

# Heritage sector insights

MANAGING RISKS TO YOUR PEOPLE,  
ASSETS AND FUNDING



CONTAINS PROMOTIONAL MATERIAL



At Ecclesiastical, we believe that working with key industry bodies, brokers and customers is invaluable in gaining a true understanding of the challenges and opportunities the heritage sector faces today and in the future.

In the 130 years we've been insuring heritage organisations, we have developed specialist market knowledge and honed our expertise to share best practice and guidance on how to manage risks in the sector.

Following our own research responding to concerns from the heritage sector about upcoming changes to the risk landscape, we wanted to take the opportunity to share our perspective on some of the topics you've told us are most important to the industry at this time.

It is undoubtedly a time of transformation, but the thing to remember is that with great change comes great opportunity to continue to build a thriving heritage sector for future generations to enjoy.

*Faith*

**Faith Kitchen, ACII Chartered Insurer – Heritage Director,  
Ecclesiastical Insurance**

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# Foreword

There has been an increasing shortage of people taking up roles that support heritage preservation within the UK for a number of years now. At a time where there are large infrastructure projects underway such as HS2, and others in the pipeline there is a greater need for highly-skilled people who understand heritage. The uncertainty of the free movement of people as a result of Brexit threatens to limit the pool of available skills in highly-skilled fields including archaeology. We need people with knowledge and experience now more than ever as the shortage is impacting both on important heritage assets, but also on the resilience of organisations, both public and private sector, to protect cultural heritage, whether in museums, galleries, libraries and archives or the historic environment.

The development of resilience and prioritisation of resources are management challenges. At a time when resources are under increasing pressure, it is clear that organisations need to conduct regular reviews of their operations, undertaking routine health checks to identify any weaknesses and taking appropriate measures to defend against risk.

We are nevertheless, also seeing organisations adapting to external factors driving change including public funding. By re-interpreting historic sites for new audiences, organisations are engaging with a more representative spectrum of society and this is particularly important when attracting young people not only as visitors but as future workers. However, the often derisory salaries can make it difficult even for committed volunteers to select a heritage career. Poor salaries can act as a block to highly skilled researchers in particular, from joining the heritage workforce. While the sector in general needs to strive to improve salaries, engaging youth early and sympathetically could go some way towards attracting and retaining young people. Heritage protection demands our attention. Investing in the next generation now is vital for the future of heritage.

The heritage sector begins and ends with realising the value of people.

A handwritten signature in black ink that reads "May Cassar". The script is fluid and cursive, with the first name "May" and the last name "Cassar" clearly legible.

**Prof. May Cassar, Professor of Sustainable Heritage, Bartlett School of Environment, Energy and Resources, Faculty of the Built Environment, University College London.**

## What does our heritage mean to us?





















The heritage sector creates jobs, improves mental and physical wellbeing, boosts the local economy and secures the UK's global tourism appeal. Historic locations have stood the test of time and often have a strong identity within a community. They create a sense of place and provide a link to the past.

### How can we support the future of heritage?

The future of heritage in the UK depends on us having the resources, support and skills to protect it and develop it for future generations. There are significant challenges as the traditional skills and materials, used so many years ago, become scarcer and more expensive. A tough economic environment makes it harder for heritage organisations to carry out the day-to-day maintenance that keeps these historic buildings in use. Their successful preservation is dependent on steady income streams.

### The changing risk landscape in the heritage world

Annually, Ecclesiastical tracks the risks that are causing most concern within the heritage sector. The first step in proper risk management practice is to identify threats. Once identified, an organisation can analyse the scale of the risk and apply appropriate risk management measures. The table shows the top concerns in 2017 and 2018.

Top concerns and risks (2017-2018) % very/quite concerned			
Risk	2017	2018	Trend (3% variance)
Impact of a major fire incident	79	76	
Cost of building maintenance and repairs	70	67	
Health and safety	73	64	
Reputational damage	75	63	
Security of assets	69	59	
Impact of a major weather incident	50	58	
Security of funding	57	55	
Attracting younger visitors	47	51	
Business continuity	59	51	
Diversification to attract more visitors	43	50	
Ease of access for older visitors		48	New 2018
Cash flow	47	45	
Staff/volunteer shortages	48	45	
Increasing cost of skilled craftsmen	47	43	
New legislation	47	40	
Exposure to social media	47	40	
Budget cuts/public sector cuts	42	38	
Cyber/internet crime	48	37	
Craft skills shortage	42	36	
Impact of Brexit	38	33	
Planning delays		27	New 2018
Terrorism	23	18	





The impact of a major fire remains the top concern for heritage organisations and this has been true for a number of years. This particular concern is no surprise as heritage organisations are the custodians of some of the nation's most important and irreplaceable treasures. Severe fires can often mean the destruction of these buildings and their contents. Fire protection must remain a top priority for the heritage sector.

However, concerns on the increase include attracting more visitors, including the younger generation. A new concern identified in 2018 is the need to provide ease of access for older visitors whose continuing support is essential for the heritage sector.

We believe the concerns highlighted above fall into three main categories; assets, people and funding challenges. In this paper, we aim to delve deeper into some of the issues behind the concerns and share our risk expertise in these critical areas.

# People

Heritage sites have historically been at the very centre of their community: driving income, generating employment and providing a hub for social activities.

Centuries on, many are still in use demonstrating the strength of traditional skills and materials. They provide us with a link to the past, bringing history back to life to educate, and provide a sense of place. Heritage still has a strong bond with people and continues to be central to communities, although possibly in a different guise.

## The local community

- 99.3% of people live less than a mile from a listed heritage site<sup>1</sup>
- 138,000 businesses operate from a heritage property<sup>2</sup> and two-thirds say it enhances their business<sup>3</sup>.

## Maintenance and preservation

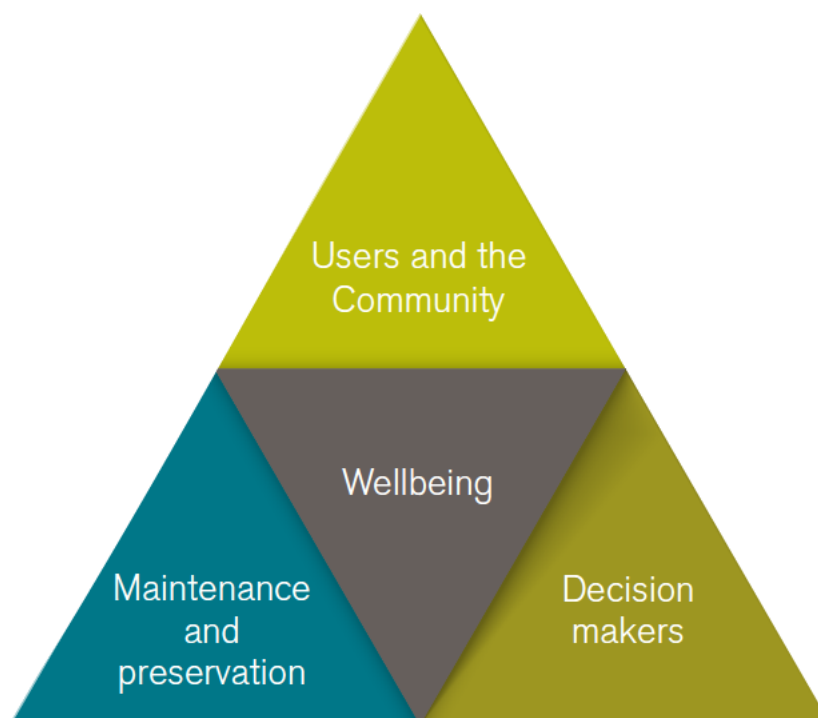
- Over three-quarters of those who have diversified have found it successful<sup>4</sup>
- 196,000 jobs are created directly by the sector including planners, architects and conservationists<sup>5</sup>.

## Visitors, staff and volunteers

- Heritage is one of the UK's 12 unique selling points and generates £29bn in tourism income<sup>5</sup>
- 90% of National Heritage Lottery Fund volunteers said they benefitted from socialising on heritage projects<sup>6</sup>
- Over a third of all major workplace injuries are a result of a slip or trip<sup>7</sup>.

## Decision makers

- The average age of decision makers is 61<sup>8</sup>
- Almost half of decision makers are concerned about new legislation<sup>9</sup>.



<sup>1</sup> Historic England 2015

<sup>2</sup> Heritage Lottery Fund 2013

<sup>3</sup> Listed Building Business Occupiers Survey 2018

<sup>4</sup> FWD Ecclesiastical Heritage Survey 2017

<sup>5</sup> Heritage Indicators, Heritage Counts 2018, page 21

<sup>6</sup> BOP Consulting 2011

<sup>7</sup> [www.hse.gov.uk/slips/downloads/gettingtogrips.pdf](http://www.hse.gov.uk/slips/downloads/gettingtogrips.pdf)

<sup>8</sup> Civic Society

<sup>9</sup> FWD Ecclesiastical Heritage survey 2018



## Collaborating with communities

Heritage can bring local people together for a common cause and celebrate the culture and history of the area. With many 'at risk buildings' located up and down the UK, there are plenty of opportunities to collaborate with communities, local authorities and businesses to create new and engaging spaces. With careful planning, these spaces can support the wellbeing of individuals, communities and the local economy.

A renewed interest in an historic space can give it a new purpose. Where there's an opportunity to create something that serves the community, look to engage the community. Working collaboratively will help to make your ideas work in the best way for that community, or even expand the original idea to deliver even more than planned.

Historic England is redeveloping Shrewsbury Flaxmill Maltings in Shropshire. Kate Winsall had this to say about working with the community.

"We are fully aware that without the support and participation of the locals – residents, groups, and communities of interest – a project simply won't get off the ground. In addition to preserving the important buildings, one of our key objectives is to help build new life into them for the community.

After being behind hoardings for over ten years, we recently unveiled the revamped frontage to much delight of our local friends. The intention is to involve them throughout the redevelopment to ensure they feel ownership of the place and the history on their doorstep. We're keen to create prosperity and enjoyment for local people and visitors, and care for an important part of England's heritage."

**Kate Winsall, Director of Marketing and Content, Historic England**



Copyright Historic England

80% of people think local heritage makes their area a better place to live.

Local spend and business income increases following investment in local historical sites.

