

Comprehensive Spending Review Representation

February 2025

About Us

The Heritage Alliance is the national umbrella body for the independent heritage sector. We are a charity uniting more than 200 organisations including the National Trust, English Heritage, the National Landscapes Association and the Canal and River Trust. Together the organisations we represent have over 7 million members, volunteers, trustees and staff. The vast majority of England's historic environment is owned, managed and cared for by Heritage Alliance members.

Heritage is everywhere and belongs to everyone: it breathes life into our towns, cities, coasts, and countryside, creating places that people want to live and work in. It is one of our greatest national assets and an integral part of what makes Britain special. It is key to our understanding of long-term sustainability and a fundamental part of our transition to net zero. It tells our nation's stories, supporting social cohesion, pride in place, learning, and identity. As a major part of our environment and economy, heritage underpins the success of multiple other sectors, from construction and tourism to the creative industries. Heritage is productive. England's heritage industry produces a total GVA impact of £44.9 billion or 2.5% GVA (more than sport, defence, security or aerospace) and supports the employment of over 523,000 workers.¹ Heritage has further been shown to have a multiplying effect in the wider economy. Historic England estimates that for every job in the heritage sector, another 2.6 workers are supported in the wider economy, and for every £1 of GVA that the sector directly generates, an additional £1.93 is added into the wider economy.²

We welcome the opportunity to make a representation ahead of the Comprehensive Spending Review, and stand ready to work with government to unlock the potential of heritage to deliver significant public good.

¹ [Heritage Counts 2024](#), Historic England

² Ibid.

Our Proposals to Help Heritage Deliver

Heritage is an asset on the doorstep of each corner of the country. If properly supported, it stands ready to deliver across the government's five missions for every community:

MISSION 1: KICKSTART ECONOMIC GROWTH

Heritage is a key driver of growth. It is also a major part of our international appeal and a key driver of soft power, with tourists spending over £28bn each year on visits to heritage sites, and heritage sites and museums making up 100% of our top 20 most popular attractions.³ Heritage plays host and provides inspiration for some of our most popular creative exports, from Peaky Blinders to Bridgerton. Heritage buildings and sites also play a wider role underpinning the success of the creative industries as venues for the performing arts - almost 40% of theatre venues are listed buildings. Meanwhile, concerts and festivals are frequently held at heritage sites and on the grounds of historic houses – from Lulworth Castle (Camp Bestival) to Knebworth Castle (holding the record for the biggest concerts in the UK). Revitalised assets like the Piece Hall in Halifax demonstrate the potential of heritage assets to serve as cultural venues – the former cloth fair is now a world-famous music venue regularly hosting international acts for audiences of 8000 people. We therefore call for heritage to be recognised as an important subsector of the creative industries in the forthcoming industrial strategy, and for the development of a sector plan to unlock growth through heritage-led investment.

The restoration and re-use of historic buildings and places for commercial and community creative-use is not only popular but offers significant wealth-generation potential and has been at the heart of some of the most successful culture-led regeneration projects. Historic buildings offer characterful and distinctive settings for creative businesses and cultural enterprises. Excluding central London, listed buildings attract significantly more creative firms than non-listed buildings, and businesses based in historic buildings benefit from a 4.4% higher GVA impact than those that are not (NLHF). Recent research commissioned by Historic England has further shown that heritage directly enhances creative growth: areas with a higher density of listed buildings produce on average 0.01 more trademarks per 1000 people.⁴

Heritage also has a significant role to play in delivering the 1.5m new homes we need. Historic England estimates that 670,000 new homes could be created just by repurposing vacant historic buildings⁵, meeting community needs while maintaining sense of place and supporting net-zero commitments.

³ [Visitor Attractions Trends in England](#), VisitBritain

⁴ [Cultural Heritage and the Creative Economy](#), Historic England, 2024

⁵ [Heritage Works for Housing](#), Historic England, 2024

Heritage-related construction activities already generate £7.5 billion GVA in England, employing over 100,000 people. There is now significant potential benefit to be gained from addressing the skills gaps we need to plug to seize the opportunity of adapting, converting and retrofitting historic buildings - estimated to be worth £35bn of output annually, with the potential to create 290,000 jobs.⁶ Skills England have already recognized this as an important gap to be addressed in its first report – we call for heritage construction and retrofit skills to be prioritised in skills delivery plans going forward.

