



Economic Impact of HLF Projects

Volume 1 – Main Report

Heritage Lottery Fund

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A report submitted by GHK

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EXECUTIVE SUMMARY

ES1. Introduction

The Heritage Lottery Fund (HLF) commissioned GHK Consulting Ltd (GHK) to examine the economic impacts of 10 HLF projects. These were all large projects, receiving funding of more than £250,000, and completing in 2008. The sample was designed to cover a representative variety of types of heritage project, geographic regions and sizes of grant. The focus of the study was on HLF's general heritage grants programme, rather than on more specific programmes designed to promote regeneration.

Each of the 10 case studies sought to examine, where relevant:

- The impact of **project expenditure** on the local economy;
- The impact on the local economy of **ongoing expenditure** resulting from the operation of the funded assets;
- The effect of project and ongoing expenditures on **employment**, considering the number of jobs, the quality of employment, people benefiting, extent and quality of related training, and sustainability of employment;
- The impact of projects on **visitor numbers and expenditures**, and resulting economic impacts;
- The role of projects in enhancing the image of the local area as a **business location**;
- The **financial sustainability** of the projects, taking account of the accuracy of visitor and financial forecasts, the number of projects encountering financial difficulties and the reasons for these, and the quality of financial monitoring and intervention both during implementation and post completion.

This final report presents the findings of the 2009 work, and summarises the results of the 10 case studies.

The 10 projects involved total expenditure of £56 million, of which HLF grants amounted to £36 million, or 65%. This proportion ranged from 41% to 73% of expenditure on individual projects.

ES2. Research Methods

The research involved:

- A review of relevant documents and data sources for each project, from HLF files;
- Analysis of expenditure data from HLF files, to assess the location of beneficiaries of project expenditures;
- Site visits to enable face-to-face interviews with key individuals involved with each project;
- Surveys of visitors to five sites, to collect information about visitor origins, visiting patterns, visitor motivations and expenditures;
- Modelling of the economic impacts of project, operating and visitor expenditures;
- Socio-economic profiles of the area in which each project is located;

- Preparation of case studies for each of the 10 sites;
- Analysis of the findings from the case studies, to identify common findings and lessons, and to assess the overall impact of HLF projects.

ES3. Assessment of Economic Impacts

The economic impacts of each project were assessed by collecting as much site-specific information as possible about patterns of expenditure and the firms and individuals benefiting from it. A simple economic model was developed, based on published economic evidence, to enable the assessment of the economic impacts of project, operating and visitor expenditures on employment and Gross Value Added (GVA) at the local and regional level. This spreadsheet model was used to assess the direct, indirect and induced impacts of relevant expenditures.

ES4. Economic Impacts of Project Expenditure

The 10 case study projects involved total expenditure of £56 million. Some 90% of overall project expenditures were on purchased goods and services, such as building work, professional fees and materials. Only a small minority of budgets were allocated to direct staffing, volunteer inputs and training costs.

The figures demonstrate some variations in the way that projects spend money. In six of the ten case study projects, more than 95% of the budget was spent on purchased goods and services. The other four projects were: Greystones Farm, where the largest expenditure was on land purchase; Priory House, where the purchase of the site also accounted for a significant proportion of costs; the Sherwood Initiative, where staff costs and volunteer inputs were substantial; and Trencherfield Mill Engine, where there was also a substantial staffing element.

This follows a similar pattern to that found in previous years' work, which noted that projects dominated by the construction and restoration of buildings (e.g. Stanley Mills, Nechells Baths, Big Pit, Discovery Museum, Hastings Museum, Sheffield Museum) tend to rely almost exclusively on purchased goods and services, whereas other projects involving more diverse heritage works such as the restoration of nature reserves, gardens and collections are more likely to involve direct staff and volunteer inputs.

Across the ten projects, only 12% of goods and services were sourced from the local area (defined as a 10 mile radius), a further 66% from the "regional" economy (defined as a 50 mile radius) and 22% from suppliers more than 50 miles away. The figures indicate a marked difference from previous years' research, with the 10 case study projects sourcing a relatively very low proportion of inputs from local suppliers and a high proportion from regional firms. This is largely because none of the 10 case study projects used a local firm as its lead contractor.

The case studies reveal marked variations in the degree of local sourcing, especially as a result of the structure of the local economy and the extent of purchases of specialist goods and services.

The employment impacts of the case study projects included:

- Direct employment – projects supported 70 job years of work in local and regional economies.
- Supplier employment – project expenditures supported 63 job years of work among direct local suppliers and 400 job years in wider regional economies.

- Indirect and induced effects – supplier and employee expenditures were estimated to support 26 job years of work in local and 281 job years in regional economies.
- Total employment – combining the above impacts, project expenditures were estimated to support 159 job years of work in local and 750 job years in regional economies.

The effects on GVA were estimated as follows:

- GVA associated with direct employment – expenditures were estimated to fund wages and salaries totalling £2.4 million in local and regional economies.
- Supplier GVA – the gross value added by direct supplier firms was estimated to total £2.9 million in local and £18.8 million in regional economies.
- Indirect and induced effects – supplier and employee expenditures were estimated to support further GVA totalling £1.1 million in local and £12.7 million in regional economies.
- Total GVA – combining the above, the overall effect on GVA was estimated at £6.4 million in local and £33.9 million in regional economies.

Overall expenditure for the 10 projects totalled some £56 million, suggesting that just less than 40% is lost as a net leakage from regional economies through the purchase of goods and services from other regions. This is similar to the results from the 2008 research – thus while there was a high level of leakage at the local level the relationship between project expenditures and regional impacts was similar. The estimates do not take account of site/land purchases at Greystones Farm and Priory House.

The case studies examined the additionality of these impacts, in order to assess the likely net effects on local and regional economies. In most cases no evidence was found to suggest that the net impacts of the projects were likely to be significantly lower than the gross impacts.

ES5. Skills, Training and Employment

Six of the projects recorded expenditures on training, totalling £77,577. This represents a significant increase on recorded expenditures in previous years' research, and reflects the requirement since 2002 for all projects receiving HLF grants of more than £1 million to incorporate a training element. Most projects involved a degree of formal or informal training, with the Sherwood Initiative standing out in delivering a major programme of training to a large number of local volunteers.

Collectively, the projects created demand for a wide variety of specialist heritage skills. In general these were more likely to be sourced from outside the local and regional economies than were more general goods and services.

The case studies identified various examples of qualitative benefits associated with employment among the projects and their suppliers. Examples include job satisfaction among staff involved, pride in the implementation of the projects and the operation of funded assets, improvements in the working environment and facilities available to staff, and enhanced career prospects for staff and volunteers.

Volunteers played a key role in the delivery of eight of the projects, together contributing many years of unpaid time to their implementation. The case studies identify significant benefits both to the projects and to the individuals involved. Again,

the Sherwood Initiative was outstanding in engaging an estimated 1500 volunteers each year, collectively providing the equivalent of at least 12.5 full time job years of work annually.

ES6. Ongoing Impacts

Operational Impacts

Expenditures in operating the funded assets support direct employment, benefit supplier businesses and have multiplier effects on wider local economies. In all it is estimated that operational impacts amount to the creation or safeguarding of 95 FTE jobs locally and 138 FTE jobs regionally across the 10 projects, contributing £2.5 million to local GVA and £3.76 million to regional GVA.

It is difficult to assess to what extent this additional economic activity can be attributed to the HLF funding. While in each case it has followed from the investment and facilities provided by the HLF funded project, it is always dependent on ongoing funding from other sources. It follows that HLF funding is often a necessary but not sufficient condition for these ongoing economic impacts.

Some projects were not found to have ongoing economic impacts. These were generally smaller projects which did not lead to the creation of a major new capital asset.

Visitor Expenditures

Visitor expenditures were estimated through dedicated visitor surveys at five sites. In each case the expenditures that could be attributed specifically to the site itself were estimated, drawing on evidence of the role of the site in motivating people to visit the area. These were combined with estimates of visitor numbers to estimate total visitor expenditures attributable to each site. The net effect of the project on visitor numbers and expenditures at each site was estimated. The economic impact of these expenditures was estimated by applying appropriate multipliers.

In total the case study projects are estimated to bring net additional visitor expenditure of £1.5 million annually to their local economies, and £1.3 million to their respective regional economies. Together they are estimated to attract sufficient visitor expenditure to support 25 FTE jobs locally and 32 FTE jobs in regional economies, enhancing local GVA by £0.7 million annually and regional GVA by £1.0 million annually. The largest impacts are attributed to the Big Pit and Discovery Museum projects.

Effects on Regeneration and the Business Environment

As well as the direct effects of project and visitor expenditures, some projects were found to have additional benefits by enhancing their immediate environs. In some cases this was deemed to have wider business benefits by encouraging further regeneration activity to take place and/or enhancing the environment for local businesses and their customers. Examples include the Discovery Museum, Nechells Baths, Big Pit, Hastings Museum, the Sherwood Initiative, Stanley Mills and Sheffield City Museum.

The strength of these property related effects depends to a large extent on the location of the project. Those projects located in areas in need of physical regeneration, and/or suffering from anti-social behaviour, have benefited the most.

Ongoing Training Effects

Changes in employment and/or volunteering activity were found to give rise to ongoing effects on training provision and skills development in at least six of the ten case study sites.

ES7. Contribution to Sustainable Development

Impact on Deprived Areas

Six projects are located in areas which are ranked among the 25% most deprived in their respective countries, according to indices of multiple deprivation.

These six projects together account for 44% of the total HLF grant awarded to the 10 projects in our sample. This indicates that the projects in our sample disproportionately benefit deprived areas of the UK.

Collectively, expenditures on these projects supported an estimated 103 job years of work and GVA of £4.2 million in their respective local economies. Ongoing operational expenditures are estimated to support further employment of 74 FTE jobs and GVA of £1.9 million annually. Visitor expenditures are estimated to support a further 19 FTE jobs and GVA of £0.6 million in these local economies.

Environmental and Social Impacts

The projects gave rise to a wide range of positive environmental and social impacts in addition to those described above. Environmental impacts include direct benefits for nature conservation and archaeology, improvements in the urban environment, improvements in the environmental performance of buildings and equipment, and enhancing public awareness of and engagement in environmental issues. Social benefits include community outreach and engagement, enhanced communal areas and meeting places, improved educational and recreational facilities, stronger partnerships, enhanced civic pride, and enhanced awareness of key social issues.

Financial Sustainability

Most of the larger HLF funded projects involve capital expenditures which are designed to provide a lasting asset that will provide benefits to the public over a significant period of time. As a result, HLF is concerned to ensure that the funded assets manage to sustain themselves over time, in order to ensure ongoing maintenance of the asset and keep it open to the public.

The case study site that appears to present greatest challenges with regard to financial sustainability is Weston Park Museum. The HLF project greatly enhanced the Museum and its activities and offer to visitors, but this increase in scale of activity has not been matched by an increase in core revenues. While visitor numbers have greatly exceeded expectations, they have not generated sufficient revenues to cover costs – the site is free to enter and income from cafe rentals, shop sales and events represents only a relatively small proportion of turnover. The largest funding is provided by Sheffield City Council, but has not increased in line with activity.

Trencherfield Mill also generates limited income and is similarly dependent on local authority funding. While there is no indication that this will not continue, there must be concerns given that financial and economic constraints have stalled other developments in the Wigan Pier area, which have severely limited the operation of the asset and the benefits it has provided.

There appear to be no significant concerns about the financial sustainability of the other eight sites, even though most have an annual operating deficit and therefore require core funding to sustain them.

As found by previous research, the presence of a strong and committed sponsor organisation holds the key to the financial sustainability for most major HLF projects. Projects without a financially secure sponsor, which must fund operating expenditures from revenues generated on site, have a much greater risk of failure and may require additional financial scrutiny at the application stage.

The research found some examples of inaccurate forecasting at the application stage, leading to both optimistic and pessimistic projections.

ES8. Total Economic Impact of HLF Projects

Collectively expenditures in implementing the 10 projects are estimated to have supported 159 job years of work in local and 750 job years in regional economies, enhancing local GVA by £6.4 million and regional GVA by £33.9 million.

The 10 sample projects received total HLF grant funding of £36 million. This is 22% of the total funding of £164 million allocated to the 128 projects which completed in 2007 (and received HLF grant of more than £250,000). Therefore we would expect the total impact of HLF projects completing in 2008 to be 4.5 times as large as that of our sample. On this basis we estimate that HLF funded projects supported a total of 717 job years of work in local economies and 3,393 in regional economies during the project phase, enhancing local GVA by £29 million and regional GVA by £153 million.

The estimated local impacts are significantly lower than those estimated by the 2008 research, although the regional impacts are similar in magnitude. This is because the projects in the sample spent relatively little money in their local economies; instead there was a high degree of regional sourcing.

Ongoing expenditures by the 10 sites and their visitors are estimated to support additional employment of 120 FTE jobs at the local level and 170 FTE jobs at the regional level. The ongoing effect on GVA is estimated at £3.2 million locally and £4.7 million regionally. Extrapolating from the sample to all larger HLF funded projects, we estimate that the large HLF projects completing in 2008 support ongoing employment of 542 FTE jobs locally and 770 FTE jobs regionally. The impact on GVA is estimated at £14 million locally and £21 million regionally.

The figures suggest that the effects of project expenditures are to support one job year of employment at the regional level per £48,000 expenditure by HLF and one job year of employment at the local level per £228,000 expenditure by HLF. In total, and taking account of both operating and visitor expenditures, one ongoing FTE job is supported at the local level per £303,000 of HLF expenditure and one FTE job at the regional level per £213,000 of HLF expenditure. It is important to note that, while these ratios are calculated in terms of HLF grant, the impacts are dependent on further additional resources. Project expenditures require co-funding from other sources as well as HLF grant, while ongoing impacts depend on ongoing revenue funding and visitor expenditures.

Research commissioned by HLF from GHK and Ecotec has now investigated the economic, employment and training impacts of 90 case study projects over five years 2005/06 to 2009/10 inclusive. Together, these 90 projects:

- Involved total expenditure of £661 million, and received HLF grants of £376 million, some 57% of the total
- Supported an estimated 7,150 job years of work in local and regional economies, through the direct, indirect and induced effects of project expenditures
- Support ongoing employment totalling 3,780 FTE jobs, through a combination of direct employment, operational spend, visitor spend, and associated indirect and induced effects.

The projects covered by the 2009 research exhibit high cost per job ratios for ongoing employment effects. This is partly explained by the relatively high proportion of project expenditure covered by HLF grants in 2009, but largely by the relatively low level of operational and visitor expenditures supported by the case study sites. In general the sample did not include major new or enhanced visitor attractions on the same scale as previous years' research.

The research indicates that, in general, the level of grant provided per net ongoing job created is higher than for HLF grants than for RDA investments and other economic development programmes. This is to be expected given that economic impacts are a positive side-effect, rather than a core objective, of HLF funding. Nevertheless, the figures suggest that some investments (e.g. Big Pit) perform well on economic development grounds and might be justified on these grounds alone.

1 INTRODUCTION

1.1 This Report

The Heritage Lottery Fund (HLF) commissioned GHK Consulting Ltd (GHK) to examine the economic impacts of a selection of the major, recently completed HLF projects.

Heritage based projects can provide a variety of economic benefits. For example, project expenditures support incomes and employment in local economies; there may be ongoing expenditures and employment in the operation of the funded asset; visitor expenditures may also bring money to the local economy; and projects that enhance the local heritage may help to increase the appeal of an area as a place to live and work, encouraging regeneration and attracting business and investment.

In awarding grants, HLF is required to take into account the scope for reducing economic and social deprivation, and the need to further the objectives of sustainable development. Projects must be financially viable beyond the life of the grant. From 2002, projects with a value of more than £1m have been required to incorporate a training element. These requirements are reflected in both HLF's last strategic plan (2002 to 2007) and its current plan (2008 to 2013).

