Heritage Market Survey 2014

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Heritage Market Survey 2014

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1 EXECUTIVE SUMMARY

This *Heritage Market Survey* report is on the State of the Market for Archaeological Services in 2013-14 and has been prepared by Landward Research Ltd on behalf of the Chartered Institute for Archaeologists, FAME and Historic England.

At the end of March 2014, the number of people working in archaeology was increasing and business confidence was high.

Employment

In total, it is estimated that the applied archaeology sectoral workforce grew by 3.0% between December 2012 and March 2014.

Over a comparable period, the number of archaeological staff providing expert advice to local planning authorities declined by 9.5% at a time when a shortage of heritage staff in local planning authorities is considered to be a major constraint on heritage projects.

Overall, these combined to result in the net number of people working in professional archaeology in the UK growing (by 1.0%) over the period from December 2012 to March 2014, to an estimated total of 4,830 individuals.

When taken in combination with the comments received on business confidence and experience, the increase in staffing can be interpreted as representing the end of the period of contraction that began in 2008 and the start of a genuine period of growth for the industry.

Financial Performance

Respondent organisations (FAME members and CIfA Registered Organisations) typically generated approximately £750,000 of revenue per annum, with none of this income being generated outside the UK.

Some particularly large turnover figures meant that the average (mean) UK turnover for an applied archaeology company in 2013-14 was £1.6m, with an additional 2% above that being generated from non-UK work.

Profit levels were low.

Market Sectors

The overwhelming majority of income (67%) came from private sector clients

The most important market sector was residential development, followed by energy.

Business Confidence

In all areas, business confidence in March 2014 was at its highest levels since this series of surveys began in 2008.

For the first time, more businesses had plans for expansion in the next twelve months than did not, and in the three other areas covered – increasing staff numbers, market conditions and expectations that sectoral businesses could fail – overall responses were more positive than they had been in any previous survey.

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Skills, training and qualifications

Fieldwork skills were those most commonly reported as being lost

The areas where training was focussed matched reasonably closely to the areas where skills were being reported as being lost - so these were skills gaps (skills that existing staff needed but lacked), and they were being tackled by investment in training.
In comparison with the areas where outside expertise was being bought in (skills shortages – where employers could not find staff with the relevant skills), fieldwork and post-fieldwork skills were being both bought in and internally trained up, but conservation (of materials) was much more likely to be bought in.

Perceptions

Respondents considered that the economic climate for development would improve in the 12 months of financial year 2014-15.

Typically, they thought their heritage teams would grow, and they were even more confident that their teams would not contract in size.

The majority of respondents thought that late payment of bills was an increasingly significant problem for their business, although non-payment had not been a significant problem for most businesses.

Respondents disagreed with the assertion that “current national planning policy frameworks weaken the case for heritage work and revenue levels”.

Broadly, respondents were unsure of whether Local Planning Authorities (LPAs) were unwilling to review their green belt boundaries.

They agreed that a shortage of heritage staff in LPAs was a major constraint on heritage projects.

Response rate

Response levels were moderate; in total, 88 organisations were asked to provide information and a total of 47 responses were received, although one was blank and four represented duplicate entries, so the total number of useable responses was 42, a response rate of 47.7%. However, not every respondent answered every question, so the response rate for some questions was even lower.

The factors that appeared to contribute most to the low response rate were – some new questions were being asked; the survey was asking for relatively old information (respondents were invited to remember sentiment and find financial information from a year earlier); busy time of year as some potential respondents replied that they had to concentrate on end-of-year reporting and budget setting, and weren’t able to devote resources to answering.

Future Work

This study will be repeated annually, starting in early summer 2015, collecting data from the end of the previous financial years on a cyclical basis until 2017-18 when it is intended that this will form part of the quinquennial *Profiling the Profession* project which gathers comparable data from the entire archaeological profession.

Contents

2 INTRODUCTION

Since the autumn of 2008, economic changes have impacted significantly upon archaeological practice in the UK.

The Chartered Institute for Archaeologists (CIfA) and the Federation of Archaeological Managers and Employers (FAME) have collected data on employment and skills issues in applied archaeological practice since October 2008. A series of nine quarterly surveys were initially conducted, gathering and presenting data from October 2008 to April 2011, and subsequently, CIfA and FAME commissioned Landward Research Ltd to gather data and to present six-monthly reports on the state of the archaeological market, the most recent of which (for December 2012)[1] was combined with the sector wide *Profiling the Profession 2012-13*[2] report.

The effects of the economic situation began to directly impact upon commercial, applied archaeology from 2008 onwards. In 2010 and 2011, the changing economic effects began to be felt in the fields of archaeological services to local authorities, in national heritage agencies and in universities. The full effects of these changes on employment patterns within archaeology were not made clear until results of the pan-sectoral *Archaeology Labour Market Intelligence: Profiling the Profession 2012-13* project revealed the depth of job losses across the whole sector.

The reports on those earlier surveys are available on the CIfA website via the Recession – managing and planning page and on the FAME website http://www.famearchaeology.co.uk/.

The Chartered Institute for Archaeologists continues to need up-to-date research to inform the Institute and its members about the effects of the economic situation on archaeology, in order to be best able to support their membership. The Federation of Archaeological Managers and Employers also seeks to provide market intelligence to its members to help them compete effectively.

Together with Historic England, CIfA and FAME have commissioned Landward Research Ltd to continue to analyse and evaluate the state of the market for archaeological services, examining employment, turnover, market segmentation and other relevant topics.

This exercise will be carried out on an annual basis over five years, collecting data for the entire UK on an annual basis for every year from 2013-14 up to and including 2017-18, when it is intended that the *Profiling the Profession* series of projects will continue their quinquennial cycle. It will also ensure that the data gathered will be able to contribute directly to an intended future *Profiling the Profession 2017-18* project, thus ensuring that the funders will have a full role in guiding the design and then delivery of that project. The report presented here is based on data gathered from FAME member organisations and CIfA Registered Organisations, who are considered to represent the majority of

[1] Aitchison, K. 2013. *State of the Archaeological Market December 2012*. Landward Research Ltd. http://www.landward.eu/State%20of%20the%20Archaeological%20Market%20-%20December%202012%20050913.pdf

[2] Aitchison, K. & Rocks-Macqueen, D. 2013. *Archaeology Labour Market Intelligence: Profiling the Profession 2012-13*. Landward Research Ltd. http://www.landward.eu/Archaeology%20Labour%20Market%20Intelligence%20Profiling%20the%20Profession%202012-13.pdf

employers working in commercial, client-funded applied archaeology. The data gathered applied on the 31st March 2014, and so this report is on the situation at the end of financial year 2013-14. Throughout, comparisons are made with the results of the most recent survey, the *Profiling the Profession 2012-13* exercise, which gathered data across the full spectrum of archaeological employers in the UK, from which the *State of the Archaeological Market December 2012* data, relating to the same survey population as the current report (FAME members and [C]IfA Registered Organisations) were extracted.

Data have also been incorporated from the English Heritage / ALGAO / IHBC "A sixth report on Local Authority Staff Resources"[3] which reported on archaeological staff advising local planning authorities in England.

2.1 Responses

In total, 88 organisations were asked to provide responses; 53 CIfA Registered Organisations and 73 FAME members. As several of these organisations are both CIfA ROs and FAME members, the total number of organisations approached is less than the total number of CIfA ROs plus FAME members.

The questionnaire was issued in February 2015, seeking data that applied on 31st March 2014, the end of financial year 2013-14. The questionnaire was deployed via a *Novisystems* online survey package, with automated reminder emails encouraging completion being sent periodically until 11th March 2015.

A total of 47 responses were received, although one was blank and four represented duplicate entries, so the total number of useable responses was 42, a response rate of 47.7%

2.2 FAME Membership

is your organisation a member of FAME?

27 of the 42 respondents were FAME members (64.3% of the respondents, 37.0% of the FAME membership).

2.3 CIfA Registered Organisations

is your organisation a CIfA Registered Organisation?

Of the 42 responses, 33 were from CIfA Registered Organisations (78.6% of the respondents). This represented 62.3% of CIfA Registered Organisations.

[3] Lloyd-James, O. 2014. *A sixth report on Local Authority Staff Resources*. EH / ALGAO / IHBC. http://ihbc.org.uk/recent_papers/docs/sixth-report-la-staff-resources.pdf

2.4 Constitution

The questionnaire asked about how respondent organisations were legally constituted. The largest set of responses came from private limited companies, and while this did not represent the majority of respondents, it must be noted that some respondent organisations are both private limited companies and registered charities and so could have marked either as their response.

how is your organisation legally constituted?

Constitution	**Heritage Market Survey 2014** March 2014		**State of the Archaeological Market** December 2012		**Profiling the Profession 2012-13** December 2012	
	18	44%	18	38%	44	19%
	1	2%	1	2%	2	1%
	7	17%	13	27%	22	9%
	5	12%	6	13%	69	29%
	4	10%	5	10%	25	11%
	6	15%	5	10%	72	31%
	41		48		234	

As employers, CIfA ROs and FAME members are significantly more likely to be private limited companies than is typical across the whole archaeological sector (as shown by the *Profiling the Profession* figures), and are much less likely to be constituent parts of local planning authorities.

Using the numbers of staff reported as being in employed on 31st March 2014 (managerial, professional, technical and administrative), the organisations that identify as being registered charities are, on average, the largest organisations in the sector.

Of the organisations reporting themselves as being "other" forms of organisations, three are partnerships or sole traders, one is a non-departmental public body, one is a professional association and one could potentially have reported as a registered charity.

Excluding the figures for "other" organisations, some of which are for-profit organisations and some not, the data show that while private limited companies are the most common form of enterprise represented, in this sector more people work for not-for-distributable profit organisations (charities, constituent parts of local planning authorities, constituent parts of universities).

staff numbers by organisational legal constitution

Constitution	**orgs**	**total staff**	**avg staff**

(orgs = number of organisations providing staffing data)

2.5 Location of Head and Subsidiary Offices

Respondents were asked about the locations of both their head office and of any subsidiary offices which were being included in their answers.

where is the head office of your organisation located?

