AN ECONOMIC STUDY

OF THE PROPOSALS FOR THE

DEVELOPMENT OF

MOUNTAIN BIKE TRAILS &

ASSOCAITED TRAILHEAD FACILITIES

AT WHINLATTER FOREST

RURAL INNOVATION
JANUARY 2004

1 INTRODUCTION AND STUDY CONTEXT

This Study has been produced in order that those engaged in developing the proposals for dedicated Mountain Bike Trails and associated trail head facilities in Whinlatter Forest Park can have a better understanding of the potential activity levels, and the resulting economic impact on the local economy resulting from such activity.

It has been developed from comparable analysis of other centres and existing Forest Enterprise research[1], and does not represent a business plan for the Whinlatter proposals. Instead it seeks to identify the scale of activity that a mature site will offer, and the level of economic activity associated with it.

2 BASELINE POSITION

2.1 Visitor Numbers & Recreational Activity

Whinlatter Forest Park currently attracts in the region of 130,000 – 150,000 visitors[2] each year; these are separated between Dodd Woods and the area immediately around Whinlatter Visitor Centre. The Osprey Programme attracts approximately 60% of these visitors; the remainder engage in more traditional informal recreational activity (walking, cycling and horse riding).

These visitors are supported by facilities including:

- The Whinlatter Visitor Centre & Shop
- Café (50 covers plus outdoor seating area)
- Whinlatter car park (pay & display car parking for 96 vehicles)
- Revilin Moss Car Park (free parking for 25 – 30 cars)
- Dodd Wood Car Park (pay & display parking)
- Up to five additional free parking areas with total capacity in the region of 100 spaces

2.1.1 Seasonality

The Forest Park is busiest during the 'summer season' with in the region of 70% of annual visitors on site between May and September; analysis of the Forest Enterprise visitor figures for 2002 shows the following % monthly allocation:

April	6
May	12
June	12
July	17
August	19
September	10
October	7
November	4
December	3
January	1
February	4
March	5

2.1.2 Visitor Composition

The visitors during 'term time' and without the school summer and Easter holidays are predominantly elderly adults and affluent greys; the Osprey Programme and Visitor Centre

[1] FE Scottish Visitor Survey 2002, FE Welsh Mountain Bike Survey & Others
[2] FE statistics

attracts regular use by the coach travel trade. Visitors during these 'off peak' periods will also include local (within 10 miles) residents walking dogs and taking exercise;

During the school holidays and 'summer season' visitors are predominantly family groups. These groups will are predominantly holidaymakers and on day trips; this is consistent with the findings of the Grizedale Visitor Survey 2000 which found that 75% of respondents were holidaymakers, 18% on day trips and only 6% local; and supported by the proportion of non-paying car park users (predominantly locals) at 5% of total.

In the region of 80% of these visitors are making repeat visits; this is consistent with the % of repeat visits at Glentress, but interestingly exceeds that found at Grizedale (65%); this may point toward a slightly larger 'core local customer group'.

During 2002, 6300 school children visited the Forest Park on organised school visits.

Visitors come from a variety of locations; the Grizedale Visitor Survey 2002 showed the majority of visitors as coming from Metropolitan areas of Manchester and East Lancashire, together with a significant minority from the North East. Anecdotal evidence from Whinlatter shows that the proportion of visitors from the North East is greater in North Lakes.

Whinlatter is better situated to reach a larger market than Glentress; the 2001 Census demonstrated that within the primary age group for mountain biking (20 – 39) population in the whole of Scotland is 1.4 million, whilst in the North West region it exceeds 1.8 million, together with an additional 670,000 in the North East.

The level of visitor activity at Whinlatter has risen since the Osprey project and related projects.

2.1.3 On Site Visitor Spending

Visitors to Whinlatter spend money on car parking charges; total revenue from car parking in 2002 / 2003 was £77,451. This has increased to £102,946 for 2003 / 2004 by the end of November as a result of price increases imposed at the beginning of this season.

Visitors also spend in the shop and café; shop revenue was £176,341 for 2002 / 2003 (£1.60 per visitor) and £189,974 to the end of November 2003 (£1.50 per visitor).

Total revenue from visitors on site is therefore as follows:

2002 / 2003:	£253,792
203 / 2004 to date:	£292,920

In addition FE receives rent from the operators of the café.

This revenue is retained by Whinlatter Forest Park and used to support the provision and maintenance of recreational facilities; any annual surplus is re-invested in the Forest Park infrastructure.

2.1.4 Forest Enterprise Employment

Whinlatter Forest Park supports the following jobs:

6 x fte's engaged in management and operation
4 x part time visitor centre / shop staff
2 x full time café staff plus an additional 3 part time jobs
6 x seasonal Osprey employees

Total of 16 jobs directly related to the Forest Park.

2.1.5 Existing Cycle Activity

Formal cycling activity within the Forest Park is currently restricted to a few way marked trails using the forest roads and bridlepaths; FE estimate that fewer than 15% of visitors are currently riding bikes; these include cycling enthusiast family groups as well as the more 'hard core' mountain biker.

