

NFNPA RAPC 317/16

NEW FOREST NATIONAL PARK AUTHORITY

RESOURCES, AUDIT AND PERFORMANCE COMMITTEE – 21 NOVEMBER 2016

LOVE THE FOREST VISITOR GIVING SCHEME

Report by: Paul Walton, Head of Environment and Rural Economy and Mark Holroyd, Transport and Tourism Manager

1. Introduction

- 1.1 The New Forest Trust (NFT) is seeking the Authority's assistance in developing the Love the Forest Visitor Giving Scheme (VGS) to raise funds for conservation and education projects within the National Park. Visitor Giving, is a method of inviting voluntary donations from visitors, inspiring them to put something back into looking after the places they love to visit. Similar schemes are run in a number of the UK National Parks and are a common feature of protected area management globally.
- 1.2 The Love the Forest scheme is well established but in need of fresh impetus following the departure of the scheme manager. An independent report was commissioned to assess the potential to develop the scheme further. By joining with the NFT to deliver the VGS the Authority will be in a position to expand the range of the scheme to take in more businesses, raise the profile of the VGS through existing communication channels and visitor facing areas of work, and to influence the nature of the projects that might benefit from funds raised by the scheme. It would provide the opportunity for the Authority to develop skills around commercial activity and fund raising separate from the current emphasis on grant applications, which is in keeping with the emerging external funding strategy. There are also likely to be additional benefits in developing closer links to a charity with similar objectives to that of the Authority e.g. accessing grants that are currently unavailable to non-charitable bodies.
- 1.3 The NFT has proposed that the Authority provide staff resources and the use of our brand to help develop the Love the Forest scheme, with the objective of increasing both the amount of income generated and the range and number of businesses supporting the scheme. There will be a cost to the Authority but the potential for significant levels of income to be generated in support of the National Park purposes justifies the costs incurred. A two year trial period could cost the Authority up to £35,000 per annum (staff time and materials) but the arrangement would see a percentage of the funds raised returned to the Authority to offset these costs, with the value of funds returned increasing with the amount of funds raised.

2. Background

- 2.1 Visitor Giving is a way of offering visitors the opportunity to contribute to the upkeep of places they love by providing a mechanism for collecting donations large and small which, collectively, can add up to a significant amount of funding. Usually associated with financial contributions a Visitor Giving Scheme (VGS) could also include volunteer time as a contribution "in kind". VGSs are operated in a number of national parks eg

Love the Broads, Donate for Dartmoor, Nurture Lakeland. In most cases the schemes have charitable status, enabling the managing body to access grants and corporate sponsorship and providing a framework for transparency and accountability for the receipt and investment of donations.

3. Love the Forest Visitor Gift Scheme

- 3.1 The NFT has operated the Love the Forest VGS since 2006. Primarily, the scheme involves a voluntary payment by visitors, through their hotel billing system, to assist the conservation, protection, improvement and management of the unique landscape they have come to visit. This money is distributed by the NFT in the form of grants to suitable projects. In 2012, the Trust received a LEADER grant to employ a part-time director to grow the Scheme. This member of staff was in post until January 2016. The VGS has raised £189,000 since it started in 2006, with a total of 47 businesses supporting the scheme. In 2015/16 the VGS generated income of £32,542 with 36 businesses participating in the scheme.
- 3.2 In early 2016, the Authority was approached by the Trust to assist in planning for the future of the scheme and to form a closer relationship with the NPA in its operation. A number of options were discussed and an independent report was commissioned to identify a way forward. The report was based on a survey with participant and non-participant businesses in the Scheme to understand its potential for growth.
- 3.3 The report concluded that with the right management and support there was the scope to increase income to £160,000 a year by 2020-21. The outcome was most likely to be achieved by a partnership between the NFT and NPA, with the Authority hosting and covering the cost of the development of the scheme in return for a proportion of the schemes receipts. Greater involvement of the New Forest Tourism Association, as key stakeholders, will be sought in the future development of the scheme.

4. Love the Forest and the National Park Authority

- 4.1 To develop the Love the Forest scheme will require dedicated officer time (estimated to be 0.5FTE) for an initial two year period, along with support from other NPA staff. If it is agreed to support the scheme then existing staff time will be redirected to the development role, meaning some existing areas of work will have to be dropped, delayed or the pace of completion altered. This would be determined by the Executive Leadership Team and reflected in the Business Plan for 2017/18. Some of the cost of managing the scheme will be offset by a proportion of the income generated by the scheme (20-25% of the funds raised has been discussed to date). The officer would lead on recruiting new businesses to participate in the VGS, carry out direct marketing activity for VGS on behalf of the Trust, co-ordinate embedding promotion of the scheme within existing NPA channels and support the grant giving process. With support from the communications team, finance and corporate services it is anticipated that the cash equivalent cost to the Authority could be £35,000 pa.
- 4.2 Successful Visitor Giving Schemes encourage contributions in a variety of ways e.g. an "Opt-in" donation on a hotel bill, special promotions in cafes and restaurants, an entry fee levy on events, online campaigns and crowdfunding projects. The NPA has good links with the business community through the New Forest Tourism Association, New Forest Tour, New Forest Business Partnership, New Forest Marque and the work

of the New Forest Land Advice Service. We organise and help facilitate events from the Walking Festival to guided cycle rides. Our reach to visitors via our website, social media, publications, New Forest Tour Rangers and Travel Concierge is much greater than that of the Trust, enabling us to contact large numbers of potential supporters. A coordinated approach to embedding visitor giving across all of these existing areas of our work would have the capacity to greatly increase the numbers of businesses taking part in the scheme and the amount of income generated by the Love the Forest scheme. Conservatively, it is projected that the number of businesses taking part in the scheme could grow to 50+ by the end of year two.

