

Conservation, Places and People APPG

Inquiry on the Regeneration of Historic Places



About Us

The Heritage Alliance is the largest coalition of heritage interests in England. We unite over 150 independent heritage bodies from English Heritage, the National Trust, the Canal & River Trust and Historic Houses to professional institutes, national amenity societies and research bodies. Our members represent over seven million people, including volunteers, trustees and staff. Most of England's historic environment is owned, managed or cared for by Heritage Alliance members.

Questions

What evidence exists of the economic, social and environmental benefits from the conservation, care and regeneration of historic buildings and areas, across the UK?

1. England's heritage industry is valuable. England's heritage sector directly contributes £14bn in gross value added (GVA). This is larger than the security industry, defence industry, the aerospace industry and the arts and culture industry in the UK. Indirectly, England's heritage industry contributes an additional £16.9bn, overall this is equivalent to 2% of national GVA. Additionally, the heritage sector directly employs 198,000 people, and also attracts over 200 million domestic and international tourists each year with £17bn spent at heritage sites¹.
2. The impact of COVID-19 on the UK's heritage sector has been significant. During what would usually be their peak season, heritage sites have had to make difficult decisions about paying staff, utilising reserves and maintaining sites and collections. However, this challenging period of lockdown has highlighted the crucial role of heritage in people's lives and wellbeing and as the bedrock of a strong economy. Surveys demonstrate how much we craved physically accessing these spaces again, and lockdown brought into clear relief how much local environments matter and are integral in placemaking. For example, a survey of 2,000 UK adults found that the number one attraction people wanted to visit once out of lockdown was a National Trust park or property².
3. In addition, heritage visits generate incomes in local economies. A study into heritage and the UK tourism economy, based on a random sample of 62 completed National Lottery Heritage Fund projects funded between 2004 and 2007, estimated that for every £1 spent as part of a heritage visit, 32p is spent on site and the remaining 68p

¹ Historic England (2019). <https://historicengland.org.uk/content/heritage-counts/pub/2019/heritage-and-the-economy-2019/>

² Country Living (2020). <https://www.countryliving.com/uk/travel-ideas/staycation-uk/a32299271/first-place-brits-wish-to-visit-after-lockdown/>

is spent in local businesses including restaurants, cafés, hotels and shops.³ It is essential we protect the important contribution of heritage to place-making and local economies.

4. Conservation, care and regeneration of historic buildings and areas not only has economic gains, but social gains. Our recent Heritage, Health and Wellbeing report explores the positive impact engagement with heritage and historic sites can have on individual and community wellbeing. The report showcases over 30 impressive case studies that have benefited the public's physical and mental health. For example, the Inspiring Futures project, a training and volunteering programme which ran across ten heritage sites in Greater Manchester for over 260 people from local communities, who were either long-term unemployed, facing low-level mental wellbeing challenges or social isolation, calculated a socio-economic return on investment of £3.50 for every £1 invested.⁴ More recently the National Churches Trusts has shown that every £1 invested in church buildings there is a Social Return on Investment of £3.74 (using the most conservative methods).⁵ There is no question that church buildings provide a strong, positive economic return by providing and hosting food banks, youth groups, drug and alcohol support and mental health support.
5. There are also clear environmental benefits to the conservation, care and regeneration of historic buildings and areas. See paragraphs 21-24 for further details.

How can the conservation and regeneration of historic areas contribute to the wider agendas of governments across the UK to equity and 'levelling up', along with their focus on high streets revival?

6. The Government cannot deliver the levelling-up agenda without addressing spatial inequalities. Heritage sites and historic areas are spread throughout the UK. 99.3% of people in England live less than a mile from a listed heritage asset⁶. The benefits that heritage sites can bring, whether economic, social or environmental, can be capitalised on in any area in the UK.
7. RSA's Heritage Index 2020 shows that the dynamic heritage scene exists equally in the cities as the countryside. While towns and cities have high concentrations of listed buildings and industrial history, rural areas have a high concentration of natural heritage. Similarly, the north-south divide is also virtually non-apparent, with the Heritage Index revealing that within each region there are pockets of strong heritage assets and activities.⁷