HLF has responded to the need to promote economic development by establishing specific programmes directed at local environmental improvements, including the Townscape Heritage Initiative and the Public Parks Initiative. These programmes promote urban regeneration by investing in the renovation and re-use of heritage assets within deprived areas.

As well as funding these specific programmes, HLF also provides significant economic benefits through its mainstream grant programmes, which account for the majority of the Fund's overall expenditure. It is the economic impact of this main grant programme which is the subject of this research study.

The study involved completion of 10 case studies examining the impacts of HLF projects completed in 2008, each of which received an HLF grant of more than £250,000. The sample was selected by HLF with the aim of covering a representative variety of types of heritage project, geographic regions and sizes of grant.

The objective of each case study is to examine:

- The impact of **project expenditure** on the local economy;
- The impact on the local economy of **ongoing expenditure** resulting from the operation of the funded assets;
- The effect of project and ongoing expenditures on **employment**, considering the number of jobs, the quality of employment, people benefiting, extent and quality of related training, and sustainability of employment;
- The impact of projects on **visitor numbers and expenditures**, and resulting economic impacts;
- The role of projects in enhancing the image of the local area as a **business location**;

- The **financial sustainability** of the projects, taking account of the accuracy of visitor and financial forecasts, the number of projects encountering financial difficulties and the reasons for these, and the quality of financial monitoring and intervention both during implementation and post completion.

This final report presents the findings of the 2009 work, and summarises the findings of the 10 case studies. The case studies themselves are presented in a separate volume.

1.2 The Case Study Projects

The 10 case study projects are:

1. Big Pit, Torfaen
2. Discovery Museum, Newcastle
3. Greystones Farm, Gloucestershire
4. Hastings Museum and Art Gallery
5. Nechells Baths, Birmingham
6. Priory House, Dunstable
7. Sheffield City Museum and Mappin Art Gallery (now known as Weston Park Museum)
8. The Sherwood Initiative, Nottinghamshire
9. Stanley Mills, Perthshire
10. Trencherfield Mill Engine, Wigan

The 10 projects involved total expenditure of £56 million, of which HLF grants amounted to £36 million, or 65% (Table 1.1).

Table 1.1: Expenditure and HLF Grant of Sample Projects

	Project Spend	HLF Grant	Grant as percent of total
Big Pit	£7,189,781	£5,278,000	73%
Discovery Museum	£6,257,000	£4,318,000	69%
Greystones Farm	£469,000	£283,500	60%
Hastings Museum and Art Gallery	£1,336,303	£892,000	67%
Nechells Baths	£5,537,167	£2,252,167	41%
Priory House	£1,871,084	£1,093,000	58%
Sheffield City Museum and Mappin Art Gallery	£18,803,769	£13,709,000	73%
The Sherwood Initiative	£5,500,000	£3,000,000	55%
Stanley Mills	£8,054,822	£5,110,000	63%
Trencherfield Mill	£742,819	£369,500	50%

Total	£55,761,745	£36,305,167	65%
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1.3 Report Structure

This report is structured in two volumes, with this volume presenting the methodology employed in the study and the overall conclusions drawn, and Volume 2 presenting the 10 case studies.

The remainder of this volume is structured as follows:

- Section 2 summarises the research methods employed in the study;
- Section 3 outlines the methodology employed to assess the economic impacts of HLF projects;
- Section 4 summarises the economic impact of project expenditures;
- Section 5 considers skills, employment and training issues during the implementation of the projects;
- Section 6 examines the ongoing effects of operating and visitor expenditures;
- Section 7 discusses the contribution of the projects to sustainable development, taking account the financial sustainability of the funded assets as well as the environmental and social impacts of the projects;
- Section 8 examines the overall economic impact of HLF projects, based on the sample results.

2 RESEARCH METHODS

2.1 Introduction

This section outlines the tasks completed in preparing the case studies.

2.2 Task 1: Document Review

The first research task involved a review of documentation provided by HLF. GHK visited HLF offices and reviewed the files for each of the case studies, including project applications, business plans, financial reports, appraisals and monitoring reports.

As in previous years' work, we found that an analysis of invoices was able to provide detailed information about project expenditures. The files were also useful in providing business plans and other information useful to assess financial sustainability. However, much less information was available about employment, training or visitor effects, and none about ongoing impacts.

2.3 Task 2: Analysis of Expenditure Data

The information obtained from HLF records was used to identify how much each supplier received for its role in the project and, where stated, the nature of the goods and services provided. Addresses for each supplier were then taken from the invoices and used to calculate how far away the supplier was located from the project according to its postcode. While requiring detailed analysis, this task proved relatively straightforward in most cases.

Some simplification of this task was achieved by recording only invoices of more than £1,000 in the analysis. Analysis of previous years' data indicates that these represent more than 90% of total expenditure, and therefore provide a robust basis for estimating the overall distribution of spending.

2.4 Task 3: Research Design, Scoping and Fieldwork Set-Up

HLF wrote to each of the sample projects to introduce the study. GHK developed a topic guide as a basis for the fieldwork. This was sent to each of the lead contacts for the project by email, to help to inform them of the information being sought.

Each lead contact was contacted by telephone in order to:

- Introduce the study and its objectives;
- Scope out the likely impacts and key issues to be addressed by the case study;
- Establish whether there have been significant visitor impacts, in order to determine the need for a visitor survey;
- Identify colleagues, partners, suppliers and other stakeholders who might be able to assist by providing information or views about the impacts of the project, with a view to interviewing these contacts on the day of the visit or subsequently by telephone;
- Agree a date for a site visit.

2.5 Task 4: The Site Visit and Follow Up

The site visits were undertaken by Shane Beadle, Steph Charalambous, Rakhee Patel, Mav Pieterse, Heather Rose, Matt Rayment, Charlotte Slater, Richard Smith and Naomi Williamson.

GHK spoke to the project manager or lead contact for each project, and, where possible, to relevant colleagues, partners and stakeholders. Follow up interviews were conducted by telephone with other key stakeholders and leading suppliers, in order to add to the information obtained.

As far as possible, GHK sought to collect qualitative information and quotations about the experience of project managers, colleagues, suppliers and stakeholders, to supplement and enrich the quantitative data and analysis. Where there was a major supplier or lead contractor, we also sought to contact them to establish the effect of expenditures on staffing and purchases, and the location of key subcontractors and secondary suppliers. As in previous years we found it difficult to reach key individuals and to obtain the information required. In general, where data was available, we found a high degree of consistency regarding the economic linkages reported by suppliers and the assumed ratios employed elsewhere in the analysis (see Section 3), lending support to the overall methodological approach.

2.6 Task 5: Visitor Surveys

HLF commissioned a separate market research company, BDRC, to undertake visitor surveys for five projects known to have had a significant effect on visitor numbers:

- Big Pit
- Discovery Museum
- Hastings Museum and Art Gallery
- Sheffield City Museum (now Weston Park Museum)
- Stanley Mills.

These visitor surveys were conducted between May and September 2009 at the case study sites. Visitors were asked about their origin, length and motivation for their visit to the area, and expenditure in the local economy. This enabled GHK to estimate expenditures by day trippers and staying visitors in the local economy, and to assess how much of this expenditure could be attributed to the presence of the HLF funded asset.

2.7 Task 6: Analysis of Economic and Employment Impacts

GHK developed and applied a spreadsheet-based economic model to assess the impact of recorded project and visitor expenditures on local and regional employment and GVA. The details of this are set out in more detail in Section 3.

2.8 Task 7: Local Economic Profiles

GHK undertook a review of the characteristics of the local economy within which each project is located. This review drew on key statistics from the Census, Annual Business Inquiry, Indices of Multiple Deprivation, and any available local economic strategies and other information sources. The reviews highlight key socio-economic characteristics and identified economic priorities.

2.9 Task 8: Case Study Write-Ups

The findings from the above tasks were used to prepare a case study of each project. These follow a standard format, providing an introduction to the project; presenting data on project, visitor and operating expenditures; discussing employment and training impacts; providing an assessment of the financial sustainability of the project; assessing the impact on local and regional economies; identifying future development

issues and drawing general conclusions about economic impact. These case studies are presented in Volume 2 of this report.

2.10 Task 9: Analysis and Conclusions

Conclusions were drawn on the combined economic impacts of the HLF projects analysed, as well as a variety of key employment, skills, training, sustainable development and financial sustainability issues.

2.11 Comments on Data Availability and Research Methods

The research relied on a combination of desk-based data and document reviews, face to face interviews and follow-up telephone interviews. While it was necessary to review HLF files to gather the quantitative project expenditure data, the site visits proved extremely valuable in gathering qualitative information and enriching the case studies. They were particularly helpful in exploring employment, skills and training issues, identifying visitor and operating impacts, and examining financial sustainability issues. The visits also facilitated a more in depth, probing approach, which brought issues and impacts to light which were not initially apparent.

The telephone interviews helped to supplement the information collected from the desk review and site visits in some cases. As in previous years, these provided little additional data, but did help us to gain the broader perspective of stakeholders about the role of the project within the local economy.

Overall, despite some difficulties in reaching key contacts, we found that a combination of document and data reviews, site visits and telephone interviews enabled us to collect the information required to assess the economic, employment and training impacts of the projects concerned. Data and documentary evidence were available for all projects, and where gaps exist they relate mainly to more qualitative information about employment, skills and training, obtainable only from the interviews.

The following section outlines the methodology used to assess the economic impacts of the case study projects.

3 ASSESSING THE ECONOMIC IMPACTS OF HLF PROJECTS

3.1 Introduction

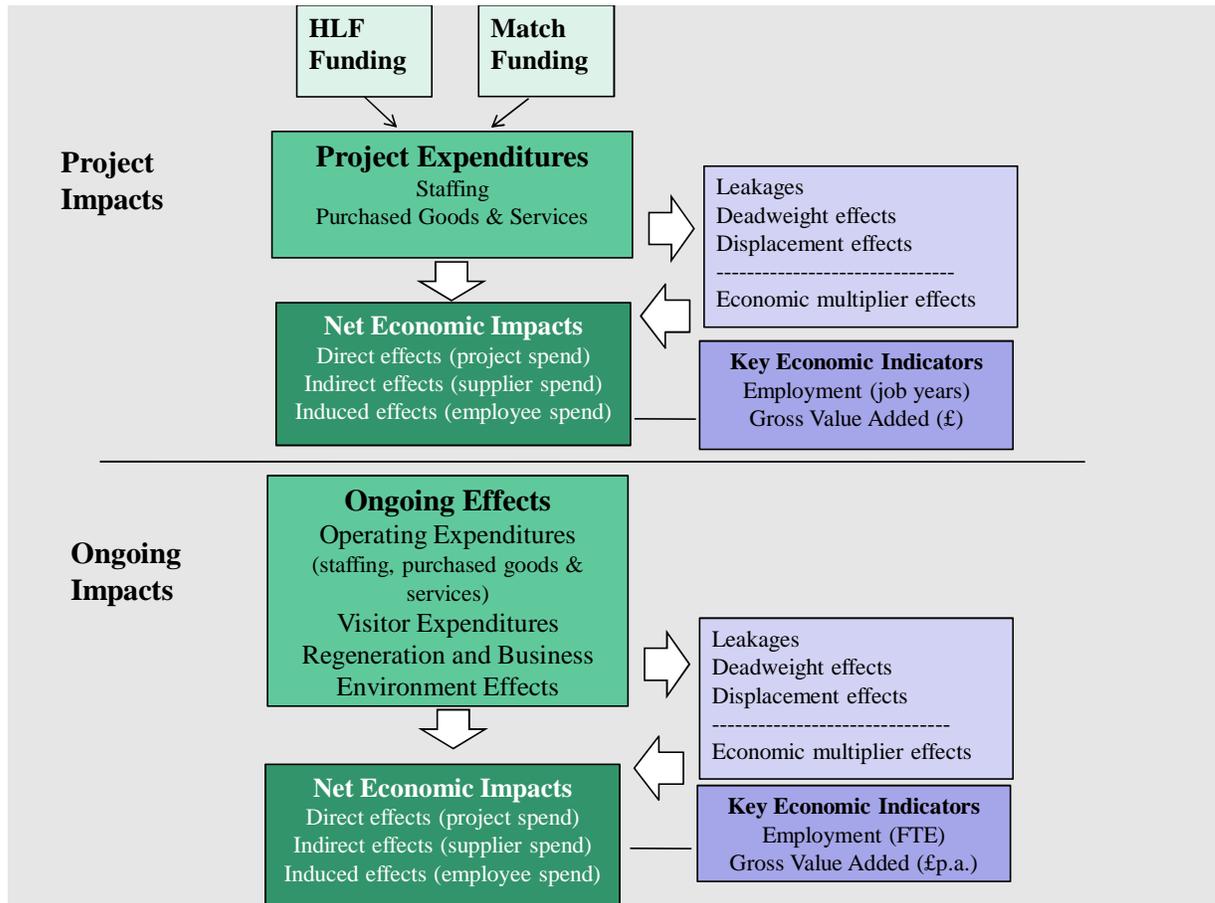
Figure 3.1 gives a simple illustration of the economic impacts resulting from HLF funded projects. Projects part-funded by HLF have an impact on local economies both as a result of direct expenditures during the development phase and as a result of ongoing expenditures on site and in the local economy.

Project expenditures fund direct employment of staff and provide revenues for contractors and suppliers of goods and services, supporting employment, wages and profits. There are indirect effects as suppliers to the project purchase goods and services from other firms, and induced effects as employees of the project and its suppliers spend their wages in the local economy. The net impact on the local economy depends on the overall multiplier effect, taking account of supply linkages and the extent to which money leaks into other areas. It also depends on the extent to which the project gives rise to additional economic activity, taking account of deadweight, displacement and substitution effects. The impacts of project expenditures can be measured in terms of one-off impacts on employment (job years) and gross value added (wages, salaries, profits and rents).

Projects have an ongoing economic impact through:

- Ongoing expenditures in the operation of the funded asset. These impact in a similar way to project expenditures but have an ongoing impact on employment (FTE) and annual GVA. A key issue is the extent to which any increase in operating expenditure is attributable to the HLF project, particularly since it requires ongoing revenue funding from other sources.
- Visitor expenditures. By funding new facilities and attractions, or sustaining existing ones, HLF projects can increase or sustain the number of visitors and hence visitor expenditures in the local economy, enhancing local incomes and employment. Measurement of these effects requires an estimate of the effect of the project on visitor numbers, including an assessment of the role of the project in encouraging additional people to make day trips to or stay in the local area. Visitor expenditures must be estimated and appropriate multipliers identified and applied to assess the effect of these on local employment and GVA.
- Regeneration and business environment effects. As well as directly influencing local operating and visitor expenditures, larger HLF projects may have wider impacts by improving the quality of the local built and natural environment, influencing business and residential investment and locational decisions. By increasing property investment and encouraging businesses to locate locally, projects may enhance local expenditures, GVA and employment.

Figure 3.1: Economic Impacts of HLF Projects



These ongoing impacts are potentially more lasting and significant than the effects of direct project expenditures, but, because of the wider range of variables involved, tend to be more difficult to attribute directly to the HLF funded project. In assessing net local impacts, care is therefore needed in assessing the extent to which increased economic activity is attributable to the project itself.

As well as the level of spending itself, the scale of impacts of project and visitor expenditures on local and regional economies depend on a variety of factors, including:

- The proportion of project expenditures accounted for by purchases of goods and services and staff costs;
- The degree to which projects use local or regional suppliers rather than national suppliers;
- The structure of the local economy, and the tendency for local firms and employees to spend money on local goods and services rather than on imports from outside the area;
- The scale at which these effects are being assessed, given that larger economies can be expected to retain a greater proportion of spending for longer than can smaller ones.

