



The
Heritage
Alliance

On the Brink: Heritage in the Cost of Living Crisis

A Heritage Alliance Insight Report

May 2024

“Heritage is all around us. Its true value to people and communities is almost incalculable. For that value to be sustained, it needs constant care and attention. As this report so vividly shows, the costs of looking after heritage just keep on growing. Member properties at Historic Houses face challenges from all sides, among them soaring fuel costs, escalating insurance premiums, and the struggle to keep pace with regulatory requirements. Given that most heritage is looked after within the private sector, it is clear that government should do much more to support the many independent owners and custodians of some of England’s most important heritage assets.”

Ben Cowell OBE
Director General of Historic Houses

“The cost of living crisis is particularly impacting on small and medium sized charities and social enterprises managing historic buildings up and down the country, presenting acute challenges that this timely report highlights. It is vital that government and its partners work together to develop a range of solutions that can address these challenges, particularly in areas of economic deprivation where the problems are particularly pronounced.”

Matthew McKeague
CEO of the Architectural Heritage Fund

“AIM warmly welcomes this timely and thorough exploration of the challenges facing the sector. While the findings may be sobering, the wealth of recommendations and acknowledgment of the resilience and creativity within our represented organisations inspire optimism. We look forward to continued collaboration with The Heritage Alliance, not only to amplify this work but to address these challenges together, seeking innovative solutions to safeguard our irreplaceable heritage for the years ahead.”

Lisa Ollerhead
Director of the Association of Independent Museums

“The story of our nation is embodied in the heritage buildings, collections and sites which form the backbone of our communities, drive tourism and contribute significantly to local growth and regeneration. However, the organisations which care for this vital heritage – particularly the smaller ones – are facing acute challenges, with the cost of living crisis affecting their operations, staff and revenue, against the backdrop of a critical loss of income during the pandemic.

“There is a real risk that the structure of the sector could begin to crumble, and that heritage assets – and the skills and workforce that care for them – will be lost. We want to see more attention paid to this urgent threat, and action from government to shore up this sector that enhances all of our lives.”

Hilary McGrady
Director General of the National Trust

“The effects of the cost of living crisis go far and wide, but this report highlights how the heritage sector can benefit those who need it most. As a charity, English Heritage is proud to be working with the Trussell Trust to help those who use the trust’s food banks – but to really unlock heritage’s public wellbeing potential, it should be embedded in health and social care strategies. Ultimately, supporting the heritage sector to weather this crisis will allow it to help society in meaningful and long-lasting ways, for the benefit of everyone.”

Dr Nick Merriman OBE
Chief Executive of English Heritage

“England’s heritage is a tangible way for people to connect with the past. It is something that can be seen, touched, and explored, bringing our history to life for millions of UK residents and visitors. Often outdoors and at the mercy of the elements, our heritage’s accessibility also makes it vulnerable, and it requires a huge, and expensive, amount of care. The report highlights the significant challenges that the heritage sector is facing, but also offers a message of hope: recognising our heritage’s remarkable resilience and demonstrating how a well-funded sector could stimulate growth and bring wide-ranging benefits across society.”

Richard Parry
Chief Executive of the Canal & River Trust

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Foreword

A Message from Our Chair

In many ways, heritage is a testament to challenges overcome. Through periods of prosperity and peace, crisis or conflict the buildings, landscapes, artefacts, traditions, and skills that have survived are today's reminders of the resilience of our ancestors. They tell stories of the past, and sometimes offer lessons for the future: how to adapt and thrive, how to find strength in community, and how to prioritise humanity during hardship.

We are again facing challenging times. In the wake of global conflict, rising costs in everything from energy to materials have met falling funding, a slow recovery from the Covid-19 pandemic and a consumer market that remains depressed, impacting businesses and individuals across the UK. Heritage and cultural organisations, whilst showing remarkable resilience and ingenuity, have been stretched and are now facing these and additional pressures - whether from adapting to climate change, coping with a decline in specialist skills, new regulatory requirements, or keeping up with an increasingly digitised world. Some of these pressures have built over time, but recent trends have left the sector feeling particularly vulnerable.

It is not all bad news, however. Reaching its 30th anniversary, the National Lottery Heritage Fund has transformed the way we care for our heritage, awarding over £8 billion since 1994 and saving thousands of special places for

the public. 2023 also marked the 25th anniversary of the first national Heritage at Risk Register. It was published in 1998 and significant progress has been made in the intervening years, with around three quarters of the first entries having been removed, as well as many since.

The pandemic brought with it a period of unprecedented capital funding for conservation repairs and sector support through the Government's Cultural Recovery Fund. Targeted regeneration funding has been available in recent years for both historic high streets and 'levelling up' in towns and communities, and capital support for cultural institutions through the Cultural Investment Fund. In addition, private funders and owners make a difference every day, investing time and resources in heritage assets.

Investment in our sector has always delivered significant returns. We are careful custodians of important local and national resources, and our work makes positive contributions to a wide range of public goods. But the power of heritage to make this contribution – and to provide significant employment, help us reach net zero, boost our wellbeing, power the creative and construction industries, and attract global interest to our shores – is under threat. This report demonstrates the scale of the risk now facing the sector and paints a stark picture of what 'one more rainy day' could mean for our local museums, historic houses and monuments,

parish churches, public gardens, or high streets. Importantly it captures how our heritage leaders and organisations are feeling about the pressures they face.

Amidst the troubling realities, the report also captures signs of hope and some exemplars of excellent practice. Across the sector, heritage organisations have come together to help one another, sharing skills and knowledge to ensure mutual survival. Many have demonstrated striking creativity in tackling the challenges they face whilst broadening access and engagement. Many have also used their position to make a tangible difference to the most vulnerable in their local areas. From providing warm spaces to partnering with food banks and family support organisations or facilitating successful health and wellbeing programmes, heritage organisations have used their place at the heart of local communities to provide social good in difficult times. They cannot do this alone.

Heritage is not just 'old things', or all about the past. The choices we make today are about what we want to carry forward into a tomorrow we want to see. Our heritage connects us, roots us in place and communities, and helps us to understand who we are. It is the backdrop and muse to our thriving creative economy and provides the warp and weft of our individual and collective memories. We learn from the past, while meeting the needs of the

present and seeking always to deliver a better, more resilient future.

I hope that our evidence and recommendations will not only arm decision-makers with the tools they need to support and invest in the future of heritage, but also amplify the sector's potential to deliver for those that need it most.

Dr Ingrid Samuel OBE

Acting Chair of the
Heritage Alliance

Introduction

Executive Summary

Our heritage is the bedrock of Britain; it breathes life into our towns, cities, coasts, and countryside, creating places that people want to live and invest in. It offers up lessons about our past and provides creative solutions to future challenges. If properly supported, heritage can actively help to achieve net zero, regenerate communities, improve our wellbeing, and power a green skills revolution.

The heritage sector **contributes an estimated £45.1 billion** in gross value added to the UK economy and **supports over 538,000 jobs**. It is estimated to make a larger direct contribution to UK GDP than the security, defence, or aerospace industries.¹ Heritage is a living and breathing part of our everyday economy – from canals and railways to high streets and theatres.

However, the heritage sector is now facing an existential threat. The triple impact of the Covid-19 pandemic, the ongoing cost of living crisis, and our changing relationship with the EU and wider world, has exacerbated pre-existing sector vulnerabilities.² Accelerating digitisation, shifts away from traditional volunteering models, and new regulatory requirements – whilst in many cases leading to greater professionalisation – had all taken a financial toll on heritage organisations long before current challenges began.

Now, new fiscal pressures have brought some of these issues to a tipping point. Growing funding gaps, depleted reserves, and operational costs cut to the bone have pushed parts of the sector to the brink of collapse. One more ‘rainy day’ could cause the irreversible loss of nationally important heritage.

In 2022, the conversation was dominated by the cost of energy,

but organisations are now reporting much broader pressures as high levels of inflation impact every aspect of day-to-day operations.

Recruitment and retention of staff and volunteers is more challenging than ever, consumer spending has not yet recovered to 2019 levels, and diminished reserves have weakened the ability of organisations to make ends meet. Organisations are now forced to make incredibly difficult decisions: cancelling educational programming, stopping restoration projects, making staff redundant, or closing completely. Overwhelmingly, the greatest reported threat facing the sector is the lack of funding: **81% of respondents to our recent survey say that funding is a significant concern.**³ Heritage organisations have demonstrated striking resilience and adapted as best they can, but they can only do so much.

In some areas, recent years have seen unparalleled government investment through the Culture Recovery Fund (CRF), alongside Levelling Up Funds and the Cultural Investment Fund. The CRF in particular – a £1.57 billion funding package for organisations at risk of insolvency – was vital for the survival of many heritage organisations during the pandemic. Amongst our survey respondents, almost nine out of 10 of those who had received CRF funding described it as ‘a lifeline’.⁴ This unprecedented investment in our sector yielded impressive results: it prevented over 600 organisations from closing, safeguarded over 20,000 jobs, and **every £1 spent led to up to £3.66 in benefits.**⁵

However, these investments have been undermined by a loss of revenue due to global inflationary pressures and rising costs. Moreover, not all organisations were able to benefit from the CRF, with one in every three applicants being unsuccessful.⁶ For many of those

that were successful, the positive impacts now risk being undone as they struggle with the reality of ‘returning to normal’ amidst the biggest fall in living standards since the 1950s.⁷ As the CRF’s evaluation highlighted, organisations remain concerned about shifts in audience demographics, reduced sales, fewer advance bookings, sector skills gaps, and an overall reduced margin for error.⁸

Philanthropy and grant availability have declined in tandem, with charity donations halving since the pandemic, and competition increasing for dwindling pots of funding.⁹ Whilst most heritage funding is designed to support time-limited projects, there is an urgent need for core operational funding to cover day to day essential costs.

Historic England, the National Lottery Heritage Fund, and the Arts Council form the bedrock of our sector, but have all suffered standstill settlements or actual cuts over successive years. Their assured future is crucial, particularly given decimated capacity at the local authority level. Ongoing cuts to council cultural funding have dealt another critical blow to the stability of the sector across the country.¹⁰

Urgent action is needed to ensure that our living, breathing heritage is not consigned to the past. As part of our [Heritage Manifesto](#), we have called for a range of practical interventions ranging from tax incentives and regulatory solutions to a new Culture Growth Fund: a major new phase of investment to support the sector during the ongoing crisis, and in turn, to support the wider public through the benefits heritage provides.¹¹ In addition, it is critical that sustained and ongoing capital funding is made available which builds confidence and a skills pipeline whilst avoiding peaks, troughs, and supply chain issues.

Heritage should remain core investment criteria for regeneration programmes, whether devolved or not, and a national sector support portfolio system for the independent heritage sector (akin to Arts Council England’s) would provide certainty and stability.

As the Culture Recovery Fund recognised, an investment in the future of our heritage is an

investment in our country’s future prosperity, and in the public who use and value it. **74% of UK adults agree that the UK government has a moral obligation to protect our heritage – now is the critical moment to deliver on that responsibility.**¹²

Key Findings



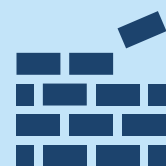
HERITAGE IS FACING AN EXISTENTIAL THREAT.

If heritage is not looked after it declines rapidly – and once it is gone, it is gone forever. Neglect becomes expensive, and it is not always possible to save assets further down the line: it is better to invest little and often. Without ongoing investment, the risk of collapse is real – and in many cases, literal.



HERITAGE HAS PARTICULAR VULNERABILITIES.

Whilst all sectors have felt the brunt of economic pressures in recent years, pre-existing challenges have made the heritage sector particularly vulnerable: from the demographics of our workforce, to the fixed costs of heating, repairing, and conserving historic assets.



HERITAGE IS A RESILIENT AND RESOURCEFUL SECTOR.

Heritage organisations have survived and thrived in the face of significant threats, many of them in recent history. Fortified by investment from funders, the sector has worked tirelessly to help itself, and demonstrated remarkable resilience and creativity – but it can only do so much without sustained support.



HERITAGE IS PART OF THE SOLUTION.

Our sector is uniquely placed to drive sustainable growth and offer support to those that need it most. Heritage has significant wellbeing value – both intrinsically, and instrumentally through programmes supporting communities and vulnerable people. It is the arena and backdrop to our successful creative industries, gives pride and meaning in place, and boosts the UK’s soft power internationally.



HERITAGE COULD DO MORE WITH MORE.

Investment in our sector will yield benefits for everyone. The transformative Culture Recovery Fund was unprecedented, but does not need to be unrepeatable. Sustained, sustainable, and targeted investment is needed at this critical time to stimulate growth and unleash the social good that heritage has the power to provide.

Background

The Heritage Alliance has been conducting research into the cost of living crisis since autumn 2022. This report draws together our analysis of the significant challenges that have arisen for the UK heritage sector over the last 18 months.

From October 2022 until June 2023, the Alliance hosted the ‘Cost of Living Data Desk’ on behalf of the **Historic Environment Forum**, which was funded by **Historic England**.¹³ Through the Data Desk, we were able to gather an accumulating body of evidence in real-time, which tracked how the economic situation was impacting individuals and organisations within (or connected to) the UK heritage sector. This information gathering involved:

- Distributing surveys
- Hosting roundtable sessions and focus groups
- Conducting one-on-one interviews
- Collecting written testimonials
- Monitoring media coverage of the crisis
- Collecting data or analysis published by sector partners

Since the culmination of the Data Desk initiative, the Alliance has continued to conduct its own independent research into the ongoing crisis – gathering evidence both from within our membership, and from across the wider heritage and culture sectors.

This report is intended to provide a snapshot of the issues facing the heritage sector, to add to the growing evidence base, and encourage a dialogue around solutions. **This is not an end point, but an ongoing conversation about how our sector can be made stronger going forward.**

Structure

This report is divided into five thematic chapters, each of which focuses on a particular area where the heritage sector has faced serious challenges due to the continued cost of living crisis:

- **Energy Bills**
- **Staffing**
- **Public Engagement**
- **Cutting Costs**
- **Funding**

Every chapter begins with a **brief contextual introduction** to the theme, followed by an ‘**At a Glance**’ summary of the heritage sector’s pre-existing vulnerabilities within that thematic area (which meant that heritage organisations were particularly exposed to the current financial crisis). This is then followed by ‘**A Closer Look**’: a series of short essays which each explore a particular aspect of the theme in greater detail and provide targeted recommendations.

After these five chapters, the report concludes by presenting our **overall recommendations** to address the challenges that heritage organisations are confronting during the cost of living crisis, and to build a more resilient sector for the future.

Sources and Methods

This report draws primarily from **the Heritage Alliance’s ongoing research** into the cost of living crisis.

- Much our evidence is sourced from two sector surveys in March and December 2023, which received a combined total of 202 responses (115 from Heritage Alliance members, and 87 from non-members), and allowed us to trace shifting sentiments within the sector.
- We also amassed qualitative insights through discussions with over 65 individual heritage professionals, academics, and policy makers (including four roundtable conversations, and 10 one-on-one interviews).
- Some of our evidence is anecdotal, and was provided to us by our members on the condition of anonymity.

As Figure 1 shows (*overleaf*), we sought to reflect the diversity of the heritage sector by engaging with a wide range of heritage stakeholders across different domains and specialisms.

In addition to this original research, the report references **publicly-available evidence gathered by other organisations**. All such data is cited when it is referenced. Three particularly prominent sources are sector surveys from [UK Heritage Pulse](#), datasets from Historic England’s [Heritage Counts](#), and insights shared by [Ecclesiastical Insurance](#) (our corporate partner). The acknowledgements page provides further details (p. 56).

The analysis within this report is **illustrated by anonymous quotations** which are all taken from our most recent sector survey (December 2023). For each quote, we have indicated whether the respondent is a Heritage Alliance member, and identified which heritage sub-sector they work in/work with (for example, a Place of Worship). Some of these quotations have been lightly edited for clarity and/or to ensure anonymity.

Figure 1: Participants in the Heritage Alliance’s cost of living research by heritage sub-sector
Includes survey respondents, focus group and roundtable attendees, interviewees, and case studies.

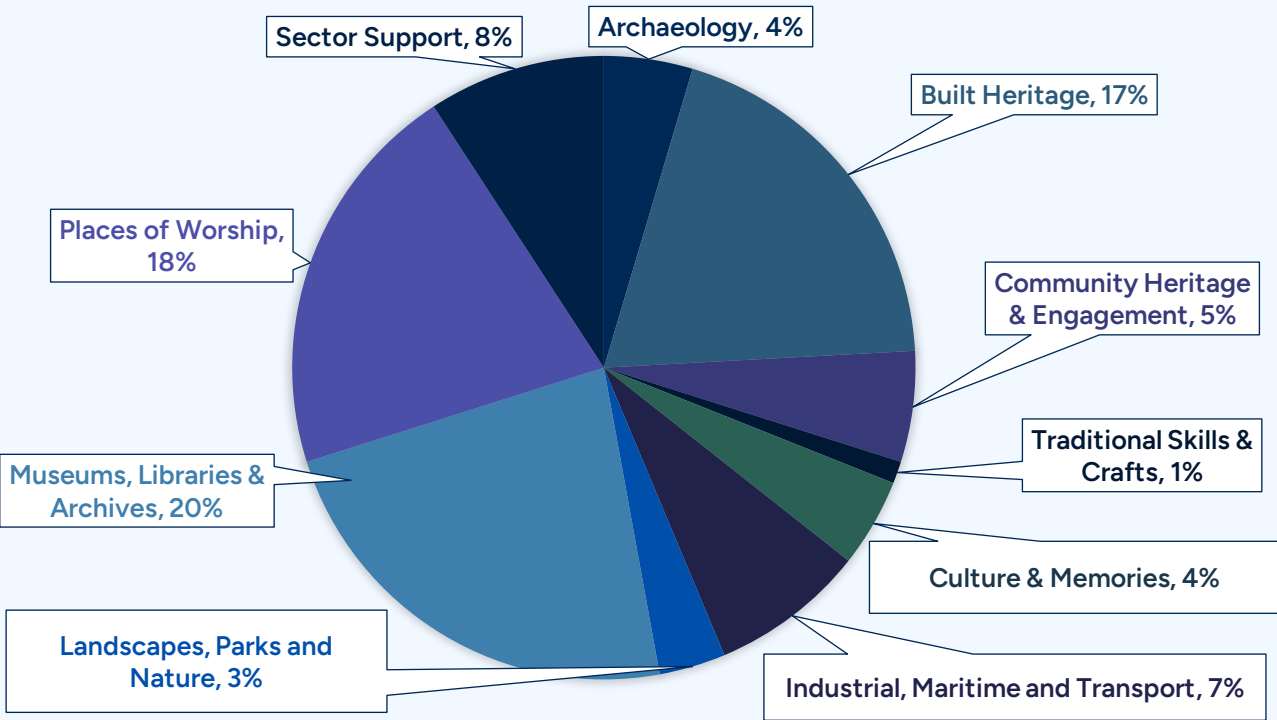


Image: A screenshot of a virtual ‘whiteboard’, used to record responses to a discussion question during a heritage sector roundtable hosted by the Cost of Living Data Desk. © The Heritage Alliance.



Chapter 1: Energy Bills



Image: The prehistoric monolith at St Breock Downs in Cornwall, looking north towards the neighbouring wind farm. © Historic England / English Heritage Trust.

With hindsight, the dramatic rise in energy bills in late 2022 was just one of a series of interconnected financial pressures that led to the cost of living crisis. However, the impact was both immediate and severe. As many as **nine in 10 heritage sites feared that they would close permanently**, and the Heritage Alliance warned that the situation posed a greater risk to heritage than Covid.¹⁴

Soaring prices not only strained the reserves of heritage organisations (already heavily depleted by the pandemic) but exposed an inherent vulnerability to energy costs due to **the unique demands of heating, maintaining, and preserving historic buildings and collections**. Evidence of these demands led to the heritage sector being broadly recognised as ‘energy intensive’ in January 2023, qualifying for an enhanced tier of government energy support.

However, as centralised support measures come to an end, **heritage organisations are still struggling with high energy prices**, with many facing a looming threat of having to re-negotiate new supplier contracts.

As recently as December 2023, **94% of our survey respondents stated they were still concerned about energy bills**, with 30% saying that it was their biggest overall concern.¹⁵

In addition, financial pressures mean **it is difficult for heritage organisations to invest in climate adaptation and retrofit measures** which would reduce their energy consumption, cut costs, and enhance their long-term resilience.

The heritage sector has a vital role to play in the national response to both the energy crisis and the overarching climate emergency. From providing

‘warm spaces’ for local communities to pioneering decarbonisation measures for our millions of traditional buildings, **the historic environment is a source of inspiration, knowledge, and practical solutions** for confronting the challenges of the present. According to the 2023 *Heritage and Carbon* report, historic buildings ‘can and should be considered integral’ to decarbonising the UK’s built environment and fulfilling the government’s legal commitment of achieving net zero by 2050.¹⁶

But heritage organisations cannot fulfil this potential without **appropriate financial investment, targeted skills training, and a joined-up national retrofitting strategy**. We must recognise the unique energy challenges that the heritage sector faces, capitalise on its strengths, and empower it to lead the way in sustainable adaptation.

“Historic buildings have a significant role to play in the transition to Net Zero...
The most sustainable building is often one that already exists.”

GOVERNMENT ENERGY EFFICIENCY REVIEW, ISSUED JANUARY 2024.¹⁷

At a Glance: Sector Vulnerabilities

- **Energy efficiency:** It can be difficult and expensive to maintain temperature control in historic buildings, due to their unique architectural features and traditional construction materials. This can lead to significantly higher energy costs, which not only impact heritage sites, but people who live or work in older buildings.¹⁸
- **Potential for damage to historic assets:** The temperature in historic buildings (and buildings which contain historic collections) often needs to be carefully regulated – not only for the comfort of occupants, staff, and visitors, but to prevent irreversible damage to the building’s fabric and contents.¹⁹ Even small environmental changes can cause humidity fluctuations, which may encourage damp, mould, dry rot, or insect infestations in certain traditional buildings.
- **Maintaining visitor experiences:** If historic buildings turn off their heating to avoid high costs, the cold conditions can seriously impact comfort and enjoyment. This can reduce visitor numbers, and has even necessitated the closure of some heritage sites during the winter months – further impacting revenue streams for organisations that are still recovering from the Covid-19 pandemic.²⁰
- **Expiring energy contracts:** Our recent sector-wide survey indicates that a significant number of heritage organisations are currently locked into favourable long-term energy deals that have (so far) shielded them from the worst of the crisis. This presents a ticking time bomb for the sector, as contracts begin to expire, and organisations face significant cost increases.
- **Restricted supplier options:** Many heritage sites are located in remote or rural areas, which limits their ability to easily switch providers and access competitive energy rates. The unique size, shape, and age of heritage buildings can also make it challenging to identify suitable suppliers.
- **Insufficient retrofitting support:** Historic buildings require specialist skills, guidance, and materials to support appropriate retrofitting. However, the construction sector is currently facing a significant backlog of essential works, shortages in materials and labour (exacerbated by Brexit and the subsequent pandemic), and gaps in key conservation and green skills. All of these challenges are likely to worsen as demand grows and the backlog worsens.
- **Sensitivity to climate change:** Many heritage sites are already experiencing the effects of climate change and extreme weather, including increased flooding, storms, and extreme

It is estimated that the current annual workforce dedicated to retrofitting historic buildings **needs to double** to achieve the UK’s net-zero carbon goals by 2050. An additional 105,000 skilled workers will be required each year.²¹

As was stated in the recent *Heritage and Carbon* report, ‘the twin objectives of protecting the unique qualities of historic buildings and improving their energy and carbon performance are both compatible and achievable’ – but committed and coordinated action (such as a National Retrofit Strategy) is needed.²²

temperatures. These hazards can cause significant physical damage, leading to costly repairs and closures. Adaptation strategies can enhance climate resilience, but financial pressures make it difficult for individual sites to prioritise and fund such investments.

- **Depleted organisational reserves:** The reserves of many heritage organisations were depleted by the successive impact of the pandemic and the spike in energy bills during the winter of 2022/23. This has left them without a safety net for any future energy price shocks, or for the ongoing cost of living crisis. Moreover, they are forced to prioritise their immediate operational needs over long-term sustainability, which hinders their ability to reduce energy consumption (and bills) in the long term.

- **Untapped potential for community support:** During the winter months, heritage sites – such as libraries, churches, and museums – are ideally placed to act as ‘warm spaces’ for those unable to heat their own homes. However, many sites are unable to provide this vital service without support for their own energy bills.²³ Equally, in the heat of the summer, historic buildings and green spaces can provide respite as ‘cool spots’ – but their potential in this area is not fully recognised in local and national heat resilience plans.²⁴ The heritage sector is ready to contribute to local and national climate initiatives, but this will require proper investment, support, and recognition.

