



department for
culture, media
and sport

The Costs and Benefits of World Heritage Site Status in the UK

Full Report

PricewaterhouseCoopers LLP

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improving
the quality
of life for all

Prepared for the Department for Culture, Media and Sport, Cadw and Historic Scotland
by PricewaterhouseCoopers LLP.

**The views expressed in this report are the author's and do not necessarily
reflect those of the Department for Culture, Media and Sport, Cadw or Historic
Scotland.**

Prepared by:

PricewaterhouseCoopers LLP (PwC)

www.pwc.co.uk

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Executive summary

- 1 PricewaterhouseCoopers LLP (“PwC”) was commissioned in 2007 by the Department for Culture Media and Sport (“DCMS”), Cadw and Historic Scotland (“HS”) to investigate the costs and benefits of World Heritage Site (“WHS”) status in the UK. The work is intended to support a wider review of World Heritage policy that is currently being led by DCMS. This report presents the findings and conclusions of our cost benefit study.
- 2 In addressing this work we have used a methodology involving several different work streams. These included a literature review of previous research in this area¹, a consultation programme with over seventy different individuals and a wide range of organisations representing public and private sector interests in the subject. We also undertook a wider cost survey of 17 of the 24 UK domestic World Heritage sites² and six discrete case studies of UK World Heritage Sites. The case studies included the New and Old Towns of Edinburgh, the Tower of London, the Castles and Town Walls of King Edward I of Gwynedd, Studley Park Royal and Fountains Abbey, Blaenavon Industrial Landscape and the Dorset and East Devon ‘Jurassic’ Coast³. Furthermore, as part of these case studies, we have undertaken a postal survey of some 1,660 residents across these six sites.
- 3 This Executive Summary is structured around five overarching questions which were posed in our original brief but also includes some summary guidance for aspiring sites, outlining the key questions they should consider.

1. What are the costs and benefits associated with WHS status and who incurs or gains them?

- 4 The areas of cost and benefit we considered in our analysis emerged from our desk review of previous literature written in this area and they are defined in the cost benefit framework which can be seen in Figure 1. We have used this framework as the basis for our analysis.
- 5 A crucial element which should be emphasised at the outset of our report is the concept of ‘**additionality**’. Throughout this study we have only sought to identify those costs and benefits which are directly attributable to WHS status excluding those which may simply be loosely related to it. We wish to separate those outcomes which would have taken place anyway regardless of WHS status from those which would not. We have therefore reported on the latter.
- 6 This framework was developed from the areas of costs and benefits that were emphasised in the existing literature and it was validated both at a meeting of the policy review steering group and through our initial consultations. It has directly informed our data collection activities surrounding the case studies, costing

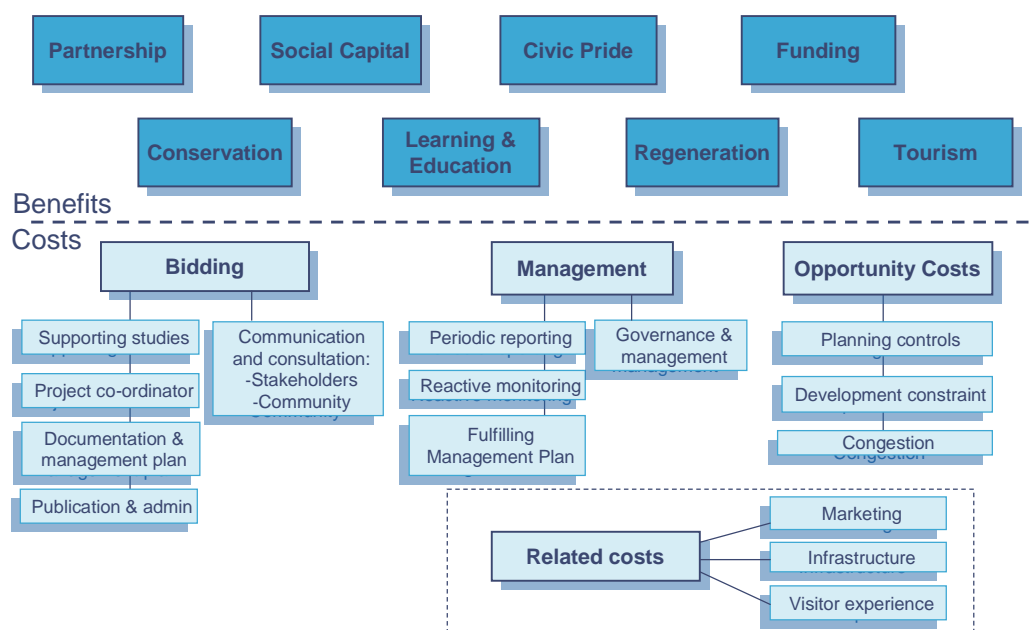
¹ PwC, 2007, ‘The Costs and Benefits of UK World Heritage Site Status, A literature review for the Department for Culture, Media and Sport’

² This excludes those within the overseas territories. Which are subject to very different protection arrangements and an alternative legal and political framework to domestic UK sites which would further complicate comparability of results. We have therefore excluded them from our analysis.

³ See PwC, 2007, ‘The Costs and Benefits of UK World Heritage Site Status, Case Study Summaries for the Department for Culture, Media and Sport’

information and postal surveys of residents.

Figure 1: The Cost/Benefit framework



- 7 The work does not include a full account of reactive monitoring activities since insufficient data was not available from our case studies, literature review or site costing pro-formas to make such assessments. It also does not include the possible benefits internationally of being active in the World Heritage Convention and the contribution to such benefit of individual sites, for instance as examples of best practice.
- 8 Central government guidance⁴ identifies many different methodologies which can be used to assess and value costs and benefits. These methodologies allow the measurement of both purely financial flows which have a direct market value as well as less tangible benefits where there is no directly attributable market value. Where applicable, the latter often involves the use of stated or revealed preference methodologies, including hedonic pricing which takes a value from a related or complimentary good or service where there is a market value (e.g. the affect of built heritage on property values) and contingent valuation which effectively asks beneficiaries for their 'willingness to pay' for certain activities. This means that some methodologies and approaches exist, which in some instances can be used to infer a value for certain activities.

Costs

- 9 The costs associated with WHS status are difficult to define largely due to the fact that the sites are so different in terms of ownership, size, nature and location. In particular a significant amount of cost is tied up in the time input from partners and these inputs are particularly hard to scale with the total costs being largely related to the number of partners and the nature of their involvement. This means that there are likely to be a significant amount of hidden costs and the existence of these hidden costs suggests that the assessments made here are likely to be underestimates.
- 10 In the three tables below, we have identified the costs in relation to WHS nomination, the preparation of the management plan and the management costs to the individual sites⁵. There are significant differences between these sites and there is clearly no 'normal' way that sites are either nominated or managed and this should be borne in mind when considering costs. In particular the partner and consultation time associated with the nomination process and the partner and consultation time associated with the preparation of the management plan should not be double counted. Furthermore in the majority of

⁴ HM Treasury, 2003, The Green Book

⁵ All employment costs reflect salaries and 'on-costs' in terms of overheads

instances the drafting of the management plan is most prevalently undertaken as part of the responsibilities of the WHS Co-ordinator.

Table 1: Bidding costs of WHS nomination

Cost area	Description	Value
WHS Co-ordinator costs	<ul style="list-style-type: none"> If we assume that a new site coming forward were to take on a Co-ordinator at between £36,000-£42,000 per annum⁶ in the first year for 4.8 years, with an average earnings increase of 3.5% per annum, this would indicate a total cost of between £185,000-£216,000 for the bid Co-ordinator. 	<ul style="list-style-type: none"> £36-£42k p.a £185-£216k total
Partner and consultation time	<ul style="list-style-type: none"> Assuming an average of c£40k per annum staff cost and four meetings per annum, across the sites for which information is available and using the modal number of 13 partners. This would indicate an average cost in partner time at £7,800 per annum. Again, if we use the average length of time taken for the nomination process as 4.8 years, this would indicate that the total staff cost to partners, again assuming a 3.5% annual earnings increase, would be in the region of £41k. 	<ul style="list-style-type: none"> c.£8k p.a c.£41k total
Production costs	<ul style="list-style-type: none"> Document production and photography. 	<ul style="list-style-type: none"> £15-£50k total
Supporting studies	<ul style="list-style-type: none"> Economic, tourism, conservation or international comparison studies. 	<ul style="list-style-type: none"> £20-£80k total per study

- 11 Assuming that the Management Plans are produced and written most commonly by the WHS co-ordinator rather than being outsourced and that any supporting studies are included in the nomination document, the costs associated with the preparation of the management plan can be seen in Table 2 below. Again there is no 'standard' approach to the preparation of a management plan and this should also be borne in mind.

Table 2: Costs of producing a management plan

Cost area	Description	Value
Partner and consultation time	<ul style="list-style-type: none"> Assuming average of c£40k per annum staff cost and four meetings per annum, across the sites for which information is available, the modal number of partners is thirteen. This would indicate an average cost in partner time of around £7,800 per annum. Again, if we assume that the average length of time taken for the nomination process is 4.8 years, this would indicate that the total staff cost to partners, again assuming a 3.5% annual earnings increase would be in the region of £41k. 	<ul style="list-style-type: none"> c.£8k p.a c.£41k total
Production costs	<ul style="list-style-type: none"> Document production and photography of £15-£50k. 	<ul style="list-style-type: none"> £15-£50k

- 12 Management costs differ from site to site depending on their particular characteristics and, most importantly, on their management structures. Across the four different management structures we have

characterised, we would suggest that management costs can range from as little as £13k per annum to over £600k per annum.

Table 3: Management costs of WHS

Management structure	Description	Value
Special ownership model	<ul style="list-style-type: none"> Sites are largely single entity where the site itself (excluding the buffer zone) has either a single or a few owners and is relatively contained where that owner often holds some special status, such as where ownership is held by the Church or by the Crown. Sites which would fit into this group would include the Tower of London, Blenheim Palace, Westminster, Durham, Canterbury, Kew and Studley Park Royal including Fountains Abbey. 	<ul style="list-style-type: none"> £13-£26k p.a
No WHS Co-ordinator model	<ul style="list-style-type: none"> These sites are notable primarily because whilst there is a steering group and a series of working groups there is no co-ordinator in place. They are also more significant in terms of their scale or level of dispersal than others. Sites in this category include Giants Causeway and the Castles of King Edward I. 	<ul style="list-style-type: none"> £100-£160k p.a
WHS co-ordinator model	<ul style="list-style-type: none"> This is the most common approach taken to WHS management, with nine of the 24 sites included in this category. In these locations (Orkney, Ironbridge, Greenwich, Bath, Blaenavon, Derwent Valley, Liverpool, Saltaire and Stonehenge and Avebury) there is a senior steering or management group in place which is supported by a dedicated WHS co-ordinator, sometimes with a very small staff, and a number of other working groups or technical panels which meet periodically. 	<ul style="list-style-type: none"> £130-£215k p.a
Separate entity model	<ul style="list-style-type: none"> Some more complex sites have set up entirely separate entities set up to manage the WHS, usually with a much larger numbers of staff. These sites typically represent some of the largest sites in terms of scale and are most complex in terms of ownership making them much more complex sites to manage. Examples of this category would include Edinburgh, Hadrian's Wall, the Dorset and East Devon Coast, Cornwall and West Devon Mining Landscape and New Lanark. 	<ul style="list-style-type: none"> £190-£615k p.a

- 13 The Operational Guidelines require an appropriate management system to be in place at each WHS. The specific requirements of WHS management in the UK include the preparation of a Management Plan, the structuring of periodic reports and other reactive monitoring activities and receiving UNESCO delegations. It also requires sites to be actively managed in some way and for efforts to be maintained to fulfil the actions of the management plan.
- 14 Whilst WHS status is recognised in the UK planning system, for example through PPG 15, and it is well reflected in Local Development Plans, Vistas and Views and other strategic planning literature at specific sites, it does not currently carry any statutory protection, although this may change in the future following the Heritage Protection Review. Furthermore, because sites are already well protected by existing UK conservation legislation, the effect of WHS status is understood by consultees to be marginal. The opportunity costs associated with WHS status in terms of its impact upon developments in its surrounding environment are therefore understood to be limited.
- 15 In the cases of both management and bidding costs, the majority of the 'additional' costs are covered by

Local Government and Historic Scotland, English Heritage or Cadw. In Scotland and Wales, Historic Scotland and Cadw appear to take a more substantial role than Local Government in England the roles are reversed with English Heritage investment intensifying where the agency has ownership commitments.

- 16 There is also some involvement from Defra, Natural England and other environmental groups in isolated cases. More recently the Regional Development Agencies have played a significant funding role in some instances, usually funding discrete activities and studies.
- 17 Finally, at a national level, there are significant costs incurred by DCMS, English Heritage, Historic Scotland and Cadw. With dedicated World Heritage staff in each of these organisations there is considerable input and resource dedicated to this area, much of which relates to individual sites as for example in dealing with Reactive Monitoring cases or the management of new nominations. Furthermore, the UK government contributes around £130,000 to the Committee's World Heritage Fund every year..

Benefits

- 18 We have described the eight benefit areas and their beneficiaries in Table 4; some of these represent final outcomes whilst others such as partnership and funding could be seen as facilitators of them.

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).

2. How are these costs and benefits affected by the specific characteristics of sites?

- 19 The 27 UK World Heritage Sites share little in common aside from their WHS status and the different characteristics between them significantly affect their relative costs and benefits. Below we have outlined these differences in several key areas.
- 20 **The ownership structure-** Ownership is possibly the most significant factor affecting both costs and benefits. Governance and management also have a significant effect on costs and these are strongly related to the ownership issues. Where sites are in single ownership they are often already 'managed' in that where the owner is a private landlord, the Crown or the Church etc there is likely to already be some conservation arrangements in place and many of the activities required by WHS status will already be taking place on some scale and WHS status can simply formalise these activities. This makes the management costs of the site significantly lower. In addition, where sites are in single ownership the opportunity is often available to gain income from visitors, allowing private funding to be used to support the conservation of the site, although this is not true in all cases. More complex ownership arrangements often take place in sites of a more significant scale and these require much more complex partnership structures with some of the most diffuse ownership arrangements requiring over seventy partners. This has both a negative effect on costs in that it increases the costs associated with partner and staff time and a positive effect in that it increases the opportunity to involve partners in the funding of the site and can lead to significant sources of additional income, predominantly from the public sector.
- 21 **The 'fame' of the site-** Since the principal benefit of WHS status appears to be as an accolade and a measure of quality which serves to emphasise a site's importance, those sites which are already well known and established 'heritage brands' in their own right may perceive that they have little need for it. They therefore use it to a limited degree in their marketing, educational or other activities and as a result gain little benefit from it.
- 22 **Location-** The location of each WHS has a significant effect on the levels of cost and benefit. Some sites

are located in densely populated urban locations where they operate as living sites, whilst others are located in rural locations which present entirely different challenges and opportunities. In costing terms urban locations are generally likely to require a more significant level of resource in management since the levels of activity within or surrounding the location are likely to be higher. This is also true of the development pressures that exist indicating a relatively higher opportunity cost and a correspondingly higher benefit in terms of conservation, although not as much as it could be if WHS status carried statutory protection currently. In rural sites the pressure from development is generally likely to be much lower but the natural landscape presents entirely new challenges. The results from our postal survey of residents and from our case study research indicate that it was rural sites like Dorset and East Devon that felt the balance between conservation and economic development was being least well struck, which might suggest that rural locations are more concerned about new development and increasing numbers of visitors than urban sites.

- 23 The location of the site is also important in relation to the size of its population and supporting transport and visitor infrastructure. Sites located further from the established tourism trails are likely to find it more difficult to attract significant numbers of tour operators or international visitors. Similarly if sites are in close proximity to larger towns and cities they have a greater potential to attract tourists as well as school and educational visits.
- 24 **The motivations for WHS status-** It could be said that 'WHS status is what you make of it'. Where the status has been used to full effect it has provided benefits by bringing partners together and leveraging additional funding and not infrequently it has led to new developments and enhanced educational benefits as well as improved conservation and even regeneration in some locations. Where these opportunities have not been seized there have been more limited benefits. The benefits that sites attribute to WHS status are therefore strongly related to the motives they had for bidding and correspondingly what they have used the status for.
- 25 **Marketing activity-** This is an outcome of the motivations point. Overall it is unclear whether the level of marketing undertaken by each site has any significant effect on its tourism numbers. The two most recently inscribed sites we studied do appear to have invested more significant resource than others to market their WHS status and this might be reflected in the higher awareness amongst local residents of the area's WHS status, or it might simply be because the site was inscribed more recently. Overall across all of the sites the impact WHS status appears to have made on visitors is minimal and it is unclear whether WHS status on its own is ever likely to be a significant enough factor in attracting higher numbers of visitors. Undoubtedly sites should be encouraging the use of the WHS status and the logo in supporting marketing activities in order to increase the benefits tourism can offer, however it is not clear what effect this can be expected to have on individual sites.
- 26 **The nature of the site-** The nature of the site is a key factor in determining the type and level of community benefits offered by WHS status. Some sites, because of the heritage asset itself and what it represents to the local population, can act as a divergent force in the local community rather than a convergent one leading to very little civic pride. In addition, some heritage assets were seen as having a very strong link with the national education curriculum whereas others had a much weaker link reducing some of the educational benefits. Cultural and natural sites whilst reflecting different aspects of our heritage are subject to the same management arrangements but there is some evidence that those operating as natural sites are more concerned with the impact of economic development and increased visitor numbers.
- 27 **Heritage listing arrangements-** Sites which are already afforded protection by existing legislation and supporting protection system are less likely to gain significant conservation benefits from WHS status than those which are not already heavily listed. This is also true of the overseas territories where less effective conservation listing arrangements were considered to operate; here consultees provided examples of sites where WHS designation has made a significant impact on conservation, protecting two species of bird due to the additional weight provided by WHS status in a less detailed and substantial protection system.

3. How are the costs and benefits perceived and how prepared are sites for them?

- 28 It is clear from all elements of the project work that in the past costs and benefits of WHS status have not been well understood, but it is our belief that this is improving as awareness is raised. This is likely to be highly relevant with regard to costs. Furthermore, it is the awareness amongst newly inscribed sites that is the most significant factor informing future activity.
- 29 In general across all areas of costs, individuals were aware of the direct areas of cost but there are no established benchmarks for these and little understanding of opportunity costs. Amongst the benefit areas, some like partnership and additional funding benefits are well referenced in the existing literature and the claims appear to be broadly consistent. In other areas benefits are either not understood or indeed overstated with regard to tourism and regeneration.
- 30 Similarly recognition of what World Heritage represents ensures that the requirements of managing a site will be more widely understood. However, if the requirements of WHS status continue to develop and change, clarity around these is unlikely to be achieved.
- 31 It is also evident from our analysis that, even if sites are not well prepared for the requirements of WHS status, the status does appear to correlate positively with a significant increase in public investment to support activities to meet, and indeed exceed, these requirements.

4. How can these costs and benefits be optimised in the future?

- 32 There are a number of actions that could be taken to both reduce costs and increase benefits in the future and these have been outlined below.

Reducing costs

- 33 **Better guidance-** In general the costs associated with both bidding and management are felt to be not well understood and better guidance for sites would be beneficial. Greater clarity regarding the level of cost and benefit would better equip sites to make decisions concerning whether or not to bid for WHS status. Similarly, a more accurately defined process for bidders linked to costs supported by clearer templates and guidance for nomination bids would also facilitate better understanding of what is required and what is not. Greater clarity, resulting from investigation and research, concerning the nature and characteristics of sites which are likely, and unlikely, to be accepted onto the World Heritage List could also provide potential nominations with more objective guidance about when to bid, thereby improving decision making. Furthermore, if sites bid for WHS status and are not successful, whilst they are likely to gain some of the benefits associated with WHS in terms of the understanding and knowledge generated through the production of the management plan and the partnership benefits they are unlikely to gain the full benefit of WHS inscription. We provide some summary guidance for aspiring sites which outlines the key questions they should consider before bidding.
- 34 **Process-** The process of becoming a WHS is currently not time defined and sites can sit within the process for many years (10 or more). This is another significant driver of bidding costs. If a process could be established which took less time and was more explicit regarding requirements, with bids being removed earlier from the process and a tighter pipeline of fewer potential sites this would reduce time costs and other resources for all concerned. This would require a more clearly defined process than the current Tentative List approach allows with bids being able to come forward, be developed and then submitted to the UNESCO committee within much shorter timeframes.
- 35 **Understanding governance and management-** The governance and management arrangements differ significantly across all sites and this is another significant driver of costs. Whilst we acknowledge the need for each site to in part define the arrangements that are right for them, a more complete understanding of the different arrangements in place and how these affect the ability of the management to operate economically, efficiently and effectively would be beneficial. This is particularly true of partnership arrangements, which are a significant driver of costs and benefits.
- 36 **Private sector involvement-** An intuitive response to reducing costs is to encourage greater private sector participation and funding in WHS. After reviewing the current arrangements within the six case studies it is difficult to see the circumstances under which this might be achieved. However, we would encourage sites to continue to work to more closely align the benefits of WHS status with the private

sector and encourage private sector funding in those instances where this is possible. This may well require clarification by the State Party (DCMS) regarding the use of WHS in commercial marketing activities. However, if this could be achieved then the public costs would be correspondingly reduced.

Increasing benefits

- 37 Some activities were consistently mentioned amongst those we consulted as interventions which would enhance the overall management of the site and increase the benefits from WHS status. These included **ensuring that a full time WHS co-ordinator was in place at all sites and that core funding was made available on a permanent basis** to ensure co-ordinator time was focussed on the management of the site rather than spent completing future funding applications.
- 38 A further important issue when considering actions to increase the benefits from WHS status is to consider who these benefits are for. Where benefits are to be increased at a local level, different actions are required to those needed to increase benefits at a national level. We have, therefore, distinguished actions at a national level from those at a local level.

Nationally

- 39 **Raising awareness of WHS status-** Raising awareness of WHS status at a national level could encourage greater understanding and appreciation of what it represents and can provide. This could have corresponding benefits for greater national and community pride benefits as well as for conservation and public accountability purposes.
- 40 **Statutory protection for World Heritage Sites and greater recognition in planning-** Providing statutory protection for World Heritage Sites and integrating it formally into the UK listing system would provide the protection that sites require from new development. Due to the high level of existing listings that sites hold already, this protection would need to be significant to add any additional value. However, this would formally integrate WHS status into the UK listing and statutory control systems and could provide a significant national benefit in 'option' and 'bequest' value terms to both the current users and the non-users who may wish to visit them at some later date. This may already be occurring through the Heritage Protection Review.
- 41 **Ceasing or slowing nominations-** The increasing number of UK sites was seen by many of those consulted as having a devaluing effect on perceptions towards the 'World Heritage brand' and, indeed, there was surprise amongst some of those we consulted when they interrogated the list at some of the sites included. By ceasing nominations, the current value of the 'World Heritage brand' in the UK would be sustained and slowing nominations would slow the reduction in that brand value.

Local/regional

- 42 **Increasing levels of community activity linked to WHS status-** The community benefits accruing from WHS status may be significant but there is limited activity at present. Some of the case studies suggest that they would like to increase the volume of events and community activities they support. Increasing community engagement and activity would maximise benefits particularly in terms of civic pride and social capital while ensuring a higher level of awareness amongst partners of what WHS status represents.
- 43 **Ensuring comprehensive research/education and interpretation strategies within management plans-** As part of the management plan sites are encouraged to establish a research strategy to support research to improve understanding and interpretation. This activity appears to be patchy across these sites and whilst some have also gone on to include interpretation, learning and educational strategies and linked these to specific outcomes and objectives, others have just provided simple plans. If more comprehensive approaches were taken in this area, it would ensure that the learning and education benefits associated with these sites were maximised and put World Heritage more at the centre of this activity.
- 44 **Greater clarity on when to use World Heritage Status and the logo and greater use of it in destination marketing-** Allowing the logo to be used in commercial ventures would be beneficial. This is currently rejected by UNESCO guidance. Regardless, it is our understanding that in some locations this is

happening. If this was formally allowed it could potentially stimulate greater private sector investment in this area. Sites should also encourage local, regional and national tourism representatives to use WHS status in their promotional and marketing activities but from our consultations specific activity based around WHS status was seen to be of limited value. In order to gain advantage WHS status will need to be used effectively, in tandem with a range of different factors that combine to create the local/regional destination brand. The final decision should be with those tourism marketing groups who have the best understanding of what will add value. Including what will support the increase of visitors and which areas the public sector should not be intervening in.

5. How is this situation likely to change in the future and what else needs to be considered?

45 Since the last Tentative List was drawn up in 1999 there have been several important developments:

- Increasing competition at all levels is pushing up nomination costs, as the increasing number and nature of sites which are being accepted onto the List makes it seem more achievable for other sites coming forward. This could increase competition still further in the future leading to higher bidding costs and the increasing number of sites is understood from consultees to have an overall devaluing effect on perceptions towards WHS status and its related potential benefits.
- An increasing local and regional focus on culture and heritage as a tool for regeneration has created an atmosphere where WHS status is more likely to be supported for economic and social reasons that are not directly linked to its primary conservation objective. This hypothesis is also supported by the types of site currently coming forward and by the increasing involvement of RDAs in the nomination process. There is also a growing risk that WHS status will in the future be used increasingly for attaining those economic and social goals which may be only loosely linked to conservation benefits. This will affect the motivations and the achievement of benefits.
- An ongoing increasing emphasis on the scale and breadth of consultation in heritage, conservation and planning activities is leading to increasing costs for the public sector in the creation of the management plan and the nomination document and also for the private sector in the time taken to make planning decisions. This was widely regarded as a positive thing by those consulted in the public sector. Concerns were, however, raised by those we consulted in the private sector regarding the value of some of this consultation, the roles and responsibilities of those with whom they had to consult in the World Heritage area and the subsequent impact of this on development and economic improvement in these sites and their immediate localities.
- The nature of the sites which are being accepted onto the List was seen as being very important and some consultees had reservations that certain sites which were coming forward were unlikely to be accepted onto the list by UNESCO, leading to wasted time and effort. This is an evolving issue but relates to an earlier point about the availability of more objective guidance in this area to support bidding decisions.
- The requirements requested by UNESCO continue to develop and change and potentially increase. New sites will need to be made explicitly aware of any new development as they arise and factor these, as far as possible into their decisions. There is a possibility that if the requirements increase significantly this could be expected to impact on the relative interest of sites in keeping their WHS status. This may be most likely amongst older sites which were less accountable at the time of their inscription.

46 The impact of other designation and listing schemes on the process is likely to be complex. In general, whilst some consultees felt that an overarching national designation would provide a useful filtering process for potential new sites, most felt that this would add additional complexity to an already overly complex listing system. Some even felt that such a process could already be established from the interpretation of current listings. The impact of new listing labels was thought likely to have only a limited effect with the 'World' status ensuring that it will continue to attract nominations over and above other labels even though some heritage labels may provide better statutory protection for the site. However, one example was provided to us where a natural site had given up on WHS status to pursue an alternative listing which it felt would add more benefit at a lower cost. This might suggest that the

increasing availability of information is already beginning to support changes in decision making.

Summary guidance to aspiring sites

47 Below we have provided some summary guidance for aspiring sites to consider at the outset of bidding.

Figure 2: Summary guidance

1. Why do we want to become a World Heritage site?

- Aspiring sites should consider what it is that they hope to gain from WHS status and in particular whether these aspirations link clearly with the World Heritage Convention. If these objectives relate to conservation, education, understanding or social objectives then they may represent a good fit. If these objectives relate to regeneration, economic or tourism objectives then these are not strongly related to World Heritage and indeed there may be more attractive ways of achieving these benefits.

2. Is it achievable?

- Early discussions with DCMS and/or relevant heritage agencies as well as reference to World Heritage Committee, ICOMOS and IUCN should give sites a good understanding of the likelihood of success, particularly in relation to the Outstanding Universal Value criteria and the extent to which sites might fill gaps on the World Heritage List. The aesthetic quality of the nomination document is not a consideration.

3. What will it cost for us to bid?

- **The time commitments-** Following the current UK nomination system bids will first need to gain a place on the UK Tentative list and then reach the UNESCO committee for approval. Currently the average length of time taken for a bid to be approved is around 5 years.
- **The complexity of the site and the nomination document-** Our research suggests that the larger and more complex the ownership of the site the larger the partnership that would be required to develop the bid. The average number of partners involved is 13 but for large sites or sites with multiple ownership or jurisdiction the number of partners involved can be as many as 70. The participation in the bid can be expected to cost on average £40k in staff time during the bid process. Smaller sites with just one or a few owners are likely to incur less cost in the bidding process. There may be further cost if additional conservation, tourism or other studies are required and these can be for between £20- £80k per study.
- **The management plan-** New nominations are required to develop a management plan for the site. This will provide a more comprehensive assessment of the site for conservation and management purposes which is a significant benefit in itself regardless of the outcome of bidding, however it can be expected to cost between £200-£250k in staff time and resources.
- **The overall cost-** From our research the overall cost of producing a bid which reaches the UNESCO committee for approval is estimated at between £420 and £570k.
- **Who pays?-** There is no central government funding available from DCMS and whilst English Heritage, Historic Scotland, Cadw, the Heritage Lottery Fund, Defra, Natural England and others have historically provided some support to specific sites depending on circumstance locally driven bids should anticipate having to find funding from local or regional sources. These sources are usually the Local Authority or in more recent cases the Regional Development Agency. In Scotland and Wales a greater role is usually taken by Historic Scotland or Cadw where bids are genuine.

4. What will it cost for us to manage the site?

- **The ownership and complexity of the site and the governance structure adopted-** Larger more complex sites which are in multiple ownership can be expected to require more resources to manage and will therefore be more expensive. Through our research we have identified four different governance structures which each have a different corresponding management cost. The largest group of current UK World Heritage Sites fall within the 'co-ordinator' or the 'no co-ordinator' governance models and these sites cost between £100- £215k per annum to manage. For smaller, largely self contained sites with special ownership arrangements, for example where the owner(s) are the Church or the Crown, the sites are likely to be relatively well managed already and in these instances the management costs are likely to be between £13- £26k per annum. For large sites with very complex ownership like Edinburgh Old and New Towns or the Dorset and East Devon coast management is a much bigger task and a large staff is likely to be necessary for it to be undertaken effectively. In these locations, the annual management costs can be as much as £190- £615k.
- **The fame of the site-** If the site is already well known then it may already be attracting a significant number of tourists and there may be an opportunity to fund the management costs in part or in whole from the visitor incomes it generates. This may often require a complimentary investment up front to for example develop a visitor centre or improve access and parking to encourage more visitors. Our research shows that the impact WHS status makes on visitor motivations is usually very marginal and there is little evidence that becoming a WHS automatically generates additional visitors. Aspiring sites should be wary of this.
- **The nature of the heritage asset and its relevance to wider stakeholders-** The extent of local cost is predominantly determined by the ability of the site to leverage funding from other sources to support the management of the site. Partnership activity plays an important role in securing any additional funding.
- **Who pays?-** As with bidding costs, management costs are predominantly borne by Local Authorities in England with some input from the other organisations previously listed. In Scotland and Wales investment from HS and Cadw is often more significant.

5. What benefits would we get from bidding?

- Even if bids are not successful in gaining World Heritage Status the journey itself can be expected to provide some benefits, primarily in terms of partnership, conservation through the management plan and potentially through additional funding. The bidding process requires partnership, which in turn can provide access to a more diverse range of potential funding providers. Furthermore the creation of a management plan, often for the first time provides a comprehensive overview of how the site should be managed. Importantly the achievement of these benefits will depend on the current activities. If sites already have strong local, public and private partnerships then the bidding process may not significantly affect these or generate additional funding opportunities and if the site is in single or special ownership then a comprehensive plan for its management and conservation may already be in place.

6. What benefits would we get from the WHS designation?

- **Partnership-** 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. This will naturally depend on the extent of the partnership activity before the site gained WHS status. If strong partnerships existed before WHS status then one can expect limited benefits.
- **Additional funding-** 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, heritage and community based funding sources and, subject to a variety of other considerations, these sources appear to often invest additional public funds in the site. Again this will depend on the extent of current investment but this is one of the more significant areas of benefit from WHS status but only at a local or regional level.
- **Conservation-** The additional funding generated by WHS status can improve conservation levels in those sites which are not already well designated by existing listing arrangements but where locations are already heavily protected more limited value can expect to be gained. Currently WHS status has no statutory effect on the planning system and whilst the increased publicity sometimes 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 overall. Follow up to the Heritage Protection Review should strengthen the position of World Heritage Sites within the planning system in the future.
- **Tourism-** WHS status is suggested to provide a promotional advantage and a 'branding effect' which can encourage additional visitors. However, the evidence indicates that this is likely to have a very marginal effect (c.0-3%) and this will be stronger for less 'famous' sites. Furthermore if sites do not have adequate infrastructure already, are not marketed effectively and are not currently well linked with the common UK tourism routes then they are unlikely to gain many additional visitors. On its own it is unreasonable to expect WHS status to generate additional visitors.
- **Regeneration-** 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 and even in this location there were other factors were involved in this change and a significant level of public investment.
- **Civic Pride-** There is strong evidence that WHS status provides a mechanism for building local confidence and civic pride and this appears to be a significant area of benefit. However this will depend on the diversity of the local population and the nature of the asset itself and what it represents to that population. For example the Castles of Edward I in Wales are a World Heritage Site but they are viewed by some locals as a symbol of English oppression.
- **Social Capital-** WHS status is also recognised as a mechanism for increased social unity and cohesion through increasing opportunities for interaction and engagement within the local community and again these benefits can be significant. However these benefits may be more significant within the ethnic and religious majority of the area rather than for minority groups.
- **Education and learning-** WHS status is considered to be a tool for learning engagement and there appears to be a degree of learning and cognitive growth taking place in the sites which have WHS status. However, most UK sites were important educational assets long before they gained WHS status and the extent of the benefit in this area will depend on the extent to which the site can integrate the WHS status into learning activities and reach a wide variety of groups.