To unlock regeneration and growth through the sustainable development of our historic environment, stable and well-resourced local planning authorities are essential. Having already lost half of their historic environment capacity since 2010 and with spending down 40%, LPAs urgently need ringfenced investment and training in these teams to build resilience. Using any increase in planning fees or developer contributions to plug this gap would be a prudent measure at a time when applications for consents are on the rise, and to avoid discouraging development due to an inefficient planning process. Ensuring more stable, long-term funding settlements for local authorities by increasing budget periods to three years would also enable more ambitious, flexible and long-term financial planning. The new devolution framework could offer opportunities for new efficiencies, better use of data through use of statutory Historic Environment Records, more joined-up services and better alignment between strategy and delivery. We are keen to work with government on ways to maximise the benefits of this.

MISSION 2: TAKE BACK OUR STREETS

Heritage is enduringly popular with the public. It drives positive social and economic change and is vital to creating distinctive places. Heritage-led regeneration supports regional growth and strengthens communities by creating pride in place, encouraging pro-social behaviour and increasing the safety of an area by up to 10%.⁷ 99% of people in England live within a mile of a listed place, 80% think local heritage makes living in their area better, and 81% say preserving heritage is personally important to them.⁸

Securing a successor scheme to the Community Ownership Fund is an important step to ensure communities have the capital they need to take on locally cherished heritage assets, but those that are at risk of sale by public bodies could be also protected by the creation of a 'Safe Harbour' scheme. Public bodies that need to dispose of assets quickly in insolvency situations are often unable to consider the long-term impacts or opportunities for other community uses – the asset will typically be

⁶ [Heritage and Carbon](#), 2023

⁷ [Heritage and Society 2024](#), Historic England

⁸ [Heritage Counts 2024, Heritage and Society](#) (Historic England)

sold into private use. A Safe Harbour scheme would hold assets for a defined period of time to enable new sustainable management models to be developed, and to create the opportunity for communities to use the asset for public benefit.

Lastly, targeted place-based investments should continue to support heritage projects supporting culture-led regeneration and pride in place for communities. The Heritage Action Zones and High Streets programmes demonstrated how heritage-led regeneration can revitalise town centres and boost the local economy, and new research shows that historic buildings and districts are a catalyst for creative growth.⁹ The sector is already working to further develop the Culture and Heritage Capital approach akin to the natural capital approach to capture the full value of heritage to our society - the Government should champion this approach with HM Treasury and others as essential to future decision making.

MISSION 3: BREAK DOWN BARRIERS TO OPPORTUNITY

We know that heritage is popular and the public are keen to engage with it - according to a DCMS Taking Part survey, three quarters of us have visited a heritage site in the last year (more than attended football matches) and an estimated 5.2% of the adult population in England undertake heritage volunteering annually. Our sector offers hands-on educational opportunities which broaden horizons, enrich the curriculum and impart unique skills. Heritage is in every constituency and community, offering multiple job opportunities to boost regional growth - from the visitor economy to construction and landscape management. We want to ensure careers in heritage can be open to anyone, whether through apprenticeships, trainee schemes or higher education.

At an educational level, early engagement with the culture sector is vital to inspire the next generation of heritage sector employees, volunteers and enthusiasts. With career aspirations set at age seven, free educational heritage visits are an important part of this but are in steady decline – 39% of schools have cut back on trips since the pandemic, and this trend is more pronounced in schools in deprived areas.¹⁰ To strengthen young peoples' connections with their communities and broaden horizons for every child, we call visits to local heritage sites to be reviewed as part of the forthcoming curriculum review. We support the Fabians' proposal of a making school trips to local heritage sites compulsory every year in primary school, as well as embedding craft skills in a broad and balanced curriculum.

Apprenticeship funding needs to work for specialist sectors and organisations, and the government should ensure that the voice of small contractors and freelancers is heard in discussions about skills

⁹ [Heritage and the Creative Economy](#), Historic England, 2024

¹⁰ National Foundation for Educational Research, [Cost of Living Crisis: Impact on Schools](#) (September 2023)

and apprenticeships. A suitable solution could be found in further reforms to apprenticeship programmes to make the process of apprentice recruitment easier for the sector – particularly for freelancers and smaller businesses. These include greater support for sharing apprenticeships between multiple organisations, as well as an introduction of a cross-subsidy mechanism to help fund apprenticeships within smaller organisations. We also recommend that the new Growth and Skills Levy allocates unspent funds in a targeted manner to address skills gaps (e.g. in conservation and heritage crafts).