Together these factors determine the *level of leakages* from the local economy that follow an injection of spending, and the degree to which money is re-spent within the economy. This in turn determines the strength of multipliers relating to the initial expenditure, which can be defined in terms of the overall employment and income that result.

3.2 Assessment of Economic Impacts

The impact on the local economy of each £1 spent by an HLF funded project or visitor varies according to the factors identified above, and is likely to be unique in each case. It depends on the characteristics of the project (and nature of the work involved), the types of goods and services purchased, sourcing policy of projects and suppliers, behaviour of employees and visitors, and the structure of the local economy.

Ideally, the impact of the project would be assessed by tracking expenditures by the project, employees, suppliers and visitors through the economy, to identify the impact on other local firms and the effects in supporting incomes and employment. However, this is a very data hungry exercise, which is impossible without a major study. The research has also found that it is very difficult to obtain information about past expenditures.

An alternative approach involves the application of standard multipliers that assess the direct, indirect and induced effects of expenditures on overall income and employment in the local economy. The difficulty of this is that multipliers are likely to be unique to individual locations and circumstances, and are rarely available off-the-shelf.

The approach adopted in the case studies used a combination of the above. As much information as possible was sought on the purchases made by each project, the location of suppliers, and their subsequent expenditure patterns. This enabled the effects of expenditures on employment and on supplier businesses to be assessed. For example, for each project, it was possible to examine direct employment and the revenues and locations of supplier businesses. A limited number of interviews with these suppliers sought to gather information about their employment and purchasing patterns for the project. This information was then combined with assumptions about relevant multipliers, to assess further indirect and induced effects. Therefore, rather than applying overall, generic multipliers to overall project expenditure data, the actual impacts of this expenditure were assessed to the extent possible, with multipliers then used in a more targeted way to estimate overall impacts.

For visitor expenditures, we have applied standard economic multipliers to assess the impacts of expenditure on employment and GVA.

3.3 Measures of Economic Impact

In measuring the economic impact of HLF projects, the study was concerned with the extent to which these support and create jobs and incomes in the local economy. The two key indicators of most interest are:

- **Employment** – the overall effect of the expenditure in supporting jobs in the project and 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 project 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.

3.4 Assessing the Impact of Project and Operating Expenditures

3.4.1 Relating Turnover, GVA and Employment

The effects of HLF expenditures on employment and GVA in supplier firms can be assessed using standard ratios linking gross output, employment and GVA. Much of the expenditure on the delivery of HLF projects is on construction related services, so construction industry data are relevant in many cases.

The Government's National Accounts (the Blue Book) provide data on gross output and GVA for key sectors, including construction, and data for employment are available from the Office of National Statistics (ONS). Data for key sectors are given in Table 3.1.

Table 3.1: Gross Output, GVA and Employment by Broad Sector, UK, 2007

	Gross output (£m) ¹	GVA (£m) ¹	Employment (000)	Employment (000 FTE) ²
Agriculture, hunting, forestry, fishing	22,786	9,302	454	386
Production industries and energy	573,445	208,200	3,374	2,868
Construction	208,252	80,148	2,228	1,894
Distribution, transport and communication	539,159	263,046	8,839	7,513
Financial and business services	651,112	397,851	6,603	5,613
Other service activities	517,878	287,186	9,937	8,446
All industries	2,512,632	1,245,733	31,435	26,720

Source: ONS (2008) UK National Accounts: The Blue Book 2009

Table 3.2 presents key ratios derived from the data in Table 3.1. Across the economy as a whole, the data suggest that each £1 of gross output involves gross value added of £0.50, with this figure varying from £0.36 in the production and energy industries to £0.61 in financial and business services. Gross output per FTE job is estimated at £94,000 across the economy as a whole, ranging from £59,000 in agriculture to almost £200,000 in the production and energy industries.

¹ From UK National Accounts, the Blue Book

² Based on assumed average of 1 job = 0.85 FTE for all sectors

Table 3.2: Key Ratios for Output, GVA and Employment, 2007

	GVA per £1 output	Gross output per job	GVA per job	Gross output per FTE	GVA per FTE
Agriculture, hunting, forestry, fishing	£0.41	£50,189	£20,489	£59,046	£24,105
Production industries and energy	£0.36	£169,960	£61,707	£199,953	£72,597
Construction	£0.38	£93,470	£35,973	£109,965	£42,321
Distribution, transport and communication	£0.49	£60,998	£29,760	£71,762	£35,011
Financial and business services	£0.61	£98,609	£60,253	£116,010	£70,886
Other service activities	£0.55	£52,116	£28,901	£61,313	£34,001
All industries	£0.50	£79,931	£39,629	£94,037	£46,622

These ratios can be used to assess the economic impacts of HLF expenditures. For example, across all industries, we might expect the direct effect of expenditures to support £500 of GVA per £1000 increase in business turnover, and to support 1 FTE job per £94,000 increase in turnover. The extent to which these impacts occur in 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.

3.4.2 **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 2004 provide input, output and employment multipliers³. These suggest Type I multipliers (covering direct and indirect effects) of 1.6 for construction and between 1.1 and 1.7 for other services, and Type II multipliers⁴ (covering direct, indirect and induced effects) of 1.9 for construction and between 1.3 and 2.1 for other services.
- Wales. Type I output multipliers are estimated at 1.48 for construction and between 1.25 and 1.4 for other services; Type II output multipliers are estimated at 1.79 for construction and 1.45 to 1.62 for other services.
- South West England. The SW Economy Model for 2001 suggests a regional construction multiplier of 1.6 (Type I) and 1.9 (Type II). For services and all industries, Type I multipliers are around 1.3 and Type II multipliers around 1.6. The latest version of the regional accounts has an online tool which allows the initial and total effects on GVA and employment of increases in different types of

³ 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 that employs 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.

⁴ 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).

spending and demand in different sectors. This suggests Type II multipliers ranging from 1.4 to 2.0 at the regional level.

Standardised economic multipliers for the local and regional level are 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.

3.4.3 **Assessing the Economic Impacts of HLF Projects**

The direct employment impact was assessed by counting the number of jobs and part jobs supported by the project and converting them into full time equivalents. The associated GVA is the expenditure on wages and salaries of the people employed.

The direct effects on employment and GVA among firms supplying the project were estimated by examining expenditures on goods and services by the project. Data from project records enable expenditures within the local and regional economies to be estimated, and the effects on the gross output of local firms assessed. The associated impacts on employment and GVA were estimated using standard ratios of £94,000 gross output per FTE job, and £0.50 GVA per £1 in gross output, derived from the review in Section 3.4.1 above. As far as possible, these assumptions were checked by means of interviews with suppliers. Though few of these interviews provided data, in general the information that could be obtained lent strong support to the assumptions employed.

In order to assess indirect and induced effects, this study has used a standard Type II multiplier of 1.2 at the local level and 1.6 at the regional level, based on the review in Section 3.4.2. This implies that, for each additional £1 of output supported by project expenditure, an additional £0.20 of output in the local economy and £0.60 of output in the regional 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 and 0.6 jobs at the regional level.

Because HLF projects are time limited, their impacts are measured in terms of the number of job years of employment they support, and in terms of a one-off contribution to GVA.

3.5 **Assessing the Impact of Visitor Expenditures**

Many of the case study sites attract significant numbers of visitors. HLF projects can have a positive impact on the local economy by attracting visitors who spend money locally. 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;

- 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.

Visitor expenditures have been estimated through visitor surveys. Existing visitor survey evidence has been reviewed where available, and new surveys commissioned by HLF at five sites to inform this study as well as HLF's wider work.

Visitors were asked a variety of questions, including:

- 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;
- How much they had spent on these different items.

The results were used to estimate expenditures in the local economy by non local day trippers and staying visitors. A proportion of these expenditures were then attributed to the site in question, as follows:

- If the respondent stated that the site was the main reason for them visiting the area, 100% of their expenditure was attributed to the site;
- If the respondent indicated that the site was a reason, but not the only reason, for visiting the area, a proportion of their expenditure was attributed to the site. One third of the expenditure of staying visitors, or one half of the expenditure of day trippers, was attributed to the site in this way;
- If the respondent indicated that they were visiting the area primarily for other reasons, none of their expenditure was attributed to the site.

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, regional tourist boards and RDAs periodically commission studies of the volume, value and impact of tourism at the local level using one of these two models.

Table 3.3 summarises the results of some recent studies based on these two models.

Table 3.3: Local Studies of Economic Impact of Tourism

Area	Year	Model	Visitor Spend (£m)	Jobs		Spend/Job		
				Actual	FTE	£ per FTE	inflator	at 2008 prices
Shropshire	2005	C	561	15691	11497	£48,795	1.09	£53,187
Oxford	2005	C	568	13643	9917	£57,275	1.09	£62,430
Tunbridge Wells	2006	C	184	3938	2879	£63,911	1.05	£67,107
Stoke on Trent	2003	C	135	3936	2871	£47,022	1.14	£53,605
Ipswich	2006	C	140	3361	2478	£56,497	1.05	£59,322
Ryedale	2006	C	121		2394	£50,543	1.05	£53,070
Carmarthenshire	2006	S	252		5355	£47,059	1.05	£49,412
Barnsley	2006	C	179	4327	3198	£55,941	1.05	£58,738
Doncaster	2007	C	279	6950	5060	£55,138	1.02	£56,241
Windsor & Maidenhead	2006	C	381	7990	5892	£64,664	1.05	£67,897
Greater Manchester	2007	S	5600		79411	£70,519	1.02	£71,930
South Tyneside	2006	S	219		4235	£51,712	1.05	£54,298

The figures indicate that average visitor expenditure of between £53,000 and £72,000 is required to support 1 FTE job at the local level at 2008 prices, with an arithmetic average of £59,000 per FTE.

Less evidence is available of the impacts of tourism expenditure at the regional level. However:

- The SW Regional accounts indicate that each £1m of tourism spending can be expected to increase employment by 25.1 FTE jobs and GVA by £0.79 million, taking account of direct, indirect and induced effects. This suggests that tourism spend of £40,000 is required to support 1 FTE job and that each £1 of spending increases regional GVA by £0.79.
- The Scottish Input Output Tables for 2004 indicate that each £1m of turnover in the Hotels/Pubs/Catering sector supports 36.3 FTE jobs and GVA of £1.0 million, taking account of direct, indirect and induced effects.

Based on the above, the following multipliers can be used to assess the impact of visitor spending, taking account of direct, indirect and induced effects:

- At the local level, expenditure of £59,000 is required to support 1 FTE job, while each £1 of expenditure enhances local GVA by £0.50;
- At the regional level, expenditure of £40,000 is required to support 1 FTE job, while each £1 of expenditure enhances local GVA by £0.80.

3.6 Assessing Ongoing Impacts of HLF Projects

Expenditures in the operation of HLF funded assets can also support ongoing impacts on local economies. Though HLF expenditure is time limited, it supports capital investment that may then facilitate a greater level of ongoing activity, with ongoing impacts on the local economy. In some of the case studies HLF investment was followed by a step change in activity of the organisations involved, resulting in an ongoing increase in employment and expenditures.

In these cases, project funding, to which HLF contributed, was a necessary but not sufficient condition for the increased ongoing economic impacts achieved. It would be misleading to argue that increased ongoing employment and expenditure at each site is solely the result of the project funded by HLF and partners, since it depends crucially on the ongoing management of the facility. However, it may be the case that, without the HLF funded project, current levels of activity would not be achieved.

In each case, therefore, GHK examined the ongoing employment and expenditures associated with the case study sites, and identified any change that has followed from the project. Where the HLF funded project is identified as having impacted on ongoing operations, it is treated as having facilitated or supported the resulting change in economic impacts.

Ongoing impacts are expressed in terms of full time equivalent (FTE) jobs and annual expenditures and GVA.

3.7 Assessing the Additionality of Impacts

A number of factors can influence the impact of expenditures on local economies. These include:

- **Deadweight** – the extent to which projects would have proceeded even in the absence of grant funding;
- **Displacement** – the extent to which the impacts of expenditures are offset by reductions in activity elsewhere in the economy, for example where an HLF funded project discourages investment in another similar project;
- **Substitution** – the extent to which the availability of grant funding causes the recipient to substitute one activity for another one;
- **Economic Leakage** – the extent to which expenditure leaks out of the local economy and therefore benefits other areas outside the study area.
- **Economic Multipliers** – the extent to which suppliers and employees re-spend money locally, thus supporting additional activity in the local economy.

As a result the net impact of the expenditure on the local economy is likely to differ from the gross effect. The study has therefore sought to distinguish between the gross and the net effects of project expenditures, and to quantify these as far as possible, drawing on guidelines provided by English Partnerships' Additionality Guide and the HM Treasury Green Book.

The relationship between the gross outputs and net impacts of economic development activity has come under increasing scrutiny by the RDAs and other economic development interests, so is an important component of the study.

Economic leakages and multipliers form an integral part of the economic analysis. They are addressed by identifying the proportion of project expenditures that benefit local and regional firms, and estimating the impacts on local and regional economies by using appropriate multipliers. These multipliers aim to reflect the degree to which money circulates within, and leaks from, local and regional economies – with leakage being a key factor in determining the size of the multiplier.

The issue of deadweight was addressed through the project interviews, by questioning partners about the likely consequences of the project not being funded. Issues of displacement and substitution were also considered through targeted questioning of beneficiaries and stakeholders.

For each case study, an analysis of the gross impacts of the project on local and regional employment and GVA is followed by a discussion of the likely net effects, taking account of issues of deadweight, displacement and substitution.

3.8 Defining the Local and Regional Economies

The size and structure of the local economy varies from one HLF project to another, depending on its location. This can be expected to affect the economic impact of the project. In general, projects 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 the site of the project. 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 project to another.

The study also considered impacts on a wider "regional" economy. Because administrative regions also vary in size and structure, and since projects may be located on the borders of two or more regions, this definition is not based on standard administrative regions but includes all areas within a 50 mile radius of the site.

3.9 Assessing the Economic Impacts of HLF Projects – A Worked Example

The Big Pit project involved total expenditures of £7,189,807. Of these, direct salaries amounted to £105,000 and purchased goods and services a further £7,084,000.

The salaries supported 3.5 job years of work by various staff members working on the project over its duration. The salaries provide a measure of the value of the work completed by these individuals and the income received by them, and hence the direct contribution to local GVA.

Out of the expenditure on purchased goods and services, a total of £268,390 was spent locally (within 10 miles of the site) and a further £5,062,104 in the wider "region" more than 10 miles but less than 50 miles from the site. This spending directly boosted the turnover of the suppliers to the project. The effect on employment and GVA among these suppliers is estimated using standard ratios of £94,000 gross output per full time equivalent job and £0.50 GVA per £1 of gross output (from the review in Section 3.4). The latter reflects the fact that a proportion of suppliers' gross output comprises the purchase of goods and services from other firms. In this case it is assumed that 50% of gross output is made up of purchased goods and services and 50% value added (wages, salaries and profits). Using these ratios we estimate that the expenditure by the project supported employment of 2.9 job years and GVA of £134,000 among suppliers situated in the local economy, while adding additional spending in the region gives an estimate of regional (including local) employment of 56.7 job years and GVA of £2.7 million.

Indirect and induced effects resulting from the impact of supplier and employee expenditures are estimated by applying multipliers to estimates of direct employment and GVA among the project and direct supplier businesses. An indirect and induced

multiplier of 0.2 is used at the local level and 0.6 at the regional level (where a greater proportion of spending is retained in the local economy, see Section 3.4). On this basis indirect and induced employment is estimated to total 1.3 job years locally $[0.2 \times (3.5+2.9)]$ and 36.1 job years $[0.6 \times (3.5+56.7)]$ in the region, while indirect and induced GVA is estimated at £48,000 locally $[0.2 \times (£105,000 + £134,000)]$ and £1.7 million $[0.6 \times (£105,000+£2.7 \text{ million})]$ in the region.

