisations have better eligibility across funding streams than the county council currently has.
- The need to find match funding for project applications can sometimes be prohibitive.
- Large amounts of time can be spent on bidding unsuccessfully.

Recommendation

Grant aid has the ability to assist in site development and improvement projects as part of the operating model for the estate. Therefore, building on the vision and final implemented management option for each site, appropriate sources of funding should be investigated – considering projects across multiple sites where economies of scale and shared benefits can be achieved.

INCOME SOURCES WITH LIMITED OR NO POTENTIAL / CURRENTLY DISCOUNTED

The following potential income sources have been explored but have been discounted as major contributors at this stage due to the nature of the estate, the environmental constraints that limit potential development and other key issues as follows:

Renewable Energy Infrastructure

Renewable energy generation from sources such as wind, ground source and solar could reduce running costs on the countryside estate. In addition, some provide an element of pay-back.

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Current situation

Mindful of the need to reduce running costs or attract income, a number of renewable energy technologies have been looked at, and some are already installed at countryside sites. These include a woodchip fuel boiler which is installed at Chasewater, a woodchip fuel boiler and district heating system at Cannock Chase, and ground source heat pump, solar photovoltaics and small-scale wind turbine at Apedale (the Visitor Centre was designed as a very energy efficient building, housing a range of renewable technologies).

A modest annual income of between £7,000 and £8,000 was generated towards countryside estate running costs at Cannock Chase through Renewable Heat Incentive (RHI) payments from government (which are made based on the amount of energy generated).

Potential of Income Source

Feasibility studies undertaken (beyond those already in place above) suggest that the potential for renewable energy on the country parks is limited with many schemes not being deemed viable.

Also, the payback period of any development is likely to be long because of the significant upfront capital investment that would be required unless the county council enters into a partnership arrangement (particularly with respect to wind and solar energy) where the developer bears all the financial risks and development costs.

Benefits

- Most of the technologies would be relatively unobtrusive and would be unlikely to result in local opposition.
- On-site natural resources such as available water supply could be utilised.
- Some schemes could be established relatively rapidly.

Risks

- Even with the support of feed-in tariffs, the operating and maintenance costs of most schemes would absorb a high proportion of the potential revenue (or even accrue an initial debt), resulting in little financial benefit.
- Whilst small to medium wind turbines are less visually intrusive, they can still cause problems with noise and bat / bird mortality, as well as attracting local opposition.
- The majority of schemes have a very long payback period, and some require significant capital investment.

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- Some schemes would be reliant on approvals and permissions from external organisations (for example in some potential micro-hydro proposals).
- The remoteness of sites means a risk of vandalism.
- Most schemes would require a more detailed investigation and economic appraisal. This work could have resource implications which may not be recoverable.

Recommendation

The investment required for investigatory and development costs, and long or no payback mean renewables are not considered to be a viable option to contribute to the financial sustainability of the countryside estate.

Timber

There are options for potential income from the woodlands, in terms of sales of timber.

Current situation

There has been variable income from the sale of timber from the countryside sites in recent years. In 2015/16 the figure was £34,000. This reduced to £13,000 in 2016/17. This variability is likely to have been influenced by the reasons discussed below.

Potential of Income Source

A broad assessment has been carried out of the woodland resource across the county council's countryside sites in terms of future income potential.

Across sites in the south of the county; some areas of Cannock Chase have modest potential for timber income worked via traditional harvesting methods, however there are limitations due to sensitivities and designations on the site.

A large number of other southern sites have no real potential for income through traditional forestry harvesting and marketing due to small volumes on each site and extraction costs. There is greater potential for firewood sales through utilisation of in-house labour, however this would require investment in time and machinery.

In the north of the county, whilst there is a larger potential resource on these sites; due to various site issues, timber parcel size, access and terrain, it would be difficult to harvest through traditional timber harvesting methods (however similarly to the

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southern sites, a firewood production facility may provide small-scale longer-term income).

Benefits

- There is a potential woodland resource across the countryside estate which could be utilised for timber income (e.g. firewood).
- Woodland management and thinning activity on countryside sites could be translated into timber / firewood sales.

Risks

- Environmental sensitivities and designations can restrict which areas could be utilised.
- Investment would be needed in machinery, as well as resource required (either in-house or contracted at a cost) to deliver; supported by a sales strategy and sales points.
- With the above point in mind; it could be a sustainable source of income, but it would probably not make a significant contribution financially.
- Site issues, access and terrain could impact on the ease and types of techniques used to harvest timber.