1. Introduction and context

- 48 PricewaterhouseCoopers LLP (“PwC”) were commissioned in 2006 by the Department of Culture Media and Sport (“DCMS”), Historic Scotland (“HS”) and Cadw to investigate the costs and benefits of World Heritage Site (“WHS”) status in the UK. The work is intended to support a wider review of World Heritage policy that is currently being undertaken by DCMS. This report presents the findings and conclusions of the cost benefit study work.

Context

- 49 Whilst the study takes a broad view of costs and benefits these should be considered in the context of what World Heritage represents. The reader should also consider the important national and international developments in this area which are affecting the scale and interpretation of costs and benefits. We have discussed each of these issues below in our interpretation of certain key questions.

What is WHS status?

- 50 Through World Heritage designation, the United Nations Educational, Scientific and Cultural Organization (“UNESCO”) seeks to encourage the identification, protection, and preservation of cultural and natural heritage that is considered to be of ‘Outstanding Universal Value’. The focus on conservation of sites is reflected in UNESCO’s mission, which is to:
- *encourage countries to sign the World Heritage Convention and to ensure the protection of their natural and cultural heritage;*
 - *encourage States Parties to the Convention to nominate sites within their national territory for inclusion on the World Heritage List;*
 - *encourage States Parties to establish management plans and set up reporting systems on the state of conservation of their World Heritage sites;*
 - *help States Parties safeguard World Heritage properties by providing technical assistance and professional training;*
 - *provide emergency assistance for World Heritage sites in immediate danger;*
 - *support States Parties’ public awareness-building activities for World Heritage conservation;*
 - *encourage participation of the local population in the preservation of their cultural and natural heritage; and*
 - *encourage international cooperation in the conservation of our world’s cultural and natural heritage.*
- 51 The assessment of ‘Outstanding Universal Value’ is made through a series of ten criteria, with first six of these related to ‘cultural’ sites and the final four related to ‘natural’ sites. A World Heritage Site can be designated as either ‘cultural’, ‘natural’ or ‘mixed’ with sites in the final category representing a mixture of the two former categories. To be included in the World Heritage List, a site must meet one or more of the ‘Outstanding Universal Value’ criteria, which are:
- i. to represent a masterpiece of human creative genius;*
 - ii. to exhibit an important interchange of human values, over a span of time or within a cultural area of the world, on developments in architecture or technology, monumental arts, town-planning or landscape design;*
 - iii. to bear a unique or at least exceptional testimony to a cultural tradition or to a civilization which is living or which has disappeared;*

- iv. *to be an outstanding example of a type of building, architectural or technological ensemble or landscape which illustrates (a) significant stage(s) in human history;*
- v. *to be an outstanding example of a traditional human settlement, land-use, or sea-use which is representative of a culture (or cultures), or human interaction with the environment especially when it has become vulnerable under the impact of irreversible change;*
- vi. *to be directly or tangibly associated with events or living traditions, with ideas, or with beliefs, with artistic and literary works of outstanding universal significance. (The Committee considers that this criterion should preferably be used in conjunction with other criteria);*
- vii. *to contain superlative natural phenomena or areas of exceptional natural beauty and aesthetic importance;*
- viii. *to be outstanding examples representing major stages of earth's history, including the record of life, significant on-going geological processes in the development of landforms, or significant geomorphic or physiographic features;*
- ix. *to be outstanding examples representing significant on-going ecological and biological processes in the evolution and development of terrestrial, fresh water, coastal and marine ecosystems and communities of plants and animals;*
- x. *to contain the most important and significant natural habitats for in-situ conservation of biological diversity, including those containing threatened species of outstanding universal value from the point of view of science or conservation."* UNESCO, 2005, 'Operational Guidelines for the Implementation of the World Heritage Convention'

52 The 1972 UNESCO World Heritage Convention was ratified by the UK in 1984 and there are currently 27 sites in the UK and Overseas Territories that have since been inscribed. Responsibility for general compliance with the WH convention lies with DCMS.

How does a UK location become a World Heritage Site?

53 In order to be nominated for World Heritage Status, a UK site first has to be included on the UK Tentative List, which is drawn up by DCMS. Each year the UK puts forward one nomination from the list for consideration by the World Heritage Committee. As part of the nomination, sites have to put together a nomination file, which is required to be as exhaustive as possible and include all necessary documentation and maps. The nomination is considered by specialist international bodies, the International Council on Monuments and Sites ("ICOMOS") for cultural sites and the World Conservation Union ("IUCN") for natural sites, before a final decision on inscription is made by the UNESCO World Heritage Committee.

54 Within this process there is substantial competition both nationally to be placed on the UK's Tentative List and internationally to be placed on the World Heritage List and this competition encourages increasing time and energy to be put into individual bids throughout the process. In addition, the demand for listing and the number of sites approaching DCMS, English Heritage, Historic Scotland and Cadw is large but since only one site can be put forward per annum, some sites may take a significant amount of time (ten years or more) before they can gain a place on the Tentative List and be put forward to the World Heritage Committee for inscription. This has a corresponding effect if sites are unsuccessful and taken off the Tentative list, whereupon they have incurred the costs associated with bidding and perhaps gained some of the benefits associated with the production of a management plan for the site and improved partnerships and working relationships but fail to gain the full benefits of getting onto the list.

What is the nature of the sites which are coming forward for WHS status?

55 Historically both the process of achieving WHS status and the nature of sites being put forward in the UK has changed since 1984. In the early years bids were driven mostly from central government, often with very limited local consultation and the sites being put forward represented not only some of the most significant sites in the UK but also some of the most famous. The result was the inclusion of a number of the UK's most significant heritage sites sometimes without the understanding and support of those sites locally. It is widely acknowledged that the depth and rigour in the current process was not present amongst the early nominations of the 1980's.

56 The UK left UNESCO in late 1985 but remained in the World Heritage Convention throughout the period. UK World Heritage sites inscribed between 1986 and 1997 were all inscribed while the UK was not a member of UNESCO. Following the UK government's return to UNESCO in 1997 the bidding process had

changed. From this point forward bids were driven locally rather than nationally with costs being incurred primarily at a local or regional level, although there has also been substantial support from central government bodies, and from 1997 all new nominations were put forward either with a management plan being developed in tandem with the nomination document, or included within it. In addition, the time since 1995 coincides with a period in which increasing emphasis has been placed on consultation and partnership working. Furthermore, with the World Heritage Convention now having been in existence for well over twenty years awareness of World Heritage had begun to build. The new requirements of UNESCO, the increasing emphasis on consultation and the growing interest in the status is understood to have created a more competitive environment in which the costs and quality of each nomination were significantly raised.

- 57 Throughout this process the nature of the heritage itself was changing. Whilst the UK's few natural sites were inscribed throughout the period, early cultural sites represented a significant amount of ancient and medieval heritage and there has been a more recent growth in industrial heritage sites. The latter group could be seen as important since many of these locations represent some of the most economically deprived parts of the UK and the period over which they have been inscribed also coincides with a growth in the use of cultural and conservation-based regeneration activities from which many of these locations stand to gain significantly. This raises questions about the motivations for some of the sites coming forward for WHS nomination and the extent to which they are still led by conservation objectives rather than economic development ones. These questions are confirmed by the more recent involvement of Regional Development Agencies in funding provision.

What do we mean by 'costs' and 'benefits'?

- 58 Whilst the primary motivation of the World Heritage convention is undoubtedly linked to conservation, Culture, Heritage and World Heritage specifically are often reported in the established literature as having a number of indirect or tangential beneficial effects. These are often split and characterised as 'intrinsic' and 'instrumental', with the former relating to the inherent value of the asset for itself and the latter relating to the value derived from the asset to achieve broader economic and social outcomes.
- 59 As part of this work we have considered all the existing literature on costs and benefits in order to build a comprehensive framework which takes accurate account of the benefits WHS status brings to conservation as well as the many other areas of benefit. We have also sought to include a wide definition of cost, including opportunity costs and any related costs of WHS status alongside the additional costs of firstly nomination and then management.
- 60 A crucial element of this and all cost benefit analysis which should be emphasised is the concept of 'additionality'⁷ and the need to identify those costs and benefits which are directly attributable to WHS status from those which may simply be loosely related to it or would have taken place anyway regardless of WHS status.

Is the World Heritage List balanced?

- 61 A final point worthy of note is that at a supranational level, since the ratification of the convention in 1972, the list has grown significantly, but it has not grown evenly with more nominations coming forward from the developed world than the developing world. There is now increasing desire that 'well represented' nations like the UK should arrest or slow nominations and poorly represented nations should be encouraged to submit more.

Requirements

- 62 The overall aim of the project as stated in the original brief is;
- "to establish the costs and benefits of World Heritage Site status in the UK"*
- 63 The project specification also includes several other objectives and research questions which we have

⁷ HM Treasury Green Book, <http://greenbook.treasury.gov.uk/annex01.htm#additionality>

organised into four broad categories.

1. Identifying the costs and benefits associated with WHS status and who incurs or gains them

- Who are the key stakeholders that incur the costs and benefits associated with WHS status?
- What are the economic, social and environmental benefits involved in a) nomination and b) inscription which can be specifically attributed to World Heritage Status?
- What are the associated costs/responsibilities of WHS status?

2. How costs and benefits are affected by the specific characteristics of sites

- How are the costs and benefits of WHS status affected by the location, nature, scale, type of site and the level of marketing before and after inscription?

3. The perceptions of costs and benefits, the preparation of sites and their optimisation and realisation

- How far is the perception of costs/benefits matched by the reality?
- How well prepared are potential UK sites before making their bids for the responsibilities of WHS status?
- Where have potential benefits not been realised and what are the reasons for this?
- To what extent does a successful WHS bid enable sites to lever in other sources of funds and from where?
- What could be done to reduce the costs and optimise the potential benefits of WHS bids?

4. The past and future of the World Heritage Site designation and the strategic context

- How have costs, responsibilities and benefits changed since the last Tentative List was drawn up in 1999? How might they change in future years?
- Are other designations (e.g. National Park Status) or other listing schemes now being developed (e.g. European Heritage Label) likely to involve similar costs and benefits to WHS status? Are conflicting demands leading to increased costs for those sites seeking more than one designation?
- To what extent does World Heritage status support UK Government objectives and those of devolved government in relation to a) protecting, managing and promoting the historic environment b) their wider strategic priorities?

Project scope

- 64 The project only considers the UK context and the 27 World Heritage locations within it⁸, although it has looked more specifically at six of those locations as part of the case studies. However, the literature review will consider evidence on the costs and benefits of other sites.

Structure of this report

- 65 This report is structured into six chapters, as follows:

⁸ This excludes the overseas territories. These sites are subject to very different protection arrangements and an alternative legal and political framework to domestic UK sites which would further complicate comparability of results. We have therefore excluded them from our analysis.

- Chapter 2 describes our methodology for undertaking this work;
- Chapter 3 describes the Cost/Benefit framework we have developed for our analysis;
- Chapter 4 presents our review of costs;
- Chapter 5 presents our review of benefits; and
- Chapter 6 presents our concluding remarks.

2. Methodology

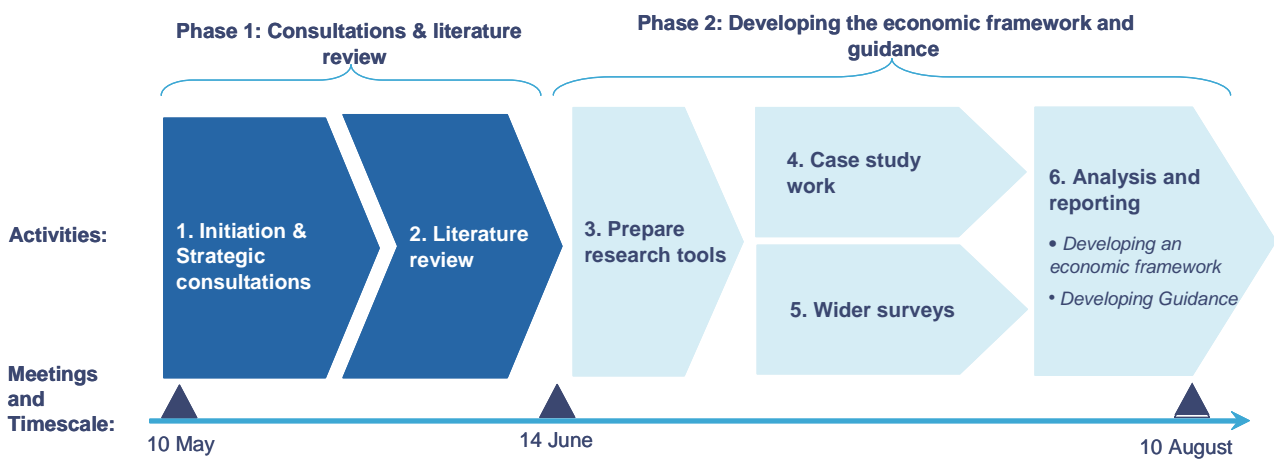
66 This section describes the methodology for the work. It begins with an overview of the approach which is followed by a more detailed description of each stage of the project.

Plotted overview

67 In Figure 3 we have presented an overview of the approach, which was split into two phases. The first phase involved 24 consultations with strategic groups⁹ and a desk based literature review of national and devolved strategy documents and studies into the costs and benefits of ‘heritage sites’ and ‘World Heritage sites’ in particular, which looked at both the theoretical literature in this area and the empirical evidence¹⁰. The end of the first phase of work allowed us to develop a framework of cost and benefit areas for greater consideration in the second phase.

68 The second phase of the work was informed by the messages resulting from the first phase and involved the undertaking of six case studies. These were conducted in conjunction with wider surveys of sites to gain a more comprehensive picture of costs and a further postal survey of local residents at each of the case study locations. Each case study involved a series of 8-12 consultations with individuals representing specific groups, supported by some desk-top analysis of previous research.

Figure 3: Overview of proposed approach



⁹ See Appendix A

¹⁰ See PwC, 2007, ‘The Costs and Benefits of UK World Heritage Site Status, A literature review for the Department for Culture, Media and Sport’

Detailed methodology

69 As we have noted the research was undertaken in two phases encapsulating six stages. Each of these stages is described below along with the activities and methods that were involved in each of them.

Stage 1: Initiation and strategic consultations

70 Following the project initiation we undertook a programme of 'strategic' consultations with key stakeholders from DCMS, Local and Devolved government, Heritage groups, Tourism sector representatives, developers and others. These consultations provided an important strategic overview to the work and the UK policy context, direction on key documents that should be considered as part of the literature review and some discussion on the cost and benefit areas that should be considered for deeper enquiry within the case studies.

71 In total we undertook 24 consultations, for a full list of these see Annex A.

Stage 2: Literature review

72 Alongside the consultations we carried out a desk and web based literature review, which involved reviewing key strategic documents from UK and devolved governments and previous cost benefit studies and measurement approaches in Heritage and particularly World Heritage Sites. This addressed similar issues as the consultations but provided a different level and type of detail.

73 The strategic consultations and literature review enabled us to develop a framework for the costs and benefits of World Heritage Status and any related issues, which formed the base for the next phase of the project.

74 This stage was followed by a meeting with the Advisory Group on World Heritage (14 June 2007), where we presented the findings from phase one and were able to take on board feedback and insights from the discussion groups that took place during the meeting.

Stage 3: Prepare research tools

75 Following the meeting we designed a series of research tools for the assignment. These included a set of questions for a costing pro-forma which was sent to 24 of the UK sites, a set of aide memoirs for the case study consultations and a set of questions for the postal survey of residents, focussing mainly on the benefits of World Heritage Status. The pro-forma, aide memoirs and postal survey questions were formally agreed with DCMS prior to undertaking the case studies and these are attached in Annex B.

Stage 4: Case study work

76 The selection of case studies was an important aspect of this assignment and in this regard we have been led to an extent by DCMS. Across the 24 domestic UK sites there is huge variety in a number of key areas including ownership, use, scale, nature, location, accessibility, population and settlement density and date of inscription. This makes the selection of a 'representative' sample impossible and instead, in conjunction with DCMS, we have tried to select a series of case studies which cover a very wide range of these potentially different characteristics from which we can learn and also a series of case studies which include representation from England and the devolved administrations of Scotland and Wales. The final case studies we have looked at included:

- Blaenavon Industrial Landscape;
- Castles and Town Walls of King Edward in Gwynedd;
- Edinburgh Old and New Towns;
- Studley Royal Park and Fountains Abbey Ruins;
- Tower of London; and

- Dorset and East Devon Coast.

77 For each case study we undertook consultations with a number of key individuals, including site management and partners, education groups, planning and development organisations, tourism groups and local resident groups. These consultations sought to:

- identify what the additional costs and benefits of WHS status are;
- discuss how far their original perception of these costs and benefits matched the reality and how well prepared sites were for the WHS status responsibilities before making their bids;
- discuss whether all of the benefits have been realised or not, the reasons for this and whether they had any important messages on maximising the value from WHS status; and
- discuss how costs and responsibilities have changed since 1999 and how they see costs and benefits evolving in the future.

78 In addition to these consultations, members of the project team participated in a World Heritage Co-ordinators meeting and undertook a series of workshops on management and governance structures, community benefits and the process for gaining WHS status. The feedback and results from this work have been included in our analysis.

79 Following these consultations we reviewed a number of previous research studies and datasets, for example in relation to visitor numbers, to further examine the aspects of costs and benefits.

Stage 5: Wider surveys

80 In tandem with the case studies, we sent an electronic pro-forma with questions about costs to 24 sites in the UK which had World Heritage Status (excludes the three sites in overseas territories). These pro-forma's were designed to capture specific information around costs which included both the fixed costs around the bidding and management process and the flexible elements in terms of staff time input into the various elements. They built upon the important recent work undertaken by MEK consultants on behalf of the Local Authority World Heritage Forum¹¹. In total 11 out of 24 pro forma's have been received representing 46% of the population.

81 Whilst these pro forma's were in various states of completion and it has subsequently been acknowledged that there are some inherent difficulties in developing a full economic cost of these activities, given the high degree of consultation and staff time associated, we believe that the results have been able to provide a reasonable assessment of the likely costs associated with different aspects of both bidding for WHS status and the management of a WHS.

82 As well as distributing these pro forma's we carried out a postal survey of residents near each of the case study sites. This survey was designed to give insight into the effect of World Heritage Status on several areas of benefit, but focussed primarily on:

- Social capital and cohesion;
- Civic pride; and
- Education and learning benefits;

83 In total 10,403 postal surveys were distributed and a total of 1,660 returns were received reflect a response rate of 16% which we believe to be excellent for a postal survey of this sort. Full details of the returns for each site and response rates can be seen in Table 5 below.

¹¹ MEK Consultants, 2006, "Management and finance of World Heritage Sites in the United Kingdom (Excluding Overseas Territories)"

Table 5: Postal survey responses

Case study site	Total survey's sent	Actual returns (Sample size)	Response rate (%)
1.Edinburgh	1,950	216	11.1%
2.Castles	1,920	363	18.9%
3.Studley Park	798	163	20.4%
4.Dorset and Devon	1,950	420	21.5%
5.Tower of London	1,955	203	10.4%
6. Blaenavon	1,830	295	16.1%
TOTALS	10,403	1,660	16.0%

- 84 Based on the number of returns received and certain assumptions in terms of the number of households in each site based on 2001 UK Census data¹² we can make some assessments of the level of confidence associated with these results. Based on a 95% confidence level the maximum confidence intervals for each site can be seen in Table 6. All of the confidence intervals are below 7% and the overall interval is under 2.4%.

Table 6: Postal survey confidence levels

Case study site	Total households (Population)	Actual returns (Sample size)	Confidence interval (at 95% confidence level)
1.Edinburgh	34,598	216	6.7%
2.Castles	9,211	363	5.0%
3.Studley Park	1,022	163	7.0%
4.Dorset and Devon	50,740	420	4.8%
5.Tower of London	34,368	203	6.9%
6. Blaenavon	2,753	295	5.4%
TOTALS	132,692	1,660	2.4%

- 85 Whilst we believe that these surveys have returned a reasonable and effective sample for assessment it is important to highlight that firstly, there is a risk in surveys of this kind that there may be a tendency for people who hold particularly strong views to reply more frequently, whereas others do not, so there is a need to be aware of the possible influence of response bias. Furthermore, whilst we believe that it is interesting and indeed valuable to compare the results between different sites we need to be wary of the fact that these sites are all very different.

Stage 6: Analysis and reporting

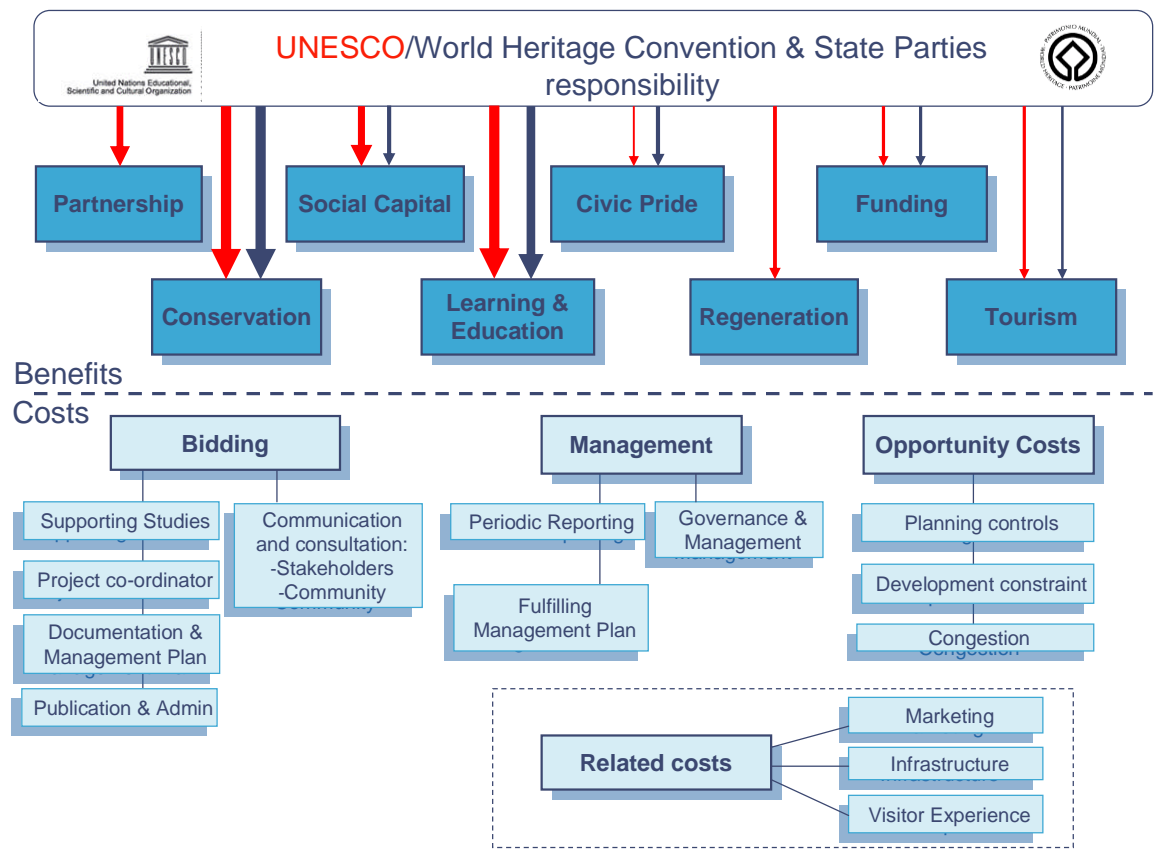
- 86 During the final stage of the work we drew together the previous stages, the analysis of the survey results and other data provided or used in relation to the sites and the information and messages from consultees.

¹² ONS www.neighbourhood.statistics.gov.uk/

3. The cost/benefit framework

- 87 An important aspect of this work was the construction of a framework which formally defined the areas of both costs and benefits which the study should consider. These areas were defined through both the strategic consultation programme and through the literature review which we conducted. The areas were then further validated with the policy review steering group in a formal presentation. These areas were then used essentially as a topic list for wider discussions with individuals at each of the sites to provide a depth of response and also as a basis for questions in the resident surveys and costing pro-forma's.
- 88 The framework detailed eight specific areas of potential benefit and three groups of costs with a number of specific items attached to these. In addition, it also makes a distinction between those costs which are directly 'additional' to WHS status and those which are related, i.e. those costs which either are not a requirement of WHS status or may well have taken place anyway without WHS status. A diagrammatic example of the final framework can be seen in Figure 4 which includes the eight benefit and four cost areas.

Figure 4: The Cost/Benefit framework



- 89 The titles given in Figure 4 for these 'areas' of costs and benefits are essentially arbitrarily defined and this is particularly true of the benefits categories. There are many ways to dissect costs and benefits and we have therefore chosen a nomenclature which appeared to emerge somewhat consistently primarily from the literature but also from our strategic consultations. In addition, some of the benefit categories are

not benefits in themselves, but instead could be seen as facilitating other benefits, e.g. partnership and additional funding.

- 90 The work does not include a full account of reactive monitoring activities since insufficient data was available from our case studies, literature review or site costing pro-formas to make such assessments. It also does not include the possible benefits internationally of being active in the World Heritage Convention and the contribution to such benefit of individual sites, for instance as examples of best practise.
- 91 Central government guidance¹³ identifies many different methodologies which can be used to assess and value costs and benefits. These methodologies allow the measurement of both purely financial flows which have a direct market value as well as more difficult benefits where there is no directly attributable market value. Where applicable, the latter often involves the use of stated or revealed preference methodologies, including hedonic pricing which attributes a value from a related or complimentary good or service where there is a market value (e.g. the affect of built heritage on property values) and contingent valuation which effectively asks beneficiaries for their 'willingness to pay' for certain activities. This means that some methodologies and approaches exist, which in some instances can be used to infer a value for certain activities.

¹³ HM Treasury, 2003, The Green Book

4. Review of costs

Areas of cost considered

92 This chapter of the report reviews the information that we have received in reference to the costs associated with WHS status. As per the framework previously identified, this considers costs in four discrete areas:

- **Bidding costs**- the additional costs of getting onto the World Heritage List, including the preparation of the nomination documents and any necessary supporting studies;
- **Management costs**- the additional costs of managing a World Heritage Site, including any additional management obligations, e.g. the preparation of the management plan and the completion of periodic and reactive reports;
- **Related costs**- any other costs and expenditure made at these sites following WHS designation where there appears to be a relationship between the spending and WHS status but that is not 'additional' to that status; and
- **Opportunity costs**- a discussion of the potential benefits forgone for example through constrained development from the creation of a WHS.

Information sources

93 The assessment of costs is based on three sources of information:

- Our consultations with the six case study locations;
- A total of 11 further completed costing pro-forma's which we sent out to the remaining 18 UK sites (excluding the overseas territories); and
- The recent work of Mike Kaye on behalf of the Local Authority World Heritage Forum¹⁴ ("LAWHF") which provides a useful overview of both the management costs and governance structures associated with all of the 24 UK sites (excluding overseas territories) but which largely excludes the costs associated with bidding for WHS status and contains some acknowledged gaps.

94 An example copy of the costing pro-forma's used for each of the sites can be seen in Annex B of this report, a copy of the report by Mike Kaye can be obtained through the Local Authority World Heritage Forum¹⁵.

95 During the first phase of this work we acknowledged through the literature review that, with the exception of the report commissioned by LAWHF, there was a gap in information about the costs associated with WHS status in the UK. In the same LAWHF report it was suggested that:

¹⁴ Kaye, M, 2007, 'Management and finance of World Heritage sites in the United Kingdom (excluding overseas territories)' for the Local Authority World Heritage Forum.

¹⁵ <http://www.lawhf.gov.uk/LAWHF/lawhf.htm>

'It has not been possible to define WHS management costs for all sites, partly because in some cases these are the staffing costs of the various agencies and LA's and (they are) not separately defined. Also the varied nature of the sites themselves and their management arrangements makes comparison very difficult and aggregation virtually impossible' Kaye, M, 2007, 'Management and finance of World Heritage sites in the United Kingdom (excluding overseas territories)' for the Local Authority World Heritage Forum.

- 96 In addition, from our own work we can acknowledge that it has been difficult to obtain full costs for the management of sites, primarily because of the number of partners involved and the challenge of assessing the costs of their time in preparing for and attending meetings, whether these be for the steering group or one of the many working groups which often exist. However, these costs are clearly related to the overall governance of the site, the number of partners involved, the number of different steering and working groups and how regularly they meet to discuss issues and actions.
- 97 Furthermore, in relation to bidding costs many of the oldest sites were unable to provide bidding costs, stating that either information from so far back was not available or that since bids were driven centrally, the costs associated with these bids was not held by them. This reflects the number of partners involved here at both a local and central government level and the absence of a common approach to bidding in particular with older nominations being put forward centrally and newer nominations being driven much more by local or regional stakeholders.
- 98 There is clearly an acknowledged difficulty in providing a complete set of costs for the management of an 'average' World Heritage Site, which is likely to be related to the fact that all sites are very different in a number of ways. These differences are likely to be manifest in the different governance and management arrangements that exist at each of the sites and by examining costs in line with these different governance arrangements, we believe that it is possible to begin to categorise sites into a number of different groups to which indicative costs can be assembled. This is an important part of our approach in relation to assessing management costs and in each case we have banded costs.

Issues

- 99 At the outset there are a number of important points which should be noted:
1. **The relationship between costs and benefits-** Some of the costs discussed here could be seen as benefits in themselves, or as the facilitators of additional benefits. In particular one of the benefit areas we have identified in our framework refers to the benefits of 'additional funding' which might be enjoyed at a site following its inscription onto the World Heritage List. In the context of this section, where this is seen as 'additional' to WHS status, i.e. it would not have taken place without WHS status, this will be noted as a cost. Another benefit area we have included in the framework is partnership; there is naturally a cost attached to maintaining a wide partnership that will be included here but this also facilitates greater partnership benefits. Finally tourism, regeneration and conservation benefits again may follow after a corresponding 'related' cost, for example the construction of a visitor centre or new transport infrastructure which improves access, or they may also create an 'opportunity' cost for example where improvements to conservation lead to constraints on development or amenities being forgone.
 2. **Hidden costs-** As we have noted there are a number of areas where costs are extremely difficult to define. These areas are primarily related to partnership and consultation activities where there are a number of stakeholders involved. Over time there has been growing energy both in the planning and conservation arenas to continue to increase the scale and depth of consultation. This means that during consultation exercises on, for example, the development of the management plan, an ever increasing number of partners are involved in the process. This is seen as a positive activity in that it increases the accountability of the plan and gives a wide variety of stakeholders the chance to contribute, but naturally incurs significant costs in relation to these activities which are largely hidden. Similarly, in the processing of a new planning application for a large development in the proximity of a WHS, the 'additional' costs which the status incurs is extremely difficult to define, because much of the process would take place anyway and any additional consultation on the part of the development is likely to be only a very small part of a long process. The only reasonable conclusion that can be drawn from this is that all costs presented here are likely to be an underestimate of the true cost.
 3. **Inflation-** All those consulted were asked in all cases to present costs in 2007 prices and we have

therefore assumed that the information provided has been included as such.

Bidding costs

- 100 This section looks at the bidding costs across the 17 UK world Heritage Sites for which information has been provided either through the costing pro-forma's or through the case study consultations. In six of these instances, no information was available and in the remaining instances information is of mixed quality, with four instances providing only limited information and the remaining seven instances providing a relatively good level of information. In addition to the data gained from our own work, we have also used the information obtained through the workshop session with WHS co-ordinators, including co-ordinators of sites which are currently represented on the UK Tentative list and the information obtained as part of the literature review in relation to bidding costs¹⁶.

Motivations for WHS bidding

- 101 In all instances the approach taken to the nomination process has been slightly different. Amongst the earliest sites that were put forward in the 1980's very little information is known about the motivations for bidding or the costs incurred in doing so and local stakeholders were often not involved in the process. These sites followed a much simpler process to get onto the World Heritage List and this is reflected in the activities undertaken and the corresponding costs. Some individuals have suggested that the motivations to get onto the list were linked to national pride or a central government desire to see the UK's more 'famous' sites included. Some quotes from the pro-forma returns can be seen below.