³ National Lottery Heritage Fund (2010).

https://www.heritagefund.org.uk/sites/default/files/media/about_us/hlf_tourism_impact_single.pdf

⁴ The Heritage Alliance (2020). https://www.theheritagealliance.org.uk/wp-content/uploads/2020/09/Heritage-Alliance-AnnualReport_2020_Online.pdf

⁵ National Churches Trust (2020). <https://www.houseofgood.nationalchurchestrust.org/wp-content/uploads/2020/10/House-of-Good-AW-digital-small.pdf>

⁶ Historic England (2019). <https://historicengland.org.uk/content/heritage-counts/pub/2020/heritage-and-society-2020/>

⁷ RSA (2020). <https://www.thersa.org/globalassets/foundation/new-site-blocks-and-images/reports/pride-in-place-rsa-heritage-index-2020.pdf>

8. We welcome the £107 million of the Future High Street Fund dedicated to the regeneration of heritage high streets. Funding schemes, such as this, and other targeted investment, should continue to support heritage projects to create a sense of place and enable heritage to address public policy priorities. Historic town centre and high street revitalisation has been found to reduce anti-social behaviour and increase feelings of safety amongst residents. Heritage capital investments have the potential to alleviate negative spillover community effects of crime – and knock-on effects of social fragmentation, and deprivation.⁸
9. Financial support for the historic environment can ‘level up’ local areas across the country - attracting both domestic and international tourism. As mentioned in paragraph 3, heritage visits generate incomes in local economies: for every £1 spent as part of a heritage visit, 32p is spent on site and the remaining 68p is spent in local businesses including restaurants, cafés, hotels and shops.
10. Other fiscal changes to support the historic environment would also benefit the Government’s ‘levelling up’ agenda. For example, a commitment to the continuation of the Heritage Maintenance Funds scheme and reduction of the income tax rate on these funds to 20% would inject more investment in repair and maintenance in properties that are dispersed across the country. As fewer than 5 of the 1,500 Historic Houses’ members are in the metropolitan area of greater London, this tax reform would generate economic activity in non-metropolitan, rural parts of the UK and support the ‘levelling up’ agenda.
11. Equally, the Government should consider how it can better support under-utilised heritage buildings being brought back into use as housing e.g. mills and factories. Research has demonstrated that refurbishing underused historic mills in West Yorkshire and Greater Manchester could provide workspace for 283,000 jobs or 52,000 new homes.⁹ Reusing historic buildings to meet office and housing needs reduces carbon footprint significantly as illustrated in the 2019 Heritage Counts report entitled ‘Carbon in the Built Historic Environment’¹⁰ and explained further in paragraphs 21-24.

Is there a case for further increasing the level of investment in the heritage and infrastructure of places outside London and the south-east of England to assist the ‘levelling up’ of lagging regional economies?

12. We believe there is a case for increasing investment in heritage and the historic environment to assist with the ‘levelling up’ of lagging regional economies. Please see paragraphs 6-11 for further detail.

⁸ Historic England (2019). <https://historicengland.org.uk/content/heritage-counts/pub/2020/heritage-and-society-2020/>

⁹ Historic England (2017). <https://historicengland.org.uk/images-books/publications/engines-of-prosperity-new-uses-old-mills/>

¹⁰ Historic England (2019). <https://historicengland.org.uk/content/heritage-counts/pub/2019/hc2019-re-use-recycle-to-reduce-carbon/>

How can regeneration of the historic environment contribute to and interact with efforts to revive local economies in the wake of the Covid-19 pandemic and subsequent recession?

