ASSESSING THE ECONOMIC IMPACT OF OUTDOOR RECREATION IN NORTHERN IRELAND, 2019

Sport Northern Ireland

This review was undertaken by:
Dr Themis Kokolakakis
Sport Industry Research Centre
Faculty of Health and Wellbeing
Sheffield Hallam University
Collegiate Hall
Sheffield
S10 2BP

www.shu.ac.uk/research/sirc

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Introduction

Outdoor recreation is an integral part of the sports industry in Northern Ireland, closely associated with participation at grass roots level as well as tourism. According to the 2013 Economic Importance of Sport in Northern Ireland report, sport overall generated 25.7 thousand jobs (2013), and £932m consumer spending.

Outdoor recreation and education play an important role in actively engaging young people and integrating them into society. This report updates the 2013 economic importance of outdoor recreation in Northern Ireland study (published in 2013 but utilising data from 2011). Since then we have experienced a general growth in the economy and importantly the end of the recession that undermined the growth of outdoor recreation in 2013. At the same time some participation rates have increased creating better conditions for growth.

As before, the following factors had to be considered when assessing the economic impact of outdoor recreation:

- An agreed definition of outdoor recreation was required.
- Identification of the levels of consumer spending, employment and Gross Value Added (the sum of wages and profits)
- The outdoor recreation infrastructure, trails and associated accommodation provision in Northern Ireland was required.
- Evaluation of consumer spending on outdoor recreation including associated expenditure on clothing, footwear and equipment.
- Income and expenditure of the commercial outdoor recreation sector including retailers.
- Income and expenditure flows and employment in the voluntary sector including amateur clubs run by participants.
- Income and expenditure flows in the local authorities sector in relation to outdoor recreation.
- Construction of all income and expenditure interactions among the seven sectors in the national income accounting framework (consumers, commercial outdoor recreation, commercial non outdoor recreation, voluntary sector, local authority, central government, outside the area sector).
- Consideration of the additional Gross Value Added by taking into account non-paid voluntary work within the outdoor recreation sector.

Executive Summary

This is the second study of economic evaluation of outdoor recreation in Northern Ireland. The study focused on those activities that make use of the natural environment and do not require a dedicated pitch or course to enable participation. Therefore golf is excluded from the study. As hunting is not recognised as a sport it was also excluded from the study.

The study examined 7 key facets of economic impact:

1. Consumer spending.
2. Commercial outdoor recreation (equipment manufacturers and retailers).
3. Commercial non-outdoor recreation (suppliers for the production of outdoor recreation related goods and services).
4. Voluntary (including clubs).
5. Local government.
6. Central government.
7. Outside the area.

The study then was able to estimate employment and the Gross Value Added (GVA) for the sector. There are over 563 commercial operations associated with outdoor recreation in Northern Ireland, representing an increase of 48% since 2011. The commercial operations are dominated by outdoor activity centres, angling, cycling and equestrian companies.

According to the Northern Ireland Continuous Household Survey, between 2011 and 2017, walking for recreation was the outdoor activity with the greatest rise in participation. Its participation rate increased from 36% in 2011 to 49% in 2017. Watersports (canoeing, rowing and sailing) also increased greatly (in proportional terms) doubling the number of participants in the period 2011-17.

Data to support the economic assessment was gathered from a very wide range of sources including:

- Companies House
- Office of National Statistics (ONS) – Family Spending
- Financial Analysis Made Easy (FAME) Data Set
- Regional Trends
- International trade statistics for the UK
- Consumer Trends
- British Marine Federation reports
- Annual Business Survey – Regional extract
- Annual Survey of Hours and Earnings
- Regional Accounts
- Local Authority Accounts
- Travel Survey
- Public body accounts and reports
- Direct questionnaires to clubs and centres

Finally note that this study utilises a full data set for the year 2017.

Results from the research

In economics, Gross Value Added (GVA) is the measure of the value of goods and services produced in an area, industry or sector of an economy. It is the sum of wages and surplus/profits.

Table A: The voluntary sector

Sector	Income	Expenditure	Volunteers	FTE Employees
Clubs	£5.01m	£4.92m	5,000	138
Outdoor Centres	£28.82m	£28.82m	1644	1,301
Parks	£3.73m	£3.73m	472	170
Charities	£1.84m	£1.84m	3,760	31
TOTALS	**£39.40m**	**£39.31m**	**10,876**	**1,640**

GVA for voluntary sector is £27.40m (not including volunteers)

Consumer Spending

Consumer spending on outdoor recreation adds up to just over £192m. The most important elements are bicycles (£37m), boats (£31m), clothing (£25m), outdoor centres/parks/charities (£21m), and other major durables (£21m). This is spending by Northern Ireland residents.

This research has shown that the outdoor recreation related spending is equivalent to around 26% of the sport related market (excluding gambling). Since 2011 spending on outdoor recreation has increased by 40% in constant 2017 prices.

The commercial outdoor recreation sector

This is all the retailing and accommodation units that are dedicated to the provision of outdoor recreation in Northern Ireland.

Total income: **£161.2m**
Surplus: **£16.4m**
FTE employees: **1,157**

GVA for the commercial outdoor recreation sector is £37.4m

The commercial non outdoor recreation sector

This is all the suppliers of services that are required to support outdoor recreation in Northern Ireland.

Total income: **£51.3m**
Surplus: **£20.8m**
FTE employees: **1,327**

GVA for the commercial non outdoor recreation sector is £51.3m

Central government sector

Income is derived from taxes and charges paid to central government and expenditure is by grants and costs of wages.

Total income: **£76.2m**
Expenditure: **£18.6m**
FTE employees: **220**

Local government sector

Income is derived from taxes and charges paid to central government and expenditure is by grants and costs of wages.

Total income: **£6.7m**
Expenditure: **£28.2m**
FTE employees: **450**

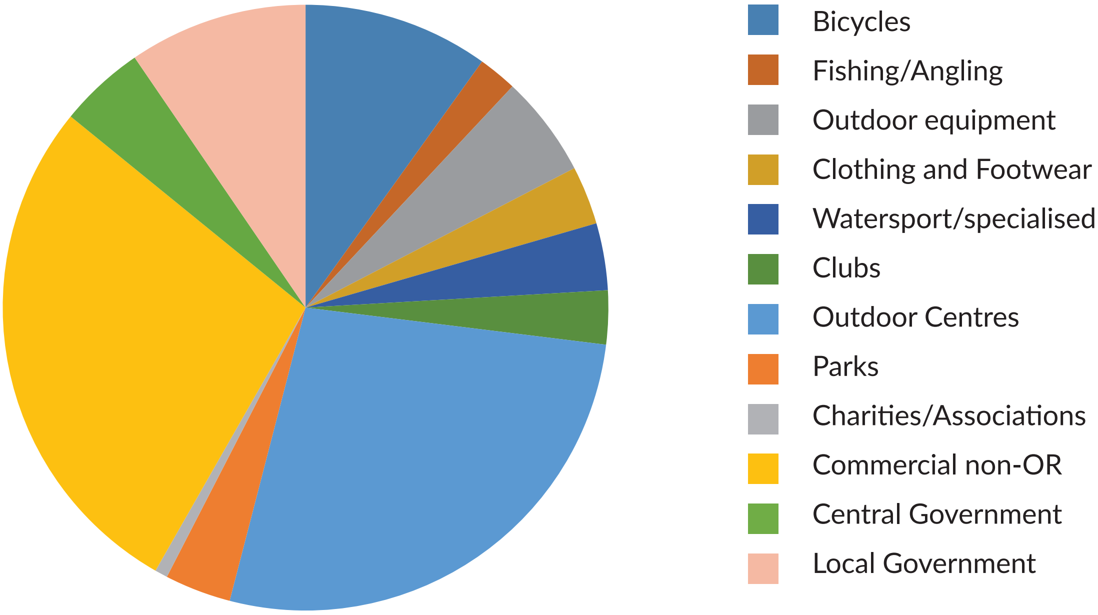
The total GVA for the public sector (mainly in the form of wages) is £15.2m

The generated **GVA** for outdoor recreation in Northern Ireland is **£131.3m**, associated with **4,804** full time equivalent employees. This corresponds to **22%** of sport sector employment (excluding gambling). The overall figure can be notionally extended to include the unpaid voluntary time invested within the outdoor recreation sector. **This is equivalent to 815 FTE employees, raising the figure of people occupied within the sector (full time basis) to more than 5,600**. Since 2011 GVA has increased, in 2017 prices, by **24%** and employment by **36%**.

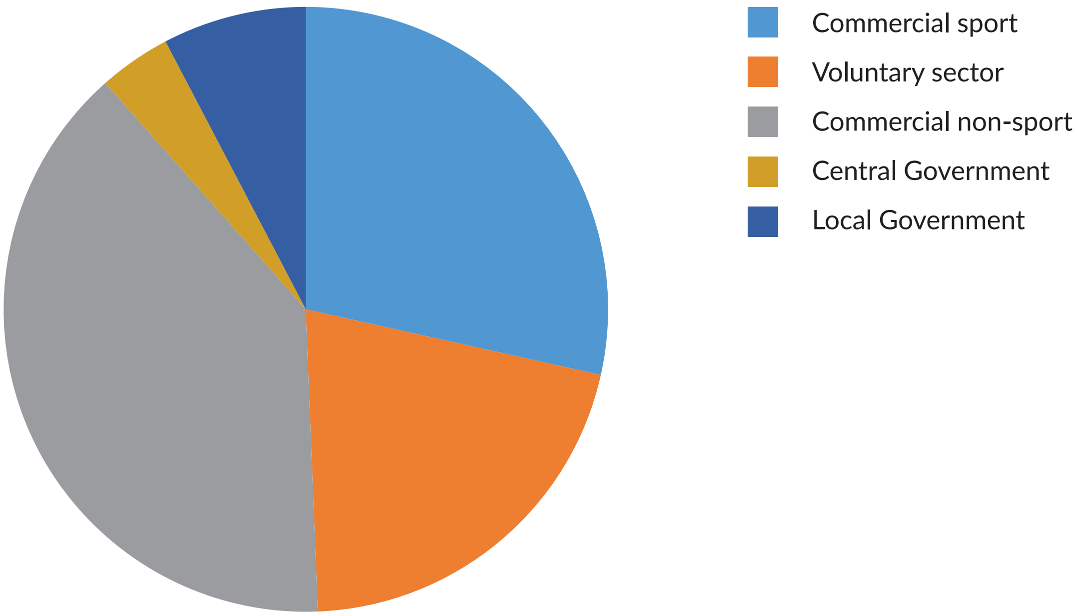
The generated GVA for outdoor recreation in Northern Ireland is £131.3m, associated with 4,804 full time equivalent employees

