

Summary: Intervention & Options		
Department /Agency: Department for Culture, Media and Sport	Title: Impact Assessment of Consultation into Revised World Heritage site nomination policy	
Stage: Consultation	Version: 8	Date: 27 November 2008
Related Publications: Project Initiation Document, Research undertaken by PricewaterhouseCoopers (PWC)		
Available to view or download at: http://www.culture.gov.uk/		
Contact for enquiries:	Caity Marsh	Telephone: 0207 211 2343
<p>What is the problem under consideration? Why is government intervention necessary?</p> <p>DCMS nominates sites in the UK, Overseas Territories and Crown Dependencies for possible inclusion on the UNESCO list of World Heritage Sites (WHS). DCMS is required by UNESCO to maintain a 'tentative list' of sites being considered for nomination. The tentative list is reviewed every ten years and a review is due in 2009. UNESCO is seeking now to achieve on the list a greater degree of balance between developed and developing world sites, and between built environment and cultural, natural and scientific sites. This necessitates consideration of how the UK will respond in the formulation of its revised tentative list in 2009. The consultation will also seek views on appropriate promotion and protection of sites.</p>		
<p>What are the policy objectives and the intended effects?</p> <p>An agreed policy on the rate of nomination in line with UNESCO request to consider slowing down in order to achieve a better balance on the WHS list.</p> <p>Guidance for potential applicants for inclusion on the tentative list of the potential costs, benefits, requirements and chances of success in achieving tentative list status, nomination and inscription as a WHS, in order to prevent unnecessary expenditure on the part of sites with little chance of inscription.</p> <p>A revised tentative list that includes those sites that demonstrate the required qualities for inscription, aligned with UNESCO's changing priorities.</p> <p>Enhanced management, protection and promotion of existing sites.</p>		
<p>What policy options have been considered? Please justify any preferred option.</p> <ol style="list-style-type: none"> 1. No change- continue to nominate annually from existing tentative list. 2. Moratorium on nominations of UK sites (and Overseas Territories and Crown Dependencies) for WHS status. 3a. Revised tentative list in line with new UNESCO priorities with voluntary slowing of nominations. This is the preferred option. We consider that this represents the most appropriate balance between maintaining UK interests in nominating sites for inscription and helping UNESCO to strive for a better balanced list. 3b. Revised tentative list with annual nominations. 		
<p>When will the policy be reviewed to establish the actual costs and benefits and the achievement of the desired effects?</p> <p>2009</p>		

Ministerial Sign-off For Consultation stage Impact Assessments:

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible Minister:



Date: 28 November 2008

Summary: Analysis & Evidence

Policy Option: 1	Description: Continue to nominate annually from existing tentative list. This is the base case option.
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COSTS	ANNUAL COSTS		Description and scale of key monetised costs by 'main affected groups'	
	One-off (Transition)	Yrs		
	£ 0			
	Average Annual Cost (excluding one-off)		Sites remaining on the current tentative list will incur the costs estimated by the PWC research associated with bidding. Ten sites will incur an average of £379,000 on bidding costs and £172,239 on management costs once the bid is successful (see Evidence Base for breakdown).	
-£880,777			Total Cost (PV)	-£ -£8,222,955
		Other key non-monetised costs by 'main affected groups'		
		Given that UNESCO priorities on inscription are changing, the UK will incur reputational costs relating to the nomination of sites whose bids are unlikely to succeed and the encouragement of sites to incur costs with reduced likelihood of inscription.		
BENEFITS	ANNUAL BENEFITS		Description and scale of key monetised benefits by 'main affected groups'. There is difficulty in monetising key benefits.	
	One-off	Yrs		
	£	10		
	Average Annual Benefit (excluding one-off)		PWC research identified a range of potential benefits to sites and their local communities in the areas of partnership, increased investment in the site, conservation, tourism, regeneration, civic pride, social capital and education. The extent to which each site benefits depends on a range of factors	
£	10		Total Benefit (PV)	
		Other key non-monetised benefits by 'main affected groups' See under monetised benefits above.		

