HOUSE OF LORDS

Select Committee on Regenerating Seaside Towns and Communities

Report of Session 2017–19

The future of seaside towns

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CONTENTS

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Q in footnotes refers to a question in oral evidence.

SUMMARY

Seaside towns, by which we principally mean coastal settlements that emerged as leisure and pleasure resorts in the nineteenth century, have been neglected for too long. They should once again be celebrated as places that can provide attractive environments for residents and visitors alike.

Seaside towns do suffer from a set of issues that have their roots in the decline of their core industries. Domestic tourism is the iconic example, but fishing, shipbuilding and port activities have all been in long term decline. What makes these areas distinct is the combination of industrial decline and geography. Their location on the periphery of the country places them on the periphery of the economy, bringing consequential social problems. This combination of challenges warrants dedicated attention and support.

We acknowledge that seaside towns are in different stages of evolution, with variations in factors such as levels of local leadership, governance structures, resources and infrastructure. Our recommendations reflect this, avoiding 'one-size fits all' solutions.

Seaside towns must be inspired to regain their pioneering spirit and evolve to meet present day and future challenges. We are convinced that they can reinvent themselves with a long-term, place-based vision—a comprehensive approach that involves working with a range of partners to address multiple causes of social problem in a locality[1]—that is supported by local leaders and grounded in each town's unique assets.

Many seaside towns still rely on tourism as a key economic activity. Some areas, however, will need to diversify their local economies. Improvements to transport will be vital in supporting further economic development in seaside towns. Improving digital infrastructure in coastal areas should also be considered a top priority, helping to compensate for these towns' relative isolation, and enhancing their potential role in supporting a good work-life balance by enabling people to work from home and enjoy the delights of the seaside.

Issues relating to housing are strongly linked to considerable and persistent disadvantages for coastal communities. These systemic problems must be addressed by the Government in partnership with local leadership. Interventions in housing should aim at supporting place-based regeneration. A sustained, long-term effort is required to address the impact of transience on coastal towns.

Young people in seaside towns are being let down and left behind by poor standards in existing provision, limited access to educational institutions and a lack of employment opportunities, resulting in low levels of aspiration. Partnership work between schools, FE and HE institutions, and local business and industry will be vital in helping to create career paths, improve local skills levels and boost local economies. To this end, good teachers must be prized.

Investment from central government must be focused on supporting sustainable, long-term regeneration, not piecemeal, short term initiatives. Local authorities, alongside business and community leaders, have a crucial role to

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1   Anheier and Leat (2006): Association for the Study and Development of Community (2007) cited in Lankelly Chase, Historical review of place based approaches (October 2017) p 5: https://lankellychase.org.uk/wp-content/uploads/2017/10/Historical-review-of-place-based-approaches.pdf [accessed 6 March 2019]

play in providing vision, leadership and enforcement, enabling partnerships, and setting a favourable planning environment.

Local Enterprise Partnerships have a clear role and responsibility to support seaside regeneration where it is most needed. Seaside towns have the potential to contribute to national priorities around increasing productivity. LEPs can and should help depressed seaside towns to build their vision through Local Industrial Strategies.

The realisation of the potential of our seaside towns rests on tenacity, persistence and a sustained, long term focus from a multiplicity of actors.

We do not claim that all the, often deep-rooted and complex, challenges affecting seaside towns can be solved immediately. However, we believe that if our recommendations are pursued, many more struggling places can be set on a trajectory to regeneration. More of our seaside towns can again become prosperous and desirable places to live in and visit.

Figure 1: Seaside towns possess unique assets, such as Eastbourne's pier, which can be central to their regeneration

Source: Chiral Jon,'Eastbourne Pier and pebbly beach': https://commons.wikimedia.org/wiki/File:Eastbourne_Seafront_Pier.jpg [accessed 26 March 2019] (CC BY 2.0)

The future of seaside towns

CHAPTER 1: A VISION FOR SEASIDE TOWNS

The British seaside

1. When we think of the seaside, what images does it conjure in our minds? For many of us, the seaside brings back fond childhood memories. Tinted with sepia, it provokes remembrances of endless sunshine, ice creams, funfair rides, slot machines, playing in the sand and skipping carefree into the water. The memory plays tricks of course and we edit out the parts we found disagreeable: the uncomfortable train ride, the poor food, being stuck in the back of a car that took forever to reach its destination, uncomfortable boarding houses, and sometimes wet and windy, unforgiving esplanades.

2. The seaside of the 1950s and 60s, with their last hurrah for holidays without a flight to a far-flung destination, is a place that no longer exists. The British seaside is now just one of a number of destinations we can choose to take a break. We might go there for a weekend, perhaps a long one at that, but less often for more than a week. When the opportunity arises for a foreign holiday in warmer climes, more often than not, we take it.

3. All of this leaves those of us who care for and love the seaside with a dilemma. What should we do with the town which in less complicated times built an infrastructure which expected the annual summer influx of holiday makers desperate to spend their savings over a couple of weeks by the sea?

4. Our Committee, in looking at the issues facing today's seaside towns, visited many of the traditional old style 'bucket and spade' resorts to learn how they were coping and see how they were re-inventing themselves for the future. Our findings may surprise some readers but not others. In some places, we found new thinking and reinvention, in others a litany of regret and a paucity of ambition. Occasionally, we found both at the same time.

5. It would be wrong to characterise the seaside economy as a uniform entity. Some, like Brighton and Bournemouth, conform to a model of reinvention that is not available to all. As a city, Brighton is well connected to London, the south east and its airports, and has developed a diverse economy. The University of Sussex and the development of the University of Brighton bring 35,000 talented young people to the city. The concentration of a significant health sector, including a medical school, has added to the vitality of the place. Its knowledge economy, embracing the new digital sector and media world, has made the city an attractive place to form and grow a business. Add in a busy conference industry and seafront attractions, including the recent addition of the i360, and the city is buzzing. Bournemouth has similar advantages. A university, a glorious seafront, a booming conference trade and spin-offs from the academic world make it a very pleasant place to live and visit.

6. Blackpool has been working hard to turn around its fortunes, with a revamped seafront, investment in the trams (shortly to be linked to the rail network), a newly electrified direct rail link to London and investment in hotels. Merlin, a big investor in leisure activities, now operates the iconic Tower and its ballroom, and works with the local authority to provide an entertainment

offer that appeals to millions. The last set of data shows Blackpool at the top of the seaside destination leader board, as measured by visitor nights, and by quite a margin with nearly 19 million, followed by Brighton at 11 million and Bournemouth at 10 million. Nevertheless, serious deprivation persists in Blackpool and it may be that a focus on tourism development has not always helped and may even have hindered regeneration efforts.

7.   Regrettably, there are many smaller towns on the coast that have seen their unique selling point diminish. These towns, many of them intrinsically attractive places to live and work, are home to significant populations, provide holidays and short vacations for millions of UK residents and overseas visitors, but face profound economic and social challenges. Their sense of isolation and 'end of the line' feel has left small town, seaside communities overlooked and feeling unloved by the Government, local councils, service providers and businesses alike. We met many people in such communities who were delighted that, at last, someone was listening to their concerns and worries, and at least wanted to try and promote their interests.

8.   Our report is not an all-encompassing manifesto for the seaside, but it does aim to set out a broad vision and present some ideas to help the process of regeneration that many local visionaries in our seaside communities have begun. For the most part, we want to avoid top down solutions imposed from Whitehall and afar. We argue that those best placed to build the seaside towns of the future are local people. They represent the seaside's best hope. We met plenty of groups and individuals who simply wanted the freedom to grow and the right support, sometimes financial, sometimes not, to help them develop.

Our vision

9.   So, what is our vision for the future of the UK's seaside towns, what part should it play in our island's future?

10.   We believe that for too long our seaside towns have felt isolated, unsupported and left behind. These communities want a share of the things that have made our country prosperous and successful. The seaside and our coastal heritage are part of our country's greatest assets. Regrettably, the British seaside has been perceived as a sort of national embarrassment. We forget the value of its assets at our peril. It hosts great architectural achievements and a rich Victorian and Edwardian history. It accommodates more than 10% of the UK's population, all of whom should have the same opportunities as those afforded elsewhere. It deserves our attention.

11.   To see a renaissance in our coastal communities, a host of, often interlinked, areas of public policy will require consideration. We have identified the following elements as integral to the fulfilment of our optimistic vision for seaside communities:

- The seaside should be viewed as a natural home and a host for visitors and residents where sustainable tourism can develop environmentally and economically;

- The hospitality sector should be championed and transformed into a rewarding and highly-respected career path;

- The provision of high-quality affordable housing in our coastal communities is essential;

- Educational standards and the ambitions of young people must be raised;

- Teaching in our coastal communities must be made to be an attractive career path;

- Further and higher education should be brought within reach of young people who must not be left behind;

- Partnerships should be enabled to blossom between education providers and local employers;

- Connectivity, both in terms of transport and the digital world, must be enhanced;

- The growth in the cultural and creative economy of coastal areas needs to quicken so that every region has access to a fair share of the nation's cultural capital;

- Seaside towns should strive for a mixed, local economy, as successful regeneration depends upon it;

- Entrepreneurs and visionaries made the seaside what it is. We need to give communities the financial latitude and freedoms to unlock the pioneer spirit that made the seaside attractive to generations of investors; and

- Leadership, in many different guises, will be fundamental if transformative change is to be achieved.

12. Sustainable, successful regeneration is achievable, if we can create the conditions to enable investors to come forward. We need not be mesmerised by complexity. If cross-sectoral partnerships can be nurtured, if national and local government can remove impediments and provide a supportive environment, then local communities, their entrepreneurs and visionaries, can transform our seaside towns.

Box 1: Seaminster: a vision for how seaside regeneration should work

The English coastal town of Seaminster is hailed as a model of successful seaside regeneration. This mid-scale seaside resort, an hour and a half's train journey from its nearest city, had been in a slow but steady decline since the 1970s, leaving much of its fine Victorian infrastructure neglected and unloved. As its once-thriving tourism industry shrank, lack of opportunity meant that young people headed inland for higher education and jobs. Most never returned, leaving behind an increasingly isolated and ageing population. Low productivity, under-investment in the public realm, and a cluster of former B&Bs converted on the cheap into poor quality Houses in Multiple Occupation (HMOs), all contributed to a complex web of social and economic problems, leaving Seaminster among the most deprived communities in its region.

Then, ten years ago, things began to change. A small group of local creative industry business owners and arts organisations started meeting regularly in the bar of a seafront hotel to network and socialise. By coincidence, a gathering of local hoteliers and tourism managers took place at the same time, and the two groups decided to join forces. Both were exasperated by the tacit approach of managed decline that public agencies had adopted, and both shared an abiding love for Seaminster. They loved its romance and its grit: the shabby little harbour with its much-depleted trawler fleet; the stubby pier with its illuminations and tatty amusements; the salty air and the stink of rotting seaweed on certain tides; the old rock shop and the famous Seaminster scallops. They recognised that, like most seaside towns, Seaminster was built on solid foundations: originally a place of health and wellbeing bringing respite from city life, it later became a liminal zone, where normal social rules didn't quite apply – where fun, creativity, unconventionality and misrule had freer rein than elsewhere.

Crucially the local tourism businesses realised that trying to lure visitors back to a failing offer was a lost cause. They saw that they needed to bring the whole community along in a shared endeavour to re-make Seaminster as a great place to live, to study, to work and play, and to bring up a family. If they could get that formula right, they reasoned, the visitors would return.

Creativity, sustainability and wellbeing were put at the heart of the endeavour, both as a means of diversifying and growing the local economy, and as an accessible way of getting the whole community on board with the process of change. Local champions emerged, and a public debate was held in the local media about what the community's priorities should be. Gradually, an ambitious plan was forged: multi-faceted, inclusive, building from the grassroots up. Jointly, the groups approached the local Council. Although hard-pressed financially, the Council agreed to put its weight - and a small amount of resource - behind the emerging vision for Seaminster's renewal.

They reached out to the town's diaspora, aiming to rope in people who shared their passionate feelings about the place. One such Seaminster émigré was a property writer on a national newspaper; she led a media campaign to raise the town's profile. Another was a partner at an international bank, he persuaded colleagues and friends to join him in setting up a pension-based investment vehicle that went on to acquire several large, dilapidated wharf buildings in the harbour and convert them into creative workspaces, cafés and restaurants.

Dozens of small initiatives were welcomed and supported – the all-year sea-bathing group got an interest free loan to open a sauna on the beach; a local business sponsored the new Seaminster Marathon; walking and cycling groups were formed, as were reading groups, a ska music festival, a yarn-bombing collective and a film-making co-operative. The annual trawler race and town carnival were both reinvigorated and new events, including a biennial Festival of Lights and an annual Pirate Day, were introduced.

The Vice-Chancellor of the university in the nearest city became an enthusiastic supporter of the regeneration project. He persuaded the Local Enterprise Partnership and the Higher Education Funding Council to support a plan to make Seaminster a test-bed for sustainable innovation, with a task force piloting new ideas - a district heat network, a time-banking project, local purchasing schemes and affordable finance. The university launched a research observatory to monitor the impact of these and other projects on the local community. And thanks to a philanthropic investment, full fibre super-fast broadband was rolled out to all businesses, making Seaminster a magnet for digital and creative businesses in search of a balance between opportunity and the good life.

Importantly, the Department for Education agreed to extend the Education Opportunity Area it had already been planning so that it now covered Seaminster. This freed up the school curriculum, brought in technical skills for younger children and gave schools a broader mission than a narrow focus on results, leading to a significant impact on school standards and on young people's aspirations. The university, the sixth form college and local businesses worked together to address the skills gap, and introduced flexible apprenticeships that worked around the seasonal nature of the local economy.

Now, young families have started returning to the town, attracted in part by low property prices. A range of heritage and cultural projects are underway, and new cafés and restaurants are occupying once-empty properties on the high street. A new spa hotel is in the offing. Even the taxi drivers have begun to talk the place up. The debate in the local media has shifted from: "Is our town dying?" to "How can we ensure local people aren't being pushed out as Seaminster regenerates?" Seaminster's problems are far from solved, but the long period of decline has retreated, and the town's trajectory is unquestionably upwards.

But there's a catch. To quote George Orwell in his famous essay about the perfect pub, the fabled *Moon Under Water*: "Now is the time to reveal something which the discerning and disillusioned reader will probably have guessed already." There is no such place as Seaminster.

But the challenges identified here are shared by many of our struggling seaside towns. And the types of solutions put forward, whilst simplified and streamlined, have been found to work in places that have successfully regenerated themselves. The hallmarks are consistent: sound planning; partnership working; an inclusive, place-based, bottom-up approach; an emphasis on education, creativity, entrepreneurship and sustainability; and a focus on realising the exceptional quality of life that seaside living can uniquely offer.

New Brighton – a regeneration model?

13. We were struck by a substantial seaside regeneration project, known as 'Victoria Quarter', being undertaken in New Brighton on the Wirral.[2] Its ultimate outcome is unknown, it is work in progress, but we are persuaded that the project's characteristics are worthy of amplification; indeed, they chime with many of the elements of successful regeneration which we identify above.

14. Mr Daniel Davies, Chairman of the Institute of Licensing and an investor and entrepreneur who has personally financed the scheme, set out a familiar background. New Brighton had been a quintessential Victorian seaside

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2   Written evidence from the Institute of Licensing (RST0089)

town, flourishing until the 1960s. However, a decline in tourism thereafter, combined with a range of other factors, had seen the town's fortunes dwindle and its image suffer.

15. The evidence suggested that, Mr Davies explained, "seaside towns that have seen the most success in shaking off the negative image … are those that have identified their own special character and unique selling points." This did not, however, demand a reliance upon "a generic 'seaside' image, which is outdated in some respects, and can be unattractive to a modern demographic, who consider the whole of the world to be relatively accessible to them in destination terms."

16. Instead, people need a reason to visit their seaside towns and their motivation "cannot be dependent upon tourism, or even the season." Most seaside towns, Mr Davies argued, could "boast of something that is special and unique to them alone", whether that be "a combination of inherent geography, history, geology and ecology, and a host of other factors besides, including created features, such as attractions and culture."

17. In terms of the specifics of the Victoria Quarter project in New Brighton, Mr Davies explained that the proposal was to provide small affordable business units and shared space rental opportunities, in order to encourage small independent businesses and start-up ventures. These businesses would be "encouraged to cluster in symbiotic groups, and support and feed off each other; cooperating in terms of sharing their facilities and resources, and in terms of supplying one another with complementary custom." Businesses were already signing up to occupy the Victoria Quarter, we were informed.

18. This retail offering was being coupled with enhanced food and drink amenities in the vicinity; the idea being to attract visitors to the Victoria Quarter "all day long, and turn day time trade into evening and night time trade, for a full day experience."

19. Mr Davies stressed the importance of "the creation of energy", something which was clearly observable in the Victoria Quarter. Long established businesses on Victoria Road "that have become, by their own admission, stale and jaded, have received an injection of optimism and enthusiasm by the influx of new businesses and the energy that they bring."

20. In essence, the proposed regeneration of the Victoria Quarter was about harnessing the established phenomenon of the cluster effect. Mr Davies elaborated:

> "Deliberate clustering is a solution, but this takes coordinated investment and positive planning, both private and public. Clustering benefits from coordinated activity between the businesses; cooperating and synergising their offers. This can be done by such means as themed days and events, and targeted, coordinated marketing, particularly through social media. Small and independent businesses are particularly good at doing this, and have a flexibility that bigger chains cannot enjoy. Small businesses do not have the layers of departments and bureaucracy to go through, and they can take immediate ownership of their ideas and make rapid decisions."

21. In terms of the ingredients for the success of the project, Mr Davies identified a range of elements, which included:

- Attracting investment partners, both in the public sector and "particularly the private sector";

- Harnessing local pride and energy "to produce a theme of improvement";

- Stimulating dialogue between stakeholders (particularly in the context of the night time economy sector);

- Championing community engagement, dialogue and resolution;

- Local authority support;

- Addressing relevant issues in national policy (in the context of the licensing and planning regimes by incorporating the Agent of Change principle into the National Planning Policy Framework);

- The introduction of street and building art;

- The importance of proposals not differentiating "between the regular community and destination visitors … [and being] equally attractive to each";

- The fundamental importance of the hospitality and licensed industry, the project's "anchor"; and

- Resolving issues around the night time economy.

22. Mr Davies concluded: "Many elements of the project can be analysed and used as a model of seaside regeneration, and although it is too early to say what the final outcome will be, the early signs are very good. In the spirit of communication and dialogue, the success stories of regeneration from all locations around the country need to be shared, so that lessons can be learned, and positive experiences replicated wherever possible."[3] We agree, as we do with Mr Davies's emphasis on "planning, zoning and having a longterm plan. It needs a 10 or 15-year plan, not a sticking plaster."[4]

23. As we were in the process of finalising our report, we received an update on the progress of the project.[5] It would appear that strong headway is being made with the upcoming focus being on:

- Commercial revitalisation;

- Public realm improvements/community;

- Events and animation; and

- Sustainability;

24. Over the coming year, we were told, the project hopes to see increases in:

- "The number of new businesses attracted to Victoria Quarter;

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3   Written evidence from the Institute of Licensing (RST0089)
4   Q 64 (Daniel Davies)
5   Supplementary written evidence from Rockpoint Leisure Limited (RST0123)

- Tourist footfall;

- Creation of new jobs;

- Per cent contribution to local economy; and

- Media interest.

And decreases in:

- Anti-social behaviour;

- Low level crime;

- Redundant buildings; and

- Isolation of generations/population.

Ultimately, we hope that see the area grow into a bustling area where people work, live and visit - with lively, social streets and a thriving, happy community."[6]

25.   In the chapters that follow, we consider the public policy challenges that must be met to make our vision a reality, and to allow more places like New Brighton to seize the initiative and begin to improve their offering for visitors and residents alike. First, however, we briefly provide some background to our inquiry and explain how we have approached our task.

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6   Supplementary written evidence from Rockpoint Leisure Limited (RST0123)

CHAPTER 2: BACKGROUND AND APPROACH

Coastal communities: A unique set of challenges

26. Coastal areas are a significant part of the UK with residents of coastal areas making up over a fifth of England's local authority areas.[7] Many UK seaside towns were developed in the second half of the 19th century to serve an expanding domestic tourism market. Their long-term decline began in the 1970s, when foreign holidays became a more viable option for mass tourism. While some seaside towns have successfully reinvented themselves, others have suffered significant economic decline.

27. The economic and social deprivation of many seaside communities has been the topic of a series of reports and inquiries—as well as having been acknowledged by successive governments. In 2003, a report by Sheffield Hallam University stated that: "Seaside towns are the least understood of Britain's 'problem' areas".[8] In 2007, the House of Commons Communities and Local Government (CLG) Select Committee agreed with that conclusion and emphasised that coastal towns have a number of common challenges that require "focused, specific Government attention."[9] A 2008 study by the Department for Communities and Local Government concluded that, taking account of a range of evidence, the principle English seaside towns are, on average, "rather more disadvantaged than the rest of the country, but not markedly so."[10] The report also noted that "seaside towns as a whole have a lower-than-average employment rate, an above average share of working age adults on benefits, lower average earnings and are more affected by seasonal unemployment than the rest of England."[11] Data from the 2011 census reinforced these conclusions, revealing that residents of coastal communities were less likely to be employed and more likely to have a long-term health problem than residents of other areas.[12]

28. A 2017 report by the Social Market Foundation (SMF), which compared earnings, employment, health and education data in local authority areas, identified "pockets of significant deprivation" in seaside towns and a widening gap between coastal and non-coastal communities.[13] The report suggested that in Great Britain, economic output (GVA) per capita was 23%

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7   Social Mobility Commission, State of the Nation 2017: Social Mobility in Great Britain (November 2017) p 14: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/662744/State_of_the_Nation_2017_-_Social_Mobility_in_Great_Britain.pdf [accessed 21 March 2019]

8   Christina Beatty and Stephen Fothergill, The Centre for Regional Economic and Social Research, Sheffield University *The Seaside Economy, The final report of the seaside towns research project*, p.9 (June 2003): https://www4.shu.ac.uk/research/cresr/sites/shu.ac.uk/files/seaside-economy.pdf [accessed 21 March 2019]

9   House of Commons Communities and Local Government Committee, *Coastal Towns* (Second Report, Session 2006-07, HC 351)

10 Christina Beatty, Steve Fothergill and Ian Wilson, England's Seaside Towns A 'benchmarking' study, November 2008, p 9: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/7624/englishseasidetowns.pdf [accessed 25 March 2019]

11 *Ibid.*

12 The Office for National Statistics, *2011 Census: Coastal Communities* (28 October 2014): http://webarchive.nationalarchives.gov.uk/20160130200856/http://www.ons.gov.uk/ons/rel/census/2011-census-analysis/coastal-communities/rpt-coastal-communities.html [accessed 21 March 2019]

13 Social Market Foundation, Britain's coastal communities amongst worst performing areas for earnings, jobs health and education (4 September 2017): http://www.smf.co.uk/britains-coastal-communities-amongst-worst-performing-areas-earnings-jobs-health-education/ [accessed 21 March 2019]. SMF defined a coastal community as a local authority with coastal boarders.

lower in coastal communities, compared with non-coastal communities, in 1997. By 2015, that gap had widened to 26%.[14]

29. Coastal towns score highly in the Government's Indices of Deprivation. According to the Department for Communities and Local Government's (DCLG) *English Indices of Deprivation 2015*, the most deprived neighbourhood in England was to the east of the Jaywick area of Clacton on Sea.[15] This was also the most deprived neighbourhood according to the *Index of Multiple Deprivation 2010*.[16] Five of the ten local authorities in Great Britain with the lowest average employee pay are in coastal communities—Torbay, North Devon, Gwynedd, Hastings and Torridge.[17]

Figure 2: Jaywick faces various challenges related to poverty, health, and infrastructure

Source: Peter Eastern, 'Typical street layout in Jaywick': https://commons.wikimedia.org/wiki/File:Jaywick_street. JPG [accessed 26 March 2019] (CC BY-SA 3.0)

30. Although each seaside town has its own challenges, there are some common issues that often characterise coastal communities. Their economies, which were already predominantly reliant upon seasonal patterns of trade, have suffered from an ongoing loss of business which has reduced opportunities for entry level jobs, particularly for young people.[18] As a result of this trend, the majority of seaside towns have been left with a legacy of semi-redundant accommodation and housing stock, a prevalence of Houses in Multiple Occupation (HMOs) and a distortion of local housing markets. The

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14   Scott Corfe, *Living on the edge: Britain's coastal communities*, p 4 (September 2017): http://www.smf. co.uk/wp-content/uploads/2017/09/Living-on-the-edge.pdf [accessed 21 March 2019]

15   Department for Communities and Local Government, The English Indices of Deprivation 2015 (30 September 2015) p 3: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/ attachment_data/file/465791/English_Indices_of_Deprivation_2015_-_Statistical_Release.pdf

16   Department for Communities and Local Government, The English Indices of Deprivation 2010 (24 Mach 2011) p 2: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/ attachment_data/file/6871/1871208.pdf [accessed 21 March 2019]

17   Scott Corfe, *Living on the edge: Britain's coastal communities*, p 12 (September 2017): http://www.smf. co.uk/wp-content/uploads/2017/09/Living-on-the-edge.pdf [accessed 21 March 2019]

18   The Centre for Social Justice, Turning the Tide, Social justice in five seaside towns (August 2013): https://www.centreforsocialjustice.org.uk/core/wp-content/uploads/2016/08/Turning-the-Tide.pdf

abundance of relatively cheap accommodation has encouraged population transience, particularly amongst vulnerable adults and children, placing additional pressures on local services.

31.   We do not intend to rehearse here at length the data presented across a wide range of studies and statistical releases.[19] The broad point to grasp is that despite numerous reports and inquires, which have identified a clear set of common challenges faced by seaside towns, and the introduction by supportive governments of specific coastal initiatives and funding programmes, recent studies have continued to tell a similar story. In summary, disadvantages have persisted and when considering a range of economic and social indicators (such as economic output, earnings and employment) many seaside towns continue to fall below the national average.[20]

Opportunities for regeneration

32.   Despite the set of challenges faced by many seaside communities, seaside towns also present significant opportunities for renewal and redevelopment. There have been a host of regeneration projects undertaken across the country in recent years. There is also some evidence to suggest that coastal tourism has recently experienced some growth. The Coastal Communities Fund's annual report (2016) noted that there has been a "significant turnaround" in the numbers of people taking 'staycations', with trips to the seaside increasing from around 18 million in 2010 to 23 million in 2014—an increase of over 25%.[21] The apparent phenomenon of the 'staycation', coupled with a number of high profile regeneration projects, has led some commentators to suggest that seaside towns are already experiencing a 'renaissance.'[22]

33.   Regeneration projects, however, have varied considerably, in both their approach and in degrees of success. Some notable examples include:

   •   Margate: in 2015, Dreamland, Britain's oldest seaside pleasure park, reopened following an 18 million-pound refurbishment. However, barely a year after it had reopened, it was in administration. Following a further £25 million investment, it has now reopened for a second time and is now broadly regarded to be a success.[23] Since opening in Margate in 2011, the Turner Contemporary has had more than 2.9m visits and claims to have generated around £68 million into the local economy.[24]

   •   Hastings: in 2016, its historic Victorian Pier reopened—at a cost of £14.2 million— with a visitor centre, bars and restaurants and open-air concerts, and hopes that it would attract 325,000 visitors a year. In the first fortnight of being open to the public, the pier was visited by

19   The evidence we received, orally and in writing, provides a rich source of data.

20   Scott Corfe, *Living on the edge: Britain's coastal communities*, p 4 (September 2017): http://www.smf. co.uk/wp-content/uploads/2017/09/Living-on-the-edge.pdf [accessed 21 March 2019]

21   Coastal Communities Fund *Annual Progress Report* (2016) p 6: https://assets.publishing.service.gov.uk/ government/uploads/system/uploads/attachment_data/file/603450/CCF_Report_2016.pdf

22   'One more on to the beach: how Britain's seaside towns bounced back'. *The Guardian* (14 May 2016): https://www.theguardian.com/travel/2016/may/14/once-more-on-to-the-beach-how-britains-seaside-towns-bounced-back [accessed 25 March 2019]

23   'Dreamland Margate reopens (again) after £25m revamp', *The Guardian* (17 May 2017): https://www. theguardian.com/travel/2017/may/17/dreamland-margate-reopens-again-after-25m-revamp [accessed 25 March 2019]

24   Written evidence from the Turner Contemporary (RST0016)

an estimated 75,000 people.[25] It went on to win the Royal Institute of British Architects (RIBA) Stirling prize in 2017. However, the pier has now been sold into private hands following the charity behind it going into administration.[26]

- Morecambe: in 2013, an eight-year renovation plan by developers Urban Splash to build a new promenade on the seafront by 2022 was rejected by Lancaster City Council, who said the scheme was "no longer viable or deliverable" following the recession.[27] Urban Splash had been the developers behind the successful restoration of Morecambe's Midland hotel in 2008. More encouragingly, The Eden Project has recently (November 2018) set out its vision for Eden Project North, a new attraction in Morecambe. The Cornwall-based environmental charity had set out proposals for a scheme which is expected to feature exhibitions focusing on marine life, inspired by the natural environment of Morecambe Bay. In February 2019 the Lancashire Enterprise Partnership committed £250,000 towards the creation of a formal business case, equalling pledges made in recent months by its other partners, Lancashire County Council, Lancaster City Council and Lancaster University.[28] The Eden Project has stated that the project "will be designed to help the regeneration of the area socially, economically and environmentally."[29]

- Folkestone: a new Folkestone Creative Quarter was delivered through a regeneration strategy based on the arts, the creative industries, and education. Since its establishment, the town has become a community of choice for a range of artist's studios, creative enterprises, retailers, and businesses.[30] The regeneration programme was undertaken through a partnership between the Roger De Haan Charitable Trust, the regional development agency, Kent County Council, the local district council, the Heritage Lottery Fund and Arts Council England.