Figure A

Employment Distribution



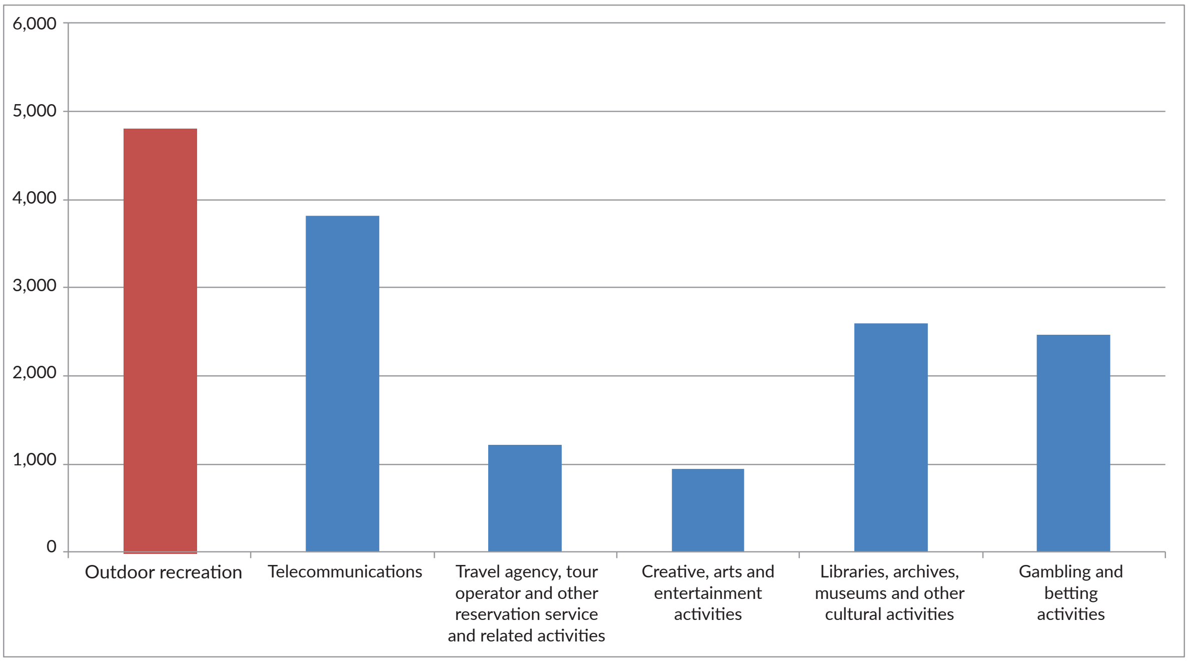
Value Added



According to Figure A, the largest part of GVA comes from the commercial non-outdoor recreation sector (39% of total). Following this, the commercial outdoor recreation and the voluntary sectors generate 28% and 21% of GVA respectively. The public sector generates approximately 12% of GVA, mainly in the form of wages.

In terms of employment, the driving forces are outdoor centres and commercial non outdoor recreation generating 27% and 28% of employment respectively while the whole of the commercial outdoor recreation sector generates 24% of employment.

Figure B: Employment (FTE) generated in some N.I. sectors, 2017



According to the figure above, outdoor recreation generates employment just below the combined employment in libraries, archives and gambling activities. It generates more than five times the employment in creative arts and entertainment activities.

The Northern Ireland market has a plethora of small size firms often owned by enthusiasts. This creates the conditions for a very effective absorption of any public funds; nothing seems to be wasted with a significant group of volunteers contributing to further growth.

The overall picture is that in the period 2011-2017 the number of outdoor recreation operators increased by 48%, spending (in 2017 prices) increased by 40%, employment increased by 36% and GVA (using 2017 prices) by 24%.

Table B illustrates that a given investment in outdoor recreation will enhance employment by a greater percentage amount than GVA, which is mainly driven by the employment generated in the voluntry sector. This makes careful investments in outdoor recreation extremely efficient in terms of employment generation and public finance. This is completely consistent with all the Sport Satellite research in Europe that a given increase in GVA would lead to a greater percentage increase in employment.

This research has shown that this relationship is much more profound in the outdoor sector than any other sport sector that has been examined so far.

Table B: Outdoor Recreation 2011-2017

	Change 2011-2017
Number of operators	48%
Consumer spending (2017 prices)	40%
Employment	36%
Voluntary sector employment	60%
GVA (2017 prices)	24%
Change of GVA in constant prices 2011/17	24%

Definition Of Outdoor Recreation

The starting point for this study was the SNI definition of outdoor recreation:

'Outdoor recreation encompasses all sport and physical recreation that takes place in the natural environment whether on land, water or air. On land it includes but is not restricted to venues such as forests and woodlands, uplands and open land, caves, beaches and urban parks but also includes activities that take place on trails. In water it can include coastal waters, lakes and rivers and can be on or under the water' *(http://www.sportni.net/get-active/active-outdoors/)*

Tourism NI had previously identified the following outdoor activities as important (Activity Tourism Action Plan 2010-2011):

Table 1: List Of Outdoor Activities (Activity Tourism Action Plan)

LAND	WATER	AIR
• Adventure Racing • Archery • Caving • Clay Pigeon Shooting • Climbing • Coasteering & Bouldering • Cycling • Fell Running • Horse Riding • Hover crafting • Kite Buggying • Land Buggying • Mountain Boarding • Mountain biking • Orienteering • Paintballing & Combat • Walking • Zorbing	• Boat Charter & Cruising • Boat Trips • Canoeing • Diving • Fishing • Jet Skiing • Kite Surfing • Sailing • Surfing • Waterski & Wakeboard • Windsurfing	• Gliding • Hang-gliding & Paragliding • Microlight Flying • Model Flying • Skydiving & Parachuting

Similarly, "Our Great Outdoors" the Outdoor Recreation Action Plan, created by SNI in partnership with other organisations, provides key recommendations for challenges that need to be addressed to make Northern Ireland a place where outdoor recreation can deliver:

- Healthy active lifestyles for local people from all communities
- Economic growth through encouraging visitors to come and enjoy the outdoors
- Protection of landscapes and ecosystems for future generations[1].

[1]http://www.outdoorrecreationni.com/wp-content/uploads/2015/11/Our-Great-Outdoors-The-Outdoor-Recreation-Action-Plan-for-Northern-Ireland_SportNI-2014.pdf

Definition Of Impact Indicators

Most UK and European studies on the economic impact of sport use one or more of three indicators:

- Consumer spending on outdoor recreation.
- Employment related to outdoor recreation.
- Generated Gross Value Added.

Both consumer spending and employment may have a **direct element**, for example spending on bicycles and associated employment, and an **indirect element**, for example accommodation expenditure during an outdoor recreation holiday. This approach ensures compatibility with the international standard of economic impact research. The consumer spending relates directly to households, while outdoor recreation employment is the result of interactions between consumer, commercial, public and voluntary sectors.

Closely associated to employment is the concept of the **Gross Value Added** (GVA) that is generated by the outdoor recreation sector. In general, the GVA that is related to outdoor recreation is the most comprehensive and useful statistic of economic value as it corresponds directly to the GVA (and because of that to the GDP) in the economy as a whole. It shows the contribution of the outdoor industry to the economy and it is measured as the sum of wages and profit surplus in the outdoor recreation sector.

The year of reference for the study was 2017, as this corresponded to the latest data of the ONS publication **"Family Spending"**, which is very important in deriving the consumer spending of outdoor recreation in Northern Ireland. The consistency of the methodology between this study and the one in 2013 (2011 data) provides provides a basis for meaningful comparisons in the six year period 2011-2017.

Photo courtesy of Outdoor Recreation Northern Ireland

The Outdoor Recreation Infrastructure

This economic impact study has benefited from an in-depth knowledge of the existing facilities and providers associated with outdoor recreation. It enables a more robust estimation of the outdoor recreation employment and the associated GVA, enhancing confidence in the results.

The results of the classification of commercial sector institutions operating in Northern Ireland can be seen below in Table 2. Note however, that in the general classification all outdoor centres and outdoor education centres were included in the voluntary sector, although a small minority operate on a profit basis.

Some of these operations are very small, employing a couple of people while others are quite significant with important exporting activity. Data on all commercial limited companies were collected from the Companies House and the "FAME" dataset[1]. The retailing sector has an important role to play and although there is a plethora of activity providers, they are often small commercial operations. The network around angling, equestrian and cycling activities is particularly strong and was identified separately in the Appendix. They include **Chain Reaction Cycles Ltd**, a company with a very strong commercial operation. Note that by recording the commercial infrastructure in an identical way, the number of operators increased from 380 in 2011 to 563 in 2017, **an increase of 48%**. This was partly influenced by growth in outdoor recreation and partly by the previous global economic recession, which was likely to have surpressed the sector in 2011.

Table 2: Outdoor Recreation Commercial Infrastructure, 2017

Section	Organisations (Numbers)
General outdoor recreation retailers	45
Angling retailers / providers	82
Outdoor Activity providers (including outdoor education centres)	137
Cycling companies	75
Equestrian companies	83
Sailing, jet ski and boating	64
Other specialised activities	77
Total 2017	**563**
Total 2011	**380**
% increase	**48%**

The general outdoor recreation retailers include companies such as Cotswold Outdoors, Mountain Warehouse, Go Outdoors, and Trespass. For the purpose of this study the JD portfolio was ignored as in the 2011/12 period all Northern Ireland operations were interrupted. However in 2016, JD Sports bought outdoor brand Go Outdoors for £112.3m. Go Outdoors (a company that is included pro-rata in the present study), sells tents, bikes, walking boots and the like, employs 2,500 people full-time across 57 stores in England, Scotland, Wales and Northern Ireland, having started out as a Sheffield-based retailer in 1998.

[2]FAME (Financial Analysis Made Easy) is a database that provides financial and descriptive information on companies in the UK and Ireland

Outdoor Venues and Opportunities

Among the existing surveys, the most reliable way to compare the participation rates in outdoor activities in Northern Irleland is through the Continuous Household Survey. It provides consistent estimators for both 2011 and 2017 and includes activities such as walking, swimming, jogging, cycling, angling, canoeing, horse riding, sailing and windsurfing. It examines all participants, both affiliated and non-affiliated. Table 3 below presents the results for 2011 and 2017.

Table 3: Popular Outdoor Sports, % Participation, 2017, 2011

Activity	%, last year 2011	% last year, 2017	% last four weeks, 2017
Walking for recreation	36%	49%	43%
Swimming or diving	21%	19%	8%
Jogging	12%	14%	9%
Cycling	11%	11%	7%
Angling/fishing	3%	3%	1%
Canoeing, kayaking or rowing	2%	3%	1%
Horse riding	2%	2%	1%
Yachting or dinghy sailing	less than 0.5%	1%	less than 0.5%
Windsurfing/ Boardsailing	1%	1%	less than 0.5%

Source: Continous Household Survey

According to Table 3 in the six year period 2011-17 there were increases in participation in walking for recreation, jogging, canoeing and yachting/sailing.

The importance of walking and jogging in the table above, highlight the significance of a suitable infrastructure of parks and walking trails in Northern Ireland. To this end, several grants were awarded in the last six years connected to domestic and international tourism for the development of new walking and cycling trails. Among them are the "Outdoor Spaces" projects funded by SNI and DAERA, the Greenways project, which has 'raised awareness of former railways, inland waterway paths and new ideas to link the country in a new traffic-free network'[3]. Investment in such projects is an ongoing concern. In 2017 the Department of Infrastructure made £160,000 available to councils to work on proposals for Greenways in their area. The vision is to utilise a 620-mile of disused rail network and potentially transforming local transport and infrastructure[4].

The investment above is consistent with the the very important rise in recreational walking participation, from 36% in 2011 to 49% in 2017. Such an increase has resulted in rises in consumer expendinture in terms of sport equipment and sportswear; this indirectly pays back the public investment through greater public receipts from VAT on outdoors spending.