Head Office Location	**Heritage Market Survey 2014** March 2014		**State of the Archaeological Market** December 2012		**Profiling the Profession 2012-13** December 2012	
East Midlands	2	5%	3	6%	13	6%
East of England	3	7%	3	6%	24	10%
Greater London	4	10%	4	8%	13	6%
North East England	0	0%	1	2%	12	5%
North West England	2	5%	1	2%	10	4%
South East England	6	15%	7	15%	32	14%
South West England	5	12%	7	15%	30	13%
West Midlands	5	12%	6	13%	17	7%
Yorkshire and the Humber	1	2%	4	8%	28	12%
Scotland	7	17%	6	13%	34	15%
Wales	4	10%	5	10%	14	6%
Northern Ireland	1	2%	0	0%	2	1%
outside the UK	1	2%	1	2%	3	1%
total	41		48		232	

With a slightly lower level of response than in the previous survey, the reported distribution of organisations delivering applied, commercial archaeological services had not changed substantially; no organisations reported being based in the north-east of England, and the number reporting as having head offices in Yorkshire and the Humber declined markedly while the proportions reporting being based in the north-west of England increased (but from a very low base), and for the first time a response was received from an organisation with a head office in Northern Ireland.

18 of 42 respondents reported having subsidiary offices. Of those that reported having subsidiary offices, the numbers of these ranged between one and six, an average of 2.8 for each organisation that reported that they had subsidiary offices. The existence of these subsidiary offices continues to be a major factor in the landscape of archaeological work, and must reflect the existence of working opportunities for companies in these areas.

are you also answering on behalf of any subsidiary offices? if so, please indicate where they are located?

Subsidiary Office Location	Heritage Market Survey 2013-14 March 2014		State of the Archaeological Market December 2012		Profiling the Profession 2012-13 December 2012	
East Midlands		10%		8%		6%
East of England		6%		8%		9%
Greater London		12%		6%		5%
North East England		6%		10%		8%
North West England		6%		10%		8%
South East England		10%		12%		10%
South West England		12%		16%		14%
West Midlands		8%		6%		8%
Yorkshire and the Humber		8%		8%		9%
Scotland		12%		10%		16%
Wales		10%		2%		5%
Northern Ireland		0%		2%		1%
outside the UK		2%		2%		2%
Total						

total numbers of offices reported by location

Location	Head Offices	Subsidiary Offices	Total	
East Midlands	2	5	7	8%
East of England	3	3	6	7%
Greater London	4	6	10	11%
North East England	0	3	3	3%
North West England	2	3	5	5%
South East England	6	5	11	12%
South West England	5	6	11	12%
West Midlands	5	4	9	10%
Yorkshire and the Humber	1	4	5	5%
Scotland	7	6	13	14%
Wales	4	5	9	10%
Northern Ireland	1	0	1	1%
outside the UK	1	1	2	2%
	41	51	92	

The data acquired cannot be disaggregated in terms of the numbers of individuals working at different offices, so this means that the geographical distribution of staff can only be presented on the basis of the head office locations.

These figures are heavily skewed by non-reporting of staffing numbers by some respondents – for example leading to the apparent absence of archaeological staff in Yorkshire and the Humber. Generally, there is a weak general reflection of the overall UK population pattern in the distribution of archaeologists' place of work, which represents the direct links between economic development activity and applied archaeological practice – the south-east and south-west of England are strongly represented by total staff, but London is not – and Scotland is overrepresented. The *Profiling the Profession 2012-13* figures, which gathered data from all sectors, are more useful for generating an overall picture of the geographical distribution of professional archaeologists across the UK.

staff numbers by head office location

Location	**Heritage Market Survey 2013-14** March 2014			**State of the Archaeological Market** December 2012			**Profiling the Profession 2012-13** December 2012		
		staff			staff			staff	
East Midlands	1	2.5	<1%	3	78	5%	21	295	12%
East of England	1	3	<1%	3	49	3%	10	81	3%
Greater London	2	10	1%	4	427	29%	9	311	12%
North East England	0	0	0%	1	24	2%	12	129	5%
North West England	2	18	2%	1	12	1%	9	200	8%
South East England	4	132.5	17%	6	288.3	20%	26	423	17%
South West England	4	296.5	37%	7	215	15%	24	253	10%
West Midlands	5	91.1	12%	6	68	5%	11	178	7%
Yorkshire and the Humber	0	0	0%	3	27	2%	25	202	8%
Scotland	5	168	21%	6	185	13%	29	335	13%
Wales	4	60.5	8%	5	82	6%	9	145	6%
Northern Ireland	1	8	1%	0	0	0%	2	8	0%
outside the UK	1	2	<1%	1	22	1%	2	295	12%
Total	30	792.1			1477.3			2560	

(orgs = numbers of organisations providing staffing data)

2.6 Years trading

Respondents were asked when their organisations began trading.

in which year did your organisation begin trading?

started operating	Heritage Market Survey 2013-14 March 2014		State of the Archaeological Market December 2012		Profiling the Profession 2012-13 December 2012	
18th century					1	1%
19th century			1	2%	4	2%
1900s	1	2%	1	2%	2	1%
1910s						
1920s					2	1%
1930s			1	2%	2	1%
1940s	1	2%	1	2%	2	1%
1950s			1	2%	2	1%
1960s	1	2%			3	2%
1970s	9	21%	15	32%	24	14%
1980s	3	7%	3	6%	19	11%
1990s	12	28%	8	17%	48	27%
2000s	11	26%	14	30%	49	28%
2010s	5	12%	2	4%	19	11%
total	43		47		177	

While only three of the respondent organisations began trading before the 1970s, and the majority began trading after the start of the 1990s, overall FAME members and CIfA Registered Organisations are typically mature enterprises – the median year for starting trading across the 43 respondents was 1996 (half had been trading for at least 18 years, and half less).

In comparison with the predecessor *State of the Archaeological Market* survey, which gathered data for December 2012, there has been a marked decline in the numbers (and relative proportions) of organisations that started trading before 1980. It cannot be established whether this represents these organisations leaving the market or whether they chose not to respond to the survey.

Examining the data for trading starts by organisational constitutions, it shows that the registered charities were typically founded in the "rescue" era of the 1970s, and that the majority of the respondent local planning authority organisations were also established by that time. All but one of the private limited companies started trading since the advent of developer-funded archaeology from 1990 onwards.

foundation dates by constitutional bases

	plc	ltd company	charity	part of lpa	part of university	other
1900s						1
1940s			1			
1960s				1		
1970s		1	4	2	1	1
1980s			1	1		1
1990s		9			1	2
2000s		7	1	1	1	1
2010s		4			1	

3 STAFF NUMBERS

Respondents were asked about staffing levels on March 31st 2014 and retrospectively, covering both UK and non-UK based staff. They were also asked about non-UK based staff, types of contracts used, relative levels of staff turnover and whether they thought departing staff had left the sector or not. They were also asked for retrospective data to ensure consistency with the previous survey, which had been incorporated into the pan-sectoral *Profiling the Profession* study in December 2012.

In total, it is estimated that the sectoral workforce had grown by 3.0% since the previous survey.

Separately, the number of archaeologists providing services to local planning authorities (technically, the number of full-time equivalent “archaeological specialists providing advice to local authorities”) fell by 9.5% in the year to early 2014.

When these figures are combined, it is estimated that the entire archaeological profession working in the UK grew very slightly over the period from December 2012 to March 2014, from a total of 4792 to 4830 professional archaeologists, an increase of 1.0%.

3.1 Employment

The survey asked a series of questions about staffing levels, enquiring about the numbers of staff working on 31st March 2014 covering both total numbers of UK staff and how many of them were fee-earners. They were also asked about non-UK based fee-earning staff.

3.1.1 Total Staff

How many full-time staff were based in your UK offices on 31 March 2014?

Please include all full-time or full-time equivalent staff, together with part-time staff, using estimates of full-time equivalency - for example, a member of staff working 2.5 days a week should be counted as 0.5.

Total UK staff (managerial, professional, technical and administrative)	**Heritage Market Survey 2014** March 2014		**State of the Archaeological Market** December 2012		**Profiling the Profession 2012-13** December 2012	
	Mar 14	Dec 12	Dec 12	Aug 07	Dec 12	Aug 07
number providing data	30	30	46	40	202	151
Total	792.06	769.24	1477.3	1858.05	2571.4	2563.2
Average	26.4	25.6	32.1	46.45	12.8	17.0

Data are also presented for comparison purposes that were gathered in the predecessor *State of the Archaeological Market December 2012* (directly comparable data from FAME Member Organisations and [C]IfA Registered Organisations and *Profiling the Profession 2012-13*, which gathered data from archaeological organisations in all subsectors of professional archaeology.

While less individuals were reported as working for respondent organisations in March 2014 than in December 2012, this is a reflection of fewer respondents having provided data.

In absolute numbers working for the respondents that did provide data for workforce size in March 2014 and December 2012, their workforces had increased on average by 3.0% over the period between the two surveys, which is then taken as a benchmark for the overall growth of the applied archaeological sector’s workforce.

3.1.2 Total Fee Earners

As well as being asked about the total numbers of all staff, respondents were also asked about the number of fee-earning staff, defined as *"Fee-earners: members of staff whose time can be billed to clients".* Only 26 respondents provided data for the numbers of fee-earners

UK-based fee earners working full-time

Total Staff	Total Fee-earners	
792.06	601	76%

n=25

Fee earners therefore make up 76% of the workforce at the respondent organisations. However, one of these responses was from a large public body, which reported zero staff as being fee earners. If this outlying record is removed from the calculations, then the recalculated figure is that 85% of the workforce are fee-earners for their employers.

UK-based fee earners working full-time (public body excluded)

Total Staff	Total Fee-earners	
709.56	601	85%

n=25

3.1.3 Overseas Staff

Respondents were asked how many of their full-time staff were permanently based overseas on 31 March 2014. This was a new question that had not been previously asked.

Only three respondents reported having fee-earners based outside the UK, and in two of those cases there was only one individual concerned – very much minorities of the total staff complements. The one other organisation providing data here reported having more non-UK fee-earners than were based in the UK; this was the one respondent organisation that was headquartered outside the United Kingdom.

Number of fee-earners permanently based outside the UK

	Fee-earners outside UK	Fee earners in UK
Total	13	156

3.1.4 Total Employment in UK Archaeology

The previously most recent published estimate for the total number of archaeologists employed in the UK was produced by *Profiling the Profession 2012-13*, which incorporated the data from *State of the Archaeological Market December 2012*.

