

A PROSPECTUS FOR GROWTH

The Historic Environment in the East of England

English Heritage provides expertise on the historic environment in the East of England, acting as the government's statutory planning advisor. We also chair the East of England Historic Environment Forum (HEF), a key group of the region's private heritage tourism businesses, principal heritage funders, and public sector advisers. In fact, HEF members invest millions of pounds in our heritage annually in this region.

The historic environment is an important part of the creation of sustainable growth. The term 'historic environment' refers to some of the things that make the East of England distinctive, vibrant, and economically successful: historic buildings, monuments, landscapes and gardens, and historic places (suburbs, villages, market squares, townscapes and city centres). We have a wealth of historic places – including one of the world's top universities, the international home of horse racing, the

location for some of the leading domestic brewers, as well as being the British home of cinema. These parts of our past, and our future, are quite an economic asset.

We believe this is crucial to the future economic success of the East of England and we want to see this outstanding resource realise its full economic potential. It is now well established that heritage is not simply an addition to a healthy economy, but it is a major driver of economic growth and a source of employment. This Prospectus provides evidence from research into retail, infrastructure, housing, tourism, places and skills that shows:

- 1 Heritage is already a **key economic driver**
- 2 Heritage can help our economy grow **faster** – and in a sustainable way
- 3 Heritage is **not** a barrier to growth

INVESTMENT FOR GROWTH

Built infrastructure to support economic growth is essential. There is evidence that businesses based in listed buildings are highly productive, making an estimated annual contribution to UK GDP of £47 billion and employing 1.4 million people, 3.5% of the UK GVA¹. In some places, it has been found that a commercial business based in a historic building generates more wealth than is the average for all commercial businesses across the UK, at £380k GVA per annum. The 'heritage premium' for businesses in listed buildings – additional GVA over non-listed premises – is £13k per year².

Locating a business in historic premises and areas is a sound investment. It has been shown that commercial investments in listed buildings yield a higher return than unlisted commercial properties over three, five, ten and 30-year time periods³. In 2012 the London School of Economics reviewed over 1 million property transactions from the Nationwide Building Society in over 8,000 English historic conservation areas. The evidence

Independent and premium brand shops on Trinity Street, Cambridge © Natalie Gates.



Foundress Court, Pembroke College, Cambridge – a carefully crafted contemporary intervention within the historic core of the city © David Grech.

showed that prices in conservation areas are growing faster than those outside of conservation areas – a trend that was maintained through the recession. When adjusted for other factors, the premium for houses in a conservation area is 9%. In fact, there is still a 4% premium even when that conservation area has been identified as being at risk and there is also a premium to live next to a conservation area⁴.

Research has shown that retail areas in well-maintained listed buildings attract more independent and premium brands and can command higher rental values⁵. But all types of retail operations benefit from being in centres defined by a distinctive historic character, as this plays a crucial role in creating an attractive setting for retailing and reinforcing competitive advantage⁶. Local examples of the successful integration of large-scale development with existing historic retail areas are the Arc in Bury St Edmunds and Chapelfields in Norwich. Smaller interventions at key strategic sites include the redevelopment of Bradwell's Court shopping arcade in Cambridge and creating good public spaces to integrate old and new shopping areas in the centre of Peterborough⁷. Retail outlets also form part of the Tibby's Triangle development in Southwold for Adnams Brewers and in the new station gateway in Cambridge⁸ which both have wider commercial benefits in other sectors.

Investing in historic places attracts employees, businesses and generates spending. One in four businesses surveyed for the Amion-Locum report into historic environment regeneration agreed that a historic location is an important factor in deciding where to establish a business, the same as for road access⁹. The survey also found that for 68% of people working in a historic location is important, and for 74% it's important to live in a historic place. People spend more in the local economy after investment in historic places, and businesses experience an increase in turnover. It was shown that for every £1 invested in the historic environment directly it generates an additional £1.60 in the local economy over a ten year period¹⁰.

