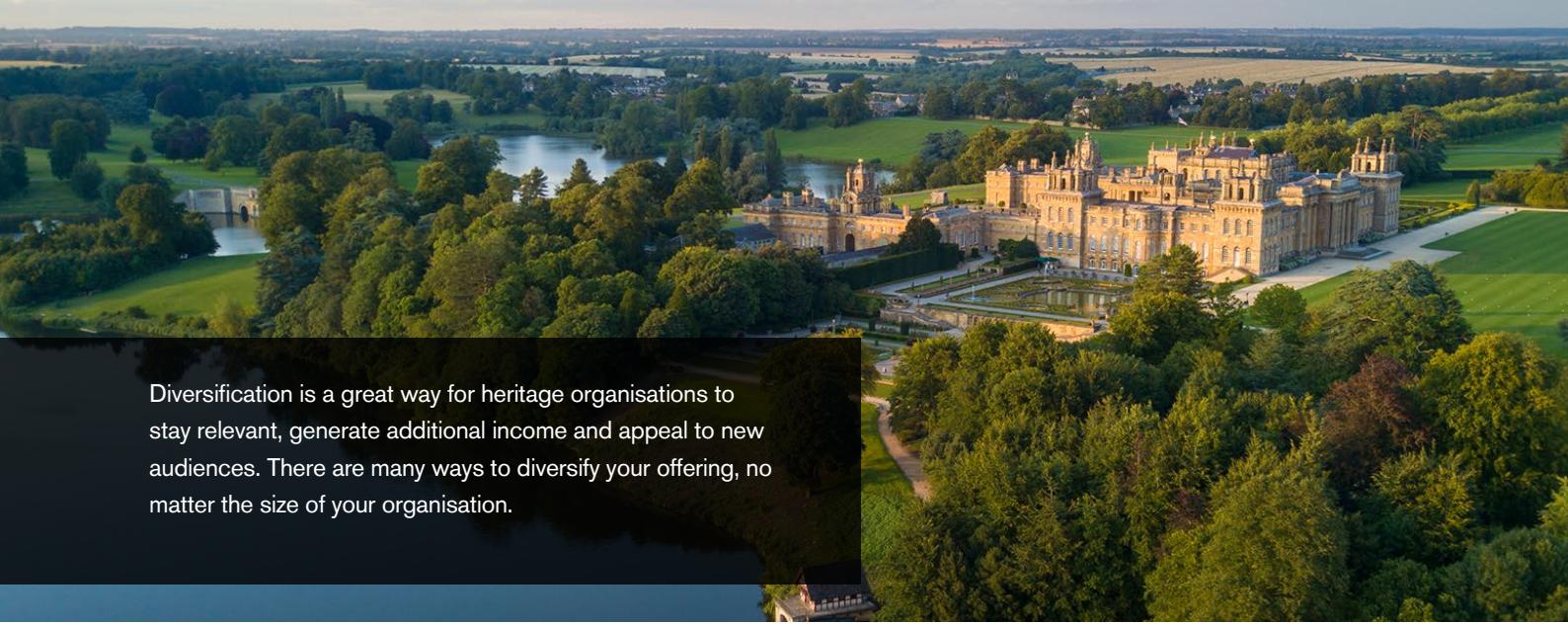


Diversification



Diversification is a great way for heritage organisations to stay relevant, generate additional income and appeal to new audiences. There are many ways to diversify your offering, no matter the size of your organisation.

Blenheim is a large landed estate and World Heritage Site in the heart of Oxfordshire. It is a diverse business, generating its income to preserve and conserve the Palace and Estate for future generations to enjoy through a range of commercial activities that include a visitor business, property development, hospitality and farming. Its vision is to be the lifeblood of the local economy, ensuring its communities flourish and thrive alongside it.

Why diversify?

Growing maintenance costs, funding and reputational risks are all concerns for the heritage sector¹. Finding ways to increase revenue, remain relevant to the market, broaden appeal to a wider audience or increase footfall can ultimately help to support a positive reputation and assist in meeting maintenance costs.

Diversification doesn't have to be complex and it seems more organisations are taking the opportunity to tap into new income streams. In a recent survey, we found 37% of heritage organisations and building owners have diversified and over three quarters have found it successful¹.

Opportunities to diversify?

There are many options for diversification, small or large, temporary or long-term, depending on your appetite for new visitors and the funds you have to back the project. If you are considering exploring new avenues for the first time, perhaps one of the following examples will inspire you.

- **Cater for school visits** - there are over 1.6million school visits to historic properties each year². These visits help to generate interest in heritage properties among a younger audience and inspire future

generations of people with heritage skills. There is support from organisations such as the Heritage Lottery Fund through programmes like '[Young Roots](#)' which encourages projects that see a collaboration between young people and heritage.

- **One-off tourism / heritage festivals** - heritage is one of the UK's 12 unique selling points and visits generate billions for the economy³. Heritage Counts found that 86% of visitors said they visited a local site to support their local heritage². One-off events are a fantastic way to introduce your premises to a broader audience and research shows if they visit once, it's likely they will return. In 2017, the Heritage Open Days initiative attracted 3million visitors, of which over 60% were visiting for first time and 80% felt encouraged to visit more properties in the future².

