

# **Building Better, Building Beautiful Commission - feedback on the Interim Report A call for evidence**

# **The Heritage Alliance**

**4 October 2019**

The Heritage Alliance is England's largest coalition of independent heritage interests. We unite over 140 organisations which together have over 7 million members, volunteers, trustees and staff. The Heritage Alliance facilitates the work of several advocacy groups, including the Spatial Planning Advocacy Group, which includes representatives of organisations such as English Heritage, The National Trust, Natural England, Civic Voice, Association for Studies in the Conservation of Historic Buildings, World Heritage UK, Institute of Historic Buildings Conservation, Royal Institution of Chartered Surveyors, The Churches Conservation Trust, the Ancient Monuments Society, Campaign to Protect Rural England, Historic Houses, Chartered Institute for Archaeologists, Wessex Archaeology, The National Trust, The Theatres Trust, The National Lottery Heritage Fund, Country Land and Business Association, Architectural Heritage Fund, The Society of Antiquaries, SAVE Britain's Heritage, National Churches Trust, Association of Local Government Archaeological Officers and others.

The Heritage Alliance has been working with MCHLG on various issues, such as changes to Permitted Development rights, planning reform and energy efficiency of historic buildings. We believe that heritage can help to address many Government priorities, including providing many quality homes through creative reuse. Reforming the tax regime to promote the repair and maintenance of our nation's irreplaceable heritage assets would encourage this aim, whilst supporting environmental targets through re-use.

We are very keen to support the MHCLG to ensure that our heritage is protected and enhanced for future generations through the planning system, and through appropriately funded local planning departments. In light of this, the Heritage Alliance also supports the aims of the Building Better, Building Beautiful, Commission to promote and increase the use of high-quality design for homes and neighbourhoods, to reflect what communities want, building on the knowledge and tradition of what they know works for their area. However, new homes don't have to be new-build. Re-using historic buildings to meet office and housing needs not only helps creating beautiful places and homes, but also adds to the overall attractiveness to the area, making people connect better with the places they live in, support the communities, promote wellbeing and social cohesion, while reducing carbon footprint significantly.

Heritage drives positive social and economic change and is vital to creating distinctive places where people want to live. Government has clearly recognised that some public money is needed in order to conserve heritage, protect the character and stimulate the potential of places. This is reflected in the

£95 m carved out in the Budget for Heritage High Streets. 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. Applying standard office floor space densities to just the vacant floor space in Greater Manchester and Lancashire's textile mills shows the potential to create 25,000 new homes.

The Heritage Alliance is, however, very concerned about a new permitted development right for building up, as it will have a substantial negative impact on the built environment. This is specifically related to the ***Policy Proposition 11: hope for the high street***. We are willing to supply examples of cases which have been granted planning permission which have had such a negative impact. It is odd for the Government to have created the 'Building Better, Building Beautiful' Commission and then propose removing local communities' ability to ensure that existing buildings are not made ugly. We welcome the exclusion of conservation areas and listed buildings etc. However there is still a key omission in relation to locally listed buildings which could be the very best buildings in an area yet are not unusual enough to be nationally listed. Although the rationale of the right is to provide 'new homes', much building on top of existing buildings will not necessarily provide new homes. The permitted development right should only apply where new homes are created that truly intend to address the housing crisis. If the policy is approved, then retrospective planning permission where there has been building up in a conservation area or on a listed building should be refused as a matter of course. This will discourage people to extend first then check later.

Design codes will not be strong enough tools to promote good design. Even without permitted development there are many examples of awful upwards extensions which have a negative impact on the surrounding built environment and residents' amenity. Design codes would be helpful to ensure the uniform and consistent design via planning permission. However, a design code is better than no guidance at all.

There must be the ability for local authorities to refuse demolition if there are concerns on heritage grounds not just on the manner of the demolition as is the case with the existing permitted development right for demolition of houses. There should be public notices and people should be able to object. If the new buildings under the permitted development do not need planning permission it will be impossible to assess the impact on surrounding heritage assets. We would urge the Government to abandon this proposal.

We would welcome continued collaboration with MHCLG to ensure any harm is mitigated as part of these proposals and to continue to identify opportunities for where the planning system can be improved.

#### **Comments on specific Policy Propositions:**

***Policy Proposition 1: ask for beauty.*** *Beauty and place-making should be a collective ambition for how we move forward and a legitimate outcome of the planning system. Great weight should be placed on securing beauty and great place making in the urban and natural environment. This should be embedded prominently in the National Planning Policy Framework (NPPF), associated guidance and encouraged via ministerial statement. This should both seek to protect that which is acknowledged to be beautiful through heritage and other protection regimes and should influence what we build in future at every scale.*

We agree, however what constitutes the value of a place goes far beyond the notion of "beauty" or "aesthetic benefit". It is a complex sum of many elements such as community use and value, historic associations with events or people, architectural and artistic uniqueness and contribution to the overall setting and outlook of the area, which partially is linked to the visual qualities of that place. As

pointed in Historic England's [Conservation Principles](#), there are at least four components of the significance of a historic building (i.e. communal, historic, aesthetic and architectural), and this is very valid for the assessment of significance for any place or site.