This report allows an updated estimate of the total number of people working in applied, commercial archaeology to be produced, and this can be combined with the most recent estimates for curatorial archaeology to produce an overall estimate.

This report estimated that 2,896 individuals were working in commerical archaeology in March 2014, an increase of 84 individuals (3.0%) over the period since December 2012. The most recently published survey of staffing in local planning authorities (Lloyd-James 2014) considered that the number of archaeologists advising LPAs in England dropped by 9.5% in the year to early 2014; if this same rate of change is extrapolated across the whole UK, then that represents a total loss of 46 posts. The loss of local planning advisory posts has serious consequences for the entire sector, as the majority of respondents to this survey considered that “a shortage of heritage staff in LPAs is a major constraint on heritage projects” (see *7 Perceptions* below).

As no new data are available for archaeological employment in “other” sectors, the figures used in December 2012 are repeated unchanged here, so for all sectors combined there was a net increase of 1% in the number of people working in UK archaeology between December 2012 and March 2014.

total numbers of archaeologists in employment in the UK, 2007-2014

Mar-14
439
1495
2896
4830

While this is not the first time that the overall estimated total number of archaeologists in work has increased since this series of surveys began, as the first survey since *Profiling the Profession 2012-13* represented a major correction to the estimated totals in all categories, when taken in combination with the comments received on business confidence and experience, it can be interpreted as representing the end of the period of contraction that began in 2008 and the start of a genuine period of growth for the industry.

3.2 Contracts

how many of your members of staff were on each of the following types of contract on 31 March 2014?

	full-time		part-time		total	
permanent	621	66%	91	10%	712	76%
fixed term	202	21%	12	1%	214	23%
casual	13	1%	4	0%	17	2%
volunteer	0	0%	0	0%	0	0%
total	836	89%	107	11%	943	

Data were received on staff contracts from 30 respondents, relating to the contracts held by 943 employees.

Over three-quarters of staff were on permanent contracts, with 23% of fixed term (temporary) contracts, very few ‘casual’ staff and no reported volunteers.

89% of employees were on full-time contracts. Part-time contracts were slightly more common for permanent staff (13% of the total) than for fixed term staff (6%).

It would appear that enterprises working in the applied archaeology field did not rely on or seek to use the contribution of voluntary labour alongside their salaried staff.

Please note the apparent discrepancy between the total number of staff calculated on the basis of reported contracts is higher than the number reported under “total staff” (3.1.1); there is a degree of inconsistency in some of the respondents’ returns, but the discrepancy is mainly caused by the contracts table representing a head-count of individuals, rather than full-time equivalents (as reported in 3.1.1) and also by non-UK staff being included in the table above.

3.3 Staff turnover

Respondents were asked about the relative (not absolute) levels of staff turnover in the period since the previous survey.

what level of staff turnover did you experience between 14 December 2012 and 31 March 2014?

staff turnover	Heritage Market Survey 2014 March 2014		State of the Archaeological Market December 2012		Profiling the Profession 2012-13 December 2012	
none (all current staff were working for us six months ago)	4	14%	14	30%	144	71%
some (up to 10% of current staff were not working for us six months ago)	10	34%	23	49%	37	18%
moderate (up to 25% of current staff were not working for us six months ago)	10	34%	4	9%	12	6%
considerable (over 25% of current staff were not working for us six months ago)	5	17%	6	13%	10	5%
total	29		47		203	

The relative levels of 'churn' in applied archaeology remain high, with only 14% of respondents reporting that all of their staff had been working for them at the time of the previous survey (although it has now been noticed that there was an error in the question – at the heading, it asked about change since the previous survey [15 months before], while the detailed questions asked about six months before).

This high churn rate was noted in the previous survey, which directly compared the data received from FAME members and CIfA Registered Organisations with the archaeological profession as a whole, and churn has increased since the previous survey, indicating a more dynamic labour market in the context of expanding company workloads.

3.4 Staff lost from the sector

Respondents were asked whether they believed that staff who had formerly worked for them were still working in archaeology or not.

If you lost staff in the period between 14 December 2012 and 31 March 2014, do you believe that these people left the profession or stayed within it with different employers?

staff destinations	**Heritage Market Survey 2014** March 2014		**State of the Archaeological Market** December 2012		**Profiling the Profession 2012-13** December 2012	
all found alternative employment within archaeology	8	36%	8	25%	10	14%
most found alternative employment within archaeology	9	41%	13	41%	10	14%
even split between leaving the profession and finding alternative employment within archaeology	4	18%	2	6%	10	14%
most left the profession	0	0%	5	16%	19	26%
all left the profession	1	5%	4	13%	25	34%
total	22		32		74	

Respondents believed that nearly all of the people that had left them had found alternative employment within the archaeological sector. In comparison with previous periods of high turnover of staff, this is much more positive for the sector as a whole – previously, skilled staff were generally thought to be being lost from the industry.

This sentiment is reinforced by some of the further comments received on this question:

3 working within archaeology, 1 has found an alternative career

N/A

No-one left.

Not all are archaeologists or allied. Some retirements as well as people leaving for other jobs, or placements and interns whose time with us was completed.

One individual took up a three-year PhD place.

one left to undertake phd in archaeology

several new staff were taken on over the 2013/2014 period under fixed term contracts and then once those contracts were up we couldn't keep the staff on.

Staff left to develop their careers elsewhere, to emigrate to Canada (and found employment in archaeology there)and to undertake PhD

We believe that the FTE figure for 2012 is correct, but can't find our return to corroborate. Staff turnover has been low, with only one or two staff leaving (alternative employment within the profession)

3.5 Salaries

Respondents were asked whether salaries had typically risen or fallen during the fifteen months since December 2012. This was specifically not a question about total salary bills, as those would be directly influenced by the number of personnel on the payroll.

did salaries at your organisation typically rise or fall between December 2012 and March 2014? (NB - not total salary bill)

salary changes	**Heritage Market Survey 2013-14** March 2014		**State of the Archaeological Market** December 2012		**Profiling the Profession 2012-13** December 2012	
risen by above inflation	9	29%	9	19%	26	13%
risen by inflation	9	29%	17	36%	41	20%
unchanged	13	42%	16	34%	103	51%
fallen by up to 10%	0	0%	5	11%	20	10%
fallen by over 10%	0	0%	0	0%	12	6%
total	31		47		202	

In March 2014, no respondents reported salaries having fallen. This was the first time that this had happened since these data began to be collected, and is a significant indicator of the confidence that the sector was feeling. While a significant minority reported that salaries had remained unchanged – and so had fallen in real terms – the majority of respondents considered that salaries had risen, either by inflation or by more.

In terms of the average sizes of the workforce at the organisations where data on salary changes are available, the organisations where salaries were unchanged were typically slightly larger than those where salaries rose.

salary changes March 2014	organisations	individuals	average size of workforce

3.6 Charge-out Rates

Respondents were asked about any changes to their charge-out rates in the year ending 31st March, and then about how they anticipated they would change in the next year.

How did your charge out rates change in the year to the end of March 2014?

- *by what percentage did your charge-out rates increase (+) or decrease (-) over the year ending 31 March 2014?*
- *by what percentage did you or do you anticipate that your rates will increase (+) or decrease (-) over the year ending 31 March 2015?*

	Change to March 2014	**Change to March 2015**
range	0.0% - 15.0%	0.0% - 10.0%
mean	2.9%	3.3%
median	1.9%	2.2%
mode	0.0% (12 responses)	0.0% (7 responses)

Many respondents entered 0% as their answers for one or both of these questions (please note the software used is able to distinguish between an answer of "0" and a null, no answer response).

In March 2014, the annual UK inflation rate (CPI) was 1.4%[4], and typically, respondents had increased their charge-out rates in 2013-14 by more than this amount.

Typically, respondents expected to increase their charge-out rates by more than (the March 2014 rate of) inflation in 2014-15. It would appear that this is another indication of growing confidence, as businesses plan to expand sustainably by increasing relative as well as absolute income levels in a period of planned growth.

[4] http://www.rateinflation.com/inflation-rate/uk-historical-inflation-rate accessed 13th May 2015

4 FINANCIAL PERFORMANCE

Respondents were asked a series of questions about their organisation's financial performance in financial year 2013-14. It was recognised that some respondents might be reluctant to release such information (even though the responses were anonymous).

The average amount given for annual turnover (for 2013-14) by respondents was slightly lower than had been the case in the most recent data collection exercise, which gathered data for 2011-12 – but the data gathered in 2011-12 were from organisations that had larger workforces on average. Reported turnover per employee actually increased over this period.

Reported profit (or surplus) levels continued to be relatively low.

In terms of business activity, residential development was very clearly the biggest market sector, and the largest source of funding by far was the private sector.

4.1 Turnover

17. What was your annual turnover (in £m) in financial year 2013-14?

if your accounting period does not run from April to March, please indicate fee income for nearest 12-month period for which audited figures are available, making clear which period they cover. Guidance on types of work to be included is in the Note to Respondents appended to this form. If your fee income for the year exceeded £5 million, we will require ask you to provide a breakdown of at least part of this fee income in section

your UK turnover in year ending 31 March 2014
your turnover from non-UK sources (including Republic of Ireland) in year ending 31 March 2014

	range	mean	median	n=
UK Turnover	£68,000 - £6,578,420	£1,641,720	£740,935	20
non-UK turnover	£0 - £6,578,420	£32,977	£0	18; 15 reported zero return

Respondent organisations typically turned over around £3/4m per annum, with none of this income being generated outside the UK. However, some particularly large turnover figures meant that the average (mean) UK turnover for an applied archaeology company in 2013-14 was £1.6m, with an additional 2% above that being generated from non-UK work.

In comparison with the previously collected data (in 2012-13), the average levels of turnover reported by respondents had decreased.

	annual (UK) turnover			source
	n=	average	change	
2013-14	20	£1.64m		Heritage Market Survey March 2014
2012-13	no data available			
2011-12	33	£1.71m	-6.6%	State of the Archaeological Market December 2012
2010-11	32	£1.83m	-4.2%	State of the Archaeological Market December 2012
2009-10	32	£1.91m		State of the Archaeological Market December 2012

However, the organisations which provided these data for 2013-14 had, on average, fewer staff than those providing the information in 2012-13 – on average, an organisation providing turnover data in 2013-14 had 29.2 members of staff, while the comparator organisations in 2011-12 had 32.1 members of staff.

