

# HERITAGE COUNTS

## SOUTH EAST - HERITAGE ECONOMY 2016

### HEADLINE FACTS

- Heritage directly contributed over **£1.4 billion** in **Gross Value Added (GVA)** in the South East in 2013
- In 2013, there were **over 23,100 people** directly employed in heritage in the South East
- In 2014, heritage tourism **generated over £2.4 billion** in spending by domestic and international visitors in the South East
- Repair and maintenance of historic buildings in the South East directly generated **£1.57 billion** in heritage-related construction sector output in 2015

### THE ECONOMY: NET IMPACTS

#### *Heritage is deeply embedded in the economy*

The historic environment is intrinsically linked to economic activity with a large number of economic activities occurring within it; dependent on it or attracted to it.

In 2016, Historic England commissioned TBR<sup>1</sup> to undertake a pioneering study that estimates the national and regional economic impact of the heritage sector annually. The study produces estimates of the heritage sector's impact using a method adapted from DCMS' Creative Industries Economic Estimates<sup>2</sup>. The workbook can be found on the Heritage Counts website ([www.heritagecounts.org.uk](http://www.heritagecounts.org.uk)).

#### *Heritage contributes to the generation of economic output*

Heritage directly contributed over **£1.4 billion** in **Gross Value Added (GVA)** in the South East in 2013<sup>3</sup>. This figure increases to nearly **£3.2 billion** when direct, indirect and induced heritage GVA is combined. This is equivalent to **1.4% of total GVA** in the South East.

Area	2011	2012	2013
TOTAL GVA (£m) (Direct, Indirect and Induced)			
South East	£3,145.6m	£3,083.4m	£3,184.3m
<b>% of total GVA for the South East</b>	<b>1.5%</b>	<b>1.4%</b>	<b>1.4%</b>
England	£ 21,363m	£ 21,116m	£ 21,697m
<b>% of total GVA for England</b>	<b>1.7%</b>	<b>1.7%</b>	<b>1.6%</b>

<sup>1</sup> TBR (2016) Heritage Economic Indicator Workbook

<sup>2</sup> DCMS (2015) Creative industries Economic Estimates: Statistical Release

<sup>3</sup> TBR (2016) Heritage Economic Indicator Workbook

## *Heritage is an important employer in the South East*

In 2013, there were **over 23,100 people directly employed in heritage** in the South East. Including indirect and induced employment, this number increases to **over 46,300**. Like the overall trend in England, the number of people employed in heritage in the South East has declined since 2011 primarily due to a decline in heritage construction employment.

Area	2011	2012	2013
<b>Total Heritage employment (Direct, Indirect and Induced)</b>			
South East	48,900	47,900	46,300
England	334,500	325,500	324,700

## **THE ECONOMY: SECTORAL IMPACTS**

The TBR<sup>4</sup> 2016 study of economic impacts also produces estimates of the value of heritage tourism and heritage construction impacts.

### **Heritage Tourism**

#### *Heritage plays a key role in attracting international and domestic tourists*

In 2014, heritage tourism **generated over £2.4 billion in spending<sup>5</sup> by domestic and international visitors** in the South East<sup>6</sup>. In total, it is estimated that there were over 2.7m domestic overnight trips, nearly 27m domestic day trips and 32m international visits to the South East in 2014.

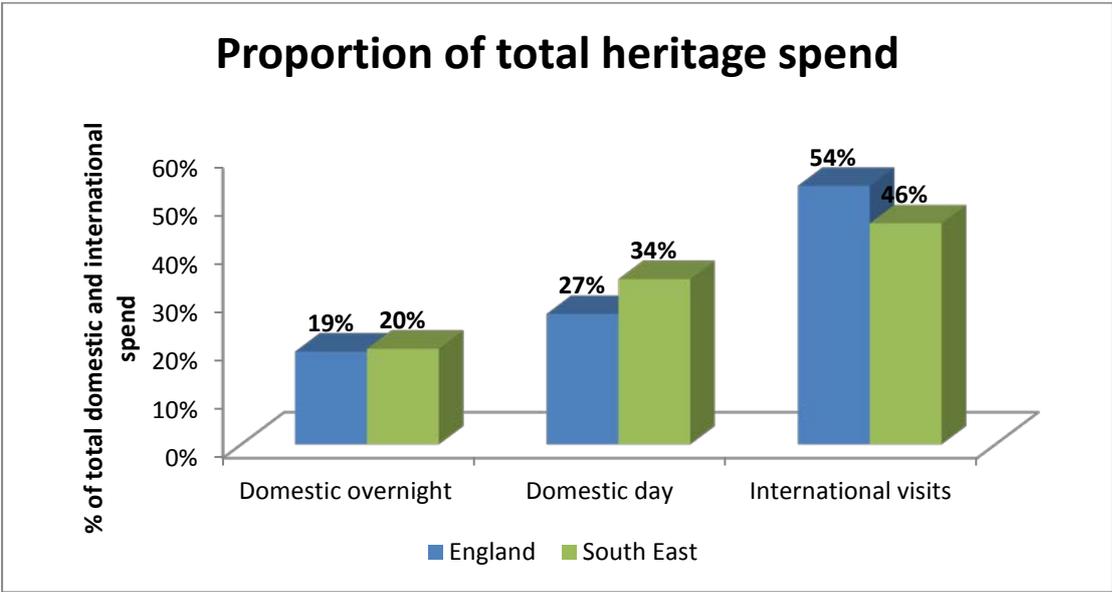
Heritage-related visitors (2014)	Heritage-related spend (£m)	Heritage-related trips/visits (m)
<b>Domestic overnight</b>		
South East	£484	2.74
England	£3,549	15.94
<b>Domestic day</b>		
South East	£835	26.9
England	£4,978	156.43
<b>International</b>		
South East	£1,116	2.40
England	£9,856	17.38
<b>Total (domestic and international)</b>		
South East	£2,435	32.0
England	£18,383	192.7

<sup>4</sup> TBR (2016) Heritage Economic Indicator Workbook

<sup>5</sup> 'Spend' is the expenditure relating to these trips. It includes costs paid in advance of the trip, costs paid during the trip itself and also any bills relating to the trip received after returning home.

<sup>6</sup> Note: This is a gross figure and not the value added of heritage tourism. The value added estimates would exclude intermediate consumption of goods and services.

Compared to the national average, as shown in the following graph, heritage-related domestic day visit spending provides a proportionally higher source of tourism income in the South East than nationally.



### Heritage Construction

*Heritage-related construction plays an important part of the South East’s construction industry.*

The built historic environment forms a vital part of our nation’s infrastructure, providing premises for businesses; homes for residents; as well as amenities and utilities for communities and visitors.

Repair and maintenance of historic buildings in the South East directly generated **£1.57 billion in heritage-related construction sector output** in 2015<sup>7</sup>. This is equivalent to 7.9% of total construction output or 18% of the repair and maintenance output in the South East. Heritage-related construction output in the South East has continued to grow since 2012 despite fluctuations in the overall construction sector.

South East Construction Output (£m)	2011	2012	2013	2014	2015
Heritage-related construction	£1,395	£1,266	£1,381	£1,507	£1,572
All construction	£19,881	£17,908	£17,773	£18,840	£19,958
Heritage as % of total construction	7.0%	7.1%	7.8%	8.0%	7.9%

This document has been prepared as part of Heritage Counts 2016 by Historic England on behalf of the Historic Environment Forum.



<sup>7</sup> Note: This is a gross figure and not the value added of heritage tourism. The value added estimates would exclude intermediate consumption of goods and services.

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