**Heritage Counts, 2017**

### Source Park, Hastings

In Hastings, a derelict Victorian swimming pool was brought back into use by the ambition of two local business people. The pool dates back to the 1800s and had been left unused for 18 years until they saw the opportunity to give the site a new purpose. The swimming pool was transformed into a state-of-the-art BMX park 'The Source'. It was embraced by the local community and was successful in rallying interest in heritage from a diverse new audience.

The success of this project is due to recognising that communities change. What might have worked 20 years ago won't necessarily fit with the needs or desires of your community today.

Ask yourself: "do our plans suit the local community demographic – will you capture their support?"

## Planning regeneration projects

Successful regeneration projects can create employment opportunities, safe spaces for social interaction and boost local house prices and businesses<sup>1</sup>, particularly if they engage with the community and respects the environment.

Planning will involve making some decisions early on, as well as several further stages of consultation and approval.

Here are some key areas to consider:

**Conservation** – liaise with your local authority or Historic England about listed, conservation and planning considerations.

**Building plans** – obtain planning permission before you commit to any costs or contracts. It can take a long time to come through and there are more considerations when it comes to altering a heritage building.

**Build in fire protection** – look at introducing passive and active fire safety measures, such as fire compartmentation, fire detection and suppression systems to provide enhanced levels of fire safety and help limit the spread and amount of damage that could be caused by fires in the future. Incorporating these measures at the design stage of a project will be more cost-effective than adding them at a later date and will help protect your investment in the property, as well as preserve it for future generations.

**Make it energy-saving** – where possible, factoring in features like smart insulation is an excellent example of thinking economically. Some underfloor heating systems can be energy efficient and heat the entire room. [Bath Abbey](#) has a wonderfully unique example of this in action. While repairs are carried out on the floor, the church plan to redirect and harness spare hot water from the Roman baths to act as underfloor heating. Once converted, the Abbey says it could have the potential to produce 1.5MW of continuous energy to support a 200kW ground-source heat pump system.

**Make it give back** – renewable energy sources will also make long-term sense. Solar panels for instance not only make cost savings, but there is also the potential to earn money by giving back to the National Grid.

**Budgeting** – ensure that any budget required is carefully planned and acquired, including a contingency fund.

**Building works** – beware of 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.

**Management of contractors** – contractors need to be carefully selected and in some cases managed effectively to make sure that their work is completed safely. You may also have specific legal responsibilities under the Construction (Design and Management) Regulations in particular.

**Method statements** – contractors provide these as reassurance of how they intend to carry out the proposed work while ensuring the safety of anyone affected.

**Hot work permits** – these must be obtained if your building works are insured with us and there are hot works involved. This will ensure, as far as possible, that contractors obtain permission from an authorised person before starting work and fire prevention precautions are taken before, during and after the works take place. You can find a [template permit on our website](#).

**Appropriate skills** – employ people with the specialist skills necessary to make material or structural changes to heritage buildings. Craftspeople with specialist skills and heritage experience will appreciate the need to preserve and protect the structure and specialist features of the building whilst carrying out their work.

**Health and safety** – building works are not usually part of business-as-usual and can introduce additional hazards, requiring further precautions in many cases. This will need careful consideration to make sure that staff and visitors are kept safe. You may also have additional legal responsibilities for health and safety where construction work is completed under the Construction (Design and Management) Regulations.

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<sup>1</sup> Heritage and the Economy, Heritage Counts 2017, page 11





Above left before restoration, right after. Credit The Landmark Trust

"I am fortunate to work on many beautiful historic buildings in Royal Greenwich always with the intention of breathing new life into our historic assets. The most important thing to remember is projects will always take longer than planned! You should build in extra time for consultation and response from the community. The value in the community embracing your project as their own cannot be underestimated. The Stakeholder community in our borough is diverse and the challenge is to speak to as many communities as possible, not only those who you know are likely to support your plans."

**Tracy Stringfellow, Chief Executive Officer for the Royal Greenwich Heritage Trust**

### **An insurance perspective**

Finding insurance for regeneration projects can be challenging. Insurers will need to understand what plans you have for a site, how this will be funded, over what timescale and how the project will be managed.

In addition, a range of other stakeholders will need to be consulted. This may include the local conservation body and the local planning authority to ensure you have secured the necessary permissions to complete building alterations. If building works are being planned, you may need to take out contract works insurance too.

# Health, wellbeing and social inclusion

Beyond the practical applications for heritage, such as employment and the creation of social spaces, there is more evidence to suggest that engaging with the historic environment has a role to play in improving our mental and physical health.

Heritage Counts explored the positive impacts of heritage on society. They found that 93% of residents say that local heritage affects their quality of life<sup>2</sup>.

## Volunteering in heritage is good for you

Volunteers who took part in Heritage Open Days reported an increased sense of wellbeing due to their involvement with the festival:

- 69% felt more relaxed
- 64% felt more active and healthy
- 100% stated that they enjoyed volunteering for the event<sup>3</sup>.

The positive benefits of volunteering have been recognised by GPs who, in some cases, have begun prescribing group learning, gardening and other cultural heritage activities<sup>4</sup>.

Historic England has produced a report on [Wellbeing and the Historic Environment](#) which you can find on their website.

## Heritage and inclusivity

The benefits of heritage are many and varied but are organisations as inclusive as they could be? Are you inadvertently putting a barrier up to a potential audience? Being inclusive is not about making room but about being engaging, involving and communicative, and sometimes innovative.

The Listed Building Business Occupiers Survey 2018, highlighted that poor disabled access is a significant challenge for nearly six out of ten businesses<sup>5</sup>.

The survey found that whilst organisations want to fulfil their obligations, they often struggle because of the nature of the building and its historic features. Entrances can be a particular challenge and there is frustration when no obvious solution can be found.

Though altering the building may not be possible, organisations can take tangible steps to help visitors understand how accessible a site is for them.

- 54% of people with access requirements avoid going to new places if they can't find information about accessibility<sup>6</sup>.
- 63% of organisations don't promote the fact they have made provisions for disabled users<sup>7</sup>.

Visit Britain and Visit England describe the benefits of creating an accessibility guide to communicate and promote the facilities available at your location. By laying out the details of your venue and the services you provide, you are helping potential guests decide whether they can visit and what to expect. You can find out more about creating an accessibility guide by visiting their [dedicated website](#).

<sup>2</sup> Heritage and Society, Heritage Counts 2017, page 1

<sup>3</sup> Heritage and Society, Heritage Counts 2017, page 3

<sup>4</sup> Halton NHS Clinical Commissioning Group 2017

<sup>5</sup> Listed Building Business Occupiers Survey 2018

<sup>6</sup> Euan's Guide, a review website by and for disabled people

<sup>7</sup> How to Market Accessibility, Association of Independent Museums, 6.10.2017

"Museums and heritage sites are a vital component of our national culture, places to immerse visitors in great stories and treasures that help us understand our past, present and future. All the more important therefore that they adequately support disabled people to both work in the industry and to create equality of experience for disabled visitors.

It is increasingly understood that heritage considerations can no longer be a barrier to access. Restrictions on adapting historic buildings and 'reasonable adjustment' have often been cited as reasons not to make access improvements. However, exclusion is a choice. And it's often easily avoidable with just a bit more consideration of visitors' needs. For example, could you offer a recommended access route or provide free to use powered scooters? As access starts before any visit takes place and often online, consistency and reliability of website access information are also both important factors to build trust with disabled visitors."

**Andrew Miller, UK Government Disability Champion for Arts & Culture**

## Have you thought about hidden disabilities?

Not all disabilities are immediately apparent, hidden disabilities have no physical signs. Examples include; dyslexia, dementia and autism. There are a number of ways to make your location more accessible to these groups including:

- Earlier opening hours for special groups
- Assisted learning devices
- Dedicated sessions
- Tours in sign language.

The traditional approach to engagement is 'come and see what we are doing'; an alternative approach could be to reach out and ask groups, 'what could we do together?'

## Leaving labels at the door

Someone's disability, sexual orientation, age or race should not put them into a box, seen as too small an audience or too difficult to cater for. Everyone has a history and heritage should be accessible to all. These communities can offer new opportunities and innovative ways to engage, sometimes attracting even wider audiences.

"Ask yourself this. What capability do heritage organisations have to open their doors to different forms of creativity and innovation? Probably more than you think. My favourite example of this, was a recent collaboration between the National Portrait Gallery and the Mercury Prize nominated MC, Novelist and PREM.

It was a Young People's Private view, which saw 250 young people aged 14-21 enjoying the Gallery after hours. Guess what? The audience was diverse, and it was new. Easier than you think, bringing together a figure who appeals widely to young people, with an organisation seeking new audiences.

The result? The gallery told me recently that a handful of first-timers have now joined up as 'young associates'. They loved the collaboration, of course they loved the exclusive music performance, but they also loved the gallery's space and the creative offer.

Their perception that the gallery was not for them was turned inside out. All that was needed was a way of breaking down that initial barrier.

So, my challenge to heritage organisations is this. Be radical – let young people use your space to be - and experience - creativity in their way not just yours."

**Jonathan Badyal, Head of Communications at Universal Music UK. Board member at the Roundhouse and Black Country Living Museum.**



## Protecting visitors, staff and volunteers

Historic sites by their nature present a variety of risks; worn floor coverings, steep staircases, slippery and uneven surfaces. The very fabric of a site can increase the risk of an accident. Visitors and staff who are less able may be at higher risk of slipping or tripping and suffering an injury.

These risks extend to 'back of house' areas where staff and volunteers may continue to be at risk due to the historic nature of the building. Risks associated with routine cleaning and storage may also be present particularly where storage options are minimal.

Heritage premises are often now used as venues for special events such as weddings, or concerts, including others also held at night (e.g. ghost tours, sleepovers, etc.). During these events, additional hazards may be introduced or risks for existing ones may be increased due to the nature of these activities as well as the potential increased footfall.

Over a third of non-fatal workplace injuries and accidents are due to slips and trips.