There is growing evidence of informal bike activity within the Forest Park; both on the PROW network and illegally 'off track'.

3 ACTIVITY POST DEVELOPMENT

Forecasts for activity post development are based upon analysis of activity at comparable FE sites; Glentress near Peebles has developed as a mountain biking mecca over the last few years and offers many of the facilities envisaged by the Whinlatter proposals. Data has been gathered from the Forest Enterprise 2002 Borders Visitor Survey and subsequent clarification with local Forest Enterprise staff. This intelligence has been assessed against

data included in the Forest Enterprise Welsh Mountain Bike Survey 2002 and the Dalby Forest Centre Business Plan prepared in September 2003.

3.1 Glentress & Tweed Forest Park

Glentress is part of the Tweed Forest Park that attracts in the region of 300,000 visitors each year. Glentress has become a Mecca for mountain bikers with five way marked trails ranging from novice to severe, a vibrant trailhead (www.thehubintheforest.co.uk) with:

- Dedicated car parking (96 spaces at The Hub car park, 50 at Buzzards Nest, 20 at Red Squirrel)
- Changing facilities
- Café
- Bike hire / repair and sales
- Guiding, skills trails and a junior skills area

The 2002 Scottish Borders Visitor Survey showed that Glentress attracts in the region of 190,000 visitors each year; 82% of these were on repeat visits with 70% mountain biking on way marked trails.

3.1.1 Visitor Composition

42% of visitors are adults between 25 & 39, 25% are children; the majority are either local (within 15 miles) or on day visits from within the Edinburgh / Borders area (15 – 50 miles); only 20% travel over 50 miles and include an overnight stay (cycle tourists). Recent anecdotal evidence suggests that the proportion of visitors from over 50 miles away is increasing as the public awareness of the facilities spreads and matures.

3.1.2 Visit Movement / Access Profile

Visitors to Glentress come predominantly, but not in any way exclusively, to ride the way marked trails. Activity is year round and sufficient to support the viable operation of the Hub in the Forest café and new bike shed at the trailhead. The busiest time is at the weekends when the Hub car park (96 spaces) is full by 9.30 in the morning and throughout the day, supporting in the region of 130 – 150 vehicles a day equating to 450 – 500 visitors each weekend.

During the Summer and Easter holidays the Hub car park is full most weekdays, supporting in the region of 250 – 300 cars during the week (except Thursdays when the Hub is closed), equating to 500 – 600 visitors.

During the winter months and school term time numbers are reduced, with the Car Park rarely reaching capacity.

An analysis of mountain bike related vehicular traffic at the trailhead (The Hub car park) is as follows:

Weekends – 275 cars x 50 =	13,750
Weeks term and Christmas holidays – 275 x 37	10,175
Weeks Easter & summer holidays – 475 x 15	7,125
Total	31,050

Riders also use the Buzzards Nest car park (current capacity 50), which although removed from the trailhead gives direct access to trails further up the hill. It is assumed that mountain biking use of this car park will add 30% to the Hub car park usage giving a total mountain bike related traffic profile of:

Weekends – 275 x 1.3 = 360 (180 per day)
Term time weeks / Christmas holidays – 275 x 1.3 = 360 (90 per day; closed Thursdays)
Easter & summer holiday weeks – 475 x 1.3 = 617 (154 per day)

Riders arrive at the trailhead usually by 9.30am in order to complete a 2.5 – 4 hour circuit before stopping for refreshment. Locals then leave, to be replaced, whilst weekenders may go out for a second ride in the afternoon.

Most riders prefer to take their vehicles to the trailhead; in order to have access to bike washing and repair facilities, changing & showering and catering. Weekenders who have secured local accommodation may ride to the trailhead, depending on the proximity of accommodation (within 3 miles).

3.1.2.1 Capacity & Charging

There is currently excess demand on the parking provision and lack of formal parking capacity is preventing access by visitors to the trails; planning consent has recently been secured for an additional 60 spaces at The Hub. The existing Hub and Buzzards Nest car parks are full by 9.30am each weekend, and fully occupied during most of the summer holidays.

There are currently no car parking charges at Glentress; these are to be introduced imminently at the rate of £2 per car and £5 per van / minibus for all car parks. The introduction of charges has been discussed with visitors and the vast majority support the charges which will be retained within the local budget and used to maintain / improve the trails and facilities. It is not anticipated that the charges will dissuade many visitors.

Local management anticipate that car parking charges will raise in the region of £80,000 in the first year; it is hoped that this could rise to £100,000 per annum.

3.1.3 Visitor Spending

3.1.3.1 On site

The Scottish Borders Visitor survey recorded data on visitor spend while at Glentress; whilst the quality of the information from the questionnaires was less than perfect, the outputs are consistent with data from the Welsh Mountain Bike survey, Whinlatter and Grizedale. They showed an average spend whilst on site on catering and retail (excluding bike equipment) in the range of £7 - £12 per party; equating to £2.50 - £3.50 per head.