On an ongoing basis, the project has created or safeguarded 57.5 FTE jobs, with wages and salaries estimated at £1.5m. These jobs would have been unlikely to have continued if the redevelopment project had not taken place. Operation of the site involves annual purchases of goods and services of £800,000; by estimating the breakdown of purchases from local, regional and national suppliers, and applying similar ratios to those used for project expenditures, it is estimated that they support 0.9 FTE jobs and annual GVA of £40,000 at the local level and 6.8 FTE jobs and GVA of £320,000 at the regional level. By applying multipliers to these direct effects, it is estimated that indirect and induced effects support 12 FTE jobs locally and 39 FTE jobs regionally, and GVA of £308,000 locally and £1.09 million regionally.

The site attracts 165,000 visitors annually. All of these visitors are deemed to visit the local area directly as a result of the project, since, in the absence of HLF funding, it is likely that the site would have closed. Based on evidence from the 2009 BDRC visitor survey, we estimate that 14,850 of these annual visitors are locals, 75,900 are day-trippers from outside the local area and 74,250 are staying away from home. Locals are assumed not to bring any additional expenditure to the area. The BDRC visitor results indicate that each non local day visitor spends an average of £5.58 in the local area and each staying visitor spends an average of £4.97 in the local area as a direct result of visiting the site. These estimates take account of the degree to which Big Pit attracted individual visitors to the area – the expenditures of visitors who were attracted to the area primarily for reasons other than to visit Big Pit are excluded. The additional expenditure attracted to the wider “region” is estimated at £1.51 per day tripper and £7.17 per staying visitor. By multiplying estimates of annual visitor numbers by estimated spend per visitor that is attributable to the site, it is estimated that Big Pit brings additional spending of £792,000 into the local economy (£423,000 by day trippers, £369,000 by staying visitors) and £640,000 into the regional economy (£115,000 by day-trippers and £525,000 by staying visitors).

Visitor impacts can be calculated assuming that £59,000 of visitor spending is required to support 1 FTE job at the local level and £40,000 is required to support 1 FTE job at the regional level. This suggests that the additional visitor spending supports additional visitor related employment of 13 FTE jobs at the local level and 16 jobs at the regional level. It is estimated that £1 of additional visitor spending supports additional GVA of £0.50 at local level and £0.80 at regional level; applying these to the estimated additional visitor expenditures gives an estimated increase in GVA of £396,000 locally and £512,000 regionally.

The total impact on local and regional employment and GVA is estimated by summing the above direct employment, direct supplier, indirect and induced effects.

3.10 Qualitative Effects

The study was concerned not just with the overall quantity of employment, training and economic activity that result from HLF funded projects, but also with their quality. In many areas successful economic development and regeneration are dependent not just on the creation of new jobs, but especially on the development of new, higher quality employment opportunities. Key factors include the level of wages and salaries,

skills levels, provision of training, opportunities for career development, level of social interaction, levels of staff turnover, and the degree to which jobs meet personal aspirations and provide fulfilment to those who fill them. The case studies demonstrate that HLF projects can also play a key role by providing facilities that enhance the working lives of employees. GHK sought to interview individual members of staff as far as possible in the course of the site visits, to enable these qualitative aspects of employment to be assessed.

Equally important is the dynamic role that HLF can play in raising the skill levels of the workforce and promoting the overall quality of heritage activity, by supporting training and skills development within the projects it funds. The study sought to quantify training expenditures, numbers and types of training places, and any resulting qualifications, as well as exploring more qualitative aspects of this training.

3.11 Financial Sustainability

A condition of HLF funding is usually that projects are able to demonstrate that they will be financially sustainable after completion of the project phase, and projects are required to provide appropriate business plans and other documentation to demonstrate that this is the case. Financial sustainability is critical in ensuring that the heritage benefits provided by HLF's investment are sustained into the future, and that the funded assets are maintained over time and remain accessible to the public. It is also important in determining the economic impact of the projects and their ability to provide employment and incomes for people over time.

HLF wishes to assess the extent to which the case study projects are financially sustainable, and to understand the reasons for any financial problems encountered. The case studies have included a critical appraisal of financial sustainability issues by examining financial accounts and comparing visitor numbers, revenues and costs with business plan forecasts. They also examine financial planning, appraisal and monitoring methods and assess whether there are grounds for improving these in order to enhance the financial sustainability of projects.

The following sections summarise the identified impacts from the case study projects and draw general conclusions from the study.

4 ECONOMIC IMPACTS OF PROJECT EXPENDITURE

4.1 Measuring Impacts

As with previous years' work, the research has found that it is possible to estimate the economic, employment and training impacts of HLF projects, using a combination of HLF records and interviews with project partners. Documentary records are most useful for assessing the quantitative impacts of project expenditures, while interviews with the projects helped to obtain information about the qualitative aspects of employment and training, additionality and ongoing impacts. The face-to-face interviews have enabled more detailed and qualitative information to be obtained, and have helped to bring the figures to life by describing the personal experiences of employees and stakeholders.

As in previous years, some efforts were made to track project expenditures by interviewing the largest suppliers to the projects. As before, this proved to be a time consuming process with limited rewards. Therefore the economic analysis has been based on the application of standard multipliers and assumptions to measure indirect and induced effects. Where information could be found from suppliers, this generally supported the multipliers used and lent confidence to the methodological approach.

4.2 Summary of Project Expenditures

The 10 case study projects involved total expenditure of £56 million, of which HLF grants amounted to £36 million, an overall average of 65%

Some 90% of recorded project expenditures were on purchased goods and services, such as building work, professional fees and materials (Table 4.1). Only a minority of budgets were allocated to direct staffing, volunteer inputs and training costs.

The figures demonstrate some variations in the way that projects spend money. In six of the ten case study projects, more than 95% of the budget was spent on purchased goods and services. The other four projects were: Greystones Farm, where the largest expenditure was on land purchase; Priory House, where the purchase of the site also accounted for a significant proportion of costs; the Sherwood Initiative, where staff costs and volunteer inputs were substantial; and Trencherfield Mill Engine, where there was also a substantial staffing element.

This follows a similar pattern to that found in previous years' work, which noted that projects dominated by the construction and restoration of buildings (e.g. Stanley Mills, Nechells Baths, Big Pit, Discovery Museum, Hastings Museum, Sheffield Museum) tend to rely almost exclusively on purchased goods and services, whereas other projects involving more diverse heritage works such as the restoration of nature reserves, gardens and collections are more likely to involve direct staff and volunteer inputs.

Table 4.1: Breakdown of Recorded Expenditure by Item (£)

	Purchased goods and services	Staff costs	Volunteer inputs	Training	Land/Site Purchase	Total
Big Pit	£7,084,342	£105,439	£0	£26	£0	£7,189,781
Discovery Museum	£5,612,476	£245,850		£125		£5,858,326
Greystones Farm	£199,859	£31,711	£29,807	£863	£205,000	£466,376
Hastings Museum	£1,289,220	£45,083	£2,001	£0	£0	£1,336,303
Nechells Baths	£4,997,143					£4,997,143
Priory House	£1,078,939	£63,505	£0	£8,098	£728,640	£1,871,084
Sheffield Museum	£17,993,459	£406,443	£0	£0	£0	£18,399,902
Sherwood Initiative	£2,390,627	£1,268,534	£1,840,840	£39,882	£0	£5,500,000
Stanley Mills	£7,020,004	£0	£0	£0	£0	£7,020,004
Trencherfield Mill	£506,351	£236,468	£0	£28,583	£0	£742,819
Total	£48,172,420	£2,403,031	£1,872,647	£77,577	£933,640	£53,381,739
% of total spend	90%	5%	4%	0%	2%	100%

4.3 Local and Regional Sourcing

Table 4.2 provides a breakdown of expenditures on purchased goods and services by the location of suppliers. Across the twenty projects, 12% of goods and services were sourced from the local area (defined as a 10 mile radius), a further 66% from the “regional” economy (defined as a 50 mile radius) and 22% from suppliers more than 50 miles away.

Table 4.2: Expenditure on Purchased Goods and Services by Location of Supplier

	Total	Local (<10m)	Regional (10-50m)	National (>50m)
Big Pit	£7,084,342	4%	71%	25%
Discovery Museum	£5,612,476	39%	1%	59%
Greystones Farm	£199,859	14%	84%	2%
Hastings Museum	£1,289,220	0%	97%	2%
Nechells Baths	£4,997,143	7%	91%	2%
Priory House	£1,078,939	12%	85%	3%
Sheffield Museum	£17,993,458	5%	73%	22%
Sherwood Initiative	£2,390,627	16%	66%	18%
Stanley Mills	£7,020,004	23%	70%	7%
Trencherfield Mill	£506,351	0%	10%	90%
Total	£48,172,420	12%	66%	22%

The figures indicate a marked difference from previous years’ research, with the 10 case study projects sourcing a relatively very low proportion of inputs from local suppliers and a high proportion from regional firms. This is largely because none of the 10 case study projects used a local firm as its lead contractor. The figures may underestimate the true degree of local sourcing to some extent – for example where a regional lead contractor uses local subcontractors.

The case studies reveal marked variations in the degree of local sourcing. Previous research has found that key factors determining the degree to which goods and services are sourced locally are:

- The structure of the local economy. Previous research has found that projects in more urban areas have a much larger local economy from which goods and services can be procured than more rural areas. This helps to explain the relatively large proportion of local goods and services procured by the Discovery Museum project, although we might have expected a higher degree of local sourcing by the Nechells Baths and Sheffield Museum projects.
- The location of the lead contractor. For most projects a large proportion of overall expenditures benefit a single lead contractor, and the location of this contractor determines where the money is spent (e.g. Big Pit, Hastings Museum, Nechells Baths, Priory House, Sheffield Museum, Stanley Mills and Trencherfield Mill Engine). In all but one of these cases the main supplier was a regional firm, located within 10 and 50 miles of the site, explaining the large proportion of overall expenditure benefiting regional suppliers. The exception was Trencherfield Mill Engine, for which the work was led by a Glasgow based supplier. As is typical for nature conservation related projects, the expenditures for Greystones Farm and the Sherwood Initiative was more widely dispersed.

- The procurement policies of the organisations concerned. None of the projects in the sample indicated that they had made a conscious effort to use local contractors, some stressing that this would be incompatible with procurement rules and/or value for money principles.
- The local availability of the goods and services required. For some projects, specialist goods and services were needed (e.g. specialist restoration work, technology, equipment, engineering and scientific services), which could not be sourced locally. For most projects these specialist expenditures only accounted for a small proportion of the total. A notable exception was the Trencherfield Mill Engine restoration project, where a large proportion of fees went to a specialist national heritage engineering company. The same firm was also a significant supplier to the Stanley Mills project. In each case the specialist nature of the work meant that very few firms nationally would have been capable of completing it.

4.4 Economic and Employment Impacts of Projects

Tables 4.3 to 4.6 summarise the estimated impacts of project expenditures on employment and Gross Value Added. The estimates refer to the impacts of project expenditures as a whole, not just the HLF-funded expenditure.

The overall estimates of the impact of the 10 case study projects are as follows:

Employment:

- Direct employment – projects supported 70 job years of work in local and regional economies.
- Supplier employment – project expenditures supported 63 job years of work among direct local suppliers and 400 job years in wider regional economies.
- Indirect and induced effects – supplier and employee expenditures were estimated to support 26 job years of work in local and 281 job years in regional economies.
- Total employment – combining the above impacts, project expenditures were estimated to support 159 job years of work in local and 750 job years in regional economies.

Gross Value Added:

- GVA associated with direct employment – expenditures were estimated to fund wages and salaries totalling £2.4 million in local and regional economies.
- Supplier GVA – the gross value added by direct supplier firms was estimated to total £2.9 million in local and £18.8 million in regional economies.
- Indirect and induced effects – supplier and employee expenditures were estimated to support further GVA totalling £1.1 million in local and £12.7 million in regional economies.
- Total GVA – combining the above, the overall effect on GVA was estimated at £6.4 million in local and £33.9 million in regional economies.

In all we estimate that expenditures on the 10 case study projects supported a total of 159 job years of work in their local economies and 750 job years within a 50 mile radius. The contribution to GVA is estimated at £6.4 million locally and £33.9 million regionally. Thus the regional impact is estimated to be more than 5 times as large as

the local impact. Compared to previous years' research, the local impacts of expenditures on the case study projects are particularly small, with the majority of expenditures in the wider regional economy. There are also larger multipliers for indirect and induced effects at the regional level.

Table 4.3: Summary of Direct Employment and Associated GVA

	Employment		GVA £k	
	Local	Regional	Local	Regional
Big Pit	3.5	3.5	105	105
Discovery Museum	8.2	8.2	246	246
Greystones Farm	1.3	1.3	32	32
Hastings Museum	2.1	2.1	45	45
Nechells Baths	0.0	0.0	-	-
Priory House	2.6	2.6	64	64
Sheffield Museum	14.0	14.0	406	406
Sherwood Initiative	28.0	28.0	1,269	1,269
Stanley Mills	0.0	0.0	-	-
Trencherfield Mill	9.7	9.7	236	236
Total	69.5	69.5	2,403	2,403

Table 4.4: Summary of Effects on Employment and GVA among Supplier Businesses

	Employment		GVA £k	
	Local	Regional	Local	Regional
Big Pit	2.9	56.7	134	2,665
Discovery Museum	23.4	24.0	1,098	1,130
Greystones Farm	0.3	2.1	14	97
Hastings Museum	0.0	13.4	2	629
Nechells Baths	3.9	52.1	185	2,449
Priory House	1.4	11.1	66	524
Sheffield Museum	9.5	148.9	445	7,000
Sherwood Initiative	4.2	21.0	195	986
Stanley Mills	17.2	69.5	807	3,269
Trencherfield Mill	0.0	0.5	1	25
Total	62.7	399.5	2,947	18,775

Table 4.5: Summary of Indirect and Induced Employment and GVA

	Employment		GVA £k	
	Local	Regional	Local	Regional
Big Pit	1.3	36.1	48	1,662
Discovery Museum	6.3	19.3	269	825
Greystones Farm	0.3	2.0	9	78
Hastings Museum	0.4	9.3	9	404
Nechells Baths	0.8	31.3	37	1,470
Priory House	0.8	8.3	26	352
Sheffield Museum	4.7	97.8	170	4,444
Sherwood Initiative	6.4	29.4	293	1,352
Stanley Mills	3.4	41.7	161	1,961
Trencherfield Mill	1.9	6.2	47	157
Total	26.4	281.4	1,070	12,707

Table 4.6: Summary of Total Employment and GVA arising from Project Expenditures

	Employment		GVA £k	
	Local	Regional	Local	Regional
Big Pit	7.6	96.4	288	4,433
Discovery Museum	37.9	51.6	1,613	2,201
Greystones Farm	1.9	5.3	54	207
Hastings Museum	2.6	24.9	56	1,079
Nechells Baths	4.7	83.4	222	3,919
Priory House	4.9	22.1	156	939
Sheffield Museum	28.2	260.7	1,021	11,851
Sherwood Initiative	38.6	78.4	1,757	3,607
Stanley Mills	20.6	111.3	969	5,230
Trencherfield Mill	11.7	16.4	285	419
Total	158.6	750.3	6,421	33,884

Overall expenditure for the 10 projects totalled some £56 million, suggesting that just less than 40% is lost as a net leakage from regional economies through the purchase of goods and services from other regions. This is similar to the results from the 2008 research – thus while there was a high level of leakage at the local level the relationship between project expenditures and regional impacts was similar. The

estimates do not take account of site/land purchases at Greystones Farm and Priory House.

Money leaks from the regional economy when the project and its suppliers and employees spend money on goods and services sourced from other regions and countries. Even when a large proportion of spending benefits regional firms, there may be substantial levels of leakage when those companies source goods and services or employ people from outside the region.

