
**PUBLIC-PRIVATE PARTNERSHIPS AND BUILT HERITAGE:
REFLECTIONS ON CURRENT EXPERIENCES**

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ABSTRACT

The last few decades, services delivery has witnessed a great shift from the public to the private sector. This shift has been fueled by the increasing movement of deregulation and privatisation which has paved the pathway for remarkable interventions by the private sector in the market. One theme of these interventions is the Public-Private Partnerships (PPPs) which have used to deliver infrastructure projects and social services. Built heritage is another area where the private interference can be recognisable, although there are a few examples of PPP in heritage conservation over the globe; however, the Quarantine Station, Australia, is one of those exceptions. It offers ample opportunities for a deep and broad understanding of different issues highly associated with PPPs. The outcomes generated from the research and the case study match with the well-established argument that the results of PPPs are mixed and contested and any intention to give a precise and conclusive evaluation of PPPs in heritage conservation would be elusive.

KEYWORD: PPPs, heritage conservation, Quarantine Station.

1. INTRODUCTION

In the case of cultural heritage, neoliberal policies have accelerated the rise of private businesses with the aim to deliver tourist services, and in other cases, the privately-managed museums and archaeological site, too (Gould and Burtenshaw, 2019). The implication of built heritage conservation, in face of neoliberalism, has been investigated by some western academics, especially the dilemma of stewardship between the involved partners—the state and the market—and assets ownership through privatisation process (Lee, 2016). The classic governance model of heritage management, in principle, relies on state ownership, while in the market model it is featured by private management with limited government intervention in the form of regulation or funding (Negussie, 2006). Although the European tradition of policy driven by the state implies a key role of the state in financing cultural institutions; however, there has been a remarkable shift

during the last four decades concerning the redistribution of cultural authority. This has been boosted through two main approaches. First, it is associated with the decentralisation and deregulation of power to lower government bodies. Second, it is related to the privatisation/ *de-etatisation* process which seeks to minimise state intervention (Srakar and Čopič, 2012).

This research attempts to give some reflections on the current experiences of PPPs in heritage management. This has approached through adopting a single case study. This paper follows the case study approach as the research strategy (Yin, 2009). A case study can be described as a strategy for conducting research through involving empirical investigations of specific contemporary phenomenon. The use of single case study gives the opportunity to observe and analyse a phenomenon that it is under investigation (Saunders *et al.*, 2009). A case study also provides an interesting opportunity to explore different themes in an empirical way. For example, it gives explanation about the main determinants of partnership, the key advantages, the potential impediments and the way they are addressed, and if the objectives desired are delivered successfully, on budget and on time. Document analysis is used as the main data collection method. Bowen (2009) defines document analysis as a “systematic procedure for reviewing or evaluating documents—both printed and electronic (computer-based and Internet-transmitted) material”. He also adds that document analysis, like any other methods, requires that data be examined and interpreted with the aim to extract meaning, gain better understanding, and develop empirical knowledge.

This research is structured in the following way. After the brief introductory section, the second part explores the evolution of PPPs, their definitions then it is followed by a further elaboration on the argument behind using PPPs. The fourth part briefly discusses some of the pros and cons relevant to PPPs. It is followed by a discussion on the relationship between heritage preservation and PPPs. It explores the current role of the private sector in maintaining the heritage properties. It should be mentioned that although there are other aspects for the private intervention in heritage conservation, for instance, privatisation; however, this paper is mainly concentrating on the current debate of PPPs and the role of the for-profit sector. The sixth part investigates the Quarantine Station as the case study adopted in this research. The last section illustrates the main findings of the research.

2. PUBLIC-PRIVATE PARTNERSHIPS

Public-Private Partnership as Forrer *et al.*, (2010) and Hodge *et al.*, (2017) implied, is not a new phenomenon. Linking contracting out evolution to modern development, especially to the New Public Management has been challenged by Ferk and Ferk (2017). They argue, although contracting out recently gained a significant fame during the 1980s; however, its roots can be traced back to the Roman Era. The same can be argued concerning concession. The latter was also used during the 13th century for infrastructure development. The first concession project in France can date back to 1777 when it was used for water capture and distribution. Examples of PPPs from the USA comprise the Lancaster Turnpike built in 1795, the Erie Canal established in 1823, and the Transcontinental Railroad, in 1869 (Smith, 2009). Another example from the 18th century includes the Suez Canal, in Egypt (El-Gohary *et al.*, 2006).