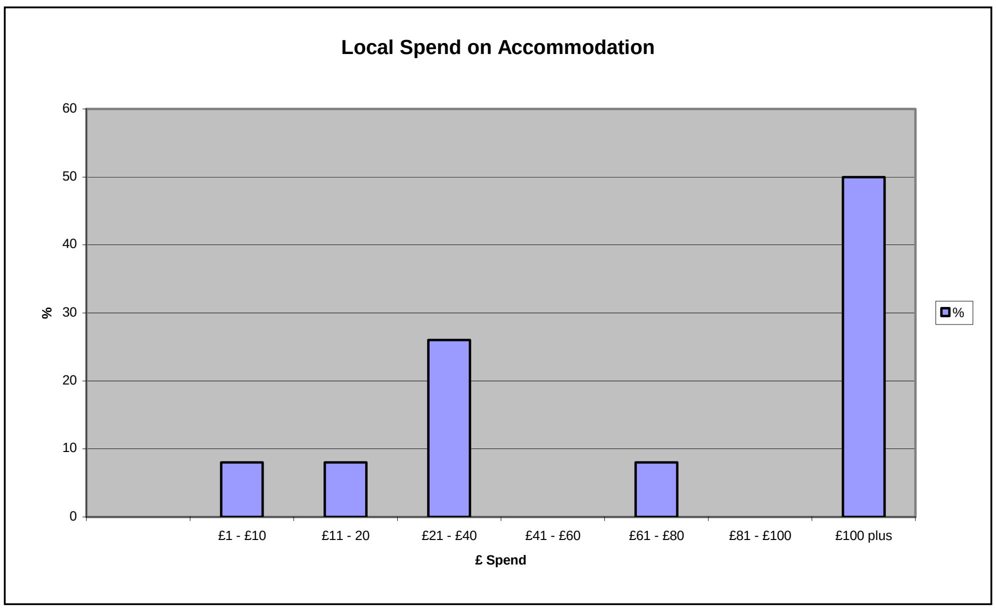
The Welsh Mountain Bike Survey showed that 50% budget to spend £4 - £5 per head on lunch.

Average spend at Whinlatter is £3.75 within the visitor centre / café; this in addition to car parking charges.

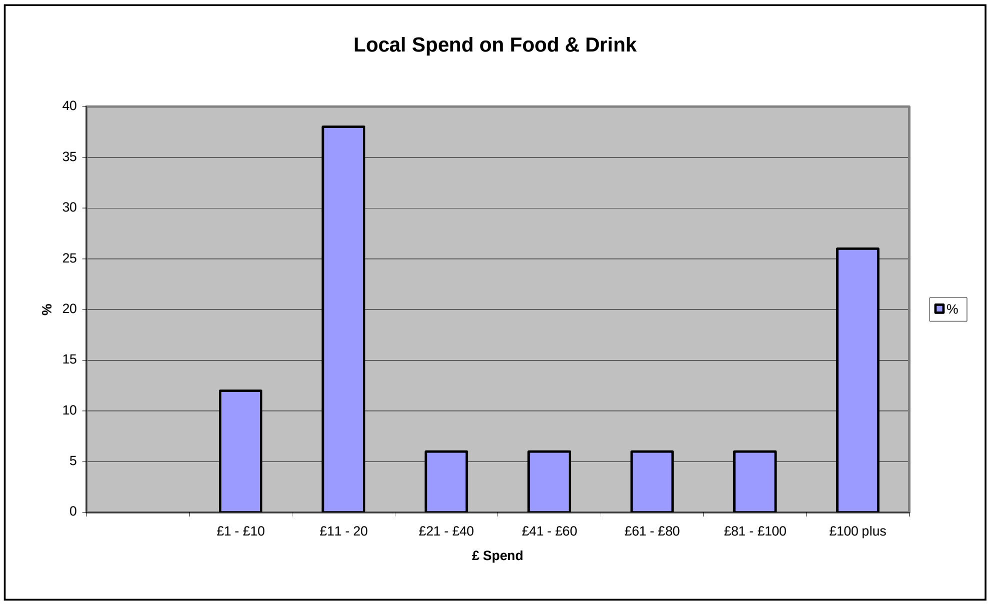
3.1.3.2 Local Spending as a Result of Visit
The Scottish Borders Visitor Survey asked respondents about their spend around Glentress in the previous 24 hours on accommodation, travel and food & drink). Weekending visitors / cycle tourists make up about 20% of the total visitor numbers at Glentress, and include the following Acorn classifications (derived from postcodes):

- A2 Affluent Greys
- C6 Affluent Urbanites
- C7, Prosperous metropolitan professionals
- B5 Well off workers & families
- C8 Inner City Executives

These visitors are relatively high spenders; 26% spent between £21 & £40 on accommodation, 8% between £60 & £80 and 50% in excess of £100.