- **Rent space** - to a local project or business on a long terms basis and help to provide employment, build community support and generate income. 1.4million jobs are with businesses occupying a heritage building and many are in the creative and charitable sectors². The desire to provide rental space might also create the opportunity and funds to regenerate an otherwise unused space.

- **Make the property available for heritage skills training** - about one third of craftspeople are equipped with the skills to work with traditional materials⁴. The shortage of skilled crafts people is a key concern for many in the industry and 90% agree that investment in skills is crucial for the future¹. Over half the respondents in our recent survey said they would work with training organisations and make their property available for specialist heritage skills training or provide opportunities for apprentices, providing stimuli for the future of skills¹.



Innovative diversification

- **Extend the opening hours or offer unusual hours of access** – explore activities such as champing, ‘museums at night’, ghost hunts, evening concerts and sleepovers.
- **Experience days and vouchers** – sell entry tickets online, package with an afternoon at your café, host courses such as cooking, kitchen gardening and falconry.
- **Community and education hub** – do you have a space that can be used for adhoc business meetings, community support or social groups? There may be opportunities to allow students to be a tour guide for you or to invite a local hobby class to learn for example, photography. Blenheim Palace provides outreach and educational opportunities for children and adults.



The library at Sudeley Castle, one of the family's private rooms, is available for private dinners surrounded by works of art and the family's artefacts.

- **Be a film location** – registering as a film location can present a variety of opportunities. Maybe your premises could become the next Downton Abbey, and in turn, you should see an increase in footfall from fans.
- **Regenerate buildings no longer in use** – Brooklands Museum turned a hanger that was once the power source for a wind tunnel, into a 4D theatre and ticket office.
- **Employ digital technology** - provide a different type of experience onsite or remotely; this will enable more visitors to enjoy your premises and collections. The National Gallery are a great example and present a Virtual Reality tour of their collections. English Heritage has also been working with Google to create fascinating online footage of previously unseen artefacts and places.
- **Organise charity events** – we are a nation of runners, picnickers and fundraisers. Event organisers are always looking for a suitable venue to host such events.
- **Become a destination for proposals**– unusual or beautiful grounds make desirable locations for life events like proposals.

Key considerations

Any amount of diversification requires careful planning. Here are some things to consider.

- Liaise with your local authority or Historic England about listed, conservation and planning considerations.
- Ensure you have the appropriate licences for any events.
- Employ people with the specialist skills necessary to make any material or structural changes.
- Inform your insurer about any proposed events and activities to ensure you are adequately protected against any insurable risks arising from the event or activity.
Insurance can often provide cover for event cancellation to help protect your income.
- Check that any contractor, event organiser, supplier, hirer has adequate insurance and provides you with a copy, before any work or event commences.
- Ensure that any budget required is carefully planned and acquired, including a contingency. There are various grants and funding options available through organisations such as the Heritage Lottery Fund, heritage organisations and private initiatives.
- Provide training to your staff and volunteers to enthuse and educate them on the new activities.

Risk management

With change comes the opportunity to maximise the attraction but you must be careful to do so without damaging the organisation. Considerations should include the potential risks to your staff, visitors / users, hirers, contractors and suppliers. Here are some things to look out for:

- Electrical safety – fire is one of the most disruptive causes of damage and most costly when making an insurance claim. Electrical fires are one of the most common causes⁵. [Read more](#).
- Building in safety - if you're thinking about adapting and developing a building, consider introducing additional fire safety measures at the design stage, including the use of non-combustible building elements, additional fire compartmentation within large open spaces and the provision of new or enhanced fire detection.
- Risk assessments – to identify the potential hazards and any mitigating actions you have in place or should take. [Read more](#).
- Event safety plans - as events are not usually part of business-as-usual, they will require their own carefully considered plan and an assessment of any risks arising from it. [Read More](#).

■ Cyber security - carefully consider the safety of any data you hold or might start to collect once your diversification project is up and running. This could include the contact and payment details of staff, contractors and visitors, or even medical information. Ecclesiastical can advise on [cyber-crime protection](#).

■ Building works - delays and disruption caused by building works or teething problems. These could include planning issues, supplier delays and contractor problems. The introduction of contractors who are unfamiliar with your property can increase the risk of property damage or personal injury. Contractors need to be carefully selected and you will need to ensure adequate precautions are being taken whilst building works are being completed. [Read more](#).

The ideal is to plan any changes so that 'normal' operations can continue un-interrupted.

Change is exciting and can produce positive results but how you manage that change can make all the difference.

For Ecclesiastical customers, you can contact our [risk advice line](#) for more information on managing the risks you might experience as a heritage organisation.

¹ Based on 155 respondents in the FWD Ecclesiastical annual Heritage tracking survey 2017.

² Heritage Counts 2017 report, Historic England

³ GREAT campaign, Heritage Counts 2017

⁴ Skills needs analysis of the built heritage sector, National Heritage Training Group 2013

⁵ London Fire Brigade article "[Londoners warned of potential fire hazard lurking under the stairs](#)"