25   Peter Ross, 'One more on to the beach: how Britain's seaside towns bounced back', The Guardian (14 May 2016): https://www.theguardian.com/travel/2016/may/14/once-more-on-to-the-beach-how-britains-seaside-towns-bounced-back [accessed 25 March 2019]

26   'The battle of Hastings pier hears up as owner shuts gates', *The Guardian* (6 January 2019): https://www.theguardian.com/uk-news/2019/jan/06/the-battle-of-hastings-pier-heats-up-as-owner-shuts-doors [accessed 13 February 2019]

27   BBC News, 'Urban Splash drop plans to regenerate Morecambe promenade', (16 August 2013): https://www.bbc.co.uk/news/uk-england-lancashire-23696976 [accessed 13 February 2019]

28   'Eden of the North moves to next stage of development', *Lancaster Guardian* (13 February 2019): https://www.lancasterguardian.co.uk/news/environment/eden-of-the-north-moves-to-next-stage-of-development-1-9593769 [accessed 20 March 2019]

29   Eden Project, 'New Vision for Morecambe's Eden project revealed', (22 November 2018): https://www.edenproject.com/media/2018/11/new-vision-morecambes-eden-project-revealed [accessed 20 March 2019]

30   The Roger de Haan Charitable Trust, 'Folkestone': http://www.rdhct.org.uk/folkestone/ [accessed 25 March 2019]

**Figure 3: Dreamland in Margate is an example
of a successful council-led regeneration initiative**

Source: Ruth Johnson, 'Midweek Margate': https://commons.wikimedia.org/wiki/File:Midweek_Birthday_Margate_Mini-Break-3220160816_(29052138755).jpg *[accessed 26 March 2019]* (CC-BY-2.0)

34. Although the strategies for regeneration vary from area to area, some common themes have emerged. A report by English Heritage in 2002, which analysed a series of regeneration projects in coastal communities across the country, highlighted what it perceived to be the key features of successful regeneration projects:

    - Successful regeneration depends on a package of measures, including transport infrastructure, the mix of visitor attractions, new businesses and affordable local housing. This often requires a public/private partnership in which local, and increasingly regional, agencies plan and work with the private sector to encourage growth and development.[31]

    - The aim must be to produce effective regeneration for living communities. The report stresses that areas need to be where "people not only want to visit but where the residents, also, can afford to stay."[32]

    - The CLG Committee also highlighted the need for economic diversification, as part of successful regeneration. It emphasised the important economic role of tourism, which despite evidence of a decline, in many cases still remains an important industry in many coastal towns. However, it also acknowledged the need for economic diversification to create opportunities for local people and reduce the seasonality of employment.[33]

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31 English Heritage, Shifting Sands, (2002) p 6: http://webarchive.nationalarchives.gov.uk/20110118174835/http://www.cabe.org.uk/files/shifting-sands.pdf [accessed 25 March 2019]

32 *Ibid.*

33 House of Commons Communities and Local Government Committee, *Coastal Towns* (Second Report, Session 2006-07, HC 351)

Previous government intervention on seaside towns

35. In 2007, the House of Commons Communities and Local Government (CLG) Select Committee published the findings of its inquiry into English coastal towns. It stated that there was a need for government departments to develop an understanding of the situation of coastal towns and to work collaboratively to address the broad range of common challenges that these towns faced.[34]

36. The Government's first response to the 2007 report was poorly received by the Committee, which felt it failed to recognise what it saw as its key recommendation: tailored, specific measures to support coastal communities. The Government issued a second response, accepting the following recommendations: the need for further research into the challenges facing coastal communities, including the disproportionately high levels of people claiming sickness and disability benefits in coastal towns compared to the national average; the establishment of a cross-departmental working group on issues affecting coastal towns; the establishment of a coastal areas network; and the provision of further information on seasonal employment in coastal areas.[35]

37. *It is not clear to us whether the acceptance of the recommendation—the need for further research into the challenges facing coastal communities, including the disproportionately high levels of people claiming sickness and disability benefits in coastal towns compared to the national average—has been delivered by the Government. We therefore invite the Government to update us on the status of its response to this recommendation.*

38. Since 2007, the following interventions have been made:[36]

   • 2008—the Government set up the cross-department Coastal Towns Working Group and published a 'benchmarking' study of larger English seaside towns. The Department for Culture Media and Sport (DCMS) also launched its Sea Change Programme, which by 2010 had awarded £38 million to coastal areas for culture and heritage projects.[37]

   • 2009—The Department for Environment, Food and Rural Affairs (DEFRA) announced 15 new Coastal Change pathfinder authorities. The local authorities were given £11 million of funding to adapt to coastal change.[38]

   • 2010—DCLG published *Strategy for Seaside Success: Securing the future of seaside economies,* which included a new seaside town grant initiative

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34   *Ibid.*

35   House of Commons Communities and Local Government Committee, *Coastal Towns: the Government's Second Response* (First Report, Session 2007–08 HC 69)

36   The Centre for Entrepreneurs: From ebb to flow: How entrepreneurs can turn the tide for Britain's seaside towns (September 2015): pp 60-62 https://centreforentrepreneurs.org/wp-content/uploads/2015/11/Seaside_Entrepreneurs_Report_WEB1.pdf [accessed 25 March 2019]

37   Department for Communities and Local Government, Strategy for seaside success, Securing the future of seaside economies (2010) p 17: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/7625/1518282.pdf [accessed 25 March 2019]

38   Department for Environment, Food and Rural Affairs, Coastal Change Pathfinder Review Final Report (January 2012) p 9: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/69508/pb13720-coastal-pathfinder-review.pdf [accessed 25 March 2019]

fund of £5 million to help the most deprived seaside authorities, and an extension of the Sea Change Programme.[39]

- 2011—The Office for National Statistics analysed data across 273 coastal communities, alongside the averages for England and Wales, providing a range of indicators including: demographics, levels of deprivation and employment levels.[40] An additional benchmarking study was published on England's smaller seaside towns.[41]

- 2012—The £23.7 million Coastal Communities Fund (CCF) was launched. It was financed by the Government from revenues from the Crown Estate's marine assets and delivered by the Big Lottery Fund. Successful applicants could receive a grant of between £50,000 and £2 million.[42]

- 2013—The CCF increased by 5% (to £29 million) and was extended until 2016.[43]

- 2014—The Government announced £1.7 million of funding to help repair small ports and harbours across England which had been damaged by winter storms.[44]

- 2015—The Government announced £36 million of investment to boost growth in coastal areas through the CCF.[45] It created the £3 million Coastal Revival Fund to provide small capital grants for community assets in coastal areas.[46] Twelve Coastal Communities Teams were announced as a pilot project, with £10,000 made available for each team. [47]This was later extended to a total of 116 teams.[48] The CCF

39 Department for Communities and Local Government, 'Strategy for seaside success, Securing the future of seaside economies (2010)', p 2 : https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/7625/1518282.pdf [accessed 25 March 2019]

40 The Office for National Statistics, 2011 Census: Coastal Communities (28 October 2014): https://britishdestinations.files.wordpress.com/2014/10/2011-census-coastal-communities-in-england-and-wales-2014.pdf [accessed 25 March 2019]

41 Christina Beatty, Steve Fothergill and Ian Wilson, England's Smaller Seaside Towns, A benchmarking study (March 2011): https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/6296/1858214.pdf [accessed 25 March 2019]

42 Ministry of Housing, *Communities and Local Government, Seaside town rejuvenation: £24 million fund open* (February 2012): https://www.gov.uk/government/news/seaside-town-rejuvenation-24-million-fund-opened [accessed 25 March 2019]

43 Department for Communities and Local Government, Seaside towns to be given £29 million to boost growth (August 2013): https://www.gov.uk/government/news/seaside-towns-to-be-given-29-million-to-boost-growth [accessed 25 March 2019]

44 Department for Communities and Local Government, *Winter 2013/14 severe weather recovery progress report An overview of the Government's recovery suppo*rt (November 2014) p 9: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/380573/Winter_2013-14_severe_weather_recovery_progress_report.pdf [accessed 25 March 2019]

45 Ministry for Housing, Communities and Local Government, *Record funding for 36 seaside towns that will kick-start jobs and apprenticeships* (25 January 2015): https://www.gov.uk/government/news/record-funding-for-36-seaside-towns-that-will-kick-start-jobs-and-apprenticeships [accessed 25 March 2019]

46 Ministry for Housing, Communities and Local Government, *New coastal revival fund and community teams to bring jobs and businesses to seaside towns* (27 February 2015): https://www.gov.uk/government/news/new-coastal-revival-fund-and-community-teams-to-bring-jobs-and-businesses-to-seaside-towns [accessed 25 March 2019]

47 *Ibid.*

48 Ministry of Housing, Communities and Local Government, Coastal Communities Teams to take control of seaside regeneration (17 July 2015): https://www.gov.uk/government/news/coastal-community-teams-to-take-control-of-seaside-regeneration [accessed 25 March 2019]

was extended to 2020 with an additional £90 million of government funding available for the period 2017/18 to 2020/2021.[49]

- 2017—The latest round of £40 million of funding was made available through the CCF, covering the period from April 2019 to the end of March 2021.[50]

- 2018—The Coastal Revival Fund, now in its third year of operation, made £1 million available to support the restoration of coastal architecture.[51]

Our work

39. We were appointed by the House on 17 May 2018 "to consider the regeneration of seaside towns and communities." This followed a recommendation from the House of Lords Liaison Committee that such a Committee be established. In making its recommendation, the Liaison Committee suggested that the principal areas that an inquiry might cover included:

- "Issues arising from the nature of the housing stock in seaside towns, including the transience of populations and concentrations of deprivation;

- The demographic challenges of supporting communities with large numbers of people of pensionable age;

- Approaches to economic diversification and the success or otherwise of initiatives to promote economic growth, particularly among the smaller businesses that are typically prevalent in these towns;

- The part that new approaches and technologies might play in overcoming the isolation of communities and stimulating growth and regeneration, and the potential for connectivity improvements, including both transport and digital connectivity;

- The success or otherwise of initiatives that seek to promote and enhance existing core industries–particularly tourism–in seaside towns;

- The role played by national Government in addressing each of the issues set out above, in partnership with local authorities, Local Enterprise Partnerships and other stakeholders. Consideration could also be given to devolution arrangements and the extent to which they could support innovative or new approaches;

- Schemes to promote community resilience and capacity building in seaside towns; and

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49   Ministry for Housing, Communities and Local Government, 'Multimillion pound boost for seaside towns' (9 July 2015): https://www.gov.uk/government/news/multimillion-pound-boost-for-seaside-towns [accessed 25 March 2019]

50   Ministry for Housing, Communities and Local Government, £40 million to create jobs and boost visors to the Great British Coast (September 2017): https://www.gov.uk/government/news/40-million-to-create-jobs-and-boost-visitors-to-the-great-british-coast [accessed 25 March 2019]

51   Ministry for Housing, Communities and Local Government, Press Release, Government launches fund for restoration of UK coastal landmarks (May 2018): https://www.gov.uk/government/news/government-launches-fund-for-restoration-of-uk-coastal-landmarks [accessed 25 March 2019]

> - Integrated regeneration models that bring together all of the above themes at a local level."[52]

40. We have been led by the evidence we received. As such, some of the policy areas outlined above received more attention than others. Inevitably, given the breadth and complexity of the issues involved, and our reporting deadline of 31 March 2019, it has not been possible to go into great depth in all the policy areas that were flagged up with us in evidence. Instead, we have focused on those policy areas which seemed to be of principal concern. This report is therefore more of a landscape review, an exercise in cartography, rather than a granular analysis of every last piece of public policy which has an impact on seaside towns.

41. Furthermore, it is important to acknowledge that seaside towns are a complex and diverse urban typology—and we have therefore strived to avoid crudely lumping together all seaside towns into a homogeneous whole. Where they exist, we have sought to specify commonalities—but we cannot over-emphasise that, despite some common themes, every seaside town is unique; what works in one place may not work in another, and a crucial part of the policy picture in one location may be entirely absent somewhere else.

42. It is important to emphasise that in interpreting our brief, "to consider the regeneration of seaside towns and communities", we have focused principally on resort towns, though some consideration is given to ports. We have done so, not because we are unaware of the challenges facing many coastal communities of all different typologies, but because, first, we had to make our task manageable, and, second, a focus on resort towns, where tourism has come under pressure from international competition, provided broad thematic coherence. We freely acknowledge that resort towns are just part of the picture of our coastline.

43. On 23 July 2018, we published our call for evidence, which is reprinted in Appendix 3. Over the course of our inquiry, we received 121 submissions of written evidence and heard from 51 witnesses in 21 oral evidence sessions. We are very grateful to all those who took the time to provide us with evidence. On 31 October 2018, we attended an event hosted by the Local Government Association Coastal Special Interest Group. We also undertook six visits and wish to thank all those people who gave up their time to host us. Our visits were a highlight of our inquiry and were crucial in aiding our understanding of the issues.

  - 18 July   Clacton & Jaywick Sands
  - 5 & 6 September   Blackpool & Fleetwood
  - 12 September   Margate
  - 9 & 10 October   Skegness
  - 23 & 24 October   Newquay, Penzance & St Ives
  - 12 & 13 December   Scarborough & Whitby

44. We would like to thank the Select Committees Engagement Team, based in the House of Commons, who accompanied us on our visits and raised

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52   Liaison Committee, *New ad hoc Committees in 2018-19* (2nd Report, Session 2017-19, HL Paper 103)

the profile of our work with local seaside communities. They ensured that our work was informed by the views of people who live and work in seaside towns.

45.   We are also grateful to our Specialist Adviser, Nick Ewbank, Director of Nick Ewbank Associates, a consultancy specialising in regeneration. His expertise greatly assisted our deliberations during the course of our inquiry, though we emphasise that the views contained in this report are our responsibility alone. Finally, we wish to record our thanks to the Committee's secretariat.

CHAPTER 3: THE ECONOMY OF SEASIDE TOWNS

46. During the decades of the 1950s and 60s when British holidaymakers flocked to the coast, the tourism and hospitality industries were the lifeblood of seaside towns. Seaside tourism, however, was always seasonal in nature and, to a degree, dependent upon good weather. These shortcomings have been further exacerbated by the general decline in visits to the British seaside, increasing competition from other attractions in the domestic visitor economy and an ever-evolving international tourism market. A key decision for seaside towns, therefore, is whether to focus efforts on revitalising the local tourism economy or throw their efforts behind diversification.

47. This chapter will examine the role of tourism in local seaside towns, including an assessment of what benefits seaside towns have felt from national initiatives aiming to promote UK tourism. We highlight some of the barriers that specific areas reported were suppressing efforts to sustain a thriving tourism industry. We also examine the potential contribution of other sectors in seaside towns and the success or otherwise of efforts to diversify local economies beyond tourism. Finally, we examine a key complaint—that the ambition to revive the economies of seaside towns is being undermined by chronic limitations in transport and digital connectivity.

Tourism and the visitor economy

48. VisitBritain and VisitEngland are legally constituted as the British Tourist Authority and are the leading organisation for promoting tourism in the UK. VisitBritain is a non-departmental public body funded by the Department for Digital, Culture, Media and Sport (DCMS).[53] Its activity is focused on "building England's tourism product, raising Britain's profile worldwide, increasing the volume and value of tourism exports and developing England and Britain's visitor economy."[54]

49. VisitBritain suggested that where seaside towns were benefiting most directly from its work was through the Discover England Fund. The Fund is administered through VisitEngland, (which is concerned primarily with activities to develop and market English tourism[55]). The three-year £40 million Discover England Fund was announced by the Government in 2015 and is aimed at "supporting the growth of inbound tourism, ensuring that England stays competitive in the rapidly growing global tourism industry."[56] VisitBritain told us that that the £40 million fund was distributed through grant awards, and stated that:

> "Destinations, joining with LEPs and private sector partners, bid for a sum of money to develop a product they think would work internationally. For example, England's seaside coasts bid to put together an itinerary that works in international markets. The money goes to them and they develop it, and we act as grant-givers in that area."[57]

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53 VisitBritain, 'An overview': https://www.visitbritain.org/overview [accessed 20 March 2019]

54 *Ibid.*

55 *Ibid.*

56 VisitBritain, 'Discover England Fund Overview': https://www.visitbritain.org/discover-england-fund-overview [accessed 25 March 2019]

57 Q 29 (Ms Patricia Yates, VisitBritain)

50.   The Ministry of Housing, Communities and Local Government also told us that coastal areas have benefited from the Discover England Fund, and included the following as examples of funded projects:

> "'England's Coast': National Coastal Tourism Academy, the 'England's Coast' project will promote the coastline using interactive video technology which allows holidaymakers to create their own coastal itineraries. [This] targets German, Dutch and French visitors coming to Britain, and enables them to build personalised itineraries along the North East, South, South West and East coast.

> 'England's Seafood Coast': has also been in receipt of funding from the Discover England Fund The project aims to frame England as a world-class seafood destination, curating and showcasing what is available to international visitors and tour operators."[58]

51.   There was, however, a concern expressed over the extent to which coastal communities benefited from national tourism strategies. There was a clear sense that smaller or lesser known areas were being overlooked by national initiatives, and that the focus of those strategies aimed at promoting tourism was very much on areas that already had a thriving visitor economy. The Tourism Management Institute asserted that:

> "VisitBritain's main focus is on developing the overseas markets for the UK, working with the national tourism bodies for Scotland, Wales and Northern Ireland. VisitBritain's marketing activity has been generally focussed on the capital and those honeypot sites (many of which are urban locations) that are already attracting significant numbers of overseas visitors. Whilst it makes sense to market those destinations that already have a high awareness in the overseas visitors' minds, this approach is therefore of limited benefit to many rural lesser known destinations that do not feature in their promotions. There is usually a cost for individual destinations to participate in specific overseas promotions led by Visit Britain that are simply unaffordable for many seaside resorts."[59]

52.   Similarly, Northumberland County Council told us that: "VisitBritain's focus is on developing overseas markets and activities focus on London and honeypot sites (understandably). It is unlikely that seaside towns will experience much 'trickle down' benefit from this activity even though it may increase overall visitor numbers … individual destinations can participate in overseas promotional work led by VisitBritain, but the costs of these opportunities are often prohibitive for small partnerships." The Council also suggested that there had been a reduction in the activities aimed at promoting domestic tourism:

> "England is now the only part of the UK that does not have a stand alone national tourist board. This has meant a reduction of focus on England's regions, a reduction in resource and a drop in national marketing . . . In the past the 'thematic' promotions run by VisitEngland gave seaside towns opportunities to be included in marketing activities that targeted the right markets and had a reasonable chance of translating into increases in their preferred visitors.

58   Written evidence from MHCLG (RST0097)
59   Written evidence from the Tourism Management Institute (RST0062)

The research and support provided to destinations by VisitEngland has also reduced . . . This is being sorely missed by seaside destinations that cannot afford regular expensive research activities.[60]

53. There was an evident concern communicated that, with national tourism organisations focused on promoting and developing international tourism, there was not enough national level support for stimulating the domestic tourist market. This was particularly pertinent given that the domestic market represents a significant proportion of the overall value of tourism in the UK. VisitBritain told us that tourism was worth £127 billion to the British economy, of which domestic tourism (which seaside towns are particularly reliant on) constituted about £86 billion.[61]

54. **It is vital for the future prosperity of smaller seaside resorts that they have the opportunity to benefit from national tourism campaigns, and from nationally provided research and support, to help to develop their tourism products.**

Digital skills

55. Coastal economies, particularly those reliant on tourism, are often constituted of high numbers of SME businesses. A number of areas told us that one way in which smaller tourism businesses could be better supported is through developing the digital skills they need to remain competitive. The Torbay Development Agency told us that although Torbay is well served by digital infrastructure, with good access to superfast broadband in the area, there was "…a need to ensure that digital skills in the community and businesses are supported." It stated that it was seeking funding from the Coastal Communities Fund "…so that businesses in the bedrock tourism and hospitality sector can become better digital businesses."[62] Similarly South Tyneside Council suggested that there was a "need to help these businesses embrace technology and use the likes of their own website to sell their business more."[63]

56. VisitBritain explained the importance of tourism businesses to have the right digital capabilities to meet the expectations of visitors. Patricia Yates told us:

"Particularly for international markets there are some really practical things. Can people book easily online? The world is increasingly digital. Two-thirds of international visitors book online. Are our SMEs equipped to play in an international environment with big distributors? Do they understand how to take online bookings, and do they have the digital skills for that? That is where we are doing a lot of work, particularly with the Discover England fund."[64]

We consider the adequacy of digital infrastructure in coastal areas more broadly later on in the chapter.

Public realm

57. We consistently heard that an attractive and well-maintained public realm—including sea-fronts, promenades, cultural and heritage assets, and parks

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60   Written evidence from Northumberland County Council (RST0067)
61   Q 27 (Patricia Yates)
62   Written evidence from Torbay Development Agency (RST0060)
63   Written evidence from South Tyneside Council (RST0033)
64   Q 27 (Patricia Yates)

and gardens—is vital in supporting the visitor economy in seaside towns. We were informed that coastal local authorities needed to afford a degree of priority to investment in these assets, but that funding restrictions in recent years had made this increasingly challenging.

58.   Suffolk Coastal and Waveney District Councils noted that the Coastal Communities Fund was the main source of bespoke capital investment for projects of this nature, but that it was heavily over-subscribed. They explained that:

> "There is a great potential for regeneration in coastal areas, however in order to attract private investment there needs to be a tangible change, the coastal town needs to be seen to be uplifting itself before the private investment comes and this is where public grant funding is needed. There are significant assets on the seafront in public ownership which can create an uplift in the area but are not a viable investment for the private sector, however once these assets have been regenerated the uplift begins."[65]

59.   During a consultation event held with local authorities at the Local Government Association in October 2018, it was suggested that current local authority funding formulae failed to reflect properly the increased infrastructure and public realm demands placed upon coastal local authorities. The Minister for the Northern Powerhouse and Local Growth, Jake Berry MP, told us that the Government was currently undertaking a review of local authority resources which would look at "relative needs and resources" and seek to "address concerns about the fairness of current funding and funding distribution around the country".[66]

60.   ***We consider that the restoration and enhancement of the public realm and of cultural heritage assets through capital investment is of paramount importance in supporting the wider economy in seaside towns, and recommend that the Government takes this into account as part of their ongoing review of local authority resources.***

Tourism Sector Deal

61.   It was clear that many seaside towns face a range of challenges in trying to maintain or reinvigorate their local visitor economies. We did, however, hear evidence to suggest that the tourism industry in the UK is set to receive focused attention under the Government's strategic plans to boost productivity. VisitBritain, and other organisations, highlighted the work that was being undertaken to secure a Tourism Sector Deal under the Government's Industrial Strategy. The Tourism Alliance was positive about this development and its potential impact on coastal areas, and stated that: "one of the most important ways in which the Government can support the regeneration of seaside towns is through taking forward the Tourism Industry Bid under the Industrial Strategy."[67]

62.   As part of the Industrial Strategy, the Government stated that it planned to extend its Sector Deals (partnerships between the Government and industry on sector-specific issues) to other parts of the economy. Efforts had been ongoing by the tourism and hospitality sectors to secure a Tourism

65   Written evidence from Suffolk Coastal and Waveney District Councils (RST0092)
66   Q 186 (Jake Berry MP)
67   Written evidence from the Tourism Alliance (RST0106)

Sector Deal. The priorities for this deal were to: secure a national tourism and hospitality skills campaign, boost productivity by extending tourism all year round; increase inbound visits from more markets by 2030; and create 'tourism action zones' which will include improved local transport connections.[68]

63. In November 2018, the Government announced its intention to proceed with the development of a Tourism Sector Deal. The Minister, Jake Berry MP, told us that "we are currently in negotiations about what should be in the sector deal, and I know that the Secretary of State for Culture has asked the industry to engage very heavily with the sector deal". The Minister went on to note that, as part of the deal, "there is some consideration of Tourism Action Zones".[69]

64. In its initial bid for a Tourism Sector Deal in 2017, VisitBritain made a set of recommendations on how tourism zones might function. It suggested that five tourism zones might be piloted across a five-year period. VisitBritain suggested that tourism zones would have access to a number of measures intended to support local tourism, including:

- The provision of support for the development of local tourism products;

- A joined-up approach between local authorities, businesses and transport organisations to improve connectivity;

- Business rates growth generated by the tourism zone could be kept by the LEPs and local authorities for 25 years. They could then be reinvested in local product development and marketing to incentivise business retention and to help start-ups to grow the local tourism economy.;

- LEPs to include tourism as part of their management plan;

- The promotion of tourism jobs in local schools;

- Agreed targets set by local authorities and the LEPs for increasing the shoulder season through product development and attracting business, culture, sporting and conventions and other business events;

- Simplified planning rules through local development orders—helping the local visitor economy to sustainably to meet demand; and

- Localised broadband roll-out, with localised digital plans produced to help SMEs to get to new markets and build resilience.[70]

65. The Tourism Alliance also made a set of suggestions for what the tourism zones could involve, which included:

- "Prioritised access to existing funds such as the Coastal Community Fund, the UK Shared Prosperity Fund and Heritage Lottery Funding.

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68 VisitBritain, *A sector deal for UK tourism*: https://www.visitbritain.org/sector-deal-uk-tourism [accessed 6 February 2019]

69 Q 182 (Jake Berry MP)

70 VisitBritain, *Tourism Sector Deal Informing the Long-term Tourism Strategy for Britain* (October 2017), pp 28–30: https://www.visitbritain.org/sites/default/files/vb-corporate/Documents-Library/documents/industrial_strategy_-_sector_deal_bid_submission.pdf [accessed 25 March 2019]

  • Additional local authority powers, such as the ability to address inappropriate development and land use, or to vary business trading hours.

  • Prioritisation of infrastructure provision, both in terms of digital and transport infrastructure."[71]

66. In addition, it is hoped that a Sector Deal would stimulate local delivery structures, such as Local Enterprise Partnerships, to think more strategically about promoting tourism in their areas. Considering the priorities for the deal, Anthony Pickles, Head of Tourism Affairs at VisitBritain, explained that:

> "One of the structural issues we identified was local leadership, which comes back to a lot of what we have been talking about this afternoon. When we looked through what the local enterprise partnerships were doing across England, more or less every single one of them identified tourism as a potential growth sector, but none of them had the mechanisms to do anything about it."

In addition, Patricia Yates, Director of Strategy and Communications at VisitBritain, told us that she hoped the sector deal would help to align and focus the Government's approach to tourism policy:

> "In other countries that do tourism successfully, high-level Cabinet representation can make a difference. The industrial strategy and the tourism sector deal is a real opportunity for government to think about joined-up government and the policy issues that have been identified. It could be like that. It would be good if it could go through as part of a tourism sector deal, as that is already in play."[72]

67. The Secretary of State for Digital, Culture, Media and Sport, Jeremy Wright MP, has asked the sector to look at the themes of:

  • Making tourism and hospitality a career for life;

  • Making the UK the most accessible tourism industry in the world;

  • Sharing industry data to identify growth opportunities in new and emerging markets; and

  • Increasing accommodation capacity.[73]

68. **At the time of publication, negotiations were continuing between the Government and industry on the proposed Tourism Sector Deal. We consider the Tourism Sector Deal to be an important opportunity to help support the regeneration of seaside towns and communities.**

69. **Coastal communities have told us that boosting the local tourism economy in their areas relies on solving a range of complex and often interconnected issues. For example, a dilapidated public realm, and the social challenges often association with deprivation, will**

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71   Written evidence from the Tourism Alliance (RST0106)

72   Q 28 (Ms Patricia Yates)

73   Department for Digital, Culture, Media and Sport, *Government signals intention to secure tourism sector deal* (27 November 2018): https://www.gov.uk/government/news/government-signals-intention-to-secure-tourism-sector-deal [accessed 6 February 2019]

not only deter visitors, but will also limit the chances of securing the investment needed to support and develop tourist activity and encourage businesses such as hotels and restaurants to base their activity in that area. Designated tourism zones could offer a package of support for these areas, and provide the kind of comprehensive approach that seaside towns need to revitalise their local visitor economies.