### The Health and Safety Executive 2017-2018



## Managing health and safety

All of these considerations heighten the need to manage any associated risks properly, identifying precautions that are both sensible and proportionate. To do this, it might be helpful to:

- Check that you have access to competent advice on health and safety matters where you need it. Good advice is key to getting things right and avoiding unnecessary bureaucracy.
- If you need to prepare a health and safety policy, make sure it is clear and concise reflecting your own particular circumstances. It will need to be revised periodically and communicated to all employees and – in some cases – volunteers as well.
- If you complete risk assessments, make sure these cover all activities and identify the steps you need to take to comply with relevant health and safety regulations.
- Implement the precautions you have identified as being necessary, paying particular attention to slips and trips, work at height and the use of work equipment.
- When hosting events, make sure that these are properly planned and managed with arrangements in place to deal with any incidents or emergencies.
- Provide sufficient information and training so that staff and others know how to work safely and protect others. Any risk assessments you have completed should help you decide exactly what is required in your particular circumstances.
- Make periodic checks to ensure that the arrangements you have made and the precautions you have taken remain adequate.
- Keep appropriate records to show what you have done. Examples include documents completed to meet health and safety requirements (e.g. risk assessments), information gathered as a result of an accident (e.g. accident book entries) etc.
- Keep up to date, monitoring developments and changes to health and safety requirements that affect you. This will help you keep your policy and risk assessments up to date where you have them. It will also give you peace of mind that you are doing all that you can to keep people safe.

## Maintaining the nation's heritage

As well as operational and public-facing roles there are; architects, archaeologists, local authority planners and conservationists, restorers, project managers, skilled construction workers, contractors and craftspeople involved in the preservation of heritage. These qualified individuals are essential to the conservation of heritage sites but as their generation reach retirement age, their skills are gradually lost. This is coupled with a 12% decline in students signing up for heritage related construction courses<sup>8</sup>.

The [Heritage Crafts Association](#) provides an indication of the skills we may not have access to in the future. There are four crafts, including gold beating, which are already entirely extinct<sup>9</sup>. While trades such as stonemasonry, thatching and carpentry are currently viable, there are fewer people trained in traditional methods to provide enough succession for the future.

The shortage of skilled craftspeople is a concern for 47% in the industry and 90% agree that investment in skills is crucial for the future.

**Ecclesiastical FWD  
Heritage Tracking Survey  
2018 based on 152  
responses**

### Why are heritage skills important?

"Whilst we place great importance on design and specification of work, if it is not undertaken by suitable operatives, including appropriate supervision and management then there will always be significant risk of harm that may be caused to the heritage assets.

With the nature of many heritage assets and the works that we undertake, almost one of the worst consequences of this is that the harm is not understood or manifests itself later. By which point, those involved will have moved on and the potential 'understanding' of the circumstances and work will have been lost.

The fundamental issue is that the majority of trade skills are taught for 'new build', so as we have a construction industry that by default is geared towards what is actually the smallest portion of the construction industry.

In practice the majority of construction work is really refurbishment/adaption based (which would include 'conservation' work), but training in the industry already does not generally directly support the market requirement.

Whilst we are obviously concerned about the implications on heritage assets, it is clear that the industry is poorly placed to support the different 'ages' of construction and provide solutions that are appropriate to each, especially traditional constructions. It is therefore not really a surprise that wrong skills etc. are being applied in conservation/heritage works.

To exacerbate this wider skills shortage, the construction industry is also moving more and more towards greater off-site and prefabrication solutions. Whilst this will probably create its maintenance and refurbishment/adaption challenges, it has potential for reducing skills in the industry further."

**Nigel Houghton, Building Surveyor (Projects) for The National Trust**

<sup>8</sup> Heritage Indicators, Heritage Counts 2018, page 22

<sup>9</sup> [Heritage Crafts Association's red list of endangered crafts](#)

## Helping a new generation access heritage skills and employment

It can be hard for people to access learning and training in traditional construction techniques. Traditional training options at entry-level in the construction industry are limited. Those interested must first pursue qualifications in modern techniques, then move on to higher education to learn traditional skills.

As the leading insurer of listed buildings in the UK we're keen to support a sustainable future for historic buildings. As such, we provide funding for several projects that enable people to pursue traditional skills training.

### Apprenticeships with the Cathedrals' Workshop Fellowship (CWF)

The CWF teaches apprentice stonemasons a range of traditional techniques including; ornamental carving, stone selection, architecture, structural engineering and practical conservation. Ecclesiastical has been a sponsor since 2004 and has seen 27 stonemasons complete the programme and graduate. Due to its success, the course has now been expanded to include carpenters and electricians.

### The Ecclesiastical Insurance Bursary – University College London (UCL) Institute for Sustainable Heritage

Recognising the need for heritage leaders within the sector, we provide a bursary for students wishing to study the MSc Sustainable Heritage qualification at UCL. These bursaries give students the opportunity to gain a well-rounded qualification in sustainable heritage, as well as the opportunity to further their career.

### The Prince's Foundation Building Crafts Programme

The Building Crafts Programme is an eight-month course designed for craftspeople looking to bridge the gap between basic qualifications and becoming a master craftsman working in the heritage sector, with the opportunity to gain NVQ Level 3 in Heritage Skills. Ecclesiastical will contribute to the funding of 36 students to complete the course over the next three years.



### Apprenticeships at Historic England

Our owner Allchurches Trust is also doing their part to support the preservation of skills by helping to fund Historic England's apprenticeship scheme. Apprentices will learn to care for, conserve, and manage our historic environment into the future.

### Can you provide a training environment?

Over half of 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 skills<sup>10</sup>. Offering these opportunities can help to create an environment where trainees can gain first-hand experience with crafts.

The Landmark Trust gives opportunities to The Prince's Foundation apprentices to help them develop skills through hands-on training.

"Our recent enabling works at Charlton House summer house engaged young people training in building skills at the local London South East College. This extended project completion by some months. However the value in working with local young people, developing their understanding of working on a Grade I Listed property outweighed the additional investment. The relationship with the college is one we intend to pursue on future projects. "

**Tracy Stringfellow, Chief Executive Officer, Royal Greenwich Heritage Trust**

<sup>10</sup> Based on 155 respondents in the FWD Ecclesiastical annual Heritage tracking survey 2017.



## Decision makers - roles and responsibilities

Boards and trustees are ultimately responsible for making sure heritage sites remain viable during times of change.

Brexit threatens to disrupt the sector in a number of ways. There is a great deal of uncertainty about the impact it might have on European employees. The Heritage Alliance's 'Brexit and Immigration Briefing' provides an indication of what might come.

The Heritage Alliance surveyed 37 heritage organisations and found 22% of respondents to have a workforce comprised of over 60% of non-UK EU nationals. Around one-third of respondents said that 30% of their employed staff are non-UK EU nationals. If a salary level of £30,000 were required as a visa minimum for EU nationals over half of respondents report that over 50% of the jobs in their organisation would not meet this criterion, with 46% saying that this salary requirement would affect over 60% of their job roles<sup>11</sup>.

"There are significant numbers of non-UK EU citizens that work in the heritage sector in England in a variety of capacities, and also UK companies and citizens who work in heritage in other EU countries. This two-way exchange of expertise and labour is extremely important to the sector. If a visa system were developed in the future, it would need to work both ways. Exemptions for accredited experts and academics in the field should be considered. Our research shows that the proposed £30k salary level for a visa would exclude many essential professional skilled roles in areas such as conservation, archaeology and academia."

**Lizzie Glithero-West, Chief Executive at The Heritage Alliance**

### A well balanced board

Board members need to have their finger on the pulse and understand key changes affecting the sector as a whole, as well as their local environment. Passion for an organisation alone is not enough and needs to be complimented by commercial acumen.

Boards should encompass a mix of skills including strategic planning, knowledge and understanding of relevant legislation, marketing, risk management, health and safety, and digital skills.

Your trustees may have passion and experience, but does your board have the range of skills needed to develop you for the future?

<sup>11</sup> Heritage and Immigration Brexit Briefing, The Heritage Alliance, Sample size 37

“Quite often you see these old buildings behind hoardings and people ask ‘when are they going to do something?’...and who is ‘they’. Well often ‘they’ become groups of people who get together and decide they want to do something about it.

It’s all about people, this business. It’s getting people to work together, to get the right kind of advice, to find the right uses for the right buildings. There’s crafts training, some provide homes, places for people to work, any number of uses of these buildings.

Engage with your community, engage and forge relationships with planning authorities, funders, people who can help you. Gather people who are bright, committed, and enthusiastic. You need people who know about business, have courage and are prepared to take a bit of a risk.”

**Maria Perks, Heritage Trust Network and Ecclesiastical Heritage Hero Lifetime Award winner, 2018**

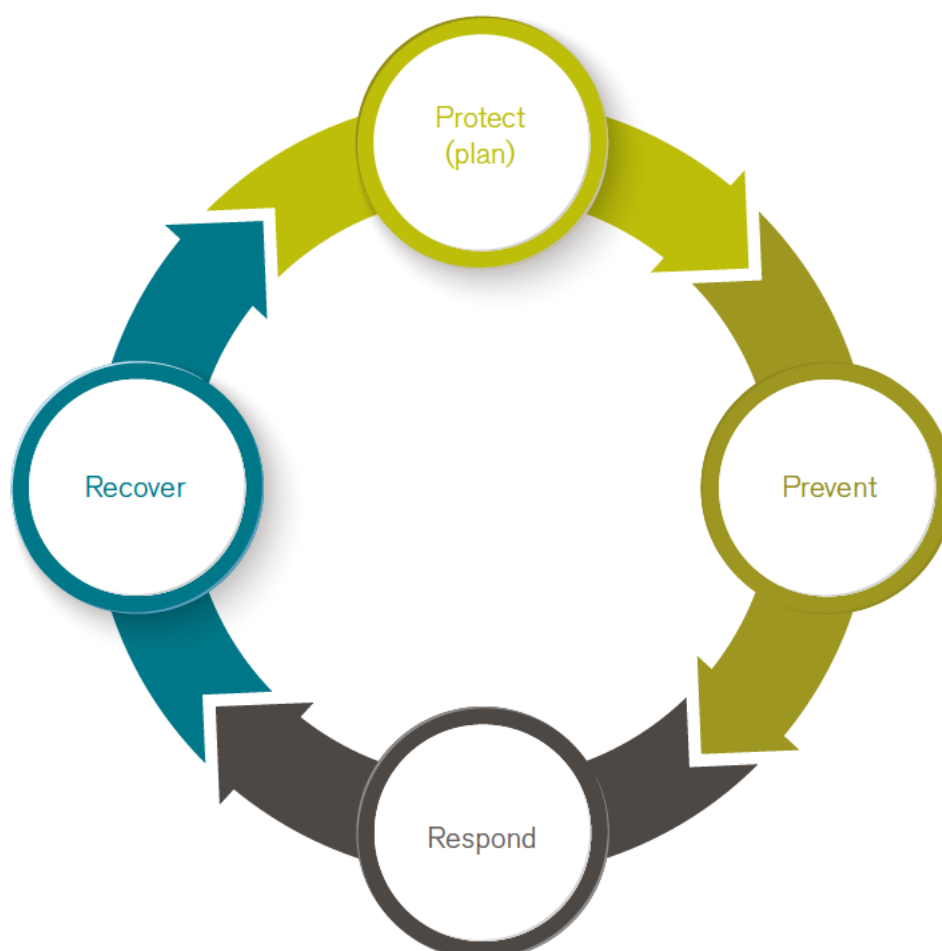
## Trustee liability insurance

The Charity Commission regulators in England & Wales, Scotland and Northern Ireland are there to help with provision of guidance, support and advice to charities and their trustees to ensure any decisions they make do not lead to a breach of duty or trust. On the other hand they also have a statutory obligation to ensure that trustees comply with their legal obligations in managing charities which could lead to official investigations and in worse case scenarios to them being held personally liable for any financial loss and being struck off. Trustees of incorporated charities also risk breaching their duties as directors under company law.