Key Assumptions/Sensitivities/Risks – Assumptions as to costs involved with bidding taken from PWC research- see Evidence Base. This option assumes that a review of the current list concludes that sites from the current list not yet intended as future nominations should form the revised 2009 list

Price Base Year 2007	Time Period Years 10	Net Benefit Range (NPV) £	NET BENEFIT (NPV Best estimate) £-£8,222,955, plus non-monetised benefits.
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What is the geographic coverage of the policy/option?	UK, overseas territories, Crown dependencies			
On what date will the policy be implemented?	May 2009			
Which organisation(s) will enforce the policy?	DCMS/ devolved admins/MoJ/FCO			
What is the total annual cost of enforcement for these organisations?	£ nil			
Does enforcement comply with Hampton principles?	Yes			
Will implementation go beyond minimum EU requirements?	No			
What is the value of the proposed offsetting measure per year?	£ n/a			
What is the value of changes in greenhouse gas emissions?	£ n/a			
Will the proposal have a significant impact on competition?	No			
Annual cost (£-£) per organisation (excluding one-off)	Micro nil	Small nil	Medium nil	Large nil
Are any of these organisations exempt?	n/a	n/a	n/a	n/a
Impact on Admin Burdens Baseline (2005 Prices)				(Increase - Decrease)
Increase of £ nil	Decrease of £ nil		Net Impact	£ nil

Summary: Analysis & Evidence

Policy Option: 2

Description: Suspend new nominations (beyond current intended nominations to 2010)

COSTS	ANNUAL COSTS		Description and scale of key monetised costs by 'main affected groups': The UK has identified nominations for 2009 and 2010, and these will go ahead irrespective of the option adopted. Because these costs are committed they have been excluded from this IA. Total Cost (PV) £ 0
	One-off (Transition)	Yrs	
	£ 0		
	Average Annual Cost (excluding one-off)		
	£ 0	10	

Other key non-monetised costs by 'main affected groups' - Loss of benefits to UK/DCMS in possibly securing WH status for a wider range of sites. PWC research identified a range of potential benefits to sites and their local communities in the areas of partnership, increased investment in the site, conservation, tourism, regeneration, civic pride, social capital and education. The extent to which each site benefits depends on a range of factors. This option sees a failure to realise these benefits.

BENEFITS	ANNUAL BENEFITS		Description and scale of key monetised benefits by 'main affected groups' Benefits through cost saving against the base case.
	One-off	Yrs	
	£	10	
	Average Annual Benefit (excluding one-off)		
	£	10	

Other key non-monetised benefits by 'main affected groups' Benefits to UNESCO in progress towards more balanced WHS list. Benefits to DCMS in not dealing with potential issues relating to a greater number of sites. Benefits to existing sites of non-devaluation of WHS brand by increased numbers of sites. More overseas sites might be inscribed if UK does not nominate.

Key Assumptions/Sensitivities/Risks – Cost assumptions in line with PWC research/estimates in Evidence Base. Sensitivities/risks associated with costs already incurred by sites in hope of nomination/promotion.

Price Base Year 2007	Time Period Years 10	Net Benefit Range (NPV) £	NET BENEFIT (NPV Best estimate) £
What is the geographic coverage of the policy/option?			UK, UK territories and Crown dependencies
On what date will the policy be implemented?			May 2009
Which organisation(s) will enforce the policy?			UK, overseas territories, Crown dependencies
What is the total annual cost of enforcement for these organisations?			£ nil
Does enforcement comply with Hampton principles?			Yes
Will implementation go beyond minimum EU requirements?			No
What is the value of the proposed offsetting measure per year?			£ n/a
What is the value of changes in greenhouse gas emissions?			£ n/a
Will the proposal have a significant impact on competition?			No
Annual cost (£-£) per organisation (excluding one-off)	Micro	Small	Medium Large
Are any of these organisations exempt?	N/a Yes/No	N/a	N/A N/A

