
Historic England

Annual Report and Accounts
2025–26





Historic England Annual Report and Accounts 2025–26

Presented to Parliament pursuant to paragraph 13(4)
of Schedule 3 to the National Heritage Act 1983.

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Foreword

Historic England, or more formally, the Historic Buildings and Monuments Commission for England, was established on 1 April 1984 by the National Heritage Act 1983. We are an Arm's Length Body and executive non-departmental public body sponsored by the Department for Culture, Media and Sport (DCMS).

Our statutory duties and functions are to:

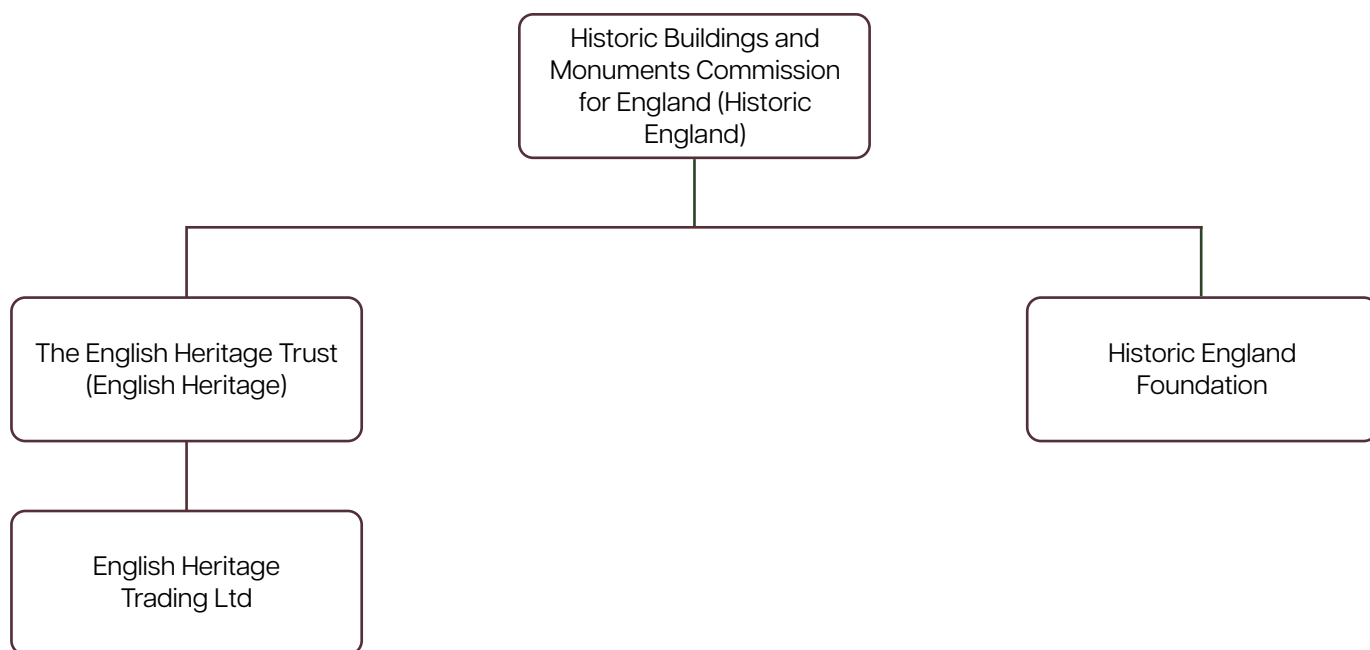
- secure the preservation of ancient monuments and historic buildings in England;¹
- promote the preservation and enhancement of the character and appearance of conservation areas situated in England;
- promote the public's enjoyment and knowledge of ancient monuments and historic buildings in England¹ and their preservation.

Our group account includes a registered charity, The English Heritage Trust (English Heritage), of which Historic England is the sole member. Historic England is responsible for the care of the National Heritage Collection – a diverse portfolio of over 400 historic English properties and sites, including World Heritage Sites, industrial monuments, castles, historic houses, abbeys, forts, stone circles and a significant portion of Hadrian's Wall. These properties are managed by The English Heritage Trust under a Property Licence and Operating Agreement, which outlines their responsibility for caring for and operating the National Heritage Collection.

The Performance Report and Accountability Report reflect Historic England's activity during 2025–26. English Heritage produces its own Annual Report and Accounts, which covers its activities and performance during the year in more detail.

Our group account also includes Historic England Foundation, which raises funds to support Historic England's work.

¹ Including UK territorial waters adjacent to England.



Chairman's Introduction

England's heritage forms a part of all our daily lives. It's in our homes, workplaces, high streets and landscapes. Our collective past shapes our identity, our communities and our environment.

Heritage is one of the nation's most valuable resources, with the power to help address some of our most pressing social and economic challenges. From easing the housing shortage and supporting creative businesses, to creating meaningful jobs for young people and strengthening community cohesion, it has a vital role to play in shaping better places and improving lives.

Putting heritage at the heart of some of our big national conversations is a priority for our new Co-CEOs Claudia Kenyatta and Emma Squire. They are demonstrating energy, ambition and a clear strategic vision showing how Historic England can use heritage to help deliver growth, and shape places and communities. All of which is underpinned by a commitment to building meaningful partnerships with public, private and third sector organisations, as well as strengthening the voice of the heritage sector.

Thanks to new government funding aimed at restoring national pride, we have an opportunity to both deliver and shape significant heritage-led investment.

We are pleased to be leading on the £75 million Heritage at Risk Capital Fund and the new £92 million Places of Worship Renewal Fund, which will enable us to repair and restore cherished community buildings in the places where they are needed most. These schemes are part of the wider £1.5 billion allocation to rejuvenate cultural institutions with a good portion of the remaining funding earmarked for listed theatres and museums.



Netherton Public Hall and Free Library in Dudley, West Midlands, now known as Netherton Arts Centre, was newly listed at Grade II in 2025.

The Government's Pride in Place programme will deliver £5 billion to around 380 areas across England. We are making the case to use this funding for heritage-led investment in towns like Dudley, where we're developing proposals to bring disused historic buildings into use for much-needed housing.

Working with the Department for Culture, Media & Sport (DCMS) and other partners we are continuing to build the evidence base for heritage, leading on various research projects through the Culture and Heritage Capital programme. This provides a standardised economic approach

for valuing culture and heritage, which is gaining serious traction across government and the sector.

As the Government's advisor on heritage, Historic England plays a crucial role working with government across several departments under the sponsorship of the Department for Culture, Media and Sport. This includes engaging with the Ministry for Housing, Communities and Local Government on planning issues, with the Department for Environment, Food and Rural Affairs on the symbiosis between heritage and the natural environment, and with the Department for Energy and Net Zero on climate change.

We work with MPs across the political spectrum, advising them on the wonderful heritage in their constituencies. We hosted our annual parliamentary reception recently. That evening we celebrated the community groups who have restored historic buildings.

On the international stage, we are delivering a programme to support cultural heritage in Ukraine, working with cultural professionals to help protect and restore historic buildings, sites and artefacts, which have been damaged by ongoing conflict.

While our heritage experts are respected across the world, there are many more people at Historic England who also deserve recognition. We have around 1,000 staff based across three national and five regional offices. Our HR, administration, finance and regional functions form the backbone of the organisation, allowing us to operate smoothly and efficiently, delivering projects within strict timescales and budget. Over the past year, I've visited our offices in Newcastle, Cambridge and Portsmouth, where I've been impressed by the commitment, expertise and professionalism of our staff.



Lord Neil Mendoza
Chairman, Historic England

Furthermore, I'd like to thank our board of commissioners, many of whom also provide significant time and expertise to chair the various panels and committees that provide essential advice and oversight. This year, we've welcomed three new commissioners – Ulrike Knox, Jamie Ritblat and Philip Shepherd – who are already making a valuable contribution.

Tony Hales CBE is the new chair of the of the Board of Trustees for The English Heritage Trust. Tony is an experienced leader across the corporate, cultural and heritage sectors. He is well placed for role of caring for the National Heritage Collection and working with interim chief executive Geoff Parkin to guide the charity with enterprise and care. Comprising over 400 sites and monuments including Stonehenge, Tintagel Castle and Whitby Abbey, the National Collection is both part of our national identity and our soft power abroad.

Sadly, this year Sir Neil Cossons died. He made a huge contribution to the sector as chair of English Heritage and as director of the Ironbridge Gorge, National Maritime and Science Museums, as well as a leading historian on industrial heritage.

I would like to thank Heritage Minister Baroness Twycross and Secretary of State Lisa Nandy for their ongoing financial and moral support for Historic England. I would like to express my gratitude for their work to secure the exemption for cultural and heritage membership bodies in the new legislation around cancellation rules for subscription contracts. This will reassure many organisations already operating in challenging market conditions.



Historic England
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2025–26

Performance Report

Section 01

Performance Report

This section sets out Historic England's corporate objectives and priorities and summarises how we have performed during the year. It comprises an overview of our work, key challenges and successes, and an analysis of our performance against agreed measures. It concludes with a selection of our achievements during 2025–26. This section covers the final year of delivering against Historic England's Corporate Plan 2023–26. During this time, we also commenced the development of our new Strategic Plan 2026–31, which was successfully launched in April 2026.

About Us

We are the public body that protects and brings life to the heritage that matters to everyone, so it lives on and is loved for longer. From the extraordinary to the everyday, our historic places and spaces matter. From community centres to cathedrals, homes to high streets, markets to mills – these are special places we all value, the legacy we pass on and the stories we continue to tell. That's why we work with communities and specialists across England to discover, protect and bring new life to our shared historic environment, providing advice, knowledge, support and services

Our Purpose is to improve people's lives by championing and protecting the historic environment.

Our Vision is a heritage that is valued, celebrated and shared by everyone. A historic environment that people connect with and learn from and that we are proud to pass on to future generations.

Our Values inform and influence how we go about our work. They are:

Passion – we share our love of the historic environment to inspire and energise people.

Learning – we listen and learn, and pass on this knowledge to others.

Collaboration – we work with partners and we work together to achieve great things.

Openness – we communicate in a way that is understandable, available and useful to everyone.

Responsibility – we are accountable to the public and we always act with integrity.

Three Pillars of Our Strategy

Our ambition, set out in our Future Strategy, is a future full of Thriving Places with heritage at their heart, achieved through Active Participation and Connected Communities:

Thriving Places

We will collaborate with people and partners to secure vibrant and sustainable futures for historic places

Active Participation

We will inspire and equip people to take action in support of the places they care about.

Connected Communities

We will bring communities together by discovering and celebrating local heritage, and by protecting the character of historic places.

We help England build better by offering expert advice and supporting regeneration in towns and cities

Heritage has the power to unlock economic growth, support wellbeing and help the places where people live, work and visit to thrive. We play a statutory role in the planning system, advising on new developments that affect the historic environment and support sustainable development and economic growth. We support local planning authorities and developers to de-risk applications to save time and money, and to help ensure projects go ahead while respecting our heritage. We advise on around 18,500 proposals that might affect the historic environment. By advising early on infrastructure projects, we help them proceed smoothly, mitigating the impact on heritage. We also offer grants and expertise to repair and reuse cherished historic buildings, bringing people and activities back to our villages, towns and cities. We manage the National Heritage List for England, which includes over 400,000 entries, ranging from prehistoric monuments to office blocks – all of which benefit from legal protection.

We build skills, knowledge, confidence and motivation

We use our knowledge and expertise to help more people discover, respect and enjoy England's heritage. Working with heritage professionals, owners, communities and individuals, we help people care for our historic places. We help build capacity and develop pathways for skills and employment training, and we share our knowledge through training, guidance, policy and advice. With teams based across England, we bring technical expertise and a deep understanding of the needs and priorities of local communities.

We offer our assets, knowledge and expertise to everyone and engage with diverse audiences

We want everyone to experience the benefits of heritage. We share our knowledge and passion through communications, digital resources, campaigns, activities and exhibitions, and through the Historic England Archive – the biggest national collection of records on the historic environment – so that more and more diverse people can access our work and be inspired and equipped to care for our heritage and take action to protect it.

We organise ourselves to be efficient and accountable and to reflect the people and places we serve

We direct our resources where our work has the most impact and the greatest public benefit. We have developed our fundraising capability and are exploring more ways to raise income. We are also finding ways to embrace diversity and promote inclusivity in our organisation and the wider sector.

We support the English Heritage Trust

We are accountable to Government for the care and operation of the National Heritage Collection – over 400 historic buildings, sites and monuments under the nation's ownership or protection. These are managed on our behalf by the English Heritage Trust under a renewed Property Licence and Operating Agreement which took effect from 1 April 2025. We continue to support the Trust in delivering care and maintenance of the collection under a financially self-sufficient operating model.

Chief Executives' Overview of 25-26

This has been the final year delivering against Historic England's Corporate Plan 2023-26.

We were delighted to start as Co-CEOs of Historic England on 1 November 2025. We are grateful to Duncan Wilson CBE, the previous CEO, for his leadership during the first part of the reporting year and for an effective handover. In our first six months as Co-CEOs we have focused both on delivery of the current Corporate Plan priorities and activities, while simultaneously working alongside our excellent leadership team to develop a new vision and five-year strategy.

This new strategy reflects the priorities and opportunities we see for Historic England within the context of our statutory purpose, Government ambition, the current operating environment for Historic England and the heritage sector. Over the next five years, we will be working towards our new vision: *Bringing new life to heritage to build a better future for every place and everyone.*

The new strategy sets out three priorities: Growth, Place and Sector. This sharper focus will support real-world change: good homes, good jobs, good growth, a more resilient heritage sector and improved civic pride, community cohesion and empowerment. Future annual reports will reflect the new Strategic Plan 2026-31.

The Corporate Plan 2023-26 set out our commitments under six priorities: Better Places; Inclusive Opportunities; Planning, Listing, Conservation Advice and Investment; Climate Action; Stewardship of the National Collections; and Developing Historic England. Some highlights from the past year are set out here and a fuller account of our activity can be found in the Highlights of 2025–26 section of this report.

Better Places

In August 2025, with the Department for Culture, Media and Sport, we announced the 37 successful historic building projects given a share of the £15 million Heritage at Risk Capital Fund. This Fund is aimed at saving historic sites from dereliction for the benefit of local communities, particularly in more deprived areas. In total for 2025/26, 64% of our repair grants funding was directed to the most deprived areas of the country (deciles 1-3 of the Indices of Multiple Deprivation).

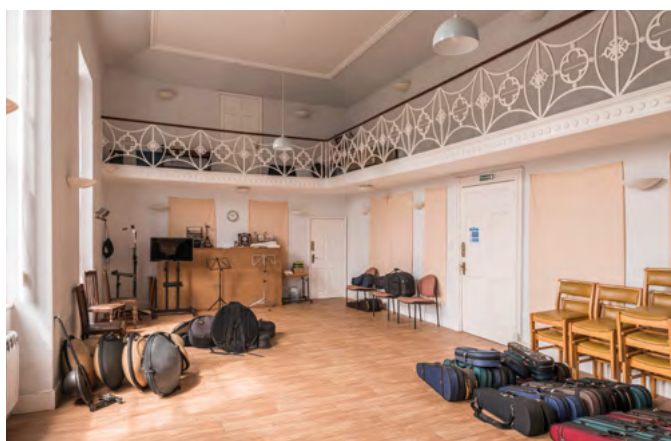


Heritage at Risk Capital Fund grant. The Grade II listed Salford Lads Club will provide new generations of boys and girls access to sport, music, drama and life skills.

Successful projects included repairing the Grade II-Listed Edwardian Salford Lads and Girls Club, which was immortalised on the sleeve of The

Smiths' 1986 album *The Queen Is Dead*, and the MusicAbility Centre in Penzance, Cornwall, home to a music therapy and education resource for the local community. Our annual Parliamentary reception in March 2026 celebrated this fund and specifically the inspiring community leaders who provide the incredible activities and services from the repurposed and restored historic buildings.

Building on the success of this Fund, the Government has now extended the scheme for another four years.



Heritage at Risk Capital Fund grant. The MusicAbility Centre will welcome visitors 250 days annually, offering music lessons and groups, music therapy and regular concerts.

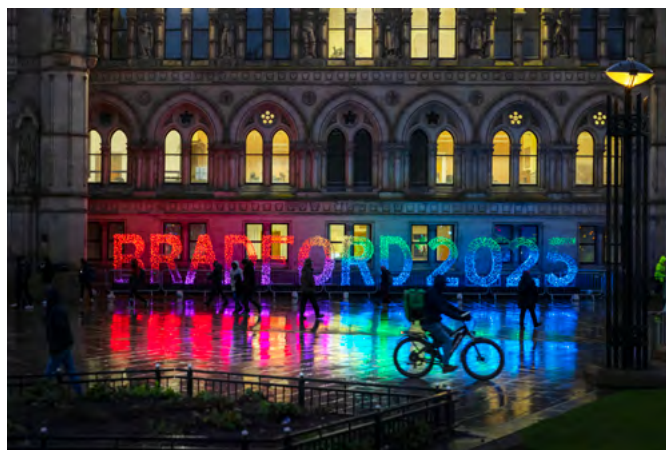
In addition, Historic England has also been tasked with delivering a new £92 million Places of Worship Renewal Fund to support repairs to places of worship across England. These treasured buildings are not only used for worship, but are also warm, welcoming community hubs that support wellbeing, local pride and social connection. The programme will focus on listed places of worship in communities that face deprivation.

We are grateful to be the delivery partner for Government investment in the heritage sector through these schemes, which will help deliver DCMS's priorities around creating pride in place and unlocking opportunities for people. We are also proud to deliver grants through The Department for Environment, Food and Rural Affairs' Countryside Stewardship scheme. This is a testament to Historic England's technical

expertise, strong local networks, track record on grant management and role as the Government's strategic adviser on the historic environment.

This year, we have been continuing to build relationships with the development sector to make the case for regenerating historic buildings. In May 2025, we attended the UK's Real Estate Investment and Infrastructure Forum (UKREiF) in Leeds where we launched our first Heritage Investment Prospectus, which showcased a series of historic sites across England with significant development potential. A second edition of the Prospectus to be published in 2026 focuses specifically on buildings that can be repurposed for housing.

We have also been exploring housing opportunities with a review addressing the barriers to converting vacant town centre spaces into residential property. The West Midlands town of Dudley is serving as a case study to identify the most effective measures to overcome these obstacles. During the coming year, we aim to develop a programme to test these measures, supporting local ambitions for increased town centre living.



The Bradford Heritage Action Zone in partnership with Bradford City Council has delivered award-winning public realm works and provided funding for new street signage and shop fronts.

Also on town centres, the Bradford Heritage Action Zone has continued to progress over the past year. Through this partnership scheme with Bradford City Council, we have delivered award-winning public realm works and provided

funding for new street signage and shop fronts. We have also led heritage activities through the BD:Festival and are currently developing a cultural programme as part of the legacy of City of Culture.

Inclusive Opportunities

There is a strong connection between heritage and wellbeing with a recent polling revealing that 71% of people think local historic buildings are important to their quality of life. We have launched our new ten-year Wellbeing and Heritage Strategy, which outlines how we plan to use heritage to help tackle mental health, loneliness and inequality, as well as increase social cohesion and opportunities for young people.



Summer 2025 event to welcome our new Emerging Talent Placements. This programme provides paid work experience to young people aged 18-30 from underrepresented audiences.

We have continued to deliver our National Blue Plaque scheme, unveiling four new plaques this year. These plaques celebrate the lives and achievements of Jack Leslie, the first black footballer selected to play for England; trailblazing actress and theatre director Esmé Church; children's author the Reverend Wilbert Awdry, and Judy Fryd, founder of learning disability charity Mencap.

This year, we published *Experiences of Disabled People in the Heritage Sector*. While progress has been made, the research shows significant barriers remain for both heritage workers and

visitors. We are using these insights to drive change, making the sector more welcoming, valued, and inclusive.

We welcomed our third cohort of paid Young Advisers, comprising ten young people from across the country. They are at the heart of our efforts to engage more young people with England's heritage. They work across the organisation, sharing their experiences, creating digital content and advising on a variety of projects including History in the Making grants programme and the National Blue Plaque Scheme.



Historic England Young Advisers work across the organisation creating content and advising on a variety of projects.

Careers Service Springpod recognised our work to improve opportunities for young people, including us as one of the 60 employers on The Impact List 2025. We were also proud to feature in the Social Mobility Foundation's Top 75 Employer Index.

Planning Listing, Conservation Advice and Investment

On investment, this year we provided £8.08 million of grant funding to help restore historic buildings, monuments and areas through our Places grants.

These included: £416,815 to former Keelmen's Hospital in Newcastle to transform the site into affordable housing; £500,000 to restore the Grade II*-listed Great Yarmouth Winter Gardens on the Norfolk Coast, and £103,000 for repairs

at Newstead Abbey, the former Nottinghamshire home of Lord Byron. Each of these grants was supported by specialist advice from our regional teams and often unlocked further investment.



Grant funding will transform the former Kelemen's Hospital site in Newcastle into affordable housing

We updated the Heritage at Risk Register and were able to remove 129 sites including Papplewick Pumping Station in Nottingham, Bruce Grove Public Toilets in Tottenham and Augill Smelting Mill in the North Pennines National Park. 138 sites were added to list – including Dr Jenner's Hut in the Garden of the Chantry, Gloucestershire and the Hill Garden Pergola at Hampstead Heath. As ever, publishing the register generated a lot of media interest in the sites featured, raising awareness including about how the public can get involved.

We work closely with Government on planning reform. In 2025/26 this has included advising the Ministry of Housing, Communities and Local Government on reforming the statutory consultee system. We welcome the changes proposed to our remit, which should result in a 20% reduction in applications we receive, enabling us to focus the most important cases.



Papplewick Pumping Station in Nottingham was removed from the Heritage at Risk register.



Grant funding of £103,000 was given for repairs at Newstead Abbey, the former Nottinghamshire home of Lord Byron.



The Grade II* listed Hill Garden Pergola, a popular structure on the west side of Hampstead Heath, is starting to show its age and was added to the 2025 Heritage at Risk Register.

We also responded to the proposed changes to the National Planning Policy Framework, informed by sector discussions to help ensure that the reforms support growth while maintaining an effective system for conserving and enhancing the historic environment. We welcome many of the proposals, such as those which recognise the value of reusing vacant listing buildings and installing energy efficient measures in historic buildings. This year, we anticipate

further discussions on points where we are seeking revisions to the consultation draft. On conservation advice, in March 2026, we published *Heritage Works for Creative Businesses*, aimed at helping developers transform empty historic buildings into thriving creative industry hubs. With creative professionals favouring heritage conservation areas and listed buildings as workplaces, we believe there is a sound economic case for this approach to commercial development.



Dr Jenner's Hut in Gloucestershire, birthplace of vaccination, requires urgent repairs to secure its future and was added to the 2025 Heritage at Risk Register.

We have continued to assess and recommend historic sites for listing. New additions this year that caught the imagination of the public have included eight First World War pill boxes in Norfolk, five sites linked to heritage railways in celebration of the 200th anniversary of the railway, three cast iron guideposts in Cheshire, and a garden inhabited by elves in the North-East town of Guisborough.



Celebrating 200 years of the Stockton & Darlington Railway, this vibrant mural was created in collaboration with a refugee community group and young local creatives.

Climate Action

Following extensive engagement with the Department for Energy Security and Net Zero by our climate change specialists, the Government published its *Warm Homes Plan* in January, which includes a page on 'Heritage and Traditional Buildings' with references and footnotes to Historic England resources.



The turbine installation yard for the Dogger Bank Wind Farm at Able Seaton Port, County Durham.

In September, we published *Gaining an understanding of soil carbon and its management in an archaeological context*, a major report about how archaeological excavations impact carbon storage in soil and how these effects can be managed and mitigated.

In October, we published the *Decarbonisation Plan* guidance, template and resources. This is a result of our Arts Council England partnership project, which supports cultural and heritage organisations better understand the processes involved in decarbonising their heritage buildings. This partnership is developing to address our commitments on climate adaptation ahead of Government's fourth National Adaptation Programme.

We have achieved 100% traceability of our IMT hardware at end of life with all items now being reused or recycled, with nothing going to landfill. This has been partly achieved through donation of 220 decommissioned laptops to the Good Things Foundation with another 350 scheduled for donation.

We are also working with a range of organisations, including with Grosvenor Group, the National Retrofit Hub and the UK Green Building Council, to advance approaches to retrofit and energy efficiency in historic buildings. This includes better understanding the capacity and capabilities across local planning authorities, and discussions with the Local Government Association, to support their members in the retrofitting of historic buildings.

Stewardship of National Collection

In April 2025, the new Property Licence and Operating Agreement came into effect, granting the English Heritage Trust a licence to care for the National Heritage Collection on behalf of Historic England. The new Licence is for an initial ten-year term and provides English Heritage with the security and confidence to plan ahead and ensure sustainability of the Collection. The new Licence reflects the successful way in which Historic England and the English Heritage Trust

have worked together since 2015 and will play an important role in ensuring a sustainable future for the National Heritage Collection.

As part of the new Licence, we agreed a new and updated set of Key Performance Indicators, focussing on financial reporting that reflect the English Heritage Trust's internal reporting and provide Historic England with a clearer view of the Trust's financial sustainability. New measures focussing on the sustainability of the National Heritage Collection were also included and the English Heritage Trust has been working on an updated methodology that considers the condition of a site, its significance, vulnerability, commercial and amenity value. This will provide Historic England with a clearer picture of a complex collection of assets.

English Heritage, like many organisations managing visitor attractions, has continued to face financial challenges linked to visitor numbers, reduced income and higher costs. It has delivered a significant amount of investment in the National

Heritage Collection since 2015 and we continue to work closely with the Senior Management Team at the Trust, including the interim Chief Executive, Geoff Parkin and Chair of Trustees, Tony Hales CBE, to ensure the sustainability of and future investment in the Collection.

The Historic England Archive achieved re-accreditation status last year; this is the UK-wide quality standard that recognises excellence across the sector. The assessment found our Archive to be an efficient, forward-looking service with a proactive and strategic approach.

We published an independent evaluation of our regeneration of Shrewsbury Flaxmill Maltings. Prepared by AMION Consulting, the report found that the economic benefits of the regeneration project are £49.6 million against public sector costs of £36.4 million, creating £13.1 million in net value. For every £1 spent the project created £1.36 worth of benefits such as jobs, tourism and heritage preservation.



The Happier Festival, a day of creative, health and fitness activities and community connection at Shrewsbury Flaxmill Maltings.

Developing Historic England

Our staff conference blended online and in person events. We held seven online speaker events with 1070 attendees with a further 623 views of the recordings. We also held five in-person gatherings with 688 participants taking part in 127 conversations and 50 guided tours.

We have continued to implement our Estates Strategy, which sets out how we make the most efficient future use of our office estate. We have made progress on the Swindon rightsizing project, which aims to reduce the amount of unused space, and the Bristol office move project. It is estimated these changes will save the organisation £800,000 per year from 2027.

We have developed a new grants management solution that provides a single business system to manage the entire grants process. Designed to improve accessibility and inclusivity, it supports our people and processes, reinforcing our role as a leading grant provider.

We have also launched Lighthouse, a new digital asset management system, which stores digital images from the Archive to create a media library for staff, providing them with direct access to copyright-cleared photography.



Lowestoft Lighthouse and keeper's cottage, Suffolk.

As a public-sector organisation, we are expected to demonstrate greater financial resilience, efficiency and innovation while continuing to deliver our statutory duties. Accordingly, we have developed our first Income Generation Strategy, which will enable us to become more financially sustainable and commercially capable, with income generation embedded across all our directorates.

Key Issues and Risks

This year has reinforced the importance of clear prioritisation, financial resilience and strong stewardship across Historic England's work. Securing sufficient income, managing workload pressures, maintaining cyber and business resilience, and protecting corporate reputation have all required close oversight. We have continued to respond to pressures in the wider historic environment, including reduced local authority capacity in the planning system and financial pressures affecting heritage organisations, where these increase demand for our advice, support and sector leadership. We have also maintained oversight of risks linked to the condition of the Historic England estate and our accountability to Government for the National Collection, which is conserved and managed by the English Heritage Trust under the Property Licence and Operating Agreement.

These issues are closely connected. Financial and capacity pressures can affect the wider heritage system, increase demand for our advice and grant support, and shape decisions about our own estate, systems and ways of working. During the year, these risks were reviewed through our Corporate Risk Register, with regular oversight from the Executive Team and the Audit and Risk Assurance Committee. We also strengthened our risk management framework, giving senior leaders a clearer view of the principal risks facing Historic England and the actions being taken to manage them. Risk analysis was integral to decision-making as we developed the new Strategic Plan 2026-2031.

Looking Ahead

Our focus for the year ahead is launching and starting to deliver our new Strategic Plan 2026-2031. Alongside refreshed priorities, we are asking Historic England to work differently. We aim to do fewer things better focussing our energy and resources where we can make the biggest impact, to work in partnership even more routinely, to innovate while maintaining our focus on people and inclusion. We are matching resources to priorities and making some changes to team structures.

Historic England will also be focussed on successful delivery of the Heritage at Risk Capital Fund and the Places of Worship Renewal Fund, which will launch early in the new financial year.

In partnership with others, we will build on work to date on sector resilience: generating evidence, proposing practical policy solutions

and providing guidance, case studies and training as well as financial support. We recognise that financial resilience, access to a skilled workforce and climate adaptation are among the priorities for the heritage sector. We were pleased to contribute to the Parliamentary Inquiry into the historic built environment and will support DCMS on the Government's response to its recommendations in due course.

Claudia Kenyatta

Emma Squire

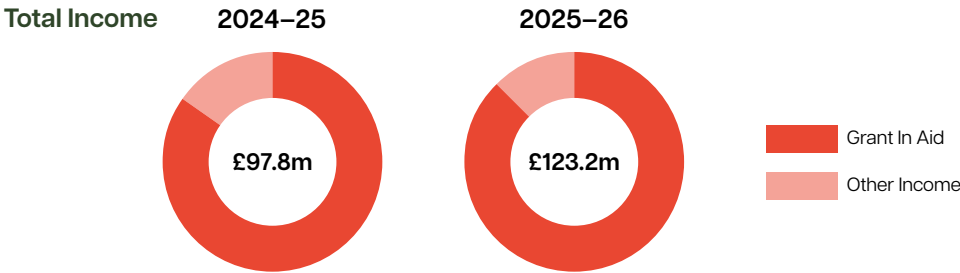
Claudia Kenyatta & Emma Squire
Chief Executive



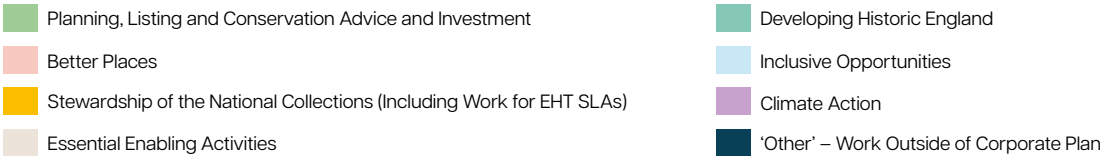
26 Westgate (Old Judges House), Gloucester, the largest timber-framed townhouse in England was saved.

Summary of Financial Performance

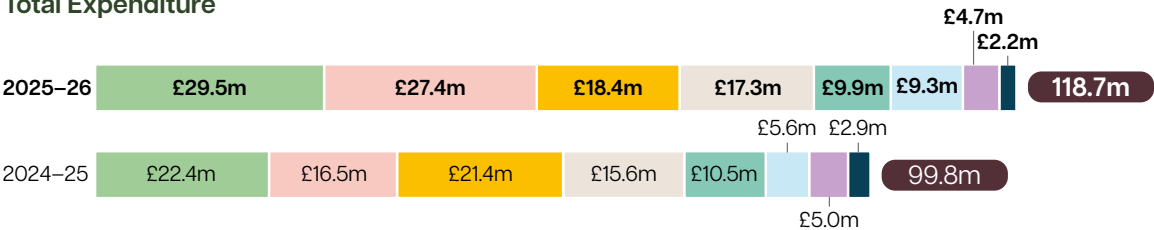
The following charts summarise our sources of income and how we allocate our resources to deliver our strategic objectives and activities.



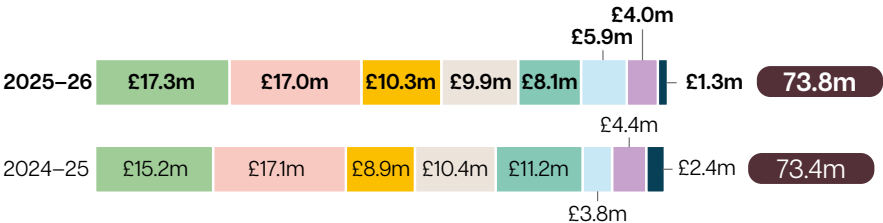
Key Activities



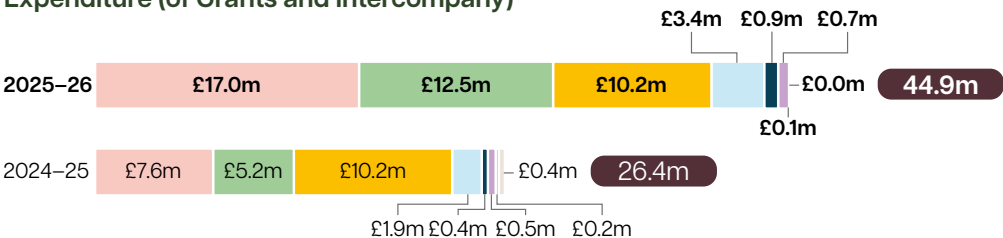
Total Expenditure



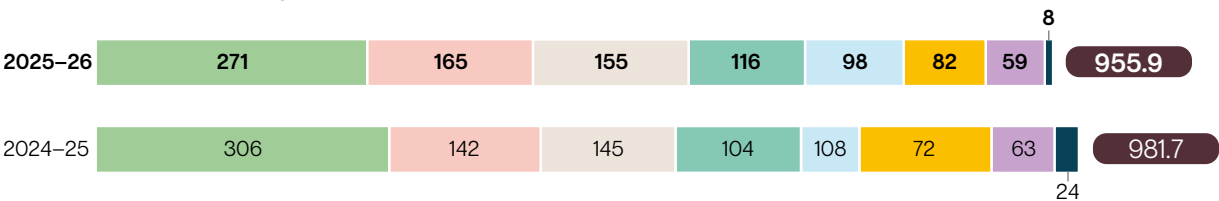
Expenditure (excluding grants and intercompany/subsidy)



Expenditure (of Grants and Intercompany)



Staff – Full Time Employees



Highlights of 2025–26

Here's a snapshot of what we've delivered in the past 12 months against our six corporate priorities.

1. Better places: Through heritage, we help improve civic pride, prosperity, wellbeing and opportunity for the people and places most in need of our support.

In 2025, we put £15 million to work. Through the **Heritage at Risk Capital Fund** – backed by the Department for Culture, Media and Sport – we grant funded 37 projects across England, prioritising communities that need it most, helping to create jobs and restore pride.

A Northumberland colliery. A Cornish harbour. A Manchester institution. These aren't just buildings. They're the fabric of communities.

- At **Woodhorn Colliery**, irreplaceable steel structures that bear witness to Britain's mining heritage are being saved for future generations – while young people gain hands-on construction and heritage skills in the process.
- In **Newlyn, Cornwall**, a 700-year-old medieval harbour is rising from disrepair. Local specialists are restoring ancient granite and Victorian ironwork, returning the harbour to working life with berths for historic fishing vessels and a new role as a hub for art and maritime culture.
- And at **Salford Lads & Girls Club** – the red-brick Edwardian building immortalised by The Smiths – essential repairs are securing another century of sport, music, drama and life skills for new generations in Greater Manchester.



Grant funding from The Heritage at Risk Capital Fund will ensure Woodhorn Colliery's buildings and their story is conserved, and create training opportunities for young people in construction and heritage skills.



The Newlyn Harbour restoration project aims to conserve the historic 700-year-old medieval harbour and serve as a vibrant venue to celebrate Newlyn's rich seafaring heritage.

Our 2025 **Heritage at Risk Register** tells a story of transformation – of buildings pulled back from the brink and given a future, and of communities reinvigorated. This year we saw 129 sites rescued

with an investment of £7.4 million. None of it could have happened without the people who care – local communities, owners, charities, funders, and our expert regional teams.