13. Research carried out by University of Cumbria found that COVID-19 has resulted in people spending increased time in nature, with the majority of correspondents also saying that they are now more likely to spend time in nature in the future. Compared with before lockdown, 70% said they would be more likely to notice nature in their local area in future. The research also revealed that people across the UK had beneficial experiences when they had time and opportunity to notice their neighbourhood environment and local nature.¹¹ **As many historic spaces are outdoors and an inherent part of our natural environment, this desire for access to nature after the pandemic can be capitalised on to help revive local economies.**
14. Similarly, as noted in paragraph 2, several surveys have demonstrated how much we craved physically accessing heritage attractions and historic sites again. Lockdown has made abundantly clear how much local environments matter and their integral role in placemaking.
15. We have appreciated the support of the government over this challenging period through the Culture Recovery Fund for Heritage, the Job Retention Scheme and other business support. We now urge the government to look beyond this financial year to the long tail of this Covid-19 crisis. An investment in the future of our historic environment is an investment in our country's future prosperity and in the public, who use and value it. 73% of UK adults agree that the UK government has a moral obligation to protect our heritage.¹²
16. The recommendations mentioned elsewhere in this consultation response, such as a VAT system which incentivises reuse through parity of treatment for the repair and maintenance of existing buildings as compared with new-build, would not only protect our historic environment and contribute to Net Zero efforts, but also kickstart the construction sector after the pandemic.
- a. According to the Federation of Master Builders, a cut in the VAT on home improvement works would stimulate the industry, as tax would no longer be a barrier to homeowners doing repairs and making upgrades, including the energy efficiency, of their buildings.¹³
 - b. Research commissioned by Experian in 2015¹⁴ found the impact of reducing the rate of VAT on residential repairs and maintenance from 20% to 5% (over the 5-year period from 2015 to 2020) was estimated to generate an stimulus

¹¹ University of Cumbria Institute of Science, Natural Resources and Outdoor Studies (2020). <https://www.cumbria.ac.uk/about/news/articles/articles/university-research-records-new-love-of-nature-during-coronavirus-lockdown-.html>

¹² ComRes, Public Perceptions of Heritage. http://www.comresglobal.com/wp-content/uploads/2015/11/Public-perceptions-of-heritage_2015.pdf

¹³ Federation of Master Builders. <https://www.fmb.org.uk/about-the-fmb/newsroom/construction-recovery-needs-a-vat-cut/>

¹⁴ Experian (2014). <https://www.ihbc.org.uk/resources/VAT-research-FINAL.pdf>

of £15bn over the 5-year period to 2020 at a cost of £6.6bn over the same period.

What evidence exists that historic buildings provide flexible, low rental space for start-up businesses, social enterprises and community facilities, thereby helping to stimulate local economies, particularly in more peripheral neighbourhoods?

17. Heritage buildings are assets to communities. Councils, planners and developers must recognise that they play an important role in creating a sense of place. A historic building comes with a built-in visitor experience – the building has a story to tell. For businesses, this heritage story can form the basis of a unique marketing strategy and differentiate it from its competitors.¹⁵
18. The Future High Streets Fund recognises the importance of historic buildings to communities by supporting charities and social enterprises to develop projects with the potential to bring new life to high streets by creating alternative uses for redundant or underused historic buildings in town centres.
19. The value of historic buildings and heritage sites for local economies is clear - see paragraph 3 and 13.

How has heritage regeneration helped to boost the image and social cohesion of the areas they are located in, attracting investment and providing a catalyst for reversing economic decline?

20. Heritage regeneration boosts the image and social cohesion of areas in which they are located. The Architectural Heritage Fund, among others, has excellent examples of this process. For instance, The Peckham Road Fire Station is a striking example of Victorian domestic Gothic architecture and is being used as a contemporary arts space and annexe to the South London Gallery's main site. The regenerated building provides gallery spaces, an archive room, artists' studio, kitchen and terrace, combined with community and education facilities.¹⁶

How can the care, repair and regeneration of the historic environment help to meet the UK's commitment to sustainable development, including cutting emissions to net zero by avoiding the use and waste of scarce resources associated with demolition and redevelopment?