Summary: Analysis & Evidence

Policy Option: 3a	Description: Draw up new, shorter and more focused tentative list, spacing out nominations and introducing a two-stage application process to filter out sites unlikely to be successful.			
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COSTS	ANNUAL COSTS		Description and scale of key monetised costs by 'main affected groups' Estimated £25k cost to DCMS of drawing up new list. Cost to sites participating in initial stage of new process. Five sites will incur an average of £379,000 on bidding costs and £172,239 on management costs once the bid is successful (see Evidence Base for breakdown).	
	One-off (Transition)	Yrs		
	£ 25,000	1		
	Average Annual Cost (excluding one-off)	£ --£537,146	10	Total Cost (PV) £ -£6,420,746 million
Other key non-monetised costs by 'main affected groups':				
Progress towards UNESCO aims in attempting to balance WHS list not maximised. Smaller number of sites realising the potential benefits in partnership, increased investment in the site, conservation, tourism, regeneration, civic pride, social capital and education				

BENEFITS	ANNUAL BENEFITS		Description and scale of key monetised benefits by 'main affected groups' Because of the difficulty in monetising please see below and reference to PWC research.	
	One-off	Yrs		
	£			
	Average Annual Benefit (excluding one-off)	£	10	Total Benefit (PV)
Other key non-monetised benefits by 'main affected groups'		Progress towards UNESCO aims of balancing list. Existing WHS sites benefit by slowing devaluation of WHS brand from increased number of sites. DCMS benefits potentially in not having to deal with issues related to a higher number of inscribed sites. Benefits to other countries who may achieve increased inscriptions.		
Key Assumptions/Sensitivities/Risks – Risk that sites will not heed new guidance and will incur costs or preparing bid with little chance of nomination				

Price Base Year 2007	Time Period Years 10	Net Benefit Range (NPV) £	NET BENEFIT (NPV Best estimate) £ 6,420,746 million plus non-monetised -
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What is the geographic coverage of the policy/option?	UK, UK territories and Crown dependencies			
On what date will the policy be implemented?	May 2009			
Which organisation(s) will enforce the policy?	UK, overseas territories, Crown dependencies			
What is the total annual cost of enforcement for these organisations?	£ nil			
Does enforcement comply with Hampton principles?	Yes			
Will implementation go beyond minimum EU requirements?	Yes			
What is the value of the proposed offsetting measure per year?	£ n/a			
What is the value of changes in greenhouse gas emissions?	£ n/a			
Will the proposal have a significant impact on competition?	No			
Annual cost (£-£) per organisation (excluding one-off)	Micro n/a	Small n/a	Medium n/a	Large n/a
Are any of these organisations exempt?	n/a	n/a	N/A	N/A

Summary: Analysis & Evidence				
Policy Option: 3b		Description: Nominate annually from a new tentative list.		
COSTS	ANNUAL COSTS		<p>Description and scale of key monetised costs by 'main affected groups' Sites remaining on the current tentative list will incur the costs estimated by the PWC research associated with bidding. Ten sites will incur an average of £379,000 on bidding costs and £172,239 on management costs once the bid is successful(see Evidence Base for breakdown). 20 sites are expected to incur a cost of £1.56 million on bidding costs for inclusion on the tentative list.</p>	
	One-off (Transition)	Yrs		
	£			
	Average Annual Cost (excluding one-off)			
	-£1,012,713		Total Cost (PV)	-£9,798,317
	<p>Other key non-monetised costs by 'main affected groups'</p> <p>Given that UNESCO priorities on inscription are changing, the UK will incur reputational costs relating to the nomination of sites whose bids are unlikely to succeed and the encouragement of sites to incur costs with reduced likelihood of inscription.</p>			
BENEFITS	ANNUAL BENEFITS		<p>Description and scale of key monetised benefits by 'main affected groups'. Because of the difficulty in monetising please see below and reference to PWC research. Sites</p>	
	One-off	Yrs		
	£	10		
	Average Annual Benefit (excluding one-off)			
	£	10	Total Benefit (PV)	
	<p>Other key non-monetised benefits by 'main affected groups'</p> <p>Benefits to UK/DCMS in securing WH status for a wider range of sites, and potential benefits to inscribed sites as identified by research in the areas of partnership, increased investment , conservation, tourism, regeneration, civic pride, social capital and education.</p>			
<p>Key Assumptions/Sensitivities/Risks – Assumptions as to costs involved with bidding taken from PWC research- see Evidence Base. This option assumes that a review of the current list concludes that sites from the current list not yet intended as future nominations should form the revised 2009 list</p>				
Price Base Year 2007	Time Period Years 10	Net Benefit Range (NPV) £	NET BENEFIT (NPV Best estimate) £ -£9,798,317 plus non-monetised benefits	
What is the geographic coverage of the policy/option?				UK, overseas territories, Crown dependencies
On what date will the policy be implemented?				May 2009
Which organisation(s) will enforce the policy?				DCMS/ devolved admins/MoJ/FCO
What is the total annual cost of enforcement for these organisations?				£ nil
Does enforcement comply with Hampton principles?				Yes
Will implementation go beyond minimum EU requirements?				No
What is the value of the proposed offsetting measure per year?				£ n/a
What is the value of changes in greenhouse gas emissions?				£ n/a
Will the proposal have a significant impact on competition?				No
Annual cost (£-£) per organisation (excluding one-off)		Micro nil	Small nil	Medium nil
Large nil				
Are any of these organisations exempt?		n/a	n/a	n/a
Impact on Admin Burdens Baseline (2005 Prices)				(Increase - Decrease)
Increase of £ nil	Decrease of £ nil	Net Impact		£ nil