70. *We recommend that, in taking forward the Tourism Sector Deal, the Government ensures that any such Sector Deal gives full account to the important role played by seaside towns in the tourism industry. We recommend that any initial designation of Tourism Action Zones must include seaside towns.*

71. *We support progress made so far by tourist organisations in outlining what Tourism Action Zones should focus upon, and we recommend that Tourism Action Zones must include: prioritisation of infrastructure provision, both transport and digital; access to support and research to help develop tourism products; and support for local businesses to develop the digital skills they require to reach new markets and remain competitive.*

72. *Seaside towns need to be able to invest in the buildings and assets that make them unique. We recommend that Tourism Action Zones should include greater freedoms for local authorities to access capital funds for projects aimed at improving the public realm and other cultural and heritage assets.*

Hospitality

73. The Tourism Sector Deal negotiations have a strong focus on skills and the promotion of careers in tourism and hospitality. These priorities resonated with evidence we received both on the importance of the hospitality industry to the local economies of seaside towns and concerns raised around the challenges of maintaining a sustainable and skilled hospitality workforce.

74. According to UKHospitality, the hospitality sector employs 2.9 million people and generates £130 billion in economic activity. Kate Nicholls, Chief Executive Officer for UKHospitality, outlined how significant a role the sector played in seaside and coastal communities:

> "More than 8 million people live on the coast, in coastal communities. Our recent research suggests that around one in seven of them is employed in hospitality, so it is a major employer in the sector. The sector has contributed around £20 million in GVA to the economies of coastal local communities. Both those figures have grown by about 17% since 2010. We are big employers and big contributors to the local economy, culturally, socially and economically, with an increasing proportion."[74]

75. A number of organisations raised concerns about the impact of leaving the European Union on the hospitality workforce. We consistently heard that the visitor economy, across much of England, relied heavily upon EU nationals to meet its staffing needs. Kate Nicholls told us that 24% of the hospitality workforce nationally was comprised of EU nationals.[75]

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74 Q 34 (Kate Nicholls)
75 Q 41 (Kate Nicholls)

76. The British Beer and Pub Association informed us that brewing and pubs employed 24% of their workforce from overseas (17% being from the EU) and stated that "the design of any future immigration system must ensure the necessary staffing levels for the hospitality sector." Bournemouth Borough Council highlighted a similar concern:

> "The hospitality industry is reporting that the availability of hospitality candidates is at an all-time low, with the Brexit announcement reducing the flow of European workers."[76]

77. In addition, we heard that in a number of coastal areas, especially on the east coast, unemployment rates were relatively low and labour markets were tight. Lincolnshire County Council explained as follows:

> "If current economic activity rates stay the same, the percentage of the economically active workforce who work in East Lindsey will need to increase from 66% to 81% to sustain the local jobs market - this is equivalent to 9,979 more jobs than people available to fill them by 2036."

78. When asked for a response to these concerns, the Minister, Jake Berry MP, acknowledged that the hospitality sector was reliant on migrant workers and that this should be taken into consideration as part of immigration arrangements following the UK's departure from the EU: "Generally, as the coastal communities Minister, it is important that I take on and accept the point that we must remain an open economy to enable people to come in and out to work in hospitality and other industries."[77]

79. The Minister did, however, suggest that it would be important for the hospitality sector to look for opportunities to attract and develop a 'homegrown' workforce:

> "There is a responsibility for the UK hospitality industry to look at developing the homegrown talent we have in the UK. We are moving near full employment, but there is an obligation on the UK hospitality industry, through the sector deal, to look at how we can improve and upskill members of UK society."[78]

80. The role for the hospitality industry in helping to fill skills shortages with UK nationals, as a way to mitigate any impact of leaving the European Union, but also as an opportunity to boost local skills and employment in seaside communities, was widely echoed. There was, for example, much work described which was being undertaken between the hospitality industry, schools and Further Education (FE) colleges to create career paths for young people. There is also a dedicated workstrand in the Tourism Sector Deal negotiations concerned with "making tourism and hospitality a career for life." We will explore those opportunities further in the following chapter on Education and Skills.

Tourism VAT

81. In addition to raising concerns around the capacity of its workforce, the hospitality sector and other industries operating within the visitor economy

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76   Written evidence from Bournemouth Borough Council (RST0118)
77   Q 183 (Jake Berry MP)
78   Ibid.

suggested that "uncompetitive"[79] rates of taxation for the tourism sector, specifically VAT, dissuaded tourism businesses from investing and placed the UK at a disadvantage compared to other countries.

82.   Many countries in the EU offer a discounted rate of VAT to the hospitality sector with the aim of boosting jobs and investment. This, however, is not currently the case in the UK. North Devon Council suggested that a high rate of VAT on tourist activities compared to other European countries was a constraint on growth[80]. The campaign group, Cut Tourism VAT, asserted that the UK currently ranked 135th of 136 countries in terms of tourism price competitiveness, according to the World Economic Forum. They stated that "the high cost of tourism in the UK is undoubtedly a factor that dissuades foreign visitors from visiting the UK and encourages British citizens to travel abroad."[81] Merlin Entertainments told us that:

> "out of 36 European countries, the UK is one of three without a reduced rate of tax on tourist activities. UK hospitality is already at a distinct disadvantage to its European counterparts in attracting tourism, even before Brexit."[82]

83.   We were made aware that there was a range of areas where a cut to VAT could be usefully applied. These included:

- A cut to VAT on accommodation. Both the Association of Leading Visitor Attractions (ALVA) and Merlin have called for a VAT reduction on tourist accommodation specifically, which they argue will help to boost price competitiveness.[83]

- A cut to VAT on property repairs. ALVA has stated that it is concerned about VAT on property refurbishment in general and on repairs to historic properties in particular, arguing that the rate should be reduced to 5% to decrease the differential between the refurbishment of older properties and new buildings, and between VAT-registered and unregistered businesses.[84]

- A cut to VAT on food. The British Beer and Pub Association has argued that there should be a cut to VAT on food served in pubs and restaurants. Its Chief Executive, Brigid Simmonds, told the House of Commons Culture, Media and Sport Select Committee that: "The cost of cutting [VAT on] food would be greater to the Treasury but the job creation would probably be greater as a result, because you would need more people in a pub to work there if you have more customers."[85]

84.   In the Autumn 2017 Budget, the Government announced that it would publish a call for evidence which would allow it to consider the impact of VAT and air passenger duty on tourism in Northern Ireland, to report at Budget 2018. Following the consultation, the Government's response was

79   Written evidence from the British Association of Leisure Parks Piers and Attractions (BALPPA) (RST0024)
80   Written evidence from North Devon Council (RST0063)
81   Written evidence from Cut Tourism VAT (RST0050)
82   Written evidence from Merlin Entertainments (RST0082)
83   Associated of Leading Visitor Attractions (ALVA), Policy: http://www.alva.org.uk/details.cfm?p=43&codeid=393 [accessed 25 March 2019]
84   ALVA, Policy: http://www.alva.org.uk/details.cfm?p=43&codeid=393 [accessed 25 March 2019]
85   House of Commons Select Committee on Culture, Media and Sport, Tourism (Sixth Report of Session 2014-15, HC 614)

published as part of the 2018 Budget on 29 October. In this response, the Government stated that "there will be no changes to the VAT or APD regimes in Northern Ireland at this time" and that "the Government will continue to explore ways to support a successful and growing tourism industry."[86]

85. The Minister, Jake Berry MP, told us that a recent Government assessment had estimated that a reduction in VAT would cost £10 billion in its first year, and lead to increased borrowing and taxation elsewhere. However, he added that:

> "Notwithstanding the contents of that report, it is certainly something the Government should not close their mind to. We need to accept that the tourism industry in our coastal communities employs more people than the motor or aerospace industries . . . we should not close our mind to looking at variations in VAT, particularly when we have left the European Union."[87]

86. In a similar vein, we were told on a number of occasions that leaving the European Union could, in theory, allow for the option of pursuing variable UK rates of VAT. Whether this could be applied to different geographies is unclear at this stage, but we consider the potential impact that a reduction in VAT could have for struggling seaside areas to be an important opportunity.

87. We recommend that the Government keeps the issue of tourism VAT under review and considers the introduction of pilot areas where the impact of a reduction of VAT on tourism related activities could be assessed.

88. ***We recommend that the Government undertakes further research into the potential impact of cutting VAT on tourism-related activities.***

The wider economy of coastal towns

89. Tourism is still, in many seaside areas, considered a significant economic opportunity. However, for many areas, the reality is that they can no longer rely solely upon tourism to deliver a buoyant local economy. It became clear to us that simply reviving coastal tourism is no panacea for the socio-economic issues that have become so entrenched in many coastal areas. Seaside towns are increasingly required to look beyond tourism for other solutions to boost their local economies. Blackpool Council alluded to this school of thought, and outlined the difficult choice faced by many coastal authorities:

> "… the key issue for most coastal towns where tourism is the dominant economic driver is whether to dilute the emphasis on the rapidly-changing and competitive market of tourism in favour of encouraging diversification. Tourism is generally a low wage, seasonal industry, but the risk of re-allocating funding away from tourism is considerable in such a competitive market."[88]

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86   HM Treasury, 'Budget 2019' (October 2018), p 71: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/752202/Budget_2018_red_web.pdf#page=74 [accessed 25 March 2019]

87   Q 184 (Jake Berry MP)

88   Written evidence from Blackpool Council (RST0081)

Box 2: Case study—Brighton and Hove

A note by the Chairman, Lord Bassam of Brighton

Keith Waterhouse once famously described Brighton as "a town that always looks as if it is helping police with their inquiries". The tag stuck until the late 1990s when it became the 'place to be' and achieved City status. Without ignoring the challenges the city faces, Brighton and Hove is probably the UK's most successful seaside community, but it was not always that way, certainly not in the 1970s and early 80s.

So what are the ingredients of success?

It has a diverse local economy based around tourism, healthcare, higher education, ICT, the arts and the service sector. It is also unusual in having a strong retail offer with over 350 small and often quirky independent shops. With 35,000 students at its two universities and 57,000 knowledge economy jobs (41% of the total economy), it has a dynamic employment base. Since 2011, 14,300 jobs have been created and there are 2,700 more businesses than there were in 2012. In 2015, there were 2,100 business start-ups alone.

The key is education. Over 50% of working age adults have a degree (national average is 38%) and its schools are improving in quality. Earnings are higher than the average and the city's population is rapidly growing, up by 13% over the past decade. There was a net inflow of international migrants, some 3,800 in 2016, and it attracts the second highest number of internal migrants leaving London.

Tourism and hospitality focused on weekend breaks and conferencing attract some 10 million visitors a year and employ 20% of the workforce directly and indirectly. A strong events programme across the city's venues, coupled with a vibrant arts offering, make it a must-visit location. Substantial local and national investment, both public and private, has underpinned its desirability. The arrival of premiership football has also added to interest in the city.

Innovation and sustained investment have helped cement its status. The key, however, is a diverse economy driven by its knowledge base and flexible workforce. Its reputation as a cultured city with creative businesses helps give the place its buzz and USP. The city's diversity and the lifestyle appeal of Brighton and Hove enables it to succeed in spite of the difficulties it has with costly housing, poverty and health issues. Brighton and Hove's welcoming feel (it is a city of sanctuary) adds to its sense of inclusiveness and wellbeing.

Diversifying local economies

90. We heard from several coastal authorities which had deliberately shifted their efforts away from the promotion of tourism and increasing visitor numbers, and who were thinking differently about how to stimulate their local economies.

91. Dorset County Council made a request for "sufficient attention" to be given to the "potential contribution that can be made by other sectors, beyond tourism." The Council told us that it was now, in partnership with the Dorset Local Enterprise Partnership (LEP), focusing its efforts around growth and job creation on other sectors beyond tourism:

> "Attention across Dorset is now being focused on the sectors detailed below in order to increase productivity, skills and wage levels. Across

the Dorset LEP area Advance engineering/manufacturing, financial services/insurance, agri-tech and creative industries are important and provide high value jobs. Tourism, whilst a large employer provides (in the main) low pay and seasonal work. There is a drive is to increase the productivity, skills and wage levels across the County and in particular in some of the coastal towns (e.g. Weymouth & Portland) which have the lowest wage levels."[89]

Similarly, Scarborough Borough Council told us that:

"In recent years a large part of our focus has been given to developing the manufacturing and construction sectors within the borough. This has been largely successful and Scarborough boasts a relatively well balanced economy for a Seaside Town. More now needs to be done to support the changing retail sector and developing tech sectors if the borough is to remain successful in the future. This will form a large part of our focus in the coming 3 year period until 2021."[90]

92. Jonathan Sharrock, Chief Executive of Coast to Capital Local Enterprise Partnership (LEP), was able to demonstrate how LEPs had supported a coastal area in diversifying its economy. He told us that Coast to Capital LEP had part-funded the creation of a new science and engineering Higher Education facility in Bognor Regis, to help support the advanced manufacturing sector present in West Sussex. Mr Sharrock claimed that the facility had helped to create a "different type of development in a typical seaside town … bringing jobs, students, money and a different economic model to Bognor, which it probably would not have otherwise."[91]

93. Whilst visiting Blackpool and the Fylde Coast in September 2018, we heard about the important role played by the two local enterprise zones—Blackpool Airport Enterprise Zone and Hillhouse Enterprise Zone—in protecting and promoting non-tourism sectors of the local economy. In written evidence, Blackpool Council elaborated:

"SME growth is also crucial to diversification. The primary driver of this for our town will be Blackpool Airport Enterprise Zone (EZ), using the financial advantages of Enterprise Zone status to maximise the potential of the Business Park and airport; attracting new and existing growth-oriented companies from a range of manufacturing, service, digital and creative sectors. The EZ came into existence from 1 April 2016 with a 25 year lifespan, providing the opportunity to host around 5,000 new jobs, secure in excess of £2bn of economic impact (GVA) and provide modern and flexible premises for expanding businesses. In the first 18 months of operation, it has safeguarded or created 700 jobs. The government's Enterprise Zone policy, although not specifically aimed at seaside towns, holds the promise of significant economic growth and diversification for the Fylde Coast area (hosting 3 such zones). The challenge remains to capture significant investment opportunities within EZ fiscal timescales, whilst simultaneously addressing essential infrastructure needs necessary to open up undeveloped sites and improve the efficiency of existing business parks."[92]

89   Written evidence from Dorset County Council (RST0072)
90   Written evidence from Scarborough Borough Council (RST0068)
91   Q 176 (Jonathan Sharrock)
92   Written evidence from Blackpool Council (RST0081)

94. The importance of coastal areas specialising in particular sectors or products in which they had a current advantage, or with which there was a historic association, was made clear to us. In a number of geographical areas, such specialisation related to the energy or marine environment sectors. Great Yarmouth Borough Council explained that:

> "The Borough is not solely dependent upon tourism and hosts other key growth sectors, as identified in its Economic Growth Strategy. These are primarily focused on servicing the offshore industry and the Port … The emergence of opportunities around offshore oil and gas infrastructure decommissioning will need to be capitalised upon and these are reflected in recent upgrades to the Port, the third river crossing, the establishment of the successful energy-focused Enterprise Zone and other proposed upgrades to transport connectivity."[93]

95. In other places, particular local culinary delicacies were of importance, for example, Whitstable oysters or the Cromer crab. Gordon Oliver, Elected Mayor of Torbay, told us about the success of the regeneration of the Brixham fishing industry, which was supported by EU funds:

> "We have the Brixham fish market, which was planned, with a good business case, around nine years ago; £20 million pounds of public money was invested. It protects 3,000 jobs, directly and indirectly. The fish tolls from Brixham now make it the biggest port by value of catch in Britain. The fish tolls income has gone from around £20 million to just over £40 million."[94]

Creative industries and culture-led regeneration

96. A number of areas also told us that cultivating the creative industries in their areas has helped to boost local regeneration. Margate was a clear instance of this approach. For example, the opening of the Turner Contemporary in Margate has stimulated the creation of a wider creative sector in the area. Turner Contemporary told us:

> "… artists and creative entrepreneurs have moved to the town and established studios and small businesses. With good train links to London and affordable opportunities for live and work spaces, there is now an expanding group of creative individuals living and working in the area"[95]

Thanet District Council told us that there had been "an 84% growth in creative businesses between 2013 and 2016 following a long-term programme called Margate Arts, Creativity and Heritage that has supported the sector and delivered public sector intervention and investment."[96]

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93 Written evidence from Great Yarmouth Borough Council (RST0064)
94 Q 22 (Gordon Oliver)
95 Written evidence from Turner Contemporary (RST0016)
96 Written evidence from Thanet District Council (RST0046)

**Figure 4: The Turner Contemporary has been a
central part of Margate's cultural regeneration**

*Source: Acabashi, 'Turner Contemporary Gallery': https://commons.wikimedia.org/wiki/File:North_side_of_
Turner_Contemporary_gallery_Margate_Kent_England.jpg [accessed 26 March 2019] (CC-BY-SA-4.0)*

97.   Several areas informed us that flourishing creative businesses could help to
attract visitors and encourage them to stay and engage with the local creative
industries. However, the importance of securing local buy-in for creatively-
led projects was also emphasised. The Theatres Trust told us that:

> "The challenge in a creative regeneration programme is ensuring the
> residents are not displaced and that they too feel the benefits."[97]

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97   Written evidence from the Theatres Trust (RST0055)

Box 3: Seaside entertainment

A note by Lord Grade of Yarmouth

Until cheap flights and package holidays took over from traditional UK seaside holidays in our numerous resorts, one of the key attractions was top class entertainment. Blackpool had at least seven major theatres attracting stars like Morecambe and Wise, Ken Dodd, Cilla Black, Val Doonican and many more, to play twice nightly in lavish revues from Whitsun until the illuminations were switched on in October. Bournemouth, Great Yarmouth, Scarborough, Torquay and Paignton also relied on star name attractions to draw the crowds of summer holiday makers. Those days are now, sadly, long gone. Many functioning theatres however remain, underused and unloved.

Two constants emerge from the end of this boom period, the British public now wants guaranteed sunshine for their annual summer break, but they also still enjoy familiar, family entertainment they can identify with. Our resorts may be impotent in respect of controlling the weather, but providing live entertainment is worth exploring as a means to attract visitors, if only for short stays. The venues remain, and the range of available live attractions can have appeal for all ages, all audiences. These great seaside towns need to find new reasons to draw visitors, even if they no longer come for two weeks of uncertain weather. Outside the summer months, big shows tour our great cities and draw huge audiences, whether it's a post West End tour of a hit musical like Annie or Evita, or a stage version of Strictly Come Dancing or Britain's Got Talent.

So many thousands of UK folk travel to London for a few days to see a show, why not an offer in the holiday weeks and weekends to see these shows at one of our legacy resort theatres? Enterprising tourist boards and promoters could try out packaging deals for a few nights at a hotel or guest house and tickets for various local attractions including tickets for a show. If the sun shines, that would be a bonus.

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98. Many coastal areas have benefited from grant-funding from arts and heritage bodies, to help to stimulate the local creative industry or for to improve the public realm. The Arts Council England told us that it had supported "49 National Portfolio Organisations in seaside towns at a total value of £64,225,004 in the 2018-22 funding period."[98] Many submissions highlighted projects that had been funded as a result of successful bids to the Heritage Lottery Fund, who told us that, since it was established in 1994, it has "funded £373 million into seaside towns in more than 2,000 projects."[99]

99. We were provided with several examples where culture-led regeneration schemes, which have often had the support of funding streams such as Arts Council England or the Heritage Lottery Fund, have successfully boosted local visitor economies, for example in Margate, Folkestone and in St Ives. We also note Yvette Cooper MP's recent call for the establishment of a new annual title: town of culture. We hope that this will be pursued.[100]

100. The Heritage Lottery Fund explained that evaluation of the funding provided was predominantly done on a "project-by-project or programme-

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98 Written evidence from the Arts Council England (RST0051)

99 Q 86 (Ros Kerslake)

100 'Town of culture award would boost regeneration, says Yvette Cooper', *The Observer,* (29 December 2018): https://www.theguardian.com/culture/2018/dec/29/yvette-cooper-leads-call-for-town-of-culture-award-regeneration

by-programme basis."[101] Ros Kerslake, Chief Executive of The Heritage Lottery Fund, stated that: "If we were, for example, investing in town centres through the Townscape Heritage Initiative, we would look at the impact of that programme, but we have not looked at the overall impact of our funding. In our new framework going forward, that is changing, and we will look at the broader impact of the funding, but we do not have that information historically."[102] The Arts Council England confirmed that it would "often measure the impact of the creative idea and how people have responded to it, as well as some of the harder economic and jobs figures."[103]

101.   **The creative industries have a clear role in supporting seaside towns to diversify their economies and enhance their local cultural assets. Capital investment must be made in the context of its impact on the place generally and be monitored and evaluated accordingly. It is vital that evaluation processes for grant funding for heritage and arts projects address issues relating to place-based approaches to regeneration, so as to ensure that public funds are used prudently, and that best practice can be understood and shared.**

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101 Q 89 (Ros Kerslake)
102 *Ibid.*
103 Q 89 (Laura Dyer)

Box 4: Culture-led regeneration

A note by Baroness Whitaker

We had evidence from the Arts Council England, among others, of the strength of local cultural development in fostering regeneration. St Ives is a well-known example and Folkestone and Margate are more recent successes. But smaller-scale local projects have also proved the worth of the investment, as in Great Yarmouth, where relatively modest funding from the Arts Council England has supplemented local vision and commitment to create a strategy in which culture is the key to regeneration. This does not only increase the visitor footfall, it boosts local morale and the sense of pride in local identity which itself restores the confidence so necessary to regeneration.

Local Authority funding enabled Newhaven to hold its own festival as part of the East Sussex Artwave, with events such as: a guided walk to reveal elements of heritage and history, taking in some remarkable tombstones in the ancient churchyard; a landscape-inspired event with local birdsongs in the church; a competition to chalk children's ideal Newhaven on the paving stones of the High Street; and a very well-attended 'festival of belonging' enabled by a local non-profit-making organization which owned the site. An important element of this kind of community culture development is the combination of participation with events and local causes, perhaps best exemplified by the Christmas dinner for a hundred homeless people and volunteers (and some were both) in the local community and cultural centre, with a bagpiper, a belly dancer, story-telling, a ukulele band singsong and food contributed by local shops, cooked by local experts and served by the High Sheriff and his wife. Funds were also contributed by the police and the local authority as well as residents, to give all guests a present. The role of this kind of collaboration in regeneration is particularly important in relating giving and social solidarity to culture, whether in the form of traditional entertainment or more innovative activity.

As the Arts Council England's evidence demonstrates, support for activities needs to go hand in hand with physical regeneration, in particular, a combination of sensitive rehabilitation of older buildings with well-designed and environmentally innovatory modern housing, as well as cheaper workspaces to attract creative and entrepreneurial incomers. In the case of Newhaven this will include highly skilled joinery, furniture-manufacture, ceramics and sculpture as well as more community-orientated work such as embroidery and patchwork. It goes without saying that a strong partnership between all the stakeholders and funders is necessary to create this kind of framework. However, it should be said that the thirst for cultural events and a culturally-defined identity has come from within the community. The Arts Council England's response, through workshops for local artists and creators, has supported the momentum, enrolling other local stakeholders to take part.

Ports

102. The role played by ports in supporting and sustaining the coastal economy was drawn to our attention. We were told that around 100,000 people were employed in the UK ports sector, with around 600,000 jobs dependent upon the broader supply chain.[104] Associated British Ports told us that ports were a vital employer in coastal communities, with 97% of their direct employees living in the local area.[105]

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104 Q 149 (Mr Tim Morris)
105 Q 149 (Mr Dafydd Williams)

103. The ports sector highlighted some of the limitations faced by operators when seeking to diversify or enhance their product. The British Ports Association, and the UK Major Ports Group, noted that current planning restrictions prevented 'value-added' activity from taking place on port sites (which are designated for the storage and transit of goods), limiting the potential for operators to attract or develop light industrial businesses on site.[106]Tim Morris, Chief Executive of the UK Major Ports Group provided a "practical illustration" of this issue, explaining that:

> "You have a warehouse. You take rolls of steel off a boat, put them in a warehouse, and then stick it on a train or truck and it goes out. At the moment, there are probably three people employed in that warehouse. You could put a bit of machinery in it, bend that bit of metal into something, and then it would go out as a finished component, which might employ nine people, in the same building. You have not changed anything apart from putting in a machine. At the moment, as a port you cannot do that . . . you cannot change the use of the shed from being storage and transit of good to value addition."[107]

104. Dafydd Williams, Humber Head of Communications for Associated British Ports, highlighted how potentially limiting this was, pointing out that: "The great opportunity we present is that most port operators are also big landowners; we have large amounts of land attached to the ports, so there are opportunities to grow . . . ABP alone has 360 hectares of developable land."[108]

105. The UK Major Ports Group advocated the creation of 'Port Enterprise Zones'. We were told that such zones could "combine a number of what might seem relatively small and technical planning items, such as the extension of permitted development rights, with a couple of other things that you might see as enterprise zones . . . designated with appropriate treatment, still with high standards . . . but helping to facilitate investment and the creation of opportunity and prosperity."[109]

106. ***Commercial ports play an important role in supporting the coastal economy. We believe that port operators, such as Associated British Ports, have the potential to help to drive regeneration in seaside towns. We therefore recommend that current planning restrictions which limit the potential for changes of use on port sites are amended to remove the barriers which prevent the productive development of land.***

107. For some areas, the key to reversing social and economic decline, and to achieving longer-term economic stability, will inevitably have to involve diversifying their local economies to make them less reliant on tourism. There were some encouraging examples of this approach, where areas have focused on growing other sectors within their local economies. However, the list of these examples was not extensive. Where areas reported success in diversifying local economies, the key factors seemed to be either that the area had received additional support (for example through the LEP or from the designation of Enterprise Zones), or that they had been able to capitalise on products or sectors where they had a natural competitive advantage (such

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106 Q 156 (Mr Tim Morris)
107 *Ibid.*
108 Q 156 (Mr Dafydd Williams)
109 Written evidence from the UK Major Ports Group (RST0053)

as offshore wind). The reality is, however, that, overwhelmingly, coastal communities lack the resources needed to tap into opportunities outside of tourism, as the New Economic Foundation highlighted:

> "These areas have now become unattractive to investment whilst also lacking the resources and the power they need to tap into new opportunities to turn that context around. They now struggle to attract new investment and workforce, they are unable to diversify, to create dynamism, to innovate."[110]

108. Some researchers have gone further, arguing that long-term tourism development has contributed to deprivation in seaside towns. Agarwal et al. argued in their report *Disadvantage in English seaside resorts: A typology of deprived neighbourhoods*, that tourism has, in some coastal communities, been a "poisoned chalice" because the "unskilled, low paid and seasonal nature of employment in the sector has fashioned a major societal issue of poverty and deprivation."[111]

109. There is a clear role for LEPs to play in supporting areas with diversifying their local economies and there was some promising evidence that this was happening in some areas. We repeatedly heard, however, that the structures established to promote economic development—principally, but not only, LEPs—did not prioritise neglected coastal communities and did not give proper account to the full range of sectors that could support coastal economic growth (we explore the role of LEPs in more detail in Chapter Six). More supportive infrastructure investment is required to support growth in non-tourism sectors and to help coastal areas to connect better with the inland economy.

110. The New Economics Foundation (NEF) suggested that a UK Coastal Industrial Strategy should be created. Such a strategy, they argued, should be aimed at developing economic sectors in which coastal areas have a comparative advantage, by investing in building the capabilities of people and communities, strengthening local supply chains, and restoring natural resources on which such sectors might depend. NEF argued that the strategy should be supported by a national skills plan to support different sectors of the coastal economy, and a flexible innovation fund "to support innovation in different areas, including fisheries management, technology deployment for marine energy, and coastal adaptation projects".[112]

111. Although we have stopped short of recommending a coastal strategy, we were persuaded of the need for greater support for seaside towns to diversify and protect their local economies from changing patterns of tourism and variations caused by seasonality.

112. **For some areas, promoting or reinvigorating tourism has been overstated as a solution to local economic challenges. Additional support is needed to recognise, promote and support diversification where a sole reliance on tourism is no longer a viable option.**

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110 Written evidence from the New Economics Foundation (RST0104)

111 Agarwal et al, 'Disadvantage in English seaside resorts: A typology of deprived neighbourhoods', *Tourism Management*, vol.69, (December 2018), p 1: https://www.sciencedirect.com/science/article/pii/S0261517718301237 [accessed 25 March 2019]

112 Written evidence from the New Economics Foundation (RST0104)

Connectivity

Transport

113. During our visits, we were encouraged by the many examples of successful transformation that we encountered. However, we heard repeatedly that despite the drive and ambition that is clearly present, areas are suffering from poor transport links which are severely hindering the opportunities for bringing about sustainable improvements, either to the visitor economy, or for attracting inward investment. Poor connectivity is central to the problems faced by many coastal areas.