Brought back into use:

- The 17th century Old School Coffee House in **Barnstaple, Devon**. Previously vacant, the former school, which dates to 1659, has been transformed into affordable housing.
- In **Tottenham, London**, the Bruce Grove Public Toilets have had a remarkable new lease of life – reconfigured as a café, community space and modernised facilities, all let on a ‘social value’ lease so the benefit stays firmly in the hands of the local community.
- And in the **North Pennines**, the Augill Smelting Mill – which once processed lead ore from the surrounding hills – has been carefully conserved and reopened as a hub for visitors and residents alike.

This year, we announced that we are to deliver the £92 million **Places of Worship Renewal Fund**, backed by the Department for Culture, Media and Sport – to support repairs to active places of worship across England.



Bruce Grove Public Toilets in Tottenham, London were brought back into re-use as a café and community space.

The evidence behind that investment matters. Our research team published **powerful findings showing that historic churches matter deeply to the public**, regardless of whether they attend religious services or identify with any faith. People value these buildings not just as places of worship, but as enduring landmarks that connect us to the past.



Augill Smelting Mill in the North Pennines National Park was removed from the Heritage at Risk register.

Going further, our joint research with the **University of Glasgow** revealed that **historic places are good for mental health and wellbeing**. They offer ‘permanence’ – a sense of stability and continuity that helps people feel secure in an uncertain world. These benefits arise from the emotional connections that people form with familiar historic places, and these connections inform where people choose to live, work and invest. This is the ripple effect that transforms sentiment into spending power, and spending power into local prosperity and growth.

The insight has fed into the **Culture and Heritage Capital Programme** led by the Department for Culture, Media, and Sport, helping to embed the hidden value of heritage into mainstream economic policy – and making the case for better placemaking.

As Bradford took its place as UK City of Culture 2025, we were right there with it. Partnering with **Bradford City Council on a Heritage Action Zone**, we helped bring the city’s extraordinary story to life – from new heritage street signage and restored shopfronts to award-winning public realm works.

We **supported STRIKE** – a spectacular outdoor art event at the historic Lister Mills in Manningham. A powerful collision of past and present, it celebrated Bradford women and their defining role in shaping the modern labour movement.



STRIKE, a spectacular outdoor art event at the historic Lister Mills in Manningham.

Our **High Streets Heritage Action Zones programme** ran in more than 60 places across England, bringing regeneration to where it was needed most. Published this year, an evaluation revealed:

- 723 historic buildings repaired and 462 shopfronts restored
- 336 artworks and installations brought high streets to life
- 12,956 public events, attended by 2,719,776 people and 592 school activities connected communities with their heritage
- 634 construction training sessions fostered skills for the future
- 42,503 volunteer hours invested by people who care about their places

The programme, which completed in 2024, created more than 700 jobs worth over

£34 million a year, leveraged £140 million in additional investment, and delivered a £1.34 return for every £1 spent. In total, the benefits were valued at over £245 million.

Over 43,500 square metres of commercial space and 224 homes were brought back into use. Nearly 120,000 square metres of public realm was transformed.

The publication of our **new Wellbeing Strategy 2025–2030** sets out a vision: to work with local authorities, the health and social care sector, and local communities to use heritage – one of the greatest assets this country has – to build happier and healthier communities.

Heritage builds connection, strengthens identity, and creates a sense of belonging. Through **Youth Voices for Heritage** – a partnership with the **National Trust** and funded by **The Benefact Trust** – young people are co-creators. Together, we're exploring how heritage can support the wellbeing of young people, with findings that will shape national policy. We have also been shaping our response to the **National Youth Strategy** and the important role heritage can play for young people.

In March 2026, we launched dedicated online training with the **National Academy for Social Prescribing** to help link workers understand how heritage can improve health and wellbeing and be embedded into social prescribing referrals.

Our **Wellbeing and Heritage Working Group** – run with the **Council for British Archaeology** – helps the sector maximise its impact. This year, the group turned its attention to the Neighbourhood Health agenda and put our new **social impact measurement framework** through its paces. Launching in summer 2026, alongside guidance and learning resources, the framework will help Historic England and the wider sector evidence and communicate something we've always known: heritage changes lives.

Our **Policy and Evidence team** has been **supporting government departments** on national policy and projects, including:

- Feeding into the Pride in Place Programme, which empowers local people to shape the future of their neighbourhood, alongside fellow Arm's Length Bodies
- Sharing our intelligence and experience to help shape a new £301 million national fund as part of a forthcoming High Streets Strategy
- Responding to the Design and Placemaking National Planning Practice Guidance consultation
- Engaging on the development of new National Design Codes
- Working closely on the New Towns Programme
- Influencing the revised National Planning Policy Framework to ensure heritage is protected and re-used

In response to the **devolution agenda** in England, co-CEO Emma Squire met with **Mayor of West Yorkshire, Tracey Brabin** to discuss housing, space for creative industries and Heritage at Risk. We also signed a Memorandum of Understanding (MoU) with the Mayor of West Midlands Combined Authority, Richard Parker alongside other national heritage, arts, and cultural organisations to bolster the sectors ability to deliver economic growth for the region. Our regional teams have also been supporting mayoral teams and combined authorities on heritage, reinforcing the role it plays in fostering local growth, regeneration and pride in place.

For example, we:

- Joined the Retrofit Taskforce chaired by **Mayor Andy Burnham** with a focus on supporting retrofit skills development in **Greater Manchester**
- Started planning the first **Housing Heritage Action Zone** with **Dudley Metropolitan**

Borough Council and the **West Midlands Combined Authority**

- Advised the **West Midlands and Liverpool City Region** combined authorities on their Local Skills Improvement Plans
- Met with **Mayor Helen Godwin** at the **West of England** Combined Authority to discuss its regeneration strategy
- Supported the **South Yorkshire and West Yorkshire** combined authorities on their culture strategies

Through the Heritage Alliance Legislative Reform Working Group, we have guided sector partners in providing briefings and evidence for the **English Devolution and Community Empowerment Bill**, while also working directly with government departments on various aspects of the Bill.

In March 2026, we responded to **local government reorganisation consultations** for 14 counties. A number of outcomes reflect our advice that new authority boundaries should not be drawn too close to historic cities, where doing so risks forcing new development into the historic core to the detriment of their heritage significance.

2. Inclusive Opportunities: We want to ensure that everyone can connect with, enjoy and benefit from the historic environment.

Our **Everyday Heritage Grants** shine a light on working-class and underrepresented heritage. This year, 30 new projects explored untold stories about the people and places at the heart of rural and coastal communities, from England's oldest prison in Hexham to Liverpool's Overhead Railway, known locally as the Dockers' Umbrella. **Since its launch in 2022, the programme has supported 141 projects with a £2.3 million fund.**

The **History in the Making** grant scheme empowers underrepresented young people, aged 13–25, to discover and celebrate local heritage. Using different art forms, such as murals, immersive walking trails and theatre productions, young people decide who and what to celebrate and how best to do it. This year, 21 projects engaged over 1,000 young people across England with histories as diverse as the history of an east London mosque, the experiences of learning-disabled workers in Bradford's industrial past, and the lost sounds of a Lancastrian country park.

Behind the scenes, we have made important changes to our **grant giving programme**, having consulted the public and staff, so that our grants are more strategic and our processes simpler and more accessible for applicants.

The **National Blue Plaque Scheme** celebrates outstanding contributions to society. This year we recognised:

- Jack Leslie who was the Captain of Plymouth Argyle Football Club but denied the chance to become England's first Black football player in 1925.
- Judy Fryd, founder of Mencap, for her tireless campaigning on behalf of children and adults with learning disabilities.
- Reverend Wilbert Vere Awdry, clergyman and children's author, best known as the creator of Thomas the Tank Engine.
- Esme Church, an influential actress and theatre director, who established The Young Vic and had a lasting impact on cultural life in Bradford, inspiring a generation of young actors, designers, directors and producers who studied at her theatre school.



As part of Bradford 2025 UK City of Culture, Historic England supported four youth-led creative projects through its History in the Making programme.

We appointed our third Young Advisor to the Blue Plaque panel, which also includes academics, historians and cultural commentators. The scheme, which offers grants to organisations working with under-represented communities to discover local stories not yet told, builds on the success of London's Blue Plaques scheme, run by English Heritage and supports regional initiatives across the country.

Our **Young Advisers programme** had a new third cohort for 2025/26. Throughout the year the group helped sift and select applications for a new round of History in the Making. In addition to this, the Young Advisers continued to sit on the panel for the National Blue Plaque Scheme, worked with the social media videos and blogs and supported on a youth heritage and wellbeing partnership project with the National Trust.

Through the **Missing Pieces Project**, people contribute their pictures and memories of places to the National Heritage List for England.

This year, people shared places that are important to them through the Seaside Stories and Winters Warmers campaigns, helping us to discover – and then share with a wider audience – more about our historic coastal landmarks, pubs and inns.

The project empowers individuals and communities to add their knowledge and experiences of places, which have been important to them at a time in their lives to the national record. In 2025, we recorded more than 100,000 contributions, our highest annual total since the project began a decade ago.

Heritage Schools has delivered on every aim set out by the Department for Culture, Media and Sport for 2025–2026, reaching schools with above-average Free School Meals entitlement across nine areas – from Gateshead to Cornwall, Barrow to Wolverhampton. The programme's impact has been recognised with a shortlisting for Learning Programme of the Year at the Museums and Heritage Awards.

This year, we opened the door wider than ever before, giving teachers nationwide access to free webinar training on topics including archive maps, aerial imagery, and place-based learning – approaches proven to deepen children's connection to their local heritage.

Our new suite of free resources, developed in partnership with a leading education resource provider, brings local history to life with area-specific packs – and has earned a shortlisting at the Education Resource Awards 2026.

Our partnership with **Youth United Foundation** is delivering youth-led heritage activity nationwide. Youth United represents 1.5 million children and young people in uniformed organisations. Work this year has focused on micro grants, youth voice roles, national stakeholder engagement and partnership development, with delivery on track under the United We Stand phase of the programme.

We continued to fund the Young Archaeologists' Club, supporting around 1,500 members in England through a network of around 55 clubs. The Young Archaeologists' Club is especially valuable for children with SEND: around 30% of members identify as disabled, often including neurodiversity, showing it is an inclusive and welcoming space.

Our **Future Talent Programme** provides opportunities for disabled people, people from under-represented ethnicities and people from economically disadvantaged backgrounds to gain valuable experience of working in the heritage sector. We secured additional funding from the Company of Mercers, Rochester Bridge, Benefact Trust and The Crown Estate Project to enable us to offer a wider range of these early career opportunities. We provided fifteen c.8-week Emerging Talent Training Placements and eight c.6-month Step Up Placements in 2025/26. Four of each of these types of placements were hosted by external partners in the sector to broaden the scope of the programme.

3. Planning, Listing, Conservation Advice and Investment: We secure positive change and sustainable futures for historic places through our expertise, advice and investment.

Our **planning and listing teams** continued to provide consultation and advice on development proposals across England.

This year, we responded to 99.5% of planning consultations on time – a standard we've maintained above 99% for over a decade.

And our advice shapes outcomes. Over the last three years, 83% of pre-application proposals were improved before they were submitted, and 70% of amendments reflected the guidance we gave on the original applications. When we do object, it counts: 68% of those applications were subsequently withdrawn or refused.

Our approach is constructive by design. More than a third (36%) of our bespoke advice over the last three years was broadly supportive,

and objections made up just 4%. We're not here to block – we're here to make development better. That's why we're actively expanding our pre-application engagement, stepping in early to give developers, site owners and local authorities constructive advice, when it matters most.

In 2025 alone, **199 sites were listed by the Department for Culture, Media and Sport** on our advice. From ancient burial grounds to shipwrecks, wartime defences to post-modernist architecture, each listing is a reminder that extraordinary history hides in the most ordinary places.

Among this year's listings:

- **The cable that connected the world.**
A steel gantry and cable hauler at Enderby's Wharf, Greenwich – rare surviving equipment from the birth of undersea communications. The cables laid here were the forerunners of the optical fibres carrying our internet traffic today.



2025 listing. A steel gantry and cable hauler at Enderby's Wharf, Greenwich – rare surviving equipment from the birth of undersea communications.

- **Britain's concrete shields.** Dragon's Teeth anti-tank obstacles in Guildford, Surrey – these pyramid-shaped structures, laid in 1940–41 were used during the Second World War.
- **A shop that made its mark on the ice.** A well-preserved shop in Cambridgeshire, which started its life as an ironmongers, served its community for over a century and earned a national reputation fitting Hagan Norwegian ice skates for the fen skating community.
- **Built by those who needed it most.** Bournville Radio Sailing and Model Boat Club's boathouse was constructed in 1933 by 64 long-term unemployed men ineligible for state support – a testament to the Cadbury Rogue > belief that people, not just profit, mattered.



2025 listing. Dragons Teeth, Second World War anti-tank obstacles in Guildford, Surrey.



2025 listing. A well-preserved shop in Cambridgeshire, which started its life as an ironmongers and served its community for over a century.

Seven listings also celebrated Railway 200 – the nationwide celebration marking two centuries since the Stockton and Darlington Railway changed the world.

To support community regeneration, housing delivery and economic growth, we published the first **Heritage Investment Prospectus**, showcasing 17 historic sites across England where owners are actively seeking investment partners or buyers – and a second edition focused on housing is in development.

We also launched **Heritage Works for Creative Businesses** to help developers transform empty and underused historic buildings into thriving creative industry hubs. Around a quarter of all UK creative businesses already operate from heritage conservation areas – and listed buildings attract significantly more creative firms than modern alternatives.

We **expanded our Countryside Stewardship Heritage Service**, delivered in partnership with the Department for Environment, Food and Rural Affairs (DEFRA), has supported over £5 million worth of heritage conservation projects across England in 2025-26 to help more farmers protect the historic features that define our rural landscapes. The programme provides specialist advice to farmers and landowners applying for grants to protect and restore historic features on their land, from ancient field boundaries and traditional farm structures and standing remains to archaeological sites and historic parkland.

Responding to the ongoing interest in protecting pubs, we created an online Pubs Hub which provides information about historic pubs and how to care for them. Visitors to the website can read stories about some of England's most historic and much-loved public houses, see nostalgic images from our archives, as well as find practical advice on saving pubs at risk.



2025 listing. Bournville Radio Sailing and Model Boat Club Boathouse and boating pond, Birmingham.

Working closely with Government, we secured vital wins for heritage in the planning system:

- Our recommendations were included in the Ministry of Housing, Communities and Local Government's consultation on reforms to the statutory consultee system.
- We secured a crucial amendment to prevent weakened heritage protection under the Transport and Works Order (1992).
- Improvements championing reuse, energy efficiency upgrades and local listing were included in the revised National Planning Policy Framework.
- We joined sector-wide roundtables, including a House of Lords roundtable with the Listed Property Owners Club, exploring how to streamline planning for listed building owners.

We also **signed a landmark agreement with National Highways**, committing to protect and promote heritage across England's motorways and major A-roads.

Our Investigative Science team were behind new research confirming the age of the

famous Sycamore Gap tree in Northumberland.

The evidence suggests the tree was at least 100 to 120 years old when it was illegally felled. In addition they published professional guidance for the sector on **Environmental Archaeology**, **Waterlogged Wood** and **Peatland Restoration** – all providing practical advice on how to manage these investigations and preserve these vital landscapes.

And with our support, the Historic Environment Forum published the **Heritage Sector Resilience Plan 2025–2035** – a clear roadmap for partnership working to deliver a robust and resilient heritage sector.

4. Climate Action: Our leadership ensures that heritage plays an important role in the fight to limit the impact of climate change on the environment.

Working with the **Department for Energy Security and Net Zero**, we secured heritage content and Historic England resources within the **Warm Homes Plan**, published in January 2026.

We launched two new training courses - **How to Measure Your Carbon Footprint** and **How to Write a Carbon Reduction Plan** - for planning officers and other specialists in local authorities. These build on our programme training local planning authority officers to understand and apply our guidance on **Adapting Historic Buildings for Energy and Carbon Efficiency**.

New research this year strengthened the evidence base on climate risk, property flood resilience, and soil carbon – giving those commissioning or carrying out archaeological excavations practical recommendations to minimise carbon loss and support net zero commitments.

A **£100,000 Curiosity Award from the Arts and Humanities Research Council** will fund a landmark UK-Ireland research framework tackling climate change impacts on cultural heritage, archaeology, landscapes, and historic buildings.

We also co-funded a free carbon calculator tool with the **Federation of Archaeological Managers and Employers**, helping archaeology organisations record their greenhouse gas emission baseline figures, report emissions to clients and other stakeholders, and track reduction plans towards net zero emissions.

In collaboration with the Chartered Institute for Archaeologists, Solar Energy UK, the Local Government Association, ALGAO and others, we helped shape a landmark Good Practice Guide on Archaeology and Solar Farms. The guide is designed to ensure that archaeological work on large-scale solar farms is consistent in its approach, well-timed, and integrated from the start.

Within Historic England, our **Net Zero Champions** continue to help bring about behaviour change, giving practical, organisation-wide steps toward achieving our net zero goals. This year, they supported staff with advice on reducing their digital footprint, provided upskilling on waste reduction and promoted sustainable travel.



Bude Storm Tower in Efford Down, Bude, Cornwall is nicknamed 'the Pepper Pot' and was moved to save it from coastal erosion.

5. Stewardship of the National Collection:

Our effective management of the National Collections ensures they have a sustainable future.

The last financial year was an difficult one for the tourism and culture sectors, with factors such as inflation and pressures on the cost-of-living. English Heritage's experience was no exception, and in the early part of the year, following their reshaping programme, they implemented expenditure mitigations to reduce expenditure while ensuring that they continued to invest in the conservation and maintenance of the historic sites they care for on behalf of Historic England.

The final year end position shows total income of £144.8m (2024–25 £155.2m) and visitor numbers of 5.5m (2024–25 5.7m), compared to a pre-pandemic peak of around 6.5 million in 2017–18 and 2018–19. Due to mitigations put in place and specific actions taken in response to the income position the Trust ended the financial year with a £2.7m surplus after having invested £29m into the National Heritage Collection, its visitor infrastructure and core capabilities of English Heritage, such as technology. This represents the first surplus generated by English Heritage since it became a charity without the government support. However, English Heritage has had to defer several conservation projects to achieve this and the charity's unrestricted cash reserves are still below the target level set by the Trustees of 8 weeks unrestricted operating income (£21m) at £18.1m.

Our laboratories in **Fort Cumberland** reopened following a major refurbishment, involving roof repairs, reconfiguration of the lab spaces, new flooring, heating and cooling systems. We also celebrated 75 years of archaeological and heritage science specialist work.

We are delighted that **The Historic England Archive** has successfully retained its accreditation status following a full assessment. Other highlights from this year include:

- Securing a £50,000 grant to catalogue the **Janette Rosing Collection of England** – a world-class collection including over 8,000 original black and white photographs of architecture, landscapes and maritime history from the mid-1800s to the early 1900s, when the country was undergoing large-scale changes powered by industrialisation, urbanisation and developments in transport.
- Revealing a collection put together by **Dorothy 'Knicky' Chapman** who was posted to the famous Pinewood Studios when it was the central hub of military filmmaking. The photographs, launched to mark the 80th anniversary of VE Day shows the hidden story of wartime filmmaking and the pioneering role of women in military photography during the Second World War.



A WAAF trainee practicing using a handheld camera during training at Royal Air Force No. 2 School of Photography, Blackpool, 1942-1943.

We selected the **Heritage Trust North West** to take on the ownership of Grade I listed **Baguley Hall in Wythenshawe, South Manchester**.

The medieval timber-framed hall has been vacant since 1965. The Trust's selection follows a bidding process that began when we put the property on the market in May 2024. The Trust will work with local communities to develop its proposals for the future use of the hall, including plans for public access.

Nearly 60,000 visitors have walked through the doors of **Shrewsbury Flaxmill Maltings** since it reopened in 2022. This year, **English Heritage** took over management of the visitor operation, bringing fresh energy to exhibitions, guided tours and education visits, while **Historic England** continues to drive the site's long-term future.

Funding loaned from the Department for Culture, Media and Sport is now unlocking the next phase – fitting out the fourth floor of the Main Mill for commercial use and delivering emergency structural repairs to Cross Mill and the Warehouse. Work on the fourth floor is already underway, with the first tenant set to move in by September 2026.

6. Developing Historic England: We are valued, adaptable and equipped to deliver our purpose to safeguard the history that surrounds us.

2025 marked a decade since Historic England was established. To lead the organisation into its next chapter, **Claudia Kenyatta and Emma Squire were appointed Co-CEOs** following the retirement of Duncan Wilson. The search drew more than 200 candidates, reflecting the strength of interest in shaping Historic England's future.

The 2025 **Staff Conference** brought our people together. Online events on Innovation, Productivity and Wellbeing reached over 1,000 attendees, with inspiring external voices sparking fresh thinking across the organisation. Five in-person events held around the country drew 700 colleagues, creating space for connection, collaboration and honest conversation – with staff choosing the topics for discussion.

The results: 88% left feeling connected with colleagues, 79% felt proud to work for Historic England, and three-quarters said they'd learnt something new.

We have been working on the **Income Generation Strategy**, the first of its kind for Historic England. It will launch in 2026/27 and responds to a changing landscape where public-sector organisations are expected to demonstrate greater financial resilience, efficiency and innovation while continuing to deliver their statutory duties.

The strategy aims to enable Historic England to become more financially resilient and commercially capable, embedding income generation across all our directorates.

2025/26 marked the final year of our Digital Strategy. Critical projects reached the finish line, and progress was made:

- The **Unified Grants System** went live, making it simpler than ever for people to apply for and manage our grant schemes.
- Our new **Case Management System** moved forward at pace, set to streamline how we work and improve the service we offer.
- **Heritage Gateway** launched in closed Beta with councils across England, ready to open to the public in summer 2026.
- A record number of datasets were published on our **Open Data Hub** - expanding public access to Historic England's datasets, providing greater transparency and a bedrock for partnership working.

We also launched the new online **Local Heritage Hub**. With nearly 400 locations, every county, city, district, major town, and national park in England now has a dedicated digital page that uncovers its rich and layered history. From aerial photographs showing towns and villages through time, to curated selections of listed buildings, videos, blogs, and podcasts, people can now find out more about their local area.

The **Digital Skills Programme** improved digital confidence and capability across Historic England, equipping hundreds of colleagues with practical skills to use modern tools more effectively in their roles. This was complemented by the **Microsoft Copilot AI** rollout, which demonstrated clear productivity benefits and embedded responsible use of generative AI across the organisation.

The **SharePoint integration** improved collaboration, document management and information sharing by creating a more consistent, secure and accessible digital workspace. In parallel, the **Windows 11 rollout** modernised the core desktop environment, improving security, performance and user experience while providing a stable platform for future digital services.



An aurochs' skull at the newly refurbished Fort Cumberland laboratories.

Performance against Principal Corporate KPIs

Historic England's corporate Key Performance Indicators monitor progress against the priorities set out in the Corporate Plan 2023-26. This section presents our year-end performance for 2025/26 against the principal KPIs identified as most relevant and material for external audiences, with a focus on those aligned to the Department for Culture, Media and Sport priorities.

Performance Summary for 2025/26

Performance in 2025/26 shows strong delivery across several of Historic England's principal corporate KPIs, particularly where our work provides direct support to places, partners and the wider heritage sector. Core grant investment continued to be targeted towards areas of greatest need, with 64% of repair grant spending going to the lowest three Index of Multiple Deprivation deciles. Sector training also performed strongly, with 6,588 completed training opportunities against a target of 4,000, reflecting sustained demand for Historic England's advice, expertise and practical support.

Other results (Source: Savanta 2026) present a more mixed picture, while still showing broadly positive public recognition of heritage and Historic England's work. Pride in local heritage held steady at 60%, and 59% of people agreed that heritage in their local area contributes positively to their life. Agreement that Historic England's work benefits society increased marginally from 79% to 81%, although differences between demographic groups continue to be monitored. Our planning advice continued to influence schemes, but at a lower level than in previous years, and visits to climate change resources were below the revised target following a move towards more focused engagement. Taken together, the results show strong overall delivery, while pointing to areas where we need to keep strengthening our reach, influence and evidence of impact.

Performance Summary for the Corporate Plan Period

Across the Corporate Plan period, the principal KPIs show consistent delivery in areas where Historic England's role is clearest: investing in places, building sector skills, supporting climate action and widening access to knowledge and collections. Sector training grew significantly, climate action training broadened from carbon literacy into a wider learning offer, and digital engagement with our Archive remained strong. This provides a positive closing position for the current KPI framework and demonstrates the value of Historic England's role as an expert adviser, funder and capacity builder.

The period also highlights the need for future performance reporting to give a clearer view of reach, influence and impact. Perception-based measures on pride, belonging and the public benefit of Historic England's work remained positive overall, but showed variation between audiences. Planning advice continued to have measurable influence, although the downward trend suggests a more challenging external context for securing change through advice alone. These findings will inform the new performance framework for the 2026-31 Strategic Plan, which will focus on ten Strategic KPIs linked to the outcomes under Growth, Place and Sector.

Forward look

From 2026/27, Historic England will move to a new performance framework linked to our five-year Strategic Plan for 2026-2031. This will include ten Strategic KPIs aligned to the outcomes under our three priority areas of Growth, Place and Sector. These will help us track how heritage contributes to national and local prosperity, stronger and more distinctive places, and a more resilient heritage sector.

2025/26 Performance Summary



Performance by Corporate Priority Area

Note: the coloured bar to the left of each KPI graphic shows the year-end RAG status. Grey indicates that no target has been set, so no RAG rating is available.

Better Places

Through heritage we help improve civic pride, prosperity, wellbeing and opportunity for the people and places in most need of our support.

Economically and socially disadvantaged places become safer and more prosperous due to investment in their heritage, and in the skills required to sustain it.

KPI: Historic England Grant spend (£) in areas of deprivation / Index of Multiple Deprivation deciles as a percentage of total.

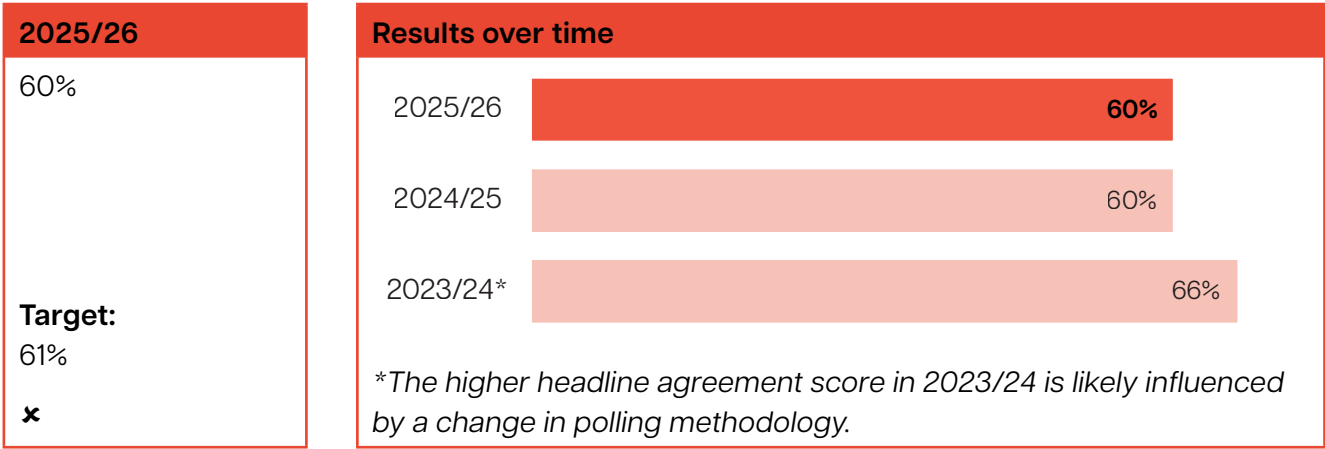
2025/26	Results over time		
IMD 1-3: 64%	2025/26	IMD 1-3 64%	IMD 4-5 19%
IMD 4-5: 19%			IMD 6-10 17%
IMD 6-10: 17%	2024/25	IMD 1-3 50%	IMD 4-5 20%
			IMD 6-10 29%
Target: Maintain IMD 1-3 Spending	2023/24*	Tier 1 47%	Tier 2 32%
✓			Tier 3 21%
	*Grant investment in 2023/24 was assessed using Levelling Up Tiers rather than IMD deciles, so results are not directly comparable.		

Historic England’s repair grants continued to be targeted towards places facing higher levels of social and economic disadvantage. In 2025/26, 64% of core repair grant spend, £5.3 million of £8.21 million, went to projects in the lowest three Index of Multiple Deprivation deciles. A further 19% was invested in deciles 4-5, meaning that more than four fifths of core repair grant spend supported places in the most or mid-range deprived areas.

This targeted investment was strengthened by £12 million from the DCMS-funded Heritage at Risk Capital Fund, with a further £2.1 million expected in accruals, focused on IMD 1-3 areas. We also invested £4.8 million in Commissions and National Capacity Building, supporting activity that largely addresses national heritage priorities.

People’s pride in their local place has improved due to our work..

KPI: Percentage of people proud of local heritage.

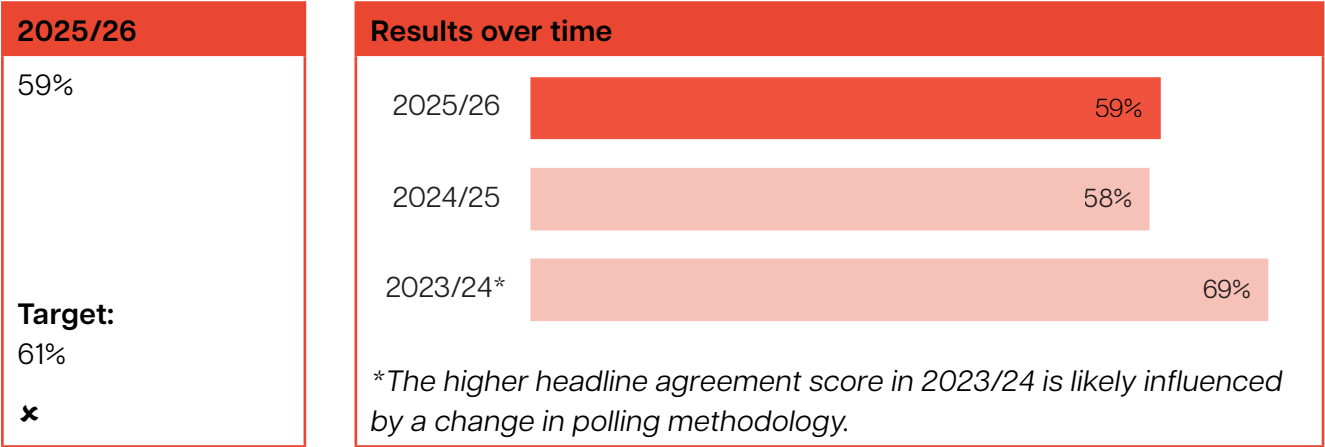


Heritage is one of the ways people recognise, value and feel connected to the places where they live. In 2025/26, 60% of respondents agreed that they are proud to live where they do because of its heritage, just below the target of 61%. A further 28% neither agreed nor disagreed, while 11% disagreed.

This remains a broadly positive result, showing that local heritage continues to contribute to pride in place for many people. The connection between heritage and wellbeing is supported by wider polling data: 71% of people think local historic buildings are important to their quality of life (Source: Savanta 2025). It also shows that this connection is not felt equally or automatically by everyone. As we move into our new Strategic plan, we will continue to focus on helping more people see, use and benefit from the heritage around them.

Our work has a positive impact on the wellbeing of people and communities.

KPI: Percentage of people who agree heritage adds to a sense of belonging.



Heritage shapes the texture of everyday places: the streets people walk through, the buildings they use, the stories they recognise and the local character they value. In 2025/26, 59% of respondents agreed that having heritage in their local area contributes positively to their life. A further 28% neither agreed nor disagreed, while 11% disagreed (Source: Savanta 2026).

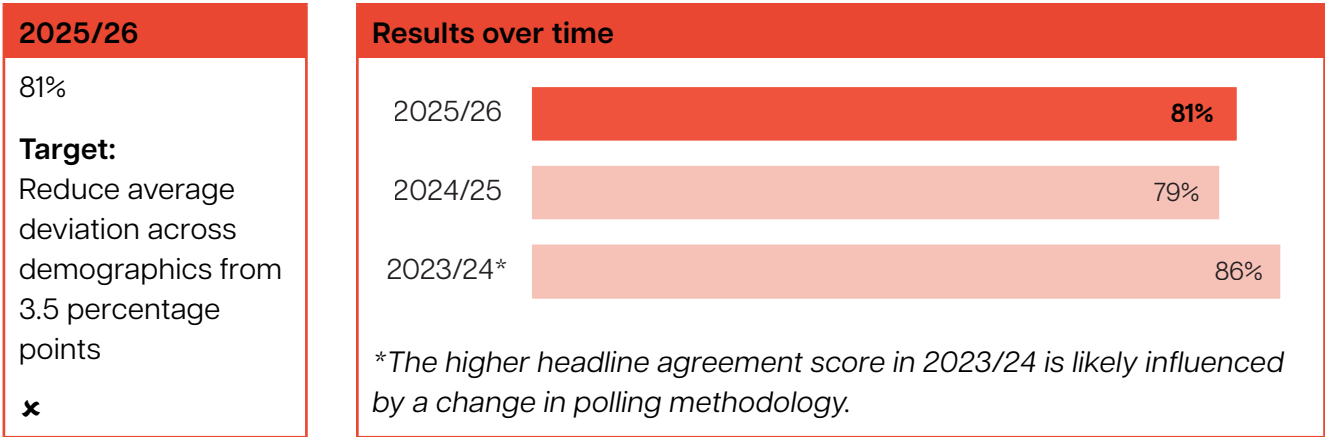
The result shows that heritage continues to matter personally to many people, while also reminding us that this connection is not automatic. Our work in the coming years will focus on helping more people experience heritage as part of a living, useful and shared local environment.

Inclusive Opportunities

Everyone can connect with, enjoy and benefit from the historic environment.

A greater diversity of people engage with the historic environment through the work we do and the programmes and organisations we fund

KPI: Percentage of people who agree that the work Historic England does benefits society.



Historic England’s work is intended to benefit people across England, whether through protecting places, supporting communities, advising on development, or helping more people understand and enjoy heritage. Based on general population polling, 81% of respondents agreed that the work Historic England does benefits society, up from 79% in 2024/25. The result shows strong overall recognition of Historic England’s public value, with agreement increasing with age, from 74% among 16-24 year-olds to 87% among 55+s (Source: Savanta 2026).

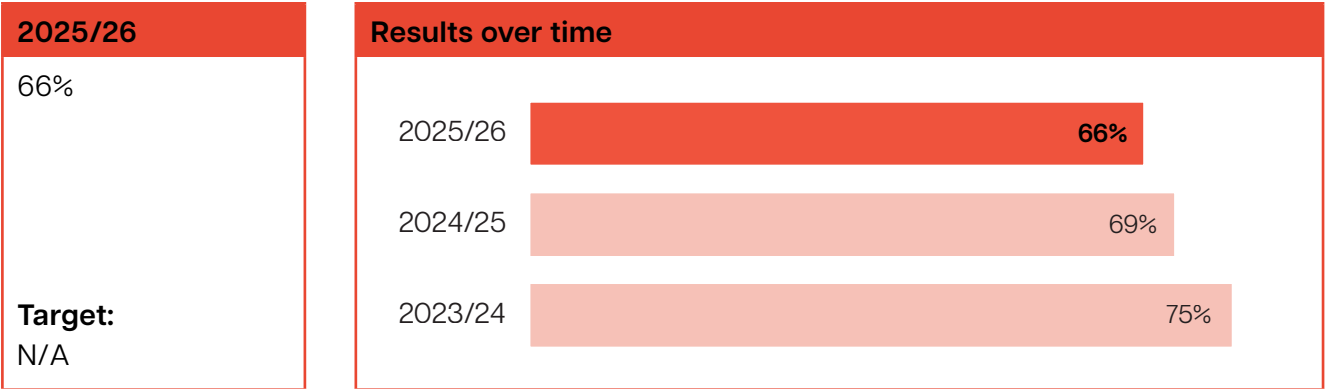
The result at year-end 2025/26 also shows why inclusive reach remains important. The average variation between demographic groups remained at 3.5 percentage points, so the target to reduce deviation was not met. Agreement was lower among 16-24 year-olds, respondents in social grade DE, and respondents from minority ethnic backgrounds, although the gap between white and minority ethnic respondents narrowed compared with 2025/26 Q2. This will remain an important focus as we move into the new Strategic Plan, where inclusion is one of the core ways we will work across Growth, Place and Sector.