Evidence Base (for summary sheets)

1. DCMS is responsible for proposing sites in the UK, the Overseas Territories and the Crown Dependencies for consideration of inscription as UNESCO World Heritage Sites (WHS). The UK currently has 27 sites- it is well represented on the WHS list of inscribed sites.
2. Each state party is required to maintain a list of sites for possible future nominations for WHS status (the ‘tentative list’) and to periodically review this list. The UK tentative list was last reviewed in 1999, and a further review is due in 2009. Thirteen sites remain on the UK tentative list of which 4 will be the UK’s nominations for the next 4 years.
3. UNESCO has indicated that it believes the current WHS list is unbalanced in terms of the location and nature of site included. It has therefore asked well-represented countries to consider slowing or temporarily ceasing nominations, and, to the extent that nominations continue, that they constitute site of an under-represented nature- scientific, natural or cultural sites rather than urban or ecclesiastical sites which are considered to be over-represented.
4. At the same time, there is increased interest on the part of UK sites in being nominated for WHS status.
5. DCMS will also use the current review to increase the guidance available to potential applicants for WHS status on the potential costs, benefits, requirements and chances of success in achieving WHS status. The Department will also consider how to support its existing WHS sites in maximising the benefits of the status in terms of enhanced management, protection and promotion of sites.
6. The UK has conducted research into the costs and benefits of WHS status in order to better inform future decisions on nominations. The research demonstrated that :
 - Costs of bidding for WHS are rising. They vary between sites but can on average cost up to £379,000 to bid for World Heritage Site (WHS) status and £172,239 a year to maintain it;
 - The automatic benefits of tourism and regeneration arising from WHS status have been overstated, with very low percentages of visitors being aware of such status or motivated by it;
 - While additional funding often follows inscription, much of this comes from UK heritage or conservation bodies and any benefit enjoyed by WH sites may be at the expense of heritage sites elsewhere;
 - WHS status does not in itself provide any additional statutory protection, although the quality of development around such sites may be superior.
7. In reviewing the UK tentative list, four options have been identified:
 - **Option 1-** a review of the current tentative list concludes that the remaining 13 sites not currently identified as future nominations should form the revised tentative list from 2009. This is being identified as the base option, as there is no presumption that a review of the list needs to lead to a completely new tentative list. This does not represent a realistic option, given the changing priorities of UNESCO in inscribing sites and the diminishing likelihood of inscription, and the monetised costs would outweigh any putative non-monetised benefits.
 - **Option 2-** no new nominations from the UK beyond the nominations already identified from the current list up to 2010.

