

Economic Value of Ireland's Historic Environment

Final Report to the Heritage Council



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Executive Summary

The Heritage Council appointed Ecorys, in partnership with Fitzpatrick Associates, in July 2011 to undertake a study to determine the value of Ireland's Historic Environment to the country's economic and social well-being.

A core aim of the study has been to determine the current value of economic activity generated by Ireland's historic environment: primarily through quantifying levels of employment and national income which may be attributed, both directly and indirectly. The study has also identified the wider community benefits or public goods that Ireland's historic environment provides, and has assessed the potential for Ireland's historic environment to aid sustainable growth and economic recovery.

Whilst the importance of Ireland's heritage is generally acknowledged, there is limited evidence to demonstrate the value of the historic environment to the Irish economy. Establishing robust estimates of impact is a vital component to better demonstrate the need for effective management and regular investment, and in order to more fully realise the potential value of these important national assets in years to come.

Defining the Historic Environment

Ireland's historic environment has been defined for the purposes of impact assessment as comprising the following sets of built heritage assets – those which are statutorily protected, together with components of the broader built heritage:

- World Heritage Sites
- Recorded Monuments, as defined by the Department of Arts, Heritage and the Gaeltacht
- Protected Structures included in planning authorities' development plans
- Architectural Conservation Areas included in planning authorities' development plans
- Designed landscapes surveyed by the Inventory of Architectural Heritage, and
- Other structures erected pre-1919¹.

The study has considered how the above assets are conserved, maintained and managed, and how they link to other sectors of economic activity in Ireland. Notably, the study has purposely excluded those assets which may be more closely associated with the natural environment (such as National Parks and Native Woodlands), and those assets which more closely correspond to the cultural environment (including museums), unless they are located one of the types of structures listed above.

¹ This is an increasingly accepted definitional component for the broader built heritage. Up to 1919 most houses in Ireland and Great Britain were built by skilled craftsmen using traditional indigenous building materials. Although the majority of older buildings are not listed/ statutorily protected, the majority provide flexible domestic and office accommodation. Major investment in money, energy and materials is embodied in these structures.

Study Approach

Principal components of the research methodology have included:

- Inception and subsequent progress meetings with representatives of the study Steering Group
- Literature review and synthesis of strategic documents and reports produced by the Heritage Council and partner organisations
- Collation of relevant financial, economic and tourism data in respect of Ireland's historic environment assets, organisations and activities
- Consultations with core heritage organisations to further establish the role and importance of Ireland's historic environment
- A series of ten case studies as illustrative examples of the wider economic, social and community value of Ireland's historic environment²
- On the basis of the above secondary desk research and primary fieldwork, and including appropriate application of multipliers, development of an economic impact assessment of Ireland's historic environment.

The Scope of Ireland's Historic Environment

Ireland's built historic environment comprises a wide range of assets. Flagship assets include two World Heritage Sites and more than 20 Historic National Properties. Other distinctive components include some 38,000 Protected Structures and over 120,000 monuments protected under the National Monuments Act.

The scope of Ireland's historic environment extends beyond these identified structures and sites and assets, however. Architectural Conservation Areas cover a range of historic townscapes, whilst a great number of structures not formally designated under Government legislation, nonetheless make an important contribution to the historic environment. For example, it is estimated that there are around 175,000 buildings in Ireland that were constructed prior to 1919, many of which are maintained using traditional building materials and craft-based labour skills.

The majority of historic environment assets in Ireland are privately owned and receive no public assistance for their management and maintenance. The ability of private owners to invest sufficiently in the maintenance of historic buildings, sites and places is likely to be crucial to the long-term management of the historic environment.

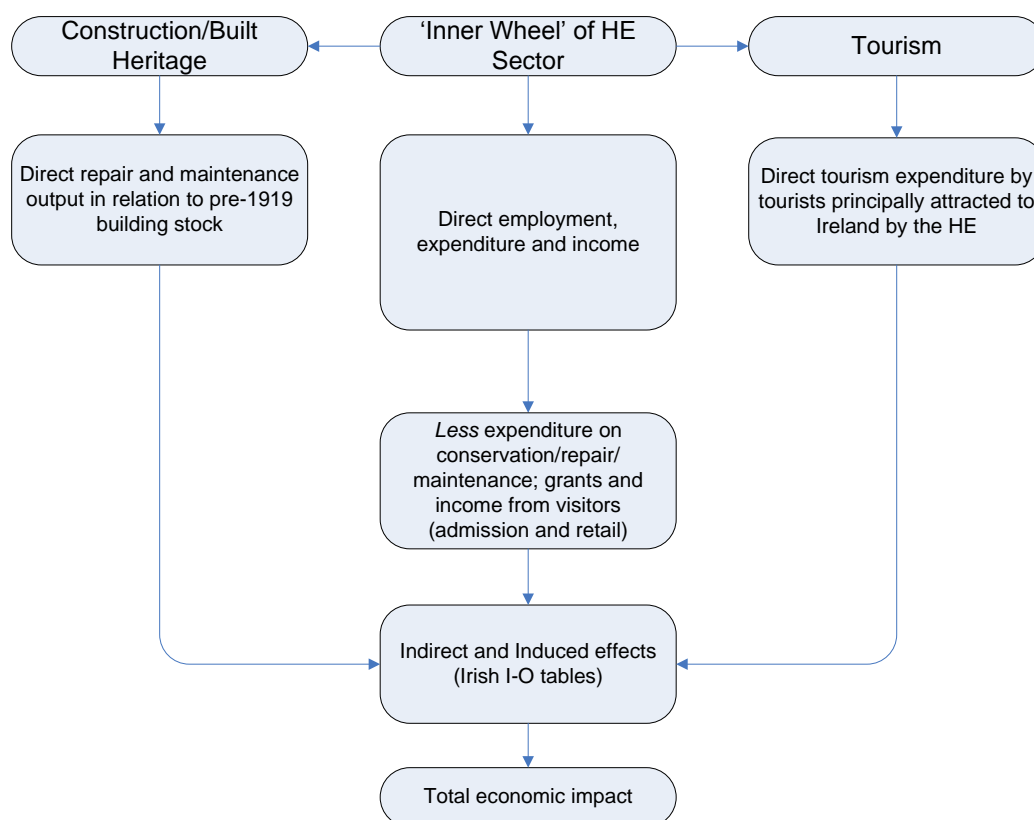
The Department for Arts, Heritage and the Gaeltacht is the principal government department with overall responsibility for Ireland's national heritage. Core heritage organisations, including the Heritage Council, OPW, and Fáilte Ireland, together with local authorities, play a strategic role in managing, conserving and facilitating public access to Ireland's historic environment.

² The ten case studies comprise Birr Castle and Gardens; Bru na Boinne; Fota; Glenveagh; Irish Landmark Trust; Kilmainham Jail; Traditional Farm Buildings; Waterford Viking Triangle; Muckross House and Gardens; and Westport.

Economic Impact of Ireland's Historic Environment

The approach to measuring the aggregate level of economic activity attributable to Ireland's historic environment is centred on an income expenditure framework, with this used as the basis for modelling direct, indirect and induced impacts, and for each of three major historic environment components (Figure 1).

Figure 1 Economic Impact Components: Ireland's Historic Environment



Source: Ecorys (2011)

In summary (Table 1), the economic impact analysis demonstrates that:

- The historic environment is a highly significant contributor to Ireland's national economy, directly supporting almost 25,000 FTE jobs.
- Including indirect and induced effects, it is estimated that the historic environment sector supports approaching 40,000 FTE employment positions in Ireland.
- In terms of contribution to national income, Ireland's historic environment is estimated to account for some €1.5 billion annually to the nation's Gross Value Added (GVA).

- Within the context of Ireland's economy, it is estimated that the historic environment contribution to the national economy is equivalent to 1% of total Irish GVA, and some 2% of overall employment.

Table 1 Total Economic Impact – Historic Environment Sector

	Direct	Indirect/ induced	Total
Output (€m)	1,555	1,110	2665
Employment (FTE)	23,971	12,976	36,947
GVA (€m)	855.3	605	1,460

Source: Ecorys analysis (2011), incorporating Irish Input-Output tables

The greater share of economic impacts relate to tourism (attraction of visitor expenditure) and construction (built heritage) sector effects – each in the order of €700 million annually to GVA and equivalent to some 17,000 jobs.

A significant proportion of this overall economic impact is rooted in expenditure and/ or grants activity by the 'inner wheel' of core historic environment organisations, including the Heritage Council, government departments, Fáilte Ireland and others, with such activities providing a powerful stimulus to wider economic activity across the Irish economy.

Wider Impacts of Ireland's Historic Environment

Beyond the economic impacts highlighted above, the findings from the case study and consultation research have demonstrated that Ireland's historic environment also generates a range of important wider economic, social and community benefits.

- The historic environment plays a substantial role in supporting skills development. In the case of the construction sector, this is manifested in development and subsequent retention of craft-based skills within Ireland, and which are frequently utilised within higher value elements of construction activity.
- Ireland's built historic environment constitutes an invaluable educational resource, and at all stages of the lifelong learning spectrum. For example, not only are Ireland's flagship heritage sites a major source of school educational visits, they are also a focus for academic research and conference activities.
- Although Ireland has a relatively limited tradition of volunteering, it is sufficiently clear that the built heritage assets have served as a notable focus for community and voluntary activities to support conservation and promotion of the historic environment.
- The maintenance and repair of historic buildings, and particularly clusters of historic buildings, have enhancing the physical fabric of many Irish cities. Positively, this has been beneficial in terms of further supporting the growth of tourism activities in these centres, and in raising public awareness of the economic and social value of built heritage.

- The role of Ireland's historic environment in attracting private sector investment into Irish towns and cities, and its contribution to enhancing quality of life/ liveability in these localities.

Some Policy and Research Implications

In providing robust estimates in respect of economic impact, it is to be hoped that the results of this research will afford a wide body of policy makers and practitioners with a stronger appreciation of the true scale and nature of economic impacts that may be rightly attributed to Ireland's historic environment. The value of the nation's historic environment as an economic resource has long been misunderstood and underplayed in Ireland - in part at least, a factor of the difficulties of valuing activities that do not fit neatly into traditional economic sector classifications, or for which there are few directly observable values.

However, within a context of scarce resources and enhanced scrutiny of public expenditure, then it is quite right that stronger evidence should now be desirable in order to better demonstrate scale of economic impact. It follows then that establishing economic impacts should be seen as a critical step towards greater acceptance and understanding of the need for regular investment, and in order to more fully realise the potential value of Ireland's unique national heritage assets. Specifically, our analysis has highlighted the central importance of public funding in its role as a critical enabler or catalyst to wider investment in the historic environment, and as a mechanism for inducing private sector resources and further unlocking the scale of economic benefits embodied in built heritage assets. This then, is public expenditure which may be expected to generate a high level of overall economic return.

A major share of overall economic impact relates to tourism expenditure attributable to the historic environment, with the range and quality of Ireland's built heritage representing a powerful motivating factor for wider tourism and related visitor expenditure – overall, in the order of one-fifth of total out-of-state visitor expenditure. Similarly, the built heritage construction sector also accounts for a substantial share of the total economic impact, with investment in heritage offering a sustainable approach to supporting a troubled industry. Economic impacts attributable to Ireland's historic environment are by their nature internal to Ireland and essentially non-exportable. In the case of tourism effects particularly, these comprise a major source of international earnings. Such considerations are particularly relevant in light of the challenges that continue to confront the Irish economy.

Further, as national economic policy increasingly seeks to rebalance and diversify the Irish economy away from a dependency on a comparatively narrow range of economic sectors (notably financial services), national heritage assets serve a fundamental role as visitor economy infrastructure to Ireland: assets which are both under-capitalised and under-promoted at the current time given the identified growth potential of Ireland as a tourism destination.

Traditionally, a case for public investment in the historic environment has been made on the grounds of ensuring the protection and enhancement of built heritage. What the results of this study also highlight is the strength of the *economic* rationale for investment in order to maximise the contribution Ireland's historic environment may make to the nation's sustainable economic development.

1 Introduction

Ecorys³, in partnership with Fitzpatrick Associates, were appointed by The Heritage Council in July 2011 to undertake a study to determine the value of Ireland's Historic Environment to the country's economic and social well-being.

1.1 Scope of Study

The overarching aim of the study has been to describe and quantify the economic, social and community value of Ireland's historic environment. As reflected in the Terms of Reference⁴ for the study, this has covered a number of key research components:

- Determining the current value of economic activity generated by Ireland's historic environment, together with its distribution
- Quantifying the level of employment and national income attributable to Ireland's historic environment - including in terms of indirect impacts, and its relative importance compared with other sectors
- Identifying the wider community benefits or public goods that Ireland's historic environment provides to the economy
- Assessing the potential for Ireland's historic environment to aid sustainable growth and economic recovery and recommend how this could be further realised by the heritage sector and partner organisations.
- Recommendations on how data may be captured on an ongoing basis to measure the value of Ireland's historic environment to the national economy.

The main study deliverable comprises this research-based report. Emerging findings from the study were also presented at conference in October 2011⁵.

1.2 Impetus for the Study

While the importance of Ireland's endowment of heritage assets and sites is generally acknowledged, it is the case that the size and nature of economic benefits which are attributable to them remain poorly understood. The contribution of the historic environment, particularly its aesthetic value and role in community development and regeneration, has received some recognition in recent official plans and policy documents⁶, though the structure and scale of the heritage sector, and its particular contribution to economic activity across the Irish regions have remained largely unspecified. Given this lack of

³ Formerly ECOTEC Research & Consulting

⁴ Terms of Reference for a review to establish 'The Economic Value of Ireland's Historic Environment', Heritage Council (2011)

⁵ Place as Resource, Heritage Council Conference (27th October 2011)

⁶ For example, The National Development Plan 2007-13 cites the role of Ireland's built heritage in 'supporting tourism, enhancing the quality of life and assisting balanced regional development' - National Development Plan, 2007-13 (2006), p225.

appreciation, this study is directed at establishing, for the first time, a robust set of estimates for the economic value of the nation's historic environment to the overall economy.

A robust economic evidence base is central to substantiating a compelling rationale for the provision of public and private sector funding in the historic environment. Within a context of scarce resources and enhanced scrutiny of public expenditure (including the Comprehensive Review of Expenditure – CRE), it is increasingly important to be able to demonstrate impact, and to estimate and quantify the economic and social return on public investment using meaningful and consistent methods of measurement.

The focus of this study therefore, is on identifying and accurately quantifying the nature of economic and social benefits which may be rightly attributed to Ireland's built historic environment and the work of the Heritage Council and other organisations active in the sector. Presently, there is limited evidence demonstrating the value of the Ireland's historic environment with the context of the wider national economy. Establishing economic impacts associated with Ireland's historic environment should be seen as a critical step towards greater acceptance and understanding of the need for regular investment, and in order to more fully realise the potential value of these heritage assets in years to come.

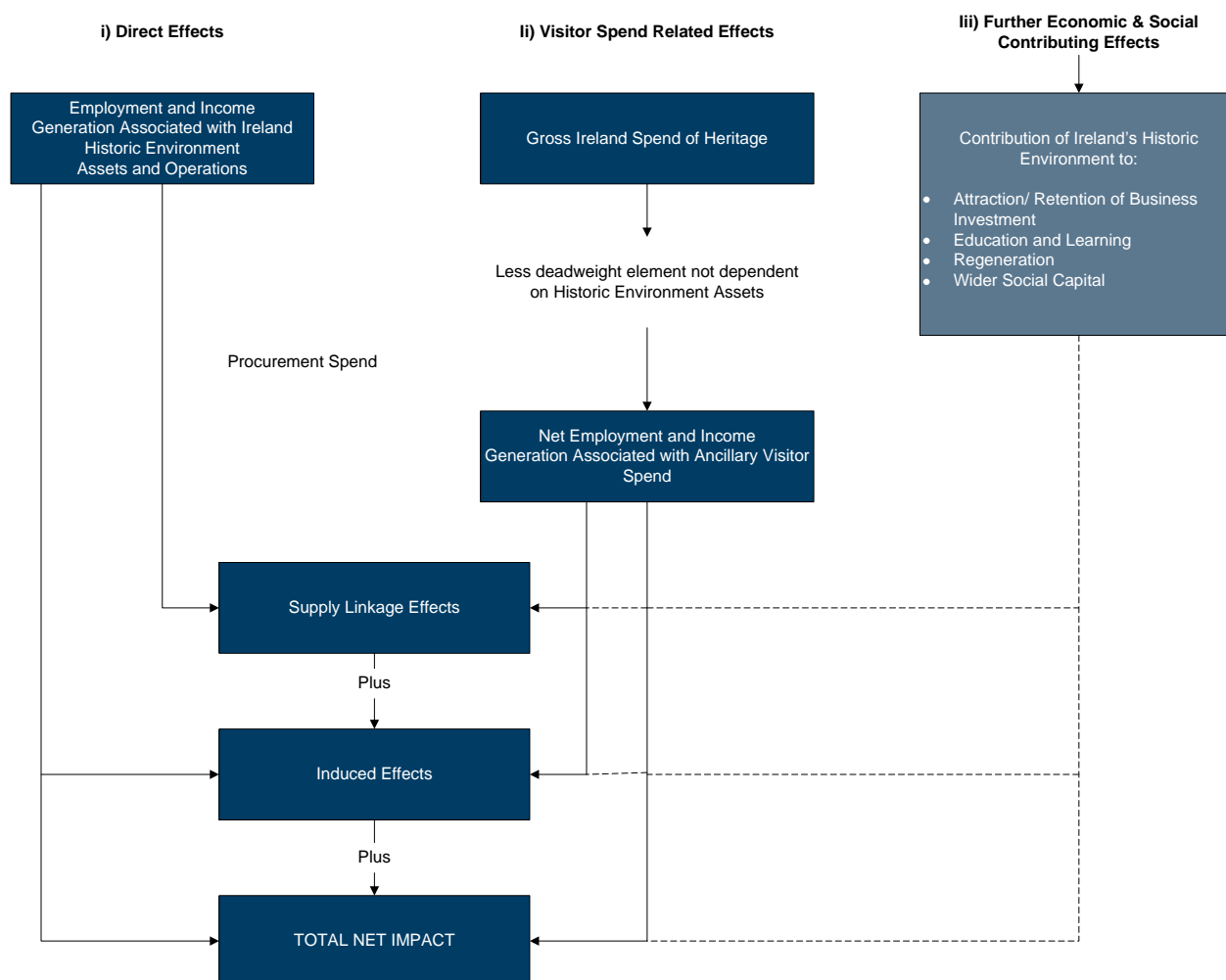
1.3 Method and Analytical Framework

In meeting the aims and objectives of the study the research has comprised a number of principal tasks:

- Inception and scoping meetings held with representatives of the project Steering Group
- Desk research review of strategic documents and research reports produced by The Heritage Council and partner organisations in relation to Ireland's historic environment
- Desk research review of comparable studies and other relevant research, including a number of recent international studies
- Collation of relevant data in respect of Ireland's historic environment assets, organisations and activities, and associated links to other sectors in the national economy - including financial, economic and tourism information
- Consultations held with core heritage organisations and other representative interests to further establish the specific characteristics, role and importance of Ireland's historic environment
- A series of ten case studies as illustrative examples of the wider economic, social and community value of Ireland's historic environment
- On the basis of the above secondary desk research and primary fieldwork, and including appropriate application of multipliers, development of an economic impact assessment of Ireland's historic environment
- Progress and review meetings held with the project Steering Group to present and discuss emerging findings.

Our approach to the economic impact assessment is based around an income expenditure framework (illustrated in Figure 1.1), with this providing the necessary framework for capture and analysis of benefits generated as a consequence of Ireland's historic environment.

Figure 1.1 Economic Impact Model: Schematic Representation



Source: Ecorys (2011)

The core focus of this model is on the flows of expenditure associated with historical environment assets and operations, with the visitors they attract, and the ways these flows work through the Irish economy, generating incomes and employment in the process.

The analysis seeks to separate out additional expenditure from 'deadweight' expenditure and activity which would likely have taken place even in the absence of an historic environment. This is done by estimating the extent to which the presence of the historic environment influences the decision to visit Ireland.

1.4 Structure of Report

The report is structured as follows:

Chapter 2: Importance of Heritage - considers the overall role and contribution of heritage, together with understanding the rationale for public intervention in the heritage domain. We also present evidence from

a number of recent studies which have attempted to examine the economic value of heritage, including the research methodologies employed.

Chapter 3: Scope of Ireland's Historic Environment - establishes an operational definition for Ireland's historic environment, and considers aspects of policy and the range of organisations that comprise Ireland's historic environment sector.

Chapter 4: Economic Impact of Ireland's Historic Environment – focuses on the specific nature of operations and activities attributable to Ireland's historic environment sector, and presents the results of our analytical work in the form of an economic impact assessment of the historical environment to the national economy.

Chapter 5: Wider Impact of Ireland's Historic Environment – extends the analysis presented in Chapter 4, and builds on the findings from the case studies and consultation process to consider the nature of wider impacts attributable to Ireland's distinctive historic environment sites and assets, especially in respect of social and community impacts.

Chapter 6: Conclusions and Implications – a synthesis of our research and consideration of the implications of the study results from a policy and developmental perspective. We also make some recommendations in respect of future monitoring and useful further research.

2 Importance of Heritage

In this section we consider key aspects pertaining to the role and contribution of the historic environment, focusing on its public good characteristics, the range of economic and social benefits it may provide, and an understanding of the rationale for public intervention in the sector. This discussion offers a concise theoretic context and body of reference to the current study.

