

Inquiry: 21st Century Places: Values and Benefits

APPG for Conservation, People, and Places

Historic Houses Submission of Evidence
January 2021

About Us

Historic Houses represents 1,500 of the UK's most significant historic houses, castles and gardens. In normal times these Grade I and II* listed places welcome nearly 27 million visits each year (which, for context, is more than the total number of inbound tourists to the whole of Portugal in 2019), contributing over £1 billion to the economy and generating 34,600 full time equivalent jobs, largely in rural and regional economies. All our member places are owned independently of government or national charities, and most are independent small businesses. As well as opening for tourism day visits, many operate as wedding venues, offer holiday accommodation, serve as filming locations, and operate as education and learning centres.

The coronavirus pandemic has had a devastating impact on this heritage-led tourism industry – causing severe damage to the fragile rural economies that depend on historic house visitor attractions, businesses and events venues. Turnover has halved, visitor numbers have reduced by 75 per cent, and unfortunately thousands of jobs have been lost.

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

Historic houses and gardens are invaluable to local people, places and prosperity. According to Historic England's 'Heritage Counts' survey in 2016, historic houses and castles are the part of our country's historic environment that the public value most; and VisitBritain found that over a third of all inbound tourists say they visit this country primarily because of our historic house heritage.

Historic Houses make a hugely important contribution to the economy and our communities; in normal times, between them our member houses and gardens welcome nearly 27 million visits every year (which, for context, is more than the total number of inbound tourists to the whole of Portugal in 2019) and generate £1 billion in visitor spend (two thirds of which is spent away from the houses, supporting local town and village economies). Our member houses also support over 34,600 FTE jobs, contributing £510 million per year to the economy in GVA.

The pandemic has underlined just how much depends on these vibrant and active heritage sites – our member houses are uniquely placed to respond to local needs (at the moment, people's need for local exercise), and are some of the biggest employers in rural communities. Whilst very challenging, a period of significant upheaval – with the combined challenges of Covid-19, Brexit,

climate change and inequality – is also an opportunity to demonstrate the value of heritage as a driver of rural prosperity in all parts of our country, a catalyst for health and wellbeing, an innovator in sustainability initiatives, and at the heart of vital discussions around diversity and inclusion. We have highlighted some of the key ways Historic Houses places, and the wider heritage sector provides social, economic and environmental benefits in our answers below.

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?

Investment in digital and transport infrastructure is desperately needed in rural towns and villages if these local economies are to compete with larger towns and cities as viable options for homes, businesses and further investment. Heritage sites in rural areas particularly suffer from a lack of reliable public transport for visitors, and a lack of reliable digital infrastructure.

Our members have identified lack of 4G and fibre optic broadband as one of the most critical barriers to business development. In order to successfully promote a historic property and garden, it is vital for tourism businesses to have access to fast, reliable broadband to run and maintain their websites and social channels, and to allow visitors to post about their visit while on site. Currently, only 37% of Historic Houses places have sufficient access to 4G and fibre optic broadband. Our member houses located in more rural parts of the UK often cannot meet the minimum aggregation demand threshold necessary for broadband funding schemes, and continue to lack the internet connection needed to grow their businesses. While it is understandable that internet providers want to focus on connecting those premises where they can make a profit, an inflexible approach to demand that doesn’t consider rural context means these rural communities may become more isolated, as rural businesses cannot compete on a level playing field with their urban counterparts in terms of connectivity. The Government announced in the 2016 Tourism Action Plan that it was committed to ensuring that over 95% of the population would have access to superfast broadband speeds, but this target has not been met. If this is not quickly addressed, many rural communities will be left even further behind with the new 5G developments.

The current patchy provision of rural public transport is also a key issue for Historic Houses members, particularly the issue of the ‘final mile’. This refers to the distance from the closest train station or bus stop to a tourist destination, which may only be a mile or two, but with no public transport provision and no pavements on country roads, can dissuade tourists from visiting that attraction. The Government, VisitBritain, local authorities and transport companies need to work together to address the problem of the ‘final mile’, which is not only a barrier to visiting rural attractions, but one which contributes to pollution by necessitating car travel where public transport is not an option. Larger sites such as Blenheim Palace and Chatsworth House benefit from partnerships with local bus companies that enable tourists to travel between the train station and the attraction cheaply and easily. However, more collaborative support is needed at a regional level to help smaller sites with fewer resources to facilitate local transport partnerships. Historic Houses continues to work closely with partners such as Good Journey UK (a non-profit promoting car-free UK leisure

travel) to facilitate and promote car-free options for reaching tourism destinations; but more strategic support is needed from government and regional and local tourism organisations and partners.