Having a Charity Trustees or a Directors & Officers Liability policy will pay for legal costs, charges and expenses as well as investigation costs in defending allegations of wrongdoing by the Commissioners as well as claims from other regulatory bodies, government departments, creditors, liquidators, customers, competitors or special interest groups. The policy will also cover any damages, compensation and costs awarded against the trustee in a civil action but will not pay for any fines or penalties following a criminal conviction. The policy provides cover for the individual trustee, officer, director as well as some employees even after the closure, failure or takeover of the charity (if the policy is still in force) thereby giving peace of mind to those individuals that any issues arising from prior decisions would be covered. Without such cover the legal fees and damages may have to come out of the trustees own pocket.

Our Heritage customers, given the nature of the buildings they own, operate or occupy have added requirements and duties placed on them to ensure they are compliant with planning permission, listed building consent and building regulations. Property age, and maintaining to ensure an appropriate condition, fire safety, disabled access or occupancy/tenancy are just some examples of areas where decisions made could lead to potential disputes with regulators or claims from the public.

## Assets in heritage



There are roughly 5.1 million pre-1919 buildings in England and over 375,000 listed buildings<sup>12</sup>. There are also over 21,500 protected monuments and historical sites<sup>12</sup>.

These buildings and sites are themselves a demonstration of times past; architectural design, crafts and techniques, status, role and attitude. Housed in these buildings, museums, galleries and more are the UK's treasured artefacts; antiques, art, furniture, jewellery, textiles and tapestries. For many heritage organisations, the premises and treasures they hold are their greatest assets. The threat of a major incident, maintenance and security are the top concerns for organisations and owners. Protecting those assets is essential for the future success of many of the organisations which exist to support them.

As the environment we live in changes, it becomes a greater challenge to preserve our heritage for future generations. We need to be proactive in our approach to their protection to ensure a sustainable future.

<sup>12</sup> Heritage Indicators, Heritage Counts 2018



# Planning resilience

Protecting your greatest assets requires careful planning and consideration. The more preparation you can do ahead of an incident, the quicker you can react.

## Business continuity planning

Business continuity was a concern for 51% of organisations in our 2018 survey. A total of 40% told us they have a business continuity plan but only 25% said they tested it once a year or more<sup>13</sup>.

The formation of a continuity plan gives you a preconceived set of protocols and considerations to follow in the event of a crisis. It can save time and enable your organisation to continue operations much sooner. Organisations with a business continuity plan therefore have the potential to be more resilient.

Business continuity plans may also be useful when detailing how your organisation would operate safely for the duration of any buildings work.

## What are the key objectives in a business continuity plan?

- ✓ enable operations to continue as quickly and as smoothly as possible
- ✓ progress back to normal working conditions
- ✓ cause the least inconvenience to all parties – employees, suppliers and customers
- ✓ minimise the risk of accident, injury or ill health to all.

Make sure you take timescales into consideration – complications during the restoration or rebuild of your premises can mean that disruption continues for many months or even years following the incident.

## Business continuity planning steps

Preparing a plan can be broken down into some basic steps:

- 1 Appoint a business continuity committee/team** – the team should be selected from senior management to assume control in the event of a disaster and implement the plan.
- 2. Appoint a plan co-ordinator** – the person who will head the team.
- 3. Outline your objectives** – some objectives are listed above, but others may be unique depending on the nature of your organisation.
- 4. Create an emergency plan** – this relates to the first 24 hours of an emergency.
- 5. Create a recovery plan** – this should be designed to come into action when the full extent of the disaster is known.
- 6. Create a communication plan** – everyone needs to be kept informed, how will you do this?
- 7. Distribution and storage of your business continuity plan** – it needs to be easily accessible and distributed to all those who need to follow it.
- 8. Refresh and renew plans** – it should be a living document and revised regularly.

<sup>13</sup> Ecclesiastical FWD Heritage Tracking Survey 2018 based on 152 responses



## Disaster control plans

A disaster control plan should be an integrated part of your business continuity plan. It brings together the essential details and procedures in one place. Every plan should include:

- An evacuation plan
- Emergency telephone numbers
- A list of people's responsibilities
- The location of:
  - exit routes
  - floorplans
  - power points
  - stopcocks
  - gas
  - mains electricity
  - generators
  - other relevant utilities

# Prevention is protection

Prevention is the best form of protection. Risk management is the process of identifying and assessing risks and threats and attempting to remove or reduce them as far as possible. It's a continuous task that, if managed well, can prove cost-efficient and life-saving.

## 1. Protecting buildings

**Our research shows that 76% of heritage organisations are concerned about the impact of a major incident such as fire<sup>14</sup> making it the top concern for the sector.**

Carrying out routine maintenance can help you to remedy small problems which, over time, can cause significant damage. Just remember, maintenance should be carried out with sympathy and care for the historic nature of the building. Bear in mind that using contractors with little or no experience in heritage skills, could be doing more harm than good to our historic properties.

Routine maintenance checks include:

- **Roof and guttering** – left unattended, slipped tiles and loose flashings can cause water leaks. Check for blocked roof valleys, hoppers, drain pipes and gutters.
- **Plasters and renders** – traditional lime-based materials should always be used. Waterproof renders such as modern, hard cement renders should not be used as these produce an impermeable skin, which traps moisture, causing damage to the underlying fabric of the building. Listed building consent would have to be obtained before doing so, particularly externally as changes may impact the character of the building as well as the effectiveness of the materials.
- **Re-pointing brick and stonework** – this should always be carried out using a similar mortar type to match the original. For historic buildings, this will usually mean a lime-based mortar. Where the mortar is soft but the joint is not badly eroded action is unlikely to be needed.
- **Routine painting** – regular painting of external woodwork is essential to prevent dampness and the onset of rot. Painting may not be advisable or appropriate for the structural woodwork of a timber-framed building.
- **Window putty** – this should also be regularly inspected and replaced where necessary, as should the bedding of the window within the wall. In the case of listed buildings and those in Conservation Areas, there may be restrictions on the choice of colour.

87% of contractors, including electricians, carpenters and plasterers, do not have experience or training in heritage applications<sup>15</sup>.

### Heritage Counts 2017

“An overriding and ubiquitous concern of those responsible for management of built heritage is about the inappropriate use of materials for repair and maintenance. The unsuitable use of cement and concrete in traditional buildings is widespread. Cement is impervious to water, and doesn't allow buildings to breathe. Historic buildings, both in timber and in bricks & mortar, are porous, and allow a flow of moisture and humidity in and out of the construction. If repairs to walls and floors are undertaken with cementitious materials this flow is blocked, and locks moisture in to create moisture sinks likely to cause damp and ensuing decay.

If brick mortar repairs are undertaken using cement and not traditional lime mortar then rain water cannot be absorbed and evaporated from the surface. The freeze/thaw cycle can then cause spalling, which is when the surface of the brick disintegrates. Whole bricks will eventually need removing and replacing, causing significant damage to historic construction. This has negative affect on the aesthetic and evidential significance of historic building. Owners and managers of traditional buildings need to be made aware of the importance of using appropriate materials for maintenance and repair. This will ensure to sustain and maintain built heritage and actually lessen future repair costs to correct expensive mistakes.”

**Samuel Abelman, Lead Consultant (Built Heritage) at the Museum of London Archaeology (MOLA)**

<sup>14</sup> Ecclesiastical FWD Heritage Tracking Survey 2018 based on 152 responses



■ **Removal of plant growth** – climbing plants and creepers, particularly ivy, can cause damage to buildings. It may cause persistently damp walls and can also block roof valleys and gutters. Ivy can also penetrate mortar joints and may eventually cause the cracking of masonry. The excessive growth of climbing plants can also cause damage to foundations. Climbing plants must be strictly controlled or, ideally, removed. Ivy must never be aggressively pulled away from a wall as this could cause damage to both the masonry and mortar joints, it should be removed very carefully.

■ **Electrical inspections and fire safety** – ageing electrics are a common risk in historic buildings and fires caused by electrical faults can be extremely destructive. Electrics should be inspected and maintained by professionals in accordance with '[Requirements for Electrical Installations](#)' issued by the Institution of Engineering and Technology (IET), current edition, plus any formal amendments under British Standard BS7671.

### Fire safety essentials

- regular electrical inspections by professionals
- using approved contractors to undertake any electrical work
- electrical switchgear panels and cupboards should be kept free of storage and combustible materials
- regular chimney sweeping
- keep heat sources such as portable heaters away from combustible materials
- make sure that fireplaces have adequate fireguards in place to prevent sparks escaping.
- chimneys should be regularly swept, ideally at the beginning and end of each autumn/winter season.

### The future of maintenance

There are a growing number of examples where technology has been utilised to help identify potential causes for concern. Future maintenance solutions to watch out for include:

■ **Drones** – can explore parts of buildings that are hard to reach in ordinary circumstances. When was the last time you were able to get a good look at your roof to check for areas of damage or water pooling? Drones help us to see more and can help us to do so safely.