2.1 Definitions of Heritage

Heritage is a diverse and complex sector with a plethora of specialist interests reflecting the richness and diversity of the assets which it comprises. At its broadest it may be asserted that the totality of the environment, whether rural or urban, on land or under water, has a historical dimension that contributes to its quality and character, having been shaped by human and natural processes over thousands of years. Past generations have left their mark in the form of monuments, buildings and sites, both in towns and the countryside, providing a sense of place, well being and cultural identity.

More specifically, heritage can usefully be seen as comprising sets of 'assets', which may be further grouped into a number of inter-related categories, but especially: (1) built environment (including historic buildings, monuments and townscapes); (2) archaeological (sites and landscapes); (3) cultural (museums, archives and libraries); and (4) natural (heritage landscapes, scenic and coastal areas).

2.2 Role and Importance of Heritage

Heritage may be valued in a variety of ways, both by individuals and communities. Value may be attached to the aesthetic and emotional pleasure gained from experiencing historic sites, through the role of heritage as a contributor to quality of life and sense of cultural identity, to the economic value which can be attributed to such sites as generators of revenue, jobs and training opportunities. Heritage has an important role as a contributor to sustainable economic growth and the creation of attractive communities that are places where people want to live, work and visit. Unquestionably, heritage represents a valuable national asset, and one which is fundamental to Ireland's core values and principles as a nation⁷.

There is a strong justification for public intervention and investment in heritage on economic grounds. This rationale for public intervention is based on the correction of market failure owing to heritage's public good⁸ characteristics. Specifically, the principal sources of this market failure are connected to the existence of positive 'externalities' (or spillovers) under circumstances where market prices are a poor indicator of wider economic and social value. Externalities occur when there is a divergence between the private costs/ benefits and those experienced by society as a whole.

⁷ Strategic Plan 2007 – 2011, Heritage Council (2007)

⁸ Public goods are 'non-rival': in other words, consumption of a good by one individual does not reduce the amount of the good available for consumption by others. Pure public good are also 'non-excludable'; thus it is not possible to exclude individuals from the good's consumption.

Heritage assets may typically generate a range of important benefits (including those derived from helping improve the attractiveness of an area) which are not fully reflected in market transactions. Where an historic site draws large numbers of visitors for example, then local retailers, restaurants/ hotels etc. may also be expected to benefit to a considerable degree from the additional expenditure associated with these visitors. Moreover, those individuals who visit the historic site may also derive additional value, for example, educational benefits. Were everything left to market forces then the full extent of these benefits ('positive externalities') attributable to the heritage site would not be realised. Such benefits would not be taken into account by property owners or private developers and, as such, there would likely be an under-supply (i.e. demolition/ loss) of heritage assets in the absence of public sector investment.

Plainly, under such circumstances then there is a compelling argument for public intervention to correct for market failure in the historic environment domain: intervention to *internalise* such externalities. Intervention to 'correct' for market failure may take a variety of forms, both direct and indirect, and comprise both monetary and non-monetary instruments (Table 2.1).

Table 2.1 Public Intervention Measures in Relation to Heritage

	Monetary	Non-monetary
Direct	Public expenditure	Hard regulation
Indirect	Tax expenditure	Soft regulation

Source: Ecorys, adapted from Ginsburgh and Throsby (2006)

Public expenditure may involve both direct funding to organisations with responsibility for the maintenance, conservation, operation and presentation of publicly owned heritage assets, together with grants to private owners and not-for-profit organisations, which can subsequently lever in additional expenditure from these organisations. Tax expenditure refers to the provision of tax incentives to encourage individuals or firms to spend money on maintaining or restoring historic sites, or else to donate funds to heritage causes. Hard regulation seeks to prescribe behaviour (for example, through controls on works to statutorily protected structures), whereas soft regulation may be directed at influencing intentions, through covenants and treaties etc.

2.3 Economic Impact of Heritage: Evidence from Recent Studies

Despite a growing body of research evidence it remains the case that the size and scope of the heritage 'sector' is generally not appreciated and often poorly understood. There are complexities connected to accurately defining and delimiting the heritage sector and, notwithstanding the efforts of economists to ascribe financial values to specific heritage assets using a number of different methods⁹, considerable challenges remain with attempting to place economic value on a category of activity that does not fit neatly into traditional economic disaggregations, or for which there are few directly observable market values.

⁹ 'Contingent valuation' is probably the best established approach. CV uses survey techniques to ask visitors or potential visitors to sites to place a monetary value on their 'willingness to pay' to enter the site.

There are few authoritative international studies detailing the economic value of national heritage, and it is fair to say that research approaches remain in their infancy in many nations. Work undertaken at the European level¹⁰ has highlighted the importance of heritage as part of the broader creative and cultural sectors, and their collective significance to economic activity in Europe (estimated at 2.6% of EU Gross Domestic Product as of 2003). While some work has been undertaken previously in Ireland, this has sought to examine perception of value associated with heritage among the general public¹¹, rather than attempting to provide estimates for economic impact to the national economy.

It can be argued with some conviction that a lack of appreciation of the economic impacts attributable to heritage has led to under-funding of investment in the historical environment. Given that the historic environment is necessarily competing with many other domains of activity for scarce public resources and that the use of these resources imposes an opportunity cost, then identifying and more accurately quantifying the value of Ireland's historic environment to the national economy represents a critical step towards greater acceptance and understanding of the need for regular investment, and in order to more fully realise the potential value of these important national assets in years to come.

In reality, and as supported by a growing body of recent research studies, the contribution of heritage to wider economies – local, regional, national - is often highly significant. Traditionally, analysis of the historic environment has focussed on those direct economic contributions which can be most readily measured, such as jobs created, investment, improvements to buildings etc. Whilst recent work has begun to more fully consider and indeed quantify economic benefits of heritage and/ or the historic environment¹², it remains the case that many potential components of economic impact continue to be treated in a largely qualitative capacity, partly as a result of difficulties in expressing their contribution in monetary terms.

2.3.1 Valuing our Environment

The National Trust in England and Wales has made a significant contribution in this area through its *Valuing Our Environment* studies¹³. These attempted to quantify the economic impact of the Trust on regional economies through the maintenance of its historic properties, its role in promoting tourism, and the multiplier effects on regional employment. The surveys carried out in North East and South West England, Cumbria and Wales suggested that perhaps 40% of employment in tourism in these areas depended directly on a 'high quality environment', rising to between 60% and 70% in some rural areas. Further, it has been estimated that National Trust activities generated between five and nine additional full-time equivalent posts for every job for which it was directly responsible in the regions studied.

In the case of Wales, work undertaken on behalf of the National Trust has highlighted the importance of the environment as a major contributor to the nation's economy, and to wealth and prosperity in Wales.

¹⁰ See for example *The Impact of Culture on Creativity*, (2009), KEA European Affairs

¹¹ *Valuing Heritage in Ireland*, (2007), Keith Simpson and Associates, Lansdowne Market Research, Optimize Consultants and the Heritage Council

¹² 'Heritage' and 'historic environment' are often used interchangeably across studies, although the particular definitions of the two may differ, with heritage tending to be used in a somewhat broader sense than that of historic environment.

¹³ *Valuing Our Environment*, (2001), National Trust

According to *Valuing Our Environment* research, the totality of Wales' environment - covering its management, use and appreciation, together with associated multiplier effects - provided jobs for some 170,000 people nationally (as of 2000), with associated annual spending contributing around £1.8bn (€2.1bn) in wages.

2.3.2 Historic Environment Impact Studies

Turning to more closely specified heritage sector studies, work carried out in North East England¹⁴ has suggested that heritage (here defined as built heritage elements, together with the museum sector) supported more than 7,300 jobs in total. Of these, around 1,500 were employment posts in heritage organisations, with approximately 360 jobs being created indirectly as a result of the spending of the heritage sector on goods, services and capital projects, and the spending of the wages of historic environment sector employees. However, the report notes that the most significant economic impacts are the result of tourism spending of over 6 million visitors annually to heritage attractions in North East England. According to the study this accounts for an estimated £180m (€210bn) of visitor-related spending in the region, approaching one-fifth of total tourism spending in North East England.

At the national level, pioneering work carried out on the economic impact of the historic environment in Scotland¹⁵ has shown it to be a highly significant contributor to the Scottish economy. Including indirect and induced effects, it is estimated that the historic environment supports approximately 60,000 FTE employees and contributes some £2.3 billion (€2.7 billion) in Gross Value Added (GVA) to Scotland's national income (2.6% of Scotland's overall GVA). The greater share of economic impacts relate to tourism expenditure attributable to the historic environment, whilst construction-related impacts (covering restoration and maintenance of historic buildings) are also identified as a major contributor.

Comparable work undertaken recently in Wales has also attempted to more closely estimate the particular contribution of the historic environment as a subset of Wales' wider environment¹⁶. This study has asserted that in economic terms the historic environment sector supports 30,000 FTE jobs, with a corresponding contribution to Welsh national income (GVA) of more than £800m (€930m) or 1.9% of total national income. Importantly, the research also highlights through the use of case studies the considerable wider public value – to economic, social and environmental wellbeing - of the historic environment to communities in Wales.

2.4 Social and Cultural Benefits

Picking up on this point, beyond consideration of conventional notions of 'economic value', previous studies have also recognised the often very significant contributions that the historic environment makes towards social and cultural objectives. For example, as a valued cultural resource, the historic

¹⁴ Economic, Social and Cultural Impact of Heritage in the North East, (2005), North East Historic Environment Forum

¹⁵ Economic Impact of the Historic Environment in Scotland, (2009), ECOTEC

¹⁶ Valuing the Welsh Historic Environment, (2010), ECOTEC

environment should rightly be seen as having the potential to deliver a range of educational benefits as well as being a facilitator of wider social and community development¹⁷.

Educational value may be identified as a particularly important social impact of heritage, reflecting a range of both formal and informal educational opportunities available to different age groups¹⁸. Other positive benefits may link to environmental and/ or quality of life related effects (to the benefit of local residents), including corresponding property market uplift (enhanced marketability and potential for improved rental, capital and land values). Whilst empirical research remains partial, with such benefits often being extremely difficult - if not impossible - to quantify in a meaningful monetary sense, it should be sufficiently clear that heritage may function as a critical provider of social and community capital in a range of contexts.

2.5 Strategic Summary: Importance of the Heritage

- Heritage may be valued in a variety of ways, from the aesthetic and emotional pleasure gained from experiencing historic sites, through the role of heritage as a contributor to quality of life and sense of cultural identity.
- The economic value of heritage may be most readily apparent in terms of the role of heritage sites as generators of revenue and job creation. More widely, heritage is a critical contributor to sustainable economic growth, and to the creation of attractive communities that are places where people want to live, work and visit.
- There is a strong justification for public intervention and investment in heritage on economic grounds. This rationale for public intervention is based upon the correction of market failure owing to heritage's 'public good' characteristics, and the positive benefits attributable to heritage which are not fully reflected in market transactions.
- Despite a growing body of research evidence it remains the case that the size and scope of the heritage 'sector' is generally not appreciated and often poorly understood. There are complexities connected to accurately defining and delimiting the sector and with attempting to place economic value on categorisation of activity that does not fit neatly into traditional economic disaggregations, or for which there are few directly observable market values.
- However, recent work, including major new research undertaken in Scotland and Wales, has now begun to successfully highlight the scale of economic significance that may be correctly assigned to the historic environment in respect of national economies.

¹⁷ The importance of preserving heritage is detailed in "Valuing Heritage in Ireland", (2007), Keith Simpson and Associates, Lansdowne Market Research, Optimize Consultants and the Heritage Council.

¹⁸ Indeed, such a role, together with provision and promotion of educational resources in relation to heritage sites, often comprise statutory components of the remit of publicly funded heritage organisations

3 Scope of Ireland's Historic Environment

The previous section examined aspects of the importance and role attached to heritage and considered the results of a number of previous assessment studies, notably recently work undertaken in the UK. In this section we focus more specifically on the nature and extent of Ireland's distinctive heritage: namely, those assets and sites which collectively comprise the nation's historic environment, together with the range of organisations active in the sector and responsible for variously maintaining, managing and providing access to these historic environment sites. As a necessary basis for the economic impact assessment we establish an operational definition of Ireland's historic environment.

3.1 Historic Environment Assets

Table 3.1 (below) provides an initial indication of the composition of Ireland's historic environment, in terms of designated/ registered historic structures and sets of assets. Designation seeks to identify the most important elements of the historic environment so that their significance is recognised. A summary of the major categories of designated sites, buildings and landscapes is provided below.

Table 3.1 Components of Ireland's Historic Environment

Asset Type	Description/ Characteristics	Number
World Heritage Sites (WHS)	Ireland has two sites inscribed on the World Heritage List, under the terms of the UNESCO World Heritage Convention: <ul style="list-style-type: none"> • Brú na Bóinne (Meath) • Skellig Michael (Kerry) 	2
Historic National Properties (Managed by the Office of Public Works)	The Office of Public Works (OPW) is responsible for the conservation, management, presentation and development of over 20 historic properties across Ireland. Within the properties, the OPW funds improvements to visitor centres and upgrading/restoration of historic parks and gardens.	28
National Monuments	These are structures or sites that are deemed to be of national importance and worthy of protection, either from the state or private sector. The National Monuments Act describes four main classes of protection: <ul style="list-style-type: none"> • National Monuments in State Care (ownership or guardianship). c730 • Monuments the subject of Preservation Orders – in private hands, but with severely curtailed development rights for land owner. These are not subject to a State responsibility for maintenance or repair. c436 • Registered Historic Monuments – in private hands, with mildly curtailed development rights for land owner. c2,900 	

Asset Type	Description/ Characteristics	Number
	<ul style="list-style-type: none"> Recorded Monuments– in private hands, with faintly curtailed development rights for land owner. They are not subject to a State responsibility for maintenance or repair. 	c120,000
Protected Structures	<p>Planning authorities administer the Record of Protected Structures (RPS), introduced in 2000 on a county-by-county basis, and create the RPS for their area. There is no central record of protected structures at a national level.</p> <p>Owners and occupiers are required to ensure that buildings do not become endangered through harm, decay or damage.</p>	c38,475 ¹⁹

Source: Ecorys analysis (2011)

In recognition of the importance of some areas to Ireland's architectural heritage, Architectural Conservation Areas were introduced under Section 81 of the Planning and Development Act 2000. These provide a statutory designation to enable local planning authorities to better preserve the distinctive character of valued places, structures or townscapes.

Beyond the designated structures and sites highlighted above there is a considerable stock of buildings and structures in Ireland which have not been formally designated but which nonetheless make a valuable contribution to the local historic environment and typically face similar conservation and maintenance issues to 'protected/ scheduled structures'. For example, the repair and maintenance of these buildings requires the use of traditional building materials, and labour possessing traditional craft skills (such as stonemasons). It has been estimated that there are around 175,000 surviving buildings within the Republic of Ireland that were constructed prior to 1919²⁰.

There are also a considerable range of historic gardens and designed landscapes across Ireland, as surveyed by the National Inventory for Architectural Heritage. These were designed to serve a specific cultural need and express a particular aesthetic quality, and include urban squares, parks, demesnes, and landscaped estates. The origin of many designed landscapes can be traced back to the early Middle Ages, although some overlie landscapes that were created in even earlier periods.

3.2 Historic Environment Sector

The core of the historic environment sector in Ireland comprises a number of organisations whose primary remit is the conservation, maintenance or management of the historic environment. These organisations cut across the public, private and voluntary sectors. A further range of organisations may be identified for which the historic environment represents an integral, if more implicit, element of their work.

¹⁹ Latest figure reported to Department of Arts, Heritage and Gaeltacht, as of 31/12/2010

²⁰ Traditional Building Craft Skills (Ireland report), 2009, National Heritage Training Group (NHTG) – alongside many studies focusing on Great Britain, this report uses 1919 as a milestone date for historic buildings (see Section 3.3).

Information pertaining to those organisations can be informative about the scale of investment in the sector, the profile of the historic environment in wider decision making (such as the land use planning system), and the effectiveness of management of the historic environment sector.

Historically the private sector has been the largest source of funding for the historic environment, and this is likely to continue to remain the case. The majority of historic environment assets in Ireland are privately owned and receive little or no public assistance for their management and maintenance. Clearly, the ability of private owners to invest sufficiently in the maintenance of historic buildings, sites and places is crucial to long-term management of the historic environment.

A number of publicly-funded organisations comprise the core or what might be termed the 'inner wheel' of Ireland's historic environment sectors, with these bodies adopting a strategic function with regard to policy leadership, management and investment funding of Ireland's historic environment. An overview of key organisations, including their role and remit within the sector is provided in Table 3.2 (below).

Table 3.2 Key Public Sector Organisations within Ireland's Heritage Sector

Organisation	Remit	Key Policies and Objectives
Department of Arts, Heritage and the Gaeltacht (DAHG)	This is the central government department with overall responsibility to promote and protect Ireland's heritage and culture, to develop cultural tourism, to advance the use of the Irish language, and to support the sustainable development of the islands.	<p>One of the Department's high-level objectives is to provide an enhanced policy and legislative framework to promote increased public awareness and appreciation of Irish built heritage. Key activities funded through the Department in 2011 include:</p> <ul style="list-style-type: none"> • Provision of €7.5 million to fund Heritage Council programmes and support the organisation in its policy making role. • The provision of over €0.75 million to fund the Programme for the conservation of Ireland's built heritage. • Funding of €1.25 million to OPW to support conservation work on flagship properties in State care.
The Heritage Council	<p>This organisation was created by the Government, under the Heritage Act 1995, to propose policies and priorities for the identification, protection, preservation and enhancement of the national heritage.</p> <p>The Council's remit covers built, natural and cultural</p>	<p>One of the Heritage Council's over-riding strategic objectives is to deliver evidence-based policy advice, which includes assessing the impacts of managing and considering heritage, and undertaking heritage-related research. Fundamentally, the Council seeks to raise public awareness and appreciation of the value of heritage.</p> <p>To help achieve these aims the Council spent around €6.8 million on grant programmes during 2009. The Heritage Council administers grants covering three</p>

Organisation	Remit	Key Policies and Objectives
	heritage, and it is responsible for organising the national Heritage Week. It also operates a grants programme.	<p>key areas:</p> <ul style="list-style-type: none"> • Data collection and research relating to Ireland's heritage; • Support projects that apply good heritage practice to the management of places, collections, or objects (including buildings); • Support initiatives linking heritage to communities through education, publication and outreach to increase the public's appreciation of heritage (these include the 'Heritage in Schools' programme and Irish Walled Towns Network). <p>The Heritage Council has also been responsible for part-funding 28 Heritage Officer posts across Irish Local Authorities. Moreover, it has produced or promoted tools for public authorities to use in managing and protecting heritage.</p>
Office of Public Works (OPW)	OPW is a state agency within the Department of Public Expenditure and Reform. Its chief responsibility is the ownership, upkeep and maintenance of Government of Ireland and historic buildings across the Republic of Ireland. This includes the conservation and management of over 20 National Historic Properties in State care and over 700 recorded National Monuments.	<p>One of OPW's core areas of responsibility has been to deliver successfully on the property and accommodation requirements of the Government's decentralisation programme.</p> <p>One of the organisation's over-riding objectives²¹ is to manage the State's heritage and property portfolio, in a manner that not only conserves and protects, but also maximises public access to the properties. This includes preparing the sites to the best advantage of the visitors and enhancing the visitor experience (particularly from an education standpoint). Specific measures include the production of information leaflets regarding the sites.</p>
Local Authorities	Local Authorities have an important role to play in managing Ireland's historic environment, principally through the planning system.	<p>In addition to delivering flagship national heritage programmes, such as the County Heritage Plans, local authorities are also responsible for designating Architectural Conservation Areas and maintaining a record of Protected Structures within their Development Plans.</p> <p>They are also responsible for managing large elements of the historic environment through the planning system, including public streets and spaces</p>

²¹ Office of Public Works Annual Report, (2008), OPW

Organisation	Remit	Key Policies and Objectives
		within Ireland's historic urban centres.
Fáilte Ireland	<p>Fáilte Ireland is the National Tourism Development Authority of the Republic of Ireland, established in 2003. The organisation provides support to businesses within the tourism industry in four key areas:</p> <ul style="list-style-type: none"> • Marketing support; • Product development; • Education and training advice for employees or people aspiring to work within the tourism sector; • Research and statistics relating to tourism performance. 	<p>Fáilte Ireland's overall objective is to provide strategic and practical support in developing and sustaining Ireland as a high quality and competitive tourist destination.</p> <p>The organisation provides funding to the built heritage sector from its Capital Investment Programme.</p> <p>It also provides funding to support tourism businesses with product development, training, marketing and research.</p>

Source: Ecorys analysis (2011)

The Republic of Ireland has two independent organisation active in the conservation of heritage assets nationally - An Taisce, sometimes referred to as the National Trust of Ireland, which owns a small number of buildings, and the Irish Heritage Trust, recently established in 2006 by the Irish government to acquire and maintain a number of historic properties.

Government legislation regarding the preservation of Ireland's built heritage has been introduced relatively recently, with the Record of Protected Structures (RPS) only being introduced in 2000. Since its introduction however, important steps have been taken to better conserve the nation's built heritage and its surrounding environment, with national government playing a leading role.

In order to embrace this framework, the government has taken the following measures:

- The National Inventory of Architectural Heritage has been set up to provide planning authorities with expert and independent data on buildings of heritage value
- A grant scheme embracing best practice for the conservation of protected structures has been established (although the grants are administered by planning authorities at local government level, certain criteria are set centrally)
- Conservation officers have been employed to assist the work of planning authorities and provide advice regarding protected structures.

