

Building a Heritage-Led Recovery



For our world-famous historic houses, castles and gardens, 2020 was a year like no other. The coronavirus pandemic has devastated our heritage tourism industry – causing severe damage to the fragile rural economies that depend on historic house visitor attractions, businesses and events venues. Turnover has halved, visitor numbers have reduced by 75 per cent, and thousands of jobs have been lost.

Government support measures such as the Culture Recovery Fund and a VAT reduction have provided temporary reprieve and given many historic house businesses a fighting chance of survival. But not all have been able to benefit, and we now need Government support to stretch further if these irreplaceable historic places are to survive and contribute to our national recovery. We propose targeted policies that not only provide our heritage attractions and regional economies with the short-term boost they need, but also put them on a more secure and resilient footing for when visitor numbers can return to pre-2020 levels and restrictions on weddings and events can be lifted.

In normal times, our 1,500 member houses welcome nearly 27 million visitors each year, support 34,700 FTE jobs in all parts of the country and generate £1 billion for the economy. 2021 is the time to kickstart a heritage-led recovery for rural economies that boosts tourism, protects jobs and training placements, and levels-up cultural and wellbeing opportunities across all regions of the country.

OUR RECOMMENDATIONS

1. Protect heritage from unintended consequences
2. Cut red tape to kickstart rural employment
3. Use VAT changes to unlock heritage repairs spend
4. Provide dedicated support for struggling weddings businesses
5. Stimulate investment in repair projects at heritage attractions
6. Support jobs by lifting the cap on Sideways Loss Relief



OUR RECOMMENDATIONS

Protect heritage from unintended consequences

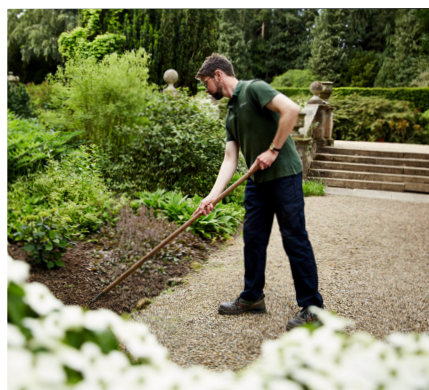
The survival of our country's world-famous heritage sector relies on a supportive fiscal and regulatory framework. Changes in the fiscal framework in particular can have a devastating impact on fragile historic houses, and can make the difference between a viable visitor attraction and an insolvent business forced to close its doors. Government should ensure it considers the potential impact on fragile heritage – and consults with the sector – when considering changes to the fiscal framework.

Cut red tape to kickstart rural employment

Targeted regulatory reform has the potential to boost rural economies and deliver growth for heritage businesses by enabling them to diversify. Fast-tracking the Law Commission's proposals to enable weddings and other licensed events to take place in a greater variety of outdoor spaces would facilitate enterprise. If delivered quickly, measures such as these could enable couples to plan outdoor weddings for the 2021 wedding season, thereby fuelling rural job creation and supply chain activity. So too would fast-tracking heritage-related planning reform, such as the reform of listed building controls.

Use VAT changes to unlock heritage repairs spend

Government should catalyse economic recovery in the countryside by reforming the way VAT works. The reduction of VAT on attractions businesses has had an enormously beneficial impact on the tourism sector, and should continue; to further support the heritage sector, VAT on the repair and maintenance of listed buildings should be reduced to 5%, with a view to setting a 0% rate when it becomes possible to do so. This would give the tens of thousands of rural businesses based in historic buildings the extra cash and confidence they need to get on top of repair and maintenance backlogs, bring back staff, invest in their businesses and generate supply chain work and economic vitality for rural Britain.





OUR RECOMMENDATIONS

Dedicated support for weddings businesses

Historic house wedding venues have been hit particularly badly by the pandemic, as persistent restrictions on weddings have increased the likelihood of job losses, business failures, and insolvencies. Without targeted funding, hundreds of historic venues face collapse, despite huge demand for future bookings. If Government were to deploy targeted measures to support devastated historic house weddings businesses, they would be able to begin re-employing local people, supporting local supply chains, and preparing to welcome tens of thousands of wedding guests safely through their doors.



Image: Natalie J Weddings

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Stimulate investment in repair projects at heritage attractions

Reducing the income tax levied on Heritage Maintenance Funds, from 45% to 20%, would stimulate private sector investment in repair projects at heritage tourism sites. This targeted change would provide a net benefit to rural economies of £85.5 million by 2023, open up more heritage to the public, and allow historic houses to improve their sustainability and support the government's "build back greener" agenda.

Support jobs by lifting the cap on Sideways Loss Relief

By lifting the cap on Sideways Loss Relief at rural estates open to the public, heritage attractions could offset the significant losses made in this tax year, helping to support rural jobs and regional economies.

Now is the time to kickstart a heritage-led recovery to support people, places and prosperity in all our communities.