■ **3D imaging** – can help to monitor the buildings structure, highlighting wear and potential weaknesses in the structure. Such changes often occur over time and are not noticeable to the naked eye. Identifying areas of weakness early will help you to prioritise maintenance issues and address problems before they deteriorate further and incur more cost. From an insurance perspective, 3D images can also help support the restoration of a property in the event of a serious loss, providing a detailed record of the building and its features.

■ **Thermal imaging** – technology enables us to detect hidden features such as pipework in walls which may be susceptible to leakage. The technology is also helpful in identifying sweet spots for hanging paintings away from temperature changes and potential leaks.

■ **Leak detection devices** – leaks can have devastating effects particularly if they go unnoticed for a long period of time. Leak detection devices are a reasonably new technology which can detect leaks in a building, isolate water supplies and alert the owner, reducing the level of damage caused by the leak.

"It's not always practical to install modern fire prevention products in heritage properties. You can't easily retrofit sprinklers or fire suppression systems in to these buildings so fire prevention is paramount.

It's also really important to make sure you test your fire alarms regularly and ensure that fire detection systems are regularly maintained and any on-site firefighting equipment is adequate and regularly serviced."

**David Parkinson, Technical Survey Manager at Ecclesiastical**



## 2. Protecting people

### 64% of heritage organisations are concerned about health and safety<sup>15</sup>

Despite the high footfall that many heritage premises enjoy, and the diversity of activities held on site, they remain relatively safe. Accident rates compare favourably with other recreational activities.

Slips and trips continue to be the most common cause of accidents in many premises, including museums, stately homes and other historical premises<sup>16</sup>. It is often difficult to predict the outcome of a slip or a trip. While many injuries may be minor, others can be quite severe and in some cases are disabling. In rare cases, fatalities have resulted.

### Common causes of slips and trips

- Slips occur in wet or contaminated conditions, frequently as a result of spillages, cleaning or adverse weather.
- Trips can occur due to worn paths, steps or floor coverings and where electricity cables or other hazards trail across the floor.

In preventing slips and trips, it is obvious that heritage premises are not factories or building sites. By their very nature, they can challenge the standard approaches to preventing slips and trips. This is usually because of design constraints or the heritage fabric of the building itself. Also, there is a considerable variation between the types of premises themselves.

Any precautions adopted need to be proportionate, carefully balancing any legal responsibilities against the level of risk whilst protecting our cultural heritage. On occasion, this can be a difficult challenge to get right.

Making alterations to remedy hazards for safety purposes is a challenge in heritage buildings. Modern health and safety solutions may have a negative impact on the fabric or beauty of the building and its features.

### Elegant solutions

There is little detailed advice provided for those managing slip and trip risks in heritage premises. Most of what is available is written with contemporary buildings in mind. That's why we've been working with researchers at the Health and Safety Laboratory (the research arm of the Health and Safety Executive) to find cost-efficient, elegant solutions.

The HSL is the world's leading provider of health and safety solutions to government, industry and other professional bodies. Their falls prevention team has over 40 years' experience of research aimed at understanding and minimising the risk of slips and trips. This has helped them develop the standards and guidance that are used by the Regulator today.

Our claims data shows, that for 2017 slip and trip claims were attributable to:

- **41%** the premises
- **31%** poor housekeeping
- **24%** other
- **4%** weather-related.

(Ecclesiastical claims data 2017)

Carrying out risk assessments of activities and premises will help to highlight hazards and identify suitable precautions



<sup>15</sup> Ecclesiastical FWD Heritage Tracking Survey 2018, based on 152 responses

<sup>16</sup> Ecclesiastical and HSE Slips and Trips research 2017

Our research considered paths, flooring, steps, stairs, routes on and off the premises, and specific rooms like kitchens and WCs. It also reviewed work activities, such as cleaning. Using accepted causation models and the information collected, we will be producing a series of guidance modules that address the most critical risk factors. Sharing best practice, this is aimed at reducing the risk from slips and trips.

Key tips include: adding a visual instruction, creating a visitor route, removing obstruction, installing lighting, staff/volunteer training.

Some risks and solutions in-keeping with heritage spaces include:

- Wooden steps are often all one colour, making it hard to distinguish the nosings (edge of steps). Rather than applying yellow and black 'hazard' tape, varnish the nosings with a lighter or darker shade. This makes them more visible without harming their character.

- Outdoor steps can be particularly dangerous when they are not lit – outdoor lighting can be expensive and requires regular maintenance. Instead, strips of LED lights are inexpensive and can be fixed to the underside of hand rails to illuminate steps. You can also place solar powered garden lights to mark path edges.

- For areas of the site that are difficult for some people to access, such as rooms up steep spiral staircases; provide an alternative way for people with restricted mobility to view them, such as a webcam or short video.

- If a risk is a significant part of history, such as 'trip steps'. Create a feature and highlight it with a human guide who can also inform visitors of its importance.

**Later this year we'll be launching our work with the HSE on addressing slip and trip risks at historic premises.**

### 3. Protecting treasures

**In our recent survey, 50% of those interviewed told us they have fine art or collections within their premises<sup>17</sup>.**

**These assets make up the lifeblood of many heritage attractions and properly protecting them is essential.**

#### How to create a snatch list

In an emergency, would you know how to prioritise woven materials over paintings? A snatch list is a good way to establish a logical order for the extraction of items. This should only be done when the building is safe to enter. In the event of an emergency, the speed with which items are removed can have a huge impact on their chance of survival and restoration.

A snatch list should systematically note all priority items and a simple description of where each item is kept. It is also prudent to include detail on:

- the fragility and vulnerability of the item
- ease of replacement
- the speed it might deteriorate when wet
- ease with which the item can be removed
- how you might best remove it (e.g. in an emergency situation paintings may need to be cut from their frame to save them).

Keeping photographs can help others who may have to carry out salvage for your organisation to more easily identify the item you're describing. Cataloguing items in this way is also beneficial if you need to make a claim and can be used to aid restoration and provide proof of condition.

#### Storing treasures safely

Once snatched, the collection will need to be stored somewhere safe. Stored items should be managed with particular care and consideration and should not be stored or displayed:

- in direct sunlight
- above vents, fireplaces, radiators, heating pipes and other heating equipment
- directly on walls which are susceptible to damp
- where they might accidentally be knocked, such as next to doors, shelving, furniture or in busy corridors
- on the ground to avoid the possibility of damage from dampness or standing water. Ideally, they should be stored in racks at least 15cms off the ground.

- Against or on top of each other - dents and scratches then become inevitable. If paintings must be stacked, place thin boards between them for protection.

Paintings in particular are susceptible to many forms of damage. Changes in the environment in which a painting is hung or stored can lead to the painting contracting and expanding, which will weaken the structure and ultimately result in a deterioration of its condition.

Some heritage properties limit the number of hours they allow sunlight in certain rooms in order to protect fragile paintings.



<sup>17</sup> Ecclesiastical FWD Heritage Tracking Survey 2018 based on 152 responses



# Responding efficiently

An efficient response in the event of a major incident can limit the impact on your organisation. This is where your plans come into action, so it's important all parties are prepared.

## 1. Be prepared

Everyone needs to be ready for the day the disaster control plan springs into action. A successful plan should give detail on each person or group's actions and responsibilities. Everyone from the plan's co-ordinator to the volunteers present on the day, need to be clear on how to react in the event of an incident of any proportion. Regular training of evacuation procedures and other protocol will enable an efficient and safe response.

## 2. Stay alert

Technology not only enables us to monitor situations that may lead to an incident, it allows us to communicate warnings to a wide audience within seconds.

- Sign up for weather warnings and notifications of adverse conditions using a weather app.
- Follow local constabularies on social media to monitor increases in crime.
- Set up a local network of organisations who share information.





### 3. How to respond

Depending on the types of incident you experience, there are some quick actions you can take.

Criminal damage and theft	<ul style="list-style-type: none"> <li>▪ If your claim has involved theft or malicious damage, please take note of the crime reference number and details of when you notified the police.</li> <li>▪ For lost or stolen items, please provide proof of purchase and estimates on a like-for-like basis.</li> </ul>
Data breaches	<ul style="list-style-type: none"> <li>▪ For certain data breaches you are required to notify the Information Commissioner's Office within 72 hours. If the breach is related to a cyber attack, call Action Fraud for expert assistance.</li> </ul>
Flood	<ul style="list-style-type: none"> <li>▪ Sign up to Flood Warnings Direct from Environment Agency to receive warnings by phone, text or email. SEPA and National Resources Wales offer similar alert systems.</li> <li>▪ Follow weather alerts on Twitter - @metofficeUK give live weather updates across the UK.</li> <li>▪ Get the app – NOAA Weather Radar and Alerts is a popular app that gives severe weather warnings.</li> <li>▪ Safety is paramount during a flood. Before you do anything else, please turn off your gas, electricity and water if possible. Do not turn it back on until you have been assured by a registered professional that it is safe to do so.</li> <li>▪ Consider moving important items to a safer place.</li> </ul>
Subsidence	<ul style="list-style-type: none"> <li>▪ Subsidence can cause extensive damage and therefore requires expert advice in determining the cause of the movement.</li> <li>▪ Your insurer may arrange independent engineers and loss adjusters to investigate the damage and draft a schedule of repair works.</li> </ul>
Business interruption	<ul style="list-style-type: none"> <li>▪ Let your insurer know immediately if there has been any business interruption as a result of the incident. Often they will require access to your organisation's finances and therefore specialists often facilitate these claims.</li> </ul>
Legal advice	<ul style="list-style-type: none"> <li>▪ If you have a legal query, some insurance policies include a legal helpline. They will be able to advise you on your policy cover and how to pursue a claim.</li> </ul>
Damage to treasures	<ul style="list-style-type: none"> <li>▪ If delicate or valuable items are damaged, it is vital that a professional restorer is contacted immediately to prevent the damage becoming worse. Ecclesiastical have a 24-hour claims line for new claims and we will be able to assist you in finding a suitable restorer.</li> </ul>
Legal claims	<ul style="list-style-type: none"> <li>▪ If an incident occurs, inform your insurer immediately.</li> <li>▪ Keep full written details and documentation you have relating to the issue.</li> <li>▪ Refrain from answering any third-party communications.</li> <li>▪ Your insurer will work with you to decide on the next steps. This may include appointing liability loss adjuster and specialist solicitors to act on your behalf.</li> </ul>

#### A fast response can help to save treasures

Captain Upright of Merchant Adventurer's Museum reacted quickly to severe weather warnings. When urgent weather warnings were given, he headed straight to the museum to attempt to hold off the water. It eventually broke through and inundated the ground floor of the museum but not before Captain Upright had saved many artefacts that might have otherwise been lost.