Average turnover per member of staff	
2013-14	£56,237
2011-12	£53,271

It could therefore be weakly argued that turnover levels in fact increased between December 2012 and March 2014.

Respondents were bullish about future turnover prospects, with typical expectations for 2014-15 of 6% increases (and with some very optimistic estimates raising the mean anticipated change to above 8%). They also typically reported that they had made small non-client contributions to annual turnover (equating to 1.3% on average).

predicted % change in turnover between years ending 31 March 2014 and 31 March 2015

your contribution to the community, public archaeology and education which has not been paid for directly by a client

	range	mean	median	n=
anticipated change	-47.0% to +100.0%	+8.2%	+6.0%	24
non-client contributions	£0 - £175,000	£21,113	£0	18; 10 reported zero returns

4.2 Profit levels

Respondents were asked about the levels of profit (or surplus, for not-for-profit enterprises) realised in financial year 2013-4.

your surplus (plus or minus) in the year ending 31 March 2014

	range	Mean	median	n=
surplus	-£3,000 to £251,000	£31,582	£0	24; 8 reported zero returns

Three of the 24 responding organisations reported negative figures, representing absolute losses, while eight reported no surplus or loss.

level of profit (surplus)	Heritage Market Survey 2013-14 March 2014		State of the Archaeological Market December 2012		Profiling the Profession December 2012	
<5%	18	75%	28	70%	15	75%
5-10%	3	12%	9	23%	3	15%
10-25%	3	12%	2	5%	2	10%
>25%	0	0%	1	3%	0	0%
total	24		40		20	

In comparison with the previous survey, the majority of respondents continued to report having generated very low levels of profit, and the overall figures suggest a slight decline in profitability since December 2012.

4.3 Areas of activity (turnover)

Please estimate your UK turnover from the following sources in the year ending 31 March 2014

	n=	total	%	mean
central government departments and agencies	18	£5,188,348	14%	£288,247
other public bodies (including universities, public-private partnerships and local enterprise partnerships)	19	£1,950,526	5%	£102,659
community groups (including HLF projects, town and parish councils and neighbourhood forums)	21	£1,080,494	3%	£51,452
district, county or unitary councils (local planning authorities)	20	£1,704,683	5%	£85,234
national agencies (EH, HS, Cadw etc)	19	£2,377,237	6%	£125,118
private sector clients (including third parties)	22	£24,678,665	67%	£1,121,757
aggregate total	**23**	**£36,979,953**		**£1,607,824**

Of 23 respondents to this question, nearly all had secured some income from each of the six defined areas of turnover activity. Funding from private sector clients represented the overwhelming majority (two thirds) of the total estimated income reported.

4.4 Market Sectors

The survey sought detailed information on which market sectors were generating income for the respondent organisations.

Please do not include non-UK turnover in this section
*In the column headed "**UK income**", please indicate your UK income in the year ending 31 March 2014 for the work in each of the sectors listed.*

> *To avoid double counting, please do not include fee income from any commission in more than one box. The total for this column must not exceed total fee income reported under turnover in the question above. If you are unsure about which sector to attribute a particular commission to, please refer to the Note to Respondents below.*
> *In the two columns headed "**growth estimates**", please estimate percentages of growth (+) or decline (-) in the UK market in 2013-14 for services in each of the sectors listed.*

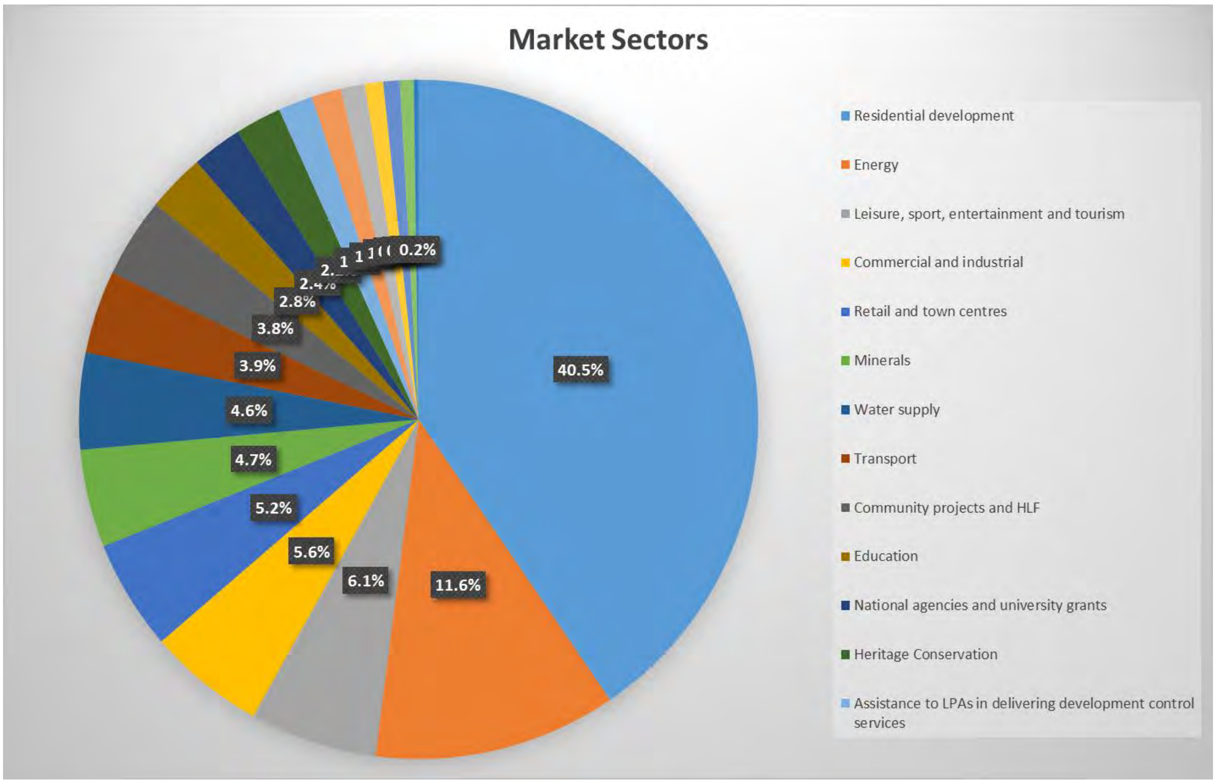
category	total	range	average	n=
Residential development	£6,197,262	£0 - £2,407,389	£516,439	12
Commercial and industrial	£854,087	£0 – £253,399	£85,409	10
Retail and town centres	£802,939	£0 - £622,939	£114,706	7
Leisure, sport, entertainment and tourism	£927,289	£0 - £686,289	£115,911	8
Minerals	£713,933	£0 - £240,000	£89,242	8
Waste	£120,233	£0 - £58,000	£17,176	7
Transport	£604,781	£0 – £316,749	£86,397	7
Energy	£1,773,377	£0 - £1,108,620	£177,338	10
Telecommunications	£34,563	£0 - £29,563	£5,760	6
Water supply	£703,978	£0 - £561,701	£87,997	8
Education	£422,039	£0 - £152,039	£70,340	6
Health	£216,213	£0 - £185,826	£36,035	6
Community projects and HLF	£850,733	£0 - £300,000	£70,894	12
National agencies and university grants	£786,580	£0 - £420,161	£87,398	9
Local authority initiatives	£100,291	£0 - £34,702	£12,536	8
Other research and public archaeology [*]	£4,421,945	£0 - £4,288,293	£442,194	10
Heritage Conservation	£337,087	£0 - £200,000	£37,454	9
Assistance to LPAs in delivering development control services	£251,675	£0 - £120,000	£31,459	8
Any other services not categorised above	£1,418,864	£0 - £1,244,498	£157,651	9
aggregate total	£21,537,870	£68,000 - £6,778,422	£1,435,858	15

Note: [*] these figures are skewed by the return of one large public body, which provided a response that represents >95% of the total for "other research and public archaeology". The returns from that body have been redacted from the revised table below and figure below to produce a set of figures that more accurately represents the market sectors where applied commercial archaeological practices were working in 2013-14. The table has been ranked by total, aggregate levels of income by category.

category	total	%	range	average	n=
Residential development	£6,197,262	40.5%	£0 - £2,407,389	£516,439	12
Energy	£1,773,377	11.6%	£0 - £1,108,620	£177,338	10
Leisure, sport, entertainment and tourism	£927,289	6.1%	£0 - £686,289	£115,911	8
Commercial and industrial	£854,087	5.6%	£0 – £253,399	£85,409	10
Retail and town centres	£802,939	5.2%	£0 - £622,939	£114,706	7
Minerals	£713,933	4.7%	£0 - £240,000	£89,242	8
Water supply	£703,978	4.6%	£0 - £561,701	£87,997	8
Transport	£604,781	3.9%	£0 – £316,749	£86,397	7
Community projects and HLF	£583,272	3.8%	£0 - £300,000	£53,024	11
Education	£422,039	2.8%	£0 - £152,039	£70,340	6
National agencies and university grants	£366,419	2.4%	£0 - £105,242	£45,802	8
Heritage Conservation	£337,087	2.2%	£0 - £200,000	£37,454	9
Assistance to LPAs in delivering development control services	£251,675	1.6%	£0 - £120,000	£31,459	8
Health	£216,213	1.4%	£0 - £185,826	£36,035	6
Any other services not categorised above	£174,366	1.1%	£0 - £73,908	£21,796	8
Other research and public archaeology	£133,652	0.9%	£0 - £50,000	£14,850	9
Waste	£120,233	0.8%	£0 - £58,000	£17,176	7
Local authority initiatives	£100,291	0.7%	£0 - £34,702	£12,536	8
Telecommunications	£34,563	0.2%	£0 - £29,563	£5,760	6
aggregate total	**£15,317,457**		**£68,000 - £6,778,422**	**£1,178,266**	**14**

Residential development represented the largest market sector by far, accounting for over 40% of income, followed by energy; together income from these two sectors represented more than half of the reported revenue of the respondent organisations.

