



Heritage Lottery Fund response to the Communities and Local Government Select Committee inquiry into public parks

September 2016

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1 CONTEXT

HLF has invested more than £7.1bn in 40,000 projects across the UK over 21 years, distributing funds raised thanks to players of The National Lottery. This has transformed both heritage and the heritage sector itself. HLF funds a broad range of heritage including, since 1996, the UK's public parks where it is widely credited as having led the renaissance in their improvement over the last 20 years.

2 EXECUTIVE SUMMARY

- Over £850m of National Lottery investment (most delivered jointly by the Heritage Lottery Fund in partnership with the Big Lottery Fund England through the Parks for People programme) has been critical to improving park facilities, reinstating and repairing historic features, and supporting the involvement of local people in more than 800 of the UK's public parks. Parks are now more popular than ever, valued by local communities and used by more people from every background, especially young families with children and black and ethnic minority residents.
- HLF's long-term support for parks and sector leadership, gives us extensive insight, reinforced by our recently published second review of the State of UK Public Parks 2016. Findings show that despite the many benefits parks provide, funding pressures continue to pose risks to the condition, maintenance and (in some cases) the very existence of public parks and green spaces in future.
- Whilst we believe a strong case for public funding by local authorities must continue to be made, we recognise that local authorities face tough challenges. We have identified opportunities for community involvement, diversification of funding sources and innovation which may help to create a blended finance model critical to sustaining parks in the future.

3 ABOUT THE HERITAGE LOTTERY FUND & PARKS

HLF is a non-Departmental Public body in the DCMS portfolio. However public parks are relevant to a range of Whitehall departments including, not exclusively, Defra and DCLG.

Why we fund parks and green spaces

Of the estimated 27,000 parks in the UK over 4,000 are thought to have significant cultural and/or natural heritage value. The UK's parks are rooted in the industrial revolution and Queen Victoria's reign when an intense period of park-making created iconic parks such as People's Park, Halifax; Birkenhead Park, the Wirral; and Battersea Park, London. Park creation continues today and HLF investments now include parks from the earliest days through to those created post-war. Investment by the National Lottery has led to a significant increase in both the technical and public understanding of their history and conservation.

In 2015 HLF's *20 years in 12 places research* concluded that parks are some of the most recognised projects HLF has funded, that they generate local pride and direct personal benefit to users including National Lottery players. In Shrewsbury, for example, residents considered Quarry Park to be the heritage project that had had the greatest impact in their town (93% saying they used it and 88% saying it had improved their quality of life). It also

showed our investment in parks reached the largest proportion of residents and recorded the greatest contribution to people's quality of life.

Our State of Parks 2016 research shows 79% of people wanted more National Lottery funding for parks with only 2% opposed. Demand for our funding remains strong.

How we fund parks

For smaller projects we award funding through our programmes Sharing Heritage (£3k to £10k) and Our Heritage (£10k to £100k). For projects over £100k, grants are awarded through our Parks for People programme (£100k to £5m). Grant applications over £5m can be supported through our Heritage Grants Major Batch (£5m +). Funding to support organisations to take on the management of parks or to support transition to new management models can be funded through our new Resilient Heritage (£3k to £250k) programme.

All grants require match funding (for example between 2011 and 2016 we contributed £160,591,500 to 68 projects which leveraged an additional £35,908,259 of additional partnership funding), but sources of matched funding for parks tend to be limited compared to other HLF programmes. Sources include Section 106, Community Infrastructure Levy, volunteer contributions, local authority grants and occasionally contributions from local businesses.

What we fund

Investments to date have predominantly included the principal historic parks of many urban centres, but also country parks, urban squares, marine esplanades and cemeteries. HLF funds the conservation of park features and facilities such as bandstands, monuments, lakes, paths, structural planting and wildlife habitats, as well as facilities to engage users and new audiences, such as play spaces, cafes, learning spaces, toilets, training and volunteer facilities, and activities. We also offer grants to, for example, help a community group take on the management of a park or green space, helping organisations strengthen their organisation and its financial sustainability and to providing training in specialist skills such as horticulture, research and interpretation.

Spread of funding

Although distribution will never be uniform, given that the largest proportion of parks are in major industrial cities, we are committed to ensuring that all parts of the UK have access to our funding - borne out by HLF's record of 80+% of all funding going outside of London. It is noted that the English regions with the largest industrial cities have received a greater proportion of funding for parks (North East, North West, West Midlands and Yorkshire & Humber) over the less industrialised regions (East of England, South East and South West). London has received broadly the same share of funding for parks (19%) as it has for all HLF funding. An independent evaluation in 2013 of 135 projects showed over 50% of funding (£131m) and nearly 40% of grants (54) went to the 20% most deprived areas of the UK and that the biggest increase in park satisfaction was in the most deprived areas.