'As one of the first WHS's in the UK, the process of inscription ...was very different to that which is followed today. There was no public or community involvement in the process and the local authorities were not closely involved in the process...public awareness of World Heritage was very limited and therefore when the...inscription was announced, its significance was not appreciated at that time by many people'

'For the original nomination- as far as I can tell (very limited paperwork available) a consultant was appointed by the Government to prepare the dossier, with some help on answering questions from various Council officers'

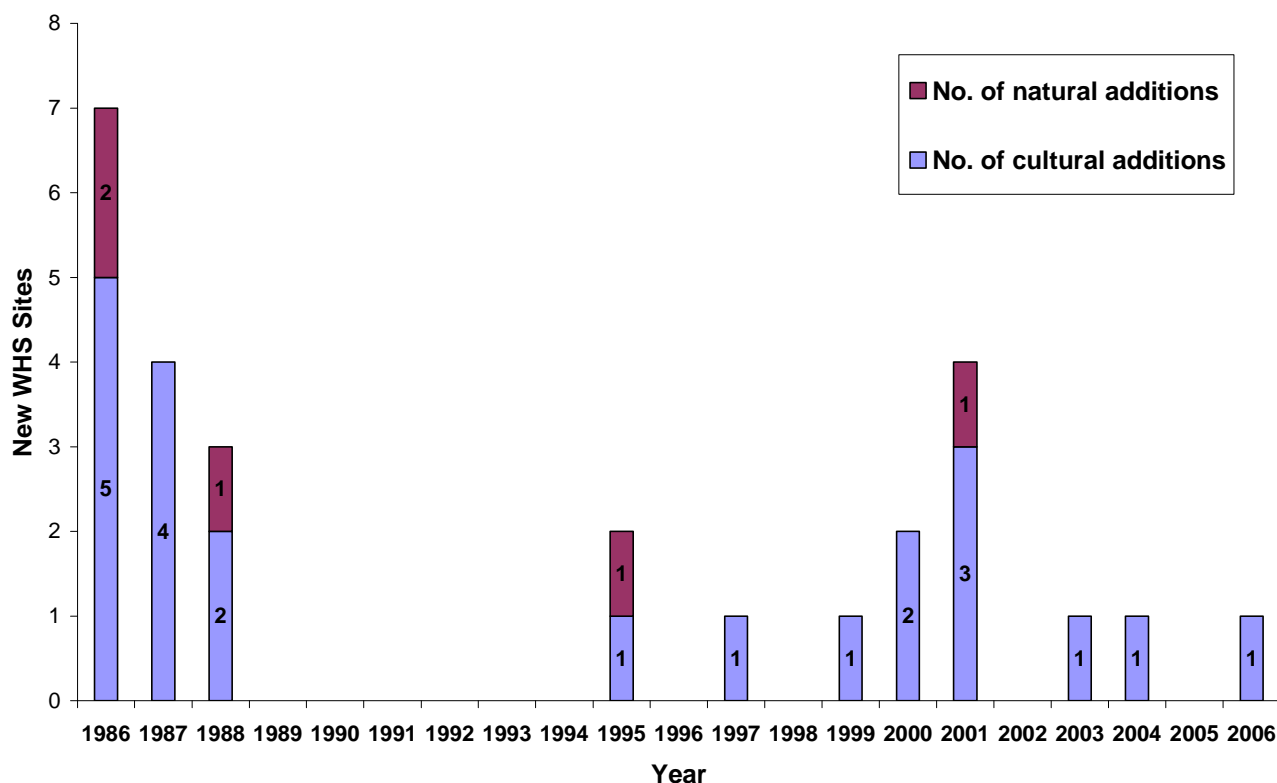
'The...WHS was part of a batch of WHS nominations prepared by the Department of the Environment I the early 1980s. It is not clear if the [local stakeholders] were involved in the preparation or not...I think the primary motivation in the 1980s was national pride'

'From what we understand, only DCMS was involved. [Local stakeholders] were notified by letter that [the site] had become a WHS after the decision was made!'

- 102 The process of nomination is now very different, in 1986, '87 and '88 there were seven, four and three new sites inscribed each year respectively and none of these sites were inscribed with management plans. Since 2001 only one UK site has been put forward per annum, producing a much longer gestation period for sites coming onto the UK Tentative list and leading to a much more competitive process for nomination. Similarly, since the UK's return to UNESCO in 1997, it is understood that all bids have been locally driven and produced with a much greater and increasing degree of consultation and partnership work.

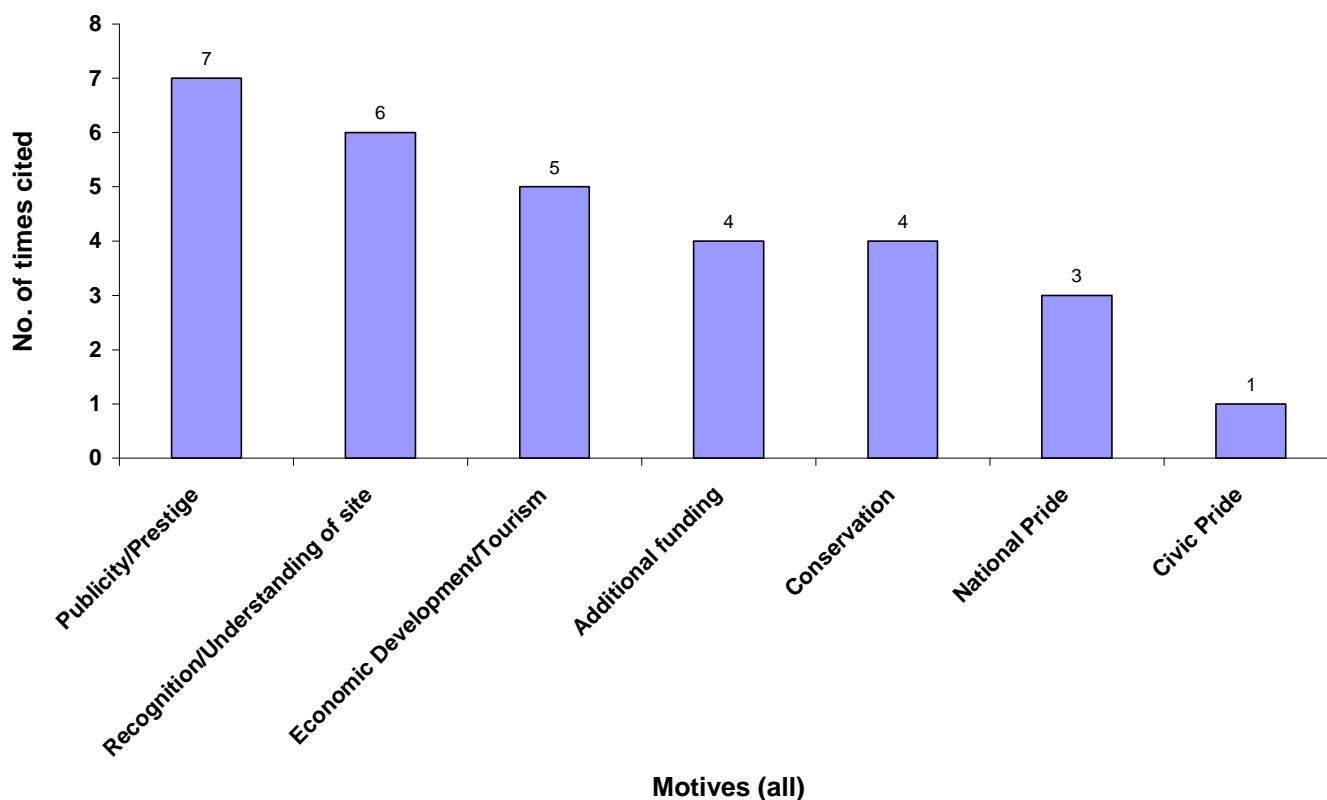
¹⁶ Primarily from Jagger, M et al, 2006, 'Proposed Chatham World Heritage Site Wider Impacts, Synergies & Partnerships'

Figure 5: No of UK inscribed sites (Source: <http://icomos-uk.org/whs/>)



103 As part of our costing pro-forma returns sites were asked to suggest what their motivations were for bidding for WHS status and were allowed to suggest up to three reasons. Naturally these motives are hard to define, especially in the earliest sites where local groups were not involved in completing submissions, and there is a degree of personal subjectivity in the responses. However, based on the responses we have received we have coded them into six categories which can be seen below.

Figure 6: Motives for WHS nomination (Source: Case study consultations and costing pro-forma's)



104 From the analysis above we would suggest that the most commonly cited reason for WHS nomination was the publicity or prestige that the accolade brings, which is also related to the desire for wider recognition or understanding of the importance of the site. The third most commonly cited motive was the desire for increased economic development or tourism which was often quoted as a secondary reason but more strongly associated with newer sites often in industrial heritage locations where there was a strong desire for regeneration. Additional funding and conservation concerns were the next most commonly cited motive and there appears to be a link between sites wishing to improve conservation by securing more funding following WHS designation.

Costs amongst more recent sites

105 There is clearly an important separation between sites that were inscribed in the 1980s and the sites that are coming forward now. This is likely to be down to:

- bids being more locally driven and involving more partnership and consultations work increasing costs;
- changes to the process involved which has increased costs (e.g. the inclusion of the management plan in the bid submission); and

'For sites inscribed since 1997 a Management Plan was drawn up either prior to inscription or during the process' Kaye, M, 2007, 'Management and finance of World Heritage sites in the United Kingdom (excluding overseas territories)' for the Local Authority World Heritage Forum.

- increased competition for WHS status at a national level as well as at an international level, which is reflected in the number of sites being put forward and their success.

106 As a result of these factors the quality of the nominations now being put forward far exceeds that of the earlier sites and is generally increasing as sites seek to put their best foot forward, with a corresponding effect on costs.

Figure 7: Liverpool Maritime Mercantile City Nomination (Source: <http://www.liverpoolworldheritage.com/nomination.asp>)



107 Whilst we can separate the bidding costs of sites into the 'old' and the 'new' the former is largely irrelevant for future nominations. We have therefore concentrated on the newest bids, where information is strongest, in order to understand what the prospective bidding costs might be in the future.

108 Across these bids, we have been able to identify four primary areas of costs and we have presented these costs as bandings from the lowest to the highest expenditure in 2007 prices. The four areas we have identified are:

- **co-ordinator costs-** The staff costs, overheads and administrator time associated with a full time World Heritage Site co-ordinator which, amongst the information we have available, appears to be in place in most cases;
- **partner time-** The staff time of partners and the costs involved in consultation;

- **production costs-** The costs associated with the document production and photography, which is naturally an important aspect of WHS bidding given the criteria for inscription; and
- **supporting studies-** The costs associated with external supporting studies, which are not a direct requirement of WHS bidding, but which nonetheless could be seen as an essential aspect of a good nomination or management plan.

WHS Co-ordinator costs

- 109 Earnings estimates excluding overheads, administrator costs and other on-costs were included for WHS Co-ordinators at five sites in the pro-forma returns and existing literature, with some sites including earnings information for more than one individual. These sites were inscribed in 2000, 2001, 2001, 2001 and 2004 respectively and provided earnings estimates of between £25-£30k and £35-£40k per annum. Adjusting these responses for earnings inflation¹⁷ against public sector index figures and taking averages, we would suggest that the co-ordinator costs in 2006/07 prices are likely to be between £36,000-£42,000 per annum.
- 110 Additional information provided by a study into the Chatham World Heritage Site bid document¹⁸ suggests that £210,000 should be assumed for a co-ordinator, administrator support and overheads for three years, suggesting an average cost of £70,000 per annum.
- 111 At two of these sites, more than one full time member of staff was used to co-ordinate the bid, but these were towards the end of the process as bidding activity intensified.
- 112 These are clearly annual costs and the total bidding costs are therefore likely to reflect the amount of time that each bid takes to reach a decision. Six sites have similarly been able to provide information on the number of years it took from the appointment of the Co-ordinator to achieve their WHS status. The average across these sites was 4.8 years.
- **If we were to assume that a new site coming forward were to take on a Co-ordinator at between £36,000-£42,000 per annum for 4.8 years, assuming an average earnings increase of 3.5%, this would indicate a total cost of between £185,000-£216,000 for the bid Co-ordinator.**
- 113 The inclusion of a WHS co-ordinator was widely regarded amongst consultees as essential for the completion of a good bid document.

Consultation and staff time

- 114 An increasingly important part of the production of any bid document is the consultation and staff time elements of the process. Most new bids involve a partnership of between 5 and 70+ partners with the latter usually confined to a few very large and complex sites like the Dorset and East Devon and Cornwall sites. Case study consultees and pro-forma respondents found it extremely difficult to identify how much cost was associated with these elements and as we have previously acknowledged this is largely a hidden cost.
- 115 However, if we similarly assume that the average salary band for each partner is £40,000 in 2006 prices¹⁹ and that each partner would be expected to meet with the WHS bid team quarterly, taking a total of one day of staff time on each occasion, this would indicate that the average cost per partner in staff time is likely to be in the region of £600 per annum.
- **Across the sites for which information is available²⁰ the modal number of partners is thirteen.**

¹⁷ <http://www.statistics.gov.uk/statbase/TSDdownload1.asp>

¹⁸ Jagger, M et al, 2006, 'Proposed Chatham World Heritage Site Wider Impacts, Synergies & Partnerships'

¹⁹ Based on case study consultation responses

²⁰ Based on the LAWHF report Kaye, M, 2007, 'Management and finance of World Heritage sites in the

This would indicate an average cost in partner time of around £7,800 per annum. Again, if we assume that the average length of time taken for the nomination process is 4.8 years, this would indicate that the total staff cost to partners, again assuming a 3.5% annual earnings increase would be in the region of £41,000.

- 116 To these figures we would need to include additional costs for wider public and other consultation activities which are now undertaken with increasing energy and widely seen as good practise.

'LA's have also developed and refined the engagement of their local communities in sites, consulting on management plans, involving voluntary groups...Again, community involvement is seen by UNESCO as vitally important, and clearly LA's with their local knowledge and established relationships with community groups are best placed to do it' Kaye, M, 2007, 'Management and finance of World Heritage sites in the United Kingdom (excluding overseas territories)' for the Local Authority World Heritage Forum.

- **Clearly the costs associated with such activities are difficult to identify, and the information available is very limited, but based on this information we would suggest that public consultation could be from £15,000- £100,000.**

Document production and photography

- 117 Another important element of bidding costs is the cost associated with the production and printing of the bid itself and the photography which is often a significant expense given the nature of the submission and some of the UNESCO criteria for Outstanding Universal Value.

- **Based on the information provided from pro-forma returns and case study consultations, we estimate that these costs are likely to fall between £15,000 and £50,000.**

Supporting studies and events

- 118 Another cost associated with bidding for WHS status are the numerous studies and other expert input which are often included in the bid. These studies might include, but are not necessarily limited to:

- Economic development studies or strategies;
- Tourism studies or strategies;
- Transport studies;
- Carrying capacity reports;
- Feasibility studies;
- Conservation studies;
- Interpretation studies;
- Learning and education studies; and
- International comparator studies.

- 119 These studies are not suggested as requirements from UNESCO, but may be seen as essential elements of either the preparation of a good bid document or management plan, particularly in the case of international comparator studies.

- **Again based on information from five more recently inscribed sites, we would estimate that these studies cost between £20,000- £80,000 per study.**

United Kingdom (excluding overseas territories)' for the Local Authority World Heritage Forum.

Management plan

- 120 As we have noted, since 1997 all new sites have developed a management plan either at the same time as they were preparing their bid document, or included it in the document itself. This means that for any new site coming forward, the management plan costs can be associated with the nomination process.
- 121 As with other areas of WHS bidding and management, the development of the management plan does not follow a consistent process but in general management plan production appears to have been either:
- outsourced to consultants; or
 - undertaken predominantly by WHS Co-ordinators.
- 122 Where production has been outsourced, the costs provided indicate that the costs are likely to be between £30,000- £140,000. Where the management plan has been prepared by a Co-ordinator, the costs are likely to have been already absorbed in their salary, administration and overhead costs.
- **In both cases this is not likely to include the production and printing of the management plan and this inclusion of photographs, which is likely to cost an additional £5,000- £35,000 based on the information provided.**
- 123 In addition, in both cases the preparation of the management plan is likely to include additional costs from partners and other stakeholders in staff time and consultation. The production of the bid itself is also likely to include staff time and consultation costs as we have discussed previously and in general, the results we have received make it difficult to separate the partner time and consultation in relation to the management plan with other time in relation to the nomination document. In general we believe that the former is likely to involve a much more significant degree of consultation than the latter and again there is a strong relationship here with the length of time taken to prepare management plans.
- 124 Based on our case study and strategic consultations, pro-forma returns and the LAWHF report, we can assume that in general the production of the management plan can be separated into two areas:
- partner time in initial discussions for the preparation of the first draft; and
 - then more substantial time to comment and respond to drafts.
- 125 Overall if we assume that it takes two years to produce a management plan and involves a partnership group of consultees (at c.£40,000-£50,000 per annum) who meet quarterly to prepare the first draft, and we assume that the preparation for these meetings, the meetings themselves and the undertaking of actions for each meeting take on average one day each. This would indicate that each partner loses four days per annum to the preparation of the first draft of management plan.
- 126 In addition, if we assume, again based on case study and other consultations, that it takes around 50 hours further to respond to comments and amendments on average amongst partners, this would indicate that each partner spends 6.25 days on more substantial comments and responses to the drafts.
- **Overall this would suggest that for each partner the cost of producing the management plan is likely to be in the region of 14.25 days, or between £2,200 and £2,700 per partner over two years. If we assume that there are thirteen partners²¹ then this is likely to indicate between £28,600 and £35,100 for consultation and staff time costs.**

Who pays?

- 127 In the majority of cases the costs of supporting a site Co-ordinator are met through a mixture of Local Authority funding and funding from Historic Scotland, Cadw or English Heritage, but in a few instances there appears to have been input from Defra, the National Trust or Natural England. In Scotland and

²¹ Average number of partners from LAWHF report

Wales the largest proportion of funding appears to come from HS or Cadw with the co-ordinator themselves in some instances being represented in HS or Cadw. In England the LA's appear to take a bigger role than EH except in those instances where EH has full or partial ownership.

- 128 The staff time of external partners is generally given in kind with the costs therefore being borne by the partners themselves and in those instances where some public consultation has taken place, the costs of the consultation exercise were again predominantly borne through a combination of the Local Authority, HS, Cadw or EH. Members of the public will naturally have given up their time to participate, but they do so at their own cost.
- 129 The document production and photography is again predominantly funded by the LA's and EH, HS or Cadw with some significant funding involvement from the Regional Development Agencies ("RDA's") in some instances.
- 130 Supporting studies and events are usually not funded by LA's. As far as the information indicates, these are likely to be funded by others depending on their purpose. For example conservation studies are more likely to be funded by HS, Cadw or EH whereas tourism or regeneration studies are more likely to be funded by the RDA's, regional tourism agencies or other interested stakeholders.
- 131 In some instances bids, supporting studies and management plans have been outsourced to consultants at a cost of between £50,000- £150,000 and the outsourcing of activity to consultants may be more frequent where an RDA is involved. The costs here are likely to be related to the specific brief attached to each study and the requirements are not necessarily the same for all.

Perceptions and minimisation of costs

- 132 There are a number of points in relation to the perceptions of bidding costs and their optimisation, and we have separated these into four areas.
- **Guidance-** There was a general perception from our consultations that the costs associated with WHS bidding are not well understood and that better guidance for sites would be a positive step forward. Similarly, the highest relative costs are likely to occur to those sites which follow the process to its conclusion and then fail to become listed as World Heritage Sites and the quality of the guidance given to bidders in relation to their chances for success needs to be of the highest possible standard.
 - **Procurement-** The fixed costs associated with the production of the bid document can be managed more effectively through competitive procurement and overall it may be cheaper to outsource more complex bids. However the major factor influencing costs is how long a bid takes to reach its conclusion and the impact this has on Co-ordinator and staff time.
 - **Complexity of sites-** The more complex a site is in terms of scale, ownership and responsibility, the bigger the partnership necessary and the larger the number of stakeholders involved, this increases costs but may also affect the availability of funding and expertise.
 - **Process-** At present the process involved is slow and as such costs are spread over a long period, the result is that costs are probably more substantial than they would be if the process was more time defined. However, this could have an impact on the quality and depth of the bid or the management plan.

Management costs

- 133 This section looks at the management costs across the 17 UK world Heritage Sites for which information has been provided either through the costing pro-formas or through the case study consultations. It also makes reference to the information held in the recent LAWHF report of the management costs of WHS status in the UK.
- 134 As with the costs and benefits of WHS status in general, the costs associated with managing a WHS site were also widely acknowledged as not being well understood amongst those with whom we consulted

and we acknowledge the valuable recent work of Mike Kaye and the Local Authority World Heritage Forum in this aspect.

'(I)t is well recognised that the benefits of WHS inscription in general are under-researched. For example, the North American Region's periodic report to UNESCO in December 2004 where the aim was set out to sponsor research into the social and economic benefits of world heritage site status for the benefit of the international heritage community' ERS, 2006, 'World Heritage Inscription: Consultation on Potential Social and Economic Benefits for Cumbria'

135 An important influencing factor on management costs across all the sites is the management and governance approach adopted. This varies significantly depending on:

- **The ownership of the site-** Sites with a single or a few owners generally incur lower management costs as less consultation is required and partnership working is lower. In addition, where ownership is held by a body whose remit or mission includes the conservation of the site, many of the WHS requirements are often already met by the owner and therefore the additional cost is relatively low. This is especially true of sites that are in the ownership of EH, HS or Cadw or sites which are owned by the Crown.
- **The national 'fame' or status of the site as a Visitor Attraction-** In addition, where sites are in single ownership with a conservation remit, they are often also visitor attractions of significant importance and are able to generate a substantial amount of their income from ticket revenues, retail income and events which can be used to support the requirements of WHS. However, in cases where ownership is complex, or sites are less famous this is more difficult.
- **The size and complexity of the site-** Large and complex sites which contain a more substantial number of heritage assets tend to require both larger partnerships and larger resources to manage the site and ensure high quality conservation for all its assets. This is also true of sites based in one or multiple locations, where WHS status applies to a number of discrete assets rather than one pre-defined area, sometimes management has been split to reflect two or more sites.
- **The nature of the heritage asset and its strategic relevance to the wider stakeholders-** There is a wide variety of partners involved in the management of World Heritage Sites and in general all partners commit more or less resource and energy to the management approach depending on the relevance of the site to them. For example, Natural England, Defra and the National Trust are much more likely to be involved in the management of sites where the site represents a strategic priority to them either through ownership or, for example, as an environmental site. Similarly input from RDA's and other economic development bodies will depend on the strategic relevance of the area and other factors such as the importance of tourism to the local and regional economy.

136 Based on the evidence we have gathered we estimate that there are four elements of cost in relation to the management of a WHS, including the salary, overheads and administrative costs of funding a WHS Co-ordinator where one exists, specific costs in relation to periodic reporting, reactive reporting and other specific WHS activities and staff time from a steering group and numerous other working groups in relation to specific aspects of the site.

137 In addition to these areas of cost, we believe that there are broadly four different governance structures, which in some cases includes entities which have been set up specifically to manage the WHS. Below we will discuss each of the different areas of cost followed by the different governance structures and how the costs are therefore affected by them.

WHS Co-ordinator costs

138 Earnings estimates including overheads and administrator costs were included for WHS Co-ordinators at nine sites in the pro-forma returns and case study consultations in current prices, with some sites including earnings information for more than one individual.

- **These sites provided actual current funding information from partners of between £30,000 and £62,000 per annum.**

- 139 Additional information provided by a study into the Chatham World Heritage Site bid document²² suggests that £210,000 should be assumed for a co-ordinator, administrator support and overheads for three years, suggesting an average cost of £70,000 per annum.
- 140 At five of these sites, more than one full time member of staff was used to manage the site, with some more complex sites having a staff of up to 7.5 FTE's.
- 141 The inclusion of a WHS co-ordinator was widely regarded amongst consultees as essential for the effective management of a WHS and a concern was raised both by consultees and in the recent LAWHF report about the instability of this funding and the impact this has on the activities of WHS Co-ordinators.

'the role of WHS co-ordinators is being dominated by the constant search for funding (in some cases on a time-consuming bidding basis) rather than by the key tasks of implementing Management Plans', Kaye, M, 2007, 'Management and finance of World Heritage sites in the United Kingdom (excluding overseas territories)' for the Local Authority World Heritage Forum.

Specific WHS costs

- 142 Excluding the costs associated with the production of the management plan which have been discussed previously, the main other area of potential cost is associated with the periodic reporting requirements of WHS.
- **Information on the costs associated with periodic reporting is particularly limited and in the two case studies where data is available it was suggested that the periodic reporting activity would have cost between £1,200 and £10,000. Although these activities are likely to be undertaken by the Co-ordinator in instances where such a position exists and so these costs may well be largely included in other areas.**
- 143 Since the two sites from which data are available are largely in single ownership these figures are likely to represent the bottom end of what these costs could be for more complex sites with multiple owners.
- 144 In addition, some of the pro-formas and consultations have indicated that in ten cases small budgets for project activity have been assigned to WHS sites of between £15,000 and £40,000. Again these are additional costs but periodic reporting and other costs are likely to be drawn from here.
- 145 Furthermore, some sites have also been subject to reactive reporting requirements which are not recognised in this work. Reactive Monitoring deals with individual proposals for World Heritage Sites which have been notified to UNESCO either by the government or by third parties. In either case, very considerable amounts of work can flow from such cases as for example in London and Liverpool over the last two years.

Staff time from partners

- 146 The final area of cost is that created by the participation of partners and their staff time. Overall across the UK's sites in most cases within the governance structure there appears to be a steering group of more senior individuals which usually meets quarterly to discuss issues and the progress of the management plan. This is then supported by a number of different working groups which meet for specific issues, usually more regularly (i.e. 4-6 times per annum). This assessment is based on the information provided in our case study consultations and from the recent LAWHF report, some quotes from which are provided below²³.

²² Jagger, M et al, 2006, 'Proposed Chatham World Heritage Site Wider Impacts, Synergies & Partnerships'

²³ Within our own case study consultations, sites were asked to make estimates of on-costs such as pensions, overheads and training etc, within the LAWHF report not explicit mention is made of whether these costs include or exclude on-costs.

'The Steering Group comprises DCMS, EH, Bath and NE Somerset Council, International Council on Monuments and Sites (ICOMOS – UK), the National Trust (NT), Bath Preservation Trust, Bath Society, Envolve, Bath Chamber of Commerce, Bath Federation of Residents Association and Rotork plc....The Management Plan also envisaged a number of topic-based Working Groups being set up'

'The Partnership operates through an annual Management Committee of members and a Project Board of officers which meets twice a year. The Project Board is backed by a series of quarterly Working Groups: St Peters School World Heritage Group ...Blaenavon Town Centre Group...Historic Environment Group...Landscape and Access Group...Marketing and Promotion Group'

'Following inscription in 2006, a revised governance structure is being recommended to replace the former 'bid partnership' of over 70 organisations. This would comprise a Partnership Board which would be the ultimate accountable body and include nominees of the major stakeholders, 2 County Councils, 7 District Councils, owners and operators of key areas of the historic environment, as well as some independent members. It is supported by a Technical Panel with membership drawn from the key organisations plus observer bodies. The Panel is able to bring relevant expertise and skills both to the implementation and review of the Management Plan and to the spatial planning requirements of PPG's 15 and 16. The Panel can reinforce with co-options where a management issue calls for it. A Consultative Forum is also being formed to include all members of the bid partnership plus other bodies with a legitimate interest in the mission of the World heritage Site'

'The site is managed by the Derwent Valley Mills Partnership (DVMP), which includes representation from.... With 36 member bodies, day-to-day management is provided by a series of Panels, led by an officer Technical Panel and with other panels for Research & Publications, Tourism, Arts & Heritage Sites, Transport and Industry & Economic Development. These panels are supported in kind by their constituent members, principally through officer time'.

- **If we assume that the steering represents a much more senior level of staff, at c. £60-80,000 per annum salary, overhead and administration costs, and there are thirteen partners (based on the modal number of partners in the LAWHF study) meeting for four days per annum, this would indicate a total annual cost of between £12,000 and £16,000 per annum.**
- **Similarly if we assume that each working group contains a similar number of members meeting more often, at six times per annum, but with lower salary, overhead and administration costs of c. £40-60,000 per annum, this would indicate a total annual cost of between £12,000 and £18,000 per annum per working group.**

Example governance models

147 By reviewing the information from the LAWHF study, our own case studies and consultations and the costing pro-formas we have identified four broad approaches that have been taken to governance within the UK's existing WHS's. These can broadly be categorised as:

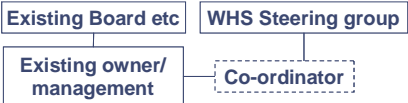
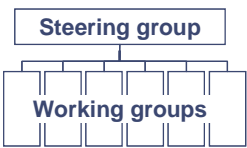
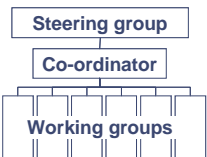
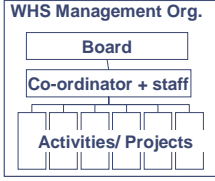
- **The special ownership model-** Sites in this category are largely single entity sites where the site itself (excluding the buffer zone) largely has one or a few owners and where that owner often holds some special status such as sites where ownership is held by the Church or by the Crown. Sites which would fit into this group would include the Tower of London, Blenheim Palace, Westminster, Durham, Canterbury, Kew and Fountains Abbey. At these sites there is usually a dedicated local conservation resource in place anyway and the site is already being managed and so many of the requirements of WHS status are already being met. For this reason in some of these locations it has not always been necessary for the site to have a specific local WHS Co-ordinator and the additional cost of the WHS status is often much lower than in some other governance models. In addition, often these sites are significant visitor attractions in their own right which allows them to draw a lot of income from visitors and retail activities which can be used to support the conservation and maintenance of the site.
- **The no co-ordinator model-** At the time of writing this report there are a couple of sites (the Castles of Edward I and Giants Causeway) that do not adequately fit into the special ownership model discussed above. These sites are notable primarily because whilst there is a steering group and a

series of working groups there is no co-ordinator in place, although we note that in the case of the castles WHS issues are monitored and managed centrally by Cadw staff and in Giants Causeway plans are underway to ensure a dedicated WHS Co-ordinator exists in the future. The absence of a co-ordinator saves costs and since both sites are largely in public ownership they are already being managed and conserved, the major difference between this group and the previous group is the absence of a local WHS champion or management resource as with the special ownership sites.

- **The co-ordinator model-** This represents the most common approach taken to WHS management, with nine of the 24 sites included in this category. In these locations (Orkney, Ironbridge, Greenwich, Bath, Blaenavon, Derwent Valley, Liverpool, Saltaire and Stonehenge and Avebury) there is a senior steering or management group in place which is supported by a dedicated WHS co-ordinator, sometimes with a very small staff, and a number of other working groups or technical panels which meet periodically. These sites are of varied ownership and in some instances the governance model is duplicated where there is a multi-site location such as Stonehenge and Avebury. They also vary in scale and importantly the WHS co-ordinator is usually funded from LA or EH, HS or Cadw contributions but on short-term contracts with limited funding rather than being core staff of a LA or being part of a separate entity in its own right.
- **The WHS management entity model-** In a few of the more complex sites entirely separate entities have been set up to manage the WHS status, usually with a much larger number of staff. These sites typically represent some of the largest sites in terms of scale and most complex in terms of ownership making them much more complex sites to manage. Examples of this category would include Edinburgh, Hadrian's Wall, the Dorset and East Devon Coast, Cornwall West Mining and New Lanark.

148 In Figure 8 below we have outlined the four governance models and suggested the assumptions we have made for each one and the corresponding indicative management costs for one year.

Figure 8: Governance models, assumptions and indicative costs for one year

	Assumptions	Estimated total costs (excludes bidding & management plan)
	<ul style="list-style-type: none"> • No WHS Co-ordinator • 13 Steering Group Partners meeting quarterly for 1 day at £60-80k per annum salary & overheads. • No working groups • Site is managed and conserved locally regardless of WHS 	<ul style="list-style-type: none"> • Specific WHS costs-£1.2-10k p.a • Steering group- £12-16k p.a • TOTAL COST- £13k- £26k p.a.
	<ul style="list-style-type: none"> • No WHS co-ordinator • 13 Steering Group Partners meeting quarterly for 1 day at £60-80k per annum salary & overheads. • 6 working groups of 13 members at £40-£60k meeting bi-monthly for 1 day. • Small project budget exists 	<ul style="list-style-type: none"> • Specific WHS costs-£1.2-10k • Steering group- £12-16k p.a • Working groups- £72-96k p.a • Project budget- £15-40k p.a • TOTAL COST- £100k- £160k p.a.
	<ul style="list-style-type: none"> • WHS Co-ordinator is in place • 13 Steering Group Partners meeting quarterly for 1 day at £60-80k per annum salary & overheads. • 6 working groups of 13 members at £40-£60k meeting bi-monthly for 1 day. • Small project budget exists 	<ul style="list-style-type: none"> • WHS Co-ordinator- £30-62k • Steering group- £12-16k p.a • Working groups- £72-96k p.a • Project budget- £15-40k p.a • TOTAL COST- £130k- £215k p.a.
	<ul style="list-style-type: none"> • Co-ordinator exists within a specific entity for WHS management with a staff of between five and nine members • 13 Steering Group Partners meeting quarterly for 1 day at £60-80k per annum salary & overheads. • 6 working groups of 13 members at £40-£60k meeting bi-monthly for 1 day. • Small project budget exists 	<ul style="list-style-type: none"> • WHS Co-ordinator- £30-62k • Other staffing, etc- c.£60-£400k • Steering group- £12-16k p.a • Working groups- £72-96k p.a • Project budget- £15-40k p.a • TOTAL COST- £190k- £615k p.a.

Who pays?

- 149 As with bidding costs, management costs are met most commonly through a mixture of Local Authority funding and funding from Historic Scotland, Cadw or English Heritage. In a few instances there appears to have been input from Defra, the National Trust or Natural England. Although these latter groups do provide some significant investments in related costs that are not necessarily additional to WHS status.
- 150 In Scotland and Wales the largest proportion of funding appears to come from HS or Cadw whereas in England the LA's appear to take a bigger role than EH except in those instances where EH has full or partial ownership.
- 151 The staff time of external partners involved in the steering group and working groups is generally given in kind with the costs therefore being borne by the partners themselves.
- 152 There are also other special ownership groups and private owners in some instances who play an important role in the management of some sites, for example Historic Royal Palaces at the Tower of London. In those instances where sites are run as visitor attractions, income from visitor and retail sales can, in part or in whole, cover the management and conservation costs of the site.
- 153 Finally, at a national level, there are significant costs incurred by DCMS, English Heritage, Historic Scotland and Cadw. With dedicated World Heritage staff in each of these organisations there is considerable input and resource dedicated to this area, much of which relates to individual sites as for example in dealing with reactive monitoring cases or the management of new nominations. Furthermore, the UK government contributes around £130,000 to the Committee's World Heritage Fund every year.. Only developing countries can apply to the World Heritage Fund for assistance.

