



Historic England

Consultation response to Draft London Economic Development Strategy



Economic Development Strategy Consultation
Greater London Authority
City Hall
The Queen's Walk
London SE1 2AA

By email: economy-strategy@london.gov.uk

13 March 2018

Dear Sir/Madam

Mayor's Economic Development Strategy for London Consultation

Thank you for the opportunity to comment on the above consultation draft. As the Government's statutory adviser for the historic environment, Historic England is keen to ensure that the role of heritage and its contribution to economic development in London is properly recognised and reflected in the final Strategy.

London is the economic engine of the country, and its continuing growth is important for us all, both within the city and across England as the Strategy itself points out. At the same time, London's heritage provides it with its unique character (we have the highest density of listed buildings nationally with 12.1 listed buildings per square kilometre as opposed to 2.9 nationally) and makes a major contribution to the quality of urban life in the city, helping to attract workers, businesses and visitors. Whether it is historic buildings, monuments, public spaces, townscapes, parks, gardens or famous views of the River Thames and its historic bridges, heritage is a key factor in the city's ongoing success. It is, in short, a major component of London's brand identity. We are pleased that this has been reflected in policy GG5 in the draft London Plan, which focuses on London's economic growth and makes explicit reference to heritage.

London cannot afford to ignore its heritage when planning for future development, economic prosperity and growth. The breadth and range of London's historic environment, from its four World Heritage Sites through to over one thousand conservation areas mean that its contribution to the city's economic prosperity is broader and deeper than simply providing a backdrop to business and economic activity. Heritage is also an important sector within the city's economy, driving growth and creating jobs while also underpinning London's tourism offer. The historic environment sector contributed £5.9bn in Gross Value Added (GVA) to London's economy in 2014¹ - equivalent to 1.6% of total GVA in London - while it also directly

¹ Ortus (2017) Heritage Economic Indicator Workbook

employed almost 31,000 people. Further, repair and maintenance of historic buildings in London directly generated £2.8bn in heritage-related construction sector output in 2016, which is equivalent to 8.5% of total annual construction output in the city. As is also demonstrated in answers to specific consultation questions below, heritage is also hugely important in drawing visitors to London and supporting the tourism economy. On top of these factors, it remains clear that people care deeply about their local historic environment and how it is managed – 95% of people surveyed in a DCMS research project agreed that it is important that historic buildings and places are well looked after².

We welcome the focus on the historic environment within the draft London Plan and support the Mayor's intentions in this regard, as set out in our recent response to that consultation. To enable the continued growth envisaged in both the Plan and the draft Economic Development Strategy, we strongly believe that an approach to growth that anticipates and addresses the resultant development pressures that are likely to come to bear on the historic environment is required. A GLA Heritage Strategy supplementary planning guidance document would in our opinion enable this.

Our response to this consultation therefore seeks to ensure that Economic Development Strategy reflects the multi-faceted contribution of heritage to London's economic well-being. Our key messages are that the historic environment in London is

- a significant employment sector
- an important contributor to the city's continued economic vitality
- a key driver for international and domestic tourism
- good for business, social integration, health and quality of life
- a GLA-led Heritage Strategy for London would produce significant benefits in ensuring the contribution of the historic environment to economic development

We do not wish to respond to all of the consultation questions, but our responses to specific questions below are therefore made in this context.

Q1. Do you agree with the Mayor's vision to create a fairer, more inclusive economy?

