

PROSPERITY AND PROTECTION: EXECUTIVE SUMMARY

1. This study explores the economic impact of National Parks in the Yorkshire and Humber region by:
 - examining whether businesses in the Parks and their 'gateway' towns are affected by their rural location and the National Park landscapes and designation;
 - looking at how National Park Authorities and other organisations support business activity in the Parks, and at the Parks' value in attracting inward investment;
 - estimating the contributions sales by the Parks' businesses and expenditure by visitors to the Parks make to the regional economy.
2. The study provides robust evidence that businesses in the Parks – the Yorkshire Dales, North York Moors and the Peak District – and in towns nearby benefit both from the quality of the protected landscapes and from the Park designation itself. It suggests that the Parks' businesses generate £1.8 billion in sales annually, supporting over 34,000 jobs and around £576 million of Gross Value Added.
3. Visitors to the Parks are estimated to spend about £400m annually within them and £260m in the rest of Yorkshire and Humber. The total visitor expenditure of £660m is estimated to support around 12,000 jobs and to generate further indirect economic activity which brings the total impact on the region's output to almost £1 billion annually. The report of the study proposes action to ensure that the full benefits of all National Parks and other protected areas are realised, without damaging their special qualities.

Background

4. For over half a century, the National Parks of England and Wales have been cherished and enjoyed by millions. The Parks were designated because of their outstanding natural beauty and the opportunities they provide for outdoor recreation. National Park Authorities work to protect and enhance the Parks' special qualities and to help people understand and enjoy them. All public bodies must also have regard to these twin conservation and recreation purposes when their activities may affect a Park.
5. Concerns have emerged about whether the benefits for the public at large have been at the expense of those seeking to make a living in the Parks. At the same time, there has been growing awareness of the achievability of sustainable development – where environmental, social and economic gains complement, rather than conflict, with each other. As a result, in 1995 a new duty was placed on National Park Authorities to seek to foster the social and economic well-being of local communities in pursuing Park purposes. Since then, the importance of a high-quality environment in a competitive economy has become increasingly apparent.
6. Yorkshire and Humber has parts of three National Parks – the Yorkshire Dales, the North York Moors and the Peak District – within its boundaries. With over 20% of its land area designated as National Park, it has the highest proportion of any English region. It therefore seemed an appropriate place to study the economic impact of designating National Parks.

7. The region is diverse in terms of population and prosperity, as well as landscape. The Regional Economic Strategy and other planning documents recognise the key importance of high quality environments in attracting employees, businesses and visitors. They see National Park Authorities as having a major role to play in promoting sustainable economic development in rural areas.
8. The Yorkshire Wolds was chosen as the undesignated comparator area because it is very attractive, though with less dramatic scenery than the National Parks.

Methodology

9. At the heart of the study is work by SQW Limited consultants who:
 - mapped the socio-economic characteristics of the National Parks and the Yorkshire Wolds;
 - assessed the added value of National Park designations by surveying 318 businesses located in the National Parks and the Wolds;
 - tested for a 'halo' effect by surveying 100 businesses in 'gateway' towns outside the National Park boundaries;
 - assessed the value and volume of visitors to National Parks linked to designation and landscape protection;
 - tested the extent to which the National Parks are used as a marketing tool through a survey of organisations involved in business support or inward investment.
10. The study also involved a literature review and an examination of what National Park Authorities and other organisations do to help business, with case studies by the three National Park Authorities.

Key findings

Socio-economic characteristics of the National Parks in Yorkshire and Humber (chapter 4)

- The National Parks in Yorkshire and Humber have about 68,000 residents with slightly more older and slightly fewer young people than the region as a whole;
- Compared to both the Yorkshire Wolds and the region as a whole, the Parks have a slightly higher economic activity rate, lower unemployment rate and a higher proportion of self-employed;
- Tourism is the largest employer, accounting for a greater proportion of employment than in the Wolds or in the region as a whole;
- Areas within 5 miles of the Park boundaries have higher unemployment rates less tourism-related employment and less self-employment than the Parks;
- A smaller proportion of the Park's population have no qualifications than the regional average;
- There are greater proportions of skilled workers and higher level occupations such as senior managers and senior officials in the Parks and in the Yorkshire Wolds than in the region as a whole. This suggests high-quality landscapes and quality of life attract mobile, economically active people;
- Income levels in the Yorkshire Dales and North York Moors are below the regional average while those in the Peak District and Yorkshire Wolds are,

respectively, just above and below the average. This suggests the high proportion of relatively well-paid people may be offset by an even higher than average proportion of the relatively poorly-paid;

- The desirability of the Parks as a place to live is shown by higher house prices near to and within the National Park boundaries. Although the Yorkshire Wolds also attracts those in higher level occupations, house prices there are notably lower than in the Parks. This may imply that a premium is attached either to the very special landscape qualities of the Parks or to the designation itself;
- The analysis highlights the affordability challenges related to high house prices.

