



Economic impact of HLF funded projects - an update

Final Report to Heritage Lottery Fund

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Heritage Lottery Fund

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Executive Summary

Research funded by the Heritage Lottery Fund between 2006 and 2009 demonstrated that HLF investments have had substantial benefits for local and regional economies. HLF investments have been shown to have temporary impacts on local economies by funding employment and expenditures directly, and on-going impacts by helping sites to expand their operations, employ more people and attract larger numbers of visitors.

This report examines whether the estimated on-going impacts have been sustained in recent years, by assessing whether the funded sites have been able to maintain their operations, employment and visitor numbers since the HLF funded investment was made, and particularly at a time of economic downturn.

Information was gathered from an online survey of 49 HLF funded sites, which received 42 responses, followed by telephone interviews with selected site managers. The data collected were used to model the on-going impacts of these sites on local and regional economies, and to assess changes since the completion of the HLF funded investment. In each case economic impacts were compared with those during the first year after the newly developed attraction was opened.

The survey found that, in total in 2011/12, the 42 sites:

- Provided employment amounting to 690 Full Time Equivalent (FTE) jobs. An overall increase in staffing of 5% was recorded since the completion of the HLF funded investments, with more sites increasing than decreasing staffing levels;
- Spent a total of £15.9 million in 2011/12 on purchases of goods and services, supporting a further 53 FTE jobs in local economies, a slight reduction compared to the year after the investment was completed;
- Attracted 3.6 million visitors in 2011/12, an increase of 12% since the year after completion of the investment. The expenditures of these visitors are estimated to support a total of 383 FTE jobs in local economies;
- Supported almost 1,300 FTE jobs and £32 million of Gross Value Added in aggregate in their respective local economies, through direct employment, site and visitor expenditures and associated multiplier effects. These estimates are respectively 4% and 2% higher than those following completion of the HLF funded investments.

The results show that, while some sites have experienced difficulties in maintaining their operations and visitor numbers, the overall economic impact of the funded attractions has increased since the HLF funded investments were made. The survey found that:

- These heritage attractions have tended to be relatively resilient to the economic downturn; and
- The HLF funded investments were seen by many respondents to provide a platform for further growth and development.

The economic impact estimates made in this study were found to be broadly consistent with those of the previous analysis, lending overall support to the methodology and its findings.

Respondents were also asked about trends in income and expenditure since completion of the HLF funded investment. The findings of these questions are provisional – since they are not based on detailed financial analysis - but may give HLF greater cause for concern. The data provided suggest that operating expenditures exceeded incomes in 2011/12 for the majority of sites, and that most sites reported difficult financial conditions. Most sites reported pressures caused by cuts to public sector funding, while increasing costs of supplier goods and services and reduced visitor numbers and on-site expenditures were cited by many. It appears that difficult economic conditions have caused declines at a significant minority of sites, while causing others to face financial challenges in managing growth.

1 Introduction

1.1 The study

ICF GHK was commissioned by the Heritage Lottery Fund (HLF) to provide an updated assessment of the economic impacts of HLF funded projects.

The study updated previous economic impact assessments undertaken by GHK for HLF between 2006 and 2009, as well as work undertaken by Ecotec between 2006 and 2008, by collecting and analysing up to date information from projects about visitor numbers, visitor survey information, site employment and expenditures.

The key objective of the study was to inform HLF about the ongoing economic impacts of the sites which it has funded, and to test whether the previously recorded impacts have been affected by the recession or other changes that have taken place since the investments took place.

1.2 Study methodology

The work involved the following tasks:

- **A survey of HLF funded attractions** – The main task involved designing and undertaking a short online survey of attractions that had previously received HLF funding to gather data to assess their economic impacts. The survey was sent to 49 attractions and received a total of 42 responses (a response rate of 86%). The survey included questions on:
 - ongoing staffing and wages;
 - site expenditures on purchased goods and services;
 - visitor numbers;
 - whether there has been a visitor survey (with a request for details to be emailed separately);
 - any changes in staffing, purchases or visitor numbers that have taken place since the completion of the HLF funded project; and
 - the reasons for any significant changes in staffing, purchases or visitor numbers.
- **Follow up case study interviews** – The online survey was complemented with five qualitative telephone interviews. The sample for the telephone interviews was selected to focus on projects where there has been a significant change, either positive or negative, in the effects recorded. The interviews collected qualitative evidence of these changes and explored the reasons for them. The findings of the interviews are presented as short case studies in this report.
- **Modelling of economic impacts** – ICF GHK previously developed a model of the economic impact of HLF funded attractions. This model has been updated for this study using data from the online survey and drawing on previous estimates produced by GHK and Ecotec. The various metrics and multipliers in the model were revised to take account of latest available data. The model provides data on site employment, site expenditures and visitor expenditures and uses appropriate multipliers to assess impacts on employment and GVA.

1.3 This report

The remainder of this report is structured as follows:

- Chapter 2 presents estimates of the current economic impact of the HLF funded attractions and explores the reasons for changes over time;
- Chapter 3 examines changes in the income of HLF funded attractions and considers implications for their financial sustainability; and

- Chapter 4 presents overall conclusions and comparisons to the findings of previous assessments.

There are also two annexes:

- Annex 1 presents the economic impact methodology and assumptions; and
- Annex 2 includes the survey instrument used to collect information about the ongoing impacts of the 49 projects.

2 Economic impacts of the HLF-funded projects

This section provides an overall summary of the current economic impacts associated with a sample of 42 attractions that have received funding from the Heritage Lottery Fund (HLF). The assessment is based on information collected from a number of sources, including:

- Data submitted by site managers via an online survey;
- Additional data collected from financial accounts and visitor surveys provided by site managers;
- More qualitative information collected through telephone interviews with a small sample of sites that had reported particularly large changes in their staffing, expenditures, incomes and/or numbers of visits;
- Additional data from previous assessments of the impacts of HLF-funded projects, undertaken by ICF GHK and Ecotec;
- Published economic data; and
- Local tourism and visitor studies.

2.1 Overview

The HLF-funded attractions and their associated expenditures generate on-going impacts for local economies in a number of different ways. These effects arise from:

- Direct employment in the operation of the sites;
- Expenditures by sites on purchased goods and services, which support employment and revenues among local and regional businesses;
- Expenditures by visitors, which provide further benefits for local businesses; and
- Multiplier effects associated with the above.

The overall impacts are measured in terms of employment (FTE) and gross value added (GVA)¹. The analysis defines the 'local economy' as that within 10 miles of the attraction, while the 'regional economy' is defined as that within 50 miles.

2.2 Impacts of site operations

The operation of HLF-funded attractions generates economic impacts in terms of:

- Employment and wages of staff working at the attractions; and
- Goods and services purchased by the attractions, which support employment, wages and profits in supplier businesses.

There are also indirect and induced effects resulting from the expenditures of suppliers and employees, which support additional employment and GVA in the local economy. These effects have been assessed and the findings are presented below.

2.2.1 Direct employment

Table 2.1 shows the estimated impact of the 42 HLF funded attractions in terms of providing employment and wages to staff. The impacts are expressed in terms of the number of FTE jobs and GVA (equivalent to the total wages paid to staff) at each of the 42 sites in 2011/12.

¹ GVA is a measure of the overall effect of the site on the value of goods and services produced in the economy, and is effectively the sum of wages, profits, interest and rent. GVA measures the contribution to the economy of individual producers, industries or sectors, and is equivalent to their gross output less their purchased inputs. Because GVA is net of purchased inputs, it can be aggregated across all firms and, unlike turnover or gross output, provides a measure of the overall output in the economy that is not affected by double counting.

In total, the 42 sites provided employment of 690 FTE jobs and paid £14 million in wages in 2011/12, at an average of £20,000 per FTE.

There were considerable differences in the scale of ongoing employment between the sites. The National Coal Mining Museum provides ongoing employment for 64 FTE staff, which is larger than all other attractions, although wages are largest at the Big Pit, totalling £1.8 million in 2011/12. In contrast, there are several sites where there is very little or zero employment that can be attributed to the ongoing operation of the site including Hereford Waterworks Museum, the Herts & Middlesex Wildlife Trust, Home Farm Marsh and Marlipins Museum.

The attractions were also asked how on-site employment had changed since the HLF funded project had completed. The results presented in Table 2.2 suggest that there were similar numbers of attractions that had experienced an increase (36%), a decrease (31%), and no change (29%) in on-site employment². Across the 40 sites for which data were available, employment had increased by 4.6% (30 FTE jobs), while wages increased more modestly by 1.6% (£224,000), indicating a slight decline in the average wage per employee over the period. On average, this sample of projects each experienced an increase in employment of 0.7 FTE jobs and an increase in wages of £5,300 per annum.

Croome Park reported the largest increase in employment, with the number of jobs increasing by 500% (19 FTE jobs) since the end of the HLF funded project as a result of the significant expansion of the site and increase in visitor numbers. The Jackfield Tile Museum also experienced strong growth of 64% (20 FTE jobs) since the completion of the HLF funded project (Box 1). Common reasons for employment growth included: site improvements, provision of new services and facilities, increased workloads, and increased visitor numbers.

In contrast, the Hackney Empire experienced the loss of 20 FTE jobs (a 32% decline) since the completion of the HLF funded project after outsourcing catering operations in order to deliver efficiency and rationalisation gains. However, this change in recorded core staffing is likely to be offset to some extent by growth in outsourced jobs. The Russell Cotes and Marlipins Museum attractions also experienced significant decreases in employment as a result of falling revenues, funding and visitor numbers, and increasing costs (particularly utility costs). More broadly, funding cuts were by far the most common reason for decreases in employment across the sample.

² Data showing the change in employment since the HLF-funded project were not available for Wicken Fen or Hardwick Hall.

Table 2.1 Direct employment impacts of HLF sites, 2013

	Employment (FTE)	GVA (wages and salaries, £k)
Croome Landscape Restoration	22.8	517
Jackfield Tile Museum	52.0	18
Big Pit	52.0	1,800
Montgomeryshire Wildlife Trust	2.5	43
Broughton House Museum	4.5	103
Strathpeffer Pavilion	11.3	91
Towneley Hall	12.0	250
National Coal Mining Museum	64.0	1,717
Hereford Waterworks Museum	0.0	0
Hastings Museum	8.3	343
Turkish Baths	25.3	570
Herts & Middlesex Wildlife Trust	0.0	0
Old Belmont School	1.5	17
Gladstone Pottery Museum	17.5	238
Marlipins Museum	0.5	4
Buxton Opera House	53.8	810
St George's Market	11.8	170
Egypt Centre	6.5	100
Submarine Museum	29.0	500
Brading Roman Villa	10.5	167
Hull Museums Quarter	13.0	271
Lincoln Arboretum	2.0	52
Clifton Park Museum	22.5	462
Blean Project	5.5	106
South Shields Museum	7.0	140
Anderton Boat Lift	15.0	260
Mount Wise	1.8	38
Discovery Museum	25.0	693
Durham Oriental Museum	14.0	211
Vivary Park	2.0	45
Bury Museums & Archives	8.5	261
Hackney Empire	42.3	841
De La Warr Pavilion	40.0	1,013
Kittochside	14.8	384
Russell-Cotes	15.5	579
Time & Tide Museum	8.0	106
Home Farm Marsh	0.0	0
Wiltshire Wildlife Trust	2.5	57
Rye Meads	2.0	108
Cromer Museum	3.0	78
Wicken Fen	2.0	26
Hardwick Hall	58.0	730
Total	689.8	13,919

Table 2.2 **Change in direct employment impacts**

	Change in Employment (FTE)	Change in GVA (wages and salaries, £k)
Croome Landscape Restoration	19.0	431
Jackfield Tile Museum	20.3	7
Big Pit	9.6	332
Montgomeryshire Wildlife Trust	0.3	5
Broughton House Museum	-1.3	-29
Strathpeffer Pavilion	1.0	8
Towneley Hall	-1.0	-20
National Coal Mining Museum	-6.1	-164
Hereford Waterworks Museum	0.0	0
Hastings Museum	-0.6	-26
Turkish Baths	5.1	114
Herts & Middlesex Wildlife Trust	0.0	0
Old Belmont School	0.3	4
Gladstone Pottery Museum	-0.7	-10
Marlipins Museum	-0.8	-6
Buxton Opera House	9.0	135
St George's Market	0.0	0
Egypt Centre	0.7	11
Submarine Museum	0.0	0
Brading Roman Villa	1.8	28
Hull Museums Quarter	-2.8	-58
Lincoln Arboretum	0.0	0
Clifton Park Museum	2.5	51
Blean Project	1.8	35
South Shields Museum	-2.0	-40
Anderton Boat Lift	0.0	0
Mount Wise	-0.4	-9
Discovery Museum	0.0	0
Durham Oriental Museum	2.5	38
Vivary Park	0.0	0
Bury Museums & Archives	-0.8	-24
Hackney Empire	-19.9	-396
De La Warr Pavilion	3.6	92
Kittochside	0.0	0
Russell-Cotes	-8.2	-307
Time & Tide Museum	0.0	0
Home Farm Marsh	0.0	0
Wiltshire Wildlife Trust	0.0	0
Rye Meads	-2.0	39
Cromer Museum	-0.8	-20
Wicken Fen	Not available	Not available
Hardwick Hall	Not available	Not available
Total	30.2	224

Box 1: Jackfield Tile Museum

The Jackfield Tile Museum is one of the 10 Ironbridge Gorge Museums located within the Ironbridge Gorge World Heritage Site and is based in the village of Jackfield, one of the oldest known ceramic production centres in Shropshire. The museum itself is housed on the site of a former decorative tile factory building, the former works of Craven Dunnill and Company, which is still used to produce tiles today. It presents the history of the British decorative tile industry between 1840 and 1960, the period in which this factory and that of Maw & Co nearby played an important part in this industry.