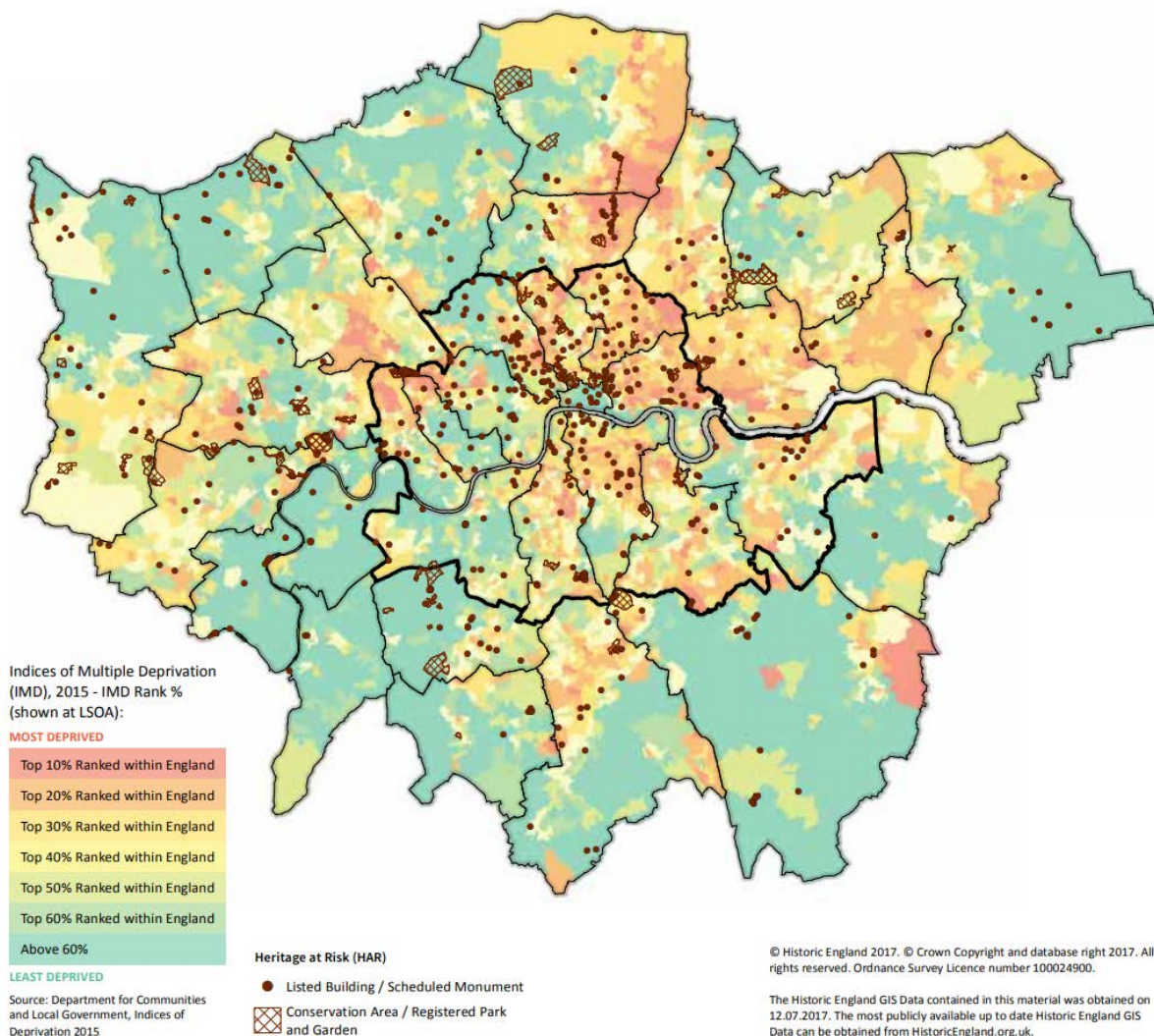
We believe the historic environment has the potential to make a contribution to regeneration in less wealthy areas of London. Recent analysis undertaken for Historic England has looked at the potential for sites and monuments on the [Heritage at Risk](#)³ register to contribute to wider regeneration initiatives across London. This research has demonstrated that while investing in these vulnerable heritage assets remains a challenging process, successful projects can achieve results across economic, environmental and social objectives. The case

² DCMS 2015 *Taking Part Survey 2014/15*

³ The Heritage at Risk programme identifies those heritage assets most at risk of being lost through neglect, decay or inappropriate development

studies included in our report

(<https://content.historicengland.org.uk/content/docs/har/investing-in-heritage-at-risk-case-studies.pdf>) represent excellent examples of Good Growth, while also showing notable overlap between Heritage at Risk and the areas of greatest deprivation across London. We therefore know that there is therefore a significant degree of untapped regeneration potential in relation to such projects in areas of the capital in greatest need of it. We would be very pleased to discuss with the GLA the potential for better targeted initiatives in support of Heritage at Risk that could be designed to support wider economic development objectives.