Local spending on food and drink was also significant with 50% spending more than £20; 26% of the total spending more than £100.



Combined spending per 24 hours on food & drink and accommodation is in the region of £130 per head for those 20% that are weekending / cycle tourists. As these visitors are attracted specifically for the mountain biking trails they visit all year round, thus providing valuable income to local hospitality businesses during the winter and low seasons.

This level of spending is substantively in excess of levels identified in the Welsh Mountain Biking Visitor Survey 2002, which defined an average consequential local spend per staying visitor in the region of £30 per head. The different type of visitor at the centres explains the variance; of those surveyed at the two Welsh Centres (Afan & Coed y Brenin), 86% budgeted under £30 per night for accommodation. These Welsh centres attract 'hard core' mountain bikers, either on day trips or on mountain biking based activity holidays; 30% were camping / caravanning, 29% in self catering accommodation and only 18% in a B&B or guesthouse.

3.2 Market Definition

It seems clear that there are a number of different markets attracted by the provision of way marked trails, technically challenging forest routes and supporting trailhead facilities. These can be characterised as follows:

Families: groups of adults and children, enjoying using the trails as a recreational pursuit as part of family based leisure activity. Bike hire, skills areas and youth groups, and supporting trailhead facilities will attract these users. They will predominantly visit during school holidays, either as part of a holiday in the area or as day visitors. They are likely to offer repeat business and spend while on site.

Leisure Bikers: these are individuals and groups of adults, predominantly between the ages of 25 – 45 but with an increasing proportion of over 50's. These are the relatively affluent who are weekending or day visitors from within a catchment of up to 35 miles; they make up a significant proportion of the customer base at Glentress but much less at the Welsh Centres. If weekending this group are heavy local spenders, are likely to visit throughout the year but with a bias to term times and low season. This group will use bike hire facilities, but a proportion will buy and bring their own equipment, often spending substantially on upgrading that equipment whilst on site.

Skilled Riders: this group is split between those that are predominantly day visitors, and those on an activity holiday. They will use the trails throughout the year, probably avoiding peak times such as summer holidays and bank holiday weekends. They will be regular repeat users of their 'local' trails and probably from a catchment of within 30 – 50 miles. This group will not spend heavily locally, and will budget in the region of £4-£5 whilst on site. They will not be interested in bike hire but will use the repair facilities and buy spares / accessories.

All of these groups will use cars / vans as their main form of transport, and all will consider the trailhead facilities set out below as fundamental provision and support for their experience:

- Way marked trails from novice to severe
- Trailhead car park
- Changing and showering facilities
- Café (indoor and outdoor) with hot food & snacks
- Drying room
- Secure are for bikes / bike washdown
- Repair facility and spares
- Guiding / local knowledge experts

Off site access to a range of local accommodation including camping & caravanning, B&B / guesthouse and self-catering with prices to suit each groups budget will be important.

3.3 Proposed Development at Whinlatter

Whinlatter is well positioned to develop an exemplar off road cycling facility that will add value to the Forest Enterprise Recreational offer and strategically complement existing provision at Grizedale, Glentress and the planed facility at Dalby Forest in North Yorkshire.

It seems clear that the development as proposed in the Feasibility Study will attract all three user groups identified above. It is the view of this Consultant that the offer at Whinlatter should seek to engage with each user group, but must ensure that there are sufficient areas for novice and junior riders to attract existing and new family visitors.

It is also important to ensure that the experience offered mirrors and complements that at Glentress in order to attract the Leisure Biker as well as the Skilled Rider. It should be noted that b entering this market now, Whinlatter is not trying something new that will need time to attract the market, but is essentially offering a new development to an existing product range; and one that is heavily in demand. Many existing riders will take up the challenge offered by Whinlatter; it is anticipated that this activity will not be at the expense of other centres, rather new provision will increase overall activity, promote a wider offer and so attract more to the sport.

3.3.1 Scale and Capacity

Counts from the Visitor Centre car park at Whinlatter show the following activity:

Month	2002 / 2003 Tickets	2002 / 2003 Visitors	2003 / 2004 Tickets	2003 / 2004 Visitors
April	1378	3,790	2089	5,745
May	2800	7,700	3587	9,864
June	2905	7,989	3832	10,538
July	4122	11,335	2523	6,938
August	4460	12,265	4382	12,050
Sept	2370	6,517	1577	4,337
Oct	1600	4,400	2154	5,923
Nov	1031	2,835	828	2,277
Dec	811	2,230		
Jan	209	575		

Feb	986	2,711		
March	1310	3,602		
Yearly Total	**23,982**	**66,317**	**20973**	**57676**
Self Led		2911		3296
Schools		2482		3007
Non Payers		5087		6344
Dodd Wood		31,758		56692
Total		**108,556**		**127,015**

Local management currently classify two thirds of visitors as being attracted by the Osprey Programme; these will use the Visitor Centre car park. The remaining third visit Whinlatter for informal recreation and amenity, a material proportion of these visitors use the Dodd Wood car park.

