



THE ECONOMIC VALUE OF OUR **GREEN SPACES**

FEBRUARY 2018

GREEN SPACES... add value

Well maintained and well managed green spaces change lives for the better, but only with long term funding in place.

Currently, investment in restoring derelict land or transforming land into green space is perceived as having no economic value.

Through our research reported here however, and in earlier reports on the social value and natural capital value of our green spaces, we disprove this view and provide evidence that demonstrates the positive economic benefits to be had by all.

A success story...

Port Sunlight River Park

This park is a former landfill in Wirral, Northwest England and located by some of the most deprived neighbourhoods in the country¹.

In 2014 the Land Trust working with the land owner Biffa Waste Services Ltd and other partners transformed the site into a 30 hectare park and wetland, after securing £3.4 million of public and private investment for its creation and long term maintenance.

So far, it has been a great success. Local people take an active role in caring for it and in turn, it is improving their health and wellbeing. It also brings communities together, creating jobs, volunteering and learning opportunities.

As well as improving the lives of individuals and communities, this research enables us to state that green spaces such as this park, have a positive impact on the local economy too.



**autism
together** 

A local autism charity manages the park on a daily basis on behalf of the Land Trust.

Challenges Remain

We still face challenges for well designed, well managed and well funded green spaces

- ▶ Developers, investors and Government are not yet advocating the benefits and value of green spaces
- ▶ Investment for long term maintenance is overlooked
- ▶ Uncertainty between who pays and who benefits
- ▶ No early consideration of investment for long term maintenance
- ▶ Poor designs can result in expensive maintenance costs
- ▶ Green space maintenance costs not considered
- ▶ Investment in restoring brownfield perceived as not value for money

GREEN SPACES...

improve local economies

Well managed green spaces can contribute to the economy in many ways and this can enhance the desirability of an area as a place to live, work, play and invest.



£7.8 MILLION
ESTIMATED TOTAL VALUE
THAT THE PARK ADDS
TO HOUSES LOCATED
WITHIN 500 METRES

£48,000
TOTAL ANNUAL REVENUE
GENERATED
BY BUSINESSES
WHICH OPERATE
IN THE PARK



Good quality green spaces:

- ▶ Improve an area's attractiveness
- ▶ Increase property values
- ▶ Encourage local investment
- ▶ Generate local business revenue
- ▶ Create and safeguard jobs
- ▶ Enable volunteering, learning and development
- ▶ Protect homes and businesses from flood risk



“I've been involved with Port Sunlight River Park from the outset, so have seen how the Land Trust's model for managing parks long term can really benefit communities.

But this research goes further and can show that long term management of green spaces improve property values and local business revenues too, which is crucial evidence that should increase investment in public green spaces.”

Alison McGovern MP



Overcoming the challenges!

To show the value added by our green spaces, we commissioned Manchester Business School to research the local economic impact as a result of our park - **Port Sunlight River Park in Wirral**².

The results have been positive and support our belief that **well maintained, well funded green spaces** (whether former brownfield land, existing or new spaces) not only **deliver environmental and social benefits**, they also **generate economic growth**³.



GREEN SPACES... add value to houses

Port Sunlight River Park has had a direct positive impact on local property values. The greatest uplift is within 500 metres.

5.4% increase

The increase in value every 100 metres that a house is closer to the park within 500 metres.

£7.8 million

Estimated total value that the park adds to houses located within 500 metres.

£8,674

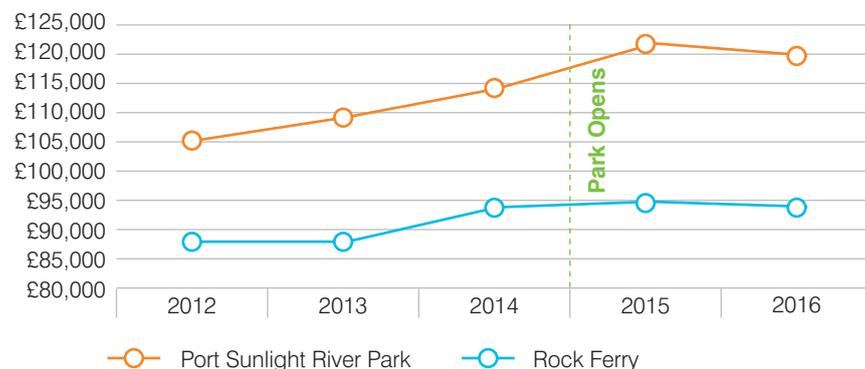
The average addition per house price within 500 metres of the park.

£3.4 million investment to create and maintain the park in perpetuity has already added £7.8 million to nearby properties in just 3 years

Green spaces make a difference

- The graph shows that green space adds value to properties. We compared the area around Port Sunlight River Park with that of Rock Ferry, an area with similar commercial and residential land use allocations but with **less green space**.
- Property values next to Port Sunlight River Park have increased more sharply since the park opened in 2014.

Trend analysis of house prices



Map data ©Google 2018

The maps above show the balance of land use in two different local areas.

- Commercial Space
- Residential Space
- Open Green Space

"I was planning to move away from the area in 2013 but hearing about the arrival of the new park made me change my mind. This was a great decision, as the park has become a big part of my life."