The term Partnership, indeed, implies a wide range of issues so; it is relatively ubiquitous (Steets, 2010). Sometime, it refers to any partnership between the public and private sector to provide services. In other cases it is limited to a contractual agreement between the public and private parties where the latter is in charge of delivering services and assumes risks in return for payments (Ye, 2009; Abramov, 2010; Xu *et al.*, 2012; Yang, 2017). The public sector remains responsible for setting and monitoring performance quality and also takes actions regarding inappropriate service volume or quality (Almqvist and Högberg, 2005). There is a lack of univocal PPP's definition and which remains debatable (Osei-kyei and Chen, 2015). This is due to definition multiplicity, different PPP models, conceptual vagueness, and ideologically-based advocacy (Brinkerhoff and Brinkerhoff, 2011; Mota and Moreira, 2015). However, PPP definition adopted in this research is described as “ongoing agreements between government and private sector organizations in which the private organization participates in the decision-making and production of a public good or service that has traditionally been provided by the public sector and in which the private sector shares the risk of that production” (Forrer *et al.*, 2010).

There is an increasing body of literature discussing PPPs. For example, Osei-kyei and Chan (2015), investigated the critical success factors of PPPs arrangements through the content analysis of literature from 1993 to 2013. They conclude that different determinants can generally be identified, for instance, risk sharing and allocation, powerful private consortium, political and public support, and transparent procurement. Basílio (2017) studied the factors influencing the private participation in

PPPs in less developed countries through empirical investigation. He reports that the project type is instrumental in determining the degree of private involvement. The fiscal condition and the availability of direct or indirect public support are key principles in increasing the private participation. Mota and Moreira (2015) explore the non-financial determinants which have generated a wide prevalence of PPPs within the European Context. They note that macroeconomic aspects, for instance, competitiveness, economic freedom, and unemployment rates are critical issues. Also, the political and legal system and the previous PPP experiences are important in making countries appealing to PPPs.

Although there is a dearth of literature that discusses PPPs in heritage management; however, we can draw on some texts that investigate PPPs in built heritage and branding historical cities. Zhao (2015), for instance, discusses the role of PPPs in branding cities through its architecture revitalization. He draws on empirical investigation through examining PPPs' impacts on the architecture revitalization of two cases in Dali City namely as; Zhang's Garden and the Linden Center. Zhao concludes that PPPs significantly support the Dali branding. Through PPPs, the local government and the private sector have shared the financial burdens required for architecture renovation and economic returns. Yet, with the recognised benefits of this PPP, some undesirable outcomes are generated, for instance, lack of transparency. Lee (2016) investigates the potentials and limitations of the private operators in preserving heritage buildings in China. She draws on a single case study which is the Kui Garden gallery accompanied by semi-structured interviews. She concludes that the level of private participation in heritage conservation remains restricted. Many heritage properties are considered as public goods by the competent authorities who identify themselves as the only partner responsible for managing cultural heritage. There is also a need for a clear regulatory framework that work on blocking any unfavorable market activities while at the same time allows a large degree of flexibility concerning the restoration and conservation process. Finally, effective conservation process to great degree relies on the implementing agencies with institutional and organisational strength.

3. COMMON BENEFITS OF PPPS

3.1- ACHIEVING VALUE FOR MONEY (VFM)

Value for money is a key component for the contracted partners. VFM can be described as "The gains in efficiency and/or improved service delivery of PPPs compared with traditional procurement practices". Therefore, VFM considers not only cost-effectiveness, but it also includes the quality

or the value of service delivery (Bult-Spiering *et al.*, 2006). There are six determinants of VFM according to Grimsey and Lewis (2005) which include, risk allocation, competition, performance measurement and incentives, the long-standing nature of contracts, output specifications, and private sector management skills. VFM in PPP is believed to be achieved since the private sector has the ability to introduce specialized expertise and commercial approach that reduce project costs over the contractual agreement. A report by the National Audit Office (2009) implies that about 94 per cent of PFI projects in the UK were successfully delivered on budget or just less than 5 per cent over price.