The visa system should consider the unique position of the heritage sector as being highly skilled but low paid. We call on the government to reconsider the new £39k salary cap for Tier 2 visas and return to an assessment based on skills gaps rather than salaries. As the sector has traditionally relied on skilled EU labour, we must ensure that heritage organisations can access the best heritage skills from across the EU. We also support an unsponsored route for the creative and cultural sectors and a pathway for students who are trained in the UK to stay and work in the sector. Our briefing on Heritage and Immigration sets out this case.¹¹

MISSION 4: BUILD AN NHS FIT FOR THE FUTURE

Access to and engagement with culture has a direct impact on our health, and beyond this many heritage and cultural venues already offer valuable social prescribing services¹². We now know that just inhabiting historic places can have a significant impact on our physical and mental health, with the overall wellbeing value (WELLBY) of everyday heritage encounters worth £29 billion every year.¹³ The wider health benefits of heritage are equivalent to over £1600 NHS spend per citizen each year¹⁴, and new evidence on the wellbeing value of cultural engagement makes the case for local health budgets to accommodate spending on heritage and culture.¹⁵ Much of this benefit is delivered through historic ‘green and blue’ spaces – parks, landscapes, canals and countryside which are rich with heritage features - 75% of Scheduled Monuments and about 68,000 more heritage assets are located on agricultural land.¹⁶ The contribution of heritage to high quality green space is recognised by Natural England in their 2023 Green Infrastructure (GI) framework, which states that good quality local green space should respond to and enhance the character and history of an area to create beautiful, well designed and distinctive places. This is reflected in Goal 10 of the Environmental

¹¹ [Heritage and Immigration](#), The Heritage Alliance, 2020

¹² [Heritage, Health and Wellbeing](#), The Heritage Alliance, 2019

¹³ [Cultural Heritage Capital and Wellbeing](#), Historic England, 2024

¹⁴ [Heritage and the Economy 2023](#), Historic England

¹⁵ [Monetising the impact of culture and heritage on wellbeing](#), Frontier Economics 2025

¹⁶ [Nature Recovery and the Historic Environment](#), Natural England, 2023

Improvement Plan to enhance heritage, beauty and engagement, to ensure everyone can benefit from our ancient landscapes and coastlines.

Heritage has an important role to play across a range of departmental portfolios, but in particular the role of heritage within DEFRA is often overlooked despite the vital contribution of our rural heritage to public health, wellbeing and engagement with the environment. Our countryside is a patchwork of ancient landscapes, archaeological features and manmade habitats which are treasured as much as the nature they support. Environmental Land Management (ELM) Schemes offer the opportunity for the government to enact the 'Beauty, Heritage and Engagement' goal of the 25 Year Environment Plan and improve access to and investment in the rural historic environment. This can be achieved by providing sufficient long-term funding (at least £4.4bn per annum) to farmers and land managers to deliver public goods, ensuring Goal 10 is supported and funded on equal footing with all other 25 YEP goals. The historic environment should equally be funded by all tiers of ELM, and investment in the development of appropriate indicator datasets is needed to better map and monitor undesignated historic landscape features which are currently unprotected, but which carry immense public value.

MISSION 5: MAKE BRITAIN A CLEAN ENERGY SUPERPOWER

Heritage is good for the planet: repairing and reusing a historic building uses just 8% of the carbon needed to construct a new build.¹⁷ As noted by the [Environmental Audit Committee](#), the current tax regime incentivises demolition and rebuild over repair and reuse, contributing to the 126 million tonnes of waste produced by construction demolitions each year (RIBA). To encourage circular economy approaches and reduce waste, we support their recommendation to remove the Permitted Development Right (PDR) for demolition, and for a full review of the significant expansion of PDRs in general over the last 10 years which has facilitated poor quality and inefficient construction. We also encourage the government to commit to exploring how national Listed Building Consent Orders (LBCOs) can enable common and effective retrofit adaptations to historic buildings.

The measure that would have the greatest overall impact is VAT reform. At present 20% VAT applies to repair, maintenance and retrofit work to historic buildings, yet no VAT at all is charged on demolition and rebuild. This creates a perverse incentive for waste over reuse and contradicts the government's aim to move to a low-waste circular economy. A VAT equalisation would also encourage homeowners to carry out repair and retrofit at a more affordable cost, stimulate local supply chains, create demand for green skills and jobs and help us reach our legally binding net zero targets. In the first instance, we call on the government to enact a time-limited scheme for listed buildings open to the public to

¹⁷ [Heritage and Carbon Report](#), 2023

demonstrate the benefits of VAT equalisation, and to explore of different mechanisms to deliver it, such as a tax credit or grant scheme.