The significance of energy as a category shows the importance of on- and off-shore energy production projects to applied archaeology; conversely, telecommunications, which had (anecdotally) been a significant provider of archaeological work, was the category generating the lowest total income of all the identified market categories.



These data are particularly important in illustrating demand for archaeological services as there have not been any comparable datasets published for nearly 20 years, and the data from the 1990s were generated from numbers of projects rather than value.

At that time, “Development” – including all non-infrastructural construction work – led to 40% of archaeological work, with “Services”, “Roads” and “Mineral Extraction” the next most significant sectors – followed by “Golf courses” development (figures published in Darvill & Fulton 1998[5]:118 and McGill 1995[6]:36).

Archaeological work – threats and responses in the 1990s	**threat**	**response**	
Development and urbanisation Demolition Industry Building alteration	22.5% 15.1% 3.0% 1.7%	40%	Development
Road-building	7.3%	15%	Roads
		16%	Services
Mineral extraction	7.1%	6%	Mineral extraction
		6%	Golf courses
Agriculture Natural processes Forestry Military damage Visitor erosion Vandalism	8.5% 3.0% 0.4% 0.2% 0.1% 0.1%	17%	Other
Unknown	30.5%		
	100%	100%	

[5] Darvill, T. and Fulton, A. 1998. *The Monuments at Risk Survey of England 1995: Main Report*, Bournemouth & London: Bournemouth University and English Heritage.
[6] McGill, G. 1995. *Building on the Past: a guide to the archaeology and development process*, London: E& FN Spon.

5 BUSINESS CONFIDENCE

In March 2014 Business confidence in applied archaeology was at its highest since this series of surveys began in 2008. For the first time, more businesses had plans for expansion in the next twelve months than did not, and in the three other areas covered – increasing staff numbers, market conditions and expectations that sectoral businesses could fail – overall responses were more positive than they had been in any previous survey.

5.1 Staffing Levels

At the end of March 2014, did you anticipate any changes to your staffing levels over the next year (to 31 March 2015)?

change in staffing	**Heritage Market Survey 2013-14** March 2014		**State of the Archaeological Market** December 2012		**Profiling the Profession 2012-13** December 2012	
	13	57%	18	42%	29	15%
	8	35%	21	49%	139	74%
	2	9%	4	9%	21	11%
	23	+48%	43	+33%	189	+4%

Don’t know or no answer excluded

Comments received:

We could see that the value of tenders, particularly in housing, was picking up and that there were some larger infrastructure projects on the horizon.
Loss of a major funder has meant a reduction in staff nos.

The proportion of respondents who have expected to maintain or increase staff levels has consistently improved in every survey since April 2012, and is now at its highest level since this series of surveys began in 2008. The overall sentiment in this area has always been positive, as at every survey point more businesses expected to maintain or increase their staff numbers in the forthcoming period than anticipated losing staff.

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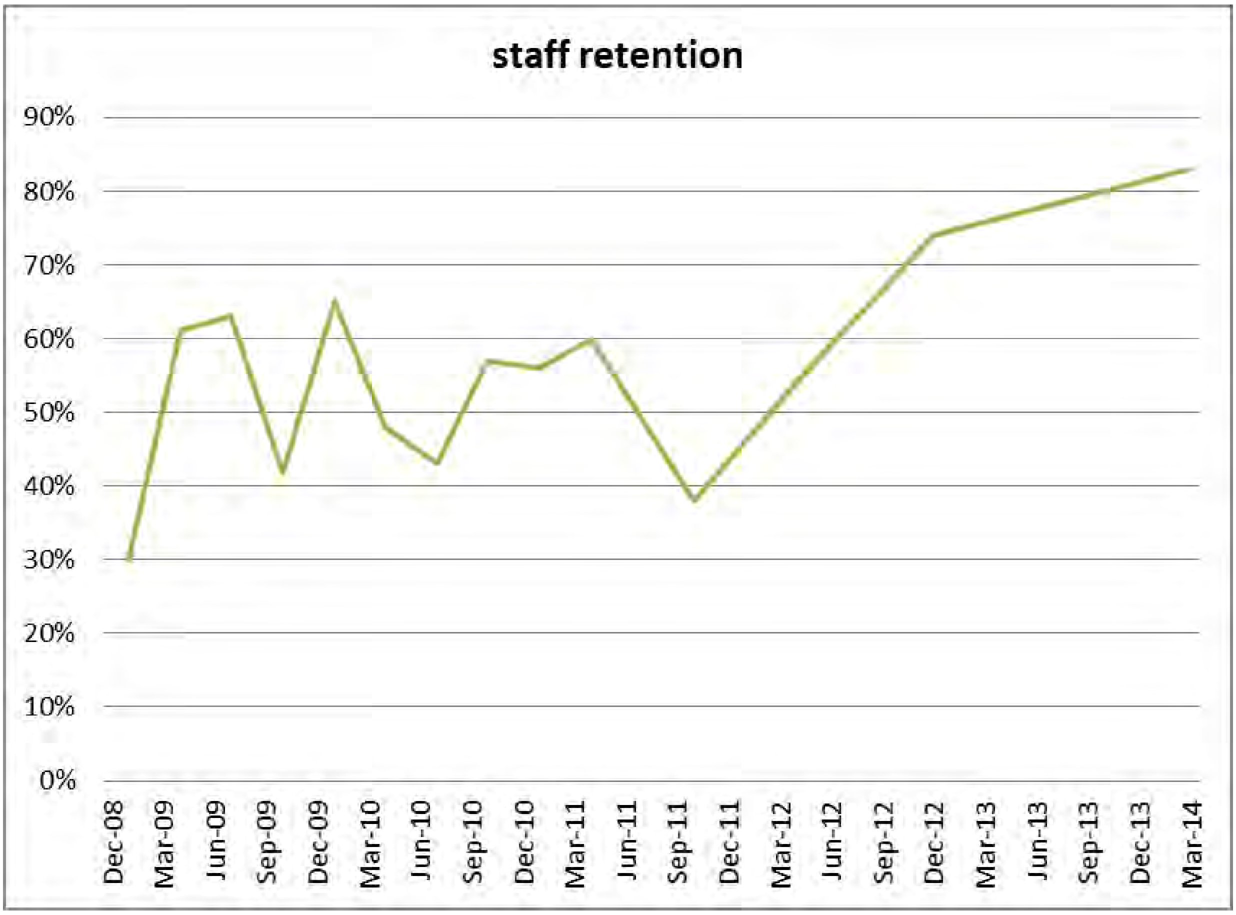
Note the graph below represents the proportions of respondents that expected to either increase or maintain staff numbers minus the numbers that expected to lose staff in the forthcoming period – a positive result is considered to either be maintenance or growth; it is not calculated as the number expecting to have more staff minus the numbers expecting to become smaller.



5.2 Market Conditions

On 31 March 2014, did you believe that market conditions would deteriorate over the next 12 months? (to 31 March 2015)

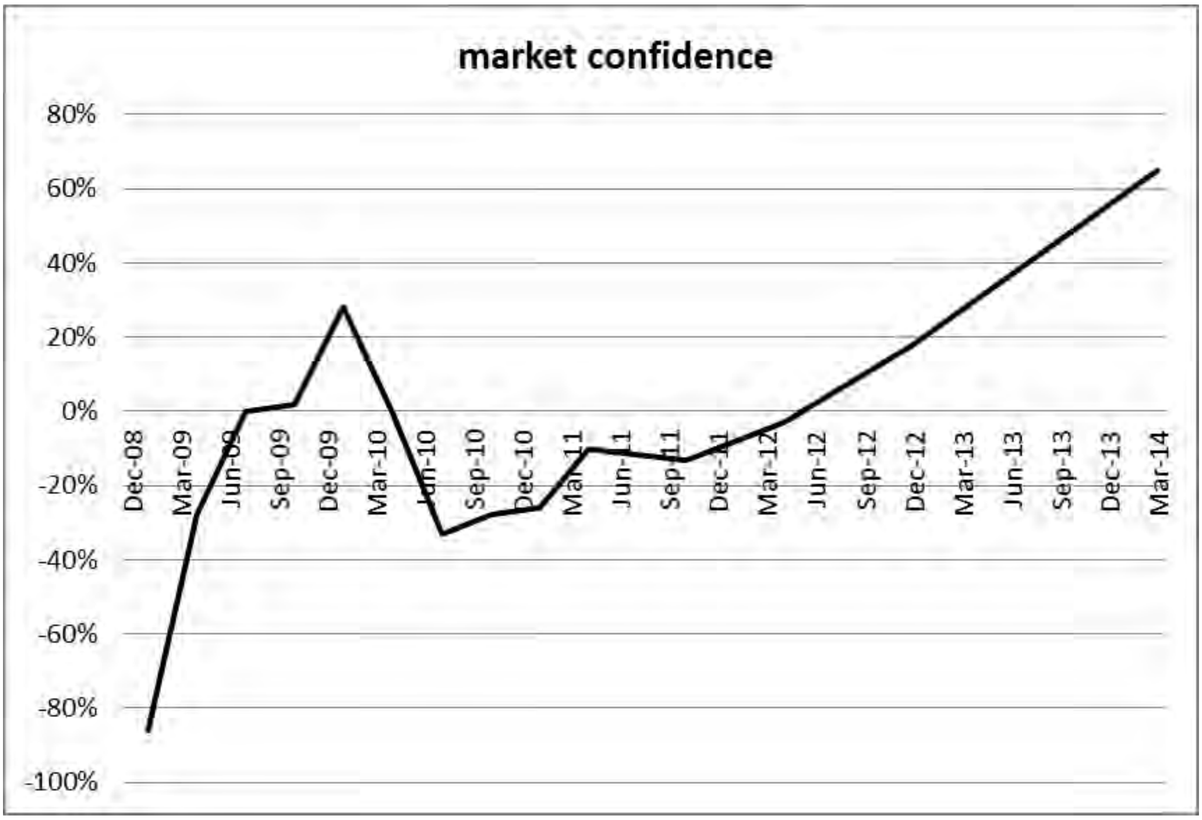
market conditions	Heritage Market Survey 2014 March 2014		State of the Archaeological Market December 2012		Profiling the Profession 2012-13 December 2012	
the market will deteriorate	3	13%	13	30%	82	45%
the market will not deteriorate	18	78%	21	48%	58	32%
don't know	2	9%	10	23%	41	23%
total	23	+65%	44	+18%	181	-13%

Comments received:

We have seen a big, and positive, change over the last 18 months
We are looking at an uncertain future as RCAHMW have finished the Upland Survey funding and single farm-based wind turbines will probably fall off as tariffs changes.
The squeeze and local and national government finances are beginning to have a severe effect on our finances.