A Closer Look: Energy Bills and the Cost of Living Crisis

THE EVOLUTION OF THE ENERGY CRISIS

In the autumn and winter of 2022/23, an **unprecedented surge in energy bills** created intense financial pressures for heritage organisations across the UK.²⁵ Amongst the Heritage Alliance's membership, there were reports of electricity and gas bills doubling, tripling, or soaring even higher. One medieval cathedral's annual energy costs increased by 330%, taking them over £100k above their operational budget; whilst a heritage site with a charitable legacy faced an estimated 900% rise in its annual gas bills.²⁶

After vigorous campaigning, **multiple heritage sub-sectors were recognised as an 'energy intensive' industries** in January 2023, and qualified for enhanced support under the government's Energy Bills Discount Scheme (EBDS).²⁷ This was a lifeline for many. However not all heritage organisations were classified as energy intensive, and some were not eligible to apply for the EBDS at all.²⁸ For those that were able to access the EBDS, **the current scheme expired on 31 March 2024**. At the time of writing this report, there has been no indication of further government support measures for energy intensive sites.

Our research makes it clear that, although cost impacts have now expanded beyond gas and electricity, the energy crisis is still not over for the heritage sector. Whilst there has been a slight fall in energy prices, bills remain much higher, and the market remains uncertain and at risk of further turbulence.²⁹ Many respondents to our recent survey stated that they had only managed to withstand the crisis thus far because they were locked into a long-term energy contact before prices began to soar. The heritage sector faces real risk as these deals start to expire, and organisations find themselves exposed to huge cost increases that they are ill-equipped to shoulder.

The consequences of sustained high energy prices extend beyond the organisational level. Individual members of staff, particularly those who work remotely, are facing their own financial pressures due to rising bills. Heritage sites have also found it **increasingly challenging to serve as 'warm spaces' for their local communities** due to the cost of their own energy bills, despite a strong desire to do so (and high levels of demand, from local authorities and members of the public alike).³⁰ Failing to provide adequate heating can also **significantly degrade visitor experiences** or discourage

attendance at events – as well as potentially causing **serious and irreversible damage to historic buildings and assets** that are vulnerable to fluctuations in temperature and humidity.

As we enter the summer of 2024, the heritage sector has now weathered a second winter since the initial energy crisis began. But **heritage conservation can prove energy intensive even in warmer weather**, as careful environmental control is needed to maintain historic buildings and collections. The expiry of favourable energy contracts may yet produce further financial shocks across the sector. It is crucial that the government remains vigilant and **prepared to provide additional emergency investment to the heritage sector** if and when it is needed through tailored measures to support its unique needs.

The 'bad winter' of 2022/23 has left many organisations in a precarious position, wiping out financial reserves that remained after the Covid-19 pandemic, and leaving them to face the evolving cost of living crisis without a safety net. The Heritage Alliance remains committed to advocating for the necessary support and resources to ensure the long-term sustainability of our irreplaceable cultural heritage.



"It is difficult for organisations to make commitments around being a warm hub if they are struggling to meet their own costs. Organisations need support to be able to offer these community services."

HERITAGE ALLIANCE MEMBER (BUILT HERITAGE)

"We have a fixed energy tariff until June 2024, but are then facing a 10 to 25% increase."

HERITAGE ALLIANCE SURVEY RESPONDENT
(PLACE OF WORSHIP)

"Our energy rates are fixed until autumn 2024, but at that point we will really need help. Even with our current fixed rates, our bills have doubled."

HERITAGE ALLIANCE SURVEY RESPONDENT
(COMMUNITY HERITAGE AND ENGAGEMENT)

"We were fortunate to be on a five-year fixed contract for electricity when the crisis hit – but we are unsure where we will be when that contract ends. We can't afford to change our boilers to a different system."

HERITAGE ALLIANCE SURVEY RESPONDENT
(MUSEUM, LIBRARY, OR ARCHIVE)

"Our charitable organisation has had to take the decision to go fully remote, because we could no longer sustain office rent, energy bills, and other overheads. Staff wellbeing is a concern, as this change moves the burden of rising energy costs to our team in their own homes. This increases their cost of living, impacts morale, and makes it harder to track the economic and environmental impact that the rising cost of energy will continue to have on our organisation."

HERITAGE ALLIANCE MEMBER (SECTOR SUPPORT, HERITAGE)

"We had invested in energy efficiency to try and reduce our bills ... but because of this, we were too low a user of electricity to qualify for the Energy Bills Discount Scheme – despite having incurred significant costs through retrofitting, and suffering from the same increases in our bills as others. It was a huge disappointment when we were turned down."

HERITAGE ALLIANCE SURVEY RESPONDENT (INDUSTRIAL, MARITIME, OR TRANSPORT HERITAGE)

"Our organisation has worked hard to try and find new energy suppliers.

We were able to cut our electricity in December 2023, but it is still considerably higher than before we were hit by the energy crisis. Our gas contract finishes in January, and our new rates will be 50% higher."

HERITAGE ALLIANCE MEMBER (PLACE OF WORSHIP)

RETROFITTING CHALLENGES

Historic buildings are diverse and sometimes complex, and cannot be adapted with a ‘one-size-fits-all’ approach. Older buildings are built and perform differently to modern structures, and some are incompatible with modern heating and insulation methods. Some have thick walls and good thermal performance, but others do not. This means that the heritage sector – as well as people who live or work in historic buildings – have been particularly exposed to the ongoing surge in gas and electricity bills.

And yet, research by Historic England shows that, when a typical Victorian terrace is sympathetically refurbished and retrofitted, it will emit less carbon by 2050 than a new build.³¹ There are many positive case studies of listed buildings where **energy costs and carbon emissions have been reduced through sympathetic retrofitting and eco-technology** such as biomass boilers, solar panels, or heat pumps: from St Michael’s Withington (a Norman church, now carbon neutral and saving £1,317 a year in energy bills) to Athelhampton House in Hampshire (a Tudor mansion, now carbon neutral and saving an estimated £150k a year).³²

However, historic buildings significant financial barriers in pursuing energy efficiency. The upfront costs of improvements can be substantial, and **many heritage sites are now delaying or cancelling retrofitting projects to cut costs.**³³ Prices are also being driven up by a shortage of skills and capacity within the construction industry.

It is estimated the UK will need **205,000 skilled, full-time construction workers** to retrofit the nation’s historic buildings by 2050 and meet net zero targets. This means that the current estimated workforce of 100,000 people **needs to double.**³⁴

In addition, the retrofitting of heritage sites is often hindered by a lack of regulatory support and severe backlogs in local planning

authority capacity, resulting in delays and increased expenditure. Local authority spending on heritage has been cut by more than 40% since 2011, and **conservation capacity in planning teams has almost halved since 2009.**³⁵ In a 2024 Historic England survey, only 16% of local authorities said that their staff were ‘very confident’ in making decisions about energy efficient retrofit proposals.³⁶

Inadequacies in the EPC (Energy Performance Certificate) assessment process can also create **confusion over which measures are appropriate for heritage assets**, and push owners towards expensive and ineffective interventions. When it is done properly, retrofitting historic buildings is efficient and cost-effective – for example, consumer satisfaction with heat pumps and their running costs is just as high in older properties as modern ones.³⁷

A more flexible and supportive regulatory framework, along with measures to redress skills and capacity gaps, will enable the sector to find effective ways to reduce energy consumption and pursue climate adaptation measures. This is why the Heritage Alliance is calling for **a comprehensive National Retrofit Strategy**³⁸, including:

- a skills delivery plan to double the number of specialist retrofit contractors;
- targeted grant schemes to decarbonise historic buildings;
- a ‘one-stop-shop’ advisory service for homeowners of traditional or historic buildings seeking qualified retrofit advice;
- reform of EPCs to include a ‘whole house’ assessment approach for historic buildings.³⁹

In addition, the heritage and construction sectors have long called for **tax reform to the VAT charged on repair and maintenance.**⁴⁰ A zero-rated benefit currently exists for demolitions and new builds, but repairs and maintenance are subject to 20% VAT. This creates a perverse incentive to demolish old buildings rather than repairing, retrofitting, and reusing them. By equalising

“Planning restrictions and our listed building status limit our ability to install renewable energy sources (such as solar cells). Funding for the investment is also challenging.”

HERITAGE ALLIANCE MEMBER
(PLACE OF WORSHIP)

“Our estate includes several listed, stone-built cottages that are warm in the winter and cool in the summer – but they fail the EPC due to its modelling, and so one is currently standing empty.”

HERITAGE ALLIANCE MEMBER
(BUILT HERITAGE)

these disparate VAT rates (in the first instance, with a time-limited grant scheme for listed buildings open to the public), retrofit and repair would become a more affordable step for thousands of historic buildings.

Finally, the government should **bring forward the recommendations of the 2024 Energy Efficiency review:** consulting on Listed Building Consent Orders to support energy efficiency improvements; making targeted interventions to improve local authority capacity; and working with the heritage sector to examine cost barriers to energy efficiency measures in historic homes, and effective policy measures to address these.⁴¹

In addition to progressing the UK’s net zero agenda, and promoting repair and reuse over demolition and waste, these steps would play a vital role in **reducing the heritage sector’s vulnerability to future energy price shocks.**

CONFRONTING THE CLIMATE EMERGENCY

Whilst it grapples with the cost of living crisis, the heritage sector is simultaneously confronting the mounting climate emergency. This is not an ‘either/or’ scenario: the two issues are closely interconnected, with the potential for climate change to impact not only our energy prices, but the UK’s long-term economic growth.⁴² **Climate change and extreme weather already represent serious hazards for historic environments and buildings.** Increased flooding, storms, and high temperatures can cause significant physical damage and risks to staff and volunteer safety – all of which has a financial impact.⁴³

However, as budgets tighten, many heritage organisations are finding it difficult to fund the necessary adaptations to mitigate environmental risks and safeguard their historic assets.

According to a recent Ecclesiastical Insurance survey, 57% of heritage organisations are worried about the impact of climate change, but 55% do not currently have a target for reaching net zero – with **prohibitive costs cited as the main barrier.**⁴⁴ Similarly, when asked in our recent survey about obstacles to transitioning to renewable energy sources, 55% of respondents cited a lack of funding and 42% cited planning restrictions.⁴⁵

By taking steps to mitigate or adapt to the effects of climate change, **the heritage sector could simultaneously improve its environmental and financial resilience.** The case studies within

the Historic Environment Forum’s *Heritage Responds* report show how an impressive array of heritage sites are taking steps to improve their energy efficiency, invest in training and skills, and share best practice.⁴⁶

Adaptive measures (from upgrading infrastructure to withstand extreme weather, to implementing natural flood management techniques, to creating ‘green roofs’ covered with vegetation) can **prevent costly repairs and disruptions to operations**, as can the avoidance of inappropriate or short-term interventions. Successful adaptation requires access to specialist skills and knowledge, and this could lead to the creation of **new ‘green jobs’ in heritage maintenance.**⁴⁷ And, as previously discussed (p. 12), retrofitting measures – such as installing renewable energy systems – can allow historic buildings to **significantly reduce their carbon footprint and energy costs.**

Heritage sites can also play a leading role in **facilitating public discussion of the environmental challenges, changes, and choices that the world is facing.** They can promote the crucial role of the historic environment in responding to climate change: sharing historic examples of climate variation and human adaptation; acting as a symbol of continuity and resilience; and motivating community-led action by providing a cultural and emotional connection to places.

Embracing sustainability can also **help to attract visitors and staff:** 51% of UK audiences agree or strongly agree that museums, galleries, and heritage sites should take a stance on climate change,⁴⁸ and 74% of employees across the

UK job market say that an organisation’s commitment to sustainability is important to them when considering a new role.⁴⁹

However, as many as **84% of Heritage Pulse respondents say they need more support** in order to play their part in tackling the climate emergency.⁵⁰ There is a clear need for targeted funding, resources, and guidance.⁵¹

A new National Retrofit Strategy (see p. 12) would go some way towards delivering this – but there also needs to be **a much broader recognition across government of the risks that climate change presents to our heritage assets.** Although some independent funding streams do exist, such as the *pilot Energy Resilience Fund programme*, affordability is clearly one of the biggest challenges.⁵² There is a need for a better overall understanding of the financing that the sector needs to support its net zero and energy efficiency goals, and of how this could be funded and delivered across different funding streams and mechanisms.

Despite many positive stories of climate adaptation across the heritage sector,⁵³ there is clear evidence that climate change is already damaging our historic structures.⁵⁴ The cost of living crisis has created further delays to essential and time-critical site adaptations. Without swift action, the UK’s irreplaceable cultural and environmental heritage will inevitably be placed at risk.

“We are just starting the process of switching to renewable energy, and funding is going to be the main concern.”

HERITAGE ALLIANCE MEMBER (PLACE OF WORSHIP)

“The changing advice is complicated to keep abreast of.”

HERITAGE ALLIANCE SURVEY RESPONDENT (MUSEUM, LIBRARY, OR ARCHIVE)



Case Study: Cromford Mills

Harnessing hydropower at a UNESCO World Heritage Site

The Cromford Mills complex in Derbyshire was founded in 1771 by Sir Richard Arkwright, the inventor and entrepreneur. It became the birthplace of the modern factory system, and of the first successful water-powered cotton spinning mill in the world.

The site was rescued from demolition by the Arkwright Society in 1971, and has since been transformed into a heritage visitor destination and a hub for local independent businesses. It is a bustling heritage site and proud of its legacy of innovation.

Home to the world’s first water-powered cotton spinning mill, Cromford Mills is no stranger to the power of water. Now, a new hydropower project is reharnessing the original renewable energy source that the site used 250 years ago – and showcasing the immense potential of heritage sites to foster sustainability and climate resilience. The project is now near completion, and will be officially launched on 4 June 2024.

The **Cromford Hydropower Project** has reinstated a large 6m waterwheel, and installed a 1957 Gilkes hydro-turbine (15kW) in an underground chamber to power the mill buildings. It will also install water source heat pumps, to provide heating to the four-storey building on

site. The initiative also has a community element, as it will support the first phase of refurbishment for a second hydro-turbine located at the Corn Mill in Cromford Village – which will then be able to raise funds for local community projects by generating electricity and selling it back to the national grid.

By utilising the continuous flow of water, the project ensures a clean, consistent, and reliable energy source, contributing to energy security for Cromford Mills and reducing its carbon impact. The scheme is already generating power, and it is hoped that it will ultimately generate at least 20% of the site’s electricity. New visitor interpretation and educational projects will allow the Hydropower Project to be exhibited as a green initiative, helping visitors to explore the opportunities surrounding heritage, renewable energy, and sustainability.

To make the project possible, the Arkwright Society has successfully worked with a range of funders and partners to secure capital and assist with the development of the initiative: Severn Trent Community Fund; Derbyshire County Council’s Green Entrepreneurs Fund (administered by the University of Derby); the Wolfson Foundation; Valliant Boilers; Matrix; the Rural Community Energy Fun; and generous donations



Image: The operational watermill at Cromford Mills (*far left*) and its construction (*left*).
© Cromford Mills / The Arkwright Society.

The historic cotton spinning mill used water from the Bonsall Brook and Cromford Sough to turn three water wheels during the eighteenth and nineteenth centuries. Now, that same green energy source is once again providing power and heat for this heritage site and the national energy grid.

from supporters. The main contractor was Derwent Hydroelectric Power Limited, and James Boon Architects were the professional lead.

While the initial investment in the hydropower infrastructure was substantial, the project demonstrates long-term economic viability. The energy generated will not only power Cromford Mills, but also enable surplus overnight electricity to be exported to the grid, generating additional revenue for the site. This sustainable income stream ensures the project’s financial resilience whilst advancing the site’s commitment to environmental stewardship.

“This is a fantastic project to return hydropower to Cromford Mills, and we are extremely grateful to everyone’s support in making this happen. The wheel means that people can experience renewable power up close and we want this to serve as a catalyst for powering education, preservation, and innovation here at Cromford.

“Like many, we’ve felt the sting of escalating electricity bills: we witnessed a staggering jump from £45,000 to £170,000 in a mere nine months, significantly depleting our reserves. This was compounded by rising inflation and the cost of living crisis. Practically, the Hydropower Project is helping with the electricity bills – but with a site that costs over £4,000 daily, we need additional support to keep going and realise our ambitious plans to complete the regeneration of the site.

“Revitalising the remaining empty mill buildings on site is crucial to sustain Cromford Mills as a lively and inclusive destination. This site is all about its people – from our volunteers and staff, to our tenants and visitors. With every turn of the water wheel, we welcome more people to come and get involved and help sustain Cromford Mills for the future.”



Eilis Scott
CEO OF THE
ARKWRIGHT SOCIETY

Image: The Victorian building that once housed the Lancashire & Yorkshire Bank, now home to the Alliance Bacup co-working space, and providing multiple benefits for the local community.
© Matthew McKeague



Case Study: Alliance Bacup @ Lancashire & Yorkshire Bank

The sustainable regeneration of a former bank into a community space

Dating back to 1878, the former Lancashire & Yorkshire Bank is a landmark, Grade II listed building in the town centre of Bacup. The building remained in use as a fully operational bank until the 1970s, after which it was used for various businesses and bedsits. It ultimately sat empty for five years, and was showing signs of decay.

Built in the Scottish Baronial style using local sandstone, and adorned with elaborate stone-carved gargoyles and a distinctive turret, it is considered to be one of the most beautiful buildings in the town. For this reason, the community of Bacup were passionate about seeing it brought back to life.

Heritage Development Trusts (HDTs) are an innovative social enterprise model developed by the [Architectural Heritage Fund](#) (AHF): community-based partnerships which acquire and revitalise portfolios of historic buildings through an entrepreneurial and not-for-profit approach, reinvesting any surpluses to create economic, social, environmental, and cultural value for their local areas.

Valley Heritage was a pilot HDT, and was able to acquire the disused Lancashire & Yorkshire Bank in 2019 with the support of an AHF Heritage Impact Fund loan. In 2020, a further AHF Transformational Project Grant – alongside funding from Historic England and Rossendale Borough Council – was awarded to help repair and restore the building’s roof, masonry and windows, and to remodel all internal areas. A video of the renovation process [is available online](#).

Now, the iconic former bank has been fully renovated for a new sustainable use. The ground floor and basement are home to **Alliance Bacup** – a co-working and office space for local entrepreneurs. Run for the community, by the community, the space provides a hub for people to establish and grow their businesses whilst networking with others and building a strong sense of place.

On the upper floors of the building are four self-contained flats, two of which are available for young people who are either homeless or at risk of becoming homeless, in partnership with the local [M3 Project](#) initiative.

To reduce the environmental impact of this accommodation, heating is delivered via air source heat pumps (ASHPs), with each flat having an outdoor pump and an internal storage/boiler device. In comparison to an electric boiler, **the ASHPs have reduced energy costs and carbon emissions by 30%**. Over the course of one winter, this amounted to savings of approximately £1,640 in energy costs and 930kg in CO2 emissions.

This sensitive and sustainable restoration of the former Lancashire & Yorkshire Bank has not only saved an important, much-loved historic building, but made a positive contribution to the beautiful town centre of Bacup, sparking wider heritage-led regeneration in the area. Valley Heritage is now turning its attention to developing future projects, while also remaining committed to securing community use of this space for generations to come.

“Valley Heritage started as an all-volunteer organisation, and became one of our pilot Heritage Development Trusts in 2020. The completion of their first project – bringing this iconic building back into use as affordable housing and workspace – demonstrates the great potential of social enterprises like Valley Heritage which are developing positive futures for our town centres.

“Developing sustainable energy sources for the building has been a critical element of the project, and is an example of the type of investment that other charities and social enterprises managing historic buildings want to be able to make.”

AHF Matthew McKeague
CEO OF THE ARCHITECTURAL
HERITAGE FUND

Chapter 2: Staffing



Image: Volunteers carry out maintenance work on the Uffington White Horse, a prehistoric chalk-cut hill figure, overlooking the Dragon Hill monument. © Historic England / English Heritage Trust.

Our research indicates that recruitment and retention of staff and volunteers is now one of the greatest challenges facing the heritage sector, with pressures from the rising cost of living intensifying longstanding structural issues.

In our recent survey, **70% of respondents stated that staffing was a significant concern for their organisations**, with 28% saying that it was their biggest overall concern (even more so than energy bills).⁵⁵

In common with the wider arts, cultural, and environmental sectors, the business model for heritage has **traditionally been dependent upon volunteers and lower-waged staff**.⁵⁶ However, the availability of this

workforce is shifting due to demographic changes, rising housing costs, and inflationary pressures. These changes reflect the growing professionalisation of the sector and the need for fairer salaries, but they also present challenges. Entry level workers who might previously have sacrificed salary or stability to pursue a career in heritage are no longer able or willing to do so, and volunteers can no longer afford to give up their time for free. This has become one of the major drivers of financial instability within the sector.

Amidst the cost of living crisis, Heritage employers are **struggling to match wages to rising inflation**, and staff and volunteers are increasingly compelled to prioritise their own financial security – leading to a

steady ‘brain drain’ of skilled workers from the sector. Moreover, the economic climate has **amplified pre-existing workforce vulnerabilities** surrounding welfare, workloads, diversity, accessibility, exposure to crime, skills shortages, and the loss of specialist expertise.

As of March 2024, only 33% of UK Heritage Pulse respondents report that their organisation has recruited and trained as many new volunteers and staff as are needed.⁵⁷

Heritage workers are passionate and dedicated, but **their expertise is often being stretched well past capacity**. Without urgent support, the sector faces the irreversible loss of specialist knowledge and skills.

At a Glance: Sector Vulnerabilities

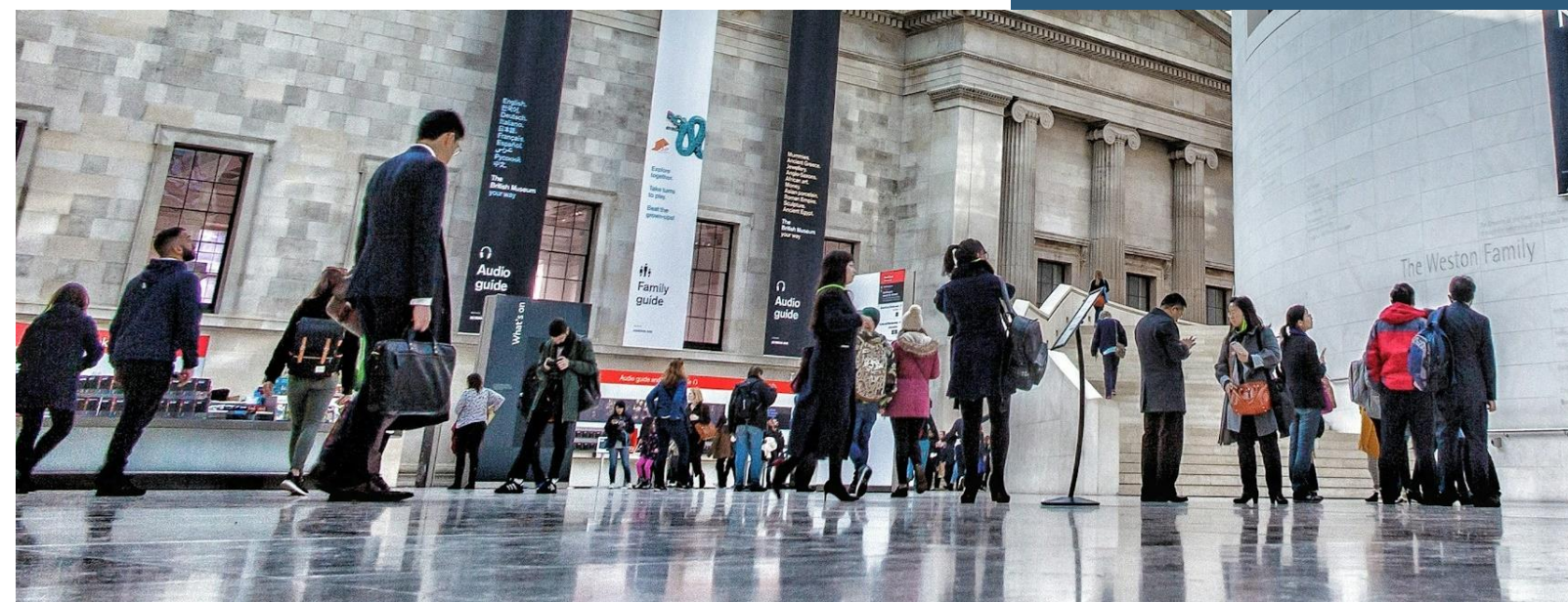
- **Low pay:** Historically low wages make it increasingly difficult for employees to remain in the heritage sector, or for workers from low income backgrounds to consider joining. This compromises the sector’s overall capacity, sustainability, and inclusivity.
- **Volunteer dependency:** The heritage sector is highly reliant on volunteers, with many organisations unable to operate at full capacity without their skills and support.
- **Ageing workforce:** The sector faces established demographic challenges due to an ageing workforce and a lack of clear pathways for early career development. The elderly volunteer base was particularly susceptible to withdrawal due to the Covid-19 pandemic; and the financial climate makes students increasingly reluctant to pay high tuition fees for courses that lead to modest salaries.⁵⁸
- **Brexit and immigration:** Post-Brexit immigration policies have hindered the sector’s ability to recruit both skilled and seasonal workers from overseas, affecting staffing levels and access to specialist expertise.⁵⁹
- **Geographic disparities:** Many heritage sites are located in rural areas, and face recruitment issues due to smaller workforce pools and a lack of affordable public transport. Rural areas have also been hit harder by the cost of living crisis in general.⁶⁰
- **Wellbeing and workload:** Concerns about staff wellbeing and heavy workloads have been repeatedly voiced across the sector over the last decade.
- **Exposure to crime:** Incidents of antisocial behaviour and crime at heritage sites are on the rise. Staff find themselves placed in stressful situations that they are often not adequately trained or prepared for.
- **Business skills shortage:** Many heritage organisations report gaps in their core business skills (such as financial planning or fundraising), which places them at a disadvantage during a time of financial instability.
- **Specialist knowledge erosion:** There is an impending loss of specialist heritage knowledge and craft skills due to ‘retirements without replacements’. This presents a significant risk to the sector’s viability, and to the nation’s intangible cultural heritage.