Planning, Listing and Conservation Advice and Investment

We secure positive change and sustainable futures for historic places through our expertise, advice, and investment.

Heritage assets and historic places are adapted and changed in sustainable ways that respect their significance.

KPI: Proportion of cases in which amendments in response to our substantive advice positively reflected that advice.

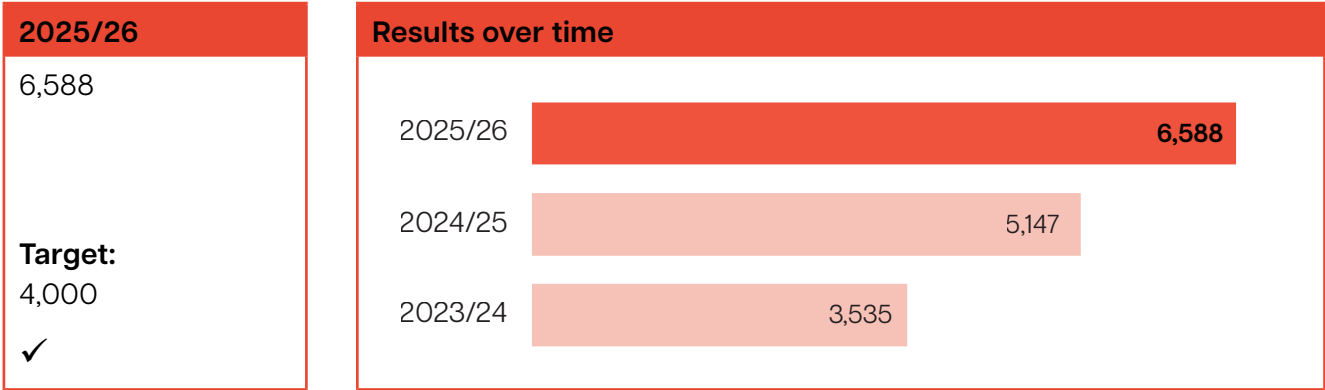


Historic England’s planning and listed building consent advice helps shape change to historic places so that development can proceed in ways that better understand and respond to heritage significance. In 2025/26, 65.6% of relevant cases were positively amended in response to our substantive advice. This is lower than the previous two years but still shows that our advice continues to have a clear influence on the development of schemes.

The wider picture shows the value of early engagement. Where pre-application advice was given, 81.2% of schemes were positively amended in line with our advice, while 99.5% of our responses to planning consultations were made within 21 days or an agreed deadline. At the same time, the fall in both the headline measures and the proportion of objection cases refused on heritage grounds or withdrawn points to a more challenging context for securing changes through the planning process

Our partners, including local authorities, have the skills and knowledge they need to effect positive change.

KPI: Historic England sector training: Number of training opportunities completed.



Demand for Historic England’s specialist training continued to grow in 2025/26, with 6,588 training opportunities completed against a target of 4,000. This included 605 completed eLearning courses, 5,857 live webinar attendees and 126 workshop attendances, reflecting strong interest in practical advice and technical knowledge across the heritage sector.

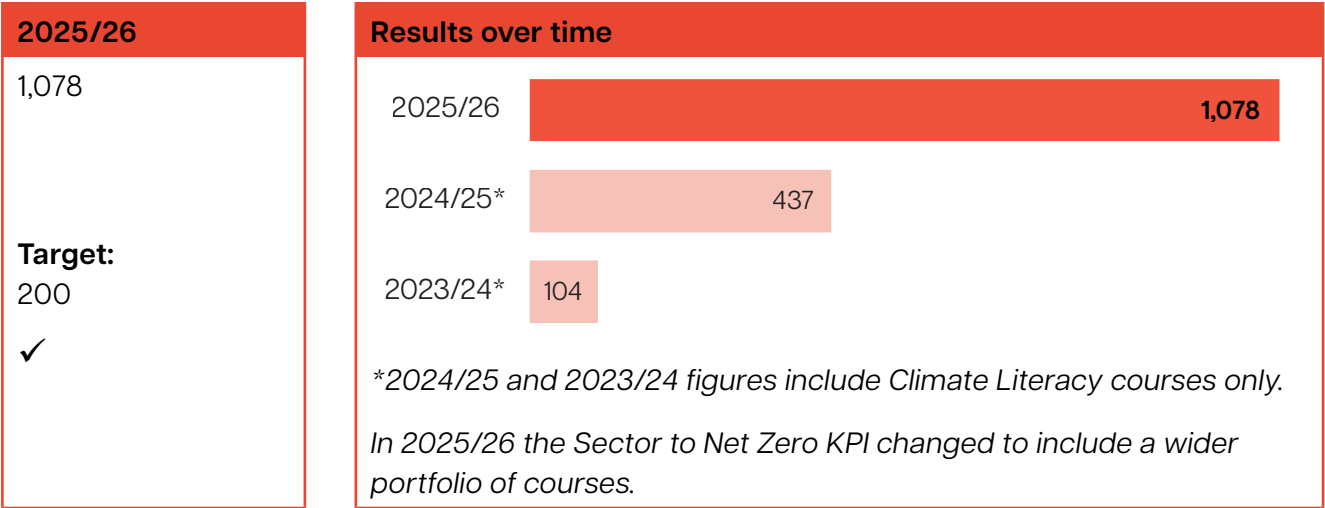
The result shows the continuing value of accessible training in helping local authorities, professionals and partner organisations care for, adapt and manage historic places. Webinars remained a particularly important route for sharing expertise at scale, with average live attendance of 63% and more than a quarter of webinar attendees coming from local planning authorities.

Climate Action

Our leadership ensures that heritage plays an important role in the fight to limit climate change impacts.

More organisations in the heritage sector are committed to achieving net zero by 2050 or earlier.

KPI: Number of heritage organisations undertaking training from our portfolio of climate action courses.



Historic England expanded its climate action training offer in 2025/26, moving beyond carbon literacy to a wider portfolio of courses designed to help heritage organisations take practical steps towards net zero and climate resilience. The response from the sector was very strong, with 1,078 heritage organisations undertaking training, against a target of 200.

This result reflects both the scale of demand and the value of providing practical, heritage specific support on climate action. Because the KPI was broadened this year, the result is not directly comparable with earlier years, which measured carbon literacy courses only. It does, however, show clear momentum in helping more organisations build the knowledge and confidence they need to respond to climate change.

Stewardship of the National Collections

The effective management of the National Collections means they have a sustainable future.

The National Collection (looked after by English Heritage) and the sites and collections in our care are effectively managed, with the most significant elements repaired and maintained in a sustainable way.

KPI: Percentage of properties in the national collection under EHT’s stewardship that are judged to be in a sustainable condition.

2025/26	Results over time
75%	2025/26 75%
	2024/25*
	2023/24*
Target: N/A	*Data not available due to the effective date of the new Property Licence and Operating Agreement.

This KPI allows Historic England to assess the National Heritage Collection’s sustainability and track EHT’s stewardship responsibilities. ‘Sustainable condition’ means that a property is realistically capable of being maintained through routine conservation work rather than requiring major conservation projects.

In 25/26, English Heritage Trust developed a new methodology for measuring the sustainability of the National Heritage Collection that considers the condition of a site, its significance, vulnerability, commercial and amenity value. Given the complexity of the Collection, EHT will continue to refine this result.

More people are using and engaging with our Archive services and collections

KPI: Number of people using and engaging with our Archive services and collections.

2025/26

Physical

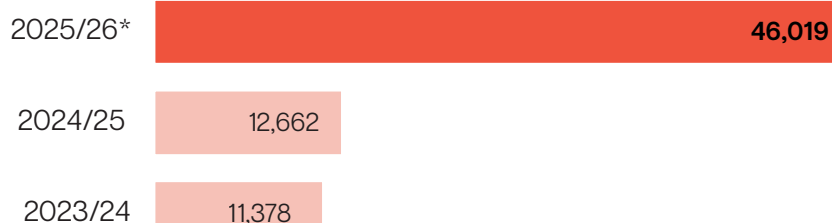
46,019

Target:

11,800



Results over time



**2025/26 includes attendance at partnership exhibitions and events*

Physical engagement with the Historic England Archive increased significantly in 2025/26, reaching 46,019 against a target of 11,800. This was helped by partnership exhibitions and events that brought archive material to wider audiences, including the Railway 200 exhibition at the STEAM Museum and public engagement activity linked to Fort Cumberland and heritage careers.

This result demonstrates the value of taking archive collections beyond our own spaces, working with partners to reach new audiences and help more people encounter our collections in accessible and engaging ways.

2025/26

Digital

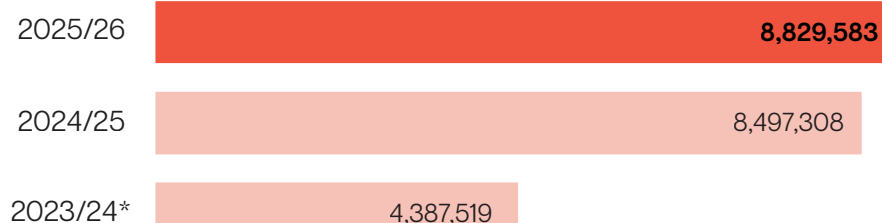
8,829,583

Target:

8,752,000



Results over time



**The digital figure for 2023/24 represents a partial return, as tracking began partway through the financial year.*

Digital use of the Archive also remained strong, with 8,829,583 people using or engaging with Archive services and collections online, above the annual target of 8,752,000. This continues to show the scale of public interest and the importance of digital access in helping people explore England's historic environment.

The result reflects the Archive's role as both a national research collection and a public resource, supporting professionals, researchers, communities and individuals to discover, understand and use historic records wherever they are. Ensuring the sector is equipped with the knowledge, skills, evidence base and infrastructure needed for success is a key outcome in our new strategic plan and the archive will continue to play an important role.

Developing Historic England

We are a valued, adaptable organisation, equipped to deliver on our strategy.

Strengthen and diversified income streams mean we consistently deliver for heritage in an uncertain environment

KPI: Value (£'s) of contribution generated by income streams other than Grant-in-Aid

2025/26	Results over time						
£1.273 million	<table><tr><td>2025/26</td><td>£1,273,000</td></tr><tr><td>2024/25</td><td>£1,471,000</td></tr><tr><td>2023/24</td><td></td></tr></table>	2025/26	£1,273,000	2024/25	£1,471,000	2023/24	
2025/26	£1,273,000						
2024/25	£1,471,000						
2023/24							
Target: N/A							

Non-Grant-in-Aid income streams generated a **net contribution of £1.273 million in 2025/26**, compared with £1.471 million in 2024/25. This reduction largely reflects a more refined approach to attributing the costs of generating income, rather than a reduction in overall income generation. **Gross income increased from £13.1 million in 2024/25 to £15.2 million in 2025/26.**

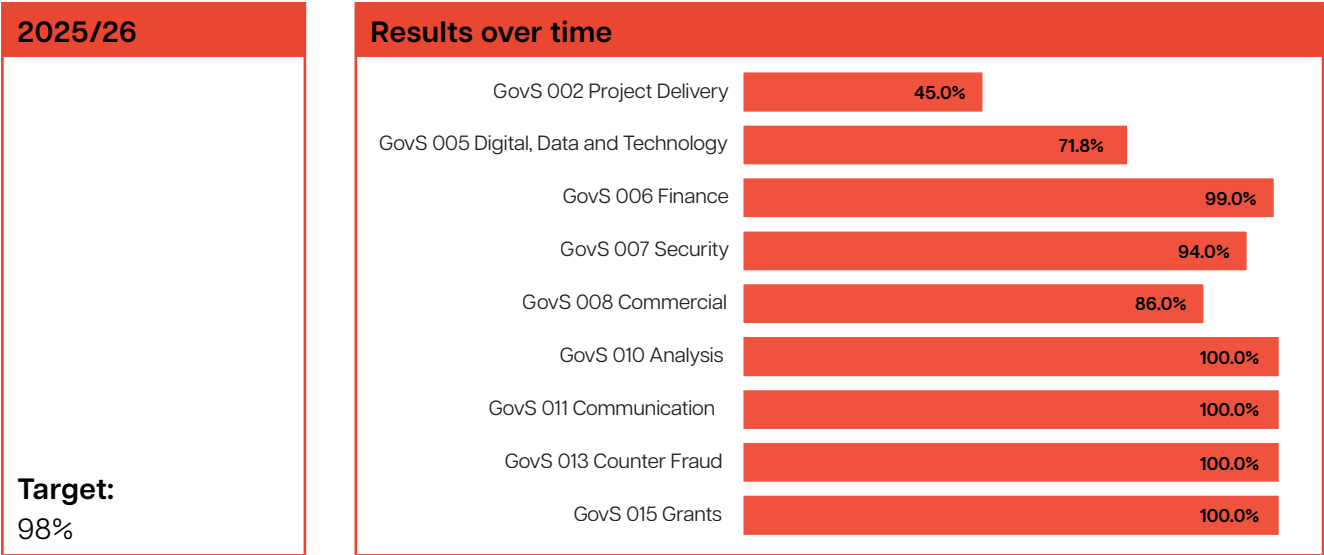
The revised approach provides a clearer view of the net financial contribution made by different income streams after associated costs are taken into account. The largest change is in grants and fundraising, where staffing and administration costs for the Philanthropy and IRO/Research teams are now included. As grants and donations are largely raised to fund specific projects, these central costs are shown as a negative net contribution. **A new Income Generation Strategy will launch in 2026/27**, supporting a more commercially aware and confident approach across Historic England. Early work is already underway to refresh Enhanced Advisory Services for the development sector.

Essential Enabling Activities

Historic England is a smooth-running organisation that is supported and equipped to deliver its purpose.

Historic England is compliant with government functional standards and backbone business service are performing strongly.

KPI: Compliance with mandatory elements within all relevant government functional standards.



This KPI was expanded in 2025/26 to provide a fuller view of Historic England’s compliance with the government functional standards most relevant to our work. Early results are encouraging, with most standards at or close to full compliance (four at 100%, six above 90%), though there are areas where further development is needed. This gives us a clearer baseline for strengthening core business services and improving consistency across the organisation.

The process has also supported a more transparent view of organisational maturity. For example, the Project Delivery standard was assessed through a detailed and evidence-led assessment, identifying areas for improvement alongside the good practice already in place. Where standards are not yet within target, forward action plans are being developed with the relevant organisational teams. These will address identified gaps and support stronger maturity over the coming years.

Long Term Expenditure Trends

	Actuals					Budgeted	
	2021–22 £m	2022–23 £m	2023–24 £m	2024–25 £m	2025–26 £m	2026–27 £m	2027–28 £m
Grants	54.7	15.3	17.0	16.4	34.7	66.9	67.0
Regions	17.0	18.1	19.3	20.2	20.3	21.0	21.0
Policy & Evidence	12.4	14.0	15.1	14.9	15.5	14.5	14.4
Public Engagement	7.3	7.7	8.6	9.0	9.4	9.2	9.3
Business Improvement	4.0	4.2	4.3	4.3	4.9	0.3	0.6
Shrewsbury Flaxmill Maltings	1.6	1.3	0.8	0.8	0.8	0.5	0.2
High Streets Project	40.8	36.2	18.7	0.0	0.0	0.0	0.0
Corporate/Support Services to Historic England	15.6	14.2	17.3	18.3	17.9	27.5	24.2
Depreciation, Amortisation and Impairment	6.6	8.1	8.5	8.9	13.0	9.5	8.4
Expenditure Relating to Core Historic England Activities	160.0	119.1	109.6	92.8	116.5	149.4	145.1
Corporate and Support Service to Third Parties	7.5	8.2	8.3	9.2	8.8	7.0	7.1
Inter-Company Group Expenditure	9.9	1.5	1.3	0.9	1.5	0.7	0.6
Expenditure Relating to Services Provided to Third Parties	17.4	9.7	9.6	10.1	10.3	7.7	7.7
Totals	177.4	128.8	119.2	102.9	126.8	157.1	152.8

Claudia Kenyatta

Emma Squire

Claudia Kenyatta and Emma Squire
Chief Executive and Accounting Officer
13 July 2026



Historic England
Annual Report and Accounts
2025–26

Accountability Report

Section 02

Accountability Report

This section explains how Historic England is accountable to Parliament and how we comply with governance good practice and guidance.

Corporate Governance Report

The Corporate Governance Report summarises our governance arrangements, explains how they support the achievement of our objectives and gives an assessment of their effectiveness.

Directors' Report

Historic England is the common name of the Historic Buildings and Monuments Commission for England (HBMCE). It is in a group with the Historic England Foundation, Historic England (Shrewsbury Flaxmill Maltings) Limited, the English Heritage Trust, English Heritage Trading Limited, the Iveagh Bequest, English Heritage Limited and Historic England Limited. Further details of Historic England's purposes can be found in the Performance Report Overview.

Commissioners and Executive Team Members

Lord Mendoza was appointed Chairman of Historic England from 1 September 2023. Details of his remuneration and that of the Chief Executive Duncan Wilson until 31 October 2025 (succeeded by Claudia Kenyatta/Emma Squire from 01 November 2025), along with other Commissioners and senior staff who served between 1 April 2025 and 31 March 2026, can be found in the Remuneration and Staff Report.

The terms of reference and membership of the Commission, its committees and the Executive Team can be found on Historic England's website.

Responsibilities of Commissioners

The key responsibilities of Commissioners are to:

- ensure that the statutory responsibilities of Historic England are undertaken
- provide expert advice and guidance on heritage matters
- establish the overall strategic direction of Historic England
- oversee and monitor planned performance against strategic objectives and targets
- ensure the highest standards of probity are used in the administration and use of funds and maximise the economical, efficient and effective use of resources for the public good
- ensure the highest standards of corporate governance and ensure the Commission acts within all statutory and regulatory requirements
- ensure, through the Co-Chief Executives, that the Commission, as employer, acts in accordance with all relevant legislation and best practice

- ensure that Historic England conducts its dealings with the community in an open, responsive and accountable manner.

Register of Interests

The organisation maintains a record of declarations of interest made by Commissioners, which includes company directorships. A copy of the current Register of Interests, and the guidance we ask members to follow, is available here: historicengland.org.uk/about/who-we-are/commission/

All Commissioners, committee members and members of the Executive Team are asked to review their Register of Interest entries twice a year, although members can provide updates at any point. Declarations of potential conflicts are asked for at each meeting in relation to the business on the agenda. Where there is a material conflict, the individual does not participate in proceedings.

Fraud and Personal Data Related Incidents

Historic England suffered no material fraud losses during 2025–26. All losses, including immaterial amounts and failed attempts, were reported to the Department for Culture, Media and Sport (DCMS) in accordance with Historic England's Framework Agreement.

No significant losses of information occurred during 2025–26 and no data loss incidents met the threshold for the Information Commissioner's Office to take regulatory action, reflecting our commitment to data protection and adherence to regulatory guidelines.

Audit Arrangements

The Comptroller and Auditor General has been the auditor of HBMCE since 1 April 2004, English Heritage Trading Limited from 1 April 2008, the English Heritage Trust from 1 April 2015, the Historic England Foundation from 16 January 2017, and Historic England (Shrewsbury Flaxmill Maltings) Limited since 14 March 2022. During the period covered by these accounts, The Iveagh Bequest, English Heritage Limited and Historic

England Limited were all dormant and are not subject to audit or independent examination. Audit fees charged for the year are reported in note 12.

Statement of Commissioners' and Accounting Officer's Responsibilities

Under paragraph 12(2) of Schedule 3 of the National Heritage Act 1983, the Secretary of State, with the consent of HM Treasury, has directed Historic England to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction.

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Historic England and of its net comprehensive expenditure, Statement of Financial Position, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, the Commissioners and Accounting Officer are required to comply with the requirements of the Government Financial Reporting Manual, and in particular to:

- observe the Accounts Direction issued by the DCMS Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements
- prepare the financial statements on a going concern basis.

The Accounting Officer for the Department for Culture, Media and Sport has designated the Co-Chief Executives as the Accounting Officer

of Historic England. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, and for keeping proper records and for safeguarding Historic England’s assets, are set out in *Managing Public Money*, published by HM Treasury.

Disclosure of Relevant Audit Information

As Accounting Officer and in conjunction with the Commissioners and Executive Team, we have taken all the steps that ought to have been taken to make ourselves aware of any relevant audit information and to establish that the National Audit Office is aware of that information. We are not aware of any audit information of which the National Audit Office is unaware.

We confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable, and that we take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

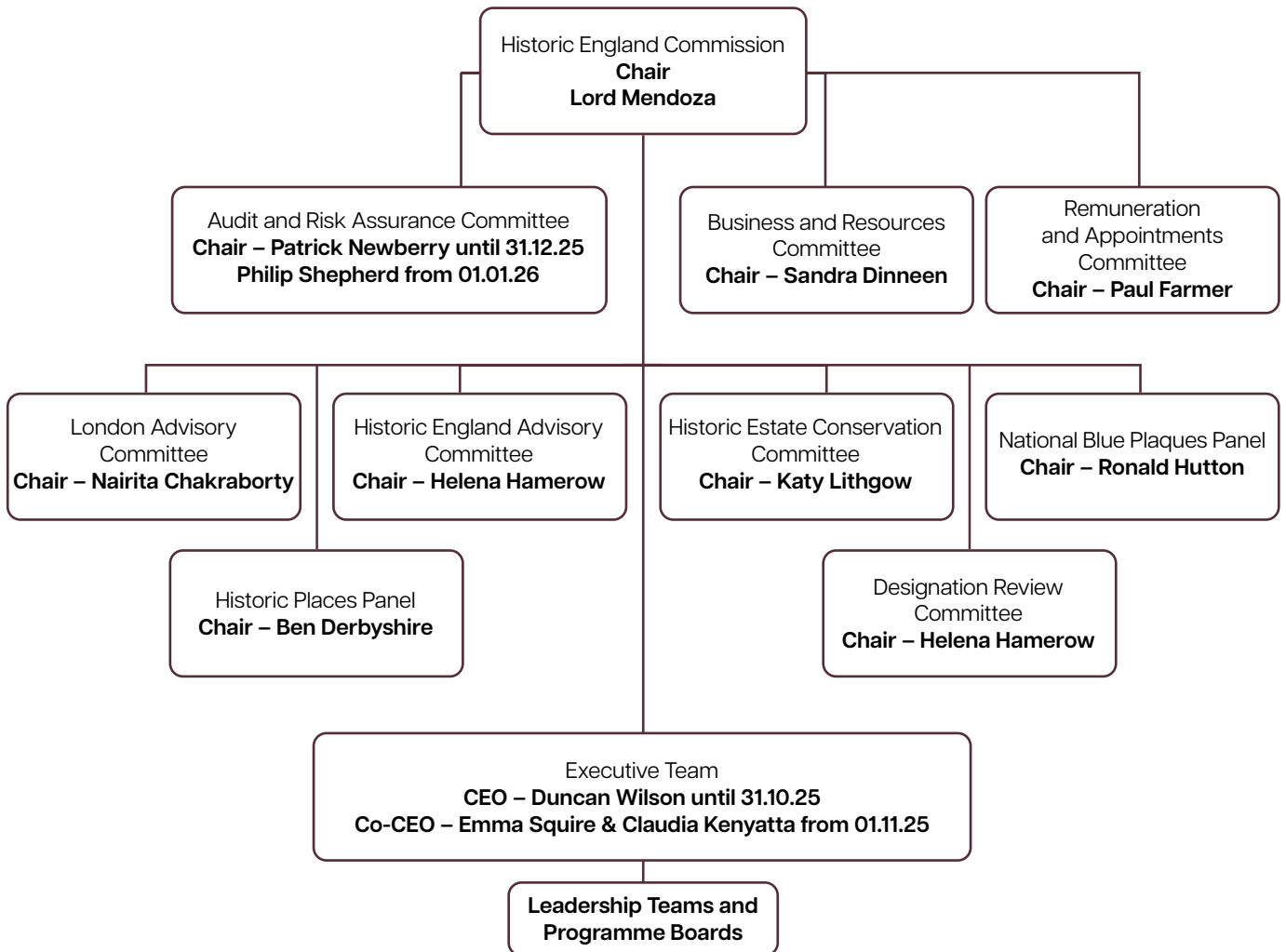
Governance Statement

The Governance Statement, for which we take personal responsibility as Accounting Officer, provides an overview of Historic England’s governance arrangements and how they support the achievement of its aims and objectives. The statement also explains how Historic England complies with good governance principles and how it makes sure the effectiveness of its arrangements are appropriately reviewed and challenged.

Scope of Responsibility	How Historic England is Accountable
Historic England is a non-departmental Public Body. The National Heritage Act 1983 sets out the statutory purposes , with the 2002 Act making further provision in relation to our functions. A Framework Agreement with DCMS sets out the framework and resources within which we operate .	Accountability to Ministers and Parliament is maintained in accordance with the Framework Agreement and through our role as Accounting Officer. The current Framework Agreement was signed in March 2024. The organisation reports regularly to DCMS on Historic England’s performance against the Framework Agreement and we hold regular meetings with senior DCMS staff, as do other members of the Executive Team. As a public body, Historic England must demonstrate to Government the ongoing need for its functions, and show that the organisation is accountable, efficient and effective in how we deliver our work. Historic England is subject to the Government’s Public Body Reviews programme.
Commission, as the governing body, establishes the overall strategic direction of the organisation and our corporate aims , which are published in our Strategy and Corporate Plan. The plan also describes how the organisation delivers its vision, aims and objectives, and it outlines the outcomes it is working towards.	Through discussions at its meetings, Commission contributes to the development of the organisation’s corporate priorities and objectives. It also approves Historic England’s Strategy and its Corporate Plan. At each of its meetings, Commission receives a summary of activity performance by corporate priority. This includes updates on strategic, operational and financial performance, alongside Red-Amber-Green ratings for key performance indicators. The Business and Finance Committee receives a detailed update on performance against our Corporate Priorities and Key Performance Indicators four times a year. Commission receives a comprehensive overview at year end. The Audit and Risk Assurance Committee receives a detailed update on corporate risk four times a year. Commission reviews its effectiveness each year. A summary of the findings is shared with DCMS. In line with best practice and Cabinet Office guidance, the 2025–26 review will be led externally and will report in mid-2026.

Scope of Responsibility	How Historic England is Accountable
As board members of a public body, Commissioners are obliged to observe various Government requirements and standards in their role, notably the Cabinet Office's Code of Conduct for board members of public bodies, which includes the Seven Principles of Public Life, or 'Nolan Principles'.	Commissioners are appointed by DCMS. All Commissioner appointments follow the recruitment process set out in the Cabinet Office's Governance Code for Public Appointments. On appointment, Commissioners sign terms and conditions that commit them to abiding by Historic England's Conduct Guidance for Commissioners, which sets out the various requirements and standards applicable to the role (within the context of Historic England's business and governance arrangements), including the Nolan Principles. The Chairman holds one-to-one appraisal meetings with each Commissioner annually. The Chair has an annual appraisal meeting with the DCMS Director of Visitor Economy, Heritage, Loans and Art Collection. Feedback from Commission and the Executive Team inform this appraisal meeting.
Day-to-day management of the organisation rests with us as the Co-Chief Executives and Accounting Officer. We delegate authority to our direct reports to incur expenditure and make decisions in accordance with Historic England's Scheme of Delegations, and the limits set out in the Framework Agreement and Historic England's Finance Manual.	The Executive Team considers organisational performance and financial management information on a regular basis. It also leads the assessment and management of corporate risks, reviewing the Corporate Risk Register at least four times a year. It takes a strategic view of risks across the organisation, ensuring alignment with Historic England's priorities and obligations. We also hold regular meetings with each of our direct reports, at which we seek assurances on performance and risk management.
Historic England is accountable to Government for the care and maintenance of the National Heritage Collection, which is managed on its behalf by the English Heritage Trust under an Property License & Operating Agreement. Three Commissioners sit on the English Heritage Trust Board, and other Commissioners are members of the Trust's sub-committees.	Commission's oversight of the Trust is supported by the work of the Historic Estate Conservation Committee (HECC), which includes Commissioner members and an English Heritage Trust observer. During 2025–26, HECC carried out its business through committee meetings and a programme of visits to sites within the National Heritage Collection. It produces an annual report to Commission. A report on the Trust's financial and non-financial performance is a standing item at each Commission meeting, and the Chairman and Chief Executive of each organisation has a standing invite to the other's board meetings. Regular bilateral meetings between Historic England and the English Heritage Trust are held at Chairman, Chief Executive and officer level. Three Historic England Commissioners are also English Heritage Trustees. An Historic England Commissioner sits on the Trust's Remuneration and Appointments Committee, and the Chair of Historic England's Audit and Risk Assurance Committee meets regularly with his English Heritage Trust counterpart.

Our Structure and System of Governance during 2025–26



The purpose of Historic England’s system of governance is to maximise the potential of the organisation in achieving its aims. Governance within Historic England is exercised primarily through the following bodies:

- **Commission** is Historic England’s governing body, comprising non-executive Commissioners appointed by the Secretary of State for Culture, Media and Sport. It establishes the overall strategic direction of Historic England and ensures that its statutory responsibilities are carried out. Commission is responsible for oversight and monitoring of performance and ensuring the highest standards of corporate governance. In order to support it in its role, Commission routinely receives reports, prepared by the Executive Team, on key operational and risk areas, strategy and policy, and financial and non- financial performance, as well as detailed reports from its specialist sub-committees at each meeting. Minutes of Commission meetings are publicly available on the Historic England website.
- The **Audit and Risk Assurance Committee** supports Commission and us in our role as Accounting Officer in discharging HE’s responsibilities for maintaining sound risk management, control and governance arrangements. It receives reports on risk management at each of its meetings and reports on corporate performance twice a year. The Committee has oversight of governance arrangements generally. DCMS Finance team colleagues have a

standing invitation to observe Audit and Risk Assurance Committee meetings.

- The **Executive Team**, which we chair, comprises the six group directors who report to us. Each is accountable for the achievement of the aims and the management of the risks that are wholly or partly the responsibility of their group. The Executive Team is responsible for establishing control arrangements and for ensuring that these operate as intended.
- Other Commission sub-committees help manage internal business, including the Business and Finance Committee, which oversees the financial strategy and the overall financial management of Historic England, and the Remuneration and Appointments Committee, which has oversight of pay policy and recruitment, approves our remuneration, agrees our objectives as Co-Chief Executives and monitors our performance against them.
- There are various specialist non-executive committees that advise staff and the Commission on strategy, policy and casework matters. These include: the Historic England Advisory Committee; the London Advisory Committee; the Historic Estate Conservation

Committee; National Blue Plaques Panel; the Designation Review Committee; and the Historic Places Panel. Details of committee membership and individuals' expertise are published on Historic England's webpages. Minutes of sub-committee meetings are standing items at Commission meetings.

- Terms of Reference for these groups and their membership are reviewed routinely as part of our governance monitoring arrangements, to ensure they remain fit for purpose and reflect our operating environment. There is a rolling programme of self-assessments and effectiveness reviews, and the main committees report a summary of their conclusions to Commission.
- After a review, Commission decided in March 2026 to abolish the Remuneration & Appointments Committee with effect from the beginning of the 2026/27 financial year. Its principal responsibilities will be transferred to a reformed Business & Resources Committee, replacing the Business and Finance Committee, in order to better integrate business, financial and workforce planning.

Membership of and Attendance at Commission and Business Committee meetings

Details of Commission membership and attendance during 2025–26 are detailed in the table below.

Commissioner	Commission	Audit and Risk Assurance Committee	Business and Finance Committee	Remuneration and Appointments Committee
Lord Mendoza (Chair)	5/5			3/3
Nairita Chakraborty	3/5			
Ben Derbyshire	4/5			
Sandra Dinneen	5/5	4/5	3/4	
Paul Farmer	4/5			3/3
Jane, Lady Gibson	5/5	5/5	4/4	
Helena Hamerow	4/5			
Ulrike Knox ¹	2/3			
Sir Jonathan Marsden	4/5			
Patrick Newberry	3/5	5/5	4/4	3/3
Jamie Ritblat ²	3/3			
Robert Sackville-West	5/5	3/4		
Philip Shepherd ³	3/3	2/3	2/2	
Susie Thornberry ⁴	4/4			3/3
Richard Upton ⁵	3/4			
Sue Wilkinson	4/5		3/3	1/3
Independent members of business committees				
Catherine Andrews ⁶		3/3		
Alison Hunt ⁷		2/3		
Shri Mukundagiri ⁸		2/2		

In addition to the formal schedule of business meetings, non-contentious matters were considered by email circulation, outside of the meeting cycle. Commissioners also served on the advisory committees and on some of the strategic programme boards that oversee major projects.

Two-day regional Commission visits took place to the World Heritage Site of Derwent Valley Mills in March 2025 and to central Liverpool in October 2025.

¹ Term commenced 01/09/2025.

² Term commenced 01/09/2025.

³ Term commenced 01/09/2025.

⁴ Term came to an end 30 December 2025.

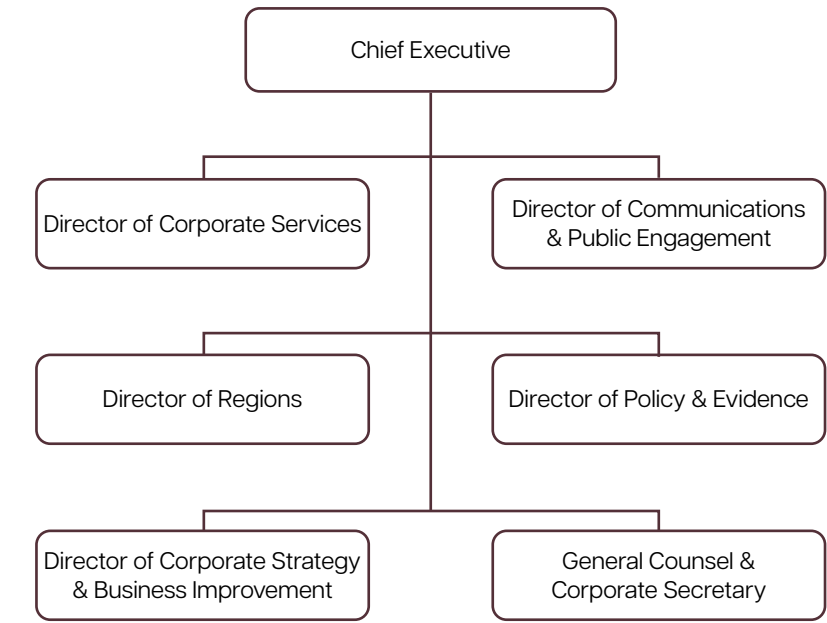
⁵ Term came to an end 30 December 2025.

⁶ Term commenced 01/09/25.

⁷ Term commenced 01/09/25.

⁸ Term came to an end 31 July 2025.

Executive Team in 2025–26



The Executive Team comprises the Chief Executive and those directors who report directly to us. Executive Team holds a formal business meeting each week as well as an additional catch-up call. When a group director is unavailable for a business meeting, a member of their leadership team usually attends in their place.

Executive Team member during 2025–26	Term of membership	Meeting attendance
Duncan Wilson, Chief Executive	1 April 2025 – 31 October 2025	17/24
Claudia Kenyatta and Emma Squire, Co-Chief Executives [Job share] ⁹	1 November – 31 March 2026	19/20
Louise Brennan, Director of Regions	9 June 2025 – 31 March 2026	29/36
Liz Bushell, Director of Corporate Services	1 April 2025 – 31 March 2026	40/44
Katharine Grice, Director of Communications & Public Engagement	1 April 2025 – 31 August 2025	14/14
Claudia Kenyatta and Emma Squire, Director of Regions [Job share]	1 April 2025 – 8 June 2025	18/24
Melanie Lewis, Director of Strategy & Business Development	1 April 2025 – 31 March 2026	37/44
Ian Morrison, Director of Policy & Evidence	1 April 2025 – 31 March 2026	38/44
Amy Pitts, Director of Communications & Public Engagement	24 July 2025 – 31 March 2026	29/31
Andrew Wiseman, General Counsel & Corporate Secretary	1 April 2024 – 31 March 2025	40/44

⁹ Commenced transition to role of Co-CEOs on 9 June 2025.