These figures demonstrate material use of the existing facilities through July and August in particular, with a monthly average over the two years of 3,871 car parks issued at the Visitor Centre car park; this equates to between 800 and 900 vehicles each week, or 114 – 129 per day.

The capacity of the Visitor Centre pay & display car park is currently 96; in addition the Revilin Moss car park offers and additional 25 – 30 free spaces.

This analysis shows that the Visitor Centre car park is probably at capacity during the peak summer season, but rarely at any other time. It also demonstrates that the existing access arrangements support this level of movements at peak periods.

3.3.2 Level of Mountain Bike led Visitor Activity

As set out above, users of the new facilities will come from three groups;

- Families
- Leisure Bikers
- Skilled Riders

3.3.2.1 Families

The majority of existing visitors during the school holiday periods are families; this group will be attracted by the provision of new cycling based facilities, and is likely to engage with the offer. A proportion of users of the new trails during the peak periods will therefore be included in current visitor numbers, and supported by the existing infrastructure.

In addition to existing family visitors, new family visitors will be attracted to come to Whinlatter as part of their holiday in the Lakes, or perhaps as day visitors during the school holidays.

3.3.2.2 Leisure Bikers

This type of user will be attracted to Whinlatter as both day visitors (within a local and 35 – 50 mile catchment) and as weekenders / cycle tourists. They will visit all year round, although may avoid the busiest summer weeks and bank holiday weekends.

They will come from within Cumbria (Carlisle / Kendal / Penrith), the Manchester and East Lancashire conurbations, the North East and to a limited extent Dumfries and Galloway. Some of these visitors will already be visiting the Lakes to cycle and mountain bike at Grizedale and informally on (and beyond) the PROW network.

3.3.2.3 Skilled Riders

Regular users will be based within a local catchment (30 – 35 miles) and will use the trails as day visitors. They will currently be biking within Cumbria informally on and beyond the PROW; many of them will already use Whinlatter as part of their riding territory. This group will come all year round, both during the week and at the weekend but will be likely to avoid summer holidays and busy 'tourist' weekends.

Skilled riders from further a field will also be attracted for low cost activity holidays; these will tend to be spread throughout the year, often in Low Season.

Experience from Glentress and the Welsh centres shows that the provision of quality and varied trails will attract in the region of 150 – 180 groups (average group size of 2.5) a day over peak periods and at weekends with a regular volume of 90 – 100 groups during holiday periods.

It seems that numbers are heavily influenced by the capacity of on site car parking and catering facilities, and to a lesser extent by availability of local accommodation. Local management at Glentress has noticed that full occupancy of car parks appears to self-regulate the total numbers. As these facilities are by their nature remote, regular users (surveys show repeat visitors in excess of 80%) soon get to know the capacity, the demand profile and plan their trips accordingly.

3.3.3 Forecast Activity Levels

It seems that the proposals for Whinlatter are similar in scale and concept to provision at Glentress. The available market and catchment is also comparable with Glentress rather than the Welsh sites with the mix of user groups, access to the Leisure Bikers from across the North West and North East, and the substantial family holiday population during peak periods.

Forecasted activity levels have therefore been modelled based upon the assumption that facilities provided will be similar in form and scale to those at Glentress;

- Pay & Display trailhead car park, 200 capacity
- Café, with in the region of 50 covers internally and an outside seating area for in the region of 25
- Changing and showering facilities to support single sex use by up to 15 at any one time
- Secure bike storage area & washdown
- Bike hire / sales, repairs, spares and accessories

Based on these facilities, existing activity at Whinlatter / Grizedale and extrapolation of current activity levels at Glentress, forecast activity levels related to the MTB trails and trailhead facility are shown in the matrix below:

	Numbers						
	Per Weekend	**Total x 52**	**Per School Holiday Week***	**Total x 15**	**Per Term Time Week***	**Total x 37**	**Annual Total**
Groups / Vehicles	300	15600	400	6000	120	4440	26,040
Visitors @ 2.5 per group	750	39000	1000	15000	300	11100	65,100
Existing Groups	15%	2340	50%	3000	15%	666	6,006
New Groups	85%	13,260	50%	3000	85%	3774	20,034 (77%)

*4 day weeks; closed on one day

This forecast shows the volume of additional traffic from new groups travelling to Whinlatter Forest Park as follows:

Per Weekend Day:	300/2 x 85% = 128 groups / vehicles
Per School Holiday Week Day	100 x 50% = 50 groups / vehicles
Per Term Time Week Day	30 x 85% = 26 groups / vehicles

3.3.4 Forecast Visitor Composition

Using experience of the composition of visitor groups at Grizedale, Glentress and the Welsh Centres we have split the forecast visitor numbers into the three user groups; this allows further analysis of spending habits and so likely on site and local visitor spend.

