

HERITAGE COUNTS 2017

50 years of Conservation Areas

Heritage Counts 2017 is the sixteenth annual audit of the historic environment in England. Produced on behalf of the Historic Environment Forum, it reports on the major developments and trends in the heritage sector as well as presents findings from new research on conservation areas.

Introduction

2017 marks the 50th anniversary of Conservation Area legislation introduced by the 1967 Civic Amenities Act.¹

The Civic Amenities Act 1967: **“An Act to make further provision for the protection and improvement of buildings of architectural or historic interest and of the character of areas of such interest; for the preservation and planting of trees; and for the orderly disposal of disused vehicles and equipment and other rubbish”.** [27th July 1967]

Conservation area designation provides Local Planning Authorities (LPAs) with additional planning controls including controls over the demolition of unlisted buildings; additional restrictions on permitted development rights; special protection for trees and tighter regulations on advertising. LPAs can also make Article 4 Directions² to require consent for certain works e.g. works to windows.

Local Planning Authorities have a duty to ‘determine which parts of their area are areas of special architectural or historic interest the character or appearance of which it is desirable to preserve or enhance’, and to designate those areas as conversation areas. [Section 69, Planning (Listed Buildings and Conservation Areas) Act 1990]

To mark the 50th anniversary of conservation areas, Heritage Counts presents research from Oxford Consultants for Social Inclusion (OCSI) and deprivation.org examining socio-demographic trends in conservation areas. The research provides a novel approach to understanding conservation areas based on detailed, localised evidence of how conservation areas have changed over time according to four dimensions of good growth – economic growth, inclusive growth, affordable growth and wider growth. Using geospatial analysis the research has developed comparable non – conservation areas against which conservation areas in each local authority are benchmarked. The analysis examines conservation areas in rural, urban residential and town centres separately.

Heritage Counts 2017 also presents evidence gathered from a recent poll of members of the public examining attitudes to conservation areas. The YouGov survey of 1,893 adults also surveyed a smaller sample of 597 conservation area residents. The findings are supplemented with evidence from a more detailed survey of owners living in conservation areas undertaken by Ecorys and Alastair Coey (2017). Finally, the results of a survey of 73 IHBC members and 164 Civic Voice members undertaken earlier this year are discussed (Historic England, 2017).

The detailed research reports are available here: [https:// heritagecounts.org.uk](https://heritagecounts.org.uk)



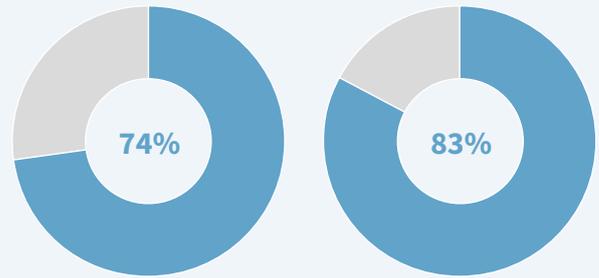
© Historic England

Headline findings

Conservation areas form a vital part of England. 12.5% of the national population live in conservation areas.



Conservation areas are popular amongst members of the public.

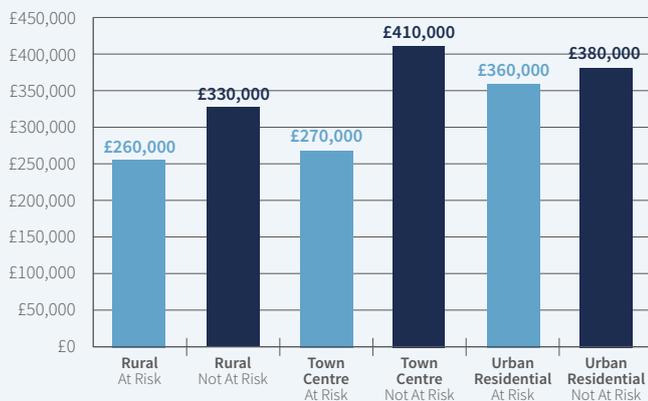


74% of adults in England believe **local authorities should have the powers to restrict changes to buildings and streets** in order to **protect** the character and appearance of a **conservation area**.

This **increases** to **83%** of **residents living within a conservation area**.

(YouGov 2017)

Distinctive areas command higher property prices. Conservation areas at **risk** have lower house prices and higher level of unemployment in 2016 compared to conservation areas not at risk.



Proportion of conservation areas outperforming matched non-conservation areas (2001–2011).

Qualifications



Rural: **66%**
Town Centre: **37%**
Urban Residential: **53%**

Health



Rural: **62%**
Town Centre: **43%**
Urban Residential: **51%**

Housing condition



Rural: **62%**
Town Centre: **31%**
Urban Residential: **47%**

Work life balance



Rural: **61%**
Town Centre: **53%**
Urban Residential: **56%**

Conservation areas are not barriers to growth.

FOR SALE

In England **5.1%** of transactions inside designated conservation areas are for new build compared with **6.9%** in the country as a whole.

(Wights, 2016)

Source: © OCSI et. al., 2017 **The data is based on a sample of conservation areas for which spatial data is available

“

“In this global, interconnected economy, what is local and unique has a special value and should be supported and encouraged.”

(The Culture White Paper, 2016)

”

Headline findings

Conservation areas form a vital part of England’s historic environment covering 2,938 sq. km or 2.2% of land and providing homes for over 6.8 million people.

There are currently over 10,000 conservation areas in England since the very first designation of Stamford in Lincolnshire in 1967.

New evidence gathered for Heritage Counts 2017 shows that **conservation areas are a popular planning tool. Three quarters of all adults (74%) in England believe Local Authorities should have the powers to restrict changes to buildings and streets in order to protect the character and appearance of a conservation area.**

Interestingly, conservation areas are even more popular amongst residents of these areas, with 83% agreeing with the additional Local Authority controls, which demonstrates their support for shared responsibility for these special places.

Distinctive areas command higher property prices.

Residents are willing to pay a premium to live in conservation areas. In 2016, house prices were on average 50% higher in town centre conservation areas compared to matched non-conservation areas, 33% higher in urban residential conservation areas and 22% higher in rural conservation areas relative to comparable non-conservation areas.

The popularity of conservation areas is increasing –

house prices in conservation areas are growing at a pace that outstrips growth in non-conservation areas. People want to live in conservation areas. Conservation area designation can encourage good placemaking.

“

Conservation Area status ensures careful consideration is given to the design of a new build scheme and how it harmonises with its surroundings.

(Nicky Lloyd, Development Officer at Great Places Housing Group, Manchester).