While two individual comments are relatively negative, the comment that there had been a “big, positive change” appears to reflect the sector’s confidence in how they saw the market further developing in the year to come.

In December 2012, more respondents considered that market conditions would improve than deteriorate – that was the first time since January 2010 that the sector had reported this. Previously, more respondents had expected future deterioration than improvement, and by March 2014, attitudes had become even more positive. Overall, confidence in the sector has been increasing in every survey since September 2011.



5.3 Businesses Ceasing Trading

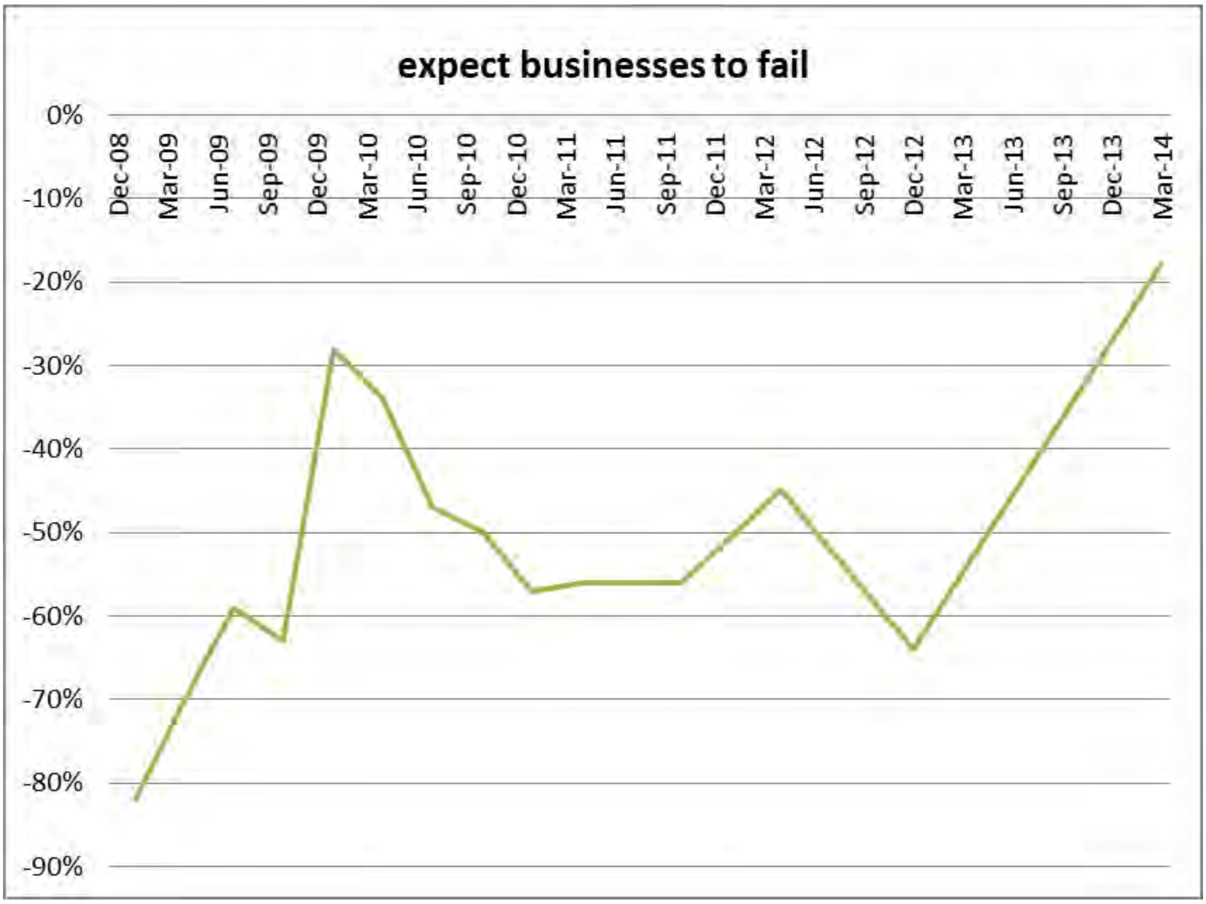
Since the start of this series of surveys, respondents have been asked if they expected any archaeological practices to cease trading in the next 12 months. In the earliest iterations of the survey, an overwhelming – near universal – majority of respondents expected that this would happen.

In March 2014, more respondents believed that some businesses would fail in the next year than did not, which continued the negative perception that responses to this question has given in every survey since it was first asked in 2008. However, while the overall opinion is still negative – more expect failure than not – attitudes were actually more positive in March 2014 than they had been at any time in the whole period that these data have been collected.

At the end of March 2014, did you expect any archaeological practices to cease trading over the next 12 months?

businesses ceasing trading	Heritage Market Survey 2013-14 March 2014		State of the Archaeological Market December 2012		Profiling the Profession 2012-13 December 2012	
yes	11	48%	32	73%	136	74%
no	7	30%	4	9%	9	5%
don't know	5	22%	8	18%	38	21%
total	23	-18%	44	-64%	183	-69%

Aggregate responses to this question have risen and fallen considerably over time, from very negative views when it was first asked in 2008, improving through 2009 and then declining from the spring of 2010 until the winter of 2012 – with the March 2014 responses providing the most marked change between surveys.



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5.4 Expansion

Respondents were asked about planning for future business expansion.

Did you have any plans to expand your business significantly over twelve months from April 2014 (e.g. in premises, vehicles, capital equipment)?

expansion plans	Heritage Market Survey 2013-14 March 2014		State of the Archaeological Market December 2012		Profiling the Profession 2012-13 December 2012	
yes	11	48%	16	36%	30	17%
no	7	30%	28	64%	140	79%
don’t know	5	22%	0	0%	8	4%
total	23	+18%	44	-28%	178	-62%

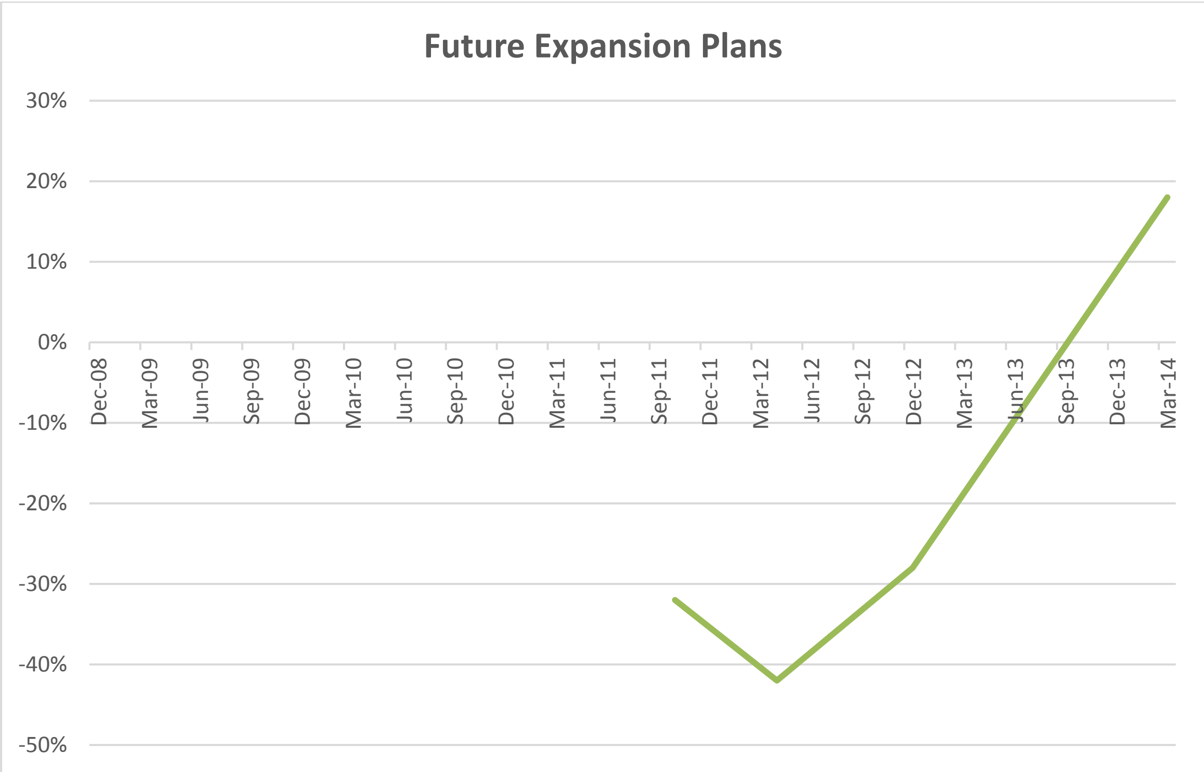
Overall, respondents were typically positive about their future business expansion plans.

Comments received:

We're in the process of winding down our commissioning arm and are finishing off previously commissioned work.
Services and premises space
We did later find it necessary to recruit staff
We are due to merge with another government body (Historic Scotland) to form a new Non-departmental Public Body.
As part of a wider development including a university department, not in response to market-led conditions
We have purchased and are renovating new offices. This is being done out of our reserves. This will result in reducing our overheads, and thus make us more competitive. At the moment we rent our offices.
With a bit more confidence in the market we feel that the time is right to revisit our plans for the future.

The respondent comment “With a bit more confidence in the market we feel that the time is right to revisit our plans for the future” captured the collected views of the sector very well.

These data have only been obtained since October 2011, and following an initial downturn, attitudes have become increasingly positive with every survey from March 2012 onwards, to the point that the March 2014 survey has been the first to return more respondents planning to expand their business than not.



6 SKILLS TRAINING AND QUALIFICATIONS

The survey sought to identify which areas of skills were being lost to the sector, where skills were being bought in (skills shortages) and where organisations were seeking to address the issue through training (skills gaps). Respondents were then asked in general terms whether they considered there were particular areas with skills problems across the sector.