The protection of the architectural heritage is administered principally through local authorities' Records of Protected Structures, although national government operates the National Monuments Acts, primarily concerned with ruins and sites of archaeological value.

3.3 Ireland's Historic Environment: Study Definition

On a strategic level any operational definition of the Irish historical environment should of course sufficiently reflects the remit and coverage of those principal organisations active in conserving, maintaining, managing and/ or providing access to the nation's historic environment assets and sites. Equally, and in practical terms, it is also important that an operational definition is necessarily conditioned by key questions concerning data availability, coverage and quality.

Reflecting these various criteria, Ireland's historic environment has been defined for the purposes of this study as comprising the following sets of built heritage assets – those which are statutorily protected, together with components of the broader built heritage:

- World Heritage Sites
- Recorded Monuments, as defined by the Department of Arts, Heritage and the Gaeltacht
- Protected Structures included in planning authorities' development plans
- Architectural Conservation Areas included in planning authorities' development plans
- Designed landscapes surveyed by the Inventory of Architectural Heritage, and
- Other structures erected pre-1919²².

The study is therefore focused on how the above assets are conserved, maintained, managed and presented, and how they link to different sectors of economic activity in Ireland.

A number of further sets of assets, including National Parks, Native Woodlands, and Special Areas of Conservation, are not included within our working definition on the grounds that such features are more closely related to consideration of the *natural environment*. Therefore, reference to the natural environment is made only when there is an explicit built environment or archaeological component in situ.

Similarly, in the case of museums, it is the buildings, if pre-1919, rather than the collections contained therein that are included under the definition for this study. Museums, more generally, may be more closely identified as part of the *cultural* sector.

²² This is an increasingly accepted definitional component for the broader built heritage, although it is acknowledged that some Protected Structures may have been built post 1919. Up to 1919 most houses in Ireland and Great Britain were built by skilled craftsmen using traditional indigenous building materials. Although the majority of older buildings are not listed/ statutorily protected, the majority provide flexible domestic and office accommodation. Major investment in money, energy and materials is embodied in these structures.

3.4 Strategic Summary: Scope of Ireland's Historic Environment

- Ireland's built historic environment comprises a wide range of assets, and is broad in terms of its geographical reach. Flagship assets including Ireland's two World Heritage Sites, more than 20 Historic National Properties in State Care, and over 700 Recorded National Monuments. Other distinctive components include around 6,000 Designed Landscapes, and 38,000 Protected Structures.
- The scope of Ireland's historic environment extends beyond these identified structures and sites and assets, however. Architectural Conservation Areas cover a range of historic townscapes, whilst a great number of buildings not formally designated under Government legislation, nonetheless make an important contribution to the historic environment. For example, it has been estimated that there are around 175,000 buildings in Ireland that were constructed prior to 1919, many of which are maintained using traditional building materials and craft-based labour skills.
- The majority of historic environment assets in Ireland are privately owned and receive no public assistance for their management and maintenance. The ability of private owners to invest sufficiently in the maintenance of historic buildings, sites and places is likely to be crucial to the long-term management of the historic environment.
- The Department for Arts, Heritage and the Gaeltacht is the principal government department with overall responsibility for Ireland's national heritage. Core heritage organisations, including the Heritage Council, OPW, local authorities and Fáilte Ireland, playing a strategic role in managing, conserving and facilitating public access to Ireland's historic environment.
- In defining the 'historic environment' for purposes of economic analysis, this study focuses on those organisations responsible for conserving, maintaining and presenting assets associated with Ireland's built historic environment. Although there are clearly areas of crossover, assets more closely associated with the natural and cultural elements of the historic environment have not been included within the parameters of this study.

4 Economic Impact of Ireland's Historic Environment

This section of the report focuses on the specific nature of operations and activities attributable to Ireland's historic environment sector, and presents the results of our analytical work in the form of an economic impact assessment of the historical environment on the national economy. Our impact assessment is structured around three principal components: (1) economic activity corresponding to core organisations comprising the 'inner wheel' of the historic environment sector; (2) the built heritage repair and maintenance sector; and (3) expenditure resulting from tourists attracted to Ireland principally because of the historic environment.

For the purposes of compiling the impact assessment we have deliberately adopted a conservative approach to the estimation of economic values, with this intended to further enhance the robustness and reliability of selected inputs and underlying assumptions.

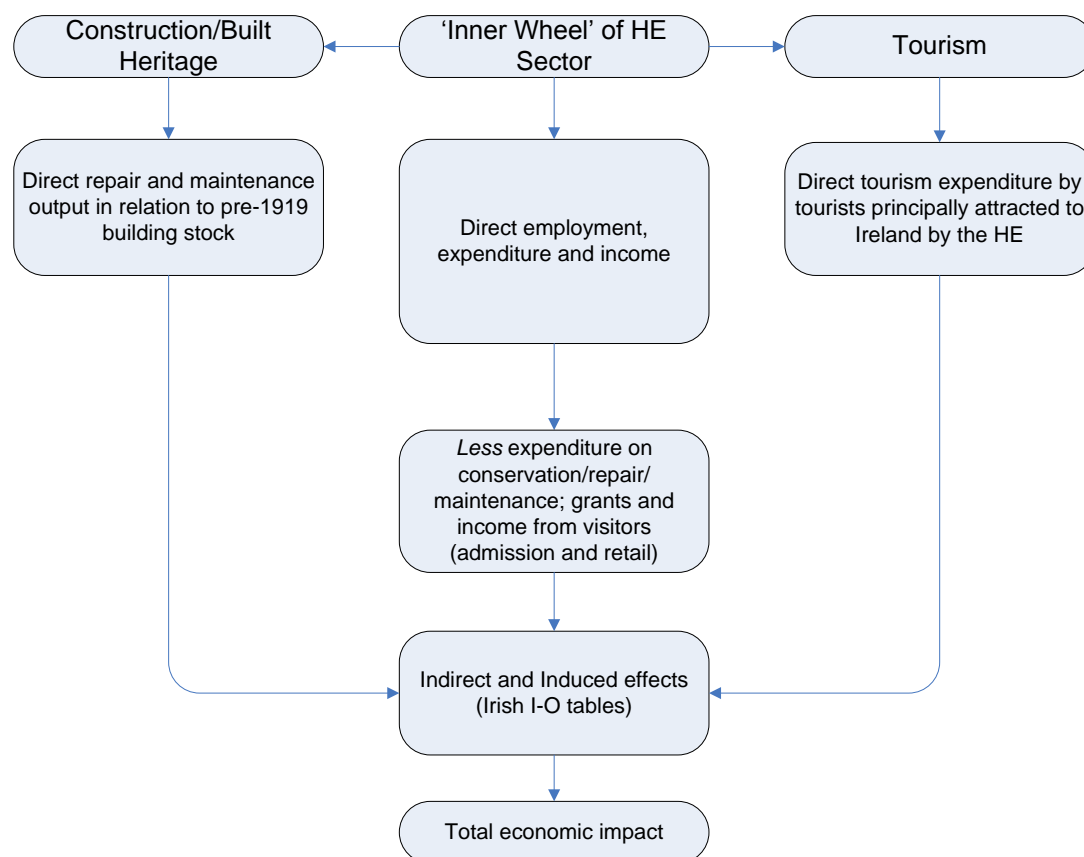
4.1 Approach to Impact Assessment

The impact assessment is directed at establishing estimates for the aggregate level of economic activity attributable to the historic environment in respect of the Irish economy overall. This process entails developing estimates of the direct (initial) impact as well as associated multiplier (indirect/ induced) impacts:

- *Direct impact* – refers to direct expenditure and associated employment by organisations within the 'inner wheel' of the historic environment sector; built heritage repair and maintenance expenditure relating to historic environment assets; and, expenditure by tourists who have been attracted to Ireland principally because of its historic environment.
- *Indirect impact* – refers to purchases of inputs made by firms that are supplying goods and services to the 'inner wheel' of the historic environment sector; the built heritage construction sector; and, organisations associated with tourism, including hotels and restaurants.
- *Induced impact* – refers to those benefits which accrue in the Irish economy as a result of increased income and spending by people who work in the historic environment sector 'inner wheel'; the built heritage construction sector; and, tourism sector, together with those businesses that supply goods and services to these sectors.

A schematic representation of the modelling framework adopted for the impact analysis is presented in Figure 4.1 (below).

Figure 4.1 Economic Impact Components: Ireland's Historic Environment



Source: Ecorys (2011)

The evidence and analysis is presented in turn, for each of these three major historic environment components, as well as for the historic environment as a whole.

4.2 Core Historic Environment Organisations ('Inner Wheel')

The 'inner wheel' of the historic environment sector is defined here as comprising those organisations that can be considered to be at the core of the historic environment sector in Ireland, including the Heritage Council and relevant sections of the OPW, DAHG (previously part of DoEHLG), local authorities and Fáilte Ireland.

Ireland's historic environment sector also comprises a range of smaller organisations, such as trusts and societies²³, the principal *raison d'être* for each being the conservation of the historic environment, as well as organisations providing specialist archaeological and architectural services, although the available information in respect of a number of these bodies remains limited at the current time.

²³ In many cases activities undertaken by such organisations are likely to be funded (at least in part) by grants made available by the core historic environment organisations mentioned above.

Expenditure by the sector's 'inner wheel' – across a range of conservation-related activities (either directly or in the form of grant awards) serves as an economic stimulus and, in turn, is translated into economic impacts within the wider Irish economy. Earlier discussion in Section 3 of the report served to provide an overview of the activities, operations and expenditure budgets of the core sector organisations. On the basis of available information, and after making suitable allowance for overlaps in funding and expenditure sources (including, notably, funding from DEHLG/ DAHG) we cautiously estimate the annual net expenditure (or output) corresponding to core historic environment sector organisation amounts to approximately €91m (2009 figures²⁴).

Multiplier effects, corresponding to indirect and induced impacts, may be calculated on the basis of the input-output tables²⁵ developed for the Irish national economy, and which highlight the nature of inter-industry flows. In this way total employment and GVA effects may be derived according to ratios calculated from the Irish Input-Output tables. Indirect and induced effects accruing from the direct economic activity within the 'inner wheel' of Ireland's historic environment sector are presented in Table 4.1 below:

Table 4.1 'Inner Wheel': Economic Impacts

	Direct	Indirect/ induced	Multiplier	Total
Output (€m)	91.0	46.2	1.51	137.2
Employment (FTE)	1,156	690	1.60	1,847
GVA (€m)	52.0	35.7	1.69	87.7

Source: Ecorys analysis, incorporating Irish Input-Output tables

In summary:

- Including indirect and induced effects, it is estimated that the 'inner wheel' of the historic environment sector supports approaching 2,000 (1,847) Full Time Equivalent (FTE) employees in Ireland.
- In terms of national income, the 'inner wheel' of the historic environment is estimated to contribute approximately €90 (88) million to Ireland's GVA.

4.3 Built Heritage Construction Sector

Substantial amounts of money - private and public - are spent every year on maintaining and conserving Ireland's endowment of historic buildings and structures. However, reflecting the fact that construction work specifically related to the built heritage does not fit neatly into traditional industry classifications,

²⁴ Annualised figures, based on the most recent full year for which financial figures are available for these organisations.

²⁵ Supply and use and input-output tables for Ireland 2005, Central Statistics Office (CSO). Input-output tables provide a detailed representation of the transactions of goods and services in the economy. They highlight the inter-industry flows that lie behind the Irish national accounts.

there are few directly observable values concerning the size and importance of the sector in terms of output and associated employment. For these reasons it is necessary to make reference to available data on total construction output in combination with informed assumptions in respect of the share of overall output that may be attributed to the Ireland's built heritage sector.

Based on data contained in the Construction Industry Review and Outlook (CIRO)²⁶, it is estimated that approximately €5.8 billion of the total Irish construction industry output (€18 billion) is attributable to repair, maintenance and improvement (RM&I), as of 2009.

By making reference to figures corresponding to the composition of the Irish building stock – specifically, the residential building stock – provided under the most recent (2006) Census, it is possible to further estimate that component of construction output that is accounted for by the RM&I of historic buildings. According to the 2006 Census, approximately 11% of Ireland's stock of residential dwellings consists of structures built pre-1919. Construction output in 2009 associated with residential RM&I is estimated at roughly €3.8 billion. Assuming that the share of residential construction RM&I were entirely proportionate to the age of the building stock, the pre-1919 residential building stock would theoretically account for 11% of this total. However, in reality it may reasonably be expected that historic pre-1919 structures would account for a disproportionate share of overall RM&I expenditure - a reflection of their comparative age and, by extension, necessary upkeep requirements. Indeed, empirical evidence from Scotland tends to support this assertion²⁷.

Given this theoretical standpoint, and further informed by the empirical evidence noted above, we would suggest that a 1:1.5 weighting factor (i.e. 11% of the residential building stock accounts for approximately 16% of overall residential RM&I expenditure) represents a reasonable, if conservative, estimate of the relative share of overall residential RM&I that may be attributed to the pre-1919 building stock.²⁸ Under this calculation Ireland's stock of historic residential buildings account for approximately €600m of total residential RM&I output

Whilst a similar estimate is not readily available for non-residential RM&I, it can be expected that this will be appreciably lower, particularly on account that major infrastructure such as roads and bridges are included in this category. For analysis purpose therefore, we have assumed that in the order of 8% (7.9%) – or one-half that proportion assigned to residential RM&I – of non-residential RM&I expenditure may be reasonably attributed to the historic environment. Consequently, it can be estimated that Ireland's historic environment accounts for approximately €755 million or 4.2% of total national construction output.

Multiplier effects arising as a result of this construction sector output may be similarly calculated on the basis of the Irish national input-output tables, together with supporting research on sector specific

²⁶ Annual Construction Industry Review 2009 and Outlook 2010-2012, (2010), DEHLG

²⁷ Scottish House Condition Survey 2002 – National Report, Communities Scotland and the Scottish Executive)

²⁸ Research on Scotland's built heritage has shown that 40% of the patch repair bill is related to pre-1919 buildings, whilst accounting for 20% of the residential building stock (source: Scottish House Condition Survey 2002 – National Report, Communities Scotland and the Scottish Executive)

employment coefficients²⁹. Composite impacts accruing from the construction-related expenditure of Ireland's historic environment are presented in Table 4.2 below:

Table 4.2 Built Heritage Construction Sector: Economic Impacts

	Direct	Indirect/ induced	Multiplier	Total
Output (€m)	755	624	1.83	1,379
Employment (FTE)	9,820	8,151	1.83	17,971
GVA (€m)	378	350	1.93	727

Source: Ecorys analysis, incorporating Irish Input-Output tables

In summary:

- Including indirect and induced effects, it is estimated that construction associated impacts of the historic environment support approaching 18,000(17,921) FTE employees in Ireland.
- In terms of national income, construction output related to the historic environment is estimated to contribute in excess of €700 (727) million to Ireland's GVA.

4.4 Tourism-related Impacts

In addition to the contributions of the historic environment sector 'inner wheel' and built heritage construction components, the historic environment also has a significant impact on people's decisions to visit Ireland.

Fáilte Ireland's Visitor Attractions Survey provides much valuable information on visitor attractions in Ireland and highlights for example that no fewer than 4 of Ireland's top 10 paid admission attractions fall within the strict definition of the historic environment. If this is also extended to include free admission attractions for which information of visitor numbers is available, it then becomes apparent that the majority of attractions in Ireland are associated with the historic environment – either directly as attractions in their own right, or as a result of being located in historic properties (Table 4.3).

Table 4.3 Admissions to Top Visitor Attractions in Ireland, 2009

Paid admission		Free admission	
Guinness Storehouse	1,019,166	The National Gallery of Ireland	782,469
Dublin Zoo	898,469	National Botanical Gardens	612,000
Cliffs of Moher Visitor Experience	763,758	Irish Museum of Modern Art	418,000
National Aquatic Centre	723,974	National Museum of Ireland – Archaeology	370,965
Book of Kells	478,304	National Museum of Ireland – Decorative Arts & History	319,791
Fota Wildlife Park	347,231	Holy Cross Abbey	250,000

29 Traditional Building Craft Skills: Ireland 2009, National Heritage Training Group

Paid admission		Free admission	
St Patrick's Cathedral	331,136	Farmleigh	245,937
Blarney Castle	320,000	Chester Beatty Library	207,250
Kilmainham Gaol	285,974	Dublin City Gallery (The Hugh Lane)	164,274
Bunratty Castle & Folk Park	273,140	The National Library of Ireland	140,000

Source: Visitor Attractions Survey; Fáilte Ireland

While substantial *direct* expenditure accrues as a consequence of these and other historic environment attractions and sites (including admissions fees and ancillary spend on souvenirs/ retail etc.), on a fundamental level the historic environment also serves as a central motivating factor for wider tourism to and within Ireland. It is therefore legitimate to credit some portion of the total expenditure of visitors on hotels, food, transport etc. to the historic environment.

According to figures compiled by Fáilte Ireland³⁰, annual out-of-state tourist expenditure, including spending by visitors from Northern Ireland, amounted to €3.4 billion in 2009. With a further €0.5 billion spent by overseas visitors on fares to Irish carriers, total foreign exchange earnings were €3.9 billion (€3.879)³¹. In terms of visitor numbers, it is estimated that in excess of 7 million people (including 0.6 million from Northern Ireland) visited Ireland in 2009. An overwhelming majority of these visitors (excluding those from Northern Ireland) comprised visitors who were either on Holiday, or else to Visit Friends/ Relatives – 45% and 35% respectively. A further 13% constituted Business visitors, with Other types of visitors accounting for the remainder (7%). Looking at these visitor categories in turn, it should be apparent that certain forms of tourism will be conditioned to a greater extent than others by the range and quality of Ireland's heritage assets.

A key issue in terms of calculating the visitor-related impact of Ireland's historic environment involves deriving reliable estimates as to the extent to which the nation's historic environment assets generate additional visitors – and thereby additional expenditure - to the Irish economy. While existing data sources do not reveal that specific component of tourism expenditure which can be attributed to the historic environment, a range of survey evidence does nevertheless serve to highlight the importance of the historic environment sector to overall tourism in Ireland. Notably, results from a recent survey of visitors to Ireland³² reveal an overwhelming majority alluding to elements of the historic environment as being 'very important' in their consideration of Ireland for a holiday – including, most specifically 'interesting history/ culture' (80% of respondents) and 'good range of historical / cultural attractions' (73%). (Table 4.4)

³⁰ Tourism Facts 2009, Fáilte Ireland

³¹ Expenditure by domestic visitors is not included in these estimates. It can be argued that the displacement effect is relatively high for domestic visitors and that these visitors may not therefore incur additional expenditure. This is a conservative assumption however as the alternative for some Irish residents may have been a visit over the border to Northern Ireland.

³² Visitor Attitudes Survey 2010

Table 4.4 Important Factors in Considering Ireland for a Holiday (Rated 'Very Important')

Category/ Factors	Total (%)*
Environment	
Beautiful scenery	91
Natural, unspoilt scenery	84
Good range of natural attractions	82
<i>Attractive cities/ towns</i>	<i>74</i>
Products and Other Destination Features	
Safe and secure destination	85
Plenty of things to see and do	85
<i>Interesting history/ culture</i>	<i>80</i>
A new destination to discover	75
<i>Good range of historical/ cultural attractions</i>	<i>73</i>
Suitability for touring	72
Easy to travel around country/ good transport	72
Range of good accommodation	68
Opportunity to meet/ mix with local people	65
Easy to get to	65
A variety of high quality food	57
Good evening entertainment/ nightlife	40
Opportunities for outdoor activities	38
Festivals and cultural events	30

Source: Visitor Attitudes Survey 2010; Fáilte Ireland

*Base: all respondents giving a rating

Under this survey, approximately 1 in 5 (18%) of respondents stated that Irish 'culture/ history' serve to distinguish Ireland from other destinations (this can be compared with the top two most frequently mentioned responses – 'the Irish people' (41%), and 'the scenery' (24%). When asked about their level of interest in particular aspects of Ireland, 2 in 5 (41%) claimed that they were 'very interested' in Historic Ireland (this compares with 66% in Natural Ireland; and 45% in Traditional Culture)³³.

Other survey work undertaken by Fáilte Ireland suggests an estimated 3 million overseas visitors engaged in historical/ cultural activities while in Ireland in 2009³⁴. Such historical/ cultural visits may be broken down as follows:

- *Houses/Castles* – 2.5 million overseas visitors visited houses or castles.
- *Monuments* - an estimated 2.1 million overseas visitors visited monuments while in Ireland.

³³ ibid

³⁴ Cultural Activity Product Usage among Overseas Visitors in 2009, Fáilte Ireland

- *Museums/Art Galleries* - the level of attendance at museums/art galleries by overseas visitors was 1.7 million in 2009.
- *Heritage/Interpretive Centres* - over 1.5 million overseas visitors went to heritage/interpretive centres while in Ireland in 2009.

Visitors who engaged in these activities, in turn, spent an estimated €1.772 billion³⁵.

It is of course unlikely that such visitors engaging in historical/ cultural activities (and the corresponding levels of expenditure associated with these visitors) will have been influenced to visit Ireland entirely on account of one single factor – namely the historic environment - though this will undoubtedly have served as a strong motivation for those undertaking activities specifically related to the historic environment. Based on the survey evidence highlighted above, and combined with experience of undertaking comparable national heritage impact studies, we have therefore assumed for analytical purposes that 40% of the estimated tourism expenditure linked to visitors engaged in historical/ cultural activities represents a reasonable, if perhaps conservative, estimate of the importance of the historic environment in attracting visitors to Ireland³⁶. Overall, this represents approximately two-fifths (18%) of total out of state tourism expenditure.