In all these recommendations, we would advise that new infrastructure developments be balanced with environmental mitigations. New public transport links should use electric vehicles where possible to reduce carbon impacts, and the installation of broadband should be wired underground to reduce any visual impact on the landscape. Bike hire options at rural train stations would also help to facilitate environmentally friendly access to rural attractions.

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?

Heritage sites and historic buildings can contribute significantly to the regeneration of rural economies in the Covid-19 recovery period, but their continued repair and reuse must be supported by a fiscal regime which incentivises the regeneration of our historic environment. Historic houses, castles and gardens are the bedrock of our thriving tourism industry, particularly in regional communities and rural areas. However, the coronavirus pandemic has devastated our heritage tourism industry – causing severe damage to the fragile rural economies that depend on historic house visitor attractions, businesses and events venues. Turnover at our member houses halved in 2020, visitor numbers reduced by 75 per cent, and thousands of jobs were lost.

However, our members' ability to recover and do more for their local communities is hampered not only by the setbacks of Covid-19, but by a huge backlog of repairs and maintenance that currently totals £1.38 billion. The regular repair and restoration of historic buildings not only protects vulnerable heritage, it boosts local construction businesses and supply chains, and it creates demand for valuable heritage and conservation skills. Historic high street buildings are frequently adapted as business premises which provide vital amenities to rural communities, whilst larger heritage sites often repurpose barns and stables as thriving event venues, which themselves support a vast network of caterers and entertainers alongside their own staff.

We support two key fiscal reforms to reduce the cost of these regular urgent repairs, which will incentivise the continued use of historic buildings, provide a boost local business, and free up funds to invest elsewhere in the heritage site. First, reducing the income tax burden on Heritage Maintenance Funds would allow more money to be ring-fenced for repairs - an independent economic analysis in 2018 found that a reduction to the basic rate of 20% income tax (from the current rate of 45%) would generate a net economic benefit for the nation of £85.5 million by 2023. Secondly, VAT on the repair, maintenance and alteration of listed buildings should be reduced or eliminated. This would give the tens of thousands of rural businesses based in historic buildings the extra cash and confidence they need to get on top of repair and maintenance backlogs, bring back staff, invest in their businesses and generate supply chain work and economic vitality for rural Britain.

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?

The sensitive adaptation and reuse of historic buildings, as well as their ongoing regular repair, has a significant role to play in reducing the carbon impact of the construction sector. Buildings contribute to global warming over their whole lives. 'Embodied emissions', meaning the carbon released during the construction and demolition of a building, now accounts for a very significant proportion of the lifetime emissions of a building – up to a third of its total carbon emissions. This fact is obscured in the government's current approach to carbon reduction in the built environment, which assumes only the operational stage of a building accounts for its environmental impact. Failure to model the whole life of the building ignores these wider impacts, and downplays the true impact of new demolition and rebuild, whilst underappreciating the benefits of reusing and adapting existing buildings.

Historic Houses would support a clear, well-funded campaign to promote appropriate and effective measures for saving energy in listed buildings. This ought to consider conservation considerations, but also make wider recommendations that consider behaviour change, building use and alternative fuel sources. Off-gas-grid areas also present an urgent case for greater investment in renewable energy sources for thousands of rural communities, who at present rely on LPG as the most affordable, but most carbon intensive fuel source for heating buildings. Renewable heat sources such as solar, ground source heat pumps and biomass boilers are not only vastly less carbon intensive than gas or LPG, but are most suitable for heating historic buildings as they result in less drastic temperature fluctuations that can damage historic fabric. Greater investment in retrofit solutions that are appropriate for historic buildings, and which use low-carbon materials, will also help the historic environment to meet decarbonisation targets whilst preserving conservation standards.

However, inflexible and overzealous planning restrictions and lack of funding often prevent owners of historic buildings from being able to implement green solutions in listed and historic buildings. We have heard of examples of it taking 10 years to get planning permission and listed building consent for a few (hidden) solar panels on the roof of a country house, for example. Listed building owners are mostly willing and keen to adopt more sustainable energy solutions at their properties, but they often report that an inflexible and risk-averse planning system prevents them from doing so. If Government is to reach its climate targets, the planning and heritage protection systems must reform to enable sensitive and appropriate changes to be made to listed buildings to prepare them for a more sustainable and energy efficient future.