Our wider support for the parks sector

We have supported the wider sector by building capacity and financial resilience, by supporting umbrella organisations including The Parks Alliance UK (£10k), GreenSpace Scotland (£60k), and the London Parks & Greenspaces Forum (£28k). However leadership within the sector is hampered by the lack of an overarching properly resourced development body leaving a vacuum for knowledge sharing, research, development and networking.

4 WHY DO PARKS MATTER?

- We know people use their local parks regularly and that usage is rising.
- Over 37 million people (57%) regularly use parks. They deliver a host of local benefits including improved quality of life and health, free access to recreational space and nature, especially for families, younger adults and city dwellers.
- Some of the most frequent park users are those between 25 and 34 years of age where 70% use their local park at least once a month. Parks are clearly important for families and households with children under the age of 5 where over half, 55%, use their local parks at least once a week and 90% at least once a month or more.
- Black and minority ethnic residents are also frequent users of parks; 71% use their local park monthly or more, compared to 56% of white residents.
- Amongst those living in urban areas, 61% use their parks at least once a month, which is 10% higher than residents in rural areas.

For a comprehensive understanding of why parks matter to people and communities we would refer to our [2014 State of UK Public Parks report](#) and our [2016 State of UK Public Parks report](#) and accompanying research data.

5 WHAT CHALLENGES DO PARKS FACE?

- Reduced funding for parks could potentially undermine more than two decades of National Lottery and public investment. Whilst many park managers are successfully papering over the cracks, other parks are already beginning to visibly decline.
- An increasing number of park managers report that maintenance budgets continue to fall, staffing in the sector is decreasing and fewer park managers report improvement in their parks in the past three years. There is a growing deficit between the rising use of parks and the declining resources available to manage them.
- A higher proportion of local authorities are facing budget cuts since our 2014 survey and over the next three years not one plans to increase revenue funding for parks despite reporting increasing usage.
- Increasing numbers of local authorities are planning to dispose or transfer the management of parks and green spaces to others which, if funded and supported properly, would potentially allow new local organisations to take a greater role. However, the process only works if those taking on the land are willing, properly prepared, supported and funded, and if local communities are actively involved.

The condition of the UK's public parks

Our two State of UK Public Park reports offer the only comprehensive assessment of the recent, present and likely future condition and funding of parks. The research helps us to protect past National Lottery investment by measuring the scale of change and nature of current challenges being faced both for those parks where we have invested but also across the whole green space network. It highlights an emerging polarisation of funding for parks with greater focus on flagship or principal parks – often those where the National Lottery has invested - at the expense of smaller local neighbourhood green spaces. We recognise this may be an unintended consequence of our efforts to protect our past investment, combined with the need for local authorities to respond to the impacts of austerity.

Funding for parks

Our latest research shows that 92% of park managers report their maintenance budgets have reduced in the past three years and 95% expect their funding will continue to reduce over the next three years. They expect a decline in quality, skills, morale, support for park friends and user groups, volunteer recruitment, training and ultimately park usage. At the same time, fees and charges, complaints, the transfer or disposal of assets, anti-social behaviour, vandalism and the closure of facilities are all expected to rise.

This year the Association of Public Service Excellence found 78% of local authorities agree or agree strongly that 'the squeeze on public sector resources is affecting parks and green spaces disproportionately to other service areas.'

County councils, urban metropolitan and unitary authorities anticipate the highest level of cuts over the next three years. Across individual UK countries: 80% of English and Welsh councils expect cuts of 10% or more, followed by almost 60% of Scottish councils and 50% of councils in Northern Ireland. English regions expecting the greatest budget cuts are the North East, East of England, North West, Yorkshire & Humber and the South West.

Role of local authorities

There is no exact figure for either the number of parks or the number in local authority ownership, however most are probably owned and maintained by local authorities. As a non-statutory service they could be seen as a soft target for budget reductions - but statutory services are also subject to budget reductions and there is insufficient evidence to demonstrate that adding a new statutory duty for park provision and/or maintenance would solve the current funding problem. Our evidence shows that where parks are a corporate priority and the local authority maintains an up-to-date parks or green space strategy then parks tend to be improving. We would argue for a new requirement on all local authorities to (i) produce and maintain a funding and investment strategy for their parks and green spaces; (ii) publish annual data on quantity, quality and funding for parks.