Applying this share of tourism expenditure to our analysis (direct effects), together with incorporation of relevant multipliers (indirect/ induced effects) provides the basis for deriving estimates of the overall scale of economic impacts attributable to tourism-related expenditure connected to Ireland's historic environment (Table 4.5).

Table 4.5 Historic Environment Tourism: Economic Impacts

	Direct	Indirect/ induced	Multiplier	Total
Output (€m)	708.8	439.5	1.62	1,148
Employment (FTE)	12,995	4,135	1.32	17,129
GVA (€m)	425.3	219.7	1.52	645

Source: Ecorys analysis, incorporating Irish Input-Output tables

In summary:

- Including indirect and induced effects, it is estimated that tourism expenditure attributable to the historic environment supports more than 17,000 (17,129) FTE employees in Ireland.

³⁵ Fáilte Ireland's Survey of Overseas Travellers 2009

³⁶ In assessing importance, we are not attributing 40% of tourist expenditure to the historic environment and 60% to all other factors combined. If such analysis were applied to all factors the total would likely exceed 100%: for example, the historic environment, natural environment and aspects of Irish culture taken together are what attract many visitors. Although the concept is theoretical, the implication is that without the range and quality of Ireland's historic environment assets, Ireland would attract 40% less tourism expenditure amongst those engaging in historical/ cultural activities (and 18% less of total out of state tourism expenditure). Without the appeal of the historical environment, Ireland's other attractions would not be enough for this share of visitors to choose Ireland over other destinations.

- In terms of national income, this translates into an economic impact of approximately €650 (645) million towards Ireland's GVA.

4.5 Total Economic Impact: Historic Environment

The aggregate economic 'impact' of Ireland's historic environment, corresponding to the sum of each of the three major analytical components, is presented in Table 4.6, below.

Table 4.6 Total Economic Impact – Historic Environment Sector

	Direct	Indirect/ induced	Total
Output (€m)	1,555	1,110	2665
Employment (FTE)	23,971	12,976	36,947
GVA (€m)	855.3	605	1,460

Source: Ecorys analysis, incorporating Irish Input-Output tables

In summary:

- Including indirect and induced effects, it is estimated that the historic environment supports approximately 37,000 FTE employees in Ireland.
- The historic environment sector is estimated to contribute in the order of €1.5 billion to Ireland's national GVA.

4.6 Strategic Summary: Economic Impact of Ireland's Historic Environment

- The historic environment is a highly significant contributor to Ireland's national economy, directly supporting approximately 24,000 FTE jobs.
- Including indirect and induced effects, it is estimated that the historic environment sector supports 37,000 FTE employment positions in Ireland.
- In terms of contribution to national income, Ireland's historic environment is estimated to account for some €1.5 billion to the nation's GVA.
- The greater share of economic impacts relate to tourism (attraction of visitor expenditure) and construction (built heritage) sector effects – each in the order of €700 million to GVA and equivalent to some 17,000 jobs.
- Notably, a significant proportion of this overall impact is rooted in expenditure and/ or grants activity by the 'inner wheel' of core historic environment organisations, including the Heritage Council, DEHLG, Fáilte Ireland and others, with such activities providing a powerful stimulus to wider economic activity across the Irish economy.

5 Wider Impacts of Ireland's Historic Environment

Beyond the conventional economic impacts detailed in Section 4, the research process has highlighted a range of wider economic, social and environmental benefits that can be attributed to Ireland's historic environment. This further demonstrates the overall value of the sector to Ireland's economy and society. This section draws heavily on the findings from the strategic consultations and primary research in preparation of the case studies (detailed in full in Annex One).

5.1 Supporting Other Sectors of the Economy

As detailed in Section 4, Ireland's historic environment plays an important role in supporting other key sectors of the Irish economy. For example, the historic environment plays an important role in supporting the development of the visitor economy across all Irish regions. Indeed, the Westport case study (see Annex One) highlights the role of Westport House and the traditional planned town (and the conservation of these assets) in anchoring the local tourism economy. Westport House alone supports 80 jobs in the local economy (around 3% of the town's total employment) during the tourism peak season. The Waterford Viking Triangle case study also demonstrates how capitalising on the built historic environment, and the development of new tourist attractions within historic buildings, can potentially act as a stimulus for developing the visitor economy within Irish cities. For example, the Waterford Crystal Visitor Centre received 100,000 visitors during its first six months of operation.

The historic environment also plays an important role in supporting significant elements of Ireland's construction sector. Unquestionably, the historic environment is an important source of job creation in the Irish construction sector, particularly given that maintaining historic buildings is significantly more labour intensive than new build (an example quoted is that 33% of the total cost of new build properties is taken up by materials, compared to just 15% for renovating older properties). It has also become an increasingly important source of employment, given the reduction in new build activity across Ireland in recent years. Importantly, the repair and maintenance of historic buildings captures the higher value end of the construction sector, given that traditional craft-based skills (such as stonemasonry or the maintenance of thatched roofs) are more intensively utilised.

In this way Ireland's historic environment plays a pivotal role in supporting both the development, and subsequent retention, of traditional craft-based construction skills in Ireland. The Irish Landmark Trust case study demonstrates that the restoration of traditional buildings for usage as tourist accommodation has provided opportunities for the training and re-training of skilled craft construction workers. The Traditional Farm Buildings Grant Scheme case study also demonstrates the ways in which renovating historic buildings can support the development and retention of traditional craft-based construction skills.

The likely counterfactual situation is that if this public and private sector investment in the historic environment were to diminish, a share of higher value-added construction jobs would be at risk.

Fundamentally, there is also a potential risk that the Irish economy could lose these skilled construction workers to other countries where expenditure levels on the historic environment are higher.

5.2 The Role of the Historic Environment in Education and Lifelong Learning

Our primary research has also highlighted the role of historic environment as a rich resource for education and lifelong learning. Heritage education plays an important role in enabling the public to understand and appreciate the past, and also in developing a sense of identity and building awareness of the importance of preserving heritage resources for future generations. Positively, the Heritage Council has recognised the central role that the historic environment may play in education, as evidenced by the design of its "Heritage in Schools" programme, which educates both school children and teachers about archaeology.

The case studies have provided a series of examples that better demonstrate how the historic environment may act as a powerful educational resource at many stages of the lifelong learning spectrum:

- The Brú na Bóinne site hosts a number of visits from school children to educate them about the site's history. It also generates significant interest in the field of academia and regularly stages major international conferences, particularly for Archaeology academics.
- Kilmainham Gaol hosts numerous school tours throughout the year (it is estimated that some 25,000 visitors per annum participate in such tours), where young people are educated about the history of the jail, and its integral role in modern Irish history. The jail also provides a repository of historic information, which acts as a source of education for the 278,000 domestic and international tourists visiting the jail.
- Birr Castle Demesne not only receives many visits from local schools annually, but also receives visits from science and engineering college students who are interested in learning from the science and engineering legacy of different generations of the Parsons family, as part of the national Discovery Science and Engineering programme.
- Glenveagh Castle delivers an outdoor learning programme, which enables school children and organised young people's groups to learn not only about the history of the castle, but also the nature and wildlife present within the National Park.
- Muckross House provides a research library, containing books and materials detailing the history of the house and surrounding area. It also distributes a bi-annual newsletter to schools and libraries across County Kerry to publicise the exhibitions and materials within the visitor centre, and raise awareness of the traditional craft and cultural events staged within the house and gardens, including the Festival of Kerry Culture.
- The Irish Landmark Trust delivers craft-based education courses in localities where their properties are based, which provides learning opportunities for individuals of all ages with an interest in participating in conservation activities.
- In Bere Island the recently opened Heritage Centre acts as a year-round focal point for the local population, and also provides a range of education courses for the local population, including those focusing on the development of craft-based skills.

The case study findings would therefore suggest that Ireland's key historic environment assets act as an important resource for educating Ireland's young population about both the history of the target localities, and, in some cases, major milestones in Ireland's national history. The assets also provide resource for vocational education, particularly in educating adults about engineering and craft skills, and also higher education (given levels of academic interest in many heritage sites).

It is notable that some of the core organisations within the historic environment sector play an active role in facilitating access to education opportunities within key historic assets. For example, some OPW museums and galleries provide free entry for school children who attend the sites as part of educational visits. In addition, as part of the Walled Towns Network Programme, the Heritage Council has funded the development of information points and interpretation panels detailing in particular the reasoning behind the design of the respective settlement patterns.

The research findings would suggest that public sector investment has played an important role in facilitating the development of these education opportunities. If this investment were to diminish, it is quite possible that specific sites would need to change pricing policies in order to sustain this education provision, or alternatively reduce the scale of education provision. Either of these scenarios could potentially reduce the number of individuals that are able to access education opportunities through the historic assets.

5.3 The Role of the Historic Environment in Sustainable Community Development

The historic environment also serves to positively underpin community identity and cohesion in a range of contexts. The case study evidence has re-affirmed the role that the historic environment has played in sustaining local traditions and generating a sense of place. For example, the Waterford Viking Triangle case study provides an example of how the renovation of decaying historic buildings, and development of the new Waterford Crystal Visitor Centre, has not only played an important role in attracting tourists to the city, but has played an important role in generating a renewed sense of civic pride amongst the local population.

The historic environment also acts as a focal point for encouraging communities to work together and take responsibility for the quality of their historic environment. The Waterford Viking Triangle case study, for example, demonstrates how a group of local businessmen have worked together to drive the delivery of this flagship physical regeneration programme.

In spite of the fact that there is a relatively limited culture of volunteering in Ireland, the strategic consultations and case studies have demonstrated that the built historic environment has offered a range of volunteering and training opportunities to enable communities to participate in the conservation of heritage assets, and also promote local heritage as a means of generating tourism activity within their localities.

For example, during Heritage Week 2011 40 volunteers were placed in local tourism offices to better inform the public about the 1,600 events taking place across Ireland, with between 350 and 400 volunteers playing an important role in organising the individual Heritage Week events. Although it is

difficult to attribute the precise role of the volunteers, it is clear that their work contributed appreciably to the success of Heritage Week, given that around 400,000 people across Ireland are thought to have attended the events. At a more local level, the Westport case study serves to demonstrate the role volunteers have played in driving the development of the local tourism sector, particularly in keeping the town centre clean, and ensuring it is aesthetically pleasing to visitors.

The strategic consultations have indicated that increasing public participation in promoting heritage, and raising levels of awareness of the importance of Ireland's built historic environment are key priorities for many core organisations within the heritage sector. Additionally, a number of marketing organisations have been established in recent years (Heritage Island being one example) to promote heritage attractions and increase community participation in preserving important heritage assets.

5.4 Supporting Environmental Enhancements

The historic environment, and specifically the maintenance and repair of traditional buildings, has a fundamental role to play in maintaining the environmental quality of many towns and cities across Ireland, which in turn, plays a particularly important role in attracting tourists to a given locality (thereby supporting businesses in other sectors, such as retail). It also plays a positive role in creating well-being for people living, or simply passing through, attractive, well maintained historic townscapes.

On a national level, the importance of maintaining historic buildings (particularly clusters of historic buildings/townscapes) is reflected in some of the grant programmes being delivered by core organisations within the historic environment sector. These include the Civic Structures Conservation Grants Scheme delivered by DAHG, and the Heritage Council's Walled Towns Network programme. It is notable that many small grant programmes have also stimulated significant levels of investment amongst private sector property owners in maintaining and repairing historic buildings.

The case studies have also emphasised the role that heritage can play in delivering environmental enhancements to historic townscapes. For example, through the Waterford Viking Triangle Regeneration Programme, the renovation of former decaying historic buildings, along with associated public realm enhancements, is playing an integral role in improving the city's physical environmental fabric.

The maintenance of historic buildings also plays an important role in improving the environmental quality of surrounding areas, which in turn plays a key role in supporting and conserving biodiversity. The Traditional Farm Buildings Grant Scheme case study, for example, demonstrates the role that renovating existing traditional buildings can play in reducing the pressure to develop new buildings on greenfield sites. It also supports the maintenance of critical wildlife habitats (for example, traditional farm buildings can act as important habitats for bats and owls).

5.5 The Role of the Historic Environment in Attracting Inward Investment into Localities

Previous studies have detailed the role of the historic environment in acting as a stimulus for business investment within localities. For example, the conversion of formerly redundant historic buildings into

workspace and new business premises can play an important role in stimulating private sector investment into a locality³⁷.

The perception amongst consultees was that, in Ireland, heritage can play an important role in attracting companies to locate in towns and cities, particularly as one of the factors contributing to a strong quality of life, although at present, there is limited published evidence to support this assertion. In addition, it should be noted that other factors play an important role in attracting business investment into a given locality, including the availability of a skilled labour force and access to suitable physical premises.

It is notable from the case studies and strategic consultations that heritage is being viewed as a vehicle that could attract private sector investment into localities, and support the diversification of local economies, in response to the recent recession. For example, an integral element of the Waterford Viking Triangle Regeneration Programme is the development of new workspace and office accommodation within former historic structures that could potentially attract creative businesses to the city. The Dublin Digital Hub development also entailed the development of new workspace within previously underused historic buildings. It is possible that opportunities could emerge in other Irish cities for the conversion of redundant or under-used traditional buildings into new workspace that could be utilised by growing knowledge-based sectors of the economy.

5.6 Strategic Summary: The Wider Value of Ireland's Historic Environment

The findings presented in this section demonstrate the range and value of social and environmental benefits that the built historic environment can bring to Irish society, over and above the conventional economic impacts detailed in Section 4.

- Ireland's historic environment acts to support a number of sectors of the wider economy, including tourism and construction. In construction, the built historic environment is integral to the development and subsequent retention of craft-based skills within the Republic of Ireland, with these typically utilised within higher value added elements of construction activity. If levels of public and private sector investment into the historic environment were to diminish, it is quite possible that these skills would be much diminished.
- Ireland's built historic environment represents an important educational resource at all stages of the lifelong learning spectrum. For example, not only are Ireland's flagship heritage sites a major source of school educational visits, but they also host conferences in the field of academia. In addition, the case study findings would suggest that historic environment assets have played an important role in the delivery of courses to support the development of craft-based skills within the adult population.
- Although Ireland has a relatively limited tradition of volunteering, it is evident that the built historic environment has acted as a focal point to bring community members together to support the conservation of heritage assets, and also promote local heritage as a means of generating tourism expenditure. For example, volunteers played an integral role in promoting the events delivered as part of Heritage Week 2011, leading to higher than anticipated levels of participation amongst members of the public.

³⁷ See, for example, ECOTEC (2010), "Valuing the Welsh Historic Environment"

- The maintenance and repair of historic buildings, and particularly clusters of historic buildings, have played a major role in enhancing the physical fabric of many Irish cities. Not only has this acted to stimulate the growth of tourism activities within the respective towns and cities, and raised awareness amongst the public of the historical importance of these buildings, the process has also helped to reduce development pressures on Greenfield sites (thereby supporting and conserving biodiversity).
- The role of Ireland's historic environment in attracting private sector investment into Irish towns and cities is less clear at this stage, even though previous literature would suggest that heritage represents an important factor that contributes positively to the quality of life in a given locality, and successful commercial ventures have been delivered in historic cores of some Irish cities, including Kilkenny, Galway and Dublin (Temple Bar and Digital Hub). Looking forward, heritage could potentially play a key role in attracting growing sectors of the economy to Irish towns and cities, particularly through the conversion of underused or decaying historic buildings into new office accommodation and workspace.

6 Conclusion: The Economic Value of Ireland's Historic Environment

In this final section of the report we provide a synthesis of our principal research findings in respect of more closely establishing the economic value of Ireland's historic environment. We go on to reflect on the implications of the study from a policy and developmental perspective, together with outlining some recommendations for future monitoring and further study.

This is the first study of its type undertaken for the heritage sector in Ireland, and the research has been used to develop a series of highly significant economic results that will be of considerable interest across a wide body of policy makers and practitioners alike.

6.1 Role and Importance of Ireland's Historic Environment

Ireland's historic environment may be valued in a variety of ways, from the aesthetic and emotional pleasure gained from experiencing historic sites, through the role of these assets as a contributor to quality of life and sense of cultural identity. The economic value of the historic environment may be most readily apparent in terms of the role of heritage assets as generators of revenue and job creation. More widely, Ireland's historic environment is a critical contributor to sustainable economic growth, and to the creation of attractive communities that are places where people want to live, work, visit and invest. Unquestionably, heritage represents a valuable national asset, and one which is fundamental to Ireland's core values and principles as a nation.

There is a compelling justification for public intervention and investment in Ireland's historic environment on economic grounds. This rationale for public intervention is based upon the correction of market failure owing to its 'public good' characteristics, and the range of positive benefits attributable to the historic environment which are not fully reflected in market transactions. Nevertheless, and notwithstanding an emerging body of international research evidence, the nature and importance of Ireland's heritage 'sector' is far from fully appreciated and often poorly understood. In part, this is a reflection of the complexities connected to accurately defining and delimiting the sector and with attempting to place economic value on categorisation of activity that does not fit neatly into traditional economic classifications.

The operational definition for Ireland's historical environment utilised in this study aligns to the remit and coverage of those principal organisations active in conserving, maintaining, managing and/ or providing access to the nation's historic environment assets and sites, whilst also reflecting a practical requirement for credible data coverage and availability. Whilst acknowledging the degree of – mutually beneficial – interdependency with both the natural environment and cultural domains, we have taken care to specify as far as possible distinctive historic environment elements within the broader 'heritage' outline. The economic impact analysis has therefore focused on the flows of expenditure associated with historical environment assets and operations, with the visitors they attract, and the ways these flows work through the Irish economy, generating incomes and employment in the process.

6.2 Economic Impact of Ireland's Historic Environment

Our impact assessment framework has been structured around three principal components: (1) economic activity corresponding to core organisations comprising the 'inner wheel' of the historic environment sector; (2) the built heritage repair and maintenance sector; and (3) expenditure resulting from tourists attracted to Ireland principally because of the historic environment. It is worth reiterating that in compiling the impact assessment we have deliberately adopted a conservative approach to the estimation of economic benefits. We believe that this is important in serving to further enhance the robustness and credibility of our overall findings.

Our key findings may be summarised as follows:

- The historic environment is a highly significant contributor to Ireland's national economy, directly supporting in the order of 25,000 FTE jobs. Including indirect and induced effects, it is estimated that the scale of economic impact attributable to the historic environment supports approaching 40,000 FTE employment positions in Ireland.
- Overall, this equates to an annual national income contribution attributable to the historic environment of some €1.5 billion to the nation's GVA.
- The greater share of economic impacts attributable to the historic environment correspond to tourism (attraction of visitor expenditure) and construction (built heritage) sector effects – each in the order of €700 million to GVA and equivalent to some 17,000 jobs.
- Importantly, a significant proportion of this overall impact is rooted in expenditure and/ or grants activity by the 'inner wheel' of core historic environment organisations, including the Heritage Council, DAHG, Fáilte Ireland and others, with such activities providing a powerful stimulus to wider economic activity across the Irish economy.
- Within the context of Ireland's national economy, it is estimated that the historic environment sector's contribution to the national economy is equivalent to 1% of total Irish GVA, and some 2% of overall employment.

The above are annualised figures, and necessarily correspond to the most recent full year (2009) for which financial and economic base data may be made available. In light of the challenging economic climate which has been characteristic of the period since 2009, it might reasonably be expected that the absolute contribution of the sector could have been subject to some reduction most recently – in line with much of the rest of the Irish economy. However, even if this were the case, it is likely that the *relative* economic contribution of the historic environment may actually have increased, with this reflecting disproportionate decline in a number of areas of the national economy previously subject to pronounced growth, including, notably, the financial sector and major segments of the construction industry (principally new build).

Beyond these conventional economic impacts highlighted above, it should of course be recognised that as a public good the importance of Ireland's historic environment extends to makes a highly significant contribution to a range of wider economic, social and cultural objectives - as our case studies examples clearly demonstrate. Such benefits encompass, among others, educational (both formal and informal), enhanced community development (through the work of volunteers) and towards attractive and sustainable communities in Ireland.

6.3 Some Policy and Research Implications

In providing for the first time robust estimates in respect of economic impact, it is to be hoped that the results of this research will afford a wide body of policy makers and practitioners with a stronger appreciation of the true scale and nature of economic impacts that may be rightly attributed to Ireland's historic environment. The value of the nation's historic environment as an economic resource has long been misunderstood and underplayed in Ireland - in part at least, a factor of acknowledged difficulties of valuing activities that do not fit neatly into traditional sector classifications or for which there are few directly observable values.

However, within a context of scarce resources and enhanced scrutiny of public expenditure, then it is quite right that stronger evidence should now be desirable in order to better demonstrate scale of economic impact. It follows that establishing economic impacts should be seen as a critical step towards greater acceptance and understanding of the need for regular investment, and in order to more fully realise the potential value of Ireland's unique national heritage assets. Specifically, our analysis has highlighted the central importance of public funding in its role as a critical enabler or catalyst to wider investment in the historic environment, and as a mechanism for inducing private sector resources and further unlocking the scale of economic benefits embodied in built heritage assets. This then, is public expenditure which may be expected to generate a high level of overall economic return³⁸.