”

It is the success of conservation areas designation in preserving the historic character and architectural features of the conservation areas that adds value, rather than the designation itself. 88% of conservation area residents agreed or strongly agreed that **“conservation area designation is effective in protecting the character and appearance of my area”**.

In fact, house prices are lower amongst conservation areas that are ‘at risk’ from neglect, damage or inappropriate development in comparison with conservation areas not at risk. Resource constraints in Local Authorities including the cuts of local historic environment staff are a potential threat to the principles of conservation area designation. This is a real concern for the heritage sector overall.

The Heritage Counts 2017 research demonstrates that conservation areas are not barriers to growth.

Conservation area designation does not imply no new development – in England 5.1% of transactions inside designated conservation areas are for new build compared with 6.9% in the country as a whole (Waights, 2016).

Overall socio-economic conditions in conservation areas, as measured by indicators of good growth, are improving over time.

A large number of conservation areas are outperforming matched non-conservation areas across different dimensions of good growth. Conservation areas are more stable and resilient compared to non-conservation areas according to the economic growth indicator.

On the other hand, conservation area designation does not imply any major financial investment aimed at stimulating economic growth so designation does not on its own promote growth. For members of the public, the strength of their connection with places creates a strong desire, and need, to protect these places for future generations (National Trust, 2017). This is indeed the guiding principle of conservation area designation: to preserve or enhance an area of special architectural or historic interest for current and future generations.

Trends in conservation area designation

Conservation area designation is a local rather than national planning tool, but one that remains recognised in national legislation and policy.

The designation is used to protect wider areas rather than just individual properties or features. Local Authorities are required to regularly consider the designation and review of conservation areas. The management of conservation areas is subject to public consultation, and local communities are playing an ever-increasing part in their designation, management and improvement.

Since the very first designation of Stamford in Lincolnshire in 1967, the number of conservation areas has grown – today there are over 10,000 conservation areas in England covering 2,938 sq. km of land or 2.2% of England.

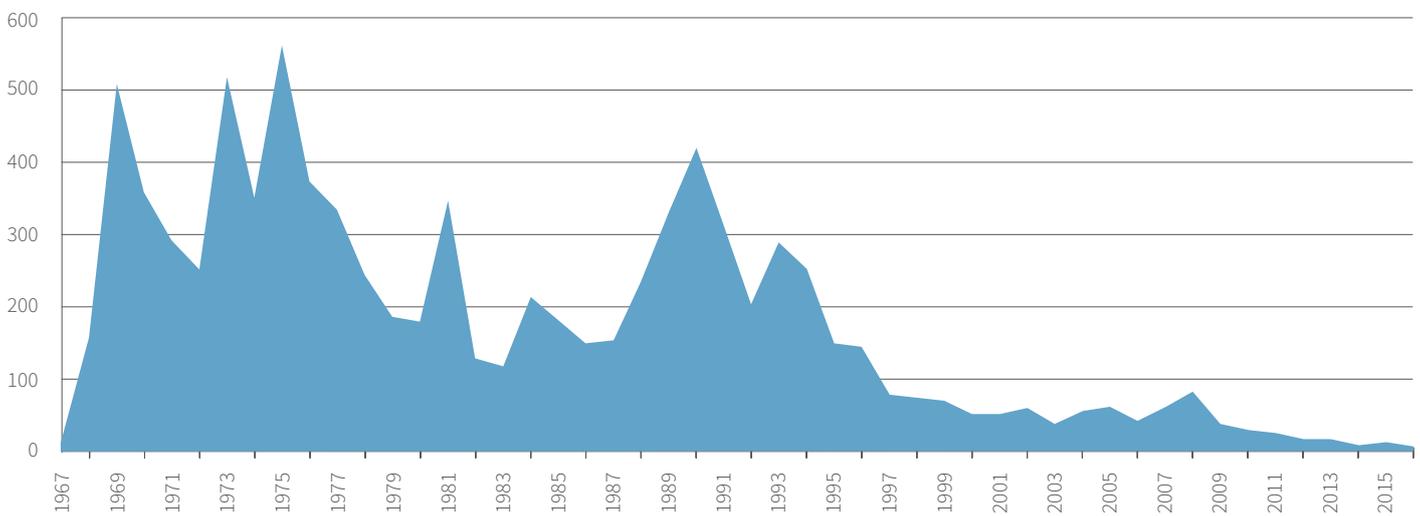
“

The number of conservation areas
... legitimately reflects the wealth and complexity
of the historic environment in this country

(Airs, 1993)

”

Figure 1: Conservation areas, designations per annum 1967–2016



The popularity of conservation areas is evident in figure 1. **In the first decade of the 1967 Civic Amenities Act there were on average 370 new conservation area designations each year** – ranging between 160 to 560 designations each year. This reflects the early enthusiasm for the new designation and also the development of conservation area provisions in the 1974 Town and Country Amenities Act, including the introduction of what came to be known as conservation area consent (now absorbed into planning permission). This enthusiasm continued into the 1980s and early 1990s with an average of 220 designations per annum (1980–1995). This period corresponds with a peak in the building cycle and increased pressure to produce authority-wide local plans. In 1995 there were over 7,800 designated conservation areas in England.

By the late 1990s, the number of new conservation area designations tailed off significantly. This is likely

to be because the most obvious historic areas had by then been designated, but also due to considerable declines in the number of Local Authority historic environment staff. In the last 10 years, specialist staff numbers have declined by more than 36% (see Heritage Counts 2017, Indicators report). In the post-recession period there have been fewer than 10 conservation area designations each year.

The lack of new conservation area designations in the recent past masks more subtle trends within existing conservation area designations. LPAs are required to review conservation area designations ‘from time to time’ (Planning (Listed Buildings and Conservation Areas) Act 1990, Section 69). **Over 34% of all designated conservation areas have been amended since they were originally designated.** In fact, nearly 60% of the conservation areas designated in the first decade of the 1967 Act have subsequently been amended.

