

# **Margam Country Park**

## **Business Plan**

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## 1. Vision:

*To create both a commercial and sustainable facility that celebrates the synergy between heritage and the natural environment in a stimulating fusion of education and entertainment, in a unique, inspiring, historic setting, establishing Margam as an environmental education centre and a high quality cultural and leisure destination of national status and significance.*

## 2. Key Actions:

- Margam Country Park will exploit all appropriate commercial activities and opportunities to reduce the current subsidy and in the medium to long term aim for full cost recovery. Detailed proposed actions aimed at increasing income and securing a sustainable financial model for the Park are outlined in the action plan on page 10.
- A review of the current assets of the park could result in an asset disposal strategy to release much needed investment in income generating opportunities. (*Examples shown in the action plan*)
- A market testing exercise will be undertaken on all catering outlets within the Park, including The Orangery, to decide on business efficiencies and the most financially advantageous delivery model.
- To operate more commercially Margam Country Park will undertake a thorough assessment and evaluation of internal access, circulation, vehicle management and wet weather car parking facilities.
- All options, including partnerships with private sector operators will be explored in terms of providing quality commercial, retail, and wet weather offer. This includes the potential expansion of the Park's adventurous experiences' offer. (*Examples shown in the action plan*)
- At Margam Country Park and Margam Orangery there is scope to increase income. In order to exploit the income generating opportunities, increased capacity is required, as all staff currently employed are focussed on service delivery. Additional human resources are required, specifically a professional marketing officer. This officer will operate 50% of the time developing the artistic offer and marketing at the Princess Royal Theatre and 50% promoting the programme and facilities at Margam Country Park/Orangery. The current Council subsidy for the list of venues mentioned above (17/18 budget) is in excess of £400k. This is a 'spend to save' opportunity that should generate significant year on year increased income for these venues. It is anticipated that the increased costs associated with employing a marketing officer will be recovered in full, over a 3 year period.

### **3. Background:**

#### **a. Margam Country Park:**

- 3.1.1 Margam Country Park is a Grade 1 listed park of approximately 900 acres which includes several Scheduled Ancient Monuments as well as a number of Grade 1 and Grade 2 listed buildings and structures. It is a visitor attraction which provides a range of leisure opportunities for a large number of local people as well as tourists.
- 3.1.2 Two significant delivery partners are also based in the park; Go Ape, which is one of the UK's leading operators of high ropes courses and the Field Studies Council who lease the Margam Discovery Centre, a 132 bed residential, environmental education centre. The park receives a rental income from Go Ape.
- 3.1.3 In recent years the park has attracted significant grant funding in order to restore some of the most important listed buildings and to restore the gardens. Funding was also obtained in order to develop a volunteering programme within the gardens and the park now has a core team of enthusiastic volunteers who work alongside the gardening team. The park has also had funding to construct a new mountain bike events course. To increase capacity for events parking, the park is continuing to seek out further grant opportunities.
- 3.1.4 In 2011, Margam featured for the first time in Visit Wales's list of the top ten most visited; free to enter attractions in Wales, and the only one outside a city centre.
- 3.1.5 The single most important factor that influences visitor numbers at Margam is undoubtedly the weather, however visitor numbers have been encouraging in the last few years. Income has steadily increased, and efficiency savings made resulting in a significant reduction in the net revenue cost to the Council overtime.
- 3.1.6 Following the restoration of Ivy Cottage, as part of the Heritage Lottery grant funded project, this has now been converted into a successful holiday cottage which has added a new income stream.
- 3.1.7 Expressions of interest have been sort for a new tenant for Twyn yr Hydd, some interest has been shown, and it is recommended that a further market testing exercise be carried out to include Margam Orangery, as a joint offer. It is also recommended that catering at Charlotte's Pantry is delivered by the same contractor, realising economies of scale.
- 3.1.8 Plans are in place for a 90 pitch caravan and camping site at the East lodge end of the park. However it is thought that this development would compromise existing income generating opportunities such as film and television filming. Therefore it is not recommended to pursue this development.

3.1.9 During the past 5 years Margam Park has been a popular location for filming, and this has generated significant additional income of circa £272,000. The film and television industry is thriving in South Wales and park management will continue to develop and maintain relationships with production companies and location managers in order to maximise revenue from filming.