"I started moving historical artefacts to upstairs rooms before the water got too high. Some things I couldn't lift though, like the altar. That's what was so hard, knowing there wasn't anything I could do to stop it."

# Recovering from an event

The right insurance ensures organisations have the funds to recover effectively following an incident. It can easily take several years for a heritage building to be restored following a major incident such as a fire.

## How business interruption supports you during this time

Business interruption covers loss of revenue, or increased costs of working which may occur following an insured loss, such as a flood or fire. It can cover costs such as; staff salaries; ongoing business costs such as electricity, gas, suppliers, and alternative accommodation are just a few examples, that keep the business running while it recovers.

### The Roald Dahl Museum

Over the late May bank holiday flash floods were experienced after a period of torrential rain. At its height the flood water rose to 25.5cm causing damage which forced the Roald Dahl Museum to close their doors until repairs and cleaning could be completed.

Procedures were put in place to extract the remaining water and assess the level of damage. Luckily the museum had selected business interruption cover so we made an early interim payment to help with some of the costs. We worked closely with the team at the museum to plan ways we could limit the financial impact of the flood.

It was decided that the gift shop and café situated on the upper part of the site were able to continue trading.

We worked to a tight schedule to ensure the museum could reopen for business in the busy October half term week.

We used the business interruption cover to boost the museum's marketing spend on promotion for the reopening. This included additional print and digital advertising and 8 days' assistance from a PR Consultancy.

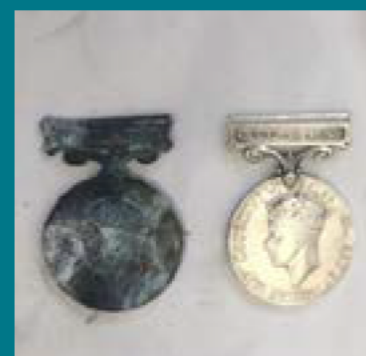
The consultancy provided additional press and PR support to help drive ticket sales for the all-important reopening in October half term.

To ensure your recovery is financially enabled, the individual needs of your buildings and the nature of your organisation need to be properly reflected by your insurance policy. For example, a larger organisation may take longer to recover and therefore may require a longer indemnity period. The Surrey Infantry Museum were housed in the basement of Clandon Park when the main building suffered a devastating fire. It has taken over three years to recover.

### The case of The Surrey Infantry Museum

Three years after the fire at Clandon Park, almost 80% of the items have been accounted for, and although many were lost forever, Ecclesiastical is currently working with the museum and specialist restoration company Farcroft to restore over 1,000 medals so that they can be returned to public display.

One of the reasons the recovery took so long and was so painstaking is that the museum was in the basement of Clandon Park. All the floors above had effectively collapsed on top of it. The fact that some medals have survived is remarkable.



## Indemnity periods

Business interruption cover is bought for a financial figure of your choosing, as well as a length of time, for example 36 months. It is worth considering carefully both the amount of revenue you insure for, as well as any increased cost of working (such as the hiring of additional premises) you may require in the event of a loss, as well as how long you insure for. With some time challenges such as planning delays, as well as finding the right skilled person/s to restore a heritage property, it may be some time before you are fully recovered. Your broker can support you with setting the right indemnity period for your organisation to ensure you have the full cover you need if the worst happens.

The Landmark Trust are used to the challenges that can come with planning.

"Although Planning Permission and Listed Building Consent are meant to be determined within an eight week period, our experience at the Landmark Trust is that it often takes longer than this – and sometimes very much longer! In part this is probably because of the workload of both the Conservation Officer (assuming your Local Authority has one) and the other planning staff.

Often there will be one or more requests for additional information quite late in the eight week period with the result that a decision is inevitably delayed. One's natural instinct is to try and work positively with those from whom consent is needed, and in fact the only formal mechanism to a delayed decision (known as 'non-determination') is to take it to appeal by the Planning Inspectorate, which itself has its own timescales and would inevitably lead to a significant delay.

For Grade I and II\* buildings, the relevant national body such as Historic England or CADW, and the relevant National Amenity Societies will need to be consulted by the Local Authority, and this too can be a cause of a delay. So a good measure of patience is needed, and it is wise to build in a measure of time contingency into when you expect to get the necessary consents.

It is worth also bearing in mind that a significant delay in consents will also of course delay any start on site, and this in turn may lead to potential cost increases in the value of the works to be done.

Even once you have hopefully achieved your consents, there will usually be conditions attached - and sometime quite a number of them. The Landmark Trust has had a recent project where some of these conditions had to be formally discharged before work could start on site – and this triggered another period of delay."

**Alastair Dick-Cleland, Conservation Manager and Surveyor at Landmark Trust**

## Looking to the future

It's also important to look to the future of the building when planning restoration and repairs. During the recovery process, there are likely to be opportunities to mitigate future risks, as well as ways to make the building more sustainable.

We understand that if installed during the recovery or renovation process, these solutions can function almost invisibly and harmonise with the proposed architectural design of the property. Please note, these solutions may be considered as betterment and may not always automatically be covered by your insurance.

**Energy efficiency** – insulation, solar panels, green solutions.

**Building in safety** – enhanced fire protection measures, slip resistant flooring.

**Designing out crime** – integrated intruder alarm systems, security lighting, access control - including vehicle access to the site.

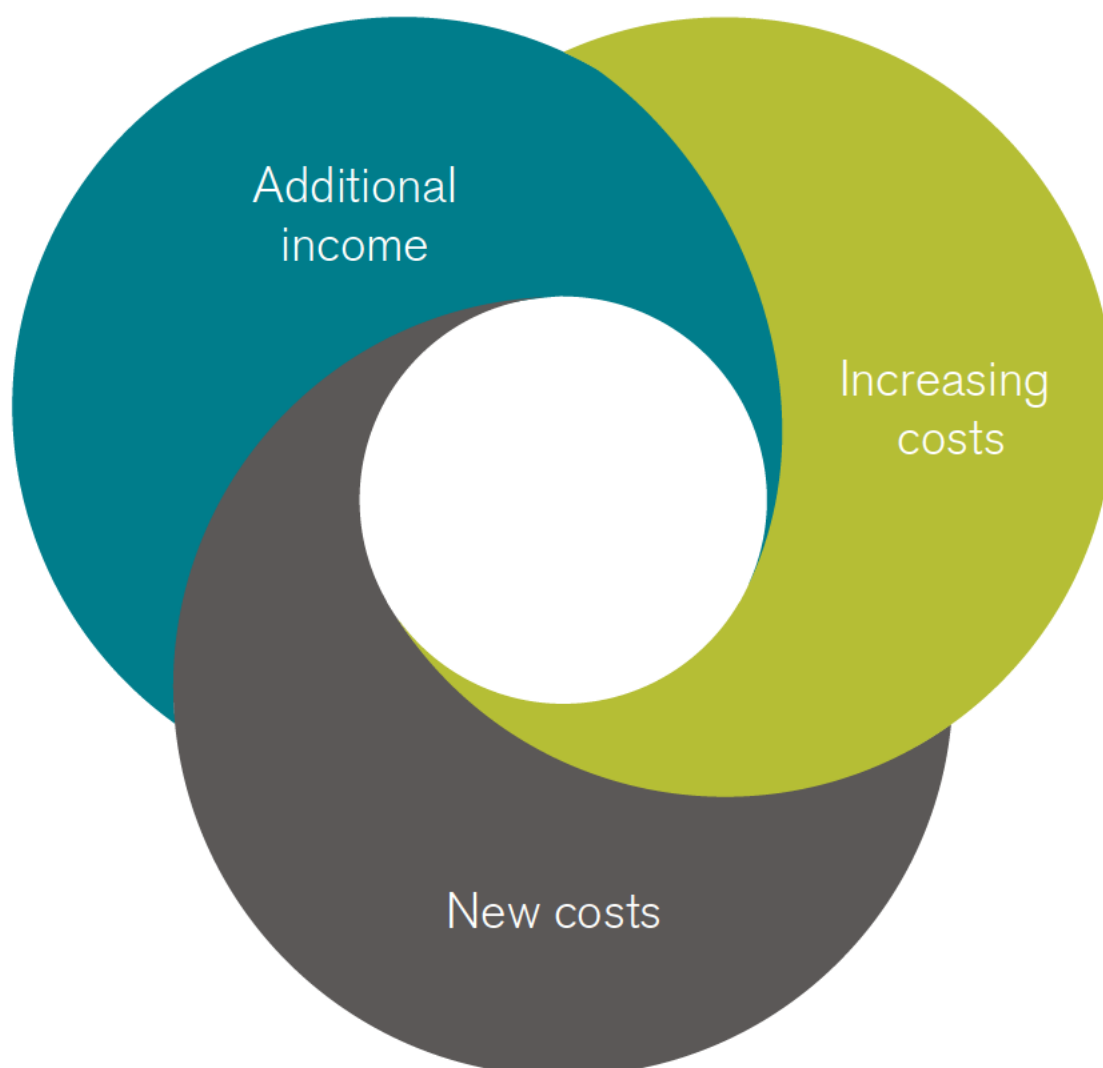
We recommend planning these features in the early design stages of your building project. By working with architects and planners you can integrate solutions within the fabric of the property that will complement the architectural characteristics and historic features.

## Funding heritage

In continuing to protect our heritage, organisations are securing these premises for future generations to enjoy. In turn, the heritage sector creates over 459,000 jobs<sup>18</sup>, boosts the local economy and the UK's global tourism appeal.

Costs are perhaps unsurprisingly amongst the top concerns for heritage organisations with well over 50% concerned about the cost of maintenance and repairs, and the security of funding<sup>19</sup>. Costs are rising but there is also a reduction in financial support, making it a tough environment for heritage organisations.