Recommendation

Whilst not ruled out in the longer-term, these proposals could have significant resource implications to deliver, therefore this source of income generation is not a priority at present.

Advertising

The breadth of visitors to countryside sites can make advertising on them an attractive proposition to businesses.

Current situation

Advertising is not currently used to generate income on the countryside sites.

Potential of Income Source

Countryside sites or assets within them could be used for advertising space either by a supplier, private organisation, or individuals and communities with an interest in that site or area of the county council's operation. This includes items such as park leaflets and newsletters, hoardings / billboards, and washroom advertising.

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Consideration would need to be given to the types of businesses advertising on publicly owned sites, and the nature of advertising would need to be sympathetic given the sites in question.

A wider analysis of advertising potential has been carried out by the county council however, and countryside sites were not deemed to hold the greatest potential compared to other sites and landholdings.

Benefits

- Guaranteed source of income.
- Advertising can be added to existing leaflets, newsletters and signs.
- Can support local businesses.
- Can be done on different scales (e.g. small newsletter advert, large banner on a building).

Risks

- Engaging with businesses can be time-consuming and does not always result in advertising space being taken up.
- It can annoy visitors.
- Where an organisation has a wide and varied portfolio of sites; some sites will have greater potential than others for advertising income.

Recommendation

Advertising on countryside sites does not hold significant potential for the county council as a whole and should be discounted.

Site development for other uses

This relates to developing sections of countryside estate land for purposes beyond their current use as publicly accessible green space.

Current situation

The countryside estate has been established to provide local amenity / green space for Staffordshire's communities and visitors. Many of the sites are subject to covenants which preserve them for this purpose. Early in the review, Cabinet agreed that there would be no sale of country parks, local amenity sites or greenways. This accords with views expressed through the review's public consultation plus a petition received by the county council, which both reflected public concern at the potential loss of the amenity value of sites.

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Potential of Income Source

An alternative approach to the development of countryside sites could be for the county council to develop parcels of land to lease or run themselves. This could include large-scale commercial / leisure developments (for example a hotel, or a holiday village with incorporated accommodation and leisure facilities) or residential development (use of countryside sites for housing). Whilst these would not involve the sale of country parks, local amenity sites or greenways; it is still likely this would receive an adverse reaction due to the loss of publicly accessible green space. In many cases such development to alternative uses would not be possible due to covenants being in place.

There are also questions around the feasibility of larger developments of these types, given that quite a few of the countryside sites are utilising reclaimed land following mining or other industrial activity. The sites are safe for use as recreational countryside sites, however any large-scale development would require considerable amounts of specialist ground investigation, remediation and reclamation works, and investigation into historic mineshafts to confirm the safety of building on various sections of sites. These preparatory works would be extremely costly. Added to this, there would be no guarantee that planning consent would be gained, due to their greenbelt location and other planning constraints relating to many of the sites.

On a much smaller scale, the development of camping and caravan sites or a small number of lodges for holiday accommodation has also been looked at. While Cannock Chase is often considered a potential site for such uses, the county council's landholding would be unsuitable due to its highly protected nature and sensitivity to recreational use.

Advice from the local planning authority confirms that such a development would not be permissible due to impacts near the Cannock Chase Special Area of Conservation (SAC). Cannock Chase is probably the only site that would be large enough to attract one of the main providers of this type of development. There may be potential on some other sites for smaller-scale income generation, but this would need further feasibility work to confirm viability, planning constraints and the size of the potential market.

Benefits

- Significant profit could be generated from large-scale development.

Risks

- Loss of accessible green space.
- Significant adverse public reaction.

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- Significant costs attached to grounds investigations and remedial / reclamation costs. Some land may not be economically viable for certain end-uses.
- Contravenes environmental designations on some sites.
- Many sites are located within the greenbelt, have covenants in place, or are subject to other planning constraints, meaning permissions for development could be difficult to achieve.

Recommendation

Given the county council's longstanding commitment not to sell its countryside estate land, the issues stemming from using protected or reclaimed land, and potential planning constraints, the large-scale development of countryside sites is not deemed a cost-effective, viable or publicly acceptable option for income generation and should be ruled out.

Smaller scale development of camping / caravan sites or a small number of holiday lodges may possibly be viable, so this should be considered again at a later date. It is not felt worthwhile pursuing as a means to generate income at the present time however.