A major share of overall economic impact relates to tourism expenditure attributable to the historic environment, with the range and quality of Ireland's built heritage representing a powerful motivating factor for wider tourism and related visitor expenditure – overall, in the order of one-fifth of total out-of-state visitor expenditure. Similarly, the built heritage construction sector also accounts for a substantial share of the total economic impact, and public and private sector investment in heritage make a very significant contribution to sustaining major elements of Ireland's construction sector – an industry of course which continues to be subject to very challenging market conditions. If this investment were to decrease, then there is a real possibility that a component share of these higher value-added construction jobs, and associated craft skills in Ireland, could be at risk.

Economic impacts attributable to the historic environment in Ireland - in all three principal areas (the sector's 'inner wheel', built heritage construction sector, and tourism) - are by their nature internal to Ireland and essentially non-exportable. Especially in the case of tourism-related impacts these comprise a major source of international earnings. Notwithstanding the significance of identified current economic impacts, a common view articulated by many of those consulted as part of the study was that there remained considerable unrealised potential connected to the visitor appeal of Ireland's historic environment. We would echo this assertion, and suggest that measures directed at further promotion and presentation of Ireland's distinctive built heritage could feasibly unlock a scale of as yet untapped visitor appeal and additional visitor revenues to the nation. Such considerations are particularly relevant in light of the conditions that continue to confront the Irish economy.

³⁸ By way of example, a rudimentary assessment of GDP impacts suggest a return on investment equivalent to €16 per €1 of public expenditure on the historic environment

Further to this point, the evidence base developed during this research has a number of broader implications for policy formulation and investment decision-making – with obvious regard to the heritage sector, but also more widely in respect of economic development processes. As national economic policy increasingly seeks to rebalance and diversify the Irish economy away from a dependency on a comparatively narrow range of economic sectors and activity areas (notably financial services), national heritage assets may be expected to take on an enhanced, and indeed more fundamental, economic role – and not just in Ireland's larger cities, but also in many smaller towns and rural areas. Presently, these are assets which are both under-capitalised and under-promoted.

Traditionally, a case for public investment in the historic environment has been made on the grounds of ensuring the protection and enhancement of the built heritage. What the results of this study also highlight is the strength of the *economic* rationale for investment in order to maximise the contribution Ireland's historic environment may make to the nation's sustainable economic development.

6.4 Recommendations for Future Data Collection and Monitoring the Economic Importance of Ireland's Historic Environment

Constraints of the current study have meant that primary research has necessarily been restricted, the assessment having been largely reliant on secondary data sources and findings of existing surveys, supplemented by evidence from stakeholder consultations. Indeed, the research process has identified a series of gaps in the existing evidence base, particularly relating to shortages in sub-national level data, and data relating to individual heritage assets/ specific groups of assets.

We would therefore make a number of specific forward recommendations in respect of enhancing the quality of the evidence base which can be made available to the Heritage Council and, in turn, better inform future management and investment decisions. To further facilitate the ongoing monitoring of Ireland's historic environment and its importance to national and sub-national economies it should be desirable to improve data collection in a number of key areas. These include:

Identification and designation of the historic environment: While a number of organisations and datasets provide information on Ireland's historic environment, it is the case that there is considerable variation in the way that data corresponding to different historic asset types is collected and compiled, both with respect to Ireland as a whole, and for individual regions and localities. It is notable for example that there is currently no central record pertaining to the number, scale and geographical breakdown of Architectural Conservation Areas and Protected Structures (with regular applications being submitted for additional buildings/townscapes to receive designation). Although, to date, research regarding the location and distribution of these assets has been carried out for quite a number of Irish counties, the survey remains incomplete and offers partial coverage at the national level. Similarly, nationally collated information on the condition of the historic environment is deficient, though the presence of management plans and inspection regimes for assets means a considerable amount is known locally.

It is desirable for the sector to establish a more complete and integrated set of centrally held records - providing, in one place, essential information that is of practical use for the sector in managing Ireland's historic environment. Through a programme of collation and integration of existing data holdings,

supplemented where possible by any outstanding survey work required for specific territories, a valuable resource outcome would involve production of a national compendium database, ultimately providing heritage partners with Ireland-wide coverage for historic assets, and including key characteristics connected to asset type, designation and condition. If this information were to be made available in digital format and appropriately geo-coded then this would constitute a particularly powerful database resource, and would enable GIS mapping and other spatial analysis data applications.

Resourcing and investment activity: A considerable range of organisations and individuals are involved in caring for Ireland's historic environment. The associated management information can be informative about the scale of investment in the sector, together with the effectiveness of general management of the historic environment. While it is possible to develop approximate estimates corresponding to public investment in the sector based on published management information for core heritage organisations, presently, there remains a number of notable deficiencies in the compilation of such resourcing and investment data.

One particular area of limited information relates to the resourcing and investment of local authorities for the historic environment in Ireland. Given the importance of the role local authorities play in managing the historic environment, and the fact that local authority areas vary considerably in terms of their population, land area and distribution of historic environment assets, it is currently very difficult to compile reliable and consistent information for local authority resourcing and funding of historic environment related activities. This is likely to be further complicated given that responsibilities may be distributed across a number of service areas within individual local authorities. As a basis for collecting further core data on local authority resourcing and investment we would suggest the commissioning of separate survey research covering Irish local authorities. This could take the form of a questionnaire survey and would be designed to cover key items of staffing, expenditure and income, and relevant management information in connection with the historic environment.

Similarly, comparatively little is known at the current time regarding the contribution of volunteering to the sector in Ireland. In considering the economic value that might be attached to such voluntary activity, it is legitimate to conceptualise it as a 'shadow economy' component. In order to obtain estimates it might be feasible to at some point in the future to undertake a one-off survey project of voluntary organisations active in the historic environment, together with a sample of different asset sites, covering numbers and hours undertaken by volunteers monthly/ annually. Such information can then form the basis for deriving separate estimates of economic value which may be attributed to volunteer efforts.

Enhancements to economic data: Looking forward, and for the purpose of seeking to further refine any future impact assessments of the sector, including in terms of local and regional breakdowns, there are a number of enhancements to existing economic data that would likely be needed. One key area relates to data associated with the built heritage construction sector. While existing industry data corresponding to expenditure on repair, maintenance and improvement (RM&I) may be used to provide proxy estimates of the overall value of the construction sector attributable to the historic environment (including the greater part of total private sector investment), this data is restricted in terms of its breakdown or granularity. The process of attempting to derive regional and local estimates in particular would be aided appreciably by

sub-national disaggregation of relevant RM&I figures – and ideally distinguishing between RM&I associated with 'historic' properties as opposed to 'non-historic' properties.

Turning to the visitor economy, we would suggest that existing sources of tourism data are already relatively well developed, certainly at a national level, and including the Visitor Attitudes Survey and Survey of Overseas Travellers. Capturing accurate figures for recorded visits to historic visitor attractions is more challenging given that presently the recording of visitors is carried out on a self-reporting basis, with not all sites recording numbers of visitors and monitoring levels of visitor spending. Particularly in respect of attempting to better understand the nature and extent of economic activity generated by Ireland's historic environment by geographical region and by asset type, then it is recommended that some additions are made to basic data collected at point of admission for the range of historic visitor attractions. This could usefully take the form of local sample surveys of visitors, with this information enabling much fuller profiles of visitor characteristics, motivations, and patterns of expenditure to be built up, including according to asset type and geographical area.

Tax revenue contribution: To the extent that the historic environment sector supports the employment and value added activities of organisations and firms – both directly and indirectly – importantly, it also supports tax contributions from these establishments and employees. In this way the Exchequer is a beneficiary of tax revenues, including those arising as a consequence of corporation tax payments, income taxes and national insurance. Indeed such contributions may be expected to amount to a sum equivalent to a substantial share of the overall GDP contribution of the sector. Given the considerable complexities associated with attempting to separate out accurate estimates of tax revenue contributions from overall GDP figures, and reflecting details of government tax relief and other legal structures applicable to the sector, this is an area which would usefully require further investigation and research, and in close collaboration with the national Revenue authorities.

Strategically, the regular collation of robust monitoring data should be seen as a principal requirement to further demonstrate the imperative for effective conservation and corresponding investment, and in order to more fully secure the economic value of Ireland's distinctive endowment of historic assets for generations to come.

Annex One: Case Studies

1 Waterford Viking Triangle

1.1 The Asset

Historically one of Ireland's major ports, Waterford is the largest city in South East Ireland and the fifth largest in the Republic of Ireland.

Although shipbuilding was a major industry in the city during the 19th century, glass manufacturing has been a prominent industry in the city since the 18th century, with Waterford Crystal acting as one of the city's flagship employers. However, financial difficulties led to the closure of the company's factory operations in 2009. This resulted in some 350 direct job losses³⁹ and presented significant economic challenges for the city.



As a basis for helping rejuvenate the city, a major physical regeneration programme has been focused on Waterford's historic centre, known as the "Viking Triangle". The area, bound by two rivers, and where the Vikings first settled in 914 AD, is characterised by narrow streets, civic spaces and historic architecture. Registered National Monuments include such structures the Bishops Palace, Christchurch Cathedral, the Theatre Royal, and Reginald's Tower.

The restoration of the city's historic core as an entity is seen as a catalyst for the wider physical and economic regeneration of Waterford. The economic rationale behind an area-based approach is rooted in the tendency of historic townscapes – and particularly cultural and commercial districts - to demonstrate higher economic potential as distinctive and cohesive urban areas. International evidence points to such environments providing an attractive focus for business investment, social interaction, and for fostering a distinctive visitor economy (especially in terms of overnight stays and/ or potential for repeat visits). Moreover, allied to imaginative leadership and management, historic townscape regeneration programmes may generate strong results in a comparatively short period of time⁴⁰.

1.2 Management and Activities

Waterford City Council has acted as the lead body for the Viking Triangle regeneration programme, establishing a business-led Committee - the Waterford Treasures Company - to oversee strategic management. A core delivery team of six, including three architects, has been responsible for operational delivery.

³⁹ http://www.usatoday.com/money/world/2009-01-30-waterford-sit-in_N.htm

⁴⁰ See Failte Ireland and Waterford City Council (2011), "The Viking Triangle – Waterford City Centre", March 2011

A masterplan has been developed which provides the necessary framework for the long-term regeneration of Waterford city centre, with many activities having focused on a range of heritage assets (including Historic Monuments). Under the programme the Waterford Museum of Treasures (first opened in 1999) has been relocated to Reginald's Tower to focus specifically on the city's Viking history. A new museum showcasing Waterford's medieval history is currently being developed on the site of a previously decaying 18th century building behind the Theatre Royal (one of the few surviving 18th century theatres in Ireland, which also contains a section of the city's medieval wall dating from c1150), and is due to open in June 2012. Similarly, the Bishops Palace, restored and reopened in June 2011, is now the site of a museum detailing the city's 18th and 19th century history. A fourth major project has been the opening of the new Waterford Crystal Factory and Visitor Centre, creating around 150 new jobs.

Key to the Viking Triangle restoration and to wider visitor attraction and new business investment in Waterford has been the generation of a new destination brand, with Failte Ireland having also opened a "Discover Ireland" office in the central area.

1.3 Inputs

Significant levels of public sector investment have underpinned the Viking Triangle regeneration programme. This has included for example €10 million by Waterford City Council for the regeneration of



the Bishop's Palace, and €1.8 million for the renovation of the Theatre Royal. OPW have played a leading role in restoring and managing Reginald's Tower, with Failte Ireland having pledged some €9 million over the period 2010-2012. European (ERDF) funding has been used to help develop the Waterford Crystal Factory and Visitor Centre.

As a basis for revenue generation a range of entry fees (under €5) are charged for key visitor attractions (i.e. Reginald's Tower, the Medieval Museum and Bishop's Palace).

It is notable that the programme has benefited from strong political support, including from the city manager within Waterford City Council, with this having been instrumental in leveraging additional public funding.

1.4 Economic Benefits

Given that the new museums have only comparatively recently opened, it is still too early to provide a detailed assessment of attributable economic impacts. However, in the case of the new Waterford Crystal Visitor Centre this has already generated significant tourism impacts for the city, with 100,000 people visiting the Centre during its first six months of operation in 2010. Visitor numbers for 2011 are now expected to total 150,000.

Although not directly related to the Viking Triangle Regeneration Programme, it is notable that the recent staging of the 2011 Tall Ships Race has also provided an excellent opportunity to further showcase Waterford's distinctive heritage assets and to promote wider visitor impacts. Estimates suggest that the Race attracted some 500,000 visitors, creating visitor spending of around €30 million.

1.5 Other Social Benefits

The Viking Triangle regeneration programme has already generated a number of conservation benefits, with many former decaying historic buildings having been renovated and, in many cases, now housing tourist attractions. Related improvements to the public realm may be expected to continue to generate positive environmental effects, in turn helping to provide the conditions for attracting new businesses and enterprise – including those in the creative sectors – and allied to incubation spaces also being developed as part of the programme. More generally, it may be claimed that the physical regeneration process has done much to instil a renewed sense of civic pride in Waterford.

2 Irish Landmark Trust

2.1 The Asset

The Irish Landmark Trust (ILT) is a charitable organisation, which was founded in 1992 to save heritage buildings in both the Republic of Ireland and Northern Ireland that are at risk of being lost through neglect, abandonment or inappropriate use. ILT properties are not simply conserved or restored. They are also rented out as holiday homes so as to ensure that they have a viable future and once again become the living, breathing buildings that they were first intended to be. The ILT is therefore a similar organisation to the Landmark Trust in Great Britain⁴¹.

The ILT seeks to develop an important part of Ireland's tourism infrastructure for domestic and overseas visitors, whilst at the same time maintaining the country's rich architectural and social heritage. From a heritage perspective, however, the ILT does not solely seek to maintain the "bricks and mortar" of a building's heritage. Rather, it also seeks to conserve and promote the stories of the properties by making them accessible and tangible to visitors, and by educating visitors about the histories of the properties and the people who once lived in them.

The ILT currently operates about 20 mainly small-scale properties as holiday homes, with another five properties at various stages of restoration and development. The properties currently available present a mix of heritage buildings, including gate lodges, a lighthouse and lightkeepers' houses, castles, tower houses, a schoolhouse and a mews. Virtually all of the properties are listed buildings.



Loop Head Lightkeepers House, Co. Clare

Properties are spread throughout 12 counties across the island of Ireland, including Antrim, Clare, Cork, Donegal, Down, Dublin, Fermanagh, Kildare, Kilkenny, Sligo, Waterford and Wicklow. There are 13 properties available for rental in the Republic of Ireland (with a total room capacity of 35 and bed capacity of 60) and seven properties available for rental in Northern Ireland (with a total room capacity of 15 and bed capacity of 27). In addition, the other five properties under development will extend the ILT presence in Antrim and Cork as well as introducing new counties in Kerry, Limerick and Wexford.

When it was first established, the ILT engaged in a process of actively identifying potential candidate projects for restoration throughout Ireland and approaching owners to see if they were interested in working with the ILT. At this stage, however, the ILT has established a reputation as an expert in this kind of restoration project, and owners approach it to see if it will consider taking further properties on board. In 2010, for example, the ILT's Property Committee considered 12 submissions by individuals and organisations requesting it to take on their heritage properties.

⁴¹ The Landmark Trust has properties in England, Scotland, Wales, the Channel Islands, France and Italy.

1.1 Management and Activities

The ILT manages the properties under its remit, but it does not own them. Instead, the ILT typically enters into a “peppercorn” lease⁴² with the owner of a property, usually for between 35 and 50 years, and it undertakes to manage the restoration and operation of the property for this period. Property owners include both private individuals/organisations and public bodies, such as the Office of Public Works (OPW).

The ILT therefore sees itself as a “problem solver”. By taking buildings on lease, it restores them and sustains them up to the end of the lease, at which time the property reverts to the owner (or, subject to negotiation, can continue to be managed and operated by the ILT). In doing so, the ILT helps owners, both public and private, to overcome the dual challenges of restoring and finding sustainable uses for important buildings.

The ILT’s suite of properties are available for letting on a year round basis. Also, the properties can be let on a weekend, mid-week and full week or fortnightly basis. For operational purposes, each property has a “House Manager”, who is responsible for meeting and greeting guests on arrival, cleaning of the property between lettings, dealing with maintenance issues etc. Each of these managers is employed directly by the ILT on a part-time basis, but they are based in the local area of the property.



Clomantagh Castle, Co. Kilkenny

Substantial capital development, conservation and restoration works have been carried out on each of the ILT properties in order to bring them to a standard that meets conservation and restoration needs as well as commercial letting requirements. Furthermore, the operation and letting of properties is supported by a dedicated marketing and promotional strategy, which includes (a) traditional tools such as the use of brochures or other collateral materials, co-operation with tourism bodies such as Fáilte Ireland, Tourism Ireland or local tourism organisations and use of media or public relations links and (b) newer tools, such as the use of the ILT website and, increasingly, the use of social media such as blogs, Facebook and Twitter.

In addition, marketing and promotional activities include an educational element. For example, each property contains literature that provides information on the history and heritage of the site, while the ILT also carries out broader educational activities such as the organisation of seminars, presentations, facilitating school tours of properties, giving talks to third-level students and participation in major heritage events (e.g. Heritage Week).

⁴² A peppercorn in legal parlance is a metaphor for a very small payment, a nominal consideration, used to satisfy the requirements for the creation of a legal contract.

1.2 Inputs

By their nature, the assets under the ILT's management have attracted considerable capital investment over the past two decades. Completed properties in the Republic of Ireland, for example, have attracted a total capital investment of close to €4.9m. The capital costs involved in restoring each property have varied, from as low as €150,000 (for the Anne's Grove Gate Lodge in Castletownroche, Co. Cork) to as high as €1.2m (for the Gate Lodges at Castletown House, Co. Kildare). In general, however, capital costs are typically between €200,000 and €600,000, depending on the size of the property concerned.

There has generally been significant public funding made available for the ILT's capital works, and public funding at a level of 75% or more has been common for many properties. In addition, grant funding for capital development has typically come from a variety of sources over the past 20 years. For properties restored in the Republic of Ireland, this includes: the European Regional Development Fund (ERDF); the Heritage Council; the Department of Arts, Heritage and the Gaeltacht; the Department of the Environment, Community and Local Government; the National Millennium Committee; local County Councils; and Údarás na Gaeltachta. In addition, other funds for capital development have been provided by public bodies such as the OPW and relevant local authorities as well as substantial contributions by private donors and owners.

In the current changed economic climate, however, partnerships have emerged as a means of continuing to keep new ILT properties coming on stream. This includes a partnership with the Alfred Beit Foundation, which will see the Beit Residence and the Garden Apartment at Russborough House added to the ILT's list of properties in late 2011 (for the Beit Residence) and 2012 (for the Garden Apartment), and partnership with the OPW, which delivered the major conservation and restoration works at the Gate Lodges at Castletown House.



Wicklow Lighthouse, Co. Wicklow

As a not-for-profit company with charitable status, the ILT also seeks to operate on a breakeven basis in terms of current income and expenditure on activities. In this regard, it had a total income of about €720,000 in 2010, which included an administration grant of €270,000 from the Heritage Council. In addition, the properties generated rental income of nearly €225,000, which is reinvested into running and maintenance costs.

1.3 Economic Benefits

The main tangible economic benefits accruing from ILT properties are derived from their lettings as self-catering holiday accommodation. Some of the key highlights of these economic benefits are as follows:

- ILT properties in the Republic of Ireland attracted 700 bookings in 2010, at an overall occupancy rate of nearly 50%. This is equivalent to 2,139 nights booked in the year out of a total of 4,312 nights available, across 13 properties. While occupancy levels in recent years have fallen from a high of

67% in 2007, business has started to grow again in 2011, with nearly 690 bookings achieved⁴³ by end September and occupancy back up to 53% in the first nine months of the year;

- ILT estimates also suggest that the average number of occupants per booking is 3.7⁴⁴. On this basis, therefore, the properties attracted about 7,914 person nights in 2010. The ILT estimates that about 50% of visitors come from the domestic market, with the other 50% coming from the overseas market;
- as noted above, these visitors spent €225,000 on the rental of ILT properties during 2010. Figures derived from Fáilte Ireland estimates for 2009 show that overseas tourists spend an average of about €42.40 per diem, excluding accommodation, while visiting Ireland. If this average is applied to both domestic and overseas nights spent in ILT properties, then visitors would generate an additional €335,000 in expenditure on food and drink, attractions and activities etc, giving a total visitor spend of about €560,000 in the year;
- the majority of this expenditure will also accrue to local areas, including several rural areas that are not traditionally regarded as strong tourism destinations.

In addition, it should be noted that the ILT incurred direct expenditure of €770,000 in 2010 on wages and salaries and the purchase of goods and services, which in turn generates taxable revenues for the Exchequer. Also, the ILT had four full-time and 15 part-time employees in the same year. With a part-time employee in this case equivalent to about one-third of a full-time position, the ILT therefore provides about nine full-time equivalent (FTE) jobs. Furthermore, added employment in the local areas would be a knock-on benefit of direct ILT spending, direct visitor spending and related indirect spending in these areas.

1.4 Other Socio-Economic Benefits

Other socio-economic benefits that the ILT and its properties deliver, particularly in the local areas where the properties are situated, include:

- the building of relationships with local communities, such as through local heritage groups, local farmers markets or local crafts providers in order to further the conservation of heritage in local areas and maximise local spend by visitors to ILT properties;
- contribution to construction employment and the purchase of materials in local areas, used for the restoration of properties, plus the tax revenue and associated economic implications of this activity;
- the training and re-training of skilled craftsmen during the conservation and renovation phases,



Salterbridge Gate Lodge, Co. Waterford

⁴³ This includes bookings for the October-December period.