Of special importance in the economic impact analysis is the number of Outdoor and Outdoor Education

[3]https://nigreenways.com/
[4]https://www.bbc.co.uk/news/uk-northern-ireland-41312524

In the six year period 2011-17 there were increases in participation in walking for recreation, jogging, canoeing and yachting/sailing. The importance of walking and jogging, highlight the significance of a suitable infrastructure of park and walking trails in Northern Ireland

Centres. A list (almost 140) of all outdoor adventure sport centres in Northern Ireland can be found in the Appendix. Further information can be found on the Outdoorni website:

http://www.outdoorni.com/providers/?k=OUTDOOR+&t=1

Photo courtesy of Outdoor Recreation Northern Ireland

Chain Reaction Cycles - a case study

Chain Reaction Cycles Ltd (CRC) is the biggest cycling company operating in Northern Ireland. It was established in 1984 (originally as Ballynure Cycles[5]) and has grown from a small family-owned bike shop to the world's biggest online store. Its peak sales were in 2013, at £155.6 million.

What is important is that this is a company that grew from the bottom up, for a long time maintaining its ownership structure. Its development has been linked to sports participation as an important factor in the establishment and growth of mountain biking in Northern Ireland. To increase investment, a merger between Wiggle and Chain Reaction Cycles was announced in February 2016. CRC closed their Northern Irish warehouse to integrate their stock into Wiggle's 'Citadel', but retained its own branding and website. The combined Wiggle CRC group generated an annual revenue of over £400 million[6].

Table 4 indicates CRC's main financial details for 2011 and 2017 as obtained from Companies House. The vast majority of income is from internet sales outside Northern Ireland. The strong export profile, contributes significantly to the economic growth in the Outdoor Recreation sector (exports increased from 39% of turnover in 2011 to 41% in the current report). Despite a dercreased turnover, in market prices, both staff cost and employment increased during the period. That meant that employment increased at the expense of profits, which declined by almost £2m during the examined six year period. This is a general observation that applies to the sector as a whole with employment growing more than surpluses.

Table 4: Chain Reaction Cycles Ltd – 2017, 2011

	2011	2017
Employment	365 people	384 people
Turnover	£136.4m	£127.5m
Staff cost	£9.2m	£11.0m
Profit before taxation	£10.0m	£8.1m
Gross Margin 3	2.2%	17.0%
Taxation Paid	£2.6m	£0.5
Exports Outside EU	39% of turnover	41% of turnover

On the basis of the above figures, CRC contributes £0.5m towards central government revenue, employs **384 people** and generates £11m in wages and £8.1m in profits, representing a GVA in the range of £11m-£19m. At least **75%** of the aforementioned GVA and employment is associated with outdoor recreation, as not all forms of cycling expenditure are included within the sector (or indeed sport). Chain Reaction Cycles is the private institution with the greatest contribution towards employment and value added in the sector. The reduction of taxation paid from £2.6m in 2011 to £0.5m in 2017 is the result of a combination of reduced corporation tax and (mainly) group relief.

[5]http://www.chainreactioncycles.com/customer-service/our-story
[6]https://road.cc/content/news/230058-local-bike-shops-look-away-now-reports-worsening-losses-wiggle-are-exaggerated

Many outdoor recreation companies start or operate with just one or two employees and sometimes new ideas are developed and tested. The Northern Ireland market has a plethora of small size firms often owned by enthusiasts. This creates the conditions for a very effective absorption of any public funds; nothing seems to be wasted with a significant group of volunteers contributing to further growth. Even if public funding is not directed towards backing specific investment decisions, it can certainly aid towards maintaining the sport participation scene from which companies such as CRC have emerged.

Methodology

In the UK, the Sports Industry Research Centre (SIRC) model of sport economic impact assessment has been used for all the related studies financed by the national sports councils and is also the model that has been adopted by the European Commission Directorate General for sport and tourism. It uses as its basic input, where possible, economic variables from official statistics. The model is known as national income accounting and is consistent with the UK national accounts.

The model divides the sports economy into seven sectors which are accounted for separately so that there is no double counting, as follows:

- **Consumer spending** from the personal or household sector. This has been calculated as outdoor recreation related expenditure, e.g. spending on clothing, footwear and equipment for the outdoors.
- **Commercial outdoor recreation** which is made up of equipment manufacturers and retailers. This would include companies such as Chain Reaction Cycles and Cotswold Outdoors. A section of the media where associated products / services are included such as TV programmes or publications on outdoor recreation.
- **Commercial non-outdoor recreation** is comprised of the suppliers for the production of outdoor recreation related goods and services. This sector includes commercial companies that do not provide a direct outdoor recreation product, but they assist through supply of inputs or revenue in its production. An example is a commercial company sponsoring a sailing club. The advertising revenue received by the club, represents a flow from the commercial non- outdoor recreation to the voluntary outdoor recreation sector.
- **Voluntary**, including non-profit making organisations such as amateur clubs run by their participants. Identifying the income and expenditure flows of voluntary clubs was an important element within this economic assessment.
- **Local Government**, including income from local government outdoor facilities, outdoor recreation related grants from Central Government and rates from the commercial and voluntary sector. The sector has expenses such as wages for labour (a flow towards consumers) and grants to the voluntary sector.
- **Central Government**, including taxes, grants and wages on outdoor recreation related activities. For example a person buying a mountain bike, records two flows: one towards the Government sector as VAT, and another towards the commercial sport sector for the remainder of the price.
- **Outside the Area Sector**, including all transactions with economies outside of Northern Ireland.

The methodological consistency with the historical economic impact of sport studies enhances comparability and policy conclusions. Therefore a way to access the economic impact is to use employment and GVA to compare outdoor recreation to other economic sectors in Northern Ireland.

The model is deliberately structured to **avoid double counting**. There is no adding up of the incomes of individual sectors as they are all interdependent. Adding up only takes place in the cases of employment, profits and wages per sector, generating the GVA and employment estimates.

Beyond the 'traditional' economic impact, **the voluntary non-paid work can also be used for generating an alternative amount of extra value added**. This can be done by allocating the voluntary workers as paid at an average salary according to the number of hours worked. This gives an indication of the total 'value' produced outside the monetised market. To do this requires an estimate of the total number of volunteers in outdoor recreation and the average number of hours worked per volunteer.

Figure 1, illustrates how the aforementioned sectors are interdependent and then interact to create consumer spending, GVA and employment.

Figure 1: Sectors Of The National Income Approach

Data Availability for Outdoor Recreation in Northern Ireland

The starting point of the investigation into data availability is to develop an estimation of spending by households.

There is some information on **consumer spending that can be identified from official statistics. Family Spending** is the obvious source, providing some outdoor content in the following categories:

- Purchase of boats, trailers and horses.
- Accessories for boats, horses, caravans and motor caravans.
- Maintenance and repair of other major durables (other than indoors).
- Equipment for sport camping and open air recreation.
- Participant sports (excluding subscriptions).
- Subscriptions to sports and social clubs.
- Leisure class fees.
- Hire of equipment for sport and open air recreation.
- Subscriptions to leisure activities and other subscriptions.
- Books.
- Magazines and periodicals.
- Package holidays within the UK.
- Package holiday abroad.

To model some of the outdoor recreation content the general **international trade statistics** for the UK as a whole were used, which provide sufficient information to distinguish the outdoor recreational element out of total sport related imports (which is likely to be the main element of domestic supply in sports goods, footwear and clothing).

Gambling was not considered as relevant to outdoor recreation.

Two important categories of outdoor spending are on boats and bicycles. Publications that can be used to model this market include: Family Spending, Consumer Trends and British Marine Federation reports (which includes an element related to Northern Ireland).

Invaluable information for modelling the commercial sector is also provided by the Annual Business Survey – regional extract. In this, the Northern Irish economy is classified by economic sectors (including a sport element). The survey provides statistics on total turnover, GVA, purchases of inputs and wages. On this basis the income of the commercial sector as profit, wages and other input spending can be highlighted.

- Data specific to outdoor recreation in Northern Ireland can be found in several publications by ORNI such as:
- End of Year Reports, giving a detail list of public funding for product development, marketing and research.
- The ORNI Review of Operational Plan provides extensive details on **project funding**.
- Web-sites associated with outdoor recreation in Northern Ireland.
- The Continous Household Survey of Northern Ireland, giving information on participation in sport activities.

Additionally there is a plethora of sports statistics and tourism information that have been developed for the economic assessments of sport in Northern Ireland which have also been used. Relevant data sources include: **Regional Trends, Annual Survey of Hours and Earnings, regional accounts, local authority accounts, and travel survey**.

The Annual Survey of Hours and Earnings gives both employment estimates and wage averages for full time and part time work classified by employment and nationality. The level of full time equivalent employment is calculated by dividing the total wage bill by the full time average wage for Northern Ireland.

The ONS publication "Travel Trends" gives an overall view of tourism in Northern Ireland. This can be combined with the tourism satellite account and 'The UK Tourist Statistics' to model and check flows of tourist spending, and the travel survey for Northern Ireland for the travel spending generated through visiting outdoor destinations. The UK Tourist also includes data on accommodation and camping expenditure. The NI visitor attraction survey classifies tourism according to general destination (including parks). Other relevant information is included in 'Northern Ireland domestic tourism 2017' where holiday activity is distinguished according to the purpose of the holiday (including being physically active, hill walking, and rambling).

Local government spending can be analysed from studying the local authority annual accounts.

Voluntary Sector – Sports Clubs

Although some information is available through FAME, the restrictiveness of the sample necessitated a survey of the outdoor recreation voluntary sector. A questionnaire was distributed both on-line and via emails to outdoor recreation clubs, outdoor centres, parks and charities.

Of particular interest was information on the scale of employment, the proportion of turnover associated with exports and the construction activity.

Table 5: Voluntary Clubs Incomes and Expenditures- 2017

		Group A: Clubs excluding sailing/rowing		Group B: Sailing-rowing clubs only	
		Per club	ALL	per club	ALL
Members		80	18,000	220	11,000
Full time workers		0	0	0.2	0
Part time workers:		0.25	56	4	200
Volunteers		12	2700	46	2,300
Average number of hours per week	PT workers – 19 hours	4.7 hours	1,057 hours	76 hours	3,800 hours
	Volunteers – 2.0 hours	24.0 hours	5,400 hours	90 hours	4,500 hours
Income £					
Subscription		2,000	450,000	30,800	1,540,000
Admissions fees		401	90,225	2,400	120,000
Hire of equipment		26	5,850	4,500	225,000
Advertising sponsorship		130	29,250	410	20,500
Coaching		65	14,625	450	22,500
Grants		700	157,500	13,500	675,000
Local authority		80	18,000	3,700	185,000
Catering		0	0	23,000	1,150,000
Other		270	60,750	5,000	250,000
Total		**3,672**	**826,200**	**83,760**	**4,188,000**
Expenditure £					
Wages		341	76,820	6,009	300,452
Equipment /kit		1,175	264,163	4,337	216,846
Rent		355	79,769	3,747	187,353
Utilities/rates		16	3,655	2,873	143,641
Catering supplies		0	0	11,359	567,963
Construction		390	87,750	38,227	1,911,350
Other		996	224,042	17,208	860,394
Total		**3,272**	**736,200**	**83,760**	**4,188,000**
Surplus		**400**	**90,000**		

The clubs were divided into two major categories - group A: Clubs excluding sailing / rowing clubs and then group B – the sailing / rowing clubs. These group B clubs are likely to have very high levels of income and expenditure flows due to club house facilities (generating more than £22,000 income per club) which is uncharacteristic of the outdoor recreation voluntary club sector as a whole.