### **3.2 Margam Orangery:**

- 3.2.1 Whilst the Orangery is a renowned prestigious wedding venue, it also attracts commercial and private functions, e.g. product launches, conferences, antique fairs etc. During the financial year 2016/17 a total of 122 functions were held. The venue attracts international, national and local customers.
- 3.2.2 2016-17 has seen major brands such Audi, Mercedes and Land Rover host their new model launches at the venue. The venue is the preferred choice for South Wales Police and ABMU health board to host their conferences, awards, presentations and gala events, it also hosted a national charity dinner for 350 guest supported by HRH Prince Harry called the Pan Am challenge. In 2017-18 the Orangery has secured the Champions League hospitality for a Swedish company.
- 3.2.3 To further increase the wedding trade, it is planned to hold two wedding showcases in 2017-18. In 2016-17 one showcase was held which resulted in a total of 15 new wedding bookings. This is an opportunity the venue plans to further exploit during 2017-22 (subject to decisions regarding catering). The wedding showcase is also an opportunity to meet with all current customers to continue building a relationship in preparation for their upcoming weddings at the venue.
- 3.2.4 Bar income has increased during the financial year 2016-17. All branding has been changed, and all products moved to premium product to match the venues market demographic. A price and quality analysis has been carried out, and the venue currently purchases from one major supplier, and best value is obtained via the all Wales purchasing consortia.
- 3.2.5 The management of Charlotte's Pantry was transferred to the park in October 2015. Following the transfer a complete review of the service has been carried out and this included the installation of a new computerised till system to analyse income via product, date and sales times. The review of the service has also resulted in considerable savings in VAT on take away sales.
- 3.2.6 To enhance the catering offer and improve profitability, during the summer of 2016 a mobile catering outlet was placed in the children's village selling ice-cream, hot and cold drinks. The mobile catering unit was sourced at no cost to the Park from a current supplier. It was open on weekends and NPTCBC school holiday, weather permitting. The outlet secured £16,500 income, with a 70% profit margin secured for the Park. It is proposed to source a second unit in 2017-18 and site in the Park adjacent to the children's play area at the eastern side of the Park.

#### 4. SWOT Analysis

Strengths	Weaknesses	Opportunities	Threats
<p>Dedicated Experienced knowledgeable staff.</p> <p>Within 30 minutes of two major cities</p> <p>Target population of 1.6m within 60 mins drive</p> <p>Recognised historical interest</p> <p>Good Links with filming and TV production companies</p> <p>Venue for hosting events</p> <p>Strong and broadly based Friends Group</p> <p>Established partner and educational use</p> <p>Dry Weather Car Parking</p> <p>Free entry</p> <p>Volunteers</p> <p>Diversity of activities available</p>	<p>Distance from residential areas restricts casual visits/pedestrians</p> <p>Lack of investment to expand</p> <p>Extensive refurbishment/restoration required in some areas</p> <p>Shortage of professionally trained horticultural staff</p> <p>Difficulties involving physical access</p> <p>Lack of a wet weather attraction</p> <p>Poor broadband speeds and lack of wifi</p> <p>Lack of winter/wet weather car parking facilities</p> <p>Small marketing budget</p> <p>Lack of Marketing professional.</p>	<p>Growth in market for heritage interest attractions</p> <p>Growing interest in gardening as a major leisure pastime</p> <p>Growth in activity tourism as a leisure pastime</p> <p>Corporate functions/weddings</p> <p>Tender concessions</p> <p>Private sector partnerships</p> <p>Concession Rental</p> <p>Leasing opportunities</p> <p>Filming</p> <p>Welsh Gov Major Events</p> <p>Bus Tours</p> <p>Cruise Liners docking at Swansea and Cardiff</p>	<p>Reduction in financial and resource support</p> <p>Growth in alternative interests as leisure pastime</p> <p>Unsuccessful grant bids</p> <p>Development of other attractions</p> <p>Competition for weddings/corporate functions</p> <p>Lack of succession planning</p> <p>Natural epidemics such as Foot and Mouth and Avian Flu</p>

## 5. Financial Performance:

5.1. The 2016/17 financial year has been difficult largely due to a challenging income target. Visitor numbers have held up well despite some poor weather at times, during school holiday periods, which is when the park is traditionally busy. It is likely that income from car parking fees will exceed the original estimate.