21. Tax changes should be considered as a priority to support the heritage sector and help contribute to the Government's 2050 net zero emission target, especially after the additional financial pressures and insecurity that coronavirus has initiated.
22. Work to historic buildings is currently subject to 20% VAT, yet no VAT at all is charged on work on new buildings. This creates an environmentally unfriendly

¹⁵ Historic England (2018). <https://historicengland.org.uk/whats-new/debate/recent/heritage-and-the-high-street/creative-uses-for-old-buildings/>

¹⁶ Architectural Heritage Fund (2020). <http://ahfund.org.uk/recentcasestudies>

incentive to demolish old buildings. The Building Better, Building Beautiful report re-states this case, noting: “Among our specific proposals, we advocate radical reform of the VAT provisions so as to remove the incentive favouring new-build over re-use when it comes to discarded buildings. Such reforms will bring to an end the unnecessary and ecologically unacceptable destruction of adaptable and durable buildings, and their replacement by short-lived glossy boxes... Government should align VAT on housing renovation.” It also argues these tax regimes potentially more than double the tax liability to landowners who take a long-term interest in creating better places¹⁷.

23. Buildings are today the third largest greenhouse gas (GHG) emitting sector in the UK. The construction of new buildings emits 48 mega-tonnes of carbon dioxide in the UK each year – that is equal to the total emissions for the whole of Scotland. Creating an equalisation at 0% VAT will be particularly impactful on levelling up to a greener infrastructure and way of life. We are aware that whilst the UK remained in the EU this was cited by the Government as too difficult, but with our departure from the EU, an opportunity is now presented for simplification where VAT is set equally for all construction work whether new build or repair and maintenance. This will encourage UK homeowners to carry out energy efficient repairs and improvements, avoiding future carbon emissions from buildings. Given the Government’s stretching targets around reaching Net Zero by 2050, a renewed focus on place, quality of life, and a growing recognition of the role of heritage in achieving these important public outcomes, now is the time to ensure that Government is doing everything it can to create the right conditions for encouraging repair and recycling of buildings.
24. Historic England commissioned Carrig Conservation International to undertake a research project for Heritage Counts entitled “Understanding carbon in the historic environment”¹⁸. Using actual data from two historic buildings, a life cycle assessment model was developed and used to compare the embodied and operational carbon emissions before and after energy efficient refurbishment was undertaken, as well as between demolition and new build versus repair and retrofit. The research shows that carbon emissions are reduced by more than 60% by 2050 as a result of the refurbishment and retrofit.

How can conservation-led regeneration of the historic environment help to promote sustainable patterns of development, striking the right balance between economic growth and social equity, while also curbing wasteful emissions?

25. As discussed above, the conservation-led regeneration of historic spaces causes less emissions than new builds. Regeneration, such as repurposing a building, can contribute to economic growth and social benefit by giving the building a new,

¹⁷ Building Better, Building Beautiful Commission (2020).

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/861832/Living_with_beauty_BBBBC_report.pdf

¹⁸ Historic England (2019). <https://historicengland.org.uk/content/docs/research/understanding-carbon-in-historic-environment/>

relevant purpose. Restoring heritage sites can also increase tourism to the site which has economic and social benefits.

What are the implications of the government's reforms to the English planning system, proposed in the planning white paper, for the conservation and regeneration of historic areas?

26. We think that the proposed reforms to the English planning system could have serious negative implications for the conservation and regeneration of historic areas. We are particularly concerned that the Government does not recognise in its Planning White Paper that the natural and historic environment is not found only in Protected areas but in Growth and Renewal zones too. Indeed, much of it yet to be discovered (e.g. buried heritage assets or the many buildings of listable quality that have not yet been listed, buildings of local importance and high quality, undesignated sites of importance) or part of a wider historic landscape (parks and gardens, battlefields, monuments, historic places). It is unclear whether or how these features would be recognised and protected.
27. We advocate that the new system for development areas recognises that over 90% of heritage assets are undesignated, will not only be located in 'protected' zones, and usually rely primarily on processes for obtaining planning permission for their protection. Appropriate assessment of such sites must be done before permission to build in principle, by designating an area for growth or renewal, is awarded. Any approach that divides land into three types of zones for planning needs to take account of specialist advice and use HERs and Historic Landscape Characterisation, as well as the MAGIC database, to understand the environmental sensitivities of every place and so inform the management of development in all categories of development area.
28. We also disagree with the Government's proposal in the Planning White Paper for a new consolidated test of "sustainable development" replacing existing legal and policy tests for Local Plans. A "single test of sustainability" may undermine attempts by local authorities to properly protect their local historic environment. For example, the test may force local authorities to abandon some attempts to zone areas as "protect" areas, thereby threatening our heritage. Replacing local tests with general national tests threatens the soundness of the whole package of reforms to the English planning system. This would effectively remove the power from local communities to say *what* can be built *where* - reducing it to only *how* those developments can be built.
29. We also have grave concerns about MHCLG's new proposals for a new development (PD) right for the change of use from Commercial, Business and Service use to residential. The current legislation exists for a good reason - substantial developments need full planning consideration. The reason for PD rights based on size is to allow for small schemes with minimal impact. Larger buildings have greater physical and visual impact on the settings of heritage around them and therefore need the proposer consideration that planning permission allows. The proposals around upward extensions are also problematic as these extensions pose