Perceptions and minimising of costs

154 In relation to the perceptions of bidding costs and their optimisation, we have separated our remarks into four areas.

- **Guidance-** As with bidding costs in general we do not believe that management costs are well understood and so clearer guidance on these will be beneficial.
- **Additionality-** There is a huge variety of both capital and revenue investments that have been undertaken at these sites which are related to the achievement of WHS status but are not a direct requirement of it. As such these are not 'additional' to WHS and so we have not included them in the management costs.
- **Governance-** The governance of the site is similarly an important factor in the optimisation of costs, in those locations where the site is in special ownership, many of the requirements of WHS status would clearly be undertaken anyway and so these sites are able to take on WHS status without a really significant impact on their cost base and the general management of the site. However, where sites are complex with multiple owners their management requires a large and new team of staff to deal with the management and its specific aspects.
- **Funding consistency-** Throughout our consultations and in the existing literature it is widely acknowledged that a WHS co-ordinator is an essential part of the effective management of a site. Yet it was also acknowledged that because funding is usually only provided for short time periods, co-ordinators often spend a significant proportion of their time bidding for new funding, which naturally reduces the time available to manage the site.

'City Council regards both the revenue and capital funding for the WHS to be uncertain, in common with other LA's much time is spent by its staff in bidding for funds with uncertain outcomes. The City Council currently funds the salary of the WHS co-ordinator which has now been established as a permanent post in the Planning Service. The City Council also funds some projects with an annual budget of around £30k but cannot commit to the indefinitely', Comments from one pro-forma return

Related costs

155 There is a huge variety of related investments that are made in WHS locations following or during the nomination process and often these represent a substantial amount of funding. These range from large scale conservation investments such as the £25m restoration of the Cutty Sark, to improvements to the transport network such as the estimated £500m expenditure on improving the A303 around Stonehenge, improvements to the tourism infrastructure or visitor experience, such as the development of visitor centres in Dorset and East Devon, Stonehenge and other locations or environmental improvements such as the funding of Grass reversion projects and Countryside Stewardship schemes at Stonehenge and Avebury by Defra and Natural England.

156 Whilst in all cases these investments make a significant improvement to the WHS they are not usually in themselves a requirement of WHS status. For example, whilst WHS status has some requirements in regards to the management of the site through the production of a management plan, it is not a requirement of WHS status that each site should have a visitor centre. In some instances these investments are likely to be directly, indirectly or partially related to the WHS status and there is no doubt that they add value to the sites potential benefits whether these be in terms of conservation, tourist and visitor attraction or other factors, but they are not usually in themselves 'additional' to WHS status and so we have not included them in either our management or bidding costs. Furthermore, if these investments were additional, they would be supported through any additional funding generated by the site, which is discussed elsewhere.

Opportunity costs

157 The opportunity costs of WHS status relates to the costs associated with any benefits that are forgone as a result of WHS status, or any costs that are incurred by other parties in relation to WHS status that would

not be incurred otherwise i.e. are 'additional'. There are two main areas where these costs are likely to fall:

- in the context of development that is forgone as a result of WHS status; and
- as a result of public expenditure spent on these sites which could have been spent elsewhere

Impact on planning and new development

158 The UK planning system follows a complex and consultative process. Within that process statutory protection is usually given to sites which contain specific designations e.g. conservation areas, listed buildings, scheduled monuments, areas of outstanding natural beauty, etc. However, whilst WHS status is acknowledged as representing the sites which are of the greatest cultural or environmental significance, they currently do not hold any statutory protection in the UK planning system, although this may change within the current Heritage Protection Review.

159 WHS status is considered through PPG 15, strategic view protection arrangements and management plans are now being included in Local Development Plans which will provide 'weight' in planning decisions.

'No additional statutory controls follow from the inclusion of a site in the World Heritage list. Inclusion does, however, highlight the outstanding international importance of the site as a key material consideration to be taken into account by local planning authorities in determining planning and listed building consent applications, and by the Secretary of State in determining cases on appeal or following call-in', Paragraph 2.22, PPG 15

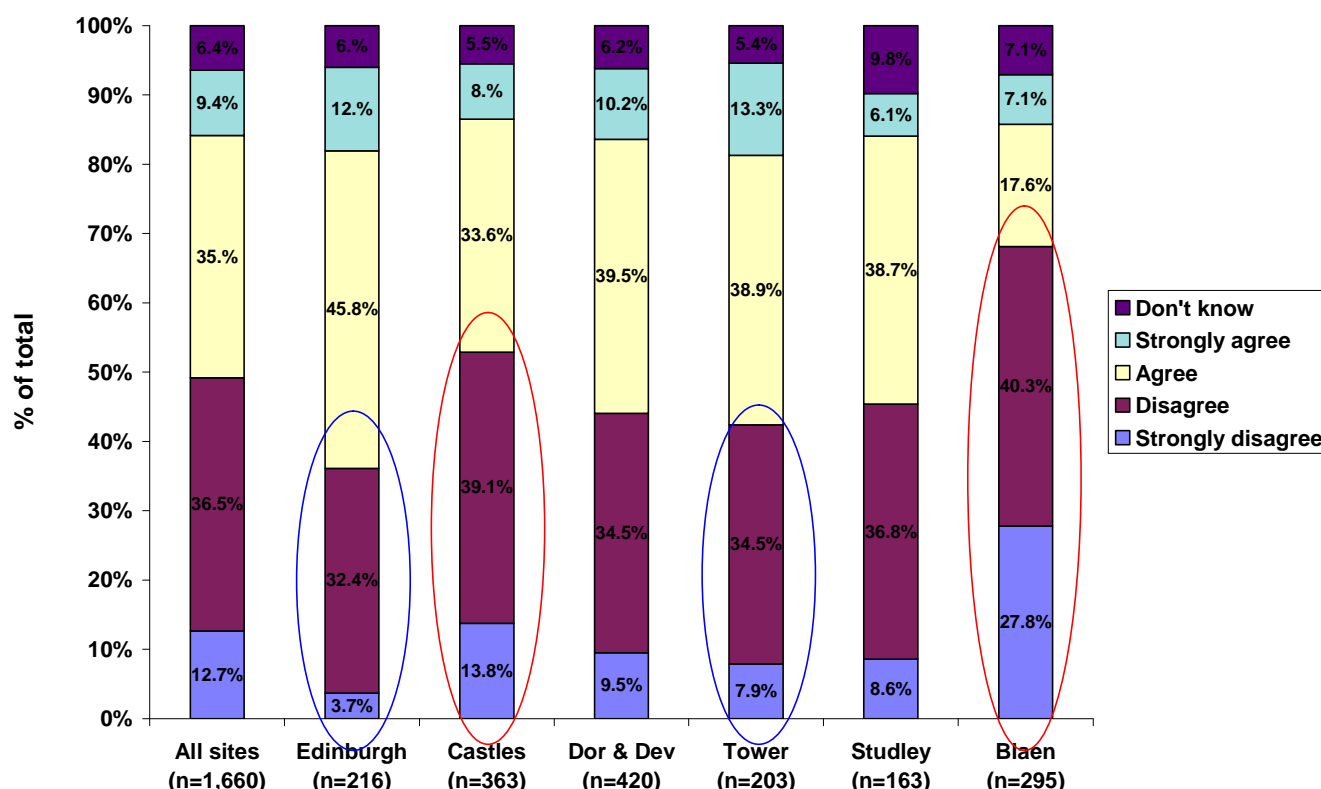
160 None of those consulted within our own case study analysis were able to point to a specific development that had been arrested solely on the grounds of WHS status but it was also noted that all of the sites on the WHS list would be well covered by existing UK protection arrangements. This means that much of the protection afforded to WHS locations would have taken place anyway, even if these sites did not have WHS status.

161 However, it was felt, particularly amongst developers that WHS status does have an impact on the cost of development, primarily because the status ensures that a much higher degree of scrutiny is given to development applications. Developers would expect to have to support a design team throughout the process and to have those designs amended periodically and in some instances they would expect to have to pay for some additional expertise. They might also perhaps expect some marginal impact on the time it takes for developments to gain planning permission. However, it was also noted that the costs associated with this additional activity would usually be marginal when compared to the overall costs associated with each new development and so these were unlikely to stop a new development on its own.

162 Finally, whilst the results from the case study analysis suggest that the pressure on new development is greatest in those, predominantly urban, sites where WHS status sits in close proximity to some areas of very intensive development, for example the proximity of the Tower to the city of London, the results from the visitor survey suggest that there may be a perception of a greater relative opportunity cost when development is constrained in more rural locations where there are fewer amenities.

163 This can be seen in Figure 9. Responses from Blaenavon and the Edwardian Castles WHS locations suggest that in these sites a much higher proportion of locals would rather have new facilities and amenities than greater conservation.

Figure 9: Response from the postal survey of residents, 'To what extent do you agree...I would prefer to conserve or preserve the local and built environment even if that means having fewer new services and amenities in the local area'



- 164 Overall, because the impact on development is currently marginal, we do not believe that WHS status will currently be creating a substantial opportunity cost in terms of planning.

Public sector expenditure

- 165 Across the public sector, expenditure is channelled into different activities via a central decision-making process known as the Comprehensive Spending Review. This process allocates funding to specific priorities and in some instances specific regional activities, establishing set budgets either to certain activities or, more commonly, certain bodies which are responsible for a certain area of policy and responsibility. When public funding is spent on one specific intervention or at one specific site it therefore cannot be spent at another site and therefore decisions about funding allocations are usually made through an appraisal of different expenditure options.
- 166 The crucial point is that when investment is made from public funding to a specific location, whether that be related to WHS status, heritage or any other intervention, some alternative investment or location forgoes an investment of a similar scale. Essentially funding is limited and when one area gains, another can be expected to lose. This is important for two reasons:
- Firstly, if an area gains new public investment following WHS status, this can be seen as both a cost and a benefit, if the funding comes from an entity with a national remit such as EH, HS or Cadw then there is a national cost but a local benefit. In this example there would however be an opportunity cost to the rest of the UK where alternative investments had been missed. In an alternative example, if funding comes from a body with local or regional responsibility, for example a Local Authority or a Regional Development Agency then there is a local or regional cost and a local or regional benefit. In this example there would also be a local or regional opportunity cost where alternative investments had been forgone. This means that at a national level, all these expenditures can be expected to have been made anyway even if sites did not have WHS status and the only likely geography of benefit is a local one where some sites, as a result of their WHS status, might enjoy a level of public investment higher than they would otherwise be able to achieve. Therefore the opportunity cost

situation means that overall benefits from public investment can only be made at a local or regional level and are unlikely at a national level.

- Secondly, this means that any national benefit is dependant largely on additional funding from outside the UK, either from international visitors or from public sources of supranational institutions like the EU. Across the 17 sites we have examined either in our case study analysis or our pro-forma returns, three are in objective 1 or 2 funding areas and none are in objective 3 areas, however relatively little funding has been gained from these sources and overall, the majority of any national income benefit is likely to come from overseas tourism or any inward investment in these locations.

Conclusions

Overview of costs

- 167 The overall costs associated with WHS status are difficult to define and this is largely due to the fact that the sites are so different in terms of ownership, scale, nature and location. In particular a significant amount of cost is tied up in the time input from partners and these inputs are particularly hard to define with the total costs being largely related to the number of partners and the nature of their involvement.
- 168 The bidding costs associated with becoming a WHS are incurred in four main areas, excluding the management plan. These include:
- **the time for a WHS co-ordinator, estimated at £36-£42k per annum, on average over 4.8 years, or £185-£216k;**
 - **the partner and consultation time estimated at around £41k for partners in total over the same 4.8 years and between £15 and £100k for public consultation;**
 - **the production costs of the nomination estimated at between £15-£50k; and**
 - **the cost of supporting studies, estimated at between £20-£80k per study.**
- 169 Assuming that the management plans are produced most commonly by the WHS co-ordinator rather than being outsourced and that any supporting studies are included in the nomination document the costs associated with the preparation of the management plan production are incurred in two main areas. These include:
- **Partner time over two years, which is estimated at between £29-£35k; and**
 - **Production costs estimated at between £5-£30k**
- 170 Management costs differ from site to site again depending on their particular characteristics and importantly on their management structures, across the four different management structures we have characterised, we would suggest that management costs can range from as little as £13k per annum to £600k per annum.
- 171 Whilst WHS status is recognised in the UK planning system through PPG 15 and some other isolated areas and it is well references in Local Development Plans, Vistas and views and other strategic planning literature at specific sites, it does not carry any statutory protection and because sites are already well covered by existing UK conservation designations, the '*additional*' effect of WHS status is understood from consultees to be marginal. The opportunity costs are therefore understood to be limited.
- 172 In the cases of both management and bidding costs, the majority of the '*additional*' costs are covered by Local Government and Historic Scotland, English Heritage or Cadw. In Scotland and Wales Historic Scotland or Cadw appear to take a relatively larger role than Local Government and the roles are reversed in England but English Heritage investment intensifies where it has ownership commitments.
- 173 There is also some involvement from Defra, Natural England and other environmental groups in isolated

cases and more recently the Regional Development Agencies have played a significant funding role in some instances, usually funding discrete activities and studies.

Remarks

174 From our analysis of costs there are four points of particular note:

- **Guidance-** In general costs associated with both bidding and management are felt to be not well understood and better guidance for sites would be beneficial in this regard. In addition, this may well be linked to specific areas such as governance and management. Furthermore, if sites bid for WHS status and are not successful, whilst they are likely to gain some of the benefits associated with WHS in terms of the understanding and knowledge generated through the production of the management plan and the partnership benefits they are unlikely to gain the full benefit of WHS inscription.
- **Complexity of sites-** Sites are of varied complexity and this is the most significant factor driving up the cost of both bidding and management. Large sites with complex ownership arrangements require larger partnerships for management and bidding which increases the cost of partner time. Similarly in management terms the larger and more complex the site, the larger the staff required to manage it.
- **Process-** The process of becoming a WHS is currently not time defined and sites can sit within it for many years (10 or more). This is another significant driver for bidding costs. If a process could be established which was much more time defined, with bids being removed earlier from the process and a tighter pipeline of fewer potential sites defined then this would reduce costs. This would require a more fluid process than the current Tentative list approach allows with bids being able to come forward and be submitted to the UNESCO committee within much shorter timeframes.
- **Governance and management-** The governance and management arrangements differ significantly across all sites and this is another significant driver of costs. Whilst we acknowledge the need for each site to in part define the arrangements that are right for them, a more complete understanding of the different arrangements in place and how these effect the ability of the management to operate economically, efficiently and effectively would be beneficial.

5. Review of benefits

175 This section of the report presents a review of the evidence in relation to the eight benefit areas outlined in the framework in chapter two. These include:

- Partnership;
- Additional Funding;
- Conservation;
- Regeneration;
- Tourism;
- Civic Pride;
- Social Capital; and
- Learning and education.

176 It is based on evidence drawn from all areas of the work, including the strategic consultations and the literature review results but primarily from the six case study assessments and consultations and the corresponding postal survey of residents. These case study assessments have been provided in a separate document.

177 As we have noted previously, some of these areas are not in fact benefits in themselves but instead serve as facilitators for other areas of benefit and the relationships and interdependencies between them are important. In all potential benefit areas, consideration needs to be given to the situation before WHS inscription. Since the situation before WHS status will also largely affect the capacity of each site to generate these benefits, i.e. the **additionality**, what would happen anyway.

Partnership

178 The first potential benefit area identified in the cost/benefit framework was 'partnership', this is often mentioned as a benefit in the existing literature, particularly amongst ex-ante assessments of WHS status benefits which are usually undertaken prior to or as part of WHS nomination. Partnership is not a benefit in itself but it can be seen as an important facilitating factor for other benefit areas. The premise is that WHS status brings partners together in a way which would not have happened otherwise supporting a number of other benefits by for example increasing access to resources, and expertise and by improving accountability.

179 From our analysis it has become clear that the partnership improvements associated with WHS status are strongly related to the pre-conditions prior to WHS status. In some locations such as Edinburgh there is a strong tradition of civic lobbying for the protection of heritage assets and for conservation of the environment and organisations like the Cockburn Society have been in place since 1875 so the partnership improvements in the conservation space are unlikely to be significant here. Similarly in London the work of the Pool of London Partnership was noted as a strong source of partnership activity

rather than the WHS status of the Tower on its own and in Dorset and East Devon prior to WHS status there was an existing Coastal Partnership. This suggests that the 'additional' partnership benefits are dependant on what was there previously and it's often difficult to attribute activities to WHS status directly.

- 180 In addition, the costs of operating these partnerships can be significant as we have seen in the previous chapter, either through the bidding process or in the management of the site and there appears to be a direct relationship between these costs and the number of partners involved. However there is likely to be a corresponding relative benefit to wider partnerships which increase access to resources and expertise, but are more difficult to manage. A balance appears to be required in order to ensure effective management of the site and to manage costs whilst maximising the partnership benefits. Indeed, following the bidding process, many partnerships are scaled back to provide a more pragmatic and effective governance structure.

'Following inscription in 2006, a revised governance structure is being recommended to replace the former 'bid partnership' of over 70 organisations. This would comprise a Partnership Board which would be the ultimate accountable body and include nominees of the major stakeholders, 2 County Councils, 7 District Councils, owners and operators of key areas of the historic environment, as well as some independent members. It is supported by a Technical Panel with membership drawn from the key organisations plus observer bodies', Kaye, M, 2007, 'Management and finance of World Heritage sites in the United Kingdom (excluding overseas territories)' for the Local Authority World Heritage Forum.

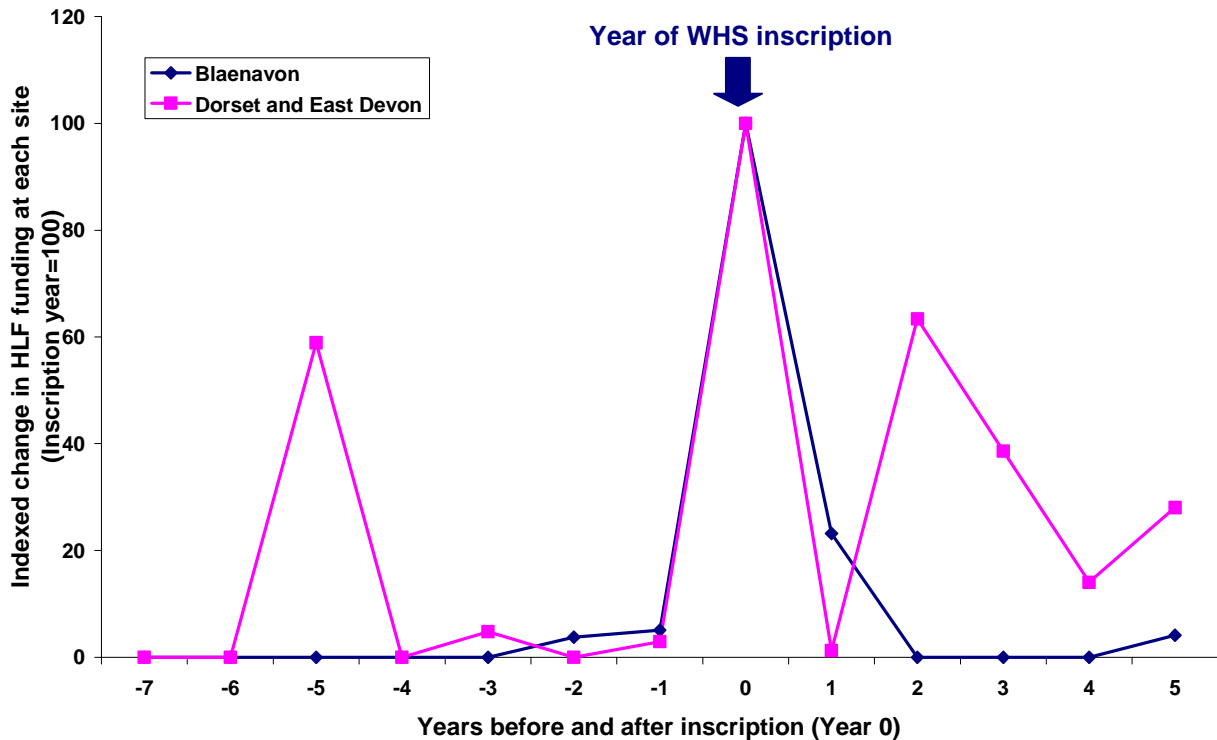
- 181 The partnership benefits which do accrue from WHS status are likely to be more evident and 'additional' in those sites which span a range of different stakeholders for an area or administrative boundary that was not previously defined. This means that sites which package different groups of stakeholders together that have not previously been brought together are likely to generate more significant partnership improvements through WHS status. For example in Dorset and East Devon it was noted that WHS status partnership activity had brought together many small towns and villages that would previously have seen themselves as being in competition with one another.
- 182 In some instances WHS status and specifically the management plan was cited as encouraging sites to consider a wider array of partners than they would have previously to include conservation and economic development etc and also engage with private landowners, widening expertise and influencing site activity e.g. Tower of London, Blaenavon, Studley Park Royal. WHS management often for the first time was seen as providing a joined-up view of all elements of the site.
- 183 In terms of the direct benefits from improved partnership, a significant tangible link was identified between the partnership benefits and additional funding which is discussed in the next section. Political significance of WHS status was identified as a reason that allowed many sites to secure involvement from very prominent individuals and organisations which it was felt helped to leverage additional funding.
- 184 In addition to the direct benefits from this partnership, there are also a few isolated examples of activities where the initial partnership meeting has generated new activities and interventions in other areas, i.e. partners have met through the WHS activity and then have gone on to undertake additional interventions in relation to this. There were a few examples of this additional activity taking place as a result of WHS partnership relationships such as the intervention to create Storytelling tours of the Old Town in Edinburgh.
- 185 Finally it was emphasised in some of the case studies that whilst without WHS status there would still be a consultation process around planning and new development, it was felt to be unlikely that all partners would be consulted to the same degree as they are now e.g. Studley Park Royal and the Tower of London.

Additional funding

- 186 Across all of the benefit areas one of the most significant causal effects was identified between WHS status, the direct partnership activities, particularly associated with the management plan and the nomination document and the generation of new and additional funding sources.

- 187 Whilst funding decisions are made with a number of different considerations and full attribution of funding to WHS status can never be absolutely made, there is considerable evidence from our consultation programme across sites that WHS partnership appears to link with the gaining of additional funding. For example, since 1994, Heritage Lottery Fund has provide in excess of £216m of funding to WHS locations²⁴ and there are relatively clear seams of support for the Blaenavon and Jurassic Coast sites during and, to a lesser extent, after bidding.

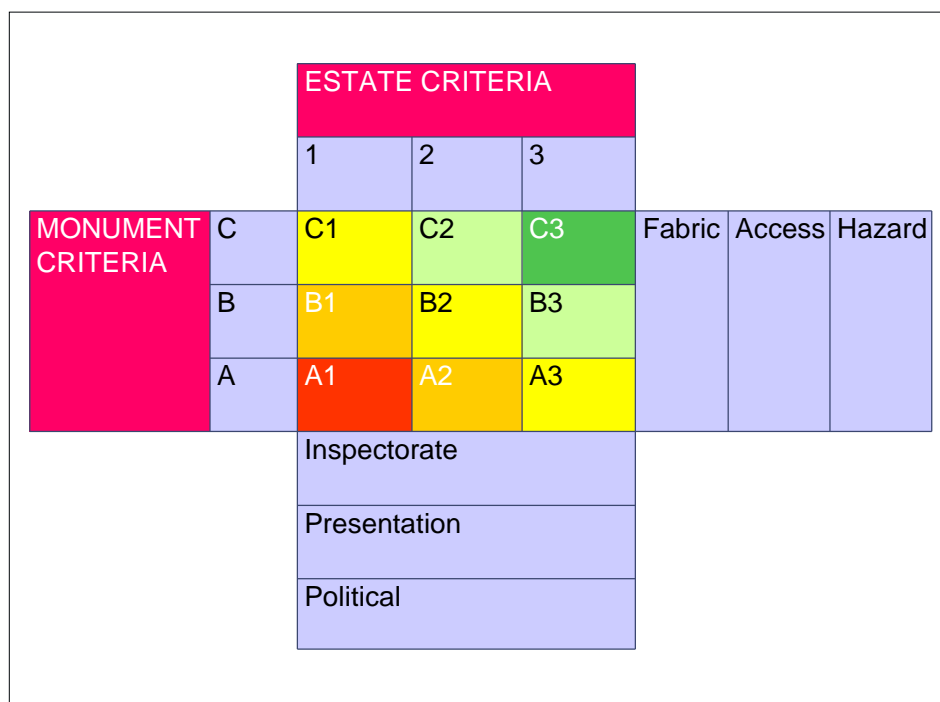
Figure 10: HLF funding for Blaenavon and Dorset and Devon 1994-2006, Indexed, Year of Inscription=100 (Source: HLF)



- 188 With the exception of one significant spike five years prior to inscription, both sites received relatively little funding prior to their inscription as WHS sites but in both cases the year of WHS inscription corresponds entirely to a significant investment from HLF and in the case of Dorset and Devon that investment has remained above its previous trend.
- 189 This would support the responses from our consultations which suggested that amongst organisations and groups whose mission was directly related to heritage conservation and preservation, WHS status was seen as being of strategic prevalence and thus funding support was more likely to be forthcoming. In Wales, Cadw has a specific scorecard of funding criteria against which it prioritises investment, this can be seen in Figure 11.
- 190 Whilst the scorecard makes no specific mention of WHS status, it does consider the significance of the site in which all WH Sites would score highly and also makes explicit mention of the political criteria, which it was felt would place WHS status locations above other sites.

²⁴ Lottery Funding Allocations to WHS 1994-2006 (Source HLF data for the Heritage Select committee 2006: protect, preserve and make accessible our nation's heritage)

Figure 11: Cadw funding prioritisation model



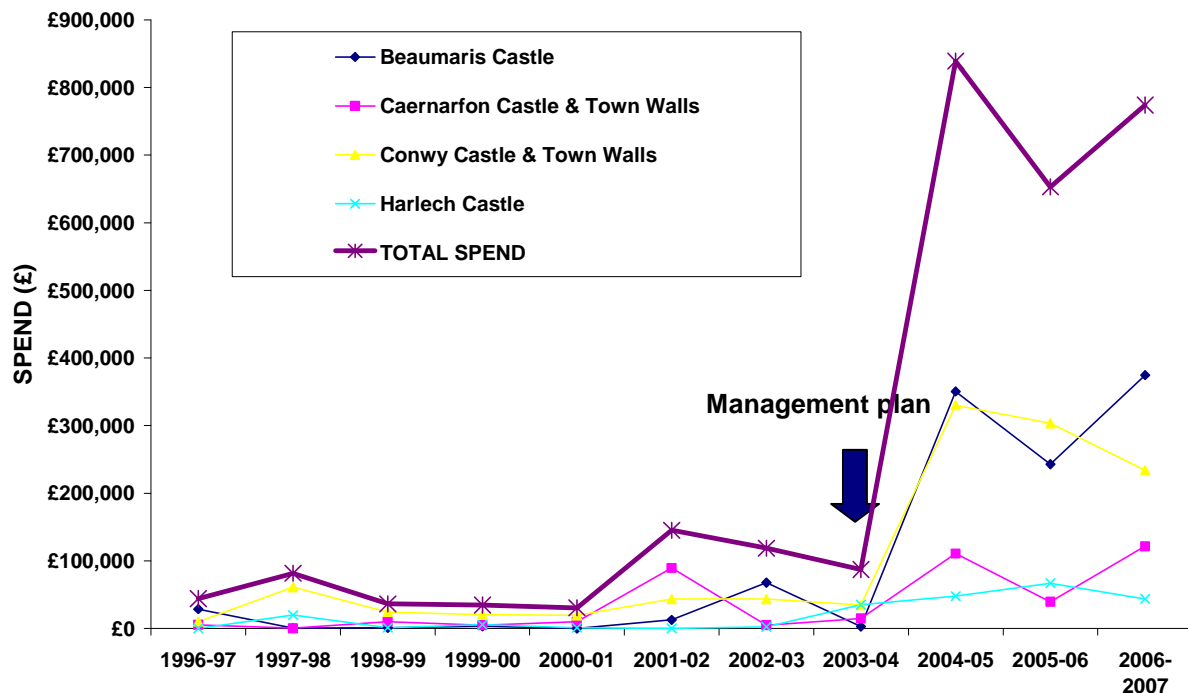
Source: Cadw

- 191 Amongst non-heritage groups funding also appears to increase in a number of instances following WHS status but this appears to be much more linked to the strategic priorities of the funder. For example funding from the North West Development Agency in the case of the Liverpool bid and subsequent activities could well be linked to a strategic focus on cultural regeneration following its 2008 European Capital of Culture status rather than WHS status specifically. Similarly the £7.1m funding agreement in Dorset and Devon from the South West Regional Development Agency is likely to be linked to the strategic importance of the regions tourism sector for example.
- 192 In addition to the funding from these groups, there may be wider benefits to the community from additional funding, for example in Edinburgh the organisation responsible for the management of the site, Edinburgh World Heritage, distributes grants to properties in the site as part of its remit. This means that buildings and sites in private ownership situated within the World Heritage Site can access additional conservation resources by virtue of their location in the WHS.
- 193 Naturally any additional funding is still subject to application but essentially we believe that, in general, the application processes and scoring methods, particularly for heritage and conservation funding sources, are likely to look more favourably upon WHS bids. However, funding is only gained if it is applied for and some sites are unable to do so either because they do not have adequate resources to make these applications, or because they are ineligible for funding for example because they are private landlords. Furthermore, some sites have other sources of income, for example from visitor ticketing income and retail sales, which reduce the need for such funding.
- 194 It is difficult to identify absolutely the extent to which any additional funding benefits may change over time as again this is likely to be affected by the motivations and characteristics of specific sites, however from the evidence gathered the most significant level of additional funding appears to be generated either around the date of inscription or around the date at which the management plan is delivered.
- 195 Finally, an important point in the context of additional funding is that since in almost all cases the funding is gained from public sector sources at a UK level there is no additional funding benefit. The benefits from additional funding will only be felt by the local and regional economies.

Conservation

- 196 Here again there is clearly a strong link between additional funding and conservation benefits. If we have identified that WHS status provides sites with an opportunity to access heritage and conservation funding sources more easily then it is understandable that the evidence suggests that a conservation benefit can occur indirectly following WHS inscription or the undertaking of activities linked to WHS status. For example in Figure 12 we can see that, following the establishment of the management plan of the Castles of Edward I in Wales, the volume of conservation spending from Cadw has increased significantly.

Figure 12: Cadw site spending 1996-2007



- 197 Similarly in the locations we have already identified such as Blaenavon, increased availability of conservation funding has led to corresponding conservation benefits.

Planning

- 198 One of the main areas which we have explored within our consultation programme is the potential benefit of WHS status in the planning system and the impacts this could have on potential new development. We have already discussed some of these aspects in the opportunity costs section in chapter 4. As we have noted WHS status carries no statutory protection except for the points outlined in PPG 15 and some other isolated legislation. All of the case study sites we considered were already heavily designated in the UK conservation system. This means that WHS status in this context appears to have offered only limited additional statutory obligations for new development and is unlikely to have a substantial effect on the planning system in terms of conservation, although there were numerous examples given where WHS status had been given as one factor influencing potential new developments.