4.5 **Additionality of Impacts**

The above estimates refer to the gross impacts of HLF projects. The net impacts might be expected to be lower than this, as a result of deadweight, displacement and substitution effects (see Section 3.7). Attempts were made to explore the significance of these effects in the case studies. In most cases no evidence was found to suggest that the net impacts of the projects were likely to be significantly lower than the gross impacts. In relation to specific aspects of additionality:

Deadweight – In most cases it was claimed that deadweight was minimal. Interviewees told us that 9 of the 10 projects would simply not have taken place without HLF funding, since no other funding was available on the scale required. In most cases, the match funding from other sources would not have been possible without HLF monies. For example, managers of the Discovery Museum told us that the HLF funding was a lifeline that made the project possible, after other funding sources, including private finance, had been explored without success. Similarly, we were told that if HLF had not funded the Sheffield Museum project, it would not have proceeded. No funding source was available on the same scale as HLF, which provided 75% of the costs for an £18 million project. At Stanley Mills, we were told that without HLF funding the entire site would have been demolished and new houses constructed.

The only exception was Hastings Museum, where consultees told us that without HLF funding the project would have proceeded in a very different form and reduced scale, with basic minimum work undertaken to meet Disability Discrimination Act (DDA) requirements and minimal works to update and upgrade facilities.

Displacement – It is conceivable that HLF projects have the effect of reducing activity elsewhere in the local or regional economy, by discouraging potentially competing projects from taking place. For example, support for one visitor attraction might discourage investment in another potential development nearby, if this was seen to be competing for the same market. However, none of the case studies identified any direct evidence of displacement. This is perhaps not surprising, given that displacement is external to the projects themselves and therefore unlikely to be obvious to them. However, there are also strong reasons for suggesting that displacement is unlikely to be significant for HLF projects, since they tend to be driven primarily by heritage rather than commercial considerations. Restoration of a building or natural heritage asset should not discourage a similar project which itself has a strong need and rationale. It may even have a positive effect where this encourages the development of clusters of natural or built heritage attractions in a particular area. Thus while there may be competition between potential projects for funding, it is likely that HLF projects will rarely actually reduce the prospects of other developments taking place.

For example, consultees told us that the Hastings Museum project has had a minimal effect on other cultural attractions in the area. Similarly since there were no other suitable premises in the neighbourhood for the type of activity housed at Nechells

Baths, we were told that there has been no displacement of existing activity from other parts of the area. Consultees told us that other facilities in the area were very different to the offer of Priory House, and were therefore unlikely to be affected by the site's restoration. Weston Park Museum is seen to complement others in the city, so that its redevelopment has raised the game and encouraged Museum visits in general. Other museums – including the city's industrial museums – have also experienced growth since the site reopened.

We were told that the Stanley Mills development complemented rather than competed with other heritage sites in Scotland, which are located some distance away, explore different aspects of Scotland's industrial heritage, and have been linked through inclusion in the European Industrial Heritage trails which are currently under development.

Substitution – This refers to a situation where a project substitutes one form of economic activity for another in order to gain funding. This was not found to have occurred in any of the 10 case study projects, which generally supported additional activity rather than replacing one form of activity for another.

Economic Leakage and Multiplier Effects – Economic leakage and multiplier effects have been found to be significant, and are addressed by the core methodology specified above.

Leverage – In most cases HLF funding was found to have the effect of leveraging in resources from other sources. HLF provided 65% of the funding required by the 10 projects, with this proportion varying between 41% and 73% in individual cases. As a result HLF provided a substantial core funding source which helped to attract funding from other organisations. Leverage is closely linked to deadweight – in most cases HLF funding was seen as key to assembling a funding package that allowed the project to proceed – and in only one case did interviewees concede that the project might have been possible without the HLF component. Thus the overall estimated economic impact in each case is significantly greater than that which would have been possible with HLF funding alone.

For example, for the Discovery Museum, funding from the ERDF and Newcastle City Council was wholly dependent on securing the £4.3m contribution from HLF. HLF's involvement in the Sheffield Museum project was instrumental in engaging other partners, including Objective 1 and the City Council. Similarly, Wigan Council told us that without the HLF grant it would not have funded the Trencherfield Mill restoration project.

Added Value – In some cases consultees told us that HLF involvement had added value to the projects. For example, for the Discovery Museum project, HLF's project appraisal led to proposals to raise the roof over Turbinia Hall to form a glazed atrium, giving a feeling of light and space. This transformed the project, enabling designers to develop the Museum using the shopping mall concept. HLF's involvement in the Greystones Farm project increased the focus on the archaeological features of the Farm and their conservation and interpretation. HLF funding for Priory House changed the way in which the project was structured and therefore the legacy, for example by altering the staffing structure of the site.

5 SKILLS, TRAINING AND EMPLOYMENT IMPACTS OF THE PROJECTS

5.1 Training

Six of the projects recorded expenditures on training, totalling £77,577. This represents a significant increase on recorded expenditures in previous years' research, and reflects the requirement since 2002 for all projects receiving HLF grants of more than £1 million to incorporate a training element.

Examples of training include:

- Big Pit – The project involved mostly informal, on-the-job training.
- Greystones Farm – The project involved the recruitment of a Reserve Manager who received considerable training, including: a tractor certificate; how to conduct small archaeological digs; and courses in brush cutting, stone walling, hedge laying, first aid, grassland monitoring, tree hazard training, white-claw crayfish and small mammal trapping. Most of the training was formally conducted, but not funded by the HLF grant. There was also informal, practical learning. The training has increased his skills and employability, and reduced the costs of running the site (e.g. by reducing the need to engage external contractors).
- Hastings Museum – The project employed a Display Manager who received IT and Photoshop training provided by Hastings Borough Council and attended a museum conference which displayed various audiovisual equipment.
- Sheffield City Museum - A consultant from Nottingham Trent University provided advice and training to the project team on interpretation and exhibition design. Internal training and group learning was undertaken on preparation of labels and displays.
- Sherwood Initiative – Sherwood Habitats Forum was engaged to deliver training on rural skills, of which there is a shortage in the area – this included machinery training (tractor licences) and hedging. The project provided a substantial volume of training for volunteers. On-the-job training was provided to Community Rangers alongside more formal, assessed training. Awards and certificates included strimming, bush-cutting, chainsaw usage, NPTC (agricultural land based qualifications) to level 2, risk assessment, child protection and Health and Safety. Career development and summer courses were also offered to the Community Rangers, including courses on people engagement. 39 Shadow Rangers underwent voluntary 'apprenticeships' of between 6-12 months which involved the volunteer shadowing a member of staff 1-3 days per week, assisting with survey work, running practical sessions and assisting with school groups. Shadow Rangers developed 'on the job' skills and experience, including practical site management, working with communities, planning and undertaking countryside events, and environmental education. Training was also provided to 900 volunteer archaeologists. Further training is being provided for the Sustainable Landscape officer in machinery use, forestry, management planning and the Woodland Grant Scheme.

- Stanley Mills – The lead contractor developed a site induction for all staff and sub-contractors, which aimed to encourage respect for and care of the site. This included a PowerPoint presentation which was both informative and entertaining and demonstrated the importance of the site to Scottish industrial heritage. This training was successful – with construction workers taking the message to heart and taking immense pride in their work.
- Trencherfield Mill Engine - A training programme was established for the in-house engineering team which involved on and off site development activities, such as visiting other engines and museums, and formal and informal training sessions at the mill engine site. While contractors were not involved in any formal training, the process of restoring the engine was considered to be informal training in itself. All volunteers took part in standard training by Wigan Pier which focussed on customer service and health and safety. In addition, those who worked directly on the engine received informal training from the Chief Engineer and demonstrator.

5.2 Specialist Skills

Some of the projects created demand for specialist heritage services. These included:

- Big Pit – the project funded the cost of engaging conservation and engineering specialists from the National Museum of Wales. Specialist expertise in exhibition design was sourced from a contractor in Leicester. Contractors have since won new work requiring skills and experience gained on industrial heritage projects and in coal mining in particular. Davis Langdon has ‘used Big Pit as a portfolio project’ to gain an industry award and demonstrate its ability to manage heritage schemes on difficult sites. Haley Sharpe has grown substantially and has worked for the National Mining Museum in Wakefield and lately on a mining museum project in Northumberland. Some smaller regional contractors which provided specialist assistance mainly in conservation and interpretations have found work in the region on other projects.
- Hastings Museum - Specialist skills were contracted on an individual basis to undertake work on particular items. This included, for example, a specialist mount maker. In addition several volunteers with specialist knowledge and skills were enlisted to help, for example Native American experts who were able to demonstrate how items should be displayed, plus volunteers from Hastings College engineering department to aid with the John Logie Baird exhibition. Some of the exhibitions required extremely specific knowledge and the project benefited greatly from engaging volunteers with relevant interests.
- Priory House – The project procured specialist consultancy support relating to: heritage interpretation and heritage retailing; specialist furniture-making (production of a medieval table which is housed within the medieval area of the current building); and the development of a conservation management plan.
- Sherwood Initiative – HLF funding paid for specialist geophysical investigations which have enhanced knowledge of the area, informed site interpretation and raised awareness of the geophysical expertise available locally.
- Stanley Mills – A specialist Glasgow based heritage engineering contractor was engaged to restore the lades. Working on the historical site was a new or unusual assignment for many contractors and sub-contractors and required developing new skills. The local painter and decorator faced a significant challenge and learning process to create appropriate colours to match historic

wall colourings. To repair a slated roof on the Gatehouse, a slater had to come out of retirement to demonstrate skills to the contractors, while restoration of timber beams required workers to undertake on the job training in scarf joinery.

- Trencherfield Mill Engine – A large proportion of project spending was on the procurement of specialist heritage engineering services from a Glasgow based contractor. Other skills needs included heritage consultancy and audio-visual services. The project built heritage engineering, maintenance and demonstration skills among the in-house team.

As in previous years' research, we found little evidence of local heritage skills clusters. Specialist heritage services were more likely than more general goods and services to be sourced from outside the local economy, and most examples therefore involved projects supporting the national demand for heritage services and skills.

5.3 Qualitative Aspects of Employment

The case studies collected information about the qualitative aspects of the employment generated by the projects, including the experiences of employees and the effects on the working environment.

Given the diversity of tasks involved, it is difficult to generalise about the nature and quality of employment supported by the projects. However, as in previous years' research, we found that many interviewees commented positively on their employment experiences, and that projects generally gave rise to high levels of job satisfaction.

Examples of these qualitative aspects are as follows:

- Greystones Farm – the Reserves Manager commented positively on the effect of the project on his job, particularly because of its role in promoting the development of a wide range of skills, and the variety of work involved in balancing objectives for nature conservation, archaeology, farming, education and visitor management.
- Hastings Museum – the Display Manager employed on the project gained job satisfaction from the variety of work involved, and the opportunities that the project offered to express creative freedom within specified guidelines. The working environment for staff has significantly improved with better facilities and upgraded and improved space and lighting.
- Priory House - The office space provided has had a positive impact on the employees within the businesses who rent the space. It was suggested by consultees that the office space available is superior to previous locations.
- Sheffield Museum - The project manager joined a network of HLF project managers, benefiting from learning seminars and networking. The project manager has gone on to take a new role as a project manager for the National Museums Scotland, on the back of experience gained from the project. The working lives of Museum staff have been significantly enhanced by improvements in staff facilities, equipment, communications and the working environment. The refurbishment project has provided office space on the first floor of the Museum for 25 staff of Sheffield Galleries and Museums Trust, who were formerly widely dispersed across other sites. They have now been brought together at Weston Park Museum, where they are not only able to interact with each other but are also in regular contact with the Museum, its collections and visitors. According to the Operations Manager, this has totally transformed the way staff work with one another.

- Sherwood Initiative – all staff working on the project had a high degree of job satisfaction and expressed a huge commitment to the initiative.
- Stanley Mills – the numerous awards received by the venture reflect the high quality work invested in designing and restoring the site. Efforts to train construction workers and raise their awareness of the value and needs of the historic site were successful, with workers taking the message to heart and taking immense pride in their work.
- Trencherfield Mill Engine - the engineer and demonstrators exhibited a large degree of dedication to their work and thrived on improving their knowledge and skills. The project built an enthusiastic team of skilled people who loved their work.

5.4 Volunteering

Volunteers played a key role in many of the case study projects, and continue to be involved in many of the sites:

- Discovery Museum – Four volunteers were engaged on site during the construction phase, providing approximately 142 days of person work over the course of the project, supporting research and assisting with the administration and cataloguing of collections. Five additional volunteers are now required on site each day to meet the needs resulting from the project.
- Greystones Farm – the site draws on the resources of an established volunteer base, including Cotswold Wardens and a group of volunteers based in Bourton. One permanent part-time volunteer has attended courses on brush cutting, first aid, stone walling and small mammal trapping. Two experts regularly conduct surveys of the wildlife on the site. Another 5 skilled volunteers assist in training volunteers in brush cutting, hedge laying and stone walling. Total ongoing volunteer inputs amount to approximately 4 FTE jobs.
- Hastings Museum - Around twenty-two local residents volunteered their time to help with the conservation work, contributing 79 hours of time to a value of approximately £2,000.
- Priory House – the site has a number of volunteer sources, as a result of a rich number of local interest groups, including the History Society and Town Guides. There are about 20 volunteers, of which about 8 work regularly in the building. Volunteers are involved in a number of different roles within the House, utilising their own skills and interests, including making panels for displays, producing graphics for the house, undertaking guided walks of the town, presenting Tea Time Tales and providing support as required with events. Consultees estimated that the time inputs of volunteers equate to at least 1.5 FTE jobs.
- Sheffield City Museum - there is some involvement of volunteers, including students and organisations helping people to re-enter the workforce, such as Prospect House, an organisation supporting recovering alcoholics. One such volunteer progressed to join the Museum's workforce. Other volunteers are involved in outreach and learning activities through their work with local community groups. Volunteers are also involved in work with the collections, supporting back of house activities.
- Sherwood Initiative – the recruitment and training of volunteers to restore local sites has been a major emphasis of the project, with at least 1500 involved annually, contributing more than 3000 volunteer days per year (12.5 FTE jobs).

At least 900 of these were volunteer archaeologists, with other volunteers being involved through "Friends of" groups. Four Community Rangers were tasked to engage with local communities, working 4 - 8 hours per week. They received training in a variety of skills, which has helped them move into paid employment. 39 Shadow Rangers underwent voluntary 'apprenticeships' shadowing jobs in partner organisations for 1-3 days per week for 6-12 months, assisting with survey work, running practical sessions and assisting with school groups. 72 per cent gained employment or progressed into further education, or became permanent volunteers after the Initiative.

- Stanley Mills - a number of former Mill workers mostly from the village of Stanley were interviewed to provide oral history. Their memories, knowledge, photographs and other documents assisted the interpretation of the building and the machinery. For example, former engineers assisted with the correct reassembly and positioning of the machines which were found stored away rather than in their original positions. Many of these workers continue to be involved with the restored site for example through storytelling during events. They have received honorary life membership of the Stanley Mills Club.
- Trencherfield Mill Engine - 10 volunteers were recruited to support the public demonstrations of the mill engine. Their roles were varied and including helping with the cleaning and contributing to the historical explanations as part of the demonstrations. Volunteers contributed approximately 150 days of time between them, which was less than anticipated, as recruitment was affected by uncertainty regarding the future of the Wigan Pier complex.

6 ONGOING EFFECTS

6.1 Types of Ongoing Impact

The effects of HLF projects on the economic impacts of operation of the sites that have benefited from investment are more difficult to assess. Firstly, very little information is available from HLF files and it is necessary to collect this from the sites themselves. Secondly, there are difficulties in assessing whether operational effects can be attributed to the HLF project, recognising that an increase in economic impact over time is unlikely to be attributable to HLF funding alone. In most cases, the HLF project funded the provision of a capital asset. While the operation of that asset may involve enhanced levels of expenditure and employment, those in turn require ongoing funding from sources other than HLF.