The funding from HLF was used to undertake much needed upgrades to the Museum site, including the construction of the new FUSION building, the renovation of existing historical factory buildings to create more gallery space and the addition of a café. The improvements have led to a significant increase in visitors and income for the museum, with visits up 14% since the opening of the redeveloped Jackfield site, and a key reason for this success has been the construction of the FUSION building and the conversion of other buildings within the site to tenanted properties.

FUSION was constructed during 2006 on a site adjacent to the Tile Museum on the footprint of the original non-ferrous metals foundry. Since opening in May 2007, the building has been home to a number of creative artisan tenants, who use the site as both a workshop and a showroom for the general public, as well as offering live demonstrations to engage visitors. All of the five tenancies are currently let and the occupants include two artists, a glassblower, a furniture maker and a hand-built bicycle manufacturer. According to the Museum's Deputy CEO,

"Having the FUSION creative industries hub located on site has been mutually beneficial for both the artisans and the Museum – our tenants receive the benefit of a passing trade of 40,000 visitors a year, while the Museum benefits from an added attraction that keeps visitors coming back time and again."

The redevelopment project has also led to a 64% increase in the number of people working at the museum site. This is due to the new artisan tenants and also to increased employment by Craven Dunnill, who have expanded their operations since the development was completed.

Income has risen by 32% as a result of both the rent from the new creative tenancies and the increase in visitor numbers. Purchases have also increased, but to a lesser extent, growing by 26%. This is because of increases in general maintenance costs due to the expansion of the site and an increase in heating and lighting costs due to supplier price increases.

Before the HLF funding, Jackfield Tile Museum was a fairly basic site, with minimal facilities and a number of dilapidated factory buildings in need of renovation. Now it is a vibrant museum with new galleries, live demonstrations and hands-on activities to engage visitors and school groups alike and a creative industries hub where tenants offer a range of goods for sale. Looking to the future, a new gallery is currently under development, set to open next year housing a new collection of tiles. This will help to maintain and boost visitor numbers over the coming years.

2.2.2 Purchases of goods and services

Annual expenditures on purchased goods and services also vary considerably across the 42 sites, from very low or zero attributable expenditures (at Taunton Vivary Park, Home Farm Marsh, Wiltshire Wildlife Trust, Mount Wise, Marlipins Museum and Montgomeryshire Wildlife Trust) to total annual expenditures of approximately £3.8 million at the National Coal Mining Museum.

The extent to which these goods and services are purchased from local and regional suppliers was estimated using evidence from the previous GHK studies, where available. If no such estimates were available, the average breakdown across the 42 sites was assumed. This enabled the impacts of the expenditures to be assessed for the local and regional economies. For example, the £3.8 million spent by the National Coal Mining Museum was estimated to support 12.9 FTE jobs and more than £630,000 of GVA in the local economy and 24.2 FTE jobs and almost £1.2 million of GVA in the regional economy.

The assumptions and metrics used are outlined in Annex 1.

Table 2.3 Estimated impacts of ongoing expenditures of the attractions

	Employment (FTE)		GVA (£k)	
	Local	Regional	Local	Regional
Croome Landscape Restoration	2.0	4.0	98	196
Jackfield Tile Museum	0.3	0.6	17	32
Big Pit	0.3	2.0	12	98
Montgomeryshire Wildlife Trust	0.1	0.1	3	5
Broughton House Museum	0.0	0.5	1	22
Strathpeffer Pavilion	1.1	2.3	55	110
Towneley Hall	1.9	3.6	93	175
National Coal Mining Museum	12.9	24.2	632	1,187
Hereford Waterworks Museum	0.1	0.2	5	9
Hastings Museum	0.9	1.7	45	85
Turkish Baths	1.3	1.3	62	62
Herts & Middlesex Wildlife Trust	0.0	0.1	2	4
Old Belmont School	0.1	0.3	7	13
Gladstone Pottery Museum	0.6	1.2	32	60
Marlipins Museum	0.0	0.1	2	3
Buxton Opera House	1.0	1.9	49	92
St George's Market	2.0	3.0	98	147
Egypt Centre	0.6	0.7	29	34
Submarine Museum	0.8	1.6	41	77
Brading Roman Villa	2.7	2.7	133	133
Hull Museums Quarter	1.2	2.3	61	114
Lincoln Arboretum	0.4	0.6	20	30
Clifton Park Museum	0.3	0.6	15	28
Blean Project	0.6	1.2	30	57
South Shields Museum	0.3	0.6	16	31
Anderton Boat Lift	1.2	2.2	58	109
Mount Wise	0.0	0.0	0	1
Discovery Museum	2.5	2.5	121	121
Durham Oriental Museum	0.2	0.3	8	15
Vivary Park	0.0	0.0	0	0
Bury Museums & Archives	0.7	1.3	34	65
Hackney Empire	5.8	10.8	282	531
De La Warr Pavilion	1.8	11.8	88	576
Kittochside	1.8	3.3	86	161
Russell-Cotes	4.4	8.4	218	410
Time & Tide Museum	0.3	0.6	16	31
Home Farm Marsh	0.0	0.0	0	0
Wiltshire Wildlife Trust	0.0	0.0	0	0
Rye Meads	0.2	0.3	9	17
Cromer Museum	0.1	0.2	5	9
Wicken Fen	1.0	2.0	51	96
Hardwick Hall	1.6	3.0	77	145
Total	53.3	103.9	2,613	5,093

In total, the 42 sites were estimated to spend a total of £15.9 million in 2011/12 on purchases of goods and services, an average of almost £380,000 per site. Of this, £10.4 million (an average of £250,000 per site) was spent in the respective regional economies of the sites, while £5.3 million (£130,000 per site) was spent in the respective local economies. These expenditures provide equivalent levels of turnover to local and regional businesses. Standard ratios, taken from the UK National Accounts, were used to estimate the levels of local GVA and employment supported by these levels of business turnover. Further details are given in Annex 1.

It is estimated that these expenditures supported 53 FTE jobs and £2.6 million of GVA in the respective local economies (averaging 1.3 FTE jobs and £62,000 per site). The expenditures of HLF funded attractions are also estimated to support 104 FTE jobs and £5.1 million of GVA in their respective regional economies (averaging 2.5 FTE jobs and £121,000 per site).

The changes in expenditures tended to be relatively small compared to the changes in on-site employment. Total purchases of goods and services across the sample were reported to have fallen by 3.1% (£490,000) since the HLF funded projects had completed³. The impacts of these expenditures were estimated to have decreased by 0.5 FTE jobs and £24,000 of GVA in the local economies and by 3.9 FTE jobs and £192,000 in the respective regional economies over this time (Table 2.4). The main reason for the declining expenditures was cuts to local authority budgets, although others also reported the current economic climate more broadly (e.g. smaller visitor numbers resulting in lower expenditures) as well as abnormally high expenditures in the period following the HLF investment, which have since fallen to more sustainable levels. The largest declines in expenditure have been experienced by Montgomeryshire Wildlife Trust, South Shields Museum, the Gladstone Pottery Museum and Towneley Hall.

Table 2.4 Change in impacts of ongoing expenditures

	Employment (FTE)		GVA (£k)	
	Local	Regional	Local	Regional
Croome Landscape Restoration	0.3	2.3	14	110
Jackfield Tile Museum	0.0	0.2	1	7
Big Pit	0.1	0.7	4	33
Montgomeryshire Wildlife Trust	-0.1	-0.4	-2	-20
Broughton House Museum	0.0	0.2	1	8
Strathpeffer Pavilion	0.0	0.2	1	8
Towneley Hall	-0.2	-1.3	-8	-65
National Coal Mining Museum	-0.3	-2.2	-14	-110
Hereford Waterworks Museum	0.0	0.1	1	5
Hastings Museum	0.0	0.0	0	0
Turkish Baths	0.1	0.6	4	31
Herts & Middlesex Wildlife Trust	0.0	0.0	0	0
Old Belmont School	0.0	0.1	1	6
Gladstone Pottery Museum	-0.1	-0.5	-3	-24
Marlipins Museum	0.0	0.0	0	1
Buxton Opera House	0.0	0.2	1	9
St George's Market	-0.0	-0.3	-2	-16
Egypt Centre	0.0	0.0	0	0
Submarine Museum	0.0	0.0	0	0
Brading Roman Villa	-0.0	-0.3	-2	-14

³ Based on the 40 sites for which data showing the change in ongoing expenditures were available.

	Employment (FTE)		GVA (£k)	
	Local	Regional	Local	Regional
Hull Museums Quarter	-0.1	-0.7	-4	-32
Lincoln Arboretum	0.0	0.1	1	7
Clifton Park Museum	-0.0	-0.2	-1	-8
Blean Project	0.0	0.0	0	0
South Shields Museum	-0.1	-0.5	-3	-23
Anderton Boat Lift	0.0	0.2	1	11
Mount Wise	0.0	0.0	0	0
Discovery Museum	0.0	0.0	0	0
Durham Oriental Museum	0.0	0.0	0	0
Vivary Park	0.0	0.0	0	0
Bury Museums & Archives	0.0	0.0	0	0
Hackney Empire	-0.3	-2.0	-12	-100
De La Warr Pavilion	0.6	4.7	29	231
Kittochside	0.0	0.0	0	0
Russell-Cotes	-0.6	-4.9	-30	-242
Time & Tide Museum	0.0	0.0	0	1
Home Farm Marsh	0.0	0.0	0	0
Wiltshire Wildlife Trust	0.0	0.0	0	0
Rye Meads	-0.0	-0.2	-1	-8
Cromer Museum	-0.0	-0.0	-0	-0
Wicken Fen	Not available	Not available	Not available	Not available
Hardwick Hall	Not available	Not available	Not available	Not available
Total	-0.5	-3.9	-24	-192

However, while some sites have significantly reduced their expenditures, others have increased purchases since the completion of the HLF funded projects. Across the 42 sites, 33% had increased their expenditures compared to 31% reducing their expenditures and 31% where expenditures were unchanged⁴. Croome Park experienced the largest expenditure growth (238%) due to the large-scale expansion of the site (Box 2). Other sites experiencing strong growth in their purchases of goods and services included Hereford Waterworks Museum, Old Belmont School, Broughton House and Big Pit. As well as site expansion, other reasons for the increase in expenditures included increased opening times, and increasing costs for particular items (especially utilities).

Box 2: Croome Park

Croome Court is a mid-18th century Neo-Palladian mansion surrounded by extensive landscaped parkland near Pershore in south Worcestershire. The house and parkland was Lancelot 'Capability' Brown's first landscape design and his first major architectural project. During the 20th century the estate fell into decline; many of the original plantings in the parkland were lost, the serpentine lake at the centre of the grounds became heavily silted and once arable farmland was damaged. In April 1996, the National Trust, with funding from HLF, began an extensive decade long project to restore the landscape to Brown's original design. Over the next 10 years some major works were completed in the park, including the dredging of the ornamental lake, restoration of several grade I listed properties, repairing bridges and statues around the park, restoring over 400 acres of former arable

⁴ Data showing the change in ongoing expenditures since the HLF-funded project were not available for Wicken Fen or Hardwick Hall.

land back to permanent pasture for grazing and reinstating the original planting schemes, which involved the planting of thousands of plants.

The years since the completion of the landscape restoration have been a resounding success for Croome Park. The number of visitors has increased by 342% compared with 2006, resulting in a growth in income of 183%. Furthermore, the number of staff employed at the park has increased by 500% and purchases have risen by 238% as the business operation of Croome Park has expanded. According to the Property Manager at the park, one of the key factors of this success has been the programme of continuous restoration and improvement at the site:

“As petrol prices have risen significantly in recent years, the idea of travelling across the country to visit a National Trust property has become less common, whereas our local visitors will always come back to Croome because there is always something new going on. Our comparatively high local visitor numbers compared with other National Trust properties is certainly evidence that having a rolling programme of works, rather than a large one off investment, inspires local people to keep visiting time and time again.”

Securing the initial funding from HLF was crucial, as it was used as a “springboard” for Croome to continue to grow. After the successful completion of the landscape restoration in 2006, Croome Park worked with other fundraising partners, principally Natural England, to take on new buildings that were outside the 1996 acquisition and restored them to open them to the public. In 2007, new visitor facilities were opened for the first time in a converted former RAF hospital and the car-park was extended. Then, in 2009, Croome Court, the mansion at the centre of the grounds, was opened to visitors for the first time. All of these developments have driven visitor numbers, which in turn have driven the expansion of the commercial side of the site; many of the additional staff work in these new areas, such as catering, gift shop, or IT support.

Despite the recent declining trend throughout the National Trust, visitor numbers at Croome are expected to continue to grow. The management at Croome have worked hard to extend and simplify the site's opening times so that, unlike other properties in the National Trust, the park and visitor facilities are now open 364 days a year and Croome Court is open six days a week all year round. This is due largely to the support of a network of volunteers from the Friends of Croome Park, which has around 450 members. The creation of a friends' group was one of the required outputs of the original HLF funding.