% VISITORS PER USER GROUP	WEEKENDS	SCHOOL HOLIDAY WEEKS	TERM TIME WEEKS	TOTAL	%
% Families	25%	60%	0%		
Total Families	9750	9000		**18750**	29
% Leisure Bikers	30%	20%	45%		
Total Leisure Bikers	11700	3000	4995	**19695**	30
% Skilled Riders	35%	10%	45%		
Total Skilled Riders	13650	1500	4995	**20145**	31
% Non Bikers	10%	10%	10%		
Total Non Bikers	3900	1500	1110	**6510**	10
				65100	

4 MARKET OPPORTUNITY FOR WHINLATTER FOREST PARK

4.1 Potential for Attracting Growth Markets in Cycling

Cycling is no longer a minority or specialist activity. Mountain biking, in particular, is now a major part of mainstream outdoor recreation. The Forestry Commission is in a unique position to develop this market and make a new and productive use of the forest resource. The benefit of developing cycling facilities has already been clearly demonstrated in other forestry areas with substantial developments in Mid Wales and Southern Scotland. To date the Forestry Commission has yet to develop Centres of Excellence for Cycling in England; this omission is now being addressed with two projects, the Dalby Forest Centre in North Yorkshire and the subject proposal at Whinlatter Forest Park.

In the past 5 years, the Forestry Commission has developed mountain biking facilities in Mid Wales and Southern Scotland. The success of these developments and their impact on the local economy supports opportunities to develop the facilities proposed in this project. The Forestry Commission's Welsh Study found that there are 22m mountain bikes in the UK, that mountain biking is the most significant market segment, that high quality facilities will attract high spending visitors from considerable distances, and they bring with them others who enjoy the countryside.

All terrain/mountain bike sales in 2000 amounted to 1,380,000 (more than 50% of total sales). The British bicycle industry (including parts and accessories) is worth some £700m pa. Mountain bikes are highly engineered, special alloy items and can cost as much as a small family car. The ancillaries of helmets, protective clothing and the related paraphernalia/events, maintenance, repairs etc make mountain biking a big and high value leisure industry.

Demand for cycle tourism trips will increase by up to 10 percent within the next seven years[3]. A survey in the UK's Peak District National Park found that those cycling while on holiday in

[3] Source: Cycling Opportunities, Making the Most of the National Cycle Network, Simon Holt Marketing Services, 1996

the Park spent an average of £25 per person per day. The average spend of a car-borne (or other) day visitor was just £7.30 a day. This is because cyclists have to shop locally, whereas drivers can buy in a lot of their provisions etc and store them in the car[4].

Competition events are a significant part of the international sporting calendar and, like car rallies, are spectator sports and major recording/broadcasting/publishing occasions as well as being manufacturer showcase opportunities.

Benefits which have been highlighted include significantly increased tourism revenue into the local economy, increased access into the countryside, more employment, more community involvement and healthier people. As mountain biking is an all year round activity, it should also be especially useful in extending the visitor season.

4.2 Forest Enterprise as Providers

Forest Enterprise is the single largest provider of open access and outdoor recreation facilities and opportunities in the U.K and leading providers of off road recreational cycling trails and mtb routes in the UK; in addition to the extensive network of informal routes on forest roads and rights of way, Forest Enterprise has developed specialist way marked trials with supporting trailhead facilities across 5 centres in Wale and 7 centres in South Scotland (7 Stanes Project).

"The trail centers in Britain are above and beyond anything we have ever seen in North America. This is some of best new trail in the world. There is something for every rider. From the swoopy, serpentine, singletrack in Wales, to colossal granite slabs in Scotland the UK offers something for everyone." - Joey Klein, IMBA trails specialist

The Forestry Commission has recently entered into a formal agreement with IMBA[5] to promote biking and encourage an overall improvement in the quality and quantity of trails throughout the UK. Paddy Harrop, National Recreation Manager for the Forestry Commission believes we are to see great developments to come:

"The development of top quality mountain biking trails on our land began in Wales about six years ago and even then IMBA were playing a part. We've gone from strength to strength with mountain biking and we want to raise the bar even higher. The new agreement will help put biking developments on a firmer footing and we expect to be building more and better trails in the future."

The proposals at Whinlatter are consistent with the strategic development of sustainable managed mtb recreation centres across the UK and complementary in location, form and style with recent developments in Wales, South Scotland and emerging proposals in North Yorkshire.