⁴⁴ This estimate includes both the Republic of Ireland and Northern Ireland, although the actual figure for Republic of Ireland only is likely to be higher because average bed capacity is higher (i.e. 4.6 beds per property in the Republic of Ireland versus 3.8 beds per property in Northern Ireland).

while also providing the opportunity to revive traditional skills. As an educational trust, the ILT seeks to maintain the highest standards of practice among builders and craftsmen throughout the country;

- contribution to sustainable resource management, e.g. where restored buildings are used to house museum collections or for other activities;
- the cross-border nature of the activity, which can have positive spill-over implications for the heritage, education and tourism sectors at a national and international level;
- as noted earlier, provision of broader educational activities such as providing crafts courses in local areas where properties are located, the organisation of seminars and presentations, facilitating school tours and participation in major heritage events (e.g. Heritage Week);
- providing advice and the knowledge of experience to either private individuals or other organisations, which are seeking to find solutions that would promote the conservation and restoration of heritage buildings;
- providing a “demonstration effect” to stimulate other small developments in local areas, through its rehabilitation of landmark buildings.

3 Birr Castle Demesne

3.1 The Asset

This case study relates to Birr Castle Demesne⁴⁵, situated in Birr in South West Offaly.⁴⁶ The Castle and Demesne have been owned and inhabited by the Parsons Family, Earls of Rosse, since 1620. The present family head is the seventh Earl.

The visitor attraction is the lands of Birr Castle Demesne, rather than Birr Castle. The Castle remains the Parsons' family home and is not open to the public except on special occasions.



The Demesne consists of a large area of natural and landscaped parkland, with numerous natural and manmade features. In addition to the Demesne grounds as a whole, it includes three distinct visitor attractions:

- (1) Formal gardens containing many rare plants and which is the recipient of many awards;
- (2) The 'Great Telescope'⁴⁷ which was the largest telescope in the world for 70 years 1845 - 1912, and is now fully restored;
- (3) The Science Centre which traces the extraordinary scientific and engineering contributions of the Parsons family.

The Birr 'Asset' is therefore a distinct combination of both 'physical and intellectual' capital, i.e. it is not



just the physical parkland and buildings, but is the legacy of scientific and engineering achievement of different members of the Parsons family over many generations. This legacy spans a wide range of disciplines including photography, engineering, astronomy and botany. A historical listing of Ireland's leading innovators contains four Parsons family members.⁴⁸ Apart from the Great Telescope, the Demesne includes plants exclusive to it, Ireland's (and possibly the world's) oldest wrought iron suspension bridge dating from 1820, one of the world's earliest

surviving darkrooms, and a turbine house where electricity was generated as early as 1879 for both the demesne and the town. Not all are yet open to the public, but plans in this regard are at various stages of development.

⁴⁵ Demesne (pronounced 'Demain') is an old French word, which historically refers to a manor house and associated land, which feudal lord kept for his own use and support, and under his own management, i.e. it is distinguished from land which was sub-let to tenants.

⁴⁶ This means that it is located in the Shannon Tourism Region, rather than in the Midlands East.

⁴⁷ The telescope is also known by other names including The Leviathan and The Rosse Telescope.

⁴⁸ C. Mollan, W. Davis and B. Finucane, (eds), *Irish Innovators in Science and Technology*, Royal Irish Academy, 2002.

3.2 Management and Activities

Two entities are involved in ownership and management of the facility:

- (1) Birr Castle Trust, is a charity which owns the physical asset;
- (2) Birr Scientific and Heritage Foundation, which manages the public part of the site, on lease from the Trust.

The Foundation is therefore responsible for the day-to-day management, operation and marketing of the visitor attractions.

The Demesne is open on a year-round basis, with slightly shorter opening hours during the off-season. It is very actively promoted through its own website⁴⁹, through other tourist websites⁵⁰, through membership of marketing organisations, through cooperation with other tourism interests in the region and town, and through the holding of high profile events throughout the year. The latter ensure a regular degree of high profile publicity for the Demesne, e.g. The Irish Hot Air Balloon Championships, held each September.

There is an entry fee to the Demesne for most users. The exceptions are a number of concessions to the local community e.g. Schools in Birr have free access for student groups during opening hours.

There is a single visitor charge which provides entry to all attractions on the site. This charge is benchmarked against other comparable attractions, in particular other formal gardens. There is a daily charge for ordinary day visitors, and also an annual charge for 'Friends' of Birr Castle, i.e. regular users.



A major capital investment programme was undertaken during the 1980s and 1990s, with considerable public sector support especially from Shannon Development. This included restoration of the Great Telescope and development of the Science Centre. Birr Castle does not benefit from the tax relief available to houses which are open to the public, as the Castle is itself private. Some revenue is also generated from a coffee and gift shop.

3.3 Economic Benefits

Historically the Demesne and Birr town were inextricably linked as Birr was developed as an estate town. Much remnants of this origin remain today in Georgian architecture and many attractive streets.

Currently the principle economic benefit for the area is the number of visitors attracted by the Demesne. There are three categories of users:

⁴⁹ www.birrcastle.com

⁵⁰ E.g. www.destinationbirr.ie

- Normal day trippers who buy a day ticket (about 34,000 visits annually);
- Friends, typically residents in the area, who use the facility on a year-round basis for an annual fee (about 12,000 visits annually);
- People who attend one off events held in the Demesne (about 32,000 annually).

This gives total annual visitors in all categories of about 78,000 in 2011.

Day visitors are broadly divided equally between Irish and overseas tourists. The latter are in turn divided roughly evenly between the UK and Continental Europe. The Demesne does not attract very many US visitors, notwithstanding its links to the Shannon Region, which is a major draw for US visitors.

Regarding impact of visitors to the town, this currently involves local expenditure by day visitors. However, there is still considerable potential to develop Birr as an overnight visitor attraction, along the lines of Westport (see Westport town case study). Some local accommodation providers suggest that at present perhaps 1 in 10 bednights would be attributable to the Castle.

Direct employment in Birr Foundation is about 20 people in the high season, falling to 6 in the low season.

There are some links between Birr Castle Demesne and other visitor attractions in the area, e.g. two of the hire cruise operators on the River Shannon provide link transport from nearby Banagher to Birr during the summer period.

3.4 Other Socio-Economic Benefits

The Demesne is important as a local amenity, reflected in the fact that it has about 1,000 Friends who pay for year-round access.

The other wider socio-economic benefit is in the area of education, science and innovation awareness. This includes visits by local and other schools, by science and engineering students from Irish third level institutions, and also specialist visitors with an interest in the scientific and engineering legacy represented by and on display in Birr. Birr Castle Demesne is one of the listed school attractions under the national "Discover Science and Engineering Programme".⁵¹

The Garden is also important in terms of horticultural education for students and practitioners, and the positive spill-overs that exist in terms of biodiversity, conservation and other positive effects on the environment and well-being, which includes both use and non-use benefits.

⁵¹ See www.primaryscience.ie

4 Brú na Bóinne

4.1 The Asset

Brú na Bóinne translates as the “palace” or “mansion” of the Boyne, and refers to an area directly north of a portion of the River Boyne in Co. Meath where the Neolithic monuments of Newgrange, Knowth and Dowth are located. Dominated by these three large passage tombs built more than 5,000 years ago, some 90 additional monuments have been recorded in the area providing evidence of human settlement that goes back more than 6,000 years.

Newgrange is the best known passage tomb in Ireland, and dates from 3,200 B.C. It consists of a large mound approximately 80m in diameter, surrounded by a kerb of 97 stones. The mound covers a single tomb consisting of a 19m passage and cross-shaped chamber. Many of the kerbstones and internal stones are intricately sculpted and carved, representing some of Europe’s finest examples of Neolithic artistry. A particularly celebrated feature of the main passage is its small opening or ‘roof box’ situated above the passage



entrance. At dawn on the winter solstice, the shortest day of the year and for a number of days before and after, a shaft of sunlight enters the chamber through an opening in the roof box. This is thought to have represented a celebration of the new year and of new life, and is still celebrated annually at the site (with demand for access such that tickets are only offered through a lottery system).

Knowth consists of one large mound surrounded by eighteen smaller mounds, with the largest containing two passage tombs. While also a large passage tomb, Dowth is the least well known of the three main monumental tombs at Brú na Bóinne, and the least well preserved. It is approximately 85m in diameter

The overall site at Brú na Bóinne is Europe's largest and most significant concentration of prehistoric megalithic art, and encompasses an intensely rich archaeology comprising at least 40 passage tombs



that together evidence sophisticated knowledge of architecture, engineering and astronomy. The site and its archaeological treasures evince a detailed and complex study of historic ritual and ceremony related to death, ancestry and spirituality. The site and its historical significance have occupied a central place in Irish and Celtic myth and folklore, and its tombs and monuments have featured regularly in early-Irish literature and tradition. An interpretative Visitor’s Centre was opened in 1997 and is situated on the south side of the River Boyne overlooking the core of the site.

Newgrange, Knowth and Dowth mounds and tombs are each designated national monuments, and the entire complex of monuments at Brú na Bóinne became a UNESCO World Heritage Site in 1993, one of only two such Irish sites (along with Skellig Michael).

4.2 Management and Activities

Brú na Bóinne is owned by the State and operated by the OPW. Newgrange and the Visitor Centre are open year-round (although closed for a number of days over the Christmas holiday), while Knowth is open from Easter to end-October. Access to Newgrange and Knowth is via the Visitor Centre's organised tours only. Dowth can be visited directly by individuals. The Visitor Centre is designed as a series of circles in sympathy with the monuments and tombs, and offers an exhibition area with



audio-visual displays, a cafe/restaurant, toilet facilities and a picnic area. Visitors taking tours of the monuments cross the river at a footbridge over the Boyne (that was constructed as part of the Visitor Centre building project), and take designated buses to the sites themselves. The OPW does not promote the site directly (although information for visitors is provided on its Heritage Ireland website). However it is promoted as part of a series of attractions in the "Boyne Valley" by Failte Ireland and other organisations.

4.3 Inputs

The original capital costs of the Visitor Centre were not available from the OPW for the purposes of this case study. The only significant items of capital expenditure since its construction relate to the tour



buses, of which there are seven that require replacement approximately every five years. The overall site costs approximately €900,000 per annum to operate, with the main items of recurrent costs relating to personnel (including 33 guides, of which 11 are full-time and permanent and the remainder seasonal, 12 other full time staff such as bus drivers and Visitor Centre and maintenance personnel, and 6-8 staff involved in running the cafe or cleaning etc), and other costs such as light, heat, supplies etc. There are no inputs of a voluntary nature that

are provided due to insurance/legal issues that would arise.

Admission fees are charged, ranging from €2 for a child/student for access to the exhibition only, up to €28 for a family for access to the exhibition, and for tours of both Newgrange and Knowth. Revenues from admission fees are estimated to amount to €1 to €1.5m per annum, all of which are returned to the exchequer.

4.4 Economic Benefits

Annual visitor numbers are collected for the Visitors Centre, Newgrange and Knowth separately, and 2010 data for these were 209,000, 114,000 and 49,000 respectively, all having shown moderate declines in recent years.



The numbers for the Visitor Centre place it 17th in Fáilte Ireland's ranking of major national attractions by visitor numbers in 2010.

The attraction of tourists and their associated expenditure, along with the employment and associated wages directly supported at the site, are considered the key economic benefits directly attributable to Brú na Bóinne. Given its general proximity to Dublin and relative ease of access from there for day trips, there is some although little overnight tourist accommodation or other associated commercial tourism activity directly proximate to the site, although it is an important attraction in the north Leinster area that probably assists the draw of tourists to other regional locations and attractions such as Drogheda, Navan, the Battle of the Boyne centre, the Hill of Tara and Trim Castle.

4.5 Other Socio-Economic Benefits

Apart from the direct economic benefits which recur from its ongoing operation and use as a visitor attraction, there can be little doubt that Brú na Bóinne is one of the foremost heritage assets in the country and one that uniquely enriches Ireland's culture and sense of history and place. The site also welcomes school groups and tours, and management seeks to ensure its educational benefits are fully accessible and gained for students and other interested parties, including for third and fourth-level students, academics and other researchers. The site hosts occasional conference delegations for specialist groups, and is also made available from time to time to local artists and craftspeople for exhibitions and displays, and other social benefits include the Visitors Centre's hosting of Christmas parties for local retirement groups and the running of school art competitions.

5 Kilmainham Gaol

5.1 The Asset

Kilmainham Gaol is a former prison located at Kilmainham on the western fringes of Dublin's city centre. Built in 1776 and originally called the County of Dublin Gaol, it has played very significant roles in Ireland's and Dublin's modern history, and is where many leaders of nationalist rebellions were detained and in some cases executed during and after British rule. Its history is thus intrinsically linked with the history of Irish nationalism, having been the site of incarceration and/or execution of many of the country's most notable nationalist leaders including Robert Emmet, Charles Stewart Parnell, Michael Davitt, James Connolly, Sean McDermott, Padraig Pearse and Eamon DeValera.

The site comprises the East Wing building which opened in 1864, during a period of Victorian prison reform and is almost identical in design to Pentonville Prison in London, a 3-story high space surrounded by catwalks onto which the cells open. The older West Wing is a dark and claustrophobic corridor of cells where prisoners awaiting execution were held. This corridor leads directly to the yard, which was the scene of many executions.



Its use as a prison was discontinued in 1924, although significant efforts towards its preservation and conservation as a place of historic significance began much later, the jail having fallen into severe disrepair in the intervening decades. The Gaol is classified as a National Monument.

5.2 Management and Activities

Today the Gaol is operated as an historical amenity and is open to the public year-round offering guided tours, an exhibition including audio visual show and other amenities. It is managed by the National Monuments Office of the Office of Public Works (OPW). Approximately 20 persons are employed by the OPW directly, the majority of whom operate as tour guides, and about half of which are permanent and the remainder employed seasonally. There is a cafe run by a private catering company employing approximately three people, and a contract in place with a cleaning service provider that would account for approximately three or four full-time cleaning staff.

The OPW manages, maintains and preserves the property, while it is also responsible for providing full interpretative and guide services. It charges an admission fee for visitors (ranging from €14 for a family to €2 for a student), which entitles the visitor to a tour lasting approximately 1 hour, as well as entry to the exhibition area. No services or labour of a voluntary nature are involved in the running or maintenance of the site for legal and liability reasons. The site is not actively promoted or advertised by the OPW, the primary reason being that visitor numbers are already close to or at operational capacity, and there is a desire not to have to turn away any visitors on capacity grounds.

The OPW is currently investigating the feasibility of extending the site to incorporate what was Kilmainham Courthouse, which is directly adjacent to it. Also an historic building of national heritage significance, such an extension would significantly increase the overall asset's capacity for visitors and widen the range of functions and services it could offer.

5.3 Inputs

The site has not had substantial capital investment since the mid-1990s (the costs of which are not available from the OPW), when the exhibition space in the west wing was formally opened. Much of the substantial capital investment in its upgrade and restoration as a historic property occurred in the 1970s and 1980s, while over the last 10 years or so such investment has been small by comparison, and has included minor works in the archive, audio-visual facilities, as well as for wheelchair ramps and other service and facility improvements.



Annual revenues generated through admission fees are in the order of €1-€1.5m, all of which are returned to the central exchequer as appropriations in aid under the OPW financial vote. Staff costs are the main item of running costs, and these along with other recurring costs (heat and fuel, electricity, etc) are paid directly by the OPW.

5.4 Economic Benefits

Visitor numbers in 2010, according to figures published by Failte Ireland, were approximately 278,000 and of the same general magnitude of preceding years. This placed the Gaol within the top 12 visitor attractions in the country and the ninth most popular attraction in Dublin in the year. It is one of the most



significant tourist attractions to the west of the city centre, and, along with the other major attractions in its proximity (e.g. the Guinness Storehouse, the Irish Museum of Modern Art at Kilmainham Hospital and the National War Memorial at Islandbridge), is seen as a key attractor of tourists and visitors away from the sites and commercial core of the city centre. However beyond associated business for one or two local businesses located very directly adjacent to the site (e.g. a bar/restaurant), there is little evidence to suggest significant spill-over economic benefits in the direct location as opposed to the wider city and region.

Other direct economic benefits include the revenue generated through admission fees (which as stated are a direct source of Government revenue), as well as the employment of OPW staff and the limited number of private sector employees that work at the Gaol. These transactions also of course provide a source of central tax revenue.

5.5 Other Socio-Economic Benefits

A range of other socio-economic benefits are attributable to the Gaol. Its history and national significance features on the second level education curriculum, and it welcomes significant numbers of school tours throughout the year (approximately 25,000 visitors per annum are on such tours), for whom there is no admission charge. It is a focal point and repository of much historical information and educates national and international visitors and users in substantial numbers.

It also provides access to a range of wider groups, both local and national, for events and exhibitions that relate to heritage and the arts, and offers free admission to all persons during the annual Kilmainham Heritage Festival.

6 Traditional Farm Buildings Grant Scheme

6.1 The Asset

The Heritage Council operates a grant scheme which supports the repair and conservation of traditional farm buildings that are considered to have important heritage significance. The Traditional Farm Buildings Grant Scheme (TFBGS) provides financial support to farmers towards the conservation and repair of eligible buildings in accordance with a number of conditions and eligibility requirements.

For the purposes of the Scheme an eligible building generally relates to a building or part of such a building constructed before 1960 for use associated with agriculture, and built using traditional methods and materials such as timber, brick, stone, tile, slate or thatch.



The general conditions for eligibility are that the buildings must be associated with agriculture (such as for housing of machinery or animals, or storing or processing crops and food), and which remain in use for an agricultural purpose. The current or planned agricultural use of the building may differ from that for which it was originally constructed. Eligible buildings must also have surviving materials that contribute to its historic character. Ineligible buildings generally include farmhouses or other residential buildings (or those originally used as residences), buildings already converted to non-agricultural use, buildings constructed post-1960 such as slatted sheds, parlours etc, and corrugated iron haybarns.

Eligible structures and buildings may or may not have recognised heritage status (e.g. be protected structures under the National Monuments Acts), or be located within Architectural Conservation Areas.

The Scheme is open to farmers approved under the REPS (Rural Environment Protection Scheme) of the Department of Agriculture, Fisheries and Food.

6.2 Management and Activities

The REPS 4 Traditional Farm Buildings Grant Scheme is managed by the Heritage Council on behalf of the Department of Agriculture, Fisheries and Food. Following an annual launch, eligible farmers are invited to submit applications direct to the Heritage Council. Works proposed must generally consist of conservation works to the exterior of farm outbuildings and associated structures (e.g. historic yard surfaces, and landscape features around the farmyard including, walls, gates and pillars). The proposed works must have architectural or vernacular heritage character, make a contribution to their setting and not be overwhelmed by large-scale modern buildings.

The involvement of the farmers themselves in the work involved is encouraged. Grant awards are from between a minimum of €5,000 and a maximum of €20,000 per project. Where the buildings have a recognised official heritage status consultation with the local authority is a requirement prior to application.

Applications must be accompanied by a description of the building, a set of photographs, a description and cost breakdown of the proposed works and if possible drawings or plans of the building. Successful applicants must allow for the inspection of the buildings by an appropriately qualified conservation professional prior to the commencement of works and as they progress. Such a person should advise the applicant regarding the specification, appropriate methods etc, and sign off when complete. The costs of this service are allowable within the overall eligible cost.

6.3 Inputs

Total grant offers during the 2010/2011 round of funding were approximately €850,000. Assuming most recipients were approved the maximum 75% grant rate, this suggests total expenditure of some €1.13m. A total of 52 grants were awarded, averaging €16,800 each in value. These were reasonably well spread throughout the country, with awards in all counties except four (Dublin, Kerry, Westmeath and Carlow). A similar pattern of awards, in terms of their overall and average values and geographical spread occurred in 2009/10. In general the Scheme tends to be very substantially oversubscribed, with the number of applicants far outweighing the resources available each year (e.g. there were more than 600 applicants in 2010/11).



The types of works that are financially supported are generally limited to those that seek to maintain the character and integrity of the buildings through the use of compatible repair and construction methods and techniques. As such a guiding principle is that works should not seek to “modernise” the buildings, rather they should facilitate their weatherproofing and minimal upgrading necessary for their intended purpose while not altering the general appearance of the building and its historical

character.

6.4 Economic Benefits

The direct economic benefits of the Scheme relate to the creation and upgrading of farm assets utilised for agricultural income generation, and to the generation of revenue for those supplying materials or skilled construction labour in rural areas for the remedial work supported. The availability of such traditional materials and construction skills are often in decline due to their growing irrelevance in contemporary building methods, however such skills are themselves considered a heritage asset with intrinsic value worthy of conservation. In its overall objectives and achievements the Scheme supports the sustainable management of important existing resources.

6.5 Other Socio-Economic Benefits

A number of other socio-economic benefits are created or captured through the works supported by the TFBGS. Significant heritage benefits accrue through the Scheme's focus on capturing and highlighting how preceding generations farmed, lived, thought and built. Upgraded buildings often add substantially to the distinctiveness of the countryside and to the sense of place enjoyed by residents and visitors.

Through alleviating the pressure to develop new Greenfield buildings on farms they provide environmental benefits and avoid unnecessary environmental degradation and costs, while many traditional farm buildings provide critical habitats for wildlife, including bats and owls that can be maintained following their conservation.