THE HERITAGE SECTOR’S ROLE IN JOB CREATION

The heritage sector encompasses a **diverse range of professions**: from researchers and curators, to events planners and educators; from office roles in marketing and finance, to groundskeepers and estates managers; from specialist technicians or conservators, to retail and front-of-house staff. The rural location of many heritage sites means that they are able to provide training and employment to some of the UK’s **most disadvantaged rural communities**.⁶¹

When it comes to employment growth, **direct heritage employment grew by 24.4% between 2011 and 2021**, outstripping the 11.8% rate of growth for total employment in England. In 2021, the heritage sector directly employed 207,000 workers, amounting to **one in every 133 jobs in England**.

However, a recent decrease in heritage-induced employment (i.e. jobs created by wider spending related to or supported by the heritage sector) means that **the total number of jobs supported by heritage fell by 4.6% between 2019 and 2021**.⁶² This reduction is likely due to a decline in consumer spending – prompted by the pandemic, and now exacerbated by the cost of living crisis.



A Closer Look: Staffing Concerns and the Cost of Living Crisis

STAFF RECRUITMENT AND RETENTION

Years of real-term funding cuts have caused significant portions of the heritage workforce to go without a real pay increase for years before the current crisis. Heritage organisations are **struggling to offer competitive salaries or match pay rises to inflation**, and increases to the National Living Wage – whilst essential for employees – have hugely impacted labour costs.⁶³ 46% of museums with paid staff now indicate that at least half of their expenditure is on staffing.⁶⁴

Whilst the majority of heritage organisations have so far avoided redundancies, **one in five have reduced their paid staff due to budget pressures** (often by freezing recruitment, reducing contracted hours, or not re-hiring for vacant positions).⁶⁵ This creates workload pressures for remaining employees.

At our recent [Heritage Debate 2023](#) event, **‘fair pay and conditions’ was voted as the most important priority for future-proofing the heritage sector workforce**.⁶⁶ Participants repeatedly highlighted that low wages are deterring early career workers from joining the sector, and forcing established and highly skilled practitioners to leave. A recent sector survey conducted by

Ecclesiastical Insurance found that 37% of respondents have become more concerned about the impact of the cost of living crisis on heritage careers over the last 12 months.⁶⁷

Whilst it is true that mounting inflation is hurting retention across the entire UK labour market (with 42% of employees now more inclined to leave their jobs to seek better pay),⁶⁸ **the heritage sector’s historically low wages make it particularly vulnerable to workforce attrition**. Lower-paid seasonal and front-of-house roles – including retail, catering, and visitor experience positions – are becoming especially hard to fill due to insufficient applications, and difficulties in international recruitment post-Brexit.⁶⁹

Low wages also risk **undermining efforts to improve equality, diversity, and inclusion** within the sector, by making heritage careers financially inaccessible for those without private means. Early career workers are more likely to avoid the sector due to its lack of clear progression routes, and their inability to work low-paid entry level roles for extended periods of time.⁷⁰ This, in turn, deprives the heritage community of a reservoir of skilled, dedicated individuals who could otherwise help to ensure the sector’s future viability and vitality.

“We gave below-inflation pay rises in 2023, and are likely to have to do so again in 2024.”

HERITAGE ALLIANCE MEMBER
(BUILT HERITAGE)

“The cost of housing is having an impact on our ability to attract and retain staff. Local housing used to be available for staff to rent; it is now being turned into AirBnBs and staff are either unable to find housing at all, or are paying over the odds for it.”

HERITAGE ALLIANCE SURVEY
RESPONDENT (CONSERVATION)

“Pay is the biggest concern – will staff leave for other better-paid sectors? Feeling good about the work you do isn’t enough to keep staff on-board amidst rising rents, mortgage rates, and food costs. Retaining top talent in this landscape is very difficult, and long term funding secured pre-Covid does not account for the huge rise in staffing costs.”

HERITAGE ALLIANCE MEMBER
(SECTOR SUPPORT, HERITAGE)

Image: A steam locomotive at Sheffield Park Station, West Sussex, on the [Bluebell Railway Line](#). The heritage rail sector relies heavily on an aging volunteer base to operate. In recent years, the Bluebell Railway has become a national hub for passing on at-risk skills for mobile heritage restoration.

VOLUNTEER RECRUITMENT AND RETENTION

The heritage sector is **sustained by the skills, dedication, and generosity of its volunteers**. According to a study conducted by the Heritage Volunteering Group, the average pre-Covid heritage volunteer provided 92 hours of support a year, with the total value of volunteer contributions averaging at £61,903 per organisation.⁷¹

Approximately a third of all independent museums in England are wholly volunteer-run.⁷²

For individuals, the benefits of heritage volunteering are wide-ranging: from improvements in mental wellbeing and life satisfaction, to gaining new skills, developing employability prospects, and strengthening social connections.⁷³

However, **the pandemic reshaped the UK volunteering landscape**: with many volunteers not returning post-pandemic (particularly older individuals with lingering health concerns), and significant shifts taking place in the availability and preferences of those that remain.⁷⁴

Recent reporting by the NCVO highlights that formal volunteering across the UK is still well below pre-pandemic levels (although the rate of decline has slowed), and that **potential volunteers are increasingly concerned about the negative financial impacts of volunteering** (such as expenses, transport costs, or the loss of time that could otherwise be spent on paid work).⁷⁵

In March 2023, Heritage Pulse revealed that **44% of heritage organisations are now finding it challenging to recruit new volunteers**, despite large numbers also reporting that they are reliant on volunteers to function at full capacity in core areas such as visitor engagement (46.7%), delivering education and learning programmes (38%), and conservation or collections management (33.3%).⁷⁶

The sector is heavily reliant on older volunteers (41% are estimated to be aged 65 and over)⁷⁷, but the pandemic



severely impacted participation from this key demographic, and **the cost of living crisis is making it increasingly challenging to retain volunteers who remain**. Financial pressures mean that people of all ages have less time and money to volunteer, and some are returning to paid employment.⁷⁸

The **lack of affordable public transport** is also limiting volunteer numbers – particularly in rural areas, where a significant proportion of heritage sites are located. Heritage organisations report that volunteers are now more likely to submit claims for travel expenses, and that they will need to cut back on volunteer hours as they cannot afford these increased costs.⁷⁹

To encourage a culture of voluntary service, our Heritage Manifesto proposes **a government-backed model employment contract including one day of paid volunteering per year**. This would encourage all employers to offer their staff the opportunity to give back to their communities in an accessible way, and take a step towards reinvigorating volunteering across the country.

“The elderly volunteer body is nervous about returning post-Covid pandemic, and participating in indoor events with people from outside their community.”

HERITAGE ALLIANCE SURVEY
RESPONDENT (SECTOR SUPPORT, HERITAGE)

“Staff and volunteer recruitment is increasingly difficult, with an ageing population, and limited pool of people who are often already committed to other volunteering opportunities. Rural transport is also a major issue – even if travel is refunded, buses are few and far between, and therefore not attractive to younger people.”

HERITAGE ALLIANCE MEMBER
(PLACE OF WORSHIP)

WELLBEING AND WORKLOAD

There is clear evidence that economic instability negatively impacts personal and professional wellbeing across the heritage and wider cultural sector.⁸⁰

Following the 2008 recession, studies have repeatedly noted high rates of stress and depression within the cultural workforce, fostered by a climate of precarity and financial uncertainty.⁸¹ The pandemic had a further catastrophic impact on mental health, and **70% of heritage organisations indicated that they were increasing their focus on staff and volunteer wellbeing in the wake of Covid-19.**⁸²

Now, amidst the cost of living crisis, heritage staff and volunteers are once again dealing with increased financial strain and anxiety in their personal lives. According to UK Heritage Pulse, stress levels within the sector are continuing to increase, with **more than one in four heritage workers now reporting that they feel uncomfortably stressed on most days.**⁸³ Museum staff have described avoiding workplace social events or contributing towards gifts, working from home to cut commuting costs, and taking less annual leave or time in lieu due to heavy workloads.⁸⁴ Organisational leaders are worried by their inability to raise salaries or fund broader support measures.

GEM's 2024 [Museum Learning Research](#) highlights that heritage learning roles often involve a broad array of responsibilities outside of their stated job description, and that there is evidence of **a steady 'creep' in unremunerated and unsupported duties.** Freelance heritage learning professionals, in particular, report feeling vulnerable, overstretched, and under-remunerated.⁸⁵

In our Heritage Alliance survey, **68% of respondents reported concerns surrounding staff or volunteer wellbeing**, often citing burnout caused by understaffing as a key factor undermining morale and motivation.⁸⁶

"Issues with staff wellbeing are acute at the moment, with more than one team member experiencing burnout and having to take sick leave. We are also experiencing staff turnover as a direct result of this. Retention is only going to become more challenging if the organisation cannot offer higher salaries or basic benefits such as staff development."

HERITAGE ALLIANCE MEMBER (SECTOR SUPPORT, HERITAGE)

These excessive workloads not only increase daily operational strain, but simultaneously inhibit organisations from allocating resources towards capacity building that would help their ability to withstand the current crisis, and their long-term economic resilience – such as fundraising, strategic planning, or administrative infrastructure.⁸⁷

A **national sector support portfolio system** for the independent heritage sector, akin to Arts Council England's, would provide stability and security, and help to create a core body of sector support organisations to address workforce challenges (see p. 43). Supported in this more consistent way, perhaps through a combination of grant-in-aid and ringfenced Lottery money, these organisations would be able to deliver continuous resources, training, and advice to benefit the wider sector and respond to staffing and skills issues as they arise.

RISE IN HERITAGE CRIME

The wellbeing of frontline heritage staff is also being impacted by a post-pandemic **rise in antisocial behaviour, including verbal and physical abuse, intimidation, and harassment.**⁸⁸ Other cultural organisations report similar experiences (particularly theatres).⁸⁹ De-escalating conflict in such situations is often distressing and time-consuming for staff involved.

The predicted rise in 'high harm' crime caused by the cost of living crisis⁹⁰ is also having a worrying impact on the sector, where **incidents of heritage theft and damage to historic sites (including arson, vandalism, and graffiti) are becoming more common.**⁹¹

Nine in 10 heritage sites reported a rise in crime during 2023, and six in 10 anticipate that this situation will worsen during 2024.⁹²

A [recent report](#) by Historic England and the National Police Chiefs' Council highlights a wide range of threats, including the theft of high-value objects (such as artwork or antiques), building materials (such as historic stone or lead), and artefacts from protected wreck sites. Whilst preventative and enforcement action has reduced incidents in some areas, theft remains a particularly significant threat, and the lack of a heritage crime 'marker' limits our understanding of the true scale and extent of the problem.⁹³ The report draws **a direct link between the rise in heritage crime and the cost of living crisis**, stating that 'the theft of valuable heritage materials and cultural objects by opportunistic offenders and organised crime groups is likely to increase as inflation continues to impact the price of commodities'.⁹⁴

The cost of living crisis exacerbates this situation from all angles: increasing the threat of crime; reducing the affordability of additional security measures or support for staff; and making any financial or psychological impacts more difficult to absorb. **Heritage staff report that they are spending increasing amounts of time filing police reports, repairing damage, and implementing protective measures.**⁹⁵ This contributes to diminishing morale and job satisfaction, and by extension, to the sector's workforce retention issues.

SHORTAGES IN ESSENTIAL BUSINESS SKILLS

Within the heritage sector, there are well-reported **shortages in 'generic' business skills that are vital for navigating financial instability**, such as budgeting, marketing and fundraising, project management, and digital literacy.⁹⁶ Although these shortages pre-date the cost of living crisis⁹⁷, they are now made more severe (and are having a greater impact) because of it.

Skills shortages do not only affect junior or early career heritage workers; across the cultural sector more broadly, there is evidence of a significant gap in 'leadership' skills at a senior level (such as strategic planning, resource management, or stakeholder engagement).⁹⁸ The financial climate has created **high competition for talent across the UK labour market** – 92% of employers encountered skills shortages during 2023⁹⁹ – and the heritage sector is hampered by its inability to offer competitive salaries or benefits.

Sector surveys indicate that the **majority of heritage workers do feel that their organisation is supportive of skills development**, but there are unavoidable limitations in terms of both money and time. According to UK Heritage Pulse, the sector believes that dedicated training grants or funding would be the most effective intervention to develop skills across the sector.¹⁰⁰

From 2020 to 2023, our own [Rebuilding Heritage](#) programme (funded by the National Lottery Heritage Fund) supported the sector

by providing heritage organisations with opportunities to learn new skills, processes, and contingencies. It was initially designed to mitigate the impact of Covid-19, but was extended for an additional six months to address the pressures of the cost of living crisis. In its entirety, the programme provided support to 1,260 different people from 890 different organisations and businesses.¹⁰¹

The evaluation of *Rebuilding Heritage's* six-month 'cost of living phase' found that **78% of participating organisations agreed that their resilience had improved** as a result of the opportunity to review and adjust their business, communications, or fundraising plans. 74% felt that the skills support they had received would help them to mitigate the successive impact of Covid-19 and the cost of living crisis.¹⁰²

Now, as the cost of living crisis continues, **individual organisations report that they are improving their financial planning, diversifying revenue streams, and thinking of new ways to attract visitors.**¹⁰³ Evidently, there is still a strong sector-wide appetite for training in core business areas such as digital, marketing, and fundraising – as well as a recognition that challenging times can be a catalyst for improvements that enhance long-term organisational sustainability.¹⁰⁴

This suggests that **targeted capacity-building investment** would enable the heritage sector to rapidly

build its skills and resilience. It is reassuring that one of the four core investment principles of the National Lottery Fund's new [Heritage 2033](#) strategy is 'organisational sustainability and resilience'.¹⁰⁵ The Heritage Alliance is calling on the all political parties to **protect the 20% share of National Lottery funding for the Heritage Fund**, and expand its ability to support the sector.¹⁰⁶

LOSS OF SPECIALIST HERITAGE SKILLS AND CRAFTS

The UK is home to world-class craftspeople, and a rich artisan tradition. However, as existing professionals leave the heritage sector (through retirement and, increasingly, in search of better pay) they leave behind **gaps in traditional skills and crafts which cannot easily be filled.**¹⁰⁷ The [Heritage Stimulus Fund](#) (HSF) was essential in keeping specialist skills alive during the pandemic work (by funding capital projects), but there are already widespread shortages in a range of fields: from stonemasonry and carpentry, to archaeology and conservation, to book binding, basketmaking, and silk weaving.¹⁰⁸

The most recent edition of the Heritage Crafts Association's [Red List of Endangered Crafts](#) features **84 endangered crafts, 62 critically endangered crafts, and five crafts which are now extinct in the UK.** The *Red List* specifically highlights the impact of the cost of living crisis, noting that many craftspeople are now 'having to



make heartbreaking decisions between buying in materials, keeping their workshops powered, and paying themselves even a minimum wage’.¹⁰⁹

The *Red List* also shows that **heritage crafts are part of a complex and interdependent ecosystem**, and that the loss of one craft can have a knock-on effect on others. The extinction of mouth-blown sheet glass making, for example, has resulted in the making and restoration of stained glass window making being added to the list.¹¹⁰ Without urgent intervention, such skills could be permanently lost.

Whilst ‘training the next generation’ is an obvious avenue for preserving these skills, **many heritage crafts practitioners lack the funding or capacity to facilitate apprenticeships**.¹¹¹

Heritage crafts are often practised by freelancers or micro-businesses, which have been hit hard by the financial crisis due to rising production costs, high workshop rents, and drops in sales as the public cuts back on discretionary spending.¹¹² Many crafts businesses are also located in rural or isolated areas, which presents barriers for formal apprenticeships as there are no local training providers to deliver off-the-job learning.¹¹³

Youth unemployment in the UK is currently at historically low levels, but is gradually starting to rise.¹¹⁴ Providing **new pathways into heritage skills** would offer vocational training, opportunities for employment, and boost national economic growth, whilst simultaneously safeguarding endangered trades and techniques.

A new **National Retrofit Strategy** (discussed previously, p. 12) would provide one avenue for upskilling UK workers with the specialist knowledge required to maintain and repair historic buildings. However, the risk to traditional crafts – and to the nation’s intangible cultural heritage – extends far beyond historic building conservation. This is why the Heritage Alliance is also calling for **reform of the current apprenticeship system**, so that it works better for freelancers and small businesses.¹¹⁵

Relatively simple measures – such as greater support for sharing apprenticeships between multiple organisations – could have significant benefits for heritage craft skills. We also call for a **cross-subsidy mechanism** to help fund apprenticeships within smaller companies, and for **reform of the Apprenticeship Levy**, so that unspent funds can be allocated to address skills gaps in conservation and heritage crafts.

Image: Fifteenth-century stained glass windows at St Mary the Virgin Church in Nettlestead, Kent.
© Brian Toward.

As of 2022, the craft of mouth-blown flat glass has become extinct in the UK, after the last remaining workshop (English Antique Glass, in Birmingham) was forced to close. This has, in turn, led to the making and restoration of historic stained glass windows being added to the Heritage Crafts Association’s *Red List of Endangered Crafts*.

As the HCA notes, this demonstrates ‘the knock-on effect losing one craft can have on others’. Stained glass window makers and restorers now need to source their supplies from France and Germany, which is increasingly challenging and expensive post-Brexit.



“Increased costs are exacerbated by the reduction in funding for trainee places. As the crisis deepens, we anticipate that we will have to withdraw from training – which will impact the conservation work required, and affect our standing in the community.”

HERITAGE ALLIANCE SURVEY
RESPONDENT (INDUSTRIAL,
MARITIME, OR TRANSPORT
HERITAGE)

“The archaeology sector faces an ongoing loss of technicians through retirement and death. No one is being trained in my specialist area, and two of my colleagues have recently retired – which means that I am trying to do the work of three people across the whole of a region in England. This means working seven days a week, all the time.”

HERITAGE ALLIANCE SURVEY
RESPONDENT (ARCHAEOLOGY)



Image: Sailing crew aboard a historic riverboat (left) and sailing barge (right).
© David Stearne and Kev Maslin.

Case Study: National Historic Ships

Balancing rising wages with core costs to champion maritime heritage

National Historic Ships UK (NHS-UK) are a government-funded independent organisation which advises the government, local authorities, funding bodies, and the historic ships sector on issues affecting historic vessels.

NHS-UK raise awareness for the preservation of historic ships, and promote the availability and standards of ship and boat conservation skills and training. They champion the potential for historic ships to contribute to the economy and society and maintain a register of nationally significant ships alongside a watch list of historic vessels that are at risk.

NHS-UK has been funded by the UK government since 2006. Like other public bodies, it has been subject to sustained cuts since 2011, and no funding uplift has been received in that time except a 2% adjustment for inflation.

The organisation operates with a core team of five staff, three of whom now work part-time. **Funding for staffing equates to 70% of NHS-UK’s core grant**, but it is not possible to reduce the number (or hours) of staff any further without a significant impact on the organisation’s delivery and output.

Whilst NHS-UK are funded to act as an independent advisory body, this funding is ring-fenced and channelled through a larger parent organisation. Staff are employed via contract from this organisation, in line with a service level agreement. In 2022, a pay award of 4.6% was made by the parent organisation, which was honoured by NHS-UK (despite the additional budgetary challenge this brought). A further award of 5% plus the London Living Wage was implemented in 2023, applying to two members of NHS-UK staff.

Furthermore, in 2023, a structured Pay Review undertaken by the parent organisation

recommended an additional payroll budget increase for NHS-UK of 12.8% – meaning that that an additional £21,969 needed to be for staffing costs that year. Further increases are predicted in 2024 to bring staff in line with wider public sector pay levels.

Given the high proportion of staff costs in relation to core budget, **it is unsustainable for NHS-UK to continue making such pay increases** if their government funding award continues to only rise in line with inflation. Costs are also increasing elsewhere across the organisation: in 2024, prices have already risen for website, printing, and design services, as well as an inflationary rise in NHS-UK’s service level agreement with its parent organisation.

To mitigate these challenges, NHS-UK have submitted a funding bid to government requesting an uplift to cover the additional staffing costs. In the meantime, the organisation is trying to develop new income streams and reduce outputs to cut costs – for example, by moving all Council meetings online and producing digital-only publications.

“We currently spend a considerable portion of our senior management time working to redress the funding gap by seeking additional grant aid or reviewing expenditure. Unless more support is provided, we may have to suspend some core activities in future years, although every effort is being made to avoid this.”

 **Hannah Cunliffe**
DIRECTOR OF NATIONAL
HISTORIC SHIPS UK (NHS-UK)

Chapter 3: Public Engagement



Image: Crowds gathering near the iconic Stone Circle at Stonehenge. © English Heritage Trust.

The prehistoric site was the 23rd most popular [ALVA visitor attraction](#) in 2023, with a 35% in visitor numbers. It welcomed more than 1.3 million people, including visitors supported by the partnership between English Heritage and the Trussell Trust's food bank network.

Although not all heritage sites are public-facing, the sector as a whole remains **committed to engaging the widest possible audience** in sustaining our historic environment and cultural heritage.

The heritage sector works together to protect, conserve, manage, interpret, and promote the past so that it can continue to educate, inspire, and provide a sense of place, identity, and belonging for present and future generations.¹¹⁶

Engaging with heritage provides multiple benefits for individual and community wellbeing: improving physical and mental health, boosting local pride, and increasing civic participation.¹¹⁷ It **makes local communities better places to live, work, and visit**.¹¹⁸ By helping people to understand, enjoy, and care for their historic environment, we can empower them to draw strength from the past in order to shape a resilient future.¹¹⁹

However, the compounding impact of the Covid-19 pandemic and the cost of living crisis has **significantly impacted visitor and consumer confidence**, with many spending indicators remaining well below pre-pandemic levels. The public has less money to spend or donate, and are changing their visiting behaviours: from avoiding travel due to transport costs, to seeking out free or low-cost events to entertain their families. School trips are also falling in numbers due to rising costs, diminishing cultural opportunities for young people.

As a result of these changes, **heritage sites are facing decreased revenue, reduced visitor numbers, and a need to adapt to evolving audiences** – all whilst dealing with significant budget pressures.

Broader national growth and investment strategies – such as supporting public transport in rural areas, or providing funding for school trips – can indirectly bolster the heritage sector by making sites more accessible to a wider range of

visitors. Heritage organisations can also forge partnerships with local community groups, businesses, charities, and schools, which can facilitate connections with new or underrepresented groups.

Ultimately, however, the best way for the next government to seize the sector's full potential for driving economic growth and empowering local communities is to ingrain heritage in wider public policy interventions. Ensuring that **heritage remains at the heart of place-based investment programmes** would improve access to heritage across the country, and **embedding heritage in health and social care strategies** would help to unleash the full potential of heritage as a driver of public wellbeing.

Our [Heritage, Health and Wellbeing](#) report demonstrated how heritage provided joy, comfort, and community for the nation as we emerged from the Covid-19 lockdowns. With the right investment, it can provide the same leadership and support during the ongoing cost of living crisis.¹²⁰

"Consumer confidence is critical for a thriving visitor economy and therefore a major factor in the success (or otherwise) of our members."

HERITAGE ALLIANCE MEMBER
(SECTOR SUPPORT, HERITAGE)

"Consumers are suffering a general lack of confidence in their financial futures. They are holding back on large expenditure, and only going ahead with things when they have enough 'ready' money to avoid the risk of stretching themselves."

HERITAGE ALLIANCE MEMBER
(BUILT HERITAGE)

"We have small visitor numbers due to our isolated position. We are always seeking ways of trying to boost numbers."

HERITAGE ALLIANCE MEMBER
(PLACE OF WORSHIP)

"The main issue is for us is how do we benchmark 'normal' consumer confidence in a post-Covid world? Are we back to normal? Or does the cost of living mean we haven't found normal yet?"