3.2 BETTER RISK ALLOCATION

In the traditional procurement, the public sector assumes all the financial risks of construction including any potential cost overruns and maintenance process. Conversely, in PPP, the private sector bears most of the project-related risks (Yescombe, 2007) which is an important feature of PPP (Visconti *et al.*, 2017). Problems in the traditional ways often take place due to lack of identifying and managing the potential costs. The traditionally delivered public projects are prone to what is called “optimism bias” which is usually associated with underestimating risks (Scott and Robinson, 2009). The main benefit of transferring risks to the private partner is that it should stimulate the operator to provide high quality and cost effective service on time. This is due to the fact that operator receives regular payments according to service flow and performance criteria. There are different types of risks, for example, design and construction, operation and maintenance, financial, force majeure, and legislative risks (Evans and Bowman, 2005; Corner, 2005). Clark and Hakim (2019), state that appropriate risk management shall reduce the project cost and should be allocated to the partner best able to manage them successfully. Political risks, for instance, which include regulatory framework, tax increase, and user fees can be managed by the public sector effectively. In contrast, construction risks which include faulty design, poor quality, and cost and time overruns shall be addressed by the private operator (Zerunyan, 2019). An example of risk allocation is the case of the port of Miami Tunnel and I-595 Managed Lanes, in Florida (Kweun *et al.*, 2017). In both cases, the public sector was responsible for the pricing system, leaving construction risks to the private operator. The study concluded that if the private sector assumed the traffic and revenue risks, then risk allocation would be allocated inappropriately.

3.3 BENEFITING FROM PRIVATE SECTOR EXPERTISE, INNOVATION

Another major benefit of PPP is that it stimulates the private sector to innovate to manage potential problems or improve services (Feigenbaum, 2019). The private sector as it is believed has the capacity to generate the optimum benefits when the contractual agreement embraces operation and maintenance of the facility. This incentivises the private operator to adopt innovative and efficient methods to design and construct the facility to improve the operation and maintenance process (Association of Consultation Engineering Companies, 2011). Innovation was recognisable in the case of Express Lane SR 91 in southern California, in the USA. The private operator was successfully able to fully equip the project with electronic system to identify vehicles which made it the first fully automated toll facility in North America (Grimsey and Lewis, 2004). Innovation in PPP is not limited to product and process, but it can also extend to include strategy, structure, system, and behaviour. It is a holistic approach concerning all the involved stakeholders (Eaton and Akbiyikli, 2009).

4. COMMON CRITICISM OF PPPS

4.1- HIGHER FINANCING COST AND DELAYS

Shaoul (2009) challenges the predominate concept that PPP projects are delivered on budget and on time. She discusses different cases of Private Finance Initiative (PFI) arrangement which experience both cost and time overruns, for example, the New Wembley Stadium and the West Coast Main Line. It can also be thought that cost overruns can be commonly found within the high-profiles and large-scale projects due to the different partners involved and multiple interests concerning costs and profits. Dikmen *et al.*, (2009) in discussing PPP experience in Turkey identified several determinants led to the failure of the case of Izmit Bay Crossing Project. These determinants include lack of preliminary design and adequate information, legislative problems, and inappropriate tendering process.

4.2- EFFICIENCY-RELATED RISKS

The benefits of PPPs such as better efficiency, accountability, and better business and investor trust are to great extent imperfect (Hodge, 2004; Hodge and Greve, 2007). Drawing on a close investigation of cases from USA, UK, and Australia (Hodge, 2004), argues that PPPs' financial arrangements can be described as "misleading accounting trickery". PPP lease contracts are also thought to be more expensive than the traditional

procurement methods and argued to be “wasteful and risky”. Similarly, Shaoul (2009), show experiences from UK depending on cases from the health service and infrastructure sector illustrating poor service delivery. She reports, for example, that the Metronet (which is responsible for two London underground PPP contracts) was largely criticised due to failing to meet investment requirements and maintenance specifications and lacking of working efficiently in economic way. The HMP Altcourse, at Fazakerley, which is the first prison based on PFI arrangement in the UK, was highly controversial from the early stages. This resulted from poor planning, operational performance failures, lack of cost scrutiny, and inappropriate saving assessment. Pollitt (2005) adds, that according to comparison of schools performance conducted by the Audit Commission, found that the quality of school delivered under PFI/PPP arrangements were lower than those delivered under traditional methods.