- 199 The examples cited included:

- the impact of WHS status on vista and view protection arrangements in the cases of Fountains Abbey and the Tower of London;

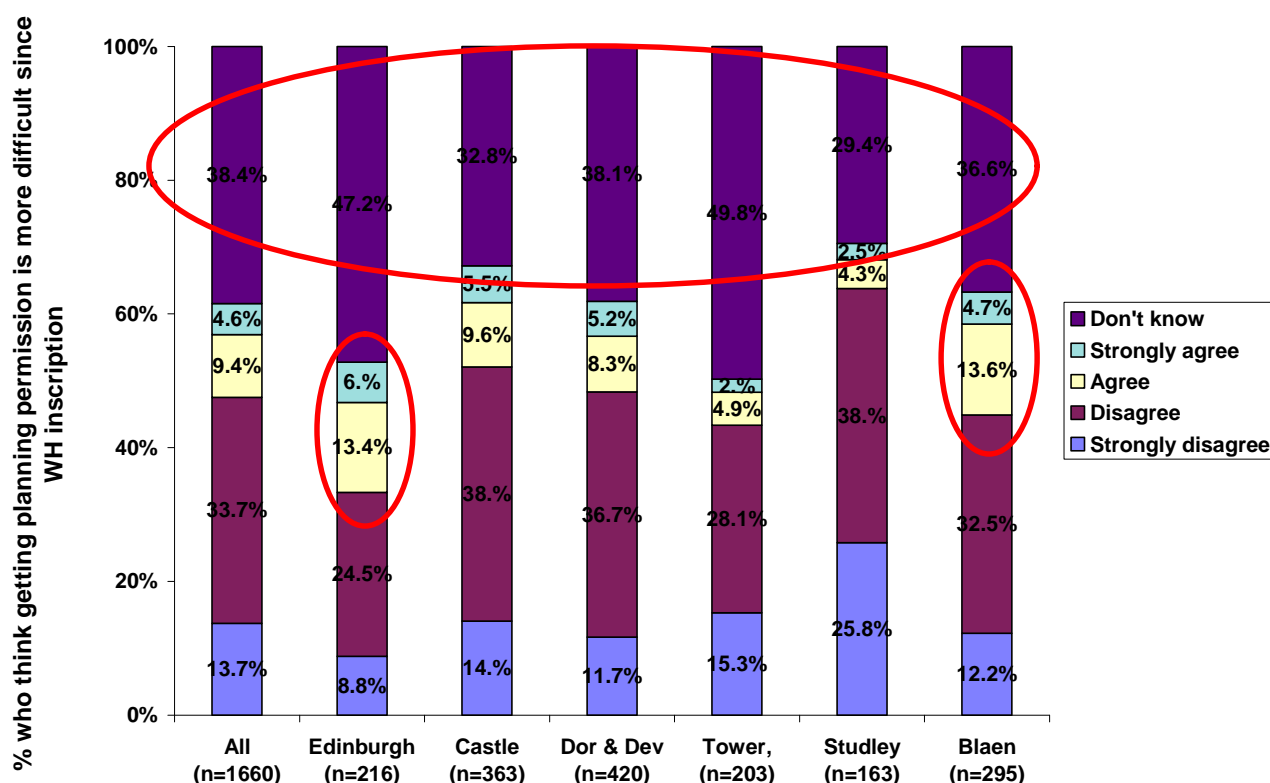
"Whilst the quality of a new building will always be a leading consideration, it must be accepted that there is no longer a predominantly uniform skyline in the City and new tall buildings can add to the drama of the cityscape, whilst still respecting the setting and views of St Paul's Cathedral and Tower of London World Heritage site", Greater London Authority, Planning report- 20 Fenchurch Street in the City of London, 21 June 2006

- the movement of Cadnant School to different location and the withdrawal of plans for St David's hotel in Harlech in the case of the Castles of Edward I; and
- the impact on some developments most commonly by requiring a change in design, encouraging better design rather than complete removal for example the Caltongate plan in Edinburgh and the Fenchurch Street development in London.

"The Masterplan has been redrafted to give emphasis to the World Heritage Site and the unique qualities of the Old Town and the Waverley Valley", Caltongate Masterplan Edinburgh, Planning Committee, 5th Oct 2006

- 200 Developers also noted that WHS status was difficult to manage in the development and planning process because the description of the site's significance is often very subjective making it difficult for them to understand what they should be ensuring protection for. They also noted that there was a lack of clarity over the authority held by national organisations over supranational ones or visa-versa. It was emphasised that without a clear line of accountability for organisations such as IUCN, ICOMOS and UNESCO in the UK, the process was unclear and consultation was often felt to be more laboured than was necessary.

Figure 13: Response from the postal survey of residents, 'To what extent do you agree - I have found that getting planning permission has become more difficult since the site has gained World Heritage Status'



- 201 Amongst local residents our postal survey suggests that there is generally a limited understanding of the impact of WHS status on planning, but the impact was generally felt to be stronger in Edinburgh and Blaenavon.
- 202 In addition to these impacts, many of those consulted felt that WHS status could have an impact on the planning process in a much more subtle way. They suggested that by ensuring an increased profile for the site and by placing it in a global 'World' context, the existing designations and conservation arrangement were applied with more rigour and that new designs were also treated with greater scrutiny, potentially leading to a higher quality of development as a result.

- 203 Those with whom we consulted suggested that the existing planning and conservation systems have an important role to play in any WHS conservation benefit. In the UK these conservation systems are well developed and with sites being heavily designated anyway, the conservation benefits from WHS status are likely to be more marginal. However, in some of the overseas territories significant benefits were identified where WHS status had increased the protection offered to these locations so significantly that two species had been saved from possible extinction. It was thought that in these locations a much less developed conservation system had provided a greater opportunity for WHS status to generate conservation benefits.

The balance between conservation, economic development and tourism

- 204 The final area where WHS status was emphasised as having an impact on conservation was that in Dorset and East Devon, consultees and locals were concerned about the balance between conservation and tourism. With some groups feeling that whilst WHS status provides a framework for conservation the 'branding' effect of WHS status encourages more visitors and actually threatens the site.

Figure 14: Response from the postal survey of residents, 'To what extent do you agree - I have noticed that the tourists who come here damage the site'

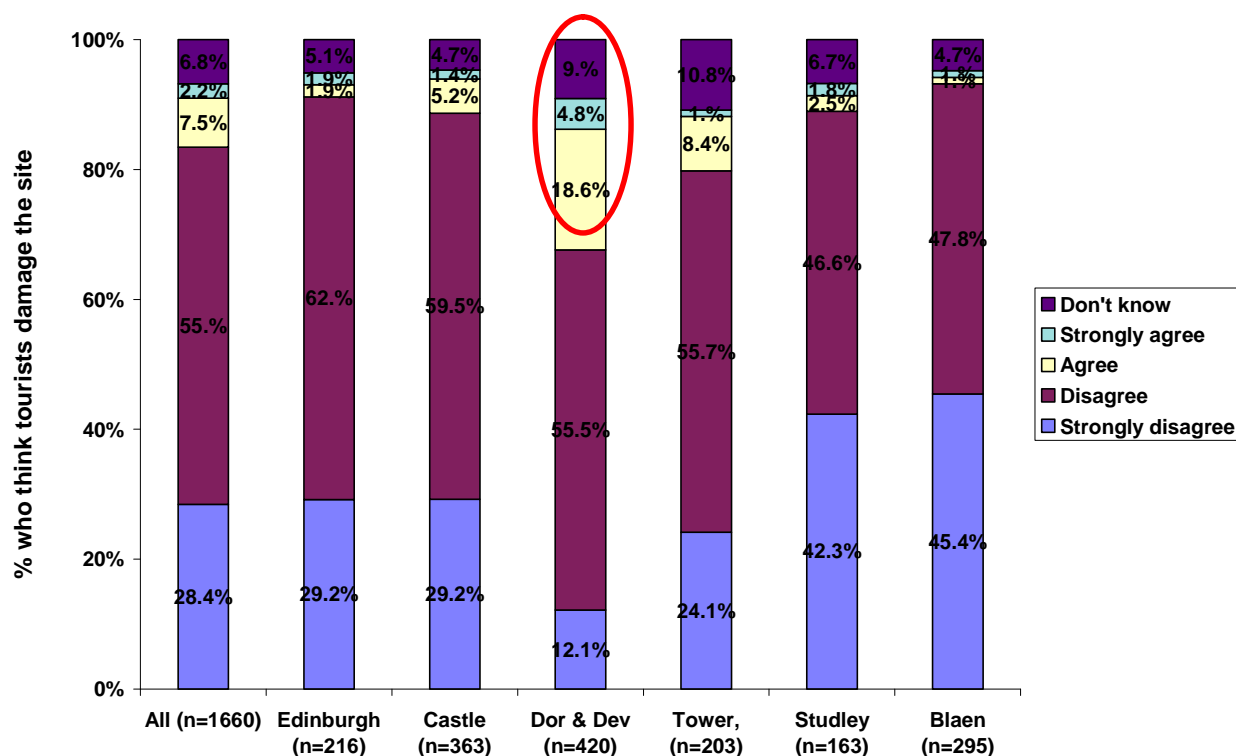
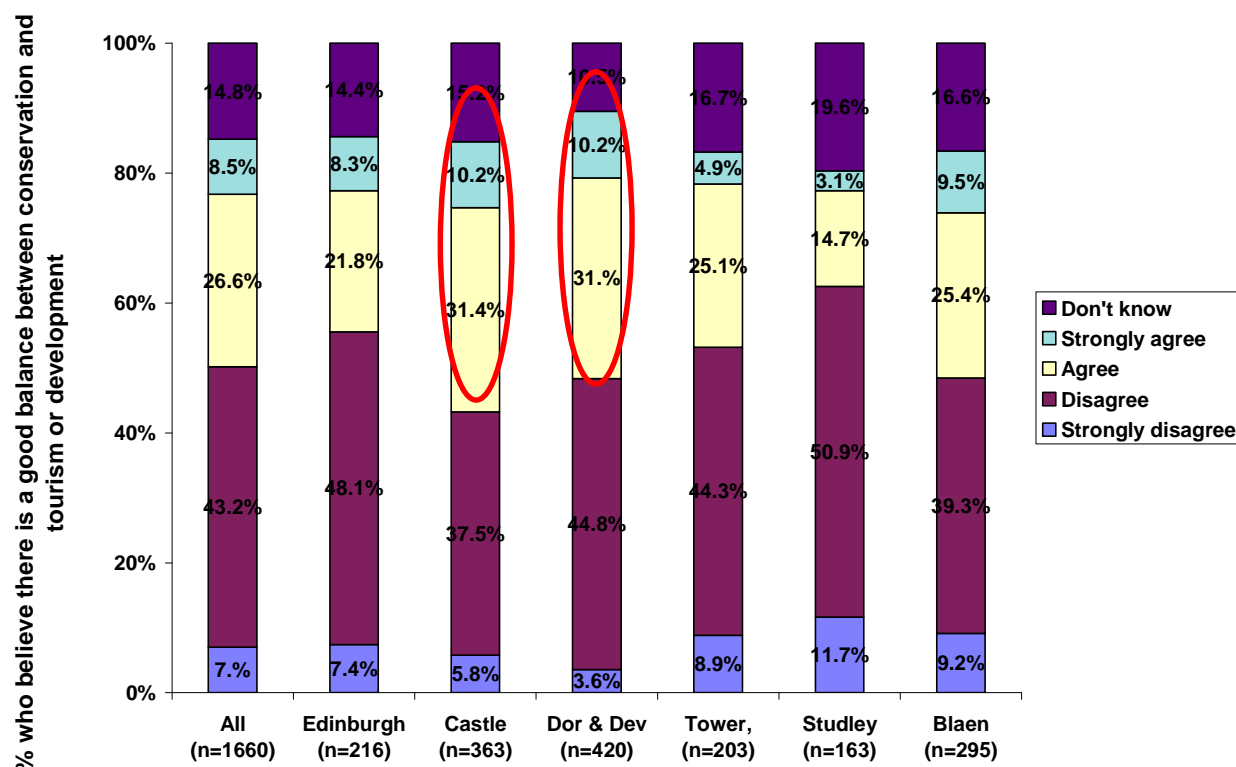


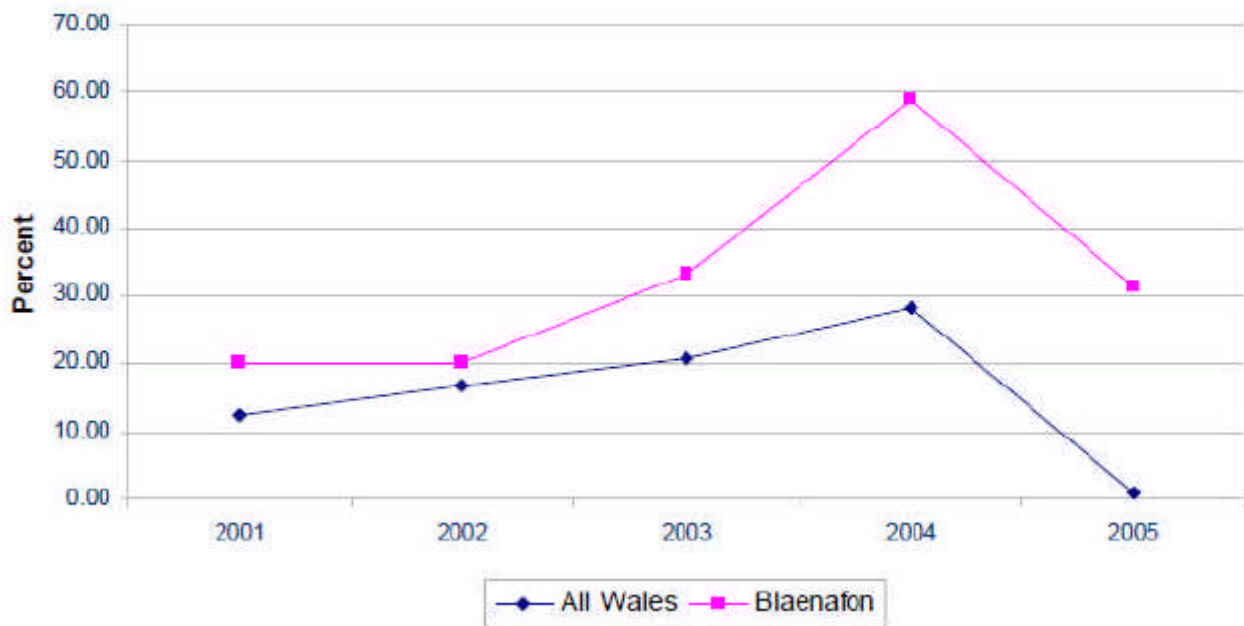
Figure 15: Response from the postal survey of residents, 'To what extent do you agree - I don't believe that there is currently a good balance between conservation of the site and having tourists or new developments in the area'



Regeneration

- 205 As with other areas of benefit identified in the framework, the impact from WHS status is directly related to what exists previously. Three of the six case study sites are relatively wealthy locations and therefore offer a more limited opportunity for WHS status to have a significant impact on their economies.
- 206 In the remaining three case study locations, Dorset and East Devon, the Castles of Edward I and Blaenavon, we have examined tertiary sources of data on the local economies and looked for any evidence of positive economic change around the time of inscription or directly related to WHS status.
- 207 In Dorset and East Devon there is evidence of an economic decline primarily due to the reported influx of second home buyers, an ageing population and the corresponding impacts on service provision. However, whilst consultees noted that some local estate agents did use the WHS status in their marketing, it was unclear that WHS status has had any significant impact on the scale or rate of second home purchases.
- 208 In Wales the Castles of Edward I are a hugely important part of the local economy and they support a number of local jobs through their management and conservation and also through the visitors that they bring in to visit them. For this reason, some consultees felt that without WHS status the area might receive less public investment and this could have a negative impact on the local economy.
- 209 Blaenavon, also in Wales, represents the strongest example of conservation based regeneration from the six case study locations and there have been several sources of information to confirm this change. Visitor numbers following the inscription of the site have dramatically increased and this is discussed in the following section but similarly local house prices appear to have grown well above the Welsh average (see). According to the site management plan there has also been an influx of new developers and WHS status is widely acknowledged as one of the major catalysts for this regeneration.

Figure 16: Property price changes in Blaenavon versus the Welsh average (Source: "The economic benefits of a Conservation Based Approach to Traditional Buildings and Streetscapes in the South Wales Valleys", Heritage Lottery Fund, March 2005 (based on data from Land Registry and local estate agents ATI/Davis & Sons, Blaenavon))



- 210 However, there are other factors which have influenced the regeneration of the site, notably the significant additional investment gained from other public sources such as the £11m Housing renewal grant and the numerous other public sector investments. In some instances, as we have noted WHS status may well have had an impact on gaining these but not in all cases.
- 211 The results from our own postal survey suggest that local residents perceive a much greater level of local investment after WHS status was gained in Blaenavon over other sites, with a significant proportion of locals unsure. It also suggests that WHS status appears to have very little impact on inward migration flows.

Figure 17: Response from the postal survey of residents, 'To what extent do you agree...I believe that there has been more investment locally because the site has World Heritage status

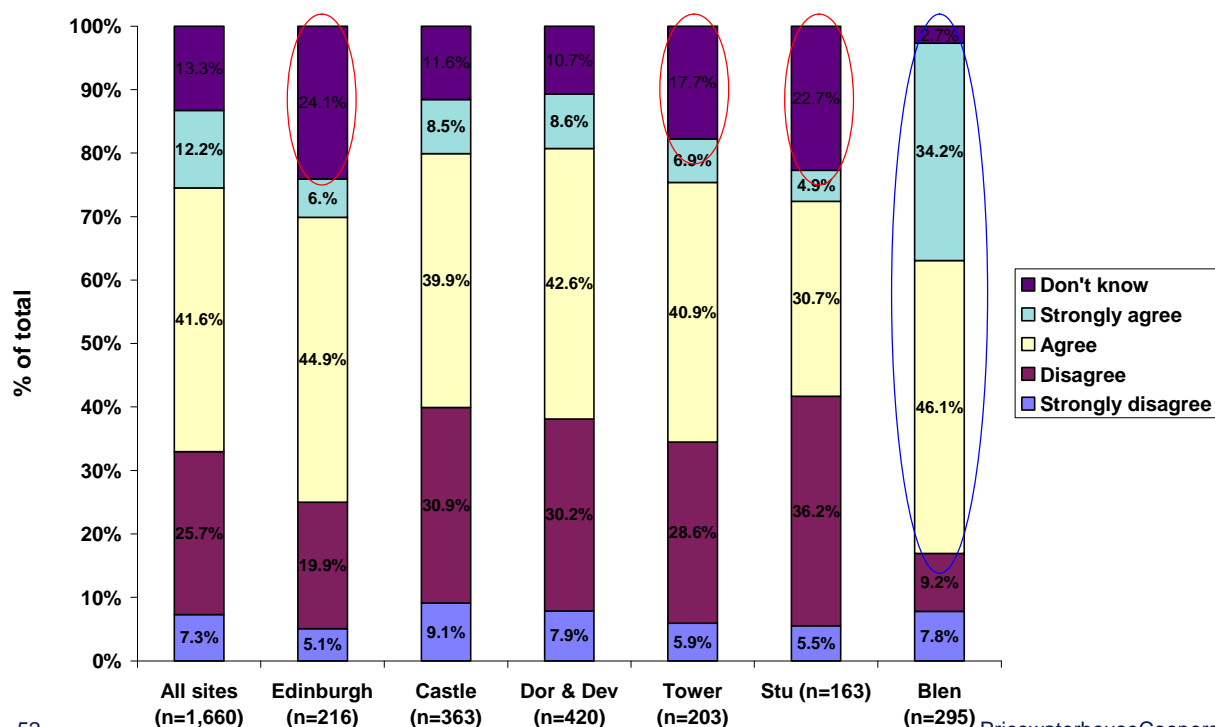
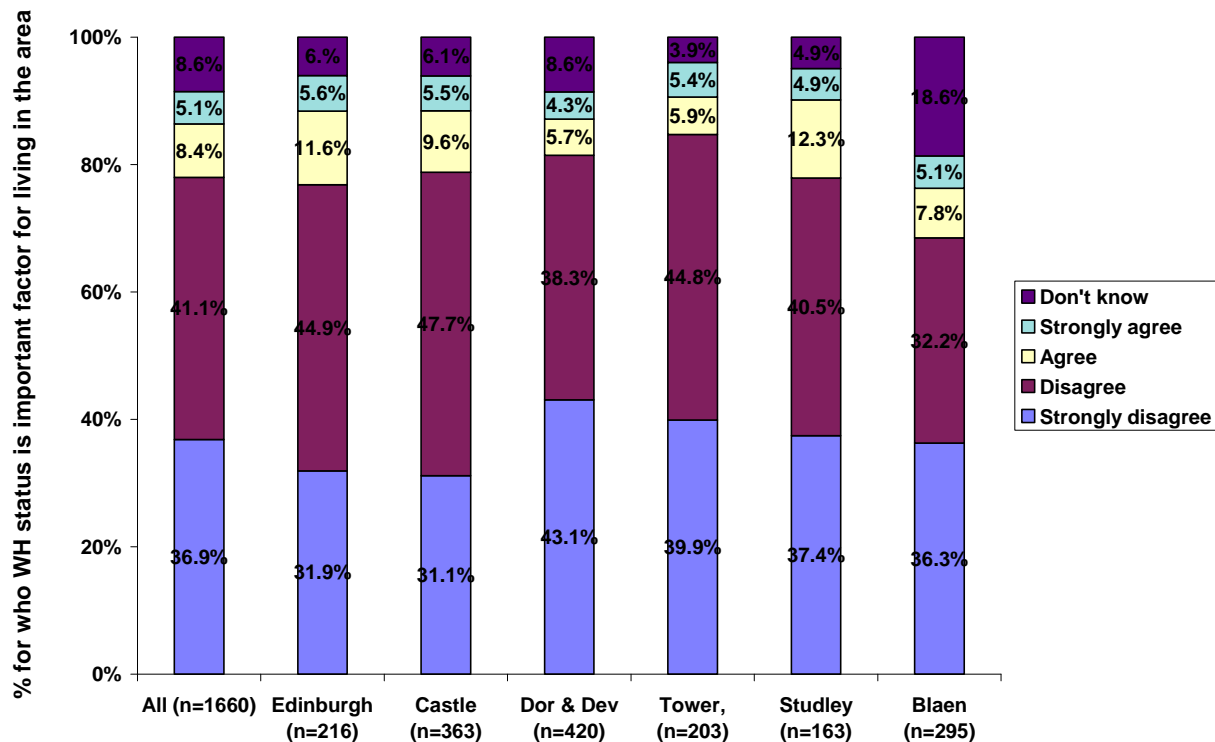


Figure 18: To what extent do you agree - The World Heritage Status of the site is an important factor in my decision to live in this area.



- 212 Overall the regeneration benefits of WHS status appear to be strongly linked to the motivations for bidding for the status and the resulting energies of the bid partnership, co-ordinator and other stakeholders. In locations where WHS nomination is supported as part of a concerted effort to regenerate the area, then it appears to be possible to use the status to leverage additional funding to begin this process, where WHS nomination has been supported as part of a bid primarily for greater conservation, regeneration benefits are less likely to be manifest.

Tourism

- 213 The tourism benefits of WHS status are discussed widely in the existing literature on WHS status but usually in a site specific context rather than more broadly. In many instances the causal relationship between World Heritage inscription and increasing visitor numbers is assumed.
- 214 Heritage is a very important motivator for tourism within the UK and this is backed up consistently by the UK Taking Part surveys and visitor surveys at national and regional levels as indicated from our case studies.

Table 7: Edinburgh visitor survey 2004-05- What had impressed visitors most about Edinburgh			
Aspect	ALL N=2310	UK visitors N=1140	Overseas visitors N=1170
Architecture/buildings	60%	60%	60%
Historic town/buildings	59%	54%	65%
Castle	55%	48%	62%
Beautiful/picturesque setting	49%	46%	51%
Atmosphere/ambience	48%	46%	51%
Everything is in walking distance	48%	47%	48%
Friendly/helpful people	42%	36%	48%
Royal Mile	41%	38%	45%
Plenty to do and see	39%	42%	36%
Views	37%	35%	39%
Everything/the whole city	33%	33%	34%
Green spaces/gardens	32%	28%	37%
Festivals	<0.5%	<0.5%	<0.5%
Other miscellaneous aspects	1%	1%	1%

Source: Visitrac: Edinburgh Visitor Survey Results 2004-05

- 215 Whilst this appears to suggest a conclusive link between Heritage Tourism and World Heritage sites, the empirical evidence does not imply that simply because a site is presented with WHS status it will therefore begin to attract more tourists.

'Many reports have pointed to specific evidence that WHS status increases the popularity of a location or destination with visitors...However, the causal relationship between inscription and tourism is often difficult to establish', ERS, 2006, 'World Heritage Inscription: Consultation on Potential Social and Economic Benefits for Cumbria'

- 216 A 2005 research study conducted by Van de Baart²⁵ looked at the changes in tourism numbers since inscription by sampling 86 World Heritage sites. Fifty one of these sites suggested that there had been no increase and of the remainder, 22 said there had been a large increase and 13 a small increase in visitor numbers. The research pointed to the fact that those tourist sites that were already well established destinations in their own right did not register any increase in visitor numbers as a result of WHS status.

- 217 A further study undertaken by Buckley in 2004²⁶ suggested that:

'Most of the WHAs considered here received several times more visitors than the control sites, but it is not clear whether the difference is because the WHAs are longer or more accessible, because they are better –known, because they are listed as World Heritage, or because they contain features of natural or cultural heritage which the others do not', Buckley, R, 2004

- 218 From our own work we have looked at each of the six case study locations and considered where possible:

²⁵ Taken from ERS, 2006

²⁶ Buckley, R, 2004, 'World Heritage Icon Value: Contribution of World Heritage Branding to Nature Tourism'

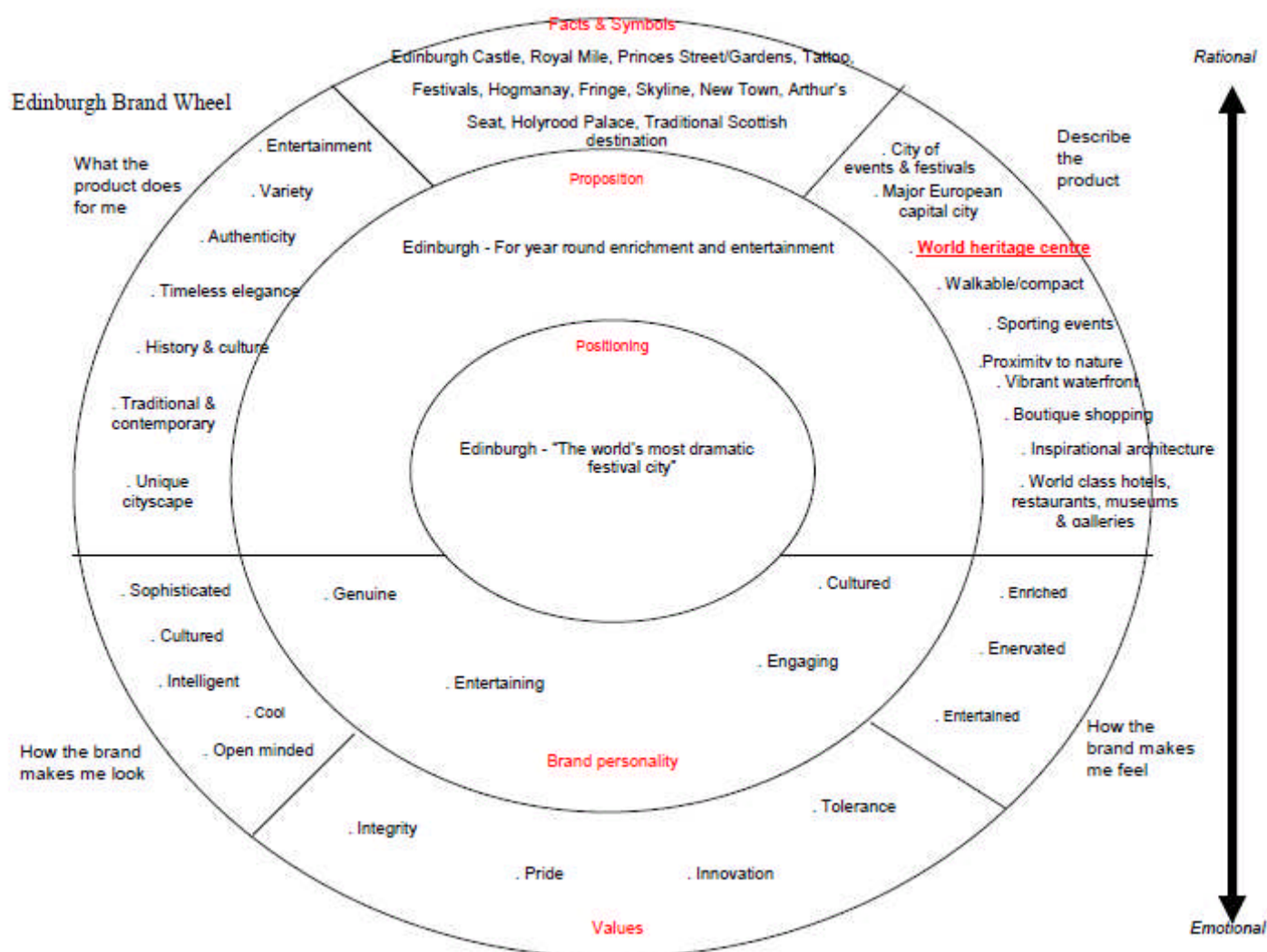
- The awareness amongst visitors that the site is a WHS;
- The extent to which the WHS status of the site is used in its destination marketing;
- The extent to which the WHS status appears to be a trip motivator amongst visitors; and
- The level of visitor numbers before and after inscription and any corresponding change which might be attributable to WHS status.

Awareness, marketing and promotion

- 219 The use of WHS status in tourism marketing and promotion was mixed with some sites (Blaenavon and Dorset and Devon) appearing to use the status and branding more extensively than others (the Tower of London, Studley Park and the Castles of Edward I). In Edinburgh the WHS status forms a small but significant part of its destination 'Brand wheel' which forms the basis for all of its marketing activities and this emphasised that the WHS status does form a core part of the marketing campaign and can therefore be regarded as a significant accolade and also that WHS status and heritage more broadly was not always seen as a good fit with the image that some sites want to portray to visitors and so cannot always be expected to be used.
- 220 There has been significant recent work by the Edinburgh World Heritage Trust ("EWHT") to get wider use of the World Heritage logo but there have been difficulties in interpreting the UNESCO guidance and it was perceived that opportunities were being missed because of concerns over rule-breaking. EWHT have now produced a guidance document which as well as spelling out the existing rules for the use of the logo, makes a significant number of suggestions about where the logo can be used and this was felt by those consulted to be having a significant effect on the use of the logo in publications and marketing activities.

'It is not legitimate for commercial organizations to use the Emblem directly on their material to show their support of World Heritage'- UNESCO guidance on logo use.

Figure 19: Edinburgh 'Brand Wheel' for VisitScotland marketing campaigns (Source: VisitScotland)



- 221 It is difficult to assess with accuracy the extent to which one site may or may not be using the WHS status in its marketing activities rather than another without a more comprehensive study of the sites marketing publications and material. However based on the consultations we have undertaken we believe that those sites which are relatively less 'famous' are likely to use the status more than others in their marketing activities. These sites are likely to experience a more significant rise in brand value from WHS status because they are less well known to visitors.

'An objective of World Heritage Sites is to raise awareness of their importance, but while sites like Blaenavon and Ironbridge were pleased to proclaim it, others such as Blenheim Palace and Westminster seemed reluctant'- Holiday Which, 2005, 'World Heritage Sites in the UK'

- 222 By reviewing previous research at each of the sites²⁷, we have identified from visitor surveys and tourism studies that in Dorset and East Devon around 70% of visitors were aware that the site was a WHS, whilst in Edinburgh this was less than 50% and at the Tower of London 39% of visitors were aware that the site was a WHS prior to visit and 6% of visitors became aware during their trip. The fact that visitors to Dorset and East Devon were more aware that the site was a WHS than visitors to Edinburgh or the Tower of London would support our hypothesis that less well known sites are likely to use the status more in their marketing.

²⁷ See case study report

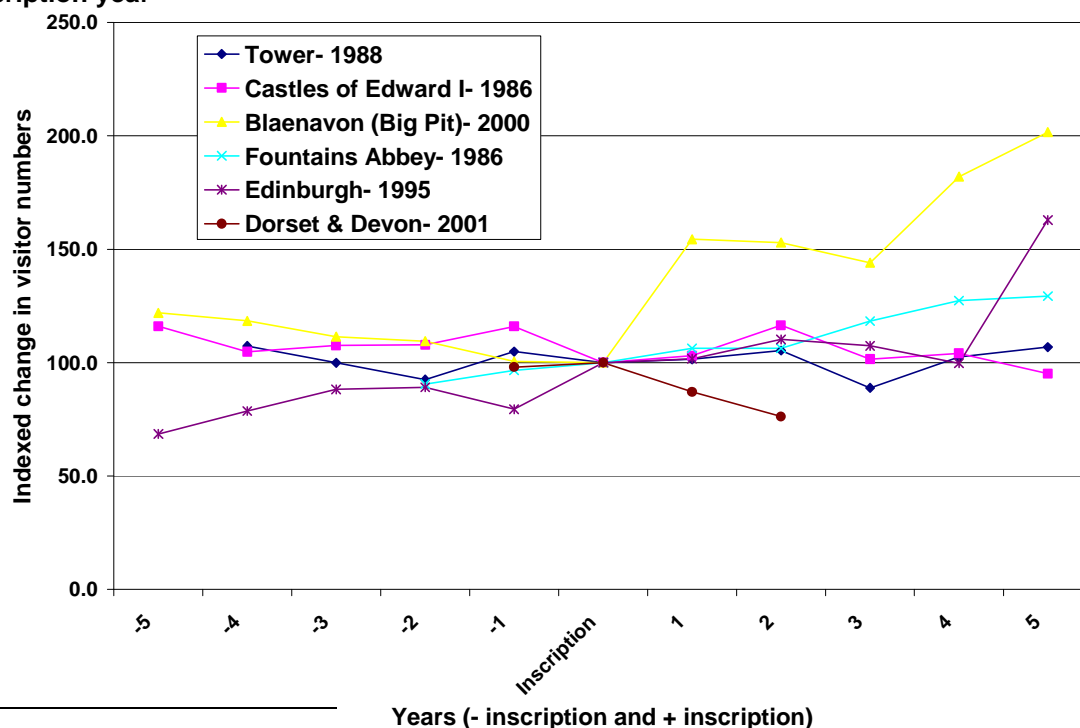
WHS status as a trip motivator

- 223 As we have noted, heritage is a key motivator for domestic and overseas visitors. There was, however, much more limited data on the extent to which WHS status influences the decision to visit. In two of our case study assessments we have come across research which seeks to assess the extent to which WHS status is a motivator for visitors. In Dorset and East Devon a visitor survey conducted in 2004 of 149 visitors found that 'Jurassic Coast World Heritage Site' was the main reason for visiting amongst 0.7% of visitors and a secondary factor amongst 15.8%. Similarly a Tower of London Visitor survey from 2006²⁸, 3% of UK visitors suggested that they were motivated in part by sites WHS status and 1% of overseas visitors were motivated in part by the sites WHS status. In the annual Edinburgh and London Visitor surveys which have been running as far back as 1980, no-one has ever mentioned WHS status as a motivator for their trip.
- 224 These visitor surveys are influenced significantly by the way the questions are structured. Where entirely open questions are used visitors have never mentioned WHS status as a motivator without being prompted but instances where questions are closed and the WHS status option is available respondents are much more likely to select the status as a trip motivator. In this way we believe that there is likely to be a cognitive 'starting point' bias here where the status would not be given as their trip motivator if it was not mentioned in a closed question.
- 225 Overall, we believe that from this information the impact WHS status appears to have on the motivations of visitors is clearly marginal and if the objective of WHS status nomination is to increase visitor numbers there are likely to be more cost effective alternatives of achieving this goal. However, it is worth noting that given the number of visitors at each of these locations if even 1% of visitors came to some of these localities because of the WHS status, this would lead to a significant economic benefit from visitors in some locations.