Figure 5: Coastal towns in rural areas, such as Whitby, often suffer from infrequent rail services

Source: mattbuck, 'Whitby railway station': https://commons.wikimedia.org/wiki/File:Whitby_railway_station_MMB_08_156452.jpg [accessed 26 March 2019] (CC BY 2.0)

114. We often heard that seaside towns sit at "the end of the line", and typically suffer from poor rail connections or services and that road access is usually via single lane carriageways. These sub-optimal connections can limit the potential for investment in economic diversification, and may also act as a constraint on growth in the visitor economy.

115. Several areas highlighted the impact on local visitor economies of the removal of local rail services, following the Beeching cuts in the 1960s, which served to compound issues related to a general decline in domestic tourism. At the same time, the enabling role of transport investment—such as the role played by HS1 in supporting the regeneration of Margate and Folkestone—was emphasised.

116. A number of contributors to our inquiry, including the Coastal Communities Alliance, Dorset County Council, the Local Government Association Coastal Special Interest Group and East Riding of Yorkshire Council, were critical of the approach taken by the Department for Transport when calculating Cost-Benefit Ratios for transport investment decisions. It was suggested that

the approach failed to take proper account of seasonal variations in usage and the '180-degree hinterlands' of coastal settlements.

117. Scarborough Borough Council told us that the Department for Transport's approach to transport investment decision-making has had an impact on its road infrastructure and highlighted the limitations of the A64:

> "The Local Authority, local business and residents have been campaigning for decades to have this road dualled along its length. Unfortunately the assessment criteria used by the DFT for investment in road infrastructure does not properly account for traffic generated through Tourism Industry activity. This is weighted as "leisure travel" and therefore this road has not warranted the Gov investment required."[113]

118. A number of submissions also highlighted the importance of bus networks to coastal areas. However, some areas told us that bus services were either insufficient or had been subject to cuts by local authorities. Hornsea and District Civic Society stated that: "Other cut backs have reduced the public transport to the town with the very recent loss of the bus garage and with it a number of service buses connecting to Hull and Beverley the main commuter towns in the area. This has also cut off some local villages from Hornsea…"[114]

119. Bus Users UK suggested that bus services have an important role to play in regeneration, particularly in terms of access to employment. It stated that:

> "As Greener Journeys' 2014 research showed, there is a significant relationship between accessibility by bus and employment. Our findings highlight particular issues for younger job searchers -23% of unemployed 18-24 year old respondents in this survey (compared to 16% of the other age groups combined) cite the lack of a suitable bus service as a key barrier to finding a job."[115]

120. Chichester District Council highlighted that limited bus services had a significant impact on access to employment in the area: "Workers in the district are limited to the jobs they can take as there are no buses before 8am and they don't run late enough to allow for people working evening shifts . . . It is the network of community buses that often keep rural and coastal areas moving."[116]

121. The British Amusement Catering Trade Association (BACTA) noted that problems with routes into seaside towns were likely to persist over the long-term and, therefore, a degree of priority should be given to ensuring that local transport connections, within settlements, operated effectively and had sufficient investment.[117] The Coastal Communities Alliance argued that local authorities required a greater number of options for accessing funding to support infrastructure investment, and that borrowing flexibilities and better access to capital markets should form part of this approach.[118]

122. Bus Users UK highlighted the 'root and branch' review of the rail network, which was announced by the Department for Transport in September 2018,

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113 Written evidence from Scarborough Borough Council (RST0068)
114 Written evidence from Hornsea and District Civic Society (RST0030)
115 Written evidence from Bus Users UK (RST0025)
116 Written evidence from Chichester District Council (RST0044)
117 Written evidence from BACTA (RST0101)
118 Written evidence from the Coastal Communities Alliance (RST0029)

as an opportunity to review the connectivity of seaside towns. It suggested that:

> "One option would be to use the root and branch review of the rail industry to develop a requirement for all those who bid for a franchise (or whatever model replaces this) to take a holistic view of transport within the region of operation, rather than limiting itself to where rail lines currently exist. In that way, the accessibility of entire journeys, including the "last mile" should be planned in from the outset. This should also link with and extend the scope of the Inclusive Transport Strategy to enable truly accessible end-to-end journeys."[119]

123. **Inadequate transport connectivity is holding back many coastal communities and hindering the realisation of their economic potential. Emphasis should be accorded to isolated coastal communities which are at 'the end of the line'.**

124. *We recommend that the Department for Transport, informed by the advice of the Ministry of Housing, Communities and Local Government, prioritises improvements to the coastal transport network when it takes decisions on planning and investment. This should be informed by a detailed review of the coastal transport network which includes an assessment of where the greatest socio-economic benefits can be realised through improvements to transport connectivity.*

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119   Written evidence from Bus Users UK (RST0025)

Box 5: Rail connectivity

A note by Lord Shutt of Greetland

The Beeching era cuts often left coastal communities well beyond the 'end of the line'. There are several plans to redress the damage of the Beeching report of 57 years ago. Some restorations of rail links have occurred, but these have been of little benefit to seaside towns.

One of the most significant rail restorations was the partial re-opening of the Borders line in Scotland. An early Beeching era closure - after much campaigning, the line from Edinburgh to Galashiels and Tweedbank was re-opened in September 2015. It was envisaged that it would have a ridership of 650,000. However, the actual numbers achieved were 1.3 million. Subsequent years have seen further increases to 1.37 million and 1.45 million.

In the book *Disconnected! - Broken Links in Britain's Rail Policy*, the authors Chris Austin and Richard Faulkner (Lord Faulkner of Worcester) describe the state of the networks following the Beeching closures and list lines that they believe would be valuable today. Some examples of lines, which would benefit seaside towns in England, are set out below:

Through Routes and link lines capable of restoration:

- Bristol-Avonmouth via Henbury
- Exeter-Okehampton-Plymouth
- Malton-Pickering-Whitby★
- Spalding-Boston and Frisby-Louth-Grimsby (incl. Mablethorpe)
- Willingdon chord (Eastbourne)-direct link Brighton-Hastings

Branch Lines or extensions capable of restoration:

- Barnstaple-Bideford
- Bodmin Parkway-Bodmin General-Wadebridge★
- Bristol-Portishead
- Poulton-Fleetwood
- Taunton-Minehead★
- Wareham-Swanage

★ *Lines that are now open wholly or partially for Heritage rail operation*

From the evidence we received, two areas of England—Cornwall and Lincolnshire (both of which we visited)—appear to be at a particular disadvantage from the impact of rail closures. Significant rail enhancement would assist connectivity to these areas for both for residents and tourists.

Cornwall

There is only one railway line connecting Cornwall to the rest of the UK. That is the line from Exeter to Plymouth and Penzance via Dawlish and Newton Abbott. Concerns have been expressed about the resilience of the line since it opened in 1846. The effects of extreme weather are causing significant problems, and part of the tracks have been engulfed by the sea at Dawlish. Over the 2018-19 winter alone, the line was disrupted on ten occasions.[120]

It is increasingly clear that there should be an alternative route to Plymouth and Cornwall. The route from Exeter via Okehampton to Plymouth is the obvious solution, especially given that there are now plans to operate a service on the route from Exeter to Oakhampton and also from Plymouth to Tavistock. The gap from Tavistock to the Meldon railhead to the west of Okehampton is only 15 miles. Closing that gap would mean that the North Cornwall coast would benefit from nearer rail access and ultimately give towns such as Bude some hope that they could be embraced in the rail network. The coastal town of Bude is further away from a railway station than any other in England.

Lincolnshire

Lincolnshire certainly suffered more than most areas from the Beeching closures. Skegness is the only coastal town in the county rail connected south of Grimsby and Cleethorpes. Even Skegness only has the line across to Boston, Grantham and the East Midlands. We heard on our visit to Skegness that people really struggle to get to the county town of Lincoln. From Skegness there is an hourly bus service taking 2 hours, and from Mablethorpe the journey (available 5 times a day) also takes 2 hours, with a change of buses in Louth or an hourly service via Skegness taking 3 hours 20 minutes. These lengthy times are all within the one county. As with Cornwall, another link with the coast would give greater resilience to the network and better connectivity to Lincoln and the north.

Digital connectivity

125.   Digital connectivity is vital for the future prosperity of coastal areas struggling to create sustainable local economies, particularly those suffering from inadequate transport links. Brighton and Hove City Council told us that it has a "… strong and rapidly growing ICT and Digital sector [which] now supports nearly 1,500 businesses and 6,800 jobs, having grown by over 40% over 5 years."[121]

126.   There were several initiatives that local areas told us were supporting improved digital connectivity. West Sussex County Council informed us that it had benefited from the Gigabit Broadband Voucher Scheme, a pilot scheme to be delivered in partnership with DCMS that will offer incentives to businesses to order 'gigabit' capable fibre broadband services.[122] During our visit to Cornwall, we heard that the area was well served by digital connectivity as it had benefited from EU funds for improving digital infrastructure. The Bude Coastal Community Team told us that Superfast Broadband Cornwall had effected a positive impact on the local economy, explaining that there

120 HL Deb, 6 February 2019, col 1520
121 Written evidence from Brighton and Hove City Council (RST0100)
122 Written evidence from West Sussex Council (RST0014)

were "… many self-employed, home-based graphic design businesses where digital connectivity compensates for the physical remoteness."[123]

127. Nevertheless, it was widely argued that digital connectivity in coastal areas was largely insufficient, restricting access to essential services for residents and limiting the attractiveness of these areas to inward investment. A number of areas indicated that they believed opportunities to overcome physical distances and issues of peripherality through improved digital infrastructure were being missed. It was suggested that investment in mobile and broadband infrastructure in coastal communities lagged considerably behind that being made in urban areas and that this was worsening the economic disadvantages already being felt in these communities.

128. North Norfolk District Council outlined the impact that poor digital connectivity was having on its local economy:

"This is of increasing concern to North Norfolk District Council and the local business community as many visitors to the area expect such infrastructure to be available and are frustrated by poor coverage and capacity across much of the District. This is increasingly placing our economy, but particularly tourism businesses and accommodation providers, at a commercial disadvantage, which could have long-term implications for the area in terms of repeat business. This would be over and above the competitive disadvantage that local businesses experience in being constrained in being able to promote themselves to prospective business and customers through poor connectivity limiting scope for self-service and online bookings which require reliable broadband bandwidth and/or mobile coverage in the operation of their businesses. The District Council sees this as a critical issue for coastal communities, which at present isn't recognised positively by Government."[124]

129. **Improved digital connectivity presents a significant opportunity to overcome the challenges of peripherality in coastal areas, and would help existing businesses, encourage new businesses, and enable people to work more flexibly from home without the need to commute. Assistance in delivering ultra-fast broadband in seaside towns should be the highest priority for the Government if the regeneration of these areas is to be achieved.**

130. *We recommend that the Government should promote initiatives to support digital connectivity in coastal communities specifically, and undertake a full programme of engagement with local authorities, LEPs and businesses in remote coastal communities to help to understand better the challenges to improved digital connectivity in coastal areas. The provision of high-quality broadband and mobile connectivity in coastal locations should be considered a priority, and an effective infrastructure investment in areas where the physical transport infrastructure is limited.*

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123 Written evidence from Bude Coastal Communities Team (RST0070)
124 Written evidence from North Norfolk District Council (RST0031)

Box 6: Connection

A note by Lord Lucas

Seaside towns are often remote, disconnected from large scale economic activity. If we work to connect them better, in a multiplicity of different ways, good consequences should flow.

High quality broadband connections should be our first priority in attracting new economic activity to seaside towns and connecting them with the rest of the country and beyond. Many experiences and services that are on the doorsteps of people living in metropolitan areas seem unfeasibly distant in Eastbourne, where I live.

Education is the key to connecting children, their experience limited to seaside life, with wider possibilities. Left unconnected, education atrophies. Eastbourne, a town of 100,000 people, has lost much of its academic sixth form provision. Just because the local employment opportunities are limited in scope, it should not mean that our children's education is limited also.

Seaside communities breathe out and in: our children should leave education with the same breadth of ambition as everyone else, and if they leave town to make their fortunes, then others, like me, move in – and, with luck, some of our children move back a decade or two later.

Seasonal education, where people work full-time in tourism for the season, and then take on full-time training - is a route that should be encouraged; and not just in terms of training for local jobs, but to provide connections to wider careers.

People with trouble in their lives often drift to the seaside. They too need connections, back to family and friends, and to all the structures that supported them where they came from, without which they may place strains on seaside communities.

Funding needs connecting too. It is a strength that there are multiple sources of funding available for seaside communities, public and private; they bring different ideas, priorities and expertise. But they need to connect back into the hinterland of the donor and forward into the local placemaking plans, to ensure long-term viability and coherence. Funding streams also need to connect with themselves – evaluating each project, at completion, and a few years' afterwards, publishing the results, and building our understanding of what works well.

CHAPTER 4: EDUCATION AND SKILLS: STIMULATING AN ENTREPRENEURIAL CULTURE

131. Many seaside towns are facing considerable challenges across all levels of the education and skills system. Such challenges, we were told repeatedly, were affecting educational outcomes, and thereby disadvantaging young people and acting as a barrier to growth.

Educational attainment

132. We were informed that low educational attainment was a persistent problem in many seaside communities. Several areas highlighted that their educational outcomes fell below the national average, including Great Yarmouth Borough Council,[125] Allerdale Borough Council,[126] Brighton and Hove City Council[127] and Blackpool Council.[128] Dorset County Council, in a far from untypical example of the educational challenges facing seaside towns, explained that:

> "Weymouth and Portland have one of the lowest rates for social mobility in England. The Progress 8 scores for the secondary schools in the borough place them all below the government's floor standard (i.e.-0.5). All Weymouth schools rated below average recently - All Saints School -0.6. Wey Valley School -0.68. Budmouth College -0.87. The Atlantic Academy Portland) -0.94. In addition, Ofsted inspections this year have rated both Budmouth College and All Saints school as Inadequate. Wey Valley has a Requires Improvement rating, whilst Isle of Portland Aldridge Community Academy was put into Special Measures before being taken over by Atlantic Academy."[129]

133. We were directed to performance data showing that pupils in seaside towns and communities were underperforming. Professor Tanya Overden-Hope emphasised a 2016 report by Century Forum which suggested that, "at Key Stage 2, less disadvantaged, non-isolated schools that are outside coastal areas have 3 percentage points higher Level 5 attainment rates . . . than those in coastal areas."[130] Professor Overden Hope also cited research from SchoolDash, which stated that "2015 GCSE results showed that pupils in coastal schools were on average achieving 3% lower results than inland schools, based on the benchmark five A*-C GCSEs including English and maths."[131] Furness Economic Development Forum highlighted Ofsted's 2013 20-year review of access and achievement, which identified that:

> "Since 1993 the distribution of under achievement has shifted from deprived inner city areas to deprived coastal towns and rural areas. Of the 111 secondary schools in England serving above average proportions of pupils eligible for free school meals, with the lowest performance at GCSE for these pupils, 23% are in coastal communities including Barrow."[132]

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125 Written evidence from Great Yarmouth Borough Council (RST0064)
126 Written evidence from Allerdale Borough Council (RST0071)
127 Written evidence from Brighton and Hove City Council (RST0100)
128 Written evidence from Blackpool Council (RST0081)
129 Written evidence from Dorset County Council (RST0072)
130 Written evidence from Professor Tanya Ovenden-Hope (RST0032)
131 Written evidence from Professor Tanya Ovenden-Hope (RST0032)
132 Written evidence from the Furness Economic Development Forum (RST0113)

134. In seeking to understand and explain the trend of low educational attainment in coastal areas, a range of specific challenges for education provision, common to coastal communities, was identified. Many witnesses emphasised the limited accessibility to educational institutions for young people in seaside towns. Cornwall Council told us that:

> "Beyond the age of 11, Cornwall's young people often have to travel long distances to learn and access a broad range of academic and vocational opportunities. This is a real challenge for students in secondary and further education who live in coastal villages, and who may have to travel 3 or more hours per day to and from their place of education." [133]

135. Challenges around accessibility were also a common theme in the evidence provided relating to Further Education (FE) and Higher Education (HE). The Open University (OU) told us that: "There has been a 27% decline in the number of people in coastal constituencies accessing HE since 2011/12" and that the "higher education access gap between coastal constituencies and non-coastal constituencies has widened from 5% to 14%." The OU suggested that part-time higher education, including flexible forms of learning, such as online distance learning, could play a crucial role in allowing people from seaside towns and coastal communities to access higher education.[134]

136. Professor Ian Fribbance, Faculty of Arts and Social Sciences at the Open University, elaborated: "there is never going to be a bricks-and-mortar offering of higher education in every coastal town"[135] and so the Government must look at ways to support more flexible learning, particularly as part of its review of Post-18 Education and Funding. Professor Fribbance also made the suggestion that areas must look at ways of facilitating partnerships between the HE and FE sectors and local businesses and industry, to support greater access to education, and bring improvements to the employment prospects of students.[136] This view was echoed elsewhere in the evidence.

137. Steven Frampton, President of the Association of Colleges, stressed that while the opportunity to encourage entrepreneurship amongst FE learners was important, it was being limited:

> "The tragedy is that 10 years of cuts and frozen funding in the FE sector has meant the very things you are talking about, the entrepreneurial programmes that are there and can be delivered, have unfortunately been reduced in the college sector. It is the thing we would most like to get back."

> "I can speak from my own experience. I changed the college timetable to a two-period day between 10 am and 4 pm. On their half days, I gave students the opportunity to work with businesses and set up their own businesses: 83 of them are young entrepreneurs. But the financial resources to enable that to happen just are not there. Businesses were wonderfully supportive, but you still need to employ staff to deliver that part of the curriculum. We find that we have been reduced in our opportunities to do that because we have to concentrate on the core."[137]

133 Written evidence from Cornwall Council (RST0047)
134 Written evidence from the Open University (RST0034)
135 Q 107 (Professor Ian Fribbance)
136 Q 103 (Professor Ian Fribbance)
137 Q 103 (Steven Frampton)

138. A common thread in the evidence around the difficulties in accessing educational institutions was the resultant low aspiration amongst young people. Lincolnshire County Council argued that the time and expense it took young people to access FE and sixth form colleges had an impact on aspiration. The Council stated: "For some this means undertaking long or complex journeys to get there and back, whilst for others it means compromising on the course topics they take. This dampens young people's aspirations and curtails their opportunities."[138]

139. Many witnesses also connected the lack of employment opportunities in coastal areas with low aspiration levels. Blackpool Council observed that: "The nature of jobs available locally tends to supress the understanding that education is important to accessing career-orientated jobs."[139] There was broad agreement that low aspiration levels were contributing to reduced social mobility and low work expectations, something that East Lindsey District Council labelled as an "aspirational ceiling" in coastal areas.[140]

140. A number of submissions were from areas that had been selected to participate in the Opportunity Areas Programme, which has been initiated by the Department for Education. The programme focused on how the schools system could improve social mobility, looking particularly at ways to raise progress and attainment. Blackpool, North Yorkshire Coast and Hastings have all been designated as opportunity areas. While there was broad support for the aims of the programme, those areas involved all expressed concern that the duration of the project—which is set at three years—may limit its long-term impact. Blackpool Council have called for the programme to be extended to 2030 stating that:

> "…the lifespan of these projects are limited—with the Opportunity Area in particular being limited to 3 years. The learning from the Areas should be used to extend the duration of the existing programmes, and to introduce them into further locations. One of the main benefits of the Opportunity Area is the ability to use it as leverage, "tilting" other funding towards achieving its objectives, and this will be difficult to sustain."[141]

141. Similarly, North Yorkshire County Council stated that it felt that evidence of improvements at Key Stage 2 in its area demonstrated that the North Yorkshire Coast Opportunity Area programme was starting to have an impact, but Scarborough Borough Council warned that there was a danger that "…these interventions are relatively short term but are expected to tackle issues that have developed over generations", and asked "What will happen after 2020?"[142]

142. ***We agree with this concern over future arrangements and recommend that the Government sets out its plans for evaluation of the impact of the Opportunity Area programme and accordingly brings forward proposals setting out how the programme will evolve after 2020, in relation to the long-term needs of seaside towns.***

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138 Written evidence from Lincolnshire County Council (RST0028)
139 Written evidence from Blackpool Council (RST0081)
140 Written evidence from East Lindsey Council (RST0069)
141 Written evidence from Blackpool Council (RST0081)
142 Written evidence from Scarborough Borough Council (RST0068)

143. It was argued that there has been an historic lack of targeted investment and improvement programmes for education in seaside towns and communities. Professor Tanya Ovenden-Hope asserted that while in the last decade there had been an intense focus on raising achievement in inner city schools, both in support and funding through the London and City Challenges - which had been successful in raising educational outcomes - coastal communities had not yet benefitted from similar schemes.

> "There is clearly a challenge for equity in education in coastal communities. This is best understood by considering how urban communities with high level of disadvantage, such as London, have achieved improved educational outcomes for children and young people from similar economic backgrounds.

> London, and other urban settings, experienced a transformational shift in educational outcomes between 2003 and 2016 (Hayes and Gul 2017). The role of the Department for Education's London Challenge in supporting the rise of London as an education superpower, succeeding despite high levels of deprivation, cannot be underestimated. Other factors also played a role in London's sustained success in terms of educational outcomes, such as the relationship between local and national government; the growth of academies and school accountability; school-to-school support in close proximity; investment in facilities; and changes in teacher training."[143]

144. The most prominent concern, however, that was raised about education in coastal communities centred on the recruitment and retention of teachers. Many areas remarked upon the local difficulties associated with staff recruitment in coastal schools, which were attributed to factors such as geographical isolation, poor transport links, low wages and limited opportunities for professional development.

145. Importantly, we were also made aware that there were national challenges in teacher recruitment and retention, which were having an impact on coastal communities, in addition to the local characteristics noted above. Teach First stated that: "It is estimated that England needs to increase its teacher supply by about 12% by 2024 as pupil numbers boom, and there are already shortages today."[144] Geoff Barton, General Secretary of the Association of School and College Leaders, explained that retention was a significant problem:

> "You lose around 30% of teachers after five years and about 52% of teachers after 10 years. We have the youngest teaching workforce in Europe. That is not a good thing; it is a bad thing. Think about the kinds of people you would want teaching your own children. As for the people who are leaving, the TES calculates that by 2024 we are going to need—wait for it—47,000 more teachers."[145]

146. Tackling the challenges that we identify above—access to further and higher education provision, low aspiration amongst pupils, a lack of targeted investment programmes for rural and coastal regions, and difficulties in recruiting and retaining teaching staff—is a very considerable task, requiring

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143 Written evidence from Professor Tanya Ovenden-Hope (RST0032)
144 Written evidence from Teach First (RST0077)
145 Q 106 (Geoff Barton)

a range of interventions. There is no single transformative policy which could remedy what are, in some cases, entrenched problems.

147. **Limited access to education, in particular to FE and HE institutions, is severely curtailing opportunities and denting aspirations for young people in some coastal areas.**

148. *We agree with Professor Fribbance's assertion above that there is never going to be "a bricks-and-mortar offering" of higher education in every coastal town. Greater scope for flexible access both to further and higher education, such as online, part-time and distance learning, must therefore be part of the solution, and we recommend that the Government produces ambitious proposals for how it can best support and encourage flexible access as part of its review of Post-18 Education and Funding.*

Box 7: Teacher recruitment

A note by Baroness Bakewell

Britain has one of the most glorious coastlines in the world: some 7,700 miles of it. For centuries, traders and fishing communities have prospered here. Our coasts can provide tranquillity, pleasure and renewal of the spirit. The seaside – with its proximity to our tides and shores, our inlets and estuaries, our cliffs and beaches - is a vast, free asset. It would be folly to neglect it and not bring it again into the forefront of social and economic life. Here's one suggestion how.

Young people in seaside resorts love their homes; but they are not always well served when it comes to education. Young families enjoy the seaside; they come in droves for weekends and holidays. Conflate the two! Make it easier to attract teachers and their families to live and work by the seaside.

This would then raise teaching standards and attainment in seaside schools many of which are not good enough. We hear over and over about how hard it is to attract quality professionals, and how the need for them holds back many well-meaning initiatives. So, begin at the beginning with teachers, children and their schools.

Explain to teacher recruits that they are pioneering a social experiment to make schools the focus of entire communities with newly arriving, talented teachers firing up institutions that reach out to every corner of the community.

We love our coastline; we wish our resorts were happier places. Many of us would like to retire there in the hope of finding thriving and stable communities shaping their own and their children's futures.

149. As alluded to above, we were made aware of the scope for improving access and opportunity through the formation of innovative partnership models. For instance, Professor Fribbance told us:

> "if we could have a regime where the OU, for example, was working in partnership with the local colleges, which in turn were working with the local businesses that they knew well, that really would facilitate the kinds of things you are talking about: more apprenticeships, more access to local apprenticeships entrepreneurial skills, routes through to higher

education, those kinds of things. We would support that partnership model."[146]

150. We were struck by the example of the Scarborough University Technical College (UTC) which we visited. This institution, an industry-orientated school for pupils aged 14–18, is funded by the Government and is sponsored by a number of companies as well as by higher education providers. The flexibility to partner with local businesses and industry, and with HE institutions, has seemingly been invaluable, and we commend such an approach.

Box 8: Case Study—Scarborough University Technical College and Coventry University Scarborough Campus[147]

A note by Lord Bassam of Brighton A major development in the Scarborough area had been the University Technical College (UTC), which opened in 2016. The UTC offers students aged 14-18 technically oriented courses of study (around 60 per cent academic / 40 per cent practical), combining National Curriculum requirements such as GCSEs and A Levels with technical and vocational elements. It was sponsored by a number of partners including McCain, Unison, Flamingo Land, GCHQ and the University of Hull. On the neighbouring site the Coventry University Scarborough Campus which also opened in 2016 offers a range of courses, with intake every six weeks and the opportunity for condensed learning, which Council representatives suggested offered flexibility, particularly to those employed in seasonal work and adult learners with family and work commitments. During our visit, we asked whether the development of the UTC and Coventry University Scarborough Campus had helped to stem the migration of young people from the area. Council representatives stated that they believed the UTC had given young people in the area more of a reason to stay and that student numbers had increased from 20 in its first year, to 240 in 2018. The role of the UTC in meeting local skills needs was also highlighted, for example, in relation to the potash mine, which was expected to generate up to 4,000 jobs.

Source: Scarborough Visit Note, Appendix 5

151. There are, however, examples where universities have placed campuses into coastal areas, and it has not worked so well.[148] As such, research and analysis need to be undertaken to identify best practice in this area. It would be unrealistic, and probably unwanted, to expect central Government to identify and establish the sort of partnering models being used in Scarborough; it requires understanding and innovation at a local level. It would be for the Government, however, to conduct, or commission, research to look at what has worked well, and what less well, and why, and then to disseminate the analysis.

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146 Q 103 (Professor Ian Fribbance, Open University)

147 See Note on visit to Scarborough, Appendix 5

148 One example being the University of Brighton campus at Hastings. In 2004, the University Centre Hastings opened, managed by the University of Brighton, as a joint venture between the university, and other local education organisations In September 2009 University Centre Hastings was incorporated into the University of Brighton. In 2016 the University of Brighton announced that the campus would be closing. The decisions came after a year-long review of the campus which was deemed unsustainable by the university's management.

152. *We recommend that the Government enables the facilitation of partnership working between the FE and HE sectors, and local business and industry, in coastal and other isolated areas. The Careers and Enterprise Company and Founders4Schools are examples of best practice in this area. This best practice should be disseminated, and consideration given to launching a coastal-specific initiative, locally administered, aimed at encouraging and nurturing partnerships between schools, further education and higher education providers, and employers, in order to create a 'talent pipeline' able to serve local industries.*

153. As alluded to above, and in the previous chapter, the inadequacy of transport connectivity weighs heavily on our seaside towns, and is frequently a barrier to educational access in coastal areas. As Lincolnshire County Council put it to us:

> "One coastal barrier would be removed if those travelling to post-16 education or training were entitled to subsidised bus fares. Indeed, it is hard to understand the rationale for the current situation, where those up to age 16 can travel free while those aged 17 or 18 cannot."[149]

We agree.