4.3 Economic Value of Cycle Tourism & Mountain Biking

The value of cycle tourism, forest recreation and use of way marked trails is becoming increasingly understood across the world. The 1996 Simon Holt Marketing Services study found that cycle tourists offered in excess of 3 times the value of local spending than car based visitors. Government and recreational management agencies in both America and Australia have identified the economic value of cycle trails and users of mountain bike centres; the South Australia State MTB Plan (the first of it's kind in Australia) identifies the Mawson Trail as 'universally recognised as valued as a means for supporting tourism and

---

[4] Source: Cycling Opportunities, Making the Most of the National Cycle Network, Simon Holt Marketing Services, 1996
[5] http://www.imba.com/news/news_releases/08_02/08_27_uk_update.html

local business enterprise'[6]. Research by Colorado State University assesses the annual value of 158,681 visits to the Slicrock trailhead (Moab, Utah) as in the region of $8.5 million ($55 per visitor day).[7]

Within the UK, the Wales Mountain Bike Survey 2002 identified local spend on food & drink, accommodation and travel in the region of £30 per visitor day, a figure remarkably consistent with both the Peak National Park and Utah values. The Scottish Borders Visitor Survey 2002 demonstrated that a particular type of visitor, defined above as the Leisure Biker, regularly committed local spend well in excess of £100 per visitor day, in some cases budgeting in excess of £100 each for accommodation and for food & drink. Both the Welsh and Scottish experience is that this spending is carried out very locally to the trailhead (with 3 – 5 miles) and extends well beyond the main tourism season.

Simple extrapolation of these figures against the expected user numbers for Whinlatter provides an potential annual economic value in the region of £1.95 million (65,100 visitor days @ £30 a head); the report will now consider this in more detail.

5 ECONOMIC IMPACT OF THE PROPOSED DEVELOPMENT OF MTB TRIALS AND TRAILHEAD FACILITIES AT WHINLATTER FOREST PARK

5.1 Local Infrastructure & Viability

Whinlatter Forest Park is situated approximately 5 miles west of the market town and local service centre of Keswick; it is approached via the B5292 from the main East / West arterial route, the A66.

Keswick is a well-developed tourist destination with extensive retail and visitor facilities; together with the surrounding villages it offers an extensive range of serviced, self-catering and camping holiday accommodation. A web search of the CTB accommodation database (GoLakes) identified 116 guest houses / B&B's within 5 miles of Keswick offering accommodation for £25 per night; 110 self-catering properties and 7 campsites.

The three villages in closest proximity to Whinlatter Forest Park; Braithwaite, Thornthwaite and Portinscale support a range of local tourist accommodation. A search on the Lakes & Vales accommodation database produced the following results:

	Serviced	Self Catering	Camping / Caravan
Braithwaite	6	10	1
Thornthwaite	6	11	0
Portinscale	8	10	0
Total	**20**	**31**	**1**

At the Forest Park itself there is extensive car parking and both Visitor Centre and Café; the baseline data set out above demonstrates that these facilities currently support in the region of 120,000 visitor days a year and produce annual revenue from car parking, visitor charges and café of nearly £300,000.

The proposals for the new trailhead facilities include dedicated pay & display car parking, a café, bike hire & sales, repairs and accessories. Activities will include guiding, group skills sessions and educational / training visits that will all act as revenue generators.

The market demand for dedicated off road / mtb cycle trails and associated trailhead facilities is proven by Forest Enterprise's experience in Scotland & Wales. The viability of

[6] http://www.bikesa.asn.au/MTB_Projects/StatemtbPlan.htm
[7] The Economic Benefits of Mountain Biking at One of it's Meccas, Fix & Loomis

the proposed development at Whinlatter Forest Park is underwritten by it's existing status as a visitor attraction. The ability of Forest Centres to attract new visitors and sell additional resources has been adequately demonstrated throughout the country: examples include:

- 100,000 increase in visitors over 5 years following the addition of cycle hire / sale facilities and off road routes at Mabie Forest
- 70,000 increase in visitor numbers over two years following the provision of adventurous play equipment at Alice Holt
- 16,000 paying customers in the first year of new high ropes activity at Thetford

The business case for the franchised café and bike shed activities demonstrates that these operations will be sustainable and offer employment throughout the year[8].

5.2 Annual Value of MTB Activity at Whinlatter Forest Park

The analysis below sets out the expected annual value generated by users of the new facilities and trials expressed in terms of spend, both on site and locally.

This analysis is based upon the extrapolated visitor numbers refined in paragraph 2.3.4 and relates to a 'standard operating year' i.e. an average year once a pattern is established and early growth expired.

Type	Groups	Visitors
Families	7,428	18,750
Leisure Riders	7,858	19,645
Skilled Bikers	8,058	20,145
Non Riders	2,604	6,510
Total	**26,040**	**65,100**

On site spend is assessed as follows:

Income	**Notes**	**£**
Car Parking	26,040 groups at an average parking charge of £3	£78,120
Café & Catering	65,100 visitors at an average spend per head of £3.50	£227,850
Bike Hire	See Bike Shed Revenue Forecast below	£33,500
Bike & Accessory Sales	See Bike Shed Revenue Forecast below	£51,500
Bike Repair	See Bike Shed Revenue Forecast below	£16,000
Total		**£406,987**

Additional Local Spend is assessed as:

Type	**Numbers**	**% Staying Locally Overnight**	**Local Spend per Head**	**Total £**
Families	18,750	20%	£30	112,500
Leisure Bikers	19,695	50%	£100	984,750
Skilled Riders	20,145	35%	£25	176,269
Non Riders	6,510	15%	£30	29,295
Total				**1,302,814**

The forecast combined annual value assessed by £ spend is therefore £1,709,801 or in the region of £1.7 million. The extrapolation of visitor types included in para 2.3.4 calculated that in the region of 77% of visitors would be new / additional directly resulting from the

[8] See Praxis Business Case

new centre. Using this figure, it is possible to claim in the region of **£1.3 million** net additional annual value to the local economy.