4.3- RISKS RELATED TO COMPETITION

While concepts like market-driven competition, shared risks, and transparency are important to deliver the desired outcomes successfully; however, they remain elusive (Bloomfield, 2006). Deregulations and competitions-related barriers can hinder competition for innovation which was recognisable in the case of Plymouth when specifically-designed legislations were enacted which enabled the private sector to develop a set of non-competitive contractual arrangements (Shaoul, 2009). Bloomfield (2006) also adds that lack of meaningful competition can introduce unattainable outcomes. This can partly be related to securing substantial up-front funding and construction services, which in many cases can only be secured by large companies (Harris, 2004). Another aspect that may hinder the private sector intervention is relevant to proposal preparation which can be costly especially in the complex and long-term projects (Bloomfield, 2006).

4.4- CONFLICT BETWEEN PARTNERS

Lacking of trust between partners can be another serious hindrance of PPP projects. Yet, trust is not restricted to the relationship between the public and private partner, but it also includes the public and non-private sector which in turn, causes negative impacts (Brewer and Hayllar, 2005). Public disagreement to PPP projects stem from different factors, for example, insufficient awareness and poor education about PPPs and limited access to PPPs’ proposals (El-Gohary *et al.*, 2006). Public outcry was recognisable in the case of West Kowloon Cultural District. This project raised a heated public opposition among community members and non-governmental institutions for several reasons including the existence of

clear problems related to accountability, transparency, and equity, difficulties related to financial issues, focusing on commercial activities, lack of community participation in the development process (Brewer and Hayllar, 2005).

5. CULTURAL HERITAGE AND PUBLIC-PRIVATE PARTNERSHIPS

With the pace of commercialisation and globalisation, it is not uncommon to recognise the intersection of the private sector activities within a large number of heritage sites over the globe. The private sector involvement in cultural heritage has a number of factors, for instance, the remarkably increased costs of preserving and managing the heritage sites and the continued pressure of global market forces accompanied by the shrinking of the traditional role of governments concerning heritage issues. These aspects work on increasing the privatisation of heritage conservation and management and putting more pressure on national and international private firms to provide support through PPPs (Starr, 2010). Gould (2018) also argues for a number of determinants that have enhanced the private sector participation in heritage management. First, Private philanthropy and non-profit institutions in the United States have a significant role in financing and performing tasks traditionally assigned to the public sector. Actually, several states-owned museums and cultural institutions rely on private finance. Second, the success of archaeologists in promoting specific cultural preservation laws, has unintentionally led to the expansion of private sector participation in heritage management. Third, the increasing costs of maintaining and operating, museums, archaeological parks and monuments exceed the capacity of governments.

Private support for culture refers to “any financial support provided by investing, giving, or spending at the individual or non-public level”. Additionally, this private support can take different forms including, “business support”, “individual giving”, to “support from foundations and trusts” (Čopič *et al.*, 2011). The involvement of non-profit sector (Megnosa, 2016) can also secure the fund necessity for cultural issues during the public fund cuts. A combination of fund from public, private, and non-for-profit institution seems to be the best approach, an aspect which can be commonly found in Anglo-Saxon countries.

Due to the different challenges facing heritage management these days made the seeking for other sectors inevitable (Rypkema, 2008; Macdonald, 2011; Macdonald and Cheong, 2014). Consequently, the private sector engagement has gained a wide acceptance, although some heritage professionals have some concerns regarding this approach (Gould, 2018). Therefore, the private sector intervention in heritage management issues

should be identified as a complementary approach rather than a substitute for the public sector (Seaman, 2013). The role of public sector was investigated by Rojas (1999), when he analysed three cases labelled as Cartagena, Quito, and Recife, he mentioned that the role of the public partner was really critical. The role of government focused on minimising the investors' uncertainty concerning medium and long-standing return on investment. The role also extended to limit the complex patterns of obsolescence relevant to urban heritage deterioration and to make the project economically viable (Medda *et al.*, 2012).