HERITAGE ALLIANCE MEMBER
(SECTOR SUPPORT, HERITAGE)

At a Glance: Sector Vulnerabilities

- **Reliance on secondary spend:** Making historic sites accessible to as many people as possible is a core mission for many heritage organisations. Free or low-cost admissions models are therefore common – making sites heavily dependent on secondary spend (such as donations, café sales, and gift shop purchases). Unfortunately, discretionary spending is one of the first outgoings that consumers cut during times of financial hardship. In March 2024, 59% of UK adults stated that they were spending less on non-essentials due to the cost of living.¹²¹
- **Seasonal and weather-dependent visitation:** Many heritage sites anticipate higher visitor numbers during 'peak' seasons or favourable weather spells. However, off-peak periods bring a dip in income, which creates challenges for the continuous maintenance of estates and collections (as well as ongoing operational costs, such as staff salaries). It also means that these sites are financially vulnerable if peak seasons underperform against expectations. Moreover, extreme weather events (such as flooding or heatwaves) are becoming more common, deterring visitors and even causing temporary closures.¹²²
- **Location and transport costs:** The isolated locations of many rural heritage sites can create additional cost barriers for visitors. Public transportation options may be limited (or expensive, due to the rise in bus and rail prices)¹²³, and the cost of fuel may deter those who need to rely on personal vehicles. 28% of UK adults are cutting back on non-essential journeys due to the cost of living.¹²⁴ The typical cost of coach hire has also risen by 25% since the pandemic, which presents a serious risk to heritage school trips.¹²⁵
- **Participation gaps:** Underrepresented groups – including people with disabilities, people from socio-economically disadvantaged backgrounds, ethnic minority groups, and young people – have faced longstanding barriers to heritage engagement.¹²⁶ The sector has made concerted efforts to improve access and inclusion, and these participation gaps are slowly narrowing.¹²⁷ However, these same groups are now disproportionately affected by the cost of living crisis, and organisations are struggling to fund new outreach initiatives. The sector's progress in widening participation is at risk of stalling or even regressing.



A Closer Look:
Public Engagement and the Cost of Living Crisis

VISITOR NUMBERS

The closure of heritage sites due to the Covid-19 pandemic posed an immediate existential risk to a significant number of organisations, depriving them of revenue from visitors and events. Some sites saw a total loss of earned income, and imminent insolvency was a real threat for many.¹²⁸ The emergency [Culture Recovery Fund](#) was vital in saving organisations across the heritage ecosystem, which were financially sustainable before Covid-19 but now found themselves at risk of failure.¹²⁹

In the aftermath of the pandemic, **the recovery of the UK tourism industry has been slow and uneven**, hampered by ongoing safety concerns (especially amongst older visitors), changes in travel preferences, visa requirements, and now – crucially – the impact of the cost of living crisis.

There is some positive evidence of a gradual recovery for international tourism: VisitBritain predicts that, in 2024, inbound visitor numbers and spending (adjusted for inflation) will reach 97% and 96% of 2019 levels, respectively.¹³⁰ However, the April 2024 edition of its Domestic

Sentiment Tracker indicates that **the cost of living crisis is the major barrier for domestic trips**, with as many as 30% of UK residents indicating that they plan to reduce their day trips, and 40% still believing that ‘the worst is yet to come’ from the economic crisis.¹³¹

Ultimately, high-level figures can mask inconsistent performance between individual sectors, regions, and sites. Our research indicates that a considerable number of heritage attractions – particularly smaller sites, and those located outside of Southern England – still report that their visitor numbers remain well below pre-pandemic levels.¹³²

According to an Audience Agency survey of a representative sample of the UK population, **59% of respondents are actively ‘put off’ attending arts and culture venues (including heritage) due to the cost of living crisis**, and 38% are engaging less than they were before the pandemic.¹³³ In 2023, the total number of [visits to ALVA members](#) (the Association of Leading Visitor Attractions, which include heritage sites, museums, and places of worship) increased by 19% from 2022 levels – but this was still 11% lower than in 2019.¹³⁴

Focused research into specific heritage sub-sectors presents even more concerning figures. For example, **museum visitors are still down 18% on average from pre-pandemic levels**, and these numbers are more pronounced within particular regions: compared to 2019, visitor numbers are down 29% at museums in the North East, 23% in the East Midlands, and 20% in the North West and in Yorkshire.¹³⁵ This suggests that **the cost of living crisis is exacerbating pre-existing regional inequalities in heritage participation**.¹³⁶

This uneven progress across the heritage sector is highlighted by a recent UK Heritage Pulse survey (see Figure 2) which asked respondents to assess their organisation’s income streams during April to August 2023, and compare them with the previous year. Whilst the results provide broadly positive evidence of recovering visitor engagement across the sector, **a significant minority of heritage organisations report that ‘peak’ spring-summer visitors have declined between 2022 and 2023**.¹³⁷ The sector’s post-pandemic journey is far from over, and the cost of living crisis threatens to derail its nascent recovery.

Figure 2: Comparing April-August 2023 to the same period last year, how did each of these income streams perform for heritage organisations?

	Increased	Unchanged	Decreased
Total visits/demand	52%	26%	22%
Total earned income, including trading income	54%	16%	30%
Income from on-site sources and ticket donations	37%	26%	37%

Extracted from published UK Heritage Pulse survey results; survey conducted from September to October 2023, receiving 270 responses.



VISITOR SPENDING,
DONATIONS, AND BEHAVIOUR

In addition to the uncertainty surrounding visitor numbers, **heritage sites are also grappling with a decline in both visitor donations and ‘secondary spend’ on catering and retail** – which are crucial income streams for many organisations. Moreover, the value of any donation or revenue that these sites *do* receive is being eroded by persistent inflation.¹³⁸

Uncertainty over pricing is rapidly becoming a sector-wide issue. Some sites have been forced to raise their prices to reflect inflation, but worry that this will result in visitors being ‘priced out’. Conversely, others believe that they may need to cut their prices to attract visitors within an increasingly competitive market that is fighting for every pound.¹³⁹

Our research found that many organisations attribute these changes in spending patterns to the cost of living crisis: **visitors have less money in their pockets, and are cutting down on discretionary spending as a result**. Research conducted by the Audience Agency confirms that, post-pandemic, visitors to heritage sites are reducing their spending: visitors who would previously have made a donation, purchased a souvenir, or enjoyed tea in the café no longer feel able to do so.¹⁴⁰ Trends toward digital experiences and online events have further cut into secondary spend – virtual audiences do not enter through the café or exit through the gift shop.

In our recent survey, **48% of respondents** cited visitor spending as a pressing organisational concern.¹⁴¹

In terms of donations, the widespread decline in public philanthropy across the UK has been **described as a ‘cost of giving crisis’ by the charity sector**.¹⁴² The Charities Aid Foundation has warned that the rising cost of living has created a significant – and possibly *permanent* – decline in the public’s engagement with charities (including donations, sponsorship, and volunteering).¹⁴³

In a [Rebuilding Heritage Focus Group](#), the impact of the cost of living on donations was identified as the biggest fundraising concern. Contributors stated that, even though their revenue streams were suffering, they were reluctant to raise prices or press for donations during a time of financial hardship.¹⁴⁴ Heritage organisations are increasingly balancing their own financial sustainability with the needs of their communities.

Moreover, changing visitor behaviour has made it increasingly difficult for heritage organisations to forecast attendance (and income), hampering both event planning and long-term organisational strategy. For example, as many as **41% of cultural audiences and visitors agree that they book more ‘last minute’ than before the pandemic** (due to becoming more risk adverse).¹⁴⁵ Heritage Alliance members report heightened unpredictability in terms of event preferences, visitor demographics, and the time and length of visits.¹⁴⁶

However, these changes could present opportunities for heritage organisations: to connect with new audiences (both domestic and international), diversify programming, and explore alternative revenue streams. Targeted measures would help the sector to adapt and even capitalise on the changing landscape. For example, **extending the tax relief granted to museums, theatres, and orchestras to heritage organisations more broadly** could support new public engagement initiatives, by allowing tax to be reclaimed on programmes designed to grow and diversify audiences.



“We are a free to enter site, so visitor numbers are not an issue – but secondary spend is.”

HERITAGE ALLIANCE SURVEY
RESPONDENT (COMMUNITY
HERITAGE AND ENGAGEMENT)

“We have seen a drop in average visitor donations from 84p per head to 72p per head, which we can only attribute to the lack of spare cash for discretionary spending.”

HERITAGE ALLIANCE MEMBER
(PLACE OF WORSHIP)

“We are anticipating an almost 10% increase in staffing costs for the second year running. We are putting our entry prices up to offset this, but with the public watching their spending this may reduce visitor numbers. Our shop spend is down significantly – child ‘pester power’ is not working, even for cheap items.”

HERITAGE ALLIANCE SURVEY
RESPONDENT (INDUSTRIAL,
MARITIME, OR TRANSPORT HERITAGE)

Image: The gift shop at Belsay Castle, Northumberland. © Historic England / English Heritage Trust.

DECLINE IN SCHOOL TRIPS

School trips to historic sites, landscapes, and museums have long been a **staple of British education**, providing students with valuable opportunities to engage with history and culture in a hands-on, immersive way. However, as the majority of UK schools are forced to undertake significant cost saving measures, this essential learning activity is increasingly being seen as an unaffordable luxury.

In September 2023, 39% of school leaders reported that they have made cuts to school trips and enrichment activities due to the cost of living, rising to 41% within special schools and 49% within primary schools.¹⁴⁷

According to English Heritage (the UK’s largest provider of free heritage school trips), the cost per head for their educational visits is projected to hit £3.89 in 2024, a 73% increase from £2.25 in 2019/20. As of October 2023, school trips at English Heritage sites are still down 28% from pre-Covid levels, which the charity ‘attributes predominantly to the cost of living crisis rather than the enduring effects of the pandemic’.¹⁴⁸ Although museums report slightly better statistics – engagement with educational providers is now 11% lower than 2019/20 – the cost of living crisis is ‘becoming a significant barrier’.¹⁴⁹ The lingering impact of Brexit has also led to a decline in visits from overseas student groups, in part due to the end of passport-free travel.¹⁵⁰

Whilst many ticketed heritage sites offer discounted entry for school trips (as well as free visits for self-led tours) the **cost of transport is now a significant obstacle**. Multiple organisations report incidents of schools arranging a free trip, only to cancel the visit because they cannot afford to hire a coach.¹⁵¹ This is a particular problem for isolated sites that cannot be easily accessed by public transport. The **availability of adults to act as chaperones** is also a concern: school staff are already overstretched, and parents cannot

spare the time away from paid work. Other reported issues include families being unable to contribute towards trips, and increased expenses for heritage organisations that deliver off-site activities.

The cost of living crisis is also exacerbating social and regional disparities. English Heritage reports that its **South East sites host up to eight times more educational visits than the North West**, and almost seven times more than the North East.¹⁵² Research by the Sutton Trust found that **68% of senior leaders at the most deprived state schools report cuts to school trips since 2009, compared to 44% at the least deprived state schools**.¹⁵³ Teachers observe that the decline in school trips is ‘limiting the wider learning and life experiences of their most disadvantaged pupils’.¹⁵⁴ We know that heritage participation is impacted by socio-demographic inequalities, and the decline in school trips risks entrenching this, as **disadvantaged children miss out on opportunities to connect with heritage at a formative age**.¹⁵⁵

Heritage participation not only supports young people’s educational outcomes, but contributes to their personal development: nurturing interpersonal skills, self-worth, and a sense of belonging within their community – aligning strongly with

the government’s ‘Levelling Up’ policy ambitions.¹⁵⁶ For the sector itself, school trips are vital for fostering the next generation of heritage enthusiasts. As many as **60% of British parents of school-aged children agree that more needs to be done to ensure all children have an equal opportunity to go on school trips**.¹⁵⁷

To safeguard their educational programmes amidst the cost of living crisis, heritage organisations will need to explore new partnership opportunities with local, regional, and national stakeholders.¹⁵⁸ To support these efforts, the Heritage Alliance calls for **government-subsidised youth entry to heritage sites**, akin to the successful ‘*Young Scot*’ scheme that offers £1 entry to over 600 historic sites for Scottish 11- to 25-year-olds.¹⁵⁹

Furthermore, we ask for **trips to local heritage sites to be embedded within the national curriculum**, to strengthen young people’s connections with their communities and develop a pipeline of future heritage talent. Through these actions, we can ensure that young people of all backgrounds are able to access the personal, social, and educational benefits of a lifelong relationship with their heritage.



Image: An educational visit at Wentworth Woodhouse in Derbyshire. © Wentworth Woodhouse Preservation Trust.

CAPITALISING ON HERITAGE’S ENDURING APPEAL

Despite the challenges posed by the cost of living crisis, **there remains a strong public interest in and visitor demand for heritage sites**. England’s rich history continues to be a key driver for both domestic and international tourism, with millions of visitors engaging with our historic environment each year.¹⁶⁰

According to the December 2023 DCMS Participation Survey, **over three in five adults (67%) visited a heritage site in person in the last 12 months** – with historic parks, landscapes, and towns proving most popular – and over two in five (43%) visited a museum.¹⁶¹ This enduring appeal is further evidenced by the growth in heritage memberships over the past two decades, with the National Trust, English Heritage, and Historic Houses all reporting increases (and the latter two now exceeding their pre-pandemic totals).¹⁶²

As a magnet for tourism, the heritage sector makes a substantial contribution to both the national and local economies. **Historic Houses sites alone are estimated to have generated £1.3 billion for the UK economy in 2022, two-thirds of which was spent locally**.¹⁶³ In 2021, despite lockdown restrictions, there were over 119 million domestic day visits to heritage sites (generating an estimated visitor spend of £5.5 billion), 15 million domestic overnight heritage trips (generating est. £3.9 billion) and 2.74 million international heritage visits (generating est. £2.4 billion).¹⁶⁴ These figures highlight the sector’s immense potential to drive local growth and prosperity.¹⁶⁵

The heritage sector’s **resilience and adaptability have been crucial in maintaining this economic impact**, as evidenced by its navigation of both the Covid-19 pandemic and the

current financial climate. Organisations have been consistently forced to rethink how they operate, why, and for whom – prompting them to embrace new programming and engagement strategies.¹⁶⁶

Family-friendly activities, workshops, and seasonal festivals have all become popular, as post-pandemic visitors increasingly see heritage sites as spaces for connection and community.¹⁶⁷ In 2023, English Heritage saw its best-ever year for family visits.¹⁶⁸ For obvious reasons, **free events have also become increasingly marketable** during the cost of living crisis – with 66% of cultural visitors and audiences anticipating that they will look for more free leisure activities in 2024.¹⁶⁹

The annual *Heritage Open Days* festival facilitates free access to heritage sites and events across England, and has been proven to generate income and further visits. In September 2023, the festival welcomed 923,000 visitors – 72% of whom made a donation, and 61% of whom stated that they were likely to visit heritage sites more often.¹⁷⁰

Paid entry heritage sites have also explored ‘**pay what you can**’ schemes, **discounts for families, and partnerships with charities so as to welcome those most in need**. The partnership between English Heritage and the Trussell Trust (spotlighted overleaf, p. 32) is just one example of how historic sites are endeavouring to provide joy and respite to those most affected by the cost of living crisis..

As previously stated, there is also evidence that **visitors are becoming more likely to invest in annual heritage passes or memberships**, in

order to maximise value through repeat visits. Heritage memberships tend to inspire high levels of ‘brand loyalty’; according to the Audience Agency, 70% of people who held pre-pandemic heritage memberships did *not* cancel them due to Covid – and of those that did, 63% will ‘probably’ or ‘definitely’ restart them in the next couple of years.¹⁷¹ This loyal and growing membership base provides hope for the heritage sector’s long-term future.

However, **visitor engagement alone cannot offset substantial increases in operational expenses**. In January 2024, nearly eight in 10 heritage organisations reported budget pressures, with most anticipating that the situation would worsen in the coming year. Sadly, 37% of those same organisations stated that they will need to make cuts to their opening hours or to education and community programmes – the very activities that could help them to increase long-term visitor engagement in the long term.¹⁷²

Decisive action and investment is needed to ensure that heritage sites can continue to connect with new audiences. **Fairer treatment for heritage sites in the business rates system** – both in terms of reforming ratings based on property values, and in recognition of the significant repairs liability on businesses based in listed buildings – is one means of supporting heritage tourism and place-based regeneration.¹⁷³

Lastly, only half of local authorities currently have **culture strategies**, and these are not always easily accessible.¹⁷⁴ Clear strategies could play a greater role in ensuring that heritage and culture are embedded in local service provision and development planning, and that their social benefits are maximised for communities.

“The cost of living has increased our visitor numbers: people are looking for free days out or destination experiences, and our location does not offer much apart from us. But if we are unable to afford to update our exhibitions or develop new ones – alongside maintaining services such as the café and toilets – then our rating will start to fall. We rely on word of mouth.”

HERITAGE ALLIANCE SURVEY RESPONDENT (MUSEUM, LIBRARY, OR ARCHIVE)



Image: Dover Castle, one of the English Heritage sites that has partnered with the Trussell Trust during the cost of living crisis.
© Historic England / English Heritage Trust.

Case Study: English Heritage and the Trussell Trust

Supporting access to heritage sites for all during the cost of living crisis

English Heritage looks after over 400 heritage sites on behalf of the nation. As a charity, it relies the support of its members and visitors to help its ongoing mission to conserve great historic sites and make sure that current and future generations can enjoy them. It also plays a role in making sure that as many as people as possible can visit, enjoy, and value these sites – so that everyone has the opportunity to share in our fascinating history.

Many of English Heritage’s historic sites are [free for the public to enter](#), but others are obliged to charge for admissions. During these difficult economic times, the charity recognised that the opportunity of a day out with friends and family was out of reach for some people. They have therefore been working with external partners to help people on the lowest incomes visit English Heritage sites in their local area.

As part of this work, they reached out to [the Trussell Trust](#), which supports a network of over 1,300 food bank centres across the UK. In summer 2023, the two organisations partnered on a pilot scheme: people who accessed the Trust’s food banks were able to receive a voucher for a free visit to their local English Heritage site alongside their emergency food parcel. Food banks who took up the offer included those nearest to some of English Heritage’s most popular sites, including Stonehenge, Dover Castle, and Osborne House on the Isle of Wight.

Over 600 people were able to visit one of seven English Heritage’s sites for free as a result of the partnership. Many of the food banks involved took additional steps – such as helping people to book their tickets online, or arranging transport to the historic site – to make it even easier for people to make the most of the offer. Following the success of the pilot scheme, the partnership has now been expanded to more than 100 different food bank centres in the Trussell Trust network and across 25 English Heritage sites around the country.¹⁷⁵

“The number of families visiting English Heritage sites has increased by over 50% over the last decade, but we know increases in the cost of living mean that enjoying a day out can sometimes be beyond the reach of those who are struggling financially.

“Through our partnership with the Trussell Trust, and based on their experience of working with food banks and the people they support, we want to ensure that more people have the opportunity to visit a heritage site in their area – so they can put their everyday cares to one side for the moment, and enjoy quality time with their family. This year we’re looking forward to extending the programme to as many foodbanks near our historic sites as possible.”



Kate McMullen
HEAD OF VISITOR MARKETING,
ENGLISH HERITAGE

“We are extremely grateful to English Heritage for providing hundreds of people with the opportunity to visit their sites free of charge. Food banks in our network support people who are struggling to afford the essentials and having to choose between heating and eating, therefore a day trip is often a treat that they cannot afford.

“We often hear from parents that they are constantly trying to shield their children from the impacts of poverty and ensure they can still enjoy being a kid, and this scheme makes it possible for families to have a fun day out.

We are delighted that English Heritage has agreed to continue the partnership, and know that it will be very popular with the food banks in our network and the communities that they support.”



Harriet Fairbrother
HEAD OF NETWORK SUPPORT AND
GRANT GIVING, THE TRUSSELL TRUST



Images: Events take place during the annual *Heritage Open Days* festival at Wightwick Manor in Wolverhampton (© Paul Harris), and Powderham Castle in Exeter (© Arnhel De Serra).

Case Study: Heritage Open Days Festival

Reaching new audiences and creating joy for communities

Heritage Open Days (HODs) is England’s largest annual festival of history and culture, supported by the National Trust with funding provided by players of the People’s Postcode Lottery.

Each year, thousands of organisations, community groups, and volunteers come together across the country to organise free heritage events. In September 2023, 5,282 events helped to widen access to the sector for hardly reached audiences – for 22% of visitors it was their only heritage visit of the year, and 34% came from a lower income (C2DE) background.¹⁷⁶

The festival’s value was underlined in its [2023 visitor survey](#): 39% of respondents agreed that, if it hadn’t taken place, they would have stayed at home; and 45% said that they would not have visited if there been a charge for the event – exceeding the figures from any of the previous three years. Evidently, visitors are increasingly stretched in the current economic climate, and are thinking more carefully about admission charges. However, the survey also showed that the festival provided a natural gateway for secondary spend – with £8.9 million spent across the country, and two out of three visitors making donations when given the opportunity.

In a sector that is increasingly characterised by tough financial decisions and closures, the 2023 festival community was the largest in the history of HODs, with over

“The concept of offering something free to audiences can seem at odds with the existential pressure many organisations face. But Heritage Open Days is proof that removing initial barriers to entry can be the lynchpin for reaching new audiences, driving secondary spend and increasing donations. And for many visitors, in this tough financial climate, the festival offers an essential bit of respite, and a moment of true community joy.”



Liam Montgomery
MARKETING & PROJECTS MANAGER,
HERITAGE OPEN DAYS

2,250 organisers taking advantage of the free support to maximise their reach. However, the evaluation also showed that fewer events were put on by the average organiser due to the constraints of reduced capacity – with 9,000 fewer volunteers and 15,000 fewer paid staff involved than in 2019.

Despite these significant challenges, there were a million visits across the festival, with 79% of visitors leaving inspired to engage more with heritage and culture in future.

“It feels like a really worthwhile thing for us to do: to enable visitors to experience the castle for free when they may not be otherwise able to – particularly in the context of the cost of living crisis.”

FESTIVAL ORGANISER, 2023

“Once there were just us two with money to spend and lots to see and do. But now it’s us four, and everything costs a whole lot more. So, a chance to explore castles and kings, to spark imaginations with ruins and spooky things... These are how memories are made and it’s all thanks to Heritage Open Days!”

FESTIVAL VISITOR, 2023

“I really enjoyed myself. I just don’t have enough spare cash to go to paid exhibitions and cultural houses at the moment. It was wonderful to be surrounded by history, art and culture.”

FESTIVAL VISITOR, 2023

Chapter 4: Cutting Costs



As heritage organisations grapple with the rising cost of living, **the need to offset increasing budget pressures has become paramount.** However, many public-facing sites have exhausted all avenues for additional income generation. Visitor numbers generally remain below pre-pandemic levels, and raising admission prices could prove counterproductive as the general public continues to cut back on discretionary spending. Some sites also face unavoidable ‘caps’ on the number of visitors they can welcome, as excessive footfall could damage their sensitive historic buildings, landscapes, or collections.

As a result, **cost-cutting measures have become inevitable.** Across the country, heritage sites are reducing their opening hours, pausing restoration and conservation projects, or cancelling educational programmes.

The current financial crisis follows a **series of economic shocks that have progressively weakened the sector’s position:** a decade of reduced public funding; the devastating impact of the Covid-19 pandemic; and the rapid increase in energy bills during the winter of 2022/23. For many organisations,

the latter event eroded any hopes of rebuilding their financial reserves post-Covid. Consequently, they are now operating without a financial safety net and, having already implemented extensive cost cutting, **there is little room to economise further.**

Although cost-reduction measures can improve an organisation’s efficiency and long-term financial stability, poorly-planned cuts risk compromising its operational quality, audience growth, and ability to adapt moving forward. As this chapter explores in more detail, **many heritage organisations have already cut all but the most essential outlays.** Previously ring-fenced budgets for some of the sector’s most impactful work – from community outreach and engagement, to academic research – are now on the chopping block.

Further cuts now **threaten the ability of heritage organisations to fulfil their core purpose of conserving historic assets.** The sector faces a significant backlog of essential repairs and maintenance, and individual sites are now cutting back on conservation projects, collection care, and even building insurance.

Whilst these cuts may result in short-term savings, they are likely to lead to higher repair and maintenance costs in the long term. More worryingly, they also increase the risk of catastrophic damage to historic building fabric or collections. The danger, therefore, is not only that individual heritage sites or organisations will be forced to close after one ‘rainy day’ too many, but that **national historic assets will be permanently damaged or lost due to compromised conservation caused by cost-cutting measures.**

“With some museum venues and buildings already on the Heritage at Risk Register, declining investment, potential closure of sites, and underinvestment in maintenance regimes raise a real prospect that many more important cultural and heritage assets could be in danger of suffering irreversible damage.”

