

Item 3

Boosting the economy through heritage

Purpose of report

For discussion and direction.

Summary

Local government is at the forefront of protecting, improving and managing the historic environment. Heritage delivers important economic benefits - UK heritage tourism accounts for £4.3 billion of GDP and creates employment for 113,000 people.

This paper suggests how the LGA and English Heritage can work together to unlock the potential of heritage to boost economic growth.

Recommendation

Members are asked to:

- Discuss and agree the suggested areas for the LGA to focus on, set out in paragraphs 20 to 23.
- Note the suggested issues to discuss with English Heritage, set out in paragraph 25.

Action

To be taken forward by Officers, in accordance with Members' steer.

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Item 3

Boosting the economy through heritage

Background

1. Local government is at the forefront of protecting, improving and managing the historic environment. Be it through the planning system, or through supporting community involvement in local assets, councils care for and enhance local areas, stimulating interest and encouraging awareness of local heritage.
2. Heritage also delivers important economic benefits - UK heritage tourism accounts for £4.3 billion of GDP and creates employment for 113,000 people. Most visitors choose to visit places, at least in part, because of their local heritage offer. The growing strength of domestic tourism is giving many heritage attractions a much more secure future.
3. More challenging is the impact of very significant cuts to public services that councils and other public bodies must deliver. Key elements of the Government's domestic policy agenda - in particular planning reform and the Localism Act - are also having a profound impact upon the heritage sector and the relationship between councils, communities and English Heritage.
4. English Heritage is the Government's lead advisory body for the historic environment and has a statutory role in the planning system. Local government interacts with English Heritage in a number of different ways, including through the planning system, the identification of local heritage assets for the national heritage list, access to specialist advice and support on heritage at risk and as a source of grant funding. Over 100 councils have nominated a heritage champion, usually a councillor, who work with English Heritage to raise the profile of heritage in councils and their partners.
5. English Heritage has recently reviewed the activities and services delivered through its nine local offices and is introducing a new integrated approach to supporting local planning and conservation.

Heritage and Growth

6. Heritage and the local historic environment make a massive contribution to the economy. Heritage attracts visitors and businesses to places, provides jobs at heritage attractions and in the wider economy, and is a driver for inner city renewal and rural development. The CLOA case study paper at Item 8 shares examples of councils who have put heritage centre-stage of growing the local economy. Building on the 2012 Olympic and Paralympic Games, there are a plethora of upcoming significant historic anniversaries with a strong local dimension that will stimulate heritage tourism and boost local economies, such as the centenary of the start of World War One in 2014 and the 800th commemoration of Magna Carta in 2015.
7. Maximising the contribution of heritage to growth depends upon the quality and accessibility of the local historic environment, attracting domestic and overseas visitors and businesses, an appropriately skilled workforce, strong local partnerships, and the

Item 3

right national policy framework that recognises councils' local leadership role in heritage, the economy and planning. The CTS Board agreed a programme of work on the visitor economy at its last meeting, which is vital to this agenda too. There are also strong links to the LGA's work on skills and the Hidden Talents campaign, which is making the case for councils to have a stronger commissioning role in skills to ensure the local workforce matches employers' needs. This is particularly important to the heritage sector which in some places relies upon specialist craft skills and traditional methods of working and construction.