Figure 2: Proportion of Conservation Areas amended by original year of designation

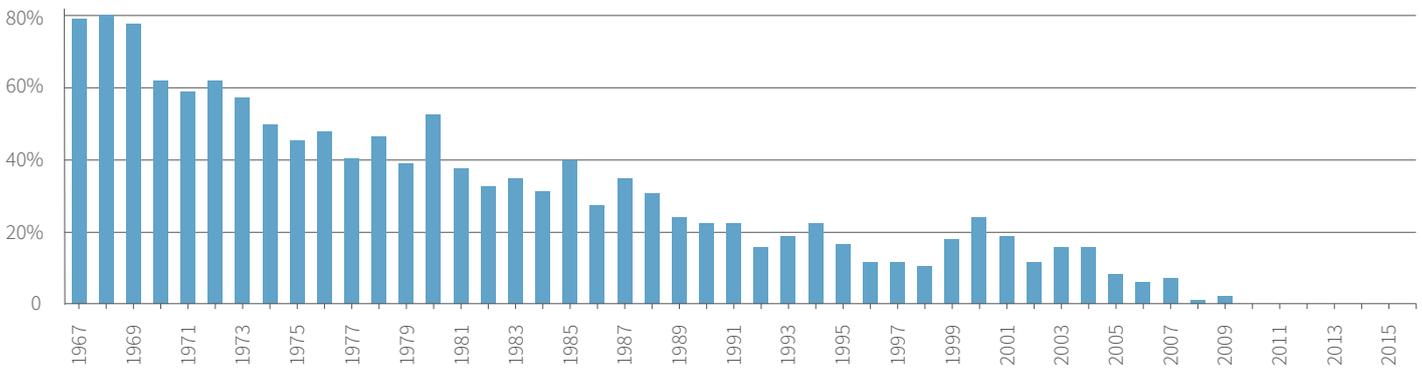


Figure 2 clearly shows that conservation areas can be a dynamic element of the planning process.

**Local Planning Authorities are responsible for publishing conservation area spatial data through Historic England under the INSPIRE Memorandum of Agreement with the Local Government. INSPIRE is staged over 10 years with full compliance required by 2019/20. Currently approximately 85% of conservation areas are publicly available via Historic England. All analysis of conservation areas to date is therefore based on the available sample of conservation areas.

Conservation areas are popular amongst residents and members of the public.

The popularity of conservation area designation as a planning tool is also reflected in their popularity amongst the general public and conservation area residents.

A recent poll found that three quarters of all adults (74%) in England believe Local Authorities should have the powers to restrict changes to buildings and streets in order to protect the character and appearance of a conservation area (YouGov 2017).

Residents of conservation areas are even more supportive of the use of conservation area designation with 83% agreeing with the additional local authority controls. Only 5% felt local authorities should not have additional controls (YouGov 2017).

A more detailed survey of conservation area residential property owners finds that **88% agreed or strongly agreed that “conservation area designation is effective in protecting the character and appearance of my area”** (Ecorys et al., 2017).

Similar proportions (83%) agreed or strongly agreed that “conservation area designation is effective in reducing inappropriate development in my area” (Ecorys et al., 2017). When asked whether residents of conservation areas would choose to live in a conservation area again, two thirds (65%) said they would be likely to if

they had to move home (YouGov 2017).

Places evoke powerful emotional reactions and these have important psychological benefits to individuals who hold attachments to special places (National Trust, 2017). Employing cutting-edge Functional Magnetic Resonance Imaging (fMRI) brain technology, research by the National Trust demonstrates that places support us in four areas; mental well-being, nostalgia, security and survival (National Trust, 2017).

“ It is clear that the brain treats places that are meaningful very differently to common/everyday places. Places of significance places generate a strong emotional response

Prof. Opitz, University of Surrey ”

The emotive nature of heritage is evident in the survey of owners of listed buildings. Owners felt privileged to own a listed building and demonstrated a real sense of pride seeing themselves as custodians and a part of history (Alastair Coey et. al., 2015).

“ I love our beautiful home and I’m proud to be a custodian of a little bit of England’s and our local community’s heritage; it doesn’t feel so much like we own our property, more that we’re privileged to be part of its story.”

(Owner of a grade II property in the South East in Alastair Coey et. al., 2015) ”

New research looking at the value of place shows that “beauty, a sense of locational memory and the urban quality of a place matters sometimes as much and sometimes more than connectivity, space and proximity to a place of work” (Create Streets, 2017).

75% of 2,000 surveyed members of the public agreed that they would like to pass on their love of their place to significant others (National Trust, 2017).

Case Study – The Malings, North East and Tees Valley, Interview with David Roberts, Director, Igloo

The Malings development in the Lower Ouseburn Valley Conservation Area, Newcastle upon Tyne is street-based urban community housing, facing the Ouseburn Valley River. It consists of 76 echo-friendly homes with communal areas such as gardens and bicycle stalls. The Malings development won the ‘Housing Design’ award in 2016 and the ‘RIBA North East’ awards in 2017. The Conservation Area, (designated in October 2000) contains one Grade II* listed building (Ouseburn School) and 9 Grade II listed buildings. The Hadrian’s Wall World Heritage Site also runs through the conservation area.



The Malings, Newcastle upon Tyne. ©Jill Tate

Do you feel that the Malings development has been different because it is in a conservation area compared with other developments not in a conservation area?

‘Working on a development in the Lower Ouseburn Valley Conservation Area has been beneficial in a number of ways: Fundamentally the Conservation Area has protected, and must continue to protect, the sense of distinctiveness. We are accelerating the development of the urban village that has evolved over time and it is important that we and all other developers are held to account for the various impacts that our developments will have. On some issues the need to “make the case” for our proposals has required a greater amount of research and analysis than would otherwise have been necessary. This serves to deepen the dialogue with stakeholders, which is also beneficial.’

From your experience, what are the advantages and disadvantages of undertaking a development in a conservation area?

‘The principal of conservation areas can work well for us in so far as it is founded on valuing place and place-heritage, which are elements that we look to draw on as differentiators.’

Where this can fall down is when individual conservation officers / statutory consultees interpret conservation to mean the preservation of everything and the prevention of new. That has not been the case with the Ouseburn sites. In fact it may be that the greater amount of experienced and expert practitioners that comment on schemes in conservation areas becomes increasingly advantageous, compared to other areas where the diminishing resource of skilled urban designers available to planning authorities means that discourse on a scheme’s merits is more limited.

The Conservation Area status places on us a requirement to give additional consideration to preserving the significance of the area, and in the case of the Ouseburn we identified this significance in a rich record of the area’s industrial past. With the help of the local amenity groups we quickly understood its roots in the coal, glass and pottery industries that have shaped the area since the C17. Its dramatic topography combined with the compact configuration of buildings and streetscapes is intimate and distinctive, creating a strong sense of place and individuality which our architects were able to work with through thoughtful integration with the historic environment and high-quality, original design.’

The popularity of conservation areas is often measured by the value of residential property within them.

Researchers have sought to understand the extent to which conservation area designation or indeed heritage assets influence house prices as a measure of value or impact. Using hedonic regression methods³, numerous studies have found statistically significant correlations between heritage, conservation areas and residential property values (for a detailed literature review see Create Streets, 2017).