Moving forward, the renovation of the main buildings, which fell outside the original HLF restoration, will be the main focus for further improvements to Croome over the next five years. The site has secured further funding from HLF, and from match funding partners, to begin a major programme of repair work, which will open up all four floors of Croome Court to the public and allow the return of the collection of furniture, family portraits and ornaments to the house. Additional work involves the restoration of the redbrick service wing next to Croome Court, which will then be converted into a new tea room and exhibition space.

Reflecting on the original HLF project, the Property Manager stated that:

“From my point of view, it is really encouraging that the original HLF grant that we received didn't give us a chance to do everything we wanted at Croome because it fed a real deep interest in restoration – we have used it as a springboard for Croome to continue to grow. I think in some ways that, if we had got all of the funding originally to do everything that we wanted, then it may have led to complacency. That we still had to look for funding once the major work was finished has meant that we have embraced it and made continuous improvement through funding a major part of Croome.”

2.2.3 Indirect and induced effects

Changes in employment and expenditure can be expected to have wider multiplier effects in the local economy. For example, changes in purchases will have a knock-on effect for the spending of local businesses on their supplies, while changes in staffing will affect the purchases of employees. The multiplier effects resulting from changes in supplier and employee expenditures are known as indirect and induced effects respectively.

The indirect and induced effects resulting from the associated expenditures of suppliers and employees are estimated below in Table 2.5. These effects are estimated using an overall

'local' multiplier of 0.2 and a 'regional' multiplier of 0.6. This assumes that for every FTE job supported directly by a site, an additional 0.2 FTE jobs will be supported in the local economy (and 0.6 jobs in the regional economy) through the subsequent expenditures of suppliers and employees, while for every £1 of GVA supported directly, a further £0.20 of GVA will be supported locally and £0.60 of GVA will be supported in the regional economy.

On this basis it is estimated that the indirect and induced effects of the 42 sites support an additional 149 FTE jobs and £3.3 million of GVA in their local economies and 476 FTE jobs and £11.4 million of GVA in their regional economies. Therefore, the average site in the sample is estimated to support an additional 3.5 FTE local jobs and 11.3 FTE regional jobs through indirect and induced effects as well as supporting £79,000 and £272,000 of GVA in their local and regional economies respectively. These impacts follow the above trends and are lowest for sites with zero or low on-site employment and expenditures (such as the Herts & Middlesex Wildlife Trust, Home Farm Marsh, Hereford Waterworks Museum and Marlipins Museum) and are largest for the National Coal Mining Museum, Hardwick Hall, Buxton Opera House, Big Pit and Jackfield Tile Museum.

Table 2.5 Indirect and induced effects

	Employment (FTE)		GVA (£k)	
	Local	Regional	Local	Regional
Croome Landscape Restoration	5.0	16.1	123	428
Jackfield Tile Museum	10.5	31.6	7	30
Big Pit	10.5	32.4	362	1,139
Montgomeryshire Wildlife Trust	0.5	1.6	9	29
Broughton House Museum	0.9	3.0	21	75
Strathpeffer Pavilion	2.5	8.1	29	121
Towneley Hall	2.8	9.3	69	255
National Coal Mining Museum	15.4	52.9	470	1,743
Hereford Waterworks Museum	0.0	0.1	1	6
Hastings Museum	1.8	6.0	78	257
Turkish Baths	5.3	15.9	126	379
Herts & Middlesex Wildlife Trust	0.0	0.0	0	2
Old Belmont School	0.3	1.1	5	18
Gladstone Pottery Museum	3.6	11.2	54	179
Marlipins Museum	0.1	0.3	1	4
Buxton Opera House	11.0	33.4	172	541
St George's Market	2.8	8.9	54	190
Egypt Centre	1.4	4.3	26	80
Submarine Museum	6.0	18.3	108	346
Brading Roman Villa	2.6	7.9	60	180
Hull Museums Quarter	2.8	9.2	66	231
Lincoln Arboretum	0.5	1.6	14	49
Clifton Park Museum	4.6	13.8	95	294
Blean Project	1.2	4.0	27	98
South Shields Museum	1.5	4.6	31	103
Anderton Boat Lift	3.2	10.3	64	222
Mount Wise	0.4	1.1	8	23
Discovery Museum	5.5	16.5	163	488
Durham Oriental Museum	2.8	8.6	44	136
Vivary Park	0.4	1.2	9	27

	Employment (FTE)		GVA (£k)	
	Local	Regional	Local	Regional
Bury Museums & Archives	1.8	5.9	59	195
Hackney Empire	9.6	31.8	225	823
De La Warr Pavilion	8.4	31.1	220	953
Kittochside	3.3	10.8	94	327
Russell-Cotes	4.0	14.3	159	593
Time & Tide Museum	1.7	5.2	24	82
Home Farm Marsh	0.0	0.0	0	0
Wiltshire Wildlife Trust	0.5	1.5	11	34
Rye Meads	0.4	1.4	23	75
Cromer Museum	0.6	1.9	17	52
Wicken Fen	0.6	2.4	15	73
Hardwick Hall	11.9	36.6	161	525
Total	148.6	476.2	3,306	11,407

Table 2.6 Change in indirect and induced effects

	Employment (FTE)		GVA (£k)	
	Local	Regional	Local	Regional
Croome Landscape Restoration	3.8	12.7	89	325
Jackfield Tile Museum	4.1	12.3	2	9
Big Pit	1.9	6.2	67	219
Montgomeryshire Wildlife Trust	0.1	-0.1	1	-9
Broughton House Museum	-0.3	-0.7	-6	-13
Strathpeffer Pavilion	0.2	0.7	2	10
Towneley Hall	-0.2	-1.4	-6	-51
National Coal Mining Museum	-1.3	-5.0	-36	-164
Hereford Waterworks Museum	0.0	0.1	0	3
Hastings Museum	-0.1	-0.4	-5	-16
Turkish Baths	1.0	3.4	24	87
Herts & Middlesex Wildlife Trust	0.0	0.0	0	0
Old Belmont School	0.1	0.3	1	6
Gladstone Pottery Museum	-0.2	-0.7	-3	-20
Marlipins Museum	-0.1	-0.4	-1	-3
Buxton Opera House	1.8	5.5	27	87
St George's Market	-0.0	-0.2	-0	-9
Egypt Centre	0.1	0.4	2	7
Submarine Museum	0.0	0.0	0	0
Brading Roman Villa	0.3	0.9	5	8
Hull Museums Quarter	-0.6	-2.1	-12	-54
Lincoln Arboretum	0.0	0.1	0	4
Clifton Park Museum	0.5	1.4	10	26
Blean Project	0.4	1.1	7	21
South Shields Museum	-0.4	-1.5	-9	-38
Anderton Boat Lift	0.0	0.1	0	7

	Employment (FTE)		GVA (£k)	
	Local	Regional	Local	Regional
Mount Wise	-0.1	-0.3	-2	-6
Discovery Museum	0.0	0.0	0	0
Durham Oriental Museum	0.5	1.5	8	23
Vivary Park	0.0	0.0	0	0
Bury Museums & Archives	-0.2	-0.5	-5	-14
Hackney Empire	-4.0	-13.2	-82	-298
De La Warr Pavilion	0.8	5.0	24	194
Kittochside	0.0	0.0	0	0
Russell-Cotes	-1.8	-7.9	-67	-329
Time & Tide Museum	0.0	0.0	0	0
Home Farm Marsh	0.0	0.0	0	0
Wiltshire Wildlife Trust	0.0	0.0	0	0
Rye Meads	-0.4	-1.3	8	19
Cromer Museum	-0.2	-0.5	-4	-12
Wicken Fen	Not available	Not available	Not available	Not available
Hardwick Hall	Not available	Not available	Not available	Not available
Total	5.9	15.8	40	19

The indirect and induced effects have increased across the 42 sites in total, since the overall employment growth has been greater than the decreases in site expenditures in the local and regional economies. In total, the impacts of indirect and induced effects are estimated to have increased by 6 FTE jobs and £40,000 of GVA in the local economies and 16 FTE jobs and £19,000 of GVA in the regional economies of the 42 sites. Therefore, on average, these changes are relatively small, with each individual site supporting an additional 0.1 jobs and £950 of GVA in their local economies and 0.4 FTE jobs and £450 of GVA in their regional economies per annum since the completion of their respective HLF funded projects⁵.

These changes are largest for Croome Park and the Jackfield Tile Museum, which have experienced strong growth in employment and expenditures, while the Hackney Empire has experienced the largest fall, which is primarily due to the employment and expenditure implications of outsourcing its catering operations as spending in other areas, such as educational work and show production costs, has increased.

2.2.4 Total operational impacts

The total impacts of site operations have been estimated by summing the above impacts. The results in Table 2.7 below show that the operation of the 42 sites is estimated to support a total of 892 FTE jobs and £19.8 million of GVA in their local economies at an average of 21 FTE jobs and £0.5 million of GVA per site. The impacts for regional economies are estimated to total almost 1,270 FTE jobs and £30 million of GVA at an average of 30 FTE jobs and £0.7 million of GVA per site.

As described above, these impacts vary significantly across the sample, from very low or zero attributable impacts associated with sites including Home Farm Marsh, Herts & Middlesex Wildlife Trust, Hereford Waterworks Museum and Marlipins Museum, to the significant impacts associated with the National Coal Mining Museum of 92 and 141 FTE jobs and £2.8 and £4.6 million of GVA supported respectively in its local and regional economies.

⁵ Based on the 40 sites for which relevant data were available.

Table 2.7 Total operational impacts

	Employment (FTE)		GVA (£k)	
	Local	Regional	Local	Regional
Croome Landscape Restoration	29.7	42.8	739	1,142
Jackfield Tile Museum	62.8	84.2	42	80
Big Pit	62.7	86.4	2,175	3,037
Montgomeryshire Wildlife Trust	3.1	4.2	55	77
Broughton House Museum	5.4	7.9	124	201
Strathpeffer Pavilion	14.9	21.6	176	323
Towneley Hall	16.7	24.9	412	681
National Coal Mining Museum	92.3	141.2	2,819	4,647
Hereford Waterworks Museum	0.1	0.3	6	15
Hastings Museum	11.0	16.0	466	685
Turkish Baths	31.8	42.4	759	1,011
Herts & Middlesex Wildlife Trust	0.1	0.1	3	7
Old Belmont School	2.0	2.8	28	48
Gladstone Pottery Museum	21.8	30.0	324	477
Marlipins Museum	0.6	0.9	7	11
Buxton Opera House	65.7	89.0	1,031	1,444
St George's Market	16.5	23.6	322	507
Egypt Centre	8.5	11.5	155	214
Submarine Museum	35.8	48.9	649	923
Brading Roman Villa	15.9	21.1	359	479
Hull Museums Quarter	17.1	24.5	398	615
Lincoln Arboretum	2.9	4.2	87	132
Clifton Park Museum	27.4	36.9	572	784
Blean Project	7.3	10.7	164	261
South Shields Museum	8.8	12.2	188	273
Anderton Boat Lift	19.4	27.6	382	591
Mount Wise	2.1	2.8	45	61
Discovery Museum	33.0	44.0	977	1,302
Durham Oriental Museum	17.0	22.9	263	361
Vivary Park	2.4	3.2	54	72
Bury Museums & Archives	11.0	15.7	354	521
Hackney Empire	57.6	84.9	1,348	2,194
De La Warr Pavilion	50.1	82.8	1,320	2,542
Kittochside	19.8	28.9	564	872
Russell-Cotes	23.9	38.2	957	1,582
Time & Tide Museum	10.0	13.8	147	218
Home Farm Marsh	0.0	0.0	0	0
Wiltshire Wildlife Trust	3.0	4.0	68	91
Rye Meads	2.6	3.8	140	200
Cromer Museum	3.7	5.1	99	139
Wicken Fen	3.7	6.3	93	195
Hardwick Hall	71.5	97.5	969	1,401
Total	891.7	1,269.9	19,838	30,418

Table 2.8 **Change in total operational impacts**

	Employment (FTE)		GVA (£k)	
	Local	Regional	Local	Regional
Croome Landscape Restoration	23.1	33.9	534	867
Jackfield Tile Museum	24.3	32.7	10	23
Big Pit	11.6	16.4	404	584
Montgomeryshire Wildlife Trust	0.3	-0.1	4	-23
Broughton House Museum	-1.5	-1.8	-34	-34
Strathpeffer Pavilion	1.3	1.9	11	26
Towneley Hall	-1.4	-3.7	-34	-137
National Coal Mining Museum	-7.7	-13.4	-213	-438
Hereford Waterworks Museum	0.0	0.2	1	8
Hastings Museum	-0.8	-1.0	-32	-42
Turkish Baths	6.2	9.1	141	232
Herts & Middlesex Wildlife Trust	0.0	0.0	0	0
Old Belmont School	0.4	0.7	5	15
Gladstone Pottery Museum	-0.9	-1.9	-15	-54
Marlipins Museum	-0.9	-1.2	-7	-8
Buxton Opera House	10.8	14.6	163	231
St George's Market	-0.0	-0.5	-2	-25
Egypt Centre	0.9	1.2	13	18
Submarine Museum	0.0	0.0	0	0
Brading Roman Villa	2.1	2.4	31	23
Hull Museums Quarter	-3.4	-5.5	-74	-144
Lincoln Arboretum	0.0	0.2	1	11
Clifton Park Museum	3.0	3.7	60	70
Blean Project	2.2	2.9	42	57
South Shields Museum	-2.5	-4.0	-51	-101
Anderton Boat Lift	0.0	0.4	2	18
Mount Wise	-0.5	-0.7	-11	-15
Discovery Museum	0.0	0.0	0	0
Durham Oriental Museum	3.1	4.1	46	61
Vivary Park	0.0	0.0	0	0
Bury Museums & Archives	-0.9	-1.2	-28	-38
Hackney Empire	-24.2	-35.1	-490	-794
De La Warr Pavilion	5.1	13.4	145	517
Kittochside	0.0	0.0	0	0
Russell-Cotes	-10.6	-21.0	-404	-878
Time & Tide Museum	0.0	0.0	0	1
Home Farm Marsh	0.0	0.0	0	0
Wiltshire Wildlife Trust	0.0	0.0	0	0
Rye Meads	-2.4	-3.4	46	51
Cromer Museum	-0.9	-1.2	-23	-32
Wicken Fen	Not available	Not available	Not available	Not available
Hardwick Hall	Not available	Not available	Not available	Not available
Total	35.6	42.0	240	51

Changes in operational impacts are presented above in Table 2.8 and also follow the same trends as described above with the strongest growth experienced by Croome Park and the Jackfield Tile Museum, and the largest declines experienced by the Hackney Empire and Russell-Cotes. Overall, 43% of the sample had experienced an increase in their operational impact since completion of their respective HLF funded project, while 17% had experienced no change and 36% were now estimated to be generating a lower operational impact⁶. The impact of one other site, the Montgomeryshire Wildlife Trust, was estimated to have increased for the local economy but decreased slightly for the regional economy as increases in local employment had been offset at the regional level by lower expenditures in the regional economy.

