

## IfA Recession Seminar

16 February 2009

Museum at Docklands, London

**Taryn Nixon (Museum of London)** welcomed the meeting and stated the aim of the day: to identify priorities for collective effort – what we in the sector (employers, employees, those responsible for understanding and caring for archaeology) can do to protect our people and our archaeology. We need tactics for survival, but also a recovery strategy – a plan for how we will develop and grow as we come out of recession.

**Noel Fojut (Historic Scotland)** set out HS priorities - to safeguard the historic environment, sustain their assets and continue to promote understanding and enjoyment of heritage in Scotland. They aim to lead by example local government heritage management and influence other central government departments as decisions are made affecting heritage. HS see potential for an increase in restoration projects (rather than new build) and a speeding up of the adoption of whole life energy costing for buildings. He questioned the scale of any impact on profits of the loss of speculative house building activity (always a low profit market) on archaeological businesses, but emphasised problems of cash flow and maintaining standards within the sector. Recruitment is frozen in HS, and after the recession the organisation will reassess roles and recruitment needs across the board. He stressed the importance of publicity and public involvement surrounding archaeological work on the Scottish Parliament project, which strengthens the position of archaeology for future infrastructure projects. These are due to be brought forward, with the underlying risk that archaeological services won't be able to service the demand if skills continue to be lost. He emphasised the importance of skills development/training projects to maintain the capacity of the sector. In this year's budget, HS will protect projects where:

- there is imminent threat of destruction of a site
- there is community involvement
- HS investment is small but leverage high
- there is a strong moral/legal commitment
- commitment is already well published
- a Trust or other organisation need the project to avoid collapse

Projects will not receive funding if:

- they involve little outreach
- they are being undertaken by large and well funded organisations
- where HS are the sole source of funding
- they involve call-off contracts providing services to authorities
- they are new projects

**Kenneth Aitchison (IfA)** produced figures on employment within the sector comparing present levels with the peak of the market in 2007. Data was taken from a (to be) quarterly IfA survey of archaeological organisations. Results of the first survey show that among commercial archaeologists 1 in 12 jobs have been lost so far, 1 in 20 for archaeology as a whole.

**Dave Allen (Prospect)** identified Prospect's long term objectives to defend jobs and long term business, proposing to assist archaeological businesses to deal fairly with issues of redundancy and business downsizing. Prospect aim to ensure that selection for redundancy is based on

clear process, good management practice, consideration of alternatives (including flexible working) and understanding of statutory obligations. His concern is also loss of workforce to the profession, in particular very specialist skills, and the potential impact of these losses on the long terms survival of employers. He suggested the possibility of making contractual arrangements for the future with staff to be made redundant.

**Roland Smith (FAME)** confirmed that many FAME members were experiencing a downturn in work, but that development continued and in certain areas, such as new energy and coastal and marine projects, prospects for new work were reasonable. He predicted that the immediate impact on fieldwork would filter through soon to PX work. He identified key problems to be the price sensitivity of the market in a sector where profitability, even in good times, has been poor, and the lack of barriers to professional practice. There was a risk that competitiveness could increase further with a rise in the number of low cost and low overhead organisations in the market place. Bad debt and poor cash flow were also major threats to practices, regardless of a full order book or good reputation. As there is currently no recruitment within the commercial sector across the UK, FAME also fears the long term loss of skills. There are also major concerns over the fall out from business failure, including uncompleted contracts, uncompleted post-excavation commitments and un-deposited finds and archives leading to a potentially significant loss of archaeological information and public benefit. FAME will seek to ensure that its members and the sector can come out of recession strengthened by

- collecting and providing more detailed data on the impact of the recession for FAME members
- working with others to ensure the new PPS and related documentation does not diminish the current commitments to the protection of the historic environment
- pushing for improvements to curatorial practice
- investing in training
- encouraging the retention of skills
- exploring avenues to support research and publication work given the spare resource within the sector
- lobbying for barriers to entry to professional practice, which is strongly supported by FAME's members

This will ensure that, while smaller, the sector will come out of the recession highly skilled, accredited and respected, it will value itself more highly, be rewarded better and be able to maximise public benefit.