A study looking at how a wide range of built environment and locational factors affected London house prices found: “the most important factors influencing house prices were found to firstly relate to physical built environment housing qualities, particularly house size and **age, with larger older housing being much more desirable.** This supports arguments emphasising the value of family housing in London, and of **the continuing appeal of historic high heritage value neighbourhoods.**” (GLA Economics, 2010).

Similarly, research by Ahlfeldt et. al. (2012) found that **residential prices in conservation areas are, on average, 23% higher than outside conservation areas.** After controlling for other factors, the premium is on average 9%. The research found that the price of properties in conservation areas generally rises as one moves from the edge to the centre of the conservation areas.

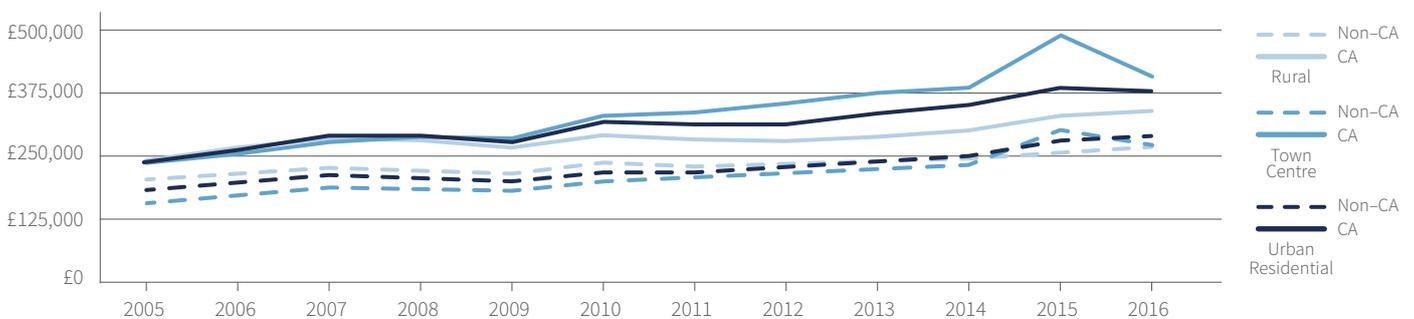
Proximity to a listed building is associated with more additional value than the premium associated with a newly built home (Create Streets, 2017).

Property prices in conservation areas are higher in comparison with matched non-conservation areas

Evidence commissioned for Heritage Counts this year supports this evidence base. Examining trends in rural, urban residential and town centre conservation areas, OCSI et. al. (2017) show that property prices in conservation areas are higher in comparison with matched non-conservation areas.

House prices in 2016 were on average 50% higher in town centre conservation areas compared to matched non-conservation areas, 33% higher in urban residential conservation areas and 22% higher in rural conservation areas relative to comparable non-conservation areas (OCSI et. al., 2017). Note these are absolute price differences not controlling for other factors.

Figure 3: Average property prices (all property types) in conservation areas (CA) and matched non-conservation (non-CA) areas 2005 to 2016

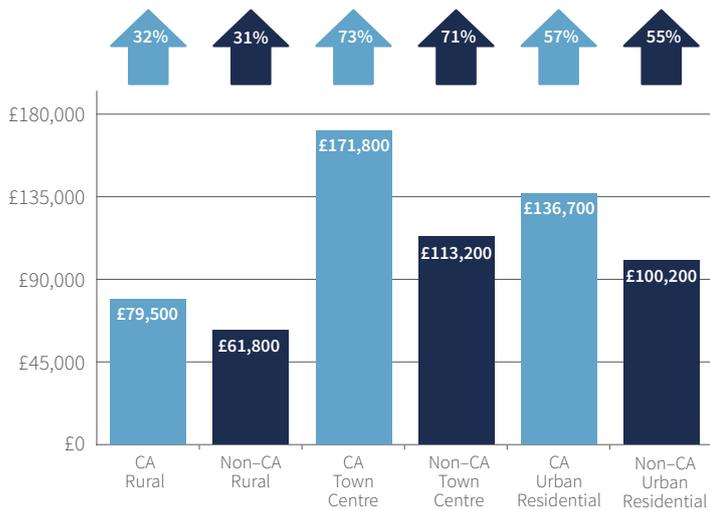


Source: © OCSI et. al., 2017

Property prices in conservation areas are increasing at a faster pace than non-conservation areas.

Property values in the majority (ca 80%) of conservation areas were higher at the baseline period in 2005 and this continued over time to 2016 (OCSI et. al., 2017).

Figure 4: Change in average house prices in conservation areas (CA) and non-conservation areas (non-CA) (2005-2016)



Source: © OCSI et. al., 2017

Property prices in conservation areas are increasing at a pace that outstrips the pace of growth in non-conservation areas between 2005 and 2016

(OCSI et. al., 2017):

- In rural conservation areas average house prices increased 32% compared to an increase of 31% in non-conservation areas.
- The greatest increase in house prices in this period was in town centres: prices increased by 73% in conservation areas compared 71% in non-conservation areas.

The evidence also points to an increasing divergence in average house prices in rural, urban residential and town centres in the post- recession period.

The evidence gathered for Heritage Counts 2017 demonstrates significant regional variation – for example while house prices in town centre conservation areas increased by over £500k in London between 2005-2016, house prices in the North West, Yorkshire and Humber and East Midlands town centre conservation areas increased by less than £65k (OCSI et.al., 2017).

The popularity of conservation areas is not zero sum

The evidence from OCSI et.al. (2017) raises questions about the potential costs of conservation areas – for example the increasing demand for property in conservation areas has a negative impact on the affordability of property.

The early enthusiasm for conservation area designation (1967- early 1990s) has been the subject of critique, as authors have questioned motivations for designation (see Airs 1993). Some critics suggest that designation is used as a means to raise property prices and reduce development. However, it is important to note that research by Ahlfeldt et. al. (2012) shows that areas that later become conservation areas, start with a premium property value of 16% before designation.

Furthermore, recent research by Ahlfeldt and Holman (2017) of conservation area neighbourhoods in Greater London, finds that **more distinctive areas command higher property prices.** If an area moves up their distinctiveness ranking scale (a five point scale ranging from not at all distinctive to very distinctive), there is a capitalisation effect of about 25.4% of the property value or £38.7k. Indeed, a survey of estate agents in 2009 found that 82% stated that original features added to a property’s value and 72% felt that original features helped ensure a quicker sale (English Heritage, 2009).

This evidence suggests that it is the character and original features of the conservation areas and their properties that add value rather than the designation itself.