Payment for Ecosystem Services (PES) / Biodiversity and Carbon offsetting

Ecosystem services are the variety of benefits that people get from the natural environment and its ecosystems. Simply put; payments for these services can occur in schemes where those benefitting from them make payments to the providers or 'stewards' of those services. For example, some water companies pay farmers to reduce inputs (e.g. fertilisers) and farm more extensively in target catchment areas, as this is more cost-effective than treatments to remove the inputs from the water supply.

Carbon and biodiversity offsetting are environment or conservation activities designed to compensate or mitigate for losses elsewhere (such as following development or carbon emissions from running a business).

Current situation

These schemes are still relatively novel and there are none active on the countryside estate at present.

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Potential of Income Source

Following a consideration of options for PES and off-setting on the county council's main sites, there is not significant potential for this to contribute meaningfully to a financially sustainable operating model at present.

Biodiversity offsetting often requires areas with potential to develop / restore new habitat to compensate for areas lost through development elsewhere. Since many of our sites are already in good condition they would not be applicable. Carbon offsetting requires tree planting or significant wetland / peatland creation / restoration; however, do not have suitable habitat areas for this. While the estate delivers many ecosystem services, they are not generally the types of services where PES models apply.

Benefits

- If applicable these options could generate income to support the estate, potentially providing revenue payments to support habitat management.

Risks

- The schemes would place certain management requirements on the sites to meet the needs of these schemes, although in general these would be positive from an environmental perspective.

Recommendation

There is insufficient potential and therefore limited likely returns on the countryside estate to make this worthwhile; small scale opportunities may arise and should be explored as resources allow.

Social Prescribing

Social prescribing enables health care professionals to improve the health and wellbeing of patients by putting them in contact with local groups and services for support as well or instead of prescribing drugs or other medical interventions. Using countryside sites for prescribed health and wellbeing benefits could be one such example.

Current situation

Social prescribing beyond that on a small scale is still in its infancy as an approach and how it may impact upon contributing to the on-going financial sustainability of the countryside estate is unknown. Countryside sites tend to be regarded as a 'free' resource and social prescribing is therefore seen as a cost-effective option for the health service as it is less costly than, or can prevent the need for, other treatments.

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However, this does not take into account the fact that countryside sites require management to offer this service.

Potential of Income Source

There could be potential funding mechanisms developed in future which could help support the running of green spaces through social prescribing; however, there are no current funding mechanisms along these lines which link back to the countryside estate.

Benefits

- Health and wellbeing benefits following clinical diagnosis.
- Reduced costs to the health service by preventing the need for further treatment.
- Potential funding diverted to countryside sites.

Risks

- This approach is not commonly adopted at present, meaning no funding mechanisms for it to contribute towards the countryside sites are in place.

Recommendation

Engagement in social prescribing should be a medium to long-term aspiration, however will not make an immediate contribution to the financial sustainability of the countryside estate.

Developer-Related Capital Contributions

Developers make financial contributions towards the provision of new infrastructure to mitigate for increases in housing development and the impact of the resulting population increase upon existing local infrastructure and facilities, or to utilise existing local greenspace improvements to meet their planning obligations for provision of amenity space.

Current situation

Local planning authorities require new developments to contribute towards new predominantly capital-funded infrastructure including green space, either directly as part of the development or through Section 106 agreements or Community Infrastructure Levy (CIL).

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Potential of Income Source

Developer contributions tend to relate to specific defined physical improvements designed to cope with the additional visitor pressure derived from new housing development in the vicinity of a site. Generally it is capital funding and therefore seldom funds operating costs.

Cannock Chase Country Park is already part of a major scheme generating developer contributions to mitigate impacts on the Cannock Chase SAC. The scheme mitigates the additional recreational impacts which result from housing development in a defined zone of influence from the SAC. This funding is managed through a dedicated partnership and is allocated towards specific agreed measures. While it will benefit the management of the site, it is not a source of income that can support day-to-day running of the country park.

Chasewater Country Park has also benefitted from physical and green infrastructure improvements funded by Section 106 payments linked to specific local developments.

Benefits

- Provides a means to make one-off, generally capital-funded site improvements.

Risks

- Generally not suitable for use towards on-going countryside site management (revenue) costs.

Recommendation

Whilst opportunities should be sought for developer contributions to assist with infrastructure provision in response to increased housing numbers and which might match fund specific site improvements, the nature of the funding means CIL and Section 106 contributions in isolation would not form a part of a sustainable financial model for running the countryside estate.