REPORT ON *LEVELS OF PUBLIC INVESTMENT IN MUSEUMS*, COMMISSIONED BY ARTS COUNCIL ENGLAND (JANUARY 2024), p. 43

We know that the general public cares about heritage and wants to see it protected. In a nationally representative survey, **81% of respondents said that ‘looking after historic buildings, monuments and archaeology to safeguard the places people love’ was personally important to them.**¹⁷⁷ A further 74% of UK adults agree that the government has a moral obligation to protect our heritage.¹⁷⁸

All heritage sites, however famous or little-known, play an important role in their communities – and **if they are lost, they are lost forever.** As Historic England’s [Conservation Principles](#) state:

“The historic environment is constantly changing, but each significant part of it represents a finite resource. If it is not sustained, not only are its heritage values eroded or lost, but so is its potential to give distinctiveness, meaning and quality to the places in which people live, and provide people with a sense of continuity and a source of identity.”¹⁷⁹

Excessive cost cutting within the heritage sector is ultimately not sustainable: if taken too far, assets and collections will no longer be sufficiently protected (let alone restored, enhanced, or celebrated). Whilst the full ramifications of the latest wave of cost cutting are yet to be seen, more organisations are contacting the Heritage Alliance every week with reports of diminished reserves, and ‘nothing left to cut’.¹⁸⁰ **The risk of closure (and the permanent loss of specialist skills, knowledge, and historic assets) is very real for many heritage sites and services across the country.**

“Everything we need to run the organisation has increased in price – from maintenance contracts, to supplies – without a corresponding growth in income through visitors. It’s incrementally increasing to levels that are unsustainable. We are finding that we are having to cut corners, which many impact safety.”

HERITAGE ALLIANCE MEMBER (PLACE OF WORSHIP)

At a Glance: Sector Vulnerabilities

- **High fixed costs:** Heritage sites often have high fixed costs related to the maintenance, repair, and conservation of historic buildings, landscapes, and collections. These costs cannot be easily reduced without risking long-term damage to assets. Moreover, these costs do not go away if the site is closed to the public, as this often incurs liabilities rather than savings.
- **Existential risks:** Cost-cutting measures within heritage carry a higher risk than in many other cultural sectors, as they can lead to the irreparable damage of national heritage assets. Inadequate maintenance, conservation, insurance, or security due to budget constraints may result in the deterioration or destruction of historic buildings, artefacts, and landscapes, which cannot be replaced once lost. Similarly, if specialist practitioners are unable to pass their skills and knowledge to the next generation, this intangible heritage will be forgotten.
- **Significant ‘cost cutting’ has already taken place:** A decade of austerity measures and reductions to public funding meant that most heritage organisations had already undertaken cost-cutting initiatives before the current cost of living crisis – meaning that there is little non-essential spending left to cut.¹⁸¹
- **Backlog of repairs:** Years of underinvestment and deferred maintenance mean that many heritage sites have a significant repair backlog. Efforts to tackle this have been hampered by the costs of materials and labour post-Covid (and post-Brexit).
- **Depletion of organisational reserves:** Many heritage organisations had to draw down on their financial reserves to survive the Covid-19 pandemic, which meant that they no longer had a ‘rainy day fund’ when the cost of living crisis hit. This has increased the pressure to make immediate cost savings to avoid falling into deficit, and raised the risk of closure due to emergency or unanticipated costs.
- **Ceiling to commercial income prospects:** Whilst some heritage sites may be able to welcome large numbers of guests, or rent out their premises for commercial or private events (from film screenings, to weddings), many have hard limits on visitor or event numbers due to the risk of damage to historic assets. Other sites feel unable to raise their entry prices during the cost of living crisis, for fear of deterring visitors. This limits the sector’s ability to generate additional income to offset the need for cost-cutting measures.
- **Interdependence within the sector:** The heritage sector comprises a complex ecosystem of organisations, suppliers, and professionals. Cost-cutting measures in one area (for example, pausing building restoration projects) can have cascading effects on others, potentially leading to the loss of key support services, suppliers, and partnerships that are essential for the sector’s overall resilience and sustainability.

A Closer Look:
Cost Cutting during the Cost of Living Crisis

SHRINKING HERITAGE SECTOR PROGRAMMING

The cost of living crisis has forced heritage organisations to make difficult decisions regarding their services and programming. Sadly, **the activities that could provide the greatest public benefit amidst the crisis are often the ones at risk of being cut** – including educational and youth engagement programmes, community outreach initiatives, evidence-based research, workforce training, and public access and opening hours. Although individual organisations have tried to absorb rising costs and hold off on scaling back these activities for as long as possible, there is a growing sector consensus that programming cuts will be inevitable in 2024.¹⁸²

In a recent UK Heritage Pulse survey, 37% of respondents stated that they have already cut or reduced education and community programmes, and 34% have delayed, cancelled or reduced their future plans in this area.¹⁸³ This indicates that **the full impact of the cost of living crisis on heritage programming is still to come.**

Heritage organisations, particularly those that rely on visitor engagement, have highlighted the dilemma of **needing to cut programmes to make short-term savings, whilst knowing**

that this will jeopardise their long-term revenue streams. If they reduce their opening hours or special events, will they still be able to provide visitors with memorable experiences and remain attractive within a competitive marketplace?¹⁸⁴ Even if existing programmes are maintained through downsizing measures (like reduced staffing levels), the quality of public engagement would still suffer.

The ramifications of these cutbacks could cast a long shadow: for example, **a reduction in youth engagement could shrink the pool of heritage enthusiasts and professionals for years to come.** However, we know that, during times of economic hardship, heritage organisations are likely to perceive youth engagement as resource-intensive due to funding and capacity constraints, and consequently reduce their efforts in this area – whilst youth organisations are simultaneously reducing their collaborations with external partners, for similar reasons.¹⁸⁵ In a separate Heritage Pulse survey about the impact of local authority cuts on the heritage sector, **65% of respondents said that older people would be most affected, 54% said children and young people, and 42% said vulnerable adults.**¹⁸⁶

As this report has already discussed, heritage can provide inspiration, learning, and respite for individuals

facing difficult circumstances during the cost of living crisis (p. 31). But if organisations are forced to reduce their programming, outreach, and ongoing research, this will weaken their ability to support social cohesion and economic growth within their local communities. They will be less able to forge and maintain partnerships with external organisations, and may also **find it harder to demonstrate their impact and value to local and national funding bodies.** Individual organisations risk being trapped in a vicious cycle of managed decline, whereby the current reduction in their capacity makes it more difficult for them to secure support for rebuilding and expanding their programming in the future.

These challenges are not confined to the heritage sector: **across the UK charity landscape, public demand for services is rising just as capacity is declining,** with as many as 24% of charities preparing to reduce the services they offer.¹⁸⁷ The NCVO’s ‘Cost of Giving Crisis’ support portal [contains practical advice](#) for charities seeking to cut costs – but advises that they consider whether cuts may lead to higher long-term costs, or have an unforeseen impact on themselves or others.¹⁸⁸ Many heritage organisations are facing the same difficult decisions as they strive to continue some of their most valuable and impactful work despite the rising cost of living.

“Our worry is cutting activities which are high quality, but which do not have the demand to justify continued funding. Once we stop providing them, the stored expertise will be lost forever.”

HERITAGE ALLIANCE MEMBER (BUILT HERITAGE)

“Staff training and other sector-support options are being squeezed out as budgets reduce. There are also fewer staff running many public sector sites.”

HERITAGE ALLIANCE MEMBER (SECTOR SUPPORT, HERITAGE)

“We are constantly aware of the need to be prudent with our expenditure whilst maintaining a good visitor experience. It has become harder to seek funding for our existing staff and services.”

HERITAGE ALLIANCE MEMBER (PLACE OF WORSHIP)

THE REPAIR BACKLOG

The UK heritage sector is grappling with a significant repair backlog, which poses a severe threat to our historic buildings and collections. The full scale of the problem is difficult to quantify due to the wide array of different sites and buildings across the country, and the fact that a significant proportion of the nation’s historic buildings are privately owned, lived-in homes.

However, we know that **the repair backlog at churches owned by the Church of England alone is at least £1 billion,** despite parish churches spending an estimated £150 million on maintenance annually.¹⁸⁹ Similarly, **the repair backlog at Historic Houses member properties is estimated to be £2 billion,** even though its members invest an estimated £156.2 million in maintenance every year.¹⁹⁰

The backlog predates both the Covid-19 pandemic and the cost of living crisis, but it has been seriously exacerbated by these events due to their impact on the cost and availability of materials and labour.¹⁹¹ In a recent UK Heritage Pulse survey, **43% of respondents cited maintenance and repairs as one of the main sources of budget pressures.**¹⁹² Similarly, research conducted by Ecclesiastical Insurance found that maintenance and repair was a top concern for 58% of heritage organisations. Other respondents also highlighted concerns regarding the shortage of traditional skills such as lime rendering, stonemasonry, and flint walling (31%), and of heritage materials such as stone, clay, and slate (26%).¹⁹³

Faced with tough financial decisions, **many heritage organisations are opting to cut back on routine maintenance and delay capital projects.** Amongst Heritage Pulse survey respondents, 34% have already cancelled repair and maintenance works, and a further 47% have delayed, cancelled, or scaled back their future plans.¹⁹⁴

The consequences of deferred heritage maintenance can be severe. It **increases the risk of permanent damage to the fabric of historic buildings,** and to any collections or artefacts they contain. It can also create potential safety hazards for staff and visitors. In the long term, it inevitably leads to higher costs as minor problems escalate into major structural issues requiring extensive and disruptive restoration. Some historic sites may be lost for ever if they fall into total disrepair. By contrast, **the routine maintenance of heritage sites avoids costly repairs,** retains the original historic fabric for longer (because small-scale interventions are less damaging), is more environmentally friendly, and supports jobs across the country.¹⁹⁵

There are already **alarming stories of the impact of these delays:** from museums that are covering priceless artefacts with tarpaulins to protect them from leaking roofs; to a Grade II listed Victorian church where a funeral was disrupted by falling plaster.¹⁹⁶ At the same time, many organisations state that they are struggling with rising insurance costs, which raises concerns over whether some heritage sites will be financially protected should they experience damage in the future. Each year, Historic England’s

[Heritage At Risk Register](#) features new entries for sites that are at risk of being lost through neglect, decay, or inappropriate development – but many at-risk sites remain unlisted, and inclusion within the Risk Register does not guarantee protection or resources.¹⁹⁷

There are **positive signs that the scale and severity of the backlog is starting to be taken seriously:** DCMS has commissioned a [research project](#) to understand the scale of the infrastructure maintenance needs of cultural charities; the [Museums Estate and Development Fund](#) (MEND) has offered a lifeline to accredited museums that do not receive direct government funding; and the National Lottery Heritage Fund’s [Heritage 2033](#) strategy places a renewed focus on conservation and repair.¹⁹⁸ However, whilst these developments are encouraging, more help is still needed to tackle the scale of the problem.

Although capital funding injections (like the Levelling Up Fund) provide much-needed investment, they also contribute to inflated costs by driving up demand for labour and materials. By contrast, **a steady, sustained stream of capital funding for heritage infrastructure over a longer period** would help to balance demand and supply dynamics and reduce inflationary pressures. To have the greatest impact, this long-term funding should be **made available to all parts of the heritage sector, including assets in private ownership that are open to the public** (which are often not able to benefit from capital grants). These reforms would help the caretakers of historic buildings to clear the repair backlog, and preserve our national historic assets for the future.



ONE MORE ‘RAINY DAY’ AWAY FROM COLLAPSE

Our research indicates that many heritage organisations have already implemented – or plan to implement – cuts to all but their most essential expenditure. Inflation means that, **once core operational costs such as rent, utilities, wages, and insurance are accounted for, there is little money remaining.** The heritage sector was already in a compromised financial position before the cost of living crisis, due to the impact of the Covid-19 pandemic, and a decade of public spending cuts. As the Association of Independent Museums observes, this means that ‘across the sector any “quick wins” have already been implemented and many ... will now be in the territory of very difficult decisions to reduce costs further’.¹⁹⁹

In the Heritage Alliance’s recent survey (conducted between November and December 2023), **52% of respondents stated that they were currently facing a greater need to cut costs than at the same point the previous year.** Furthermore, 36% reported that their organisational reserves had been depleted following the Covid-19 pandemic, leaving them with little to fall back on in an emergency.²⁰⁰

The concerning reality is that **many previously ‘essential’ costs for heritage organisations are now susceptible to cutbacks.** For example, insurance premiums for historic buildings have increased dramatically post-Covid, due to rising prices for construction materials and labour, and the fact that many providers have stepped away from the heritage market due to its inherent complexities and high costs.²⁰¹ Proper insurance is a vital risk management tool for heritage assets, which meant that reduced coverage was previously unthinkable for many.²⁰² However, our research indicates that growing numbers of heritage organisations have no choice but to scale back their policies, as the cost of insurance becomes a bigger budget pressure –

despite the escalating risks outlined in this report, from extreme weather (p. 13) to heritage crime (p. 22).

Some heritage sites have reported to us that they **can no longer afford any insurance coverage for historic buildings under their care.**²⁰³ This means that, if catastrophic damage were to occur, there would be no funds to cover repairs, restoration, or reconstruction.

For some organisations, **the need to cut costs is now threatening their core purpose of protecting and conserving heritage.** As we have already discussed (p. 37), the significant backlog in maintenance and repairs poses an existential risk for impacted sites. More broadly, sector surveys have highlighted that heritage organisations are making cuts to the care and conservation of historic buildings, monuments, landscapes, collections, and objects.²⁰⁴ In a March 2024 UK Heritage Pulse survey, **only 42% of respondents agreed with the statement ‘my organisation is currently able to adequately care for its area of heritage/collection’.**²⁰⁵ A recent report commissioned by Arts Council England found that heritage assets within museums face ‘significant and growing risks’, with a real prospect of ‘irreversible damage’.²⁰⁶

A repeated idiom throughout our ongoing research has been that **many heritage organisations are one more ‘rainy day’ away from collapse.** The caretakers of several

nationally-significant historic sites have privately confided to the Heritage Alliance that they have less than a month’s worth of expenditure in reserve.²⁰⁷ The pandemic wiped out their financial safety net, meaning that they will now struggle to survive any emergency repairs, a flood or fire, a cut to their funding, the loss of donors or sponsors, or simply an underperforming summer or winter season as visitors cut back on their spending – to say nothing of their ability to withstand another public health emergency. In the March 2024 Heritage Pulse survey, **just 59% of respondents were confident about the future of their organisation** – a decrease of 7% compared to August 2023.²⁰⁸

The fact that these heritage organisations have successfully weathered the cost of living storm thus far belies the fact that they are in intensely vulnerable position: cut to the bone, with no emergency funds to fall back on. This not only jeopardises them as individual institutions, but **threatens the UK’s collective culture heritage.** It is vital that political parties listen to voices from the heritage sector, and recognise the gravity of the situation before it is too late. Heritage organisations have displayed remarkable resilience and innovation in the face of recent challenges, but they cannot continue to ‘do more with less’ indefinitely. **A new phase of core funding for heritage in the style of the pandemic’s Culture Recovery Fund** is now needed to sustain these organisations – and the history that they care for – into the future (see pp. 50–51).

“Comprehensive insurance cover is essential to the business of looking after heritage. Escalating costs feed directly into the size of the premiums charged for cover at heritage sites. In a tight market, it is little wonder that some heritage managers are starting to question whether they can continue to afford to insure their sites. It’s a deeply worrying phenomenon.”

BEN COWELL, DIRECTOR GENERAL OF HISTORIC HOUSES



Image: The Rajasthan Heritage Brass Band perform at the annual [WE Wonder festival](#) at Wentworth Woodhouse, which celebrates the diverse fabric of South Yorkshire life. © Wentworth Woodhouse Preservation Trust.

Case Study: Wentworth Woodhouse
Managing rising costs to safeguard a regional catalyst for change

Wentworth Woodhouse in South Yorkshire is one of England’s finest and grandest stately homes. Built between the 1720s and 1890s, the House has over 300 rooms and is surrounded by 87 acres of gardens and grounds. The site fell into disrepair during the twentieth century, until it was purchased by the Wentworth Woodhouse Preservation Trust in 2017.

The purpose of the Trust is **to restore and regenerate the site for the benefit of the nation, particularly South Yorkshire,** and act as a catalyst for positive change in the region. They aim to create a world-class visitor offering, alongside training, work experience, and job opportunities for the local area.²⁰⁹ The site is now open to visitors, who have been able to experience house tours, nature walks, craft workshops, educational talks, theatre performances, and music festivals.

Wentworth Woodhouse is located in Rotherham, which is **the 44th most deprived local authority district** out of 317 in England (according to the 2019 Index of Multiple Deprivation).²¹⁰ As many as 31.4% of children in the area were living in poverty in 2021/22.²¹¹ However, Rotherham also has a rich voluntary and community sector, with over 1,200 organisations and 40,000 volunteer roles.²¹²

The Trust’s ambitious restoration programme is supported by a mixture of public, private, and self-generated income. **It relies heavily on the local community to visit regularly and generate secondary spend.** However, Rotherham has been badly impacted by the cost of living crisis, with inflation straining household budgets. As families face difficult choices, cultural visits are increasingly viewed as a non-essential luxury.


“The Trust does not want to pass rising costs on to its visitors and, as a result, it is faced with the difficult prospect of **having to make cuts to its operations and programming.** Without a regular income, its efforts to repair and maintain the Wentworth Woodhouse site could be jeopardised, leading to further deterioration of the historic fabric. Increases in the minimum wage have put huge pressure on the Trust, as have the increase in costs for power, heating, and lighting. Overall costs are up from £2.339 million (year end March 2023) to £2.962 million (year end March 2024); an increase of approximately 26%.

“We have not been able to pass these cost increase on to our visitors – an audience who are already cutting back on their spending. Instead, the Trust has been seeking imaginative ways of trying to bridge the funding gap whilst continuing to provide a much-needed community facility.

“We have introduced ‘[South Yorkshire Sundays](#)’ on the last Sunday of every month, when we select a postcode (using the IMD to identify the most deprived areas), and allow free entry to all who provide proof of residency in that area. We have found that this has had a hugely positive impact on attracting audiences who might not usually visit a country house or heritage site, and on increasing secondary spend (particularly in areas with a good gross profit margin such as tea, soft drinks, and ice cream).

“However, this does not provide an overall solution. After the last year (2023/24), we will post our first financial loss since our inception in 2014. The loss is substantial – circa £250k – and at a level which is **unsustainable in the longer term, as we have no endowment.**

“We are confident that we can survive the summer, as we are entering our busiest time of year, but the sad reality is that the winter of 2024/25 poses some very real threats to our survival. If the economic situation does not improve, then in September 2024 we may well need to make severe cuts to our services, workforce, and ability to deliver for our local communities.”

 **Sarah McLeod**
CEO OF WENTWORTH WOODHOUSE
PRESERVATION TRUST

Chapter 5: Funding



The UK heritage sector is at a crossroads. After years of funding cuts, it was hit hard by the Covid-19 pandemic, which forced many organisations to close their doors, cancel events, and furlough staff. Whilst emergency support from the government provided a temporary lifeline, the heritage sector is now facing a new set of challenges as the cost of living crisis bites.

Heritage has always relied on a complex mixture of public, private, and self-generated income streams, and the current economic climate has exposed **the vulnerability of many of these funding models**. With entrenched inflation and falling consumer confidence, organisations are struggling to make ends meet and plan for an uncertain future.

At the same time, there are glimmers of hope. During the pandemic, **the emergency Cultural Recovery Fund demonstrated the potential of more flexible and responsive core funding models**. There is also growing recognition of the value and importance of heritage in our national life, from its contribution to our

economy, to its role in supporting wellbeing and social cohesion.

More broadly, across the sector, **heritage organisations have shown remarkable resilience and adaptability in the face of adversity** – working hard to improve their financial planning, diversify revenue streams, and think of new ways to engage with visitors.²¹³ Between 2020 and 2023, *Rebuilding Heritage* helped 1,290 individuals to learn new skills, processes, and contingencies.²¹⁴ There is still a strong sector-wide appetite for training in core business areas such as digital, marketing, and fundraising – as well as a recognition that challenging times can be a catalyst for improvements that will enhance long-term organisational sustainability.²¹⁵

However, amidst the current economic climate, there are **limits to what can be achieved through innovation and entrepreneurship alone**. In the museums sub-sector, for example, despite enthusiastic efforts and a strong initial post-pandemic recovery, progress is now starting to stall and even reverse.

In 2022/23, annual turnover across museums dropped by 3% – to a lower figure than before the pandemic – whilst their expenditure simultaneously increased by 10%.²¹⁶

If the heritage sector is to survive and thrive in the long term, it will need more than just short-term fixes and emergency support package. It will require **a fundamental reappraisal of how we value, fund, and sustain our cultural heritage**, and a new settlement between the sector, the government, and the public. This settlement must be based on a clear understanding of the challenges (and opportunities) facing the sector, and a shared commitment to investing in its future. It must also recognise the diversity and complexity of the sector, and ensure that heritage sites which have seen little benefit from new funding streams thus far (such as public attractions held in private ownership, or mobile heritage assets) are included in any support measures.

At a Glance: Sector Vulnerabilities

- **The backdrop of austerity:** A decade of public spending austerity has resulted in sustained funding cuts for the heritage sector (see p. 43 for statistics).²¹⁷ This has left many organisations in a precarious position, with limited capacity to absorb or adapt to the shock of the cost of living crisis.
- **Depleted organisational reserves:** After the impact of pandemic and the sudden surge in energy bills, many heritage organisations have little (if any) financial reserves remaining. With no buffer to absorb funding cuts, these organisations are just one budget reduction away from having to close their doors.
- **Prioritisation of frontline services:** The cost of living crisis has prompted funding bodies to prioritise support for frontline services, leaving limited resources for the heritage and wider cultural sector. Many heritage organisations have huge potential to contribute towards community wellbeing and resilience – but this is contingent upon their securing sufficient funding.²¹⁸
- **Underfunding:** Heritage Alliance members are increasingly reporting that grants or contracts which they have previously secured for specific projects are not keeping pace with rising costs and inflation, meaning that their original project budget has become unsustainable. In our recent sector-wide survey, **51% of respondents cited underfunding as an issue**.²¹⁹ As a result, these organisations are increasingly forced to subsidise underfunded projects with their own reserves or income, placing an additional strain on already-stretched resources and diverting money away from core operations.
- **The funding landscape:** Funding for heritage is complex and fragmented, without a national sector support portfolio system (akin to Arts Council England's). The resulting funding landscape is challenging for organisations to navigate, and makes it difficult for them to access the support they need, particularly for core operational costs.
- **Lack of funding streams for core operational costs:** Heritage organisations have a pressing need for core funding to cover essential day-to-day repairs and maintenance, and to retain skilled staff who possess the expertise to conserve historic buildings and collections. These activities have high fixed costs, particularly repairs. However, they are also the most difficult area to secure funding for, with the majority of heritage grants being designed for self-contained projects. This means that, for many heritage organisations, their core purpose – safeguarding historic assets – is at risk due to a lack of funding.
- **Fundraising inexperience:** Many heritage organisations, particularly those led by volunteers, face significant skill gaps in areas such as fundraising and commercial operations. This lack of expertise leaves them ill-equipped to navigate the complex funding landscape and secure support during the cost of living crisis. As our *Rebuilding Heritage* programme demonstrated, targeted training and resources can be hugely impactful in 'upskilling' an organisation's fundraising capacity. But training programmes like this need sustained investment to reach the entire sector.²²⁰

"Organisations are having to deliver growth and maintain existing service levels – whilst everything has got more expensive. On fixed funding, this is incredibly hard. Something has to give, or more funding is needed."

HERITAGE ALLIANCE MEMBER
(SECTOR SUPPORT, HERITAGE)

"We have reached 75% income from trading, but we simply cannot generate enough funds to offset rising costs. We need unrestricted grants to protect and enhance our heritage for our communities."

HERITAGE ALLIANCE SURVEY
RESPONDENT (COMMUNITY
HERITAGE AND ENGAGEMENT)

"We have struggled to recruit experienced fundraisers, and trusts and foundations are less able to give out grants."

HERITAGE ALLIANCE MEMBER
(PLACE OF WORSHIP)

MAPPING THE HERITAGE FUNDING LANDSCAPE

The funding landscape for the heritage sector in England is characterised by a complex interplay between central and local government, their agencies and sponsored bodies, and private philanthropy and investment. The 'patchwork' nature of this funding (with many different streams, each prioritising particular risks or needs) means that securing sufficient and sustained resources is an ongoing challenge for many heritage organisations.



GOVERNMENT DEPARTMENTS

Within central government, the **Department for Culture, Media and Sport (DCMS)** plays a key role in setting heritage policy and allocating resources, whilst also funding specific schemes or organisations – such as the [Listed Places of Worship Grant Scheme](#), the [National Heritage Memorial Fund](#), and [Historic England](#) (discussed below).

Crucial support for heritage is also provided by relevant initiatives within the **Department for Environment, Food and Rural Affairs (DEFRA)** and the **Department for Levelling Up, Housing and Communities (DLUHC)** – for example, through heritage 'actions' within [DEFRA's agri-environmental schemes](#), or the [Levelling Up Fund](#).²²¹

DLUHC is the main source of central government grants for **local authorities** across England, which are crucial place-based heritage stakeholders for their respective communities.²²² Local authorities are [the biggest public funders of culture in England](#), spending £2.4 billion a year on cultural services (including heritage).²²³

Local authorities typically support heritage in their area by providing funding and support for historic sites, museums, galleries, and archives. They also supervise development control and planning policy for conservation sites or listed buildings, which is vital for protecting the historic environment.