Visitor numbers

- 226 We have obtained visitor information from each of the six case study sites and we have indexed this information so that the year of inscription is equal to 100 and provided scaled visitor numbers for the five years prior to inscription and the five years after inscription. This can be seen in Figure 20.

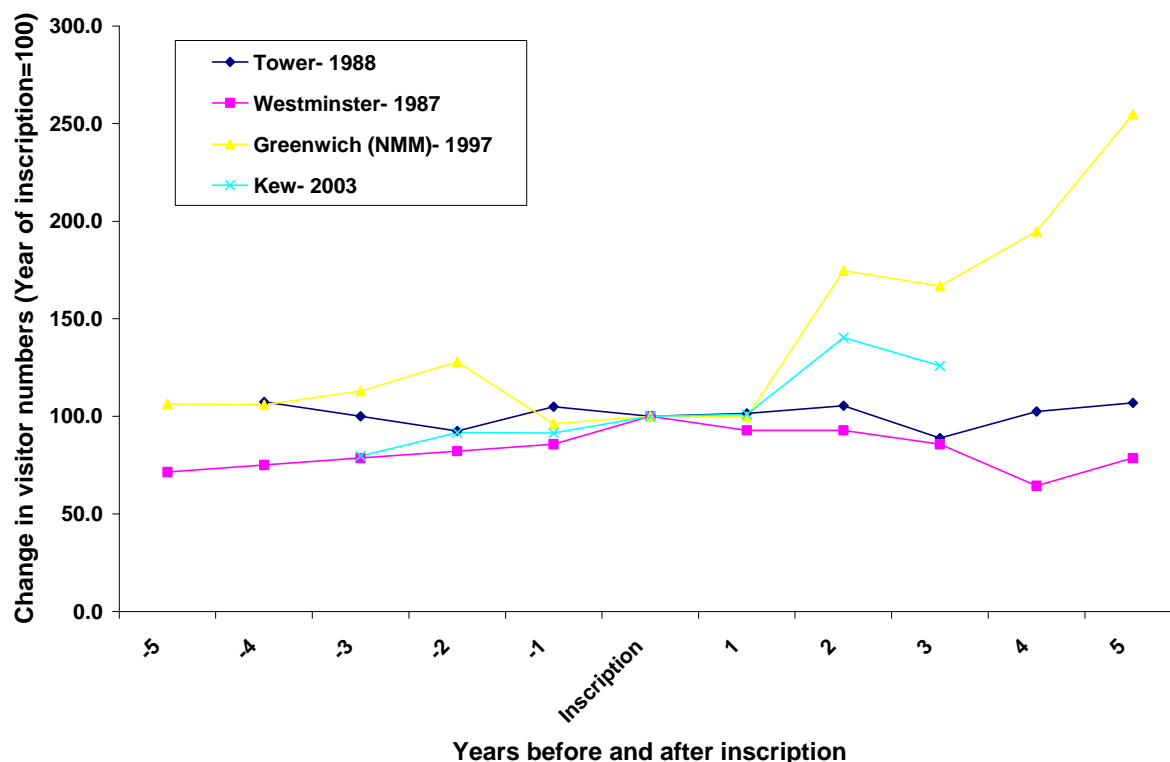
Figure 20: Visitor numbers at the six sites, indexed (inscription year=100) and based around inscription year



²⁸ Confidence interval of +/- 0.15 at 95% confidence level

- 227 Across the six case study sites only Blaenavon shows a substantial and immediate increase which deviates from the existing trend prior to inscription²⁹. With the other locations remaining broadly consistent with the previous rates of change. In two sites there is a minor rise immediately following inscription before these sites return to their previous trends (the Tower of London and the Castles of Edward I). If the additional visitors identified at Blaenavon were due to its WHS status this would account for £840k of additional spending³⁰.
- 228 In addition to the six sites we studied as part of our case study analysis, Visit London were able to provide visitor figures for all four of London's World Heritage Sites before and after their inscription. We have examined this information in the same way as we have done with the previous six case studies. This can be seen in Figure 21.

Figure 21: London WH Site's change in visitor numbers, 1990-2000 (Source: Visit London, 2007)

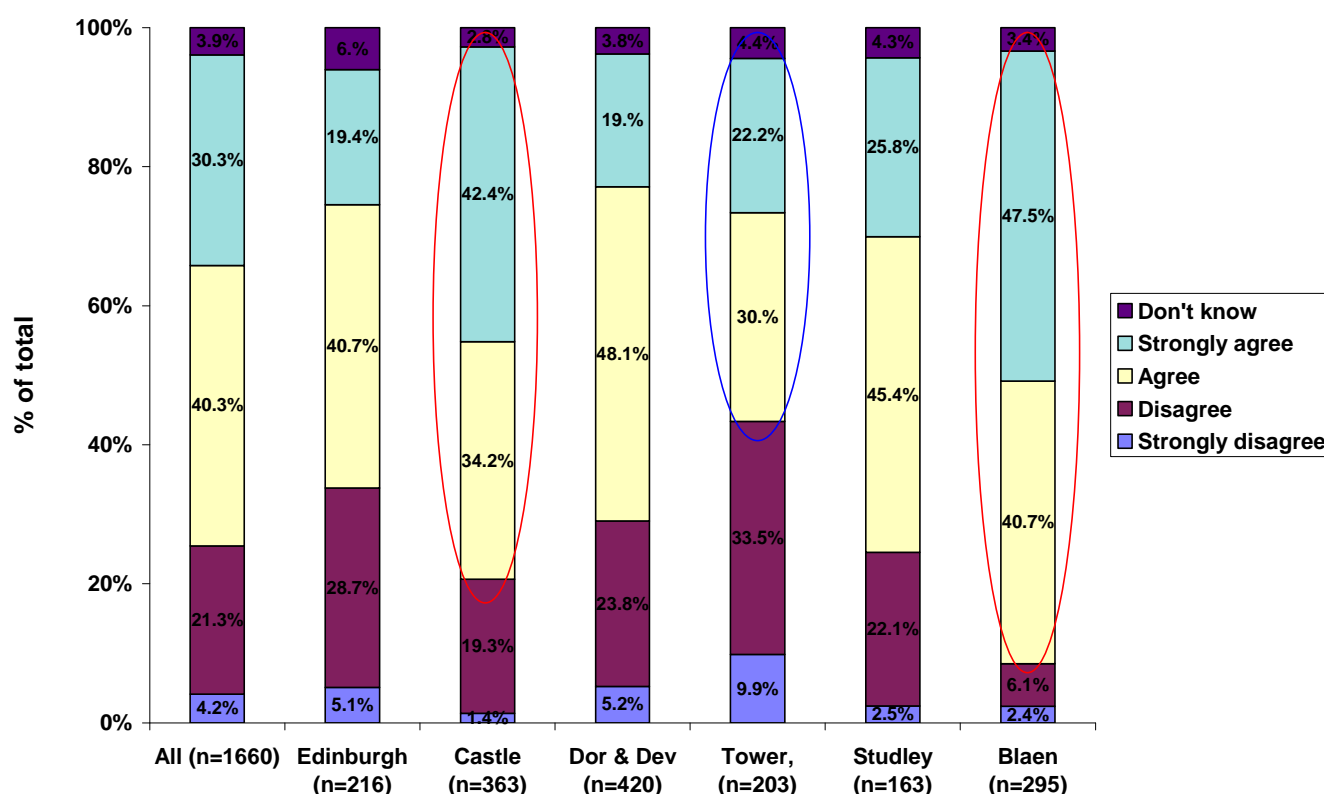


- 229 By examining the results of all the other London sites we can see that a relatively significant change in visitor numbers occurs at both Greenwich and Kew following their inscription, and it was also felt that these sites would be using the WHS status much more in their marketing activities than the Tower of London. This also supports the view that less 'famous' sites are likely to benefit more from WHS status.
- 230 This position is also supported by our postal survey of residents, which suggests that residents in the proximity of Blaenavon and the Castles of Edward I feel that WHS status has a greater impact on the number of visitors than those living in the proximity of more famous sites like the Tower of London.

²⁹ Figures for Dorset and Devon are partial and subject to a substantial degree of error due to collection difficulties

³⁰ See case study assessments

Figure 22: Response from the postal survey of residents, 'To what extent do you agree... I believe that if the site was not a World Heritage Site then there would be fewer tourists'



- 231 Here again in the context of any potential economic benefit, we need to consider 'who' these visitors are, since if they represent visits from predominantly local people, then there is likely to be very little additional impact on the regional or UK economies. In the case of Blaenavon, a previous visitor study identified that the main visitor market lies within 90 minutes travel time from the site and these are mostly day-trips. This means that any increase in visitors as a result of WHS status is likely to create some local benefit but unlikely to have any significant effect on the national economy. However, in the case of the Tower of London, over 70% of the visitors to the site are from overseas. Even if WHS status made just a small increase to the number of visitors coming to the site from overseas (e.g. 1%) then there could be a significant corresponding effect on the UK economy.
- 232 Finally, again motives are important, some sites such as Studley Park are actively trying to manage the number of incoming visitors and they have actually set an upper limit of 350k visitors per annum in their site management plan. In 2006-07 the site had 318k visitors.

Civic Pride

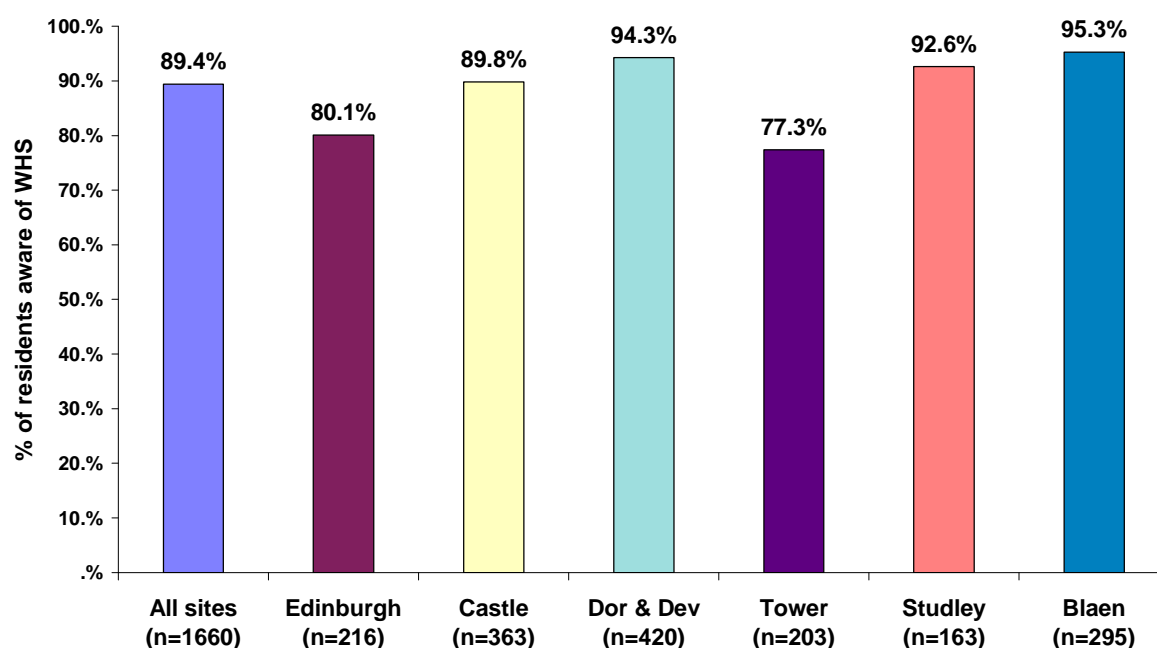
- 233 The basic premise is that by gaining WHS status residents' sense of local pride is increased as a result of the areas new acknowledgement of its cultural significance. This sense of pride could be linked to a wide range of other improvements relating to quality of life as well as other factors.

'As one home-owner in Old Rauma put it; "once there were two couples here on the street and they asked about Naulamaki [area inside Old Rauma] in German. I had spare time so I took them there. They took a lot of photos and asked a lot about the buildings – that's when I ran out of knowledge. But it was actually an interesting experience, because apparently it was in itself exceptional, that they were interested in the old and they particularly wanted to see that specific area. Then I felt a little proud, that as a citizen of Rauma, I can show Germans, that we too have a place like this"' Vahtikari, 2006, 'World Heritage, tourism and change', The XIV International Economic History Congress (IHEC), Helsinki, Finland, 2006

"WHS Status is important in 'knitting it all back together' – identity, civic pride and belonging" Stakeholder Quotes in Jagger, M et al, 2006, 'Proposed Chatham World Heritage Site Wider Impacts,

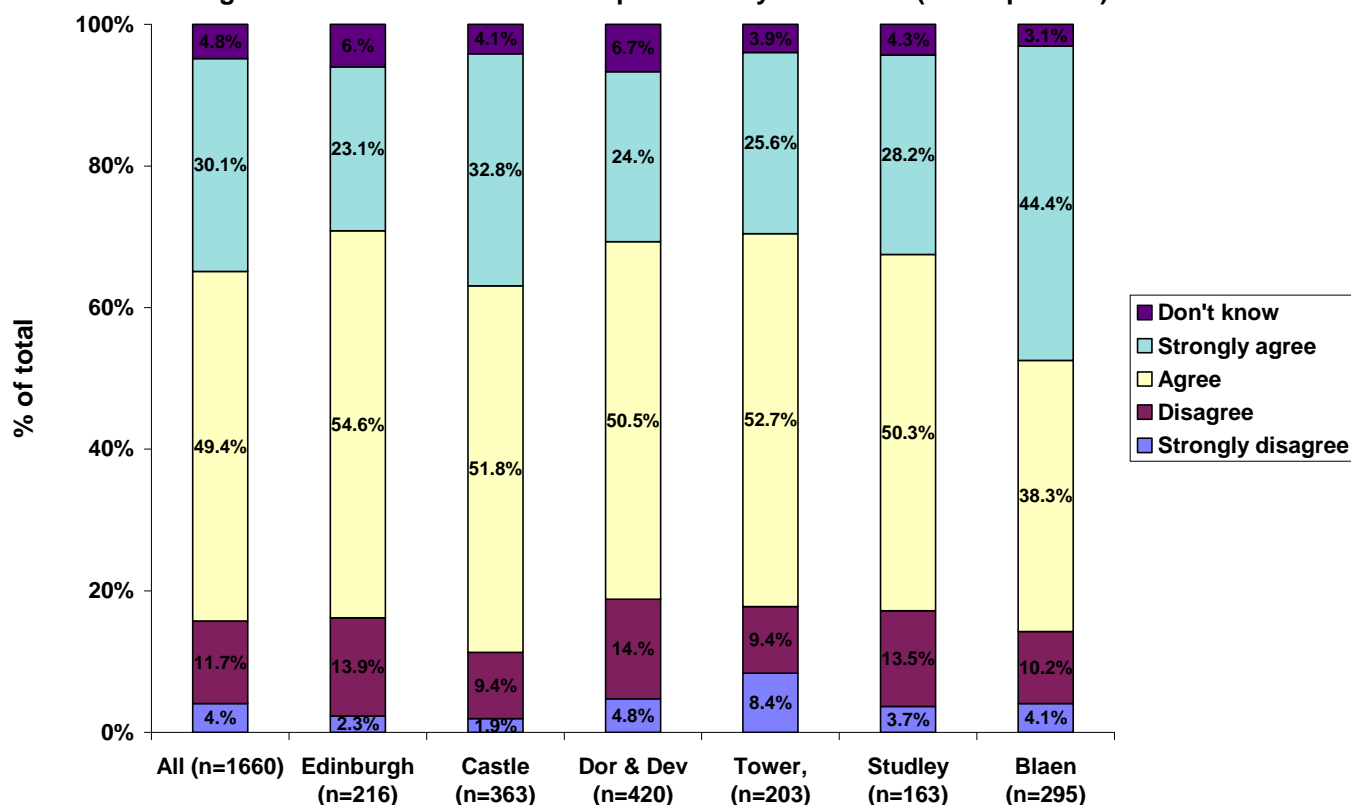
- 234 These benefits are listed frequently, both in the literature on WHS status and also in the wider literature about the benefits of arts and cultural activities or investments. There is no evidence to support the suggestion of a direct causal relationship that suggests civic pride will increase directly as a result of WHS status, but it does appear to impart a suggestion of the quality of a specific location and its cultural significance.
- 235 Across the six case study locations, results from the postal survey of residents suggest that awareness of the WHS status was generally high, with 89.4% of residents aware that they lived in the proximity of a WHS status. The knowledge was slightly higher amongst residents in the two most recently inscribed sites of Dorset and East Devon and Blaenavon and lowest for residents in the vicinity of the Tower of London.

Figure 23: Response from the postal survey of residents, 'Were you aware that you live in the proximity of a World Heritage Site?' (All responses)



- 236 Across the six case study sites we investigated all of those consulted felt that the achievement of WHS status was a significant accolade that would generate a sense of local pride, but this was emphasised in differing degrees by local groups. This quality approval again appears to be more important for those sites which are less 'famous' and of the six case studies, it was recognised that these impacts were likely to be higher for Blaenavon and the Castles of Edward I. This hypothesis was also supported by the results from the postal survey, where 82.7% of respondents from Blaenavon and 84.6% of respondents from the Castles of Edward I agreed that the WHS status made them proud of their local area. This was compared to 78.3% for the Tower of London and 77.3% for the Old and New Towns of Edinburgh. This can be seen in Figure 24.

Figure 24: Response from the postal survey of residents, 'To what extent do you agree... The World Heritage Status of the site makes me proud of my local area' (All responses)



237 In addition, from further analysis across all sites we have identified that the proportion of residents stating that they either 'agree' or 'strongly agree' that the WHS status makes them proud of their local area was:

- Highest amongst those aged 20-29 (89%);
- Slightly higher amongst women (56%) than men (52%);
- Marginally higher amongst those without a long term disability (80%) than those with (77%);
- Higher amongst individuals of white ethnic origin (81%) than those of ethnic minorities collectively (75%) and lowest amongst Asian or Asian British ethnic groups (57%);
- Generally higher amongst Christians (81%) than all other denominations (77%);
- Slightly higher amongst property owners (81%) than those renting (76%); and
- Higher amongst those working in the hotel, restaurant, retail or the transport sectors (84%) than those who do not (79%)

238 Amongst local residents civic pride was often split between local businesses which, for example, were usually positive about the status and could use it for their marketing purposes and this was particularly true of local craft businesses e.g. a local Cheese company in Blaenavon and local residents who might be less positive depending on the nature of the heritage asset. For example the Castles of Edward I in Wales are often viewed negatively by locals as a symbol of foreign occupancy and oppression, alternatively attitudes to Welsh mining may be based on both good and bad experiences. Local pride is also likely to be linked to the local significance of the asset itself, reflecting the difference between local and global significance.

239 The pride of local residents can be demonstrated by the levels of volunteering for example in Blaenavon and also in Studley Park where there are currently 325 volunteers. The fact that these are rural areas

could also be a significant factor.

- 240 Finally the previous relationship between the site and the local community is also very important. For example Studley Park was noted as always having an important role in the local community and therefore the marginal civic benefit brought from WHS status was seen to be much more limited. Similarly in Edinburgh where the Cockburn Association has existed since 1875 and has been a force championing heritage long before the site gained WHS status.

Social capital

- 241 The literature on community-level social benefits has emerged more recently and is therefore less substantial than some other benefit areas. It relates to those benefits that promote social interaction in communities, create a sense of community identity and help build social capital.
- 242 Studies suggest that cultural activities can contribute to creating a realm in which there are opportunities for direct social contact and establishing links and bonds within the community while welcoming cultural diversity and stimulating civic pride. As with our own approach, the bulk of the existing evidence is case study based focussing on how community members come together to share common goals by 'developing networks and understanding and building local capacity for organisation and self determination'³¹
- 243 World Heritage Status is seen as an important contributory factor to the profile of the site, making it more visible to the local community.

'Designation increases awareness at all levels. We have also led a very active programme of work on awareness raising. The most important is local awareness, where our emphasis is on organizing and developing a series of working groups, producing a twice yearly newsletter, providing over one talk per week to local groups, and generating local press stories. World Heritage Site status is a form of recognition that the public and the media respond to much more actively and positively than most national designations' Tim Badman, World Heritage Site Manager and Team Leader for the Dorset and East Devon Coast.

- 244 Overall, the premise is that cultural cohesion or social capital benefits are likely to occur when the local community can find something that they can engage with and share an interest in. World Heritage Sites are likely to offer that shared medium. However, as we have noticed in the literature previously, there is an attribution problem one must distinguish between the potential social capital benefits of the site itself and the social capital benefits which can accrue from WHS status.
- 245 From our own case study assessments it is clear that, as with civic pride, the extent of social capital benefit is likely to depend on the nature of the heritage asset itself and its associated history, relevance to different groups and to the local community itself. A very diverse or divergent local community provides a more significant opportunity for social capital benefits.
- 246 In four of the case study examples (Edinburgh, Blaenavon, the Castles of Edward I and Fountains Abbey) sites had run events celebrating aspect of World Heritage, like for example World Heritage Day. These events were highlighted as a significant activity for building social capital and community cohesion and in at least two instances it was suggested that this type of activity was likely to increase in the future.
- 247 In Blaenavon it was also emphasised that local success at the World Heritage Site can build social capital and encourage surrounding areas to get more involved. For example the adjacent village of Govilon has been encouraged to work with Blaenavon for grant applications and to spread the tourism and other benefits.

Postal survey of residents

- 248 Within our postal survey, residents across the six sites were asked to suggest the extent to which they

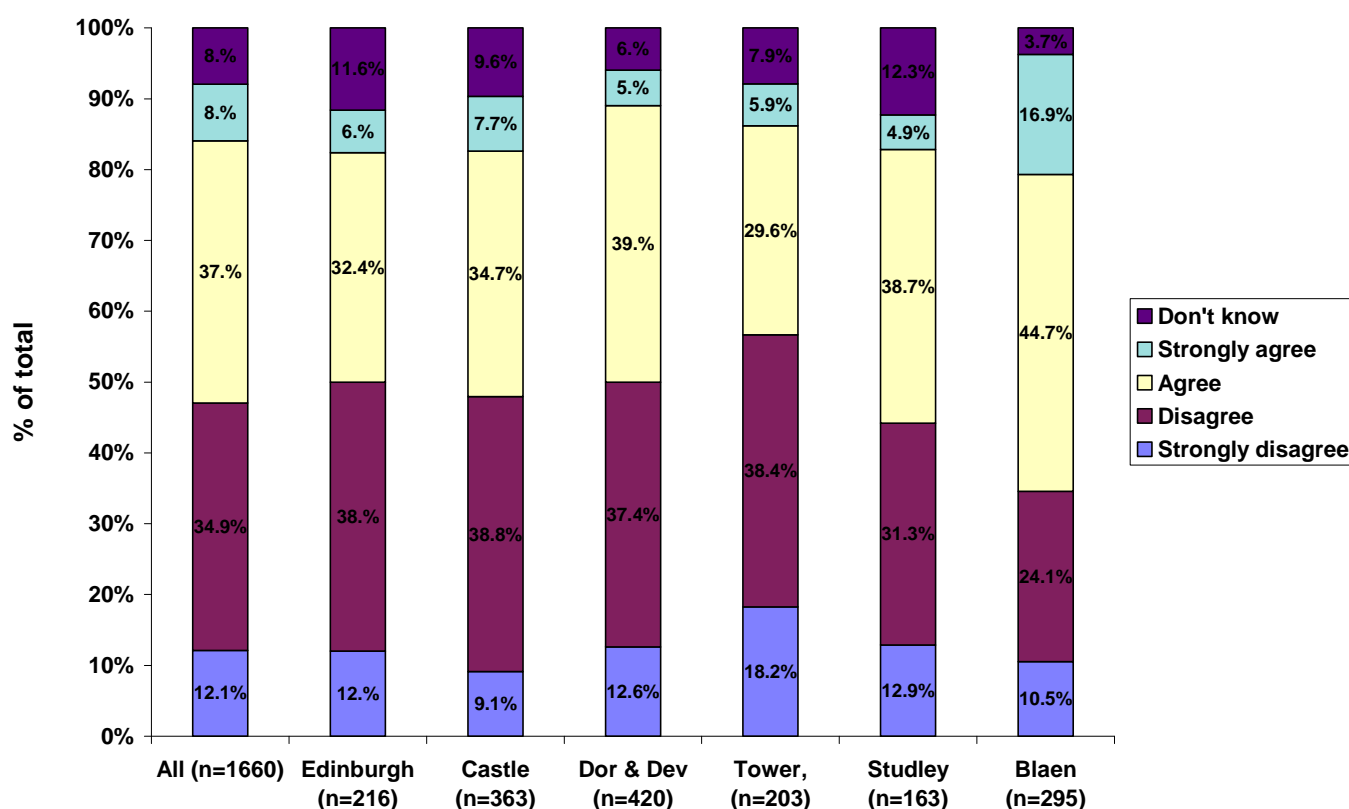
³¹ Matarasso, 1997, Use or Ornament? The Social Impact of Participation in the Arts. Stroud: Comedia

agreed with the views that:

- WHS status provides an important common bond within the local community;
- WHS status has provided them with more opportunities to meet other locals; and
- As a result of WHS status they have become more involved with their local community.

249 Below we have examined the results of this survey and considered these against the different demographic characteristics of the residents.

Figure 25: Response from the postal survey of residents, 'To what extent do you agree... I believe that the World Heritage Status provides an important common bond within the local community' (All responses)

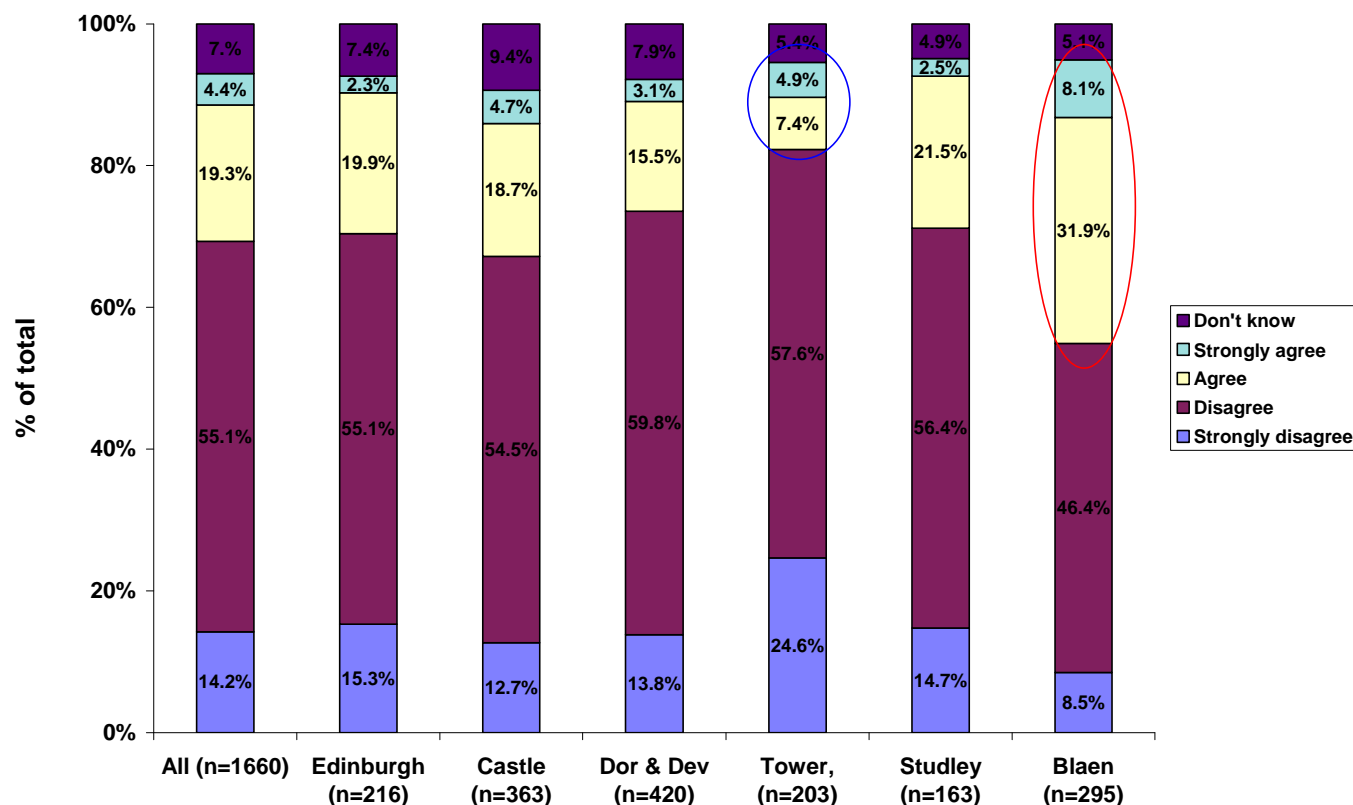


250 Across all of the six case study locations, 45% of residents either 'agree' or 'strongly agree' that the WHS status provides an important common bond within the local community. In addition, from further analysis across all sites we have identified that the proportion of residents stating that they either 'agree' or 'strongly agree' that the WHS status provides an important common bond within the local community was:

- highest amongst those aged over 70 (56%);
- slightly higher amongst women (46%) than men (44%);
- higher amongst those with a long term disability (54%) than those without (43%);
- higher amongst individuals of white ethnic origin (45%) than those of ethnic minorities collectively (40%);
- marginally higher amongst Christians (46%) than all other denominations (44%);
- slightly lower amongst property owners (44%) than those renting (50%);

- higher amongst those whom are economically active (51%) than those whom are not (41%);and
- higher amongst those working in the hotel, restaurant, retail or the transport sectors (46%) than those who do not (37%)

Figure 26: Response from the postal survey of residents, 'To what extent do you agree... Living in the proximity of a World Heritage Site has provided more opportunities for me to meet other local people' (All responses)

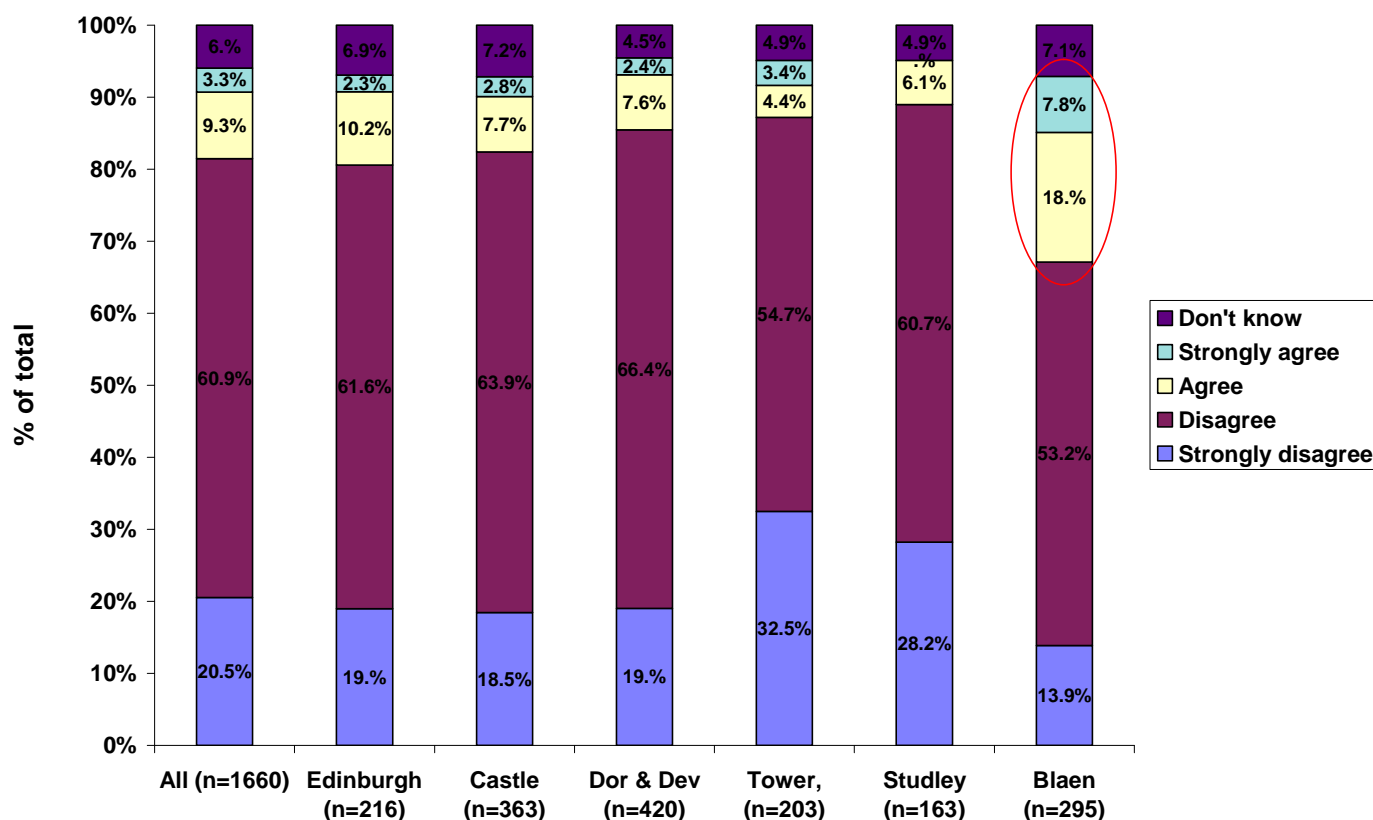


251 Across all of the six case study locations, 24% of residents either 'agree' or 'strongly agree' that the WHS status has provided them with more opportunities to meet other local people and this opportunity was seen to be greatest in Blaenavon and lowest in the Tower of London.