The Arc Shopping Centre on the former cattle market, Bury St Edmunds © Steve Cole, English Heritage.





CONSTRUCTION FOR GROWTH

Historic places make a good place to do business. The East of England is competing in a global market to attract new talent, businesses and investment. We advocate investing in the historic environment – historic buildings and places – to maintain our competitive advantage in a sustainable way. The adaptive reuse of historic buildings makes sense with our finite resources. Embodied energy is far more important in the lifetime carbon cost of a building¹¹ and repairing

a 200 year old window is far superior to replacing it with one with an anticipated life of 20-30 years¹².

The repair and maintenance of existing buildings accounts for over a quarter of the region's construction industry, or £985m of construction in the East of England in 2012¹³. A significant part of this output is on the 5.5 million traditionally (pre-1919) constructed buildings in England. £3.8 billion was spent on pre-1919 buildings in 2012 with £2.1 billion being work using traditional materials (up from £1.6 billion in 2008)¹⁴.



St George's Theatre in Great Yarmouth showing original and replacement fine scroll brackets, a failing stone lintel repaired in situ, and new and original brickwork © David Grech.

This generates opportunities to improve skills in the mainstream construction specialist trades and it encourages new trainees in the use of traditional construction techniques. The region is a recognised world leader in the 'knowledge economy'. Here we develop energy efficient solutions suitable for older buildings. Specialist low carbon products and services for the historic environment, which is a growing market¹⁵, ensure historic buildings remain energy efficient and, where appropriate, are retrofitted sensitively.



The grade II* former Naval Hospital at Great Yarmouth which has been converted into apartments and houses © David Grech.



A repaired door at Finchingfield Guildhall clearly showing original and new oak. © David Grech.

HERITAGE TOURISM FOR GROWTH

Heritage tourism is shown to be big business. New research shows that it is worth £26.4bn to the UK economy and employs over 742,000 people¹⁶. Travel and tourism GDP growth in 2013 for the UK is 4.3%, much higher than the European combined figure of 0.9%¹⁷. Cultural heritage tourism drives much of this growth globally¹⁸. High-earning, high-spending visitors seek authenticity, quality and learning opportunities, and our diverse historic environment can help the East of England take full advantage of this growing market. To capitalise on it, we advocate careful local investment in order to develop the higher value goods and services that are in demand:

- Investing in authentic experiences, and in choice and quality ('destinations of distinction') ensure that heritage attractions, heritage infrastructure and the historic places are repaired, enhanced and maintained, particularly in emerging or underperforming visitor destinations.
- Unlocking development potential in existing historic visitor attractions, for example, adapting historic structures for commercial uses, or providing new access or interpretation.

- Developing new markets, products and experiences in heritage tourism, especially related to learning activities.
- Developing digital technologies for heritage tourism businesses and attractions to sustain their competitiveness and resilience. Smaller heritage tourism attractions are slow in the use of ICT and this should be a priority¹⁹.



Southwold, with its varied offer, is a heritage 'destination of distinction' © English Heritage.

HERITAGE IS NOT A BARRIER TO GROWTH

The historic environment is a shared resource and the economic potential we have outlined can benefit everyone. In order to achieve this, historic assets must be capable of change and adaptation.

- English Heritage advocates an approach called 'constructive conservation' and the National Trust one of 'creative restoration'. Both reflect an ethos in which development in historic assets balances the sometimes conflicting aspects of historic significance and commercial growth.
- The sector welcomes the heritage reforms in the Enterprise and Regulatory Reform Act which will provide greater clarity and certainty for developers and investors.
- English Heritage has a formal role within the planning process to provide high quality, constructive and timely expertise to deliver sustainable development in an efficient way.