Different countries nowadays adopt a new set of policies concerning the distribution of activities related to heritage management. Alternative to a highly centralized structure encompasses transferring power to lower level of government, increasing autonomy of some of the publicly-owned cultural institutions, outsourcing activities to private sector, and developing PPP projects (Dubini *et al.*, 2012). Another point for increasing the private sector involvement is not only through supporting the culture sector, but also through operating within it. Italy, for instance, has experienced a remarkable shift from the public domain, to introduced laws to support private sector involvement (Klamer *et al.*, 2006; 2013). Indeed, the private exploitation of heritage sites is thought to be more dynamic than that by public sector. It is distinguished by being more market-oriented, since income is required to maintain the property and to raise financial profit. Further, it is more customer-oriented, since economic success is stemming from different strategies sought to attract more visitors and reward them with unique experience that does match or exceed their expectations. Private participation in the cultural industry cannot be completely stopped; therefore, its potential impacts should be appropriately understood. The private sector role must also be regulated, particularly, in terms of controlling the quality of the private participation and ensuring that the public benefits are guaranteed and not undermined by the status change of the cultural property (Palumbo, 2006).

Schuster (1998) reminds us that an interesting trend that deserves to be investigated is that one goes beyond the traditional focusing on purely public or private. Instead, a close attention shall be directed towards the rise of public/private hybrids, an approach that has engendered a variety of undocumented institutional forms each with its own special and unique features. Ferri and Zan (2015) stated that PPPs in the culture arena has the ability to bridge the funding gap of public institutions and at the same time provide ample investment opportunities for the private sector. An example of PPPs in revitalizing historic centers is the case of Barcelona which raised a lot of international interests. The municipality of Barcelona in

agreement with the community and private sector implemented a strategic plan with the aim to develop its historic center and its neighborhood. Private sector brought physical resources and real estate development expertise while, the municipality contributed with land and regulatory framework and coordination powers to the joint venture (Rojas and Castro, 1999).

The private sector participation in heritage conservation in Italy has been discussed by David Ponzini. Ponzini (2010) indicates that the private sector involvement in heritage issues has been boosted by the largely adopted privatisation process of heritage properties in Italy through its different models, for instance, alienation and securitisation, joint public-private entities, and private sector introduction into policy-making and implementation. According to Ponzini (2010), numerous cases have experienced private participation, for example, after the discovery of new Roman ruins, in Pisa, the Ministry for Cultural Heritage had the initiative to establish museum and to be privately managed. Also, Benedikter (2004), in discussing the privatisation of cultural heritage in Italy, mentioned that such policy should relieve pressure on the public budget, and hence, minimising the total restoration and maintenance costs. However, the privatisation of heritage assets can lead to adverse impacts since selling can take place under real market values, especially when heritage properties witness group sales with a demand for a huge amount of capital and international investors. Therefore, cultural heritage privatisation in Italy has raised a lot of national and international concerns. A publicly heated debate has broken out and international heritage professionals has showed their disagreement with heritage privatisation and had to sign a petition expressing their serious concerns of “denaturing” Italian cultural heritage.

Therefore, it can be argued that the private sector involvement in heritage management can have its own disadvantages, like the benefits it creates. Starr (2010) goes further and investigated the relationship between heritage management, the private sector, and commercialisation aspect. Starr indicated that the proximity of corporate installations and advertisements to heritage sites can be largely debatable, especially when a firm generates substantial benefits from its relation with the site without contributing to its conservation activities. Starr gave a number of heritage commercialisation examples; for instance, the operation of Starbucks franchise within the Forbidden City World Heritage site in Beijing was blocked after public outrage, in 2007. These commercialisation purposes raise a lot of ethical concerns, even if their impacts are reduced and a rent is paid to the competent authority. This was also recognisable in the use of Juyongguan

section of the Great Wall of China for exclusively established fashion show by Italian brand Fendi, in 2007.