Source: Historic England 2018 *Risky Business? Investing in Heritage at Risk*

We note the proposal in section 3.6 to encourage and foster citizen-led initiatives across London to help shape and guide projects to support the regeneration of neighbourhoods and town centres. We welcome this idea, not least because of its potential to take advantage of the commitment of local communities to their local historic environment and the benefits

that engaging them in this way achieve. As well as offering opportunities to ensure that regeneration projects respond to and conserve what Londoners value about their local historic environment, there are clear benefits to be gained in terms of social cohesion and well-being for those involved. Research on behalf of the Heritage Lottery Fund (HLF) has demonstrated that engagement with the historic environment can stimulate levels of both happiness and wellbeing⁴, while other research has found that engagement with creative and cultural activities (including heritage) makes a significant contribution to individual wellbeing in comparison to other factors. As well as health and wellbeing outcomes clearly having beneficial impacts on economic development and productivity in the longer term (both in relation to individuals and the wider community), further research has also demonstrated that visits to heritage sites can have an annual notional benefit of over £1,600 a year.

We would be pleased to discuss the principles behind any programme intended to support citizen-led initiatives, as well as offer advice on any criteria that may be in development to help guide decisions about funding and priorities.

Q4. *What more could the Mayor do to achieve his economic fairness goals?*

We have set out above some headline figures on the economic contribution of the historic environment and evidence relating to the link between investment in Heritage at Risk and potential wider impacts in London's more deprived areas. There is a significant body of evidence that demonstrates the wider effects of heritage-led regeneration projects – for example, a return of £1.60 on additional economic activity over a ten year period against every £1 of public expenditure or that public investment in refurbishing historic buildings and public spaces encourages people to spend more in their local economy⁵.

Heritage is also important in terms of commercial activity found in historic buildings and areas. One in four businesses surveyed agreed that the historic environment is an important factor in deciding where to locate, while across the UK around 138,000 businesses are located in a historic building⁶. The creative industries have been among the fastest-growing sectors for a number of years, and this growth is strongly linked to historic buildings which offer less risk through lower costs, flexible work spaces and distinctive character. Creative and cultural industries are much more likely to be located in a listed building than other sectors, while a very high proportion of creative industry businesses based in historic buildings are start-ups. All of these figures demonstrate the important 'supply-chain' role that heritage plays in supporting these growing sectors of the economy, and reinforces the need for the Mayor and the GLA to play a leading role in encouraging the London boroughs to place the historic environment at the forefront of their local plans and growth strategies.

⁴ BOP Consulting 2011 *Assessment of the Social Impact of Volunteering in HLF Projects*

⁵ Amion and Locum Consulting 2010 *Impact of Historic Environment Regeneration*

⁶ HLF 2013 *New Ideas Need Old Buildings*

We therefore recommend that the Strategy contain a commitment on the part of the GLA to have sufficient in-house historic environment expertise that will enable this approach to be taken forward. This could be further supplemented by moves to ensure that both the GLA and the London boroughs actively seek opportunities to identify opportunities for investment in Heritage at Risk and work towards achieving successful outcomes.

The historic environment is also a key driver behind London's tourism economy: heritage tourism contributes over £13.4bn in spending by domestic and international visitors in 2015, generated via 1.9m heritage-related domestic overnight trips, 36.7m domestic day trips and 8.8m international visits. 52% of all international heritage visits to the UK are to London only – a factor that means that heritage visitors to London spend more per visitor than the national average (heritage tourism to London accounts for 43% of national heritage tourism spend but only 23% of visitors).

These are substantial figures and represent a significant element of the overall tourism economy in London. We recommend that activities that flow out of the draft Strategy and the related [Tourism Vision for London](#) should reflect this – this could include heritage representation in governance structures for London tourism.