**David Batchelor (English Heritage)** echoed HS commitment to ensure that the role of the historic environment is not lost in government initiatives to kick start the economy. EH aims to influence new agencies with development remits, while taking the long term strategy of identifying and protecting significant parts of the resource. He acknowledged that at out turn, there would be changes to the structure of the sector, with closer partnerships with IfA, IHBC and others. The downturn has brought current issues into focus – particularly issues of local delivery, the need for support of local authorities in their planning role, and the need for skills. EH funding resources will be carefully targeted towards these priorities, enabling authorities to take HPR forwards, supporting heritage champions, supporting HERs and ensuring that the new PPS will be effective in planning policy development as well as for planning decision making. Data is needed on what skills are being lost and what we will need as we come out of recession. EH also aims to work with the HE sector, making sure universities are turning out appropriate graduate and post graduate skills. Other funding will most likely be channelled to archive

protection, as well as projects such as characterisation which provide an important link and dialogue with planners.

**Alistair Dryburgh (Akenhurst Consultants)** opened the afternoon session by asking us to re-examine our business strategy, our market, and the role of leaders in the sector for dealing with the downturn. He asked the meeting to consider the advantages and pitfalls of business models based on cost leadership, on differentiation or on providing niche services. He also emphasised the importance of defining clearly market and product, to enable businesses to co-exist in the sector.

**Mike Heyworth (ATF)** provided an outline for discussion by making some observations about ATF and its priorities, and the framework for developing skills and individuals within the sector. He emphasised the importance of people to our business – skills are what we sell, and we rely on them. There is a need to focus more attention on continuing professional development and training – to aid businesses, individuals and the sector. He also noted a number of external organisations and structures which can provide support for archaeological organisations in relation to skills. His presentation can be downloaded below.

**Stewart Bryant (ALGAO UK)** set out the key recession issues from the Local Authority standpoint. He emphasised the dangers of discharging planning conditions with PX commitments extant. It is important for all the sector to work to influence new Planning Policy Statement to ensure that the principles of the current system are maintained and opportunities for improvement are realised. Local authority curators should ensure that all planning commitments are met irrespective of commercial pressures from developers and contracting entities ALGAO will work to provide more consistent curatorial advice between local authorities, and would like to help promote a less adversarial approach (Authority/Developer/Consultant and contractor) to the negotiation and delivery of planning led archaeology, and also that projects are delivered with a greater research justification. In order to deliver these improvements we need better standards and guidance for many aspects of planning and archaeology including curatorial work, and greater emphasis on public benefit. Stewart's presentation can be downloaded below.

**Peter Hinton (IfA)** summed up the key messages from the day, promising that future IfA strategy would reflect the key issues raised. Key messages included the human cost of the recession in terms of redundancy, and the blockage to career progression. Other messages included the need to pursue current efforts to gain government support for skills retention, training and development in the profession, as well as the need to maintain standards and to maximise public benefit. In terms of planning, pressure will be maintained to ensure that the historic environment is provided for, while acknowledging that it will not be allowed to stand in the way of major projects. Accreditation agenda is being encouraged by EH in order to maintain standards. Self regulation won't be enough – we need to look to the demand more – convince our clients of the importance of standards. Work together, incentivise good practice and look after our people.

### **IfA Recession Seminar: priorities for further action**

Those present agreed that the following should be recognised as priorities:

1. to ensure that redundancies are necessary through careful review within organisations, taking advice where needed
2. to retain skills as far as possible, in the understanding that those with best skills will be better positioned to respond when the situation improves

3. to investigate further what skills the sector as a whole will have, and what it will need at upturn
4. to ensure that recruitment standards are not lowered once the market picks up – rather that the value of proper skills be rewarded
5. to make the link between the planning process and quality/standards
6. to communicate public/social value of archaeology to those outside the profession
7. to create or support a new structure for the market for the future
8. to ensure that the PPS has teeth – grounded in precedent, and with strong enforcement (including the possibility of more frequent use of S.106s)
9. to ensure funding for PX, especially where SPVs are involved, perhaps through up front payment – through dialogue with the planning community
10. for all to make commitments not to undermine our own market by dropping prices, and place greater value on quality
11. to pursue the need for better model conditions
12. to ensure that organisations have sustainable business strategies
13. to look at and improve commercial risk management processes within businesses
14. to ensure the structure of the future market by defining market for each business clearly
15. to make more decisions based on the quality, not quantity of archaeological work that's achievable through the planning process
16. to understand our market better, through the advice and expertise of those outside it and within the he sector as a whole
17. to make the pitch for archaeology in new terms – terms that reflect current priorities and agenda