WE ARE EASY TO DO BUSINESS WITH

We would be pleased to discuss the role of heritage in your plans for growth further, and to explore potential joint opportunities with the sector. As the government's advisers, we can work with you and your delivery partners on:

- Investment 'hooks' for development using heritage,
- Establishing specific priorities for the historic environment in your area,
- Early identification of heritage considerations in proposed developments,
- Approaches to reusing historic assets to economic advantage, and
- Supporting your local priorities as members of themed sector groups for example in retail in historic centres, heritage tourism in urban and rural areas, or construction skills.

- ¹ Colliers International and Oxford Economics (2012) New Ideas Need Old Buildings http://www.hlf.org.uk/aboutus/howwework/Documents/NIOB_2013.pdf
- ² Ibid p.8
- ³ Colliers International (2011), Encouraging Investment in Heritage at Risk: the Investment Performance of Listed Buildings, <http://www.english-heritage.org.uk/content/imported-docs/a-e/encouraging-investment-industrial-heritage-at-risk-investment-performance.pdf> p.4
- ⁴ London School of Economics (2012), <http://www.english-heritage.org.uk/content/imported-docs/a-e/assessment-ca-value.pdf>
- ⁵ Amion-Locum (2010), The Impact of Historic Environment Regeneration, <http://heritagecounts.org.uk/Previous-Reports/HCEconomic-Impact/>
- ⁶ Allies & Morrison Urban Practitioners / Strutt & Parker / English Heritage / Historic Towns Forum (2013), The Changing Face of the High Street: Decline and Revival, <http://www.english-heritage.org.uk/publications/changing-face-high-street-decline-revival/>
- ⁷ English Heritage (2011), Valuing Places: Good Practice in Conservation Areas, <http://www.english-heritage.org.uk/publications/valuing-places/>
- ⁸ English Heritage (2013) Constructive Conservation: Sustainable Growth for Historic Places <http://www.english-heritage.org.uk/publications/constructive-conservation-sustainable-growth-historic-places/>
- ⁹ Amion-Locum (2010), The Impact of Historic Environment Regeneration, <http://heritagecounts.org.uk/Previous-Reports/HCEconomic-Impact/> p.73
- ¹⁰ Ibid.
- ¹¹ EHA (2008), New Tricks with Old Bricks, <http://www.emptyhomes.com/what-you-can-do-2/resources/environment-and-energy/>
- ¹² English Heritage (2011), Energy Efficiency and Historic Buildings, <http://www.english-heritage.org.uk/publications/energy-efficiency-historic-buildings-pt1/eehb-part1.pdf> p.4
- ¹³ Office for National Statistics (2013), Output in the Construction Industry, August 2013, <http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcn%3A77-303605>
- ¹⁴ CITB, Historic Scotland, English Heritage (2013), Skills Needs Analysis 2013, <http://hc.english-heritage.org.uk/content/pub/2013/skills-needs-analysis-2013-repair-maintenance-energy-efficiency-retrofit.pdf> p.9
- ¹⁵ Work Foundation (2010), Heritage in the 2020 Knowledge Economy, http://www.hlf.org.uk/aboutus/howwework/Documents/Heritage_2020KnowledgeEconomy.pdf pp.39-43
- ¹⁶ Oxford Economics (2013), Economic Impact of the UK Heritage Tourism Economy 2013
- ¹⁷ World Travel and Tourism Council (2013), Economic Impact of Travel & Tourism Mid-Year Update October 2013 http://www.wttc.org/site_media/uploads/downloads/Mid_Year_Update_2013_V2.pdf p.4
- ¹⁸ European Travel Commission (2012), European Tourism 2011 – Trends and Prospects http://dtxq4w60xqpw.cloudfront.net/sites/all/files/pdf/european_cm_q1_2011.pdf
- ¹⁹ VisitEngland (2011), Visitor Attraction Trends in England <http://www.tourismsoutheast.com/assets/downloads/Attraction%20Trends%20in%20England%20Full%20Report2011.pdf> p.41

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ENGLISH HERITAGE