The Listed Places of Worship grant scheme has shown how this can work successfully, enabling thousands of historic religious buildings to carry out more affordable repairs each year by reclaiming VAT. The National Churches Trust found that that activities in church buildings, many of which are historic, have a yearly social value of £55 billion.¹⁸ We now ask the Government to continue this scheme beyond 2026 to allow these special community buildings to plan for their future and use the next few months to evaluate the impact of the new cap of £25k per site this year is effective or jeopardising critical larger capital projects.

Part of the solution must also be investment in a [National Retrofit Strategy](#) to ensure the UK's 6 million traditional homes make their contribution to decarbonising the built environment. A one-size-fits all approach will not work for our historic building stock, so this should include a pathway to double the number of specialist retrofit contractors, introduce whole-life carbon assessments of household energy emissions, targeted incentives to decarbonise historic buildings, and a one-stop-shop advisory service for the custodians of traditional buildings.

The Challenge

The power of heritage to make this contribution to our communities – 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.

Our 2024 '[On the Brink](#)' report demonstrates the scale of the risk now facing the sector and paints a stark picture of what 'one more rainy day' could mean. It finds that the greatest reported threat facing the sector is overwhelmingly the lack of funding, with 81% of organisations saying it is a significant concern. Budgets have already been cut to the bone, with funding allocation for heritage and culture shrinking. Grant-in-aid funding from DCMS has fallen by 18% in real terms from 2010, and per-capita local authority spend on heritage and culture is down 43% in the same period.¹⁹

Local heritage sites are facing immediate and unparalleled financial pressures that risk public access to cherished museums, gardens, places of worship and community spaces. Without urgent action it is likely that we will see permanent closures, reduced opening hours, and the loss of community outreach

¹⁸ [House of Good Report](#), National Churches Trust 2021

¹⁹ Campaign for the Arts: [The State of the Arts](#) (2024)

and engagement (2/3 heritage sites have already cut back on programming or plan to do so). Many of these places are employers or host small businesses, whilst others provide vital support to local schools and charities.

Sustained action is needed to ensure that our living, breathing heritage is not consigned to the past. 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. We call for immediate measures to safeguard key assets at risk of being lost to the public, as well as a longer-term conversation about how to address structural challenges and unlock potential for growth and regeneration in every corner of the country.

Backing the Bedrock: Measures to Secure the Future of Heritage

Historic England, the Arts Council, the National Lottery Heritage Fund and Local Authorities form the bedrock of the sector. The National Lottery Heritage Fund has awarded over £8.8 billion to over 51,000 projects since 1994. It has saved thousands of locally and nationally treasured heritage assets from damage or loss, generated jobs and growth, and inspired communities. The 20% share of National Lottery funding for the Heritage Fund must be protected to safeguard heritage assets for future generations – once they are gone, they are gone forever. Historic England has suffered standstill settlements or cuts over many years. Its assured future, continuing stability and adequate funding is crucial, particularly given the challenges with reductions in finances and capacity at local authority level and increased demands on their services as we move to a new planning system.

Focussed and effective joint working between arms-length bodies has been a real positive throughout recent challenges, and financial support for continued collaboration would be welcome. Support for the sector would be improved by moving away from primarily project-based approaches, instead focusing on core grants or place partnerships that allow heritage organisations to sustain their day-to-day operations and conservation responsibilities, and to develop and retain skills 'in-house'. There is currently a structural funding issue for heritage that is not the case for other parts of culture with National Lottery Heritage Funding being project based and extremely limited funding from Government to Historic England for sector support on an ongoing basis.

One potential means of tackling this fragmentation would be to establish a Heritage Investment Fund 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. 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 similar heritage investment fund system could be one means of facilitating more long-term equitable support for the entire heritage sector in all its diversity – including providing much-needed ‘core’ operational and capacity-building funding in addition to time-limited and targeted project-based funding. Reviews of heritage and arts funding underway at DCMS are a very good opportunity to address this issue.

During the pandemic, the Culture Recovery Fund (CRF) prevented over 600 heritage organisations from closing and safeguarded over 20,000 jobs. These benefits far outweighed the costs of implementing the programme, with every £1 spent leading to between £1.98 and £3.66 in benefits. We are now faced with an equally significant challenge. Many in the heritage sector have reported energy bill increases of 200 - 900%, with nine in ten heritage leaders fearing for the future of their heritage organisations. The time-limited support provided by the CRF has come to an end, but there is potential to stimulate new growth in our sector through investment.

