

ENGLISH
HERITAGE
CORPORATE
PLAN
2011/2015



ENGLISH HERITAGE

FOREWORD

All human societies have been fascinated by the past, and have told stories about it.

Some of these stories were used to justify the political, moral, religious and social customs of the people who told them. Others were linked to special places in the landscape, and the most special of all have been the remains of structures made by human hands: homes, shrines, tombs and workplaces.

The memories that these stories embody are the foundation of a people's world-picture and the root of many of its passions, preoccupations and beliefs. This was true when they were conveyed by the spoken word, and has remained so as they have passed into the media of print, celluloid and electronic sound. Each society has always appointed certain people as special guardians of these memories: in modern England, English Heritage is the government's national body in whom that trust reposes.

In a complex, liberal, individualistic, modern society like our own, consciousness of the past is even more important than before. When communities were simpler and more cohesive, their historical heritage embodied a single, collective, view of self. Now we need a heritage in which different members of society are able to read different messages, suitable to their particular natures and needs. We need guardians for it who can both preserve it for the future and make it accessible for today, while still embodying a sense of it as a national resource, linking us together.

England's heritage therefore makes a vital contribution to quality of life, but it also provides for one of the necessities. Tourism now represents one of England's fastest-growing and most important industries, and most visitors come here, at least in part, because of our history as embodied in visible remains. For those of us who live here there is ample evidence that a sense of place built on its history and historical landmarks can be the inspiration for successful and distinctive regeneration and cause people to cherish places more powerfully, and behave better in them.

Heritage consists of palaces and piers, statues and shipwrecks, archaeology and archives, moats and mills, stately homes and shopping centres, maisonettes and megaliths. It embodies everything that we are and which we may be, whether it be in public or (as most still is) in private hands. The people of England have reason to value it now more highly than ever before, and need to be confident that there is a national body able to advise and support them in doing so. Such a body must also be relied upon to provide the best available independent expert advice to the government which represents our people.

In carrying out this responsibility we hope to serve a modern nation which can enjoy to the full the emotional satisfaction which humans have always taken in the physical remains of their past, while also gaining the greatest economic and social benefits from them.

Baroness Andrews OBE
Chair

A CHANGING WORLD

We live in a time of rapid change. This, of course, could be said of many ages, but awareness of the changing background of our lives is vitally important.

The state of the UK economy remains a dominating theme and one that is having a significant impact on heritage. On the positive side the growing strength of domestic tourism is giving many heritage attractions a much more secure future. On the negative side continued depression in the property market is making it much harder to rescue the most difficult heritage at risk. There is some evidence too that more buildings are becoming at risk. Where there is development there is a danger, in time of recession, that any development is seen as good development.

Public expenditure cuts are resulting in changes to the balance of expertise in local planning departments and heritage services. National bodies which have an impact on heritage such as English Heritage and Natural England are also suffering significant reductions in resource. There is uncertainty about the future level of public grant available to support heritage projects from former government development funds. There will, however, be more money available through the Heritage Lottery Fund.

As part of its ambition to strengthen and empower the Big Society, Government is looking to reform the planning system including introducing marine planning for the first time. This will involve re-balancing the roles played by national, local and voluntary bodies and the private citizen. As our corporate plan is published the implications of this are not clear but English Heritage and other heritage bodies are likely to need to change the way they work with other organisations particularly at a local level.

Issues of sustainability remain of high popular and political importance and provide opportunities for heritage in the retention and adaptation of existing buildings. However there is still much to be done in arguing for

the effective energy performance of traditional structures. Climate change too continues to affect heritage policy and practice in, for instance, the need to mitigate the adverse effects of coastal erosion and dewatering of archaeological sites.

Finally in 2012 Britain will host the Olympics. This is a huge opportunity to show off to the world our unique heritage and history.

ENGLISH HERITAGE

The context for our work over the next four years will be a real terms reduction in our resources of £51m.

This cut, with those taken by our closest public sector partners, will bring consequences that we currently may not fully understand but for which we must prepare as best we can. With the support of DCMS ministers we have therefore made some important choices about how our services will be delivered over the next four years, retaining, of course, the capacity to respond to changing circumstances. Underpinning these are some important principles.

The majority of England's heritage is in private hands, used and cared for by individuals and their social, religious and commercial enterprises. Owners recognise the benefits their historic assets bring, but are also aware of the liabilities. English Heritage is committed to providing owners with the support they need to help them sustain the heritage value of their properties whilst adapting them to the needs of the twenty-first century.