The main results of the club survey are highlighted in Table 5 above. Group A clubs are more numerous, however they tend to have a smaller club membership. They use some part time labour and volunteers while some sailing/rowing clubs employ full time staff. Overall, there are **5,000 volunteers** and **256 part-time employees** working in the clubs. Volunteers and part-time employees work for an average of 2.0 hours per week, and 19 hours per week respectively.

An average group A club generates almost £3,672 annually, while an average Group B club would exceed £83,000. Subscriptions are a major source of income for all clubs. Sailing and rowing clubs usually have catering/bar facilities, representing important income and expenditure flows. Grants from SNI, lottery and Local Authorities as well as admission fees are also significant income sources.

Overall, there are 5,000 volunteers and 256 part-time employees working in the clubs. Volunteers and part-time employees work for an average of 2.0 hours per week, and 19 hours per week respectively

Figure 2: Income of non Sailing/Rowing Clubs

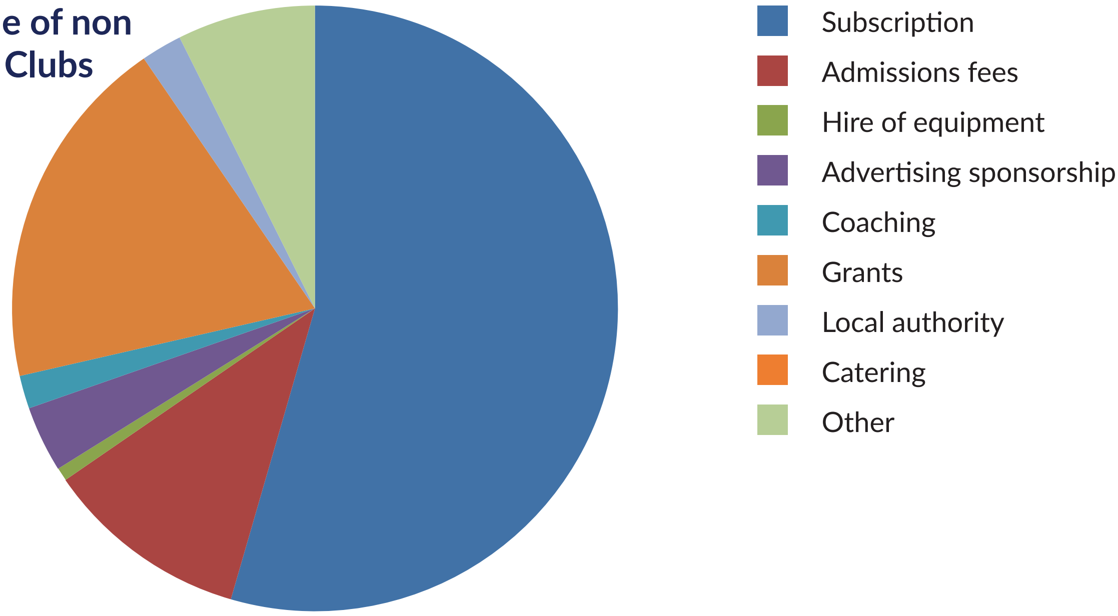
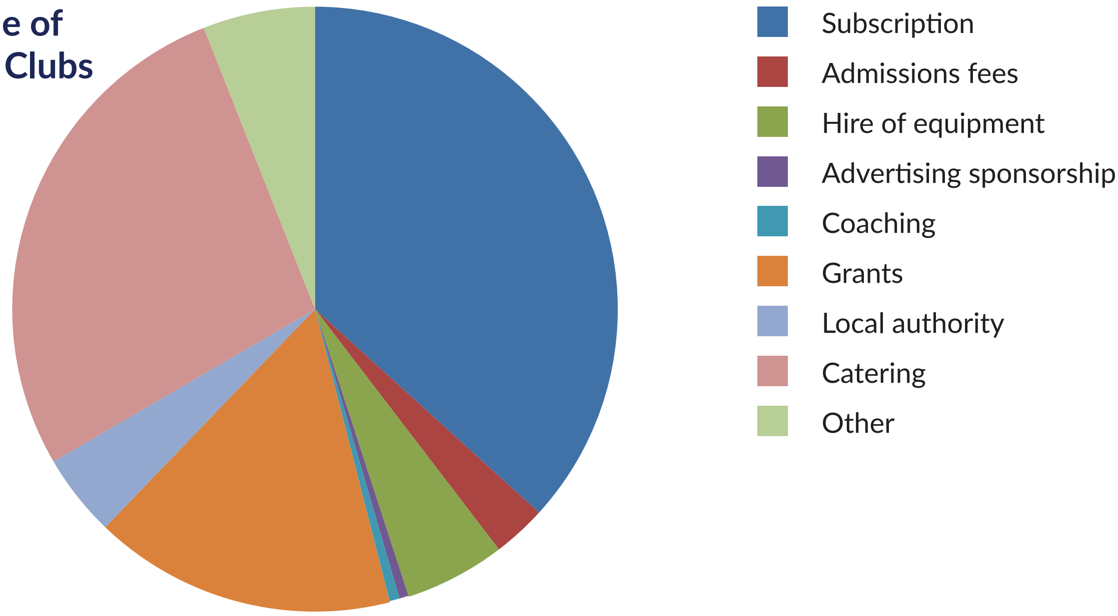


Figure 3: Income of Sailing/Rowing Clubs



Figures 2 and 3 above illustrate the income distribution of clubs. In the case on non-sailing/rowing the major sources of income are subscriptions (54% of all income) and grants (19%), followed by admission fees (11%). In the case of rowing/sailing clubs (Figure 3), the importance of grants is smaller (16%); instead, income from catering is greater (27%), illustrating the ability of the sailing / rowing clubs to generate funds commercially. As before, income from subscriptions (37%) remains the most important category. It is noteworthy however the much greater reliance of group A clubs on sunbscriptions than the sailing /rowing clubs which can fund their activities commercially.

The clubs are non-profit organisations, making very little (if any) surplus, which may be used for future spending or investments. In the survey, only some group A clubs could be associated with some surplus (£4,600 for the full sector). In general all possible surpluses are spent immediately on projects, implying that the clubs are very dynamic in generating employment and long term growth in the commercial non-outdoor recreation sector.

Figure 4: Expenses of non Sailing/ Rowing Clubs

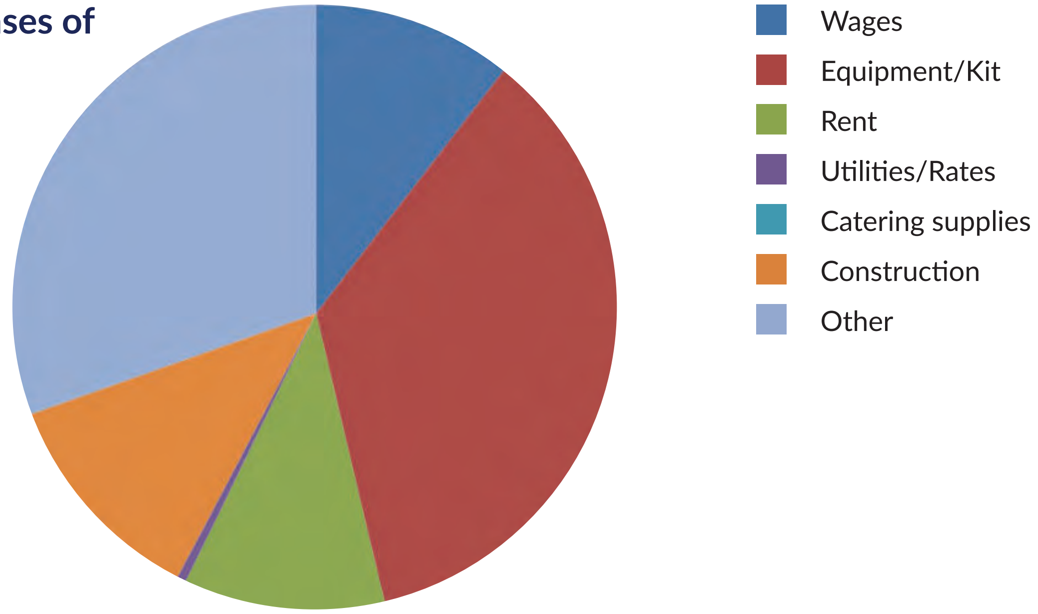
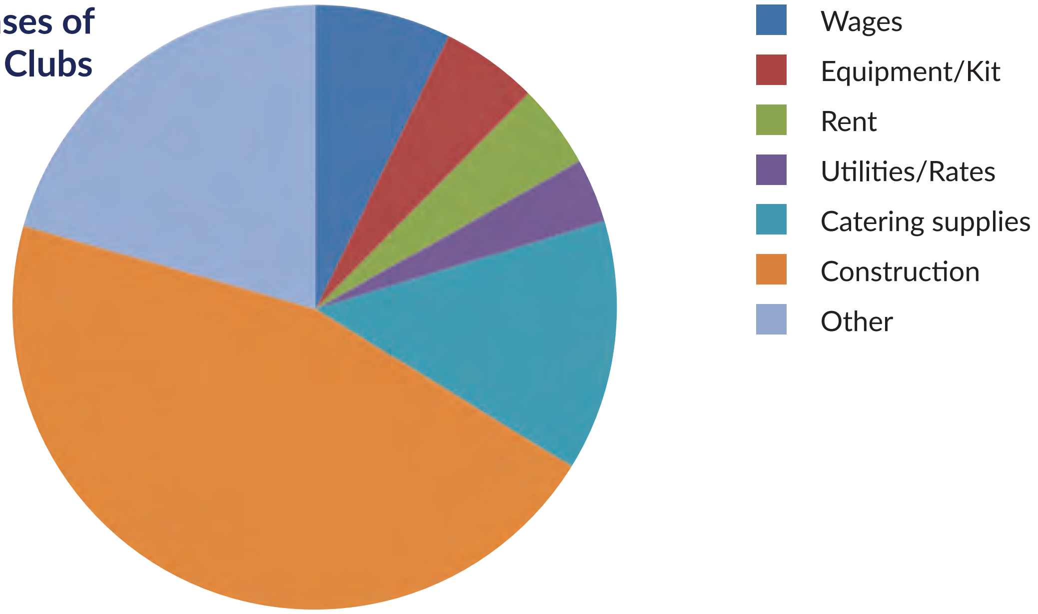


Figure 5: Expenses of Sailing/Rowing Clubs



As figure 4 below illustrates, group A clubs spend most of their income on equipment/kit (36% of spending) and construction costs (12%). On the other hand, figure 5 shows that sailing/rowing clubs spend most of their income on construction activity, catering supplies and wages/salaries. Construction activity, typically, represents 46% of the overall spending in group B clubs. This makes the sailing and rowing clubs a very important factor associated with economic growth in Northern Ireland, as the construction activity is very well linked with the network of economic activities giving high multipliers.

In terms of employment the clubs employ 138 people on a full time equivalent basis; this figure expands to 401 if volunteering is taken into account (263 volunteers on a full time equivalent basis)

Voluntary Sector – Outdoor/ Education Centres

The assessment of the outdoor centres is based on a survey of organisations, providing either a variety of outdoor activities or educational services. According to Table 2, there are **137 institutions** that are involved in the provision of a range of outdoor education and recreation activities in Northern Ireland. These centres are differentiated from others that provide only single activities such as paintball, sailing or horse riding.