LOCAL AUTHORITIES



NATIONAL LOTTERY

The **National Lottery Heritage Fund (NLHF)** is a non-departmental public body associated with DCMS, and is the largest source of public funding dedicated to UK heritage. The NLHF receives a 20% share of the 'Good Causes' income raised by National Lottery players, which it distributes to heritage organisations and projects across the UK. It is vital that this 20% is protected – since the

NLHF was established in 1994, it has transformed the way we care for our heritage and provided over £8.8 billion of funding to over 51,000 projects.²²⁴ Its current ten-year strategy, [Heritage 2033](#), is shaped by four principles: saving heritage sites; protecting the environment; supporting inclusion, access, and participation; and strengthening the sustainability of heritage organisations.

DCMS is also the sponsoring department for **Historic England**, an executive non-departmental public body which serves as the government's statutory advisor on all aspects of the historic environment.²²⁵ Historic England is the largest source of non-Lottery grant funding for heritage assets in England; it offers [a diverse range of grant schemes](#), including funding for repairs, research, capacity-building projects, and partnership

schemes with local authorities and other funding bodies. It prioritises funding for heritage that is at risk, or for activities that will strengthen the sector's ability to reduce or avoid risk.²²⁶ Whilst Historic England is the primary public body for the heritage sector, **Arts Council England** also provides funding for some heritage organisations and projects – for example, through its [Museum Estate and Development Fund \(MEND\)](#).



NON-DEPARTMENTAL PUBLIC BODIES



PRIVATE INVESTMENT AND PHILANTHROPY

Beyond these funding bodies, the heritage sector relies heavily on **private investment and philanthropy**. Alongside public donations, heritage is supported by a wide range of independent trusts and foundations; the [Heritage Funding Directory](#) (managed by the Heritage Alliance and the Architectural Heritage Fund, and funded by the Historic Houses Foundation) lists over 500 sources of grants, loans, awards, and scholarships.

Non-financial philanthropy, such as volunteering, also plays a vital role in supporting the sector by providing additional resources, skills, and expertise. And, of course, the private owners or managers of heritage assets regularly invest in their maintenance, regeneration, and enhancement – these assets may be open to the general public, but may equally form part of private estates or collections.

A Closer Look: Funding the Heritage Sector in the Cost of Living Crisis

CHALLENGES IN HERITAGE FUNDING: RECENT CUTS, AND SYSTEMIC FRAGMENTATION

Whilst our 'map' of the funding landscape is not an exhaustive list, these key sources of income form the bedrock of the heritage sector alongside self-generated income (for example, from visitor spending). However, **over the last decade, each of these funding streams has experienced sustained real-term cuts** – which are now exacerbated by the cost of living crisis.

As this report has already discussed, owners of heritage assets are struggling to afford basic maintenance and insurance, let alone undertake major restoration projects (p. 37). Meanwhile, philanthropic funding is facing a 'cost of giving' crisis (p. 29): **the general public has less disposable income, and independent grants are increasingly scarce and competitive**. Amidst the economic downturn, many funding bodies are choosing to prioritise support for frontline initiatives that work with vulnerable individuals or communities – an understandable decision, but one which nevertheless reduces resourcing for heritage, culture, and the arts.

If we turn to major heritage funding bodies, the data reveals a sobering reality of sustained funding cuts over the last decade:

- **Local authority expenditure** on services for the historic environment has decreased drastically in real terms between 2009/10 and 2021/22, falling by 46.5% on average.²²⁷
- **DCMS's grant-in-aid funding** for cultural organisations (including Historic England and Arts Council England) has steadily decreased in real terms since 2008. In 2022/23, grant-in-aid funding was reduced by 30% from the previous financial year.²²⁸

The latter reduction was partly due to the end of the Cultural Recovery

Fund and other emergency pandemic measures. Nevertheless, the *scale* of the year-to-year decrease exemplifies **the inherently unstable nature of the short-term funding cycles** that characterise heritage sector resourcing. Inconsistent and variable grant provisions, compounded by the unstable financial climate, make it highly challenging for organisations to engage in long-term planning or capacity-building.

There are also more systemic problems with the way that UK heritage funding operates. The breadth and complexity of 'heritage' in all its forms means that **it cuts across numerous government departments and policy areas, and no single entity takes full responsibility for its public funding**. DCMS is viewed as the 'home' of heritage policy, given its remit over arts, culture, the creative industries, and tourism. However, much of the historic environment falls under DEFRA's purview, planning is within the remit of DLUHC, and broader heritage considerations span a wide range of departmental portfolios (from transport to education).

In some cases, heritage is at risk of losing out on significant pots of money due to these siloes. Environmental Land Management Schemes (ELMs) present a significant opportunity to harness the potential of rural heritage to deliver public goods and protect historic assets not covered by any other funding scheme.²²⁹ However, heritage outcomes are routinely at risk of being deprioritised within ELMs, and their benefits are not well communicated to land managers. **DEFRA should prioritise, support, and celebrate the historic environment**, and ensures that our ancient landscape is recognised, integrated, and placed on an equal footing with natural assets in land management schemes.

Ultimately, whilst the breadth of heritage means that it plays a role in advancing many different areas of

public policy, it can also **cause the sector to be sidelined as a peripheral concern within individual departments**, creating gaps, inconsistencies, and inefficiencies in funding provision.²³⁰

One potential means of tackling this fragmentation would be to **establish a portfolio funding system to give consistent and stable resource to heritage sector-support organisations**, akin to that administered by Arts Council England. Their National Portfolio Organisation (NPO) system is delivered through a mix of grant-in-aid and Lottery funding, and currently supports 985 arts and culture organisations (all of which are leaders within their respective fields).²³¹ This means that the Arts Council can distribute its funding widely across the diverse and expansive UK arts scene.

Whilst Historic England does offer some multi-year funding agreements, it is currently not funded to operate a comprehensive capacity-support model. A new portfolio system for heritage funding could be one means of facilitating **more equitable support for the entire heritage sector in all its diversity** – including providing much-needed 'core' operational funding in addition to project-based funding (see p. 46).

However, although such a system could start to address the instability and short-termism of the heritage funding landscape, **the sector also faces more immediate threats**. The ongoing collapse of local authorities, against a backdrop of soaring costs and scarcity of funds presents a grave risk. Without investment, locally-funded heritage organisations may not survive in the short term to benefit from a long-term restructuring of heritage funding provision.

THE COLLAPSE OF LOCAL AUTHORITY CULTURAL FUNDING

As this chapter has already discussed, **local authorities are a vital source of place-based funding and support for the UK heritage sector**, and are also the largest public funders of culture more broadly. The two most prominent ways that local authorities support the heritage sector are:

1. Through their budgets for cultural services, local authorities **provide funding** for heritage, museums, galleries, and archives in their area, and sometimes directly operate these sites. For example, it is estimated that 31% of all accredited museums in England (413 in total) are 'local authority-reliant' (i.e. they are either owned and maintained by their local authority, or dependent upon their funding). This varies across regions; for example, 42% of accredited museums in the North are local authority-reliant, versus just 18% in London.²³²
2. More broadly, local authorities also **oversee planning policy and heritage protections** within their area, which are vital for safeguarding the local historic environment. Local planning authorities consult with specialist archaeological and conservation officers when considering planning applications which could impact heritage assets. In addition, following the passing of

the Levelling Up and Regeneration Act 2023 (LURA), local authorities will have **a statutory requirement** to maintain a Historic Environment Record for their area.²³³

However, our local authorities have suffered from historic underinvestment. Since at least the 1960s, the UK has consistently invested less in its public sector than the average for equivalent OECD nations.²³⁴ Now – after a decade of fiscal austerity, the pandemic, and the cost of living crisis – **local authorities across the nation are in severe financial distress**.

Since 2021, six local authorities have issued a Section 114 notice (effectively declaring bankruptcy). As of February 2024, **half of all English local authorities (51%) have warned that they are likely to issue a 114 notice within the next five years**, and 14 councils (9%) have reported that they are likely to do so within the 2024/25 financial year.²³⁵

According to the Institute for Government, local authority 'spending power' fell 10.2% in real terms between 2009/10 and 2021/22.²³⁶ The Local Government Association has predicted that **English local councils will face a funding gap of £4 billion over the next two years**. Although the government has since announced £600 million in support measures, councils will still need to raise taxes

and make cuts to local services to compensate for the shortfall.²³⁷

Local authorities have statutory obligations to provide services in certain areas, particularly health and education. This means that **non-statutory areas (such as cultural services) are often perceived as an easy target for cuts**, rather than vehicles for public good and important drivers of wellbeing in their own right.

High levels of local authority staff turnover also mean that it is difficult for cultural service leaders to build lasting relationships with councils and 'make the case' for investment. Research commissioned by Arts Council England indicates that some local authorities underestimate the true costs and liabilities of closing cultural sites or services (such as museums), leading to short-sighted financial decisions that will negative longer-term – and possibly irreversible – consequences for the communities they serve.²³⁸

Between 2010/11 and 2022/23, council net spending per person on cultural services declined by 43% in real terms.²³⁹ More focused data from Historic England on historic environment related services (rather than 'culture' more broadly) shows similar rates of decline between 2009/10 and 2021/22 in regional spending on archives (-38%), heritage (-35%), museums (-34%), development control (-57%), and conservation and listed buildings planning policy (-39%).²⁴⁰ Over the



Image: The 'Gaia' art installation experience, featuring an exact, to-scale replica of the moon, in the Marble Saloon at Wentworth Woodhouse. © Wentworth Woodhouse Preservation Trust.

The restoration of Wentworth Woodhouse and its ambitious public programming have been made possible via a series of grants made through Rotherham Borough Council, alongside funding from Historic England, Arts Council England, the National Heritage Lottery Fund, and DCMS.

last decade, specialist conservation provision within English local authorities has declined by at least 50%, and **at least 6% of local authorities no longer have access to conservation advice in any form.**²⁴¹

Historic England's figures are notably higher within particular regions: for example, spending on heritage is down 72% in the East Midlands, and development control has seen a staggering 109% reduction in the North East.²⁴² In general, **rural and less prosperous local authorities are more likely to be struggling with a lack of funding, and less likely to have cultural capacity and infrastructure already in place.** This lack of existing infrastructure means that they are less well-equipped to access new funding streams (such as the transformative 'Levelling Up Fund'), which means that regional inequalities in cultural access remain entrenched.²⁴³

In recent months, a growing number of councils have announced that they intend to **significantly or totally cut their cultural budgets**, including councils in Birmingham, Bristol, Nottingham, Suffolk, and Windsor and Maidenhead.²⁴⁴ Some authorities that are seeking to offload liabilities are selling off their heritage assets – for example, the Grade II* Red House Museum in Kirklees, which is **being**

sold to pay the council's debts.²⁴⁵ Such sales are likely to result in the loss of community amenities if buildings pass into private ownership and are permanently closed to the public. Even in areas where councils are not yet making cuts or divesting themselves of assets, cultural organisations report that the uncertainty is having a paralysing effect, and hindering them from implementing new strategies.

In March 2024, a UK Heritage Pulse survey found that **most heritage organisations currently in receipt of local authority funding only have agreements in place for one year or less** – leaving them in a state of uncertainty. Only 20% have funding agreements for three or more years.²⁴⁶

More broadly, most respondents also reported that they were not clear on their local authority's plans for future funding. According to one anonymous respondent: *'Entire granting schemes appear and disappear with very little warning.'*²⁴⁷

The situation is so severe that **several groups and campaigns are forming to raise awareness** of the value of local cultural services, and of the potentially devastating impact of local authority cuts – including

the **National Alliance for Cultural Services** (founded in February 2024), and the Cultural Philanthropy Foundation's **Culture Makes...** campaign (launched in May 2024).²⁴⁸

We know that **culture helps local communities by creating jobs, supporting health and wellbeing, and boosting social cohesion and pride in place.** The final report of the Commission on Culture and Local Government concluded that local publicly funded culture is 'essential' to the UK's continued post-pandemic recovery, as well as for ensuring longer-term national prosperity, wellbeing, and resilience.²⁴⁹ The **Levelling Up White Paper** set out 'pride in place' (which includes access to culture and heritage) as one of its core missions, and stated that 'tackling disparities in access to culture and delivering a truly national cultural offer should be a defining feature of levelling up'.²⁵⁰

When asked about the areas that were most likely to be affected by local authority cuts, UK Heritage Pulse respondents highlighted their core operational costs (59%) – but also flagged risks to **activities delivered for or with their local community (57%)**, the conversation of collections, sites, or environments open to the public (39%), and the promotion of their locality as a visitor destination (28%).²⁵¹



Image: The Grade II* listed Birmingham City Council House. © Mihaita Tatarusanu.

Birmingham City Council issued a Section 114 notice (effectively declaring bankruptcy) in August 2023. It subsequently **became the latest UK local authority to confirm huge cultural cuts**, with all council funding for culture projects and arts development expected to end immediately or in the near future. For example, programming for Black History Month and Birmingham Heritage Week will retain council funding until April 2025, but face a 100% loss of financial support thereafter.

Ultimately, the collapse of local authority cultural funding is not just a crisis for individual organisations, **but for our national cultural heritage**. It reflects a broader failure to recognise the vital role that culture and heritage can and do play in supporting community wellbeing and ‘levelling up’ national economic growth.

This is why the Heritage Alliance is calling for **a stable, long-term funding settlement for local authorities, which includes ringfenced funding for cultural services**, to ensure that all councils can invest in cultural infrastructure and the social benefits it provides.

Additionally, initiatives such as the **Community Ownership Fund and Community Wealth Fund could be strategically pivoted as transition funds to plug gaps** and empower communities to save the assets they value most.

Thirdly, we call for **ringfenced funding for the maintenance of Historic Environment Records, and for the hiring of archaeology and conservation officers** – to ensure that the historic environment is equally protected in every locality across the country.

Finally, we recognise that there are gaps in policymakers’ understanding of the impact that local authority cuts have had on culture and heritage, and a corresponding lack of political impetus to address them. We recommend a **Select Committee inquiry to examine the financial status of heritage**, and of the wider impacts of local funding cuts on community wellbeing, local prosperity, and the sustainability of the built environment.

These measures would promote a more joined-up, equitable cultural funding offer that safeguards local heritage for future generations and ensures that its benefits are accessible to all.

THE NEED FOR CORE OPERATIONAL FUNDING

At present, **the most common funding model within the heritage sector is ‘project-based funding’**: money that is ringfenced for a defined, time-limited project or purpose, such as a research or educational programme, a temporary exhibition, a capacity-building initiative, or a significant restoration initiative for a historic building or collection. To apply for project-based funding, heritage organisations typically need to propose a project with a clear beginning, middle, and end – setting out a delivery timetable, measurable outcomes, and a fully-costed budget, which will be monitored through regular progress reports and final evaluations.

Well-designed projects can help heritage organisations undertake new and innovative initiatives, which would not have been possible with their core operational budget. Projects can also inspire new partnerships with external stakeholders that may have different interests or priorities – which, in turn, can help the heritage organisation to broaden their impact, boost their public visibility, and forge connections with new funding sources.

However, project-based funding is often competitive and labour-intensive, and requires specialist fundraising and reporting experience during both the bidding process and the delivery stages. When project funding is the only type of support that organisations can access, they are **forced to constantly chase new funding opportunities to sustain themselves from year to year**, and consequently struggle to develop their long-term resilience. When the individual project concludes, heritage organisations often lose skilled staff, hindering their ability to preserve institutional knowledge and apply it to the next funding cycle.

The ‘projectification’ of arts and culture funding within the UK has been widely noted, and criticised for **its short-termism, inflexibility, and negative impact on precarity within**

“Capital costs for repurposing historic community buildings have soared, and this has made securing funding for any works very problematic due to the length of time it takes to raise the money.”

HERITAGE ALLIANCE SURVEY RESPONDENT (SECTOR SUPPORT, HERITAGE)

“We apply for grants to fund specific projects. Currently, we are seeking funding for a programme of work that is very specific in nature, and will require a niche funder. We may be constrained in the future by the lack of (and increased competition for) charitable funding.”

HERITAGE ALLIANCE MEMBER (PLACE OF WORSHIP)

“It has become harder for us to seek funding for our existing staff and services. Most new funding is project-based.”

HERITAGE ALLIANCE MEMBER (PLACE OF WORSHIP)

the sector (particularly its promotion of fixed-term contracts).²⁵² As any project progresses, unforeseen risks or opportunities will emerge, but organisations may find themselves ‘locked in’ to a proposal that offers little scope for adaptation. This is particularly common within educational or community-based initiatives, which often require highly responsive, flexible engagement.²⁵³ Ironically, project funding will often end just as the organisation has built up substantive knowledge, expertise, and connections, and is starting to see the payoffs of the initiative – limiting opportunities to secure a legacy for the project or evaluate its long-term impact.

Heritage Alliance members have shared their experiences of **project-based initiatives where short-term funding models led to the loss of any gains after the project concluded**: from costly multi-year restoration projects that are now rapidly deteriorating with nobody on-site with the skills or capacity to maintain the asset; to community-focused initiatives where the site may still be open, but the café has closed, the community space is rented out privately, and the site interpreters are now working as event managers to bring in profit for a corporate entity.²⁵⁴

Ultimately, **project-based funding does not provide the same stability and security as core operational funding**. Without a reliable source to cover essential costs (including overheads such as salaries, utility bills, and routine maintenance)

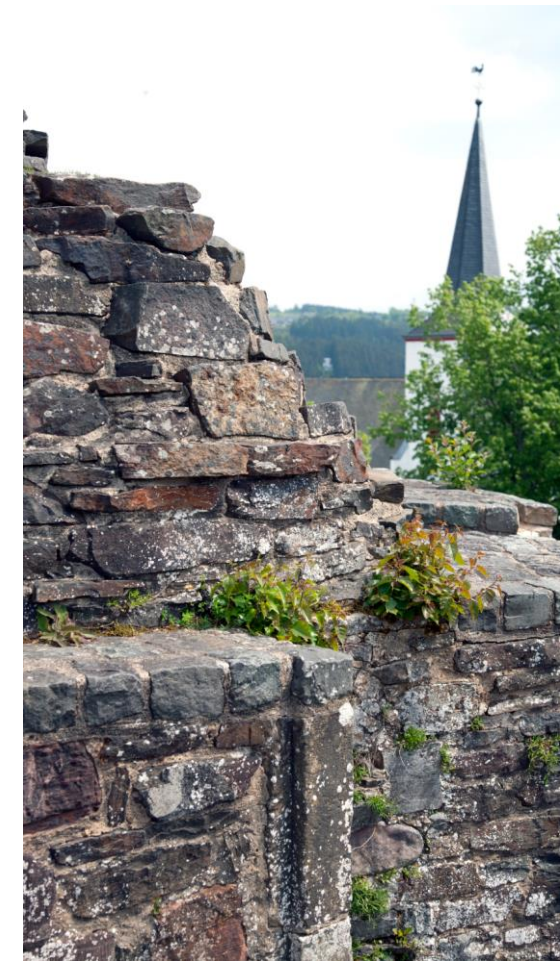
heritage organisations may struggle to sustain day-to-day operations and fulfil their fundamental duty of conserving historic assets – let alone pursue and deliver innovative projects. Conversely, **when core funding is secure, heritage organisations are able to better plan for the future**: to invest in their staff and assets, respond more effectively to the needs of their communities and audiences, and deliver high-quality programmes and services.

In a UK Heritage Pulse survey conducted in February 2022, **70% of respondents said that there was a need for greater flexibility within existing project/grant funding**, and 62% cited a need for resilience funding to safeguard organisational infrastructure.²⁵⁵

By its very nature, **heritage requires continuous resourcing and attention to safeguard the transmission of the past into the present and future**. If a heritage site is unfunded for a period of time, it may not be possible for it to be ‘picked up again’. Even temporary funding gaps risk the permanent loss of historic assets: collections may be sold off; buildings and landscapes will deteriorate; and cultural memories, skills, and practices will be lost.

Ultimately, the protracted ‘projectification’ of heritage funding in the UK has left the sector vulnerable to existential threats like the current cost of living crisis. Reliable sources of core operational

funding will be essential not only in ensuring heritage organisations that survive the current economic downturn, but in empowering them to build long-term resilience against future financial shocks. The Culture Recovery Fund – discussed overleaf (p. 50) – provides a strong example of the benefits of adopting a less restrictive approach to funding allocation.

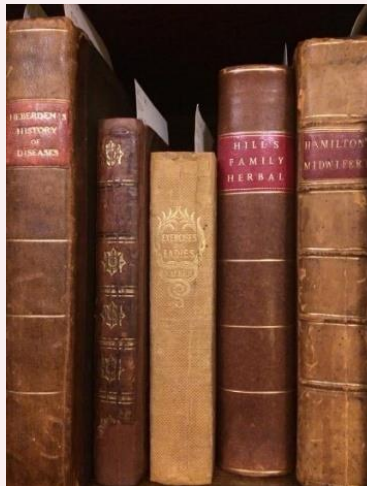


“In the current circumstances, funds which do not allow for covering core costs, business change, or staffing are virtually useless – because these are the areas with rapidly rising fixed costs. Frequently, the amount of work required to apply for relatively small pots of money makes it cost more in staff time than the grant is worth. Many grant administrators have not worked in post-pandemic venue management, and struggle to understand the realities of managing cashflow when inflation is so high.”

HERITAGE ALLIANCE MEMBER (BUILT HERITAGE)



Image: An exterior view of Chawton House, which is located in 275 acres of Hampshire countryside (left), and a row of rare books from Chawton's historic collection (below).
© Lizzie Glithero-West.



Case Study: Chawton House

Creative adaptation strategies are tested by the unyielding cost of living

Chawton House is an Elizabethan manor house and estate in Hampshire, best known for its historical association with Jane Austen. In 1993, the site was purchased by a charitable trust, who have since conducted extensive restoration work.

Today, the House, Grounds, and Library are open year-round for visitors. The charity fosters research and public engagement in the life and works of early women writers through online and onsite events, a range of collaborations, and its extensive collection of rare books, manuscripts, and artworks.

Chawton House incubates early career and creative talent, and the charity manages the surrounding 250-acre historic estate for nature and heritage restoration, and public access. However, the rising cost of living has created serious challenges for the site's day-to-day operations – as Katie Childs (its Chief Executive) describes below.

"The cost of living crisis has presented a series of unpredictable and evolving issues for Chawton. In October 2022, we found ourselves grappling with the shock of rising energy costs. We made the difficult

decision to turn down the heating in parts of the House, except in rooms where there are collections. When two of four boilers broke in October 2023 and we could not afford the repairs, we survived the whole winter by only heating the Great Hall, meeting rooms, and exhibition spaces with an open fire and electric heaters donated to us. This meant that conditions were freezing – staff and volunteers working in coats and layers – and the historic fabric of the building was prone to damp.

"The historic building is very energy inefficient due to its age, and we would need substantial funding for any retrofitting. In 2022, our electricity bills rose from c. £3,000 to c. £11,000 per quarter – and they have not decreased since then. This was exacerbated by above-inflation rises for other fixed costs, including insurance (which has risen by 30% each year), audit fees, and materials for essential maintenance.

"The crisis broadened throughout 2023, and we've faced new challenges. With the exception of staff in receipt of the living wage and those under the age of 21, we have failed to keep wages in line with rising inflation. Volunteers have struggled with the cost of transport,

which can cause real isolation in a rural area.

"We've tried to keep our prices affordable, but have inevitably needed to make increases. For example, the cost of butter and cheese has risen by nearly 30%, which has a big impact on profitability in our Tea Room. In our grounds, the impact of [ash dieback tree disease](#) and storm damage – felt by so many across the south of England – have also been financially devastating. Whilst there are plenty of opportunities to procure new trees, there is no help at all for charities and small businesses to deal with dead and dangerous trees adjacent to A-roads, property, footpaths, and listed heritage.

Through a combination of the legacy of Covid-19 closures, the high cost of living, and the impact of flooding and storm damage, we have now exhausted our reserves, and the threat of a 'rainy day' endangering our existence is now a month-to-month reality.

"Nevertheless, we are striving to innovate wherever we can. We have revised our priorities from our

beginnings as a narrowly-focused academic library to reimagine what it means to be a public historic house and estate. There is still a clear market for local, good quality culture and special 'day out' or evening experiences, and our post-pandemic visitors are keener than ever before to get outside and explore the gardens and estate.

"Our visitor numbers are now in excess of what they were before the Covid-19 pandemic (although not all heritage sites have been so lucky). We are creating more storytelling, performing arts, and set-piece events to share women's writing and the history of the estate with a broader audience, both onsite and online. And we're supporting our local community where we can: organising community planting days as part of estate-wide nature restoration; hosting the village primary school's weekly outdoor classroom, the Beaver Scouts summer camp, and races by the local Alton Runners club; as well as continuously showcasing new and local creative talent.

"We may not have the funds to hire experienced new staff, but instead we now provide in-house training and other work opportunities for those early in their heritage, horticulture, or hospitality careers. This complements the focus of our

creative, academic, and learning activities, which all aim to provide accessible opportunities for those starting out in these fields to develop their practice – and to be inspired by Chawton House, just as Jane Austen was over 200 years ago.

"Even now, the impact of rising bills continues to be significant – especially overheads, like utility bills and insurance. We cannot cut costs any further, and yet there is a ceiling to what we can earn without external support to make structural changes – such as capital development, or establishing a trading company for the organisation. To take these steps, we need investment where we receive the funds in advance, rather than reimbursements after spending (as is the case with funding from the NLHF and government rural grants).