8. The capacity of councils to lead and support heritage, where they choose to prioritise this, is clearly critical to its contribution to growth. Although the majority of the nation's heritage is in private hands, councils have statutory responsibilities in the planning system to protect and conserve heritage and are often the conduit through which communities and schools are engaged. Councils are also custodians of a great many heritage assets in their own right, including town halls, castles, piers, areas of natural beauty, war memorials, and the museums, archives and libraries where people can access, learn from and enjoy heritage.
9. English Heritage has drawn particular attention to the reduction in local authority historic environment staff and concern that heritage assets are more vulnerable as private and public sector capital funding is more limited during tough economic times. Historic environment services, like all councils services, are of course adapting to unprecedented budget pressures, but reductions in staff numbers alone do not tell the whole story as councils are finding more efficient ways of working. The LGA has consistently said that the best way to support heritage in tough financial times is to develop and share new ways of working and support strong local political leadership that positions heritage as central to wider political outcomes, especially economic growth.
10. In 2011/12 the LGA and English Heritage worked with partners to help local historic environment services to adapt and improve. Through the Historic Environment: Local Authority Capacity (HELAC) project, we worked with five councils to identify and share learning widely, with an emphasis on achieving conservation outcomes through reducing processes, bureaucracy and overheads, and working better together in partnership. The project revealed a range of approaches including councils pooling conservation expertise, generating income from conservation skills and a bigger role for volunteers in conservation.
11. English Heritage is keen to build on this by discussing how we can develop the HELAC project to benefit more councils. We are also supporting strong local political leadership and jointly ran a leadership session for over 80 councillors at English Heritage's recent conference for heritage champions.
12. A major tool in enabling councils to maximise the growth potential of heritage is the planning system because it is through this that the historic environment is protected, enhanced and improved in a way that balances local economic, social and environmental needs and ambitions. For places that want to drive growth through heritage, it is essential that councils have the necessary levers to do this.

Item 3

13. The overall heritage content of the national planning policy framework (NPPF) is similar in formulation and intent to PPS5, its predecessor. The LGA strongly supported the aim of the NPPF to simplify the planning process. We secured a number of important amendments, including giving the social and environmental aspects of sustainable development the same weight as the economic, which is particularly important when considering heritage.
14. The NPPF clearly encourages the sector to give strong consideration to the benefit and opportunities of the historic environment. It is expected that local plans include a positive strategy about the conservation and enjoyment of the historic environment, including heritage assets most at risk. Councils are encouraged in their local plan to identify all heritage assets and those most at risk, and to promote new development in ways that will make a positive contribution to character and distinctiveness.
15. The Government is also taking forward a number of simplifications to the system of listed building consent through the Enterprise and Regulatory Reform Bill. These are based upon the Penfold Review of Non-Planning Consents in 2010, which in turn reflects many of the provisions originally featured in the 2008 draft Heritage Protection Bill. In particular there is provision for owners and local planning authorities to make heritage partnership agreements which can give advance consent for minor, routine or repetitive works in managing a group of listed buildings. This will reduce consent applications and reflects a long-standing shared aim of the LGA and English Heritage.
16. It is very early days in terms of the impact of the new planning framework on heritage, but councils are very concerned that the Growth and Infrastructure Bill undermines the localist thrust of the NPPF by proposing sweeping new powers for the Secretary of State to take away decision making from locally and democratically accountable councillors. Of particular note for heritage is councils' serious concern about the environmental impact of a relaxation of planning restrictions on the installation of broadband infrastructure and the potential this relaxation could be extended to cover all telecommunications infrastructure. The LGA is also calling for councils to have the powers to set their own permitted development framework to reflect the fact that local historic environment, among many other factors, varies hugely between places.
17. The Localism Act is the other key tool for councils to support heritage. The heritage sector has a strong tradition of community engagement and in many ways is already the embodiment of what the localism agenda is seeking to achieve. Every year 450,000 people get involved in their local historic environment through volunteering, around five million are members of heritage organisations, and one in six adults has donated to heritage causes. Councils already help to encourage and support this engagement, including by identifying volunteering opportunities, involving communities in developing local heritage lists and supporting civic groups who want to play an active role in supporting heritage assets.
18. The Community right-to-bid in the Localism Act came into force in September 2012 and allows communities to nominate buildings and land that they consider to be of value to the community, to be included on a local authority maintained list. If any of the assets on the register are put up for sale, the community is given a window of opportunity to

Item 3

express an interest in purchasing the asset, and another window of opportunity to bid. This could be a valuable tool, alongside others, which can contribute to the building of a more strategic approach to managing assets with social, economic and environmental objectives in mind. The provision is principally aimed at securing the ongoing community benefit of local shops, pubs, libraries and the like, but these buildings will frequently also be heritage assets, so in this way it will impact upon how heritage is managed locally.

19. The Localism Act also introduced neighbourhood planning. It sets out how communities can get more involved in planning for their areas – specifically around creating plans and policies to guide new development. Of course this is not a new concept and will build on and work alongside tried and tested routes to engage communities in planning. It may well lead residents to identify particular land or buildings that they wish to zone for continuing or future use for specified community purposes, which could include access to and enjoyment of local heritage spaces or assets.

