



department for
**culture, media
and sport**

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

Executive Summary

PricewaterhouseCoopers LLP

December 2007

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

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

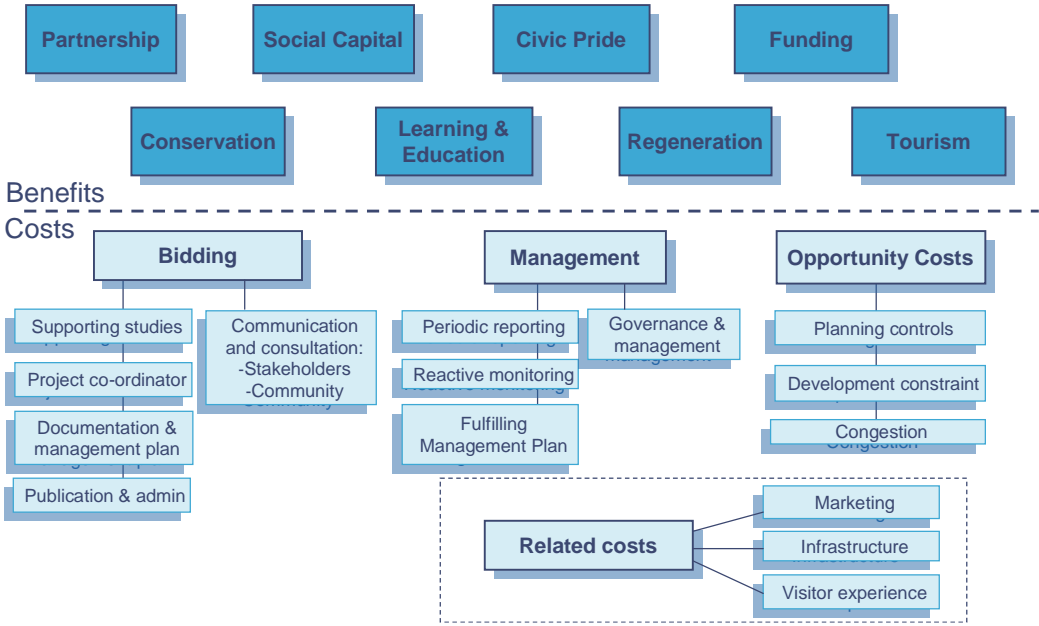
¹ PwC, 2007, ‘The Costs and Benefits of UK World Heritage Site Status, A literature review for the Department for Culture, Media and Sport’

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?
<ul style="list-style-type: none"> 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?
<ul style="list-style-type: none"> 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?
<ul style="list-style-type: none"> 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.

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.

© 2008 PricewaterhouseCoopers LLP. All rights reserved. 'PricewaterhouseCoopers' refers to PricewaterhouseCoopers LLP (a limited liability partnership in the United Kingdom) or, as the context requires, the PricewaterhouseCoopers global network or other member firms of the network, each of which is a separate and independent legal entity.