In total, the operational impacts associated with the 40 sites for which data were available had increased by 36 FTE jobs at the local level and 42 FTE jobs in the regional economy at an average of 0.9 FTE jobs and 1.1 FTE jobs in the respective local and regional economies for each site. GVA impacts associated with annual operational expenditures were also estimated to have increased by £240,000 and £51,000 (with average increases of £6,000 and £1,300 per site) in their respective local and regional economies.

The reason for the higher employment impacts but smaller GVA impacts at the regional level is because the increases in on-site employment involved relatively low value jobs focused on the local economies, while the declining expenditures had a greater impact on regional economies (with impacts based on higher value jobs – calculated at the economy average).

The total increase in operational impacts is because the overall increases in on-site employment have been greater than the overall decreases in expenditures since the completion of the HLF funded projects.

2.3 Visitor expenditures

The HLF funded attractions also generate additional impacts for their local and regional economies by attracting visitors, many of whom purchase goods and services from local and regional businesses while in the area. The 42 sites attracted a total of 3.6 million visitors in 2011/12, averaging 84,900 visitors per site. Not all sites were able to provide visitor numbers and visitor numbers have not been included for five sites (Herts & Middlesex Wildlife Trust, Lincoln Arboretum, Taunton Vivary Park, Home Farm Marsh and Wiltshire Wildlife Trust). If these five sites are excluded the average number of visitors per site increases to 96,000 per annum.

0 shows the total number of visitors at each attraction and changes since the completion of each HLF funded project. The largest attraction in terms of visitor numbers is St George's Market which is estimated to attract 600,000 visitors per annum. The other large attractions are the Discovery Museum (441,000 visitors), De La Warr Pavilion (300,000 visitors), Hardwick Hall (234,000 visitors) and Buxton Opera House (220,000 visitors).

Visitor numbers had increased by 386,000 per annum across all sites since the completion of their HLF-funded projects, representing an increase of 12%, but there is considerable variance between the different attractions. Visitor numbers had fallen by more than 40% at Broughton House and Russell-Cotes and increased by more than 100% at Croome Park, Montgomeryshire Wildlife Trust, Discovery Museum, Blean Project and Old Belmont School. Overall, 38% of attractions had experienced declining visitor numbers, 36% had experienced growth in visitor numbers, and the remaining 26% had experienced no change.

⁶ Based on the 40 sites for which relevant data were available.

Table 2.9 Visitor numbers and changes over time

	Total visitors per annum (2011/12)	Change since HLF-funded project	
		Absolute	%
Croome Landscape Restoration	135,741	105,000	342%
Jackfield Tile Museum	32,864	3,980	14%
Big Pit	153,740	-11,260	-7%
Montgomeryshire Wildlife Trust	55,000	40,000	267%
Broughton House Museum	12,000	-10,000	-45%
Strathpeffer Pavilion	14,500	-5,000	-26%
Towneley Hall	51,989	-11,000	-17%
National Coal Mining Museum	101,403	-6,180	-6%
Hereford Waterworks Museum	5,020	1,520	43%
Hastings Museum	34,793	4,105	13%
Turkish Baths	40,242	0	0%
Herts & Middlesex Wildlife Trust	0	0	0%
Old Belmont School	60,000	30,000	100%
Gladstone Pottery Museum	40,000	-10,000	-20%
Marlipins Museum	2,000	0	0%
Buxton Opera House	220,000	62,857	40%
St George's Market	600,000	20,000	3%
Egypt Centre	17,424	-800	-4%
Submarine Museum	38,000	0	0%
Brading Roman Villa	28,556	-2,988	-9%
Hull Museums Quarter	139,058	13,781	11%
Lincoln Arboretum	0	0	0%
Clifton Park Museum	84,646	-21,162	-20%
Blean Project	30,000	15,000	100%
South Shields Museum	135,150	-23,850	-15%
Anderton Boat Lift	118,000	0	0%
Mount Wise	10,000	0	0%
Discovery Museum	440,970	240,529	120%
Durham Oriental Museum	21,331	3,340	19%
Vivary Park	0	0	0%
Bury Museums & Archives	45,000	-2,000	-4%
Hackney Empire	135,000	0	0%
De La Warr Pavilion	300,000	-128,571	-30%
Kittochside	71,158	24,952	54%
Russell-Cotes	49,289	-35,475	-42%
Time & Tide Museum	28,500	-1,500	-5%
Home Farm Marsh	0	0	0%
Wiltshire Wildlife Trust	0	0	0%
Rye Meads	14,642	-5,858	-29%
Cromer Museum	19,500	-6,500	-25%
Wicken Fen	46,402	6,402	16%
Hardwick Hall	234,004	97,004	71%
Total	3,565,922	386,325	12%

Data from recent visitor surveys for the individual sites, and previous research of HLF projects undertaken by GHK and Ecotec, were used to estimate the number of local and non-local day-trippers and staying visitors and their associated expenditures. This analysis suggested that additional local visitor expenditures of £24.1 million can be attributed to the 42 sites in 2011/12, averaging £570,000 per site (or £650,000 after excluding the sites for which data were not available). Additional visitor expenditures in the regional economies are estimated at £46 million in 2011/12, twice as large as the local expenditures, and averaging £1.1 million per site (or £1.25 million across the sites that could provide visitor data).

The economic impacts of these visitor expenditures have been estimated using local tourism multipliers, based on an analysis of previous studies of local tourism impacts. Table 2.10 shows that visitor expenditures in the 42 local economies are estimated to support 383 FTE jobs and £12.1 million of GVA amongst local businesses, taking account of all direct, indirect and induced effects. This is estimated to average 9.1 FTE jobs and £287,000 of GVA across each of the 42 sites.

The regional impacts are even larger, supporting 558 FTE jobs and £17.9 million of GVA amongst businesses in the regional economies. The average site is therefore estimated to support 13.3 FTE jobs and £425,000 of GVA in their regional economies through the expenditures of visitors.

The largest economic impacts are estimated to result from visitors to St George's Market. Other sites generating large impacts from visitor expenditures include De La Warr Pavilion, Hardwick Hall, the Buxton Opera House and the Anderton Boat Lift.

The 42 sites again reported mixed experiences in terms of changes to visitor numbers since the completion of the HLF funded project. 38% of sites reported experiencing declining visitor numbers, while a similar proportion (36%) had experienced growth in visitor numbers. A further 21% of sites reported no change in visitor numbers since the HLF investment, while the remaining 5% were unable to quantify the change in visitor numbers.

Across the 42 sites as a whole, visitor expenditures were estimated to have increased by 3.4% in the local economies and by 4.2% in the regional economies. This increase was estimated to support an additional 13 FTE jobs and £400,000 of GVA in the local economies of all 42 sites, averaging 0.3 FTE jobs and £9,500 of GVA per site. For the regional economies, these impacts were estimated to increase to 27 FTE jobs and £870,000 of GVA at an average of 0.6 FTE jobs and £20,700 of GVA per site.

The main reasons for the increasing visitor numbers, expenditures and associated impacts included: improved and expanded provision of facilities, services and events; improved infrastructure and access; enhanced educational programmes; increased and improved marketing and publicity; and reduced entry fees. The largest increase in visitors and expenditures has been experienced by Hardwick Hall where visitor numbers have increased from 137,000 in 2007 to 234,000 in 2012. Other sites experiencing large increases in visitors included Croome Park, Montgomeryshire Wildlife Trust, and the Discovery Museum.

Box 3: Big Pit

The Big Pit National Coal Museum is an industrial heritage museum in Blaenavon, Torfaen, South Wales. A working coal mine from 1860 to 1980, it was opened to visitors from 1980 under the auspices of the National Museum Wales. The site is dedicated to operational preservation of the Welsh heritage of coal mining, which took place during the Industrial revolution. The original HLF project was designed to take Big Pit from a regional museum to a nationally recognised level, with facilities and displays of national museum standard. The year after the museum re-launched, it won the prestigious Gulbenkian Prize, an annual prize awarded to a museum or gallery in the United Kingdom for a "track record of imagination, innovation and excellence".

Visitor numbers have increased significantly since the redevelopment of Big Pit with visitor numbers rising from around 80-90,000 in the second half of the 1990s to 165,000 in 2008. The number of staff has also increased by 16% since the completion of the HLF-funded project, while both income and purchases are up by 50%. The Mine Manager believes that the authenticity of the museum

experience is fundamental to its success:

“Despite what I would like to think about all of our award winning exhibitions on the surface, the key thing about this site is the underground experience – you get to go down a real mine with real miners. We have applied the same principles – honesty, authenticity, frankness – to all of our exhibitions, above ground and below, and that is why people have responded so positively to it. It’s all about real people. We tell it like it is.”

Despite the recent success, the recession has affected Big Pit; visitor numbers have now fallen from their peak of 165,000 in 2008 to their current level of approximately 155,000. The museum is free to enter and this has helped to sustain the strong visitor numbers. This is mitigated considerably, however, by the location of the Big Pit far from any sizeable population centres, meaning that most visitors incur significant travel costs in getting there.

In the coming years, it is the aim of the museum’s management to maintain visitor numbers at their current levels. There are no major changes planned, as the Mine Manager explained,

“If we were an independent museum, then we would be looking for more grant aid to develop the museum further. However, we are part of a larger organisation and we have had our turn, so we must now wait like everyone else. There is a lot we could do and ultimately will do, but it will take several years for our turn to come around again and for us to be allowed to put in funding bids to HLF.”

One thing the museum is trying to do is to develop the educational visitor base, in order to compensate for the decline in casual and tourist visitors. The educational side of the business currently accounts for around 45% of visitors and is growing steadily in proportion to casual visitors.

Other sites have experienced significant decreases in visitor numbers and expenditures. The attractions experiencing the most significant declines include Broughton House, Russell–Cotes, Rye Meads and the Strathpeffer Pavilion, where visitor numbers have decreased by between 25% and 50% since the completion of the HLF project. The Broughton House and Strathpeffer Pavilion examples are described in greater detail in the respective boxes below. More broadly, the most common reasons for declining visitors included: the current economic climate; reduced opening hours, facilities and services; increasing charges for entry, car parking, etc.; poor weather conditions in recent years; and a general decline in interest and visitors following initial growth in visitors following the HLF funded project (to unsustainable levels).

Box 4: Broughton House Museum

Broughton House was the home of Scottish painter E.A. Hornel, the youngest member of the Glasgow Boys and it houses many of Hornel’s late works and his unfinished works, as well as works from his contemporaries, such as George Henry, and Hornel’s collection of Japanese artefacts. Through funding from HLF, the House became a registered museum in 2006. In addition to the museum, there is also a library and research facility and it was a condition of the HLF funding that the facility was kept open and promoted – the facility has already accommodated 18 researchers this year. The library is the only living library in National Trust Scotland and contains over 48,000 books, including one of the largest public collections of Burns’ material in the world. The HLF funding has allowed Broughton House to begin archiving the collection in order to make it available to the public.

Visitor numbers have declined since the museum first opened to the public and in 2012 were 45% lower than in 2006. Staffing has also decreased by 22%, following the redundancy of the librarian in 2008. The position has now been filled in a voluntary capacity by a qualified librarian and it is unlikely that there will be another salaried position available in the future.

According to the Property Manager, a combination of factors is responsible for the decline in visitors:

“The initial 22,000 visitors in the first year was exceptionally high due to the novelty factor of the House opening to the public for the first time. The Dumfries and Galloway area has declined recently in terms of the number of historic attractions, resulting in a downward trend in historical visitors that

has negatively impacted on us. On the other hand, there is greater competition from more family oriented attractions nearby.”