The Audit and Risk Assurance Committee in 2025–26

Commission has established an Audit and Risk Assurance Committee to support it, and to support us as the Accounting Officer, in our responsibilities for maintaining sound risk management, control and governance arrangements. The main responsibilities of the Committee are to advise on:

- the financial accounting and external reporting processes, and external audit
- the effectiveness of risk management and control systems, and internal audit
- the effectiveness of anti-fraud and whistleblowing arrangements.

These responsibilities do not alter the oversight responsibilities of Commission, or of us as the Accounting Officer, for the maintenance of sound systems of governance, risk management and internal control, and for financial and other external reporting.

In practice, the Committee carries out its work by reviewing and challenging the assurances it receives on the effectiveness of internal controls and risk management, the way in which these assurances have been developed and the management priorities on which they are based.

The Committee's membership comprises Commissioners and independent members who have a broad range of experience including finance, risk management and governance. The Committee reports to Commission following each of its meetings. Shri Mukundagari, the independent member of the Committee, stood down in July after seven years of exceptional service. Two new independent members, Catherine Andrews and Alison Hunt, were appointed after a competitive recruitment process.

The Audit and Risk Assurance Committee met on five occasions during 2025–26, its business

covering a broad range of matters including the following:

- The National Audit Office (NAO)'s audit plans, progress and findings. In line with good practice, the Committee also held discussions with the NAO without members of the Executive present.
- Regular reports and assurances from management and the Government Internal Audit Agency (GIAA) in relation to risk management, control and governance arrangements. GIAA and ARAC held meetings without members of the Executive present, in line with good practice.
- Standing items, including mid-year and year-end reporting on corporate performance against strategic aims and key performance indicators; the monitoring and mitigation of corporate risks; and operational risk performance, including accidents and incidents, fraud and loss.
- Specific reports and assurances on high-risk operational and business areas, including: security of collections in the archive; business continuity; and developments at Shrewsbury Flaxmill Maltings.
- Routine reports on information assurance and compliance, including reports on the organisation's approach to cyber security, information management and compliance with Government standards.
- The Registers of Interests for Commissioners, Committee and Executive Team members, and summaries of hospitality given and received by the Chairman and Chief Executive.
- Reports on finance matters, including updates on accounting and auditing policies.
- Various discussions relating to the production and approval of the 2024–25 Annual Report and Accounts, preparation of the 2025–26 financial statements, and early drafts of the Performance and Accountability reports.

- In line with good practice, the Committee also reviewed and approved its terms of reference during 2025–26. The Committee's 2024–25 review of its own effectiveness informed its agenda in 2025–26.

The Committee was given the opportunity to comment on and challenge the assurances made in this Governance Statement.

Risk Management at Historic England

Risk management is integral to how Historic England delivers its objectives and maintains good governance. Our approach is underpinned by HM Treasury's Orange Book: Management of Risk, Principles and Concepts and supports informed decision-making, stewardship of public funds and clear accountability for the risks that could affect our statutory responsibilities, strategic priorities and public value.

We do not seek to remove all risk. Our aim is to understand uncertainty, manage it within agreed appetites, and take timely, proportionate action where risks move outside the level we are prepared to accept. This allows us to balance ambition, innovation and opportunity with effective control, assurance and public accountability.

Risk oversight

Everyone in Historic England has a role to play in identifying, managing, escalating and communicating risk. We use the **Three Lines Model** to clarify how risk is managed and assured across the organisation:

- the **First Line** owns and manages risks as part of day-to-day delivery;
- the **Second Line** supports, oversees and challenges in risk management, including through frameworks, guidance, reporting and analysis;
- the **Third Line** provides independent assurance on the effectiveness of risk

management, internal control and governance.

The **Executive Team**, as our strategic leadership body, is accountable for the governance and oversight of risk. It owns and reviews the Corporate Risk Register, approves the organisational risk appetite, and considers whether risks are being managed within appetite or require further action. The **Chief Executive, as Accounting Officer**, holds overall accountability for the effectiveness of Historic England's governance, control and risk management activities.

The **Audit and Risk Assurance Committee**, provides independent scrutiny and advice on risk, control and governance. It reviews the Corporate Risk Register, considers significant changes in risk exposure, and tests the adequacy of controls, mitigations and assurance. It advises Commission and the Accounting Officer on the effectiveness of risk management and internal control.

In line with best practice, **a senior individual has been designated to lead our approach to risk**, ensuring it remains aligned with strategic priorities and that governance arrangements remain robust.

Strengthening our risk framework

The Government Internal Audit Agency reviewed Historic England's risk management framework in November 2024. Since then, we have made significant progress against the agreed Management Action Plan and have moved from building the framework to embedding it across the organisation.

This year we approved a new Risk Management Policy, supported by detailed guidance for colleagues. This clarified how risks should be identified, assessed, managed, escalated and reported across strategic, operational, group, portfolio, programme and project activity. It also set out clearer roles and responsibilities across risk ownership, oversight and assurance.

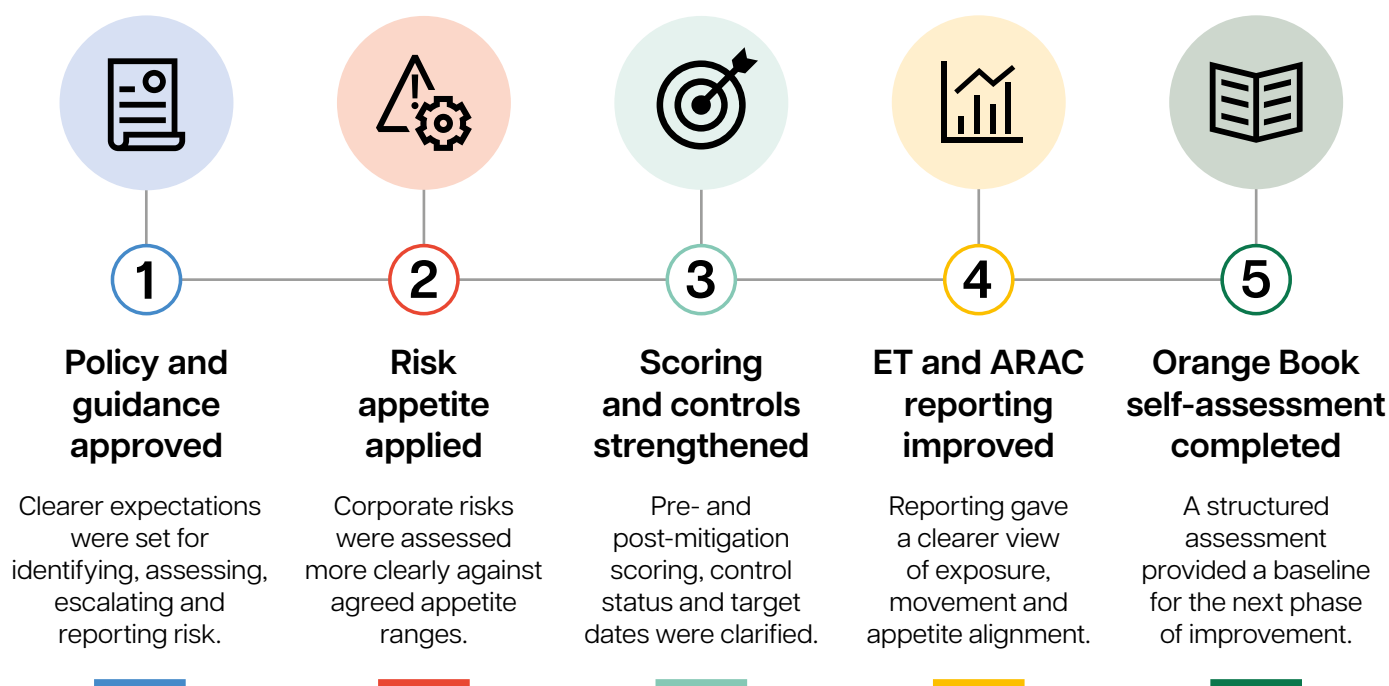
The policy will be reviewed annually to ensure it remains relevant and effective.

We also strengthened the Corporate Risk Register and associated reporting. This included clearer pre- and post-mitigation scoring, improved tracking of controls and target dates, and a

stronger focus on whether risks are being managed within appetite. These changes have improved transparency and helped the Executive Team and ARAC focus on the areas of greatest exposure.

Progress during 2025-26

We continued to strengthen our risk management approach, enhancing transparency and supporting effective decision-making across the organisation.



Orange Book self-assessment

In 2026, we completed an Orange Book self-assessment using the 75 high-level comply/explain questions from the central government assurance framework. This confirmed a reasonably strong corporate risk governance model, with the strongest evidence in governance, leadership and core risk processes. It also identified areas for further development below the corporate layer, particularly assurance mapping, portfolio risk management, capability, functional-consistency, delegations and third-party expectations.

The assessment has helped shape the next phase of improvement. This will focus less on creating new policy and more on embedding, connecting and assuring the framework already in place.

Risk appetite

Risk appetite defines the level of uncertainty we are prepared to accept in pursuit of our objectives. It supports consistent judgement, helps prioritise action, and provides a clearer basis for escalation, challenge and assurance.

The Executive Team sets and annually reviews Historic England's risk appetite. During the year, we strengthened its application by aligning corporate risks to appetite ranges, enabling clearer assessment of whether risks are within, near, or above appetite.

Risk Appetite	Description	Risk Category
Open	We will proactively take bold decisions and delivery approaches, accepting substantial levels of risk where justified , to secure highly successful outcomes and benefits.	No categories currently assigned
Curious	We are prepared to consider innovative decisions and delivery approaches, even when there are elevated levels of associated risk, if there is a high probability of productive outcomes .	External Historic Environment Risks Reputational Risks Asset / Estates Risks Portfolio, Programme, and Project Delivery Risks
Cautious	We are willing to accept modest and largely controllable levels of risk to achieve key outcomes and benefits, typically through incremental or well-evidenced approaches.	Financial Risks People Risks Operations Risks Technology Risks Legal Risks
Minimalist	We have an overall preference for safe decision making and delivery approaches but are willing to accept some low-level risk , despite the probability that there may be restricted potential for innovation and increased outcomes and benefits.	Governance Risks
Averse	We will take very safe decision making and delivery approaches and accept only the very lowest levels of risk , avoiding risk and uncertainty wherever we are able, whilst recognising that this may restrict exploitation of opportunities and innovation.	No categories currently assigned

This approach helps ensure that risks are not assessed in isolation. It provides a common basis for considering whether further mitigation, senior review or additional assurance is needed, while allowing informed judgement where risks are complex, changing or affected by external factors.

Corporate risks

The Corporate Risk Register captures the most significant risks facing Historic England. These are risks that could materially affect our ability to deliver our strategic objectives, fulfil our statutory responsibilities, maintain public trust, or operate effectively as a public body.

During 2025-26, the Corporate Risk Register remained active and was updated where the organisation's risk exposure, control environment or strategic context changed. The register is reviewed quarterly by the Executive Team and reported to the Audit and Risk Assurance Committee.

Corporate risk register changes during 2025-26

Risk Description	Summary
Risks removed from the register	
Shrewsbury Flaxmill Maltings Failure to deliver the rescue of the remaining buildings at risk and wider site regeneration elements.	This risk was incorporated into a broader strategic risk covering the condition of Historic England's estate.
Delivery of Digital Strategy Failure to deliver the strategy could entrench reliance on outdated systems, limit process improvements and reduce stakeholder confidence.	The Digital Strategy programme was formally closed following delivery of several significant digital improvements. Residual exposure is now monitored through other corporate risks.
Risks added or reframed	
Historic England Estate Physical decay and dilapidation of Historic England-owned building structures and insufficient funding for backlog maintenance and conservation.	A reframed strategic risk was developed to bring together estate-related exposure across Historic England-owned assets. This strengthened the focus on asset condition, compliance, health and safety, prioritisation and future investment requirements.

Principal corporate risks

Principal risk	Why it matters	How we are managing it	Risk appetite	Risk Trend*
Income and financial resilience	Failure to secure sufficient Grant-in-Aid or other income could reduce Historic England's ability to deliver the activities set out in the Strategic Plan, maintain core services and respond to strategic pressures.	We continue to engage closely with DCMS, develop financial scenarios, review efficiency options and strengthen financial resilience. This includes work to deliver the new income generation strategy and identify sustainable income opportunities.	Cautious	Maintaining
Stress and workload pressures	Sustained workload pressure, organisational change and uncertainty can affect staff wellbeing, sickness absence, engagement and performance. If not managed, this can reduce organisational capacity and increase the risk of errors, delays or reduced quality of delivery.	Senior leaders continue to focus on prioritisation, communication and workload management. This is supported by wellbeing resources, stress management guidance, mental health support, training on prioritisation and management practice, and monitoring of workforce data and staff feedback.	Minimalist	Increasing
Damage to corporate reputation	Adverse publicity, public scrutiny or poor handling of sensitive issues could damage trust in Historic England and reduce confidence among government, partners, stakeholders and the public. This could affect our ability to influence, advise and deliver public value.	We use quality assurance, stakeholder engagement, issue monitoring and insight tracking to identify and respond to sensitive matters. Crisis communications arrangements are in place and are tested where appropriate.	Curious	Increasing
Cyber and business-critical systems	A major cyber incident, loss of access to core systems, or failure of business-critical infrastructure could disrupt services, compromise information, reduce productivity and damage trust. This remains significant given increasing digital dependency and the continuing threat of cyber-attack.	We maintain a range of cyber and information security measures, including accreditation, multi-factor authentication, cyber-resilience data arrangements, mandatory training, phishing awareness testing, security monitoring and disaster recovery testing. Work also continues to strengthen information management and replace legacy systems.	Minimalist	Maintaining

Principal risk	Why it matters	How we are managing it	Risk appetite	Risk Trend*
English Heritage Trust and the National Collection	Historic England remains accountable to Government for the National Heritage Collection, which is conserved and managed by English Heritage Trust under the Property Licence and Operating Agreement. The risk for Historic England is that changes in EHT's operating context or financial resilience could affect the long-term care, operation and stewardship of the Collection.	Historic England maintains governance and oversight of EHT through the Property Licence and Operating Agreement, and regular monitoring by Commission, Executive Team, HECC and ARAC. Historic England reviews financial and strategic operations through KPIs and continuous liaison with EHT and DCMS. The corporate risk was reframed during the year to focus clearly on Historic England's accountability for the National Collection and related governance arrangements. The financial elements of this risk continue to be managed under our income and financial resilience risk.	Curious	Increasing
Historic England Estate	Deterioration across Historic England-owned assets could create financial, compliance, health and safety, access and reputational risks. It may also affect the suitability of sites for operational use and increase future maintenance and investment pressures.	We have broadened the risk to give a clearer strategic view of Historic England-owned assets. Activity includes estate-wide prioritisation, condition review, urgent repairs, access controls, strengthened governance, site-specific plans and work to assess future investment requirements.	Curious	Maintaining
External heritage resilience	Reduced local authority capacity and financial pressure affecting heritage organisations can weaken heritage protection, increase pressure on Historic England's own services, and affect the condition, care and accessibility of heritage assets.	We support local authority capability through training, guidance, data, peer networks and engagement with partners. We also monitor sector pressures, target grants where they can have most impact, review evidence on heritage at risk and work with partners to support sustainable stewardship.	Curious	Maintaining

*Risk trend reflects the direction of residual exposure during the reporting period.

The Corporate Risk Register also includes other strategic risks, including artificial intelligence, climate-related risks, legal compliance, advice standards and other areas of operational resilience. These continue to be reviewed through the quarterly corporate risk cycle and escalated where needed.

Principal risks matrix

IMPACT	5 Extreme/ Catastrophic					
	4 Major			Historic England Estates Income	English Heritage Trust External heritage resilience	
	3 Moderate			Stress & Workload	Reputation Cyber/IT Failure	
	2 Minor					
	1 Insignificant					
		Remote 1	Unlikely 2	Possible 3	Probable 4	Highly Probable 5
LIKELIHOOD						

Independent Assurance

Internal audit provides us as the Accounting Officer, and Commission, directly and via the Audit and Risk Assurance Committee, with an independent, objective evaluation of the adequacy and effectiveness of our framework of governance, risk management and control. It also adds value by providing risk and control advice and recommendations for improvement of our existing arrangements, and on new arrangements that the organization is considering.

GIAA provides internal audit services to Historic England. An Internal Audit Charter between GIAA and Historic England sets out the purpose, authority and responsibilities of internal audit. The Accounting Officer and Chair of the Committee signed the Charter on behalf of Historic England in July 2023.

The Internal Audit Plan for 2025–26 was adopted by the Audit and Risk Assurance Committee in May 2025, and subsequently reviewed throughout the year in order to respond to any changing priorities or emerging risks. The Audit and Risk Assurance Committee and the Executive Team were kept updated on changes, progress against the 2025–26 plan, and key emerging findings and assurances, and monitored the progress in implementing the actions agreed by management.

The Internal Audit team carried out cyclical assurance activity in all major areas of Historic England's operations, with the following identified as worthy of consideration in terms of forming the 2025–26 Opinion: corporate planning; workforce strategy; business continuity; information security; grants verification; and risk management.

All of the 2025–26 reviews resulted in ‘moderate assurance’ or ‘substantial assurance’ reports, meaning that our established controls remain adequate and are operating as intended. On the basis of the reviews completed during the year, the Head of Internal Audit’s opinion for 2025–26 is that Historic England continues satisfactorily to identify, assess and mitigate risks, and that there are no pervasive control weaknesses that could lead to an unacceptable level of risk being carried in the areas GIAA reviewed. This constitutes a ‘moderate’ assurance opinion on the framework of governance, risk management and control within Historic England.

Whistleblowing

Our whistleblowing policy commits Historic England to working to a high standard of integrity within a culture of openness and honesty. The policy identifies various routes for concerns to be raised internally and via the Chair of the Audit and Risk Assurance Committee. Independent sources of advice on whistleblowing, such as Protect, a British charity that encourages safe whistleblowing, are also signposted. There were no whistleblowing incidents in 2025–26.

Open Government and Freedom of Information

Historic England is subject to the public sector freedom of information regime. As part of the ongoing commitment to transparency and accountability, much of Historic England’s information is available on its website. The Freedom of Information Act 2000 and the Environmental Information Regulations 2004 provide a general right of access to all types of recorded information held by public authorities. In 2025–26 Historic England responded to 432 requests for information under this legislation (360 in 2024–25).

Information Security and Compliance

Historic England is committed to the secure storing, handling and sharing of the information

it holds, in order to maximise its value to the business and to mitigate reputational, legal and financial risks from potential loss, theft, misuse or inappropriate disclosure. There is a dedicated Corporate Information Management Group that is responsible for the leadership, corporate oversight and progress monitoring of corporate information management, the General Data Protection Regulation (GDPR) and cyber security.

Historic England is required to provide assurance to DCMS that the necessary measures are in place to operate to a good level of compliance with data protection legislation, and to meet cyber security standards (including compliance against the Government Functional Standard for Security (GovS:007), Cyber Essentials, Secure by Design and GovAssure).

The organisation was successfully re-accredited for Cyber Essentials on 4 November 2025 for a further 12 months, and continues to make improvements to its processes and systems to help ensure it meets new standards. Following the work on the Government’s GovAssure certification process, Historic England was selected as a lead ALB to participate in the revised process being rolled out in 2025–26. Historic England confirmed “go-live” of Secure by Design with DSIT on 23 December 2025. Implementation of the Disclosure for Government Scheme recommendations was completed in 2025.

Historic England is compliant with public records legislation, having been granted permission by the Advisory Council on National Records and Archives to retain legacy records, while a backlog is addressed.

Monitoring the Effectiveness of Governance in 2025–26

As Accounting Officer, we have responsibility for the effectiveness of our system of governance. Our views on the effectiveness of Historic England’s governance were discussed with the Executive Team and the Audit and Risk Assurance

Committee during the year. Throughout 2025–26 we were assured as to its effectiveness by:

- the work of the Executive Team
- the work of the Audit and Risk Assurance Committee
- the advice of the General Counsel & Corporate Secretary and other specialist governance staff
- regular reporting on performance and risk
- the annual programme of internal audit reviews
- the advice of external auditors
- other assurances gained from the work of a range of groups, programme and project boards.

Executive Team directors have also confirmed to us that, to the best of their knowledge and belief, and based on the assurances they have been given, Historic England maintained a sound system of governance during the year, while managing risks and safeguarding public funds and departmental assets in accordance with the responsibilities in *Managing Public Money*.

At the year-end, Commission undertook a review of its own effectiveness, looking at all relevant matters, including:

- its own processes and practices
- the views of the Audit and Risk Assurance Committee, internal audit and other means of assurance
- the formal performance and risk reporting via group directors
- the quality of data provided to the Board
- the business of Commission and its committees
- any other body's views or survey data that expressed a view on the performance of Historic England.

Commission concluded that its operations had been satisfactory and that the data provided to it had been adequate for sound decision-making and risk management.

Conclusion on Corporate Governance in 2025–26

A satisfactory system of governance was in place at Historic England for the financial year ending 31 March 2026 and up to the date of approval of the 2025–26 Annual Report and Accounts. It accorded with HM Treasury guidance, including the *Corporate Governance in Central Government Departments: Code of Good Practice 2017* and the *Management of Risks – Principles and Concepts* (The Orange Book), in so far as these are applicable to Historic England as an Arm's Length Body.

The governance system we had in place has provided us, as the Accounting Officer, with adequate assurance that Historic England is making the best use of its resources in achieving its aims, while managing risks to an appropriate degree. This evidence included assurance provided by the previous Chief Executive, Duncan Wilson CBE, who undertook the Accounting Officer role until 31 October 2025. We believe the system of governance was fit for purpose in 2025–26 and remains so. Executive Team members and Commission support this view.

Claudia Kenyatta & Emma Squire

Chief Executive and Accounting Officer
13 July 2026

Remuneration and Staff Report

The Remuneration and Staff Report has been prepared in accordance with the Government Financial Reporting Manual and contains information on the remuneration policy for Directors, how the policy has been implemented, and shows the amounts awarded to the Directors in the year. Also included are other relevant details relating to remuneration and staff.

Remuneration Report

Remuneration Policy

The remuneration of the Executive Team is established for each post by reference to the relevant external market data.

Remuneration and Appointments Committee

The objective of the Committee is to review and advise on the Human Resources Strategy to ensure that it is contributing effectively to the success of the organisation. It is also the objective of the Committee to review the reward and remuneration of the staff, so as to:

- demonstrate that reward and remuneration is considered by a Committee that has no personal interest in the outcome of its advice, and which gives due regard to the interests of the public and the financial health of the organisation; and
- ensure that staff are fairly rewarded for their individual contributions to the organisation's overall performance within DCMS and HM Treasury delegated limits.

In carrying out the above, the Committee provides advice and oversight external to the Historic England group management, necessary to demonstrate public accountability.

The Committee determines the frequency of its meetings in order to ensure that the remit of the Committee is fulfilled. The Committee is chaired by a Commissioner (who is not the Chairman of the Commission) and comprises no fewer than five members, all of whom are Commissioners or independent external members. In accordance with Historic England's published Appointments

Policy, members of the Committee are appointed by the Chairman of Commission, following consultation with (and approval by) Commissioners.

Since 1 June 2021, the Committee has been chaired by Commissioner Paul Farmer. The Committee has met three times during the reporting period and comprised five Commissioners, including the Committee Chair.

Executive Board Contracts

Executive Team members are employed on continuous contracts and are required to give three months' notice of termination of employment by resignation. The Chief Executive is also on a continuous contract and is required to give six months' notice of termination of employment by resignation. Early terminations of contract by Historic England are dealt with in accordance with the rules of the Civil Service Compensation Scheme.

The only employee who had a contractual performance award arrangement was our former Chief Executive. Since the date of his original appointment (May 2015), their remuneration package was, based on a 'salary at risk' model, whereby his basic salary was set at a level below the prevailing market rate with the ability to earn an annual performance related award to supplement this. The award was payable for the achievement of specific performance targets and objectives and set at a maximum of £17,500 per financial year. Each year, the Remuneration and Appointments Committee assesses the Chief Executive's performance against his annual targets and objectives to determine the rate of his performance related award. In 2025/26, his

performance was also assessed for the period from 1 April 2025 to 31 October 2025 and a pro rata award was agreed by the Remuneration and Appointments Committee to be paid with his final pay. He therefore received his contractual performance awards both for 2024/25 and for the part of 2025/26 that he served within this financial year.

Our new Co-Chief Executive Officers and the remaining Executive Team members are participants in the organisation's Performance Related Pay Scheme for Directors, which allows for awards of up to 7.5% of salary, assessed every year against annual targets and objectives.

Emoluments of the Commissioners

The following information has been subject to audit:

	Appointments since 1 April 2025	Appointments ended since 1 April 2025	2025–26 £'000	2024–25 £'000
The Chair of the Commission				
Lord Mendoza			35–40	35–40
Current Commissioners				
Nairita Chakraborty			0–5	0–5
Benjamin Derbyshire			0–5	0–5
Sandra Dinneen			0–5	0–5
Paul Farmer			0–5	0–5
Jane, Lady Gibson			0–5	0–5
Professor Helena Hamerow			0–5	0–5
Sir Jonathan Marsden			0–5	0–5
Patrick Newberry			0–5	0–5
Robert Sackville-West			0–5	0–5
Ulrike Knox ¹	01 September 2025		0–5	–
Susan Wilkinson			0–5	0–5
Jamie Ritblat ¹	01 September 2025		0–5	–
Phillip Shephard ¹	01 September 2025		0–5	–
Former Commissioners				
Susie Thornberry ¹		31 December 2025	0–5	0–5
Richard Upton ¹		31 December 2025	0–5	0–5

- Commissioners' emoluments wholly related to basic fees in respect of their duties as Commissioners and as chairs of advisory committees. No Commissioner received any performance related fees.
- All Commissioners' appointments are nonpensionable. Commissioners' emoluments are set by DCMS.
- Three new Commissioners took office during 2025-2026
- Susie Thornberry left at their end of office on the 31 December 2025
- Richard Upton left at their end of office on the 31 December 2025

Notes

¹ Commissioners' emoluments are disclosed as a full year equivalent where the Commissioner has started or left during the financial year. The full year equivalent and the actual emoluments are in the same '0-5' banding.

Single Total Figure of Remuneration for Executive Team

The following information has been subject to audit:

	Salary		Performance Award		Pension Benefits ¹		Total	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Executive Team as at 31 March 2026								
Duncan Wilson CBE ² Full year equivalent salary Chief Executive	85–90 (145–150)	140–145	25–30	15–20	63	86	180–185	245–250
Elizabeth Bushell Director of Corporate Services	130–135	130–135	0–5	0–5	53	51	190–195	180–185
Claudia Kenyatta ³ Full time equivalent salary (job share) ⁹ Co-Chief Executive Officer	85–90 (145–150)	75–80 (110–115)	0–5	0–5	212	64	305–310	145–150
Emma Squire ³ Full time equivalent salary (job share) ⁹ Co-Chief Executive Officer	85–90 (145–150)	75–80 (110–115)	0–5	–	132	84	220–225	160–165
Ian Morrison Director of Policy and Evidence	110–115	105–110	0–5	0–5	41	60	155–160	170–175
Amy Pitts ⁴ Full year equivalent salary Director of Communications & Public Engagement	90–95 (95–100)	90–95	0–5	0–5	35	22	130–135	120–125
Katharine Grice ⁵ Full year equivalent salary (Maternity Leave Cover) Director of Communications & Public Engagement	35–40 (75–80)	75–80 (85–90)	0–5	0–5	31	32	70–75	110–115
Melanie Lewis ⁸ Full year equivalent salary Director of Business Improvement	95–100 –	55–60 (90–95)	–	–	38	22	135–140	75–80
Andrew Wiseman General Counsel & Corporate Secretary	105–110	105–110	0–5	0–5	43	41	155–160	150–155
Louise Brennan ⁷ Full year equivalent salary Director of Regions	85–90 (105–110)	–	0–5	–	97	–	185–190	–

Notes

- ¹ The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) less (the contributions made by the individual) plus (the real increase in any lump sum). The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights. This figure is provided by Capita, the pension scheme administrator.
- ² Chief Executive left office 31 October 2025. The 2026 performance award total shown comprises two contractual performance payments, one for performance in 2024/25 and one for the period served to 31 October 2025 in 2025/26 (more details are in the Executive Board Contracts section above).
- ³ Co-Chief Executive Officer Job-share commenced from 1 November 2025 following a period of handover as Chief Executive – Designate from 1 June 2025
- ⁴ Director of Communications & Public Engagement Maternity returned 24 July 2025
- ⁵ Director of Communications & Public Engagement Maternity cover ended 31 August 2025
- ⁶ Accrued pension benefits included in this table for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the legacy scheme for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The Public Service Pensions Remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the relevant legacy scheme for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the Alpha scheme for the period from 1 April 2015 to 31 March 2022.
- ⁷ Director of Regions role commenced from 09 June 2025
- ⁸ 2024/2025 full year equivalent salary restated
- ⁹ Full time equivalent based on Co-Chief Executive salary, Previous roles in financial year Director of Regions (Job Share) FTE (115-120) 01/04/2025 – 31/05/2025, Chief Executive-Designate (Job share) FTE (145-150) 01/06/2025 – 31/10/2025.
- ¹⁰ 'Salary' includes gross salary and any other allowance to the extent that it is subject to UK taxation. The data presented is based on accrued payments made by Historic England and thus recorded in these accounts. Performance awards are based on performance levels attained and are made as part of the annual appraisal process. Due to the timing of the appraisal process, awards reported in 2025-26 relate to performance in 2024-25 and comparative bonuses reported for 2024-25 relate to the performance in 2023-24.

Pension Benefits for Executive Team

The following information has been subject to audit:

	Accrued pension at pension age ¹	Total lump sum at pension age ¹	Real annual increase in pension at pension age	Real annual increase in lump sum at pension age	CETV ²		Real annual increase in CETV
	2026 £'000	2026 £'000	2026 £'000	2026 £'000	2026 £'000	2025 Restated ⁶ £'000	2026 £'000
Executive Team as at 31 March 2026							
Duncan Wilson CBE Chief Executive	115-120	–	2.5-5	–	1,969	1,873	53
Elizabeth Bushell Director of Corporate Services	10-15	–	2.5-5	–	148	72	35
Claudia Kenyatta Co-Chief Executive	70-75	–	10-12.5	–	1,344	1,048	197
Emma Squire Co-Chief Executive	45-50	–	5-7.5	–	846	756	107
Ian Morrison Director of Policy & Evidence	45-50	110-115	0-2.5	0-5	1,100	1,009	30
Amy Pitts ³ Director of Communications & Public Engagement (Maternity leave)	25-30	–	0-2.5	–	292	251	17
Katharine Grice ⁴ Director of Communications & Public Engagement (Maternity cover)	20-25	–	0-2.5	–	352	314	21
Melanie Lewis-O'Boyle Director of Business Improvement	0-5	–	0-2.5	–	45	16	21
Andrew Wiseman General Counsel and Corporate Secretary	30-35	–	2.5-5	–	523	462	35
Louise Brennan ⁵ Director of Regions	30-35	70-75	2.5-5	10-12.5	676	–	90

Notes

All figures are provided by MyCSP, the pension scheme administrator. Amounts shown in () indicate that, taking account of inflation, the CETV funded by the employer has decreased in real terms.

¹ Balances as at 31 March 2026.

² Cash Equivalent Transfer Value. Figure stated is the latest of 31 March or date of joining the executive team

³ Director of Communications & Public Engagement Maternity returned 24 July 2025

⁴ Director of Communications & Public Engagement Maternity cover ended 31 August 2025

⁵ Director of Regions role commenced from 9 June 2025

⁶ The Cash Equivalent Transfer value of Duncan Wilson's 2025 pension benefits has been restated from £704k, as disclosed in the prior year financial statements, to £1,873k

The figures stated in the tables above represent the cost to the organisation and are thus based on the gross benefits accrued, before any adjustments for personal Pension Sharing Orders or other such deductions are applied. The figures relating to Duncan Wilson are subject to a personal Pension Sharing Order.

Cash Equivalent Transfer Value

The Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme.

A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the pension benefits, they have accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It excludes increases due to inflation and contributions paid by the employee. It is worked out using common market valuation factors for the start and end of the period.

The following information has been subject to audit. Emoluments include gross salary, performance related awards and any other allowance to the extent that they are subject to

UK taxation. This report is based on payments made by Historic England and thus recorded in these accounts. No benefits-in-kind were paid during the year (2024–25: £nil).

Fair Pay Disclosure

The following information has been subject to audit:

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce. Total remuneration includes salary, non-consolidated performance related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

	2025–26	2024–25
Band of highest paid director's total remuneration (£'000)	150–155	155–160
Median salary (£)	40,833	39,926
Median total remuneration (£)	41,199	40,374
Ratio	3.71	3.90
25th percentile salary (£)	33,855	32,863
25th percentile total remuneration (£)	34,000	33,311
Ratio	4.50	4.73
75th percentile salary (£)	47,791	46,755
75th percentile total remuneration (£)	48,290	47,203
Ratio	3.17	3.34

The banded remuneration of the highest-paid director in Historic England at 31 March 2026 was £150,000–155,000 (31 March 2025: £155,000–160,000). This was 3.71 times (Restated 2024–25: 3.90) the median remuneration of the workforce, which was £41,199 (2024–25: £40,374). In 2025–26, no employees received remuneration in excess of the highest paid director (2024–25: nil). Remuneration ranged from £15,000–£20,000 to £150,000–£155,000 (2024–25: £20,000–£25,000 to £155,000–£160,000).

The Co-Chief Executive Officers were the highest paid director. This was a new appointment in November 2025, following a handover period as

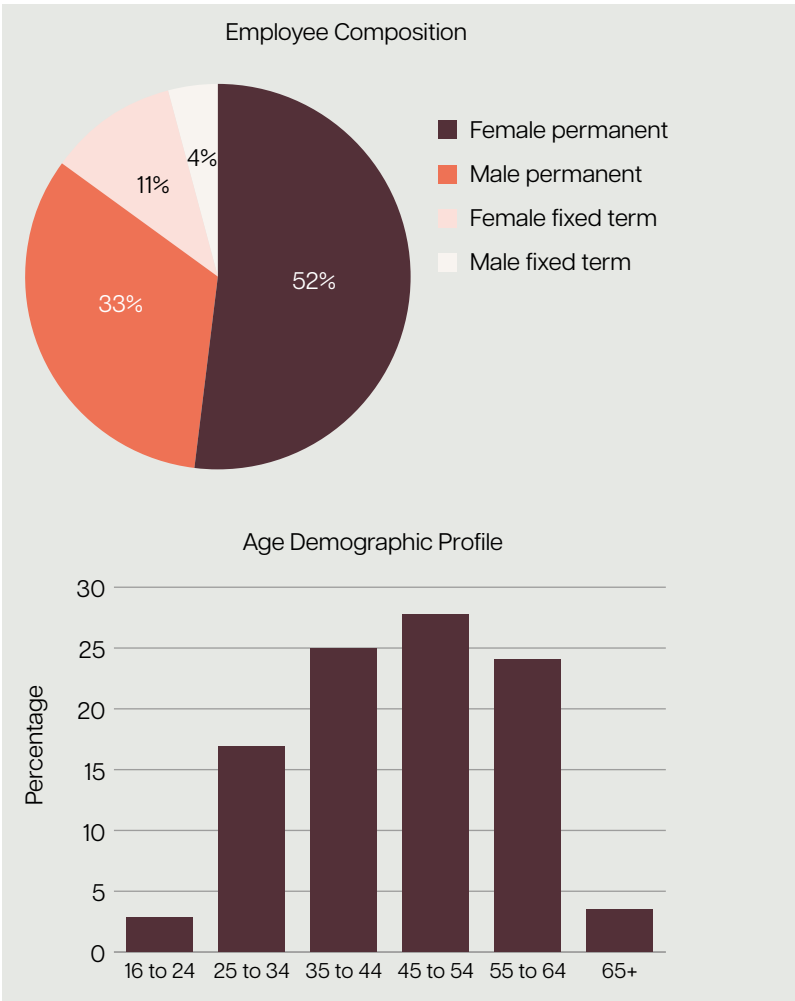
Chief Executive – Designate from 1 June 2025. The total package of the highest paid director (including salary and bonus) decreased by 6.25%.