Out of funding concerns, creative solutions are being born and new income streams explored. Organisations are thinking outside the box and developing new ways to make the most of their assets through diversification and regeneration.



<sup>18</sup> Heritage Indicators, Heritage Counts, page 21

<sup>19</sup> Ecclesiastical FWD Heritage Tracking Survey 2018 based on 152 responses



# Managing costs

## Cost of building materials

The costs of building materials, skills and resources used in the construction industry rise and fall with availability and other factors.

Using traditional materials and crafts people is an essential consideration when completing repair and maintenance of heritage buildings. The availability and price of these skills and materials, as well as other factors may have an impact on the overall reinstatement cost of a building. If the cost of traditional materials has changed in the years since the building was last valued for insurance purposes, then some traditional buildings may be insured for an inadequate reinstatement sum.

The second highest concern amongst Heritage organisations is the cost of maintenance and repairs.

**FWD Ecclesiastical  
Heritage Survey 2018**

## Ecclesiastical Heritage Index

The standard General Buildings Cost Index (GBCI) for commercial and House Rebuilding Cost Index (HRCI) for domestic properties reflect modern construction costs (post-WWII). Some 61 materials and resources typically used in the construction of traditional buildings are not tracked by these standard building indices.

Some specialist elements required to rebuild/repair a traditional building, such as stone masonry, slate and lead, may not be tracked adequately by the standard indices, if at all. These are all included in the Ecclesiastical Heritage Index (EHI), available exclusively to our heritage policyholders.

Powered by the Building Cost Information Service (BCIS), this unique index helps to ensure that heritage building sums insured are maintained at an adequate level to support their repair and restoration if damaged and to avoid underinsurance in the event of a claim.

In addition to the application of a suitable building cost index, formal building valuations should be periodically undertaken, ideally every five years. Valuations should be completed by heritage building specialists with the knowledge and experience to accurately calculate suitable building sums insured to support repair, restoration or reinstatement of the property.

## Tax and business rates

Fluctuating costs can be difficult to account for. In recent years some government decisions have had a negative impact on the costs that the heritage sector is exposed to.

### Insurance Premium Tax (IPT) increases for not-for-profit organisations

Standard VAT is not applicable to insurance and instead 'Insurance Premium Tax' is added to a premium. This has doubled since 2015 rising from 6% to 12%.

Tax receipts for August 2018 show IPT raised £1.35billion for HMRC in one month. This is more than four times higher than the sugar tax is expected to make in one year.

■ Insurance Premium Tax	-	£6.13billion
■ Sugar Tax	-	£300million <sup>20</sup>

The increase in IPT puts extra pressure on those responsible for historic properties, who are doing the responsible thing in buying protection against their risks.

### Value Added Tax (VAT) on listed buildings

In 2012, HMRC removed the zero-rating on approved alterations to listed buildings and scheduled monuments. Building tax is currently charged at 20% for heritage buildings, but 0% for new-builds.

VAT on repairs gives a tax advantage to developers and penalises owners of historic buildings, many of whom are private individuals, who are already facing higher repair and maintenance costs. A reduction of VAT on repairs and approved alterations to listed buildings and charities would help organisations and owners of listed properties to protect the nation's heritage.

We're supporting the effort to change the government's decision and reduce VAT to 5% for listed buildings.

## Business rates

Business rates are calculated by what is known as the contractor's method. The method unfairly puts historic buildings which have higher repair costs, at a higher rate.

Since [York Museum](#) won their battle to reduce their business rates earlier this year, more museums and heritage organisations have disputed their rates and the outcomes have been significant.

- Chatham Historic Dockyard in Kent - £470,000 to £66,000,
- Segedunum Roman Fort near Newcastle - £152,000 to £55,000,
- Wythall Transport Museum near Birmingham - £160,000 to £9,000<sup>21</sup>.

"The Association of Independent Museums, along with sector partners, continues to campaign heavily for the Valuation Office Agency to apply consistency and fairness to the way that business rates are calculated for its members in terms of the calculation method for rateable values and how trading areas of museums are assessed. This is a hugely important issue for the sector at a time when museums are striving to be enterprising and maximise their resources."

**Emma Chaplin, Director of the Association of Independent Museums**

<sup>20</sup> ABI article, October 2018

<sup>21</sup> More Museums Appeal Business Rates, Museum Journal, Museums Association July 2018

## Generating income

Looking for new opportunities to boost income has sparked a wave of creative solutions and diversifying how we use heritage buildings is giving them a broader appeal.

Diversification doesn't have to be complex but it does require some thought and planning. With such a variety of organisations operating in the heritage sector, it's about exploring what is feasible, suitable for the community and aligned with overall objectives.

### Small, smart adjustments

Small changes can often generate extra income. Changes can be operational or the addition of new activities. Below are a few examples we have seen some organisations introducing. However small the change, risks should always be carefully considered such as health & safety and safeguarding.

**Extend the opening hours or offer unusual hours of access** – activities such as champing, 'museums at night', ghost hunts, evening concerts and sleepovers.

**Experience days and vouchers** – host short courses such as traditional craft, cooking, kitchen gardening, archery or falconry; perhaps package with a local cafe or hotel; and sell tickets online.

**Community and education hub** – additional spaces could be used for ad hoc 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.

**One-off tourism** – one-off events can be a fantastic way to introduce your premises to a broader audience and research shows if they visit once, it's likely they will return. Events such as Black History week and Pride are nationwide but there may also be other more local events that you can tap into.

**Heritage Open Days (HODs)** – In 2017, the HODs initiative attracted 3million visitors, of which over 60% were visiting for first time and 80% felt encouraged to visit more properties in the future <sup>22</sup>. Participation in the event helps

In a survey of heritage organisations, we found 37% have diversified in some way and over 75% have found it successful.

### Ecclesiastical annual Heritage tracking Survey 2017 based on 155 responses

### Sources of funding

If you need help funding a project, there are some sources you can try:

**National Lottery Heritage Fund** – funds projects that rescue neglected buildings to recording diverse community histories to providing life-changing training.

**Corporate partnerships** – local businesses may provide financial support for projects in their local area.

**Crowdfunding** – raising funds through a network of friends, customers and investors, mainly via social media and crowdfunding platforms.

**Heritage Funding Directory** – the Directory lists organisations offering loan finance, awards, scholarships and other "in kind" resources.

<sup>22</sup> Heritage Counts 2017 report, Historic England

## Bigger bolder ideas

Many heritage organisations tap into additional income streams through the activities they offer. What could be appealing to people in your area? By engaging with the community, you can understand visitor demographics and interests.

- **Plan regular activities based on popular hobbies** – photographers, wildlife enthusiasts, orienteering, gardening, archery and arts and crafts can be run by volunteers or by professionals in your local area, you just need the space to operate from.
- **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.
- **Hold seasonal activities** – Easter egg hunts, Halloween sleepovers, Christmas crafts or markets, summer picnics or outdoor movies.
- **Youth culture engagement** – host an event that young people can connect to; consult with them as to what they would respond to.
- **Cater for school visits** – there are over 1.6million school visits to historic properties each year<sup>23</sup>. Visits help to generate interest in heritage properties among a younger audience who are then more likely to visit such attractions as an adult. Our research into young people and heritage found that those who were not taken to specific cultural locations as children, are far less prone to visit them as adults<sup>24</sup>. There is support from organisations such as the Heritage Lottery Fund through programmes like 'Young Roots' which encourages collaboration between young people and heritage.
- **Local heritage festivals** – keep your eye out for events in your local area. Local exhibitions are often held to tell a part of history linked to the surrounding area. They are an opportunity to send a representative and showcase parts of your collection.
- **Regenerate buildings no longer in use** – Brooklands Museum turned an unused hanger that was once the power source for a wind tunnel, into a 4D theatre and ticket office.
- **Letting spaces to businesses** – this can be a lucrative source of income. When a third party uses your premises there is a risk they will cause damage through use. There are also liability risks to the property owner. Before deciding if this is a viable option, careful consideration about control and management of this space is required to ensure the arrangement works for both parties. Make sure these terms are clearly laid out in a contractual agreement. Read our guide to [hiring out a heritage building](#).

The attraction of broader audience types can often be attributed to offering something new.



The Novelist entertains a group of 14-21 year olds at the National Portrait Gallery

<sup>23</sup> GREAT campaign, Heritage Counts 2017

<sup>24</sup> Research commissioned with OnePoll which surveyed 2,000 18-30 year olds in the UK



## Diversification – steps to consider

### Once you have a goal, careful planning is required:

1. Liaise with your local authority or Historic England about listed, conservation and planning considerations.
2. Ensure you have the appropriate licences for any events.
3. Employ people with the specialist skills necessary to make any material or structural changes.
4. 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. Specialist insurance can often provide cover for event cancellation to help protect your income.
5. Check that any contractor, event organiser, supplier, hirer has adequate insurance and provides you with a copy, before any work or event commences.
6. Ensure that any budget required is carefully planned and acquired, including a contingency.
7. Identify health and safety precautions by completing a risk assessment. Hazards such as a body of water on your grounds may require further precautions so liaise with your local authority and emergency services.
8. Provide training to your staff and volunteers on the new activities.

### New activities, new risks

Most of the time, new activities represent little additional consideration. However, larger events or unusual activities can present more significant risks. These will need to be properly managed to ensure people and assets remain safe.

This may involve detailed planning before the activity or event starts and monitoring some of the precautions that have been put in place during it.

- additional footfall
- pedestrian and vehicular access to the event site or building
- adventure or 'experience' activities
- the provision or sale of alcohol
- attractions including inflatables or fairground rides
- hazardous materials or equipment
- fire, bonfires and fireworks
- car parking facilities
- the preparation and sale of food
- security and cash handling
- temporary demountable structures (e.g. stages, seating, tents, marquees)
- temporary gas appliances

- electrical installations and portable electrical appliances
- animals and animal exhibitions.

\*This list is not exhaustive

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.

### Need some additional support?

Ecclesiastical heritage insurance customers have access to a range of risk management tools and guidance. You can also call our in-house team who will support you by answering risk-related questions that arise during the course of your planning.



Example of Augmented Reality in action

## Attracting broader audiences

Technology can increase the number ways people are able to interact with the heritage sector. Where technology is used in such a way that it complements a location, it can also enhance the experience.