***Policy Proposition 5: placemakers not housebuilders.*** *We would like to explore how, public policy should support a growing role for the strategic land and infrastructure investor, master-builder, place maker or legacy business model as opposed to the building of single use housing estates on the 'next field' basis that currently prevails. Mixed-use developments are essential to creating places, delivering sustainability and a range of other beneficial outcomes. One option would be helping public sector bodies play a more active role in land assembly, when appropriate, by strengthening compulsory purchase orders and making it easier to buy land at existing use value plus a pre-set premium. This might be controversial and could require changes to the 1961 Land Compensation Act, to limit compensation for prospective planning permission. Another option would be actively to encourage land pooling.*

We agree, as building homes and neighbourhoods involve so much more than building houses – It should include parks, schools, offices, restaurants, museums, libraries and community centres; transport and infrastructure, entertainment facilities, sport and recreational grounds, hospitals and services. In order to link all these to common interest and a common value, and in order to build beautiful, with character and style, it is crucial that it is done with the local and national heritage in mind – it is the glue that keeps all this together, which links the place to the past of the community, relates to its memories and shared experiences, confirms the identity of the people living there and strengthens their sense of place, of belonging and local pride. None of this could be maintained without supporting and protecting the historic fabric of these places, their landmarks and their heritage.

***Policy proposal 7: incentivising stewardship and long-term development.*** *There should be a review of what changes in legal and tax regimes would better support a long-term stewardship model of land and infrastructure investment in the development of new or remodelled settlements as opposed to a speculative, short term approach. New vehicles to achieve this whether fully public, public-private partnerships, fully private or community-driven should be explored according to the requirements of regional property markets and location.*

We agree. Reforming the tax regime to promote the repair and maintenance of our nation's irreplaceable heritage assets would encourage this aim, whilst supporting environmental targets through re-use - notably the equalisation of VAT to create a level playing field. Most heritage, including that which the Government has designated as nationally important, is looked after by private owners at their own cost, and often by volunteers, creating places where people want to live and supporting tourism. The tax system should better recognise owners' burdens and support sustainable economic use and re-use of heritage buildings.

A strong (and costed) business case has been developed, supported by the sector, showing that reducing income tax on Heritage Maintenance Funds from 45% to the basic rate of 20% would generate a net benefit of £85.5m by 2023. This benefit derives from the additional tourism visits that would be carried out (because more historic houses would be open to the public), the additional maintenance and repair work that would be carried out, and the general enhancement to wellbeing that arises from greater public access to well looked-after heritage assets.

The Government should commit to continue the Listed Places of Worship grant scheme so that these important buildings can recover VAT incurred on eligible costs.

20% VAT applies to work to historic buildings, yet no VAT at all is charged on building new homes. This is a perverse incentive not to repair or maintain historic buildings. Nevertheless, repair and maintenance work of historic buildings generated £6.6bn in construction sector output in 2018.<sup>1</sup>

The Heritage Statement's openness to consider tax measures was extremely welcome and the sector is working to gather evidence. The Government should now pilot a grant scheme to repay VAT spent on the repair of listed buildings, like the Listed Places of Worship Grant Scheme, and gather evidence of its impact on productivity and repair, with a view to a wider roll-out. Repair and maintenance of listed buildings should attract a 0% VAT rate after Brexit. This would spur investment, create jobs and reduce the wasteful carbon effects of demolition and re-build.

A commitment to reducing the burden of business rates on the heritage sector would help the heritage organisations and museums who have suffered from a sharp increase. Clearer treatment for historic buildings – both in terms of reducing the burden of rates on heritage organisations, and recognition of the significant repairs liability owners of businesses based in listing buildings suffer – is important in light of the Government's regeneration agenda.

For further details, please refer to our fiscal priorities document "[Backing the Bedrock, Five Heritage Fiscal and Funding Priorities 2019](#)".

***Policy proposition 9: net gain not 'no net harm.'*** *The planning system operates on the principle of minimising harm. We would like to see how this could be restored to a value add proposition. The tool of 'environmental net gain' is acknowledged as a potential means of nature recovery alongside necessary new development. The Commission would like to investigate how this could be read across to the National Planning Policy Framework and guidance in association with the ambition to build better and more beautifully.*

Neither agree nor disagree.

We agree here with our member, the National Trust, and believe that beauty, high-quality design and sustainability should work as an added value scheme for development instead of a 'no net harm' scheme, but we also do have some concerns about how this might work in practice.

Biodiversity, and eventually environmental, net gain will operate on robust metrics, allowing for improvements that are objectively adding value. It will be very difficult to measure beauty and high-quality design an objective way, especially when taking into account local materials, preference, landscape and heritage.

Furthermore, if biodiversity or environmental net gain were to be expanded to incorporate higher standards or more beautiful buildings, we would have concerns about how this would interact with and potentially weaken the proposed net gain improvements for habitats, wildlife and the environment. Therefore, any requirement for net gain in development and infrastructure in relation to beauty and high-quality design needs to operate on a separate system, with its own measurements, monitoring and enforcement framework.

***Policy Proposition 28: making space for planning.*** *Many local planning departments have insufficient capacity to focus on design quality or deliver sufficient certainty or efficiency to development. By encouraging up-front deliberative engagement, the setting of clearer form-based codes in many circumstances, by limiting the length of planning applications and by investing in digitising data-entry and process automation, it should be possible to free up resources and liberate public sector planners*

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<sup>1</sup> <https://historicengland.org.uk/content/heritage-counts/pub/2018/heritage-and-the-economy-2018/>

*to perform their role more effectively. This won't be easy but it is crucial. Further consideration needs to be given to how planning is resourced and charged for to enable better quality, certainty and efficiency.*

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. Since 2006, the number of conservation specialists has fallen by 37% and the number of archaeological specialists has fallen by 35%. The sector is working on how heritage consent processes can be streamlined while maintaining the current level of protection for the historic environment to allow local planning authorities to deliver a more effective heritage and design-led service. In tandem, the Government should encourage Local Planning Authorities to invest in their planning, conservation and archaeological staff who look after our heritage, by ring-fencing funding for proportionate staffing levels.

**The Heritage Alliance**

[policy@theheritagealliance.org.uk](mailto:policy@theheritagealliance.org.uk)

tel. 0207 233 0700