Impact of landscape and National Park designation on businesses in the Parks (chapter 5)

- Over two thirds of businesses believed that high landscape quality had a positive impact on their performance;
- While 49% of businesses identified at least one negative feature of locating business in a rural setting (most commonly poor infrastructure), 73% identified at least one positive feature – most commonly the effect of tourist income on business;
- Nearly two thirds of respondents did not identify National Park designation with any negative impacts on business. Just over half felt that on balance, designation had a positive impact on their business.

Notable differences between the Yorkshire Wolds and the National Parks included:

- A greater proportion of businesses in the National Parks were positive about the effect of landscape quality than in the Wolds;
- More Park businesses were negative about their rural location than Wolds businesses;
- Poor infrastructure was a complaint of 22% of businesses in the Parks but of only 8% of Wolds respondents;
- A significantly higher proportion of Wolds businesses claimed to pursue environmentally-friendly policies.

Impact of rural location, landscape and National Park designation on businesses in gateway towns such as Pickering, Stockbridge and Skipton (chapter 6)

- Over half of businesses believed landscape quality had a positive impact on their performance;
- 58% saw no negative effects of a rural location on their business. Poor infrastructure was the negative effect most often cited. Businesses in gateway towns were more concerned about planning restrictions than businesses in the Parks;
- 57% of businesses attributed no negative effects to Park designation. 21% were concerned about planning and development restrictions;
- 26% and 28% of businesses, respectively, thought rural location and National Park status were important in attracting business;

- National Park status had been a factor in the re-location of three out of seven businesses to these towns.

What National Park Authorities and other organisations do to help business (chapter 7)

- Businesses in National Parks and their gateway towns benefit from the activities of National Park Authorities and from the preferential treatment other organisations in both the public and private sectors give to National Parks;
- The three National Park Authorities in Yorkshire and Humber spent £16.2 million and received £11.1 million¹ in National Park Grant from Defra in 2005/6;
- The Authorities employed 285 Full-time Equivalent staff in Yorkshire and Humber directly and their expenditure supported an estimated further 102 jobs, 57 of them in the region;
- The Authorities' statutory functions – the preparation of management plans, acting as the local planning authority, and managing access to open countryside – all bring benefits to business;
- In 2004/5 the Yorkshire Dales and North York Moors National Park Authorities approved a higher percentage of planning applications than the English average, while the Peak District's approval rate was very close to the average;
- The Authorities play a range of other roles, providing grants, advice and acting as partners in activities that include integrated rural development, sustainable transport, tourism, farming, food enterprises and skills acquisition;
- Several Government departments and agencies have made agreements with National Park Authorities at national level as a basis for joint action locally to protect and enhance the Parks and to provide opportunities for people to understand and enjoy their special qualities;
- Many private sector organisations – notably the members of the Corporate Forum for National Parks – have adopted policies which protect the Parks, safeguarding the environments on which many businesses depend, and which add to visitors' enjoyment.

The overall economic impact of businesses in the National Parks (chapter 8)

- Based on the survey responses, businesses in the National Parks generate £1.8 billion in sales annually;
- Based on the average number of jobs reported in the survey, businesses in the Parks support just over 34,000 jobs;
- Using the average ratio of turnover to Gross Value Added (GVA) in the region suggests that around £576 million of GVA is supported by businesses in the Parks;
- Based on the survey, 65% of this business activity depends either directly or indirectly on the quality of the environment and 26% would be seriously affected by any deterioration;

¹ Figure includes only 15% of the National Park Grant to the Peak District National Park Authority, reflecting the area of the Park in Yorkshire and Humber.

- The designation of the areas as National Parks is also an important economic factor. It makes a major positive impact on 24% of Park businesses, estimated to support over 8,000 jobs;
- The quality of the environment and the National Park designations also have positive impacts on businesses in gateway towns. The overall economic benefits to businesses in and around the Parks are therefore much greater than the above figures suggest, as they are based only on businesses within the Parks;
- Extrapolating from very limited survey results, the National Park designation appears to have played some role in attracting around 100 businesses to the Parks themselves, while others have been attracted to the gateway towns;
- There are a number of useful ways in which the National Parks or National Park Authorities already assist businesses in marketing;
- Very little use appears to be made of the National Parks in marketing the region as a whole as a place for new investment;
- There seems to be considerable potential for making more use of the Parks as a marketing tool both for the businesses within them and for Yorkshire and Humber as a whole.