There has been a realisation in the sector that we need to look to the next generation to understand how we might engage audiences in the future. Attracting a younger audience is a concern for 51% of heritage organisations<sup>25</sup>. Attracting young people can not only boost visitor numbers, they are the people who will protect our heritage in the future. Making heritage sites more attractive to young people is the first step in inspiring a new generation to take an interest in heritage.

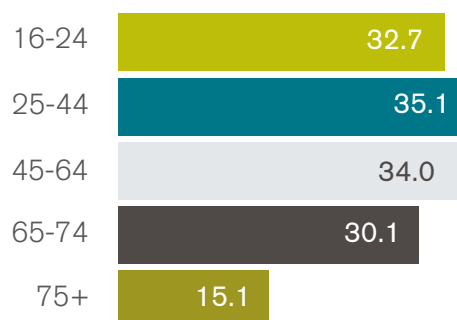
To understand young people's attitudes to heritage, we commissioned research with OnePoll who surveyed 2,000 18-30 year olds in the UK.

- more than a third never visit galleries
- almost a quarter never visit theatres
- just under one in five have never visited a museum<sup>26</sup>.

Interestingly, over half of those who had visited a heritage organisation online said the digital experience inspired them to want to visit in person. Visits might also be encouraged by technology available on site. If they were made available during their visit, young adults told us they would use VR headsets, digital displays and interactive apps on their phones.

### Digital channels are not just for young people

The government Department for Digital, Culture, Media and Sport measured the proportion of adults who had participated in culture via digital channels in 2016-2017<sup>27</sup>. In order to measure engagement, they excluded practical reasons to visit the website such as buying tickets. The graph below splits the results by age group:



The graph shows a fairly even spread in engagement across age groups showing that the appeal of technology, or at least digital assets, is appealing to a broad range of people.

<sup>25</sup> Ecclesiastical FWD Heritage Tracking Survey 2018 based on 152 responses

<sup>26</sup> Research commissioned with OnePoll which surveyed 2,000 18-30 year olds in the UK

<sup>27</sup> Taking Part Survey, England Adult Report. The Department for Digital Culture, Media and Sport 2016/2017

## Increasing the number of ways your audience can interact

Providing different kinds of experience onsite or remotely; this will enable more visitors to enjoy your premises and collections. The National Gallery is a great example, they 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.

- **Live streaming** – allows people who can't attend an event to experience it in real time from anywhere in the world. There are now simple ways to broadcast your event via social media channels.
- **Collaborating with tech companies** – it makes business sense for tech companies to find innovative uses for their products. If you have an idea, it's worth working with them to see if they can bring it to life.
- **Google Arts and Culture** – brings together a multitude of different collections, historic figures, events, art movements and themes to create a space where you can explore art and culture the world over, right from your living room.
- **3D imaging and virtual reality tours** – virtual tours are becoming more popular as a means of opening up your premises and exhibitions to people around the world. On a smaller scale you can use 3D imaging to share 360° degree profiles of individual artefacts or displays.
- **Active social media accounts** – the more buzz you can make about what you do, the more awareness you can generate. Having active social media accounts gives you the opportunity to share updates, activities and events with an audience.
- **Augmented reality (AR)** – AR generates a 3D experience of a real-world object or environment viewed through a mobile device. For example, a historic character will stand in front of your visitor and present their story, or a piece of architecture can be explained through a 360° schematic.

## New opportunity for galleries

Enhances in technology have created the opportunity for blue-chip galleries to sell art-work online. The David Zwirner gallery has successfully launched an online viewing room as its 'sixth gallery space' to expand its audience and appeal to young collectors. This has worked because technology enables us to share images online like never before.



# Protecting against additional costs

As the heritage sector adapts, more and more personal data will be collected and managing this is key.

## GDPR and data breaches

In the case of data breaches, the way an organisation responds can affect subsequent fines.

The General Data Protection Regulation (GDPR) includes a requirement to notify the [Information Commissioners Office \(ICO\)](#) within 72 hours following a breach that puts personal data at risk. In addition, there is a requirement to notify individuals if there is a high-risk breach, for example if medical records were unavailable for a long period due to a cyber attack.

If the breach is due to a cyber attack, you should call [Action Fraud](#) for immediate assistance from professionals.

The cost of a data breach can be crippling. For public sector organisations the average cost of a breach is £59 per record. The pie chart on the right-hand side, breaks down this cost into its component parts.

So for an organisation with 5,000 records, it would cost approximately £295,000.

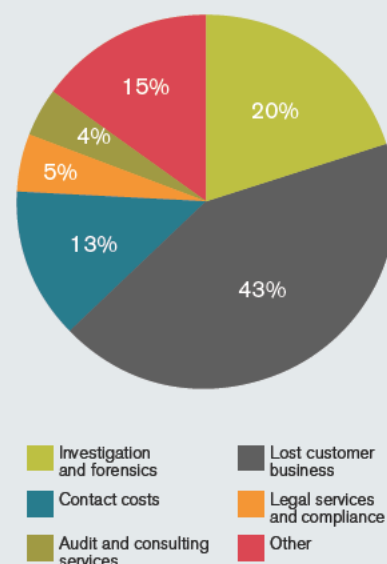
## What kind of data is at risk?

It's easy to dismiss some types of data as unimportant or low-risk. As an organisation you may have personal, financial or other data associated with:

- suppliers and contractors
- hirers'
- members
- online shop transactions
- online registration forms
- digital archives
- staff, volunteer and trustee records
- research
- visitor information.

Aspects of this data are likely to include personal information which could be at risk.

**Percentage cost of a data breach by category**



1 in 10 Heritage organisations have experienced a cyber attack .

**FWD Ecclesiastical  
Heritage Survey 2018**

Over 60% are concerned about losing data, the cost of putting things right and the loss of a website.

**FWD Ecclesiastical  
Heritage Survey 2018**





A well managed plan is a key tool for securing data and minimising the risk of a data breach and repercussions.

### **Tips for storing information safely**

- Only keep data the organisation will use.
- Minimise the number of places data is stored and reduce the volume of information you collect.
- Back-up data records on a regular basis, ideally every 24 hours and consider an external storage solution.

### **Protect data**

- Lock away physical records containing any private information in a secure location.
- Restrict employee access to private records to individuals with dedicated access.
- Conduct employee and volunteer background checks.
- Never give temporary employees, volunteers or third party vendors access to personal employee or customer information.

### **Clearing out old files**

Be mindful of the private information held offline. Physical records may be disposed of over time as alternative storage systems become more convenient. To safeguard records your organisation no longer needs, it's important to dispose of them safely.

- Cross-cut shred paper files.
- Destroy disks, CDs/DVDs and other portable media so they are unusable.
- Before disposing of a hard drive, use software specifically designed to permanently wipe it clean (or physically destroy the drive itself).

### **Restrict system use to company activity**

- Restrict employee and volunteer usage of computers and portable devices such as tablets to business activities only.
- Avoid file sharing on peer-to-peer websites or software applications, block access to inappropriate websites and prohibit the use of unapproved software on all devices.
- Login accounts should be personal, not shared, and you should be able to control access so staff members can only interact with the data they need.
- Manage use of portable media and ensure passwords are changed from those pre-set in the factory settings.
- Only allow encrypted data to be downloaded to portable storage devices. This provides effective protection against unauthorised or unlawful processing, especially if the device is lost or stolen.
- Restrict the use of physical ports (such as USB ports).



## Cyber risks and insurance

As fast as technology is improving operations, cyber criminals are evolving new ways to access data. Having specific insurance in place to mitigate cyber risks and can reduce the financial and reputational impact.

A specialist cyber insurance policy is likely to include more cover than a policy designed with only elements of cyber cover. More generalist policies may not cover many of the losses associated with cyber risks such as:

- costs of dealing with data breaches
- costs of dealing with cyber liability claims
- cover for business losses from a cyber event
- cover that helps organisations with the impact of cyber crime.

Due to the complexity of cyber incidents, most organisations are unlikely to have staff with the skill-set to respond in-house. Professionals are often needed to support with forensic investigations to understand the source of the attack and recover data where possible.

In addition to financial cover, Ecclesiastical cyber policies include access to expert advice and support e.g. IT, legal, forensic and media relations. When an incident occurs these services can help mitigate the financial impact of a loss.

## Reputation management

A rising concern for heritage organisations year on year is reputational damage.

In terms of the cost of a data breach, damage to the heritage organisation's reputation may have a greater negative impact than the tangible cost.

Depending on the severity of the incident, a negative impact on reputation can put revenue at risk. Careful crisis management can limit the impact of an incident on the organisation's reputation.

We understand reputation is fundamental to success. A data breach can put reputation on the line, so managing an incident with efficiency and empathy can help to keep it in tact. As such, we have provided insurance solutions to support heritage organisations with their recovery following a data breach:

- 24-hour legal advice line
- PR and crisis management
- access to forensic experts to support the recovery of data
- counselling helplines.

Speak with your insurance broker for more information.



## Conclusion

Despite the challenges in the heritage sector there is innovation, positive change and a bright future.

The protection of the UK's rich history will always rely on people taking an interest and getting involved. As communities change, heritage sites need to adapt to suit. We need to be mindful of creating safe spaces which are inclusive and engaging. With the right skills as well as passion, we can continue to give these sites purpose and ensure they remain relevant.

Heritage protection and maintenance demands our attention now more than ever. Protecting treasured assets comes with careful consideration of the risks, both in the sector and in the event of a major incident. We need to look for more ways to nurture and support the specialist skills needed to care for these buildings into the future. A proactive approach to planning for the unexpected can enable continuity and resilience.

This same proactivity should be applied to managing some of the rising costs in the sector. One solution to funding challenges is the creation of new income streams through diversification. With new horizons come new opportunity, but also risks to be aware of and apply diligent monitoring practices. However, embracing technology can open up avenues, both to attract younger people but also to engage with broader audiences and tackle new risks.

With innovative thinking, the right skills and collaboration, we can provide the support needed to successfully manage risks and drive a sustainable future for our heritage.



To find out more about how Ecclesiastical can help protect your Heritage establishment, talk to your insurance broker or visit [www.ecclesiastical.com/heritageinsurance](http://www.ecclesiastical.com/heritageinsurance)



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