In England, as in most parts of Europe, local authorities are charged with running the planning system, and more specifically with the protection of heritage, and a new body, the Marine Management Organisation, has been created with responsibility for our territorial seas. It is likely that changes will continue to be made to the way the planning system works, but whatever the effects of this English Heritage will need to continue to support decision-makers in ensuring that the best of England's heritage is protected and sustained.

Central government bodies have a role to play too. Public expenditure reductions have caused those who have responsibility for heritage to look closely at how they work together to eliminate overlap, to clarify responsibilities and ensure

that resources are carefully targeted. In particular English Heritage and the Heritage Lottery Fund have worked closely to realign programmes.

England is also rich in clubs, trusts and societies devoted to its history, heritage and built environment. Some of these have been given special status as statutory consultees in our planning system. In these bodies reside depths of experience and knowledge that enrich society's ability to be able to make sound decisions that affect our historic inheritance. English Heritage will find ways of working even more closely and effectively with these groups over the next few years.

Consultation and research underpinning this corporate plan reveals that people most value English Heritage's expertise and experience. These skills are core to the objectives of the National Heritage Act of 1983 that set us up. English Heritage's conservation and protection activities will therefore remain central to the service we provide. Other than in managerial overhead and administrative cost no reductions will be made to the service English Heritage provides to applicants and local authorities in the planning system.

There are some things that only English Heritage can do. One of these is running the national designation system. The system of listing, scheduling and registration identifies the most important physical remains of our past and ensures their protection for the future. This work will remain a core priority for our resources. Reform of the national system for heritage protection has been a priority for many years. English Heritage is working with DCMS ministers to improve the way the system works to make it less burdensome, less bureaucratic and more transparent.

Lastly, English Heritage is proud to be the custodian of the National Heritage Collection of historic places, the collections they contain and the National Monuments Record (NMR). In 2010 the 420 sites and collections in our care were visited by more than 11 million people and the NMR by another 3.5 million. The enjoyment, education and inspiration of those people is an important part of what we do. But so is the vital work of conserving the sites, collections and archives for the future and to that end we will continue to seek funds for their sustenance and explore innovative ways to make them increasingly self-sufficient.

EVIDENCE

Since 2003 English Heritage has worked with other bodies to gather together information to make the management of England's heritage more effective.

The first of these collaborations produced Heritage Counts, the annual compendium of heritage data founded to reveal and highlight long term trends in the protection and use of heritage assets. The work to produce this will still be funded by English Heritage and will continue to involve our partners to ensure that it focuses on areas of greatest shared need and concern.

In 2008 we set out to transform our long-standing Buildings at Risk programme into a wider and more comprehensive Heritage at Risk survey. The intention was to produce annually a register of the condition of all designated assets so that English Heritage, owners, heritage bodies and local authorities could focus efforts on bringing back into use the most endangered ones. This will remain a key tool in influencing how English Heritage targets its resources.

Now is the time to take the next and vital step. Published concurrently with this corporate plan is the National Heritage Protection Plan (NHPP). No other European country has such a comprehensive plan as this; it identifies, for the first time, gaps in our knowledge about England's heritage and the threats to it so that we can ensure that the nationally significant parts can be first understood and then protected for the future. The plan will determine the future direction of English Heritage's conservation and protection work.

Equally ambitious is the recently completed Asset Management Plan for the National Heritage Collection. This, for the first time, assesses the condition of the 420 sites in our care against consistent conservation criteria to identify the backlog. We now know that 13 years of frozen levels of conservation expenditure has increased the backlog of urgent works to £56m.

PRIORITIES

Over the next four years the first, and over-riding, priority remains to safeguard for the future the most significant remains of our national story.

These are both the great National Heritage Collection in our direct care but also nearly 400,000 buildings, monuments, shipwrecks and landscapes that make up the much wider national collection of designated sites.

Our work will be hugely strengthened by the National Heritage Protection Plan (NHPP). This will prioritise the relative resources we put into new designation, improving existing list descriptions, protecting heritage at risk and the work of understanding the character and history of areas undergoing regeneration and change. We will retain the expertise in-house to undertake this work where necessary but will work increasingly closely with other organisations as either client or partner.

Expertise lies at the heart of our local planning advice. While continuing to invest in developing

our own skills and techniques, a vital part of our work will remain the task of building up the capacity of others. This might be in the use of existing frameworks such as the Conservation Principles and Planning Policy Statement 5 or in new systems devised as part of current planning reform.

Over the next four years the Heritage Lottery Fund will gain an additional £50m for disbursing to its causes. The range of projects funded by the HLF is broader than the remit of English Heritage, but there will be greater resources available. English Heritage will therefore be realigning its grant activities so as not to overlap with the HLF. As a result in future we will focus our grants on

- // Expert advice and emergency repairs to ensure that heritage at risk is not lost;
- // Funding for privately owned heritage at risk;
- // Revenue funding for national heritage organisations; and
- // Developing understanding of issues relevant to heritage at risk through research and technical advice.