The base salary excluding bonus for the average employee (excluding the Chief Executive) increased by 4.11%. Our annual pay review increased our overall pay bill by a total of 3.75%, the average award received was 3.77% and staff received consolidated increases between 3.00% and 9.70%. Please note that any staff whose increases were below 3.15% also received a non consolidated payment to ensure the total minimum received was 3.15%.

Historic England Staff Report
Organisational Headcount and Demographic Profile as at 31 March 2026

Current Employee Headcount stands at 998 employees (2024–25: 1000). Fixed Term Contracts account for 14.5% of the general population (2024–25: 13.4%) with the remaining 85.5% employed on a permanent basis. The Gender Split of the organisation remains more strongly represented by females at 63.2%. Our Executive Team is made up of 6 women and 2 men (this includes a job share arrangement).

We have an ongoing action plan to reduce our Gender Pay Gap. This has led to our mean pay gap reducing from 13.4% in April 2017 to 7.9% in April 2025. The results this year identified an increase in our gender pay gap compared to last year (5.7% in April 2024), following a sustained period of improvement. We have good representation of females in senior roles and strong controls in place to ensure equal pay for people doing the same job or work of equal value. The increase in our gender pay gap for 2025 was primarily driven by a significant increase in the under-representation of males in roles within our lower pay bands. We will continue to work with our people to highlight our action plan and communicate our inclusion and equality policies to reduce our gender pay gap. More information about this is available on our website historicengland.org.uk.



Equality and Diversity

Historic England recognises the importance of equality and the need to increase the diversity of our workforce. Some of the main areas we are focusing on are as follows;

- Ethnicity** – Black, Asian and minority ethnic employees are particularly under-represented at Historic England at 8.9% (76 employees) of the organisation (2024–25: 7.6%). This figure has improved from last year and the long-term trend is upwards. The under-representation remains particularly acute in our heritage specialist roles and we have an action plan to address this and other areas of under-representation. This includes activities such as work on our employer brand and our Future Talent Programme which aims to attract people from underrepresented groups into heritage careers.

- **Age** – Employees under the age of 25 remain significantly under-represented at 2.80% of the organisation (2024–25: 1.9%), although our early careers activities aim to address this. This year, five of our apprentices have secured either permanent or fixed term contracts with us and we continue to promote our apprenticeship opportunities. Our virtual work experience programme is now ‘on-demand’ meaning it is more accessible to a wider and even more diverse audience of young people. Since the launch of the programme over 3400 students have registered to take part. We offered 10 young people aged between 18-25 years old the opportunity to complete an Emerging Talent 8-week trainee placement with Historic England in the summer and four of the placements successfully went on to 6 month Step Up placements with us.
- **Social Mobility** – We were recognised for our work to improve opportunities for people from lower socio-economic backgrounds with a place in the 2025 Social Mobility Foundation’s Top 75 employers. This marks the third time we have taken part in the Index and reflects further progress in relation to our ranking, moving from number 75 to 71 in the list. This reflects the hard work that has gone into this area across the organisation, such as changes to our recruitment process, our extensive outreach and early careers work and contributions from our thriving Social Mobility staff network. We continue to work with the Social Mobility Foundation to help steer our work in this area and keep us in line with best practice.
- **Gender** – We have a positive gender balance in our senior level roles, with balanced representation of women in roles from our Band C roles through to our Executive Team. Further work is still needed to improve the representation of men in support and administrative roles.
- **Sexual Orientation** – 10.0% (100 employees) of our employees are Lesbian/Gay/Bisexual/Other (2024–25: 9.1%, 91 employees). This reflects work that we have been doing to create a supportive and welcoming environment, working with our Pride staff network.
- **Disability** – 9.9% of our employees (99 employees) have a disability (2024–25: 9.7%, 97 employees). We have been working to attract and hire more disabled people into the organisation through a variety of activities. These include using our recruitment system ‘Applied’, which reduces bias in the recruitment process and assesses candidates based only on their skills and experience to do the role. As well as this, we have continued our disability recruitment partnerships with Even Break and Scope UK, our status as a Disability Confident Leader and our Future Talent Programme. We have also been working to give more people the confidence to confidentially share with us that they have a disability.

Further information about how we promote equality and diversity can be found on our website.

Health and Safety

In 2025/2026, a total of 210 incidents were reported. Of these, 32 were identified as work-related, none of which met the reporting threshold to the Health and Safety Executive (HSE).

Although the total number of reported incidents is higher than in previous years, this is attributed to improved staff awareness and a stronger reporting culture. The nature and types of work-related incidents remain consistent with those recorded in previous years.

A current Health and Safety Policy is in place. The risk register has been reviewed and updated to reflect the latest operational framework and emerging trends. Safety and operational risk management policies and procedures are either in draft form pending management review or are currently under review.

Sickness Absence

The average working days lost per person for Historic England employees was 6.2 days for the financial year 2025–26 (2024–25: 6.4 days) which remains below the Chartered Institute of Personnel and Development's Health and Wellbeing at Work Report (2025) average sickness absence rate of 9.4 days lost per person in the UK. We updated our HR system to make it easier to record sickness absence this year.

Staff Turnover

Our voluntary staff turnover for 2025–26, which includes resignations and retirements, was 7.6% (2024–25: 7.9%). Our overall staff turnover, including fixed-term contracts that concluded on their planned end date, was 10.5% (2024–25: 12.5%).

Career Management and Training

Historic England recognises the importance of developing our staff and managers to enable us to deliver our plan and fulfil our mission and to ensure that our staff are productive and engaged. We provide training to support staff to deliver in their role, to implement strategies and programmes, and to develop as people and professionals. We offer Leadership and Management training from aspiring managers

to executive level. Our Performance and Development Review (PDR) includes a section dedicated to career aspirations and how these might be achieved. We offer Career Development training sessions to focus on this element in more detail.

Mental Health and Wellbeing

Following our seven successive Gold Awards in the Mind Workplace Wellbeing Index in previous years, we were unable to participate this financial year because Mind have paused the provision of the index. However, we continued our work to improve and protect the mental health and wellbeing of our people through different mental health initiatives as well as growing and supporting our mental health network. The network is made up of dedicated Mental Health First Aiders, as well as a network of Mental Health Champions, who raise awareness and help us to promote a supportive culture around mental health and wellbeing. We have continued to offer training to support resilience and manage stress, financial wellbeing sessions, a 24 hour Employee Assistance Programme, as well as access to the Calm Wellbeing App to proactively reduce stress and boost wellbeing.

Employee Numbers

The average number of persons employed by Historic England during the year expressed as fulltime equivalents was as follows and was subject to audit:

	2025–26				2024–25		
	Historic England				Group Total	Historic England Total	Group Total
	Perm. Employed	Fixed Term Contracts	Agency Staff	Total	Group Total	Historic England Total	Group Total
Policy & Evidence	185	18	–	203	203	197	197
Public Engagement	119	12	1	132	132	138	138
Regions Group	287	40	0	327	327	339	339
Corporate Services	187	28	5	220	220	234	234
Business Improvement	57	12	–	69	69	70	70
Shrewsbury Flaxmill Maltings	4	–	0	4	4	4	4
The English Heritage Trust	–	–	–	–	1,565	–	1,450
Total Employee Numbers	839	110	6	955	2,520	982	2,432
Total Costs (£'000)	52,407	6,001	415	58,823	118,836	56,604	128,333
Employee numbers included in the above who have been engaged on capital projects	0	11	3	14	42	22	50

Employee Costs

Total staff costs for the year are as follows and have been subject to audit:

Group	2025–26			2024–25		
	Capital £'000	Revenue £'000	Total £'000	Capital £'000	Revenue £'000	Total £'000
Wages and Salaries	1,219	89,449	90,668	1,645	92,804	94,449
Social Security Costs	88	10,548	10,636	62	8,691	8,753
Pension Costs	179	15,449	15,628	155	16,084	16,239
Redundancy and Severance Costs	–	400	400	–	7,013	7,013
Agency Staff Costs	–	1,419	1,419	–	1,706	1,706
Inwards Secondments	–	85	85	–	173	173
Total Employee Costs	1,486	117,350	118,836	1,862	126,471	128,333

Historic England	2025–26			2024–25		
	Capital £'000	Revenue £'000	Total £'000	Capital £'000	Revenue £'000	Total £'000
Wages and Salaries	499	40,503	41,002	588	39,311	39,899
Social Security Costs	63	5,111	5,174	52	4,041	4,093
Pension Costs	139	11,254	11,393	141	11,059	11,200
Redundancy and Severance Costs	–	739	739	–	154	154
Agency Staff Costs	193	237	430	572	513	1,085
Inwards Secondments	–	85	85	–	173	173
Total Employee Costs	894	57,929	58,823	1,353	55,251	56,604

In 2025–26 there was one outward secondments (2024–25: six). During the year, 58 consultants were employed (2024–25: 60) to whom £260,718 was paid in the year (2024–25: £250,231).

Tax Arrangements of Public Sector Appointees

All of Historic England's senior staff and Board members are paid through the payroll and arrangements are in place to provide assurance to DCMS that appropriate tax arrangements are in place to cover other appointees.

In 2025–26 Historic England had eighteen 'offpayroll' engagement that falls within the criteria set out in the Alexander Review of 2012, with regards to tax arrangements of senior public appointees.

Historic England is in compliance with the recommendations in HM Treasury's 'Review of the Tax Findings of Public Sector Appointees'.

Table 1: Highly paid off-payroll worker engagements as at 31 March 2026, earning £245 per day or greater

No. of existing engagements as of 31 March 2026	Of which, no. that existed:	less than one year	for between 1 and 2 years	for between 2 and 3 years	for between 3 and 4 years	for 4 or more years
15		7	1	0	2	5

Table 2: All highly paid off-payroll workers engaged at any point during the year ended 31 March 2026, earning £245 per day or greater

No. of off-payroll workers engaged during the year ended 31 March 2026	Of which:	Not subject to off-payroll legislation	Subject to off-payroll legislation and determined as in-scope of IR35	Subject to off-payroll legislation and determined as out-of-scope of IR35	No. of engagements reassessed for compliance or assurance purposes during the year	Of which: No. of engagements that saw a change to IR35 status following review
18		14	4	0	0	0

Table 3: For any off-payroll engagements of board members, and/or senior officials with significant financial responsibility, between 1 April 2025 and 31 March 2026

No. of off-payroll engagements of board members, and/or senior officials with significant financial responsibility, during the financial year	Total no. of individuals on payroll and off-payroll that have been deemed 'board members, and/or senior officials with significant financial responsibility', during the financial year. This figure includes both on payroll and off-payroll engagements	Details of the exceptional circumstances that led to each of these off-payroll engagements.	Details of the length of time each of these exceptional off-payroll engagements lasted.
0	10	N/A – No such arrangements	N/A – No such arrangements

Reporting of Civil Service and Other Compensation Schemes Exit Packages

Total staff exit packages are detailed as follows and are subject to audit:

Exit Package Cost Band	Number of Compulsory Redundancies		Number of Other Agreed Departures		Total Number of Exit Packages	
	2025–26	2024–25	2025–26	2024–25	2025–26	2024–25
£0 to £25,000	7	9	1	2	8	11
£25,001 to £50,000	1	–	4	1	5	1
£50,001 to £100,000	–	–	5	1	5	1
£100,001 to £150,000	–	–	–	–	–	–
Greater than £150,000	–	–	–	–	–	–
Total Number of Exit Packages	8	9	10	4	18	13
Total Resource Cost (£'000)	81	94	589	116	670	210

Notes

- Four staff members left under Voluntary Exit terms in the 2025–26 financial year. Six staff members left under Voluntary Redundancy terms in the 2025–26 financial year. They received total compensation payments of £589,110.
- Eight staff members left under compulsory redundancy terms in the 2025–26. They received total compensation payments of £80,947.
- The detailed Exit Packages relate to individuals whose last day of service occurred in the disclosed financial year.

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme (CSCS), a statutory scheme under the Superannuation Act 1972. Exit costs are accounted for in full in the year of departure. Where Historic England has agreed early retirements, the additional costs are met by the organisation and not by the Civil Service Pension Scheme. Illhealth retirement costs are met by the pension scheme and are not included in the table.

Exit payments (including exgratia payments) not covered by the CSCS are made to the employee directly by Historic England.

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. Before 1 April 2015, the only scheme was the Principal Civil Service Pension Scheme (PCSPS), which is divided into a few different sections – classic, premium, and classic plus provide benefits on a final salary basis, whilst nuvos provides benefits on a career average basis. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis. All newly appointed civil servants, and the majority of those already in service, are in alpha.

The PCSPS and alpha are unfunded statutory schemes. Employees and employers make contributions (employee contributions range between 4.6% and 8.05%, depending on salary). The balance of the cost of benefits in payment is met by monies voted by Parliament each year. Pensions in payment are increased annually in line with the Pensions Increase legislation. Instead of the defined benefit arrangements, employees may opt for a defined contribution pension with an employer contribution, the partnership pension account.

In alpha, pension builds up at a rate of 2.32% of pensionable earnings each year, and the total amount accrued is adjusted annually in line with a rate set by HM Treasury. Members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004. All members who switched to alpha from the PCSPS had their PCSPS benefits ‘banked’, with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha.

The accrued pensions shown in this report are the pension the member is entitled to receive when they reach normal pension age, or

immediately on ceasing to be an active member of the scheme if they are already at or over normal pension age. Normal pension age is 60 for members of classic, premium, and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha. The pension figures in this report show pension earned in PCSPS or alpha – as appropriate. Where a member has benefits in both the PCSPS and alpha, the figures show the combined value of their benefits in the two schemes but note that the constituent parts of that pension may be payable from different ages.

When the Government introduced new public service pension schemes in 2015, there were transitional arrangements which treated existing scheme members differently based on their age. Older members of the PCSPS remained in that scheme, rather than moving to alpha. In 2018, the Court of Appeal found that the transitional arrangements in the public service pension schemes unlawfully discriminated against younger members.

As a result, steps are being taken to remedy those 2015 reforms, making the pension scheme provisions fair to all members. The public service pensions remedy is made up of two parts. The first part closed the PCSPS on 31 March 2022, with all active members becoming members of alpha from 1 April 2022. The second part removes the age discrimination for the remedy period, between 1 April 2015 and 31 March 2022, by moving the membership of eligible members during this period back into the PCSPS on 1 October 2023. This is known as “rollback”.

For members who are in scope of the public service pension remedy, the calculation of their benefits for the purpose of calculating their Cash Equivalent Transfer Value and their single total figure of remuneration, as of 31 March 2025 and 31 March 2026, reflects the fact that membership between 1 April 2015 and 31 March 2022 has been rolled back into the PCSPS. Although members will in due course get an option to decide whether that period should count towards PCSPS or alpha

benefits, the figures show the rolled back position i.e., PCSPS benefits for that period.

The partnership pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute but, where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

Further details about the Civil Service pension arrangements can be found at the website **civilservicepensionscheme.org.uk**

For 2025–26, employers' contributions of £11,296,000 were payable to the Civil Service Pensions (CSP) (2024–25: £11,104,000) at 28.97% (2024–25: 28.97%) of pensionable pay. Employer's contributions into the CSP in respect of the Executive Team totalled £268,000 (2024–25: £317,000). No persons (2024–25: no persons) retired early on ill-health grounds.

Employers' contributions of £95,000 (2024–25: £92,000), were paid to one or more of a panel of appointed stakeholder pension providers for the partnership pension.

Parliamentary Accountability

Regularity of Expenditure

The Accounting Officer confirms the regularity of all expenditure incurred through their statement on page 52.

During the year ended 31 March, the following losses and special payments were made and have been subject to audit:

	2026						2025					
	Historic England			Group			Historic England			Group		
	Special		Total	Special		Total	Special		Total	Special		Total
	Losses	Payments		Losses	Payments		Losses	Payments		Losses	Payments	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Amounts Accrued	202	–	202	331	–	331	6	–	6	46	(3)	43
Amounts Written Back	–	–	–	–	–	–	–	–	–	–	3	3
Total Net Losses and Special Payments	202	–	202	331	–	331	6	–	6	46	–	46

Losses incurred relate to bookkeeping losses, stock writeoffs and abandoned claims. Special payments relate to compensation, largely in respect of personal injury claims.

There were no individual losses incurred in excess of £300,000 in 2025-26 (2024-25: none).

Fees and Charges

£804,227 has been raised in the year through the provision of the Enhanced Advisory Service (2024–25: £912,645). Income is lower than last year, predominantly due to a reduction in Extended Pre-Application casework. The reasons for the reduction are being explored and include subdued growth and uncertainty in the development sector, as well as the impact of new Policy and Safety Act regulations. The target for the year was £865,000 (2024–25: £772,456).

Income is invoiced at full cost recovery according to Managing Public Money guidelines. Therefore, the income received is equivalent to the costs incurred and thus no subsidies or overcharging occurs.

Before the start of the year, we reviewed our standard hourly rate and increased it to £110 per hour, and plan to review this annually going forward.

Income raised this year relates to 343 completed (invoiced) cases (2024–25: 534). Unit costs charged are per the invoice amount. Our average case price this year was £12,345 (2024–25: £1,699), a year-on-year increase principally due to a larger number of higher-value cases being advised upon this year, along with an increase in the hourly rate.

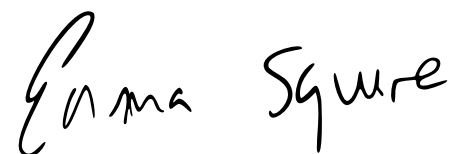
No other material income from fees and charges was received during the financial year (2024–25: £nil). This information has been subject to audit.

Remote Contingent Liabilities

In addition to contingent liabilities reported within the meaning of International Accounting Standard 37, Historic England also reports liabilities for which the likelihood of a transfer of economic benefit in settlement is too remote to meet the definition of contingent liability. In 2025–26, we recognised no remote contingent liabilities (2024–25: £nil). This information has been subject to audit.

Other

English Heritage Trust failed to seek approval for the salary of the previous Chief Executive Officer, as required by HM Treasury Senior Pay Guidance. As a result, Historic England was fined £180,000 in 2025–26 for this breach. To ensure a fair reflection of the circumstances £135,000 of the fine was passed on to the English Heritage Trust and the remaining cost was recognised within Historic England. Historic England remains committed to working closely with DCMS to maintain effective governance and to ensure that controls around the expenditure of public money remain robust.



Claudia Kenyatta and Emma Squire
Chief Executive and Accounting Officer
13 July 2026

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

Opinion on financial statements

I certify that I have audited the financial statements of the Historic Buildings and Monuments Commission for England (known as Historic England) and its group for the year ended 31 March 2026 under the National Heritage Act 1983.

The financial statements comprise the Historic Buildings and Monuments Commission for England and its group's:

- Statement of Financial Position as at 31 March 2026;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK adopted international Accounting Standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Historic Buildings and Monuments Commission for England and its group's affairs as at 31 March 2026 and their net expenditure for the year then ended; and
- have been properly prepared in accordance with the National Heritage Act 1983 and Secretary of State directions issued there under.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2024. I am independent of the Historic Buildings and Monuments Commission for England and its group in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Historic Buildings and Monuments Commission for England and its

group's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Historic Buildings and Monuments Commission for England and its group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Historic Buildings and Monuments Commission for England and its group is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge

obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the National Heritage Act 1983.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the National Heritage Act 1983; and
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Historic Buildings and Monuments Commission for England and its group and their environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Reports.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by the Historic Buildings and Monuments Commission for England and its group or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view in accordance with Secretary of State directions issued under the National Heritage Act 1983;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with Secretary of State directions issued under the National Heritage Act 1983; and
- assessing the Historic Buildings and Monuments Commission for England and its group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Historic Buildings and Monuments Commission for England and its group will not continue to be provided in the future.

Responsibilities of the Commissioners and the Accounting Officer for the financial statements

As explained more fully in the Statement of Commissioners' and Accounting Officer's Responsibilities, the Commissioners and Accounting Officer are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Historic Buildings and Monuments Commission for England and its group from whom the auditor determines it necessary to obtain audit evidence;

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the National Heritage Act 1983.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Historic Buildings and Monuments Commission for England and its group's accounting policies;
- inquired of management, the Historic Buildings and Monuments Commission for England and its group's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Historic Buildings and Monuments Commission for England and its group's policies and procedures on:
- identifying, evaluating and complying with laws and regulations;
- detecting and responding to the risks of fraud; and
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Historic Buildings and Monuments Commission for England and its group's controls relating to the Historic Buildings and Monuments Commission for England and its group's compliance with the National Heritage Act 1983, and Managing Public Money;

- inquired of management, the Historic Buildings and Monuments Commission for England and its group's head of internal audit and those charged with governance whether:
- they were aware of any instances of non-compliance with laws and regulations;
- they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team including significant component audit teams and the relevant external specialists, including property valuation experts, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Historic Buildings and Monuments Commission for England and its group for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Historic Buildings and Monuments Commission for England and its group's framework of authority and other legal and regulatory frameworks in which the Historic Buildings and Monuments Commission for England and its group operate. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Historic Buildings and Monuments Commission for England and its group. The key laws and regulations I considered in this

context included the National Heritage Act 1983, Managing Public Money, employment law, pensions legislation and tax legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit and Risk Assurance Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- I addressed the risk of fraud and irregularity in grant expenditure by testing grant expenditure to gain assurance that grants made had been spent on the intended purposes.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including specialists and significant component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: **www.frc.org.uk/auditorsresponsibilities**. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies

Comptroller and Auditor General

13 July 2026

National Audit Office

157-197 Buckingham Palace Road

Victoria

London



Historic England
Annual Report and Accounts
2025–26

Financial Statements

Section 03

Statement of Comprehensive Net Expenditure

for the Year Ended 31 March 2026

		2025–2026		2024–2025	
	Note	Historic England £'000	Group £'000	Historic England £'000	Group £'000
Income					
Revenue from Contracts with Customers	3	11,617	135,837	11,693	136,501
Earned Income	4	831	3,597	592	3,216
Other Operating Income	5	3,859	13,211	2,835	22,603
Income from investments	6	–	84	–	87
Total Income		16,307	152,729	15,120	162,407
Expenditure					
Grants	7	(34,765)	(34,813)	(16,339)	(16,363)
Staff Costs	13	(57,929)	(117,350)	(55,251)	(126,471)
Running Costs	8	(14,860)	(60,508)	(16,564)	(67,058)
Commercial Activities' Costs	9	(560)	(15,653)	(630)	(18,212)
Subsidy Expenditure		(657)	–	(705)	–
Depreciation, Amortisation and Impairment	15–18	(13,696)	(27,730)	(8,858)	(18,437)
Other Expenditure	10	(4,191)	(11,060)	(3,610)	(12,480)
Total Expenditure		(126,658)	(267,114)	(101,957)	(259,021)
Financing					
Finance Costs		(1,019)	(1,708)	(1,084)	(1,317)
Net Finance (Cost)		(1,019)	(1,708)	(1,084)	(1,317)
Net Gain/(Loss) on Investments	20	–	84	–	(76)
Net Expenditure for the Financial Year		(111,370)	(116,009)	(87,921)	(98,007)
Other Comprehensive Expenditure					
Items Which will not be Reclassified to Net Expenditure					
Net Gain/(Loss) on Revaluation of Investments in Subsidiaries	32	1,170	–	(7,892)	–
Net Gain on Revaluation of Non-Current Assets	15–18	9,504	23,487	3,471	4,957
Total Other Comprehensive Expenditure		10,674	23,487	(4,421)	4,957
Total Comprehensive Expenditure for the Financial Year		(100,696)	(92,522)	(92,342)	(93,050)

Details of Grant In Aid received by Historic England are disclosed in the Statement of Changes in Taxpayer's Equity.

Income and expenditure relates to continuing activities. Section 4 – Notes to Financial Statements form part of the financial statements.

Statement of Financial Position

as at 31 March 2026

	Notes	2026		2025	
		Historic England £'000	Group £'000	Historic England £'000	Group £'000
Non-Current Assets					
Property, Plant and Equipment	16	78,570	144,061	90,960	150,818
Heritage Assets	18	67,831	68,543	49,834	50,544
Right of Use Assets	17	19,167	29,249	26,635	37,450
Intangible Assets	15	6,123	19,676	6,675	18,498
Investments	20	–	3,328	–	3,241
Investment in Subsidiary	32	44,039	–	42,869	–
Total Non-Current Assets		215,730	264,857	216,973	260,551
Current Assets					
Inventories	21	–	5,382	–	6,027
Trade and Other Receivables	22	9,451	15,231	10,432	18,889
Cash and Cash Equivalents	23	7,160	30,132	1,429	27,700
Total Current Assets		16,611	50,745	11,861	52,616
Total Assets		232,341	315,602	228,834	313,167
Current Liabilities					
Trade and Other Payables	26	(10,361)	(43,568)	(10,897)	(47,094)
Provisions	27	–	(352)	–	(6,459)
Obligations Under Leases	25	(1,897)	(2,457)	(1,916)	(2,705)
Other Borrowings	28	(75)	(1,862)	–	–
Total Current Liabilities		(12,333)	(48,239)	(12,813)	(56,258)
Total Assets Less Current Liabilities		220,008	267,363	216,021	256,909
Non-Current Liabilities					
Trade and Other Payables	26	(127)	(2,194)	(127)	(2,267)
Obligations Under Leases	25	(26,428)	(36,248)	(29,609)	(39,758)
Other Borrowings	28	(513)	(21,785)	–	(22,591)
Total Non-Current Liabilities		(27,068)	(60,227)	(29,736)	(64,616)
Total Assets Less Liabilities		192,940	207,136	186,285	192,293
Taxpayers' Equity					
Financial Asset Reserve	32	44,039	–	42,869	–
Revaluation Reserve		100,448	127,039	91,160	103,853
General Reserve		48,421	78,190	52,224	86,589
Earmarked Funds		32	32	32	32
Endowment Funds		–	1,875	–	1,819
Total Taxpayers' Equity		192,940	207,136	186,285	192,293

Section 4 – Notes to Financial Statements form part of the financial statements.

The financial statements, which comprise the Consolidated and Historic England Statements of Comprehensive Net Expenditure, the Consolidated and Historic England Statements of Financial Position, the Consolidated and Historic England Statements of Cash Flows, the Consolidated and Historic England Statements of Changes in Taxpayers' Equity and the related notes 1 to 33, were approved by the Commissioners and signed on their behalf on 13 July 2026 by:



Claudia Kenyatta CBE and Emma Squire CBE
Co-Chief Executives



Lord Neil Mendoza CBE
Chairman

Statement of Cash Flows

for the Year Ended 31 March 2026

	Notes	2026		2025	
		Historic England £'000	Group £'000	Historic England £'000	Group £'000
Cash Flows From Operating Activities					
Net Income/(Expenditure)		(111,370)	(116,009)	(87,921)	(98,007)
Depreciation, Amortisation and Impairment Charges	15–18	13,696	27,730	8,858	18,437
(Profit)/Losses on Disposal of Non-Current Assets	15–18	(9)	(29)	–	(4)
(Increase)/Decrease in Inventories	21	–	645	–	960
(Increase)/Decrease in Trade and Other Receivables	22	981	1,898	4,201	(4,338)
Increase/(Decrease) in Trade and Other Payables	26	(671)	(3,748)	(5,132)	(8,604)
Increase/(Decrease) in Provisions		–	(6,106)	–	6,273
Donated Asset Addition	18–19	(999)	–	–	–
Investment Income		–	(1,038)	–	(1,579)
Finance Costs		1,018	1,708	1,084	(33)
(Gains)/Losses On Investments	20	–	(84)	–	76
Write off of irrecoverable debt		267	267		
Net Cash Outflow from Operating Activities		(97,087)	(94,766)	(78,910)	(86,819)
Cash Flows from Investing Activities					
(Purchase)/Disposal of Investments		–	(3)	–	(79)
Investment Income		–	1,038	–	1,579
Purchase of Property, Plant and Equipment and Heritage Assets	16, 18	(767)	(5,200)	(1,239)	(7,996)
Purchase of Intangible Assets	15	(1,384)	(4,648)	(2,551)	(5,345)
Proceeds on Disposal of Property, Plant and Equipment and Intangible Assets	15, 16	–	43	–	5
Net Cash Outflow from Investing Activities		(2,151)	(8,770)	(3,790)	(11,836)
Cash Flows from Financing Activities					
Government Grant In Aid		107,360	107,360	83,007	83,007
Cash inflows from Loans		588	588	–	–
Increase/(Decrease) in Other Borrowings		–	1,787	–	
Lease Payments		(2,979)	(3,767)	(2,964)	(3,780)
Net Cash Inflow from Financing Activities		104,969	105,968	80,043	79,227
Net Increase/(Decrease) in Cash and Cash Equivalents	23	5,731	2,432	(2,656)	(19,428)
Cash and Cash Equivalents at the Beginning of the Year	23	1,429	27,700	4,086	47,128
Cash and Cash Equivalents at the End of the Year		7,160	30,132	1,429	27,700

Consolidated group cash balances are unavailable for use by the Group.

Section 4 – Notes to Financial Statements form part of the financial statements.

Historic England Statement of Changes in Taxpayers' Equity

for the Year Ended 31 March 2026

	General Reserve £'000	Revaluation Reserve £'000	Earmarked Funds £'000	Financial Asset Reserve £'000	Total Reserves £'000
Balance at 31 March 2024	54,257	90,546	58	50,761	195,622
Grant In Aid Received	83,007	–	–	–	83,007
Income/(Expenditure) for the Year	(87,895)	–	(26)	–	(87,921)
Net Gain on Revaluation of Non-Current Assets	–	3,471	–	–	3,471
Other Income/(Expenditure)	(2)	–	–	(7,892)	(7,894)
Transfer Between Reserves	2,857	(2,857)	–	–	–
Balance at 31 March 2025	52,224	91,160	32	42,869	186,285
Grant In Aid Received	107,360	–	–	–	107,360
Income/(Expenditure) for the Year	(111,370)	–	–	–	(111,370)
Net Gain on Revaluation of Non-Current Assets	–	9,504	–	–	9,504
Other Income/(Expenditure)	(9)	–	–	1,170	1,161
Transfer Between Reserves	216	(216)	–	–	–
Balance at 31 March 2026	48,421	100,448	32	44,039	192,940

The General Reserve records all changes in financial resources for the year, except for those recorded in other reserves.

The Revaluation Reserve reflects the gain or loss on the revaluation of assets, both tangible and intangible, other than donated assets.

Earmarked Reserve are funds which are set aside for specific projects, initiatives, or expenditures.

Financial Asset reserves are the accumulated fair value movements of the investment in subsidiaries.

Section 4 – Notes to Financial Statements form part of the financial statements.

Consolidated Statement of Changes in Taxpayers' Equity

for the Year Ended 31 March 2026

	General Reserve £'000	Revaluation Reserve £'000	Earmarked Funds £'000	Endowment Fund £'000	Total Reserves £'000
Balance at 31 March 2024	98,643	101,781	58	1,864	202,346
Grant in Aid Received	83,007	–	–	–	83,007
Income/(Expenditure) for the Year	(97,937)	–	(26)	(44)	(98,007)
Net Gain on Revaluation of Non-Current Assets	–	4,957	–	–	4,957
Other Income/(Expenditure)	(12)	3	–	(1)	(10)
Transfer Between Reserves	2,888	(2,888)	–	–	–
Balance at 31 March 2025	86,589	103,853	32	1,819	192,293
Grant in Aid Received	107,360	–	–	–	107,360
Income/(Expenditure) for the Year	(116,065)	–	–	56	(116,009)
Net Gain on Revaluation of Non-Current Assets	–	23,487	–	–	23,487
Other Income/(Expenditure)	5	–	–	–	5
Transfer Between Reserves	301	(301)	–	–	–
Balance at 31 March 2026	78,190	127,039	32	1,875	207,136

The General Reserve records all changes in financial resources for the year, except for those recorded in other reserves.

The Revaluation Reserve reflects the gain or loss on the revaluation of assets, both tangible and intangible, other than donated assets.

The Earmarked Reserves are funds which are set aside for specific projects, initiatives, or expenditures.

The Endowment Reserve is The Once and Future Fund. Match funding is provided by the National Lottery Heritage Fund, with income from the investment used primarily on conservation, improvements and public engagement at the English Heritage Trust's free-to-enter sites.

Section 4 – Notes to Financial Statements form part of the financial statements.



Historic England
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Notes to the Financial Statements

Section 04

Notes to the Financial Statements

1 Statement of Accounting Policies

a) Accounting Convention

Historic England is required to prepare a statement of accounts under the National Heritage Act 1983, in the form and on the basis directed by the Secretary of State for DCMS. In accordance with The Accounts Direction issued by the Secretary of State for DCMS, the accounts are prepared in accordance with the 2025–26 Government Financial Reporting Manual (FReM) issued by HM Treasury.

The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS), as adapted and interpreted for the public sector context.

Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Historic England group for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Historic England group are described below and a chart illustrating the group structure and reporting groups is included at the bottom of this page. They have been applied consistently in dealing with items that are considered material to the accounts.

The financial statements have been prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention, modified for the revaluation of property, plant and machinery, IT equipment, furniture and fittings, intangible assets, right of use assets, heritage assets and investment assets where material.

b) Group Structure

The National Heritage Act 1983 requires Historic England to prepare a statement of accounts. Historic England interprets this to mean that parent-only accounts should be provided. In addition, the consolidation requirements of IFRS 10 result in the consolidation of English Heritage and The Historic England Foundation, as set out below. The financial statements and notes therefore include presentation of both parent-only and consolidated group figures.

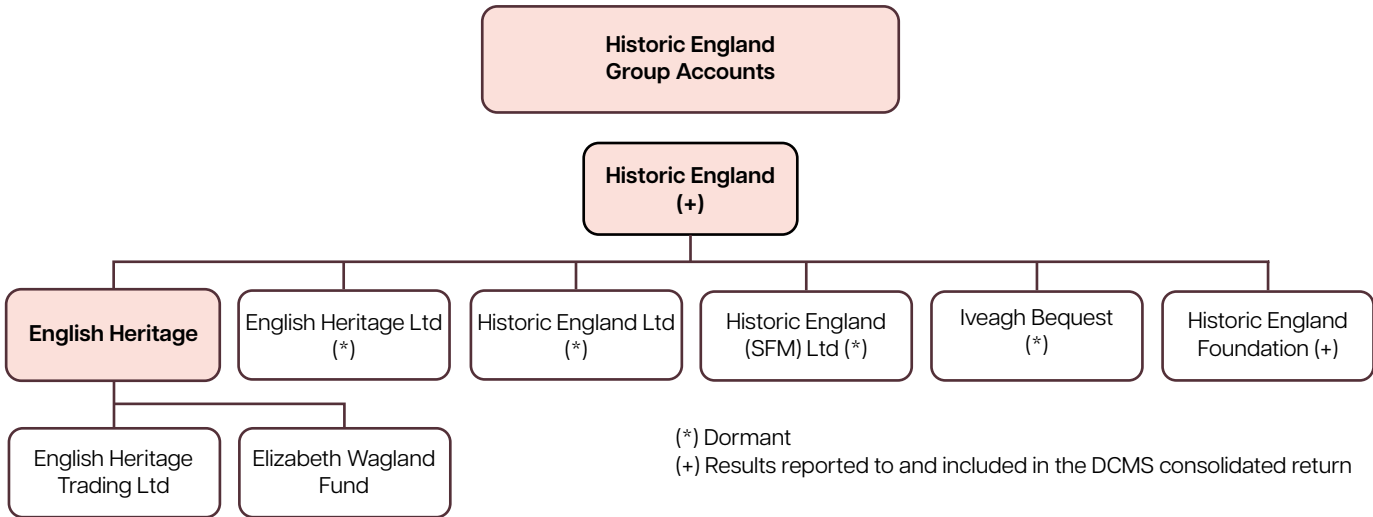
The group structure is detailed in the foreword to these accounts.