6 RISING TO THE CHALLENGE

- Some parks are exploring new ways of funding with some promising results, but it is early days. More research and testing are needed to establish what works and more effective mechanisms are needed to share the lessons from the pioneers.
- The government, local authorities, businesses, funders, charities, the parks sector and local communities need to come together to nurture, fund and support innovation.
- Just 20% of people support increasing charges for using park facilities. Whilst the increasing commercialisation of parks can be contentious if the use is not compatible with the park or supported by local people, 59% of the public support more commercial uses of parks (e.g. events, fairs and shows).
- Local authorities report increasing levels of funding from external sources including commercial use, sponsorship, charging for facilities and planning gain. Research and history dictates that a mixed range of funding sources, including local authority funding, will be essential to funding parks and green spaces in the future.
- Our research shows that over the last three years and the next three years, no local authority in the UK has or plans to increase their budget for parks and green spaces. Whilst around 22.5% of funding currently comes from sources external to local authorities, this is expected to rise to 29% over the next three years. Our concern is that any increase will not keep pace with the scale of anticipated cuts.

Innovation in the sector is common but past reliance on secure annual revenue means skills around financial management, securing external funding, partnership working and community engagement have been neglected but are an increasing priority. Landscape design, ecological and horticultural skills are all now considered a lesser priority by park managers, implying that these specific skills, required to properly manage landscapes, will be eroded in future.

Opportunities to develop new skills are limited and examples such as the Leaders Programme, previously run by DCLG-supported Cabe-Space, which led to a cohort of knowledgeable park experts, should be re-considered.

Innovation is most effective when the exact scale of challenge is accurately known. Our research showed that 22% of park managers do not know how many parks they manage (up 5% since 2014) and 39% of local authorities were unable to give information on park maintenance budgets (up 10% since 2014).

Rethinking Parks

In 2013 HLF recognised that the sector would benefit from support to identify, explore and test new ways of financing and managing parks. With innovation charity Nesta and Big Lottery Fund (England), we developed a two-year long innovation programme called [Rethinking Parks](#). In December 2015 the 11 prototype projects completed with all providing learning and some potential for new ways to fund and manage parks. At the outset the projects all agreed to share their learning.

7 IDEAS FOR THE FUTURE

Our research, experience and Rethinking Parks study has taught us that in future we should consider the following:

Recognition of the need for a mixed economy

- Local authorities need to rapidly move from current decreasing maintenance budgets with reducing staff resources, to a new mixed income system that might involve more commercial operations, working with new partners and organisations, engaging local community groups and potentially new delivery models such as trusts or the private sector.
- We therefore suggest that the Government, local authorities, charities, funders, business and the park using public need to work collaboratively on the following themes to address future needs.

Continuing local authority leadership

- Only around 48% of local authorities currently have a strategy for green space (down from 76% in 2014) yet those local authorities with an up-to-date strategy in place reported their parks to be both in good condition and improving.
- Only 18% of local authorities where parks were not a corporate priority reported improving parks. The value of strategies, elected member champions and parks as a corporate priority is needed hence our suggestion this should be explored as a new statutory duty.

Promoting and supporting active partnerships

- As more organisations become responsible for managing parks, mixed models of park management will include public, private, third sector and community based

partners either working collaboratively with local authorities or at arms-length through formal agreements.

- There are examples of good practice across the UK but there is an increasing need to find ways to better share learning, continue to support existing networks and establish, and fund, forums in those areas where they don't currently exist.
- Initial research suggests park trusts perform well and could be a successful model but many authorities are considering this route in the absence of detailed evaluation of their effectiveness (and crucially their long-term viability). Further research is urgently needed to provide a better understanding of their practice, future potential and possible pitfalls.
- Increasing transfers of park management to local parish, community and town councils require further investigation or there is a risk that fragmentation of responsibility for parks could hamper efforts to establish and deliver strategic environmental and policy objectives (including landscape-scale biodiversity enhancement and climate change adaptation/mitigation).

Supporting the voluntary sector

- Friends and user groups already contribute an estimated £50m per year in funding (up £20m from 2014) and £70m in value of volunteering hours each year (up £30m from 2014) to supporting parks. However, only 7.1% of friends/user groups take full responsibility for site maintenance and management, a small rise of 1.5% from 2014. Widespread transfer of entire parks to community groups seems unlikely, but instead could focus on particular assets such as sports facilities or on activities such as events, learning and fundraising.
- Local authorities and community groups could split and share obligations in a fair, balanced way of mutual benefit to local residents and volunteers. The public sector may be better placed to retain responsibility and fund complex aspects of management such as insurance, health and safety audits, legal and financial administration. Increased opportunities to develop new skills, accredited training and volunteer leadership are needed to sustain the volunteer effort. However it is vital to recognise the importance of a managed process of asset transfer and agreed shared management.