154. *The cost of post-16 transport is an impediment to accessing educational opportunities in certain coastal areas. We recommend that the Government funds relevant local authorities to provide full public transport costs for post-16 students in coastal communities.*

155. The recruitment and retention of teachers in coastal areas, as referred to above, is a pressing concern, as it is nationally. Recruiting, retaining and professionally developing teachers will be imperative if educational outcomes in coastal areas are to be improved. We recognise that there are many factors at play and that there are no easy solutions. There are strong reasons, however, why seaside towns are, and ought to be, attractive places for teachers to work and live, for instance, lower housing costs compared to many urban environments.[150] Indeed, we heard informally from teachers that seaside towns were an attractive place to live and work. Nevertheless, further incentives are required to create a healthy teacher labour market, with a strong emphasis on professional development and retention, whilst recognising that an element of staff turnover is healthy.

156. *We recommend that the Government undertakes a bespoke review to examine what can be done, including consideration of a major marketing campaign, to attract teachers to seaside towns and communities and to incentivise healthy levels of retention.*

157. We note the historic lack of targeted investment and improvement programmes for education in seaside towns and communities, in contrast with the focus on urban areas in recent years. We recognise that resources are not limitless, but in wishing to be ambitious for our seaside communities, we conclude that there is a strong case for targeted intervention.

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149 Written evidence from Lincolnshire County Council (RST0028)

150 We do acknowledge, however, the arguments advanced in written evidence from Professor Tanya Ovenden-Hope (RST0032) that both high and low house prices in coastal communities present problems for recruitment and retention.

158. ***We recommend that the Government launches a targeted investment and improvement programme for both primary and secondary schools in coastal communities.***

Box 9: Education in coastal areas

A note by Lord Knight of Weymouth

Seaside towns are communities with a proud and successful past. They are struggling in the modern economy. The Fourth Industrial Age primarily values people with the ability to outcompete machines. This requires the application of higher-level skills and thinking across academic disciplines.

The future of seaside towns requires educational success. Sadly, their current performance, as measured in school results, is normally below the national average. Few have higher education institutions within their communities, and most suffer from a vicious circle that drives down aspiration.

For individuals, success in school is realised by getting a place at university. Few seaside towns have universities or even graduate entry jobs, and so this talent leaves home. Once settled in cities, where the knowledge economy is thriving, the seaside's best home-grown talent is unlikely to return. This in turn makes it hard for public sector employers to attract professional teachers and medics to these towns, because they can't offer what graduate professionals want for themselves and their families.

The committee's visit to Blackpool showed us a town that has strong primary schools, great further education and tangible efforts to bring sector-specific off-shoots of universities. However, the secondary schools are not performing well, despite investment from the Government's Opportunity Area scheme. There appeared to be an absence of a co-ordinated leadership of this phase. These schools are also struggling to recruit the teachers they need to succeed.

Blackpool is not alone. It showed signs of being more successful than some other seaside communities, with a relatively resilient visitor economy. The extent and diversity of the hospitality sector offers career prospects that young people can aspire to. With a better range of apprenticeships, especially at the higher levels, there would be the possibility of progressing in the industry to degree level. This pathway needs to be urgently developed in Blackpool and nationwide.

But the wider lesson should not be missed.

There may be schemes that can be devised to attract public sector professionals to these places. There is a great quality of life to be had. Our meeting with Teach First teachers from south coast towns told us that these locations offered easy access on to the housing ladder for young teachers, and a more settled future than their friends in unaffordable places like London. A co-ordinated attempt to sell the benefits of living and working in seaside towns could certainly help drive improvement in education.

But co-ordination is the challenge. The future economy needs a connected vision for education from cradle to grave.

Disadvantaged families need support with pre-school parenting, high quality early years education, and a pathway into more structured learning. Later statutory schooling then needs to align more strongly to the local economy and build an aspiration to a successful future without having to move away. This in turn needs pathways into both higher-level apprenticeships and access to university, including part time, without leaving home. This requires employers to have a much closer relationship with the range of local education providers so that they can develop a talent pipeline that guarantees their future success as businesses. Finally, this should be tangible within the adult learning infrastructure, as well as a more relevant statutory school curriculum, so that locals can re-train and start new businesses.

A strong place-based education vision can deliver regeneration through education. That vision needs to be for a whole education ecosystem that serves the economic future of the town. This needs leadership and complete alignment between the Local Enterprise Partnership and a local education partnership.

This is the coastal challenge.

Employment and skills

159. In many coastal areas, poor educational performance is often combined with weak labour markets, characterised by low-skilled, low-paid employment; a number of areas referred to a skills-shortage in the local labour force. The evidence highlighted a number of (often interconnected) problems associated with skills and employment.

160. The National Coastal Tourism Academy called seasonality "the most significant challenge facing many coastal communities."[151] We heard how the seasonal nature of tourism often results in a high proportion of temporary and short-term employment, and low-skill, low-wage local economies.

161. The outward migration of young people was also identified as a contributing factor to creating low-skill local economies. Merlin Entertainments explained that while they employed many young people while they were at college and university: "We find that once they have completed their education many move away taking their newly developed skills and knowhow away with them. Blackpool fails to retain the benefit from this investment in young people's skills."[152]

162. It was also suggested that an effect of the low levels of skills amongst local residents in these areas was that that industry and businesses were deterred from investing as there was little incentive for employers offering professional or technical careers to choose seaside towns as areas in which to base and expand their businesses.

163. A range of questions and concerns were raised about the effectiveness or appropriateness of national skills initiatives for seaside towns. It was put to us that some initiatives lacked the flexibility to cater for coastal areas, particularly those with high levels of seasonal employment patterns. When we visited Skegness, we heard about some of the challenges of implementing the apprenticeship scheme in coastal communities. Concerns were raised about the loss of locally-led training for hospitality and tourism, particularly that which had been offered by Butlins in-house, due to the requirement

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151 Written evidence from the National Coastal Tourism Academy (RST0080)
152 Written evidence from Merlin Entertainments (Blackpool) (RST0088)

in the apprenticeship scheme to use providers that were on the register of apprenticeship training providers (RoATP). Apprenticeships are meant to run over 12 months which, we were told, posed difficulties for coastal businesses (a high proportion of which were SMEs) that tended only to be able to offer seasonal work.

164. *We acknowledge this concern and recommend that the Government reviews as a matter of urgency how well the apprenticeship scheme functions in areas, and sectors, with high levels of seasonal employment, including the provision of flexible and general education and training programmes, and introduces appropriate adjustments to the scheme.*

165. **It is vital to recognise that for young people in seasonal employment, the periods when they are not in employment should be seen as an opportunity for training and the development of skills to expand their employment prospects. For example, if a person works for six months of the year in seasonal employment, it seems reasonable to us that their employer should fund a month and a half's training (the same ratio of work to off-the-job training as applies to an apprenticeship) and paid holiday. That leaves a period of time unaccounted for, which might usefully be filled with training or off-season work.**

166. Where successes in improving employment and skills in seaside towns were reported, the initiatives often involved partnership working between businesses, education bodies and local authorities. For example, both Alex Flach, Construction Director at Whitbread and Kate Nicholls of UKHospitality, provided examples of how they worked closely with schools and sixth form colleges to fill training and graduate vacancies in their organisations.[153]

167. A number of organisations also suggested that, despite the importance of the hospitality sector to the local economy of many seaside towns, there was a sense that hospitality was undervalued as a career option by younger people. Bournemouth Borough Council told us that: "The poor image within the UK of careers in hospitality and tourism is adding to the difficulties surrounding recruitment from within the UK market."[154]

168. Kate Nicholls of UKHospitality stated that: "There is discouragement: we hear about careers advisers telling people not to go into hospitality and not being able to give a good overview of the jobs that we provide." Ms Nicholls further added:

"… the industry has been quite fragmented and has not had national strategies to put in place for careers and progression. It is more individual to companies. That is why the tourism sector deal you heard about earlier is so critical. For the first time, it is putting together a national campaign for recruitment, retention and skills, and it really needs the backing of government. There is a lot that the industry could do itself, but for government to recognise that this is the third largest employer in the country and the fourth largest industrial sector would be a huge step forward in addressing some of those perceptions."[155]

153 Q 40 (Kate Nicholls, Alex Flach)
154 Written evidence from Bournemouth Borough Council (RST0118)
155 Q 40 (Kate Nicholls)

169. **Enhancing the status and potential of pursuing a career in the hospitality industry is important to the regeneration of many seaside towns. The outcome of the negotiations over the Tourism Sector Deal will, we agree, be of critical importance, and the Government must make efforts to promote and champion the hospitality industry. Its status and attractiveness must be dramatically bolstered.**

170. *The economies of many seaside towns are suffering from skills shortages. We recommend that the Government urgently examines the causes of the skills shortages in coastal towns. In doing so, the Government should encourage and support local skills strategies to enable successful and sustainable partnerships to flourish between industry, local educational institutions and the third sector.*

Box 10: Case study—Employment in Skegness

A note by the Bishop of Lincoln

One of the most striking features of our visit to the seaside town of Skegness was the success of the Butlin's resort as an all-year, all-weather attraction. When we visited in October 2018 we were told that it was hosting around four thousand guests. We heard that Butlin's plays a key role in supporting local employment and skills training, and an important ambition for the company was to offer more people work across 52 weeks of the year. It was led by a charismatic and entrepreneurial resort manager.

One challenge that was revealed (and this was echoed in the evidence provided by other organisations in the hospitality industry) was the difficulty in recruiting and retaining staff. Chris had attracted some high-quality recruits from the locality but many of his staff were from beyond the UK, mainly from the EU.

We were told that it was much more difficult to recruit and retain local people for several reasons.

First, and this was reinforced by the evidence provided by UKHospitality, there was a cultural issue regarding the place of the hospitality industry in the mind-set of local people.

Butlin's, Whitbread PLC and Stonegate highlighted to us that there were in fact great career opportunities in the hospitality sector for a young person (or indeed, an older person) with energy and ambition. We were told, for example, that there were a number of opportunities within Butlin's for employees to pursue managerial roles. But, from the evidence we garnered, this kind of work, which often initially involves low pay and long hours, was not attractive to some of the young people of the area.

Secondly, this cultural mid-set, which is common to most seaside towns, was reinforced in the case of Skegness by the absence of easily accessible and flexible further education (FE) opportunities for training in the hospitality sector. The nearest FE institutions were in Lincoln (42 miles away) or Boston (19 miles away), accessible only on poorly configured roads, with few options regarding buses and trains. This stood in stark contrast to the what we saw on our visit to Scarborough, where a UTC and a university campus had been built in middle of the town.

Finally, concerns over the impact of the apprenticeship scheme in coastal areas were also raised. We were told that the requirements of the apprenticeship scheme for using nationally approved training providers, took away the opportunity for locally-led training. In addition, apprenticeships are meant to run over 12 months which we were told posed difficulties for coastal businesses (a high proportion of which were SMEs) that tend only to be able to offer seasonal work.

CHAPTER 5: HOUSING, WELLBEING AND THE BUILT ENVIRONMENT

171. The rapid development of the coastline by the Victorians and Edwardians was characterised by the creation of attractive public spaces, distinctive architecture and thoughtfully designed promenades, piers and entertainment facilities. This was, in part, fuelled by a belief that seaside living promoted good health and a sense of wellbeing. The reality for many seaside towns now is very different, as many have been left with significant areas of poor-quality housing stock, often the result of converted former tourist accommodation and dilapidated public spaces. This, and other social and economic issues affecting coastal communities, mean that seaside towns have some of the worst health outcomes in the country.

172. This chapter will look at the physical environment and wellbeing in seaside towns. It will examine issues around housing and examine some of the factors behind the poor health outcomes reported by many coastal areas. It will also consider how well coastal areas are supported to tackle the threat from coastal erosion and flooding.

Housing

173. Issues relating to housing emerged as one of the most prominent concerns voiced by coastal towns. We recognise that many of the issues reported are not unique to seaside towns. There were, however, a number of factors identified which have led coastal towns to suffer disproportionately from high levels of poor-quality housing, and from the associated challenges this poses for those communities.

174. A key theme to emerge was the impact of a proliferation of Houses in Multiple Occupation (HMOs) that many areas told us underpinned and exacerbated a number of the social and economic challenges that they faced.

Houses in Multiple Occupation

175. Since April 2006, all HMOs had been required to be licensed by their local authority and to meet minimum physical standards, with the onus being on the landlord to apply for a license. The definition of a mandatory licensable HMO has remained unchanged since the provisions came into force. However, after 1 October 2018, the scope of mandatory licensable HMOs was extended, and smaller HMOs were brought within the scheme.[156] Under the Licensing of Houses in Multiple Occupation (Prescribed Description) (England) Order 2018, HMOs are defined as being occupied by five or more persons, from two or more separate households.[157]

176. Well managed multi-occupancy houses can play an important role in local housing provision. In many areas across the country, however, HMOs are associated with poor quality housing and poor tenant management. High concentrations of HMOs have also been related to increased anti-social behaviour, poor social cohesion and increased pressure on local services.

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156 Residential Landlords Association, *Guidance on Mandatory Licensing*: https://www.rla.org.uk/landlord/guides/mandatory-hmo-licensing.shtml [accessed 25 March 2019]

157 Ministry of Housing, Communities and Local Government, *House in Multiple Occupation and residential property licensing reform Guidance for Local Housing Authorities*, p 8: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/767310/HMOs_and_residential_property_licensing_reforms_guidance.pdf [accessed 25 March 2019]

These issues have prompted successive governments to introduce measures to regulate HMO properties, including through mandatory licensing, which requires HMOs to be licensed and to meet nationally prescribed standards on room size before they can be let to tenants.

177. Although the challenges associated with poorly-managed HMO properties are not unique to seaside towns, we have concluded that these issues are particularly persistent in coastal areas, and it is clear that coastal towns suffer disproportionately from high levels of poor-quality housing. What makes the issue particularly marked for seaside towns is that HMOs often occupy a high percentage of the local housing stock, and are, as recognised by MHCLG "prevalent in many coastal towns."[158] This trend is linked to the decline in tourism, which left many seaside towns with a legacy of redundant tourist accommodation, including former hotels and bed and breakfast properties. Many of these properties were then converted to cater for the private rental market, leading to a "dramatic growth"[159] in the number of HMOs in seaside towns. Seaside towns are, therefore, often labouring under the dual impact of a declining local economy, and the economic and social issues relating to poor quality housing.

178. Problems caused by the prevalence of HMO properties, we were told, were amongst the most urgent challenges for coastal areas. The evidence suggested that the oversupply of poor-quality HMOs was contributing to some of the most significant and persistent socio-economic disadvantages that seaside towns faced. Blackpool Council, for example, listed "the disproportionate number of poor-quality Houses in Multiple Occupation, converted from failed holiday accommodation" as one of its core challenges, a challenge which it also emphasised "had not changed since the 2006-07 House of Commons Select Committee inquiry into coastal towns."[160]

179. The evidence on HMOs centred around the following concerns: that HMOs are associated with population transience; that HMOs can impact adversely on the quality of local housing stock and on local housing market values; and that local authorities lack the powers and resources to tackle the problems related to this type of housing effectively.

Population transience and poorly-managed HMOs

180. The abundance of low-quality housing stock in many coastal towns was linked to two key problems for seaside towns. First, that there is a link between HMOs and a transient and vulnerable population, which can place additional pressure on local services, and can impact negatively on community stability and cohesion. Second, that concentrations of sub-standard housing stock, that is often dilapidated, unsafe or even abandoned, acts as a blight on the locality, making these areas unattractive for redevelopment and frustrates efforts to complete wholesale regeneration in coastal towns.

181. Professor Darren Smith from the University of Loughborough confirmed that population transience was a recognised feature of coastal areas, telling us that: "What you tend to see is an increasing number of populations moving into seaside towns temporarily. They are not putting down roots or

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158 Written evidence from MHCLG (RST0097)
159 Written evidence from Great Yarmouth Borough Council (RST0064)
160 Written evidence from Blackpool Council (RST0081)

establishing or forging attachment, belonging or buy-in to the areas."[161] A number of coastal communities reported high levels of population transience within their localities. Dorset County Council told us that:

> "Seaside communities such as Weymouth, Portland and Boscombe have very high levels of Transient Renters living in low cost housing. In Weymouth there are three times the proportion of transient renters than in the County as a whole."[162]

182. Similarly, Blackpool Council provided data on the levels of transience in their area and demonstrated the impact it can have on composition of the community:

> "Analysis of Blackpool Housing Benefit data from 2013/14 showed that there were 4,845 successful claims from new households who had last lived outside of the borough, compared with a total resident population of 64,000 households, and a clear majority of the 8000 residents ONS estimate to come to Blackpool each year. Of these new claimants, 2/3rds moved to addresses in inner Blackpool. An analysis of these claimants' household characteristics shows that 44% were single males, 18% were single females, and 17% were one parent families, skewing the demographics of the community and leading to households with fewer community ties or local connections."[163]

183. A key concern amongst the areas reporting high levels of transience was that these populations often contained a proportion of vulnerable individuals, with a range of physical and mental health concerns. Scarborough Borough Council suggested that local services were struggling to meet the needs of the population inhabiting HMO accommodation stating that:

> "One of the major impacts is on local services in both the public and voluntary / community sector who are left to address the problems caused. Services across both sectors, with limited resources and budget cuts over recent years, have been stretched and struggle to address the problems in meaningful ways. One example is the reduction in Supporting People budgets and cuts to Adult and Social Care, which means that the wider support for tackling complex and challenging problems (mental health issues, drug and alcohol issues) is substantially affected."[164]

184. Scarborough Borough Council suggested that the prevalence and impact of population transience, in and out of coastal areas, has not been well recognised, meaning that there was insufficient support available for coastal communities to manage the effects on individual communities. The Council asserted that: "Our issues and problems are on a similar scale to those of highly deprived inner-city areas. As a result, the level of support required to address such problems needs to be on a similar scale to that provided in such areas."[165]

185. It was suggested that the movement into seaside towns of vulnerable people was often the result of neighbouring local authorities moving people out of their areas, towards cheaper housing along the coast. Ramsgate Coastal

161 Q 118 (Professor Darren Smith)
162 Written evidence from Dorset County Council (RST0072)
163 Written evidence from Blackpool Council (RST0081)
164 Written evidence from Scarborough Borough Council (RST0068)
165 Written evidence from Scarborough Borough Council (RST0068)

Community Team, for example, stated that population transience in the area was "largely the result of London boroughs relocating applicants for social housing away from support networks."[166] The Coastal Communities Alliance outlined the impact that this practice has and suggested that local authorities lacked the resources to manage the pressures that population transience may cause:

> "Compounding the effects of coastal deprivation is the local authority funding formula that does not cover the costs generated by transient populations, looked-after children, mental health issues, homelessness, housing benefit dependence and worklessness. Overstretched service budgets can undermine efforts and the resources available for community engagement, developing attractions, stimulating business growth and engaging in the costly uncertainty of inward investment promotion."

186. We found that, too often, population transience involving the movement of vulnerable adults and children, was referred to in terms of the problems it caused, rather than with reference to how individuals might be better supported and enabled to fulfil their potential. Any action taken to address the impact of population transience on seaside towns must include ensuring that vulnerable adults and children receive the right support to meet their needs. It is important that support networks in their previous locale are, at least to some extent, maintained.

187. *A sustained, long-term effort is required to address the impact of transience on coastal areas. We recommend that the Department for Work and Pensions works with MHCLG to assess the scale and impact of population transience in and out of coastal areas, and examine the extent to which this is a result of non-coastal local authorities placing vulnerable adults and children into these areas. Such an assessment should be cross-referenced with the Government's updated research into the challenges facing coastal communities, including the disproportionately high levels of people claiming sickness and disability benefits in coastal towns, referred to in paragraph 48.*

188. *We recommend that funding for the receiving coastal local authorities should reflect the financial impact of providing adequate services to support the needs of vulnerable people.*

HMOs and housing standards

189. Another key theme to emerge was that high concentrations of HMOs were acting as a barrier to regeneration efforts in seaside towns. A number of areas highlighted that their local housing stock was dominated by HMOs that have been poorly converted, in many cases without planning/building regulations approval, resulting in a proliferation of sub-standard, poorly designed accommodation. As the Tourism Alliance noted: "Poor quality accommodation coupled with poor local economy is leading, in some destinations, to acute social deprivation. This in turn impacts on consumer perceptions and the desirability to visit."[167]

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166 Written evidence from Ramsgate Coastal Community Team (RST0036)
167 Written evidence from the Tourism Alliance (RST0106)

190. The National Housing Federation suggested that poor quality housing in the private rented sector could also, in some areas, provide a barrier to regeneration, particularly where there is a desire to take a place-based approach to regeneration:

> "In communities where the private rented sector is large and low quality it is extremely difficult for the local authority, or anyone else, to undertake place-based regeneration."[168]

191. Catherine Ryder, Head of Policy at the National Housing Federation, provided further detail on this point:

> "Local authorities make a lot of investment in places, but, unless you address some of the desperate need for regeneration in the homes themselves, regeneration will take you only so far. When ownership is complex, and you have empty homes and are not sure who owns them, it is difficult to take a holistic approach to regeneration of a place. That can in some instances form a real barrier to properly lifting places up and addressing all the regeneration requirements, including housing."[169]

192. Ian Higgins of the Chartered Institute for Environmental Health suggested that private landlords should play a greater role in improving the quality of their properties, stating that:

> "It is time that the private rented sector took those obligations a little more seriously and started to divert some of the profits that they make from renting properties out to housing benefit tenants back into improving the quality of those properties . . . "[170]

193. However, it was also highlighted that, while there were enforcement actions that local authorities could take to ensure minimum standards were met in the private rented sector, there existed very few incentives for private landlords to reinvest their income into making improvements to their properties. John Stewart, Policy Manager at the Residential Landlords Association, referred to the incentives that used to exist for minimum energy efficiency standards:

> "There used to be the landlord's energy saving allowance, or LESA, which was a tax incentive for landlords to invest energy-saving works in properties. It was removed three years ago, and we now have the minimum energy efficiency standards for the private rented sector, whereby you have to have an EPC rating of E legally to let."

> "…energy efficiency improvements to private rented properties are considered exactly that—improvements. Any tax relief on those improvements cannot be secured until the property is sold, and they are set against capital gains. So, there is really very little incentive for landlords to invest up front in energy efficiency. It is now all about the stick."[171]

194. It was suggested to us that there was also limited financial support available for housing regeneration in areas that required extensive redevelopment. The

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168 Written evidence from the National Housing Federation (RST0054)
169 Q 123 (Catherine Ryder, Head of Policy, National Housing Federation)
170 Q 119 (Ian Higgins)
171 Q 119 (John Stewart)

Local Government Association Coastal Special Interest Group emphasised that:

> "One-off large grants, such as those available through Homes England or via the Housing Infrastructure Fund, do not provide the funding required over the medium to long-long term to make real, sustainable change. In addition, large scale grants will lean towards the delivery of maximum new houses at the lowest costs. This places regeneration projects at an immediate disadvantage due the associated cost of demolition, remediation and place making."[172]

195. Catherine Ryder highlighted a similar point and suggested that grants that were currently available to support new housing could be channelled into redeveloping existing sites. Ms Ryder argued that:

> "There is currently no funding or support for stepping into an area, buying up places and regenerating them. All public investment at the moment is channelled towards new supply, and there is a massive role for new supply in regenerating coastal communities and having an offer for people on lower incomes. That is hugely important. If investment or public support was available for people to step into those areas and give them the confidence to do that—you are talking about how much it costs to buy up homes in those areas—or to regenerate homes that they already own, it would be a huge step forward for many areas."

> "If the Government put their weight behind this and offered some flexibilities in the affordable homes programme, for example, and what it can be used for, it would open up a lot of opportunities in some of those areas."[173]

HMOs and the local housing market

196. Another issue that was underlined, in relation to HMOs, was that where there were concentrations of privately rented HMO properties, and local property owners had converted buildings into as many small flats as possible for rent to maximise their returns, there was often a high proportion of residents in recipient of housing benefits. The Local Government Association Coastal Special Interest Group observed that:

> "Old terraced properties, in many cases former B&Bs, have been converted into HMOs which often offer low quality accommodation. A high percentage of occupants are private tenants, with many partly or fully dependent on housing benefit to pay rent and related housing costs. There is a high demand for this form of property, incentivising its ongoing creation by private land landlords."[174]

197. In some areas, this was leading to a situation whereby recipients of housing benefit make up the majority of the private rented sector. In Blackpool, for example, it was estimated that "over 80% of private tenants in inner Blackpool receive housing-related benefits."[175] Thanet District Council

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172 Written evidence from the Local Government Association Coastal Special Interest Group (RST0099)
173 Q 125 (Catherine Ryder)
174 Written evidence from the Local Government Association Coastal Special Interest Group (RST0099)
175 Written evidence from Blackpool Council (RST0084)

reported similar figures of 75% of private sector tenants in Cliftonville being in receipt of housing support.[176]

198. This trend was reported by a number of seaside towns and we were told that this could impact directly on the local housing market. Ian Higgins explained that:

> "Because there is such a high demand for these properties—for cheap accommodation that people can afford to rent—with properties converted to houses in multiple occupation, in many areas housing benefit effectively drives the housing market. It is the principal driver for the market in that area."[177]

199. The effect of housing benefit driving local market rates has caused two related problems for local authorities. First, it has the effect of driving up the commercial value of HMO properties, even if those properties were of a very poor standard. As Blackpool Council explained: "The rents received by the landlords are not linked to the quality of the accommodation, nor to its real market value". The Council stated that this problem was compounded by the way in which housing benefit rates were calculated:

> "With little alternative market for these flats, rents reflect the Housing Benefit levels set and paid by Government through the Local Housing Allowance regulations. These are set based on rents in a much wider area, which includes more affluent resorts like Lytham St Annes."

200. Second, where housing benefit rates acted to distort local market rates by disproportionately raising the commercial market value of HMO properties, this could impact on the willingness or ability of other investors to redevelop poor quality housing stock. We were told that local investors were at risk of losing money from converting these types of properties. As Blackpool Council explained: "the artificially high rental yields make it expensive for public and private investors to buy up buildings for redevelopment into more positive uses."

201. A number of local authorities made us aware that they were endeavouring to tackle the problems associated with high proportions of HMOs in their areas through the use of the existing powers available to them, for example, through selective licensing, or by applying specific planning policies. Frustrations, however, were repeatedly expressed over the limitations of those powers, which failed to provide local authorities with enough armoury to tackle comprehensively the negative effects of poor-quality HMOs.

Existing powers for local authorities

202. The Ministry for Housing, Communities and Local Government (MHCLG) outlined the powers that were currently available to local authorities to tackle both the proliferation of HMOs, and poor housing conditions. It stated that:

- "Local authorities can make an Article 4 direction to remove permitted development rights (to protect the locality) that would allow for a property to be converted to a HMO without planning permission. A landlord who deliberately rents out an HMO without planning permission would be in breach of planning control and we would

176 Written evidence from Thanet District Council (RST0046)
177 Q 119 (Ian Higgins)

encourage the local planning authority to take enforcement action including prohibiting the use of the HMO.

- Local authorities have strong powers under the Housing Act 2004 to require that landlords make the necessary improvements to a property which contains serious risks to the health and safety of the occupants. The local authority can use improvement notices and prohibition orders to require the landlord to take appropriate action or to stop renting out the property entirely.

- Mandatory licensing has been successful in helping to drive up standards and making HMOs safer places to live in. Local authorities can also introduce discretionary licensing schemes to tackle specific problems if they are prevalent in their local authority area. Conditions within licences ensure that landlords meet minimum standards and keep their properties in good condition.

- We have given local authorities additional powers through the Housing and Planning Act 2016 to crack down on rogue landlords by introducing civil penalties of up to £30,000. We introduced banning orders and a database of rogue landlords and property agents in April 2018."[178]

203. Some areas reported that they had made successful interventions on problem HMOs through some of the measures listed above. For example, Portsmouth City Council stated that: "Controls have been introduced through the planning framework to limit the concentration of HMOs in areas, and there is strong working with landlords to ensure that properties are managed in a responsible way."[179] Brighton and Hove City Council reported that: "Licensing of larger HMOs through national mandatory licensing have brought about improvements in both the management and quality of HMO accommodation."[180] A number of areas, including Thanet District Council[181] and Great Yarmouth Borough Council[182] also reported that they had implemented selective licensing schemes (where all landlords in a designated areas must apply for a licence if they want to rent out a property) which had helped to tackle problem housing in their areas.

204. Other areas, however, reported that the existing powers aimed at helping to manage problem HMOs were either difficult to implement with any real success, or were ineffective within the context of a coastal area. Much of the criticism of these local authority powers centred on how well local authorities were able to use enforcement powers to tackle poor housing standards.