6. THE CASE OF QUARANTINE STATION, SYDNEY, AUSTRALIA

The former North Head Quarantine Station (Fig. 1) is located in northeastern Sydney and is a major component of the Sydney Harbour National Park (Macdonald and Cheong, 2014). The first use of the North Head as a quarantine station was in 1828. The site since that time has witnessed different development process including accommodation blocks, hospital wards, and an administration centre which continued in operating until the early 1980s (Wearing and Darcy, 2009). The Quarantine Station site includes different Aboriginal places and artefacts. It is a historic site considering the historical significance of its multiple buildings, structures and artefacts, its former use as the first quarantine station in Australia, its role in six generations of migrations, and its ongoing value as an educational and research resource. The Quarantine Station's social value can be recognised in the past use of the place and the important role it had for the developing nation. It is sought that future use should align the past interpretation and site importance (Wearing and Darcy, 1998).



Figure 1: An overview of the Quarantine Station. Source, Macdonald and Cheong, (2004).

Therefore, the Quarantine Station is identified as a place of national, social, and historical significance. Multiple and strong meanings are associated with the landform, the vegetation, the harbour, and the sea. Additionally, the site is distinguished by a large degree of authenticity and integrity identified in its fabric which has the ability to reflect all phases of history and the relationship between the physical elements and natural landscape and context (Fig. 2). Government recognised that the revitalization of the site requires more than it can manage and huge amount financial investment than it can offer for the short and long-term period. The private sector was not only a necessarily to secure substantial amount of money required for development, but also it could pay for the maintenance of the site through making it economically viable. Additionally, the government felt that such an important asset guaranteed the creative inputs of the private sector. One innovation tool introduced by the private operator was the development of a tool to monitor the different natural, social, cultural, and economic conditions on the site and to provide adaptive management measures when conditions change from formerly identified rates (Macdonald and Cheong, 2014).

In 2001, the Minister of Environment disclosed his support for the adaptive re-use proposal along with Mawland Group—a tough situation considering the potential issues of one of the supporters also being one of the competent authorities. Due to lack of strong straightforward and no attention was given to documentation methods and transaction negotiation, there was wasted time and funds by both parties involved (NSW, 2017).

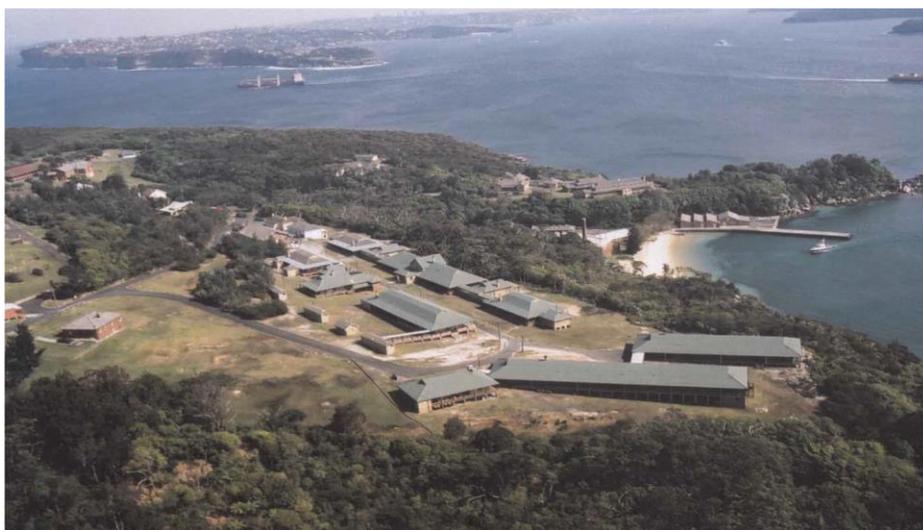


Figure 2: Illustration of different buildings in the Quarantine Station.
Source, Darcy and Wearing, (2009).