We would also stress here that further important links should be made with the Tourism Vision published in August 2017. The Vision includes aspirations to ensure that more visitors to London are encouraged to venture beyond the Central Activities Zone, and we strongly support its recommendation that the tourism sector do all in its power to ensure visitors see more of London as part of their stay. We believe the historic environment and individual heritage assets should play a prominent role in moves to achieve this. Whether it is the World Heritage Sites at Greenwich and Kew, museum or cultural attractions such as Kenwood House or Dulwich Picture Gallery, parks such as at Crystal Palace, the medieval Great Barn at Harmondsworth or simply characterful and historic town centres like Hampstead or Blackheath, the historic environment can be a powerful attractor in drawing visitors out beyond central London.

We recommend that this potential is stressed in the final version of the Strategy, and that the GLA works closely with London & Partners and Historic England to ensure that the historic environment plays an appropriate and effective role within the Tourism Vision. Work on promotional material and potential itineraries for visitors would benefit from the foregrounding of these kind of attractions.

Q6. How should the Mayor work with partners (businesses, universities, Londoners, communities, local authorities, other public sector bodies, UK and international cities) to make London the most innovative global city?

Historic England notes the multiple and inter-related strategies that the Mayor and GLA have consulted on over recent months. This makes clear that ensuring London's future development and economic prosperity will continue to rely on the Mayor and GLA working with the broadest possible range of partners to address relevant issues. Historic England looks forward to further developing our already close and positive working relationship with colleagues at the GLA. As set out in our response to the London Plan, we believe that working with partners across the historic environment sector and beyond to produce a Heritage Strategy will help support all involved in designing and delivering heritage-led regeneration that reflects Good Growth principles.

Q8. What should the Mayor focus on to strengthen London's attractiveness on the international stage?

Historic England considers that the competitive advantage offered by the city's heritage should form a key component of any international marketing strategy – we welcome the identification of such in the draft Economic Development Strategy and the London Plan. It is clearly a well-recognised and established part of London's brand and should continue to play a prominent role in future campaigns and strategies. Nevertheless, for this to be effective in the short, medium and long-terms it requires a proactive approach to ensure the management of the historic environment retains London's distinctiveness. The Mayor has a key role to play through the London Plan and critically in planning decisions to avoid the gradual erosion of heritage significance and character, and thus the cornerstone of the city's distinctiveness. The issues associated with this can be seen with the Westminster World Heritage Site mission report.

Q11. How can we best manage the intensification of residential and employment uses in town centres and along high streets whilst ensuring that they continue to serve existing as well as new communities, and retain their character?

We very much welcome the focus on local character as a specific objective within the aspiration to revitalise London's town centres and high streets. The fundamental purpose of these areas, as well as the land uses found within them, continues to undergo structural change which in turn brings with it pressure on local character and in many cases heritage significance. The specialness of the many historic town centres across the city, such as Whitechapel, Soho or Clapham, is potentially at risk as part of wider demographic, social and retail trend if it is not understood and then actively engaged with and used to inspire successful new development.

Many of London's town centres and high streets are designated as conservation areas as well as containing significant numbers of listed buildings – we strongly support an approach from the Mayor and GLA that makes clear that while new investment and development is crucial in sustaining such areas (and we acknowledge that intensification of uses may be the most

appropriate way of doing this), it should be undertaken in a contextual way and with a full prior understanding of local significance and how any effects on this can be avoided. The Mayor, GLA and all London planning authorities therefore need to ensure they have an adequate, up to date and proportionate evidence base with regard to the heritage significance of historic town centres and high streets that are subject to future intensification of uses. Up to date conservation area appraisals and management plans, characterisation exercises and accurate archaeological priority area information are some of the ways that this position of understanding can be created.

In conclusion, we would stress the multi-faceted contribution of heritage to various sectors within the London economy and the need for a proactive approach to ensure this continues.

I trust these comments are helpful. We would be very pleased to discuss these points further in person and for you to use any of the material directly, but please do not hesitate to contact me should you require any further information in the meantime.

Yours faithfully



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Cover image: Former Wallis department store tea room, with murals of famous opera scenes, now an IT department for the Arcadia Group, Oxford Circus, Westminster, Greater London © Historic England