7 Westport

7.1 The Asset

Westport's urban core is a planned town, developed originally by the owners of Westport House in the 18th century as an estate town, this urban centre has been well preserved, and in recent decades has benefited from very proactive planning, led by the County and Town Councils, to ensure that streetscapes are protected, and that shop fronts, signage, etc. retain their attractive characteristics, including the refurbishment of many old buildings and minimisation of new build.⁵²



Today, Westport is the third largest town in County Mayo, with a population of about 5,500 (2011 Census of Population). It is the centre of local government for the western part of the county. Westport is a case where the core heritage asset is the town itself. Its urban core is critical to its tourism success while Westport House is one of Ireland's major stately homes open to the public. The town also has many other natural advantages as a tourism and leisure centre, including being located in an area of exceptional scenic beauty, having a coastal location on Clew Bay and an old port (Westport Quay), its proximity to Croagh Patrick (one of Ireland's major spiritual tourism attractions) and its proximity to Gaeltacht areas. In recent decades it has also benefited from the development of major new national heritage attractions in other parts of Mayo, including the National Famine Memorial at Murrisk, and the Museum of Rural Life in Castlebar. Westport has also seen improvements in transport access and in its accommodation base. It has long had direct rail services to Dublin, development and expansion of Knock airport gives it direct air access to the UK, and development of the national motorway network, while not reaching Westport itself, reduces travel time to/from Dublin.⁵³ The town also benefited from tax incentives for hotel investment, which allowed the construction of considerable amount of new hotel accommodation.

Westport House is the premier visitor heritage attraction in the town. It is in private ownership, the present owners being the descendants of the original family. In recent years, and alongside traditional stately home attractions, it has developed a range of ancillary attractions, including a caravan and camping park, a "pirate adventure". The house is also used as a wedding venue and as a filming location. The house has attracted over 4 million visitors since it was first opened in the 1960s.



Another heritage attraction is Clew Bay Heritage Centre, which features a local museum, attracting about 8,000 visitors annually.

⁵² Simon Wall, Town Architect, "*The Westport Experience*", various PPT presentations, 2010/11

⁵³ Westport "visibility" has also benefited from being the named destination on the M3 motorway signage.

7.2 Management and Activities

Westport public space is operated and managed by the Town Council. The Council also developed a major public leisure facility, including a swimming pool, for the public and visitors (prior to construction of swimming pools in the hotels). By general consensus the Council is seen as having been notably active and progressive over recent decades, and has been one of the fundamental elements in emergence of the town as a tourism location, and its protection during the Celtic Tiger period.

Westport House is in private ownership and operates commercially and without any ongoing public support.

Westport is a year-round tourism and visitor destination, although the Westport House opening time is reduced during the off-season period. Other facilities such as hotels generally operate on a year-round basis, and the nature of the area is that there is a high level of off-season tourism.

The House and town originate in the 17th and 18th centuries, as initiatives of the then local land-owning family. However, development of Westport as a tourism and leisure centre is relatively recent, unlike other long-established locations such as Killarney. It is generally traced to the early 1960s when a series of initiatives, including the opening of Westport House to the public, and conscious preservation the town centre, were initiated. More recent initiatives includes the re-roofing of Westport House (with support from the Heritage Council), development of the Heritage Centre, and expansion of the town's accommodation base. Also important has been the development of some underlying general infrastructure, including the water supply, which was both essential to expansion of business, but involving conscious investment in ensuring development is compatible with the general physical environment. Successive town plans for the town have been actively promoting preservation and protection of the urban fabric from the beginning of statutory town planning in Ireland. The first development plan for Westport was prepared in 1968 followed by plans in 1973, 1981, 1990, 1992, 1998, 2003, 2005 (Local Area Plans for specific areas) and the current plan Westport Town & Environs Development Plan 2010-2016.⁵⁴ A number of studies have also been carried out on the town over the decades such as urban design studies, design policy for shops and advertisements, integrated action plan, action area plans and traffic studies – all of which would relate to the urban fabric of the town.

More recent developments have included investment in a “Greenway” walking/cycling on a disused railway line linking Westport Quay to the town centre, and now links the town westwards through the neighbouring attractive towns of Newport and Mulranny to Achill. This reflects development, both in Westport and in the region, of activity tourism alongside its more traditional family and general heritage market.

Marketing and promotion of Westport, both heritage and generally, are very evident. This typically involves Westport as a package, rather than a purely heritage asset. It includes promotion by individual attractions (including Westport House), as well as marketing through Fáilte Ireland (which operates the Tourist Office), marketing support activities by Westport Tourism (an organisation representing local

⁵⁴ Westport Town Council/Mayo County Council, *Proposed Variation to the Westport Town and environs Development Plan 2010-2016*, May 2011.

tourist industry) and “Destination Westport”⁵⁵, a joint marketing organisation operated by the main hoteliers in the town, including a website.

7.3 Inputs

In general, heritage and tourism overall in Westport benefit from ongoing improvement, rather than big bang approach. Enjoyment of Westport town is “free” at the point of use, in that it generally involves people strolling around enjoying the physical and scenic amenity. All businesses within the area, of course, charge for their services in the normal manner. Westport House is operated on a commercial basis and charges fees for entry to the House and attractions, but the grounds are free for both visitors and users. The Heritage Centre also has a small entry charge.

Public capital investment in Westport has therefore generally involved expenditure by the County/Town Council on public infrastructure rather than on major heritage or other tourism attractions. In recent years the main example of this has been the town waste water system (which has benefited from investment in excess of €30 million). The town also benefited from accommodation tax breaks during the 1990s. It is also notable that a great deal of local community and voluntary effort has also contributed to the town’s success.

The new Great Western Greenway has recently received public investment of €5-6 million including Departments of Transport and CRAGA, Fáilte Ireland and Mayo County Council. A major recognised deficit is that of a ring-road, which would allow greater pedestrianisation of major streets in the urban core.

7.4 Economic Benefits

In Westport the town itself is the heritage product, and it has become a premier tourism destination in Ireland for both overseas and domestic visitors, and the major tourism destination in County Mayo. Successive surveys of visitors to Westport confirm that “scenery and sightseeing” is the principal reason why visitors come to Westport.⁵⁶ Westport, particularly its environs, are also relatively affluent in a Mayo context, and have seen significant population growth during the Celtic Tiger period. This, of course, is also boosted by other factors and reflects a general pattern of urban growth during that period.⁵⁷ Westport House employs about 80 people during the peak season.

Much of the economic activity of the town can therefore be attributed to its heritage. The town would not exist but for the existence of Westport House. Equally, its inherent attractiveness derives from being a planned estate town, which has been preserved reasonably intact over the intervening centuries, and consciously developed and promoted in recent decades.

Key success factors in the Westport heritage story would therefore be:

⁵⁵ www.destinationwestport.com

⁵⁶ Dr. Micheál MacGréil et al, *Westport: Report of Research into Tourism in Westport*, 2002 and 2012 (forthcoming)

⁵⁷ Trutz Haase, *Key Profile for County Mayo*, 2011.

- (a) its natural location;
- (b) proximity of scenic and other attractions, including Croagh Patrick and Clew Bay;
- (c) conscious development of the town and the House as a visitor attraction;
- (d) spin-off investment in other necessary infrastructure, both public and private, including accommodation and streetscape.

Running through these factors is arguably a significant “soft” element of cooperation between the distinct local players, rather than any one central player, i.e. there is close cooperation between public, private and voluntary bodies such as the County and Town Councils, Fáilte Ireland, Regional Fisheries Board, FÁS, Westport House, Chamber of Commerce, Tidy Towns Committees, residents associates, schools, tourism organisations and accommodation providers around the common shared mission of protecting and promoting the town as an attractive tourism and visitor destination, coupled with a shared awareness that its heritage and visual appearance are key aspects of this. This kind of cooperation is evident in winning the National Tidy Towns competition three times over the last decade (2001, 2006, 2008), and a range of other similar awards.

7.5 Other Socio-Economic Benefits

Generally the town’s heritage base and its tourism and visitor economies are closely inter-twined and feed off each other, and therefore cause and effect are difficult to disentangle. For example, Westport’s tourism business would most likely not have developed without the existence of the House and the planned town, but on the other hand both would be more difficult to preserve were it not for the economic benefits of the tourism visitor business and accommodation base. “Joint achievements”, therefore, include: the conservation and preservation of heritage; a high level of community and voluntary activity in the town; a high level and quality of its accommodation base; its diversification into new activity-based tourism markets in recent years; the retention of a relatively high standard of living in the town, and avoidance of the development of severe deprivation blackspots; an ongoing demonstration effect from Westport to other Irish towns which have aimed to emulate its success and development processes; attractiveness of the town for other types of investment also, e.g. GMIT, Allergen (the latter employs c 1,000 people in Westport).

Westport’s development in recent decades can therefore be seen as an example of a distinctive heritage town creating an ambience which is attractive to residents, investment and tourists and knock-on leisure activities, and which have a significant positive spill-over effect on the wider area.

8 Fota House

8.1 The Asset

Under the control of the Irish Heritage Trust since 2007, Fota House has been undergoing major restoration over the past three years. It is the first property taken over by the Trust, itself established in 2006 following publication of the 2003 Dooley report⁵⁸, in order to take into ownership and management various important but vulnerable heritage properties. The Trust was originally envisaged as receiving major funding of €35 million under the 2007-13 National Development Plan (Built Heritage Sub-programme) but this has been much reduced in the context of the economic and fiscal crisis.⁵⁹



Fota House is located on the sheltered island of the same name within Cork harbour. It shares the island with a number of other separate visitor and leisure attractions, including Fota Wildlife Park, a hotel and golf resort, and a private golf course. Fota Gardens and arboretum are managed by OPW.

The House was originally built as a hunting lodge in the 18th century by the Smith-Barry family, but was re-modelled in the early 19th century to become the family's principal residence. It is regarded as one of the most significant buildings by the great Irish architects, Richard Morrison and his son William Morrison. The island, including the House, remained in the Smith-Barry family ownership until 1975, when it was bought by University College Cork. They were handed over to a dedicated Fota Trust in 1993 which undertook considerable restoration at that time. The OPW took over responsibility for the House, Arboretum and Gardens in 1996, and in December 2007 Fota House was taken into the care of The Irish Heritage Trust.

8.2 Management and Activities



Fota House is the property of Fota Trust, for which the Heritage Trust took over responsibility in 2007.⁶⁰

Since takeover by the Trust, a major restoration project has been undertaken and is now (2011) nearing completion. This work has opened the first floor to visitors for the first time, refurnished previously empty rooms and made a

⁵⁸ Terence Dooley, *A Future for Irish Historic Houses? – A Study of 50 Houses*, 2003

⁵⁹ Department of Environment, Heritage and Local Government, *Review of Irish Heritage Trust*, Issues Paper, 2011

<http://www.pobail.ie/en/Publications/HeritagePublications/BuiltHeritagePolicyPublications/review%20of%20Irish%20Heritage%20Trust%202011.pdf>

⁶⁰ It is intended that the titles will eventually be transferred to the Heritage Trust and the separate Fota Trust wound down.

nationally significant art and furniture collection publically available. For the first time in many years visitors can now visit the upper floor of the House. The House, Gardens and Arboretum have remained open during the refurbishment period. The refurbishment has been a predominant focus during the period in monetary and physical terms. However, a great deal of progress has also been made in developing participation-based activities. The majority of house events, activities and public tours operate March – September when the house is open 7 days/week. October – March opening is restricted to organised events and activities.

Obtaining the Fota collection of artefacts and paintings, and placement of these in the House, has also been a major development during the recent period.

Product development and promotional events also continued to be a focus even during the refurbishment period⁶¹. This includes a variety of seasonal events for children, as well as development of an innovative web-based Fota Learning Zone.⁶² These contribute to growing new and sustainable audiences, and creating and maintaining links with the regional visitor economic and community.

8.3 Inputs

There is an entry charge for entry to Fota House (Adult €6, Child €3, Senior/Students €4, Family €15).

Capital investment during the years 2007-12 will have totalled about €4.3 million in public funding. This includes grants from the Department of the Environment, Community and Local Government and from Fáilte Ireland, together with smaller grants from the Heritage Council. In addition, acquisition of the Wood Collection involved tax relief of €5.2 million and private contribution equivalent to approximately €1mn+. Current income in 2010 was €400,000⁶³, up from €390,000 in 2009 and €300,000 in 2008. Commercial sponsorship commenced in 2010 and is expected to grow.



8.4 Economic Benefits

Fota House has been part of the public amenity and tourism asset of Fota Island since the 1980s. The principal economic benefit of recent activity to date, in accordance with the Heritage Trust mandate, has been to help preserve and retain a property that might otherwise have slipped into decline or closure.

A significant economic benefit, in addition to securing the future of a declining heritage asset, has been the substantial investment of funds within the regional economy. This is through the capital investment and also through the normal annual operations of the property involving employment and the purchase of goods and services. International research also indicates that the multiplier effect from a heritage property on the local economy is also substantial.

⁶¹ Irish Heritage Trust, *An Illustration of the Trust's work at Fota House, Arboretum and Gardens*, 2008-11, July 2011

⁶² www.fotalearningzone.ie

⁶³ The Fota Trust Co. Ltd

The principal direct economic benefit to date has been the acquisition of a variety of capital and operational funding, in a uniquely difficult climate, from the public and private sectors.⁶⁴ In particular, this has involved attraction of Fáilte Ireland tourism funding, as distinct from dedicated heritage funding. The nature of the House ownership makes this possible as another public body would be unlikely to be able to attract additional separate public funding for its activities.

Pre 2008 visitor numbers were approximately 5,000 per year. This has been increased to approximately 13,000 for 2009 and 2010, and is expected to rise in 2012 once the current phase of work is complete. Currently the House has five employees year round, one full and five part-time. There is also a volunteer core of about 100, with 20 working regularly.

While located in a visitor and leisure cluster, linkages with other products in the vicinity were originally limited. There is now, initiated by The Heritage Trust, an all island forum and many joint initiatives with the Hotel, the Wildlife Park, East Cork Tourism, Fáilte Ireland and OPW – this includes marketing, promotions and incentives.

However, clearly potential for joint promotion of activities will exist in the future when the House refurbishment is complete in 2012. The current status of the nearby Wildlife Park as one of Ireland's main national attractions (nearly 350,000 visitors annually) shows the potential in this regard.

In terms of local benefits, the main recent impact has been expenditure in the local building, construction and conservation sector. All contracts have been awarded, on a competitive basis, to local contractors. Combined with other operational expenditure, about €800,000 annually is injected into the local economy.

8.5 Other Socio-Economic Benefits

Socio-economic benefits of the activity of The Heritage Trust at Fota House can be summarised as:

- skill development, including direct usage of conservation experts, and conscious efforts that they demonstrate their skills to others;
- the development of an educational tool that has been positively received in both people experiencing it and in the education sector;
- the development and operation of the House has attracted local volunteer input, which would be unlikely to be so in the case of either a fully public or fully privately-owned attraction. When The Heritage Trust took over there was no volunteer programme. This was launched in 2009. There are about 100 people registered as volunteers, of which about 20 are “hardcore”, i.e. regular rota staff. A further group is likely to come on stream when restoration of the glasshouse commences;
- demonstration of a non-profit charity model of ownership, preservation, maintenance and operation of heritage properties which may have application in other cases, both public and private. Active discussions are ongoing regarding about 5 other properties.

⁶⁴ From a national economic perspective, this is of course a cost rather than a benefit.

9 Glenveagh Castle

9.1 The Asset

Glenveagh Castle is located in Glenveagh National Park in Northwest County Donegal, one of six national parks in Ireland. The park covers some 170 sq. km of upland bogland, lakes and woodlands within the Derryveagh mountain range, and is the second largest national park in the country. The park's modern history dates to the late 1860s when the existing landlord evicted several hundred tenants and cleared the land for his own private use, although it only came into State ownership in 1975 when it was purchased by the Office of Public Works from the then owner Mr. Henry McIlhenny, an American businessman who had acquired the property in 1937, and whose Grandfather grew up in nearby Milford.



The building is a castellated mansion, built between 1867 and 1873, designed by John Townsend Trench, a cousin of its builder and first owner. It comprises a four storey rectangular keep surrounded by a garden that follows a Neo-gothic architectural style with ramparts, turrets and a round tower. As well as the castle itself, the park features a visitors' centre including interpretative and exhibition space, a restaurant and customer facilities, an elaborate garden that incorporates a vast range of indigenous and non-indigenous flora, and guided and non-guided access to vast distances of mountainous walks and trails. The open areas of the park are particularly noted for their wildlife, which includes the largest herd of red deer in Ireland, bird species that include meadow pipit, stonechats, grouse, ravens, siskins, tree-creepers, redstarts, wood warblers, peregrines and merlins, and other wild native species such as badgers, foxes, the Irish Hare and stoats. In addition, the Golden Eagle was reintroduced to the park in 2000.



9.2 Management and Activities

The National Park and castle are owned by the State, and are under the management of the National Parks and Wildlife Service (NPWS). Under the responsibility of the NPWS regional manager, the Park employs a Park Manager and staff engaged in areas such as visitor services, estate management, gardening, general operations and administration. A tea room at the castle and a restaurant at the Visitor Centre are run by an external organisation under a franchise arrangement. The facilities are open all year round (with some days closed over the Christmas and New Year holiday), although the restaurant is open only during the peak summer months. The most significant major capital development at the park in its recent history was the construction of the interpretative visitor centre in the early 1980s, although the facilities are continually maintained and enhanced where possible by NPWS (e.g. through the setting of new trails, infrastructure enhancements etc). The NPWS engages in some direct marketing and

promotion of the facilities, although its scope to do so is limited. It is however promoted more thoroughly by Fáilte Ireland as a flagship visitor attraction in Donegal and the north-west more generally.

9.3 Inputs

There is no general admission fee for access to the Park or Visitor Centre, however charges are levied for various services provided beyond these. Bus journeys to the castle itself cost €3 for adults, while guided tours of the castle cost €5 (also for adults), as do garden tours and ranger-guided hill walks. Discounted fees are available for students, senior citizens and family groups. Between ticket sales and revenues from the catering franchise, the park generates revenues of approximately €350,000 per annum.



Capital expenditure at the park has been in the range of €400,000-€500,000 per annum over the last ten years or so, although it has fallen substantially in very recent years due to funding cutbacks. The recurring costs of operating the park amount to approximately €2m per annum, approximately three quarters of which are payroll costs.

Given its extremely remote setting, the park hasn't helped to generate significant ancillary investment in its locality over recent times (although the case for what investment has occurred has probably been aided through the park's existence). The single exception to this however is the remedial and upgrading work that has been carried out on the R251 road, from which vehicular access to the park is gained. While this is an important road linking Letterkenny to north-western parts of the County, the access needs of the Park itself are likely to have played an important role in ensuring the road's improvements were funded as it is likely to account for substantial numbers of road users and the cause of most tourist use of the road.

9.4 Economic Benefits

The economic benefits of the castle are undoubtedly significant although hard to measure and often indirect. Directly the park generates revenues of approximately €350,000 per annum which return directly to the exchequer. A total of approximately 29 permanent jobs are supported in the management of the park, castle and facilities, which rises to around 40 in the peak summer season. In addition, approximately 20 jobs are supported in the tea rooms and restaurant (although some of these are seasonal jobs).



The total number of visitors that avail of some paid services to the park as a whole is estimated at around 110,000 per annum, while the numbers paying for guided tours of the castle itself is approximately 50,000. Total visitor numbers, including non-paying, are not recorded. Visitors are considered a combination of native Donegal people, tourists from Northern Ireland and the Republic (the former are particularly prevalent in the county during the Summer), and out-of-state visitors particularly those on coach tours. While not the only significant visitor attraction in the County, the park and castle is perhaps

the best known, and a significant attraction for visitors that may use accommodation and other services in Letterkenny and wider parts of the county and indeed region. The factors most likely to underpin the asset's economic impact and contribution are the scale and natural beauty of the landscape and scenery, the historical significance and conservation of the buildings, and the accessibility and user-friendliness of the facilities.

9.5 Other Socio-Economic Benefits

A number of wider socio-economic functions are supported by the park and castle. There is very considerable emphasis put on its educational and community value. A nature and outdoor learning programme is implemented that was originally a service predominantly for local national schools, but has grown substantially into a regional and national centre of excellence for children and young people's groups wishing to learn about nature and wildlife. Today it caters for pre-school groups, national schools, cubs/scouts/guides groups, special needs groups, summer scheme groups and camps; youth clubs, adult community groups and associations and other community groups. Programmes offered include themed sessions, special garden discovery days, guided walks, nature craft sessions, and summer activity days. Training for teachers, parents and leaders on how to communicate and share nature and the environment with children is also offered.



A wide ranging programme of events is also offered such as family festival days, themed tours, competitions, harvest festivals, birds of prey exhibitions, traditional music sessions, summer barbecues, outdoor history tours and others.

The park also provides an enormous protected habitat for wildlife. The flagship project in recent years has been the Golden Eagle Reintroduction Project at the park, which is seeking to re-establish a viable self-sustaining breeding population of golden eagles in north-west Ireland after an absence of almost 100 years.

10 Muckross House

10.1 The Asset

Muckross House is a Victorian mansion located within Killarney National Park in County Kerry. Built between 1839 and 1843, the house is a focal point for visitors to the National Park, which covers some 10,000 hectares of some of the most scenic Lakeland and mountainous landscape in Ireland. The House was designed in a Tudor Style by Scottish architect William Burn, and built for Henry Arthur Herbert, a former Member of Parliament for Kerry and Chief Secretary for Ireland, as well as his wife Mary Balfour Herbert. The



House underwent substantial works in preparation for a visit of Queen Victoria, which took place in 1861, and was later owned by Lord Ardilaun (of the Guinness family) and by the Bourn Vincents, a wealthy American family who donated the estate to the Irish state in 1932 (which pre-empted the establishment of the National Park itself).