Tollymore National Outdoor Centre is a well-known example of non-profit outdoor centre that focuses on mountaineering and canoeing skills and leadership courses. There are a range of other outdoor centres that are limited companies operating on a commercial profit basis. However, the present research found that **almost all possible surpluses are absorbed by investment activities**. The outdoor centres **typically recycle their full turnover** into wages, equipment, construction and operational expenses. As a result they achieve the maximum possible economic benefit for the local community. The construction activity surrounding them typically has one of the highest long term multipliers, contributing to the long term economic growth of the commercial sector.

The decision, therefore, was taken to group all of the outdoor centres into the Voluntary Sector, as most of them are in fact **non-profit organisations** whether they are commercial in outlook or not. The accommodation element is particularly important as it is also associated with the overall outdoor sector. Table 6 provides the income and expenditure survey results of this sector.

There are 137 institutions that are involved in the provision of a range of outdoor education and recreation activities in Northern Ireland

Table 6: Outdoor Centres Incomes And Expenditures, 2017

Table 6 is divided into two parts: the first numerical column is the characteristic average centre's income and expenditure. The second numerical column shows the overall state of the sector.

	PER CENTRE	TOTAL (ALL)
F-T Employment	5	685
P-T Employment	9	1,233
Volunteers	12	1,644
Hours of Volunteering/week	6	822
Hours of P-t/week	17	2,329
INCOME		
Participants/Admissions	£47,056	£6,446,622
Accommodation	£31,455	£4,309,394
Hire equip to people	£1,787	£244,784
Hire equip to firms	£410	£56,104
Advertising	£171	£23,396
Coaching	£913	£125,100
Lottery	£9,108	£1,247,763
Other lotteries	£4,140	£567,166
Catering	£28,306	£3,877,940
Grant-CG	£5,451	£746,750
Grant-LG	£25,641	£3,512,756
Other	£55,943	£7,664,205
TOTAL	**£210,379**	**£28,821,980**
EXPENSES		
Wages	£110,578	£15,149,225
Kit	£718	£98,370
Rent	£2,353	£322,296
Rates	£1,101	£150,845
Utilities	£13,371	£1,831,890
Catering	£11,873	£1,626,642
Equipment	£3,422	£468,869
Construction	£15,808	£2,165,677
Other	£51,154	£7,008,166
TOTAL	**£210,379**	**£28,821,980**
CONSUMPTION		**£16.7m**
EXPORTS		**£3.3m**
EXPORTS AS % OF TURNOVER		**11.5%**
EMPLOYMENT-HEADS		**1,918**
EMLOYMENT -FT EQU.		**1,301**
VOLUNTEERS		**1,644**
VOLUNTEERS- FT EQUIVALENT		**267**

Typically **a centre would employ 5 people on a full-time basis, 9 on part-time basis, and 12 volunteers**. Its income is approximately **£210,400**, with more than half of it from admissions, accommodation and catering. As shown, overall income is equal to total expenses. The latter consists mainly of wages, operational expenses and construction.

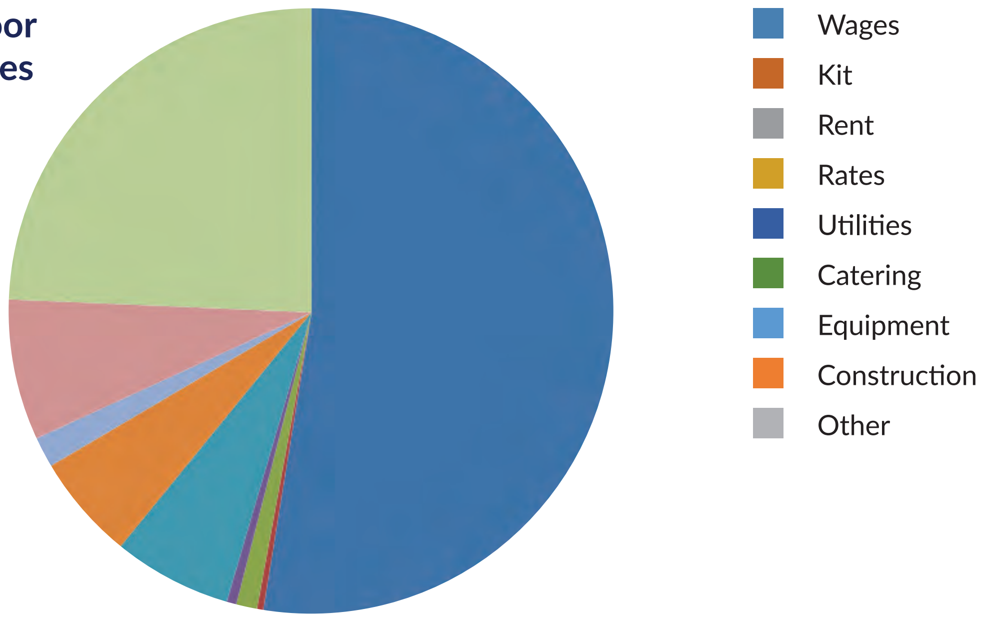
Overall, the sector employs around 685 people on full time basis, and near 1,233 on a part-time basis. The estimated number of people employed is just above 1,900, while the **full time equivalent statistic is 1,301**.

The sector has almost **1,640 volunteers**; expressing their contribution as a full-time work equivalent, it corresponds to **267 full-time employees**. The number of hours per week volunteering (6 per week) is much higher than other parts of outdoor recreation.

The total income associated with this sector is in excess of £28 million. From this, £16.7 million is generated from domestic consumption, while 11.5% of total income is generated from sales outside Northern Ireland, corresponding to almost £3.3 million.

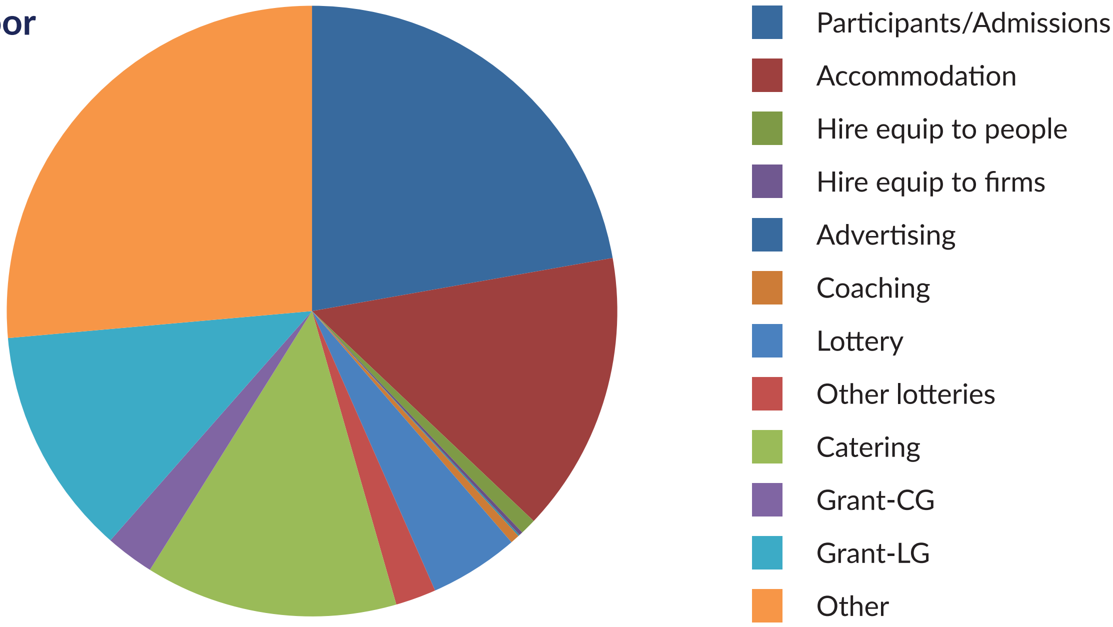
The generated exports (often associated with educational services and accommodation) are **very important for long term economic growth in the area**. A greater investment on accommodation and commercial marketing across the UK and the Republic of Ireland should result in an expansion of exports and employment. At the same time this increases the vulnerability of the sector in the face of political issues involving BREXIT and the border with the Republic of Ireland.

Figure 6: Outdoor Centres Expenses



Typically a centre would employ 5 people on a full-time basis, 9 on part-time basis, and 12 volunteers

Figure 7: Outdoor Centres Income Distribution



Figures 6 and 7 illustrate the percentage distributions of income and expenditure correspondingly. Two major sources of income are admissions (22%), accommodation (15%) and catering (13%), while most of expenses are spent on wages (53%), representing funds staying within the community. Compared to 2011 the wages and employment element of the activities centres appear much more pronounced, partly associated with the improvement of the overall economic circumstances.

Regional, country, forest and also local parks are central in the outdoor provision of Northern Ireland

Voluntary Sector – Parks And Charities

Regional, country, forest and also local parks are central in the outdoor provision of Northern Ireland. A questionnaire was used to gather data relating to these.

The contribution of the National Trust towards the development of walks and trails as well as areas of open space was also an important consideration. The outdoor recreation related spending in the NT is highlighted in 'coast and countryside conservation' in their accounts; which amounts to £32.1m for England, Wales and Northern Ireland as a whole. Accordingly, an amount of approx. £0.7m can be apportioned to Northern Ireland (2.2%) on the basis of the distribution of grants.

Table 7: Parks Accounts

	TOTAL
F-T Employment	145
P-T Employment	50
Hours of P-t/week	19
INCOME	£'000s
Participants/Admissions	2,940
Accommodation	10
Hire of equipment to people	35
Catering	135
Grant-LG	100
Other	510
TOTAL	3,730
EXPENSES	£'000s
Wages	2380
Kit	4
Rent	27
Utilities	157
Catering	22
Equipment	350
Construction	640
Other	150
TOTAL	**3,730**
AVERAGE CONSTRUCTION PER YEAR	450
CONSUMPTION	**£3.3m**
SURPLUS	0
EMPLOYMENT - HEADS	195
EMLOYMENT - FT EQU.	170

In general, most income comes from admissions and participants to organised events, while most spending relates to wages. As parks attract tourism, there is a small export element. The domestic consumption associated with parks is approximately £3.3million. This generates a full time equivalent level of employment of 170. The overall employment count (heads) is 195. This consists of 145 people in full time employment and 50 in part time employment.

Charities also generate approx. 31 full time equivalent employees but the vast amount of their operations is developed by voluntary work (3,760 volunteers).

The domestic consumption associated with parks is approximately £3.3million. This generates a full time equivalent level of employment of 170

In the case of the Duke of Edinburgh Award Scheme, 50,000 volunteers (an increase of 5,000 over the last six years) are involved across the UK and the number in Northern Ireland is extrapolated out to 2,200 volunteers. The average number of hours volunteered per week in the charity section is about 2 hours – which is a similar level to voluntary clubs and less than the average contribution in outdoor centres.

Charities generate an income in excess of £1.8m which is typically utilised without leaving any surplus. From this, the vast majority, almost £1.1m comes from the consumer sector. The estimated GVA is almost £0.6m (associated with wages).

However if the contribution of voluntary work, in line with the average wage of the sector, is factored in, then the GVA in the charity section expands to almost £4.7m, an indication of the extent of voluntary contribution in Northern Ireland.

Equivalently, by taking voluntary work into consideration, the number of FTE people increases from 31 to 229.

In the charity section, other than the Duke of Edinburgh Award, the proportion of the work and volunteering of the scouts was taken into account, as well as the outdoor recreation element of the list of charities in the voluntarynews.org.uk.