HBMCE (trading as Historic England) is the sole member of The English Heritage Trust (trading as English Heritage), which has been consolidated from 12 December 2014, when it became part of the Historic England group. English Heritage Trading Limited, a subsidiary undertaking of English Heritage, continued trading throughout the year ended 31 March 2026 and is also consolidated.

The Historic England Foundation was incorporated on 16th January 2017 and is a charitable subsidiary of Historic England and is consolidated.

Historic England (Shrewsbury Flaxmill Maltings) Ltd was incorporated on 14th March 2022 and is a subsidiary of Historic England. As at 1st April 2025 the running of the property transferred to the English Heritage Trust under Licence, as a result Historic England (Shrewsbury Flaxmill Maltings) Ltd has ceased trading as at this date and is now a dormant company.

Elizabeth Wagland Fund was registered on 28 March 2013 and is a charitable subsidiary of English Heritage.



c) Impact of New or Updated Financial Report Standards and Interpretations

Under the FReM, the option to measure intangible assets using the revaluation model has been withdrawn. Accordingly, the carrying value of intangible assets at 31 March 2025 has been treated as their deemed historical cost on 1 April 2025.

The following new standards are being introduced:

- IFRS 17 has been implemented from 2025–26, there are no contracts within scope of IFRS17 which would impact Historic England or the group.
- IFRS 18 will replace IAS 1 Presentation of Financial Statements and is effective for annual reporting periods beginning on or after the 1 January 2027 in the private sector. The impact of IFRS 18 on the Public Sector is still being assessed, and a decision has not yet been taken on an implementation date. This standard does not impact Historic England or the group.
- Amendments to IFRS 19 have been issued which are in effect from the period beginning on or after 1 January 2027. This reduces disclosure requirements for subsidiaries applying IFRS 19. This standard does not impact Historic England or the group as FReM disclosure requirements do not allow for the

reduced disclosure framework introduced by IFRS 19.

There are no other new or updated standards and interpretations which impact the financial statements of Historic England or the group in the current financial year.

d) Value Added Tax

Income is shown net of Value Added Tax. Expenditure (both revenue and capital) for Historic England and the group is shown inclusive of any non-recoverable VAT incurred.

English Heritage and English Heritage Trading Limited are members of the Historic England VAT group. Historic England Foundation is not part of the VAT group and is not registered for VAT. Therefore, all expenditure in that company is shown inclusive of VAT.

e) Revenue from Contracts with Customers

Historic England earns income from sales of digital assets (e.g. photographs) and from providing planning advice to applicants for planning permission on listed buildings. English Heritage earns income from admission fees and from retail sales in gift shops. These transaction streams are recognised at the point in time when the goods and services are transferred to the recipient (that is, when the item, advice or admission is provided to the customer). Billing is concurrent with the recognition of income, and no significant contract assets or liabilities arise.

Historic England earns shared service income for the provision of finance services to customers, including DCMS, the Independent Football Regulator (IFR) and The English Heritage Trust. Income is recognised over time, as the services are provided. The services are billed quarterly, and no significant contract assets or liabilities arise

English Heritage earns income from membership fees, which are recognised over time, reflecting the period over which the benefits are provided to the member. Annual memberships are recognised over 1 year and lifetime memberships are recognised over 10 years. All membership fees are payable in advance, and are recognised as deferred income until recognised in income. Surveys of life members, and analysis of available data, indicates that life members enjoy the majority of their membership benefits in the first ten years of their arrangement, and management considers ten years to be the relevant period over which to recognise life membership income.

All income is earned under contracts which have a single performance obligation, and no allocation of transaction prices between performance obligations is required.

The transaction price is determined as the price as set out in the contract or sale transaction. No variable or non-cash considerations, significant financing components or any other estimates/judgements are included in any income contract arrangements.

Historic England and its Group is not liable for costs relating to warranties, returns or refunds on any sales, and no estimate of the value of any such liabilities is required.

f) Government Grant in Aid Receivable

Parliamentary grant is voted to meet Historic England's cash payments falling due during the financial year.

Government Grant in Aid received from DCMS is credited to the General Reserve within the Statement of Changes in Taxpayers' Equity upon

receipt of funds. Historic England receives Grant in Aid funding from DCMS periodically throughout the year and it is accounted for on a cash basis.

g) Other Grants Receivable

Other grants receivable are recognised in the Statement of Comprehensive Net Expenditure when the conditions of the grant have been fulfilled and the grant is claimable. If such a grant is subject to a condition, the grant will be deferred until such time as the condition has been fulfilled.

h) Grants Payable

Grants payable to individuals and bodies by Historic England in accordance with its statutory powers and duties are recognised when the criteria for a constructive obligation are met, payment is probable, values can be measured reliably, and there are no conditions attached to its payment that limit its recognition.

Where grant awards have not been paid out in full at year end, an accrual is made to reflect the remaining grant payable.

Where grants are paid in advance, a prepayment is recognised and released to expenditure when the criteria for a constructive obligation are met.

i) Intangible Assets

In accordance with the FReM, all intangible assets are carried at historic cost. Previously, intangible assets were carried at current value in existing use however this option was withdrawn with effect from 1 April 2025.

Licences to use software purchased from third parties with a life of more than one year are shown on the Statement of Financial Position as Non-Current Intangible Assets and amortised over the life of the licence or the life of the related asset where there is no licence expiry date. Annual licences to use software are charged to the Statement of Comprehensive Net Expenditure as they are incurred. Systems development is capitalised and amortised over its useful economic life.

Expenditure on developing the brands is charged to the Statement of Comprehensive Net Expenditure as it is incurred.

Note 15 provides more details on Intangible assets and provides the carrying amounts.

j) **Property, Plant and Equipment**

Operational Land & Buildings and Dwellings

Land and buildings owned by, or in the guardianship of, the Historic England group are treated as non-current assets in accordance with the FReM and are classified as either:

- Pure heritage (non-operational heritage);
- Operational (heritage); or
- Operational (non-heritage).

The policy on heritage assets is disclosed at note 1l.

Operational (heritage) land and buildings, which, in addition to being held by the Historic England group in pursuit of its overall objectives, are also used for revenue generating or other non-heritage purposes, are professionally valued and held on the Statement of Financial Position within Heritage Assets.

Operational (non-heritage) land and buildings are professionally valued and held on the Statement of Financial Position within Property, Plant and Equipment.

Mixed use buildings are classified according to the majority use. This is an area of judgement if <50% of its use is operational it will be pure Heritage and if >50% then it is operational Heritage and is subject to revaluation.

Classification and valuation of vacant properties are informed by the type of building and its intended future use.

With the exception of major refurbishments and items with a net book value of less than £50,000, all operational land and buildings held on the Statement of Financial Position are subject to a full professional valuation every five years. Major

refurbishments are not separately valued, as they are indistinguishable from the underlying asset, but they are depreciated over a shorter useful economic life than the underlying asset.

Assets with a value of less than £50,000 are revalued each year with reference to relevant indices published by the Building Cost Information Service as at 31 March. A full quinquennial revaluation of assets with a value more than £50,000 is undertaken every 5 years in accordance with the FReM, and the most recent valuation was undertaken as at 31 March 2026 by professionally qualified external valuers Lambert Smith Hampton. Our next quinquennial exercise is due to take place at 31 March 2031. All valuations have been performed in accordance with The Royal Institute of Chartered Surveyors 'Red Book' principles.

The values of the land and buildings held as property, plant and equipment are reviewed annually using relevant indices published by the Building Cost Information Service as at 31 March.

The professional valuations are obtained on different asset types and uses. The market approaches to support the 2025–26 quinquennial valuation were provided on different bases depending on asset type.

The valuation approaches include existing use value (EUV), market value, depreciated replacement cost and IFRS16 valuations.

Management considers that the valuations provided are an appropriate basis on which to determine the property's value at the date of reporting.

The valuation approach is selected on an asset by asset basis, rather than by asset class. This approach is taken to ensure a reliable valuation is obtained.

Where possible, assets are valued at existing use value. Where there is no available market information due to the specialised nature of the asset, depreciated replacement cost valuation is

used. The specialised nature may be a result of the size or location of the assets. A depreciated replacement cost valuation represents the current cost of replacing an asset with a 'like for like' equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimisation.

Any unrealised gain on revaluation at the Statement of Financial Position date is taken directly to the Revaluation Reserve unless the revaluation gain reverses an impairment on the same asset previously recognised as an expense. In such a case, gains are first credited to the Statement of Comprehensive Net Expenditure to the extent that the gain reverses a loss previously recognised.

Unrealised losses at the date of the Statement of Financial Position are written off against the proportion of the credit balance on the reserve which relates to the assets concerned. Any other unrealised losses are charged to the Statement of Comprehensive Net Expenditure.

Plant & Machinery, Information Systems and Furniture & Fittings

Plant and machinery, information systems equipment and furniture and fittings are initially recorded in the Statement of Financial Position at cost.

When deciding whether or not to treat expenditure as a non-current asset, The Historic England Group uses two de minimis thresholds:

- **£10,000:** for the purchase of a separately identifiable asset which will be used by The Historic England.
- **£50,000:** when it relates to a capital project.

Our policy is to capitalise subsequent expenditure on the Statement of Financial Position if the expenditure enhances the economic benefits of the asset and it is over the initial capitalisation threshold.

These assets are reviewed annually to ensure that the carrying value remains appropriate.

Revaluation and impairment adjustments are accounted for in line with Historic England's accounting policy, as described above.

These assets are reviewed annually to ensure that the carrying value remains appropriate. Revaluation and impairment adjustments are re accounted for in line with Historic England's accounting policy, as described above.

The values of the assets are reviewed annually using the relevant producer price indices published by the Office for National Statistics as at 31 March. Unrealised gains and losses are accounted for in line with Historic England's accounting policy, as described above.

Assets Under Construction

Assets under construction comprise expenditure on the creation or enhancement of Non-Current Assets not brought into use at the Statement of Financial Position date. Reclassifications are made from assets under construction to the relevant category of noncurrent assets when the asset is available to be brought into use.

k) Right of Use Assets

Historic England group recognises a right of use asset at the commencement date of the corresponding lease. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for initial direct costs, prepayments or incentives, and costs related to restoration at the end of a lease.

The right of use assets are subsequently measured at either fair value or current value in existing use in line with property, plant and equipment assets. The cost measurement model in IFRS 16 is used as an appropriate proxy for current value in existing use or fair value for the majority of leases (consistent with the principles for subsequent measurement of property, plant and equipment) except for those which meet one of the following:

- A longer-term lease that has no provisions to update lease payments for market conditions

or if there is a significant period of time between those updates; and

- The fair value or current value in existing use of the underlying asset is likely to fluctuate significantly due to changes in market prices.

In line with current RICS guidance, the valuation of a right of use asset reflects the market rental value that could be achieved for the existing use of the asset over the full remaining lease term. This approach remains applicable under IFRS 16 as adapted by the FReM.

The right of use valuation assumes that Historic England requires the use of the entire right of use asset.

Right of use assets are depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of the right of use assets are determined on the same basis of those of property, plant and equipment assets.

Historic England group applies IAS 36 Impairment of Assets to determine whether the right of-use asset is impaired. These assets are reviewed annually to ensure that the carrying value remains appropriate. Impairment losses at the date of the Statement of Financial Position are written off against the proportion of the credit balance on the revaluation reserve which relates to the assets concerned. Any other unrealised losses are charged to the Statement of Comprehensive Net Expenditure.

I) Heritage Assets

Historic England's heritage assets are assets of historical and cultural importance. The heritage assets are held and maintained for their contribution to knowledge and culture and to advance Historic England's overall objectives in relation to the preservation of ancient monuments and historic buildings in England. Historic England's heritage assets are categorised as follows and accounted for in accordance with the FReM:

- Land and Buildings: Pure Heritage;
- Land and Buildings: Operational Heritage;
- Dwellings: Pure Heritage;
- Dwellings: Operational Heritage; and
- Artefacts & Archives.- Pure Heritage

Recognition and Measurement

Historic England recognises heritage assets in accordance with the FReM.

Heritage assets acquired prior to 1 April 2001 are not recognised in the Statement of Financial Position due to the difficulty of obtaining a reliable valuation or cost and on the basis that, even if valuations could be obtained, the costs would be onerous compared with the additional benefits derived by Historic England and the users of the accounts. This is because of the diverse nature of the assets held, the number of assets held and the lack of comparable market values.

Pure heritage asset acquisitions made by purchase or donation after 1 April 2021, in excess of the capitalisation threshold of £10,000, have been capitalised at cost or, where donated, at market value at the time of acquisition. These assets are subsequently held at cost and are not revalued.

As disclosed in note 1m, donations do not include assets accepted in lieu of tax.

Operational heritage assets are those, which, in addition to being held by Historic England in pursuit of its overall objectives are also used for revenue generating or other non-heritage purposes. These assets are professionally valued and held on the Statement of Financial Position as reported in note 1j and are disclosed as Heritage Assets.

Expenditure which, in Historic England's view, is required to preserve or clearly prevent further deterioration of heritage assets is recognised in the Statement of Comprehensive Net Expenditure as it is incurred.

Depreciation and Impairment

When a heritage asset is capitalised in the Statement of Financial Position, depreciation is not required on heritage assets which have indefinite lives.

No material depreciation arises on operational heritage assets as the lives of the assets are considered to be so long and their residual values to be high enough to ensure that any annual depreciation is immaterial.

The carrying amounts of heritage assets capitalised in the Statement of Financial Position are reviewed annually for impairment indicators in line with IAS36 'Impairment of Assets'.

Further information on the acquisition, disposal, management and preservation of Historic England's heritage assets is given in notes 18 and 19.

m) Donated Assets

Assets donated by third parties, either by gift of the asset or by way of funds for the asset, will be treated as Non-Current Assets and held at current value on receipt.

In line with the Government FReM, donations do not include assets accepted in lieu of tax. Assets accepted in lieu of tax should be accounted for in accordance with IAS 16 in the same way as other assets of that general type and therefore recognised at cost (£nil). On recognition, assets donated in lieu of tax will be revalued to fair value in the same way as other non-current assets.

n) Depreciation and Amortisation

Depreciation is provided on property, plant and equipment (note 16) (excluding land and assets under construction), and amortisation is provided on intangible assets (note 15), in equal amounts each year in order to write down their cost to their estimated residual value over their anticipated useful economic lives. These are as follows:

Intangible Assets

Software licences	2–10 years
Systems development	4–10 years

Property, Plant and Equipment

Non-heritage buildings and gardens

– Dwellings	50 years
– Other brick/stone buildings	50 years
– Non-brick/stone buildings	20–40 years
– Paths, car parks, playgrounds	20–25 years
– Gardens	20–50 years

Refurbishments

– Shop/café/holiday cottage refurbishment, infrastructure	10–20 years
– Exhibitions and interpretations	5–20 years

Plant and machinery	5–25 years
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IT	3–10 years
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Furniture and fittings, vehicles	5–25 years
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Operational heritage assets are professionally valued and held on the Statement of Financial Position within Heritage Assets. No material depreciation arises on operational heritage assets as the lives of the assets are considered to be so long and their residual values to be high enough to ensure that any annual depreciation is immaterial.

Right of use assets held under leases are depreciated over the shorter of the term of the relevant lease or the end of the useful life of the right of use asset.

When considering anticipated useful economic lives, regard is given to the IAS 16 requirement to identify assets which have distinct major components with substantially different useful economic lives. Where such assets are identified, separate useful economic lives for component assets are considered.

o) Investments

Historic England recognises investments in subsidiaries to reflect its interests in other bodies within The Historic England Group. As permitted by IAS 27 'Separate financial statements', investments in subsidiaries are accounted for in accordance with IFRS 9. Historic England has elected to classify them as fair value through other comprehensive income, with the

accumulated fair value movements recognised in the Financial Asset Reserve.

English Heritage holds investments in funds which are intended to produce a long-term return. These assets are classified as fair value through profit or loss. Asset transactions are recognised at the trade date. Net gains or losses are inclusive of interest.

Note 24 includes further details on the measurement of investment assets.

p) Inventories

Goods held for resale are stated at the lower of cost and net realisable value. Costs of internally produced publications for resale are written off over the first print run.

q) Leases

Historic England accounts for leases in line with IFRS 16.

Historic England and its subsidiaries operate within the framework of common accounting policies across the Historic England group. Decisions made in Historic England and its subsidiaries are made within the framework of these common policies

The FReM has expanded the definition of a lease to include arrangements with nil consideration. Peppercorn leases are examples of these and these are defined by HM Treasury as lease payments significantly below market value. On initial recognition these assets are valued at fair value. Any differences between the lease liability and right of use asset for new leases after implementation of IFRS 16 are recorded as grant in kind income on the SoCNE.

Historic England group has elected not to recognise right of use assets and lease liabilities for the following leases:

- non-lease components of contracts where applicable;
- low value assets (these are determined to be in line with capitalisation thresholds on Property, Plant and Equipment); and

- leases with a lease term of 12 months or less.

At inception of a contract, Historic England group assesses whether a contract is, or contains, a lease. A contract is, or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time. This includes assets for which there is no consideration.

To assess whether a contract conveys the right to control the use of an identified asset, Historic England group assesses whether:

- The contract involves the use of an identified asset;
- Historic England group has the right to obtain substantially all of the economic benefit from the use of the asset throughout the period of use; and
- Historic England group has the right to direct the use of the asset.

At inception or on reassessment of a contract that contains a lease component, Historic England group allocates the consideration in the contract to each lease component on the basis of the relative standalone prices.

As disclosed in our Significant Accounting Estimates and Judgements policy (1v), Historic England group assesses whether it is reasonably certain to exercise break options or extension options at the lease commencement date and also reassesses this if there are significant events or changes in circumstances that were anticipated.

The Nature of The Lessee's Leasing activities

Historic England Leasing activities relate to office estates and vehicles. The most significant material offices are the headquarters in London and Swindon.

Right of Use Assets

Historic England group recognises a right of use asset and lease liability at the commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for initial direct costs,

prepayments or incentives, and costs related to restoration at the end of a lease.

The right of use assets are subsequently measured in line with Property, Plant and Equipment assets.

Further information on the movements of Historic England's right of use assets is given in note 17.

Lease Liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that cannot be readily determined, the rate provided by HMT. The HMT discount rates were 4.81% in the 2025 calendar year and 5.32% for the 2026 calendar year

A Lease is remeasured when there is a change in future lease payments arising from a change in the index or rate, if there is a change in the group's estimates of the amount expected to be payable under a residual value guarantee, or if Historic England group changes its assessment of whether it will exercise a purchase, extension or termination option.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee;
- The exercise price under a purchase option that the group is reasonably certain to exercise, lease payments in an optional renewal period if the group is reasonably certain to exercise an extension option, and penalties for early termination of a lease (unless the group is reasonably certain not to terminate early).

When the lease liability is remeasured, a corresponding adjustment is made to the right of use asset or recorded in the SoCNE if the carrying amount of the right of use asset is zero.

Historic England group presents right of use assets that don't meet the definition of investment properties per IAS 40 as right of use assets on the Statement of Financial Position. The lease liabilities are included within obligations under finance leases within current and non-current liabilities on the Statement of Financial Position.

The National Collection which is licensed to English Heritage Trust has not been recognised as an IFRS16 lease in Historic England as it does not meet the definition of a lease. It is therefore recognised in the Historic England group consolidation, as an intercompany lease.

r) Cash and Cash Equivalents

Cash comprises cash on hand and on-demand deposits. Cash equivalents are investments with a short-term maturity of less than three months from the date of acquisition. Within English Heritage, cash which is surplus to immediate cash flow requirements is placed on deposit with a term of less than one year. Historic England does not hold any cash on deposit.

s) Pension Costs

Historic England is a member of the Principal Civil Service Pension Scheme (PCSPS). This is a multi-employer defined benefit scheme, for which Historic England is unable to identify its share of the underlying assets and liabilities. In accordance with the FReM, Historic England accounts for these as a defined contribution scheme. Historic England recognises contributions payable to defined contribution schemes as an expense in the year in which they are incurred, and the legal or constructive obligation is limited to the amount that it agrees to contribute to the fund.

Under the New Fair Deal policy, those employees who transferred to English Heritage are eligible to remain members of the Civil Service Pension

Schemes under the terms of the Transfer of Undertakings (Protection of Employment) Regulations 2006. The scheme is closed to new members. Employees who have joined English Heritage since its launch on 1 April 2015 are entitled to join the English Heritage Group Personal Pension Plan ('the Plan') operated by Legal and General. This is a contract based, defined contribution (money purchase) scheme.

Historic England also operates a pension scheme for previous chairmen (pre 2000). The terms are set by analogy to the relevant civil service schemes. These schemes satisfy the requirements of applicable accounting standards (see Remuneration and Staff Report on page 68).

t) Borrowings

The Culture Recovery Fund (CRF) loan (see note 28) is treated as a concessionary loan and, in line with the FReM. It was initially recognised and measured at the amount received, with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest and adjusted if necessary for any impairment.

u) Segmental Reporting

The primary format used for segmental reporting is by expenditure type, as this reflects Historic England's internal management structure and reporting. Historic England's assets and liabilities are shared across the operating segments and consequently it is not possible to separately identify which segment they relate to, in line with the IFRS 8 exemption.

The segments reported reflect the management structure reported internally within Historic England on a monthly basis.

Historic England's reporting segments include:

- Regions Group
- Policy & Evidence
- Communications & Public Engagement
- Business Improvement
- Corporate Services

- Shrewsbury Flaxmill Maltings

The following group subsidiaries have been included as operating segments that are consolidated into Historic England group results:

- English Heritage Trust
- Historic England Foundation

Regions Group helps people and communities across England to care for, understand and enjoy the historic environment and create great places to live and work.

Policy & Evidence's role is to provide expert specialist advice to Historic England staff, Commission and Committees, Government, the sector and other national stakeholders on all matters relating to the protection, management, understanding and enjoyment of England's historic environment. This advice will be underpinned by robust evidence, including first-rate research and development, ensuring Historic England is widely regarded as the sector leader with a reputation for excellence in all that we do.

Communications & Public Engagement inspires and enables our audiences to understand, enjoy and look after the historic environment; to secure public support for, and investment in, Historic England and its mission.

Business Improvement enables Historic England to maximise its public value.

Corporate Services delivers high quality and cost effective support services to our customers, enabling them to care for England's historic environment as effectively as possible.

v) Significant Accounting Estimates and Judgements

Critical accounting estimates and judgements

The preparation of the Historic England group accounts requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenditure. The resulting accounting estimates will, by definition, seldom

equal the related actual results. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Key sources of estimation, uncertainty and judgements made in applying accounting policies exist in estimations of the stage of completion in calculating grant accruals, deferred membership income, valuation of non-current assets, and lease extension options.

Valuation of non-current assets

The value of the group's property, plant and equipment, right of use assets, operational heritage assets and intangible assets are estimated based on the period over which the assets are expected to be available for use. Such estimation is based on experience with similar assets. The estimated useful life of each asset is reviewed periodically and updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence or legal or other limits on the use of an asset.

The professional valuations are selected on an asset by asset basis, rather than by asset class. This approach is taken to ensure a reliable valuation is obtained.

Operational heritage assets are not depreciated. Historic England estimates that the useful economic lives of operational heritage assets are significantly long to ensure that depreciation is immaterial.

The groups revaluation policy is to perform a quinquennial valuation supplemented by annual indexation. The indices are reviewed each year by management to ensure they remain appropriate.

Indicies

Assets with a value of less than £50,000 are revalued each year with reference to relevant indices published by the Building Cost Information Service as at 31 March.

Historic England performs indexation to their non-current assets annually, using appropriate external indices. Indices are applied to the Assets Net Book Value to arrive at the current cost of the assets.

The appropriateness of indices are reviewed regularly by management.

Deferred Membership Income

Annual income received from Members is recognised in the SoCNE over the period to which the membership relates.

Life membership subscriptions received are credited to the Group's Balance Sheet and released to the SoCNE in ten equal annual instalments.

Surveys of life members, and analysis of available data, indicates that life members enjoy the majority of their membership benefits in the first ten years of their arrangement. Historic England group therefore feels it is appropriate to use ten years as the relevant period over which to allocate the life membership income.

Lease Extension Options

At lease commencement Historic England group makes a decision as to whether we are reasonably certain to be exercising break clauses and extension options. This estimate impacts the length of the lease term impacting the lease liabilities and right of use assets. This is reviewed if there is a significant event or significant change of circumstances.

w) Preparation of the Accounts on a Going Concern Basis

In adopting the going concern basis for preparing the financial statements, the Commissioners have considered the activities and principal risks set out in the Governance Statement. The

Commissioners have reviewed the latest financial forecasts and are satisfied that Historic England continues to adopt the going concern basis in preparing its financial statements. DCMS have confirmed our Grant in Aid for 2026/27 and provided indicative numbers for 2027/28 and 2028/29. As Historic England is a body created through the National Heritage Act 1983, its ongoing activities are assured through statute.

The new Property Licence and Operating Agreement (the Property Licence), under which the English Heritage Trust care for the National Heritage Collection, was agreed in July 2024 for a 10-year term from April 2025, so that they continue to conserve the Collection for future generations. In addition the Trustees of The English Heritage Trust and Directors of English Heritage Trading Limited have reviewed the latest financial forecasts and are satisfied that these demonstrate the Trust remains a going concern.

Based on this evidence we consider that it remains appropriate for both entities to adopt the going concern basis in preparing their financial statements and hence it is appropriate for the Historic England group accounts to be prepared on a going concern basis.

2 Statement of Operating Expenditure by Operating Segment

Please see the Summary of Financial Performance on page 20 for a summary of how income and expenditure for the financial year are allocated to the key activities of the Historic England group.

3 Revenue from Contracts with Customers

	2025–2026		2024–2025	
	Historic England £'000	Group £'000	Historic England £'000	Group £'000
Shared Service Income	8,565	1,433	8,349	775
Admission Income	–	41,740	–	42,468
Advertising and Licencing	–	765	–	601
Archive and Lecture Fees	292	269	231	224
Commercial Sales Income	48	30,230	56	31,584
Enhanced Advisory Services	804	804	913	912
Hospitality and Events	11	2,634	9	2,440
Membership Income	–	56,619	–	55,680
Other Revenue	1,897	1,343	2,135	1,817
Total Revenue from Contracts with Customers	11,617	135,837	11,693	136,501

4 Earned Income

	2025–2026		2024–2025	
	Historic England £'000	Group £'000	Historic England £'000	Group £'000
Other Earned Income	212	297	–	35
Commission	–	1,068	–	879
Rents	619	2,232	592	2,302
Total Earned Income	831	3,597	592	3,216

Historic England has other earned income in 2025–26 relating to funding received from external organisations to fund specific employee posts.

5 Other Operating Income

	2025–2026		2024–2025	
	Historic England £'000	Group £'000	Historic England £'000	Group £'000
Grants Receivable				
National Lottery Heritage Fund Grants	481	1,091	78	663
European Union Grants	–	467	305	305
Other Grants	2,107	4,774	2,095	9,153
Total Grants Receivable	2,588	6,332	2,478	10,121
Donations and Sponsorship	1,040	4,575	10	4,872
Other Operating Income	231	1,350	347	6,117
Interest Receivable	–	954	–	1,493
Total Other Operating Income	3,859	13,211	2,835	22,603

During 2025–26 and in line with the Service Level Agreement, English Heritage Trust donated their 2024–25 land and building purchases to Historic England. The donation consists of the Wootons Inn to be included in Historic England's national collection. There was no donated land and buildings in 2024–25.

6 Income from Investments

	2025–2026		2024–2025	
	Historic England £'000	Group £'000	Historic England £'000	Group £'000
Income from Investments				
Income from Investments	–	84	–	87
Income from Investments	–	84	–	87

7 Grants

	2025–2026		2024–2025	
	Historic England £'000	Group £'000	Historic England £'000	Group £'000
Heritage at Risk Capital Fund	14,124	14,124	–	–
Buildings and Monuments	7,157	7,201	8,495	8,500
Capacity Building	3,683	3,683	3,281	3,285
Conservation Areas	535	536	481	481
Historic Environment	3,390	3,390	2,985	2,985
Management Agreements	86	86	126	126
Independent Research Organisation	213	213	480	480
Architectural Heritage Fund	5,164	5,164	–	–
Other	413	416	491	506
Total Grants	34,765	34,813	16,339	16,363

The increase in grant expenditure in the year was due in large part to the Heritage at Risk capital grant scheme which began in 2025. The Heritage at Risk Capital Fund was a one year fund, beginning April 2025, that was available in relation to Heritage at Risk, to help people save the historic sites in England that are most important.

8 Running Costs

	2025–2026		2024–2025	
	Historic England £'000	Group £'000	Historic England £'000	Group £'000
IT Equipment and Services	7,269	11,200	7,492	10,598
Marketing and Branding	307	11,595	350	12,768
Monument Works and Maintenance	–	3,574	–	4,154
Office Rent and Charges	1,356	1,230	1,251	1,054
Other Office Costs	490	592	604	566
Site Maintenance	1,471	19,166	2,183	20,931
Technical Advice	3,252	7,124	3,652	9,545
Utilities	803	3,614	948	4,868
Lease Payments	(88)	2,413	84	2,574
Total Running Costs	14,860	60,508	16,564	67,058

9 Commercial Activities' Costs

	2025–2026		2024–2025	
	Historic England £'000	Group £'000	Historic England £'000	Group £'000
Cost of Sales	102	11,945	101	12,984
Event Production	458	3,532	522	4,639
Inventory Provision Expense	–	(288)	–	288
Inventory Write-Off		464	7	301
Total Commercial Activities' Costs	560	15,653	630	18,212

10 Other Expenditure

	2025–2026		2024–2025	
	Historic England £'000	Group £'000	Historic England £'000	Group £'000
Administrative Costs	363	1,923	364	2,355
Audit Fee	147	274	105	226
Operational Costs	2,740	6,613	2,066	7,199
Other	223	769	211	907
(Gain)/Loss on Disposal on Non-Current Assets	(9)	(29)	–	(4)
Staff Related Costs	727	1,510	864	1,797
Total Other Expenditure	4,191	11,060	3,610	12,480

Operational costs consist of travel and subsistence, office consumables, volunteering expenses and other related costs

11 Taxation

Historic England enjoys the status of a charity for taxation purposes. No taxation liability is expected on its operations for the year ended 31 March 2026 (2025: nil). English Heritage, as a registered charity, is entitled to certain tax exemptions on income and surpluses on any trading activities carried out in furtherance of the Charity’s primary objectives.

Subject to having sufficient distributable reserves, English Heritage Trading Limited will make gift aid donations of its distributable profits to its Parent Charity, within 9 months of the financial year end.

12 Auditor’s Fees

	2025–2026 Group £’000	2024–2025 Group £’000
Auditor’s remuneration and expenses for statutory audit work:		
Historic England	147	105
The English Heritage Trust	96	91
English Heritage Trading Limited	18	17
Historic England Foundation	13	13
Total Auditor’s Fees for the Financial Year	274	226

During the year no member of the Historic England group purchased any non-audit services from its auditor, the National Audit Office (2024–2025: nil).

13 Staff Costs

	2025–2026			2024–2025		
	Capital £'000	Revenue £'000	Total £'000	Capital £'000	Revenue £'000	Total £'000
Group						
Wages and Salaries	1,219	89,449	90,668	1,645	92,804	94,449
Social Security Costs	88	10,548	10,636	62	8,691	8,753
Pension Costs	179	15,449	15,628	155	16,084	16,239
Redundancy and Severance Costs	–	400	400	–	7,013	7,013
Agency Staff Costs	–	1,419	1,419	–	1,706	1,706
Inwards Secondment Staff		85	85		173	173
Total Employee Costs	1,486	117,350	118,836	1,862	126,471	128,333

	2025–2026			2024–2025		
	Capital £'000	Revenue £'000	Total £'000	Capital £'000	Revenue £'000	Total £'000
Historic England						
Wages and Salaries	499	40,503	41,002	588	39,311	39,899
Social Security Costs	63	5,111	5,174	52	4,041	4,093
Pension Costs	139	11,254	11,393	141	11,059	11,200
Redundancy and Severance Costs	–	739	739	–	154	154
Agency Staff Costs	193	237	430	572	513	1,085
Inwards Secondment staff	–	85	85	–	173	173
Total Employee Costs	894	57,929	58,823	1,353	55,251	56,604

Further information on staff costs is available in the Remuneration and Staff Report.

14 Related Party Transactions and Connected Bodies

a) Connected Bodies

Historic England is sponsored by the Department for Culture, Media and Sport (DCMS), which is regarded as a related party.

There were material transactions with DCMS in respect of the receipt of Grant-in-Aid, finance shared service provision, payment of fines and receipts for scoping works.

During the year Historic England paid £48,000 for staff secondments and £180,000 in fines and received £341,000 for shared services and expenses and £560,000 for scoping works.

Historic England also received a loan from DCMS, the details of which can be found in note 28.

There were also material transactions with the following entities for which DCMS is regarded as the parent department:

Arts Council England	The Natural History Museum
British Museum	
British Tourist Authority	National Gallery
The Churches Conservation Trust	Sir John Soane's Museum
Imperial War Museum	Tate Gallery
National Heritage Memorial Fund	Victoria and Albert Museum

In addition, Historic England has had various material transactions with other government departments and central government bodies. These transactions have been with:

Building Digital UK	Research Council
Cabinet Office: Civil Superannuation	Government Internal Audit Agency
Department for Environment, Food and Rural Affairs	Government Property Agency
Engineering and Physical Sciences	High Speed Two (HS2) Limited

Historic Environment Scotland	Museum of London
HM Revenue & Customs	National Highways
	Royal Botanic Gardens, Kew

Historic England also has transactions with other public bodies such as local authorities.

There were material transactions with English Heritage in respect of receipts for shared services £8.4 million (2024–25: £7.3 million) and payments made to English Heritage relating to the annual subsidy which forms part of the New Model arrangements £0.7 million (2024–25: £0.6 million) and for shared services provided to Historic England £394,000 (2024–25: £nil). A grant of £200k was provided to English Heritage in 2025–26 on an arm's length basis.

Grants of £136,714 were given to Historic England by The Historic England Foundation (2024–25: £170,066). Historic England invoiced The Historic England Foundation in respect of shared services of £55,857 (2024–25: £36,462). Historic England also provided capacity building grant funding to The Historic England Foundation of £76,000 (2024–25: £55,000).

The FReM and IAS 24 exemption for entities which are related parties because they are also under government control has been applied.

No other Commissioners, trustees, key management personnel or other related party have undertaken any material related party transactions with Historic England during the year. Compensation for members of the Executive Team has been disclosed in the Remuneration and Staff Report, which starts on page 68.

The related party transactions and connected bodies for English Heritage, English Heritage Trading Limited and The Historic England Foundation are disclosed within each of their individual accounts.

b) **Material Transactions where Commissioners and senior staff declared an interest**

During the year Historic England had the following material transactions in which there was a related interest:

Commissioners

- Lord Mendoza, CBE (Chairman) is the Chair of the Culture Heritage Capital Advisory Board for the Department for Culture, Media and Sport. Details of material transactions with DCMS are disclosed under the connected bodies heading above. He is also Co-Chair of the All-Party Parliamentary Group, National Trust. The National Trust paid £11,000 for advice, £30,000 for training, £7,000 for storage and £2,000 in grant funding. They received £304,000 in grant funding and £1,000 in membership. He is also a member of the House of Lords, which paid £1,000 for training and received £10,000 for events.
- Mr Ben Derbyshire's sister-in-law, Anna Eavis, is Chair of the National Heritage Memorial Fund (NHMF) panel. The NHMF has paid £193,000 for shared office space and received an £8,000 contribution to a research project. She is also a trustee of Leeds Castle which paid £1,000 for training.
- Jane, Lady Gibson OBE is a member of court for Newcastle University which received £1,000 in grant funding. She is also Chair of the Partnership Board of Hadrian's Wall for whom Northumberland County Council is the responsible body. Northumberland County Council received £6,000 for a case study and £698,000 in grant funding.
- Mr Patrick Newberry is a trustee, Vice Chairman and Treasurer of the Georgian Group, which received £45,000 in grant funding.
- Mr Jamie Ritblat is a director of and shareholder in Delancey Investment Advisory Services which paid £10,000 in sponsorship.

