Conservation pays! – Rural estates in Gelderland

The Netherlands provinces are actively involved in the conservation of heritage. For the implementation of future policy, it is important to have a clear insight in the economic significance of heritage, as well as a clear understanding of the role of the government. In 2012, there is conducted a study on the economic costs and benefits of rural estates commissioned by the provinces Utrecht, Overijssel and Gelderland.*

Cost-benefits analysis of rural estates in Gelderland

The economic significance of rural estates is examined in key areas in Utrecht, Overijssel and Gelderland. The results of the study show that estates create an attractive environment for recreation and tourism. In addition, well-maintained parks, park forests, avenues and gardens, have a positive effect on the living comfort in the nearby area. This also causes house prices that are higher than in surrounding areas. Thus, the society actually benefits from rural estates. It is, however, remarkable that the revenues of these societal benefits are only to a small extent in favour of the property owners, whereas they are the ones that pay for the maintenance. Also, the costs for conservation of rural estates are relatively high. This is particularly true for costs for parks, gardens etc. For many owners, these costs are difficult to bear.

In Gelderland, a social costs-benefits analysis (SCBA) was conducted on the region around Arnhem, 'Gelders Arcadia'. This is a region with a relatively high degree of urbanization and has many rural estates. After quantification of the societal benefits, the results show that the benefits are much higher than the maintenance costs. In Gelderland, this is strongly reflected in recreation experience. In sum, this study indicates a valuable economic significance of rural estates, in which society benefits. Nevertheless, the absence of revenues for owners and the high costs of maintenance result in requested assistance from the government, often in the form of grants.

A new perspective on the government's role

Curbing government interference is a commendable objective in areas where owners can be expected to display self-sufficiency and responsibility. However, given the fact that economic and societal benefits widely exceed the costs and owners have high costs and few benefits, government support is justified. It raises the question, how and when this support should be granted. The results of the study indicate that government support through a three-stage model is the best approach.

1. Improved application of rules: customized, coherent, and comprehensive (cost avoidance)
2. New ways of financing: low-interest loans from revolving funds (cost savings)
3. Subsidisation of maintenance and facilitating the efforts of volunteers (cost sharing)

First, where customization is possible, it should be used. However, this requires a good relationship between the owner and the government. Secondly, when it concerns investments in buildings, (conservation and change of function) it is most likely to use revolving funds, because they increase the abilities of the owners. Lastly, investing in parks, park forests and gardens through revolving funds is hardly possible, because there is often no direct revenue in return. Therefore, subsidy instruments and the use of volunteers from throughout the community are more suitable measures.

Implementation in the Heritage Program Gelderland

The result of the study was the starting point of rural estates being a priority in the Heritage program of the province of Gelderland.

-   better cooperation between governmental bodies and owners on permits
-   introducing low-interest loans
-   feasibility studies
-   granting subsidies only when restoration will result in better opportunities to maintain the heritage
-   network approach on urgent themes: gardens and parks, volunteering, durability, tourism.

*Witteveen+Bos. (2012). Economische betekenis van historische buitenplaatsen en landgoederen in de provincies Utrecht, Overijssel en Gelderland