Funding packages need to be usable, accessible and structured to promote good quality long-term business planning. In the shorter term, providing emergency targeted capital funding for urgent heritage repairs, similar to the Museums Estate and Development Fund (MEND), would offer a lifeline to publicly open heritage sites that are in most need of support and tackle growing repair backlogs. In general, it is important to move away from competitive bidding processes for funding which cost organisations significant time and money. We’d like to see more strategic approaches to investment, making use of partnership approaches between statutory funders.

As the CRF recognised, an investment in the future of our historic environment is an investment in our country’s future prosperity, and in the public who use and value it. A package of sustained capital funding for heritage infrastructure will help to help to balance demand and supply dynamics and reduce inflationary pressures. 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.

This government has a significant opportunity to envision and celebrate the full role that culture and heritage can play in delivering public goods and tackling the greatest challenges facing us as a nation. To understand the full scope of ways heritage can contribute across a range of portfolios, we recommend a comprehensive national Culture White Paper. This should explore where heritage and culture need to be better integrated in cross-departmental thinking, and be supported by locally-led culture strategies that translate national ambition to local delivery. This can help support and drive

strategic investment that will maximise the public benefit and ensure that all aspects of our nation's rich cultural legacy are protected for future generations.

ANNEX: Summary of Proposals

Kickstart Economic Growth

- Recognise heritage as an important subsector of the creative industries in the forthcoming industrial strategy, and develop a sector plan to unlock growth through heritage-led investment.
- Ringfence funding for Local Authority heritage and culture budgets and proportionate staffing levels in conservation teams, using planning fees and developer contributions as needed
- Prioritise heritage construction and retrofit in skills delivery plans to unlock 670k new homes through regeneration and reuse
- Award 3-year funding settlements for local authorities to enable more ambitious, flexible and long-term financial planning.
- Use the new devolution framework to bring forward more joined-up datasets and better understanding of heritage assets through the use of statutory Historic Environment Records

Take Back Our Streets

- Secure the successor of the Community Ownership Fund to provide vital capital funding for community groups taking on heritage assets
- Develop a Safe Harbour scheme to rescue community heritage and cultural infrastructure at risk of being sold and lost to public access
- Ensure heritage is front and centre of place-based funding and programmes
- Work with the sector to embed the forthcoming Culture and Heritage Capital approach within policymaking and spending decisions

Break Down Barriers to Opportunity

- Make apprenticeships more flexible for SMEs and freelancers, including cross-subsidy mechanisms or shared schemes
- Use the ongoing curriculum review to give every child the right to school trips offering cultural enrichment in every child's learning
- Revoke the £39k salary cap for Tier 2 visas and return to an assessment based on skills gaps rather than salaries.
- Develop an unsponsored visa route for the creative and cultural sectors and a pathway for students who are trained in the UK to stay and work in the sector

Build an NHS Fit For the Future

- Embed culture and heritage in local health strategies and social prescribing programmes as a significant driver of wellbeing
- Recognise the wellbeing value of historic landscapes and Ensure Environmental Land Management schemes provide sufficient long-term funding (at least £4.4bn) for actions that enhance beauty, heritage and engagement
- Develop indicators and monitoring datasets to map and protect undesignated heritage assets to prevent the loss of public benefit

Make Britain a Clean Energy Superpower

- Enact a pilot scheme to explore the benefits of equalising VAT on repair and maintenance of existing buildings with that of new build
- Continue the Listed Places of Worship Grant Scheme beyond 2025 and review the new per building cap
- Remove the Permitted Development Right (PDR) for demolition, and review the significant expansion of PDRs in general over the last 10 years
- Explore how Listed Building Consent Orders (LBCOs) could be used to enable common and effective retrofit adaptations to historic buildings
- Develop a National Retrofit Strategy encompassing a pathway to double conservation retrofit skills, a whole-house carbon assessment for EPCs, and an advisory service for owners of historic buildings

Backing the Bedrock

- Protect the National Lottery Heritage Fund's 20% share of National Lottery funding
- Ensure DCMS, Historic England, Arts Council England and other arms-length bodies and statutory consultees are adequately funded to deliver their core functions effectively
- Establish a Heritage Investment Fund to give consistent and stable resource to heritage sector-support organisations, akin to that administered by Arts Council England.
- Deliver emergency capital funding in the style of the Museums and Estates Development Fund to tackle urgent repair backlogs
- Deliver a national Culture White Paper, setting out cross-departmental collaboration and supported by locally led culture strategies

For further information, please contact The Heritage Alliance.

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