5.1.1 This is the first financial year in six years Margam Park did not achieve its budget forecast. 2016-17, it is also the first year in five years the park did not benefit from any large filming projects.

5.1.2 **Margam Park Operation Net Revenue Cost.** *(Does not include The Orangery and Charlotte's Pantry)*

<b>Financial Year</b>	<b>Subsidy</b>
2011/12	£604,795
2012/13	£578,050
2013/14	£355,533
2014/15	£521,566 * This figure includes one off funding contribution to the H.L.F. Capital Project of circa £67k plus £75k contribution to the mountain bike trail
2015/16	£329,034
2016/17	£430,438
Estimate 2017/18	£362,536

### 5.1.3 Out Turn Figures Financial Year 2016-17

	Gross Expenditure	Income	Net Expenditure
	£	£	£
Charlottes Pantry	140,803	-155,963	-15,160
Orangery Bar	46,942	-85,231	-38,289
Orangery Catering	109,348	-225,032	-115,684
Orangery Operation	292,257	-73,825	218,432
Ivy Cottage, Margam	10,984	-15,891	-4,907
Margam Park	833,930	-437,843	396,087
Margam Park Shop	47,780	-80,577	-32,797
Margam Historic Core	103,423	-80,668	22,755
<b>Combined</b>	<b>1,585,468</b>	<b>-1,155,030</b>	<b>430,438</b>

## 6. Visitor Data:

### 6.1. Visitor Survey:

6.1.1 An extensive visitor survey was carried out in 2012; 65% of the survey respondents lived in Neath Port Talbot and 70% of them visited the Park more than 3 times a year; the top 5 reasons given for visiting Margam Country Park were as follows:

1. Fresh air
2. Visit play area
3. Family Outing
4. Visit farm trail
5. Birds/wildlife

6.1.2 It is planned to carry out another user survey in 2017 in partnership with NPT Destination Management Group and Visit Wales. This will be further enhanced with the development of an online customer retention and engagement software tool.

6.1.3 Social media has become a very important platform for the Country Park and the Orangery. This media platform will continue to expand.

- The Country Park and Orangery both have a web site presence which can transport visitors between sites; the Country Park website is presently being updated.
- Using social media an App is available which gives visitors an insight into the Park, including identifying locations which have appeared in movies and popular television programmes.
- The Country Park Facebook site has 20,000 followers, and has received an average score of 4.6 positive responses. (Star rating – maximum score is 5) from visitors. Use of social media allows direct communication with visitors, which includes visitor Comments and requests for information, which can be quickly responded to.
- The Orangery has its own twitter and Facebook accounts with the majority of communications carried out via Facebook, which presently has 1,900 followers, made up of 86% women and 14% men and has received an average score of 4.7 positive responses.
- All the Park organised events along with public events arranged by third parties are advertised and promoted via social media,
- Both Facebook pages are used where appropriate for boost advertising, this form of advertising can reach an average of 50,000 potential customers.
- **6.2 Visitor Numbers:**

<b>Financial Year</b>	<b>Visitor Numbers</b>
2011/12	213,485
2012-13	180,954
2013-14	220,963
2014-15	179,036
2015-16	229,098
2016-17	244,901

### 6.2.1 Analysis of visitor figures 2016-2017

<b>Public via Car Park (1)</b>	<b>Season Tickets (2)</b>	<b>Fishing</b>	<b>Special Events</b>	<b>Caravan and camping</b>	<b>Paranormal Nights</b>	<b>School Residency</b>	<b>Orangery Functions</b>	<b>Margam Activity Centre</b>	<b>Total Visitors</b>
184,075	13,920	563	11,578	745	945	16,460	16,215	400	<b>244,901</b>

- (1) This figure is calculated by the number of cars paying to park x 2.75 average visitors per vehicle. Mini bus x 8 average visitors per vehicle and coach x 52 average visitors per vehicle.
- (2) This figure is calculated by the number of season ticket holders parking per visit x 2.5 average visitors per vehicle.