As a consequence, Broughton House is becoming more family oriented itself in order to cater for the change in visitor demographics. This is reflected in its exhibitions, including a large photographic collection that the museum is planning to send on tour. The museum is also working to form partnerships with other arts organisations and the Scottish National Curriculum for Excellence in order to further promote the museum’s collections. Linking with national campaigns will enable the museum to “piggy-back” on their advertising and publicity.

Looking to the future, staff levels are expected to stay the same. However, the museum is looking at new ways to generate income. Broughton House is now available to hire for weddings and dinners and is also available to local community groups, such as the local literary society. Although involvement with local community groups does not generate much income, the events are important for raising awareness of the museum and its collections. The museum has also started to lend its collection out to other museums, which will be an additional source of income. The Greenwich Maritime Museum has expressed interest in displaying part of the collection in 2015. The main aim of “taking the collection on tour” is that it will raise awareness of the museum, with the ultimate goal of driving up visitor numbers.

Box 5: Strathpeffer Pavilion

Strathpeffer Pavilion was opened in 1881 in order to serve as an entertainment and social venue for the many visitors to the spa in Strathpeffer. During the First World War (1914-18), many of the large houses and hotels in Strathpeffer were requisitioned by the armed forces and the Pavilion was taken over by the US Navy and used as a hospital. After the War, the popularity of the spa declined and the Pavilion was used only as an occasional venue for events, until it was acquired by Harry McGhee’s Highland Lass Estates and was completely restored and refurbished, re-opening in 1960 as a licensed dance hall and concert venue, becoming hugely popular with people across the Highlands. Thereafter, the building was acquired by a large hotel group and was allowed to fall into a state of near dereliction, being used only occasionally for concerts and other events, until eventually it past into the ownership of the Scottish Historic Buildings Trust.

The restoration of Strathpeffer Pavilion took place in 2003-2004, with funding from the HLF. It involved a full renovation of both the interior and exterior of the building in order to restore the pavilion to its original Victorian splendour, with the addition of requisite modern facilities. The pavilion is now operational as a multi-function venue and the level of staffing has increased by 10% since the original HLF investment in order to reflect this increasing workload.

The latest figures paint a mixed picture of the success of the Strathpeffer Pavilion nine years on from its re-opening. The last few years have seen a decline in the number of visitors and the General Manager of the Pavilion believes that the current economic climate is largely responsible for this trend, as people have less money to spend on entertainment and leisure than previously. The latest visitor numbers show a 26% reduction on 2004. However, despite the decline in visitors, income has increased by 97% compared with 2004. According to the General Manager:

“The Pavilion is now operating more effectively as a business. In the beginning, it was used as a venue for one-off events, such as weddings, whereas now we have a full programme of entertainment events throughout the year, in addition to the big one off events”

The Pavilion’s management firmly believes that the recent decrease in visitors is due entirely to the recession and is not a long term trend. They are aiming to be proactive in the context of external economic circumstances and have some big changes planned for the future. These include an on-going feasibility study to take on ownership of the building from the Scottish Historic Buildings Trust, as well a redevelopment of the car-park.

One change that would have a significant impact on visitor numbers, if implemented, is to retake control of a corner of the Pavilion that is currently leased to an independent restaurant. Visitors to the restaurant are not currently counted towards the Pavilion’s visitor numbers and obtaining this area will create a more cohesive venue. If this change is implemented, it should result in an increase in staffing and visitor numbers, as well as a predicted increase in income.

Table 2.10 Impacts of visitor expenditures

	Employment (FTE)		GVA (£k)	
	Local	Regional	Local	Regional
Croome Landscape Restoration	15.5	22.5	489	720
Jackfield Tile Museum	9.6	18.3	304	584
Big Pit	12.5	13.7	394	438
Montgomeryshire Wildlife Trust	7.0	9.3	220	298
Broughton House Museum	3.2	4.7	100	150
Strathpeffer Pavilion	1.8	2.5	58	78
Towneley Hall	6.6	8.8	208	281
National Coal Mining Museum	8.8	18.6	277	594
Hereford Waterworks Museum	0.6	0.8	20	27
Hastings Museum	3.7	5.2	115	165
Turkish Baths	5.1	6.8	161	218
Herts & Middlesex Wildlife Trust	0.0	0.0	0	0
Old Belmont School	7.6	10.1	240	325
Gladstone Pottery Museum	5.1	6.8	160	216
Marlipins Museum	0.3	0.3	8	11
Buxton Opera House	17.5	36.8	551	1,177
St George's Market	76.1	101.5	2,397	3,247
Egypt Centre	2.2	2.9	70	94
Submarine Museum	13.3	32.1	419	1,026
Brading Roman Villa	11.3	17.7	355	566
Hull Museums Quarter	5.5	11.8	174	378
Lincoln Arboretum	0.0	0.0	0	0
Clifton Park Museum	1.3	1.2	39	37
Blean Project	0.4	0.3	12	9
South Shields Museum	17.1	22.9	540	731
Anderton Boat Lift	19.9	36.8	627	1,176
Mount Wise	0.0	0.0	0	0
Discovery Museum	13.2	22.4	416	717
Durham Oriental Museum	2.4	3.2	75	101
Vivary Park	0.0	0.0	0	0
Bury Museums & Archives	5.7	7.6	180	244
Hackney Empire	9.1	3.6	288	115
De La Warr Pavilion	48.6	55.2	1,531	1,766
Kittochside	1.7	2.1	54	67
Russell-Cotes	7.1	11.1	224	357
Time & Tide Museum	4.1	7.3	129	233
Home Farm Marsh	0.0	0.0	0	0
Wiltshire Wildlife Trust	0.0	0.0	0	0
Rye Meads	1.9	2.5	59	79
Cromer Museum	1.4	3.5	43	113
Wicken Fen	5.9	7.8	185	251
Hardwick Hall	29.7	39.6	935	1,266
Total	382.6	558.0	12,053	17,857

Table 2.11 Change in impacts of visitor expenditures

	Employment (FTE)		GVA (£k)	
	Local	Regional	Local	Regional
Croome Landscape Restoration	12.0	17.4	378	557
Jackfield Tile Museum	1.2	2.2	37	71
Big Pit	-0.9	-1.0	-29	-32
Montgomeryshire Wildlife Trust	5.1	6.8	160	216
Broughton House Museum	-2.6	-3.9	-83	-125
Strathpeffer Pavilion	-0.6	-0.8	-20	-27
Towneley Hall	-1.4	-1.9	-44	-60
National Coal Mining Museum	-0.5	-1.1	-17	-36
Hereford Waterworks Museum	0.2	0.3	6	8
Hastings Museum	0.4	0.6	14	19
Turkish Baths	0.0	0.0	0	0
Herts & Middlesex Wildlife Trust	0.0	0.0	0	0
Old Belmont School	3.8	5.1	120	162
Gladstone Pottery Museum	-1.3	-1.7	-40	-54
Marlipins Museum	0.0	0.0	0	0
Buxton Opera House	5.0	10.5	157	336
St George's Market	2.5	3.4	80	108
Egypt Centre	-0.1	-0.1	-3	-4
Submarine Museum	Not available	Not available	Not available	Not available
Brading Roman Villa	-1.2	-1.9	-37	-59
Hull Museums Quarter	0.5	1.2	17	37
Lincoln Arboretum	0.0	0.0	0	0
Clifton Park Museum	-0.3	-0.3	-10	-9
Blean Project	0.2	0.1	6	4
South Shields Museum	-3.0	-4.0	-95	-129
Anderton Boat Lift	0.0	0.0	0	0
Mount Wise	0.0	0.0	0	0
Discovery Museum	7.2	12.2	227	391
Durham Oriental Museum	0.4	0.5	12	16
Vivary Park	Not available	Not available	Not available	Not available
Bury Museums & Archives	-0.3	-0.3	-8	-11
Hackney Empire	0.0	0.0	0	0
De La Warr Pavilion	-20.8	-23.7	-656	-757
Kittochside	0.6	0.7	19	24
Russell-Cotes	-5.1	-8.0	-161	-257
Time & Tide Museum	-0.2	-0.4	-7	-12
Home Farm Marsh	0.0	0.0	0	0
Wiltshire Wildlife Trust	0.0	0.0	0	0
Rye Meads	-0.7	-1.0	-23	-32
Cromer Museum	-0.5	-1.2	-14	-38
Wicken Fen	0.8	1.1	26	35
Hardwick Hall	12.3	16.4	388	525
Total	12.6	27.2	398	869

2.4 Total economic impacts of HLF-funded attractions

Total site impacts have been estimated by adding the impacts of visitor expenditures to the impacts of the site operations and expenditures and are presented below in Table 2.12. Overall, the 42 sites are estimated to have supported a total of 1,274 FTE jobs and £32 million of GVA in their respective local economies in 2011/12, after taking account of all direct, indirect and induced effects. This averages approximately 30 FTE jobs and £760,000 of GVA per site. At the regional level, the 42 sites are estimated to support a total of 1,828 FTE jobs and £48 million, averaging 44 FTE jobs and £1.15 million of GVA per site.

Table 2.12 Summary impacts of HLF-funded attractions

	Employment (FTE)		GVA (£k)	
	Local	Regional	Local	Regional
Staffing	690	690	13,919	13,919
Purchases from Suppliers	53	104	2,613	5,093
Indirect & Induced Effects	149	476	3,306	11,407
Total Operational Impact	892	1,270	19,838	30,418
Visitor Expenditure	383	558	12,053	17,857
Total Economic Impact	1,274	1,828	31,891	48,276

The total impacts are presented in Table 2.13 for each individual site. The largest impact is generated by the National Coal Mining Museum, which is estimated to support more than 100 FTE jobs in the local economy and 158 FTE jobs in the regional economy. In terms of GVA, the site is estimated to support more than £3 million at the local level and £5.2 million in the regional economy. Other attractions generating significant impacts include De La Warr Pavilion, St George's Market, Hardwick Hall, Big Pit and Buxton Opera House.

However, there are a large number of sites generating minimal impacts. Eight of the sites (21% of the total) support fewer than four FTE jobs and £100,000 of GVA in their respective local economies. These sites tend to be those that were unable to provide visitor impacts and/or were those reporting very low or zero attributable operations and expenditures.

Table 2.13 Total economic impacts of HLF-funded attractions

	Employment (FTE)		GVA (£k)	
	Local	Regional	Local	Regional
Croome Landscape Restoration	45.2	65.3	1,227	1,862
Jackfield Tile Museum	72.5	102.5	346	664
Big Pit	75.2	100.1	2,569	3,475
Montgomeryshire Wildlife Trust	10.0	13.5	275	375
Broughton House Museum	8.6	12.6	224	351
Strathpeffer Pavilion	16.7	24.1	234	401
Towneley Hall	23.3	33.7	620	962
National Coal Mining Museum	101.1	159.7	3,096	5,241
Hereford Waterworks Museum	0.8	1.1	26	42
Hastings Museum	14.7	21.1	581	850
Turkish Baths	36.9	49.2	919	1,229
Herts & Middlesex Wildlife Trust	0.1	0.1	3	7
Old Belmont School	9.6	13.0	268	372
Gladstone Pottery Museum	26.9	36.7	484	693
Marlipins Museum	0.9	1.2	15	22
Buxton Opera House	83.2	125.8	1,582	2,621
St George's Market	92.6	125.1	2,720	3,754

	Employment (FTE)		GVA (£k)	
	Local	Regional	Local	Regional
Egypt Centre	10.7	14.5	225	308
Submarine Museum	49.1	81.0	1,068	1,950
Brading Roman Villa	27.1	38.8	714	1,045
Hull Museums Quarter	22.6	36.3	571	993
Lincoln Arboretum	2.9	4.2	87	132
Clifton Park Museum	28.6	38.1	612	822
Blean Project	7.7	10.9	176	270
South Shields Museum	25.9	35.1	728	1,005
Anderton Boat Lift	39.3	64.3	1,009	1,767
Mount Wise	2.1	2.8	45	61
Discovery Museum	46.2	66.3	1,393	2,019
Durham Oriental Museum	19.4	26.0	337	462
Vivary Park	2.4	3.2	54	72
Bury Museums & Archives	16.7	23.3	534	764
Hackney Empire	66.8	88.5	1,636	2,309
De La Warr Pavilion	98.7	138.0	2,851	4,309
Kittochside	21.5	31.0	618	940
Russell-Cotes	31.0	49.3	1,180	1,939
Time & Tide Museum	14.1	21.1	275	451
Home Farm Marsh	0.0	0.0	0	0
Wiltshire Wildlife Trust	3.0	4.0	68	91
Rye Meads	4.5	6.2	199	279
Cromer Museum	5.1	8.6	142	253
Wicken Fen	9.5	14.2	278	447
Hardwick Hall	101.2	137.1	1,904	2,667
Total	1,274	1,828	31,891	48,276

Changes in total economic impacts are presented below in Table 2.14. It shows that overall employment impacts have increased by an estimated 4% (at the local and regional levels) since the completion of the HLF funded projects. Over the same period, GVA impacts have also increased, at a lower rate of approximately 2%.

The data also show that it is only purchases of goods and services that have decreased across all 42 sites since the HLF investments. As stated above, this is mainly because of budget cuts and the need for attractions to deliver greater efficiency. The largest positive impacts have resulted from increased employment at the attractions, while visitor expenditures have also increased, particularly at the regional level.