The Forestry Commission in Scotland estimated job impact figures for the 7 Stanes Objective 2 bid at 15% of visitor spend and £25,000 per job person year. Applying this calculation to the Whinlatter Forest Project, we conservatively estimate 10 jobs as the multiplier impact.

This value will be spread throughout the year; it is estimated that 77% of visitors will be additional to the existing annual numbers; of the existing 23% additional spend will be generated from the mtb related activities.

In addition to the general operation, the annual valley based mtb festival is forecast to generate an additional 3000[9] visitor nights, and with an average consequential spend of £30 per head add £90,000 to the annual spend value.

[9] 1200 participants x 2.5

5.3 Value Generated in the Local Economy from the Development Phase

In addition to the ongoing annual value generated from mtb activity at Whinlatter there will be a one off investment in the local economy from the construction and development phase. Capital investment is forecast in the region of £3.5m.

The work will be carried out where possible using local contractors, labour and materials. In particular the timber used will be from Whinlatter Forest Park, the stone from local quarries.

Based upon the Objective 2 multiplier formula defined above, the construction phase will create an additional 10 jobs.

5.4 Summary of Value Generated to the Local Economy

<table>
<tr><th>Key Tier 2 / 3 Outputs</th><th>Construction Phase</th><th>Annual Operation</th><th>Strategic Objectives</th></tr>
<tr><td>£ Local Spend</td><td></td><td>£1.7 million</td><td rowspan="6">▪ SA1 Rural Matters
▪ SO2 Rural Renaissance / Cumbria Next Steps (RRC)
▪ Obj 2 Cumbria Economic Development Zone
▪ SO1 A1.11 Rural Renaissance
▪ High Energy product for NW Tourism Strategy Lake District Renaissance</td></tr>
<tr><td>Direct New Jobs Created</td><td>10</td><td>10</td></tr>
<tr><td>Increased Business Sales Onsite</td><td></td><td>£407,000*</td></tr>
<tr><td>New Business Space Provided</td><td></td><td>2</td></tr>
<tr><td>Education & Skills</td><td></td><td>£109,863</td></tr>
<tr><td>Private Sector Finance Attracted</td><td></td><td>t.b.a</td></tr>
</table>

*Before operational costs

6 CONCLUSION

The development and operation of the proposed mtb trails and trailhead facility at Whinlatter Forest Park will create a sustainable recreational resource that will generate additional net annual value to the local economy in the region of £1.3 million.

It will support in the region of 10 new jobs and add substantial value to the wider tourist offer of Keswick and the North Lakes.

The opportunity exists to market the centre to existing customers at Glentress and across the 7 Stanes area. It will be important that the customer experience offered at all Forest Enterprise Centres is consistent and supports the same brand values. If managed effectively, the inclusion of Whinlatter Forest Park in the national Forest Enterprise mtb resource will add to the attraction of the UK as the world's best place to ride and increase the growing numbers of international cycle tourists.

The development of this project from a clean start offers an exciting opportunity to design in an effective evaluation process as a core part of the operational management of the facility. Ongoing and targeted monitoring and evaluation will provide valuable intelligence to support the management of the Whinlatter Centre, other FE centres and the further development of a national recreational resource. Consideration should be given to ensuring that a system for data gathering and regular evaluation is set up from the commencement of the construction phase of the project.

Bike Shed Activity Forecast

Winter x 30 weeks

Numbers	Bikes	£/day	Hire Days / Week	% hired	Income	Weeks	Total
8	standard	15	4	20	96	30	2880
8	front suspension	20	4	20	128	30	3840
4	full suspension	30	4	20	96	30	2880
							9600

Summer x 20 Weeks

Numbers	Bikes	£/day	Hire Days / Week	% hired	Income	Weeks	Total
15	standard	15	4	40	360	20	7200
8	front suspension	20	4	40	256	20	5120
7	full suspension	30	4	40	336	20	6720
10	demo bikes	40	4	15	240	20	4800
							23840

Total Bike Hire **£33,440**

Accessory Sales

Inner Tubes, tyre levers, repair kit @ £7
Mitts, Shorts, Bottles etc between £5 + £15

Average Transactional Value / Basket Spend in the region of £7.50

					av. margin on resale	
Leisure Bikers	19,645	spend per head	£4	£78,580	40%	**£31,432**
Skilled Riders	20,145	spend per head	£3	£50,363	40%	**£20,145**
				£128,943		

Repair Workshop

	Weeks	hours per week	£ charge out per hour	Income
Winter	30	12	20	7200
Summer	20	22	20	8800

16000

Total Income **£101,017**

Rural Innovation
The Regeneration Business