6.1 Areas of skills losses

As in every previous iteration of this survey, fieldwork skills continued to be the area of skills loss most frequently reported, with over half of the CIFA Registered Organisations / FAME members that reported losing skills during the year to March 2014 identifying fieldwork as being an area where they lost skills. Post-fieldwork analysis continued to be the second most-frequently reported area of skills loss.

A potential explanation for these being the skills areas where losses have consistently been reported is the nature of employment and project work. The people working in these areas will sometimes be recruited on relatively short contracts, and may then leave the organisation when those projects end – thus repeatedly resulting in skills losses, before this can be addressed by new staff are recruited.

In the twelve months to the end of March 2014, did your organisation lose skills in any of these areas?

	Heritage Market Survey 2013-14 March 2014		**State of the Archaeological Market** December 2012		**Profiling the Profession 2012-13** December 2012	
fieldwork (invasive or non-invasive)	9	69%	8	53%	13	33%
post-fieldwork analysis	4	31%	6	40%	10	25%
artefact or ecofact conservation	1	8%	3	20%	7	18%
providing advice to clients	1	8%	4	27%	11	28%
desk-based or environmental assessment	1	8%	3	20%	6	15%
data management	2	15%	2	13%	10	25%
other	3	15%	1	7%	3	8%
total respondents	13		15		40	

"other" skills reported as being lost:

Management
Outreach
we reinforced skills in all these areas

6.2 Areas of skills buy-in

As seen in previous iterations of this survey, artefact or ecofact conservation continues to be the area where expertise is most often bought in from external providers (and is done so by the majority of respondents who identified that they do buy skills in). Conservation is less of a priority for in-house training, suggesting that it is very much the norm for this to be provided by subcontractors.

50% of respondents also identified that they were buying in fieldwork skills, with nearly as many buying in post-fieldwork analysis skills, suggesting that increased demand for fieldwork and post-fieldwork services was leading to this being frequently bought-in as a complement to in-house staff development in these areas.

In the twelve months to the end of March 2014, did your organisation have to buy-in skills in any of these areas?

skills bought in	**Heritage Market Survey 2014** March 2014		**State of the Archaeological Market** December 2012		**Profiling the Profession 2012-13 December** 2012	
fieldwork (invasive or non-invasive)	9	50%	15	39%	45	41%
post-fieldwork analysis	8	44%	17	45%	56	51%
artefact or ecofact conservation	12	67%	23	61%	47	43%
providing advice to clients	2	11%	0	0%	2	2%
desk-based or environmental assessment	4	22%	3	8%	11	10%
data management	0	0%	2	5%	10	9%
other	1	0%	3	8%	11	10%
total respondents	18		38		110	

"other" skills reported as being bought in:

We did not routinely buy in external skills other than occasional remote sensing, C14 and Quest type stuff

6.3 Areas of training

In the twelve months to the end of March 2014 did your organisation invested in skills training in any of these areas?

training investment	Heritage Market Survey March 2014		State of the Archaeological Market December 2012		Profiling the Profession 2012-13 December 2012	
fieldwork (invasive or non-invasive)	12	57%	15	38%	29	25%
desk-based or environmental assessment	11	52%	12	31%	19	17%
data management	9	43%	7	18%	25	22%
post-fieldwork analysis	9	43%	12	31%	28	25%
providing advice to clients	7	33%	3	8%	16	14%
artefact or ecofact conservation	6	29%	7	18%	14	12%
other	7	33%	7	18%	14	12%
total respondents	21		39		114	

The following 'other' skills were identified as having been areas where organisations invested in training:

community archaeology
Education and collections-care skills
heritage management
H&S, business skills
H+S (Fire safety First Aid, CSCS, Deck awareness, MIDAS driving etc) Safeguarding, Equalities training
Project Management
Reporting and general project management skills

The majority of respondents had invested in both fieldwork training and desk-based or environmental assessment training, with very substantial minorities having also invested in data management and post-fieldwork analysis.

In comparison with earlier surveys, a much higher proportion of FAME members and CIfA Registered Organisations were investing in training – reflecting an overall more positive experience of the working environment, with organisations typically expanding and increasing the amount of fieldwork (and pre- and post-fieldwork) that they were undertaking.

Across a relatively small sample, the areas where training was focussed matched reasonably closely to the areas where skills were being reported as being lost - so these are skills gaps (skills that existing staff need but lack), and they are being tackled by investment in training.

When areas of skills training are compared to the areas where outside expertise was being bought in (skills shortages – where employers cannot find staff with the relevant skills), fieldwork and post-fieldwork skills are being both bought in and internally trained up, but conservation was much more likely to be bought in. Looking at the other skill areas where training was taking place, in addition to some narrowly technical areas, respondent organisations were often training staff in professional managerial skills (financial and project management), areas where skills were not reported as being bought in from external suppliers.

6.4 Skills issues across the sector

Respondents were asked about their perceptions of skills issues across the archaeological sector. The phrase "skills shortages" was used here in the questionnaire; this can have a technical definition relating to a problem skills area that is addressed through bringing in external expertise, but here was considered to refer to areas where there is a general underprovision of skilled labour.

On 31 March 2014, did you think there were skills shortages across archaeological practice in any of these areas?

skills issues	Heritage Market Survey March 2014		State of the Archaeological Market December 2012		Profiling the Profession 2012-13 December 2012	
fieldwork (invasive or non-invasive)	5	36%	10	31%	35	28%
post-fieldwork analysis	8	57%	14	44%	60	47%
artefact or ecofact conservation	3	21%	9	28%	39	31%
providing advice to clients	4	29%	10	31%	32	25%
desk-based or environmental assessment	4	29%	8	25%	25	20%
data management	1	7%	10	31%	35	28%
other	4	29%	3	9%	7	6%
Total respondents	14		32		127	

"Other" areas where skills issues were identified:

Financial sustainability planning
loss of local government staff
Project management
there is always scope to enhance skills - and it has been difficult to recruit Project Managers

Previously, respondents from CIfA Registered Organisations and FAME members had been much more likely to consider that there were skills issues across the archaeological profession as a whole than to identify them within their own organisation. That trend is no longer represented in this iteration of the survey – the aggregated views of the respondents when looking at the sector as a whole are now comparable with the reported experiences of their own organisations. It is important that the introspective and outward-facing views have aligned – a recognition that sectoral attitudes to maintaining skills are improving, that this is no longer seen as "someone else's problem" but that it is something that the employers are addressing.

6.5 NVQ

The National Vocational Qualification in Archaeological Practice was first awarded in 2009 (the formal title for this qualification is now the *EDI Level 3 NVQ Certificate in Archaeological Practice)*. Respondents were asked about whether they had previously supported a member of staff gaining such a qualification, and whether they would consider doing so in the future.

On 31 March 2014, had you or were you considering supporting a member of staff to gain a vocational qualification in archaeological practice (NVQ)?

NVQ support	**Heritage Market Survey 2014** March 2014				**State of the Archaeological Market** December 2012				**Profiling the Profession 2012-13** December 2012			
	have supported		would consider in future		have supported		would consider in future		have supported		would consider in future	
yes	6	33%	11	65%	15	42%	30	71%	30	21%	83	49%
no	12	67%	1	6%	19	53%	6	14%	100	68%	44	26%
don't know	0	0%	5	29%	2	6%	6	14%	16	11%	41	24%
total	18		17		36		42		146		168	

FAME members and CIfA Registered Organisations continued to report their enthusiasm for the vocational qualification, although from a smaller respondent population relatively less organisations reported that they either had previously supported a member of staff to obtain the qualification or would support someone in the future than did in December 2012.

7 PERCEPTIONS

	strongly disagree	disagree	unsure	agree	strongly agree
the economic climate for development will improve over the next 12 months	0%	0%	36%	55%	9%
your heritage team will grow within the next 12 months	0%	29%	10%	38%	24%
your heritage team will contract within the next 12 months	23%	55%	9%	14%	0%
late payment of bills is an increasingly significant problem for your business	0%	36%	5%	45%	14%
non-payment of invoices has been a significant problem for your business	9%	41%	5%	27%	18%
current national planning policy frameworks are making it easier to justify heritage work and revenue levels	5%	18%	18%	55%	5%
current national planning policy frameworks weaken the case for heritage work and revenue levels	9%	55%	23%	5%	9%
LPAs are generally unwilling to review their green belt boundaries	5%	18%	59%	18%	0%
a shortage of heritage staff in LPAs is a major constraint on heritage projects	0%	17%	9%	39%	35%

Respondents considered that the economic climate for development would improve in the next 12 months.

Typically, they thought their heritage teams would grow, and they were even more confident that their teams would not contract in size.

The majority of respondents thought that late payment of bills was an increasingly significant problem for their business, although non-payment had not been a significant problem for most businesses.

Respondents disagreed with the assertion that “current national planning policy frameworks weaken the case for heritage work and revenue levels”.

Broadly, respondents were unsure of whether Local Planning Authorities (LPAs) were unwilling to review their green belt boundaries.

They agreed that a shortage of heritage staff in LPAs was a major constraint on heritage projects.

8 FURTHER COMMENTS

Agri-environment schemes form an important part of our Heritage Management workload but this area is not covered in the questionnaire.
As usual, some of the questions hard to answer truthfully as we are a self-employed partnership not employees.
HAPPY TO ASSIST WITH SURVEY BUT NOT WILLING TO PROVIDE CONFIDENTIAL FINANCILA INFORMATION
I have responded on behalf of [****] our contracting wing, it would be difficult to give a combined response. Q17 and Q19 Data is not held for these categories
The answers given reflect re-organisation of our service and the decision to close our contracting unit. We do not have detailed breakdown figures for market sector.
Things are changing so fast so it is actually very difficult to remember what was happening back in March 2014. We are very optimistic and recognise that the problems facing our organisation have changed. Financially we are much stronger but staff shortages mean that training, recruitment and retention are now taking up much more of our time. Sorry for the blank fields on page 4 - we don't have that level of data readily to hand so couldn't easily provide a meaningful breakdown.
We don't participate in development-led archaeology (the only RO in the Institute that doesn't) so much of this questionnaire wasn't applicable.
We operate to a July f/year. Breakdown of income all a very crude guestimate, and may understate importance of residential construction.