Average house prices are lower in conservation areas’ at risk’

6% of England’s conservation areas are ‘at risk’ according to the Heritage at Risk Register. The reasons why conservation areas become at risk are complex and varied but relate generally to inappropriate new development, neglect or deliberate damage. In a recent survey of members of the Civic Voice and IHBC, 8% and 35% respectively, considered that some areas locally did not deserve designation (Historic England, 2017). The main reasons why involved the loss or degradation of the character for which they had originally been designated.

Evidence of conservation areas ‘at risk’ shows that the overall socio-economic position of conservation areas ‘at risk’ is poor when compared against not at risk areas (OCSI et.al., 2017). The majority of conservation area ‘at risk’ exhibit lower average property prices than those not at risk (OCSI et. al., 2017). The research does not conclude that the loss of character in conservation areas ‘at risk’ is the lead cause of the lower property prices. However the research by Ahlfeldt and Holman (2017) finds that **more distinctive areas command higher property prices**. Loss of character, neglect and damage of historic or architectural features no doubt reduces the distinctiveness of ‘at risk’ areas

Beyond property values -towards measures of ‘good growth’

Research commissioned for Heritage Counts 2017 examines conservation areas using multidimensional indicators of performance - not only residential property values. Property price analysis often focuses on owner-occupiers and excludes wider impacts. This is important as conservation areas are incredibly diverse and vary in their characteristics with some largely non-residential. It is therefore unlikely that residential values are a good, comprehensive measure of this diverse group of places.

In fact, **according to the index of multiple deprivation (IMD), 6% of conservation areas in town centres and 1% of conservation areas in urban residential areas are in the 10% most deprived areas in England. On the other hand, only 2% of conservation areas in town centres and 6% of conservation areas in urban residential areas are in the 10% least deprived areas in England.**

Conservation areas can encompass whole cities, such as the designation covering all of the city of Bath, while others cover just a few buildings and the spaces between them. Swaledale and Arkengarthdale in the Yorkshire Dales National Park is the largest conservation area in England covering 71 sq. km - which is only slightly smaller than Guernsey. On the other hand, Heath Passage in Hampstead Village, London Borough of Barnet comprises just two buildings all in just 1,094 sq.m.

Indeed the very objective of conservation area designation is to preserve and enhance what is locally unique and special and is in this sense a celebration of local diversity.

“

In this global, interconnected economy, what is local and unique has a special value and should be supported and encouraged.

(The Culture White Paper, 2016)

”

Survey evidence of owners residing in conservation areas confirms the **local importance** of conservation areas. **84% of conservation area owners believe that their property is important or very important to the character of the local area, while only 51% believe that their property is important or very important nationally** (Ecorys et.al., 2017). In comparison, 70% of owners of listed buildings believe their properties are nationally important.

“

The whole success of conservation is its bottom-up, localised approach to historic and architectural character.

(Airs, 1993)

”

Socio-economic conditions in conservation areas are improving

Research commissioned for Heritage Counts 2017 shows that over time socio-economic conditions in conservation areas are largely improving.

Seven different indicators of good growth, in addition to house prices, are used to examine trends within conservation areas (OCSI et. al., 2017). Figure 5 shows that qualifications, health levels, housing quality, work-life balance of residents and unemployment rates are improving over time in all types of conservation areas. There are exceptions e.g. crime rates in rural and town centre conservation areas where there has been a rise in the recent past.

Conservation areas are not a barrier to growth

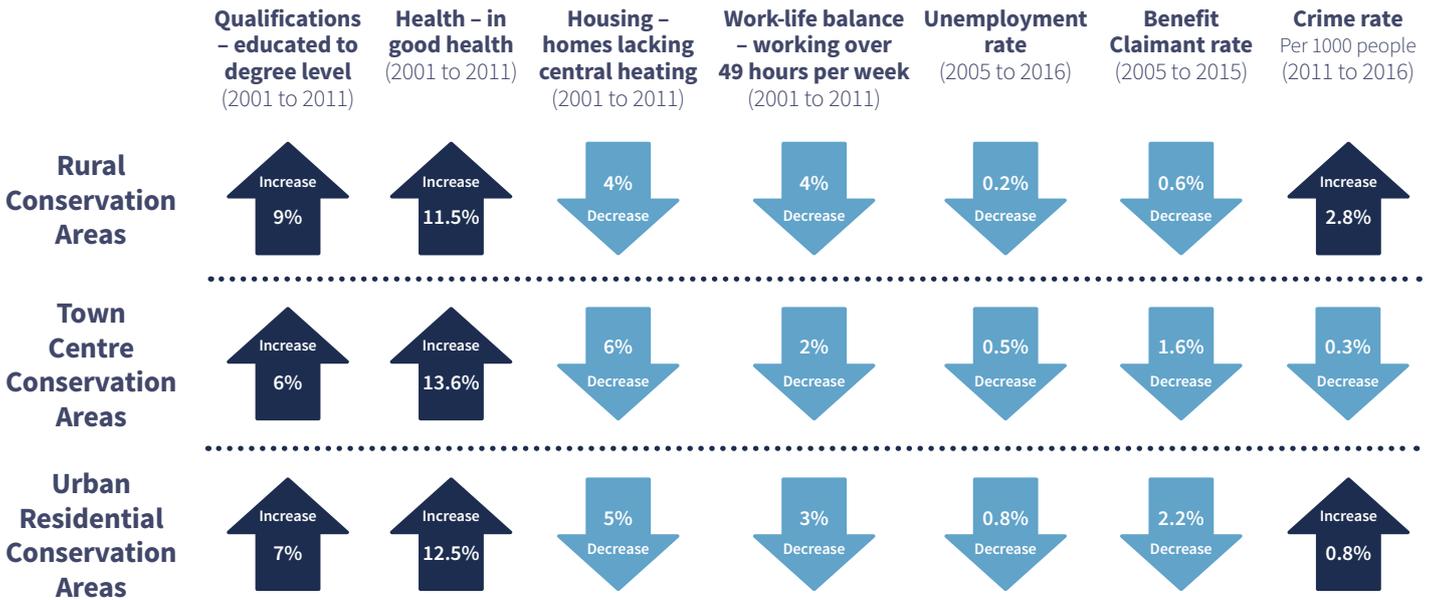
Research for Heritage Counts 2017 examines how conservation areas are performing relative to matched comparable non –conservation areas according to multidimensional measures of growth.

In the pursuit of growth, planning generally – including conservation area designation – is sometimes portrayed as a barrier to growth. Critics argue that planning policies generally are to blame for the constrained supply of houses and land (see Cheshire, 2009, 2014, Waights, 2016). Hilber and Vermeulen (2014) find that house prices in England would be 35% lower if planning constraints were removed.