- **Option 3a** -- produce a new shorter and more focussed tentative list, issuing guidance to tentative and aspiring sites on the costs and benefits of inscription and current UNESCO criteria, inviting expressions of interest, filtering out those with little chance of success and inviting full bids from a small number of suitable applicants. Space out nominations to bi-annually.
 - **Option 3b** - procedures for WHS continue as if a World Heritage Review had not taken place. Therefore a new tentative list is drawn up in 2009 and sites continue to be nominated annually.
8. Because of the lack of quantified estimates on benefits of WHS it cannot be concluded monetary terms that benefits exceed or fall short of costs, but there are non-monetised costs and benefits in each case and these are expanded upon below.
9. Decisions as to which sites would ordinarily be nominated is based on consideration of which sites might demonstrate 'outstanding universal value' under UNESCO guidelines, and takes into account such factors as the heritage value and uniqueness of a site, and the state of conservation. As part of the policy consideration process, we are required to screen policy options for potential impact in a number of areas under specific impact tests, and decide whether, under any test, a full assessment of impact is required. The detail of the assessments required appears below from paragraph 25. We do not consider that the screening undertaken under any test indicates that a fuller assessment of impact is required in respect of any of the policy options, but we are inviting specific comment from a number of diversity and equality groups as to the extent to which any policy option can promote equality of opportunity.
10. In each of the options, assumptions have been made about the costs of bidding for WHS status, the costs of maintaining sites in readiness for a bid, the cost incurred in applying for the tentative list site and the costs to DCMS of producing a new tentative list. The average total costs of bidding for sites on the tentative list are taken from the PWC research and are calculated as follows:

Table 1 Summary of NPVs

Summary	Cost (£)	NPV (£)	Ave Annual Cost	
			Cost (£)	NPV (£)
Option 1 No new Nomination list	-£10,569,321	£8,222,955	-£880,777	-£685,246
Option 2 Suspend nominations	£0	£0	£0	£0
Option 3a Bi-annual nominations	-£7,794,546	£6,420,746	-£649,546	-£535,062
Option 3b Nominate annually from new list-Base Case	-£12,152,561	£9,798,317	-£1,012,713	-£816,526

Table 2 Total cost per site

	Bidding Cost post tentative list (80% of 1+2)	Bidding cost pre- tentative list (20% of 1+2)	Total
(1) Bidding Costs			
WHS Co-ordinator cost	-£149,760		-£37,440 -£187,200
Partner and Consultation time	-£30,720		-£7,680 -£38,400
One-off Production Costs for bid	-£26,000		-£6,500 -£32,500
One off Supporting Studies	-£40,000		-£10,000 -£50,000
	-£246,480		-£61,620 -£308,100
(2) Costs of producing management Plan			
Partner consultations	-£30,720		-£7,680 -£38,400
one off Production Costs	-£26,000		-£6,500 -£32,500
	-£56,720		-£14,180 -£70,900
(3) Management Costs			
	-£172,239		£0 -£172,239
Total Bidding Cost (1+2)	-£303,200		-£75,800 -£379,000
Total Management Cost (3)	-£172,239		£0 -£172,239

A number of assumptions have been made to arrive at the above costing:

- It has been assumed that 20 per cent of the cost from bidding and the cost of producing a management plan will be spent before a site is placed on the tentative list, this is equivalent to a years worth of work. Furthermore the bidding process is assumed to take 4.8 years, for simplicity we have rounded this up to 5 years.

Other costs associated with WHS status as researched by PWC:

- Costs of managing a WHS depend on which model of management is adopted. Further details of the models can be found in the PWC research report, here we have weighted the cost of management (cost that is incurred once the site gains WHS), by the number of sites that currently use that type of management model.

£172k is the annual average management cost. The average annual cost of bidding is £303k (this excludes the £75k incurred before acceptance on to the tentative list). Note that these costs cannot be added together to calculate the average annual total cost because bidding and management costs do not happen in the same year.

Other assumptions-

Cost to DCMS of producing new tentative list- £25,000 (no costs are available relating to previous exercise in 1999).

11. The PWC research identified varying degrees of **benefit** for inscribed sites in the areas of enhanced partnerships, social capital, civic pride, funding, conservation, learning and education, regeneration and tourism. These benefits are summarised in the following tables reproduced from the PWC research.