The evidence demonstrates that HLF projects can generate ongoing economic and employment impacts by:

- Safeguarding existing employment and economic activity by securing the future use of sites and buildings.
- Increasing operational expenditures and employment in maintenance and operation of the enhanced or acquired site.
- Increasing numbers of visitors by improving the facilities and experience provided, thus helping to enhance the sustainability of the site and to generate more employment in site and visitor management.
- Contributing to wider local regeneration programmes.

The different ongoing effects observed in each of the case study projects are summarised in Table 6.1. HLF investment has increased the scale of operations at most sites, resulting in increased ongoing expenditures and employment. In some cases, notably Big Pit, HLF funding has safeguarded the future of the site and the jobs and activities that depend on it. While most sites have experienced increases in visitor numbers, these have had a measurable economic impact in four cases, by attracting a larger number of people to spend money in the local area. In the majority of cases, there has also been a positive contribution to physical regeneration locally.

6.2 Operational Expenditures and Employment

Table 6.2 estimates the economic impacts of ongoing operations at the case study sites, as a result of effects on on-site employment and the effects of operational expenditures. In all it is estimated that operational impacts amount to the creation or safeguarding of 95 FTE jobs locally and 138 FTE jobs regionally across the 10 projects, contributing £2.5 million to local GVA and £3.8 million to regional GVA.

It is difficult to assess to what extent this additional economic activity can be attributed to the HLF funding. While in each case it has followed from the investment and facilities provided by the HLF funded project, it is always dependent on ongoing funding from other sources. It follows that HLF funding is often a necessary but not sufficient condition for these ongoing economic impacts.

Table 6.1: Ongoing Economic Impacts of HLF Projects

	Safeguarding existing economic activity and employment	Increasing operational spend and employment	Increasing visitor numbers	Contributing to local regeneration programmes
Big Pit	X	X	X	X
Discovery Museum		X	X	X
Greystones Farm		X		
Hastings Museum		X		X
Nechells Baths		X		X
Priory House		X		
Sheffield City Museum	X	X	X	X
Sherwood Initiative				X
Stanley Mills		X	X	X
Trencherfield Mill Engine	X			

Table 6.2: Estimated Total Ongoing Operational Impacts

	Employment		GVA £k	
	Local	Regional	Local	Regional
Big Pit	69.2	96.1	1,808.0	2,592.0
Discovery Museum	1.4	1.9	40.4	53.9
Greystones Farm	1.3	1.8	39.6	57.6
Hastings Museum	-	-	-	-
Nechells Baths	3.0	9.3	49.0	160.0
Priory House	9.9	14.0	263.7	391.4
Sheffield Museum	5.8	8.5	125.8	204.3
Sherwood Initiative	-	-	-	-
Stanley Mills	4.7	6.9	131.1	205.0
Trencherfield Mill	-	-	-	-
Total	95.2	138.4	2,458	3,664

The largest effects were at:

- Big Pit, where HLF funding secured the future of the site and the employment that depended on it, and increased visitor numbers and operational activity;
- Priory House, Stanley Mills and Nechells Baths, where new jobs have been created in running formerly derelict buildings for the benefit of visitors and the local community;
- Sheffield City Museum, where HLF funding has transformed the site, increasing employment and operational expenditures.

Those projects without ongoing economic impacts tended to be projects which did not lead to the creation of a major new capital asset. These are:

- Hastings Museum – the project has significantly enhanced the Museum and access to it, without leading to a step-change in operations or associated economic activities.
- Sherwood Initiative – the project contributed to an ongoing programme of environmental restoration and community engagement. This is continuing but relies on ongoing project funding, so the HLF project did not lead to the creation of a sustainable capital asset.
- Trencherfield Mill Engine – financial and economic constraints have restricted regeneration activity at Wigan Pier, and as a consequence operation of the asset has been limited.

6.3 Visitor Impacts

6.3.1 BDRC Visitor Survey

Visitor surveys were undertaken by BDRC at five sites (Big Pit, Discovery Museum, Hastings Museum, Weston Park Museum and Stanley Mills). Responses were received from a total of 459 visitors, an average of 92 visitors at each site. The survey identified significant variations in visitor patterns and expenditures. For example:

- The majority of visitors to most sites were on a day trip from home. The proportion of staying visitors ranged from 9% at Weston Park Museum to 47% at Big Pit.
- The proportion of day-trippers who had spent some money off-site in the local area varied from 36% at Big Pit to 89% at Stanley Mills, with food and drink in local cafes and restaurants being the most frequent purchase.
- The most frequent purchases by staying visitors were food and drink in local cafes and restaurants (ranging from 29% at Weston Park Museum to 75% at the Discovery Museum) and overnight accommodation (ranging from 29% at Weston Park Museum to 67% at Discovery Museum).
- There were wide variations in expenditure per person per site, reflecting both variations in the frequency of buying particular items and the average amounts spent.
- Highest average expenditures were by visitors to Big Pit and the Discovery Museum, a relatively large proportion of whom purchased meals and overnight accommodation. In contrast, Weston Park Museum attracted mainly local

visitors, while a large proportion of those staying in the area were visiting friends or relations, so spent relatively little money.

The importance of the site itself in attracting people to the area varied widely by site and type of visitor. Weston Park Museum attracts a large proportion of local visitors, while Big Pit attracts people from much further afield. At all sites, relatively few staying visitors were attracted to the area specifically to visit the site in question – staying visitors were more likely to be motivated to visit the area for other reasons, and then to visit the site while in the local area. Day visitors, however, are much more likely to make dedicated trips to the area to visit the site in question. Therefore, whilst staying visitors spend much more money than day-trippers, we found that only a very small proportion of these expenditures could be attributed to the HLF funded site.

At one site, Hastings Museum, the survey found no visitors who had actually spent money locally as a direct result of visiting the site. All of those surveyed were either locals or were primarily drawn to the area for other reasons.

Data were collected for the amount spent by day-trippers and staying visitors in the local area. Using the method outlined in Section 3.5 above, these were combined with information about the importance of the site in drawing visitors to the local area, in order to estimate visitor expenditure attributable to the site itself.

The average expenditure per non-local day-tripper that can be attributed to the site itself was estimated to range from £0 at Hastings Museum to £6.54 at Weston Park museum. The largest expenditures were on food and drink bought in local cafes and restaurants (Table 6.3).

Table 6.3: Average Attributable Local Spending per Day-Trip

Item	Big Pit	Discovery Museum	Hastings Museum	Stanley Mills	Weston Park Museum
Food/drink in cafe or restaurant	£3.01	£1.89	£0.00	£1.80	£6.54
Food/drink from shop	£0.46	£0.03	£0.00	£0.13	£0.00
Car parking	£0.00	£0.00	£0.00	£0.00	£0.00
Gifts/souvenirs	£0.00	£0.00	£0.00	£0.00	£0.00
Public transport	£0.00	£0.00	£0.00	£0.00	£0.00
Petrol	£2.12	£0.00	£0.00	£2.31	£0.00
Admission fees	£0.00	£0.00	£0.00	£0.00	£0.00
Accommodation	£0.00	£0.00	£0.00	£0.00	£0.00
Other	£0.00	£0.00	£0.00	£0.00	£0.00
Total	£5.58	£1.92	£0.00	£4.24	£6.54

It should be noted that the figures are based on relatively small sample sizes and that the average attributable visitor expenditures have been estimated by including only the expenditure of those respondents who indicated that the site had motivated them to visit the local area. Therefore zero estimates do not mean that no visitors to the site spend money on the items in question, but that no visitors were interviewed who had both spent money on these items and had been motivated to visit the area by the site itself.

Table 6.4 shows the average estimated expenditure per visitor staying in the local area that can be attributed to the site itself. This ranges from zero at Hastings Museum to £8.73 at the Discovery Museum.

Table 6.4: Average Attributable Spend per Staying Visitor in Local Economy

Item	Big Pit	Discovery Museum	Hastings Museum	Stanley Mills	Weston Park Museum
Food/drink in cafe or restaurant	£0.67	£4.26	£0.00	£2.27	£1.98
Food/drink from shop	£0.24	£0.00	£0.00	£0.11	£0.00
Car parking	£0.06	£0.27	£0.00	£0.00	£0.00
Gifts/souvenirs	£0.09	£1.33	£0.00	£0.00	£0.00
Public transport	£0.23	£0.19	£0.00	£0.00	£0.00
Petrol	£0.00	£0.00	£0.00	£2.05	£0.00
Admission fees	£0.13	£0.00	£0.00	£0.00	£0.00
Accommodation	£3.55	£2.67	£0.00	£0.81	£0.00
Other	£0.00	£0.00	£0.00	£0.00	£0.00
Total	£4.97	£8.73	£0.00	£5.24	£1.98

The survey returns also enabled us to estimate additional expenditures at the regional level (Table 6.5).

Table 6.5: Average Attributable Spend per Visitor at the Regional Level

Item	Big Pit	Discovery Museum	Hastings Museum	Stanley Mills	Weston Park Museum
Day Trippers (Total)	£1.51	£0.20	£0.00	£1.82	£1.25
Staying Visitors (Total)	£7.17	£14.73	£0.00	£20.90	£0.00

For day trippers, additional expenditure at the regional level is invariably less than at the local level. This is because many day-trippers originate from within the region in question – therefore while they may boost spending in the local economy as a result of their visit to the site, their expenditure cannot be regarded as additional to the region.

For some sites, however, additional expenditure by staying visitors is higher at the regional level than in the local economy. Firstly, most staying visitors originate from outside the region, and therefore bring additional money into the regional economy. Secondly, these visitors may be drawn to the area by the attraction in question, without actually staying close to the site itself. In cases where visitors stay more than 10 miles from the site but their stay is motivated by the attraction in question, their expenditure benefits the regional economy but not that local to the site. This is particularly true for sites such as Big Pit and Stanley Mills where accommodation options in the immediate area are relatively limited.

These average attributable expenditures per visitor were combined with estimated numbers of additional staying visitors and non local day trippers for each site, in order to estimate the additional annual visitor expenditure in the local economy that can be attributed to each site. These are given in Table 6.6. The visitor numbers are estimates of the extra visitors to the site as a result of the project, rather than total numbers of visitors.

Table 6.6: Estimated Additional Visitor Expenditure attracted to Local Economies by Surveyed Sites

	Staying Visitors		Non Local Day-trippers		Total	
	Number	Spending	Number	Spending	Number	Spending
Big Pit	74,250	£369,023	75,900	£423,522	150,150	£792,545
Discovery Museum	26,000	£226,980	65,000	£124,800	91,000	£351,780
Hastings Museum	3,548	£0	1,447	£0	4,996	£0
Stanley Mills	8,800	£46,135	10,000	£42,407	18,800	£88,542
Weston Park Museum	19,360	£38,359	28,160	£184,123	47,520	£222,482

The largest impacts are estimated to occur at Big Pit, which is estimated to attract additional visitor spending of £792,000 to the local economy.

Table 6.7 estimates additional visitor expenditures at the regional level, excluding all expenditures by visitors living within the regions of the sites in question but also including estimated additional expenditures at the regional level outside the local economy.

Table 6.7: Estimated Additional Visitor Expenditure attracted to Regional Economies by Surveyed Sites

	Staying Visitors	Day Trippers	Total
Big Pit	£524,948	£114,609	£639,557
Discovery Museum	£382,980	£13,000	£395,980
Hastings Museum	£0	£0	£0
Stanley Mills	£183,920	£18,175	£202,095
Weston Park Museum	£0	£35,258	£35,258

No significant increase in visitor expenditure is thought to have taken place at the other five sites (Greystones Farm, Priory House, Nechells Baths, Sherwood Initiative, Treacherfield Mill), because these sites mainly attract local visitors and have had an insignificant effect on overall visitor numbers.

6.3.2 *Economic Impact of Visitor Spending*

In total the case study sites are estimated to bring additional visitor expenditure of £1.5 million annually to their local economies, and £1.3 million to their respective regional economies.

Table 6.8: Summary of Estimated Additional Visitor Spending

	Additional Expenditure (£k)	
	Local	Regional
Big Pit	793	640
Discovery Museum	352	396
Greystones Farm	-	-
Hastings Museum	-	-
Nechells Baths	-	-
Priory House	-	-
Sheffield Museum	222	35
Sherwood Initiative	-	-
Stanley Mills	89	202
Trencherfield Mill	-	-
Total	1,455	1,273

The economic impact of increased visitor spending can be estimated assuming that £59,000 of visitor spending is required to support 1 FTE job at the local level and £40,000 is required to support 1 FTE job at regional level (Table 6.9).

Table 6.9: Summary of Total Employment and GVA arising from Visitor Spending

	Employment (FTE)		GVA (£k)	
	Local	Regional	Local	Regional
Big Pit	13.4	16.0	396	512
Discovery Museum	6.0	9.9	176	317
Greystones Farm	0.0	0.0	-	-
Hastings Museum	0.0	0.0	-	-
Nechells Baths	0.0	0.0	-	-
Priory House	0.0	0.0	-	-
Sheffield Museum	3.8	0.9	111	28
Sherwood Initiative	0.0	0.0	-	-
Stanley Mills	1.5	5.1	23	147
Trencherfield Mill	0.0	0.0	-	-
Total	24.7	31.8	706	1,004

In total the case study projects are estimated to attract sufficient additional visitor expenditure to support 25 FTE jobs locally and 32 FTE jobs in regional economies, enhancing local GVA by £0.7 million annually and regional GVA by £1.0 million annually.

The largest impacts are attributed to the Big Pit and Discovery Museum projects.

6.4 Gross and Net Effects

The estimates above relate to the net effect of HLF projects on operating and visitor expenditures and the resultant economic and employment impacts. The analysis has sought to estimate the net change in operating expenditures and employment, and the net increase in visitor expenditure, as a result of the project. It is recognised that HLF projects fall into different groups in this respect:

- Projects that have provided a completely new heritage asset, giving rise to new economic impacts (e.g. Museum in Docklands, one of the case studies in the 2008 research). There was no example of this in the 2009 research. In these cases the net ongoing economic impact of the project is equivalent to the gross economic impact of the site;
- Projects that have added to an existing asset, increasing the impact of the operation of the site and its ability to attract visitors. In these cases the net increase in operating and visitor expenditures needs to be assessed (e.g. Discovery Museum, Hastings Museum).
- Projects that have restored an existing heritage asset, giving rise to new economic activity (e.g. Greystones Farm, Nechells Baths, Priory House, Sherwood Initiative, Stanley Mills) or safeguarding and increasing existing activity (e.g. Big Pit, Sheffield City Museum, Trencherfield Mill Engine). In these cases the analysis has considered the change in economic activity relative to the baseline scenario, which in some cases would have involved closure of the site (e.g. Big Pit). The net economic impact is therefore considered on a case by case basis.

A summary of the net ongoing economic effects of each of the 10 projects relative to the existing operation of the site is given in Table 6.10.

Figure 6.10: Comparing Gross and Net Effects of Case Study Sites

Case Study	Treatment of Gross and Net Effects
Big Pit	The site was an established visitor attraction, though visitor numbers had declined prior to the project. The site had become unviable and faced a serious risk of closure. The HLF funded project is therefore regarded as having safeguarded and increased employment, economic activity and visitor expenditures; all impacts of the site are therefore regarded as being attributable to the project.
Discovery Museum	The project has significantly enhanced the Museum and increased employment, operating expenditures and visitor numbers. The net effect of the project has been assessed by comparing these impacts before and after the project.
Greystones Farm	The site had fallen into disuse and the HLF project has restored its management. The entire economic impacts of operation of the site are therefore attributable to the project.
Hastings Museum	The project has enhanced and updated the Museum; its net effects have been examined by assessing changes in operating expenditures, employment and visitor spending.
Nechells Baths	The building was unoccupied before the restoration project, but now supports significant levels of economic activity. However, the impacts of tenant organisations cannot be attributed to the HLF project, since these have simply moved from other sites. The net ongoing effects have been assessed by examining the new activities supported by the building.