252 In addition, from further analysis across all sites we have identified that the proportion of residents stating that they either 'agree' or 'strongly agree' that the WHS status has provided them with more opportunities to meet other local people was:

- highest amongst those aged over 80 years (35%);
- higher amongst those with a long term disability (29%) than those without (23%);
- lower amongst individuals of white ethnic origin (24%) than those of ethnic minorities collectively (29%);
- marginally lower amongst Christians (25%) than all other denominations (30%);
- slightly lower amongst property owners (23%) than those renting (28%);
- lower amongst those whom are economically active (20%) than those whom are not (28%);and
- higher amongst those working in the hotel, restaurant, retail or the transport sectors (29%) than those who do not (19%)

Figure 27: Response from the postal survey of residents, 'To what extent do you agree... As a result of the site becoming a World Heritage site I've become more involved in my local community than I would have otherwise' (All responses)



253 Across all of the six case study locations, 13% of residents either 'agree' or 'strongly agree' that as a result of the site becoming a WHS status they have become more involved in their local community and this has been most significant in Blaenavon.

254 In addition, from further analysis across all sites we have identified that the proportion of residents stating that they either 'agree' or 'strongly agree' that as a result of the site becoming a WHS they have become more involved in their local community was:

- highest amongst those aged over 80 years (18%);
- higher amongst those with a long term disability (15%) than those without (12%);
- higher amongst individuals of white ethnic origin (13%) than those of ethnic minorities collectively (11%);
- lower amongst Christians (13%) than all other denominations (16%);
- slightly lower amongst property owners (12%) than those renting (15%);
- marginally lower amongst those whom are economically active (11%) than those who are not (13%);and
- higher amongst those working in the hotel, restaurant, retail or the transport sectors (14%) than those who do not (10%).

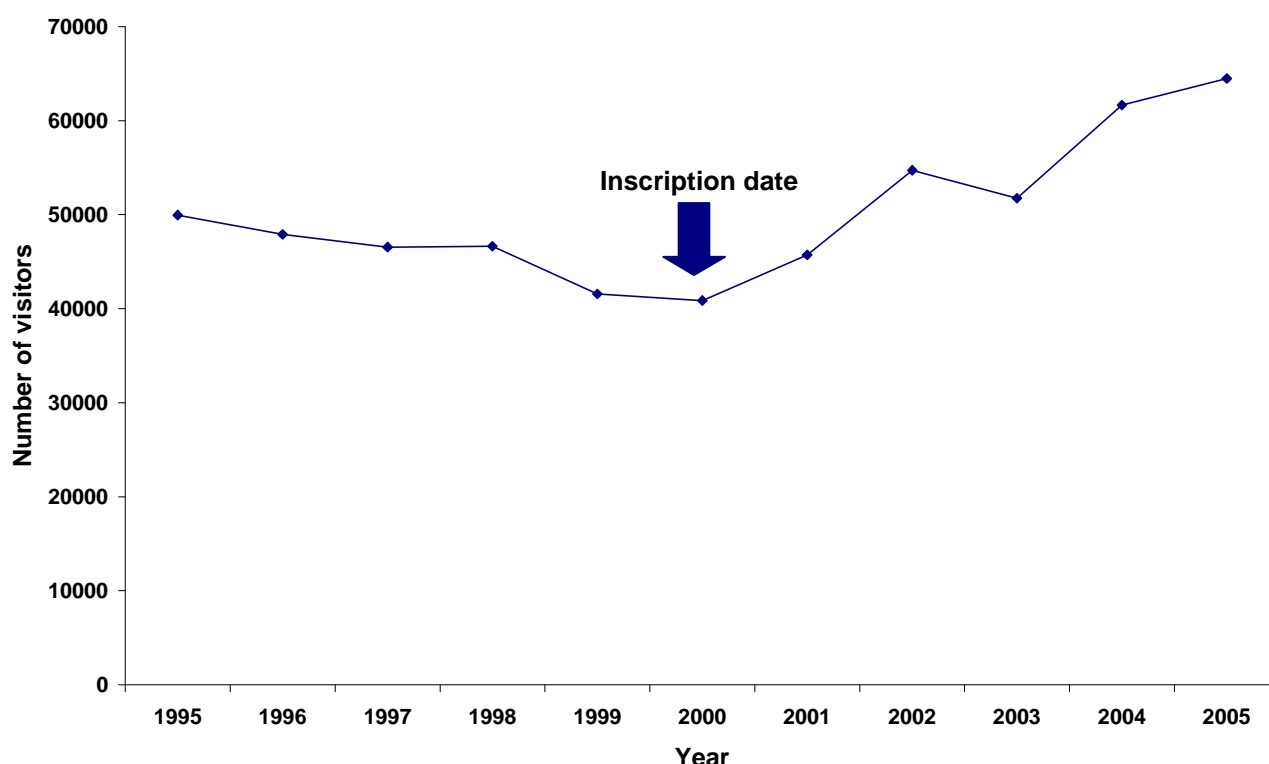
Learning and education

255 Previous studies of cognitive benefits of culture focus on the development of learning skills and academic performance primarily in school-aged youth but some of the specific WHS literature also includes

Universities. These existing studies mostly involve longitudinal evaluations of individuals to establish a correlation between arts or cultural and heritage exposure and improved performance and whilst they do represent a reasonable body of evidence critics would argue that their causality is in some cases difficult to follow or distinguish from other factors. This has led some to conclude that 'the evidence from the literature regarding the impact of culture on learning ability is inconclusive', Frontier Economics, 2007, 'A framework for evaluating cultural policy investment'.

- 256 From our own case study work it is clear that in all cases the sites represent important assets for education and learning purposes and all have well developed programmes of activity which often include activities for both school children and also vocational programmes. For example the Tower of London runs a vocational training programme and a lecture series for, amongst others, those interested in working in the hospitality and leisure sectors.
- 257 However, in all cases, these activities pre-date their inscription as World Heritage Sites and, with the exception of Blaenavon which has seen more educational groups since inscription, it has not been possible to examine the extent to which there has been any change in the volume of educational activity. Only one site was either running or had plans to run an educational programme which linked specifically to World Heritage and this was in Blaenavon in relation to its World Heritage Centre which is currently under construction. Although, at the Dorset and East Devon coast site, its establishment as a WHS status has led to the appointment of a dedicated educational officer linked to the WHS status and so the status appears to have led to an increase in educational resources in connection with the WHS status.
- 258 The change in pre-booked visits, which is largely understood to represent school groups, at Blaenavon can be seen in Figure 28 below. The number of visits is also likely to have been affected by the fact that it became free to attend the Big Pit in the year of inscription once its management was taken over by the National Museums.

Figure 28: Pre-booked visits to Blaenavon 1995-2005 (Source: Blaenavon Partnership)



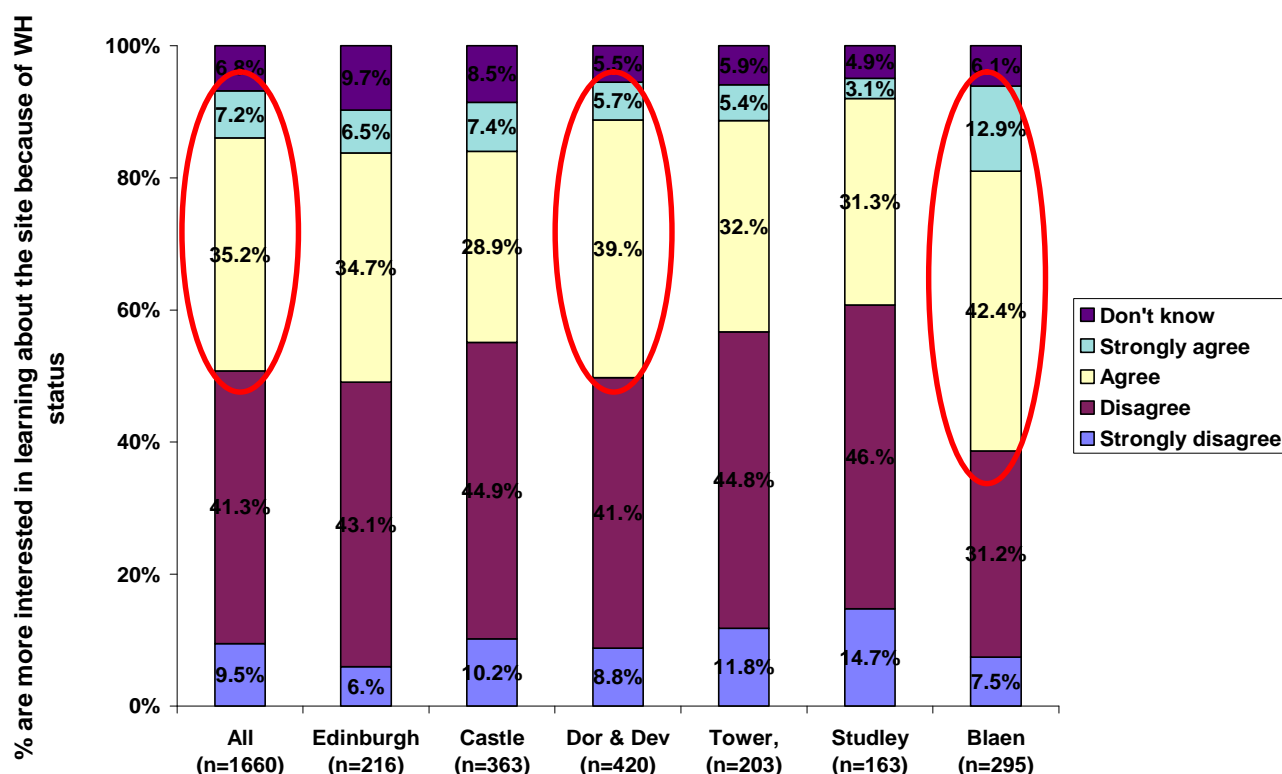
- 259 Most of these school visits across all sites were undertaken by children at between key stage 2 and key stage 4 level and it was felt by the case studies we examined collectively that the Tower of London, the Castles of Edward I and the historic institutions within Edinburgh's Old and New Towns offered a much stronger fit with the National Curriculum than Blaenavon, Studley Royal Park and the Dorset and East Devon Coast although all have significant educational programmes.

- 260 One area where WHS status does appear to have a significant impact on education and learning activities is through the management plan and the activities it supports in terms of the creation of a research strategy which existed in five out of six of the sites. These strategies varied in their detail and complexity with some locations stating a broad aim of generally supporting research which enhanced the understanding and interpretation of the site and others defining more specific research objectives. In addition to these research strategies some sites have also undertaken work around the interpretation of their site including an interpretation audit in Edinburgh and an interpretation strategy in Studley Park Royal. In one instance, again Studley Park Royal, an education strategy has also been developed as part of the management plan. These plans were seen as an important and 'additional' activity to WHS status that would improve the educational and learning programmes taking place at the site through careful planning and would not have taken place without WHS status.
- 261 Additional investment was also cited several times as having a significant impact on the capacity of the site to support learning and educational objectives. There are numerous examples, such as the development of the World Heritage Centre in Blaenavon, the development of a network of visitor centres along the Dorset and East Devon coast and many others, where WHS status may have contributed to an increase in public investment to improve the facilities and amenities at that site and provide a central point or institution for gaining greater information on the site.

Postal survey of residents

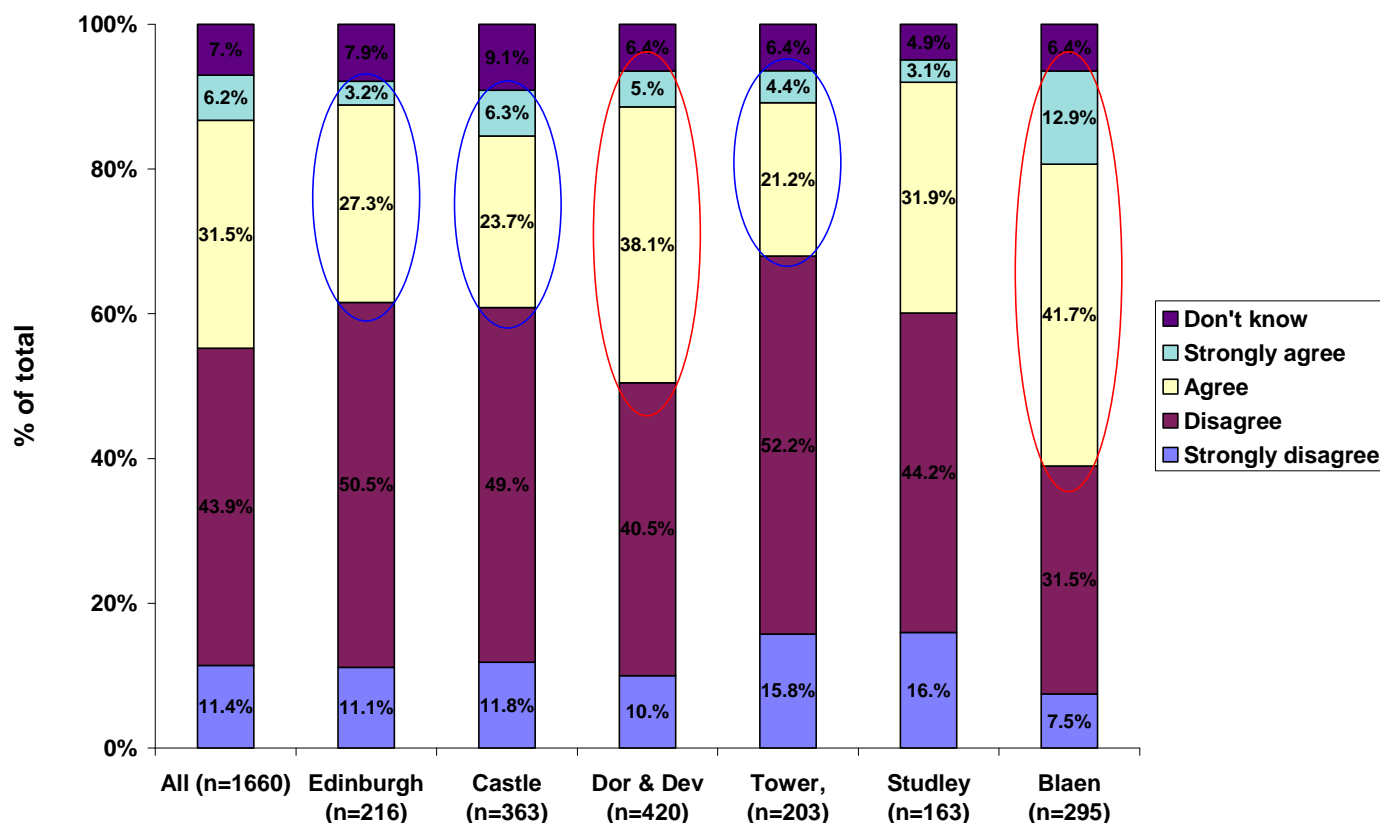
As part of the postal survey, residents were asked to identify the extent to which they agreed that they were more interested in learning about the site because it had World Heritage Status and the extent to which they felt that they had learnt new things as a result of living in the proximity of a WHS. The results can be seen in Figure 29 and Figure 30.

Figure 29: Response from the postal survey of residents, 'To what extent do you agree...I am more interested in learning about the site because it has World Heritage Status' (All responses)



- 262 The results demonstrate that across all six sites 42% of residents either 'agree' or 'strongly agree' that the World Heritage status of the site makes them more interested in learning about it and this was highest amongst the Dorset and East Devon Coast (45%) and Blaenavon (55%) sites.

Figure 30: Response from the postal survey of residents, 'To what extent do you agree... I have learnt new things because of the World Heritage Site' (All responses)



- 263 The results demonstrate that across all six sites 38% of residents either 'agree' or 'strongly agree' that they have learnt new things because of the WHS and this was much higher amongst the more recently inscribed sites (Blaenavon and the Dorset and East Devon Coast, 55% and 43% respectively) than the older sites.

Conclusions

- 264 **Partnership** and additional funding benefits are strongly linked. The scale of the partnership benefit facilitated by WHS status is strongly related to both the quality of existing partnership arrangements and the nature of the site itself. If the site is complex and spans some current administrative or ownership boundaries then partners are more likely to come together in a new or different way. The wider the partnership, the most costly it is to manage as we have seen in terms of staff time, but similarly the wider the partnership, the greater the access to potential supporters and funders. These partnership benefits are well represented in the existing benefits and are largely borne out in our case studies with most of the sites reporting partnership improvements of some kind and most similarly being able to demonstrate additional funding contributions.
- 265 These **Additional Funding** and supporting contributions appear to come largely from the public sector especially heritage and conservation bodies, where WHS status appears to increase the strategic importance of a site. Public organisations with an economic development remit appear to more commonly focus investment on a site because of other related strategic priorities for example regeneration and/or tourism. Since the vast majority of this funding is from the UK public sector the benefits from it are likely to be largely local with only limited national benefit from, for example, European funding sources or an increase in international visitors. A critical point of additional funding is that it must be applied for and some sites are either not eligible or already have significant income from other sources.
- 266 **Conservation** benefits from WHS status are also related to additional funding, since much of this funding is directly targeted towards the maintenance of these sites. In planning terms, the increased profile and publicity of WHS status ensures that the site enjoys greater scrutiny in the planning process but the lack of statutory designation coupled with the high level of existing UK conservation arrangements at these sites (e.g. scheduled monuments, conservation areas, listed buildings, etc) suggested that the overall

conservation benefit from WHS status was deemed to be minimal. This may change as a result of the current Heritage Protection Review which may provide statutory protection for these sites. However, most WH sites are well reflected in local development plans and other strategic development literature and there were numerous examples where WHS status has had a significant impact on a new development usually by facilitating changes in design or scope. However no examples were provided where WHS status on its own had arrested a development.

- 267 In common with some other benefit areas, **regeneration and tourism** benefits are strongly related to the previous status quo at sites prior to WHS status and the relative economic conditions and wealth of these locations. Only one of the case study locations we considered was able to identify a significant economic improvement following WHS designation (Blaenavon) and whilst this was reflected by significant changes in both property prices and the number of visitors to the area, there were other factors at work. Across all sites only two were able to provide important information about the motivations of visitors and the effect of WHS status on increasing visitor numbers. These suggest that somewhere between 0.7 and 3% of visitors come to a site because of its WHS status. However, again we have some concerns with starting point bias and the effect that open and closed questions have on the assessment of this additionality. If WHS status does contribute to just 1% of the visitors at these sites then in most instances this is likely to be a highly significant number of visitors, but overall we believe that from the results any contribution is likely to be very marginal indeed and the tourism benefits from WHS status are likely to be significantly overstated. Overall across the sites we have considered, we believe that the benefits from tourism and regeneration are again linked to the motivations of owners, operators and funders of the individual sites and the energy they put into these activities. On balance the benefits are likely to be more significant for less 'famous' sites.
- 268 Community benefits in terms of **civic pride, social capital and education and learning** appear to be significant at the sites we have studied. Again these benefits are largely related to the previous preconditions of the site and also the nature of the heritage asset itself. Whilst overall 80% of residents at these sites agreed that the WHS status made them proud of their locality, during our consultation programme it was suggested that in some instances the history of the site could be interpreted negatively (e.g. a castle as a symbol of oppression). This could affect the assets ability to affect social capital. Its viability as a learning tool is also affected by the nature of the site, since some sites were noted as having a much stronger link with the national curriculum. The social capital benefits generated from these asset can most adequately be captured from the postal survey where 45% of respondents agreed that the WHS formed an important 'common bond' for the local community, 24% felt that the WHS status provided them with more 'opportunities' to meet local people and 13% felt that as a result of the WHS status they had got more involve in their local community directly. These social capital benefits were predominantly stronger amongst elderly people of white ethnic origins and Christian denominations.
- 269 All of the sites represent an important learning and educational resource with the potential for significant supporting programmes but in all cases this came before attaining WHS status. In one of the case study locations plans were mooted about learning and educational activities linked to World Heritage and in another location the WHS status had led to the establishment of a full time education officer. However, the major educational benefits are likely to come from the research strategy and education and interpretation work that some of the sites have undertaken either as part of the management plan or independently from it.

6. Conclusions

270 This final chapter of the report brings together the findings in relation to costs and benefits and presents some concluding remarks. It has been structured around five overarching questions which were posed in our original brief but also includes some summary guidance for aspiring sites, outlining the key questions they should consider.

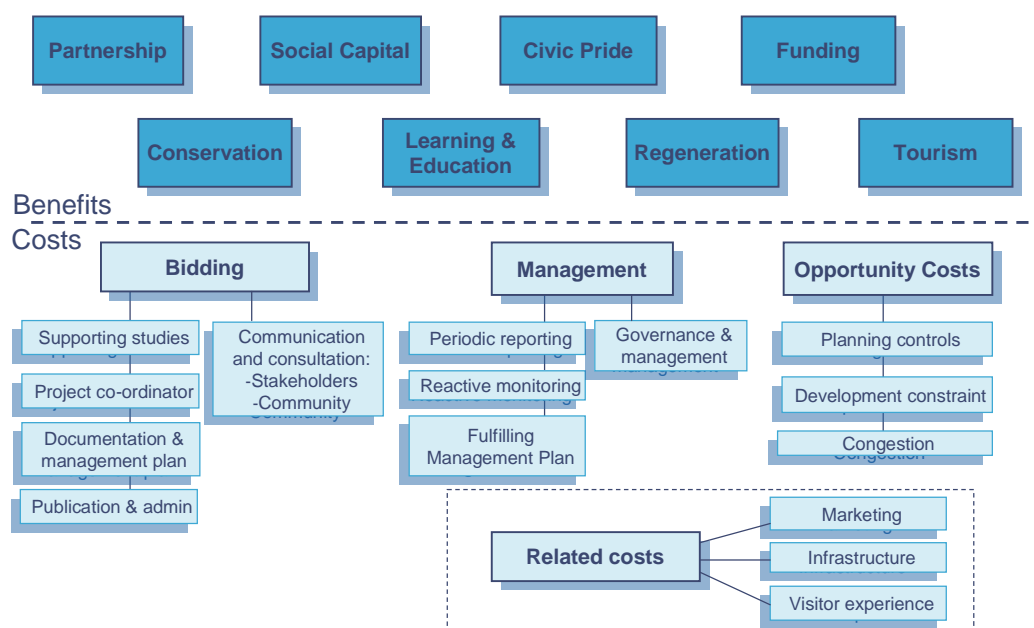
1. What are the costs and benefits associated with WHS status and who incurs or gains them?

271 The areas of cost and benefit we considered in our analysis emerged from our desk review of previous literature written in this area and they are defined in the cost benefit framework which can be seen in Figure 31. We have used this framework as the basis for our analysis.

272 A crucial element which should be emphasised at the outset of our report is the concept of ‘**additionality**’. Throughout this study we have only sought to identify those costs and benefits which are directly attributable to WHS status excluding those which may simply be loosely related to it. We wish to separate those outcomes which would have taken place anyway regardless of WHS status from those which would not. We have therefore reported on the latter.

273 This framework was developed from the areas of costs and benefits that were emphasised in the existing literature and it was validated both at a meeting of the policy review steering group and through our initial consultations. It has directly informed our data collection activities surrounding the case studies, costing information and postal surveys of residents.

Figure 31: The Cost/Benefit framework



274 The work does not include a full account of reactive monitoring activities since insufficient data was not

available from our case studies, literature review or site costing pro-formas to make such assessments. It also does not include the possible benefits internationally of being active in the World Heritage Convention and the contribution to such benefit of individual sites, for instance as examples of best practice.

- 275 Central government guidance³² identifies many different methodologies which can be used to assess and value costs and benefits. These methodologies allow the measurement of both purely financial flows which have a direct market value as well as less tangible benefits where there is no directly attributable market value. Where applicable, the latter often involves the use of stated or revealed preference methodologies, including hedonic pricing which takes a value from a related or complimentary good or service where there is a market value (e.g. the affect of built heritage on property values) and contingent valuation which effectively asks beneficiaries for their 'willingness to pay' for certain activities. This means that some methodologies and approaches exist, which in some instances can be used to infer a value for certain activities.

Costs

- 276 The costs associated with WHS status are difficult to define largely due to the fact that the sites are so different in terms of ownership, size, nature and location. In particular a significant amount of cost is tied up in the time input from partners and these inputs are particularly hard to scale with the total costs being largely related to the number of partners and the nature of their involvement. This means that there are likely to be a significant amount of hidden costs and the existence of these hidden costs suggests that the assessments made here are likely to be underestimates.
- 277 In the three tables below, we have identified the costs in relation to WHS nomination, the preparation of the management plan and the management costs to the individual sites³³. There are significant differences between these sites and there is clearly no 'normal' way that sites are either nominated or managed and this should be borne in mind when considering costs.

³² HM Treasury, 2003, The Green Book

³³ All employment costs reflect only salaries and exclude 'on-costs' in terms of, overheads, pensions, training, etc

Table 8: Bidding costs of WHS nomination

Cost area	Description	Value
WHS Co-ordinator costs	<ul style="list-style-type: none"> If we assume that a new site coming forward were to take on a Co-ordinator at between £36,000-£42,000 per annum in the first year for 4.8 years, with an average earnings increase of 3.5% per annum, this would indicate a total cost of between £185,000-£216,000 for the bid Co-ordinator. 	<ul style="list-style-type: none"> £36-£42k p.a £185-£216k total
Partner and consultation time	<ul style="list-style-type: none"> Assuming an average of c£40k per annum staff cost and four meetings per annum, across the sites for which information is available and using the modal number of 13 partners. This would indicate an average cost in partner time at £7,800 per annum. Again, if we use the average length of time taken for the nomination process as 4.8 years, this would indicate that the total staff cost to partners, again assuming a 3.5% annual earnings increase, would be in the region of £41k. 	<ul style="list-style-type: none"> c.£8k p.a c.£41k total
Production costs	<ul style="list-style-type: none"> Document production and photography. 	<ul style="list-style-type: none"> £15-£50k total
Supporting studies	<ul style="list-style-type: none"> Economic, tourism, conservation or international comparison studies. 	<ul style="list-style-type: none"> £20-£80k total per study

- 278 Assuming that the Management Plans are produced most commonly by the WHS co-ordinator rather than being outsourced and that any supporting studies are included in the nomination document, the costs associated with the preparation of the management plan can be seen in Table 9 below. Again there is no 'standard' approach to the preparation of a management plan and this should also be borne in mind.

Table 9: Costs of producing a management plan

Cost area	Description	Value
Partner and consultation time	<ul style="list-style-type: none"> Assuming average of c£40k per annum staff cost and four meetings per annum, across the sites for which information is available, the modal number of partners is thirteen. This would indicate an average cost in partner time of around £7,800 per annum. Again, if we assume that the average length of time taken for the nomination process is 4.8 years, this would indicate that the total staff cost to partners, again assuming a 3.5% annual earnings increase would be in the region of £41k. 	<ul style="list-style-type: none"> c.£8k p.a c.£41k total
Production costs	<ul style="list-style-type: none"> Document production and photography of £15-£50k. 	<ul style="list-style-type: none"> £15-£50k

- 279 Management costs differ from site to site depending on their particular characteristics and, most importantly, on their management structures. Across the four different management structures we have characterised, we would suggest that management costs can range from as little as £13k per annum to over £600k per annum.

Table 10: Management costs of WHS

Management structure	Description	Value
Special ownership model	<ul style="list-style-type: none"> Sites are largely single entity where the site itself (excluding the buffer zone) has either a single or a few owners and is relatively contained where that owner often holds some special status, such as where ownership is held by the Church or by the Crown. Sites which would fit into this group would include the Tower of London, Blenheim Palace, Westminster, Durham, Canterbury, Kew and Studley Park. 	<ul style="list-style-type: none"> £13-£26k p.a
No WHS Co-ordinator model	<ul style="list-style-type: none"> These sites are notable primarily because whilst there is a steering group and a series of working groups there is no co-ordinator in place. They are also more significant in terms of their scale or level of dispersal than others. Sites in this category include Giants Causeway and the Castles of King Edward I. 	<ul style="list-style-type: none"> £100-£160k p.a
WHS co-ordinator model	<ul style="list-style-type: none"> This is the most common approach taken to WHS management, with nine of the 24 sites included in this category. In these locations (Orkney, Ironbridge, Greenwich, Bath, Blaenavon, Derwent Valley, Liverpool, Saltaire and Stonehenge and Avebury) there is a senior steering or management group in place which is supported by a dedicated WHS co-ordinator, sometimes with a very small staff, and a number of other working groups or technical panels which meet periodically. 	<ul style="list-style-type: none"> £130-£215k p.a
Separate entity model	<ul style="list-style-type: none"> Some more complex sites have set up entirely separate entities set up to manage the WHS, usually with a much larger numbers of staff. These sites typically represent some of the largest sites in terms of scale and are most complex in terms of ownership making them much more complex sites to manage. Examples of this category would include Edinburgh, Hadrian's Wall, the Dorset and East Devon Coast, Cornwall West Mining and New Lanark. 	<ul style="list-style-type: none"> £190-£615k p.a

- 280 The Operational Guidelines require an appropriate management system to be in place at each WHS. The specific requirements of WHS management in the UK include the preparation of a Management Plan, the structuring of periodic reports and other reactive monitoring activities and receiving UNESCO delegations. It also requires sites to be actively managed in some way and for efforts to be maintained to fulfil the actions of the management plan.
- 281 Whilst WHS status is recognised in the UK planning system, for example through PPG 15, and it is well reflected in Local Development Plans, Vistas and Views and other strategic planning literature at specific sites, it does not currently carry any statutory protection, although this may change in the future following the Heritage Protection Review. Furthermore, because sites are already well protected by existing UK conservation legislation, the effect of WHS status is understood by consultees to be marginal. The opportunity costs associated with WHS status in terms of its impact upon developments in its surrounding environment are therefore understood to be limited.
- 282 In the cases of both management and bidding costs, the majority of the 'additional' costs are covered by Local Government and Historic Scotland, English Heritage or Cadw. In Scotland and Wales, Historic Scotland and Cadw appear to take a more substantial role than Local Government in England the roles are reversed with English Heritage investment intensifying where the agency has ownership

commitments.

- 283 There is also some involvement from Defra, Natural England and other environmental groups in isolated cases. More recently the Regional Development Agencies have played a significant funding role in some instances, usually funding discrete activities and studies.
- 284 Finally, at a national level, there are significant costs incurred by DCMS, English Heritage, Historic Scotland and Cadw. With dedicated World Heritage staff in each of these organisations there is considerable input and resource dedicated to this area, much of which relates to individual sites as for example in dealing with Reactive Monitoring cases or the management of new nominations. Furthermore, the UK government contributes around £130,000 to the Committee's World Heritage Fund every year..

Benefits

- 285 We have described the eight benefit areas and their beneficiaries in Table 11; some of these represent final outcomes whilst others such as partnership and funding could be seen as facilitators of them.

Table 11: 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.
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.

Benefit area	Hypothesis/Description	Beneficiary
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).

2. How are these costs and benefits affected by the specific characteristics of sites?

- 286 The 27 UK World Heritage Sites share little in common aside from their WHS status and the different characteristics between them significantly affect their relative costs and benefits. Below we have outlined these differences in several key areas.
- 287 **The ownership structure-** Ownership is possibly the most significant factor affecting both costs and benefits. Governance and management also have a significant effect on costs and these are strongly related to the ownership issues. Where sites are in single ownership they are often already 'managed' in that where the owner is a private landlord, the Crown or the Church etc there is likely to already be some conservation arrangements in place and many of the activities required by WHS status will already be taking place on some scale and WHS status can simply formalise these activities. This makes the management costs of the site significantly lower. In addition, where sites are in single ownership the opportunity is often available to gain income from visitors, allowing private funding to be used to support the conservation of the site, although this is not true in all cases. More complex ownership arrangements often take place in sites of a more significant scale and these require much more complex partnership structures with some of the most diffuse ownership arrangements requiring over seventy partners. This has both a negative effect on costs in that it increases the costs associated with partner and staff time and a positive effect in that it increases the opportunity to involve partners in the funding of the site and can lead to significant sources of additional income, predominantly from the public sector.
- 288 **The 'fame' of the site-** Since the principal benefit of WHS status appears to be as an accolade and a measure of quality which serves to emphasise a site's importance, those sites which are already well known and established 'heritage brands' in their own right may perceive that they have little need for it. They therefore use it to a limited degree in their marketing, educational or other activities and as a result gain little benefit from it.
- 289 **Location-** The location of each WHS has a significant effect on the levels of cost and benefit. Some sites are located in densely populated urban locations where they operate as living sites, whilst others are located in rural locations which present entirely different challenges and opportunities. In costing terms urban locations are generally likely to require a more significant level of resource in management since the levels of activity within or surrounding the location are likely to be higher. This is also true of the development pressures that exist indicating a relatively higher opportunity cost and a correspondingly higher benefit in terms of conservation, although not as much as it could be if WHS status carried statutory protection currently. In rural sites the pressure from development is generally likely to be much

lower but the natural landscape presents entirely new challenges. The results from our postal survey of residents and from our case study research indicate that it was rural sites like Dorset and East Devon that felt the balance between conservation and economic development was being least well struck, which might suggest that rural locations are more concerned about new development and increasing numbers of visitors than urban sites.