- 4.3 A full review of the Scheme will be undertaken by the Authority within this initial requested two-year 'trial' period to ensure its continued viability and future sustainability. Should the Scheme meet the projections within the scoping report, it is envisaged that the Authority's financial input would decrease over the next five years, after which the Scheme would become self-funding.
- 4.4 The NFT has already committed £30,000 of match funding towards the Our Past, Our Future Landscape Partnership Programme, which may be at risk should the VGS cease to exist or suffer a rapid decline in donations.

5. A Partnership between the NPA and NFT

- 5.1 The NPA and NFT share similar objectives and there is a common interest in trying to make the Love the Forest Scheme a success. The charitable objectives of the Trust are:
- To promote and support the conservation, protection and improvement of the New Forest landscape and general environment.
 - To promote and support the conservation and protection of the commoning livestock, the deer and other flora and fauna of the New Forest.
 - To promote and support the education and understanding, by the public, of the commoning of livestock, the deer and other fauna and flora and the general environment and landscape of the New Forest.
- 5.2 There are a number of risks associated with the NPA working in partnership with the NFT, some of which are set out below. The work of the NFT is governed by Charity Commission rules and the NPA will not be able to exert direct control over the way the charity is run and the use to which the funds raised might be put. Equally the NFT will need to agree to some common control over the scheme if they are to enter in to a partnership with the NPA, prior to partnership activity being delivered.
- 5.3 It is anticipated that a Memorandum of Understanding between the two parties would be prepared that would seek to manage the risks identified. A MoU would provide a clear framework within which the VGS can be delivered and funds generated for the long-term conservation and management of the National Park.

6. Risks

6.1 There are a number of key risks which members should understand and accept before proceeding:

Risk	Consequence	Control
Governance – financial decision making relating to VGS funds will be outside of the control of the Authority	In theory, the Trust would be able to spend funds raised with the use of NPA resources on projects or activities which did not have NPA support.	The formation of an advisory group which includes the NPA to make recommendations to the trustees of the Trust on the award of funds. Separate accounts published for VGS annually. The MoU will set out the expectations of both organisations for the effective management of the scheme. Subject to Charity Commission rules, an NPA member could be co-opted onto the NFT Board of Trustees
Governance – Lack of clarity about the distinction between VGS and NFT	NPA support for the VGS and its grants is misinterpreted as funding for, or control over the Trust	Separate accounts published for the VGS annually. Clarity in communications.
Governance - Risk to independence of the charity	NFT could be subject to investigation by the Charity Commission.	The NFT will remain an independent charity. The Authority will not be able to impose decisions about its management onto them. An advisory board will make recommendations about the giving of grants from the scheme.
Financial – scheme doesn't achieve financial predictions	A lower income to the Authority than forecast and less funding going to good causes within the Forest.	Regular financial monitoring by NFT Board and the Authority. The Authority will initially commit resources for a two year period, at the end of this period it can review its involvement.
Financial – running costs of the scheme is perceived as very high by donors	Communications risk for the Trust and the Authority. Donors no longer willing to participate in the scheme.	Existing VGS schemes in other National Parks will be used as a benchmark to set the level of the funds generated which can be used to offset the cost of administering the scheme.

Risk	Consequence	Control
Reputation - Grants awarded do not match business and donor expectations	The scheme will lose credibility and support from donor businesses that are critical to access donations from visitors.	A recent survey of tourism businesses about the future of the VGS gives a useful steer as to tourism business expectations of what the scheme should be funded. The grant criteria will be agreed during the creation of the MoU and the New Forest Tourism Association should be involved in this process and any subsequent advisory group.
Reputation - Perceived conflict with other areas of the Trust's work e.g. Commoners Housing and planning	Potential damage to reputation of both organisations.	Established procedures in place for the management of conflicts of interest with planning issues. The MoU could set out the procedures in the event of a conflict of interest.

7. Alternative Options

Members may wish to consider alternative options which could be developed further by officers:

1. Do nothing – The amount being donated to the VGS is declining without the support of officer time to maintain the scheme. Within two years the scheme may close and it will be difficult to resurrect this or another such scheme after this happens. It is likely that if the current scheme didn't exist, within a couple of years the Authority and its partners will be looking for ways to raise money for local projects through a charitable body. If the VGS is not continued it is unlikely that the Authority will receive its £30,000 donation towards the Our Past, Our Future programme (the Trust are supporting the Common Cause project within this programme).
2. Offer limited support – e.g. promotion of the scheme through existing NPA channels as the official visitor giving scheme for the National Park without dedicate staff resource to develop the scheme further. In this situation, while the profile of the VGS will grow to an extent, the recruitment of new businesses to collect donations for the scheme is unlikely to happen without a Development Officer.

8. Recommendations:

It is recommended that Members agree the principle of working in partnership with the New Forest Trust in the following ways:

- 1 to develop the Love the Forest Visitor Giving Scheme, using existing NPA staff;**
- 2 agree for Officers to develop a Memorandum of Understanding (MoU) with the New Forest Trust to determine the future arrangements of the Scheme;**
- 3 how the funds will be awarded; and**
- 4 how the scheme will be monitored and the draft MoU to be brought to the Authority for approval in January 2017.**

Papers:

NFNPA/ RAPC 317/16

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Equality Impact Assessment:

There are no specific equality or diversity implications arising out of this report.