205. We were told that local authorities often felt limited in their ability to intervene to improve the quality of local housing stock, particularly in concentrations of poorly managed HMOs. Ian Higgins from the Chartered Institute for Environmental Health, speaking about enforcement powers, asserted that:

"In some cases, the primary legislation is really unhelpful; it is very poorly drafted, leading to interpretations and tribunals, which have been unhelpful to the enforcement process. That has served to deter many local authorities from undertaking enforcement action, because

178 Written evidence from MHCLG (RST0097)
179 Written evidence from Portsmouth City Council (RST0075)
180 Written evidence from Brighton and Hove City Council (RST0100)
181 Written evidence from Thanet District Council (RST0046)
182 Written evidence from Great Yarmouth Borough Council (RST0064)

of the complexity of the legislation—the fact that it is poorly drafted in many instances—and it is very resource hungry. Some of the decisions have effectively doubled the amount of time that officers need to spend in the construction of quite straightforward notices to remedy defects in poor housing.

So, it is resource hungry, and local authorities have been consistently deprived of resources over the last decade. In many cases, they struggle to do an effective job in areas where the private rented sector is increasing dramatically, and the pressures on those areas are enormous."[183]

206. Insufficient resources and financial constraints within local authorities were cited as a significant challenge for enabling effective enforcement action on housing standards. John Stewart told us that:

"There is also the issue that the stock within the private rented sector has generally doubled over the past 10 or 15 years, while the resources that have gone into enforcement, particularly for environmental health, have halved. There is a real mismatch, to start with."[184]

The Chartered Institute of Environmental Health argued that local authorities needed dedicated financial resources in place to allow them to use existing enforcement tools against poor standard accommodation.[185]

207. It was argued that, taken together, the powers available to local authorities fell short of what was required to help support effective action against poorly managed HMOs. One common complaint was that the powers were 'piecemeal' and difficult to enforce, particularly in the context of coastal communities. Blackpool Council asserted that local authorities were working with:

"… a series of well-intentioned but fundamentally weak policy instruments implemented without sufficient regard to the unique coastal context. One example is additional and selective licensing, which has helped address the very worst housing issues without tackling the system which produces them. Equally, government's use of individual funding pots acts against sustained change and progress by producing short-termism, the inability to sequence regeneration activity to extract most value for money, and provides further constraints through restrictive funding criteria."[186]

208. Similarly, Scarborough Borough Council told us that:

"Government policy towards the private rented sector has fought shy of introducing an effective regulation model for the sector and having some form of independent regulator. Whilst there is a myriad of regulatory requirements affecting landlords of private rented properties they tend to be piecemeal and without any central focus and there is a reliance on local authorities with limited resources for enforcement."[187]

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183 Q 117 (Ian Higgins)
184 Q 116 (John Stewart, Residential Landlords Association)
185 Q 120 (Ian Higgins)
186 Written evidence from Blackpool Council (RST0084)
187 Written evidence from Scarborough Borough Council (RST0068)

Solutions

209. Issues related to housing are central to the disadvantages faced by seaside towns. Coastal local authorities reported a concerning imbalance within their local housing markets: there are perverse incentives on private landlords to populate the local housing stock; but also, a complete lack of incentives for either private landlords to make improvements to their properties, or for local investors to intervene and undertake housing redevelopment.

210. Local authorities told us that existing powers were not sufficient to help them tackle poor quality housing, much less to enable them to initiate the wider interventions needed for sustainable regeneration. This results in a situation whereby sub-standard housing dominates the local housing stock, and the related social and economic issues become deeply entrenched, exacerbating disadvantage and intensifying deprivation in seaside towns.

211. We were, however, offered possible solutions for how problem housing could be tackled in coastal areas. Creating a distinct package of bespoke measures was one of the most persuasive suggestions we heard. Blackpool Council, for instance, identified the following priorities:

- Significantly tighter regulation of the private rented sector to include raising the minimum statutory standards;

- Control of public subsidy to landlords, including:

  - Linking the payment of HB/UC [housing benefit/universal credit] to the achievement of minimum conditions

  - Redefinition of Local Housing Allowance rates to focus on local market conditions and the actual quality of housing purchased via this public subsidy;

- Targeted funding to redevelop unsuitable HMOs and redundant commercial buildings.[188]

Box 11: Case study—Blackpool Housing Company

A note by Baroness Wyld

We were provided with accounts of innovative schemes that some local authorities have introduced to help tackle housing issues in their areas. On our visit to Blackpool, we visited a number of housing developments created by the Blackpool Housing Company. The Company, which is wholly owned by Blackpool Council, has been acquiring, converting or refurbishing homes for market rent in inner Blackpool since 2016. The Company is wholly commercial, borrowing through the Council and requiring a lower return than private investors. We were shown around a property which the Company had renovated; a former hotel which has been converted into a set of two-bedroom flats. We were told that in two years, the Blackpool Housing Company has delivered 200 homes.

Source: Blackpool Visit Note, Appendix 5

212. Blackpool Council and Business in the Community both advocated the creation of a Housing Action Zone in Blackpool. The aim of this proposed

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188 Written evidence from Blackpool Council (RST0081)

initiative was to pilot a holistic approach to tackling poor quality housing, combining a range of policy, legislative and financial initiatives. The key asks of the 'Housing Zone' proposal were to:

- Inject £100 million to leverage Council, housing association and private investment in new homes and enable Blackpool Housing Company to access the Government's Affordable Housing Programme to convert more existing buildings;

- Introduce legislation to revise the existing system of Local Housing Allowance and ensure that there is a firm link between housing subsidy and the quality of housing paid for by that subsidy;

- Explore the feasibility of providing transition funding of up to a year from the home authority when those in receipt of social care move to Blackpool;

- Use Blackpool as a pilot for local regulation of supported housing that is funded through higher local housing authority-exempt housing benefit;

- Secretary of State approval for the existing application for selective licensing across central Blackpool [189]

213. The proliferation of sub-standard housing and poorly managed HMOs in seaside towns underpins many of the social and economic problems that struggling coastal areas suffer. The paucity of tools and resources to tackle poor quality housing is severely limiting the ability of local coastal authorities to make meaningful progress towards regeneration.

214. We consider the following areas as requiring the most urgent attention:

- Action is needed to tackle the perverse incentives for the development of concentrations of poorly managed HMOs through examining the impact of the way local housing benefit rates are calculated. This should aim to ensure that the local housing allowance is in tune with local market rents so that housing associations or councils seeking to intervene do not automatically lose substantial funding by converting to a more acceptable project.;

- Greater support is required to unlock and incentivise investment in the quality and design of housing stock; and

- More support is required for local authorities to tackle sub-standard accommodation in their areas.

215. We are convinced that any approach to improving housing in deprived coastal areas must be delivered as a comprehensive package of measures, so as to enable local authorities to focus intensively on addressing the issues in the physical and social environment.

216. **Perverse financial incentives to offer poor accommodation, financial pressures on inspection and enforcement regimes, and the sheer scale of the problems associated with housing, mean that many coastal areas are making only very limited headway relative to the size of the problems they are experiencing.**

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189 Written evidence from Blackpool Council (RST0081)

217. *We recommend that the Government determines whether local authorities require additional powers to address the problems arising in areas with especially large numbers of HMOs. This determination should include the introduction of measures that enable local authorities to safeguard resources necessary for the enforcement of housing standards.*

218. *We recommend that the Government implements changes to the system for the calculation of local housing allowance rates in areas with high densities of HMOs, to ensure it more accurately reflect local market rents.*

219. *We recommend that the Government considers how existing funding for housing, such as the Homes England fund, might be used to support place-making as well as the creation of new homes.*

220. *We recommend the introduction of stronger incentives for private landlords to improve the quality and design of their properties. This might include tax relief for making improvements to properties.*

221. *We recommend that the Government pilots the introduction of Housing Action Zones, which might comprise of the proposed recommendations outlined above, and be delivered as a comprehensive package of measures to support housing regeneration in coastal areas.*

Health and wellbeing

222. As part of the pattern of decline experienced by many seaside towns, significant inequalities have emerged between coastal areas and the rest of the country. As previously noted, these include disadvantages associated with employment, education and skills and housing. Many areas, however, also reported serious concerns around the health and wellbeing of their local populations.

223. A number of reports have highlighted the significant health inequalities suffered by populations in seaside towns. Most recently, the Social Market Foundation reported that of the 20 local authorities in England and Wales with the highest proportion of individuals in poor health, 10 were in coastal communities.

224. Many areas cited poor health outcomes as a feature of their local population and, although the evidence we received on health was not extensive, a number of key themes emerged, including: the prevalence of drug and alcohol addiction within coastal communities; the impact of the demographic makeup of many coastal areas—specifically that coastal populations often included a higher proportion of older people, and a transient population of vulnerable people; difficulties in recruiting and retaining medical staff; and limited access to health services, particularly to A&E departments.

Health outcomes in seaside towns

225. Coastal areas have been associated with high rates of harmful behaviours, attributed to factors such as physical isolation, low levels of employment,

and constrained socio-cultural opportunities.[190] This has been widely recognised by a series of national studies on the health inequalities found in seaside towns. Public Health England's statistics show that Blackpool has the highest alcohol-specific mortality rate for men in Britain, and the second highest for women. It is also worst in England for deaths from liver disease.[191] In Brighton and Hove, rates of alcohol-related harm are higher than the national average.[192]

226. In 2018, a report by the Office for National Statistics found that some of England and Wales's seaside resort areas were among the towns with the highest rates of death from misuse of heroin/morphine—six of the 10 local authority districts with the highest rates were coastal resorts.[193] Blackpool has been the location of the highest death rate since 2012, with 14.0 heroin and/or morphine misuse deaths per 100,000 people in 2016. This compared with the national average of 1.9 in England and 2.3 in Wales and is almost twice as high as the area with the next highest rate of heroin and/or morphine misuse deaths, Burnley (just over 30 miles inland from Blackpool), which has a rate of 7.6 per 100,000.The other seaside locations to feature in the 10 areas with the highest rate of heroin or morphine misuse deaths are Bournemouth, Portsmouth, Hastings, Thanet and Swansea.[194]

227. Many areas highlighted the levels of drug and alcohol abuse amongst their local populations. Scarborough Borough Council told us that: "The Public Health Outcomes Framework shows the number of deaths from drug misuse in Scarborough is significantly higher than England, with a rate about 2.5 times the England rate in the three-year period 2015-17."[195] Worse than average outcomes from drug abuse were also reported by Blackpool Council, Brighton and Hove City Council and Barrow-in-Furness.[196]

228. Karen Tyrell, Executive Director of External Affairs at Addaction, offered an explanation for the high levels of drug use in seaside towns:

"From our point of view, there are lots of drivers of people ending up in seaside towns and why more vulnerable people end up there. Certainly, when I talk to staff about why Blackpool and various other towns around the country are the way they are, I hear that a range of things attracts people, including the attraction of seasonal work. Quite a lot of people have a sense of nostalgia; it is about where they were happiest in their earlier life, and wanting to get back to that time.

190 Government Office for Science, *Future of the Sea: Health and Wellbeing of Coastal Communities* (August 2017) p 7: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/639432/Health_and_Wellbeing_Final.pdf [accessed 25 March 2019]

191 Lancashire County Council, 'Alcohol': https://www.lancashire.gov.uk/lancashire-insight/health-and-care/lifestyle/alcohol/ [accessed 4 February 2019]

192 Government Office for Science, Future of the Sea: Health and Wellbeing of Coastal Communities (August 2017) p 7: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/639432/Health_and_Wellbeing_Final.pdf [accessed 25 March 2019]

193 ONS, 'More than half of heroin/morphine misuse death hotspots in England and Wales are seaside location' (4 April 2018): https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/deaths/halfofheroinmorphinemisusedeathhotspotsinenglandandwalesareseasidelocations/2018-04-04 [accessed 25 March 2019]

194 *Ibid.*

195 Written evidence from Scarborough Borough Council (RST0068)

196 Written evidence from: Blackpool Council (RST0081); Brighton and Hove City Council (RST0100); Furness Economic Development Team (RST0113)

"There is an issue about bigger cities exporting people as well, and I have certainly heard of that in places such as Margate. But lots of people choose to go to seaside towns, and often they are quite vulnerable people."[197]

229. Recent studies have also highlighted the prevalence of poor mental health in coastal communities. A study in 2017, which analysed NHS prescription data, found that doctors in deprived coastal towns in the north and east of England were prescribing almost twice as many antidepressants as those in the rest of the country. Blackpool, Sunderland and East Lindsey, in Skegness, were the leading three areas for the most prescriptions out of England's 326 districts.[198]

230. North Yorkshire County Council elaborated:

"Common mental health disorders, such as anxiety and depression, appear more prevalent in Scarborough compared with England. The national General Practice Patient Survey in 2016/17 found that 16.1% of adults in Scarborough reported they were moderately, severely or extremely anxious or depressed, compared with 13.7% in England. Applying this rate to the adult population in Scarborough suggests there are about 14,300 adults aged 18+ with anxiety or depression. If Scarborough had the England rate, there would be about 2,100 fewer adults with anxiety and depression. The rate of self-reported anxiety and depression has increased in Scarborough from 13.5% in 2014/15. The England rate also increased, but more slowly, from 12.4% to 13.7% in the same period."[199]

Health and wellbeing challenges

231. Some demographic factors, common to seaside towns, were identified as playing a significant role in persistent levels of poor health reported in coastal communities. Coastal communities tend to have an older age profile than other communities across the UK. In a sample of 274 coastal communities in England and Wales, 20% of the population were aged 65 years or over (compared with 16% nationally).[200]

232. Professor Rhiannon Corcoran of the University of Liverpool also emphasised that:

"Coastal towns tend to be characterised by an aging population of long-term residents or incoming retirees and a transient younger, marginalised group. These populations are themselves polarised but both are vulnerable." Professor Corcoran went on to suggest that seaside towns often suffer with a distinct mix of social and economic issues which contribute to the "profound health and wellbeing challenges" experienced in coastal towns, including " aging, social drift and transience, insecure, low paid seasonal employment, skills gaps, poor

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197 Q 138 (Karen Tyrell)

198 'Antidepressants prescribed far more in deprived English coastal towns' *The Guardian* (14 April 2017): https://www.theguardian.com/society/2017/apr/14/antidepressants-prescribed-deprived-seaside-towns-of-north-and-east-blackpool-sunderland-and-east-lindsey-nhs [accessed 25 March 2019]

199 Written evidence from North Yorkshire County Council (RST0090)

200 Government Office for Science, Future of the Sea: Health and Wellbeing of Coastal Communities (August 2017) p 5: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/639432/Health_and_Wellbeing_Final.pdf [accessed 25 March 2019]

quality and out-dated private rented accommodation, lack of community cohesion, resources and inadequate stewarding of the public realm."[201]

233. Coastal communities, therefore, often comprise populations with complex health needs which places their health and social care services under additional pressures. We heard evidence to suggest that coastal health services do not always have the resources to meet these challenges

234. Some areas suggested that funding formulae for local health services failed to take into consideration the diverse set of challenges faced by health professionals in coastal areas. The global sum allocation formula (Carr-Hill Formula) has been used as the basis of core funding for General Medical Services practices since the introduction of the current contract in 2004. Through the formula, payments are weighted for factors that influence relative patient need and costs, including population characteristics such as age and rurality.[202] We heard, however, that the adjustments to the GP funding formula were not always sufficient to support the complexities found within the context of a coastal community. Sam Crowe, Acting Director of Public Health at Public Health Dorset, speaking about the GP funding formula, suggested that:

> "That national funding formula comes up time and again in conversation with those practices, because they are practising in quite stretched circumstances. Although there is an allocation that reflects the area of deprivation score, it does not adequately resource the level of complexity that they see with some of those people, in the way they live. Even with a very simple public health intervention such as childhood immunisation, or adults taking part in screening programmes, the way in which practices traditionally communicate—by writing a letter—may not be the best way to do so with some of those people. In the homes they live in, the letters may go astray; the tenancies are often unstable, and there is quite a high turnover in some of those properties."[203]

235. Thanet District Council told us that it suffered due to a low number of GPs per head of population, which it linked to the funding formula for GPs:

> "The other obvious issue with many coastal towns including Thanet is the low number of G.P.s per head of population, perpetuating the inverse care law. Generally, General Practice will be dealing with a multiple morbid population earlier in their life course who will continue to require care for a further 20 or so years beyond first seeking G.P support, this sort of demand is not recognised in the funding formula for G.Ps; hence low numbers compared with the demand."[204]

236. Other areas pointed to the inadequacy of funding formulae for local authorities. The Health and Social Care Act 2012 conferred a number of statutory duties relating to public health on local authorities. Since 1 April 2013, local authorities have been responsible for improving the health of their local population and for public health services including services aimed

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201 Written evidence from Professor Rhiannon Corcoran (RST0072)
202 House of Commons Library, General Practice in England, Library Note, Number 07194, 18 September 2018
203 Q 137 (Sam Crowe)
204 Written evidence from Thanet District Council (RST0046)

at reducing drug and alcohol misuse.[205] Lincolnshire County Council told us that coastal public services often faced significant pressures:

"Compounding the effects of resort deprivation is the local authority funding formula that does not cover the costs generated by transient populations, looked-after children, mental health issues, homelessness, housing benefit dependence and worklessness. Overstretched service budgets can undermine efforts and the resources available for community engagement, developing attractions, stimulating business growth and engaging in the costly uncertainty of inward investment promotion."[206]

237. MHCLG stated that a: "…critical principle for action is to match service to need i.e. to ensure that areas with the highest health needs receive proportionately higher levels of health care. This organising principle will help treatment reach those who need it most and simply match the demand and supply of health care services." The NHS Long-Term Plan, which was published in January 2019, commits to targeting a higher share of funding towards geographies with high health inequalities through the amount that Clinical Commissioning groups receive, stating that:

"For the five-year CCG allocations that underpin this Long Term Plan, NHS England will introduce from April 2019 more accurate assessment of need for community health and mental health services, as well as ensuring the allocations formulae are more responsive to the greatest health inequalities and unmet need in areas such as Blackpool."

"…NHS England will also commission the Advisory Committee on Resource Allocation to conduct and publish a review of the inequalities adjustment to the funding formulae."[207]

205 House of Commons Library, Local authorities' public health responsibilities (England). Library Note, SN06844, 13 March 2014
206 Written evidence from Lincolnshire County Council (RST0028)
207 NHS England, *The NHS Long Term Plan* (January 2019), p 40: https://www.longtermplan.nhs.uk/wp-content/uploads/2019/01/nhs-long-term-plan.pdf [accessed 25 March 2019]

Box 12: Health in Fleetwood

A note by Baroness Wyld

On the Committee's visit to Fleetwood, the Committee heard that the area has some of the lowest life expectancy in Wyre borough. All five wards in Fleetwood are significantly above national averages in terms of the prevalence of chronic disease, such as diabetes and coronary heart disease. There are also significant levels of drug and alcohol abuse, and poor mental health and social isolation amongst the local population. There are high numbers of children in care and a high proportion in care due to abuse or neglect.

I was deeply impressed by the leadership demonstrated by a local GP, who has instigated a number of programmes aimed at improving the health of the local population. Many local residents were suffering either residual health problems from the industries they used to work in, or problems such as mental health related issues caused by the loss of the fishing industry in the area. Three local GP practices have come together to approach the area's problems. The key to all of this is, as far as possible, enabling people to improve their own health—to do things for themselves, rather than to be "done to". The practices have helped to develop Healthier Fleetwood, which was described to us as a "residents-led, social movement". The group have so far set up a community choir and a table tennis club, which has helped residents' health, in terms of providing a source of physical activity and fostering a sense of community.

It's clear that initiatives such as this can and should be replicated in other areas facing similar issues, and that energetic leadership is half the battle.

Staff recruitment and retention

238. Compounding many of the health issues facing seaside towns were difficulties with recruiting and retaining medical staff. Many coastal areas reported that they were struggling to recruit and retain the people they required to staff local health services. Skegness Town Council told us that it was "difficult to attract skilled persons, professionals and doctors to the area. Local GP surgeries, the local urgent care centre and nearest hospital have all reported this as an issue."[208] Similarly, North Yorkshire County Council stated that:

> "Scarborough district experiences difficulties in recruiting and retaining GPs and specialist medical staff in primary and secondary care. There are also challenges recruiting to social care posts. These are national issues, however, it is particularly challenging in more isolated, rural and coastal towns."[209]

239. Dr Sam Crowe, Acting Director of Public Health at Public Health Dorset, suggested that there were examples where areas had introduced changes to the model of primary care to help attract and retain health staff. Dr Crowe asserted that: "There are solutions: a lot of the practices are moving away from the so-called partnership model and are looking at employing salaried GPs, and some of those roles are very different from before, enabling GPs to do a couple of clinical sessions in a practice in a deprived area, and perhaps mix that with some academic work, or even some sessions at a hospital. That seems to be what some of the younger GPs are interested in."[210]

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208 Written evidence from Scarborough Borough Council (RST0068)
209 Written evidence from North Yorkshire County Council (RST0090)
210 Q 140 (Sam Crowe)

240. Access to health services was also highlighted by many areas, due to challenges around transport connectivity and geographical isolation. Karen Tyrell of Addaction stated that: "Being able to take services to where people are in the community is really important. We are beginning to see a bit of a trend with people struggling to get to services—to A&E, for example. It might be three bus rides to get to the nearest one."[211]

241. Coastal areas face a range of challenges around the health and wellbeing of their populations. There are a common set of health challenges that are prevalent in these areas, including high rates of drug and alcohol abuse, poor mental health, and additional pressures on local services from both an ageing population, and from the high levels of population transience.

242. **It is vital that the Government recognises that there is frequently an additional cost of delivering health services in coastal areas, due to higher proportions of older people, the impact of population transience, the prevalence of poor mental health and geographical isolation. Again, seaside towns are disadvantaged; Government policy, where it pertains to decisions on priorities for investment, with particular regard to national funding formulae, must recognise this.**

243. **We welcome the approach in the NHS Long-Term Plan and hope that it helps to address—through a multi-agency partnership approach— the root causes of poor health outcomes in coastal communities.**

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211 Q 143 (Karen Tyrell)

Box 13: The Fleetwood Trust

A note by Lord McNally

In recent decades Fleetwood has suffered a succession of setbacks which would have tested the fortitude of the most resilient of communities. A town which was once one of Britain's "big three" fishing ports along with Hull and Grimsby lost its deep-sea fishing role after the "Cod Wars" of the 1970s. It had already lost its passenger rail link thanks to the "Beeching Axe" which fell in 1970 and the freight rail link ended in 1999 following the closure of the large ICI plant in nearby Thornton. During the same period Fleetwood lost its ferry services to the Isle of Man and Ireland – the final service to Northern Ireland ceasing in 2010. These series of body blows were accompanied by the radical change in UK holiday patterns and choices which have impacted on so many of our seaside towns.

Yet, the fishing industry for which it was once famous bred a strength in the local community which is helping to provide the basis of community action in the face of adversity. The Fleetwood Trust epitomises that resilience. Originally the brainchild of local clergy and faith groups, it now brings together business leaders, faith, voluntary and charity groups with the aim of buying and restoring the partially closed Fleetwood Hospital into a community hub for health care provisions and as a base for a range of local groups addressing the needs of the local community. The Trust has now bought the hospital. Extensive consultations with the people of Fleetwood are now underway to ensure that what is provided meets with their needs and aspirations. The project has been chosen as one the "Seven for Seventy" high impact community projects selected for support by the Prince's Foundation to mark the seventieth birthday of Prince Charles. So, winds are now set fair for creating a new, vibrant community-led facility which will be both a hub and inspiration for Fleetwood's successful re-birth as a twenty-first century success story.

Coastal erosion and flooding

244. Another common challenge for seaside towns was managing the threat of coastal erosion and flooding. There are specific challenges and significant resource requirements in relation to the infrastructure needed to manage coastal erosion, flood events and the impact of environmental change (e.g. rising sea levels). This placed a considerable burden on coastal local authorities and was yet more evidence of the disadvantages felt in coastal areas, that are not present inland. We did, however, also hear a good deal of evidence which highlighted the positive impact that coastal protection schemes could have on the local visitor economy and on wider regeneration.

245. The key themes that emerged around coastal erosion and flooding were: the challenges posed by the threat of coastal erosion and flooding; the adequacy of the support that is available for coastal defences; and the opportunities to use coastal defence schemes to deliver wider benefits to the local economy.

Challenges

246. Coastal erosion causes considerable damage to the physical environment and infrastructure in seaside towns. The Local Government Association Coastal Special Interest Group outlined the impact nationally of coastal erosion and

emphasised that efforts to tackle the issues would need to increase in the future. It stated that:

> "Approximately 44% of the England and Wales coast is defended to prevent or reduce flood risk and coastal erosion. Coastal erosion is relentlessly occurring on 30% of England's coastline. The rise in sea level relative to the land will be greater than the global average in southern and eastern England because the land is gradually sinking. For many parts of the coast, the increase in mean sea level during the 20th century is up to 20cm (Intergovernmental Panel on Climate Change 5th Report 2013), [which] will have doubled the risk of flooding (Environment Agency 2011). It is anticipated that the number and frequency of intense storms and tidal surges is likely to increase significantly. It is projected that spending on coastal defences will need to double by 2080 (DEFRA) the use of managed realignment and other forms of soft coastal defence measures are likely to increase."[212]

247. In addition, some areas outlined the damage coastal erosion was inflicting on their local environment. East Riding of Yorkshire Council stated that coastal erosion:

> "…occurs at a rate of approx. 4m a year along unprotected stretches with current estimates for 237 residential properties to be lost to erosion by 2105, with 24 of these being lost by 2025; a significant number of valuable agricultural operations and over 500 holiday chalets, statics and touring caravans are projected be lost by 2105; some sections of the highway network are under threat, with the coast road strategic north south link, the B1242, coming within 70 metres of the eroding cliff edge in places".[213]

248. As well as the physical damage caused by coastal erosion, a number of areas told us that having land vulnerable to flooding could also be an impediment to making improvements to local infrastructure and to efforts focused towards regeneration. The Coastal Communities Alliance outlined the unique difficulties coastal areas have in securing investment for much-needed housing developments, due to the disadvantages these areas faced from being at risk from coastal flooding:

> "There is a need for housing in coastal areas to support economic growth, but some Seaside communities / coastal towns face the particular challenge of flood risk in areas of low land values. Development in areas affected by flood risk must incorporate the necessary flood defences, such as raising the build platform. This increases the cost of developing, lowering residual values and rendering schemes which have low land values and low sale prices unviable."

249. East Lindsey District Council asked that these challenges, unique to seaside communities, be better recognised at the national level. The Council argued that:

> "Future legislation should facilitate the delivery of a mixed portfolio of housing developments, while concurrently recognising the constraints placed upon coastal districts (in terms of flood risk) by supporting

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212 Written evidence from the Local Government Association Coastal Special Interest Group (RST0099)
213 Written evidence from East Riding of Yorkshire Council (RST0086)

innovation in housing design which mitigates local environmental considerations."[214]

Funding for coastal erosion and flooding

250. The majority of the funding for flood and coastal erosion management is channelled through grants from the Department for Environment, Food and Rural Affairs (DEFRA) to the Environment Agency.[215] In May 2011, DEFRA introduced a new policy, "Flood and Coastal Erosion Resilience Partnership Funding", better known as "Partnership Funding". This approach required the project costs to reduce flood and coastal erosion risks to be shared between national and local funding sources. Funding levels for each scheme related directly to the number of households protected, the damages being prevented, plus the other benefits that a scheme would deliver.[216] Catherine Wright, Director of Digital and Skills (Flood and Coastal Risk Management) at the Environment Agency, told us that:

> "The determination on flood risk investment is made through the spending reviews. The last settlement, in 2015, for the first time covered a six-year period, to 2021. That programme, which is for all types of flooding, is for £2.6 billion, and will better protect 300,000 properties around England. What is important about the decisions that sit behind that is that the government approach to funding is that we try to optimise investment to get best value for money, because we are competing for public money alongside other vital services for the UK. The priority in the programme was to focus first on the homes at greatest risk of flooding. The programme was put together on that basis, but it also takes account of deprivation."[217]

251. Ms Wright explained that the biggest benefits from the current £2.6 billion programme were realised through the damage it helped to prevent. She stated that:

> "The £2.6 billion programme delivers benefits of about £22 billion in damages avoided; a £5 billion benefit to transport infrastructure commerce; a £1.5 billion benefit to agriculture because of the knock-on reduction in damage that those flood defence improvements can have on agricultural land; and a benefit of about £600 million in environmental outcomes. That is based on the rules we have. The NAO made an assessment of the value for money of flood investment back in 2014. That was the last time it made an assessment of the flood risk programme. Its assessment was that for every £1 we invest in flood risk, we get back a benefit of about £9.50 in avoided damages."