- Ms Susie Thornberry is Artistic Director and CEO of Metal Culture Ltd which received £8,000 for advice.

Senior Staff

- Ms Katy Baldwin, Housing Transformation Strategy Director, is a trustee of The Heritage Alliance which received £236,000 in grant funding.
- Mr John Neale, Development Advice Director, is a member of the Fabric Advisory Committee of St. Paul's Cathedral, which paid £1,000 for training.
- The husband of Mrs Deborah Williams, Regional Director – Midlands, is Honorary Chair of the Chartered Institute for Archaeologists. ClfA received £5,000 for events and £96,000 in grant funding.

No other Commissioners, trustees, key management personnel or other related party have undertaken any material related party transactions with Historic England during the year. Compensation for members of the Executive Team has been disclosed in the Remuneration and Staff Report.

The related party transactions and connected bodies for English Heritage, English Heritage Trading Limited and The Historic England Foundation are disclosed within each of their individual accounts.

15 Intangible Assets

	Software Licences £'000	Systems Development £'000	Assets Under Construction £'000	Total £'000
Group				
Cost or Valuation				
At 1 April 2025	278	17,134	10,263	27,675
Additions	–	20	4,628	4,648
Disposals	(54)	(2,231)	–	(2,285)
Reclassifications	–	5,910	(5,596)	314
At 31 March 2026	224	20,833	9,295	30,352
Amortisation				
At 1 April 2025	235	8,942		9,177
Charge in Year	7	3,777		3,784
Disposals	(54)	(2,231)		(2,285)
At 31 March 2026	188	10,488	–	10,676
Carrying Amount at 31 March 2025	43	8,192	10,263	18,498
Carrying Amount at 31 March 2026	36	10,345	9,295	19,676

All intangible assets are owned outright (2025: all).

Systems development and intangible assets under construction are internally generated.

	Software Licences £'000	Systems Development £'000	Assets Under Construction £'000	Total £'000
Group				
Cost or Valuation				
At 1 April 2024	567	17,986	6,865	25,418
Additions	–	–	4,815	4,815
Disposals	(294)	(2,235)	–	(2,529)
Impairments		1	–	1
Reclassifications	–	1,137	(1,417)	(280)
Revaluations	5	245	–	250
At 31 March 2025	278	17,134	10,263	27,675
Amortisation				
At 1 April 2024	493	8,698		9,191
Charge in Year	33	2,359		2,392
Disposals	(295)	(2,235)		(2,530)
Revaluations	4	120		124
At 31 March 2025	235	8,942	–	9,177
Carrying Amount at 31 March 2024	74	9,288	6,865	16,227
Carrying Amount at 31 March 2025	43	8,192	10,263	18,498

	Software Licences £'000	Systems Development £'000	Assets Under Construction £'000	Total £'000
Historic England				
At 1 April 2025	101	6,598	5,350	12,049
Additions	–	–	1,384	1,384
Disposals	(54)	(1,884)	–	(1,938)
Reclassifications	–	5,910	(5,596)	314
At 31 March 2026	47	10,624	1,138	11,809
Amortisation				
At 1 April 2025	101	5,273	–	5,374
Charge in Year	–	2,250	–	2,250
Disposals	(54)	(1,884)	–	(1,938)
At 31 March 2026	47	5,639	–	5,686
Carrying Amount at 31 March 2025	–	1,325	5,350	6,675
Carrying Amount at 31 March 2026	–	4,985	1,138	6,123

All Intangible assets are owned outright (2025: all).

Systems development and intangible assets under construction are internally generated.

	Software Licences £'000	Systems Development £'000	Assets Under Construction £'000	Total £'000
Historic England				
Cost or Valuation				
At 1 April 2024	394	7,222	4,094	11,710
Additions	–	–	2,269	2,269
Disposals	(295)	(1,431)	–	(1,726)
Reclassifications	–	733	(1,013)	(280)
Revaluations	2	73	–	75
Impairments	–	1	–	1
At 31 March 2025	101	6,598	5,350	12,049
Amortisation				
At 1 April 2024	377	5,747	–	6,124
Charge in Year	17	897	–	914
Disposals	(295)	(1,431)	–	(1,726)
Revaluations	2	60	–	62
At 31 March 2025	101	5,273	–	5,374
Carrying Amount at 31 March 2024	17	1,475	4,094	5,586
Carrying Amount at 31 March 2025	–	1,325	5,350	6,675

16 Property, Plant and Equipment

	Operational Land & Buildings £'000	Dwellings £'000	Plant & Machinery £'000	Information Systems £'000	Furniture & Fittings £'000	Assets Under Construction £'000	Total £'000
Group							
Cost or Valuation							
At 1 April 2025	193,810	2,796	19,678	5,209	7,357	4,313	233,163
Additions		–	936	–	–	3,265	4,201
Disposals	(2,360)	(6)	(2,428)	(2,724)	(16)	–	(7,534)
Impairments	(5,946)	3	–	–	–	–	(5,943)
Reclassifications	1,045	–	295	419	105	(2,178)	(314)
Revaluations	(29,624)	1,153	1,651	175	561	–	(26,084)
At 31 March 2026	156,925	3,946	20,132	3,079	8,007	5,400	197,489
Depreciation							
At 1 April 2025	61,053	390	12,691	4,508	3,703		82,345
Charge in Year	9,854	77	1,561	406	472		12,370
Disposals	(2,361)	(6)	(2,428)	(2,724)	(16)		(7,535)
Reclassifications	(2)	–	–	–	2		–
Revaluations	(34,935)	(376)	1,098	146	315		(33,752)
At 31 March 2026	33,609	85	12,922	2,336	4,476	–	53,428
Carrying Amount at 31 March 2025	132,757	2,406	6,987	701	3,654	4,313	150,818
Carrying Amount at 31 March 2026	123,316	3,861	7,210	743	3,531	5,400	144,061

	Operational Land & Buildings £'000	Dwellings £'000	Plant & Machinery £'000	Information Systems £'000	Furniture & Fittings £'000	Assets Under Construction £'000	Total £'000
Group							
Cost or Valuation							
At 1 April 2024	188,151	3,312	24,434	5,749	6,778	6,675	235,099
Transferred to Pure Heritage Land and Buildings on 1 April	(48)	–	–	–	–	–	(48)
Additions	26	–	890	97	–	6,346	7,359
Disposals	(6,555)	(586)	(6,541)	(995)	(1,015)	–	(15,692)
Impairments	128	4	–	1	–	–	133
Reclassifications	7,455	–	337	280	916	(8,708)	280
Revaluations	4,653	66	558	77	678	–	6,032
At 31 March 2025	193,810	2,796	19,678	5,209	7,357	4,313	233,163
Depreciation							
At 1 April 2024	56,315	893	17,056	4,458	3,883		82,605
Charge in Year	9,775	75	1,804	973	454		13,081
Disposals	(6,555)	(586)	(6,540)	(995)	(1,015)		(15,691)
Reclassifications	(2)	–	–	–	2		–
Revaluations	1,520	8	371	72	379		2,350
At 31 March 2025	61,053	390	12,691	4,508	3,703	–	82,345
Carrying Amount at 31 March 2024	131,836	2,419	7,378	1,291	2,895	6,675	15,494
Carrying Amount at 31 March 2025	132,757	2,406	6,987	701	3,654	4,313	150,818

	Operational Land & Buildings £'000	Dwellings £'000	Plant & Machinery £'000	Information Systems £'000	Furniture & Fittings £'000	Assets Under Construction £'000	Total £'000
Historic England							
Cost or Valuation							
At 1 April 2025	121,129	2,625	9,719	3,314	2,965	784	140,536
Additions	7	–	124	–	–	636	767
Disposals	(2,361)	(6)	(776)	(1,172)	(16)	–	(4,331)
Impairments	(1,039)	–	–	–	–	–	(1,039)
Reclassifications	–	–	31	419	–	(764)	(314)
Revaluations	(31,035)	1,031	887	151	226	–	(28,740)
At 31 March 2026	86,701	3,650	9,985	2,712	3,175	656	106,879
Depreciation							
At 1 April 2025	38,228	361	6,097	2,821	2,068	–	49,575
Charge in Year	4,324	73	621	352	141	–	5,511
Disposals	(2,361)	(6)	(776)	(1,172)	(16)	–	(4,331)
Reclassifications	(2)	–	–	–	2	–	–
Revaluations	(22,957)	(357)	569	132	167	–	(22,446)
At 31 March 2026	17,232	71	6,511	2,133	2,362	–	28,309
Carrying Amount at 31 March 2025	82,901	2,264	3,622	493	897	784	90,961
Carrying Amount at 31 March 2026	69,469	3,579	3,474	579	813	656	78,570

	Operational Land & Buildings £'000	Dwellings £'000	Plant & Machinery £'000	Information Systems £'000	Furniture & Fittings £'000	Assets Under Construction £'000	Total £'000
Historic England							
Cost or Valuation							
At 1 April 2024	124,090	3,145	15,286	3,823	3,619	27	149,990
Transferred to Pure Heritage Land and Buildings on 1 April	(48)	–	–	–	–	–	(48)
Additions	–	–	121	43	–	1,062	1,226
Disposals	(6,034)	(586)	(6,241)	(881)	(967)	–	(14,709)
Impairments	78	–	–	1	–	–	79
Reclassifications	–	–	305	280	–	(305)	280
Revaluations	3,043	66	248	48	313	–	3,718
At 31 March 2025	121,129	2,625	9,719	3,314	2,965	784	140,536
Depreciation							
At 1 April 2024	39,026	869	11,564	3,043	2,680	–	57,182
Charge in Year	4,276	70	619	614	136	–	5,715
Disposals	(6,034)	(586)	(6,241)	(880)	(966)	–	(14,707)
Reclassifications	(2)	–	–	–	2	–	–
Revaluations	962	8	155	44	216	–	1,385
At 31 March 2025	38,228	361	6,097	2,821	2,068	–	49,575
Carrying Amount at 31 March 2024	85,064	2,276	3,722	780	939	27	92,808
Carrying Amount at 31 March 2025	82,901	2,264	3,622	493	897	784	90,961

Total Non-Current Asset acquisitions in the year were funded, to their fair value, by:

	2026 £'000	2025 £'000	2024 £'000	2023 £'000	2022 £'000
Government Grant	2,081	3,178	3,093	3,918	3,830
Non-Government Grant	70	323	62	–	–
Donations	999	–	465	1,230	–
Lottery Funding	–	–	–	506	2,904
IFRS 16 Right Of Use Assets Funded by Government Grant	–	133	5,383	5,485	166
Other	–	–	–	104	325
Total Non-Current Acquisitions	3,150	3,634	9,003	11,243	7,225

Historic England's obligations under leases are disclosed in note 25 and note 17 discloses Historic England's right of use assets. All other property, plant and equipment is either held under guardianship or owned outright by Historic England (2024–25: all).

The transfers from assets under construction to other non-current asset categories represent assets which were started in previous years and have been completed in the year.

17 Right of Use Assets

	Operational Land & Buildings £'000	Plant & Machinery £'000	Total £'000
Group			
Cost or Valuation			
At 1 April 2025	50,851	422	51,273
Disposals	(1,241)	(8)	(1,249)
Impairments	(3,077)	–	(3,077)
Revaluations	(7,049)	–	(7,049)
At 31 March 2026	39,484	414	39,898
Depreciation			
At 1 April 2025	13,522	301	13,823
Charge in Year	2,881	45	2,926
Disposals	–	(8)	(8)
Revaluations	(6,093)	–	(6,093)
At 31 March 2026	10,310	338	10,648
Carrying Amount at 31 March 2025	37,329	121	37,450
Carrying Amount at 31 March 2026	29,174	76	29,250

	Operational Land & Buildings £'000	Plant & Machinery £'000	Total £'000
Group			
Cost or Valuation			
At 1 April 2024	49,976	402	50,378
Additions	339	42	381
Disposals	–	(22)	(22)
Impairments	183	–	183
Revaluations	353	–	353
At 31 March 2025	50,851	422	51,273
Depreciation			
At 1 April 2024	10,140	268	10,408
Charge in Year	3,252	55	3,307
Disposals	–	(22)	(22)
Revaluations	130	–	130
At 31 March 2025	13,522	301	13,823
Carrying Amount at 31 March 2024	39,836	134	39,970
Carrying Amount at 31 March 2025	37,329	121	37,450

	Operational Land & Buildings £'000	Plant & Machinery £'000	Total £'000
Historic England			
Cost or Valuation			
At 1 April 2025	35,714	26	35,740
Disposals	(1,241)	(8)	(1,249)
Impairments	(3,078)	–	(3,078)
Revaluations	(7,051)	–	(7,051)
At 31 March 2026	24,344	18	24,362
Depreciation			
At 1 April 2025	9,079	26	9,105
Charge in Year	2,190	–	2,190
Disposals	–	(8)	(8)
Revaluations	(6,092)	–	(6,092)
At 31 March 2026	5,177	18	5,195
Carrying Amount at 31 March 2025	26,635	–	26,635
Carrying Amount at 31 March 2026	19,167	–	19,167

	Operational Land & Buildings £'000	Plant & Machinery £'000	Total £'000
Historic England			
Cost or Valuation			
At 1 April 2024	35,069	48	35,117
Additions	133	–	133
Disposals	–	(22)	(22)
Impairments	183	–	183
Revaluations	329	–	329
At 31 March 2025	35,714	26	35,740
Depreciation			
At 1 April 2024	6,433	48	6,481
Charge in Year	2,516	–	2,516
Disposals	–	(22)	(22)
Revaluations	130	–	130
At 31 March 2025	9,079	26	9,105
Carrying Amount at 31 March 2024	28,636	–	28,636
Carrying Amount at 31 March 2025	26,635	–	26,635

18 Heritage Assets

	Operational Dwellings £'000	Artefacts & Archives £'000	Pure Heritage Land & Buildings £'000	Operational Heritage Land & Buildings £'000	Total £'000
Group					
Cost or Valuation				–	
At 1 April 2025	10,588	19,115	1,454	19,387	50,544
Additions	–	–	–	999	999
Impairments	6	–	–	243	249
Revaluations	7,280	–	157	9,314	16,751
Carrying Amount at 31 March 2026	17,874	19,115	1,611	29,943	68,543
At 1 April 2024	10,322	18,876	1,406	18,901	49,505
Transferred from operational Land and Buildings on 1 April	–	–	48	–	48
Additions	–	39	–	–	39
Impairments	3	–	–	23	26
Revaluations	263	200		463	926
Carrying Amount at 31 March 2025	10,588	19,115	1,454	19,387	50,544

	Operational Dwellings £'000	Artefacts & Archives £'000	Pure Heritage Land & Buildings £'000	Operational Heritage Land & Buildings £'000	Total £'000
Historic England					
At 1 April 2025	10,587	18,405	1,454	19,388	49,834
Additions	–	–	–	999	999
Impairment reversal	6	–	–	243	249
Revaluations	7,280	–	158	9,311	16,749
Carrying Amount at 31 March 2026	17,873	18,405	1,612	29,941	67,831
At 1 April 2024	10,321	18,205	1,406	18,902	48,834
Transferred from operational Land and Buildings on 1 April	–	–	48	–	48
Additions	–	–	–	–	–
Impairment reversal	3	–	–	23	26
Revaluations	263	200		463	926
Carrying Amount at 31 March 2025	10,587	18,405	1,454	19,388	49,834

19 Further Information on Heritage Assets

a) Nature and Scale

Historic England maintains heritage land and building assets, at sites throughout England, as well as historic artefacts, ranging from environmental remains and archaeological artefacts to pottery, fine art and furnishings. The information contained within this Note relates to heritage assets held on and off the balance sheet.

The National Heritage Collection consists of a diverse portfolio that includes World Heritage Sites, industrial monuments, castles, historic houses, abbeys, forts, stone circles and a large part of Hadrian's Wall. They range from prehistoric ruins to the lavishly furnished Osborne House. In age they range from Neolithic burial chambers dating from 3500-2600BC to 20th-century houses.

These assets are held by Historic England under various arrangements, with many being in the guardianship of the Secretary of State for Culture, Media and Sport with the freehold being retained by the owner. The remaining properties are in the ownership of Historic England, other Government departments or the Crown Estate.

The English Heritage Trust manages the day to day operation of the National Heritage Collection under a 'Property Licence and Operating Agreement'.

A full listing of the National Heritage Collection is contained in the English Heritage Handbook which is also available on the English Heritage website. The handbook includes full details of public access to these sites.

The National Heritage Collection assets recognised in the Statement of Financial Position are disclosed as 'Pure Heritage Assets' and 'Artefacts & Archives'. These National Heritage Collection assets have been purchased or donated after 1 April 2001 with valuations obtained with the acquisition. The majority of capitalised 'Pure Heritage' assets relate to

Thornborough Henges. All other National Heritage Collection assets are not recognised in the Statement of Financial Position.

Further information on the nature and scale of this collection is contained in the Performance Report on page 8.

National Archaeological Reference Collection & Archaeological Excavation Archives

Historic England maintain the collections of archaeological archives and research collections. The permanent collections include human skeletal remains, geographical material, faunal remains, wool collection, charcoal and wood collection, moss collection and archaeobotany.

As well as being significant in their own right, they provide a valuable research resource for heritage professionals and our own staff.

The National Archaeological Reference Collection & Archaeological Excavation Archives are not recorded on the Statement of Financial Position. Further information on the nature and scale of this collection is contained in the Performance Report on page 8.

Historic England Archive

The Historic England Archive holds a collection of 14 million archive items relating to England's historic environment. Historic England holds major collections of national importance covering archaeology, architecture, social and local history. The archive collections include photographs (terrestrial and aerial), drawings, plans and documents. It includes both digital and non-digital materials.

Archive collections that are recognised in the Statement of Financial Position as 'Heritage Assets; Artefacts & Archives' include dedicated projects that Historic England invested in to create accessible viewing of highlighted areas, including:

- The Images of England <https://historicengland.org.uk/images-books/photos/>;

- The Britain from Above Collection <https://www.britainfromabove.org.uk/>; and
- Aerial Photograph Explorer <https://historicengland.org.uk/images-books/archive/collections/aerial-photos/>

Other Archive Collections are not recorded on the Statement of Financial Position. Further information on the nature and scale of this collection is contained in the Performance Report on page 8.

b) Preservation and management

The National Heritage Collection

English Heritage has developed an Asset Management Plan (AMP) to manage the National Heritage Collection according to nationally established conservation priorities. This gives English Heritage an awareness of the scale of the conservation deficit in relation to the resources available to it along with impact assessments of English Heritage's ability to procure the necessary works.

The workstreams within the AMP are as follows:

- Conservation Maintenance Programme: used to fund works to address the conservation defects on heritage assets, specifically on land and buildings
- Annual Maintenance Programme: planned cyclical and response maintenance
- Minor Planned Maintenance Programme: small repair projects usually of less than £50,000
- Major Planned Repair Programme: larger long-term or one-off conservation projects usually of more than £50,000

The detail on English Heritage's guidance and conservation work can be found at <https://www.english-heritage.org.uk/learn/conservation/>

National Archaeological Reference Collection & Archaeological Excavation Archives

The collections are significant assets of national and international importance. Conservation of

artefacts within the archaeological archives is carried out to the highest professional standards, with conservation assessments undertaken following excavation and before deposition to the receiving museum if deposition occurs more than 10 years after the initial excavation or where issues have been identified as part of regular monitoring.

Historic England commissioned the National Conservation Service to conduct a review of the collections storage facilities and collections are regularly monitored. Historic England are addressing recommendations following support provided from our National Conservation Service membership.

The research and reference collections are accessed by the public as part of our monthly Open Collection days and via tours of the laboratories and archives.

Digital/remote access is provided. Historic England publish research results on collections via open access publications, principally through the Historic England Research Report Series: <https://historicengland.org.uk/research/results/reports/>

Historic England Archive

Outside of our archaeological artefacts archive, Historic England collects, curates and preserves records for the nation, creating a record of our shared archaeological, architectural and cultural heritage with a particular focus on photography. We collect material which records England (and the underwater sites around it) and illustrates change both in the presentation and management of historic sites and in the relationships between people and the historic environment.

The Archive building, housing our valuable material, employs rigorous security protocols including CCTV surveillance and restricted access which is routinely reviewed.

Historic England has a statutory obligation to provide access to its archive collections. Public

access to our digital assets is primarily provided online.

The Archive was awarded Archive Service Accreditation by the UK Archive Service Accreditation Committee in 2019, 2022 and subsequently renewed in 2025. This status is a UK wide quality standard which defines good practice and agreed standards for the archive sector. It also means we retain our status as a place of deposit for public records. Achieving accredited status demonstrates that we have been recognised as providing high quality services which enables us to acquire important collections and qualify for grant funding to help us care for collections and reach more people.

Our application was submitted in July 2025 and assessors visited in September, evaluating organisational health, collections management, and stakeholder experience. The Archive was found to be an efficient, forward-looking service that is proactive and strategic in outlook.

The Archive has developed its Collections Management to be in line with national and international legislation, appropriate sector standards, good practice and ethical codes, including the Copyright, Designs and Patents Act 1988, the Archives and Records Association Code of Ethics (2020), BS 4971: 2017: Conservation and care of archive and library collections and BS EN 16893: 2018: Conservation of Cultural Heritage – Specifications for location, construction and modification of buildings or rooms intended for the storage or use of heritage collections.

Historic England manages a quarterly Archive Collections Review, to discuss collections management, new acquisitions, priorities, proposed deaccessions, and projects.

c) Acquisition

The National Heritage Collection

Acquisition decisions consider strategic objectives in relation to the preservation of ancient monuments and historic buildings in England.

Each potential acquisition is considered on an individual basis with reference to internal policies and considers the financial and resource implications and other practical considerations.

Acquisition can be proactively identified or reactive where properties are at risk or offered for potential acquisition.

Acquisition can be proactively identified or reactive where properties are at risk or offered for potential acquisition.

Historic England, with English Heritage, have identified area of interest to aid acquisition consideration, special priority will be given to areas that are poorly represented in the National Heritage Collection. These include buildings, sites and landscapes embodying under-represented narratives and prominent national stories or individuals

Acquisitions are subject to approval which includes DCMS approval and where the acquisition cost exceeds the Delegated Limits, Historic England has to seek the authorisation of the Secretary of State.

National Archaeological Reference Collection & Archaeological Excavation Archives

The majority of the archaeological archives are cared for on a temporary basis and researched as part of our post-excavation programme and prior to their deposition in recognised depositories such as museums.

Each of the major reference collections held has a specific collections policy, based on there being a clearly identified gap in the collection(s), the quality of the item under consideration, appropriate documentation, the Transfer of Title being agreed and there being available resource and space.

Historic England Archive

Acquisitions will consider the scope of Historic England's collection policy and the item's historical or cultural significance.

Items may not be accessioned if they are in poor condition or present significant preservation challenges beyond our conservation resource.

Acquisitions are discussed in the quarterly Archive Collections Review meetings.

d) Disposal

Historic England complies with the mandatory guidance on the disposal of heritage assets issued by central government bodies in England. The guidance applies to a wide range of asset types including historic buildings, monuments memorials, archaeological remains, designed landscapes, battlefields and wrecks.

The detail on Historic England's disposal of heritage assets can be found at <https://historicengland.org.uk/images-books/publications/disposal-heritage-assets/guidance-disposals-final-jun-10/>

The majority of the archaeological archives are cared for on a temporary basis and researched as part of our post-excavation programme and prior to their deposition in recognised depositories such as museums.

e) Heritage Asset Transactions

The table below provides a summary of transactions relating to heritage assets for the current and previous four accounting periods.

	2026 £'000	2025 £'000	2024 £'000	2023 £'000	2022 £'000
Cost of Acquisition	–	–	–	–	–
Value Acquired by Donation	999	–	192	1,200	–
Revaluations/(Impairments) Recognised	16,998	952	753	2,255	1,572
Heritage Assets Charged to Expenditure in Year	1	12	1	8	35

Donated heritage land and buildings received during the year had a value of £999k (2025: £nil). There were no disposals of heritage land and buildings during the year, or in the previous year.

20 Fixed Assets Investments

	2026		2025	
	Historic England £'000	Group £'000	Historic England £'000	Group £'000
At 1 April	–	3,241	–	3,236
Additions to Portfolio at Cost	–	3	–	81
Net Gain/(Loss) on Investment	–	84	–	(76)
At 31 March	–	3,328	–	3,241

	2026		2025	
	Historic England £'000	Group £'000	Historic England £'000	Group £'000
Analysis of investments				
Investment Assets in the UK				
Investment Asset Funds	–	3,325	–	3,238
Cash	–	3	–	3
Total	–	3,328	–	3,241

In June 2022, English Heritage Trustees approved an Investment Policy Statement, setting out risk appetite, target financial returns, and the approach to environmental, social and governance criteria governing the Charity's first investment portfolio. Rathbones were appointed as investment managers for the portfolio, with oversight from the Board's Audit and Risk Committee.

21 Inventories

	2026		2025	
	Historic England £'000	Group £'000	Historic England £'000	Group £'000
Inventories	–	5,384	–	6,027
Inventories are stated after the following:				
Inventory Provision Release/(Expense)	–	(288)	–	288
Inventory Write-Off		464	7	301
Total Inventory Adjustment for the Year	–	176	7	589

22 Trade and Other Receivables

	2026		2025	
	Historic England £'000	Group £'000	Historic England £'000	Group £'000
Trade Receivables	1,222	3,340	1,407	2,820
Value Added Tax	952	496	2,220	2,169
Prepayments and Accrued Income	5,828	11,136	6,114	13,707
Other Receivables	3	259	–	193
Amount owed by Subsidiary Undertaking	1,446	–	691	–
Total Trade and Other Receivables	9,451	15,231	10,432	18,889

23 Cash and Cash Equivalents

	2026		2025	
	Historic England £'000	Group £'000	Historic England £'000	Group £'000
Balance at 1 April	1,429	27,700	4,086	47,128
Net Change in Cash and Cash Equivalents Balances	5,731	2,432	(2,657)	(19,428)
Balance at 31 March	7,161	30,132	1,429	27,700
The following balances at 31 March were held with:				
Cash				
Government Banking Service	7,018	7,018	1,283	1,283
Commercial Banks	142	17,939	146	19,422
Total Cash	7,160	24,957	1,429	20,705
Cash Equivalents				
Commercial Banks	–	5,175	–	6,995
Balance at 31 March	7,160	30,132	1,429	27,700

24 Financial Instruments

As Historic England has a Management Agreement with DCMS, it is not exposed to the degree of financial risk normally faced by business entities. Financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IFRS 7 mainly applies.

Historic England holds no investments as at 31 March 2026. It has one loan, which is from DCMS and is detailed in note 28.

The Historic England group subsidiaries have greater financial freedom, enabling them to utilise financial instruments more readily than Historic England.

Surplus funds within The English Heritage Trust are held on short-term (less than one year) fixed interest rate deposit or notice accounts with institutions with low risk credit ratings, classified as either cash and cash equivalents or current asset investments.

In June 2022, English Heritage approved an Investment Policy Statement, setting out risk appetite, target financial returns, and the approach to environmental, social and governance criteria governing the investment portfolio. An investment manager was appointed to oversee the portfolio.

English Heritage invests amounts which are not required to meet liabilities over the following three years, with the objective of maintaining and growing the real value of the assets and generating stable, sustainable and distributable returns, sufficient to maintain the purchasing power of those distributions. A total return approach (that is, maximising the opportunities for capital growth and income generation within the parameters of the investment policy) is adopted for the investment portfolio.

At 31 March 2026, English Heritage held long-term deposits with an investment manager, amounting to £3,328,000 (2025: £3,241,000).

a) Liquidity Risk

Historic England is funded by grant in aid from DCMS sufficient to meet all forecast expenditure for the year. Long term financial liabilities, such as lease liabilities, are expected to be funded by future years' grant in aid as payments fall due. Historic England is not therefore exposed to significant liquidity risk.

English Heritage is dependent on generating income to meet planned expenditure. Trustees have reviewed the latest financial projections which are driven by detailed forecasts of visitor numbers and the member base and it is sufficient to meet liabilities as they fall due.

b) Interest Rate Risk

English Heritage's amended investment policy target financial returns and is invested in long term funds which are subject to investment rate risks. As at 31 March 2026 £8k investment loss has been recognised on the investments (2025: £76k loss).

English Heritage's long term borrowings are at a fixed rate of interest and are not subject to interest rate risk.

Other financial assets include cash and cash equivalents, current and non-current asset investments which are not exposed to significant interest rate risk.

c) Currency Risk

English Heritage's investment in funds is denominated in sterling, and includes investments in a large number of unit trusts and similar products, many of which include investment in assets denominated in other currencies. The fund mitigates its exposure to foreign exchange risks by investing in a global spread of equities, bonds and commodities and, therefore, currencies.

All other financial assets and liabilities are held in sterling.

d) Credit Risk

Credit risk is the risk of financial loss if a customer or counterparty to a financial instrument fails

to meet its contractual obligations. Credit risk largely arises from cash and cash equivalents, Fixed asset investments and trade and other receivables.

The group's maximum exposure to credit risk is limited to the value of these assets. The credit risk management policy in relation to trade receivables involves regularly assessing the financial reliability of customers, considering their financial position and historical credit risk.

The changes in amortised cost assets are explained in their respective notes but are not as a result of material changes to credit risk assessments within the year.

e) Valuation and Fair Value Hierarchy

The different levels of the fair value hierarchy set out in IFRS 13 Fair Value Measurement are defined as follows:

Level 1 – uses quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – uses inputs for the assets or liabilities other than quoted prices that are observable either directly or indirectly.

Level 3 – uses inputs for the assets or liabilities that are not based on observable market data, such as internal models or other valuation method.

English Heritage currently has investments in an active market through a recognised investment management firm. The investments are quoted in an active market, and are considered to be a recurring level 1 fair value measurement.

Historic England's investment in subsidiaries reflects its interests in other bodies within the HE group. As group bodies are not traded on an active market, fair values are not available for the investments. Historic England considers that the value of the subsidiaries' net assets is an appropriate proxy for fair value. Investments in subsidiaries are considered to be a recurring level 3 fair value movement and relate solely to changes in the net asset value.

There is no material difference between the carrying values and fair values of financial assets and liabilities.

f) Financial Assets and Liabilities

Historic England and the Group financial assets and liabilities values are disclosed below:

	2026		2025	
	Historic England £'000	Group £'000	Historic England £'000	Group £'000
Financial Assets				
Held at fair value through profit or loss				
Fixed Asset Investments	–	3,328	–	3,241
Held at fair value through other comprehensive income				
Investments in subsidiaries	45,075	–	42,869	–
Held at amortised cost				
Trade and Other Receivables	1,225	3,599	2,098	3,013
Cash and Cash Equivalents	7,160	30,132	1,429	27,700
	53,460	37,059	46,396	33,954
Financial Liabilities				
Held at amortised cost				
Trade and Other Payables	(400)	(8,008)	(3,213)	(8,800)
Bank Loans and Overdrafts	(513)	(21,785)	–	(22,591)
	(913)	(29,793)	(3,213)	(31,391)

g) Changes in Liabilities arising from Financing Activities

	2026		2025	
	Lease Liabilities £'000	Long Term Borrowings £'000	Lease Liabilities £'000	Long Term Borrowings £'000
Group				
Balance at 1 April	42,463	24,378	44,544	24,835
Additions	–	587	382	–
Disposals	(1,240)	–	–	–
Finance Charge	1,249	468	1,316	437
Repayments – Interest	(1,249)	(1,446)	(1,316)	(894)
Repayments – Capital	(2,518)	(341)	(2,463)	–
At 31 March	38,705	23,646	42,463	24,378
Historic England				
Balance at 1 April	31,526	–	33,270	–
Additions	–	587	133	–
Disposals	(1,240)	–	–	–
Finance Charge	1,018	–	1,084	–
Repayments – interest	(1,018)	–	(1,084)	–
Repayments – capital	(1,961)	–	(1,877)	–
At 31 March	28,325	587	31,526	–

25 Lease Liability

Total future minimum lease payments under lease liabilities are given in the table below for each of the following periods:

	2026		2025	
	Historic England £'000	Group £'000	Historic England £'000	Group £'000
Lease Liabilities for the following periods compromise:				
Land and Buildings				
Not Later than One Year	1,897	2,412	1,917	2,433
Between One and Five Years	6,489	7,027	7,311	8,271
Later than Five Years	19,939	29,168	22,298	31,611
Total Land and Buildings	28,325	38,607	31,526	42,314
Other				
Not Later than One Year	–	45	–	51
Between One and Five Years	–	53	–	98
Present Value of Lease Liabilities	–	98	–	149
Total Present Value of Lease Liabilities	28,325	38,705	31,526	42,463

The right of use assets have been capitalised and are subject to the same revaluation policies as other property, plant and equipment and are depreciated over the shorter of useful economic life or the lease period, with the outstanding lease obligations (net of interest) shown in payables. Historic England's lease policy is disclosed in note 1q.

Historic England's lease liabilities are secured by the lessors' rights over the leased asset.

26 Trade and Other Payables

	2026		2025	
	Historic England £'000	Group £'000	Historic England £'000	Group £'000
Trade and Other Payables for the following periods compromise:				
Current Trade and Other Payables				
Trade Payables	340	7,170	1,737	8,434
Accruals	7,076	11,676	5,034	15,792
Deferred Income	556	20,063	568	19,131
Income Tax and Social Security	1,187	2,173	962	1,919
Pensions	1,142	1,647	1,119	1,453
Other Payables	60	839	74	365
Amount Owed to Subsidiary Undertaking	–	–	1,402	–
Total Current Trade and Other Payables	10,361	43,568	10,896	47,094
Non-Current Trade and Other Payables				
Pensions	127	127	127	127
Deferred Income	–	2,067	–	2,141
Total Non-Current Trade and Other Payables	127	2,194	127	2,268

27 Provisions

	Group		Total £'000
	Early Retirement & Restructuring £'000	Legal & Constructive Obligations £'000	
Balance at 1 April 2025	6,242	217	6,459
Provided in the Year	–	–	–
Provisions Released in the Year	–	–	–
Provisions Utilised in the Year	(6,107)	–	(6,107)
Balance at 31 March 2026	135	217	352
Balance at 1 April 2024	–	186	186
Provided in the Year	6,242	162	6,404
Provisions Released in the Year	–	(80)	(80)
Provisions Utilised in the Year	–	(51)	(51)
Balance at 31 March 2025	6,242	217	6,459

Provisions for legal and constructive obligations have been calculated based on the claim amount and the likelihood of payment. Payment of the amount provided is likely to be incurred in the next financial year. Historic England has no identified provisions (2025: £nil).

28 Other Borrowings

	2026		2025	
	Historic England £'000	Group £'000	Historic England £'000	Group £'000
Non-current Loans	513	21,785	–	22,591
Total Other Non-Current Borrowings	513	21,785	–	22,591
Current Loans	75	1,862	–	–
Total Other Current Borrowings	75	1,862	–	–

On 12 March 2021 English Heritage entered into a Repayable Finance Agreement with The Secretary of State for the Department for Digital, Culture, Media & Sport and The Arts Council of England pertaining to a loan of £23.4 million from the Culture Recovery Fund. The loan was awarded to offset projected unrestricted deficits and provide liquidity during the recovery from the Covid-19 pandemic. The loan will cover essential business expenditure (staff and property running costs) and critical maintenance, ensure the safety of the sites and collections and the retention of specialist skills and expertise, and enable the charity to deliver its core charitable activities. The loan is unsecured, with a term of 20 years, a 4-year repayment holiday and an interest rate of 2% per annum. The first £894k interest payment was repaid in March 2025. The total balance at 31 March 2026 was £23.1m (2025: £24.4m), of which £1.8m was due within one year (2025: £1.8m). There are no financial covenants, however there are non-financial covenants requiring the charity to exercise pay restraint for at least 18 months; demonstrate a commitment to increasing its organisational diversity; demonstrate a commitment to progress towards net zero greenhouse gas emissions by 2050; demonstrate a commitment to increase educational/ outreach work.

On 25 March 2026 Historic England received a loan of £587k from DCMS, for the fit out of the fourth floor of Shrewsbury Flaxmill Maltings. The loan is unsecured with a term of 10 years and an interest rate of 4.62% per annum. Payments of the interest and capital of this loan will begin in 2026–27.