Suggested LGA areas to focus on

20. Supporting councils to use their wider leadership role on the economy to maximise the contribution of heritage to growth and the visitor economy.
- 20.1 Promote and support the role of strong political leadership in embedding heritage across councils and in strategic planning, for example through leadership seminars;
 - 20.2 Continued dialogue between the Chair of the CTS Board and the Chair of English Heritage to maintain a mutual awareness about the key issues facing councils and the heritage sector, to develop shared messages and actions on supporting improvement; and
 - 20.3 Raise awareness of and support councils' role in forthcoming national commemorative events with a strong local dimension.
21. Helping councils to use the new planning policy framework and the Localism Act to give heritage a locally appropriate reflection in the drive for growth and the involvement of communities.
- 21.1 The Planning Advisory Service, part of the LGA, is supporting councils to understand and respond to planning reform through support on plan-making, learning events and online resources. This includes a tool to help councils check their local plans cover key elements of the new national framework, including the local historic environment; and
 - 21.2 The LGA is also supporting councils to implement the Localism Act, and we will ensure that the learning specific to heritage is captured and shared.
22. Supporting councils to develop new and more efficient ways of working to ensure that they continue to preserve, enhance and improve the accessibility of local historic assets.

Item 3

- 22.1 Explore with English Heritage developing the HELAC initiative so that more councils benefit and the learning is shared widely and
 - 22.2 Continue to develop the heritage Knowledge Hub group as a forum for sharing case studies and identifying key issues.
23. Arguing for the removal of national barriers and policies that risk undermining the contribution of heritage to growth.
- 23.1 For example, the Government's proposals to remove planning relaxations on the installation of broadband infrastructure risk six-foot high junction boxes and wires festooning historic streets and conservation areas. Clause 7 of the Growth and Infrastructure Bill (designed to enable the relaxation) potentially opens the way for the removal of all democratic planning control from any telecoms infrastructure with catastrophic consequences for the historic environment, and we are seeking urgent reassurance from Ministers. The real barrier to the rollout is Government's failure to secure state aid clearance.
 - 23.2 The LGA is also in discussions with Keep Britain Tidy about minimising the economic impact of changes to the Blue Flag Scheme, which could see up to 30 seaside towns losing the coveted status due to anomalies in the methodology.

Suggested issues to discuss with English Heritage

24. English Heritage gives councils direct access to a range of expertise, advice and information on all aspects of managing a successful local historic environment, and this is of enormous value to councils. Councils want English Heritage nationally to be a powerful champion for councils' leadership role in heritage and the contribution of heritage to economic growth and the visitor economy. We encourage English Heritage to focus on helping councils to achieve local heritage outcomes in a way that suits local need and reflects the reality of the challenges councils face.
25. In particular, Members may wish to explore with English Heritage:
- 25.1 How best the LGA and English Heritage can work in partnership to share good practice on managing heritage and supporting councillors to lead transformational change of heritage services and position heritage as central to local growth ambitions. This could include:
 - 25.1.1 Building on the 12 November session at the Heritage Champions Conference by offering a series of leadership seminars for councillors in 2012/13;
 - 25.1.2 Developing the HELAC initiative to support another wave of councils who are examining different ways of supporting the local historic environment, and sharing learning widely. We should aim to do this quickly with a focus on identifying and sharing practical learning.

21 November 2012

Item 3

- 25.1.3 Supporting councils to have access to the right information that will help them to target resources and drive improvement by improving the availability of heritage data on LG Inform.
- 25.2 Opportunities to communicate joint messages to local authorities that help both councils and their communities to get the most out of their local heritage assets;
- 25.3 Supporting councils to take forward the heritage provisions of the Enterprise and Regulatory Reform Bill once it achieves Royal Assent and
- 25.4 Joint advocacy to Government and others on the role of councils in heritage and contribution to growth and the visitor economy.

Conclusion and next steps

- 26. Councils want to continue to support their communities and visitors to enjoy and learn from heritage in all its many forms within the context of a local approach to growth. The LGA looks forward to continuing discussions with English Heritage about how we can work together to seek out and share innovation, support strong local political leadership and maximise the contribution of heritage to growth.