It is important to note that conservation area designation does not imply no new development – in England 5.1% of transactions inside designated conservation areas are for new build compared with 6.9% in the country as a whole (Waights, 2016).

Figure 5: Changing socio-economic conditions in conservation areas

How are conservation areas performing over time?



Case Study - Whitefield, Pendle, Interview with Nicky Lloyd, Development Officer at Great Places Housing Group, Manchester

Whitefield in Pendle is a remarkably intact former mill workers settlement, containing over 1700 terraced homes on an urban grid. Following a public enquiry which rejected the planned ‘compulsory purchase order’ which proposed extensive clearances, the whole neighbourhood was eventually designated as a Conservation Area in 2004. For several years after, Whitefield became the subject of concerted regeneration efforts and benefited from Housing Market Renewal (HMR) funds. The area also benefited from a Heritage Lottery Funded ‘Townscape Heritage Initiative’ and English Heritage ‘Partnership Grant’ scheme.



HMR funded terraced housing group repairs, new school and public space, Every Street, Whitefield. © Great Places Housing

Great Places Housing Association initially contributed to this by developing a Homes and Communities (HCA) funded, new-build project in 2012 which filled a gap site.

When asked to comment on the project and working in a conservation area, Nicky Lloyd (Development Officer at Great Places Housing Group, Manchester) said:

‘Great Places is a Housing Association providing over 19,000 affordable, social and supported homes across the North West and Yorkshire. Based in Manchester, we are a not-for-profit organisation which prides itself on resident participation and high quality design.

Development in a Conservation Area presents a variety of challenges. The key constraint is balancing high quality design with limited funds. By their very nature, there are typically a host of new issues to address when working in a historic area, in addition to the high build cost of utilising a palate of materials which responds sympathetically to the surrounding built environment. The key to our development in Whitefield was partnership working; without the support of all of those involved the scheme would have proved a challenge to deliver.

Conservation Area status ensures careful consideration is given to the design of a new build scheme and how it harmonises with its surroundings. Although design should be scrutinised through the standard planning channels, conservation status is a useful tool to ensure a more robust consideration of design and context.

Case Study - Whitefield, Pendle, Interview with Nicky Lloyd, Development Officer at Great Places Housing Group, Manchester

For Great Places, design scrutiny is a fundamental component of our internal procedures; undertaking exhaustive internal and external design development to deliver neighbourhoods of choice. We are proud to say we had 100% customer satisfaction on the development in Whitefield.

Conservation status requires consultation with a wide range of statutory bodies, meaning progress can sometimes be hindered by adopting ‘design by committee.’ This can lead to incoherent design, and a lack of a clear vision and aesthetic. Although there is an appreciation that each Conservation Area is unique,

at times it was unclear in this case whether the design brief, dictated by the planning process and statutory consultees, required a pastiche or a more contemporary approach.

Whilst there are still repair and enhancement works to complete in Whitefield, the delivery of the Great Places development alongside the new school and enhanced public realm contributed to the Whitefield Conservation Area being removed from the Heritage at Risk register in 2016.

Qualifications, health, housing quality and work-life balance in conservation areas and non-conservation areas

The majority of conservation areas outperform comparator areas in terms of qualifications, health, housing condition and work-life balance.

Over 60% of rural conservation areas improved and outperformed comparator areas in terms of qualifications, health, housing conditions and work-life balance of residents. However, rural conservation areas perform very differently to town centre conservation areas. Only a minority of town centre conservation areas outperformed their comparator areas in term of qualifications, health and housing conditions 37%, 43% and 31% respectively (OCSI et al 2017).

The regional analysis shows that conservation neighbourhoods in London are more likely to under perform relative to comparable non-conservation neighbourhoods in terms of qualifications, health, housing condition and particularly work-life balance (OCSI et al 2017).

Figure 6: Proportion of conservation areas outperforming matched non-conservation areas (2001–2011)

Qualifications

Rural: **66%**
 Town Centre: **37%**
 Urban Residential: **53%**

Health

Rural: **62%**
 Town Centre: **43%**
 Urban Residential: **51%**

Housing condition

Rural: **62%**
 Town Centre: **31%**
 Urban Residential: **47%**

Work life balance

Rural: **61%**
 Town Centre: **53%**
 Urban Residential: **56%**

Source: © OCSI et. al., 2017

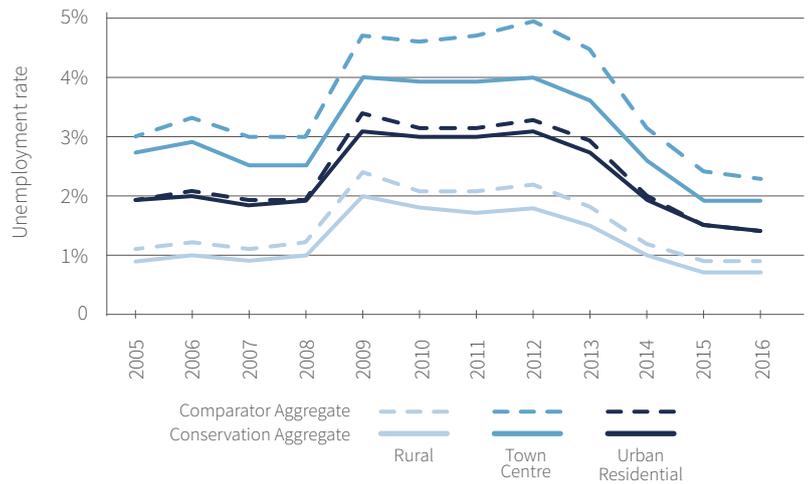
Unemployment in conservation areas and non-conservation areas

Unemployment in town centre and rural conservation areas were slightly below matched non-conservation areas in 2005 and remained lower over a 10 year period to 2016. In urban residential areas unemployment levels in conservation areas and comparable non-conservation areas were closely matched at the baseline time in 2005.

Interestingly, while conservation areas are not immune to economic shocks, they are more stable and less volatile than comparable non-conservation areas – during the economic recession the gap in unemployment widened between conservation areas and non-conservation areas.

In total 48% of rural conservation areas; 46% of urban residential conservation areas and 54% of urban town centre conservation areas outperformed their comparator non-conservation areas. While unemployment did decline in a further 39% of rural conservation areas; 34% of urban residential conservation areas and 30% of urban town centres conservation areas, this improvement was less than in comparator areas.