The site was introduced to a tender process to provide a mechanism for a regularly and continued maintenance and a commercial incentives to assume the revitalization process. After a long and heated public outcry against the site development, the project was awarded to the Mawland Group who had a distinguished history of tourism-related cultural heritage development projects. The intention of Mawland's adaptive reuse proposal has aimed to generate sufficient wealth to conserve the site in a better way and increase public access, marketing, and interpretation. The proposal is also supposed to return a profit share to the New South Wales National Parks and Wildlife Service (NPWS) for further cultural heritage conservation activities within Sydney Harbour National Park. Moreover, the Environmental Impact Assessment of the Proposal asked Mawland's consultant to clarify different points including, the condition of the site, public access and interpretation process, former conservation activities, and the economic impacts of the proposal. This clarification shall offer ample opportunities and lessons to boost the economic management of other heritage sites (Wearing and Darcy, 2009). In 2006, the Mawland Group was awarded the lease of the site based on a 21-year contractual agreement. There were four main state agencies responsible for regulating the project namely as; NPWS, NSW Heritage Council, NSW Department of Planning, and NSW Maritime and that is why the governance on this was challenging (Macdonald and Cheong, 2014).

Under the lease agreement, the site has experienced extensive conservation and adaptation activities to buildings, artefacts, and landscape features. The Mawland Group had to invest about \$6 million on the conservation of buildings, inscriptions, cultural landscape, movable heritage collection, and infrastructure. Adaptation of buildings enabled the operator to set up an eighty-five-room, 3.5-star hotel, two restaurants, theatre, visitor centre, conference and function rooms, parking, and ground transport (Macdonald and Cheong, 2014). Key achievements in the site include the modification of the former luggage store into a visitor centre and the adaptation of the boiler house into a harbour-side restaurant. Other works in the site has also included upgrading and formalising carparking, renovating the historic pathways and garden beds (NSW, 2012).

The project to great extent is considered a successful arrangement with the conservation of the different natural and cultural heritage components. Environmental impacts have largely been reduced. The physical heritage assets have been repaired without compromising the cultural significance. Public access to the site has been secured and both interpretation and education themes have been improved with contemporary approaches. The site has also witnessed a growing number of visitors who would not have

been interested in the traditional approach provided by the public sector. These aspects enabled the project to receive different awards, for instance, “Best Heritage Tourism and Best Australian Heritage Experience from the Gourmet Traveller 2009 Travel Awards”, “Best Heritage Tourism category from the Australian Tourism Awards”, “Best 4–4.5 Accommodation from the HM Awards in 2009”, and “Best MICE Hotel” (Macdonald and Cheong, 2014).

Although, the site has experienced a remarkable conservation and adaptive re-use identified it as one of the best examples of PPPs for heritage conservation in Australia; however, the site has raised some concerns. The project, for instance, faced a large community opposition against the leasing contract of the site to private developer. Therefore, government asked for the revision of the management plan, detailed management plans for the area, a Commission of Inquiry, and species impact assessment. Thus, the leasing and approval process took approximately eight years which significantly increased the costs and risks to the public and private partners (Macdonald and Cheong, 2014).

Undoubtedly, it would be a shocking idea for many people to recognise the participation of private partner in a sensitive environment like heritage, especially with its profit-seeking approach. This actually raises great fears and doubts amongst communities about the implicit and undisclosed aims of the private partner. In addition, the private sector may give less attention to preserving and maintaining the different values ascribed to the property in favour of maximising his returns. Therefore, wisely identified and designed outcomes are a highly prerequisite required before proceeding in partnership for both the public and private sector. The clearly identified objectives would support the interaction between the different stakeholders as well as reduce any potential conflicts that may occur due to the different interest of the partners involved. Wearing and Darcy (2009) also contend, the free flow of information is a prerequisite for successful involvement in planning. Without a free flow of information, misleading information and views of some stakeholders can be transferred to the community.