252. Some areas, though, were critical of the way in which funding was calculated for projects to reduce flood and coastal erosion risk, suggesting that it resulted in restrictive and inadequate levels of support. Cornwall Council told us:

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214 Written evidence from East Lindsey District Council (RST0069)

215 Local Government Association, 'Funding arrangements': https://www.local.gov.uk/topics/severe-weather/flooding/paying-flood-and-coastal-erosion-risk/funding-arrangements [accessed 25 March 2019]

216 Department for Environment, Food & Rural Affairs, 'Flood and coastal resilience partnership funding: an introductory guide': https://www.gov.uk/government/publications/flood-and-coastal-resilience-partnership-funding-an-introductory-guide (accessed 5 December 2018)

217 Q 161 (Catherine Wright)

> "Cornwall's recent experience of severe weather and potential for more in future, highlights the need for an improved methodology to assess and forecast its economic impact. For example, Looe has a longstanding reputation for regular and severe flooding. However vital prevention work has not progressed due to the cost-benefit calculations used by the Environment Agency. This is despite wide acknowledgement of the need to intervene. A more comprehensive methodology should incorporate the wider impact of climate change in specific locations. Looe risks losing its function and identity as a visitor attraction, which would have a disproportionate impact on the whole of South East Cornwall. An improved methodology would enable preventative investments, reducing reactive expenditure to repair damage."[218]

253. It was noted that the current approach gave a high degree of priority to protecting residential dwellings, but more limited emphasis on the protection of businesses, agriculture and infrastructure assets. Felixstowe Forward explained that:

> "Due to current policy, the majority of funding for Flood & Coastal Risk Management (FCERM) allocated by Defra is focussed on reducing the risk of residential property, with additional weighting for deprived communities. Some of the potential cost of damage to commercial assets and losses to the economy can be taken into account, but receive a modest weighting. But many of the wider economic benefits cannot be factored-in to the cost benefit analysis or economic benefit assessment for coastal infrastructure projects. In addition, the costs of coastal resilience schemes tend to be significantly higher due to the scale and type of infrastructure needed to defend against the sea."[219]

Felixstowe Forward concluded that: "coastal resorts with large numbers of business premises and low density of residential properties in the tidal flood plain/erosion zone land are placed at a disadvantage".

254. There was some acknowledgement of the concerns relating to the funding formula for coastal defence by the Environment Agency. Catherine Wright noted that "a lot of stakeholders have told us that they think the funding formula could change, and there is an opportunity to do that next year in the spending review". She added that:

> "There is a case for thinking about the local economy, particularly investment in social infrastructure, such as schools, hospitals and highways, to make sure that we maximise the sustainability of those investments for the future when it comes to climate change".[220]

255. ***We recommend that DEFRA reviews and revises the approach taken to coastal flood risk investment decisions in order to give greater account to the protection of non-residential properties and assets, including business and public infrastructure.***

Coastal defences and wider regeneration

256. The financial and environmental burdens resulting from coastal erosion and flooding clearly give cause for concern. We were, however, told of examples

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218 Written evidence from Cornwall Council (RST0047)
219 Written evidence from Felixstowe Forward (RST0093)
220 Q 161 (Catherine Wright)

which demonstrated how the innovative design of coastal defence structures had the potential to impact positively on seaside regeneration.

257. Thanet District Council stated that when developing coastal defence structures: "enhancements that bring added value to the community should be sought and encouraged." Thanet demonstrated that it had successfully applied this principle when developing its own coastal defence scheme, which we saw during our visit to Margate. The Council outlined the details of the project:

> "In 2011 a £6m grant funded coastal defence scheme transformed the seafront area and provided a large brand new area of public realm with strong pedestrian connectivity and easy access to the foreshore whilst increasing the standard of flood defence to the indicative standard for the next 50 years."[221]

258. The Environment Agency provided several examples of coastal defence projects that had also contributed to local regeneration. One example was the Runswick Bay Coastal Defence Scheme, led by Scarborough Borough Council and funded by the Environment Agency and the Runswick Bay Sea Defence Trust, a group of homeowners and local residents who have contributed to the funding of the scheme to help secure the future of their community. The Environment Agency outlined the details of the scheme:

> "The £1.5m Runswick Bay Coastal Defence Scheme is an essential project designed to address seawall degradation, toe erosion and the implications for the stability of the slopes behind the deteriorating defences. Failure or loss of even part of the existing defence structures could have serious and relatively rapid implications. There are 96 residential and 17 non-residential properties which are considered to be at risk from coastal erosion. Wave overtopping at Runswick Bay Village is also a problem.
>
> …This scheme offers protection to the holiday homes and also provides a safe area for visitors to rockpool/go crabbing/use the beach thus helping support the local economy."[222]

221 Written evidence from Thanet District Council (RST0046)
222 Written evidence from the Environment Agency (RST0112)

Figure 6: Local residents and businesses have contributed to funding Runswick Bay's coastal defences

Source: Matt Buck, 'Runswick Bay on the coast of North Yorkshire': https://commons.wikimedia.org/wiki/File:Runswick_Bay_MMB_11.jpg [accessed 26 March 2019] (CC BY-SA 3.0)

259. It was suggested that additional support was necessary to help local authorities commission coastal defence projects that sought to deliver wider economic benefits. Lincolnshire County Council suggested that "capital infrastructure funding should be increased to top up statutory Environment Agency funds for coastal defence". This, it argued, would support a move towards "designing and implementing new physical structures which can support diversified economic activity".[223]

260. There was broad agreement that any approach to coastal defence strategy should, in addition to assessing the standard social, economic and environmental impacts of any proposals, consider options that enhanced the built environment and the local visitor economy. From the examples we were provided with, and those we were able to visit, we are seized of this approach.

261. **A wide range of benefits may be provided by investment in coastal protection, and we highlight the positive impact that such schemes can have upon the public realm and the visitor economy.**

262. *We recommend that development and planning processes for future coastal protection schemes should include an appraisal of how designs might benefit the wider economy and the public realm.*

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223 Written evidence from Lincolnshire County Council (RST0028)

Box 14: Case study—Coastal flooding in Skegness

A note by Lord Bassam of Brighton

During our visit to Skegness, issues with the funding formula currently used to prioritise investment in coastal flood defences were highlighted. In particular, it was noted that the current approach largely prioritised the protection of residential dwellings, with more limited emphasis placed on the protection of businesses, agriculture and infrastructure assets.

We were told that around 30% of the District was identified as being at significant risk of flooding. Along the coast of East Lindsey, flood defences were managed through a mixture of hard defences, flood banks and a beach nourishment project. This project started in the early 1990s and serviced 20km of open coastline, costing around £6–7 million a year.

This work has had a positive effect on the appearance of the beach and had helped to keep residents safe. Council representatives raised concerns around the levels of funding available for future flood defence schemes, suggesting that this was creating uncertainty for future commercial investment; it was suggested that existing funding models did not always reflect realities on the ground.

The Council highlighted that having a large area of the district vulnerable to flooding had affected their ability to bring forward new build housing in East Lindsey. There was a desire to link flooding funding with projects that would support growth, and to make investment in coastal defences deliver more for the district in terms of its tourist offer.

Source: Skegness Visit Note, Appendix 5

CHAPTER 6: SUPPORT FOR REGENERATION—FUNDING AND DELIVERY

263. Despite the range of challenges faced by coastal areas, seaside towns should be celebrated and recognised as places that can provide good quality environments for residents and tourists alike. Where some seaside towns have implemented successful regeneration strategies (where there has been a positive impact on the economic and social health of the area as a result of a regeneration intervention), there is no uniform approach that will work everywhere. However, within the regeneration success stories we heard, a clear set of themes emerged around the most effective approaches to regeneration, which included: the need for strong leadership and the ability to secure productive partnerships between local authorities, businesses, entrepreneurs and local services; setting a clear vision for regeneration of the area, that should be grounded in an area's unique assets and context; securing local 'buy-in' and the support of residents; and securing investment to enable long-term planning and sustainable change.

264. In this chapter we examine the support that has been available for struggling towns seeking to undertake regeneration projects, including by way of funding streams and local delivery structures. It will highlight the challenges that coastal areas told us pose the greatest barriers to delivering regeneration and identify what further interventions are needed to ensure a greater proportion of seaside towns can make the best of their local talent, leadership and assets to secure a brighter future for their areas.

Successful regeneration

265. Coastal areas face a range of regeneration challenges. Although many of these challenges may be common to other non-coastal areas, seaside towns are often labouring with additional limitations due to peripherality and poor connectivity. The evidence did, however, expose a set of approaches that have contributed to successful regeneration in coastal areas.

Leadership

266. Above all, effective leadership emerged as the critical component of successful regeneration, specifically, leadership that enables the creation and delivery of a clear vision for regeneration, and that brings together productive partnerships, whether that be between local authorities and investors, or through meaningful engagement with the local community. Over the course of our inquiry, and particularly in the six seaside towns we visited, we saw examples of projects that had delivered positive change in local areas, where strong leadership had come from a range of sources. These included: local authorities, but also local entrepreneurs (as in the case of Daniel Davies in New Brighton), business leaders (such as the manager at Butlins, Skegness that we met), charitable organisations (as in the case of Folkestone and the Roger De Haan Charitable Trust), and public services, such as the NHS or the police force (as we saw in Newquay in the Newquay Safe initiative).

267. East Devon District Council was able to provide an encouraging set of examples, highlighting the creation of "regeneration boards" to provide leadership:

> "East Devon has pursued an ambitious regeneration strategy for its seaside towns and communities. Low productivity levels across the district has meant that the key focus is economic regeneration. To this end, we have pursued a policy of creating the economic conditions for investment using our land assets to support new investment and development examples of this are the Seaton Jurassic project, the rebuilding of the Mamhead Slipway in Exmouth, continued enhancement and development of the Seaton Wetlands Visitor Centre and the continued investment in countryside, parks, beaches, play spaces and excellent public realm. This has been the result of the establishment of and support of Regeneration Boards providing clear vision, leadership and support to regeneration."[224]

268. We were told repeatedly that having a clear narrative and vision was a vital component of any plans for regeneration. In the context of coastal towns, we heard that it was particularly important for this to be linked to the character and essence of the place. Mark Latham, Regeneration Director at Urban Splash, stated:

> "You need a big idea and a very convincing way of talking about it, telling it and promoting it. That is the core. It has to be rooted in reality. It cannot be a stickon, ersatz thing; it must be linked to the genius loci of the place."[225]

269. The importance of the involvement of the community, working in partnership towards a shared vision for regeneration, was also emphasised. Tendring District Council told us that:

> "Local people, communities and businesses will play a key role in the regeneration of seaside towns. They are best placed to understand the issues and have the pride and shared vision to achieve something positive for their area. This Council is heavily engaged with local people, communities and businesses, but with more financial support from government this engagement could be more effective and more successful."[226]

270. Another consistent theme to emerge was the assertion that successful regeneration projects were based around effective partnership working, particularly between the public sector and private investors. Several successful public/private partnerships were highlighted, for example, Dreamland in Margate, and examples of broader partnership working between organisations such as local services, businesses and residents were also identified, as illustrated by the Newquay Safe initiative, a partnership of over 20 agencies, set up in 2009 to tackle issues around the area's night time economy. The partnership aims to help tackle crime, disorder and anti-social behaviour and includes Cornwall Council, Newquay Town Council, local

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224 Written evidence from East Devon District Council (RST0038)
225 Q 148 (Mark Latham)
226 Written evidence from Tendring District Council (RST0110)

health services, Coastguard, Devon and Cornwall Police, Visit Cornwall and Newquay Regeneration Forum.[227]

271. Entrepreneurship, we were told, often played an integral role in the regeneration of an area. This raised questions around how entrepreneurship should best be encouraged and supported, particularly by the public sector. Barriers to partnership working between the public and private sectors were highlighted, and it was suggested that challenges common to seaside towns and communities often deterred private investors. It was clear that coastal authorities sometimes struggled to attract private investors and developers due to existing deprivation, poor transport links or the risks posed by coastal flooding.

272. The National Housing Federation told us that: "We have seen examples of successful partnerships between councils, housing associations and Homes England to unlock regeneration schemes but these depend heavily on local circumstances and priorities, and are likely to be even more economically challenging in many coastal areas."[228]

273. North Somerset Council stated that for tackling many of the issues facing seaside towns: "it is essential to have strong partnerships in place, not just across agencies and statutory bodies but including private businesses and the community and voluntary sector" and that local authorities should act as the "glue", but that "due to lack of resources and staff time, this sort of vital work is becoming increasingly more difficult for councils."[229]

274. A key issue appeared to be that private investors were often reluctant to engage in regeneration projects at the initial stages. In fact, a number of areas told us that there needed to be greater recognition of the time that regeneration projects can take and that investors will not always make quick returns on investments. Wayne Hemingway, Co-Founder of Hemingway Design, argued that the burden for getting regeneration projects underway, and for any early failings, often fell to the public sector initially as the private sector was often "so fearful". Mr Hemingway suggested, with reference to the Dreamland project in Margate, that the private sector only "come in when the ground has been ploughed."[230]

227 Cornwall Council, 'Newquay Safe': https://www.cornwall.gov.uk/community-and-living/newquay-safe/newquay-safe-partnership/ [accessed 25 March 2019]
228 Written evidence from the National Housing Federation (RST0054)
229 Written evidence from North Somerset Council (RST0109)
230 Q 145 (Wayne Hemingway, Co-Founder, Hemingway Design)

Box 15: Principles for partnership and regeneration

A note by Lord Mawson

Ten guiding principles for partnership work and regeneration:

(1) People and relationships matter, so nurture them

(2) Start small and grow things in context

(3) Create a sense of ownership

(4) Believe it's possible

(5) Learn by doing: encourage innovation and risk taking

(6) Build high quality environments

(7) Pay attention to the detail

(8) Blur the boundaries between the public and private sectors, involve everyone

(9) Encourage people to acquire new skills—build confidence and foster agency

(10) Prepare for a long journey—and enjoy it

275. Local authorities play a central role in regeneration efforts. Council representatives we met on our visit to Skegness told us that they perceived the role of local authorities in regard to regeneration as 'enablers', facilitating partnerships between the private sector and other partners. Several local authorities suggested that reduced resources were having an adverse impact on the ability of coastal local authorities to undertake regeneration projects. West Sussex County Council stated that:

> "…ongoing cuts to local authority budgets by Government and increasing demand for social care services means that local authorities will have less resource to allocate to coastal economic development."[231]

276. South Tyneside Council emphasised that cuts to local authority budgets had had an impact on the resources available for tourism in its area:

> "South Tyneside has been hit very hard by Government Local Authority allocation cuts. The Council now has 54% less to spend than in 2010. Funding has been reduced from £191m in 2010 to a projected £124m in the coming year. Since 2010 the Council has become leaner and more efficient, making £156m of efficiency savings and has shrunk its workforce. The tourism marketing budget for example has reduced by 40%, yet the Council is still performing highly in many key areas."[232]

277. Additionally, some coastal local authorities told us that despite a national focus on driving productivity and local growth, on which the Government has put renewed focus through the Industrial Strategy, coastal areas felt that they did not received adequate support for economic development. This criticism focused principally on the role of Local Enterprise Partnerships (LEPs).

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231 Written evidence from West Sussex County Council (RST0114)
232 Written evidence from South Tyneside Council (RST0033)

Local Enterprise Partnerships

278. LEPs are tasked with playing a central role in determining local economic priorities and undertaking activities to drive economic growth and job creation, improve infrastructure and raise workforce skills within the local area. They, therefore, should have a significant role to play in the regeneration of seaside towns. MHCLG recognised this point, stating that:

> "It is important to also recognise the role of coastal Local Enterprise Partnerships (LEPs) in supporting the regeneration of coastal and seaside towns. Around half of all LEPs include coastal or estuarine areas. Local Growth Deals are providing coastal LEPs with funding to promote economic growth and job creation in their coastal communities. And some coastal LEPs, such as the South East LEP, have their own Coastal Networks to help prioritise investment in coastal locations."[233]

279. In some areas, however, concerns were raised that LEPs have failed to take sufficient consideration of the needs of coastal communities. A commonly held view was that coastal areas lost out to larger urban areas on national funding provided for local economic growth. The Coastal Communities Alliance explained that:

> "On a national scale, bidding opportunities for economic growth (such as Growth Deals administered through LEPs) tend to be targeted towards large scale interventions and therefore inappropriate for smaller seaside towns which cannot demonstrate the level of economic return in direct competition with larger urban areas."[234]

280. LEPs are focused on delivering the Government's drive to increase productivity, but some areas suggested that there was a danger that approaches to local economic development that were driven by a focus on productivity, could ignore the interplay of challenges in socially and economically fragile places.

281. Bridport Local Area Partnership told us that:

> "The experience of the Bridport area is that it has been almost impossible to engage properly with the Dorset Local Enterprise Partnership. The LEP focuses on strategic projects in larger urban areas or larger development sites and does not appear willing to invest in the needs of smaller coastal communities. As LEPs are now the main source of public regeneration funding, this is immensely frustrating."[235]

282. We heard similar claims around the tendency for LEPs to concentrate funding on areas that were seen as lower-risk than struggling seaside towns. Nicola Radford, Lead Officer of the Coastal Communities Alliance, stated that, although her area had been successful in attracting some funding through their local LEP: "It is trickier to justify getting money through the single local growth fund for coastal areas, because it is about market failure and high-risk investment. To put that sort of money into coastal areas is a higher risk than just putting it into an industrial or urban area…"[236]

233 Written evidence from MHCLG (RST0097)
234 Written evidence from the Coastal Communities Alliance (RST0029)
235 Written evidence from the Bridport Local Area Partnership (RST0074)
236 Q 15 (Nicola Radford)

283. The New Economics Foundation echoed this point by highlighting that communities sometimes struggled to attract higher level buy-in, in the form of investment or support, for:

> " . . . plans to develop activities which would deliver a set of economic, social and environmental outcomes which simply do not align with the standard measures of economic success which still shape how LEPs, local authorities, city region growth deal areas, etc. are encouraged to approach and evidence economic development."

284. Jonathan Sharrock, Chief Executive of the Coast to Capital Local Enterprise Partnership, pointed to the autonomy of LEPs, stating that the "Government created us to take a locally led approach to the challenges in the regional economy; there are 38 LEPs and 38 boards, and they have all taken a different perspective on what that means." He acknowledged that "some LEPs have focused money a lot more on bigger projects" but went on to suggest that "an area with a coastline would always be very conscious of the challenges that that coastline would bring."[237]

285. The Minister, Jake Berry MP, acknowledged that:

> "The performance of LEPs across the country has been a bit mixed. They started under the coalition in 2010. There was a Chairman Mao approach of letting 1,000 flowers bloom, and in some cases they failed to blossom. That is why one of the first things I did when I came into government, when I had the privilege of being appointed, was to start a LEP review, a granular look at local enterprise partnerships to see where they performed well or badly."[238]

286. The roles LEPs will play in developing Local Industrial Strategies, and in administering the UK Shared Prosperity Fund, were also emphasised. Local Industrial Strategies are being developed by LEPs with the aim of "promoting the coordination of local economic policy and national funding streams".[239] The Government's *Local Industrial Strategies Policy Prospectus* states that: "Local Industrial Strategies will be long-term, based on clear evidence and aligned to the national Industrial Strategy. They should set out clearly defined priorities for how cities, towns and rural areas will maximise their contribution to UK productivity."[240]

287. Jonathan Sharrock from the Coast to Capital LEP outlined the stages for agreement of the Local Industrial Strategies, asserting that: "The strategy has to go through the Treasury and MHCLG and be agreed by government analysts, because it is all about the analytics. Once we have agreed on a local industrial strategy, we will be able to talk about the projects that help to deliver it. That is the basis on which we are working." He also confirmed that "the region is a coherent economic area, so we will have a single strategy."[241]

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237 Q 168 (Jonathan Sharrock)
238 Q 178 (Jake Berry MP)
239 Department for Business, Energy & Industrial Strategy, '*Local Industrial Strategies to drive growth across the country*' (3 December 2018): https://www.gov.uk/government/news/local-industrial-strategies-to-drive-growth-across-the-country [accessed 13 February 2019]
240 HM Government, *Local Industrial Strategies Policy Prospectus*, October 2018, p 4: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/744544/local-industrial-strategies-policy-prospectus.pdf [accessed 28 February 2019]
241 Q 172 (Jonathan Sharrock)

288. Several areas identified the development of Local Industrial Strategies as a key opportunity for ensuring that the needs of coastal areas are better reflected in local plans to drive economic development. The National Housing Federation stated that:

> " . . .inclusive economies and growth must be at the heart of Local Industrial Strategies if they are to deliver for those people and communities that have been left behind for too long. This means that the community and local anchor institutions should have a proactive role in the development of the Local Industrial Strategy, and key inclusive growth metrics, such as the percentage of residents earning above the Living Wage, should be included as measures of success."[242]

289. Chichester District Council proposed that:

> "Mechanisms should be put in place to ensure that LEPs and other vehicles address the needs and take advantage of the opportunities presented by their coastal plains. The planned Government statements on 'the role & responsibilities of LEPs' and 'Local Industrial Strategies' should include a specific reference to the need to consider other areas within LEPs."[243]

290. It was also argued that coastal LEPs might benefit from greater collaboration with other coastal LEPs around the country. Jonathan Sharrock from the Coast to Capital LEP said:

> "There is a LEP network, so we know our colleagues in other parts of the country. In reality, because our two LEPs[244] are very close to each other, we collaborate. I agree that the lessons we are learning could, I am sure, be applied in Lincolnshire, the north-west or another part of the country. Because those places are further away, and we do not necessarily know our colleagues as well, it is a challenge; we try our hardest to collaborate, but it happens more naturally at local level."[245]

291. **There is widespread concern that LEPs, in their focus on job creation and economic improvement, tend to favour reinforcing and building on known successes rather than tackling more problematic and marginalised areas, such as seaside towns. Through this risk-adverse approach, LEPs have failed to deliver their core objective—to promote local economic growth—wherever that might be.**

292. **The requirement on LEPs to develop Local Industrial Strategies is weighted towards driving up productivity and local economic growth. Although we are concerned that this may risk isolating coastal areas which suffer from higher levels of social and economic deprivation still further, we regard Local Industrial Strategies as presenting an opportunity for renewed focus on addressing the skills gaps, low wage economies and aspiration challenges faced by many coastal communities.**

293. *As Local Industrial Strategies are developed, greater emphasis must be placed on ensuring that the priorities of coastal communities are*

242 Written evidence from the National Housing Federation (RST0054)
243 Written evidence from Chichester District Council (RST0044)
244 The two LEPs that Mr Sharrock refers to were Coast to Capital LEP and South East LEP.
245 Q 170 (Jonathan Sharrock).

properly addressed. We recommend that LEPs are given a specific requirement to have regard to the needs of deprived seaside towns and communities, and for supporting regeneration and redevelopment in these areas.

294. *We recommend that action is taken to facilitate greater collaboration between LEPs that cover coastal areas through the creation of a formalised network of coastal LEPs.*

Government funding

UK Shared Prosperity Fund

295. Plans to replace the funds local areas currently received from the European Union, by the new UK Shared Prosperity Fund (UKSPF), were announced in 2017. Although the exact details of the Fund will be dependent on the outcome of Brexit negotiations, in 2016 the Government guaranteed funding for UK organisations in receipt of EU funds where projects were agreed before the day the UK leaves the EU. In 2018, the Government announced an extension to this guarantee, stating that it would underwrite the UK's allocation for structural and investment fund projects under this EU Budget period to 2020 in the event of no-deal.[246] The Government has also signalled that it is intended for LEPs to have a role in administering the UKSPF.[247]

296. Several submissions outlined priorities for the UKSPF. Priorities included: that the overall funding is not reduced; that the purpose of the CCF is not lost in the delivery framework; that funding decisions should be delegated to local areas; that the Fund takes full account of the importance of the tourism industry alongside other key sectors; and that the UKSPF should recognise the distinct nature of coastal communities.

297. Steve Double, MP for St Austell and Newquay, echoed some of these calls, telling us that:

> "I want a dedicated pot of money for Cornwall, not a competitive process where Cornwall has to bid into a national pot. We want dedicated funds for Cornwall as we had in the European programme. It has to be less bureaucratic and more flexible than the European programme has been. There is no point in replacing one bureaucracy with another. It needs to be focused on the real issues that Cornwall faces. It needs to be focused on outcomes rather than inputs."[248]

298. The Minister, Jake Berry MP, confirmed that the Government would be consulting on the UKSPF in the near future.[249]

299. **The UK Shared Prosperity Fund is viewed as a key opportunity to help support coastal business development, particularly in sectors that are often fundamental to seaside towns, such as tourism and retail, and to tackle deprivation in coastal communities.**

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246 HC Deb, 24 July 2018, HCWS927

247 Ministry of Housing, Communities and Local Government, *Strengthened Local Enterprise Partnerships* (July 2018) p 10: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/728058/Strengthened_Local_Enterprise_Partnerships.pdf [accessed 25 March 2019]

248 Q 85 (Steve Double MP)

249 Q 180 (Jake Berry MP)

300. *As soon as is reasonably practicable, the Government must provide a clear indication of how coastal areas will benefit from the UKSPF.*

301. *If LEPs are given the responsibility for administering the UKSPF, they should have a greater role in facilitating coastal regeneration. This must involve dedicated engagement with coastal local authorities to support the development of place-based plans for regeneration, founded on agreement about local challenges.*

302. **If LEPs are given the responsibility for administering the UKSPF, it will be imperative that they are adequately and appropriately resourced for the task.**

Coastal Communities Fund

303. In 2012 the Coalition Government launched the Coastal Communities Fund (CCF). The CCF is administered by the Big Lottery Fund, and provides grants which were intended to deliver sustainable economic growth and jobs in coastal areas.

304. The CCF seeks to address common challenges that are defined as: over dependence on seasonal, low-paid jobs in a small range of industries; declining and ageing populations; housing stock challenges; poor transport connectivity; and a range of physical and environmental challenges. Since 2012, the CCF has awarded grants to 295 projects across the UK, totalling over £174 million.[250] The most recent round of funding was announced in September 2017—the fifth round of funding—with £40 million made available to applicants for spend from April 2019 to March 2021.[251]

305. MHCLG highlighted a number of projects in coastal areas that had received support from the CCF. These included the unleashing growth in Furness project, awarded to Furness Enterprise Limited in Round one of the CCF, which aimed to "drive sustainable economic growth within the coastal community by creating an innovation network for product development to enable new markets to be opened"[252] and included the provision of support to new businesses. MHCLG stated that this had directly, and indirectly, led to the creation of 617 new jobs.[253]

306. There was broad support for the role of the CCF as the only significant fund targeted at the specific typology of seaside towns,[254] and some acknowledgment that the Fund did recognise the need and unique nature of coastal communities. Several areas highlighted the ways in which the Fund

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250 Ministry of Housing, Communities and Local Government, '£40 million fund to transform UK's coastal communities opens for applications' (26 February 2018): https://www.gov.uk/government/news/40-million-fund-to-transform-uks-coastal-communities-opens-for-applications [accessed 25 March2019]

251 Ministry of Housing, Communities and Local Government, 'Coastal Communities': https://www.gov.uk/government/collections/coastal-communities [accessed 25 March 2019)

252 Written evidence from MHCLG (RST0122)

253 Written evidence from MHCLG (RST0122)

254 In 2015, the Government announced a separate £3million Coastal Revival Fund, which was aimed at reviving at-risk coastal heritage and hard-to-tackle buildings, facilities and amusements such as piers, lidos and proms. Sectors: Ministry of Housing, Communities and Local Government, Press Release, Ministry for Housing, Communities and Local Government, *New coastal revival fund and community teams to bring jobs and businesses to seaside towns* (27 February 2015): https://www.gov.uk/government/news/new-coastal-revival-fund-and-community-teams-to-bring-jobs-and-businesses-to-seaside-towns [accessed 25 March 2019]

had been used to support improvements to infrastructure and the quality of the public realm.

307. There were, however, a number of concerns expressed about the CCF, including: criticism of the way in which the bidding process operated, a perception that it favoured larger communities' improvement; that the Fund was short-term in nature and therefore did not necessarily support more holistic and sustainable approaches to regeneration; that the levels of funding set aside for the CCF have been reduced by the Government; and that there has been insufficient evaluation of the scheme to assess the way in which public funds have been used.

308. Several areas expressed frustrations around the bidding process for the CCF. Suffolk Coastal and Waverney District Council suggested the CCF was "oversubscribed" and "highly competitive."[255] The Coastal Communities Alliance highlighted that there was "140 coastal community teams, plus local authorities, all bidding in that competitive process."[256]

309. There was also a feeling expressed that the process disadvantaged smaller communities. Nicola Radford, Lead Officer at the Coastal Communities Alliance, stated that: "Some very small groups and coastal community teams are bidding and putting in a lot of effort at that stage, but are not successful, whereas strategic partnerships that have some level of input and resource to help form more strategic bids are getting the money." This view was echoed by other areas, such as Chideok Parish Council, who stated that it did not apply to the CCF as it viewed it as "an oversubscribed funding pot that would prioritise larger spends from bigger communities."[257]

310. A key concern expressed was that CCF funding was too small scale to support sustainable regeneration. Fears were raised that the time taken to secure funding from the CCF, and the emphasis upon demonstrating quick returns on investment, meant that the Fund was not always suitable to support projects aimed a sustainable regeneration, which typically required a longer-term approach.