Charities generate an income in excess of £1.8m which istypically utilised without leaving any surplus. From this, the vast majority, almost £1.1m comes from the consumer sector. The estimated GVA is almost £0.6m (associated with wages)

Table 8: Charities

FTE Employment	31
Volunteers	3,760
Hours of Vol/week - 2	3760 hours per week
INCOME	**£000's**
Participants/Admissions	£823
Donations	£191
Commercial income	£267
Grant-CG	£299
Other	£260
TOTAL	**£1,840**
EXPENSES	**£000's**
Wages	£620
Depreciation	£68
Audit fees	£4
Supporting volunteers	£116
Supporting partners	£165
Supporting participants	£66
Construction	£131
Other	£670
TOTAL	**£1,840**
	£000's
CONSUMPTION	£1,144
GVA	£620
Average wage	£20.3
Voluntary 'GVA'	£4,118
Augmented GVA	£4,738

Consumer Spending on Outdoor Recreation

The consumer spending sector was investigated primarily on the basis of the following publications: Family Spending, Consumer Trends, and international trade statistics.

Based on Consumer Trends, Family Spending, and British Marine Federation data, spending can be approximated for gliders/air balloons, boats, animals for recreation, parachutes, fishing equipment, inflatable boats, tents, sleeping bags and camping stoves. A conservative estimate for consumer spending on outdoor recreation in Northern Ireland is shown in Table 9 (all figures relate to 2017 prices).

Table 9: Consumer Spending on Outdoor Recreation, 2017

	2017	2011 (2017 prices)	% change
Outdoor accessories	£2.8m	£2.6	9%
Fishing equipment	£6.9m	£6.4	9%
Water-sport/ specialised equipment	£2.4m	£2.3	9%
Hire of equipment	£3.8m	£3.0	28%
Open-air-recreation equipment	£14.5m	£7.0	109%
Boats	£31.4m	£18.4	70%
Other major durables	£20.9m	£10.4	102%
Bicycles	£37.1m	£26.1	42%
Outdoor Centres/Parks/Charities	£21.3m	£21.8	-2%
Clubs	£3.9m	£3.9	0%
Clothing	£24.6m	£19.3	28%
Footwear	£6.2m	£3.9	58%
Publications	£2.3m	£1.2	86%
Angling licences and competition fees	£1.0m	£1.0	0%
Angling related accommodation	£3.9m	£3.1	26%
Travel Cost	£9.2m	£7.1	30%
Total	**£192.2m**	**£137.5**	**40%**

Consumer spending on outdoor recreation adds up to just over £192m. This is a considerable increase from £137.5m in 2011 (2017 prices), corresponding to an increase of 40% in volume terms. Note that this increase is not far away from the increase in the number of outdoor companies which increase over the same period by 48%.The average price change that is specific to the outdoor sector is equivalent to 11% over the period 2011-2017. The most important elements are bicycles (£37m), boats (£31m), clothing (£24m) and outdoor centres (£21m). It must be underlined that the above figures represent spending from Northern Ireland residents.

Consumer spending on outdoor recreation adds up to just over £192m. This is a considerable increase from £137.5m in 2011 (2017 prices), corresponding to an increase of 40% in volume terms

Spending on open-air-recreation equipment is estimated to be £14.5m, representing a doubling of spending compared to 2011 in 2017 prices. This is based on the statistic: weekly spending on sport equipment (code 9.33, table A35 of 'Family Spending'), which, in the case of Northern Ireland, increased from 0.7 in the 2011 publication to 1.3 in 2017, representing an increase of 86%. On average a household in Northern Ireland spends more on sport equipment than in the UK (£1.2 per household per week). Further increases happened because of population growth over the period.

Spending on boating is estimated to be £31.4m. This represents an increase of 70% since 2011 in 2017 prices. It is consistent with the participation statistics where participation increased from less than 0.5% in 2011 to 1% in 2017, representing at least a doubling of participation (in participation rate terms). It is also consistent with the increase of major outdoor durables in Consumer Trends (for the UK) which increased from £6.8bn in 2011 to 14.5 in 2017, an increase of 213%.

Spending on other major durables is estimated to be £20.9m. As in the case of boats, this category is based on the increase of major outdoor durables in Consumer Trends (for the UK) which increased from £6.8bn in 2011 to 14.5 in 2017, an increase of 213%.

Spending on bicycles is estimated to be £37.1m. This represented an increase of 42% compared to 2011, in 2017 prices. It is based on the UK estimate in Consumer Trends, which increased from £911m in 2011 to £1,425m in 2017, representing an increase of 56%. Note also that, in constant prices, the growth of spending on bicycles is very close to the sector average of 40%.

Spending on bicycles is estimated to be £37.1m. This represented an increase of 42% compared to 2011, in 2017 prices

Any exports, which are very significant in the case of bicycles and angling, are considered separately. The estimation of consumer spending on angling is based on Key Note reports and on official angling statistics. The latter, together with the UK and Irish economic impact reports and travel surveys, was used to provide an estimate of travel cost incurred for outdoor recreation purposes (£9.2m). Complementary statistics are provided by the Salmon and Inland Fisheries Annual Reports.

Although a comparison of the outdoor recreation impact with the sport impact is not definitional consistent, we can generally establish that outdoor recreation related consumption is equivalent to around **21% of the sport related market** (in terms of consumption, but excluding gambling).

Northern Ireland is a major hub for angling in Europe with a plethora of angling destinations on rivers, streams and lakes. Game species on offer include Salmon, Grilse, Sea Trout, Brown Trout, Dollaghan, Gillaroo and Sonaghan and some of the best destinations include the wide expanse of Lower Lough

Erne in the Fermanagh lakelands, the Lower Bann system, the nearby tributaries of Lough Neagh, and the rivers of the Causeway Coast in county Antrim. Major operators include: Roxtons and World Sport Fishing.

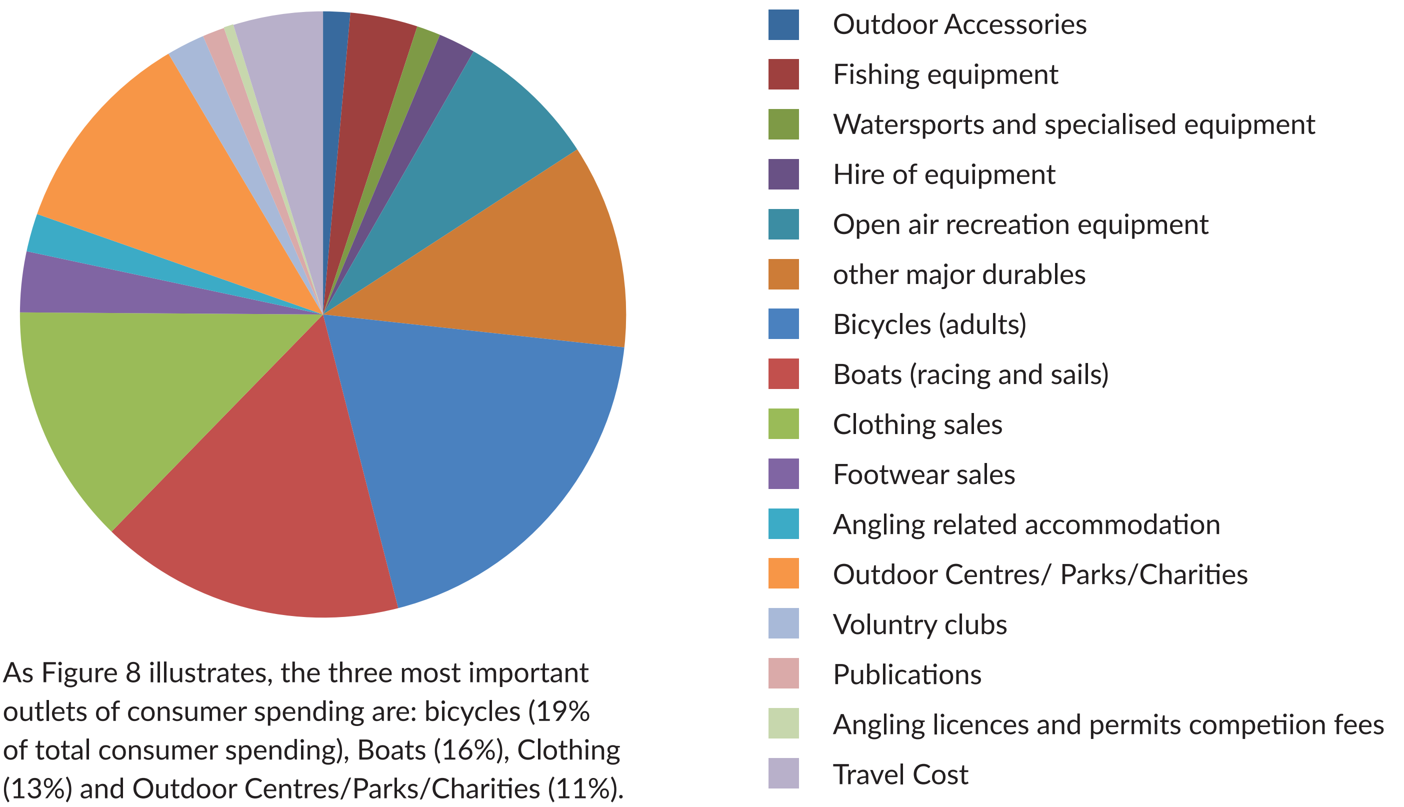
Similarly, while urban parks are at the forefront of traditional sports provision, local authorities manage most country parks and many include outdoor activity hubs offering paths and walks, fishing, water sports and sometimes camping. These facilities are also available at other designated country and forest parks, run by the national authorities.

In economic terms, cycling is one of the most important activities, with many retailers and activity providers.

Chain Reaction Cycles is the main provider of equipment and it is estimated that this company meets approximately half of the domestic demand. On the basis of product range only 75% of bicycle spending is considered to be within the outdoor recreation sector as bicycles for small children or commuting are not taken into consideration. Following the Vilnius definition[7], all relevant product ranges are taken into account (as is done in the case of trainers).

Figure 8 illustrates the percentage distribution of the various categories of consumer spending.

Figure 8: Consumer Spending



As Figure 8 illustrates, the three most important outlets of consumer spending are: bicycles (19% of total consumer spending), Boats (16%), Clothing (13%) and Outdoor Centres/Parks/Charities (11%).

[7]The Vilnius Definition of Sport provides three definitions of sport which can be applied to the Statistical classification of economic activities in the European Community and so sport and the System of National Accounts become compatible

Commercial Outdoor Recreation Sector

The Commercial outdoor recreation sector is represented by all the retailing and accommodation units that are dedicated to the provision of outdoor recreation in Northern Ireland.