Table 2.14 Summary changes in total economic impacts

	Employment (FTE)		GVA (£k)	
	Local	Regional	Local	Regional
Staffing	30.2	30.2	224	224
Purchases from Suppliers	-0.5	-3.9	-24	-192
Indirect & Induced Effects	5.9	15.8	40	19
Total Operational Impact	35.6	42.0	240	51
Visitor Expenditure	12.6	27.2	398	869
Total Economic Impact	48.3	69.2	637	920

The changes for individual sites are presented in Table 2.15 below. The largest declines in economic impacts have been experienced by the Hackney Empire, due to the outsourcing of catering operations, and Russell Cotes, which has suffered from reduced levels of funding and local authority budgets and the introduction of seasonal charging. Despite having the largest overall impact, the National Coal Mining Museum has also experienced declining impacts over time due to reduced numbers of staff and the need to make efficiency savings. Broughton House and Marlipins Museum have both experienced large percentage declines in their economic impacts since the HLF investment. Reasons also include reduced employment and the need for budget savings, the current economic climate as well as poor weather and falling visitor numbers.

Overall, 36% of sites experienced declining employment and GVA impacts, compared to 45% that generate larger impacts than they did on completion of the HLF funded project. 12% of sites reported no change in their impacts, while the remaining three sites experienced small growth in employment or GVA impacts but small declines in the other.

As with the operational impacts, the largest increases in total employment and GVA impacts, in terms of both absolute and percentage increases, have been generated by Croome Park. The impacts at Croome Park have increased threefold, representing an additional 35 local FTE jobs and 51 regional FTE jobs, and an additional £0.9 million and £1.4 million of GVA for the local and regional economies respectively. Other attractions experiencing considerable growth in the impacts that they generate include the Jackfield Tile Museum, Big Pit, Hardwick Hall and Buxton Opera House, while the Montgomeryshire Wildlife Trust and Old Belmont School have generated strong percentage growth in their respective impacts.

The increased economic impacts are the result of growth in staffing levels and the expenditures of sites, suppliers, employees and visitors. The main reasons behind these changes are as described above and include an expanded and improved visitor offer in terms of facilities, services and events, improved infrastructure and access, enhanced educational programmes; increased and improved marketing and publicity; and reduced entry fees.

Table 2.15 Change in total economic impacts

	Employment (FTE)		GVA (£k)	
	Local	Regional	Local	Regional
Croome Landscape Restoration	35.1	51.4	912	1,424
Jackfield Tile Museum	25.5	34.9	46	94
Big Pit	10.7	15.4	375	552
Montgomeryshire Wildlife Trust	5.4	6.6	163	194
Broughton House Museum	-4.2	-5.7	-117	-159
Strathpeffer Pavilion	0.6	1.1	-9	-1
Towneley Hall	-2.7	-5.5	-78	-196
National Coal Mining Museum	-8.2	-14.5	-230	-474
Hereford Waterworks Museum	0.2	0.4	7	16
Hastings Museum	-0.3	-0.4	-18	-23
Turkish Baths	6.2	9.1	141	232
Herts & Middlesex Wildlife Trust	0.0	0.0	0	0
Old Belmont School	4.2	5.8	125	177
Gladstone Pottery Museum	-2.2	-3.6	-55	-108
Marlipins Museum	-0.9	-1.2	-7	-8
Buxton Opera House	15.8	25.1	321	567
St George's Market	2.5	2.9	78	83
Egypt Centre	0.8	1.0	10	13
Submarine Museum	0.0	0.0	0	0

	Employment (FTE)		GVA (£k)	
	Local	Regional	Local	Regional
Brading Roman Villa	0.9	0.5	-6	-37
Hull Museums Quarter	-2.9	-4.3	-57	-106
Lincoln Arboretum	0.0	0.2	1	11
Clifton Park Museum	2.7	3.5	51	60
Blean Project	2.4	3.1	49	61
South Shields Museum	-5.5	-8.0	-147	-230
Anderton Boat Lift	0.0	0.4	2	18
Mount Wise	-0.5	-0.7	-11	-15
Discovery Museum	7.2	12.2	227	391
Durham Oriental Museum	3.4	4.6	58	77
Vivary Park	0.0	0.0	0	0
Bury Museums & Archives	-1.2	-1.6	-36	-49
Hackney Empire	-24.2	-35.1	-490	-794
De La Warr Pavilion	-15.8	-10.3	-511	-240
Kittochside	0.6	0.7	19	24
Russell-Cotes	-15.7	-29.1	-565	-1,135
Time & Tide Museum	-0.2	-0.4	-7	-11
Home Farm Marsh	0.0	0.0	0	0
Wiltshire Wildlife Trust	0.0	0.0	0	0
Rye Meads	-3.2	-4.4	23	19
Cromer Museum	-1.4	-2.4	-38	-69
Wicken Fen	0.8	1.1	26	35
Hardwick Hall	12.3	16.4	388	525
Total	48.3	69.2	637	920

3 Income and Financial Sustainability

This section provides a summary of evidence of the financial sustainability of the sample of 42 attractions that previously received HLF funding. The assessment is based on information collected from data submitted via the online survey and additional data collected from financial accounts provided by site managers.

3.1 Changes in levels and sources of income

Information relating to income was provided by 33 of the 42 HLF funded attractions. Most of the remaining nine sites do not charge entry fees and rely primarily on core funding from a sponsor organisation.

The data in Table 3.1 show that these 33 sites recorded a total income of £22.4 million in 2011/12. This equates to an average income of £680,000 for each site that reported receiving an income.

Approximately half of this income (46%) was generated through admissions, retail sales and other income earned by the attraction. 17% of incomes were provided through government grants, while an additional 8% were provided through local authority grants. The remainder was provided through other or unknown sources. These other sources included investment or property incomes, fundraising activities, rents, donations, and other grants.

The survey also asked sites about changes in incomes since the completion of the HLF funded project. The responses suggested that 43% of attractions had experienced growth in incomes over this time, while 19% had experienced a decline and 24% reported no change in incomes. The direction of change is not known for the other 6 attractions (14%). However, less information was received on the scale of the change in income. Only 54% of the sites reporting a change in income also provided details of the scale of the change. This information suggested that incomes across the sample of sites had increased by £2.6 million since the completion of the respective HLF projects, suggesting an average increase of £98,000 across each of the 26 sites that submitted data on the scale of the change in income.

It is interesting to note that the data suggest that – for those sites providing estimates of changes in income – local authority grants have increased since completion of the projects, which contradicts the feedback from the sites that cuts to local authority budgets are a major reason for declining economic impacts described in the previous section. Other sources of income were also reported to have increased. The only source of income reported to have fallen (by 5%) was government grants.

Table 3.1 Sources of income of HLF-funded attractions

	Total income (£k)*	Change since HLF-funded project (£k)**
Earned income (admissions, retail sales, etc.)	10,229	1,960 (+24%)
Government grant	3,892	-186 (-5%)
Local authority grant	1,791	346 (+24%)
Other	3,090	331 (+12%)
Unknown	3,405	
Total	22,408	2,551 (+15%)

*Total income is reported for 30 sites

**Changes in income are reported for 26 sites

The main reasons cited by the attractions for the growth in income included: an increased commercial offer and increased business activity; expansion of income generating services (including new rentable space); increased visitor numbers driving admission sales; new sources of funding; and an ability to increase charges for new and improved services. In contrast there were fewer reasons for decreases in income, which tended to concentrate on funding cuts but also included reduced visitor numbers and increased competition from other attractions in the area.

Table 3.2 Incomes of HLF-funded attractions

	Total income (£k)	Change since HLF-funded project (£k)
Croome Landscape Restoration	1,032	667
Jackfield Tile Museum	204	49
Big Pit	350	117
Montgomeryshire Wildlife Trust	43	40
Broughton House Museum	171	n/a
Strathpeffer Pavilion	203	100
Towneley Hall	104	not specified
National Coal Mining Museum	3,914	-376
Hereford Waterworks Museum	31	12
Hastings Museum	52	n/a
Turkish Baths	1,018	482
Herts & Middlesex Wildlife Trust	0	0
Old Belmont School	57	41
Gladstone Pottery Museum	347	50
Marlipins Museum	8	a small percentage only
Buxton Opera House	2,844	1,422
St George's Market	477	n/a
Egypt Centre	24	0
Submarine Museum	0	n/a
Brading Roman Villa	412	0
Hull Museums Quarter	0	n/a
Lincoln Arboretum	0	0
Clifton Park Museum	85	0
Blean Project	269	n/a
South Shields Museum	0	0
Anderton Boat Lift	398	0
Mount Wise	0	0
Discovery Museum	1,426	475
Durham Oriental Museum	127	0
Vivary Park	0	0
Bury Museums & Archives	34	-50
Hackney Empire	2,345	-479
De La Warr Pavilion	2,284	0
Kittochside	89	0
Russell-Cotes	1,326	n/a
Time & Tide Museum	74	0
Home Farm Marsh	0	0

	Total income (£k)	Change since HLF-funded project (£k)
Wiltshire Wildlife Trust	0	0
Rye Meads	66	n/a
Cromer Museum	32	n/a
Wicken Fen	677	n/a
Hardwick Hall	1,885	n/a
Total	22,408	2,551

Table 3.2 presents the incomes and changes in incomes for each of the individual sites in the sample. It shows that the largest incomes are earned by the National Coal Mining Museum, Buxton Opera House, Hackney Empire and De La Warr Pavilion. While there are fewer data in relation to changes in income, the largest increases in income were reported by:

- the Buxton Opera House – due to increased events and visitor numbers;
- Croome Park – due to the expansion of the site and services and a significant growth in visitor numbers;
- the Turkish Baths – due to improved facilities and a more commercial approach to operations, including the introduction of a booking system; and
- the Discovery Museum – due to increasing retail sales, and the introduction of a café franchise and venue hire.

Only three sites reported a decrease in their overall income and these comprised:

- Hackney Empire – due to outsourcing the catering operations as other earned income (i.e. ticket sales) has increased;
- Bury Museum and Archives – due to budget pressures and reduced funding; and
- The National Coal Mining Museum – due to decreases in both trading income and grants received.

Some care needs to be taken in interpreting the data, because of the risks of non-response bias. It is possible that sites experiencing increases in income are more likely to be willing to report these to HLF than those experiencing declines.

3.2 Implications for financial sustainability

The above information provided by the HLF funded attractions appears to suggest that, in most cases, incomes are stable or increasing. However, almost 60% of survey responses suggested that their sites have faced significant financial challenges, the most common of which included:

- Cuts to public sector funding, which was mentioned as a challenge by most sites;
- Increasing costs of supplier goods and services; and
- Reduced visitor numbers and on-site expenditures of visitors.

Furthermore, a more detailed analysis of the financial reports submitted by the sites and additional analysis of the survey data suggests greater concerns about the financial sustainability of the sites in this sample.

An indication of financial sustainability can be provided by estimating the total expenditures of each site including wages and purchases of goods and services and subtracting these from the income received by each site. The findings are presented in Table 3.3, which suggests reported total expenditures across the sample of £30 million (42 sites reporting) compared to incomes of £22.4 million (33 sites reporting). Focusing only on the 33 attractions for which income and expenditure data was provided, suggests total expenditures

of £28.2 million compared to incomes of £22.4 million and a shortfall of approximately £5.8 million.

The analysis suggests that 70% of the 33 sites providing data on both expenditures and incomes reported expenditure on wages, salaries and purchases in excess of their reported income in 2011/12. For example, one respondent to the survey reported a “*year on year deficit on income versus expenditure - probably on average a deficit of around £12,000, which is clearly not sustainable*”.

The data in Table 3.3 shows some extreme cases where the difference between incomes and expenditures exceeded £1 million. This highlights the fact that this approach is unlikely to provide a realistic view of the ongoing financial sustainability of these attractions and can only be indicative. For example, data was only collected for a single point in time (2011/12) which might not provide a fair representative for all attractions, while it also assumes that the attractions have provided details of all income streams. To gain a full picture of the financial sustainability of the attractions funded, a more detailed site by site analysis - including data over time and additional evidence to fill data gaps - would be required.