a potential threat to the setting of heritage and historic environment of the local vernacular and the surrounding buildings, and therefore the appreciation, enjoyment and understanding of it.

What have been the impacts of cuts in local government to the capacity of planning departments to facilitate the conservation and regeneration of sensitive historic areas?

30. Well-funded and responsible local authorities are needed to protect our valuable historic environment and use heritage to create vibrant homes and places. Severe cuts to local authorities have meant that local museums, archives and planning departments have suffered.
31. Since 2006, the number of conservation specialists has fallen by 37% and the number of archaeological specialists has fallen by 35%. Severe cuts to local authorities have meant that local museums, archives and planning departments have suffered. Local planning authorities in urban areas in England have had their budgets cut by 41% over the last ten years¹⁹.
32. The Government should invest in local government and ensure Local Planning Authorities have adequate planning, conservation and archaeological staff who look after our heritage, by ring-fencing funding for proportionate staffing levels.

How can post-pandemic efforts to boost skills training support efforts to revive neglected crafts key to historic building conservation?

33. There is evidence that specific skills training boosts historic building conservation. For example, in the Seventeen Nineteen Craft Skills Programme, construction apprenticeships, practical learning sessions, and a programme of hard hat tours provided concrete skills for the individuals who took part, and also helped to protect Holy Trinity Church from falling into disrepair.
34. VAT on repairs and maintenance has a suppressive effect on economic activity around construction and has resulted in consequential loss of capacity among heritage specialists who are essential for the appropriate care of historic buildings. This has had a negative impact on reviving or promoting enterprise, craft skills and apprenticeships²⁰. A change in VAT to support Net Zero efforts would kickstart the construction sector and boost training on historic conservation in order to fulfil demand for the care, reuse and retrofit of historic buildings. Boosting skills training post-pandemic provides jobs and provides the ability to restore historic buildings.

How can the conservation and restoration of historic parks and other important green spaces contribute to efforts to encourage exercise and thereby promote health and well-being?

¹⁹ Centre for Cities (2019) . <https://www.centreforcities.org/reader/cities-outlook-2019/a-decade-of-austerity/>

²⁰ IHBC. http://ihbconline.co.uk/toolbox/research_notes/vat.html

35. Access to green spaces is incredibly important to promote exercise. The very fact that green spaces are cared for and kept open is essential to give people the space they need to exercise. Historic sites are also often responsible for hosting events that actively promote exercise. For example, our Heritage, Health and Wellbeing Report highlights that many historic houses across the country host parkruns and weekly 5km running events that are free to enter and run by volunteers.²¹
36. Although the question focuses on exercise, it is important to recognise that the restoration and care of historic sites also promotes good mental health and wellbeing. To take just one example, in Human Henge (an archaeology, mental health, and creativity project), walking with intent in ancient landscapes, people with mental health conditions living locally met over ten weeks at the historic sites of Stonehenge and Avebury. This creative exploration of the historic landscape provided significant improvements to the participants' mental health when examined one year later.²²

For further information, please contact The Heritage Alliance.

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²¹ The Heritage Alliance (2020). https://www.theheritagealliance.org.uk/wp-content/uploads/2020/09/Heritage-Alliance-AnnualReport_2020_Online.pdf

²² The Heritage Alliance (2020). https://www.theheritagealliance.org.uk/wp-content/uploads/2020/09/Heritage-Alliance-AnnualReport_2020_Online.pdf