Table 10: Commercial Outdoor Recreation Sector

INCOME	£m
Outdoor Accessories	0.9
Fishing equipment	2.3
Water-sports equipment	0.8
Hire of equipment	3.2
Open-air-recreation equipment	4.8
Other major durables	7.0
Bicycles (adults)	111.6
Boats (racing and sails)	10.5
Clothing sales	8.2
Footwear sales	2.1
Angling related accommodation	3.2
Publications	1.9
Clubs	0.6
Outdoor Centres	2.7
Charities, Parks	0.7
Local Government inputs	0.7
Total income	**£161.2**

SPENDING	£m
Bicycles	
Wages	9.6
Other inputs	94.9
(Surplus)	7.1
(Value-added)	16.7
Fishing/Angling	
Wages	1.7
Inputs	2.8
(Surplus)	1.1
(Value-added)	2.8
Outdoor Equipment	
Wages	4.4
Other inputs	9.7
(Surplus)	3.8
(Value added)	8.1
Clothing & Footwear	
Wages	2.5
Other inputs	5.6
(Surplus)	2.2
(Value added)	4.7
Specialised Providers	
Wages	2.9
Other inputs	6.1
(Surplus)	2.2
(Value added)	5.1
Corporation Tax	3.3
Rates	1.1
Voluntary Sector	2.3
Capital expenditure	3.7
Total Expenditure	**£150.5**

The statistics are heavily influenced by the inclusion of Chain Reaction Cycles, globally the largest dedicated online retailer of cycling equipment. Consequently, around 69% of commercial outdoor recreation income is taken by cycling related operations. Outdoor recreation related boating provides the next most significant commercial outlet with associated income of about £11m. This is followed by sport clothing at £8m. Overall, the commercial outdoor recreation income (at £161m) is slightly greater than the corresponding expenditure (at £151m). In the spending column of the above table, value added is calculated as wages added to factor surplus. Most of the spending is directed towards 'other inputs', in the Commercial non-outdoor recreation sector, which are necessary to recycle the production or retailing process (e.g. raw materials).

Commercial Non-Outdoor Recreation Sector

In this sector the relevant income and expenditure is derived using appropriate national accounts ratios. For this reason some assumptions are made for imports of goods and services relative to the GVA.

Through the commercial non-outdoor recreation sector, the outdoor recreation economy is connected to the national economy. More than 50% of this sector's spending is on wages (£30.5m), which in turn is spent in the economy creating a strong multiplier effect. In this methodology, only the first round of economic interactions is considered and any economic impact shown will be realised within the financial year in question. During 2017 the total income and spending equalled £51m and £53m respectively and through the production of inputs, a surplus to £21m is generated. The produced GVA amounts to £51m. Generally the greater the commercial non outdoor recreation sector, the higher the multiplier with the rest of the economy. In the 2011-17 period, in value terms, spending for the sector increased by 26%.

Table 11: Commercial Non Outdoor Recreation Sector

INCOME	£m
Sales of current inputs to:	
Central government	2.0
Local government	9.3
Commercial outdoor recreation	14.3
Voluntary outdoor recreation	9.2
Sales of capital inputs to:	
Local government	1.6
Commercial outdoor recreation	2.3
Voluntary sector	4.9
Consumer spending	
Travel	7.7
Total income	**51.3**

SPENDING	£m
Producers of related inputs:	
Wages	30.5
Imports	13.8
(Surplus)	20.8
(Value added)	51.3
Corporation tax	4.2
Rates	1.5
Purchases of inputs from outdoor recreation:	
Sponsorship and advertising	0.5
Other non-grant contribution in the vol. sector	1.7
Lottery partnerships	1.2
Total Spending	**53.4**

Government Sector

In 2017, central government financed the outdoor recreation sector through grants provided primarily by SNI, Tourism NI and the Department for Agriculture, Environment and Rural Affairs (DAERA), via the Northern Ireland Rural Development Programme (NIRDP), and the NI Environment Agency (NIEA).

It is important to underline that as a matter of policy, NIEA only meets up to 75% of the cost of any approved project. Funding is directed mainly to national associations, parks, and the National Trust. In 2017, the estimated amount of outdoor recreation related grants amounted to just over £4m, while a separate amount (£2m) was spent on park maintenance.

The outdoor recreation-related staff cost, as a percentage of overall staff cost, amounts to 30% in SNI and between 3% and 4% elsewhere (following the distribution of grants or a portion of wages for park maintenance).

These interventions help to maintain the vital background of the emerging business activity. As a result, central government are in a position to generate many times the size of the initial investment through the outdoor recreation sector.

As Table 14 shows, the central government spending of £18.6m is overshadowed by a generated income of £76.2m. Even if we include local authorities, **the generated income exceeds spending**. This is partly due to the overall economic performance and the relatively high level of VAT. The higher level of income related to spending, and the associated employment, make the sector very attractive for long terms investments. This is also what makes projects such as community trails and greenways extremely attractive financially. The investment has been associated with an increase in walking participation and sport spending which has repaid the investment many times over in terms of VAT and indirect benefits for the population.

The central government spending of £18.6m is overshadowed by a generated income of £76.2m. Even if we include local authorities, the generated income exceeds spending

Table 12: Government Sector

INCOME	£m
TAXES ON EXPENDITURE	
Outdoor Accessories	0.5
Fishing equipment	1.2
Water-sports equipment	0.4
Hire of equipment	0.6
Open-air-recreation equipment	2.4
Other major durables	3.5
Bicycles (adults)	6.2
Boats (racing and sails)	5.2
Clothing sales	4.1
Footwear sales	1.0
Angling related accommodation	0.6
Angling licences and permits competition fees	1.2
Outdoor centres	3.6
Voluntary clubs	0.7
Local government	2.4
Travel spending	1.5
Exports of services	0.6
Tax CG operations SNI	0.5
Tax NIEA/TNI	0.9
VOLUNTARY SECTOR	11.0
LOCAL GOVERNMENT	5.7
COMMERCIAL OR	9.8
COMMERCIAL NON-OR	12.7
Total Income	**£76.2**

SPENDING	£m
SNI	
Grants, outdoor recreation total	3.9
Wages	1.9
TNI	
Grants-OR, total	2.3
Wages	0.2
NIEA, NIRDP	
Grants-OR- total	4.4
Maintenance of parks	2.0
Wages	3.0
Other	1.0
Total expenditure	**£18.6**

Local Government Sector

The local government expenditure is based on grants directed towards voluntary clubs and outdoor centres, and also spending on parks, open spaces and outdoor leisure facilities. Leisure centres and swimming pools are not included in the sector examined. The local authorities' financial accounts provide the outdoor element within the general categories such as recreation and sport. In terms of expenditure, Belfast City spent £71.7m on recreation and sport out of a total of £222 million, a very high percentage of 32%. Through telephone interviews, the element of this attributed to outdoor recreation was around 2.5% of total spending.

Local Government spending is mainly on wages for outdoor recreation related activities (£10m), other inputs (£12.4m), grants to the voluntary sector (£3.8m) and capital spending (£1.9m). The latter consists mainly of construction activity.

Overall, the outdoor recreation related spending by local authorities just exceeds £28m, its greatest part being wages and other inputs.

Table 13: Local Government Sector

INCOME	£m
SNI	0.4
TNI	1.2
Voluntary sector	2.4
Rates	2.7
Total income	**6.7**

SPENDING	£m
Wages	10.1
Other inputs	12.4
Grants to voluntary clubs	3.8
Capital expenditure	1.9
Total expenditure	**28.2**

Overall, the outdoor recreation related spending by local authorities just exceeds £28m, its greatest part being wages and other inputs

Employment Generated By Outdoor Recreation

The main **drivers of employment in Northern Ireland are the outdoor centres sector and the cycling sector**. The outdoor centres provide the core of accommodation, export 11.5% of their services and are partly based on the Northern Irish network of volunteers.

As highlighted previously, an outdoor centre typically employs 4 people on full-time basis, 4 people on part-time basis and uses the services of 8 volunteers. It is fair to say that, on the whole, this sector exists because it represents activities and a life style dear to the population as a whole, rather than a great opportunity for excessive profit; this is testified by the amount of unpaid work invested into the sector. As most capital is 'recycled', the sector generates a high level of employment and, through construction activity, it affects the commercial non-outdoor recreation sector. On the other hand cycling employment is driven primarily by exports. Central to its importance is a network of small operators and the company Chain Reaction Cycles.

Table 15 below, illustrates the distribution of employment among the examined sectors. Employment in water sports (at over 170) represents an increase of 79% compared to the year 2011. It is driven by increases in spending such as in boats, which has increased by 70% (using constant prices) since 2011, and has doubled overall in the UK using market prices (Consumer Trends).

Table 14: Outdoor Recreation Employment, Northern Ireland, 2017

Sector	FTE Employed People
Commercial outdoor recreation	
Cycling	476
Fishing/Angling	99
Outdoor equipment	260
Clothing and Footwear	150
Water-sport/specialised providers	172
Subtotal	**1,157**
Voluntary Outdoor Recreation	
Clubs	138
Outdoor Centres	1301
Parks/Forests	170
Charities/Associations	33
Subtotal	1,642
Commercial non-outdoor recreation	1,327
Central government	220
Local government	459
TOTAL	4,804
2011-2017 % change	36%
Voluntry sectorchange 2011-17	**60%**

Employment in water sports (at over 170) represents an increase of 79% compared to the year 2011

Overall the estimated number of full time equivalent employees within outdoor recreation in Northern Ireland is **4,804**. This represented an increase of 36% since 2011. From this, 27% and 10% are generated in the outdoor centres and the cycling sector respectively. Smaller numbers are generated by retailers, fishing/angling, clubs, and other specialised retailers/providers. As figure 9 illustrates the non-outdoor recreation commercial sector (providing construction services and equipment) is more important than the commercial outdoor recreation section examined, providing more than 1,300 FTE employees (28%). The biggest increase in employment in the period 2011-17 happened in the voluntary sector, which in terms of employment increased by 60%.

The overall figure can be notionally extended to include the unpaid voluntary time invested within the outdoor recreation sector. **This is equivalent to 815 FTE employees, raising the figure of people occupied within the sector (full time basis) to almost 5,620 an increase of 17%**. Most of this augmented employment is recorded in the clubs, outdoor centres and charities. Table 16 below illustrates the distribution of this 'employment' among the various outdoor recreation sectors. It represents a growth of 41% over the FTE augmented employment in 2011.

Overall the estimated number of full time equivalent employees within outdoor recreation in Northern Ireland is 4,804. This represented an increase of 36% since 2011

Figure 9: Employment Distribution

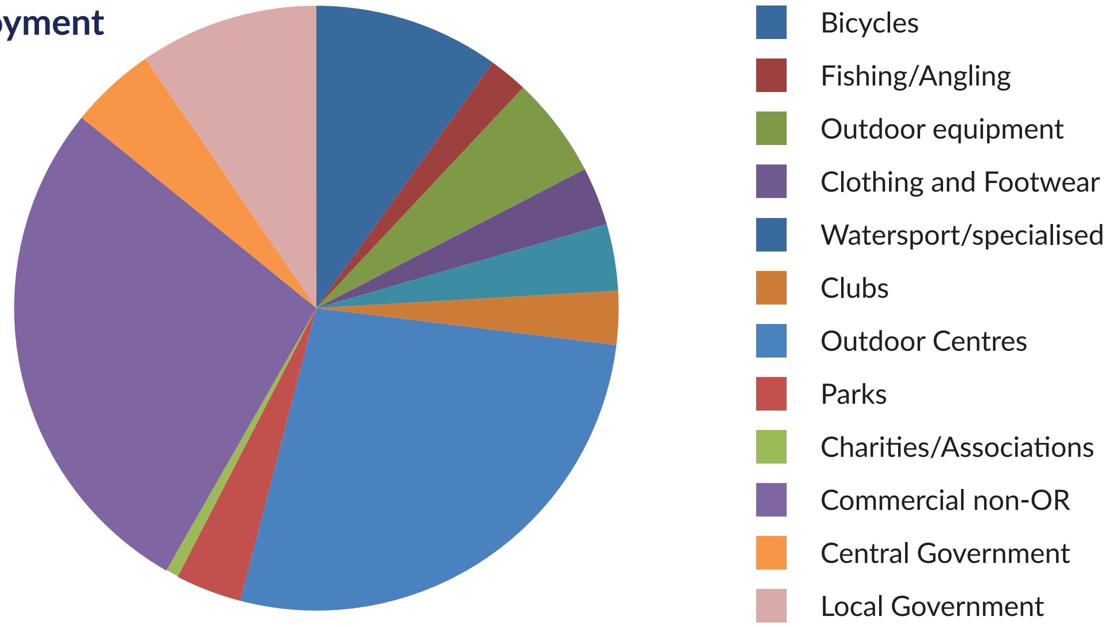


Table 15: Augmented Employment Corresponding to Voluntary Work

	FTEs
Voluntary clubs	263
Outdoor cenres	267
Charities	198
Other	87
Total	**815**
Increase over2011	**41%**

Finally note that the concept of the augmented employment is based on a very large number of volunteers. Among the sectors of voluntary clubs, outdoor centres and charities, the number of volunteers in 2017 was 10,404 representing an increase of 33% over the equivalent 2011 figure.