Table 3.3 Comparison of incomes and expenditures of HLF-funded attractions

	Total income (£k)	Total Expenditure (£k) (Wages and operational expenditures)	Difference (£k) (Income less expenditures)
Croome Landscape Restoration	1,032,072	917,730	114,342
Jackfield Tile Museum	203,837	108,504	95,333
Big Pit	350,000	2,050,000	-1,700,000
Montgomeryshire Wildlife Trust	43,000	58,000	-15,000
Broughton House Museum	171,414	161,972	9,442
Strathpeffer Pavilion	203,171	316,850	-113,679
Towneley Hall	103,555	749,900	-646,345
National Coal Mining Museum	3,914,472	5,100,946	-1,186,474
Hereford Waterworks Museum	30,895	26,198	4,697
Hastings Museum	52,056	584,348	-532,292
Turkish Baths	1,018,370	1,040,000	-21,630
Old Belmont School	56,557	54,515	2,042
Gladstone Pottery Museum	346,960	408,780	-61,820
Marlipins Museum	7,650	13,000	-5,350
Buxton Opera House	2,844,000	1,073,000	1,771,000
St George's Market	477,000	470,000	7,000
Egypt Centre	23,890	208,000	-184,110
Brading Roman Villa	412,329	618,352	-206,023
Clifton Park Museum	85,000	542,076	-457,076
Blean Project	269,028	269,028	0
Anderton Boat Lift	398,000	572,000	-174,000
Discovery Museum	1,426,000	1,516,000	-90,000
Durham Oriental Museum	127,299	253,180	-125,881
Bury Museums & Archives	33,500	445,000	-411,500
Hackney Empire	2,344,625	2,353,180	-8,555
De La Warr Pavilion	2,284,466	3,569,031	-1,284,565
Kittochside	88,595	843,818	-755,223
Russell-Cotes	1,325,594	1,746,978	-421,384
Time & Tide Museum	74,400	193,000	-118,600

	Total income (£k)	Total Expenditure (£k) (Wages and operational expenditures)	Difference (£k) (Income less expenditures)
Rye Meads	66,357	155,985	-89,628
Cromer Museum	32,000	96,500	-64,500
Wicken Fen	677,000	504,000	173,000
Hardwick Hall	1,885,348	1,144,261	741,087
Total (for attractions providing income data)	22,408,440	28,164,132	-5,755,692
Herts & Middlesex Wildlife Trust	0	11,638	-11,638
Submarine Museum	0	720,000	-720,000
Hull Museums Quarter	0	595,701	-595,701
Lincoln Arboretum	0	134,384	-134,384
South Shields Museum	0	228,000	-228,000
Mount Wise	0	39,500	-39,500
Vivary Park	0	45,000	-45,000
Home Farm Marsh	0	0	0
Wiltshire Wildlife Trust	0	57,000	-57,000
Total	22,408,440	29,995,355	-7,586,915

However, we can conclude that:

- The data provided suggest that recorded expenditures exceeded incomes in 2011/12 for the majority of the sites. This finding would benefit from more detailed analysis and verification, but suggests that many of the sites may be facing financial challenges;
- The data on operational impacts in Section 2 suggest that 45% of sites have increased their overall operations since the HLF funding while 33% record a decrease. This suggests declining operations for one third of sites. In most cases these declines are less than 10%. Three sites are estimated to have experienced a decline of more than 10% in the economic impact of their operations: Hackney Empire, Russell-Cotes and the National Coal Mining Museum, although for Hackney Empire much of this change can be attributed to outsourcing;
- Most sites reporting changes in income recorded an increase. This, and the finding that operational impacts have increased at 45% of the sampled sites, suggest that financial challenges at many sites may result more from managing growth rather than declining incomes;
- This initial appraisal highlights a small number of sites where recent trends may be of concern to HLF, notably the National Coal Mining Museum and Russell-Cotes.

4 Comparisons to Previous Estimates

This section makes comparisons between the impact estimates presented above and those produced in the previous GHK and Ecotec analyses.

The 42 HLF funded attractions in this study have all been the subject of previous economic impact studies undertaken between 2005 and 2009 by either GHK or Ecotec. It is therefore possible to make comparisons between the estimates of economic impact produced in this study and the corresponding estimates made by the previous evaluations, subject to the caveats described below.

This was achieved by collating the previous estimates of economic impacts for each of the 42 sites and presenting the data in a format that facilitated comparisons with the latest estimates. This required all financial data from previous evaluations to be updated to 2012 prices, while mid-points were used for any previous estimates that presented results as a range. However, there were also a number of other issues with the comparisons, which included:

- **The previous estimates were focused on the economic impact of the HLF investment rather than the full economic impact of the attractions as a whole.** While the previous studies assessed ongoing economic impacts (as well as the direct impacts of the HLF projects), these were focused on the additional impacts that occurred as a result of the HLF investment (i.e. increases in visitors, ongoing employment and purchases that could be attributed to the HLF project). This study has focused on the overall economic impact of the attractions and the changes in these overall impacts since the HLF investments.
- **Differences in the geographical coverage of the estimates developed by Ecotec and GHK.** All estimates have calculated impacts for the local economy, which is defined as having a 10 mile radius from each individual site. However, the Ecotec estimates also calculate impacts for the “sub-region” (using an assumed radius of 25 miles), while the GHK estimates calculate impacts for the “region” (using an assumed radius of 50 miles). It should therefore be noted that the previous Ecotec estimates will be significantly lower than the current GHK estimates for the same site, even if everything else is equal.
- **A more comprehensive coverage of different impacts in the current estimates.** Most of the different economic impacts have been calculated for most sites in the current estimates, as the exercise benefited from being able to fill gaps in the survey data with the information collected during the previous studies. The sites themselves were also perhaps better placed to provide some of the information requested, having had longer to put systems into place. This is especially the case for impacts associated with visitor expenditures, which were excluded from many of the previous estimates because data were not available or because the HLF investment was not considered to have resulted in a change in visitor numbers. However, in the latest estimates visitor expenditures and associated impacts have been assessed for the large majority of sites.
- **Some of the previous estimates of economic impact focus on employment impacts only.** The previous Ecotec evaluations produced estimates for employment impacts only for some sites. To enable GVA comparisons to be made, current estimates of GVA per FTE across the 42 sites have been used to estimate GVA impacts from the corresponding employment impact.

The total economic impacts estimated in the current and previous studies are presented below for the 42 sites as a whole. The table shows that the previous analyses (C.) estimated employment impacts of 1,031 FTE jobs in the local economy and 1,239 FTE jobs in the (sub) regional economy. GVA impacts, inflated to 2012 prices, were estimated to total £26 million in the local economy and £33 million in the (sub) regional economy.

Table 4.1 Current and previous estimates of total economic impacts

	Employment (FTE)		GVA (£k)	
	Local	(Sub)Regional	Local	(Sub)Regional
A. Current estimate	1,274	1,828	31,891	48,276
B. Latest estimate of impacts on completion of the HLF funded project	1,226	1,759	31,253	47,356
C. Previous estimates of impacts on completion of the HLF funded project	1,031	1,239	25,805	32,736

The table also includes the latest impact estimates (A.) as well as backdated estimates of the annual impacts of sites on completion of the HLF funded project (B., estimated by subtracting the changes reported by the sites). The comparisons suggest a reasonable degree of consistency in estimates of local impacts. There is a difference of 195 FTE jobs (less than 20%) between the previous estimates (C.) and the current estimate of employment impacts on completion of the HLF project (B.). The corresponding difference in GVA impacts is only slightly higher at £5.4 million (approximately 20%). The main reason for these differences is the fact that the current estimates assess economic impacts of the whole attraction, while the previous estimates focused on the ongoing impacts that could be attributed to the HLF investment.

The differences in subregional/ regional impacts are more significant, which can be explained by the geographical differences described above. The current estimates are slightly higher, although this is also to be expected given the increasing economic impacts that have been reported in this study.

In conclusion, there appear to be fairly high levels of consistency between the different sets of estimates and the differences can be explained by methodological factors and differences of approach.

The estimates lend support to the findings presented above, and show that:

- There is a reasonable degree of consistency between the two estimates of the economic impact of the HLF funded sites on completion of the HLF funded project (i.e. the original GHK/ Ecotec estimates C. and the estimates made based on the survey returns B.); and
- The impacts of the HLF funded attractions are estimated to have increased since the completion of the project, both in relation to the previous GHK and Ecotec estimates, and the estimated changes reported by the sites in this study.

ANNEXES

Annex 1 Methodology and assumptions for assessing economic impacts

A1.1 Measures of economic impact

In measuring the economic impact of the sites, the study was concerned with the extent to which the sites support and create jobs and incomes in their respective local and regional economies. The two key indicators of most interest are:

- **Employment** – the overall effect of the site in supporting jobs on site and within supplier businesses. Typically this is expressed in terms of full time equivalent (FTE) jobs, for consistency.
- **Gross Value Added (GVA)** – the overall effect of the site on the value of goods and services produced in the economy. GVA measures the contribution to the economy of individual producers, industries or sectors, and is equivalent to their gross output less their purchased inputs. Because GVA is net of purchased inputs, it can be aggregated across all firms and, unlike turnover or gross output, provides a measure of the overall output in the economy that is not affected by double counting.

The analysis therefore concentrates on employment and GVA as key indicators of economic impact, using estimates of expenditure and turnover only as a means to calculate these.

A1.2 Defining local and regional economies

The size and structure of the local and regional economy varies from one site to another, depending on its location. This can be expected to affect the economic impact of sites and their associated expenditures. In general, sites located within urban areas can be expected to be close to larger numbers of suppliers and workers and therefore have greater impacts on the economy of their immediate local area, whereas the impacts of projects in more rural areas can be expected to be more dispersed.

The English Partnerships *Additionality Guide* states that the 'local area' is often considered to be within the relevant travel to work area, or if this is not appropriate then a 10-15 mile radius of the site concerned, with the precise delineation to depend on the density of the settlement pattern in relation to the location of people and business activity.

For the purposes of this study, the local economy is defined as including an area within a 10 mile radius of each site. It should be noted that this definition means that the local economy will vary significantly in size (overall employment, GVA and number of businesses) from one site to another. The regional economy is defined as an area within a 50 mile radius of each site.

A1.3 Assessing the impact of site operating expenditures

A1.3.1 Relating turnover, GVA and employment

The effects of operating expenditures on employment and GVA in supplier firms can be assessed using standard ratios linking gross output, employment and GVA. The Government's National Accounts (the Blue Book) provide data on gross output and GVA for key sectors, and data for employment are available from the Office of National Statistics (ONS). Data for key sectors are provided in 0.

Table A1.1 Gross output, GVA and employment by broad sector, UK, 2010

	Gross output (£m) ⁷	GVA (£m) ³	Employment (000)	Employment (000 FTE) ⁸
Agriculture, hunting, forestry and fishing	21,722	8,333	426	362
Production industries, including energy	597,895	210,335	2,943	2,502
Construction	207,863	83,280	2,116	1,799
Distribution, transport, accommodation, information and communication	629,819	321,845	9,299	7,904
Financial and insurance activities	216,964	123,021	1,128	959
Real estate, professional and support services	450,846	256,905	5,187	4,409
Public administration and defence	464,294	260,993	8,562	7,278
Arts, entertainment and recreation	79,785	44,249	1,710	1,454
All industries	2,669,188	1,308,961	31,370	26,665

Source: ONS (2012) UK National Accounts: The Blue Book 2012

Table A1.2 presents key ratios derived from the data in 0. Across the economy as a whole, the data suggest that each £1 of gross output involves gross value added of £0.49, with this figure varying from £0.35 in the production and energy industries to £0.57 in real estate, professional and support services and financial and insurance services. Gross output per FTE job is estimated at £100,000 across the economy as a whole, ranging from £55,000 in arts, entertainment and recreation services to £239,000 in the production and energy industries.

Table A1.2 Key ratios for output, GVA and employment, 2010

	GVA per £1 output	Gross output per job	GVA per job	Gross output per FTE	GVA per FTE
Agriculture, hunting, forestry and fishing	£0.38	£50,991	£19,561	£60,006	£23,019
Production industries, including energy	£0.35	£203,158	£71,470	£238,967	£84,067
Construction	£0.40	£98,234	£39,357	£115,544	£46,292
Distribution, transport, accommodation, information and communication	£0.51	£67,730	£34,611	£79,684	£40,719
Financial and insurance activities	£0.57	£192,344	£109,061	£226,240	£128,281
Real estate, professional and support services	£0.57	£86,918	£49,529	£102,256	£58,268
Public administration and defence	£0.56	£54,227	£30,483	£63,794	£35,861
Arts, entertainment and recreation	£0.55	£46,658	£25,877	£54,873	£30,433
All industries	£0.49	£85,087	£41,727	£100,101	£49,089

These ratios can be used to assess the economic impacts of particular expenditures. For example, across all industries, we would expect the direct effect of expenditures to support £490 of GVA per £1000 increase in business turnover, and to support 1 FTE job per £100,000 increase in turnover (gross output).

⁷ From UK National Accounts, the Blue Book

⁸ Based on an assumed average of 1 job = 0.85 FTE for all sectors

The extent to which these impacts occur within the local and regional economies will depend on the location of the suppliers concerned. There will be further indirect and induced effects, depending on the extent to which money is retained in the local and regional economies.

A1.3.2 Multiplier effects

Input: Output tables provide regional multipliers for Scotland, Wales and South West England. These can be summarised as follows:

- Scotland. The Scottish Input: Output tables for 2007 provide input, output and employment multipliers⁹. These suggest Type I multipliers for services (covering direct and indirect effects) of between 1.2 and 1.8, and Type II multipliers¹⁰ (covering direct, indirect and induced effects) of between 1.2 and 2.1;
- Wales. Wales Input: Output tables for 2007 suggest Type I output multipliers of between 1.23 and 1.46 for services, while Type II output multipliers are estimated at between 1.37 and 1.68; and
- South West England. The SW Economy Model for 2008 suggests Type I multipliers of around 1.3 and Type II multipliers of around 1.6 for services.

Standardised economic multipliers for the local and regional level are also provided by the English Partnerships *Additionality Guide*. This referred to a *supply linkage multiplier* (Type I multiplier) and an *income multiplier* (induced multiplier), combining to give a composite (Type II) multiplier. Reviewing evidence from a range of studies, this concluded that appropriate composite multipliers for the majority of projects would be 1.1 at the neighbourhood level and 1.5 at the regional level. The review of previous studies found composite multipliers of 1.2-1.4 at the local level and 1.4-1.6 at the regional level.

A1.3.3 Methods used in this study for assessing the economic impacts of site operations

The direct employment impact was assessed in terms of the number full time equivalent (FTE) jobs at each site. The associated GVA is the expenditure on wages and salaries of the people employed. Data were provided by survey responses submitted by the 42 sites and included FTE staffing and payroll expenditures for each site.