Figure 7: Unemployment rates in conservation areas and non-conservation areas



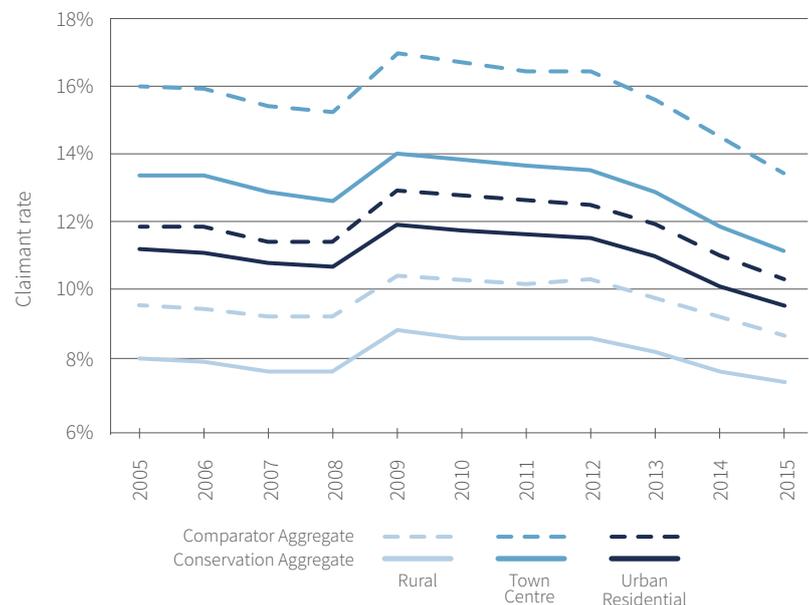
Absolute and relative performance of Conservation Aggregates

	Rural	Urban Residential	Town Centre
1. Reduction in unemployment in Conservation Aggregates & Conservation Aggregates outperform Comparator Aggregates	47%	41%	46%
2. Reduction in unemployment in Conservation Aggregates & Comparator Aggregates outperform Conservation Aggregates	39%	34%	31%
3. Increase in unemployment in Conservation Aggregates & Conservation Aggregates outperform Comparator Aggregates	1%	4%	7%
4. Increase in unemployment in Conservation Aggregates & Comparator Aggregates outperform Conservation Aggregates	13%	20%	16%
Total	100%	100%	100%

Benefit claimant rates in conservation areas and non-conservation areas

Conservation areas generally have lower claimant rates over time than matched non-conservation areas, this applies to all conservation area typologies – rural, urban residential and town centre. Overall, conservation areas reduced claimant rates and outperformed comparator area in 42% of rural conservation areas, 49% of urban residential areas and 48% of town centre areas. On the other hand while 39% of rural; 31% of urban residential and 23% of town centre conservation areas experienced a decline in claimant rates, they underperformed relative to comparator non-conservation areas.

Figure 8: DWP claimant rates in conservation areas and non-conservation areas



Absolute and relative performance of Conservation Aggregates

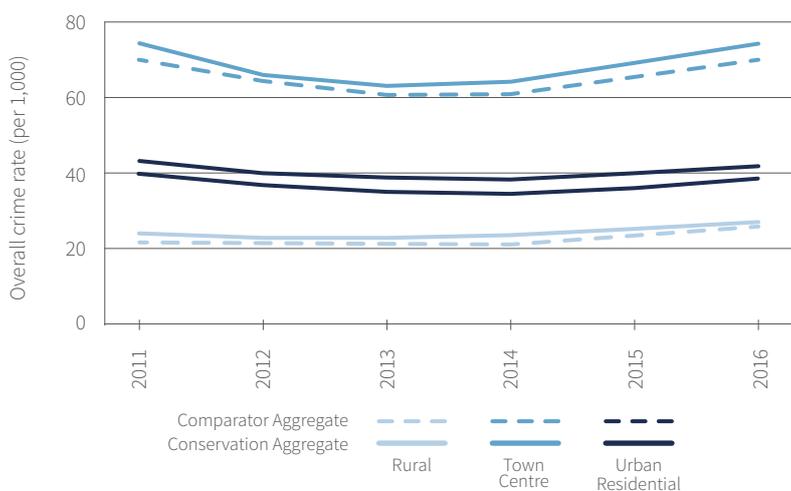
	Rural	Urban Residential	Town Centre
1. Reduction in claimant rates in Conservation Aggregates & Conservation Aggregates outperform Comparator Aggregates	42%	49%	48%
2. Reduction in claimant rates in Conservation Aggregates & Comparator Aggregates outperform Conservation Aggregates	39%	31%	23%
3. Increase in claimant rates in Conservation Aggregates & Conservation Aggregates outperform Comparator Aggregates	2%	3%	3%
4. Increase in claimant rates in Conservation Aggregates & Comparator Aggregates outperform Conservation Aggregates	16%	17%	26%
Total	100%	100%	100%

Crime rates in conservation areas and non-conservation areas

The average crime rates in conservation areas are slightly higher than the average rates in the matched non-conservation areas at each point in time (2011-2016). Crime rates are significantly higher in town centres compared to rural conservation areas.

Taking all conservation areas into consideration there was no significant difference between crime levels in conservation areas compared to non-conservation areas. About half of conservation areas performed better than non-conservation areas and about half worse.

Figure 9: Crime rates in conservation areas and non-conservation areas



Absolute and relative performance of Conservation Aggregates

	Rural	Urban Residential	Town Centre
1. Reduction in crime in Conservation Aggregates & Conservation Aggregates outperform Comparator Aggregates	27%	30%	37%
2. Reduction in crime in Conservation Aggregates & Comparator Aggregates outperform Conservation Aggregates	4%	14%	12%
3. Increase in crime in Conservation Aggregates & Conservation Aggregates outperform Comparator Aggregates	24%	15%	15%
4. Increase in crime in Conservation Aggregates & Comparator Aggregates outperform Conservation Aggregates	45%	41%	36%
Total	100%	100%	100%

Conservation Area Developer Case Study - King's Cross, London: Development by Argent

King's Cross has formed a major gateway into central London for over two centuries. During the Victorian era it was a thriving industrial transport hub, but by the 1970s many of the buildings had become derelict and underused. The King's Cross and St Pancras railway stations, both Grade I listed, and other important historic buildings, such as the Great Northern Hotel, German Gymnasium and Stanley Buildings, were designated as part of the King's Cross Conservation Area in 1986. Immediately to the north is the Regent's Canal Conservation Area, designated in 1974, which includes the Grade II listed Granary Complex and Eastern Coal Drops.



© Historic England

These two conservation areas cover much of the King's Cross development site, one of the largest regeneration projects in London. When complete, it will provide approximately 50 new buildings, 20 new streets, 10 new major public spaces, almost 2,000 homes, and the restoration and refurbishment of 20 historic buildings and structures.