Carolyn Welsh

local resident, park volunteer and dog walking business owner



GREEN SPACES... upfront investment is key

Our research has found that:

- ▶ Our green spaces and our long term management do help new developments succeed
- ▶ Some development professionals do recognise that a good quality green space benefits new developments
- ▶ The development sector overall does not recognise the direct return on investment
- ▶ The development sector does not have the mechanisms to quantify any direct benefit
- ▶ There is a lack of understanding in the development sector of the benefits of green spaces next to developments and how they can contribute to land value uplift

Port Sunlight River Park visitors are willing to pay on average, **£9,478 more** for a house next to a park compared to the same house next to an industrial site.



Developers will see a direct financial benefit if they:

- ▶ Plan, design and deliver green spaces into new developments from the outset
- ▶ Secure the long term investment to maintain the green spaces from the outset



"I believe that the park has had some effect on our revenues. House prices are certainly higher as a result of the park but it's impossible to quantify at this stage"

**Tim Pegg, Land Director,
Persimmon Homes**

"Port Sunlight River Park does have an indirect influence in that it is a supporting factor for new housing development applications"

**Tony Field - Director,
Dibbin Estates & Equipment Ltd Landowner**



GREEN SPACES...

increase local business revenue

Green spaces benefit a variety of local businesses, both onsite within the park as well as in the surrounding areas.

40,000 PARK VISITORS
per year help local businesses

£48,000

**TOTAL ANNUAL REVENUE
GENERATED BY BUSINESSES
WHICH OPERATE IN THE PARK**



£38,000
**HOW MUCH PEOPLE
SPEND PER YEAR
IN LOCAL BUSINESSES
WHILST VISITING THE PARK**

NEARLY 50%



**11 SMALL
BUSINESSES**

**USE THE PARK FOR
BUSINESS PURPOSES**

£40,000

**THE AVERAGE ANNUAL BUDGET
FOR AUTISM TOGETHER
TO MAINTAIN THE PARK AND
ENGAGE THE COMMUNITY**



**OF PARK USERS VISIT
A LOCAL BUSINESS
BEFORE OR AFTER
VISITING THE PARK**

autism together

Autism Together, a local charity was appointed by the Land Trust in 2014 to deliver the day to day management of the park.

The park helps the charity to support 55 people per week, enhancing confidence, skills and social inclusion.

This park has also helped the business grow, its garden centre's turnover has increased since the park opened.

"The garden centre sales have been growing year on year and I believe that Port Sunlight River Park has played a major role in this growth in revenue."

Terry Usher

Quality & Development
Manager, Autism Together

"I love working at the park – it's helped me learn new skills, have more confidence, make new friends and spend time in the fresh air!"

James, service user with
Autism Together

Annual revenue of Bromborough Pool Garden Centre



25%
**of park visitors
go to the garden
centre before or
after visiting Port
Sunlight River Park**



GREEN SPACES...

generate economic uplift

Well managed green spaces and parks have a direct positive economic impact in local areas:

- ▶ **Improving property values**
- ▶ **Increasing business revenue**
- ▶ **Creating and safeguarding jobs**

Long term investment to maintain good quality green spaces will lead to sustainable economic growth. This can be even greater, where employment is low and deprivation is high.

The development, property and planning sectors need to be willing to overcome the barriers to reap the benefits.



GREEN SPACES...

what needs to change?

Development sector

- ▶ Needs to measure the positive impact of green spaces on land and development values and be transparent about their benefits through the planning process
- ▶ Needs to consider arrangements and build in costs from the outset for the long term maintenance of good quality green spaces

Local Authority planning departments

- ▶ Must ensure funding for long term maintenance of green space within new developments is included in plan-making and planning application decisions
- ▶ Must consider how planning policy can ensure new developments contribute investment to nearby existing green spaces, to support increased footfall and help maintain good quality areas

Government

- ▶ Must ensure planning policy guidance requires funding mechanisms for long term maintenance of existing and new green spaces to be established in new development proposals
- ▶ Must ensure that national planning policy and practice guidance acknowledges that long term maintenance for green spaces in developments is vital for promoting healthy communities
- ▶ Must ensure government appraisal tools incorporate costs of long term management of green spaces as a part of a project

Wider stakeholders and consultees

- ▶ Need to proactively and positively support the development sector and local authority planning departments to agree on the most appropriate mechanisms to secure investment for long term green space management

Well maintained green spaces contribute significantly to maintaining a resilient economy, society and environment.

By factoring green spaces in from the outset, it is a win, win, win for the creators, the investors and the occupiers of these places.



GREEN SPACES...

change lives for the better

The Land Trust works to make this happen by securing long term investment to provide well managed green spaces in perpetuity.

Remember!

Good quality, green spaces benefit:

- ▶ Individuals and communities
- ▶ Developers and local businesses
- ▶ Local government and society as a whole

This can be achieved through:

- ▶ Upfront investment
- ▶ Public and private investment
- ▶ Long term investment



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¹<https://www.wirralintelligenceservice.org/jsna/indices-of-deprivation-2015/>

²This research project was delivered by Alliance Manchester Business School MBA students with the support from Autism Together.

³"Evidence of Economic Impact of Port Sunlight River Park". Refer to the full reports for details at www.thelandtrust.org.uk/thebenefits