FINAL RECOMMENDATION

Is it recommended that further to the assessment of potential above, the following income streams form key elements of the county council's financially sustainable operating model for its countryside estate, and will be used to support the running of its countryside sites in future:

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- Car parking charges
- Buildings and visitor facilities / activities
- Events
- Agri-environment grants
- Membership, sponsorship and giving
- Site development and improvement grants

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Appendix A(i) – Summary of Key Buildings and Assets Across the Countryside Estate

Cannock Chase:

The Visitor Centre at Marquis Drive has a small information, exhibition and retail area, plus a café with roughly six indoor tables as well as outdoor seating, with toilets in a separate building. Alongside this are a children's play area and barbeque stations. The site also has a World War One 'Great War Hut' which is a replica of those used as accommodation in training camps in the area.

There is a major need to upgrade facilities at Marquis Drive. The café and toilet facilities are inadequate to meet demand in terms of both quality and capacity. Given the high profile of this site, there is an opportunity to develop a high quality visitor offer.

There is an education building, part of which is currently leased to a forest school and part of which is hired out as a local meeting venue. There are a range of operational buildings on site which would benefit from review.

Chasewater:

The Chasewater Innovation Centre was originally built as mixed use, to support forestry and timber businesses, additional areas for workspace, training and community enterprise, as well as providing a large two storey exhibition area (with views out on to the reservoir and dam) and space for a café. At the time it was built, it aimed to display new technologies regarding the use of timber for construction, energy conservation, and the use of wood as a renewable source of energy. The Innovation Centre is now used predominantly as a Visitor Centre and conferencing facility and has a café and children's play area. The use of the main building should be reviewed to seek a more cost-effective option.

The site also has ten small business units to rent, which are constructed from green wood and used traditional wattle and daub infill panels and green oak cladding in some cases. Alongside the units is a Rangers' hut – part of this building has been leased out to a small business, however other sections are in disrepair and need significant investment. The business units have a good occupancy rate and generate a regular income.

Apedale:

The Apedale Energy Centre was built at the top of the Apedale site around a decade ago with the intention of being a Visitor Centre, office accommodation with teaching facilities, and a demonstration building for sustainable and renewable technologies. It has staff workspace, toilets and is used by a local college – who also have a lease arrangement on a small hut at the bottom of the site; however, the intention of using

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the building as a Visitor Centre open on a daily basis has not been realised, and the building is not in regular public use.

The Energy Centre, whilst accessible from nearby on-site car parks stands alone at the top of the site, whilst the main cluster of buildings on the Country Park sit on the bottom half of the split site. This includes the popular Apedale Heritage Centre and Apedale Valley Light Railway (stakeholder organisations delivering special-interest activities and information) – which currently host the only catering provision on site.

Greenway Bank:

Greenway Bank is again in general terms, a split site. The top of the site is home to the Visitor Centre which has education and display space, office space for staff, and toilets. There is a pleasant walled courtyard area which currently has a concessionary coffee bar on a short-term agreement, as well as a picnic area, small barbeque area and a play area. The upper and lower sections of the site are joined by a steep path through woodland.

The bottom half of the site surrounds Knypersley Reservoir, and has a number of notable historic features, including the Grade II* Listed (and ‘at risk’ heritage asset) Prospect / Warder’s Tower, which is in significant disrepair and is home to a significant roost of bats. The Tower has previously been considered as holiday accommodation by an external charitable organisation, but this was eventually discounted as an option due to the level of investment needed and the building being a regular target for anti-social behaviour. A feasibility study has been undertaken and proposes a small café / visitor facility in this building and development of its external area for visitors. There is interest from a local heritage trust in taking this forward if the county council could support some of the costs.

Deep Hayes:

This is the smallest of the county council’s country parks. It has a small Visitor Centre and a toilet block. Whilst the toilet block is open to the public, the Visitor Centre closed a couple of years ago and is now mainly used for storage purposes. This has potential for utilisation.

Froghall:

Whilst Froghall Wharf is one of the county council’s smallest countryside sites, it has a toilet block and various other buildings at the site entrance, one of which used to be a Visitor Centre (and in more recent times has been used for storage). The site borders with CRT land, which again until recently included a disused heritage building on the canal side. The CRT building is now a successful café with holiday accommodation. The previous county council visitor centre is now leased to a craft business and leases of other buildings are under discussion.