Governance also remains a crucial aspect of PPPs. There is a need for adopting a thorough approach that ensures the involvement of all stakeholders. This approach should be implicitly and publicly expressed not only through regular discussion with community and non-governmental organisations but also through ensuring that their aims and expectations are fulfilled. However, governance concept was broadly debatable and challenging in the Quarantine Station. According to Wearing and Darcy (2009) the Quarantine Station faced a great public outcry which

illustrates the needs for a strong community involvement in heritage issues. The debate over the Quarantine Station redevelopment continued for about a decade. This in itself offers a clear understanding about the values and passions associated to the site by the community. Therefore, the site represents a contested place rose from the different and rich cultural heritage and history.

Another point that made this PPP is relatively challenging, is the final environmental approval which was difficult to interpret and left much more room for uncertainty. The approval's requirement, for instance, which necessitates the preparation and approval of numerous site's plans made the private operator unable to know exactly what to budget for. Tying the approval's requirements to the lease increased the private operator risks. All leases are tied to funding agreement, so when there is a lack of compliance with a condition of approval, the operator is technically defaulted, which in turn would affect the operator's capacity to pay the debt back and can be prone to bankruptcy (Macdonald and Cheong, 2014).

7. CONCLUDING REMARKS

Given that heritage management is a complex and interdisciplinary approach since it involves a comprehensive and integrated treatment and maintenance of cultural heritage (Rahman 2013; Papoulias and Mascha, 2019) as well as the participation of different stakeholders. Therefore, this study sheds a light on the current experience of PPPs with a special focusing on the role of the private sector in heritage management. It gives a reflection on the potentials and limitations of PPPs. This has been approached through investigating the multiple cons and pros of PPPs. The research shows the increasing role of the private sector in built heritage is stemming from the financial constraints and lack of expertise of governments. Another factor is related to the increasing number of historic buildings, natural sites and the inclusion of other types on heritage lists. All these aspects exercised a great pressure on current governments and competent authorities to find urgent solutions to be able to manage these valuable properties effectively.

To give a detailed discussion about PPPs in heritage conservation a case study is adopted which is the Quarantine Station. The results from this case study are interesting yet to some degree slippery. According to documents investigated, this project was to high degree successful in achieving the specifically designed outcomes represented in conducting a conservation process for the site while at the same time ensuring that the different values of the site are not undermined or jeopardised under the private partner

involvement. The cultural values are not only threatened under the control of the private sector through inappropriate conservation activities rather it goes beyond this factor to include the inadequate process of commercialisation that inevitably would negatively affect these irreplaceable values. The private partner—the Mawland Group—was successfully able to develop the site and the existing buildings and to make adaptive re-use for them. So, it can be argued that the desired outcomes based on efficiency-oriented partnerships as Pfisterer (2017) implies, have largely been materialised. The private operator has the ability to meet the specification based on efficiency and to raise fund from the operation of site which will be used for further maintenance activities over the contractual agreement. However, the case study discussed also points out the need for a strong community involvement in the decision-making process of heritage sites.

This research gives different insights about the possibilities of further partnerships in heritage conservation. It sets the course for other debates concerning the role of the private sector. However, to give a conclusive and precise view about PPP experiences in heritage management would be elusive or as Seaman (2013, p.114) states, “It will shock no one that any sensible evaluation of the role of private sector intervention for heritage preservation will reach a nuanced and mixed conclusion of neither universal praise nor condemnation”.

This research also undoubtedly has its limitations. This study is dependent on a single case study and thus the outcomes are restricted to specific condition and context. However, this is due to the fact that partnerships between the public and private sector in heritage conservation are still in their preliminary stages which limit the ability of a deep and broad investigation on such approach. What is required is to investigate other experiences and data that might be available over the globe and to conduct further comparative studies. Further researches and discussion should be directed to other aspects, for instance, the determinants influence the private interference in heritage preservation, conflicts between parties involved and how they might be managed, how private intervention is introduced to the community, community involvement in decision-making, and the legal aspects of heritage management of each state. All these themes need to be profoundly explored to be able to identify whether PPPs would be a workable and favourable tool of the general public policy concerning heritage preservation and if PPP experiences can be transferrable and generalisable to other countries or they are highly restricted to particular areas and policies. Despite the research’s limitation; however, it provides interesting points and results that will support further

investigation in such area which gains less scrutiny although to some people believe that the private sector interference in heritage preservation seems to be an undesirable approach.

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