The main building has sixty-five rooms many of which have been restored to their original Victorian splendour, and is listed as a protected structure under the Register of Protected Structures in Co. Kerry.



The cluster of historic buildings and visitor attractions within the National Park, of which Muckross House is the centre piece, includes Muckross Traditional Farms – a set of working farm buildings preserved as typical of the 1930s and 1940s; and a walled garden centre that incorporates a Victorian walled garden, a restaurant, a craft centre and weaving, pottery and bookbinding workshops.

10.2 Management and Activities

Muckross House is owned by the State, and is jointly managed by the National Parks and Wildlife Service (NPWS) of the Department of Arts, Heritage and the Gaeltacht, and by the Trustees of Muckross House, a voluntary and not-for-profit charitable trust established in the 1960s to oversee its conservation and management as a public building.

Guided tours of both the house and/or the traditional farms are provided to paying visitors and groups, and while the house is open throughout the year, the traditional farms operate only between March and October. The National Park Visitors Centre is also located in Muckross House, and this offers audio visual exhibitions and information about the house and park. Visitors can also avail of the services within the Walled Garden Centre, stroll in the garden and visit the various shops and workshops.



While the House itself has had little substantial works for many years, the traditional farm buildings have been in their current use since the later 1980s/early 1990s, and the Walled Garden Centre comprises both refurbished historic buildings as well as new structures, and was completed in its current form in

1999/2000. One of the reasons for its development was to relocate the various commercial activities and outlets away from the house itself and allow for its more complete restoration and conservation as originally maintained.

While the NPWS has a limited role in promoting the National Park and its various attractions (including Muckross House), the Trustees of Muckross House take a more active role in its promotion and marketing, particularly locally. This includes by way of leaflets, and flyers, magazine articles and advertisements, the use of local radio and other media. Failte Ireland is responsible for marketing and promoting the region from a national tourism perspective, including its various attractions for visitors and tourists.

10.3 Inputs

Admission charges for visitors to the house are €7 per adult, and €7.50 in the case of the traditional farms. Discounts are available for senior citizens, students and children, and family groups. Total revenues at the attraction are in the order of €3m per annum, made up of ticket sales, restaurant income and sales at other outlets. A share of tickets sales revenue is returned to the Trustees who in turn invest the proceeds in further works, programmes, promotion or maintenance activities or in a sinking fund that is in place to meet such costs.

Capital investment has been in the order of €20,000 per annum in recent years and covers small improvements to buildings and facilities. The Walled Garden Centre cost in the region of €5m to develop, a cost shared between the Trustees and the NPWS. The running costs are approximately €2.3m per annum, of which staff costs constitute approximately two thirds.

10.4 Economic Benefits

In 2010 there were approximately 95,000 visitors to the House and approximately 52,000 visitors to the Traditional Farms. Significant numbers of additional people visit the National Park and may be attracted to do so at least in part due to the House and its associated buildings, however the number of such cases is hard to quantify.

The number of staff, between those working in the House, in the Traditional Farms and in the Restaurant, Cafe and associated outlets ranges from between 40 off peak up to 100 during the peak summer months. Throughout the year it averages approximately 70.

Killarney Town is a world-renown tourist destination and perhaps the best-known medium-sized tourist town in Ireland. Tourism is the lifeblood of the town, and the greatest source of earnings for a great proportion of its inhabitants and businesses. While its location in the heart of County Kerry is a central cause of its popularity, there is probably little doubt that the existence and proximity of Killarney National Park to the town acts as a substantial attractor of tourists, both during the peak season as well as throughout the year. Muckross House and Traditional Farms are a critically important feature within the Park and one that is likely to underpin the latter's attractiveness to international and national tourists and local community members alike.

10.5 Other Socio-Economic Benefits

Muckross House supports the generation of a range of other socio-economic benefits. It provides a research library which houses a collection of books and materials of mainly local interest and is open to the public by appointment. It distributes a bi-annual newsletter to schools and libraries throughout the county, and hosts Féile Chultúir Chiarraí (Festival of Kerry Culture), every year, celebrating traditional crafts, skills and folk-life for the educational benefit of school children. Education and conservation benefits are continually generated.



through the visitor experiences gained through traditional farm and conservation bookbinding and other craft exhibitions, and the Traditional Farms won the Sandford Award for Heritage Education, for Féile Chultúir Chiarraí, by the UK based Heritage Education Trust in 2003. The generation of conservation skills, awareness and heritage knowledge and appreciation in many ways represent the “raison d’être” of the House and wider facilities and the theme that underpins all of its activities.

The house and surrounding facilities also host a wide range of events for the local community throughout the year, including musical recitals and concerts, theatre and drama productions, art exhibitions, lectures, cultural celebrations, sports competitions and tournaments, and other thematic workshops and events.

Annex Two: Economic Impact Assessment Technical Annex

Technical Notes: Economic Impact Methodology

The following additional technical notes are provided in respect of the economic impact methodology used for the study, with this information covering principal data sources, inputs and assumptions.

Overall Approach

Conceptually, economists often make a distinction between the terms *economic contribution*, *impact* and *benefits*. Whilst we recognise these technical distinctions, and since this report is intended principally for the non-economist, we have used the terms in a manner which is most appropriate to the context and in ways comparable to their use in other studies throughout the report. For this study, tourism-related effects have technically been assessed as an 'impact' (i.e. an attempt has been made to estimate the difference between the economic output currently generated from tourism in Ireland and what this would likely be without the range and quality of Ireland's historic environment assets). Other figures associated with the historic environment should generally be regarded as economic contributions (i.e. the money spent on maintaining historic buildings etc. could otherwise have been spent in other ways that would also have generated impacts).

Core Historic Environment Organisations ('Inner Wheel')

Derived on the basis of organisation financial data corresponding to the most recent full year for which information can be made available, the annual net expenditure (or output) corresponding to core historic environment sector organisations has been estimated at approximately €91m (2009 figures).

The direct GVA and employment effects associated with this level of expenditure have been calculated by reference to the Irish input-output tables (2005), which breaks the economy down to detail the relationship between producers and consumers and the interdependencies of industries/ sectors. Reflecting the publically funded and public service remit of core historic environment organisations (including the Heritage Council and relevant sections of the OPW, DAHG (previously part of DoEHLG), local authorities and Fáilte Ireland) we have used 'Public Administration' as the nearest proxy sector representation for the core historic environment sector for the purposes of calculating direct GVA and employment effects using the input-output tables. By way of summary:

Direct GVA effect = €52 million, calculated as the GVA share of total economic output for the Public Administration sector (57.2%)

Direct employment effect = 1,156 FTE jobs, calculated as the compensation of employees share of total economic output (44.5%) divided by an annual average wage of €35,000⁶⁵

The multiplier effects, corresponding to indirect and induced effects, of this level of spending have similarly been calculated by reference to the Irish input-output tables (2005), and using Public

⁶⁵ Average annual wage of €35,000 is consistent with the value used in the Economic Evaluation of County Heritage Plans, (2010), Jim Power Economics (average annual wage economy as a whole - €36,700 in 2009)

Administration as the closest proxy for the core historic environment sector. The output multiplier for the Public Administration sector, as presented in the Irish input-output tables, is estimated at 1.51⁶⁶. A similar estimate is not available for employment and GVA multipliers and we have therefore used an approximation based on the multipliers developed for the Public Administration sector in Scotland⁶⁷. In summary:

GVA multiplier = 1.69, calculated as [Output multiplier in Ireland (1.51)/ Output multiplier in Scotland (1.7)] multiplied by GVA multiplier in Scotland (1.9)

Employment multiplier = 1.60, calculated as [Output multiplier in Ireland (1.51)/ Output multiplier in Scotland (1.7)] multiplied by employment multiplier in Scotland (1.8)

These derived multipliers may then be applied to the values for direct effects to produce estimates of total economic impact for the 'Inner Wheel' of Ireland's historic environment sector.

Table A2.1 'Inner Wheel': Economic Impacts

	Direct	Indirect/ induced	Multiplier	Total
Output (€m)	91.0	46.2	1.51	137.2
Employment (FTE)	1,156	690	1.60	1,847
GVA (€m)	52.0	35.7	1.69	87.7

Source: Ecorys analysis, incorporating Irish Input-Output tables

Built Heritage Construction Sector

Economic activity corresponding to those components of the construction sector which relate specifically to Ireland's built heritage does not fit neatly into traditional economic disaggregations or standard industry classifications. Consequently, there is a lack of directly observable values concerning the size and importance of the sector in terms of employment and output. In order to overcome these data deficiencies we have used published data on total construction output in Ireland together with best supporting evidence and reasoned assumptions to apportion that share of output which may be attributed to the built heritage sector as a basis for deriving robust estimates of the sector's value.

Based on publically available data contained in the *Construction Industry Review and Outlook* (CIRO), it is estimated that approximately €5.8 billion of the total Irish construction industry output (€18 billion) corresponds to elements associated with repair, maintenance and improvement (RM&I) (2009 figures).

In order to provide a measure of the share of this RM&I output which may be attributed specifically to the built heritage construction sector, we have made reference to: (1) the profile characteristics of Ireland's residential building stock and, (2) the overall value of residential RM&I output nationally. According to

⁶⁶ Table 5, 2005 Supply and Use and Input and Output Tables, CSO

<http://www.cso.ie/en/media/csoie/releasespublications/documents/economy/2005/inputoutput05.xls>

⁶⁷ A similar approach was adopted for recent work undertaken for the National Trust in Wales.

most recent available Census data (2006), approximately 11% of Ireland's private residential dwelling stock was built pre-1919. Industry figures made available through CIRO suggest that construction output associated with residential RM&I totalled approaching €3.8 billion as of 2009. Under a situation whereby the share of residential construction RM&I was entirely proportionate to the age of the building stock, the pre-1919 residential building stock would theoretically account for 11% of this total. However, in reality, it is highly likely that historic pre-1919 structures in Ireland will account for a disproportionate share of overall RM&I expenditure, with this reflecting their comparative age and anticipated upkeep requirements. Indeed, empirical evidence from Scotland would tend to support this assertion⁶⁸.

Given this standpoint, and reflecting the empirical evidence noted above, we have used a 1:1.5 weighting factor (i.e. 11% of the residential building stock accounts for approximately 16% of overall residential RM&I expenditure) as a reasonable, if conservative, estimate of the relative share of overall residential RM&I that may be attributed to the pre-1919 building stock. Under this calculation Ireland's stock of historic residential buildings accounts for approximately €600m of total residential RM&I output.

Whilst a similar estimate is not readily available for that portion of RM&I connected to non-residential structures, it can nevertheless be reasonably assumed that this will be appreciably lower, particularly in light of the fact that major infrastructure such as roads, bridges etc. are included in this category. For analysis purpose therefore, we have assumed that in the order of 8% (7.9%) – or one-half that proportion assigned to residential RM&I – of non-residential RM&I expenditure may be attributed to the historic environment. Consequently, it can be estimated that Ireland's historic environment accounts for approximately €755 million of total national construction output (Table A2.2).

Table A2.2 Built Heritage Construction Sector Output (2009)

Total construction output	€18,048.2
Residential RM&I	€3,764.7
<i>Residential RM&I attributable to built heritage construction sector (15.8%)</i>	<i>€596.1</i>
Non-residential RM&I	€2,008.4
<i>Non-residential RM&I attributable to built heritage construction sector (7.9%)</i>	<i>€159.0</i>
Total Built Heritage Construction Sector	€755.1

Source: Ecorys analysis, CIRO

The direct GVA effect associated with this level of expenditure have been calculated on the basis that GVA accounts for 50% of total outputs in the construction sector (adapted from Irish input-output tables, 2005), with the direct employment effect derived on the basis of sector specific employment coefficients (23 construction jobs per €1.68million output, suitably adjusted for inflation)⁶⁹. Construction jobs have subsequently been converted into full-time equivalent (FTE) jobs using available evidence on the

⁶⁸ Research on Scotland's built heritage has suggested that some 40% of the total patch repair bill is related to pre-1919 buildings, with these structures accounting for 20% of the residential building stock (source: Scottish House Condition Survey)

⁶⁹ National Heritage Training Group – original estimate: 23 construction jobs per €1.3 million output.

composition of the workforce in the construction sector⁷⁰ - full-time (1 FTE) and part-time employees (0.5 FTE).

Multiplier effects arising as a result of this construction sector output have similarly been calculated by reference to the Irish national input-output tables (2005). The output multiplier for the Construction sector, as presented in the Irish input-output tables, is estimated at 1.83⁷¹. A similar estimate is not available for employment and GVA multipliers and we have therefore used an approximation based on the multipliers developed for the Construction sector in Scotland. In summary:

GVA multiplier = 1.93, calculated as [Output multiplier in Ireland (1.83)/ Output multiplier in Scotland (1.9)] multiplied by GVA multiplier in Scotland – 2.0

Employment multiplier = 1.83, calculated as [Output multiplier in Ireland (1.83)/ Output multiplier in Scotland (1.9) multiplied by employment multiplier in Scotland (1.9)

These derived multipliers may then be applied to the values for direct effects to produce estimates of total economic impact for the Built Heritage Construction Sector in Ireland.

Table A2.3 Built Heritage Construction Sector: Economic Impacts

	Direct	Indirect/ induced	Multiplier	Total
Output (€m)	755	624	1.83	1,379
Employment (FTE)	9,820	8,151	1.83	17,971
GVA (€m)	378	350	1.93	727

Source: Ecorys analysis, incorporating Irish Input-Output tables

Tourism-related Impacts

Estimates for the economic impact of the historic environment to tourism in Ireland have been closely informed by available tourism expenditure data supplied by Fáilte Ireland. While the *exact* proportion of tourism expenditure which is principally attributable to the historic environment remains unknown, in light of a number of recent studies and available survey evidence we would suggest that a figure of approximately two-fifths (18%) of total tourism expenditure represents a reasonable, if cautious, estimate of the importance of the HE sector in attracting visitors to Ireland. Although the concept is theoretical, the implication is that without the range and quality of Ireland's historic environment assets, Ireland would attract 40% less tourism expenditure amongst those engaging in historical/ cultural activities (and 18% less of total out of state tourism expenditure). Without the appeal of the historical environment, Ireland's other attractions would not be enough for this share of visitors to choose Ireland over other destinations.

⁷⁰ Business Register and Employment Survey, 2010 (Great Britain) – comparable data is not available for the Republic of Ireland

⁷¹ Table 5, 2005 Supply and Use and Input and Output Tables

<http://www.cso.ie/en/media/csoie/releasespublications/documents/economy/2005/inputoutput05.xls>

Survey work undertaken by Fáilte Ireland suggests an estimated 3 million overseas visitors engaged in historical/ cultural activities while in Ireland in 2009⁷², with such visitors, in turn, spending an estimated €1.772 billion⁷³. Applying the share of tourism expenditure principally attracted to Ireland as a result of the historic environment (40%) to this level of spending estimates the direct tourism-related impact of the historic environment at €709 million.

Notably, the estimates do not include expenditure attributable to domestic visitors – as it can be argued that displacement is often relatively high for domestic visitors (i.e. their expenditures are not additional within Ireland). This is a conservative assumption however, as the alternative on the day for some Irish residents might have been a visit over the border to Northern Ireland.

The tourism sector does not fit neatly into discreet economic disaggregations or industrial classifications used in the Irish input-output tables (2005). In the absence of other Ireland specific research on tourism multipliers we have used specific evidence on multipliers developed by the Scottish Executive for the Scottish tourism sector as an effective proxy. These derived multipliers may then be applied to the values for direct effects to produce estimates of total economic impact for the Historic Environment Tourism sector in Ireland.

Table A2.4 Historic Environment Tourism: Economic Impacts

	Direct	Indirect/ induced	Multiplier	Total
Output (€m)	708.8	439.5	1.62	1,148
Employment (FTE)	12,995	4,135	1.32	17,129
GVA (€m)	425.3	219.7	1.52	645

Source: Ecorys analysis, incorporating Irish Input-Output tables

Published Documentary and Data Sources

The following published documents and secondary data are among the principal sources utilised in the economic impact analysis:

- 2005 Supply and Use and Input-Output Tables, CSO
- Annual Report and Annual Output Statement 2010, Department of the Environment, Community and Local Government
- Annual Report 2009, The Heritage Council
- Annual Report 2008, The Office of Public Works
- Annual Construction Industry Review 2009 and Outlook 2010-2012, DEHLG
- Traditional Building Craft Skills: Ireland 2009, National Heritage Training Group
- Visitor Attractions Survey 2009, Fáilte Ireland
- Tourism Facts 2009, Fáilte Ireland
- Visitor Attitudes Survey, 2010, Fáilte Ireland

⁷² Cultural Activity Product Usage among Overseas Visitors, 2009, Fáilte Ireland

⁷³ Survey of Overseas Travellers, 2009, Fáilte Ireland

- Cultural Activity Product Usage among Overseas Visitors in 2009, Fáilte Ireland
- Survey of Overseas Travellers 2009, Fáilte Ireland

Annex Three: List of Consultees

Strategic Consultees

The following individuals were consulted as part of the study. We thank them for their valuable contributions to the research process.

Name	Organisation
Isabell Smyth	Heritage Council*
Beatrice Kelly	Heritage Council*
Paula Drohan	Heritage Council
Ian Doyle	Heritage Council
Colm Murray	Heritage Council
Brian Lucas	Department for Arts, Heritage and the Gaeltacht*
Caeman Wall	Fáilte Ireland*
Maeve McKeever	Fáilte Ireland*
John Cahill	OPW*
Grainne Shaffrey	RIAI*
Dr Anne Marie Gleeson	Waterford Institute of Technology*
Professor Gabriel Cooney	UCD*
Pat Cooke	UCD
Linda Bradshaw-Dunn	Construction Industry Federation
Martin Whelan	Construction Industry Federation
Don O' Sullivan	Construction Industry Federation
John O' Brien	IDA Ireland

Name	Organisation
Kevin Baird	Irish Heritage Trust
Eoghan O' Mara Walsh	Heritage Island
Sara Waldburg	Houses, Castles and Gardens of Ireland
Mary O' Brien	Irish Landmark Trust
John Ruddle	Shannon Heritage
Pat Daly	Shannon Development
Flan Quilligan	Shannon Development
Geraldine Walsh	Dublin Civic Trust
Dearbhala Ledwidge	Kilkenny Local Authorities
Amanda Pedlow	Offaly County Council
Nollaig Feeney	Roscommon County Council
Deirdre Burns	Wicklow County Council
Jill Chadwick	Meath County Council
Susan Kellett	Irish Historic Houses Association Ltd
Brian Williams	Northern Ireland Environment Agency

*denotes Steering Group members

The study team also delivered a presentation to a meeting attended by County Heritage Officers in Inisheer in September 2011 to capture views on the study.

Case Study Consultees

In addition to the individuals and organisations listed above, the following organisations were also consulted as part of the case study work.

Organisation
Birr Chamber of Commerce
Birr Science and Heritage Foundation
Birr Tourism
Birr Town Council
Clew Bay Heritage Centre
Clew Bay Hotel
County Arms Hotel
Destination Westport
Dublin City Council
Irish Heritage Trust
Kilkenny Local Authorities
Mayo County Council
Meath Partnership
National Parks and Wildlife Service
Trustees of Muckross House
Waterford City Council
Westport House
Westport Tourism
Westport Town Council

*denotes Steering Group members

The study team also delivered a presentation to a meeting attended by County Heritage Officers in Inisheer in September 2011 to capture views on the study.

Annex Four: Glossary of Technical Terms

Deadweight – refers to expenditure and activity which would likely take place even in the absence of the historic environment sector: i.e. that portion which can be regarded as non-additional (reference case).

Direct impact – refers to direct expenditure and associated employment by organisations within the 'inner wheel' of the HE sector; built heritage repair and maintenance expenditure relating to historic environment assets; and, expenditure by tourists who have been attracted to Ireland principally because of its historic environment.

Externalities (or 'spillovers') - result when a particular activity produces benefits (positive externalities) or costs (negative externalities) for other activities that are not directly priced into the market. The historic environment generates a number of important social benefits, including its contribution to the attractiveness of an area.

GVA (Gross Value Added) - represents a measure of the total economic activity in a country. It is equal to output excluding the intermediate inputs, and represents national income (wages and profits).

Indirect impact – refers to purchases of inputs made by firms that are supplying goods and services to the 'inner wheel' of the historic environment sector; the built heritage construction sector; and, organisations associated with tourism, including hotels and restaurants.

Induced impact – refers to those benefits which accrue in the Irish economy as a result of increased income and spending by people who work in the historic environment sector 'inner wheel'; the built heritage construction sector; and, tourism sector, together with those businesses that supply goods and services to these sectors.

Input – Output - The Irish Input-Output (I-O) framework breaks the economy down to display transactions of all goods and services between industries and final consumers for a single year. I-O tables are used by economists for modelling and analytical purposes.

Leakage – the share of expenditure effects (income or employment) that accrues outside the primary study area – i.e. external to the Republic of Ireland.

Multipliers - A multiplier measures the further downstream economic activity, (whether output or jobs), resulting from the creation of additional local/ national economic activity.

Output - the amount of production, including all intermediate goods purchased as well as value added. Output can also be thought of as turnover or supply.