GVA Generated by Outdoor Recreation

Table 17 below illustrates the most comprehensive position of the outdoor recreation sector in Northern Ireland. The generated GVA exceeds £131m, representing an increase of 28% in value terms from 2011 and is equivalent to approximately 23% of the sports economy (excluding TV and gambling).

The largest part comes from the commercial non-outdoor recreation sector (39% of GVA), verifying the original assumption, as expressed in the analysis of the voluntary sector, that the strong construction element would result in a wider impact within the economy. It should be underlined that this is the tangible income within the financial year; more multiplier related effects may be generated as a result of construction and exports.

Following this, the commercial outdoor recreation and the Voluntary sectors generate 29% and 21% of GVA respectively. The commercial outdoor recreation is driven primarily by cycling and angling.

The voluntary sector reflects the commercial realisation of work done, but excludes the amount of contribution through unpaid hours (which do not contribute towards GVA). It is this added value (which is invisible to economic statistics) that has formed the backbone of the outdoor recreation industry and has provided the background for growth in the case of export orientated companies such as CRC.

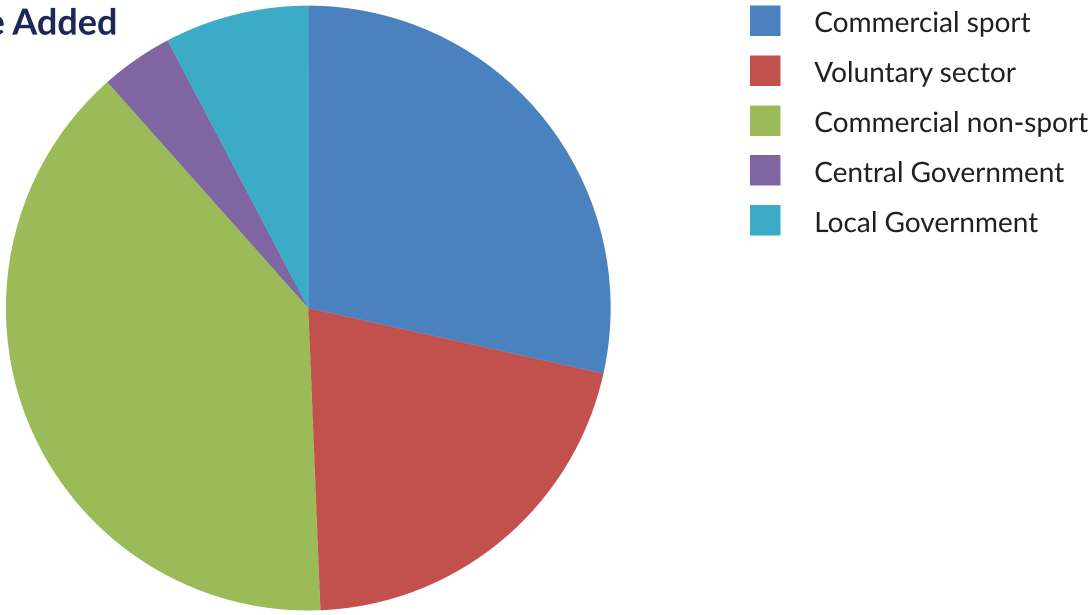
Table 16: Outdoor Recreation GVA, Northern Ireland

	£m	Index
Commercial OR sector:		
Wages	21.0	
Surplus	16.	
Total	37.4	28.5%
Voluntary sector		
Wages	19.9	
Surplus	7.5	
Total	27.4	20.9%
Commercial non-OR		
Wages	30.5	
Surplus	20.8	
Total	51.3	39.1%
Central Government		
Wages	5.1	3.9%
Local Government		
Wages	10.1	7.7%
TOTAL VALUE ADDED	**131.3**	**100.0**
% of sports economy (no gambling and TV)	23%	
Change of GVA in constant prices 2011/17	24%	

The same picture is presented by Figure 10, where it is clear that the main value outcome of the outdoor recreation industry is produced outside the sector. This verifies the original observation that outdoor centres and clubs are spending widely on construction, while supported by an army of volunteers, resulting in an expanded economic impact within the community. This is clearly illustrated in the Value Added distribution below.

The generated GVA exceeds £131m, representing an increase of 28% in value terms from 2011

Figure 10: Value Added



Conclusions, Further Research Directions

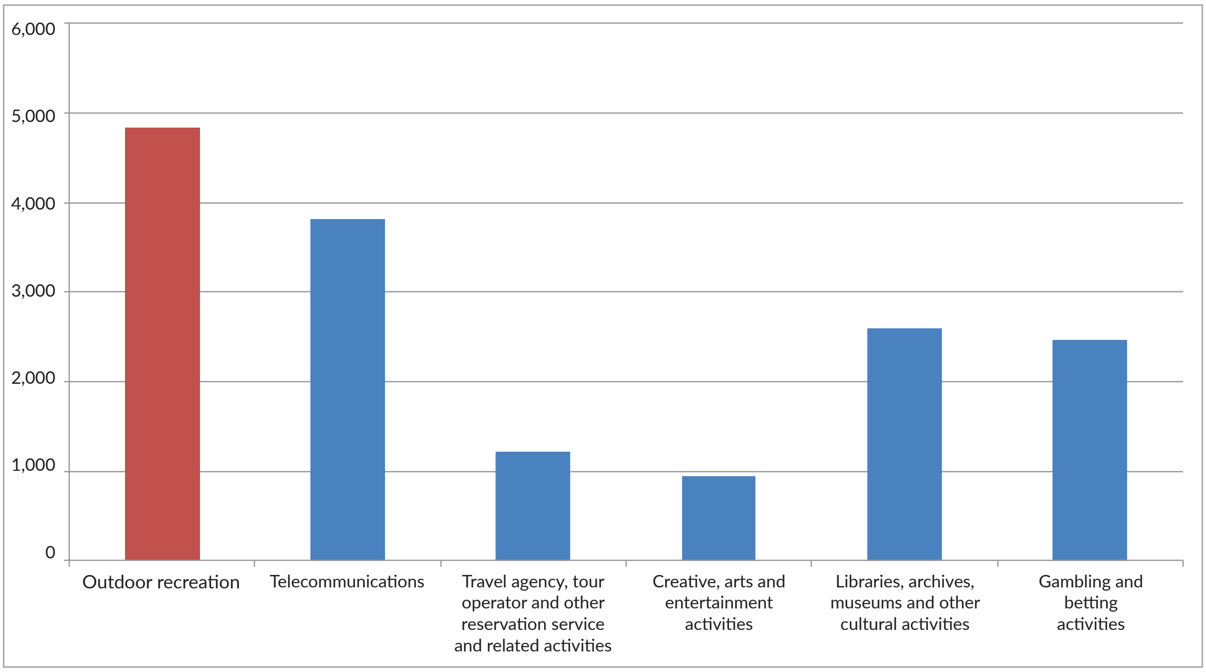
The current research so far has illustrated that on the basis of a very pro-active outdoor recreation sector, where companies are established with little cost on the basis of sport enthusiasm and voluntary work, conditions for economic experimentation and growth have developed. Companies such as CRC have emerged 'organically' from such an environment. As a result, the sector generates income for the public sector in excess of any investment in the financial year under consideration. This is true even for the public sector as a whole: **Taking the central and local government as a whole, spending of £47m is associated with a generated income of £83m, a surplus of 43%**.

For every £1.00 that the public sector invests there is a return of £1.77

In 2017 it was established that the main drivers of employment in Northern Ireland are the outdoor centres sector and the cycling sector. The outdoor centres recycle their full turnover into wages, equipment, construction and operational expenses. As a result they achieve considerable economic benefit for the local community. They also use volunteering work much more intensively than other parts of outdoor recreation. On the other hand cycling employment is driven primarily by exports.

Compared to the economic value of sport in Northern Ireland (excluding gambling), the outdoor recreation sector generates about a fourth of its employment. Further, compared to other sectors of the economy, it generates full time equivalent employment greater than the full Telecommunications sector and almost four times greater than the sector Travel agencies and tour operators. Figure 11 below shows some of these relationships to the wider economy:

Figure 11: Employment (FTE) Generated in Some N.I. Sectors, 2017



Source: Quarterly Employment Survey, Department of Finance & Personnel, SIRC

According to the figure above, outdoor recreation generates employment just below the combined employment in libraries, archives and gambling activities. It generates more than five times the employment in creative arts and entertainment activities.

Finally note that the current methodology can readily be transferred to regional communities. It has shown a considerable increase in the economic impact of outdoor recreation in Northern Ireland which in terms of employment has grown by 36%. This is brought about by improvments in the NI economy, greater participation rates, especially in recreational walking, and growth in the outdoor recreation business sector as testified by the increase in the numbers of outdoor recreation operators.

The overall picture is that over the period 2011-2017 the number of outdoor recreation operators increased by 48%, spending (in 2017 prices) increased by 40%, employment increased by 36% and GVA (using 2017 prices) by 24%. This is summarised in Table 18 below. Table 18 illustrates that a given investment in outdoor recreation will enhance employment by a greater percentage amount, which is mainly driven by the employment generated in the voluntry sector. This makes careful investments in outdoor recreation extremely efficient in terms of employment generation and public finance. The conclusion above is completely consistent with all the sport satellite research that a given increase in GVA would lead to a greater percentage increase in employment. This research has shown that this relationship is much more profound in the outdoor sector than any other sport sector that has been examined so far.

Table 17: Outdoor Recreation 2011-17 Change

	Change 2011-2017
Number of operators	48%
Consumer spending (2017 prices)	40%
Employment	36%
Voluntary sector employment	60%
GVA (2017 prices)	24%
Change of GVA in constant prices 2011/17	24%

This study has evidenced a considerable increase in the economic impact of outdoor recreation in Northern Ireland with a generated GVA exceeding £131m, representing an increase of 28%. This has been brought about by improvments in the NI economy, greater participation rates, especially in recreational walking, and growth in the outdoor recreation business sector as testified by the increase in the numbers of outdoor recreation operators

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Sport Northern Ireland
House of Sport
2a Upper Malone Road
Belfast BT9 5LA

T: (028) 9038 1222
E: info@sportni.net
W: www.sportni.net