"As an independent heritage organisation, it is now impossible to meet our core costs without external support from trusts, foundations, or individual donors – combined, these make up 20% of our income. Grants are predominantly allocated in small project-based pots, and many applications cost more in staff time than the value of the award. The lack of public funding to assist with emergency safety work (such as removing dead trees) is also a big challenge for us.

The heritage sector needs funding to encourage the sort of enterprise and diversification that has safeguarded Chawton House – but it also **needs support to tackle those essential, less glamorous day-to-day operational concerns** on which community engagement and economic benefits are built.

"Heritage and cultural sites like Chawton House are magical places that still provide light and joy in dark times, despite working on tight budgets. However, if we want to continue our community, creative, and cultural work, we need a secure foundation to do so. We need the government to focus grants on helping us to transform our business operations, ameliorate the additional costs that come with caring for a historic site or listed building, and provide targeted support in a way that helps achieve long-term sustainability and resilience."



Katie Childs
CHIEF EXECUTIVE
OF CHAWTON
HOUSE

Image: The Women Writers' Gallery at Chawton House. © Claire Lewis.



LOOKING AHEAD: LESSONS FROM THE CULTURAL RECOVERY FUND AND FUTURE RECOMMENDATIONS

During the Covid-19 pandemic, the Cultural Recovery Fund (CRF) was a lifeline for the heritage sector. Running from July 2020 until March 2022, the £1.57 billion emergency fund provided a diverse package of funding measures to support England's cultural and heritage organisations through the unprecedented pandemic, including resource funding grant schemes, capital grant schemes, and loan schemes. The heritage sector was able to access many of these different streams, including the Heritage Stimulus Fund (HSF, a capital 'sub-programme' administered by Historic England).

Amongst different cultural disciplines, heritage organisations received the greatest amount of funding from the CRF, at a total of £296m; museums and archives received a further £107m.²⁵⁶ The funding package is estimated to have safeguarded hundreds of heritage organisations (and thousands of related jobs) across the country.²⁵⁷ It helped to retain specialist skills and talent pipelines, supported the preservation of heritage assets, and allowed the sector to continue delivering community and educational programmes during and after the pandemic. In our recent survey, 89% of CRF recipients described it as having been 'a lifeline'.²⁵⁸

In addition to these direct benefits, the boost in income from the CRF allowed individual heritage

organisations to stimulate the local, national, and heritage economies. For example, the support for heritage repairs provided by the Heritage Stimulus Fund allowed £27m to be channelled into the heritage construction sector and supporting services. 71% of these construction businesses stated that the HSF had helped their firm to survive the pandemic, and 33% were able to retain staff who would otherwise have been made redundant or put on furlough.²⁵⁹

In a survey of 129 projects that were supported by the Heritage Stimulus Fund, 96% would not have proceeded without this funding (124 projects). The vast majority of HSF-supported projects were urgent structural repairs for built heritage assets.²⁶⁰

The CRF is a powerful example of the benefits of core operational funding. Its relatively open-ended eligibility criteria provided a flexible, timely funding stream that supported the core needs of heritage organisations, rather than being tied to project-specific deliverables. It distributed resources to a wide portfolio of heritage buildings, sites, and groups – large and small, national and local, some with experienced fundraising teams and some that had never previously received government support.²⁶¹ DCMS's evaluation highlights that, in a number of cases, the financial security provided by the CRF allowed organisations to enhance – rather than merely continue – their conservation and engagement

initiatives: widening public access to heritage assets, and providing bolder, more innovative and enriching experiences in community and educational programming.²⁶²

According to DCMS modelling, every £1 spent on the Cultural Recovery Fund may be expected to deliver between £1.98 and £3.66 in benefits, by preserving cultural assets and reducing unemployment. In a best-case scenario, the programme could deliver up to £5.98 in benefits per £1 of public spending.²⁶³

The CRF was not without its limitations. In terms of its scale, whilst £1.57 billion represented the largest package of cultural funding in the history of the UK, it was about half the level of emergency support that France allocated for culture in the same period (€3.3 billion).²⁶⁴ Cultural organisations were also required to spend their CRF grants within a particular time period, which presented particular problems for the heritage sector due to the prevalence of repair projects (which were more likely to face delays due to the complexity of the work, weather conditions, or shortages of materials or labour).²⁶⁵ Moreover, not all bodies were able to access the CRF: of the 7,185 unique organisations that applied (excluding capital applicants), only 4,473 (62.3%) were successful.²⁶⁶ Analysis of the HSF also indicates that heritage organisations that rely on volunteers were less likely to make successful applications, in part due to a lack of previous experience in drafting funding applications.²⁶⁷

"Staff capacity to write funding bids has been the biggest challenge for us. Second to that is the issue of needing core funding over project funding, which is scarce and in high demand. I would like to see big funders (such as DCMS, via NLHF and ACE) consider making core cost grants – this was possible during lockdowns, but the need for this funding feels even more pressing now, as we deal with the impact of returning to 'normal' combined with increased costs. We won't be able to deliver the projects they would like to fund without a team that is equipped and funded to do so."

HERITAGE ALLIANCE MEMBER (SECTOR SUPPORT, HERITAGE)



Image: In 2020, recipients of the Culture Recovery Fund were given promotional graphics to share on social media to promote the government's #HereForCulture campaign. © DCMS (HM Government).

Nevertheless, the CRF offers valuable lessons for shaping future heritage funding strategies. It demonstrates how taking a broader, more flexible approach – supporting a wider portfolio of organisations, without restrictive conditions on fund usage – can generate more extensive and long-lasting positive impacts for heritage and the communities it serves.

However, the CRF was a finite scheme, with the last grant offers announced in March 2022. It had been prompted, in part, by exceptional news coverage of cultural policy during the Covid-19 pandemic, which put pressure on the government to issue a rescue package.²⁶⁸ As the scheme closed, and pandemic restrictions lifted, there was an implicit expectation that organisations would be able to recover, reopen, and get 'back to normal'. But the pandemic had redefined 'normal' for many organisations, and the time-limited support provided by the CRF was not enough to safeguard the sector from a second major crisis. In our December survey on the impact of the rising cost of living, 86% of respondents who had received CRF grants stated that funding was now either their top or one of their most significant concerns. Several Heritage Alliance members have voiced fears that the CRF was a 'stay of execution' for their organisation, rather than a cure.²⁶⁹

The good work of the CRF now risks being undone by the cost of living crisis. The scale and structure of the CRF was unprecedented, but this does not mean that it is unrepeatable. National and local funding bodies should capitalise on the CRF's example to establish new operational funding streams that can supplement existing project-based models to provide the core support the sector urgently needs.

This is why the Heritage Alliance is calling on all political parties to support development of a new Culture Growth Fund: a package of investment for the heritage and culture sectors to safeguard their future and leverage new growth. By prioritising core funding over project funding, a Culture Growth Fund would help to address the long-standing vulnerabilities within the sector (outlined throughout this report) that left it so exposed to the cost of living crisis. It would also allow heritage organisations to play an active part in the UK's broader economic recovery and growth and contribute to wider public policy priorities.

Heritage needs long-term, sustained capital funding, rather than short-term injections, in order to balance demand and supply and control rising repair costs. This funding should be made available to all parts of the sector – including ecclesiastical heritage, and privately-owned assets open to the public.

The heritage sector contributes at least £45.1 billion to England's national economy every year,²⁷⁰ and new research has shown that just living near a heritage site benefits our quality of life to an estimated total wellbeing value of £29 billion per year in England.²⁷¹ Its continued survival is crucial to safeguard our past, maintain our quality of life in the present, and ensure our future prosperity. The heritage community possess knowledge and resources that will be invaluable in tackling the big policy issues of tomorrow – whatever form they may take. However, the next government will only be able to draw on this expertise if they invest in the sector appropriately, and take steps to mitigate the existential threat posed by the current cost of living crisis.

Our proposed Culture Growth Fund is a serious call for core investment in some of the nation's most valuable assets. By providing the heritage sector with support, we will be able to support others in turn. With proper funding and resourcing, we can unlock the full potential of heritage to enrich lives, build stronger communities, and be a catalyst for positive and sustainable change.

Recommendations

Summary of key recommendations

For UK government and decision-makers

To tackle retrofit and repair challenges:

- **Equalise the disparity in VAT rates.** The current disparity incentivises demolition and rebuild over maintenance and repair. In the first instance, we call for with a time-limited pilot grant scheme for listed buildings open to the public.
- **Extend the Listed Places of Worship Grant Scheme beyond 2025.** This will ensure that VAT can continue to be recovered for our 19,000 listed churches and religious buildings.
- **Provide targeted capital funding for urgent heritage repairs to address significant backlogs.** In the image of the Museums Estate and Development Fund (MEND), this would offer a lifeline to publicly-open heritage sites that are in most need of support.
- **Develop a better understanding of net zero and energy efficiency financing needs within the heritage sector.** Work with the sector to determine which streams and mechanisms would provide the most effective delivery of funding.
- **Bring forward the recommendations of the 2024 [Energy Efficiency](#) review.** These include: consulting on the use of Listed Building Consent Orders for energy efficiency improvements; making targeted interventions to improve local authority capacity; and working with the heritage sector to examine cost barriers to energy efficiency and effective policy measures to address these.
- **Develop and fund a National Retrofit Strategy.** In order to tackle the retrofit backlog and decarbonise our nation's built environment, a comprehensive strategy should include:
 - a skills delivery plan to double the number of specialist retrofit contractors;
 - a targeted grant scheme to decarbonise historic buildings;
 - a 'one-stop-shop' advisory service where historic homeowners can seek qualified retrofit advice; and,
 - reforming Energy Performance Certificates (EPCs) to include a 'whole house' assessment methodology.

To support the sector workforce:

- **Implement apprenticeship reforms for small businesses.** Greater support for shared apprenticeships, or a cross-subsidy mechanism, would help to fund apprenticeships for small and micro businesses, charities, and freelancers.
- **Endorse a model employment contract including one day of paid volunteering.** This would offer all employees the opportunity to give back to their communities and help to reinvigorate a volunteering culture across the UK.
- **Review visa income thresholds and occupation shortage lists.** This is vital to compensate for widening specialist skills gaps in the heritage sector, particularly surrounding conservation, archaeology, and traditional crafts.

To ensure everyone can continue to benefit from heritage:

- **Keep heritage at the heart of place-based investment programmes.** Build on lessons learnt from [Heritage Action Zone schemes](#) to create pride of place in local communities and

advance inclusivity across the country. Heritage should remain as a core investment criteria for all regeneration programmes, whether centralised or devolved.

- **Embed heritage in health and social care strategies.** Recognise that heritage is a key driver of wellbeing and makes a significant contributor to people's quality of life, drawing on emerging [Culture and Heritage Capital](#) research to inform future policymaking.
- **Subsidise youth entry to heritage sites and embed school trips to heritage sites within the national curriculum.** These measures will strengthen young peoples' connections with their local and national communities, develop a pipeline of future heritage talent, and ensure that every child has access to essential cultural enrichment.
- **Support all local authorities to develop culture strategies.** Clear strategies would help to ensure that heritage and culture are embedded in local service provision and development planning, and that their social benefits are maximised for communities.
- **Invest in affordable public transport in rural areas.** Many heritage attractions are remote from rail stations or bus routes, making the 'final mile' of the journey difficult for visitors, staff, or volunteers who rely on public transport. Investment in transport would make heritage sites more accessible for everyone.

To counter rising costs:

- **Exempt listed buildings from Insurance Premium Tax.** This would provide historic sites with targeted relief from rising costs in the insurance market, and ensure that the protection of our irreplaceable built heritage remains affordable.
- **Prioritise long-term, sustained capital funding for heritage infrastructure.** This would help to balance demand and supply dynamics and reduce inflationary pressures, and could form part of our proposed Culture Growth Fund (*discussed below*). This steady stream of funding should be made available to all parts of the sector, including ecclesiastical heritage and privately-owned assets open to the public.

To restore a sustainable funding landscape:

- **Pioneer a new Culture Growth Fund.** Building on the success of the Culture Recovery Fund, this would deliver vital targeted and sustained core investment to safeguard the sector's future and leverage new growth.
- **Create a national sector support portfolio system for the independent heritage sector.** Akin to Arts Council England's NPO system, this could facilitate more equitable support for the entire heritage sector in all its diversity, and provide stability and security through a combination of grant-in-aid and ringfenced National Lottery funding.
- **Pivot the Community Ownership and Community Wealth Funds to provide greater support for local heritage sites.** At a time when local authorities are struggling to maintain support for heritage organisations, these pre-existing schemes could be adapted as transition funds to fill funding gaps and empower communities to save the assets they value the most.
- **Provide sufficient funding for councils.** A stable, long-term funding settlement for local authorities – including ringfenced funding for cultural, heritage, and planning services – would help to ensure all councils are able to invest in cultural infrastructure.
- **Investment in Local Planning Authority (LPA) capacity.** This is investment is particularly critical for archaeology and conservation roles, to ensure that Historic Environment Records can be properly maintained, and that the historic environment is equally protected in every area of the country.
- **Recommend a Select Committee inquiry to examine the financial status of the UK heritage sector.** More broadly, an inquiry would help policymakers to better understand the wider impacts of local authority cuts on community wellbeing, local prosperity, and the environment.
- **Undertake a fundamental reappraisal of how we value, fund, and sustain heritage.** A new settlement between the sector, the government, and the public – based on a clear understanding of the challenges and opportunities facing the breadth and diversity of the heritage sector – would foster a shared commitment to investing in its future.

For the heritage sector

Heritage organisations can enhance their own resilience by:

- Conducting **thorough evaluations of completed projects** to build an evidence base of their impact and value, which can support future funding bids.
- Exploring options to **diversify income streams or adapt services** to reduce costs. Rethink how spaces are used, what digital platforms could offer, and whether the public could be engaged in new ways.
- **Evaluating current fundraising strategies** and considering whether they need to be adapted in the new financial landscape.
- Seeking out **new opportunities for partnerships and collaborations**: skills, knowledge, and functions could be shared between similar organisations, and new cross-sector partnerships or community alliances could promote fresh ideas and innovation in both programming and day-to-day operations.
- **Prioritising the development of business planning skills** to build resilience against financial threats. Take advantage of the free resources and training that are available for sector bodies, including the archive from the [Rebuilding Heritage](#) support programme.

Sector support bodies could seek to develop:

- **A workforce action plan** focusing on attracting and retaining the talent needed to safeguard the future of the sector and manifest the many social benefits of heritage.
- **An investment toolkit** which explores how to attract investment from private and corporate giving, in order to redress the unequal status of heritage and culture in philanthropy.
- **A business support hub** drawing together guidance, training, and resources specific to smaller organisations and charities within the heritage and wider cultural sector.
- **Further evaluation of the financial health of the heritage sector** to provide policymakers with robust data on financial shortfalls and future funding needs.
- **Practical support for navigating insurance costs** to advise organisations that are struggling to manage the protection of their historic assets.
- **Key outstanding recommendations of the [Heritage Sector Resilience Plan 2022–24](#)** (published by the Historic Environment Forum), including:
 - acting as a central repository of evidence, both qualitative and quantitative, to demonstrate the wider benefits of investment in the historic environment;
 - upskilling smaller heritage organisations to access non-heritage funding schemes;
 - promoting the benefits of engaging staff and volunteers from diverse communities;
 - developing an online Diversity and Inclusion Hub to provide advice, signpost support, and share best practice case studies; and,
 - supporting promotional campaigns to raise awareness of the value of professionalism in heritage and the career opportunities it provides.

For funders

Funders can better support the sector by:

- **Moving away from primarily project-based approaches**, instead focusing on core grants or place partnerships that will allow heritage organisations to sustain their day-to-day operations and conservation responsibilities, and to develop and retain skills ‘in-house’.
- **Funding targeted programmes of training, advice, and development in professional skills**, in partnership with sector support organisations – such as financial planning, fundraising, marketing, or digital literacy.
- **Streamlining the fractured funding landscape** by building new relationships between funders, and sharing successful strategies for becoming more flexible and open to shifting sector needs.
- **Working together as funders** to offer joint awards, reduce complex and fragmented bidding and reporting, and rebuild sector confidence in the funding system.

Acknowledgements

The Heritage Alliance is grateful to many of its members, as well as other organisations and individuals working within the UK heritage sector, who have contributed their experiences and insights to our ongoing research into the impact of the cost of living crisis and the production of this report.

About The Heritage Alliance

Established in 2002, the Heritage Alliance is England’s largest coalition of heritage interests. We are a membership body that brings together over 200 independent organisations, representing the full breadth of the sector. We work to champion heritage, influence policy and legislation, bring diverse groups together, and help heritage practitioners to innovate and grow. Our vision is for a society in which heritage is valued, supported, and able to enrich everyone’s lives.

About the Authors

This report has been worked on by various members of the Heritage Alliance team over the last year.

The final draft was written and designed by **Kathleen Keown**, a civil servant on secondment to the Alliance. Kathleen worked as an academic before joining the public sector, and holds a DPhil in eighteenth-century English Literature from the University of Oxford. She has previously worked as an academic consultant for several heritage projects and sites.

Her writing built on the earlier work of **Momina Motin**, also a civil servant on secondment to the Alliance. Momina previously worked as a secondary school history teacher, and helped to secure a ‘[Champion Heritage](#)’ award for her school from Historic England.

At the Heritage Alliance, the report has been overseen by **Lydia Gibson**, our Head of Policy. Before joining the Alliance team in 2023, Lydia held policy roles at Historic Houses and the British Academy, and worked within a Local Planning Authority conservation team.

The report is based on foundational research conducted by **Lava Ali**, who was the Cost of Living Project Coordinator from October 2022 until June 2023. Lava previously completed a Kickstart placement with the Alliance, and currently works as a museum Visitor Services Assistant for Bristol City Council.

Partners and Contributors

Between October 2022 and June 2023, the Heritage Alliance hosted a ‘Cost of Living Data Desk’ on behalf of the **Historic Environment Forum**, which was funded by **Historic England**. We are very grateful to Historic England for generously supporting this foundational research, and for granting their permission to use the data in our report.

Thank you to **Ecclesiastical Insurance**, the Heritage Alliance’s corporate partner, for sharing insights from their research into commercial heritage establishments.

Thank you to **English Heritage** for providing us with a case study on their partnership with the Trussell Trust (p. 32), and several images used throughout the report (including our cover image).

Thank you to the following organisations who provided us with case studies: **Cromford Mills**, on renewable energy (p. 14); the **Architectural Heritage Fund**, on sustainable regeneration (p. 16); **National Historic Ships UK**, on staffing challenges (p. 25); **Heritage Open Days**, on public engagement (p. 33); **Wentworth Woodhouse**, on managing rising costs (p. 39); and **Chawton House**, on their experience of the cost of living crisis (p. 48).

Additional Thanks

Thank you to **Robin Johnson** for sharing data from his Arts Council England-funded project, *Museums and the Cost of Living Crisis*.

Thank you to **Group for Education in Museums (GEM)** for sharing the findings from their forthcoming *Museums Learning Report*.

Thanks also go to the **Heritage Alliance interns** who assisted with the research underpinning the report: Lucy Acheson, Amelia Dovell, Jonathon Huggett, Ellen Klein, Annabel Malkin, and Laura Walton.

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Introduction

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Chapter 1: Energy Support

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Chapter 2: Staffing

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receiving 266 responses. This result represents a 6% decrease from the August 2023 figure (39%).

⁵⁸ Historic England and Creative & Cultural Skills, *Historic Environment and Cultural Heritage Skills Survey* (November 2013), pp. 119–20, <https://historicengland.org.uk/content/heritage-counts/pub/2013/historic-environment-cultural-heritage-skills-survey-pdf/>.

⁵⁹ The Heritage Alliance, *Heritage and Immigration Briefing* (November 2020), <https://www.theheritagealliance.org.uk/wp-content/uploads/2021/01/Heritage-and-Immigration.pdf>; The Heritage Alliance, *Consultation Response: Shortage Occupation Lists* (*Migration Advisory Committee*, May 2023), <https://www.theheritagealliance.org.uk/wp-content/uploads/2023/06/Heritage-Alliance-MAC-Shortage-Occupation-Lists-Response.docx.pdf>.

⁶⁰ Rural Services Network, *Rural Cost of Living Report* (October 2022), <https://www.wrccrural.org.uk/rural-cost-of-living-report-from-rsn/>.

⁶¹ Historic Houses, *Changing Times, Valuing History: Historic Houses for the 21st Century* (October 2023), p. 7, <https://www.historichouses.org/changing-times-valuing-history-historic-houses-for-the-21st-century>.

⁶² See statistics from the Cebr and Historic England, *Heritage and the Economy* (2023), pp. 21–22, 28; and *Heritage and the Economy* (2020), p. 26. When direct, indirect, and induced employment are combined, the total number of jobs supported by the heritage sector was estimated to be 538,000 in 2021, down from 564,000 in 2019.

⁶³ See the results of UK Heritage Pulse, *Panel Research* (January 2024).

⁶⁴ South West Museum Development, *Annual Museum Survey for England* (October 2023), p. 79, <https://southwestmuseums.org.uk/wp-content/uploads/2023/10/Annual-Museum-Survey-2023-National-Report-Accessible-format.pdf>. Produced by South West Museum Development (on behalf of Museum Development England). Survey conducted from May to June 2023, receiving 701 responses from non-national museums.

⁶⁵ UK Heritage Pulse, *Panel Research* (January 2024).

⁶⁶ The Heritage Alliance, *Heritage Debate 2023* (15 November 2023), <https://www.theheritagealliance.org.uk/heritagedebate2023/>. 133 votes were cast in the audience poll; of the five options, ‘Fair Pay and Conditions’ received 36% of the vote, followed by ‘Widening Access and Inclusion’ (21%), ‘Early Career Pathways’ and ‘Keeping Skills Alive’ (20% each), and ‘Supporting Volunteers’ (2%).

⁶⁷ Ecclesiastical Insurance, *Annual Tracking Study* (December 2023), p. 37.

⁶⁸ Hays plc, *Salary and Recruiting Trends 2024*, sec. ‘Cost of Living vs Cost of Staying’.

⁶⁹ See the reported experiences of the museum sector, in the *Annual Museum Survey 2023*, pp. 9, 64; see also The Heritage Alliance, *Heritage and Immigration*, p. 8.

⁷⁰ The Heritage Alliance, *Heritage Debate 2023*.

⁷¹ Heritage Volunteering Group, *Heritage Volunteering Group Survey 2019* (May 2019), pp. 18–19, <https://vanessat14.sg-host.com/wp-content/uploads/2019/07/HVG-Survey-Report-2019.pdf>.

Survey of 63 heritage organisations, focused on the 2018–19 year.

⁷² Annual Museum Survey 2023, p. 8.

⁷³ Historic England, *The Benefits of Heritage Volunteering* (*Heritage Counts: Heritage and Society*, 29 November 2023), <https://historicengland.org.uk/research/heritage-counts/heritage-and-society/volunteering/>.

⁷⁴ The ‘Covid effect’ on volunteering has been widely reported; for broad analysis of the trend, see National Council for Voluntary Organisations, *Time Well Spent 2023* (27 June 2023), <https://www.ncvo.org.uk/news-and-insights/news-index/time-well-spent-2023/>; and Colin Rochester, ‘Trends in volunteering’, in *The Routledge Handbook of Volunteering in Events, Sport and Tourism* (Routledge, 2022), pp. 468–70.

⁷⁵ See the analysis of the National Council for Voluntary Organisations, *The Road Ahead 2024* (22 February 2024), sec. ‘Economic drivers’, <https://www.ncvo.org.uk/news-and-insights/news-index/road-ahead-2024/>. See also the analysis from Volunteer Now, *Investigating the Cost-of-Living Crisis* (23 June 2023), <https://www.volunteernow.co.uk/investigating-the-cost-of-living-crisis-a-9-month-panel-survey/>.

⁷⁶ UK Heritage Pulse, *Panel Research: Spotlight on Volunteering* (March 2023), <https://heritagepulse.insights-alliance.com/updates/march-23-executive-summary/>. Survey conducted in March 2023, receiving 241 responses.

⁷⁷ Historic England, *Employment, Volunteering, Education and Training* (*Heritage Counts: Indicator Data*, 29 November 2023), <https://historicengland.org.uk/research/heritage-counts/indicator-data/employment/>. Data sourced from the Community Life Survey 2021/22, run by the Department for Culture, Media and Sport.

⁷⁸ According to the NCVO, ‘changing circumstances’ (including work commitments) is the most common reason that volunteers give for stopping their activities; see *Time Well Spent 2023*, sec. 6 (‘Volunteer retention’). See also Volunteer Now, *Investigating the Cost-of-Living Crisis*; and Simon Stephens, ‘Why are volunteers still missing in action?’, *Museums Journal* (27 July 2023), <https://www.museumsassociation.org/museums-journal/analysis/2023/07/why-are-volunteers-still-missing-in-action/>. Research conducted by Standard Life indicates that as many as one in seven (14%) retirees aged 55 or over are now returning to work, chiefly due to financial pressures; *Retirement Voice 2023* (March 2024), <https://lib.standardlife.com/library/uk/Retirement%20Voice%202023.pdf>.