The current VAT regime is one of the biggest threats to the future of built heritage. Our members spend £85 million per annum on tackling regular repairs and maintenance, but there still remains a backlog of outstanding repairs totalling £1.38 billion, £500 million of which are urgent repairs. Repair and maintenance is vital to the survival of historic buildings, yet the current system inadvertently incentivises the demolition of historic buildings which require significant maintenance work – VAT is charged at full rate for repairs, maintenance and alterations, whilst VAT on new build is 0%. An Experian research report showed that even reducing VAT rate to 5% on renovation and repair work

between 2015 and 2020 would have had a total stimulus effect of more than £15.1bn in the UK economy, and a total of 95,480 extra jobs in the UK by the end of 2020. Incentivising repair and reuse will not only safeguard vulnerable heritage sites, it will encourage the reuse of existing buildings, rather than the use of carbon intensive materials, machinery and manufacturing to build 'more environmentally friendly' new buildings.

It is essential that the government reconsider its long-term approach to decarbonisation in the built environment, and recognise that energy efficiency is only one way to measure carbon output. Re-using existing buildings, decreasing the carbon impacts of construction methods and materials, and encouraging behavioural change are all at least as important. On a larger scale, we need to stop understanding buildings as temporary and replaceable, and instead work towards a strategy for the built environment that places long-term viability, sustainability, adaptation and reuse at its core.

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?

We welcome the Government's plan to simplify the planning system, and to recognise the value of our heritage and the need to protect it. However, we are concerned that the proposal to designate areas within three broad categories underappreciates the ubiquitous nature of heritage, and risks stifling growth and investment in historic places.

Growth and Renewal areas are likely to include undiscovered or undesigned heritage, or 20th century heritage which is often overlooked. For example, the definition of 'Growth areas' identifies post-industrial sites as areas which are suitable for substantial development. However, sites such as Coal Drops Yard / Gasholder Park in Kings Cross demonstrate the value of redeveloping areas in ways that incorporate and preserve the existing historic environment, rather than treating them as brownfield sites. Similarly, Protected areas will include heritage sites which would benefit from sensitive development and investment. These areas will form the vast majority of rural England, where local businesses and supply chains also rely upon the ability to adapt and expand often historic premises. For the historic environment, adaptive reuse is particularly crucial. Buildings which can be restored and developed and used for a viable purpose ensure their ongoing survival and maintenance, whilst those which fall into disuse can become uneconomical to maintain. Heritage can only survive if valued, invested in, used and permitted to change and evolve where necessary.

The proposals suggest that applications for development in Protected areas remain essentially unchanged from the present system. We are therefore pleased that the proposals will neither reduce heritage protection nor directly reduce the capacity for sensitive development in Protected Areas. However, by granting outline permission for Growth areas, and streamlining consent for Renewal areas, we are concerned that any development in Protected areas will effectively be disincentivised. Rural towns and villages which would otherwise benefit from proportionate, community-consulted development may lose out on investment under these proposals, as Growth and Renewal areas offer fast-track options which Protected areas cannot.

We welcome the White Paper's commitment to beautiful design. However, we note that heritage is missing from the list of contributing factors to the 'sense of community' that is provided as one outcome from good planning. Local heritage and the historic environment are key in developing a sense of place, and heritage sites are valuable community assets. The Historic England *Heritage and Society 2020* report found that places with a distinct historic character provide a greater sense of place and foster improved social cohesion, both of which in turn contribute to a higher quality of life. It is important that new developments consider their local heritage and the historic character of the area – historic buildings display traditional architectural styles which are often unique to the region, and can often provide the most fitting and coherent design for new builds. There must also be an opportunity for local communities to help shape local design codes, rather than this being imposed upon them.

For applications involving listed buildings, we support the White Paper's intention to review and update the planning framework for listed buildings. Members often tell us about examples of inconsistent and overzealous decision-making across the country, which in many cases prevents responsible and long-standing owners of listed buildings from making the sort of sensitive and appropriate changes to the buildings in their care that would give them an economically viable future; all too often an inflexible and 'gold plated' approach from Local Planning Authorities stands in the way of long-term heritage protection and sustainable investment.