Efficiency will be at the forefront of our minds throughout the next four years. Of the £51m cut to our budget we hope to find £18m through efficiencies alone. Reductions in the cost of certain administrative functions, IT facilities and accommodation are particularly important. Some of the changes we will make, like digitisation of information and the creation of new office space out of London, will require short-term investment to yield long term savings.

Revenue generation will be equally important. Over the last few years our commercial turnover has grown by at least 7% a year. This has been due to modest, but vitally important, capital contributions from DCMS. In future we will have to rely on a more mixed economy. We will still receive some capital from government, but will have to raise the remainder from other sources. As long as we can be successful in this we believe investments in sites such as Stonehenge, Kenwood House, Osborne House and Kenilworth Castle will continue to generate significant additional income.

While income generation is vitally important, improving the experience and understanding of visitors and providing educational services is part of our core purpose. Our programme to provide new interpretation at all free sites and to refurbish outdated displays at charged sites will continue. The National Monuments Record will be brought more fully into the mainstream of our public programmes. We will continue to be in the forefront of innovation in the interpretation of historic sites and their collections at sites such as Stonehenge and Dover Castle.

Finally the Asset Management Plan for the National Heritage Collection will lead to smarter procurement and more effective deployment of resources, but a severe cut to our government grant will see a further deterioration in the condition of the National Heritage Collection. It is a primary duty of English Heritage to minimise the effects of this and to argue for core resource to reverse the trend in future years.

BUSINESS PHILOSOPHY

The unique contribution that English Heritage makes to the management of England's heritage is the expertise and experience it has available amongst staff.

The starting point for all our work is understanding. This is why we set such store by evidence, research, investigation, interpretation. From an understanding that is either brought by English Heritage, or by the work of our partners, and that is shared and communicated effectively, comes the ability of society to properly value its physical roots. That value might be encapsulated by formal protection – designation, or more informally by local people acting to safeguard a local landmark. Either way it leads to people acting together to care for our shared heritage.

The act of valuing and caring is enjoyable in itself as evidenced by the millions who spend their leisure time in historical and archaeological clubs and societies and the increasing membership of English Heritage and the National Trust. It leads, however, to even wider enjoyment, not only from those who pay for admission to formal heritage attractions but to everyone who walks down an historic street.

The role of English Heritage is to stimulate a virtuous circle of understanding, valuing, caring and enjoying. Our staff all contribute, in one or more ways, either in the front line or in the back office, to this circle:



To communicate our priorities over the next four years we have grouped our work into four areas under each of the headings in the circle. Each relates to a corporate aim as follows:

01 UNDERSTANDING

Identify and protect our most important heritage

The NHPP, Heritage at Risk and our own Asset Management Plan will guide where we put our resources in this area. These are all available online for scrutiny. We will also continue to improve the heritage protection system and develop new ways to reduce the amount of heritage at risk.

02 VALUING

Champion England's heritage

There are, of course, many champions of our heritage, but English Heritage has special access to government, holds legal and statutory powers and a statutory role in the planning system. We will use these and other resources to promote the value of England's heritage and its sustainable use.

03 CARING

Support owners, local authorities and voluntary organisations to look after England's heritage

English Heritage has a special place in the management of our heritage. We need to continue to help others build their skills and knowledge through training, through grants and through example. We will continue to invest in programmes that build complementary sets of national and local skills.

04 ENJOYING

Help people appreciate and enjoy England's national story

We have a special responsibility to introduce people to the great monuments that we care for on behalf of the nation. The buildings, sites and collections should be a source of local pride and wider enjoyment. We also have a duty to promote active involvement in local heritage and a greater enjoyment of the historic places where people live.

We have also adopted a fifth group of activities and objectives that underpin the four above, these come under the general heading of excellence:

05 EXCELLENCE

Achieve excellence,
openness and efficiency
in all we do

We aim to provide an excellent service to the public in whatever we do and excellent value for money for the taxpayer.

MONEY

The October 2010 Spending Review resulted in a cut of 32% in real terms in English Heritage Grant in Aid revenue funding for the period 2011/12 to 2014/15.

This was on top of the 3% cut to the 2010/11 allocation announced in May 2010. If our spend and activity levels were to remain unchanged, and taking into account inflation, that would give rise to a funding gap of £51m by 2014/15.