Priory House	The building was unoccupied prior to the restoration project. The project has led to new employment and economic activity in operation of the building. The activities of tenant businesses are not included as they have transferred from other sites.
Sheffield Museum	The Museum was in decline and poor condition prior to restoration although not at imminent risk of closure. The net effects of the project have been examined by assessing changes in employment, operating expenditures and visitor numbers and spending.
Sherwood Initiative	The project is not deemed to have had any net ongoing economic impact, as it has not given rise to sustainable ongoing economic activity – continuation of the initiative depends on ongoing project funding. There has been no significant effect on visitor numbers to the area.
Stanley Mills	The site was derelict prior to the HLF funded restoration project. The project restored the site and provided a new visitor attraction. All employment, operating and visitor impacts are regarded as net effects of the project.
Trencherfield Mill	The project has restored the engine but not given rise to any change in employment or expenditures; there has therefore been no net ongoing economic impact.

As a result the relationship between the gross economic impact of the site and the net economic impact of the project varies widely between case studies. In some cases, these “gross” and “net” impacts are equivalent in magnitude, as the entire impact of the site is attributable to the project. This is the case for Big Pit (which was threatened with closure) and previously derelict or unoccupied sites such as Greystones Farm, Priory House, and Stanley Mills. At Hastings Museum, the change in ongoing economic impact has been fairly marginal. At Nechells Baths, the restoration and re-use of the building has brought significant levels of economic activity to the site, although much of this has involved the transfer of tenants from other sites, so the net economic impact is a small proportion of on-site activity.

Table 6.11: Summary of Net Ongoing Effect on Employment and GVA arising from Visitor and Operational Spending

	Employment (FTE)		GVA (£k)	
	Local	Regional	Local	Regional
Big Pit	82.6	112.1	2,204	3,104
Discovery Museum	7.4	11.8	216	371
Greystones Farm	1.3	1.8	40	58
Hastings Museum	-	-	-	-
Nechells Baths	3.0	9.3	49	160
Priory House	9.9	14.0	264	391
Sheffield Museum	9.6	9.4	237	232
Sherwood Initiative	-	-	-	-
Stanley Mills	6.2	11.9	154	352
Trencherfield Mill	-	-	-	-
Total	119.9	170.2	3,164	4,668

A summary of net ongoing economic impacts of the 10 projects is given in Table 6.11, combining the impacts of operational and visitor expenditures from Tables 6.2 and 6.9. The 10 sites are estimated to support net ongoing employment totalling 120 local FTE jobs and 170 regional FTE jobs, and GVA of £3.1 million in local and £4.7 million in regional economies.

6.5 Effects on Regeneration and the Business Environment

As well as the direct effects of project and visitor expenditures, some projects were found to have additional benefits by enhancing their immediate environs. In some cases this was deemed to have wider business benefits by encouraging further regeneration activity to take place and/or enhancing the environment for local businesses and their customers.

Examples of these positive built-environment related effects include:

- Big Pit - Blaenavon is benefiting from a programme of regeneration focused on the World Heritage Site, of which Big Pit is a key part. Examples of new businesses include the Blaenavon Cheddar Cheese company (which uses the Big Pit brand to promote its underground maturing process) and at least one new bed and breakfast business.
- Discovery Museum - The growth in visitor numbers has led to significant impacts on the surrounding area, which has been labelled the Discovery Quarter by Newcastle City Council and earmarked for economic development. The re-branding of the museum developed an interest among council officers that transformational change could be harnessed through a whole-area approach to regeneration, with development at the Discovery Museum as the catalyst. Several improvements have been made, including the relocation of a run-down homelessness hostel, use of available land by Newcastle College to install purpose-built vocational education facilities, local streetscape improvements and the development of the nearby Centre for Life, offering a complementary offer with critical mass for day visitors.
- Hastings Museum - staff believe that the improved Museum and Art Gallery has helped the arts community in Hastings to flourish. A cluster of cafes, an art gallery and arts and crafts shops has developed ½ a mile away and there is also a cluster of creative industries in the local area with graphic designers and university film and media departments. In addition the Hastings Art Gallery sometimes displays work from local artists to help encourage the arts community to grow and develop. This all adds to creative industries development and may help to encourage businesses in the sectors to remain in the area or new businesses to locate there. The extended Museum has helped in marketing Hastings and 1066 Country to a more culturally aware audience.
- Nechells Baths – the restored building provides a home for the Nechells Regeneration Partnership, combining various organisations engaged in regeneration activity. The NRP Manager claims that their collaborative effort has driven child prostitution, gun crime and drug crime out of the area making it a safer and more desirable place for residents to live. Police report that crime is now at its lowest in Nechells for 25 years. The Baths themselves have played a key role, as a symbol of regeneration, a physical focus for local organisations, and a secure and visible meeting point for partners. The building has delivered a major programme of training and employment support for local residents.

- Sheffield City Museum - the success of the Museum project has assisted the completion of the regeneration of Weston Park as a whole. A new Starbucks coffee shop opened opposite the site shortly before the Museum was reopened – this receives passing trade from visitors to the adjacent Children’s Hospital and Weston Park, but it is thought that the Museum refurbishment was a key influence on its opening. The nearby Dam House bar and restaurant has also reopened, following a £1.2 million refurbishment, after being closed for 12 years. The University of Sheffield has also invested heavily in developing its nearby campus. While it would be misleading to attribute these developments to the HLF project, it appears that the Museum refurbishment has interacted positively with other local developments which have together brought increased footfall to the area. These developments have had a positive cumulative effect on the local economy.
- Sherwood Initiative – the project has engaged the local community in the restoration and regeneration of former coalmining areas. The Initiative has contributed to an improvement in social cohesion through engagement with community schools and has helped to tackle antisocial behaviour by involving young offenders. Seven former pit tips are now Community Woodlands. Informal groups have also been established and these groups also take on some of the responsibility of looking after these sites. The foundations have also been laid for the Regional Park status and a potential World Heritage Site. Developers are also recognising the potential – non-social housing is being built in villages such as Clipstone. This is perceived as a positive step towards challenging local community attitudes to the area. Plans for the Regional Park are now being mentioned in the Regional Spatial Strategy.
- Stanley Mills - the whole sequence of interventions to restore the site has much improved village life in Stanley according to the Stanley Community Council. While Phase 3 brought visitors to and through the village, the earlier conversion of the Mid Mill range into housing (and improved safety and security for the entire site) has brought fresh blood to the rural community and led to an increase in value of local property. The site has been transformed from an eyesore and a danger spot for youngsters to a source of pride.
- Trencherfield Mill Engine - shortly after the HLF award was made, wider regeneration plans for the Wigan Pier site were announced. It was envisaged that the site would be redeveloped as a cultural quarter that combined recreational, office and residential usage. During a transition phase the existing museums would close, before the opening of the new arts and heritage complex. The restored Trencherfield Mill Engine would be a key heritage attraction in the new complex. However, due to the recession, Wigan Council cut the capital programme and withdrew its commitment to the arts and heritage complex. If the planned regeneration goes ahead when economic conditions improve, the project may contribute to the overall regeneration of the area.

The strength of these property related effects depends to a large extent on the location of the project. Those projects located in areas in need of physical regeneration, and/or suffering from anti-social behaviour, have benefited the most.

6.6 Ongoing Training Effects

In some cases the employment generated following the HLF project has been accompanied by ongoing training. This includes accredited training at some sites:

- Big Pit – the project has led to the recruitment of new staff who have required training, while some existing staff have also been trained to work in the new facilities and to manage the larger numbers of visitors. This has been particularly the case in the catering operation which has grown in scale and complexity.
- Greystones Farm – The Reserve Manager is now completing an MSc in Rural Land Management, building on the skills developed during the project.
- Nechells Baths – The project itself did not have a training element. However, the restored site plays a major role in the delivery of training and employment advice to the local community.
- Priory House – Staff have undertaken training including the Welcome Host Tourism Award and NVQ level 2 in Customer Care. Other training undertaken by staff includes in-house courses such as Food and Hygiene and Manual Handling/Lifting. Training for tearoom staff includes a relevant NVQ level 2 for the chef (and a commitment for the NVQ 3) and the relevant NVQ level 2 for two waitresses, with a commitment to extend this to cover Silver Service training.
- Sheffield City Museum - All new staff participated in a bespoke induction programme delivered by an in-house training officer over a two week period at the commencement of their employment. Specific training activities then included display content information and interpretation, building management topics including emergency procedures, communication skills, presentation skills, retail selling skills, administrative processes and a variety of team-building activities. Front of house staff receive initial and continuing training designed to enhance their abilities to achieve the goals, targets and objectives set out in the Corporate Plan. They receive accredited training to NVQ2 in cultural heritage management, and some have progressed to levels 3-4.
- Trencherfield Mill Engine - Current engineering staff benefit from the training manual that was a key output of the project, and describes procedures for the maintenance of the engine and ensures proactive, regular maintenance rather than reactive, sporadic restoration.

7 CONTRIBUTION TO SUSTAINABLE DEVELOPMENT

7.1 Impact on Deprived Areas

Each of the case studies provides a socio-economic profile of the area in which the relevant project was located.

The following projects are located in areas which are ranked among the 25% most deprived in their respective countries, according to indices of multiple deprivation:

- Big Pit
- The Discovery Museum
- Hastings Museum
- Nechells Baths
- Sherwood Initiative
- Trencherfield Mill Engine

These six projects together received HLF grants of £26 million, accounting for 44% of the total HLF grant awarded to the 10 projects in our sample. This indicates that the projects in our sample disproportionately benefit deprived areas of the UK.

Collectively, expenditures on these projects supported an estimated 103 job years of work and GVA of £4.2 million in their respective local economies. Ongoing operational expenditures are estimated to support further employment of 74 FTE jobs and GVA of £1.9 million annually. Visitor expenditures are estimated to support a further 19 FTE jobs and GVA of £0.6 million in these local economies.

7.2 Environmental Sustainability

The projects led to a number of significant environmental and sustainability impacts. In addition to contributions to regeneration and enhancement of the built environment described above, some of the notable ones are as follows:

- Greystones Farm - The project has resulted in considerable environmental benefits. The site is managed to maintain key habitats and develop their biodiversity value, ensuring robust, healthy ecosystems. The archaeology is more fully understood, promoted as a source of learning and protected from further degradation. Local residents benefit from improved physical and intellectual access to the outdoor space.
- Priory House – the project has led to an improvement in the gardens, which has enhanced the recreational space for local residents, as well as proving space for a newly established croquet club. There are further plans for the neighbouring gardens, for which the project funded by HLF has acted as a catalyst.
- Sheffield City Museum - the restored building is now more energy efficient, although it is also kept warmer than previously. It helps to raise awareness of environmental issues through its natural history displays and collection, and its work to raise awareness of climate change. There is interest in developing renewable energy on site, since the Museum has a large roof with potential to harness solar energy, though there was little interest in this from HLF at the time the redevelopment was planned.

- Sherwood Initiative – the project has restored large areas of land degraded by coal mining activities, re-creating habitats such as heathland, grassland and woodland, and promoting awareness of and engagement in the natural and historic environment.
- Stanley Mills - Conserving the sensitive ecology of the River Tay and the surrounding wildlife habitats was of particular concern during the project stage, and appropriate actions were taken to achieve this. For example, works were delayed for six months so as not to disturb bats nesting in the mill and care was taken not to discharge any waste (including concrete) into the river. The restored and preserved lades now provide a habitat themselves, with improved biodiversity. Work is currently underway to undertake a Flora and Fauna Audit on the site and the surroundings. Furthermore, education and community events have been organised to showcase the rich surroundings. These include, for example, bat spotting nights and woodland walks organised in partnership with local ranger groups.
- Trencherfield Mill Engine - while the steam engine inevitably has high levels of energy consumption, as a direct result of the project, the engine is running more efficiently and using less fuel than previously.

7.3 Social Benefits

A number of the projects were able to point to significant social benefits resulting from the development and operation of the funded asset:

- Discovery Museum - The project has delivered social benefits by providing a resource for the local community and a focus for education and informal learning.
- Greystones Farm – the Wildlife Trust has worked extensively to build up partnerships with societies, community groups (such as local housing associations) and schools in the area to build awareness of and appreciation for sustainable land management.
- Hastings Museum – the project has provided improved access to and facilities in the local studies room, allowing students as well as members of the public with a specific interest to locate archived information.
- Nechells Baths – the site represents the main focal point for local community groups and regeneration efforts, delivering substantial community and social benefits.
- Priory House – the House now provides a focal point and meeting place for community and local interest groups
- Sheffield City Museum - the project involved substantial levels of education and community engagement. An intense period of consultation was undertaken with representatives of the target audiences and potential user groups who were under represented at the site. The displays were heavily driven by curriculum topics relating to the primary education audience, particularly Key Stage 1 and 2 students. The displays were designed to tell fascinating stories, relevant to Sheffield and the anticipated audience, and to include personal collections held by Sheffield people in order to create local relevance. Community involvement was key to all the displays, creating a sense of widened public ownership of the collections, opportunities for contemporary collecting and new ways of utilising the museum's resource for socially inclusive benefit working with some of

Sheffield's most deprived communities. The Museum has strategically aligned delivery of its community projects to the priorities of Sheffield City Council's Closing the Gap Strategy for Neighbourhood Renewal. It works with a variety of partners in many of the city's most deprived areas, engaging new audiences and hard-to-reach groups who experience exclusion from Sheffield's cultural opportunities.

- Sherwood Initiative – the project involved a major programme of community engagement, helping to enhance opportunities for local people and to improve the living environment.
- Trencherfield Mill Engine – the engine receives visits from local schools and helps to inspire young people who are able to see it in action, raising interest in engineering as a potential career.

7.4 Financial Sustainability

Most of the larger HLF funded projects involve capital expenditures which are designed to provide a lasting asset that will provide benefits to the public over a significant period of time. As a result, HLF is concerned to ensure that the funded assets manage to sustain themselves over time, in order to ensure ongoing maintenance of the asset and keep it open to the public.

All major HLF projects are required to submit business plans at the application stage, setting out, amongst other things, projections of future costs and revenues, in order to demonstrate their ongoing financial sustainability. These business plans are an important part of the application process and are scrutinised by case officers and Trustees.

HLF is keen to ensure that its procedures for achieving the financial sustainability of the projects it supports are as robust as possible. To achieve this, it is helpful to improve understanding over time of the factors that may increase the risk of financial failure, in order to take account of these at different stages in the approval and monitoring of projects. For example, it helps to understand whether certain types of projects are riskier than others, and whether there is a tendency to forecast some aspects of financial sustainability (e.g. visitor numbers, revenues, operating costs) inaccurately.

HLF commissioned ECOTEC to examine the financial sustainability of a sample of eight of its projects. The report, published in 2006, found that:

- Three of the eight projects were in apparent financial difficulty.
- These three projects had common characteristics
 - All were essentially new developments;
 - All have suffered from substantially lower than expected visitor numbers;
 - All lack a major sponsor willing to provide core funding / underwrite financial deficits;
 - All have suffered from at least some evident weaknesses in experience and/or management capacity.
- Core funding was found to be important - the projects with problems fall in the 'gap' between national museums which receive DCMS funding and local

authority funded facilities which leaves them particularly – and uncomfortably – dependent on visitor related income.