Volume and value of tourism to the National Parks and to the region (chapter 9)

(These estimates are based on a range of sources and assumptions and should be treated as only indicative)

- A total of 23.7 million visitor days per annum are spent in the National Parks in Yorkshire and Humber. This total consists of 12.4 million 'day visitor' days and 11.3 million 'tourist' (overnight visitor to the region) days;
- Each year 9.1 million visitor days are spent in the North York Moors, 11.5 million visitor days in the Yorkshire Dales, and 3.1 million in the Yorkshire and Humber part of the Peak District (21 million in the Park as a whole);
- The (gross) direct economic impact on the entire Yorkshire and Humber region of spend by visitors to the National Parks is around £660 million, just over £600 million when day visitors from within the region are excluded;
- Of the £660 million total visitor spend, £400 million was estimated as being spent within the Parks and £260m in the rest of the region. £345 million comes from the Yorkshire Dales, £260 million from the North York Moors and £52 million from the part of the Peak District in Yorkshire and Humber;
- The £660 million total visitor spend is likely to support 12,000 jobs in the region;
- The knock-on effects of direct tourism expenditure are typically around 40-50% of the initial expenditure. The estimated £660m direct spend by National Park visitors could therefore be responsible for almost £1 billion total output annually within the region.

Conclusions

1. The study shows clearly that National Parks in Yorkshire and Humber bring economic benefits for the businesses within them, for businesses just outside them, and for the region as a whole. There are benefits to business both from the Parks' inherent landscape quality and from the designation itself. There is no evidence that businesses as a whole within the Parks are suffering from undue restrictions compared to those elsewhere. There is every reason to suppose that all existing English National Parks produce similar effects, as would any National Parks designated in future. These results deserve to be widely known and taken into account by all organisations and individuals with an interest in National Parks. The findings should influence policy-making in both the public and private sectors, reduce criticism of existing National Parks, and allay fears, especially in the South Downs, about the creation of new ones.
2. The recommendations are intended to ensure that the study influences policy-making and prompts further investigations into the benefits of environmental assets.

Recommendations (chapter 10)

Recommendation 1: dissemination of the results. The Council for National Parks and Steering Group members should disseminate the results of the study widely to policy-makers and to all those with an interest in existing and proposed National Parks. In doing so, it should stress not only the economic benefits of the Parks but also that these depend on the continued protection and promotion of the Parks' special qualities. It should emphasise too that the main value of the Parks remains environmental and social.

Recommendation 2: implications for funding. The Council for National Parks, the English National Park Authorities Association and individual English National Park Authorities should explore the implications of this report for Defra (the Department for Environment, Food and Rural Affairs) and other Government departments, not least its relevance to setting the overall National Park Grant.

Recommendation 3: collaboration with Regional Development Agencies. The Yorkshire Dales and North York Moors National Park Authorities should ask Yorkshire Forward to match Defra's contribution to their Sustainable Development Funds. The Peak District National Park Authority should suggest that the East Midlands Regional Development Agency make a similar contribution and invite it to look further at the economic value of the National Park to the region. Discussions with these agencies should also look at the scope for further collaboration and investment in future. The Council for National Parks and National Park Authorities should make other Regional Development Agencies aware of the study's findings.

Recommendation 4: implications for transport. National Park Authorities should draw the attention of local highway authorities to the study and to the potential benefits of local transport plans identifying and allocating funds to sustainable transport schemes in the Parks. The Council for National Parks should continue to press the Department for Transport to set up a Sustainable Transport Fund for the National Parks, and to take the Parks into account in regional funding allocations.

Recommendation 5: agreements with public sector bodies. The Association of National Park Authorities and the English National Park Authorities Association should review the national agreements with other public sector bodies on collaboration to conserve and enhance the Parks' special qualities and to give people more opportunities to understand and enjoy them.

Recommendation 6: marketing the National Parks. Yorkshire Forward and other regional bodies should consider making more use of the Parks as a marketing tool for the region, consistent with National Park purposes.

Recommendation 7: collaboration among National Park Authorities. National Park Authorities should explore the scope for more collaboration on research and other projects and for joint representation in regional and national forums.

Recommendation 8: promotion of the economic case for National Parks. The Council for National Parks should collate the results of all studies undertaken to date on the economic benefits of National Parks in England and Wales, and publish the main findings in a single document. Members of the Corporate Forum for National Parks could play a key role in promotion. The Council should also ensure that Europarc and IUCN (the World Conservation Union) are aware of its work so that the potential for international co-operation is realised.

Recommendation 9: further research. The Council for National Parks should consider commissioning further research into the total value of National Parks: environmental, social, and economic.

Recommendation 10: Defra should consider the most effective ways of developing work on the social, economic and environmental value of environmental assets in England, co-ordinating with other public bodies such as Natural England and the Department for Culture, Media and Sport. One of the possibilities Defra should consider is a partnership approach along the lines of the Valuing our Environment partnership in Wales.