The dominating issue for English Heritage's financial strategy is therefore how to address that gap. The strategy broadly focuses on four areas: efficiency savings; growth in commercial contribution; rationalisation including grant reduction; and cuts to services. As much as possible has been taken in efficiencies and commercial growth, but regrettably our grants will be reduced to £18m by year four and some cuts will have to be made to our expert and public services.

These measures include implementation of the two year public sector pay freeze in 2011/12 and 2012/13. The overall breakdown is as follows:

Breakdown of savings



■	Commercial growth	£12m
■	Efficiencies	£18m
■	Service reduction	£8m
■	Rationalisation	£13m
	Total	£51m

The following table summarises the headline budget for English Heritage over the next four years. It also indicates the anticipated changes in staffing levels over the period.

	2011/12	2012/13	2013/14	2014/15
	£m	£m	£m	£m
Income				
Grant in Aid allocation	112.7	100.3	95.0	92.1
Special funding allocation	5.0	-	1.0	-
Commercial income	50.1	54.1	57.9	67.3
Other income	1.0	1.1	1.1	1.2
	168.8	155.5	155.0	160.6
Expenditure				
Pay	68.6	66.7	66.9	67.2
Grants	23.8	18.3	18.3	18.3
Restructuring costs	7.2	0.5	1.1	-
Other operating costs	69.2	70.0	68.7	75.1
	168.8	155.5	155.0	160.6
Staff (full-time equivalents)	1,670	1,640	1,590	1,590

The reduction in staffing is a regrettable but inevitable consequence of the scale of reduction in our Grant in Aid funding. These reductions relate primarily to four areas: a revised Group structure; implementation of reduced winter opening hours with related changes in management structure; a reduction in Heritage Protection capability; and a review of advice and grants functions.

Our structure was reduced from five Groups to four in December 2010. The consequential changes at departmental level will be implemented by summer 2011. The move to a new winter opening timetable, which will be implemented in 2011/12, will result in reductions in both site staff and management structure.

The revision of staffing levels and resources in Heritage Protection will see a reduction in the planned levels of activity from that originally envisaged in the National Heritage Protection Plan. These changes will be implemented during 2011/12. Finally, a review of our advice and grants functions will follow in later years and this will also result in the delivery of related savings.

The forecast cost of these structural changes has been built into our financial projections. DCMS will meet £5m of the cost in 2011/12 and we hope for further assistance of £1m in 2013/14.

The budget profile assumes that budgetary pressures in future years can be managed within the funding available, despite the scale of efficiencies, service reductions and structural changes already planned. Ongoing monitoring and review of budget plans will be a key feature throughout this period. It remains Commission's intention that the impact on core services will be minimised, but given the scale of the funding cuts, this cannot be absolutely guaranteed.

One of the key features of the financial plan is the continued growth in contribution from our commercial activities. By 2014/15, the proportion of income that we generate through trading will have increased from 26% (2010/11 budget) to 42%. A key factor in our commercial success in recent years has been capital investment in the National Heritage Collection. To sustain this, and to deliver the very challenging targets we have set ourselves for further growth over the next four years, continued capital investment is critical.

The centrepiece of our capital programme is the completion of the Stonehenge Environmental Improvements Project. Following a Government review of financial commitments, Treasury announced in June 2010 the withdrawal of the £10m DCMS grant for the Stonehenge project. Therefore a combination of grant from the Heritage Lottery Fund, the use of English Heritage commercial surplus, private fundraising and other measures will now fund the project.

Over the next three years we will also carry out essential refurbishment and repair work to the plant at the National Monuments Record archive building in Swindon which houses twelve million photographs, plans, drawings, reports and publications – one of the largest publicly accessible archives in the UK.

Financing the necessary capital programme over the next four years is very challenging: while we have received ring-fenced funding for the archive building project, our core Grant in Aid capital allocation is being cut by half in the period 2011/12 to 2013/14.

To support other critical capital investment in our sites, we plan to spend some of our historic reserves and increase the contribution from the private sector through the new English Heritage Foundation.

Wrest Park and Dover Wartime Tunnels are two projects that will be completed during this period. Looking ahead, the bulk of the Property Investment Programme will be commercial investments at well-visited sites where even a relatively small increase in visitor numbers will translate into a good return. Smaller annual programmes of investment will be included in each year to cover capital maintenance, security and other infrastructure, small commercial projects and refurbishment and renewal of existing facilities and displays.