The direct effects on employment and GVA among firms supplying goods and services to the site were estimated by examining the expenditures of sites on purchased goods and services. Evidence from the previous evaluations of the 42 sites was used to enable expenditures within the local and regional economies to be estimated. Where such data was not available, an average of the other sites was calculated and applied to determine the scale of purchases from local, regional and national suppliers.

The 'local economy' was defined as businesses located within 10 miles of the site, and the 'regional economy' as businesses located between 10 and 50 miles of the site. Purchases from local firms result in equivalent levels of turnover (or gross output) for these businesses. The associated impacts on employment and GVA were estimated using the standard ratios described above of £100,000 gross output per FTE job, and £0.49 of GVA per £1 in gross output.

In order to assess indirect and induced effects, this study has used a standard Type II multiplier of 1.2 at the local level, based on the above review. This implies that, for each additional £1 of output supported by project expenditure, an additional £0.20 of output in the

⁹ These multipliers estimate the relationship between the direct effect on output, income or employment and the overall effect that results in the economy as a whole. Thus a multiplier of 1.2 suggests that a project employing one person directly will result in an overall increase in employment of 1.2 (supporting an additional 0.2 jobs indirectly). A similar output multiplier would suggest that a £100 increase in direct output leads to an overall increase in output of £120.

¹⁰ Type I multipliers measure the ratio of (direct + indirect): direct employment, income or output (i.e. incorporating the effects of supplier spending) while Type II multipliers measure the ratio of (direct+indirect+induced): direct effects (incorporating both supplier and employee expenditure effects).

local economy is supported by supplier and employee expenditures. Similarly, for each extra person employed, an additional 0.2 jobs are created at the local level.

A1.4 Assessing the impact of visitor expenditures

The sites also attract significant numbers of visitors, many of whom will spend money in the local and regional economies. The strength of this impact depends on:

- The number of visitors;
- The mix between day trippers and staying visitors, with the latter tending to spend larger sums, particularly on accommodation and meals;
- The opportunities for spending money in the vicinity of the site;
- The degree to which spending can be attributed to the site in question. If people visit the area especially to visit the site, then the money they spend can be attributed to the site itself. However, if they are in the area for other reasons and happen to visit the site while there, their expenditure cannot be attributed to the site; and
- The structure of the local economy, which determines how much of the money is re-spent locally, benefiting other firms and individuals in the area.

Ideally, visitor expenditures are estimated through visitor surveys, which ask visitors, among other things:

- How far they had travelled to visit the site;
- Whether they were on a day trip or staying in the area;
- How many nights, if any, they were staying in the area;
- The size of their party;
- The importance of the site in encouraging them to visit the area;
- Whether they had purchased various items locally as part of their visit; and,
- How much they had spent on these different items.

The results can then be used to estimate expenditures in the local economy by non-local day-trippers and staying visitors. In assessing the visitor impacts of a particular site, we also need to estimate the **additional** expenditures that the site attracts into the local economy. In estimating these expenditures, it is necessary to consider the degree to which the sites attract people who would not otherwise be in the area, and to estimate the expenditures by these visitors. Expenditures by locals or people who are visiting the area for other reasons, and happen to visit the site in question, need to be excluded. As a result the levels of expenditure attributable to a site may be significantly less than the overall daily expenditures by visitors.

HLF funded sites were asked to submit their latest visitor survey evidence as part of this study and this was used wherever possible to estimate the number of non-local day trippers and staying visitors, the scale of their respective expenditures and the extent to which these can be attributed to the site. Where recent survey evidence was not provided, assumptions were made based on the findings of the previous evaluations of the site. In cases where neither source was available, averages were calculated for the other sites in the sample and then applied.

The impacts of visitor expenditures on employment and GVA can be assessed by using standard multipliers. The two main economic models used to assess the local economic impacts of tourism spending in the UK are the Cambridge and STEAM models. Local authorities and tourism agencies periodically commission studies of the volume, value and impact of tourism at the local level using one of these two models. Table A1.3 summarises the results of some recent studies based on these two models.

Table A1.3 Local studies of economic impact of tourism

Area	Year	Model	Visitor Spend		Jobs		Spend/Job	
			(£m)	Actual	FTE	£ per FTE	inflator	at 2011 prices
Eastbourne	2011	C	266	7319	5352	£49,738		£49,738
Windsor & Maidenhead	2011	C	448	9010	6644	£67,417		£67,417
Northumberland	2011	S	706		13230	£53,364		£53,364
Cardiff	2011	S	943		13295	£70,951		£70,951
Swansea	2011	S	335		5602	£59,848		£59,848
Cumbria	2011	S	2202		33090	£66,543		£66,543
Allerdale	2011	S	400		6415	£62,338		£62,338
Barrow	2011	S	92		1428	£64,426		£64,426
Carlisle	2011	S	363		5258	£68,943		£68,943
Copeland	2011	S	139		2116	£65,737		£65,737
Eden	2011	S	226		3589	£62,831		£62,831
South Lakeland	2011	S	983		14284	£68,811		£68,811
Lichfield	2010	C	95	2294	1655	£57,222	1.03	£58,939
North Norfolk	2010	C	333	8684	5171	£64,431	1.03	£66,364
Winchester	2010	C	231	4975	3367	£68,589	1.03	£70,647
Exmoor National Park	2010	S	89		2105	£42,375	1.03	£43,646
Greater Exmoor	2010	S	216		4301	£50,326	1.03	£51,836
Cambridgeshire	2010	C	1381	35120	18131	£76,152	1.03	£78,437
Northamptonshire	2010	S	905		13385	£67,576	1.03	£69,603
Brighton & Hove	2010	C	718	18154	13345	£53,818	1.03	£55,433
South Oxfordshire	2010	C	201	3778	2740	£73,368	1.03	£75,569
Test Valley	2010	C	156	4341	3153	£49,633	1.03	£51,122
Canterbury	2010	C	348	8189	6653	£52,238	1.03	£53,805
Leicestershire	2010	S	1321		19493	£67,768	1.03	£69,801
Salford	2010	S	445		5789	£76,870	1.03	£79,176
Staffordshire	2010	C	986	26082	19322	£51,006	1.03	£52,536
Portsmouth	2010	C	401	10713	7913	£50,635	1.03	£52,154
Rother	2010	C	226	6273	4465	£50,675	1.03	£52,195
Malvern Hills	2009	C	82	1736	1189	£69,233	1.06	£73,387
Manhood Peninsula	2009	C	147	2720	1973	£74,288	1.06	£78,745
Staffordshire Moorlands	2009	C	158	2995	2048	£77,148	1.06	£81,777
Kent and Medway	2009	C	2591	63261	47248	£54,838	1.06	£58,128
Ashford	2009	C	176	3835	2890	£61,026	1.06	£64,688
Canterbury	2009	C	338	8189	6586	£51,380	1.06	£54,463
Dartford	2009	C	405	9062	6479	£62,531	1.06	£66,283
Dover	2009	C	181	4418	3828	£47,282	1.06	£50,119
Gravesham	2009	C	76	1949	1731	£43,778	1.06	£46,405

Area	Year	Model	Visitor Spend		Jobs		Spend/Job	
			(£m)	Actual	FTE	£ per FTE	inflator	at 2011 prices
Maidstone	2009	C	173	5078	3725	£46,359	1.06	£49,141
Medway	2009	C	210	5554	4102	£51,284	1.06	£54,361
Sevenoaks	2009	C	172	4190	3083	£55,861	1.06	£59,213
Shepway	2009	C	184	4228	2897	£63,648	1.06	£67,467
Swale	2009	C	188	4214	2932	£64,108	1.06	£67,954
Thanet	2009	C	176	5180	3652	£48,128	1.06	£51,016
Tonbridge	2009	C	112	2988	2211	£50,674	1.06	£53,714
Tunbridge Wells	2009	C	199	4376	3132	£63,498	1.06	£67,308
County Durham	2009	S	654		10681	£61,230	1.06	£64,904
Durham City	2009	S	174		2639	£65,775	1.06	£69,722
Durham Dales	2009	S	130		2382	£54,601	1.06	£57,877
Durham Coast	2009	S	85		1327	£64,273	1.06	£68,129
Vale of Durham	2009	S	271		4333	£62,428	1.06	£66,174
Southampton	2008	C	347	7968	5753	£60,330	1.07	£64,553
Birmingham	2007	S	4368		59840	£72,995	1.10	£80,295
East Hertfordshire	2007	C	183	3936	2839	£64,531	1.10	£70,984
West Oxfordshire	2007	C	200	3873	2911	£68,568	1.10	£75,425
Greater Manchester	2007	S	5600		79411	£70,519	1.10	£77,571
Doncaster	2007	C	279	6950	5060	£55,138	1.10	£60,652
Tunbridge Wells	2006	C	184	3938	2879	£63,911	1.13	£72,219
Ipswich	2006	C	140	3361	2478	£56,497	1.13	£63,842
Ryedale	2006	C	121		2394	£50,543	1.13	£57,114
Carmarthenshire	2006	S	252		5355	£47,059	1.13	£53,177
Barnsley	2006	C	179	4327	3198	£55,941	1.13	£63,213
South Tyneside	2006	S	219		4235	£51,712	1.13	£58,435
Shropshire	2005	C	561	15691	11497	£48,795	1.16	£56,602
Oxford	2005	C	568	13643	9917	£57,275	1.16	£66,439

The figures indicate that average visitor expenditure of between £44,000 and £82,000 is required to support 1 FTE job at the local level at 2011 prices, with an arithmetic average of £63,000 per FTE.

Based on the above, the study estimated the economic impacts of visitor expenditures by assuming that **local expenditure of £63,000 is required to support 1 FTE job**, while each **£1 of expenditure enhances local GVA by £0.50**.

Annex 2 Survey Instrument

Heritage Lottery Fund - Impact Survey

Introduction

This survey is being conducted by GHK Consulting on behalf of the Heritage Lottery Fund (HLF) as part of an ongoing programme of research to assess the economic and social benefits of its investments.

HLF previously explored the economic impacts of a sample of HLF-funded projects that completed between 2005 and 2008 and is now undertaking a follow-up study. The purpose of the survey is to collect information on ongoing trends in staffing, expenditures and visitor numbers at a sample of visitor attractions that have benefited from HLF grants. This will enable HLF to examine the ongoing economic impacts of these sites and any changes that have taken place since the earlier research.

The survey will take around 10 minutes to complete.

1. Name of project:

Name of person completing this survey:

Job title:

Email address:

Telephone number:

Staffing

2. Please could you tell us how many people were employed at the HLF-funded attraction in the latest financial year:

Full time, year round employees

Part time, year round employees

Full time, seasonal employees

Part time, seasonal employees

Total employees

3. What was the total wage and salary bill for the HLF-funded attraction in the latest financial year?

£

4. How has the level of staffing changed since the year when the HLF-funded project was completed?

(Please select one response)

☐ Decreased

☐ Increased

☐ Stayed the same

By how much has staffing decreased/increased?

5. What have been the reasons for this change?

Visits

6. How many visits were there to the HLF-funded attraction in the most recent year?

Total visits

7. How has the number of annual visits changed since the first full year when the HLF-funded project was completed?

(Please select one response)

- ☐ Decreased
☐ Increased
☐ Stayed the same

By how much has the number of annual visits decreased/increased?

8. What have been the reasons for this change?

9. Have you undertaken a visitor survey in recent years?

(Please select one response)

- ☐ Yes
☐ No

Please could you email the findings of any recent visitor surveys to
Andy.White@ghkint.com

Purchases

10. What was the total operational expenditure (including purchases of goods and services, but excluding wages and salaries) of the HLF-funded attraction in the latest financial year?

£

11. How has the level of operational expenditure and purchases changed since the year when the HLF-funded project was completed?

(Please select one response)

- ☐ Decreased
☐ Increased
☐ Stayed the same

By how much has the level of operational expenditure and purchases decreased/increased?

12. What have been the reasons for this change?

It would be helpful for the research if you could please email your latest set of accounts to
Andy.White@ghkint.com

Income

13. What was the total income of the HLF-funded attraction in the most recent financial year?

£

14. Please indicate the distribution of income between the following sources in the most recent financial year.

(Please include percentages for all applicable sources)

What percentage of total income is accounted for by:

Earned income (admissions, retail sales, etc.)

Government grant

Local authority grant

Other (please specify below)

Other sources of income

15. Have there been any significant changes in total income since the completion of the HLF-funded project?

(Please select one response)

☐ Yes - Decreased

☐ Yes - Increased

☐ No - Stayed the same

By how much has total income decreased/increased?

16. What have been the reasons for this change?

- 17.** Have there been any changes in the distribution of income between different sources since the completion of the HLF-funded project?

(Please select one response)

- ☐ Yes
☐ No

- 18.** How has the distribution of income changed since the completion of the HLF-funded project?

(Please include percentages of income for all applicable sources at completion of the HLF-funded project)

What percentage of total income was previously accounted for by:

Earned income (admissions, retail sales, etc.) _____
Government grant _____
Local authority grant _____
Other (please specify below) _____

Other sources of income

- 19.** Have you experienced any significant financial challenges in maintaining the attraction and its activities since the completion of the HLF-funded project?

(Please select one response)

- ☐ Yes
☐ No

- 20.** Please provide details of these financial challenges.

Further Comments

- 21.** Do you have any further comments on any of the issues in the questions above?

Thank you for taking part in this survey