Table 4: WHS Benefits and recipients

Benefit area	Hypothesis/Description	Beneficiary
Partnership	<ul style="list-style-type: none"> WHS status is said to increase the level of partnership activity through the consultation required to create and fulfil the requirements of the management plan. The hypothesis is largely borne out by the evidence. 	<ul style="list-style-type: none"> Local residents and visitors benefit indirectly through improved management
Additional funding	<ul style="list-style-type: none"> As a result of gaining WHS status, and through the diverse range of partners involved, the site is likely to be viewed more favourably, particularly by conservation and heritage based funding sources and, subject to a variety of other considerations, these sources appear to invest additional public funds in the site. This is a significant area of benefit for WHS status but only at a local or regional level. 	<ul style="list-style-type: none"> Local residents and visitors benefit indirectly through increased investment in the site but since funding is almost entirely public, the net effect at a national level is nil.
Conservation	<ul style="list-style-type: none"> The additional funding generated by WHS status improves conservation levels and the increased publicity provides greater scrutiny in planning applications influencing the scale and quality of local development. WHS status is seen as having a marginal impact on the planning system, but a significant impact on funding. 	<ul style="list-style-type: none"> 'User' benefits accrue to local residents and visitors who enjoy enhanced conservation. 'Non-user' 'option' and 'bequest' benefits accrue to the wider population.
Tourism	<ul style="list-style-type: none"> WHS status is suggested to provide a promotional advantage and a 'branding effect' which encourages additional visitors. The evidence indicates that this is likely to have a marginal effect (c.0-3%) and this will be stronger for less 'famous' sites. 	<ul style="list-style-type: none"> Local tourism businesses benefit from increased visitor income.

Benefit area	Hypothesis/Description	Beneficiary
Regeneration	<ul style="list-style-type: none"> WHS status is assumed to be a catalyst for regeneration, predominantly through stimulating new investment, inward migration and increased tourism. Only one example exists where this has occurred across our case studies, however other factors were involved. 	<ul style="list-style-type: none"> Local people and businesses benefit from increased levels of economic activity in a variety of ways.
Civic Pride	<ul style="list-style-type: none"> WHS status is seen as a mechanism for building local confidence and civic pride. This also appears to be a significant area of benefit but it is dependant on the local conditions and the nature of the site. 	<ul style="list-style-type: none"> Locals enjoy increased confidence in the area and improved quality of life.
Social Capital	<ul style="list-style-type: none"> WHS status is recognised as having the potential for providing increased social unity and cohesion through increasing opportunities for interaction and engagement within the local community. There is evidence from the postal survey that these benefits are accruing at a reasonable level. The survey also suggests that these benefits are more significant within the ethnic and religious majority rather than supporting minority groups. 	<ul style="list-style-type: none"> Local populations and organisations.
Education and learning	<ul style="list-style-type: none"> WHS status is considered to be a tool for learning engagement. Again there appears to be a degree of learning and cognitive growth at the sites. 	<ul style="list-style-type: none"> Visiting educational groups (local or regional).

Option 1

12. The UK decides to disregard emerging UNESCO priorities, retains as a revised tentative list those sites remaining on the current list not currently earmarked as a future nomination, and nominate them for inscription at the existing rate of one annual nomination from 2011, following on from the nominations already identified for 2008-2010.
13. Under this option, sites would incur the costs of bidding and management demonstrated at paragraph 10 above. Given, however, that, under this option, revised UNESCO priorities are being disregarded, there is a high likelihood that the UK nominations will not be accepted for inscription by UNESCO. This would lead to a reputational cost to the UK in not seeking to help UNESCO in its objective of achieving a more balanced list, and in encouraging UK sites to incur the costs of bidding, with reduced likelihood of inscription.
14. Benefits under this option would include reduced costs to DCMS in the selection of new sites to populate a fuller revised tentative list. Current aspiring sites would be saved the costs of seeking promotion to the tentative list. Current tentative list sites might stand a higher chance of inscription and the benefits associated with this and the UK would benefit in that nominations made would reflect UK heritage values.
15. Sites that obtain WHS will realise the non-monetised benefits identified in the tables at paragraph 11.