Much positive change in the system could be achieved without diminishing important heritage protections by implementing a set of reforms that have been developed by the heritage sector, under the Historic Environment Protection Reform Group (HEPRG). HEPRG (of which Historic Houses is a member) have been working for several years to develop proposals for a more streamlined regulatory system, whilst maintaining crucial heritage protections. Their proposals include introducing National Listed Building Consent Orders for routine works to listed buildings, providing better guidance on which works do and do not require listed building consent (a Historic England document currently under consultation), and engaging conservation experts to 'pre-approve' applications under an accreditation scheme. These proposals have twice been consulted on in the heritage sector, and are well-developed.

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?

In most cases, the best way to conserve a historic building such as an historic house is to find an economically viable use for it – Historic Houses member businesses range from traditional tourism attractions to wedding venues, arts centres to music festivals, outdoor theatre and crafts fairs. Overzealous and inconsistent implementation of regulation adversely affects the ability of heritage sites to remain economically viable, both now and in the future. The ability of Local Authorities to ensure the ongoing economic viability of these buildings by supporting their sustainable development is, therefore, of critical importance.

Unfortunately, lack of capacity within LPAs – both planners in general and Conservation Officers in particular – has posed particular problems for the heritage consent system. The most recent survey

of LPA conservation officers found a 37% reduction in their number since 2006, a number which continues to fall. As a result of this, decisions concerning listed buildings are increasingly being made by an inadequately staffed conservation team (in some local authorities without a conservation officer at all), having three major detrimental effects: 1) decisions concerning listed buildings are not given the due diligence they require, either resulting in damage to heritage or overzealous application of protection policy by under experienced case officers, 2) routine applications for repair and maintenance works or internal alternations can take months to process, rather than weeks, 3) the inconsistent and unreliable nature of the system results in a greater number of cases bypassing the system, and the council lacking the enforcement capacity to prevent it.

The cost of conserving most of Britain's historic houses is met by private individuals, and therefore incentivising these owners to spend substantial amounts of time and money on conservation is in the long-term public and national interest. This important work can, however, often cease as a result of unnecessary regulatory control or the heavy-handed implementation of regulation, which creates a hurdle to the implementation of a regular programme of repairs. Historic Houses members have told us that the slow and inconsistent interpretation, implementation and enforcement of planning rules is often the number one problem that prevents them from developing the sort of small businesses that enable them to keep the heritage in their care well maintained, economically sustainable and open to the public.

Given the pressure that there will be on the public finances, reviewing the LBC system and implementing some of HEPRG's proposals (as set out above) would offer a low-cost way for the Government to ensure that the custodians for some of our most precious heritage assets are able to fulfil their conservation duties without being wrapped up in red tape.

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?

Historic parks and gardens are vital green spaces which contribute not only to physical health, but also to mental health. These parks and gardens, many of which are owned and funded by private owners, are embedded in their communities, and therefore uniquely placed to respond to local need and provide diverse benefits. They are also not only beautiful places, but sites which hold special meaning for the people that visit them; engaging with heritage has been found to correlate with higher levels of satisfaction and quality of life.

Gardens and outdoor public spaces have provided a crucial role in the nation's wellbeing throughout this challenging year, providing a safe and tranquil setting for exercise, spaces to think, and many (Covid safe) family and friend reunions. Historic parks and gardens have the added benefit of being carefully managed green spaces, where visitors can feel more assured of their safety whilst enjoying the environment. Our member houses and gardens saw a marked increase in visitor engagement with their green spaces this year, with two-thirds telling us they are now keen to adapt their businesses to respond to the burgeoning public interest in parks and gardens and provide more outdoor activities.

Many of our members are already actively engaged in health and wellbeing activities in their outdoor spaces, from regular park runs to sensory trails to mindfulness sessions. Our case studies in the [2020 Heritage Alliance Health and Wellbeing report](#) (p.40-45) highlighted how these activities are having a direct impact on the mental and physical health of the people involved, from participants to charities to volunteers. The report particularly concludes that it is the historic settings of these places which enhance the wellbeing benefits they provide, and that the historic environment can add deeper purpose and enjoyment to health activities.

We hope that this important contribution will be better recognised by government health policies in future, and that historic parks and gardens can receive greater support and investment to expand their health and wellbeing programmes. We are particularly interested in seeing how the historic environment can be employed in social prescribing programmes, which will encourage people with long term health conditions and mental health conditions to engage in wellbeing activities to support their wider health.

Lydia Gibson, Policy Officer

Historic Houses

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Lydia.Gibson@historichouses.org