Developing new models of management and funding

- A number of local authorities have been exploring alternative delivery models for their park services. Research and case studies are needed to help improve the understanding of the strengths and weaknesses of different options and models.
- A learning hub / centre of excellence is needed to support local authority park services in adjusting to change. A central pool of knowledge and experience, for a time-limited period, would allow research and learning to be shared, and progress towards financial sustainability to be monitored. HLF and the projects we support have a wealth of experience and knowledge to contribute, and our many park projects and grantees would stand to benefit.
- Independent capital reserves through endowments could sustainably fund some park services in future. Techniques to model this approach should be developed and shared with those considering taking on formal and long term responsibilities. Support is needed to develop the skills needed for fundraising, creating and using endowments as well as understanding potential sources of funding for endowments themselves.

Compiling, coordinating and updating data

- Despite efforts there are still major gaps in data at local authority level. Audit and management of park assets including aspects of land ownership, legal restrictions, building inventories and condition of individual parks all need improvement to underpin business planning. The new Ordnance Survey green space map for England should improve a local authority's ability to capture information, however pilot projects are needed to demonstrate how this new mapping resource can best be employed by local authorities.
- The 2014 State of UK Public Parks report described how a compendium of 'City Park Facts' similar to that used in the USA would allow comparison of park and green space data from towns and cities across the UK.
- Natural capital accounts may provide a more accurate economic or real value of parks and green spaces. Several UK cities have explored ways of calculating the economic value and benefits of the free goods and services that parks provide for people and places. The National Trust and Sheffield City Council will be publishing a Natural Capital Account for Sheffield's parks and green spaces on 20 October. HLF is working with the National Trust and Greater London Authority on a similar project for London. Once a tried and tested model has been developed, more cities should consider using Natural Capital accounting.

Heritage Lottery Fund September 2016

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8 APPENDIX

Tables showing spread of HLF funding for all projects and park only projects by English region and UK countries.

All Heritage Lottery Fund Programmes

Regions	No of Projects	% of No of Projects	Grant Awarded	% of Grant Awarded	% of population
East Midlands	3,259	8%	£438,902,925	6%	7%
East of England	3,781	9%	£475,517,260	7%	9%
London	3,866	10%	£1,321,599,778	19%	13%
North East	2,352	6%	£370,292,919	5%	4%
North West	4,074	10%	£763,298,592	11%	11%
South East	4,110	10%	£751,526,222	11%	14%
South West	4,012	10%	£653,413,943	9%	8%
West Midlands	3,668	9%	£511,796,987	7%	9%
Yorkshire and The Humber	3,375	8%	£495,772,294	7%	8%
England	32,497	81%	£5,782,120,921	81%	84%
Wales	2,422	6%	£343,536,929	5%	5%
Northern Ireland	1,284	3%	£209,900,274	3%	3%
Scotland	3,821	10%	£803,249,572	11%	8%
Grand Total	40,024	N/A	£7,138,807,695	N/A	N/A

Parks

Regions	No of Projects	% of No of Projects	Grant Awarded	% of Grant Awarded	% of population
East Midlands	66	8%	£52,569,177	6%	7%
East of England	72	8%	£51,660,055	6%	9%
London	140	16%	£163,019,348	19%	13%
North East	55	6%	£70,841,855	8%	4%
North West	132	15%	£118,339,585	14%	11%
South East	85	10%	£71,509,887	8%	14%
South West	53	6%	£40,878,036	5%	8%
West Midlands	61	7%	£75,093,350	9%	9%
Yorkshire and The Humber	78	9%	£90,451,530	11%	8%
England	742	86%	£734,362,823	87%	84%
Wales	42	5%	£36,519,846	4%	5%
Northern Ireland	14	2%	£13,668,700	2%	3%
Scotland	61	7%	£57,929,895	7%	8%
Grand Total	859	N/A	£842,481,264	N/A	N/A

Notes

These tables do not include commitments made after 1st April 2016 and lists the number of projects rather than the number of parks invested in. Data in our written evidence reflects that used in the 2016 State of UK Public Parks report.

The funding for Parks in the table includes the Parks for People programme (UK-wide for Heritage Lottery Fund, supported by Big Lottery Fund in England) and also funding for parks awarded through other HLF programmes.