STONEHENGE PROJECT	2011/12	2012/13	2013/14	2014/15
	£m	£m	£m	£m
Funding				
EH commercial contribution	0.8	2.0	2.1	0.3
Heritage Lottery Fund	-	9.0	1.0	-
Use of reserves & asset proceeds	-	2.0	1.3	-
Private fundraising and donations	0.5	1.7	2.1	-
	1.3	14.7	6.5	0.3
Spend				
Revenue	0.5	2.1	0.4	-
Capital	0.8	12.6	6.1	0.3
	1.3	14.7	6.5	0.3

CAPITAL PROGRAMME	2011/12	2012/13	2013/14	2014/15
	£m	£m	£m	£m
Funding				
Grant in Aid funding: core	2.1	2.2	2.3	4.9
Grant in Aid funding: archive building	0.9	0.9	0.5	-
Anticipated fundraising	1.4	4.0	2.4	1.6
Disposal of surplus assets	-	1.0	1.0	1.0
Use of reserves	3.0	0.3	1.2	-
	7.4	8.4	7.4	7.5
Spend				
Archive building	0.9	0.9	0.5	-
Wrest Park	2.2	0.1	-	-
Dover Wartime Tunnels	0.3	-	-	-
Property Investment Programme	3.0	6.6	6.1	6.5
IT, office and equipment spend	1.0	0.8	0.8	1.0
	7.4	8.4	7.4	7.5

The funding arrangements for the Stonehenge project and for the remainder of our capital programme are shown in the table on the preceding page. Other than for Stonehenge, the use of reserves and asset disposal proceeds are provisional figures which remain subject to approval by DCMS.

ACHIEVING OUR AIMS

The success of English Heritage is judged every day by thousands of people who use our services.

We are judged on the relevance and clarity of our planning advice, on the knowledge and helpfulness of our expert staff, on our customer service, on value for money to members and much more. However there are some particular areas in which we must have success if we are to effectively champion England's heritage over the next four years.

First, in this time of change, we want to ensure that reforms to the planning system continue to provide the same levels of protection for heritage. As decisions are pushed down to a more local level we want to play a positive role in empowering communities to better understand and value their heritage by providing significantly more of our services free online and through our support for other heritage organisations. At the same time we believe that the role heritage plays in the planning system can be streamlined and improved and so

we will work closely with DCMS and DCLG to see the enactment of as many of the core aims of heritage protection reform as possible.

Secondly, we are already seeing heritage at risk increasing in some areas, especially places that have been at risk for a long time and which require significant subsidy to enable the market to find solutions. Over the last few years we have become more effective at measuring and analysing the causes behind risk. We have also made progress in understanding how to prevent heritage falling into risk and in finding ways of rescuing vulnerable places. However, solving heritage at risk problems is particularly challenging in the current economic climate; we need to find new partnerships with public and private funders, charities and local groups to help reduce the amount of heritage at risk in a measurable way.

Third, crucially important, will be our actions to manage our financial position. As a result of our efficiency programme we want to be able to demonstrate that we continue to provide an outstanding service to the public at a cost to the taxpayer that is significantly less than in 2010. Aided by our capital investment programme, by 2014/15 we want to have increased our self-generated surplus by £11.5m, and have significantly enhanced the experience of visiting the nation's collection of historic places. We will have increased those receiving membership benefits to 1.2m.

Finally, we want to secure increased access to the great National Heritage Collection in our care. We want to make the National Monuments Record a more widely appreciated resource, doubling the number of users, and to hugely increase the contribution that the sites, collections and archives in our care make to the understanding of our national story. And we really must have successfully achieved the Stonehenge Environmental Improvements Project.

Our heritage is not about the past, it is a living part of what it means to live in England today. By helping people to nurture their historic environment English Heritage will play its role in making the quality of life better whether that be through caring for the National Heritage Collection or helping to identify, protect and enhance special historic places where we all live, work and play.

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English Heritage was established by the National Heritage Act 1983.

Our purpose is to:

- // secure the preservation of ancient monuments and historic buildings;
- // promote the preservation and enhancement of the character of appearance of conservation areas; and
- // promote the public's enjoyment of, and advance their knowledge of, ancient monuments and buildings.

What we do:

- // advise government on which parts of our heritage are nationally important, and promote the importance of heritage in making places distinctive and valued;
- // advise local authorities on managing changes to the most important parts of our heritage;

// provide grants to reduce the amount of our heritage at risk;

// educate and entertain the public through our 400 sites and properties, through events and publications and through Heritage Open Days; and

// pass on our expertise through interpretation at our sites, training and guidance for people working in heritage, practical conservation advice and by providing access to our resources.

We are sponsored by the Department for Culture, Media and Sport, which has overall responsibility for heritage policy in England and from whom we receive around 65% of our funding. We also work closely with the Department for Environment, Food and Rural Affairs and with the Department for Communities and Local Government.

