

SUMMARY



Revaluing Parks and Green Spaces

Measuring their economic and
wellbeing value to individuals

This report provides a robust economic valuation of parks and green spaces in the UK as well as valuing improvements in health and wellbeing associated with their frequent use. This is the first research study on parks and green spaces to use welfare weighting methodology, allowing for more informed evidence-based policy decisions.

We know from numerous research studies that access to local, quality green space improves the physical and mental health and wellbeing of all sections of the community. Indeed, the Marmot Review, 2010,¹ recommends that improving the availability of good quality green spaces across the social gradient will help reduce health inequalities. Yet despite wide recognition of their value there has been a significant decline in the quality of local parks in the intervening period.²

The provision of publicly accessible parks and green spaces is a policy issue at multiple levels of central and local government, devolved national administrations and local authorities. Parks and green spaces are typically free at the point of access and this access is usually unregulated; spaces where people can move, breathe, play and run.

However, these fundamental benefits historically made it difficult to quantify their impact in monetary terms, a crucial element of making a compelling business case to local authorities to support the ongoing funding and existence of parks and green spaces.

Fields in Trust is a UK-wide charity that actively champions parks and green spaces by protecting them in perpetuity; over 2,700 spaces have been protected since the organisation was founded in 1925.

It is the view of Fields in Trust that few public services have such a wide-ranging, positive impact on local communities as parks and green spaces on which to play. Unfortunately, such spaces tend to be valued within local budgets according to their maintenance costs rather than their true dividend to local communities which vastly exceeds such sums because of their multiple benefits. Parks and green spaces can:

- › **Contribute to a preventative health agenda**
- › **Reduce future Exchequer expenditure**
- › **Reduce health inequalities**
- › **Increase social cohesion and equality**

To further the case for revaluing parks and green spaces in terms of the contributions they deliver across diverse policy agendas including tackling obesity, mental health, wellbeing and loneliness, Fields in Trust commissioned Jump X Simetrica to perform new analysis and collect primary data specific to park and green space users in the UK.

This research was conducted in line with HM Treasury best-practice³ for valuing non-market goods, using two valuation methodologies: **Contingent Valuation** (stated preference to elicit an individual's Willingness to Pay) and **Wellbeing Valuation** (subjective wellbeing assigning equivalent monetary values to life satisfaction survey responses); and additional analysis to quantify partial health cost savings to the Exchequer. We have captured the value of the maintenance and continued existence of publicly accessible parks and green spaces, as well as the health and wellbeing value associated with frequent park use.

HEADLINE FINDINGS:



The Total Economic Value⁴ to an individual is

£30.24 PER YEAR

(£2.52 per month), and includes benefits gained from using their local park or green space and non-use benefits such as the preservation of parks for future generations.



The Wellbeing Value associated with the frequent use of local parks and green spaces is worth

£34.2 BILLION PER YEAR

to the entire UK adult population.



Parks and green spaces are estimated to save the NHS around

£111 MILLION PER YEAR

based solely on a reduction in GP visits and excluding any additional savings from prescribing or referrals.

¹Fair Society, Healthy Lives, Marmot Review, 2010 | ²HLF State of UK Public Parks, 2016

³HM Treasury The Green Book: Central Government Guidance on Appraisal and Evaluation, 2018 | ⁴TEV is a combination of use and non-use values based on a person's average Willingness to Pay

Green Spaces for Good

OVER 2,700
SPACES HAVE
BEEN PROTECTED
SINCE 1925



THE TOTAL ECONOMIC VALUE (USE AND NON-USE) OF PARKS AND GREEN SPACES

Our primary survey (using a UK-wide representative sample of over 4,000 UK adult residents) elicited HM Treasury consistent stated preference valuation results using a hypothetical scenario of a change in the current provision of parks and green spaces. The survey was detailed enough to enable us to differentiate average Willingness to Pay values between various socio-demographic groups.

Using this methodology, we were able to establish, in economic terms, a value for parks and green spaces that captures the benefits from direct use of a park or green space to the individual and the non-use benefits (gained from the existence and preservation of parks and green spaces regardless of use).

Although people who visit their park less often than once a month still value the existence of parks and green spaces, frequent park users⁵ state significantly higher Willingness to Pay values for parks and green spaces (67% higher than non-frequent users and non-users)⁶ Further analysis of the data also revealed significant differences in values depending upon a variety of factors including geographical location, size of park, income and ethnicity. When welfare weighting for income⁷ is applied the average Willingness to Pay for parks and green spaces increases significantly for Black, Asian, Minority Ethnic (BAME) and lower socio-economic groups. While considered best practice by HM Treasury Green Book, this study is the first to apply welfare weighting methodology to public parks and green spaces in the UK.