- In contrast, projects involving the development of existing attractions by established sponsors were found to have experienced far fewer problems, no doubt reflecting the inherently lower risks involved in funding such projects.
- Only one project suffered significant cost overruns in the development stage; however, delays in the project were deemed to have had a financial impact on the other two. In two of the three cases there was a failure to anticipate fairly obvious items of revenue cost.
- Forecasting visitor numbers was found to be a significant area of uncertainty, with some projects significantly overestimating and others underestimating numbers of visitors.
- The consultants concluded that improved procedures, such as better guidance to applicants and more detailed scrutiny of applications, could reduce the risk of financial failure of HLF projects.

The site in our sample which appears to present greatest challenges with regard to financial sustainability is Weston Park Museum. The HLF project greatly enhanced the Museum and its activities and offer to visitors, but this increase in scale of activity has not been matched by an increase in core revenues. While visitor numbers have greatly exceeded expectations, they have not generated sufficient revenues to cover costs – the site is free to enter and income from cafe rentals, shop sales and events represents only a relatively small proportion of turnover. The largest funding is provided by Sheffield City Council, but has not increased in line with activity. The accounts of Sheffield Galleries and Museums Trust for the year ended 31 March 2008 identified a deficit on core activities of £184,000 arising from revenue overspends in the opening period of Weston Park Museum and establishment costs being higher than budget, and stated that *the Trust is currently working with its stakeholders to ensure its long term financial viability*. The trading loss was reduced to £40,000 in 2008/09.

Trencherfield Mill also generates limited income and is similarly dependent on local authority funding. While there is no indication that this will not continue, there must be concerns given that financial and economic constraints have stalled other developments in the Wigan Pier area, which have severely limited the operation of the asset and the benefits it has provided.

There appear to be no significant concerns about the financial sustainability of the other eight sites, even though most have an annual financial operating deficit and require core funding:

- Big Pit – the site was formerly considered at risk but is now managed and funded by National Museum Wales. The renovation project has greatly enhanced the ongoing viability of the site;
- Discovery Museum – operating costs have increased but the site has been greatly enhanced, and benefits from ongoing support from Tyne and Wear Museums;
- Greystones Farm – Gloucestershire Wildlife Trust continues to fund the small annual operating deficit;
- Hastings Museum – there has been a small increase in operating costs but these are met by Hastings Borough Council;

- Nechells Baths – revenues from the site cover operating costs, though it is recognised that these are dependent on public funding for partner/tenant organisations, which could be affected by future policy changes;
- Priory House – operating deficits are covered by a guarantee from Dunstable Town Council;
- Sherwood Initiative – the project provided time limited revenue funding rather than capital funding, and did not create a permanent asset – the Initiative is continuing, through further project funding;
- Stanley Mills – the site is owned and managed by Historic Scotland, an executive agency of the Scottish Government. It receives funding for its operations from the Scottish Government budget which covers the anticipated annual deficit.

As found by previous research, the presence of a strong and committed sponsor organisation holds the key to the financial sustainability for most major HLF projects. Projects without a financially secure sponsor, which must fund operating expenditures from revenues generated on site, have a much greater risk of failure and may require additional financial scrutiny at the application stage.

The research found some examples of inaccurate forecasting at the application stage, leading to both optimistic and pessimistic projections. For example:

- Greystones Farm – projections about revenues from farm rents were highly optimistic, largely because the negative financial effects of the environmental conditions imposed on the tenancy were not taken into account;
- Sheffield City Museum – actual visitor numbers have greatly exceeded those forecast in the application and business plan. Projections were substantially scaled down at the request of HLF and on advice from consultants.

8 TOTAL ECONOMIC IMPACT OF HLF FUNDED PROJECTS

8.1 Total Economic Impact of HLF Projects Completed in 2008

The total economic impact of the sample projects is summarised in Tables 8.1 and 8.2.

Table 8.1: Total Economic Impact – Project Expenditures

	Employment (Job years)		GVA (£k)	
	Local	Regional	Local	Regional
Staffing	69	69	2,403	2,403
Direct Suppliers	63	399	2,947	18,775
Indirect and Induced Effects	26	281	1,070	12,707
Total (Sample Projects)	159	750	6,421	33,884
Total (All HLF Projects)	717	3,393	29,038	153,248

Collectively expenditures in implementing the 10 projects are estimated to have supported 159 job years of work in local and 750 job years in regional economies, enhancing local GVA by £6.4 million and regional GVA by £33.9 million.

The 10 sample projects received total HLF grant funding of £36 million. This is 22% of the total funding of £164 million allocated to the 121 projects which completed in 2008 (and received HLF grant of more than £250,000). Therefore we would expect the total impact of HLF projects completing in 2008 to be 4.5 times as large as that of our sample. On this basis we estimate that HLF funded projects supported a total of 717 job years of work in local economies and 3,393 in regional economies during the project phase, enhancing local GVA by £29 million and regional GVA by £153 million.

The estimated local impacts are significantly lower than those estimated by the 2008 research, although the regional impacts are similar in magnitude. This is because the projects in the sample spent relatively little money in their local economies; instead there was a high degree of regional sourcing.

Table 8.2 presents similar estimates for ongoing expenditures by the sites and their visitors. In all, the sample projects are estimated to support additional employment of 120 FTE jobs at the local level and 170 FTE jobs at the regional level. The ongoing effect on GVA is estimated at £3.2 million locally and £4.7 million regionally. Extrapolating from the sample to all larger HLF funded projects, we estimate that the large HLF projects completing in 2008 support ongoing employment of 542 FTE jobs locally and 770 FTE jobs regionally. The impact on GVA is estimated at £14 million locally and £21 million regionally.

Table 8.2: Total Economic Impact – Ongoing Expenditures

	Employment (FTE)		GVA (£k)	
	Local	Regional	Local	Regional
Operating Expenditures:				
Staffing	75	75	1,907	1,907
Direct Suppliers	2	4	101	188
Indirect and Induced Effects	18	60	450	1,569
<i>Subtotal</i>	95	138	2,458	3,664
Visitor Expenditures	25	32	706	1,004
Total (Sample Projects)	120	170	3,164	4,668
Total (All HLF Projects)	542	770	14,310	21,112

Therefore the results suggest that, each year, HLF project expenditures support a total of 3,400 jobs in regional economies and help to establish capital assets which support 770 jobs on an ongoing basis; the latter effects are cumulative with the impacts from each site continuing in future years.

Using these figures, and based on HLF grants of £36 million to the sample projects, it is possible to calculate the HLF expenditure per job supported at the local and regional level (Table 8.3).

Table 8.3: Ratio between HLF Grant and Employment Supported at Local and Regional Level

	Local	Regional
Project Expenditure (£ per job year)	£228,852	£48,386
Ongoing Effects (£ per FTE)	£302,882	£213,254

The figures suggest that the effects of project expenditures are to support one job year of employment at the regional level per £48,000 expenditure by HLF and one job year of employment at the local level per £228,000 expenditure by HLF.

In total, and taking account of both operating and visitor expenditures, one ongoing FTE job is supported at the local level per £303,000 of HLF expenditure and one FTE job at the regional level per £213,000 of HLF expenditure.

It is important to note that, while these ratios are calculated in terms of HLF grant, the impacts are dependent on further additional resources. Project expenditures require co-funding from other sources as well as HLF grant, while ongoing impacts depend on ongoing revenue funding and visitor expenditures.

8.2 Comparison with Previous Years' Research

HLF has commissioned studies to examine the economic, employment and training impacts of its projects since 2005. This has provided HLF with a total of 90 case studies examining the impacts of its projects (Table 8.4).

Table 8.4: Studies Commissioned by HLF on Economic, Employment and Training Impacts

Year of Research/ Publication	Contractor	HLF Grant Level of Projects Examined	Number of Case Studies
2005/06	Ecotec	£2,000,000+	10
2006/07	GHK	£250,000 to £2,000,000	20
2006/07	Ecotec	£2,000,000+	10
2007/08	GHK	£250,000 to £2,000,000	10
2007/08	Ecotec	£2,000,000+	10
2008/09	GHK	£250,000+	20
2009/10	GHK	£250,000+	10
Total		£250,000+	90

Table 8.5 presents estimates of the aggregate economic impacts of these 90 case study projects. The figures indicate that:

- The projects involved total expenditure of £661 million, and received HLF grants of £376 million (some 57% of the total expenditure).
- Project expenditures were estimated to support an estimated 7,150 job years of work in local and regional economies, through a combination of direct, indirect and induced effects.
- The projects were estimated to support ongoing employment totalling 3,780 FTE jobs, through a combination of direct employment, operational spend, visitor spend, and associated indirect and induced effects.

Table 8.5: Aggregate Impacts of 90 Case Study Projects, 2005/06 to 2009/10

	2005 to 2008	2009	2005 to 2009
Number of case study projects	80	10	90
Value of Project Expenditure (£m)	605	56	661
Value of HLF Grant (£m)	340	36	376
% HLF Grant to Project Expenditure	56%	65%	57%
Employment impact of project expenditures in sub-regional and regional economies (job years)	6,400	750	7,150
HLF grant per job year of employment at sub-regional/regional level	£53,111	£48,386	£52,619
Ongoing employment impact at regional/sub-regional level (FTE)	3,610	170	3,780
HLF grant per FTE employment at sub-regional/regional level	£94,157	£213,254	£99,529

It is important to note that there were some differences in methodology between projects:

- Two earlier GHK studies (2006/07 and 2007/08) did not estimate visitor expenditure effects;
- The GHK and Ecotec studies used slightly different economic modelling approaches and multipliers;
- There were slight differences in the geographical scale at which impacts were estimated. The Ecotec studies estimated effects at the sub-regional level while the GHK studies used a definition of the “regional” level based on a 50 mile radius of the sites;
- The figures are for different years. No adjustment has been made for changes in prices. However, the 2008/09 and 2009/10 GHK studies have updated the multipliers employed in order to take account of changes in economic circumstances and statistics.

The figures suggest the following overall ratios for levels of HLF grant per job supported at the regional/sub-regional level:

- Project expenditures support 1 job year of employment per **£53,000** of HLF grant;
- One FTE of ongoing employment is supported per **£100,000** of HLF grant.

The projects covered by the 2009 research exhibit high cost per job ratios for ongoing employment effects. This is partly explained by the relatively high proportion of project expenditure covered by HLF grants in 2009, but largely by the relatively low level of operational and visitor expenditures supported by the case study sites. In general the sample did not include major new or enhanced visitor attractions on the same scale as previous years’ research.

8.3 Economic Impacts - Comparison with Other Programmes

One measure that can be used to compare the economic impacts of different programmes is the cost per job supported. This is easily calculated by dividing the resources expended by the measured employment impact. Cost per job ratios were quite widely used in the 1970s and 1980s when job creation was a leading objective of economic development policy. They have been less relevant in recent years when other goals such as productivity and GVA growth have taken precedence over job creation. Though easily calculated and compared they have limitations in that they fail to take account of differences in the value of different jobs supported by different programmes. Nevertheless, they are still used as a readily measured indicator, and have featured in recent performance evaluations of English RDAs as a simple metric for value for money from RDA investments.

The impacts of capital investments by the English Regional Development Agencies are quantified in the recent review by PWC, published in March 2009⁵. This was based on a review of evaluations compliant with the RDA Impact Evaluation Framework (IEF). The review estimated the net impact on regional GVA and employment of investments involving combined RDA expenditure of £5,189 million between 2002/3 and 2006/7.

It found that, on average, each £1 spent by RDAs had increased annual GVA by £1.57 in the regions concerned. The cost per net job created or safeguarded varied widely by different types of intervention (Table 1.4).

Table 8.6: Cost per Job Created by RDA Interventions

Category	Type of Intervention	Net Cost per Job
Business	Business development and competitiveness	£14,221
Place	Regeneration through physical infrastructure	£63,271
People	People and skills	£43,302
Other	Other	£41,775

Heritage related investments would almost all fall into the “regeneration through physical infrastructure” category, which includes: bringing land back into use; public realm investments; image, events and tourism projects; cross-cutting regeneration initiatives and other regeneration initiatives. Comparison of the impacts of RDA and HLF investments indicates that:

- The cost per job supported by HLF investments is significantly higher than the average for RDA interventions (£99k compared to £63k); but
- Some HLF projects have an estimated cost per job below the average for RDA “Place” interventions. Indeed, 13 of the 80 projects examined in HLF case studies between 2005 and 2008 had an estimated cost per ongoing net job of below £63,000. The only project in the 2009 sample meeting this criterion was the Big Pit project, for which HLF grant per job amounted to £47,000.

⁵ DBERR (2009) Impact of RDA spending – National report. <http://www.berr.gov.uk/files/file50735.pdf>

Examples of cost per job ratios from other economic development schemes in the UK provide further evidence of the low cost of business support schemes relative to other interventions. For example:

- An evaluation of Regional Selective Assistance in Scotland between 2000 and 2004 estimated a cost per job ratio of between £13,272 and £34,4196;
- In Wales, one new job was forecast to be created in 2005/06 per £12,245 of Regional Selective Assistance offered, and one job created or safeguarded per £8,055 grant⁷. The Tourism Investment Strategy for Wales 2008 to 2013 aims to create one job per £12,500 grant awarded⁸;
- In Northern Ireland, the current South Antrim Local Rural Development Strategy has a projected cost per job of £23,000 to £25,450⁹. However, the Northern Ireland Rural Development Programme to 1999 had a much higher average cost per job of £102,886¹⁰.

Unlike development agencies, HLF does not seek to promote economic development as a core objective of its funding. Instead, economic development benefits are an added bonus from the funding that HLF invests in conserving and enhancing our heritage and encouraging people to access and appreciate it. It is therefore unsurprising that the relationship between financial inputs and regional economic outcomes does not compare favourably overall with that from RDA investments. Nonetheless, the evidence suggests that at least some of the projects supported by HLF would justify financial support purely from a regional development perspective. Excluding those projects whose economic benefits are merely local or intangible in nature would significantly enhance the ratio of resources invested to economic outcomes achieved.

This suggests that there is a strong case for RDAs and devolved administrations to invest in heritage projects as a means to enhance the development of regional economies. This is recognised by RDAs in their economic strategies, although development agencies were funding partners in only a small minority of the case study projects that have been examined since 2005.

⁶ Hart, Driffield, Roper and Mole (2008) Evaluation of Regional Selective Assistance (RSA) in Scotland: 2000-2004. Scottish Executive Social Research.
<http://www.scotland.gov.uk/Publications/2008/03/20102609/0>

⁷ Regional Selective Assistance (RSA) and Assembly Investment Grant (AIG) Statistics for 2005-06.
[http://www.assemblywales.org/bus-home/bus-committees/bus-committees-second/bus-committees-second-ein-home/bus-committees-second-ein-agendas/1c6492d4be9826af73e41998f01254da.pdf?langoption=3&tll=EIN\(2\)-01-06%3A%20Paper%209%20%3A%20Regional%20Selective%20Assistance](http://www.assemblywales.org/bus-home/bus-committees/bus-committees-second/bus-committees-second-ein-home/bus-committees-second-ein-agendas/1c6492d4be9826af73e41998f01254da.pdf?langoption=3&tll=EIN(2)-01-06%3A%20Paper%209%20%3A%20Regional%20Selective%20Assistance)

⁸ Welsh Assembly Government (2008) Tourism Investment Strategy 2008 to 2013.
<http://playlearnrowwales.gov.uk/topics/tourism/development/investment/investment/;jsessionid=mS7vKqPHhY71CmchfGSpYGpvZ6ByGF9vprrhT0RQ5YsQWfVgCfQJ!514291769?cr=2&lang=en&ts=3>

⁹ Grow South Antrim (2009) Local Rural Development Strategy for LAG South Antrim, 2007-2013.
http://www.growsouthantrim.com/userFiles/File/Measure%20Sheets%20revised_Mar09.pdf

¹⁰ Northern Ireland Audit Office (2000) The Rural Development Programme. Press Release, 4 July 2000.
<http://www.niauditoffice.gov.uk/pubs/onepress.asp?arc=True&id=102&dm=0&dy=0>