These loans are classified as a financial liability measured at amortised cost under IFRS 9.

29 Commitments

	2026		2025	
	Historic England £'000	Group £'000	Historic England £'000	Group £'000
Capital Commitments				
Not later than one year	477	8,081	69	2,318
Later than one year and not later than five years	35	1,596	70	78
Later than five years	–	–	–	–
	512	9,677	139	2,396
Other Financial Commitments				
Not later than one year	16,863	29,547	9,145	22,655
Later than one year and not later than five years	8,779	8,814	4,529	4,549
Later than five years	–	–	–	–
	25,642	38,361	13,674	27,204
Total Capital and Other Financial Commitments	26,154	48,038	13,813	29,600

Both cancellable and non-cancellable commitments are included.

Commitments within Historic England have increased in 2025–26 due to an underspend on grants in the year, and therefore more commitments remaining as a year end.

30 Contingent Liabilities

Various outstanding legal claims existed at 31 March 2026. In addition to the above paragraph, Under IAS 37, the Historic England group has identified £61,000 of contingent liabilities (2025: £161,000), of which £40,000 (2025: £nil) relates to Historic England.

31 Contingent Assets

In 2025–26 Historic England have continued to recognise a contingent asset relating to the review of the partial exemption calculation. While the proposed partial exemption has not been agreed with HMRC, it has been discussed in detail and HMRC have agreed that in principle a claim can be made. Historic England are now awaiting a decision from HMRC on this case. Historic England Group therefore have an unquantifiable contingent asset.

32 Subsidiary Undertakings

a) The English Heritage Trust (incorporating the results of English Heritage Trading Limited)

The English Heritage Trust was incorporated in 2010, becoming a subsidiary of the Historic Buildings and Monuments Commission for England ('HBMCE') on 12 December 2014.

HBMCE (trading as Historic England) is the sole member of The English Heritage Trust.

The English Heritage Trust is the sole shareholder of English Heritage Trading Limited, which was incorporated in 1994.

The results of English Heritage Trading Limited have been consolidated into the results of The English Heritage Trust.

The results of The English Heritage Trust for the year are shown below. These differ to the disclosure in Note 2g due to the elimination of inter-company transactions on consolidation.

	2026 £'000	2025 £'000
Income and Expenditure Resources		
Total Incoming Resources	144,816	155,176
Total Resources Expended	(144,032)	(162,830)
Net Gains/Losses on Investments	12	(76)
Net Income for the Year	796	(7,730)
Reconciliation of Funds		
Total Funds Brought Forward	42,892	50,622
Total Funds Carried Forward	43,688	42,892
	2026 £'000	2025 £'000
Net Assets as at 31 March		
Non-Current Assets	67,224	67,312
Current Assets	39,986	45,842
Creditors: Amounts Falling Due Within One Year	(39,831)	(39,071)
Creditors: Amounts Falling Due After More Than One Year	(23,691)	(31,191)
Net Assets	43,688	42,892
Restricted	11,722	13,385
Unrestricted	31,966	29,507
Funds	43,688	42,892

b) English Heritage Limited

Historic England is the sole member of English Heritage Limited, a company limited by guarantee incorporated in 1984. English Heritage Limited was dormant throughout the current and prior years.

c) Historic England Limited

Historic England is the sole member of Historic England Limited, a company limited by guarantee incorporated in 2014. Historic England Limited has been dormant throughout the current and prior years.

d) Historic England Foundation

Historic England is the sole member of The Historic England Foundation, a company established in 2017. The following results of The Historic England Foundation have been included in the consolidated results:

	2026 £'000	2025 £'000
Income and Expenditure Resources		
Total Incoming Resources	352	258
Total Resources Expended	(232)	(233)
Net Income for the Year	120	25
Reconciliation of Funds		
Total Funds Brought Forward	231	206
Total Funds Carried Forward	351	231
	2026 £'000	2025 £'000
Net Assets as at 31 March		
Non-Current Assets	15	14
Current Assets	349	229
Current Liabilities	(13)	(12)
Net Assets	351	231
Retained Funds	351	231

e) Historic England (Shrewsbury Flaxmill Maltings) Limited

Historic England is the sole member of Historic England (Shrewsbury Flaxmill Maltings) Limited, a company established in March 2022. The company opened to the public in September 2022 and provide services to visitors to Shrewsbury Flaxmill Maltings. Historic England (Shrewsbury Flaxmill Maltings) Limited ceased trading as at 31 March 2025, when it's operations transferred to the English Heritage Trust. It has been dormant throughout the current year.

	2026 £'000	2025 £'000
Statement of Comprehensive Income		
Total Incoming Resources	–	176
Total Resources Expended	–	(352)
Net Income for the Year	–	(176)
Reconciliation of Funds		
Total Funds Brought Forward	–	–
Total Funds Carried Forward	–	(176)

	2026 £'000	2025 £'000
Net Assets as at 31 March		
Current Assets	–	227
Current Liabilities	–	(470)
Non-Current Liabilities	–	–
Net Assets	–	(243)
Total Shareholder's Funds	–	(243)

f) The Iveagh Bequest

The Commissioners of Historic England are also the trustee of the Iveagh Bequest, a trust established in 1929 by the Iveagh Bequest (Kenwood) Act for the benefit of Kenwood House. In 1997 Statutory Instrument No 482 transferred custodian trusteeship to Historic England.

The Iveagh Bequest was dormant throughout the current and prior years.

33 Events After the Reporting Period

Historic England has a new strategic plan which sets out how we will focus our expertise and resources to deliver the greatest public value. Our three priorities: Place, Growth and Sector support Government missions including the delivery of good homes, good jobs and good growth. We aim to create a more resilient heritage sector and to improve civic pride, community cohesion and empowerment.

The time is right to review our organisation's vision and focus – we have new Co-CEOs bringing fresh energy and leadership to Historic England. Delivering our new priorities will build on our expertise, values and passion and our reputation as a respected, inclusive and trusted organisation.

Our grant in aid from the Government has remained below inflation. At the same time our costs, including energy, office operations, IT systems and pay have risen, which has resulted in a challenging financial context that requires us to action.

We have therefore had to make difficult decisions and are consulting with our staff and Prospect, our recognised union, on a new structure.

We value our people and their expertise, and we have worked hard to minimise potential redundancies and will aim to redeploy as many people as possible. We will not be able to confirm how many staff or which roles are impacted until the consultation has been completed but we envisage that it will be less than 5% of our staff who will leave the organisation.

The financial statements were authorised for issue on the date they were certified by the Comptroller and Auditor General.



Historic England
Annual Report and Accounts
2025–26

Annex – Sustainability Report

Section 05

Annex – Sustainability Report

Sustainability Report 2025–26

TCFD

Compliance Statement

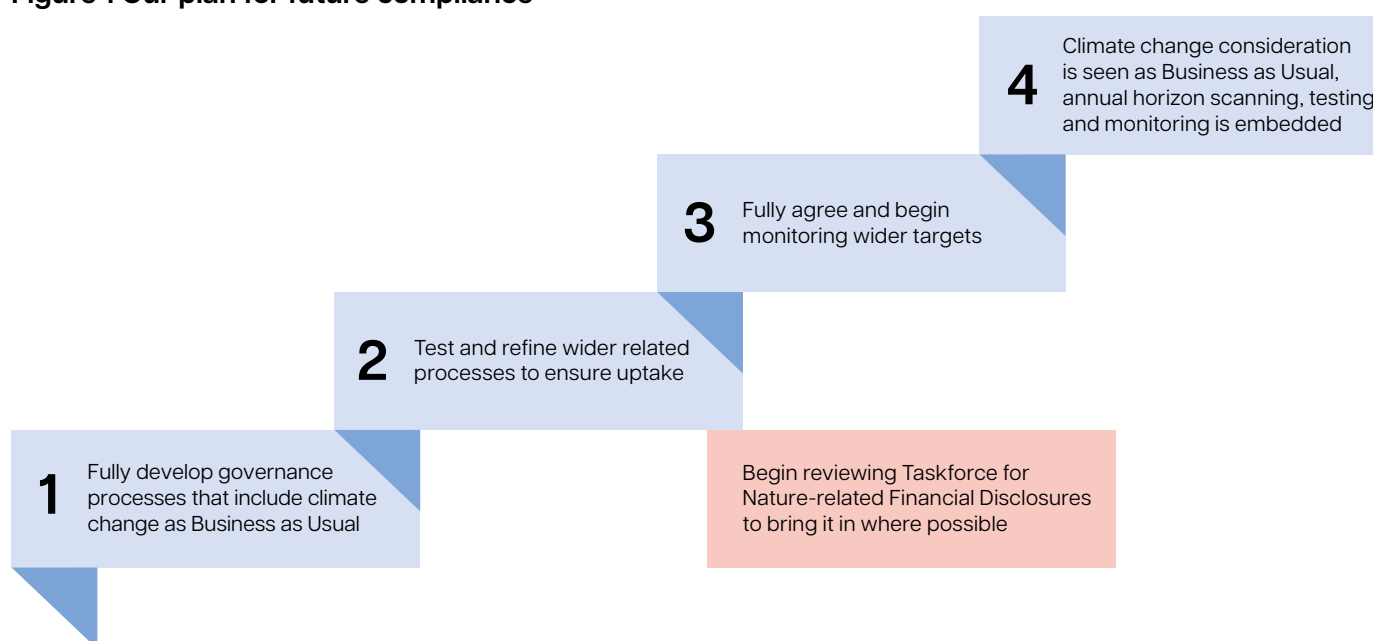
Historic England has reported on climate-related financial disclosures consistent with HM Treasury's Taskforce for Climate-related Financial Disclosures (TCFD)-aligned disclosure application guidance, which interprets and adapts the framework for the UK public sector. Historic England considers climate to be a principal risk and we have two climate change related risks on our corporate risk register. Historic England has complied with the TCFD recommendations and recommendations disclosures around: Governance – recommended disclosures (a) and (b); Risk Management – recommended disclosures (a) to (c); Metrics and Targets – recommended disclosures (a) to (c); and Strategy – recommended disclosure (a) to (c). Historic England is reporting on all disclosures, however as governance changes are being implemented, compliance assessments in some areas are evolving. Historic England remains fully committed to reporting all TCFD disclosures and to implementing the TCFD recommendations in full and holistically.

Table 1 demonstrating compliance

Pillar	Disclosure	Compliance	Action	Page
Governance	a) Board's oversight	Partially compliant	Continue work to fully embed climate change into governance	138-139
Governance	b) Management's role	Partially compliant	Continue work to fully embed climate change into governance	138-139
Strategy	a) Describing risks	Compliant	Continue to remain compliant within new governance	139-141
Strategy	b) Impact	Not compliant	Continue to test corporate risks against our scenarios. Develop and implement full process to test and understand impact of climate change risks and opportunities on our business decision processes	139-141
Strategy	c) Scenario Analysis	Not compliant	Develop a process to test our scenario analysis against our strategy and ensure this is part of our governance and development processes	139-141
Risk Management	a) Identification and assessment	Compliant	Continue to remain compliant within new governance	140-142

Pillar	Disclosure	Compliance	Action	Page
Risk Management	b) Risk Management	Compliant	Continue to remain compliant within new governance	140-142
Risk Management	c) Integration	Compliant	Continue to remain compliant within new governance	140-142
Metrics and Targets	a) Metrics	Partially compliant	Continue work to develop full suite of metrics	142-148
Metrics and Targets	b) Emissions	Compliant	Continue to report all emissions	142-148
Metrics and Targets	c) Targets	Partially compliant	Continue work to develop full suite of targets	142-148

Figure 1 Our plan for future compliance



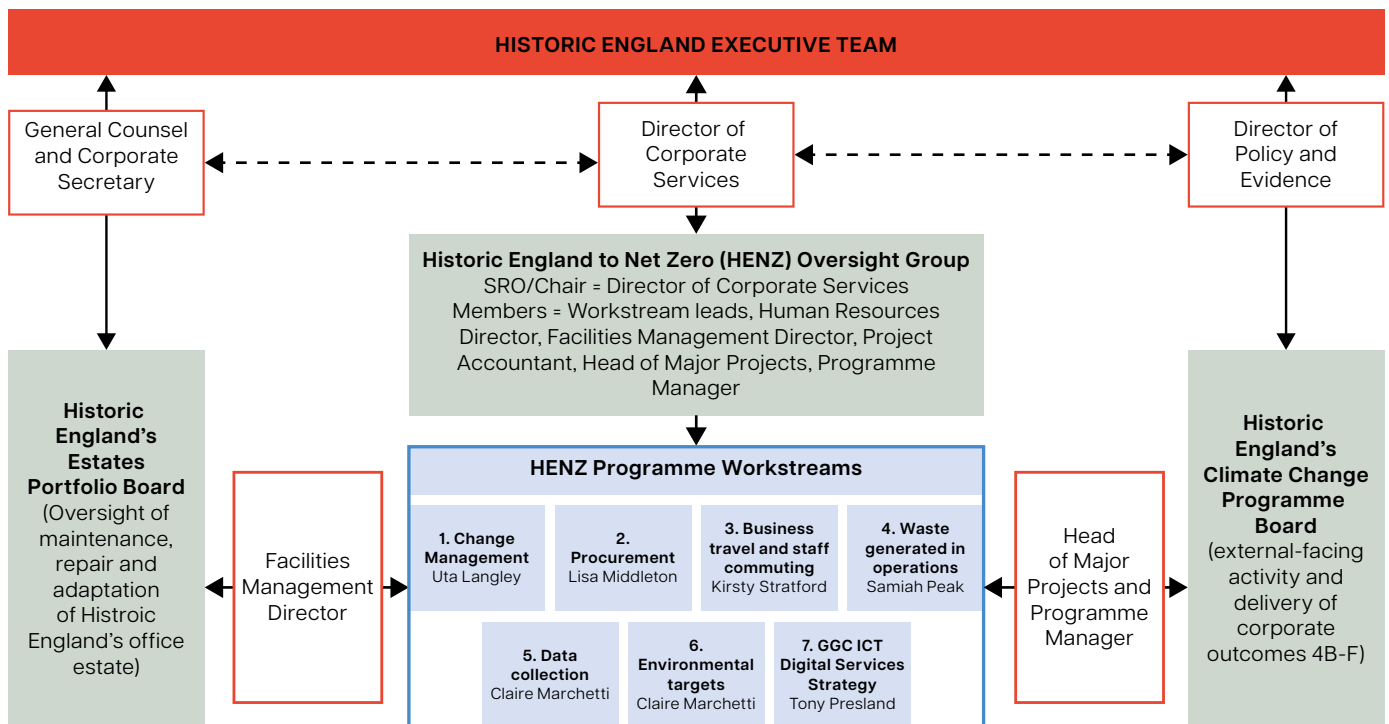
Governance

This year has been a time of change for our organisation, welcoming in a new CEO and reviewing our corporate priorities and governance. We've taken the opportunity to work with the governance and strategic planning teams to embed climate change governance as a core part of our standard governance processes. We now have three strategic priorities of **Growth**, **Place** and **Sector**, alongside enabling activities, and climate change consideration and work will be embedded throughout each priority. This governance review is ongoing, and therefore climate change is not yet fully embedded in our decision making and business planning.

Following the review of strategic priorities, our externally focused climate change related work is being absorbed as Business As Usual, which is anticipated to be monitored within the relevant emerging new corporate governance structures which underpin the new corporate plan. This supports the cross-cutting and inter-dependent nature of this work, for example our research supports the development of guidance, which then supports upskilling the sector, government engagement and broader communication activity.

Our internal activity remains a distinct programme, focusing on improving our organisational adaptation and sustainability including our journey to net zero but will be overseen by a merged Historic England to Net Zero and Estates Portfolio Board which will also oversee our building work.

Below is a chart demonstrating the flow of governance for these boards for 2025/26.



The Historic England to Net Zero governance board oversees programme-level risks and those identified in the Climate Change Operational Risk Register (referenced in the TCFD-aligned Strategy Report, Climate Change Adaptation Report and Adaptation Action Plan). Risk is a standing agenda item, with reports prepared by the programme manager and discussed during meetings. Severe risks are escalated to the Executive Team, which meets weekly. The Senior Responsible Owner (SRO) of the Historic England to Net Zero governance board acts as our Chief Sustainability Officer for Greening Government Commitments (GGCs) reporting.

Progress against our corporate climate goals is measured through KPIs, tracked through our corporate planning and performance monitoring process. We report progress quarterly to the Executive Team and Commission for review, feedback and updates. Risk movements and significant updates are reported to the Audit and Risk Assurance Committee (ARAC) quarterly. Two key climate-related risks in our corporate risk register are managed through internal programmes. Although changes to corporate governance are in progress, it is likely that much of this process and structure will remain in place. Alternative monitoring and reporting arrangements will be made where necessary.

For more detail about our corporate governance processes please read pages 51-67 within the Governance section of this annual report.

Strategy

The climate change scenarios in the Climate Change Operational Risk Register were developed by Frazer-Nash Consultancy. These scenarios are based on national climate information and linked to the Network for Greening the Financial System (NGFS) climate scenarios:

- **Net Zero 2050 scenario:** 1.5°C, consistent with RCP2.6
- **Delayed Transition scenario:** 2°C, consistent with RCP2.6
- **Hot House scenario:** 3°C+, consistent with RCP6.0

All NGFS scenarios are based on Shared Socioeconomic Pathway (SSP) 2. Each risk is scored and assessed for each scenario, considering the proximity of the risk:

- **Short Term:** up to 2030
- **Medium Term:** 2030–2040
- **Long Term:** 2040+

For details on how the risks were identified, see our **Climate Change Adaptation Report**, pages 21 and 22.

Currently, the climate-related impacts we have identified are broadly similar across each time horizon, with changes in severity and number. The time horizon mirrors both our planning stages, guided by our funding cycles, and our ambitious 2040 net zero target.

We acknowledge that this does not reach the end of century timeframe that is mandated by TCFD. Although some of our assets are expected to operate until the end of the century, initial analysis showed that climate change impacts would be similar to current impacts. We aligned our work with funding cycles and known targets due to resource constraints. We will review this approach when reviewing our climate change risks and anticipate that we will include this timeframe in future work.

This year, we have focused on understanding the financial impact of our risks. While the governance work continues, we are constrained in applying metrics and targets to our risks.

Our funding pattern continues to be a limiting factor in understanding the financial impact of our risks, however we are conducting deeper scenario analysis on our corporate risks to fully understand the opportunities and impacts. This approach will be taken to the Executive Team to apply more broadly to our decision-making processes.

The work we have undertaken to understand the financial impact of our climate change

risks has been productive. Our key concerns focused around being able to reach heritage sites, continue to give relevant and useful advice, conduct appropriate research, and make the most of our grant giving abilities – balancing all of our statutory duties in the face of increased need and potentially further limited funds.

Working with relevant teams across Historic England and our Finance Controller, we used agreed consistencies and assumptions to model the financial impact of climate change on our climate change risk register.

The majority of impacts are not materially significant using our financial understanding, however they impact the well-being and productivity of our staff, both of which remain critically important to the organisation, especially as this can exacerbate other risks.

Please see Table 2 for a summary of the main risks. Our highest-scoring risks are detailed in our **Climate Change Adaptation Report**. Our opportunities are included within our risk description to support mitigation actions.

Our understanding of interdependencies within the risks and the wider organisation has increased, however more work needs to be done to fully map them and understand the interdependencies from a business continuity perspective. Our work is governed by our statutory role, and most interdependencies revolve around having the appropriate resources to complete our related work to the highest standard without developing backlogs. Our KPIs monitor all aspects of our work and can therefore demonstrate some aspects of our risks. We have not yet formally agreed to use them as monitoring metrics for our climate change risks. These would trigger review or further actions if needed.

Table 2 Summary our main climate change risks

Risk Number (aligns to Adaptation Report)	Summary of Risk Description	Summary of Adaptation Action Plan	Time Horizon
2	<i>Extreme weather events risk our ability to hold public-facing engagement projects.</i>	<i>Project and risk assessments include extreme weather events. Partners are fully involved to ensure projects are designed to be flexible in how they are held.</i>	Medium
3	<i>Legal and reporting requirements, and physical interventions will divert funding away from our sector duties or risk non-compliance. There is an opportunity for long-term reduction in operational costs.</i>	<i>We continue to work with DCMS around funding priorities and look for wider sources of funding, including working with the Government Property Agency where they are our landlord.</i>	Short Medium
9	<i>Historic England and heritage is seen as not relevant or a barrier to climate action. There is an opportunity to strengthen our relationships with other bodies and organisations.</i>	<i>Climate change underpins our new Strategic Priorities, ensuring the link between heritage and climate action remains within all our work. We continue to work with other organisations to support sector resilience and alignment.</i>	Short Medium Long
10	<i>Climate change increases demand for our advice, casework and grant funding and we don't have the resource to address the increases safely or usefully.</i>	<i>Our investment in our systems, processes and partnerships is supporting our productivity, enabling us to continue to deliver our duties efficiently. Our work to integrate climate change into our governance means that it will be considered as part of every assessment, plan and budget developed and implemented.</i>	Medium Long
11	<i>Our donor income may reduce as efforts are focused elsewhere.</i>	<i>Climate change underpins our work, ensuring that our strategies and plans consider climate action and impact. We are improving our income generation to support all our work.</i>	Short Medium Long
12	<i>Climate change increases costs and so our grants have less purchasing power.</i>	<i>We are working to ensure that climate change is thoroughly embedded in within our governance processes, including budget decisions. We will continue to improve our data to aid analysis and monitoring.</i>	Medium Long

This year has been the last year of our current Corporate Plan, which was not tested for its resilience against climate change. We are publishing a new Strategic Plan in 2026–27. While not specifically tested for its resilience against climate change, the Climate Change Programme Board were invited to provide input on how climate-related activity is reflected in the plan. We have piloted the resilience of our corporate risks against climate change, using our established scenarios and timeframes. This has proven to be very useful work, identifying key mitigations and opportunities that are missing. We are taking these changes through the corporate risk governance and using our lessons learnt to refine our process so that it can be applied as standard to both our risks, and our wider decision making.

Risk Management

Our climate change governance, including risk identification and management is a part of our corporate governance and follows the processes described within this report on page 53.

Climate change remains a risk to Historic England's operations. Currently, our corporate risk register includes two key climate-related risks (threats to operations and threats to heritage assets), reviewed and managed quarterly by our Audit and Risk Assurance Committee (ARAC).

We use a consistent likelihood and impact scoring framework to identify and assess risks across the organisation, regardless of their register. This framework helps establish the significance of risks and supports the risk escalation process. Additionally, corporate risk categories, sub-categories and appetites help identify where risks align with or deviate from corporate tolerance levels in different operational areas.

We will review our risks regularly to ensure they are appropriate and meet our understanding of climate change. For more details on our scenario analysis, Hazard Identification and Risk Screening, please see our **Fourth Adaptation Reporting Power Report**, which also details our highest scoring risks.

As described in the Governance section, the Climate Change Operational Risk Register is overseen by the Historic England to Net Zero programme group, though individual risks are owned by various Directors across the organisation.

Horizon scanning is a core part of our governance and boards help us identify additional risks, which are captured through a 'horizon scanning' agenda item at each meeting. We consider current and upcoming legislation and regulatory requirements. This includes Health and Safety requirements alongside direct reporting or climate change mitigation and adaptation requirements.

Metrics and Targets

Following government requirements, we report to Department for Culture Media and Sports (DCMS) on the Greening Government Commitments (GGCs). We also use our KPIs to review our progress on the corporate priority Climate Action ('Our leadership ensures that heritage plays an important role in the fight to limit climate change impacts'). These include our Carbon Reduction Plan, published net zero targets and commitments to supporting the heritage sector with net zero. Our net zero targets are absolute and found on pages 140-141 of this report. You can find our progress this year on pages 141-148.

The GGCs are being renewed and we have taken the opportunity to review our carbon accounting approach to align our scope designation with the GGCs. This simplifies our reporting and aligns with our monitoring and internal communications, where we treat all our offices the same. As such, we will no longer separate our offices into scope 1, 2, and scope 3 (upstream and downstream leased assets), but rather count all our offices as scope 1 and 2, including those parts we let out. Within our scope 1, we count our gas, refrigerant, and owned/leased fuel for our cars, aircraft and archaeology equipment. Scope 2 remains as electricity.

Our Birmingham and Cambridge offices are occupied by both Historic England and Arts Council England (ACE). Through an agreement endorsed by DCMS, ACE report in full on the Birmingham Office and we monitor only, and we report on the Cambridge office and ACE monitor only. Although this changes the shape of our footprint, it does not change our current targets.

Our zero carbon KPI is based on our publicly stated targets (see below), which have been divided over interim years. This year we have been reviewing our Carbon Reduction Plan, targets and updated our Net Zero trajectory with several scenario-based models for how we will meet Net Zero by 2040. We expect to publish our updated targets in the coming year and

we continue to work with our sponsoring body, DCMS, and our landlords, including Government Property Agency (GPA), to plan and fund the capital works needed to reach net zero. Historic England does not have any emissions from overseas.

We have developed Nature Improvement Plans for our offices and are working with the plan owners to develop our monitoring framework. Currently, each office has developed an informal collaborative process to monitor changes from actions implemented, encouraging colleagues to engage with the monitoring work.

As our actions become embedded, and staff become more engaged, our monitoring will be reported.

In recognition of our ability to act as sector leaders, Historic England is committed to reducing carbon emissions and achieving net zero by 2040, with 2019-20 as our base year.

To achieve net zero by 2040, we have set the following absolute targets, the first two targets double as our current KPI:

- Reduce total base year carbon dioxide equivalent (CO₂e) emissions by 5.75% annually in Scopes 1 and 2 by 2030.
- Reduce total base year CO₂e emissions by 46% annually in Scope 3 by 2030.
- Reduce total base year CO₂e emissions by 4.6% annually in Scopes 1, 2 and 3 from 2030 to 2040.

In addition to this headline KPI target, we report against the following supporting metric targets, to be achieved by 2026 against a 2022–23 baseline.

For all staff travel:

- A 4% reduction in all car mileage (including scope 1 company owned/leased vehicles and scope 3 business travel hired and employee-owned vehicles)
- 10% of mileage conducted in employee-owned vehicles to be moved across to hire car

- 20% of all hire car mileage to be conducted in low or ultra-low emission vehicles

For operational waste:

- For National Treatment Venues (total waste from all sites and offices) to be allocated for disposal as >5% to landfill, 15% to combustion and 80% for recycling
- To achieve a 5% total waste reduction in each of the following sites: Swindon, York, Newcastle and Cambridge.

For ease of comparability and transparency, we do not include estimates in place of real data at the time of KPI submission. Therefore, our KPI and supporting metric tables will differ from tables 4–7.

In 2025–26, we established the following supporting metrics which are monitored to baseline our progress:

- Number of procurement contracts going out with social value as carbon
- EV salary sacrifice take up

Progress against our Metrics and Targets

Data for scope 2 energy consumption and expense has been estimated for March 2026. Electricity data for London has been estimated for quarters three and four and electricity consumption for Manchester has also been estimated for March.

Data has also been estimated for the Waste disposal in one site for February 2026 and we estimated partial Downstream Transportation & Distribution emissions due to changeover in reporting format.

Table 3:

Emissions Source	2025/26 tCO ₂ e
Scope 1	
Gas	343
Leased Fuel (Cars)	14
Leased Fuel (Aircraft)	11
Refrigerant	76
Plant and Equipment	1
Scope 2	
Electricity	402
Scope 3	
FERA (Fuel and Energy Related Activities)	94
Purchased Goods and Services	2,603
Capital Goods	275
Waste	0.5
Business Travel	201
Employee Commuting	238
Upstream Transportation and Distribution	1
Downstream Transportation and Distribution	54
2024–45 Correction	16

We have made good progress against our targets and KPIs this year. In large part this is down to the fruition of several foundational actions taken in previous years, as well as continued engagement and upskilling work with colleagues. We have delivered several successful campaigns focused on waste, travel and digital ways of working. We are developing an internal carbon dashboard to help further engage staff.

The bold figures provided in the emissions tables below in this report reflect the period from April 2025 – March 2026.

Table 4:

	2019–20	2023–24	2024–25	2025–26
Non-Financial Indicators (tCO₂e: tonnes of CO₂ equivalent)				
Total gross emissions for Scopes 1 and 2	1,056	843	886	847
Total net emissions for Scopes 1 and 2	1,056	843	886	847
Gross emissions Scope 3 business travel	331	249	191	201
Other Scope 3 emissions measured (including waste)	7,416	4,764	5,551	3,281
(TCFD) Carbon Emissions Intensity Ratio (tCO₂e: tonnes of CO₂ equivalent)				
Gross carbon inventory emissions for Scope 1, 2 and 3 per employee	10.63	5.76	5.65	4.29
Related Energy Consumption (kWh: kilowatt hour)				
Electricity: non-renewable	2,924,222	–	2,438,015	2,325,143
Electricity: renewable	–	2,516,951	–	–
Gas	1,868,767	1,885,023	2,085,909	1,683,989
Financial Indicators				
Expenditure on energy	£509,000	£880,963	£929,402	£693,337
Expenditure on official business travel	£1,181,000	£865,155	£837,328	£742,427

Under the re-alignment of our scope 1 and 2 emissions, we will not meet our near-term scope 1 and scope 2 target. Under our previous operational boundary for scope 1 and 2, we would have produced 680 tCO₂e to date. This would have resulted in missing our near-term target by 26 tCO₂e but making a 19% reduction from last year's emissions.

The following actions can be attributed to our reductions:

- The GPA installed a replacement boiler in our Swindon office
- Sites improving heating control system use
- Colleagues changing habits to use less electricity
- We reduced our total fleet by 37% (removing four vehicles) and updated our fleet so that 50% is now classed as Low Emission¹⁰

We completed further supporting actions including:

- Completed decarbonisation surveys on our Swindon office and our Archive facility at Swindon
- Installed a utility (gas, electricity, water) monitoring platform to increase data accuracy and empower our Facilities Management teams to reduce usage in our offices
- Embedded net zero representation within archaeological projects, halving emissions in this year's project in comparison to last year's work
- Improved and automated large parts of our data collection process

Several of our actions are longer term:

- Continue to identify better data for improved carbon accounting

- We have identified several further improvements to data
- This will help us prioritise our limited resources by giving a more accurate footprint
- Pilot and implement our draft methodology to understand the carbon impact of our grant giving activities

To meet our scope 3 target, we needed to emit less than 5609 tCO₂e (including business travel). This year our scope 3 emissions (including business travel) were 3482 tCO₂e, achieving this and making additional reductions of 38%. Following our boundary realignment, we have not included upstream and downstream leased assets within our scope 3 total.

Key to success has been transitioning our methodology for calculating Information and Communications Technology (ICT) emissions from spend-based carbon accounting to supplier-specific and hybrid methodologies, reducing our reported emissions by 716 tCO₂e since last year. The change in methodology includes:

- Reporting model-specific embodied emissions of our hardware and devices
- Monthly reporting of supplier-specific hosting emissions

We have also started to lower carbon emissions generated from our ICT services and hardware. We've begun optimising our Azure services and carried out a laptop refresh, rolling out devices with 27% lower embodied carbon than the previous model.

As part of this refresh, we've donated 363 laptops to the Good Things Foundation charity under their National Device Bank scheme.

¹⁰ We have gained an exemption from the GGC target for zero emission fleet for four of our fleet, based on safety and market availability.

Table 5:

	2019–20	2023–24	2024–25	2025–26
International Air Travel – non-financial indicators¹				
Number of international flights	66	35	20	21
Emissions (tCO ₂ e)	25	24	14	7
Total Distance travelled (km)	162,400	132,117	72,829	56,291
Disaggregated by category:				
Long-haul flights	99,581	72,859	43,021	0
Short-haul flights	62,819	59,258	29,808	56,291
Domestic Air Travel – non-financial indicators				
Number of domestic flights	85	21	8	4
Emissions (tCO ₂ e)	10	6	2	1
Total distance travelled (km)	39,305	20,432	8,123	4,544

Scope 3 business travel emissions have increased by 5% since last year, this is likely the result of a 4% increase in car and public transport mileage. Rail remains our dominant mode of transportation, representing 71% of all Business Travel. We have reduced our overall business travel mileage by 29%, much ahead of our 4% reduction target. Within this however, our total car mileage (including scope 1 leased vehicles) increased by 20% from last year. We have not achieved our sub-targets around car hire use. This year 9% of hired vehicles were low or ultra-low emission vehicles and electric vehicles accounted for 5% of employee-owned vehicle mileage. Our Low Emission Salary Sacrifice Scheme has helped 7 colleagues.

Colleagues have contributed to reducing our commuting emissions by engaging in more sustainable travel behaviours, supported by consistent internal messaging and senior leadership engagement. Our commuting survey showed an average emissions reduction of 13% per response.

Four domestic flights took place which is a 50% reduction since last year.

Table 6:

	2019–20	2023–24	2024–25	2025–26
Waste Minimisation and Management: Non-Financial Indicators (tonnes)				
Total waste	150	59	61	42
Hazardous waste ⁱ :	Total	–	7	0.67
Non-hazardous waste	Landfill	94	6	0.33
	Reused/recycled	56	19	28
	Incinerated/energy from waste	–	27	13
Waste Minimisation and Management: Financial Indicators				
Total deposit cost	£27,000	£23,500	£33,779	£31,280
Hazardous waste – total deposit cost	–	£1,500	£5,589	
Non-hazardous waste	Landfill	£14,000	–	–
	Reused/recycled	£13,000	–	–
	Incinerated/energy from waste	–	–	–

ⁱ Hazardous waste is sanitary waste treated via combustion. Therefore, figures presented here are also included in total combustion figures under non-hazardous.

One percent of all waste is sent to landfill and we aim to reduce this further. Over two thirds (70%) of our waste is recycled, re-used or treated by composting or anaerobic digestion. We re-use laptops within the organisation where possible and have established end-of-life traceability for our ICT hardware. This year, 100% of our ICT waste was recycled or reused.

This year, we allocated 4% of all waste for donation. We will continue to encourage this in our policies and understand how we can embed donation routes with best social value, as well as minimising the amount of waste we generate, and send to combustion.

We have developed a new policy for homeworking waste, due to launch in the first quarter in the new financial year. This policy ensures that we are compliant and helps our staff achieve our targets.

We have exceeded our five percent reduction target in Swindon, Newcastle, York and Cambridge. However, in York and Newcastle, total waste volume has increased since last year. In Newcastle, this is a result of large clear-outs and allocating large items such furniture and lighting for re-use.

Table 7:

		2019-20	2023-24	2024-25	2025-26
Water Non-Financial Indicators (m³)					
Water consumption	Supplied	9,019	11,154	6,023	4,295
	Abstracted	–	–	–	–
Water Financial Indicators					
Water supply costs		£18,000	£17,100	£18,399	£19,907

Our water consumption has decreased by 29%. Due to poor data we have not yet set a formal reduction target. Our new utilities monitoring platform will allow us to implement a target which is achievable for sites and monitor progress efficiently.

This year we have been implementing our Nature Improvement Plans while continuing to review the actions within each to ensure they are impactful, useful and achievable. Staff have engaged in nature walks, seed swaps and gardening. We are developing a proportionate monitoring framework to ensure consistency among our sites, to launch in early Spring 2026. Where possible, we will align with wider community projects.

In the new financial year, we aim to develop an Environmental Management System for our offices. Presently, we are conducting a gap analysis to help us focus our efforts.

Procurement is a significant lever for delivering value, sustainability and positive impact. As an Arm's Length Body, Historic England has a clear responsibility to ensure that public funds are used in a way that maximises social and environmental value, while meeting statutory and policy requirements.

To support this, we are strengthening our procurement approach through the development of practical tools and guidance for both buyers and suppliers. This work ensures that procurement decisions are sustainable, proportionate and compliant, and aligned with Government procurement priorities. So far, 33 contracts have been awarded that included carbon net zero within the evaluation criteria. Non-ICT procurement emissions have reduced by 1274 tCO₂e since last year.

As we become more mature in our understanding of climate risk and impacts, and improve our data collection and analysis, we will look at further metrics that might support our governance, such as energy intensity metrics for our archive and ICT systems and storage, chemical usage within the laboratory and archive, and more. This will allow us to monitor our climate impacts, without aiming to reduce our service quality.



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