Option 2

16. The UK could consider whether to voluntarily stop nominating, once current intended nominations have been made up to 2010, until a further review of the tentative list is required in 2019. This would signify UK support towards UNESCO aims of striving for a list that is better balanced geographically and between sites in developed and developing countries.
17. To the UK, financial savings would be made against the costs identified at paragraph 10 above, incurred by sites associated with bidding for and maintaining WHS status.
18. The Government would save the cost of producing a new tentative list. No figures are available for the costs of undertaking the previous review in 1999 as costs were subsumed into general staffing resources, but these costs are estimated at £25,000. Additionally, the Government would save the staff time taken up by dealing with problems associated with the management of sites. Considerable time is currently taken dealing with criticism from UNESCO over the protection of a number of sites. A reduction in UK nominations would reduce the time that would otherwise be needed to deal with such issues in relation to further sites.
19. Research identified the potential for WHS status to become devalued over time as the number of sites increases. This option would assist in maintaining the value of the 'brand' among UK sites already inscribed.

Option 3a

20. Under this proposal, the UK would draw up a shorter tentative, using a new 2-stage process, and issuing new guidance to sites as to the costs and benefits of seeking WHS status. The UK would then, following its current intended nominations for 2008-10, voluntarily slow the rate of its nominations to a bi-annual basis for 2011-2020 instead of annual nomination. This option would signify support for and progress towards UNESCO's aim of introducing a more equal geographical balance among inscribed sites.
21. Costs under this option would be those associated with 5 sites making full applications for inscription as per the estimates at para 10, and the costs to Government of producing a limited tentative list, estimated as the same cost as producing a fuller list, as an equivalent amount of stakeholder management will be required in relation to those sites that do not reach the revised tentative list.

22. Benefits under this option would be the savings associated with fewer sites making a full application for WHS status, and, in line with clearer guidance for aspiring sites as to the costs and benefits of WHS status and the chances of inscription. There would also be benefits of WHS from the five sites that receive WHS (benefits explained in PWC report), however given that fewer sites obtain WHS there is also loss of these benefit. The loss of these benefits needs to be outweighed by the cost savings from fewer inscriptions.
23. As with Option 2, there would be benefits for the Government in dealing with a smaller number of potential management and protection problems concerning sites, and a limited benefit to existing sites in relation to the devaluation of the WHS status by a smaller increase in UK sites.

Option 3b

24. Option 3b represents the business as usual option (BAU) as it assumes that procedures for WHS continue as if a World Heritage Review did not take place. Therefore a new tentative list is drawn up in 2009 and sites are nominated annually.
25. Costs under this option would be the same as for option 1, with the additional costs incurred by sites seeking inclusion on the tentative list.
26. Benefits under this option would be in the potential for more sites to realise the benefits associated with WH status as identified in the tables following paragraph 11.

Specific impact tests

27. We are required to screen policy options for potential impact in a number of areas under specific impact tests, and decide whether, under any test, a full assessment of impact is required. Following screening, we do not consider that a full impact assessment is required under any of the following tests.

Competition Assessment

28. Under the Competition Assessment, we are required to consider whether any of the policy options would, in the affected market:
 - Directly limit the number or range of suppliers;
 - Indirectly limit the number or range of suppliers;
 - Limit the ability of suppliers to compete;
 - Reduce suppliers' incentives to compete vigorously.

None of the options are considered to have an impact in the above areas.

Small Firms Impact Test

29. Under the Small Firms Impact Test, we are required to assess whether policy options are likely to:
 - Apply to small businesses or affect the business environment in which they operate. ? If it is accepted that this is the case, we are required to complete a fuller assessment.

We do not consider that any of the policy options identified will affect small businesses.

Legal Aid Impact Test

24. This test must be undertaken whenever consideration is being given to the introduction of new criminal sanctions or civil penalties, and we therefore consider that it does not apply.

Sustainable Development

25. We are required to assess the extent to which policy options contribute to the five principles of sustainable development to which the Government is committed. The five principles are:

- Living within environmental limits;
- Ensuring a strong, healthy and just society;
- Achieving a sustainable economy;
- Promoting good governance; and
- Using sound science responsibly.

We do not consider that any of the policy options identified impact negatively in any of these areas.

Carbon Assessment

26. We are required to assess whether any policy option will lead to a change in the emission of greenhouse gases. Policies which are likely to have such an impact are those which cover

- The production or distribution of energy or fuel;
- Industrial processes such as the production of cement, lime, acids, iron and steel;
- Use of solvents and other products such as industrial coatings, paint or rubber products;
- Animal husbandry, and animal waste management (methane);
- Land-use change and forestry;
- Landfill and sewage sludge disposal.