## 7. Action Plan:

<b>Priorities</b>			
<b>Priority</b>	<b>Actions to deliver priority</b>	<b>Officer Responsible</b>	<b>Timescale</b>
A detailed catering review will be undertaken to decide on business efficiencies and best delivery model.	A market testing exercise to be undertaken, where an in-house offer will also be submitted.	Park Management Procurement	2018 2020
Review of Entrance Fees / Car parking to be undertaken.	Price comparison analysis and customer perception research to be undertaken	Park Management	2017 2019
Increase the online sales opportunities to increase revenue streams..	Introduce online payments via the websites.	Park Management ICT Section	2017 2019
Seek Grant/investment Funding for Infrastructure improvements	Wet weather and winter season event car parking	Park Management Environment Directorate	2017-2020
Wet Weather offer	Seek expressions of interest for a wet weather attraction within the Country Park	Park Management Environment Directorate Estates and Procurement	2017 – 2020

Adventurous Experiences	<p>Seek expressions of interest to provide adventurous experience attractions within the Country Park.</p> <ul style="list-style-type: none"> <li>• Zip Wire</li> <li>• Laser Tag</li> <li>• Quad biking</li> <li>• Rock Climbing</li> <li>• Dry Slope Skiing</li> <li>• Segway</li> <li>• Winter Ice rink</li> <li>• Jeep Safaris</li> </ul>	Park Management Environment Directorate Estates and Procurement	2017 – 2020
Large scale Family Attraction	Seek expressions of interest for a summer attraction, such as a water feature play facility within the country park	Park Management Environment Directorate Estates and Procurement	2017 – 2020
New Marketing Post	Create a marketing and promotion team. Shared cost with Princess Royal Theatre	Park Management	2017-2022
Margam Castle	Market test to seek a long term sustainable investment partner for the castle	Environment Directorate Park management, Estates and Procurement	2018-2022
Review the current assets of the Park. Develop an asset disposal strategy.	<p>Training Rooms, Twyn yr Hydd Margam Orangery Charlottes Pantry Gift Shop The train. Land Disposal</p>	Environment Directorate Park Management Estates and Procurement Audit	2017 – 2019

Tender seasonal concession.	<ul style="list-style-type: none"> <li>• Road train.</li> <li>• Pop up Shops</li> <li>• Children's Activities</li> <li>• Foot Golf</li> <li>• Crazy Golf</li> <li>• Chip and Putt</li> <li>• Pony Trekking</li> <li>• Glamping</li> </ul>	Park Management Environment Directorate Estates and Procurement	2018 – 2020
Identify new income generating opportunities, which will include expanding appropriate special/ major events & develop existing income streams within the Country Park	<ul style="list-style-type: none"> <li>• Staff &amp; volunteer annual engagement event.</li> <li>• Work with the NPT Destination group and visit Wales and Cruise Wales</li> <li>• Welsh Government Major Event's unit.</li> <li>• Visit Wales</li> </ul>	Park Management Friends of Margam Park  NPT Destination group Visit Wales Cruise Wales Park Management	2017 - 2022
Promote Margam Park as a filming venue.	Maintain existing, and develop new links with major film/TV production companies	Park Management  Estates Department	2017-2022
Friends of Margam	Work with Friends group to increase volunteering. Work with the Friends to increase the awareness of the history of the park, to include an interpretation display. To improve the visitor experience thus increasing visitor numbers	Park Management Friends of Margam.	2017-22
Margam Abbey	Work with the Abbey to improve the visitor experience thus increasing visitor numbers.	Park Management Margam Abbey	2017 -2018 -2019

Local Historical Societies	Work with Local Historical Societies to increase the awareness of the history of the park. To improve the visitor experience thus increasing visitor numbers	Park Management Local Historical Societies	2017 -2018 -2019
Farm Shop	Work with Cywain to seek partner to open Farm Shop	Park Management	2017 - 2018
Increase other Functions in the Orangery	Further promote the venue as a conference, function venue, and increase in house promoted functions	Orangery Princess Royal Theatre	2017 -2022
Increase Weddings in the Orangery (dependant on decisions on catering at Orangery)	<ul style="list-style-type: none"> <li>• Hold two Annual Wedding Showcases.</li> <li>• Promote the Orangery as a multi-cultural wedding venue.</li> <li>• Increased marketing</li> <li>• Achieve a minimum of 50 additional weddings</li> </ul>	Orangery	2017 -2018 -2019