- › The Willingness to Pay value of parks and green spaces more than doubles for lower socio-economic groups when welfare weighted, **increasing from £2.00 to £4.32 per month.**
- › The Willingness to Pay value of parks and green spaces to BAME communities also increases significantly when welfare weighted **from £3.05 to £5.84 per month.**
- › Urban residents value parks and green spaces higher than the UK average Willingness to Pay value at **£2.89 per month**, and this value increases after welfare weighting **to £3.93.**

MOTIVATIONS FOR USE OF PARKS AND GREEN SPACES

Whilst there are different drivers for using parks and green spaces across different user groups, our survey demonstrates clear social motivations for using these spaces across all settings. Parks and green spaces are vital democratic spaces where people come together and interact and can play an important role in promoting social cohesion and integration, for example:

- › **A significant number of urban residents are motivated to use parks and green spaces as a 'home away from home' to socialise with friends, relax and picnic.**
- › **Rural residents primarily visit parks and green spaces for team sports or children's activities rather than individual pursuits.**
- › **A significantly higher proportion of park and green space users in our sample are part of a family (have dependent children) compared to non-users.**
- › **BAME respondents were twice as likely as white respondents to use parks and green spaces for team and individual sports and to meet friends.**

THE WELLBEING VALUE OF PARKS AND GREEN SPACES

Wellbeing Value is based on measurements of life satisfaction⁸ including physical and mental health benefits that stem from park usage. Using the same UK representative sample, we found that both wellbeing and self-reported general health are significantly higher for frequent park and green space users⁵ compared to non-users.

- › **An individual would need to be compensated by £974 a year to replace the life satisfaction they would have gained from using their local park or green space (more than once per month).**
- › **£974 is equivalent to approximately 9 days' pay for the average UK earner (£27,600).**
- › **Aggregated across the UK an estimated £34.2 billion worth of wellbeing benefits per year are delivered by frequent use of parks and green spaces.**

⁵An individual who uses their local park or green space on average once a month or more | ⁶Valuation scenario 1: Payment of a monthly subscription to an independent not-for-profit organisation set up to maintain and preserve all parks and green spaces in the local authority area | ⁷Welfare weighting for income is a process by which the value of each £1 that an individual is willing to pay is equalised by income to account for the marginal utility of income – £1 spent by someone who earns less has higher value and conversely £1 spent by someone who earns more has less value affecting their ability to pay (budget constraint) when asked the valuation question | ⁸Office of National Statistics measures (life satisfaction, happiness, sense of worthwhile) are evaluative subjective wellbeing measures incorporating all aspects of an individual's quality of life

EXCHEQUER COST SAVINGS FROM PARKS AND GREEN SPACES

Finally, we present partial cost savings to the NHS through reduced GP visits associated with frequent use of local parks and green spaces.

- › **Parks and green spaces are estimated to save the NHS around £111 million per year based solely on a reduction in GP visits (in other words, we do not account for additional savings to the NHS associated with reductions in prescribing or referrals).**

We know that if more people use parks and green spaces on a regular basis this would improve their health and wellbeing and subsequently increase the level of savings to the Exchequer.

REVALUING LOCAL PARKS AND GREEN SPACES

This report demonstrates that the value of parks and green spaces is substantial, based on two HM Treasury welfare consistent methodologies. While the values elicited in this study cannot be directly translated into cashable benefits, they have been conducted in strict adherence to HM Treasury Green Book guidance to represent the value of parks and green spaces to the local population, and therefore provide a crucial component of the overall business case in favour of these vital spaces. Additionally, we demonstrate the contribution that frequent park and green space use has on the preventative health agenda.

We believe it is the practical application of this valuation methodology at a local level that has the potential to make the most significant impact in terms of future planning, protection and funding of parks and green spaces.

⁹www.publications.parliament.uk/pa/cm201617/cmselect/cmcomloc/45/45.pdf

We now aim to develop this research into a Local Level Valuation Model by applying the primary research findings and values to individual parks and green spaces and their surrounding demographics.

This will go some way to achieving the recommendation in the Ministry of Housing, Communities and Local Government's response to the Select Committee Inquiry into Parks and Green Spaces to create "a robust, transferable model to enable local authorities to assess the value of parks and green spaces."⁹

THE POLICY IMPLICATIONS FOR PARKS AND GREEN SPACES

Parks and green spaces are clearly valued highly by communities and provide an enormous amount of quantifiable benefit to their local population. This new data on the Total Economic Value (use and non-use) of parks and green spaces is demonstrable for the entire local population thus enabling local authorities for the first time to make a robust, evidence-led business case for the economic and wellbeing value of parks and green spaces to local communities.

This research will enable a strategic approach to the provision of parks and green spaces by identifying areas where investment will have the most significant impact on individuals. It presents a new and compelling argument that, in a difficult economic climate, the provision of parks and green spaces should be prioritised in areas with lower socio-economic groups and a higher representation of BAME communities given the disproportionately high level of benefits that these groups derive from parks and green spaces.

The full report, setting out in detail the methodology and findings, is available as a free download from the Fields in Trust website www.fieldsintrust.org

ABOUT US

Fields in Trust champions and supports our parks and green spaces by protecting them for people to enjoy in perpetuity. Because once lost, they are lost forever.

Parks and green spaces in the UK are under threat and it is up to all of us to stem this cycle of disappearance and decline. We believe that everyone, irrespective of who they are and where they live should have the right to enjoy and benefit from local parks and green spaces. Parks and green spaces are proven to help people stay physically and mentally well; places where we can all move, breathe, run and play. They are an important tool to drive social cohesion, combat loneliness and build community spirit.

Fields in Trust is an independent charity with over 90 years experience protecting parks and green spaces. We work with landowners, community groups and policymakers to champion the value of our parks and green spaces to achieve better protection for their future at both local and national level.



Fields in Trust
36 Woodstock Grove
London
W12 8LE
www.fieldsintrust.org



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Research study and analysis carried out by Jump X Simetrica, leading consultants in social impact, policy evaluation and behaviour change.


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