APPENDIX – QUESTIONNAIRE

Heritage Market Survey 2014

CIfA Chartered Institute for Archaeologists

FAME Federation of Archaeological Managers & Employers

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Dear Colleague,

FAME and CIfA, supported by English Heritage, have appointed Landward Research Ltd to undertake annual surveys of suppliers to the **Heritage Market**.

I would like to ask you if you could please give up some of your time to answer the questions below. We seek information as it applied to your organisation on 31 March 2014 - so at the very end of financial year 2013-14.

This survey will extend the information gathered by previous **State of the Archaeological Market** and **Profiling the Profession: Archaeology Labour Market Intelligence** surveys.

You are able to save the questionnaire at any stage and to return to it later (by following the link in your invitation email). You are also able to print the entire questionnaire from any screen using the buttons at top right of each page.

The deadline for responses is Friday 27 February 2015.

Your responses are fully confidential and will not be seen by any individual other than myself.

If you require further advice or information, please email hms@landward.eu.

Please complete the form by 27 February 2015.

Kenneth Aitchison Executive Director Landward Research Ltd

1. Please enter your organisation's name (to avoid duplicate entries being made)

2. Please provide an email address where you can be contacted in the event of any queries

3. Is your organisation a member of FAME?

   yes   no

4. Is your organisation a CIfA Registered Organisation?

   yes   no

5. How is your organisation legally constituted?

6. Where is the head office of your organisation located?

7. Are you also answering on behalf of any subsidiary offices? if so, please indicate where they are located?

   East of England   East Midlands   Greater London   North East England
   North West England   South East England   South West England   West Midlands
   Yorkshire and the Humber   Scotland   Wales   Northern Ireland
   outside the UK

8. In which year did your organisation begin trading?

Continue later

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Staff Numbers

9. How many full-time staff were based in your UK offices on 31 March 2014?

Please include all full-time or full-time equivalent staff, together with part-time staff, using estimates of full-time equivalency - for example, a member of staff working 2.5 days a week should be counted as 0.5.
Fee-earners: members of staff whose time can be billed to clients.

	FTE
total UK staff (managerial, professional, technical and administrative) employed	
total UK-based fee earners working full-time	

10. How many full-time staff were permanently based overseas on 31 March 2014?

Number of fee-earners permanently based outside the UK

11. How many UK members of staff (FTE) did your organisation have on 14 December 2012, the census date for Profiling the Profession 2012-13?

12. How many of your members of staff were on each of the following types of contract on 31 March 2014?

	full-time	part-time
permanent		
fixed term		
casual		
volunteer		

13. What level of staff turnover did you experience between 14 December 2012 and 31 March 2014?

14. If you lost staff in the period between 14 December 2012 and 31 March 2014, do you believe that these people left the profession or stayed within it with different employers?

- all left the profession
- most left the profession
- even split between leaving the profession and finding alternative employment within archaeology
- most found alternative employment within archaeology
- all found alternative employment within archaeology

comments?

15. Did salaries at your organisation typically rise or fall between December 2012 and March 2014? (NB - not total salary bill)

16. How did your charge out rates change in the year to the end of March 2014?

by what percentage did your charge-out rates increase (+) or decrease (-) over the year ending 31 March 2014?

by what percentage did you or do you anticipate that your rates will increase (+) or decrease (-) over the year ending 31 March 2015?

Continue later

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17. What was your annual turnover (in £m) in financial year 2013-14?

if your accounting period does not run from April to March, please indicate fee income for nearest 12-month period for which audited figures are available, making clear which period they cover. Guidance on types of work to be included is in the Note to Respondents appended to this form. If your fee income for the year exceeded £5 million, we will require ask you to provide a breakdown of at least part of this fee income in section 4.

	-
your UK turnover in year ending 31 March 2014	
your turnover from non-UK sources (including Republic of Ireland) in year ending 31 March 2014	
predicted % change in turnover between years ending 31 March 2014 and 31 March 2015	
your contribution to the community, public archaeology and education which has not been paid for directly by a client	
your surplus (plus or minus) in the year ending 31 March 2014	

18. Please estimate your UK turnover from the following sources in the year ending 31 March 2014

	£
national agencies (EH, HS, Cadw etc)	
other public bodies (including universities, public-private partnerships and local enterprise partnerships)	
district, county or unitary councils (local planning authorities)	
central government departments and agencies	
community groups (including HLF projects, town and parish councils and neighbourhood forums)	
private sector clients (including third parties)	

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19. Market Sectors

Please do not include non-UK turnover in this section

*In the column headed "**UK income**", please indicate your UK income in the year ending 31 March 2014 for the work in each of the sectors listed.*

To avoid double counting, please do not include fee income from any commission in more than one box. The total for this column must not exceed total fee income reported under turnover in the question above. If you are unsure about which sector to attribute a particular commission to, please refer to the Note to Respondents below.

*In the two columns headed "**growth estimates**", please estimate percentages of growth (+) or decline (-) in the UK market in 2013-14 for services in each of the sectors listed.*

	UK income 2013-14	growth estimates	
	£	2013-14	2014-15
Construction			
Residential development			
Commercial and industrial			
Retail and town centres			
Leisure, sport, entertainment and tourism			
Infrastructure			
Minerals			
Waste			
Transport			
Energy			
Telecommunications			
Water supply			
Education			
Health			
Research and public archaeology			
Community projects and HLF			
National agencies and university grants			
Local authority initiatives			
Other research and public archaeology			
Other services			
Heritage conservation			
Assistance to LPAs in delivering development control services			
Any other services not categorised above			

Notes to Respondents

Please do not include non-UK planning fee income in this section.

Inevitably there is some overlap between the categories identified in this section. To avoid double-counting, IT IS ESSENTIAL that income from any particular commission is entered in only one of the categories offered. The aggregate income shown in this table must should not exceed your figure for total UK planning fee income in *Value of work undertaken and funding sources.*

Work connected with specific development projects (including site-specific representations on LDFs) should be included in the relevant category under the headers "Development Management" or "Infrastructure Planning". Sector-specific planning work such as transport plans, housing land availability studies etc should also be included under these headings.

Work unconnected with specific development projects or types should be included at the relevant rows elsewhere.

We cannot anticipate every situation, so we leave it to your discretion as to how to allocate commissions falling within several possible categories. If in doubt, we are happy to advise. However, these guidelines may assist:

1: Large-scale mixed developments: Where these contain a broad mix of uses they may be entered under Mixed-use development (greenfield or brownfield). Projects comprising a predominant development type should be entered in the relevant Development Management sector category eg large housing developments with just one or two local shops or facilities should be entered under Residential.

2: Regeneration projects: Projects focusing on local regeneration or redevelopment of properties in single use should be entered in the relevant Development Management category. Where a wider mix of uses is involved, they should be entered under Mixed-use development (brownfield). More general studies of regeneration potential etc should be entered under Plans, Strategies and Studies: Individual sites.

3. Plan representations: Commission for private or public clients on an LDF allocation for a specific development type should be entered under the relevant Development Management category. Representations for developers or landowners seeking an unspecified use or involving a portfolio of sites should be entered under the relevant spatial category in Plans, Strategies and Studies.

4: Infrastructure projects: If infrastructure planning work is ancillary to a development project, please include it under the relevant Development Management category. Stand-alone transport, energy, telecoms, water supply and drainage projects should be entered in the appropriate Infrastructure Planning category.

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20. At the end of March 2014, did you anticipate any changes to your staffing levels over the next year (to 31 March 2015)?

Other comments?

21. On 31 March 2014, did you believe that market conditions would deteriorate over the next 12 months? (to 31 March 2015)

Other comments?

22. At the end of March 2014, did you expect any archaeological practices to cease trading over the next 12 months?

Other comments?

23. Did you you have any plans to expand your business significantly over twelve months from April 2014 (e.g. in premises, vehicles, capital equipment)?

Other comments?

Continue later

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24. In the twelve months to the end of March 2014, did your organisation lose skills in any of these areas?

☐ providing advice to clients	☐ data management	☐ post-fieldwork analysis
☐ fieldwork (intrusive or non-intrusive)	☐ artefact or ecofact conservation	☐ desk-based or environmental assessment
☐ other		

25. In the twelve months to the end of March 2014, did your organisation have to buy-in skills in any of these areas?

☐ providing advice to clients	☐ post-fieldwork analysis	☐ fieldwork (intrusive or non-intrusive)
☐ data management	☐ artefact or ecofact conservation	☐ desk-based or environmental assessment
☐ other		

26. In the the twelve months to the end of March 2014, did your organisation invest in skills training in any of these areas?

☐ providing advice to clients	☐ post-fieldwork analysis	☐ fieldwork (intrusive or non-intrusive)
☐ data management	☐ artefact or ecofact conservation	☐ desk-based or environmental assessment
☐ other		

27. On 31 March 2014, did you think there were skills shortages across archaeological practice in any of these areas?

☐ providing advice to clients	☐ post-fieldwork analysis	☐ fieldwork (intrusive or non-intrusive)
☐ data management	☐ artefact or ecofact conservation	☐ desk-based or environmental assessment
☐ other		

28. On 31 March 2014, had you or were you considering supporting a member of staff to gain a vocational qualification in archaeological practice (NVQ)?

	yes	no	don't know
have supported a member of staff in the past	☐	☐	☐
would consider supporting a member of staff in the future	☐	☐	☐

Continue later

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29. On 31 March 2014, would you have agreed or disagreed with the following statements?

Individual responses will be aggregated in any published survey report and your views will not be attributed to you without your permission

	strongly agree	agree	unsure	disagree	strongly disagree
current national planning policy frameworks are making it easier to justify heritage work and revenue levels					
your heritage team will grow within the next 12 months					
the economic climate for development will improve over the next 12 months					
non-payment of invoices has been a significant problem for your business					
your heritage team will contract within the next 12 months					
a shortage of heritage staff in LPAs is a major constraint on heritage projects					
late payment of bills is an increasingly significant problem for your business					
current national planning policy frameworks weaken the case for heritage work and revenue levels					
LPAs are generally unwilling to review their green belt boundaries					

Any other comments?

Continue later

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30. If you have any further comments on your responses, or on the state of commercial archaeology in general, please let us know. FAME and CIfA would also particularly value respondents' views on the type of market information you would most value in future surveys

Please complete your response by Friday 27th February 2015

Continue later