- 290 The location of the site is also important in relation to the size of its population and supporting transport and visitor infrastructure. Sites located further from the established tourism trails are likely to find it more difficult to attract significant numbers of tour operators or international visitors. Similarly if sites are in close proximity to larger towns and cities they have a greater potential to attract tourists as well as school and educational visits.
- 291 **The motivations for WHS status-** It could be said that 'WHS status is what you make of it'. Where the status has been used to full effect it has provided benefits by bringing partners together and leveraging additional funding and not infrequently it has led to new developments and enhanced educational benefits as well as improved conservation and even regeneration in some locations. Where these opportunities have not been seized there have been more limited benefits. The benefits that sites attribute to WHS status are therefore strongly related to the motives they had for bidding and correspondingly what they have used the status for.
- 292 **Marketing activity-** This is an outcome of the motivations point. Overall it is unclear whether the level of marketing undertaken by each site has any significant effect on its tourism numbers. The two most recently inscribed sites we studied do appear to have invested more significant resource than others to market their WHS status and this might be reflected in the higher awareness amongst local residents of the area's WHS status, or it might simply be because the site was inscribed more recently. Overall across all of the sites the impact WHS status appears to have made on visitors is minimal and it is unclear whether WHS status on its own is ever likely to be a significant enough factor in attracting higher numbers of visitors. Undoubtedly sites should be encouraging the use of the WHS status and the logo in supporting marketing activities in order to increase the benefits tourism can offer, however it is not clear what effect this can be expected to have on individual sites.
- 293 **The nature of the site-** The nature of the site is a key factor in determining the type and level of community benefits offered by WHS status. Some sites, because of the heritage asset itself and what it represents to the local population, can act as a divergent force in the local community rather than a convergent one leading to very little civic pride. In addition, some heritage assets were seen as having a very strong link with the national education curriculum whereas others had a much weaker link reducing some of the educational benefits. Cultural and natural sites whilst reflecting different aspects of our heritage are subject to the same management arrangements but there is some evidence that those operating as natural sites are more concerned with the impact of economic development and increased visitor numbers.
- 294 **Heritage listing arrangements-** Sites which are already afforded protection by existing legislation and supporting protection system are less likely to gain significant conservation benefits from WHS status than those which are not already heavily listed. This is also true of the overseas territories where less effective conservation listing arrangements were considered to operate; here consultees provided examples of sites where WHS designation has made a significant impact on conservation, protecting two species of bird due to the additional weight provided by WHS status in a less detailed and substantial protection system.

3. How are the costs and benefits perceived and how prepared are sites for them?

- 295 It is clear from all elements of the project work that in the past costs and benefits of WHS status have not been well understood, but it is our belief that this is improving as awareness is raised. This is likely to be highly relevant with regard to costs. Furthermore, it is the awareness amongst newly inscribed sites that is the most significant factor informing future activity.
- 296 In general across all areas of costs, individuals were aware of the direct areas of cost but there are no established benchmarks for these and little understanding of opportunity costs. Amongst the benefit

areas, some like partnership and additional funding benefits are well referenced in the existing literature and the claims appear to be broadly consistent. In other areas benefits are either not understood or indeed overstated with regard to tourism and regeneration.

- 297 Similarly recognition of what World Heritage represents ensures that the requirements of managing a site will be more widely understood. However, if the requirements of WHS status continue to develop and change, clarity around these is unlikely to be achieved.
- 298 It is also evident from our analysis that, even if sites are not well prepared for the requirements of WHS status, the status does appear to correlate positively with a significant increase in public investment to support activities to meet, and indeed exceed, these requirements.

4. How can these costs and benefits be optimised in the future?

- 299 There are a number of actions that could be taken to both reduce costs and increase benefits in the future and these have been outlined below.

Reducing costs

- 300 **Better guidance-** In general the costs associated with both bidding and management are felt to be not well understood and better guidance for sites would be beneficial. Greater clarity regarding the level of cost and benefit would better equip sites to make decisions concerning whether or not to bid for WHS status. Similarly, a more accurately defined process for bidders linked to costs supported by clearer templates and guidance for nomination bids would also facilitate better understanding of what is required and what is not. Greater clarity, resulting from investigation and research, concerning the nature and characteristics of sites which are likely, and unlikely, to be accepted onto the World Heritage List could also provide potential nominations with more objective guidance about when to bid, thereby improving decision making. Furthermore, if sites bid for WHS status and are not successful, whilst they are likely to gain some of the benefits associated with WHS in terms of the understanding and knowledge generated through the production of the management plan and the partnership benefits they are unlikely to gain the full benefit of WHS inscription. We provide some summary guidance for aspiring sites which outlines the key questions they should consider before bidding.
- 301 **Process-** The process of becoming a WHS is currently not time defined and sites can sit within the process for many years (10 or more). This is another significant driver of bidding costs. If a process could be established which took less time and was more explicit regarding requirements, with bids being removed earlier from the process and a tighter pipeline of fewer potential sites this would reduce time costs and other resources for all concerned. This would require a more clearly defined process than the current Tentative List approach allows with bids being able to come forward, be developed and then submitted to the UNESCO committee within much shorter timeframes.
- 302 **Understanding governance and management-** The governance and management arrangements differ significantly across all sites and this is another significant driver of costs. Whilst we acknowledge the need for each site to in part define the arrangements that are right for them, a more complete understanding of the different arrangements in place and how these affect the ability of the management to operate economically, efficiently and effectively would be beneficial. This is particularly true of partnership arrangements, which are a significant driver of costs and benefits.
- 303 **Private sector involvement-** An intuitive response to reducing costs is to encourage greater private sector participation and funding in WHS. After reviewing the current arrangements within the six case studies it is difficult to see the circumstances under which this might be achieved. However, we would encourage sites to continue to work to more closely align the benefits of WHS status with the private sector and encourage private sector funding in those instances where this is possible. This may well require clarification by the State Party (DCMS) regarding the use of WHS in commercial marketing activities. However, if this could be achieved then the public costs would be correspondingly reduced.

Increasing benefits

- 304 Some activities were consistently mentioned amongst those we consulted as interventions which would

enhance the overall management of the site and increase the benefits from WHS status. These included **ensuring that a full time WHS co-ordinator was in place at all sites and that core funding was made available on a permanent basis** to ensure co-ordinator time was focussed on the management of the site rather than spent completing future funding applications.

- 305 A further important issue when considering actions to increase the benefits from WHS status is to consider who these benefits are for. Where benefits are to be increased at a local level, different actions are required to those needed to increase benefits at a national level. We have, therefore, distinguished actions at a national level from those at a local level.

Nationally

- 306 **Raising awareness of WHS status-** Raising awareness of WHS status at a national level could encourage greater understanding and appreciation of what it represents and can provide. This could have corresponding benefits for greater national and community pride benefits as well as for conservation and public accountability purposes.
- 307 **Statutory protection for World Heritage Sites and greater recognition in planning-** Providing statutory protection for World Heritage Sites and integrating it formally into the UK listing system would provide the protection that sites require from new development. Due to the high level of existing listings that sites hold already, this protection would need to be significant to add any additional value. However, this would formally integrate WHS status into the UK listing and statutory control systems and could provide a significant national benefit in 'option' and 'bequest' value terms to both the current users and the non-users who may wish to visit them at some later date. This may already be occurring through the Heritage Protection Review.
- 308 **Ceasing or slowing nominations-** The increasing number of UK sites was seen by many of those consulted as having a devaluing effect on perceptions towards the 'World Heritage brand' and, indeed, there was surprise amongst some of those we consulted when they interrogated the list at some of the sites included. By ceasing nominations, the current value of the 'World Heritage brand' in the UK would be sustained and slowing nominations would slow the reduction in that brand value.

Local/regional

- 309 **Increasing levels of community activity linked to WHS status-** The community benefits accruing from WHS status may be significant but there is limited activity at present. Some of the case studies suggest that they would like to increase the volume of events and community activities they support. Increasing community engagement and activity would maximise benefits particularly in terms of civic pride and social capital while ensuring a higher level of awareness amongst partners of what WHS status represents.
- 310 **Ensuring comprehensive research/education and interpretation strategies within management plans-** As part of the management plan sites are encouraged to establish a research strategy to support research to improve understanding and interpretation. This activity appears to be patchy across these sites and whilst some have also gone on to include interpretation, learning and educational strategies and linked these to specific outcomes and objectives, others have just provided simple plans. If more comprehensive approaches were taken in this area, it would ensure that the learning and education benefits associated with these sites were maximised and put World Heritage more at the centre of this activity.
- 311 **Greater clarity on when to use World Heritage Status and the logo and greater use of it in destination marketing-** Allowing the logo to be used in commercial ventures would be beneficial. This is currently rejected by UNESCO guidance. Regardless, it is our understanding that in some locations this is happening. If this was formally allowed it could potentially stimulate greater private sector investment in this area. Sites should also encourage local, regional and national tourism representatives to use WHS status in their promotional and marketing activities but from our consultations specific activity based around WHS status was seen to be of limited value. In order to gain advantage WHS status will need to be used effectively, in tandem with a range of different factors that combine to create the local/regional destination brand. The final decision should be with those tourism marketing groups who have the best understanding of what will add value. Including what will support the increase of visitors and which areas

the public sector should not be intervening in.

5. How is this situation likely to change in the future and what else needs to be considered?

312 Since the last Tentative List was drawn up in 1999 there have been several important developments:

- Increasing competition at all levels is pushing up nomination costs, as the increasing number and nature of sites which are being accepted onto the List makes it seem more achievable for other sites coming forward. This could increase competition still further in the future leading to higher bidding costs and the increasing number of sites is understood from consultees to have an overall devaluing effect on perceptions towards WHS status and its related potential benefits.
- An increasing local and regional focus on culture and heritage as a tool for regeneration has created an atmosphere where WHS status is more likely to be supported for economic and social reasons that are not directly linked to its primary conservation objective. This hypothesis is also supported by the types of site currently coming forward and by the increasing involvement of RDAs in the nomination process. There is also a growing risk that WHS status will in the future be used increasingly for attaining those economic and social goals which may be only loosely linked to conservation benefits. This will affect the motivations and the achievement of benefits.
- An ongoing increasing emphasis on the scale and breadth of consultation in heritage, conservation and planning activities is leading to increasing costs for the public sector in the creation of the management plan and the nomination document and also for the private sector in the time taken to make planning decisions. This was widely regarded as a positive thing by those consulted in the public sector. Concerns were, however, raised by those we consulted in the private sector regarding the value of some of this consultation, the roles and responsibilities of those with whom they had to consult in the World Heritage area and the subsequent impact of this on development and economic improvement in these sites and their immediate localities.
- The nature of the sites which are being accepted onto the List was seen as being very important and some consultees had reservations that certain sites which were coming forward were unlikely to be accepted onto the list by UNESCO, leading to wasted time and effort. This is an evolving issue but relates to an earlier point about the availability of more objective guidance in this area to support bidding decisions.
- The requirements requested by UNESCO continue to develop and change and potentially increase. New sites will need to be made explicitly aware of any new development as they arise and factor these, as far as possible into their decisions. There is a possibility that if the requirements increase significantly this could be expected to impact on the relative interest of sites in keeping their WHS status. This may be most likely amongst older sites which were less accountable at the time of their inscription.

313 The impact of other designation and listing schemes on the process is likely to be complex. In general, whilst some consultees felt that an overarching national designation would provide a useful filtering process for potential new sites, most felt that this would add additional complexity to an already overly complex listing system. Some even felt that such a process could already be established from the interpretation of current listings. The impact of new listing labels was thought likely to have only a limited effect with the 'World' status ensuring that it will continue to attract nominations over and above other labels even though some heritage labels may provide better statutory protection for the site. However, one example was provided to us where a natural site had given up on WHS status to pursue an alternative listing which it felt would add more benefit at a lower cost. This might suggest that the increasing availability of information is already beginning to support changes in decision making.

Summary guidance to aspiring sites

314 Below we have provided some summary guidance for aspiring sites to consider at the outset of bidding.

Figure 32: Summary guidance

1. Why do we want to become a World Heritage site?

- Aspiring sites should consider what it is that they hope to gain from WHS status and in particular whether these aspirations link clearly with the World Heritage Convention. If these objectives relate to conservation, education, understanding or social objectives then they may represent a good fit. If these objectives relate to regeneration, economic or tourism objectives then these are not strongly related to World Heritage and indeed there may be more attractive ways of achieving these benefits.

2. Is it achievable?

- Early discussions with DCMS and/or relevant heritage agencies as well as reference to World Heritage Committee, ICOMOS and IUCN should give sites a good understanding of the likelihood of success, particularly in relation to the Outstanding Universal Value criteria and the extent to which sites might fill gaps on the World Heritage List. The aesthetic quality of the nomination document is not a consideration.

3. What will it cost for us to bid?

- **The time commitments-** Following the current UK nomination system bids will first need to gain a place on the UK Tentative list and then reach the UNESCO committee for approval. Currently the average length of time taken for a bid to be approved is around 5 years.
- **The complexity of the site and the nomination document-** Our research suggests that the larger and more complex the ownership of the site the larger the partnership that would be required to develop the bid. The average number of partners involved is 13 but for large sites or sites with multiple ownership or jurisdiction the number of partners involved can be as many as 70. The participation in the bid can be expected to cost on average £200k in staff time during the bid process. Smaller sites with just one or a few owners are likely to incur less cost in the bidding process. There may be further cost if additional conservation, tourism or other studies are required and these can be for between £20- £80k per study.
- **The management plan-** New nominations are required to develop a management plan for the site. This will provide a more comprehensive assessment of the site for conservation and management purposes which is a significant benefit in itself regardless of the outcome of bidding, however it can be expected to cost between £200-£250k in staff time and resources.
- **The overall cost-** From our research the overall cost of producing a bid which reaches the UNESCO committee for approval is estimated at between £420 and £570k.
- **Who pays?-** There is no central government funding available from DCMS and whilst English Heritage, Historic Scotland, Cadw, the Heritage Lottery Fund, Defra, Natural England and others have historically provided some support to specific sites depending on circumstance locally driven bids should anticipate having to find funding from local or regional sources. These sources are usually the Local Authority or in more recent cases the Regional Development Agency. In Scotland and Wales a greater role is usually taken by Historic Scotland or Cadw where bids are genuine.

4. What will it cost for us to manage the site?

- **The ownership and complexity of the site and the governance structure adopted-** Larger more complex sites which are in multiple ownership can be expected to require more resources to manage and will therefore be more expensive. Through our research we have identified four different governance structures which each have a different corresponding management cost. The largest group of current UK World Heritage Sites fall within the 'co-ordinator' or the 'no co-ordinator' governance models and these sites cost between £100- £215k per annum to manage. For smaller, largely self contained sites with special ownership arrangements, for example where the owner(s) are the Church or the Crown, the sites are likely to be relatively well managed already and in these instances the management costs are likely to be between £13- £26k per annum. For large sites with very complex ownership like Edinburgh Old and New Towns or the Dorset and East Devon coast management is a much bigger task and a large staff is likely to be necessary for it to be undertaken effectively. In these locations, the annual management costs can be as much as £190- £615k.
- **The fame of the site-** If the site is already well known then it may already be attracting a significant number of tourists and there may be an opportunity to fund the management costs in part or in whole from the visitor incomes it generates. This may often require a complimentary investment up front to for example develop a visitor centre or improve access and parking to encourage more visitors. Our research shows that the impact WHS status makes on visitor motivations is usually very marginal and there is little evidence that becoming a WHS automatically generates additional visitors. Aspiring sites should be wary of this.
- **The nature of the heritage asset and its relevance to wider stakeholders-** The extent of local cost is predominantly determined by the ability of the site to leverage funding from other sources to support the management of the site. Partnership activity plays an important role in securing any additional funding.
- **Who pays?-** As with bidding costs, management costs are predominantly borne by Local Authorities in England with some input from the other organisations previously listed. In Scotland and Wales investment from HS and Cadw is often more significant.

5. What benefits would we get from bidding?

- Even if bids are not successful in gaining World Heritage Status the journey itself can be expected to provide some benefits, primarily in terms of partnership, conservation through the management plan and potentially through additional funding. The bidding process requires partnership, which in turn can provide access to a more diverse range of potential funding providers. Furthermore the creation of a management plan, often for the first time provides a comprehensive overview of how the site should be managed. Importantly the achievement of these benefits will depend on the current activities. If sites already have strong local, public and private partnerships then the bidding process may not significantly affect these or generate additional funding opportunities and if the site is in single or special ownership then a comprehensive plan for its management and conservation may already be in place.

6. What benefits would we get from the WHS designation?

- **Partnership-** 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. This will naturally depend on the extent of the partnership activity before the site gained WHS status. If strong partnerships existed before WHS status then one can expect limited benefits.
- **Additional funding-** 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, heritage and community based funding sources and, subject to a variety of other considerations, these sources appear to often invest additional public funds in the site. Again this will depend on the extent of current investment but this is one of the more significant areas of benefit from WHS status but only at a local or regional level.
- **Conservation-** The additional funding generated by WHS status can improve conservation levels in those sites which are not already well designated by existing listing arrangements but where locations are already heavily protected more limited value can expect to be gained. Currently WHS status has no statutory effect on the planning system and whilst the increased publicity sometimes 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 overall. Follow up to the Heritage Protection Review should strengthen the position of World Heritage Sites within the planning system in the future.
- **Tourism-** WHS status is suggested to provide a promotional advantage and a 'branding effect' which can encourage additional visitors. However, the evidence indicates that this is likely to have a very marginal effect (c.0-3%) and this will be stronger for less 'famous' sites. Furthermore if sites do not have adequate infrastructure already, are not marketed effectively and are not currently well linked with the common UK tourism routes then they are unlikely to gain many additional visitors. On its own it is unreasonable to expect WHS status to generate additional visitors.
- **Regeneration-** 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 and even in this location there were other factors were involved in this change and a significant level of public investment.
- **Civic Pride-** There is strong evidence that WHS status provides a mechanism for building local confidence and civic pride and this appears to be a significant area of benefit. However this will depend on the diversity of the local population and the nature of the asset itself and what it represents to that population. For example the Castles of Edward I in Wales are a World Heritage Site but they are viewed by some locals as a symbol of English oppression.
- **Social Capital-** WHS status is also recognised as a mechanism for increased social unity and cohesion through increasing opportunities for interaction and engagement within the local community and again these benefits can be significant. However these benefits may be more significant within the ethnic and religious majority of the area rather than for minority groups.
- **Education and learning-** WHS status is considered to be a tool for learning engagement and there appears to be a degree of learning and cognitive growth taking place in the sites which have WHS status. However, most UK sites were important educational assets long before they gained WHS status and the extent of the benefit in this area will depend on the extent to which the site can integrate the WHS status into learning activities and reach a wide variety of groups.

A. List of consultees

315 This annex lists the names, positions and organisations with whom we have undertaken consultations as part of our work. We have split these into strategic consultations and Case study consultations although in many instances, those consulted were able to provide insight into both areas of work.

Strategic consultations

316 Those consulted through the strategic consultation programme are listed below.

- Sue Davies, UK National Commission for UNESCO,
- Mandy Barrie, Department of Culture Media and Sport,
- Peter Marsden, Department of Culture Media and Sport,
- Gillian Clarke, Local Authority World Heritage Forum,
- Susan Williamson, Historic Scotland,
- Sian Rees, Cadw;
- Christopher Young, English Heritage,
- Sue Cole, English Heritage,
- Susan Denyer, ICOMOS UK,
- Adrian Philips, IUCN
- Chris Foy, Visit Britain,
- Stephen Dowd, UK Inbound,
- Kurt Jansen, The UK Tourism Alliance,
- Deborah Aplin, Crest Nicholson,
- David Thackery, National Trust,
- Nigel Adams, Wales Tourist Board,
- Guy Hills, MOD,
- Ruth Blair, DOENI,
- Judy Cligman, Heritage Lottery Fund,
- Ged Lawrenson, Planning Officers Society,
- Craig Lee, DEFRA,
- Audrey Miller, FCO,
- Tony Weighell, JNCC,
- Andrew Foxon, Manx National Heritage.

Case study consultations

317 Those consulted at each case study site are listed below.

318 The Castles and Town Walls of King Edward of Gwynedd:

- Trefor Thorpe, Senior conservation Architect, Cadw
- Michael Yates, Inspector of Ancient Monuments, Cadw
- John Stephens, Project Liaison Manager, Cadw
- Stacey Birket, Senior Custodian at Caernarfon Castle
- Bethan James, Humanities Adviser, Gwynedd Local Education Authority
- Bob Anderson, Town Councillor and director of Cyffro Caernarfon (Caernarfon Company)
- Jayne Rowlands, Head of Presentation, Cadw

319 Dorset and East Devon Coast:

- Sam Rose, WH Project Co-ordinator - Dorset County Council;
- Simon Williams, Planning, Economy and Development Manager - Weymouth and Portland Borough Council;
- James Weld, Weld Estate;
- Marcus Dixon, Lyme Regis Development Trust;
- Anjana Khatwa, WH Education officer - Dorset County Council; and
- Richard Eley, Estate agent and Member of the Seaton Regeneration Project.

320 Studley Royal Park and Fountains Abbey Ruins:

- Chris Fowler, Fountains Abbey Property Manager - National Trust
- Kath Knight, Volunteers and World Heritage Site Co-ordinator
- Keith Emerick, Inspector of Ancient Monuments - English Heritage
- Paul Burgess, Nidderdale AONB Officer, Harrogate Council
- Maurice Taylor, Civic society and volunteer at Fountains Abbey
- Tessa Goldsmith, Learning and interpretation officer - National Trust
- Janice Sutton, Commercial Manager - Eric Wright Group of companies

321 Blaenavon Industrial Landscape:

- John Rodger, Blaenavon WH Officer;
- Peter Walker, Manager Big Pit;
- Nigel Adams, Head of Policy, Visit Wales;
- Robert Gulliford, Chairman of Blaenavon Community Heritage Museum;
- Janet Jones, ATI/Davis & Sons Estate Agents;
- David O'Brien, Manager, P&P Builders and developers;
- Gareth Phillips, Landscape Officer, Torfaen County Borough Council;
- Frances Baines, Chairmen, Govilon Heritage (community group);
- Cath Thomas, Blaenavon Project Manager, Torfaen County Borough Council;
- Judith Alfrey, Cadw;
- Emyr Morgan, Blaenavon Education Officer, Torfaen County Borough Council; and

- Nigel Hockey, Team Leader, Housing Strategy and Grants, Torfaen County Borough Council.

322 The New and Old Towns of Edinburgh:

- Jane Jackson, WHS STATUS Co-ordinator/Deputy Director, Edinburgh World Heritage Trust;
- David Hicks, Communications Manager, Edinburgh World Heritage Trust;
- Sandra Marwick, Learning and Access Manager, City of Edinburgh Museums and Galleries;
- Cerin Richardson, Principal Officer, Arts and Learning, City of Edinburgh Council;
- Linda Galt, Product Marketing Manager, VisitScotland Edinburgh and Lothians;
- Pam Turnball, Senior Economic Development Officer, City of Edinburgh Council;
- Andrew Martindale, Team Leader for South East Scotland, Historic Scotland;
- Steven Robb, Responsible for Edinburgh Casework, Historic Scotland;
- David Anderson, Director of Operations, Scottish Enterprise Edinburgh and Lothians;
- Susan Watson, Head of Tourism, Scottish Enterprise Edinburgh and Lothians;
- Kenneth Wardrop, Interim Head of Economic Development, City of Edinburgh Council;
- Will Garrett, Policy Group Leader, Planning and Strategy, City of Edinburgh Council;
- Rosemary Mann, Old Town Residents Association; and
- GVA Grimley.

323 The Tower of London:

- Jamie Talmage, Business Analyst, Visit London;
- Jim Malarkie, Visitor and Customer Service Manager, The Tower of London;
- Adrian Penfold, Head of Planning, British Land;
- Linda Houston, Former Chief Executive, Pool of London Partnership;
- Mark Hutton, Team Leader for Development, Design and Conservation, Tower Hamlets;
- Alex Drago, Education Manager, Tower of London;
- David March, Planning and Transportation, City of London;
- Rachel Smith, Tower of London
- Simon Bevan, Planning and Transport Policy manager, London Borough of Southwark

B. Research Tools

324 This annex outlines the research tools we have used whilst undertaking this assessment, including the postal survey of residents and the costing pro-forma sent out to all sites.

Example Residents Postal survey



BLFN06

This short questionnaire has been distributed as part of a UK wide review of World Heritage Site policy to provide information about the effect of World Heritage Site Status on local residents. The questionnaire should take no longer than five minutes to complete and all answers will be kept in strict confidence. We would be very grateful if you could return the questionnaire in the envelope provided by the **31st July 2007**.

1. Were you aware that you live in the proximity of a World Heritage Site? (Please select one.)	Yes	1	No	2										
2. Have you visited the site? (Please select one.)	Yes	1	No	2										
3. Do you know when it became a World Heritage Site? (Please state year)	(Year)													
4. In what year did you move to your current address? (If unsure please estimate)	(Year)													
5. How satisfied are you with your local area as a place to live? (Please select one.)	<table border="1"> <tr> <td>Very satisfied</td> <td>1</td> </tr> <tr> <td>Fairly satisfied</td> <td>2</td> </tr> <tr> <td>Neither satisfied nor dissatisfied</td> <td>3</td> </tr> <tr> <td>Slightly dissatisfied</td> <td>4</td> </tr> <tr> <td>Very dissatisfied</td> <td>5</td> </tr> </table>				Very satisfied	1	Fairly satisfied	2	Neither satisfied nor dissatisfied	3	Slightly dissatisfied	4	Very dissatisfied	5
Very satisfied	1													
Fairly satisfied	2													
Neither satisfied nor dissatisfied	3													
Slightly dissatisfied	4													
Very dissatisfied	5													

6. Please indicate to what extent you agree/disagree with the following statements. (Please select one from each row.)	Strongly Agree	Agree	Disagree	Strongly disagree	D/K
a) I believe that if the site was not a World Heritage site then there would be fewer tourists.	4	3	2	1	X
b) The tourists who come to the site create a lot of congestion for me.	4	3	2	1	X
c) I have noticed that the tourists who come here damage the site.	4	3	2	1	X
d) I believe that the costs of tourism in the local area outweigh the benefits.	4	3	2	1	X
e) I believe that there has been more investment locally because the site has World Heritage Status.	4	3	2	1	X
f) The World Heritage Status of the site was an insignificant factor in my decision to move into this area.	4	3	2	1	X
g) The World Heritage Status of the site is an important factor in my decision to live in this area	4	3	2	1	X
h) Making changes to the outside of my property has become more difficult since the site has gained World Heritage Status.	4	3	2	1	X
i) I have found that getting planning permission has become more difficult since the site has gained World Heritage Status.	4	3	2	1	X
j) I would prefer to conserve/or preserve the local and built environment even if that means having fewer services and amenities in the local area.	4	3	2	1	X
k) I don't believe that there is currently a good balance between conservation of the site and having tourists or new developments in the area.	4	3	2	1	X
l) I believe that the World Heritage Status of the site makes no contribution to its conservation	4	3	2	1	X
m) I am more interested in learning about the site because it has World Heritage Status.	4	3	2	1	X
n) I have learnt new things because of the World Heritage Site.	4	3	2	1	X
o) As a result of the site becoming a World Heritage Site I've become more involved in my local community than I would have otherwise	4	3	2	1	X
p) I believe that the World Heritage Site Status provides an important common bond within the local community.	4	3	2	1	X

	Strongly Agree	Agree	Disagree	Strongly disagree	D/K
q) Living in the proximity of a World Heritage Site has provided more opportunities for me to meet other local people.	4	3	2	1	X
r) The World Heritage Status of the site makes me proud of my local area.	4	3	2	1	X

7. How old are you? (Please state in years) (Years)

8. What is your gender? (Please select one.)

Male	1	Female	2
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9. Do you have a long standing illness, disability or infirmity (anything that has troubled you over a long period of time which limits your activities in any way)? (Please select one.)

Yes	1
No	2

10. What is your ethnic group? (Please select one.)

White	1
Mixed	2
Asian or Asian British	3
Black or Black British	4
Chinese	5
Other	6

11. What is your religion? (Please select one.)

None	1
Christian (including Church of England, Catholic, Protestant and all other Christian denominations)	2
Buddhist	3
Hindu	4
Jewish	5
Muslim	6
Sikh	7
Any other religion	8
D/K	9

12. In which of these ways do you occupy this accommodation? (Please select one.)

Own it outright	1
Own it with the help of a mortgage or loan	2
Pay part rent and part mortgage (shared ownership)	3
Rent it	4
Lives rent free	5
Squatting	6

13. If you are renting, who is your landlord? (Please select one.)

Local authority/council/new town development	1
A housing association or charitable trust	2
Employer (organisation) of a household member	3
Another organisation	4
Relative/friend (before you lived here) of a household member	5
Another individual private landlord	6

14. What is your employment status? (Please select one.)

Economically inactive- Looking after home/family; retired; student	1
Permanently sick/disabled	2
Employed full time	3
Employed part time	4

15. If you are employed do you work in the hotel, restaurant, retail or the transport sectors? (Please select one.)

Yes	1
No	2

16. What is your full UK postcode?

17. Any other comments?

Thank you for your time.

Example site costing Pro-forma

UK World Heritage Site Costing Pro-forma

1 Name of site							
2 Was the site with a European funding priority area during bidding? (Please select from drop-down menu)							
3 Please describe the ownership of the site and name its owners?							
4 Has the ownership of the site changed significantly since its inscription? (Please select from the drop-down menu)							
5 If different to owners, who is currently involved in management of the site?							

BIDDING (e.g. preparation of nomination bid, management plan, etc.):

6 What do you think were the primary motivation for bidding for WHS Status? (Please state)							
7 What do you think was the secondary motivation for bidding for WHS Status? (Please state)							
8 What do you think was the tertiary motivation for bidding for WHS Status? (Please state)							
9 Who was involved during the bidding process?							

	Organisation 1	Organisation 2	Organisation 3	Organisation 4	Organisation 5	Other organisations involved	Other costs
10 Who provided funding or significant staff resources for the bidding process? (Please name each organisation in a separate column)							
11 How much did each of these groups provide, over what time period was this provided and what was this for? (Please state in each column, e.g. £40k in 2001-2002 for environmental survey)							
12 How many staff worked on the bid in addition to any paid for out of funds stated in question 11 (Please state in each column, and where possible what roles they had)							
13 How many of these staff would be working on the bidding process full time? (Please state in each column)							
14 On average what sort of salary band do you think these staff might be on (per annum excluding costs)? (Please select one for each column)							
15 How many of these staff would be working on the bidding process part time? (Please state in each column)							
16 On average how many hours did the part time staff work? (Please select one for each column)							
17 On average what sort of salary band do you think these staff might be on (per annum excluding costs)? (Please select one for each column)							
18 Are there any other factors that influenced the cost of bidding?							

MANAGEMENT (Day to day management and maintenance of sites):

	Organisation 1	Organisation 2	Organisation 3	Organisation 4	Organisation 5	Other organisations involved	Other costs
19 Who currently provides funding or significant staff resources for the management of the site? (Please name each organisation in a separate column)							
20 How much did each of these groups provide, over what time period was this provided and what was this for? (Please state in each column, e.g. £10k per annum for conservation work)							
21 How many staff work on the management of the site in addition to any paid for out of funds stated in question 20 (Please state in each column)							
22 How many of these staff would be working on the management of the site full time? (Please state in each column)							
23 On average what sort of salary band do you think these staff might be on (per annum excluding on costs)? (Please select one for each column)							
24 How many of these staff would be working on the management of the site part time? (Please state in each column)							
25 On average how many hours did part time staff work on the bidding process? (Please state in each column)							
26 On average what sort of salary band do you think these staff might be on (per annum excluding on costs)? (Please select one for each column)							
27 How many people would be working on the management of the site on an ad hoc basis (e.g. a few hours a month attending meetings, etc.)? (Please state in each column)							
World Heritage Status:							
28 If the site did not have WHS Status, to what extent would the above specified funding be provided anyway? (Please select one for each column)							
29 If the site did not have WHS Status, to what extent would the above described additional staff be involved in its management anyway? (Please select one for each column)							
30 Are there any other costs associated with managing a WHS, which we should be aware of?							

Related costs (e.g. Visitor centres, access):

31 Are there any other additional projects or investments which have or are being made at the site which are related to its WHS status? (Please select one)							
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	Organisation 1	Organisation 2	Organisation 3	Organisation 4	Organisation 5	Other organisations involved	Other costs
32 Who is/has funded these additional projects? (Please name each organisation in a separate column)							
33 How much did each of these groups provide and what was this for - please state over what time period the funding was? (Please state in each column)							
34 Any other comments?							

This report has been prepared for and only for the Department for Culture Media and Sport in accordance with the terms of our engagement letter for the cost benefit analysis of UK World Heritage Site status and for no other purpose. We do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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