⁷⁹ This analysis is drawn from qualitative experiences of heritage sector volunteering, reported in the following surveys: The Heritage Alliance, *CoL Survey* (Nov–Dec 2023); Annual Museum Survey 2023, pp. 65–73; UK Heritage Pulse, *Panel Research* (March 2023); and UK Heritage Pulse, *Instant Pulse: Attracting & Retaining Volunteers* (June 2022), <https://heritagepulse.insights-alliance.com/updates/instant-pulse-week-1/>.

⁸⁰ See the literature review in Neta Spiro et al., ‘Modelling arts professionals’ wellbeing and career intentions within the context of COVID-19’, *PLoS ONE*, 18/10 (25 October 2023), p. 15, <https://doi.org/10.1371/journal.pone.0292722>.

⁸¹ Roberta Comunian and Lauren England, ‘Creative and cultural work without filters: Covid-19 and exposed precarity in the creative economy’, *Cultural Trends*, 29/2

(14 March 2020), 112–28, <https://doi.org/10.1080/09548963.2020.1770577>.

⁸² Ecclesiastical Insurance, Heritage Risk Barometer 2022 (November 2022), <https://www.ecclesiastical.com/insights/heritage-sector-risks/2022/>. Survey of 500 heritage organisations, conducted in July 2022.

⁸³ UK Heritage Pulse, Panel Research (March 2024). This result represents a 5% increase from the August 2023 figure (23%). See also the theme of staff welfare in an earlier survey: UK Heritage Pulse, Panel Research (January 2024).

⁸⁴ Robin Johnson, Survey Data from *Museums and the Cost of Living Crisis* (2023). Survey conducted from April to July 2023, as part of a project funded by Arts Council England. Data shared with the kind permission of Robin Johnson.

⁸⁵ Group for Education in Museums (GEM), *Museum Learning Research* (embargoed pre-publication copy, 2024), sec. ‘What are the priorities for the museum learning sector?’. Based on research conducted by GEM between June 2023 and March 2024.

⁸⁶ The Heritage Alliance, CoL Survey (Nov–Dec 2023). Out of 64 respondents, 36 cited ‘staff wellbeing’ as a concern, 16 cited ‘volunteer wellbeing’, and ten cited both areas.

⁸⁷ UK Heritage Pulse, Panel Research (February 2022), <https://heritagepulse.insights-alliance.com/updates/first-uk-heritage-pulse-survey-findings-published/>. Survey conducted in February 2022, receiving 277 responses.

⁸⁸ Ken Foxe, ‘Threats and abuse of heritage staff on the rise’, *The Times* (8 February 2021), <https://www.thetimes.co.uk/article/threats-and-abuse-of-heritage-staff-on-the-rise-23mr2t5k5>; See also research conducted by Ecclesiastical Insurance, based on two successive surveys of 500 heritage organisations: ‘Britain’s heritage attractions are a prime target for criminals’ (24 October 2022), <https://www.ecclesiastical.com/media-centre/heritage-attractions-target-for-criminals/>; and ‘Britain’s heritage attractions suffer rise in graffiti, anti-social behaviour and verbal abuse’ (3 January 2024), <https://www.ecclesiastical.com/media-centre/rise-in-graffiti/>.

⁸⁹ Bectu, ‘Brawls, Vandalism, Racial Abuse: Bectu Survey Reveals Extreme Audience Behaviour in UK Theatres’ (29 March 2023), <https://bectu.org.uk/news/brawls-vandalism-racial-abuse-bectu-survey-reveals-extreme-audience-behaviour-in-uk-theatres>.

⁹⁰ See the predictions of the UK National Crime Agency, as reported by Martin Bentham, ‘Cost of living crisis threatens new surge in “high harm” crime’, *Evening Standard* (17 July 2023), <https://www.standard.co.uk/news/crime/cost-living-crisis-crime-increase-nca-warning-burglary-car-theft-robbery-b1094825.html>.

⁹¹ Historic England, Extent of Heritage and Cultural Property Crime in England Revealed (13 March 2024), <https://historicengland.org.uk/whats-new/news/heritage-crime-research-findings-revealed/>; See also research conducted by Ecclesiastical Insurance, based on two successive surveys of 500 heritage organisations: ‘Heritage attractions are a prime target’; and ‘Rise in graffiti, anti-social behaviour and verbal abuse’.

⁹² Ecclesiastical Insurance, ‘Rise in graffiti, anti-social behaviour and verbal abuse’.

⁹³ Historic England, Heritage and Cultural Property Crime. The report forms part of the Alliance to Reduce Crime Against Heritage (ARCH) initiative.

⁹⁴ Historic England, Heritage and Cultural Property Crime.

⁹⁵ Personal communications with Heritage Alliance members (Oct 2022–April 2024).

⁹⁶ *Rebuilding Heritage*, findings from Focus Group on the Cost of Living Crisis (April 2023). See also: UK Heritage Pulse, Panel Research: Spotlight on Skills (November 2023), <https://heritagepulse.insights-alliance.com/updates/spotlight-on-skills/>. Survey conducted in November 2023, receiving 274 responses.

⁹⁷ See Historic England, Skills in the Historic Environment Sector (*Heritage Counts*, 2013), <https://historicengland.org.uk/research/heritage-counts/2013-skills-in-the-historic-environment/>; and Cebr and Historic England, *Skills Gap/Needs in the Heritage Sector* (April 2019), <https://historicengland.org.uk/content/heritage-counts/pub/2019/skill-gaps-needs-in-the-heritage-sector-pdf/>.

⁹⁸ Creative & Cultural Skills, *Recruitment Challenges and Skills Needs*, p. 9. Ironically, CCS (the sector skills council for the creative and cultural industries, established in 2005) was forced to close in November 2023 after being unable to secure funding.

⁹⁹ Hays plc, *Salary and Recruiting Trends 2024*, sec. ‘Upskilling for the Future’.

¹⁰⁰ UK Heritage Pulse, Panel Research (November 2023); see also *Rebuilding Heritage*, findings from Focus Group on the Cost of Living Crisis (April 2023).

¹⁰¹ *Rebuilding Heritage* project website, accessed 1 March 2024, accessed 1 March 2024, <https://rebuildingheritage.org.uk/about/>. Rebuilding Heritage was a UK-wide support programme was coordinated by the Heritage Alliance and funded by the National Lottery Heritage Fund. The ‘cost-of-living phase’ ran for six months, from November 2022 to April 2023, and was delivered through a partnership with the Chartered Institute of Fundraising, Creative United, and Media Trust.

¹⁰² The Heritage Alliance, *Rebuilding Heritage Evaluation Report* (May 2023), p. 83.

¹⁰³ UK Heritage Pulse, Panel Research (January 2024).

¹⁰⁴ UK Heritage Pulse, Panel Research (November 2023).

¹⁰⁵ National Lottery Heritage Fund, *Heritage 2033: The National Lottery Heritage Fund Strategy, 2023–2033* (February 2023), p. 15, <https://www.heritagefund.org.uk/about/heritage-2033-strategy/download>.

¹⁰⁶ National Lottery Heritage Fund, *Heritage 2033*, p. 4.

¹⁰⁷ Creative & Cultural Skills, *Mapping Heritage Craft: The Economic Contribution of the Heritage Craft Sector in England* (October 2012), pp. 2–3, <https://heritagecrafts.org.uk/wp-content/uploads/2020/05/Mapping-Heritage-Craft-2012.pdf>.

¹⁰⁸ On the role of the HSF in helping to retain specialist skills during the pandemic, see Historic England, *Executive Summary of the Process and Impacts Evaluation of Historic England’s Heritage Stimulus Fund* (March 2023), pp. 5, 28, 32, <https://historicengland.org.uk/content/docs/grants/evaluation-he-heritage-stimulus-fund/>.

¹⁰⁹ Heritage Crafts Association, *Red List of Endangered Crafts*, p. 3.

¹¹⁰ Heritage Crafts Association, *Red List of Endangered Crafts*, p. 3.

¹¹¹ See the Minutes of the 8th Heritage Council (27 June 2023), p. 2, https://assets.publishing.service.gov.uk/media/65841a2123b70a000d234d78/Heritage_Council_27_06_-_minutes.pdf.

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¹¹³ See Aisling Nash, *Apprenticeships in the Historic Environment Sector: Examining Employer Interest and Barriers to Implementation* (Historic England, 5 September 2023), p. 44, <https://historicengland.org.uk/research/results/reports/43-2023>.

¹¹⁴ Andy Powell and Brigid Francis-Devine, ‘Youth unemployment statistics’, Research Briefing (CBP 5871: *House of Commons Library*, 12 March 2024), <https://commonslibrary.parliament.uk/research-briefings/sn05871/>.

¹¹⁵ The Heritage Alliance, *Heritage Manifesto 2024*, p. 4. For more detailed analysis of the barriers which hinder heritage apprenticeships, see Nash, *Apprenticeships in the Historic Environment Sector*, pp. 17–19, 42–45.

Chapter 3: Public Engagement

¹¹⁶ See Paul Drury and Anna McPherson, *Conservation Principles, Policies and Guidance: For the Sustainable Management of the Historic Environment* (English Heritage [now Historic England], 2008), <https://historicengland.org.uk/images-books/publications/conservation-principles-sustainable-management-historic-environment/>. In particular, see the first principle (‘the historic environment is a shared resource’) and the second principle (‘everyone should be able to participate in sustaining the historic environment’).

¹¹⁷ Historic England, *Heritage and Society* section of *Heritage Counts* (29 November 2023), <https://historicengland.org.uk/research/heritage-counts/heritage-and-society/>.

¹¹⁸ Historic England, Heritage and Its Role in Development and Place (*Heritage Counts: Heritage and the Economy*, 29 November 2023), <https://historicengland.org.uk/research/heritage-counts/heritage-and-economy/place-development/>.

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¹²² Anderson, ‘Impact of Increased Flooding’; Geraldine Kendall Adams, ‘Museum staff warn of dangerous conditions as heatwave hits’, *Museums Journal* (19 July 2022), <https://www.museumsassociation.org/museums-journal/news/2022/07/museum-staff-warn-of-dangerous-conditions-as-heatwave-hits/>.

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¹²⁴ ONS, Household finances (28 February–10 March 2024), tbl. 1a.

¹²⁵ Peter Bradley, ‘School coach hire: “The low-cost days are gone for good”’, *routeONE Magazine* (20 June 2022), <https://www.route-one.net/news/school-coach-hire-the-low-cost-days-are-gone-for-good/>.

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¹²⁷ Historic England, Participation, Visits and Membership (*Heritage Counts: Indicator Data*, 29 November 2023), sec. ‘Engagement with heritage varies by socio-demographic characteristics’, <https://historicengland.org.uk/research/heritage-counts/indicator-data/participation/>.

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¹²⁹ For details of the CRF, and case studies of heritage sites that received emergency lifeline funding, see Historic England, Culture Recovery Fund (9 June 2020), <https://historicengland.org.uk/services-skills/grants/culture-recovery-fund/>.

¹³⁰ VisitBritain, 2024 Inbound Tourism Forecast (20 December 2023), <https://www.visitbritain.org/research-insights/inbound-tourism-forecast>.

¹³¹ VisitBritain, Domestic Sentiment Tracker Report for April 2024 (3 May 2024), pp. 5–7, <https://www.visitbritain.org/media/3194/>. There is some improvement in these statistics compared to March 2024

(30% is a decline from 31%, 40% is a decline from 41%), but the results still indicate significant public anxiety.

¹³² Personal communications with Heritage Alliance members (Oct 2022–April 2024); the reported decline in visitor numbers typically ranges from 10% to 30% compared to pre-pandemic levels. For broader data on heritage-related tourism, see Historic England, *The Contribution of the Heritage Sector to the Visitor Economy (Heritage Counts: Heritage and the Economy*, 6 December 2023), <https://historicengland.org.uk/research/heritage-counts/heritage-and-economy/visitor-economy/>; and Historic England, Participation Indicator Data (*Heritage Counts*, 2023).

¹³³ The Audience Agency, *Cultural Participation Monitor*, Wave 9 (Summer 2023), sec. ‘Data presentation’ (p. 17) and ‘Cost-of-Living is hitting lowest engaged groups hardest’.

¹³⁴ ALVA, ‘Visitor numbers to the UK’s most popular attractions increase by 19%’ (18 March 2024), <https://www.alva.org.uk/details.cfm?p=423>.

¹³⁵ South West Museum Development, Annual Museum Survey 2023, p. 39. See also: Alistair Hardaker, ‘National museum and gallery visits 27% lower than pre-pandemic levels’, *Museums + Heritage Advisor* (14 March 2024), <https://advisor.museumsandheritage.com/news/national-museum-and-gallery-visits-27-lower-than-pre-pandemic-levels/>.

¹³⁶ As is noted in the government’s Levelling Up White Paper, ‘those in less affluent regions are less likely to have visited a heritage site ... compared to those from more affluent regions’; see HM Government, *Levelling Up the United Kingdom* (Her Majesty’s Stationery Office, 2 February 2022), p. 217, <https://www.gov.uk/government/publications/levelling-up-the-united-kingdom>.

¹³⁷ UK Heritage Pulse, Panel Research (Summer 2023).

¹³⁸ The Charities Aid Foundation highlights that the typical (median) charitable donation from a UK adult has remained £20 for seven years, meaning that its real-terms value has eroded significantly; if it had kept pace with inflation, it would now be £25.24. See the *UK Giving Report 2024* (March 2024), p. 10, https://www.cafonline.org/docs/default-source/about-us-research/uk_giving_report_2024_final.pdf.

¹³⁹ See discussion of raising and/or lowering prices in Ecclesiastical Insurance, Heritage Risk Barometer 2022; UK Heritage Pulse, Panel Research (Summer 2022), <https://heritagepulse.insights-alliance.com/updates/second-survey-results-published/>. Survey conducted from August to September 2022, receiving 247 responses. For individual case studies, see Jessica Murray, ‘Cambridgeshire museum to charge entry fee for first time in 100 years’, *The Guardian* (19 April 2023), <https://www.theguardian.com/culture/2023/apr/19/wisbech-fenland-museum-cambridgeshire-charge-entry-fee-rising-costs>; David Spereall, ‘Leeds: Prices hikes for city museums and attractions’, *BBC News* (26 April 2023), <https://www.bbc.com/news/uk-england-leeds-65396290>.

¹⁴⁰ The Audience Agency, *Cultural Participation Monitor*, Wave 7 (Autumn 2022), sec. ‘Data presentation’ (p. 29), <https://evidence.audienceanswers.org/en/evidence/cultural-participation-monitor/wave-7-autumn-2022>. The CPM is a nationally-representative online survey; this wave was conducted in September 2022, receiving 3,557 responses. For ‘Indoor Galleries, Museums, & Heritage’, respondents were 32% less likely to buy from gift shops post-pandemic,

and 9% less likely to visit a café; for ‘Outdoor Historic Parks, Gardens, & Heritage’ the figures were 29% and 12%, respectively. Subsequent CPM surveys indicate that cultural audiences have felt progressively ‘worse off’ since September 2022 due to the evolving cost of living crisis; it is likely, therefore, that these figures have now increased.

¹⁴¹ Personal communications with Heritage Alliance members (Oct 2022–April 2024); and the Heritage Alliance CoL Survey (Nov–Dec 2023). Out of 64 respondents, 30 cited ‘visitor spending’ as a pressing concern.

¹⁴² See the NCVO’s *Cost of Giving Crisis* support portal (30 October 2023), <https://www.ncvo.org.uk/get-involved/cost-of-giving-crisis/>.

¹⁴³ Charities Aid Foundation, *UK Giving Report 2023* (May 2023), pp. 3, 6, https://www.cafonline.org/docs/default-source/about-us-research/uk_giving_2023.pdf.

¹⁴⁴ *Rebuilding Heritage*, findings from Focus Group on Fundraising Challenges and Opportunities (2 March 2023), <https://rebuildingheritage.org.uk/resource/fundraising-snapshot/>.

¹⁴⁵ The Audience Agency, *Cultural Participation Monitor*, Wave 8 (Spring 2023), sec. ‘Late booking trends’, <https://evidence.audienceanswers.org/en/evidence/cultural-participation-monitor/wave-8-spring-2023>. The CPM is a nationally-representative online survey; this wave was conducted in February 2023, receiving 2,428 responses.

¹⁴⁶ Personal communications with Heritage Alliance members (Oct 2022–April 2024). See also: South West Museum Development, Annual Museum Survey 2023, p. 41.

¹⁴⁷ National Foundation for Educational Research, *Cost-of-Living Crisis: Impact on Schools* (September 2023), p. 19, <https://www.nfer.ac.uk/publications/cost-of-living-crisis-impact-on-schools/>. Survey of 1,441 senior leaders, conducted by the NFER. See also an earlier survey of 1,428 teachers, conducted by the NFER on behalf of the Sutton Trust: School Funding and Pupil Premium 2023 (26 April 2023), <https://www.suttontrust.com/our-research/school-funding-and-pupil-premium-2023/>. This April survey gave higher figures: 50% of senior leaders across primary and secondary schools reported cuts to school trips and outings.

¹⁴⁸ English Heritage, ‘School Trips at Risk of Being Consigned to History’ (5 October 2023), <https://www.english-heritage.org.uk/about-us/search-news/school-trips-at-risk-of-being-consigned-to-history/>.

¹⁴⁹ South West Museum Development, Annual Museum Survey 2023, pp. 43–48.

¹⁵⁰ C. J. McKinney, ‘How does Brexit affect EU school trips?’, Insight Report (*House of Commons Library*, 20 October 2022), <https://commonslibrary.parliament.uk/how-does-brexit-affect-eu-school-trips/>.

¹⁵¹ Personal communications with Heritage Alliance members (Oct 2022–April 2024).

¹⁵² English Heritage, ‘School Trips at Risk’.

¹⁵³ The Sutton Trust and The National Foundation for Educational Research, School Funding and Pupil Premium 2023.

¹⁵⁴ National Foundation for Educational Research, *Impact on Schools*, p. 40.

¹⁵⁵ On the heritage participation gap, see sociodemographic data gathered by Historic England: Participation Indicator Data (*Heritage Counts*, 2023); What We Know About Who Participates in Heritage (*Heritage Counts: Heritage and*

Society, 29 November 2023), <https://historicengland.org.uk/research/heritage-counts/heritage-and-society/heritage-engagement/>.

¹⁵⁶ Blamire, Rees, and Elkington, *Young People’s Engagements with Heritage*; Historic England, Opportunities and Benefits of Heritage for Young People (*Heritage Counts: Heritage and Society*, 29 November 2023), <https://historicengland.org.uk/research/heritage-counts/heritage-and-society/young-people/>.

¹⁵⁷ Astrid Cooper, ‘Children “missing school trips due to cost of living crisis”’, *The Independent* (6 December 2022), <https://www.independent.co.uk/news/uk/home-news/school-funding-uk-trips-cost-living-crisis-b2239697.html>. Survey of 1,600 parents, commissioned by Hyundai Motor UK (HMUK) as part of its ‘Great British School Trip’ programme.

¹⁵⁸ Blamire, Rees, and Elkington, *Young People’s Engagements with Heritage*, pp. 38–39.

¹⁵⁹ Young Scot Enterprise, ‘£1 entry to Scotland’s historic sites returns for all Young Scot National Entitlement Card holders’ (24 May 2022), <https://youngscot.net/news-database/1-entry-to-scotlands-historic-sites-returns-for-all-young-scot-national-entitlement-card-holders>. The Young Scot National Entitlement Card is free for young people in Scotland, and funded by the Scottish Government. Its heritage scheme operates in collaboration with the National Trust for Scotland, Historic Environment Scotland, and Historic Houses Scotland.

¹⁶⁰ See the analysis and further reading at: Historic England, Heritage and the Visitor Economy (*Heritage Counts*, 2023).

¹⁶¹ DCMS, *Participation Survey: July to September 2023* statistical release (20 December 2023), tbls. 3a, 4a, <https://www.gov.uk/government/statistics/participation-survey-july-to-september-2023-statistical-release>.

¹⁶² Historic England, Participation Indicator Data (*Heritage Counts*, 2023).

¹⁶³ Historic Houses, *Changing Times, Valuing History*, p. 3.

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¹⁶⁵ Historic England, Heritage and Development and Place (*Heritage Counts*, 2023).

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¹⁷⁷ Britain Thinks, *National Lottery Heritage Fund Strategy Development Research* (September 2022), p. 15, <https://heritagefund.org.uk/sites/default/files/media/attachments/National-Lottery-Heritage-Fund-Strategy-Development-Research-2022.pdf>. See also Historic England, Public Views on the Protection of the Historic Environment (*Heritage Counts: Heritage and Society*, 29 November 2023), <https://historicengland.org.uk/research/heritage-counts/heritage-and-society/public-attitudes/>.

¹⁷⁸ ComRes, Public Perceptions of Heritage, p. 2.

¹⁷⁹ Drury and McPherson, *Conservation Principles, Policies and Guidance*, p. 67 (para. 163).

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¹⁹⁰ Historic Houses, *Changing Times, Valuing History*, p. 8.

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¹⁹⁸ Purcell UK, ‘Purcell and Harlow Consulting undertaking major research for DCMS’ (12 January 2024), <https://www.purcelluk.com/news/the-department-for-culture-media-and-sport-dcms-ha/>; National Lottery Heritage Fund, *Heritage* 2033, p. 10. The DCMS-commissioned project is entitled the ‘Cultural Infrastructure Maintenance Assessment’.

¹⁹⁹ Association of Independent Museums, Snap Survey (September 2023), p. 4.

²⁰⁰ The Heritage Alliance, CoL Survey (Nov–Dec 2023). Out of 64 respondents, 33 said that their need to cut costs had increased, and 23 cited diminished organisational reserves as a pressing concern.

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²⁰² See UK Heritage Pulse’s Panel Research (January 2024); 38% of respondents cited rising insurance as a key source of budget pressures. On the importance of adequate insurance for historic buildings, see Historic England, *Insuring Historic Buildings*.

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²¹² Rotherham Together Partnership, *The Rotherham Plan 2025* (January 2023), p. 11, <https://www.therhamtogetherpartnership.org.uk/>.

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²¹⁷ The impact of austerity policy on funding for culture and heritage has been much discussed. For an overview, see Bethany Rex and Peter Campbell, ‘The Impact of Austerity Measures on Local Government Funding for Culture in England’, *Cultural Trends*, 31/1 (1 January 2022), 23–46, <https://doi.org/10.1080/09548963.2021.1915096>. For more recent reporting, see Iain Overton, ‘Cultural Famine: Austerity in the UK’s Heritage Sector Cuts Deep’, *Byline Times* (11 January 2024), <https://bylinetimes.com/2024/01/11/cultural-famine-austerity-in-the-uks-heritage-sector-cuts-deep/>.

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Society section of *Heritage Counts* (2023), particularly on mental and physical health.

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²²⁴ National Lottery Heritage Fund, ‘Who we are and what we do’, accessed 1 March 2024, <https://www.heritagefund.org.uk/about/>; See also Virginia Tandy, ‘The Heritage Lottery Fund and Its Role in the Construction and Preservation of the Past: 1994–2016’ (Doctoral thesis, University of Manchester, 2018), <https://www.escholar.manchester.ac.uk/uk-ac-man-scw:319445>.

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²⁵⁴ Personal communications with Heritage Alliance members (Oct 2022–April 2024).

²⁵⁵ UK Heritage Pulse, Panel Research (February 2022). See also the findings of Q25 and Q26 in the Association of Independent Museums' Snap Survey (September 2023).

²⁵⁶ DCMS, *Evaluation of the CRF*, p. ii. The cultural disciplines that received the next greatest amounts of funding were theatre organisations (£288m) and music organisations (£249m). For the separate evaluation of the HSF, see Historic England, *Executive Summary of the Evaluation of HSF*.

²⁵⁷ According to DCMS, the CRF as a whole may have secured the future survival of 620 to 830 organisations while safeguarding between 6,700 (lower bound estimate) and 20,500 (upper bound estimate) jobs in the cultural sector and supporting industries. DCMS, *Evaluation of the CRF*, p. 9.

²⁵⁸ The Heritage Alliance, CoL Survey (Nov–Dec 2023). Out of the 28 respondents who indicated that they had received CRF funding, 25 described it as having been a 'lifeline'.

²⁵⁹ Historic England, *Executive Summary of the Evaluation of HSF*, pp. 21, 45. For evaluation of the indirect social, economic, and cultural benefits of the CRF more broadly, see DCMS, *Evaluation of the CRF*, pp. 70–79.

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²⁶¹ For details of how the CRF was distributed across the heritage sector, see Historic England's website: 'Culture Recovery Fund Recipients List', accessed 1 March 2024, <https://historicengland.org.uk/services-skills/grants/culture-recovery-fund/map/recipients-list/>; and 'Heritage Funding Stories', accessed 1 March 2024, <https://historicengland.org.uk/services-skills/grants/culture-recovery-fund/uncover-more/>.

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