The developer, Argent (working as part of the King's Cross Central Limited Partnership), understood from the outset that the heritage of the site is key to its distinctiveness and sense of place and has used this to deliver one of the best mixed-use developments in the UK.

While earlier versions of the King's Cross masterplan isolated and preserved the site's significant historic buildings as artefacts, the final masterplan weaves the historic buildings and grain into the new urban fabric and brings them back to life. This approach presented a prodigious challenge, and took time and effort working together with the London boroughs of Camden and Islington, English Heritage, the Commission for

Architecture and the Built Environment and naturally, the local communities and interest groups. However, it has resulted in a place where the historic buildings sit comfortably amongst the new buildings and spaces.

Not all historic buildings have been retained. For example, the Culross Buildings in the southern part of the site blocked the envisaged primary access route linking the stations in the south to the rest of the site. It was therefore decided that these should be demolished, for the benefit of this new neighbourhood and the wider area. This was met by ardent opposition from some interest groups, and defending these decisions took time and significant consultation with stakeholders.

King's Cross is an exemplar of good growth. It demonstrates that conservation areas can help to encourage sustainable, high quality development that respects and revitalises heritage assets. Developing in conservation areas has increased the time, effort and costs going into the scheme, but this is more than offset by the economic, social and cultural value created.

Conclusions

Conservation area designation is not about preventing change nor is it about increasing property values. It is about preserving and enhancing the distinctive character of a local area – this is what adds value not the designation itself.

Conservation areas are very popular amongst members of the public and residents because of their effectiveness in protecting the character and appearance of an area. They are places where people want to live and are prepared to pay a premium for – they are generally examples of good place making.

Conservation area designation is not a barrier to growth. Research on trends in conservation areas shows that some conservation areas are outperforming matched non-conservation areas across socio-economic indicators of good growth. However conservation area designation does not imply any major financial investment aimed at stimulating economic growth, so designation does not on its own promote growth.

For members of the public, the strength of the connection with places manifests through a strong desire, and need, to protect these places for future generations (National Trust, 2017). This is indeed the guiding principle of conservation area designation: to preserve or enhance an area of special architectural or historic interest for current and future generations.

References

- Ahlfeldt, Gabriel M. and Holman, Nancy (2017) Distinctively different: a new approach to valuing architectural amenities *The Economic Journal*. ISSN 0013-0133
- Ahlfeldt, Gabriel M. and Holman, Nancy and Wendland, Nicolai (2012) An assessment of the effects of conservation areas on value, English Heritage, London, UK.
- Ahlfeldt, Gabriel M., Moeller, Kristoffer, Waights, Sevrin and Wendland, Nicolai (2013) Game of zones: the economics of conservation areas. SERC Discussion Papers, SERCDP0143. Spatial Economics Research Centre, London School of Economics and Political Science, London, UK.
- Airs, Malcom (1993) Conservation areas The First 25 Years: The proceedings of a Conference held at the Department for Continuing Education, The University of Oxford, 5-7 May 1993
- Alastair Coey and Ecorys (2015) Survey of Listed Building Owners <https://historicengland.org.uk/research/current/social-and-economic-research/sector-insight/listed-building-owners-survey/#Section8Text>
- Cheshire, Paul (2009) Urban land markets and policy failures. Land Use Futures discussion papers, Foresight, Department for Business Innovation and Skills, London, UK. RTPI Fostering Growth
- Cheshire, Paul (2014) Turning houses into gold: the failure of British planning <http://blogs.lse.ac.uk/politicsandpolicy/turning-houses-into-gold-the-failure-of-british-planning/>
- Create Streets (2017) Beyond Location
- Ecorys and Alastair Coey (2017) Survey of Listed Building Owners <https://historicengland.org.uk/research/current/social-and-economic-research/sector-insight/listed-building-owners-survey/>
- English Heritage (2009) Heritage at risk in conservation areas, Survey of Estate agents https://content.historicengland.org.uk/images-books/publications/Conservation_areas_at_risk/caar-booklet-acc.pdf
- Greater London Authority (September 2010) Working Paper 42 Valuing housing and green spaces: Understanding local amenities, the built environment and house prices in London, By Duncan Smith (CASA, UCL)
- Hilber, Christian and Vermeulen, Wouter (2016) The Impact of Supply Constraints on House Prices in England, *Economic Journal*, Vol. 126, No. 591, 358-405.
- Historic England (2017) Conservation Area Survey Summary Findings: Civic Voice and IHBC members <http://content.historicengland.org.uk/content/docs/research/conservation-area-survey-findings.pdf>
- Historic England, Heritage Counts 2017, Indicators <https://content.historicengland.org.uk/content/heritage-counts/pub/2017/heritage-indicators-2017.pdf>
- National Trust (2017) Places the make us, Research report
- OCSI and deprivation.org (2017) Socio-economic trends and growth in conservation areas <https://historicengland.org.uk/research/heritage-counts/2017-conservation-areas/>
- RTPI (2014) Fostering Growth: Understanding and Strengthening the Economic Benefits of Planning, <http://rtpi.org.uk/media/1021083/RTPI-Fostering%20Growth-June%202014.pdf>
- RTPI (August 2016) Delivering the Value of Planning full report http://www.rtpi.org.uk/media/1916022/rtpi_research_briefing_-_delivering_the_value_of_planning_20_august_2016.pdf
- Waights, Sevrin (July 2016) The Preservation of Historic Districts - Is it Worth it? ERC/Urban and Spatial Programme Discussion Paper, Paper No' SERCDP0202
- You Gov (2017) 50 Years of Conservation Areas: Public Opinion on Conservation Areas https://content.historicengland.org.uk/content/docs/research/CA50_YouGov_Summary_Findings_Final.pdf

Endnotes

- ¹The 1967 Act has now been succeeded by the 1990 Planning (Listed Buildings and Conservation Areas) Act.
- ²An article 4 direction is made by the local planning authority. It restricts the scope of permitted development rights either in relation to a particular area or site, or a particular type of development anywhere in the authority's area. Where an article 4 direction is in effect, a planning application may be required for development that would otherwise have been permitted development.
- ³Hedonic regression methods recognise that property values are the sum of a bundle of characteristics and using econometric methods they attempt to model the value of these characteristics.

This document has been prepared as part of Heritage Counts 2017 by Historic England on behalf of the Historic Environment Forum.

October 2017 – Project Code: 52093

Contact: Adala Leeson, Head of Social and Economic Research
(adala.leeson@historicengland.org.uk)



Historic England