We do not consider that the options identified have an adverse impact on the emission of greenhouse gases.

Other Environmental Impacts

27. We are required to assess whether our identified policy options have any further environment impact in the following areas:

- Will the policy option be vulnerable to the predicted effects of climate change?

- Will the policy option lead to a change in the financial costs or the environmental and health impacts of waste management?
- Will the policy option impact significantly on air quality?
- Will the policy option involve any material change to the appearance of the landscape or townscape?
- Will the proposal change the degree of water pollution, levels of abstraction of water or exposure to flood risk?
- Will the policy option disturb or enhance habitat or wildlife?
- Will the policy option affect the number of people exposed to noise or the levels to which they are exposed?

We consider that options 2 and 3 could lead to strengthened protection of the historic and natural environment. We consider also that options 2 and 3 could enhance the protection of habitat or wildlife especially in Overseas Territories. We do consider that any policy option would have a negative impact in any area under this heading.

Health Impact Assessment

28. We are required to assess whether policy options will have a significant impact on human health by virtue of effects on the following wider determinants of health:

- Income, Crime, Environment, Transport, Housing, Education, Employment, Agriculture, Social cohesion

We are required to assess significant impact on any of the following ‘lifestyle related variables’:

- Physical activity, Diet, Smoking, drugs, or alcohol use, Sexual behaviour Accidents, stress at home or work

We are required to assess whether policy options are likely to cause a significant demand on any of the following health and social care services:

- Primary care, Community services, Hospital care, Need for medicines, Accident or emergency attendances, Social services, Health protection and preparedness response

We consider that there is some evidence from research that options 2 and 3 could offer benefits in enhancing some aspects of the environment, education and social cohesion. We do not consider there is the likelihood of any adverse impact in these areas.

Race Equality

29. As a public authority, we are under a statutory general duty to have due regard to the need to eliminate unlawful racial discrimination, and to promote equality of opportunity and good race relations between persons of different racial groups.

We will consult on the extent to which the future identification, management and promotion of sites might contribute to equality of opportunity.

Disability Equality

30. The Department is under a ‘disability equality duty’ which requires that decisions are made with due regard to the need to:

- eliminate unlawful disability discrimination;
- eliminate disability related harassment;
- promote equality of opportunity;
- promote positive attitudes;
- promote participation in public life; and
- consider whether more favourable treatment of disabled people is required in order for them to have equality of opportunity.

We will consult on the extent to which the future identification, management and promotion of sites might contribute to equality of opportunity.

Gender Equality

31. The Department is under a ‘gender equality duty’, and is required, when making policy decisions, to have due regard to the need to:

- eliminate unlawful discrimination and harassment
- promote equality of opportunity between men and women.

We will consult on the extent to which the future identification, management and promotion of sites might contribute to equality of opportunity

Human Rights

32. In common with other public authorities in the UK, the Department has obligations to promote and protect human rights, and all public authorities must act in a way that is compatible with the European Convention on Human Rights. This means treating individuals fairly, with dignity and respect, while also safeguarding the rights of the wider community. We consider that the policy options presented are not inconsistent with the Department’s obligations.

Rural Proofing

33. As a part of the policy development process, we are required to:

- consider whether policies are likely to have a different impact in rural areas, because of particular rural circumstances or needs;
- make an assessment of those impacts, if they are likely to be significant; and
- adjust the policy, where appropriate, with solutions to meet rural needs and circumstances.

We shall consult on the extent to which the future identification, management and promotion of sites might need to be adjusted to meet rural needs.

Specific Impact Tests: Checklist

Use the table below to demonstrate how broadly you have considered the potential impacts of your policy options.

Ensure that the results of any tests that impact on the cost-benefit analysis are contained within the main evidence base; other results may be annexed.

Type of testing undertaken	Results in Evidence Base?	Results annexed?
Competition Assessment	No	No
Small Firms Impact Test	No	No
Legal Aid	No	No
Sustainable Development	No	No
Carbon Assessment	No	No
Other Environment	No	No
Health Impact Assessment	No	No
Race Equality	No	No
Disability Equality	No	No
Gender Equality	No	No
Human Rights	No	No
Rural Proofing	No	No