

HELPING OUR HERITAGE TO BE FIT FOR THE FUTURE

ACTION: REFORMING HERITAGE MAINTENANCE FUNDS

Independent analysis commissioned by Historic Houses indicates that reducing income tax on HMFs to 20% would be the most cost-effective means of conserving independent heritage for public benefit. This targeted reform would generate funding to tackle the £1.38bn conservation backlog, while guaranteeing public access, generating economic growth and supporting people's health and wellbeing.

WE THEREFORE CALL ON THE GOVERNMENT TO REDUCE INCOME TAX ON HERITAGE MAINTENANCE FUNDS TO 20%

HMFs are a means by which nationally important historic houses that are open to the public can ringfence funds (from their own resources) for heritage maintenance. In this way, HMFs generate private sector funding for public benefit. We welcome the government's support for HMFs; however, in their current form HMFs are subject to a high rate of income tax – 45% – and capital gains tax continues to apply.

Increased public access

- Historic houses adopting a HMF would be able to increase public access by 20 days each year on average

748,000
more visitors a
year by 2023



Delivers a net economic benefit £

- Reducing income tax on HMFs to 20% would generate a net benefit for the UK economy of £85.5m by 2023
- Exchequer revenue would increase by £4.6m by 2023. This would offset part of the static costs to the Exchequer

Increased tourism spend

- Additional visitors to historic houses would spend an extra £11.4m



Driving regional economic growth

- 26m annual visits to Historic Houses places generate £1bn in visitor spend, £720m of which is spent 'off site' in local towns and villages
- Nearly 50% of goods and services purchased by Historic Houses places is with local suppliers
- Historic Houses places generate 33,700 FTE jobs, injecting £496m into the economy as GVA



Promotes health and wellbeing

- The health and wellbeing value of these additional visits to historic houses would be worth £89.4m to the UK economy by 2023



COST OF INACTION

Now is the time to give our country's irreplaceable historic houses the tools they need to drive growth and support our communities. If nothing is done:

- We risk irreversible damage to our unique heritage, which forms the backbone of our thriving tourism industry
- The £1.38bn conservation backlog of outstanding repairs will continue to grow
- Erosion of public access would lead to an economic loss of £34.8m by 2023, including £25.5m in lost tourism spending