311. The Coastal Communities Alliance told us that targeted investments for coastal communities, such as the CCF, "tend to be small scale" which can "restrict the ability of local partners to develop more strategic investments towards visitor infrastructure and related areas (such as transport and the natural environments) that would more positively influence national productivity." A similar argument was proposed by The National Coastal Tourism Academy:

> "The short term nature of the funding also makes it difficult to have a more holistic and sustainable approach to regeneration and growth. There are now examples of early Coastal Community Fund projects which were delivering valued services and activities, but are no longer being supported due to a lack of ongoing funding."[258]

312. When the CCF was launched in 2012, it was announced that it would be financed by the Government through the allocation of funding equivalent to 50% of the revenues from the Crown Estate's marine activities. We were told

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255 Written evidence from Suffolk Coastal and Waverney District Council (RST0092)
256 Q 14 (Nicola Radford)
257 Written evidence from Chideok Parish Council (RST0023)
258 Written evidence from The National Coastal Tourism Academy (RST0080)

that this has since been reduced to 33%.[259] We heard from Dr David Tudor, Marine Infrastructure Portfolio Manager at the Crown Estate, that it has no role in allocation of its revenue to the CCF and that this was a decision taken entirely by HM Treasury.

313. Questions were also raised about the extent to which the CCF had been evaluated to assess its impact. From the evidence provided by MHCLG and by the Minister, Jake Berry MP, it was clear that it has been evaluated to highlight the collective achievements of the Fund. The Minister told us that:

> "Projects approved over the first three-year funding round were forecast to deliver more than 18,000 UK jobs and generate £363 million in new visitor spend. Up to 2016, our annual reporting showed that 500 new businesses had been started, and 7,000 jobs had been created. Analysis of that 2016 progress report has shown that, for every pound invested, £8 has been created in economic growth in our coastal communities." [260]

314. The Minister did, however, acknowledge that more detailed analysis was required in order to understand better the value for money that was being delivered by the CCF:

> "I have asked my department to strengthen the monitoring of projects and do retrospective reviews of the projects that we are going to fund to try to capture what goes right and what goes wrong, and learn lessons for the future."[261]

315. **This commitment from the Government to strengthen monitoring and conduct retrospective reviews of projects is to be warmly welcomed. The success of a project should be defined by whether an intervention will have a lasting and substantive impact on the economic health and social wellbeing of the area. These assessments should be published routinely.**

316. *If, following evaluation, the CCF is found to have supported sustained economic and social improvements for seaside towns, we recommend that the Government continues to provide a dedicated source of funding for coastal communities, beyond the completion of the latest round, due to conclude in 2021. On the basis that the CCF is proven as an effective source of financial support for struggling seaside towns, we recommend restoring the ratio of Crown Estates revenue allocated to the CCF back to its original 50% rather than the 33% it has been reduced to. In the future, consideration should be given to increasing this proportion further.*

Supporting the regeneration of seaside towns

317. Coastal communities are not, of course, identical, and so economic and social development will look different for each seaside town. Although some common themes emerged around the need for effective leadership and a clear vision, we do not wish to prescribe the approach that coastal areas should take to regeneration. There were, however, a consistent set of calls made by the people who live and work in seaside towns around how the

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259 Q 91 (Dr David Tudor)
260 Q 182 (Jake Berry MP)
261 Q 182 (Jake Berry MP)

government could better support the drive, ambition and vision of the local organisations who are determined to change their areas for the better.

318. Coastal local authorities are often the driving force behind regeneration in seaside towns, but they often struggle to attract the outside investment and support their areas need. The current model driving coastal regeneration from central government is short-term, and areas are therefore limited in their ability to deliver real lasting change. When seeking support for regeneration, coastal towns often suffer from: "viability issues" and "ensuring the coastal voice is heard is challenging".[262]

319. Areas told us that there should be greater support for local regeneration from central government—not in the form of top-down interventions but from ensuring that the structures that have been put in place to drive economic development across the regions benefit coastal areas. Snettisham Parish Council, for example, stated that: "We do not need Whitehall advising us. There is sufficient intent to achieve things locally, with help – this should be in the form of funding which is easy to apply for and which can then be controlled and directed locally."[263]

320. Although the existence of a dedicated fund for coastal communities was welcomed, the overarching concern was that the support available for regeneration in coastal areas was characterised, and limited, by short-termism, with central government funding too piecemeal to support long-term, sustainable change. East Linsey District Council was one of several areas that raised this argument:

> "In our experience, other targeted investments for coastal communities tend to be small scale (e.g. LEADER, Coastal Community Teams, Coastal Revival Fund, Big Lottery) supporting delivery of community-led projects. This can restrict the ability of local partners to develop more strategic investments towards infrastructure and related areas that would more positively influence national productivity."[264]

321. ***Beyond 2021, the CCF should be focused on projects that aim to encourage sustainable place-based approaches to regeneration. The distribution of the fund must recognise that regeneration projects require a long-term approach. The Fund must be focused on contributing towards long-term change in communities and helping with effective planning and partnership stimulation. It should, in particular, focus on smaller communities.***

322. ***The UKSPF should seek to reinforce interventions from the LEPs and from the CCF. The development of the UKSPF should be used as an opportunity to evaluate where the areas of greatest need lie. A genuine and extensive consultation with neglected seaside towns should take place to ascertain the most effective distribution of the Fund. The Fund should prioritise long-term place-based solutions for areas where there has been persistent deprivation, including disadvantaged coastal communities.***

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262 Written evidence from Thanet District Council (RST0046)
263 Written evidence from Snettisham Parish Council (RST0003)
264 Written evidence from East Lindsey District Council (RST0069)

Box 16: Case study—Blackpool Pride of Place Partnership (PoP)

A note by Baroness Valentine

What is it?

Blackpool PoP champions Blackpool as a can-do town with a vision. A group of leaders from business, the public and third sector has come together to detail an Agenda for Action and work together to effect it. The PoP is not a government sponsored organisation, nor does it have project funding. The initiative was sponsored by Business in the Community who commit senior personnel, while all parties other than the third sector, contribute to core costs.

Why does it work?

It seeks to identify what's really important and how to influence it. It identifies only a few priorities each year, taking an innovative approach to a problem or tackling a big issue through its convening power. The Board has all the senior local influencers on it who can deliver their own organisations' commitment and funding. This is no committee talking shop. Its business culture seeks valuable outcomes from time-poor people coming together with a passion to see the town thrive.

Getting the right people matters

This cannot work without local and national leadership and vision. The chair is a Blackpool alumna and successful in her own right. The leadership of the local council (which is a unitary) is prepared to be brave and work differently. The PoP chief executive combines experience in eliciting real business support with effectiveness in the public sector.

What does PoP want from the Government?

Blackpool's tourism product will be reinvigorated by a new conference centre, new hotels and an attractive promenade. However, behind the front, there is chronic deprivation as a result of people from around Britain being drawn to Blackpool's low-quality inner zone. We need a town deal with the Government to continue working to improve the area, so that one of the worst concentrations of deprivation in England is no longer a part of its most famous seaside resort.

Coastal communities policy and national initiatives

323. We heard repeated calls for more recognition of the specific needs of coastal areas. The argument was rehearsed that, although many of the issues facing seaside towns and communities were also shared by other inland areas, there were certain problems which were more specific to coastal areas. Generic issues around deprivation (housing, benefits, population transience, low levels of education attainment, poor health outcomes etc) were in some areas combining with seaside-specific issues (for example, being at the 'end of the line', the ongoing decline of traditional seaside tourism, and the impact of climate change). This combination of factors was rendering the challenges for seaside towns particularly intractable.

324. Given the common set of challenges experienced by many seaside towns, which cut across a number of policy areas, there were calls for better co-ordination of coastal policy across government departments. Officials were asked about how coastal communities' policy was co-ordinated both within

MHCLG and across Whitehall. Ben Pledger, Deputy Director in the Cities and Local Growth Unit at MHCLG, responded:

"First, on the responsibility for policy, I am from the Cities and Local Growth Unit, which is a joint directorate between MHCLG and BEIS, and we are responsible for coastal regeneration policy. That jointness is the first thing to mention; we report jointly to two departments, because we understand that part of our overall remit is to support places. There is something about belonging to MHCLG and understanding communities, but also about belonging to BEIS and understanding industries and sectors."[265]

325. The Minister, Jake Berry MP, acknowledged that there could be a more joined-up approach at an official level, stating that:

"…historically, there was a cross-Whitehall, official-level meeting with nominated people from departments at a senior level in the Civil Service to talk about the cross-governmental challenge to coastal communities, and that has fallen away. Without seeking to prejudge any of your recommendations, if the Committee was minded to suggest that that should happen again, to ensure that at an official level government is joined up to tackle all the challenges and opportunities faced by coastal communities around England, I am sure my department would look at it favourably."[266]

326. ***We recommend that the Government takes a more strategic approach to the co-ordination of coastal communities' policy at official-level across different government departments. Reinstating the cross-Whitehall official level meeting to discuss coastal communities would be a first step in achieving this.***

327. Although a significant proportion of seaside towns and communities are struggling with a range of social and economic challenges, we were made aware of examples of seaside towns that had successfully regenerated and revitalised their local economies. It was clear that while there were lessons to be learnt from success stories, there was limited evidence of how this best practice might be shared. East Lindsey District Council asserted that there was a "fundamental need to update and improve the evidence base in order to support coastal populations and economies to realise their potential."[267]

328. The question as to whether there has been sufficient research conducted to provide robust analysis of the economic and social health and vitality of seaside towns was also raised. It was argued that existing datasets sometimes masked the problems in specific areas due to how data was categorised. North Somerset Council, for example, highlighted that:

"It can be difficult to source appropriate data for a specific town because many data and statistics are based on and collected as geographies such as local authority, ward and parliamentary constituency and not at a town level. This makes it difficult to disaggregate into specific towns. Some data is captured within small geographical areas within wards, (super output areas and lower super output areas), but it can be time

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265 Q 2 (Ben Pledger)
266 Q 175 (Jake Berry MP)
267 Written evidence from East Lindsey Council (RST0069)

consuming extracting relevant information. An analysis of a relatively prosperous areas such as North Somerset using data collected at district level, masks the areas of significant deprivation with Weston-Super-Mare."[268]

329. Similarly, Great Yarmouth Borough Council stated that:

"There remains, however, a gap in our collective understanding of the mechanisms by which disadvantage – expressed in terms of economic and social health – are conferred upon the geographic margins of the UK – and 'ends of the line', such as seaside towns."[269]

330. ***Notwithstanding the uniqueness of regeneration projects, which will inevitably vary according to the locale, we recommend that the Government identifies, collates and disseminates examples of best practice in regeneration projects. Consideration must be given as to whether data might be harnessed in such a way as to help local authorities understand their areas better.***

331. It was put to us that national strategies, such as the Industrial Strategy, may fail to meet the distinct set of challenges found in seaside towns, with some advocating that a dedicated strategy for coastal communities should be developed. Lincolnshire County Council stated:

"Proper consideration must be given to all critical issues facing coastal communities and coastal businesses. Government should produce a comprehensive, cross government and cross organisation strategy for coastal areas. This way coastal businesses and communities will be seen to be given due consideration and ensure that wider strategic policy, such as that set out in the Industrial Strategy (and ensuing Local Industrial Strategies) properly reflect the issues and identify specific measures to build on the wide coastal opportunities. A Coastal Strategy is urgently required and warrants a separate consultation exercise."[270]

332. Other witnesses suggested that coastal areas could benefit from measures already within the framework of existing government policy. Blackpool Council highlighted the example of the Grimsby Town Deal, which has been approved for funding by the Government. Stage 1 of the Town Deal was announced in July 2018 and it is described as marking "the beginning of a stronger relationship between central government and local partners to support the regeneration of Greater Grimsby". The deal will provide:

- £2 million more to the area from the government's local growth fund to support major road improvements funding from the government's local growth fund, £65 million to support road improvement;

- A further £65 million of investment already being provided by North East Lincolnshire council (£35 million) and government (£30 million) to support the regeneration plans for Greater Grimsby; and

268 Written evidence from North Somerset Council (RST0109)
269 Written evidence from Great Yarmouth Borough Council (RST0064)
270 Written evidence from Lincolnshire County Council (RST0028)

- Government expertise and support through Homes England and Historic England's Heritage Action Zone initiative to help develop the housing and town centre[271]

333. Blackpool Council labelled the Grimsby Town Deal as a "pioneering approach".[272] Dorset County Council suggested that: "Individual Coastal Town Deals would be an appropriate start which consider the structural issues that only the public sector/Government can address such as infrastructure, health and education."[273]

334. The Minster, Jake Berry MP, suggested that the town deal approach could be applied to coastal towns, stating that:

> "We should continue to look to expand the idea of a town deal, which was in our industrial strategy. There was a commitment to pilot it in Grimsby, and I think it lends itself to coastal towns. In truth, it feels as if there has been very little in public policy for as long as I have followed it, for 15 or 20 years, that seeks in a direct way to address the challenges of our towns rather than our major cities. There is even less that seeks to address the challenges of our coastal towns. The Grimsby town deal, supported by government funding, but largely supported by local funding, is an opportunity to look at how we can do things differently. It lends itself very well to coastal towns. I shall watch with interest how the pilot deal is implemented."[274]

335. The Minister also indicated that a town deal had been discussed in relation to Blackpool. He explained that:

> "I am excited to note that the Secretary of State for Business recently met my colleague Paul Maynard to talk about how we can advance a town deal for Blackpool. If we can commit to it, it would be a good way to expand town deals to see how they work for other coastal towns."[275]

336. In March 2019, the Government launched the £1.6 billion Stronger Towns Fund. The Government has stated that this will be targeted at " . . . places that have not shared in the proceeds of growth in the same way as more prosperous parts of the country."[276] The Government stated that:

> "A total of £1 billion will be allocated using a needs-based formula. More than half this share (£583 million) will go to towns across the North with a further £322 million allocated to communities in the Midlands. Communities will be able to draw up job-boosting plans for their town, with the support and advice of their Local Enterprise Partnerships."

> "Another £600 million will be available through a bidding process to communities in any part of the country."[277]

271 Ministry of Housing, Communities and Local Government, 'Government announces landmark Town Deal for Greater Grimsby' (5 July 2018): https://www.gov.uk/government/news/government-announces-landmark-town-deal-for-greater-grimsby [accessed 25 March 2019]
272 Written evidence from Blackpool Council (RST0081)
273 Written evidence from Dorset County Council (RST0072)
274 Q 187 (Jake Berry MP)
275 Q 187 (Jake Berry MP)
276 Ministry of Housing, Communities and Local Government, '£1.6 billion Stronger Towns Fund' (4 March 2019: https://www.gov.uk/government/news/16-billion-stronger-towns-fund-launched [accessed 4 March 2019]
277 *Ibid.*

337. The Stronger Towns Fund is in early stages of development. We welcome the focus on boosting investment, jobs and living standards in towns across the country. However, we are clear that any additional support from central government for towns must focus on those areas with the highest levels of deprivation, including struggling seaside towns, and that LEPs must work to ensure that the available funds are directed at improving economic activity in those areas. We also note comments made by the chief executive of the Joseph Rowntree Foundation, Campbell Robb, who urged the Government to set out its plans for the UKSPF, stating that:

> "The Stronger Towns Fund must not mean dipping into the Shared Prosperity Fund (SPF), a manifesto commitment made to towns and cities using money repatriated from the EU. A consultation on the fund is long overdue and has left towns and cities facing uncertainty as the Brexit withdrawal process saps Whitehall attention.

> "If the Government is serious about transforming towns, it needs to set out its plans for the SPF now and bring serious money to the table - not just a small pot to fix short-term problems."[278]

338. **We endorse the Minister's view that special focus should be given to Blackpool, given that issues relating to housing and deprivation in Blackpool are well-recognised as being some of the most significant in the country. Support for struggling seaside towns, such as Blackpool, should involve a strategic approach between national and local government, and LEPS, to address the intractable economic and social challenges that are causing persistent disadvantage in these areas. By solving the problems in Blackpool, the Government could identify a set of tools which enable them to tackle the problem in other seaside towns—if you can solve it there you can solve it anywhere.**

339. *The Government should secure town deals for Blackpool and other deprived seaside towns. We strongly support this approach with determined action between government and local government to tackle the root causes of deprivation in seaside towns disparate, limited funding will not address the generational challenges that are so entrenched in these areas.*

340. A number of areas also advocated the introduction of additional Enterprise Zones, which are already in operation across the country, for coastal areas. Enterprise Zones are designated areas across England that provide tax breaks and Government support. Businesses that locate in an Enterprise Zone can access a number of benefits:

- Up to 100% business rate discount worth up to £275,000 per business over a 5-year period

  OR:

- 100% enhanced capital allowances (tax relief) to businesses making large investments in plant and machinery on 8 Zones in Assisted Areas

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278 Joseph Rowntree Foundation, 'Many place remain locked out of prosperity—JRF responds to Stronger Towns Fund' (4 March 2019): https://www.jrf.org.uk/press/many-places-remain-locked-out-prosperity-jrf-responds-stronger-towns-fund [accessed 6 March 2019]

AND:

- Simplified local authority planning, for example, through Local Development Orders that grant automatic planning permission for certain development (such as new industrial buildings or changing how existing buildings are used) within specified areas.[279]

Box 17: Enterprise Zones

A note by Lord Smith of Hindhead

The evidence we received during our work revealed that seaside towns faced three particular areas of challenge; the economy (jobs), infrastructure and education. Some would say that these could apply to most towns that face challenging economic and social issues but whilst there is no simple or single solution to regeneration of seaside towns, since they vary quite significantly in terms of their challenges and therefore require a certain degree of bespoke assistance, there is no doubt all three areas would probably apply to each seaside town to a greater or lesser degree.

During one of our evidence sessions, the economist, Fernanda Balata, from the New Economics Foundation, said: "I certainly agree that infrastructure is a key challenge for coastal communities for all the reasons just highlighted. However, it is not about one priority. It has been acknowledged that it is about a common and persistent set of issues relating to social and economic deprivation on the coast. Therefore, a solution would be a range of policies in areas that we need to focus on.

On one hand, the challenges faced by these communities are not unique to the coast. Better policy-making that benefits wider communities in the country would also benefit coastal communities, in areas such as housing, education, health and so on. On the other hand, what makes coastal communities different is their unique asset: the coastal and marine environment that surrounds them. That creates particular challenges. Normally, when I go to communities on the coast, they tell me that they live in a 180-degree context. If policies could acknowledge this one priority for coastal areas—the challenges and opportunities presented by the coastal and marine environment—it would go a long way to creating better policy-making and support for coastal communities.

Cutting through some of the negative statistics which the Committee heard, and avoiding the frustration which I personally felt by the somewhat casual responses received from questions as to how public funds were being deployed, one positive aspect of assistance which had made a difference was the establishment of Enterprise Zones as part of the Government's wider Industrial Strategy to support businesses and enable local economic growth.

Seaside towns which had been successful in bidding for Enterprise Zone classification had seen benefits. I would propose that the Government give consideration to establishing specific Seaside Town Enterprise Zones, or 'Seaside Zones', which, like other Enterprise Zones, would give clear financial benefits from day one, but 'Seaside Zones' could be rather more specific in terms of benefits to, for example, the hospitality industry, which is the largest employer in the seaside economy, as well as focusing on infrastructure and broadband to help develop business growth.

279 HM Government, 'Looking for a place to grow your business?' (2019): https://enterprisezones. communities.gov.uk/about-enterprise-zones/ [accessed 28 February 2019]

> I would also propose that the way in which Enterprise Zones are currently awarded is looked at again. The bidding process by its very nature tends to give an advantage to those towns which have a plan and a certain amount of leadership rather than perhaps those towns which are in most need of a Zone's benefits.

341. The Minister, Jake Berry MP, acknowledged that there had been some successes relating to enterprise zones in coastal areas, but suggested that overall, the performance had been varied:

> "The Government have no current plans for new enterprise zones. The lessons I have learned from enterprise zones is that their performance is very mixed and tends to be linked to the performance of the LEP. The great urgency of implementing the LEP review is to ensure that we lift performance for LEPs.

> I do not think at this stage that enterprise zones have anything new to add to the conversation around coastal towns, although there are some successful enterprise zones; in Berwick-upon-Tweed in Northumberland and Falmouth in Cornwall they have been delivered well by the LEPs. As part of the sector deal, there is some consideration of tourism action zones, and the Government are looking at developing that."[280]

342. We were, however, provided with a number of examples where coastal areas had benefited from being designated as an enterprise zone. Ben Pledger from MHCLG, stated that:

> "…there are 16 coastal enterprise zones, with some incredible success stories, such as the Siemens factory in Harwich, which is producing the blades for offshore wind; the one in Plymouth, which is helping to regenerate the seafront area there; and Newquay Airport."[281]

> MHCLG also told us that, as of 2016, Enterprise Zones across the country "…have attracted 877 businesses, £3.5 billion of private sector investment and 38,393 jobs."[282]

343. The Local Government Association Coastal Special Interest Group highlighted an example in Lowestoft, explaining that:

> "Enterprise Zones are being established around the country which provide incentives to investors and can be tailored to the needs of that town. A successful example of supporting investment is the construction of ORBIS offshore energy innovation centre in Lowestoft which is a publicly managed workspace for businesses and support to offshore energy companies. Since its creation Orbis Energy has secured billions of pounds of investment and 800 new jobs in the East. Many businesses have benefited from the company and it has acted as a spring board for many."[283]

344. Torbay Development Agency (TDA) outlined how this type of approach might work for seaside towns. It made a case for the creation of "Coastal action zones", which would offer:

280 Q 187 (Jake Berry MP)
281 Q 9 (Ben Pledger)
282 Written evidence from MHCLG (RST0097)
283 Written evidence from the Local Government Association Coastal Special Interest Group (RST0099)

- "simplified local authority planning procedures . . .;

- Government support to ensure superfast broadband connectivity;

- 100% enhanced capital allowances to businesses making investments in plant and machinery (the suggestion here is that it be applied to all investments in order to benefit smaller businesses); and

- A Fund to support early enabling works in and around Action Zone sites and resource the completion of infrastructure projects that facilitate commercially viable development where there has been "market failure".

The TDA also suggested that: "In addition to the above 'standard' characteristics of the following might also be included:

Priority access to the Local Full Fibre Network Fund, providing vouchers for businesses to access full fibre; and

A residential component in order to bring life (and purchasing power) back into the town centre."[284]

345. Wyre Borough Council also supported the idea of a "Coastal Enterprise Zone", which it suggested could include " . . . fiscal benefits attached to employing local people, using local suppliers and expanding the business in the local area."[285]

346. **A variant of Enterprise Zones designated specifically for coastal areas could offer seaside towns a package of placed-based interventions, including financial and practical benefits for business location, that could support long term, sustainable change. Elements of the standard Enterprise Zones could be adapted to meet the distinct challenges faced by coastal areas, including peripherality, poor connectivity and difficulty in attracting private investment and businesses to their areas.**

347. *We recommend that the Government, in consultation with coastal local authorities and LEPs, reviews the current Enterprise Zone scheme to build a distinct package of measures aimed at supporting struggling seaside towns in promoting local economic activity.*

348. *We recommend that new Enterprise Zones be created in coastal locations. The support offered should be tailored to meet the specific needs of seaside towns, including (but not limited to): tax relief on capital investment in property and the public realm; investment in digital infrastructure; and fiscal incentives to attract business investment.*

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284 Written evidence from the Torbay Development Agency (RST0060)
285 Written evidence from Wyre Borough Council (RST0083)

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

Chapter 2: Background and approach

1. It is not clear to us whether the acceptance of the recommendation—the need for further research into the challenges facing coastal communities, including the disproportionately high levels of people claiming sickness and disability benefits in coastal towns compared to the national average—has been delivered by the Government. We therefore invite the Government to update us on the status of its response to this recommendation. (Paragraph 37)

Chapter 3: The economy of seaside towns

2. It is vital for the future prosperity of smaller seaside resorts that they have the opportunity to benefit from national tourism campaigns, and from nationally provided research and support, to help to develop their tourism products. (Paragraph 54)

3. We consider that the restoration and enhancement of the public realm and of cultural heritage assets through capital investment is of paramount importance in supporting the wider economy in seaside towns, and recommend that the Government takes this into account as part of their ongoing review of local authority resources. (Paragraph 60)

4. At the time of publication, negotiations were continuing between the Government and industry on the proposed Tourism Sector Deal. We consider the Tourism Sector Deal to be an important opportunity to help support the regeneration of seaside towns and communities. (Paragraph 68)

5. Coastal communities have told us that boosting the local tourism economy in their areas relies on solving a range of complex and often interconnected issues. For example, a dilapidated public realm, and the social challenges often association with deprivation, will not only deter visitors, but will also limit the chances of securing the investment needed to support and develop tourist activity and encourage businesses such as hotels and restaurants to base their activity in that area. Designated tourism zones could offer a package of support for these areas, and provide the kind of comprehensive approach that seaside towns need to revitalise their local visitor economies. (Paragraph 69)

6. We recommend that, in taking forward the Tourism Sector Deal, the Government ensures that any such Sector Deal gives full account to the important role played by seaside towns in the tourism industry. We recommend that any initial designation of Tourism Action Zones must include seaside towns. (Paragraph 70)

7. We support progress made so far by tourist organisations in outlining what Tourism Action Zones should focus upon, and we recommend that Tourism Action Zones must include: prioritisation of infrastructure provision, both transport and digital; access to support and research to help develop tourism products; and support for local businesses to develop the digital skills they require to reach new markets and remain competitive. (Paragraph 71)

8. Seaside towns need to be able to invest in the buildings and assets that make them unique. We recommend that Tourism Action Zones should include greater freedoms for local authorities to access capital funds for projects

aimed at improving the public realm and other cultural and heritage assets. (Paragraph 72)

9.   We recommend that the Government undertakes further research into the potential impact of cutting VAT on tourism-related activities. (Paragraph 88)

10. The creative industries have a clear role in supporting seaside towns to diversify their economies and enhance their local cultural assets. Capital investment must be made in the context of its impact on the place generally and be monitored and evaluated accordingly. It is vital that evaluation processes for grant funding for heritage and arts projects address issues relating to place-based approaches to regeneration, so as to ensure that public funds are used prudently, and that best practice can be understood and shared. (Paragraph 101)

11. Commercial ports play an important role in supporting the coastal economy. We believe that port operators, such as Associated British Ports, have the potential to help to drive regeneration in seaside towns. We therefore recommend that current planning restrictions which limit the potential for changes of use on port sites are amended to remove the barriers which prevent the productive development of land. (Paragraph 106)

12. For some areas, promoting or reinvigorating tourism has been overstated as a solution to local economic challenges. Additional support is needed to recognise, promote and support diversification where a sole reliance on tourism is no longer a viable option. (Paragraph 112)

13. Inadequate transport connectivity is holding back many coastal communities and hindering the realisation of their economic potential. Emphasis should be accorded to isolated coastal communities which are at 'the end of the line'. (Paragraph 123)

14. We recommend that the Department for Transport, informed by the advice of the Ministry of Housing, Communities and Local Government, prioritises improvements to the coastal transport network when it takes decisions on planning and investment. This should be informed by a detailed review of the coastal transport network which includes an assessment of where the greatest socio-economic benefits can be realised through improvements to transport connectivity. (Paragraph 124)

15. Improved digital connectivity presents a significant opportunity to overcome the challenges of peripherality in coastal areas, and would help existing businesses, encourage new businesses, and enable people to work more flexibly from home without the need to commute. Assistance in delivering ultra-fast broadband in seaside towns should be the highest priority for the Government if the regeneration of these areas is to be achieved. (Paragraph 129)

16. We recommend that the Government should promote initiatives to support digital connectivity in coastal communities specifically, and undertake a full programme of engagement with local authorities, LEPs and businesses in remote coastal communities to help to understand better the challenges to improved digital connectivity in coastal areas. The provision of high-quality broadband and mobile connectivity in coastal locations should be considered a priority, and an effective infrastructure investment in areas where the physical transport infrastructure is limited. (Paragraph 130)

Chapter 4: Education and skills: stimulating an entrepreneurial culture

17. We agree with this concern over future arrangements and recommend that the Government sets out its plans for evaluation of the impact of the Opportunity Area programme and accordingly brings forward proposals setting out how the programme will evolve after 2020, in relation to the long-term needs of seaside towns. (Paragraph 142)

18. Limited access to education, in particular to FE and HE institutions, is severely curtailing opportunities and denting aspirations for young people in some coastal areas. (Paragraph 147)

19. We agree with Professor Fribbance's assertion above that there is never going to be "a bricks-and-mortar offering" of higher education in every coastal town. Greater scope for flexible access both to further and higher education, such as online, part-time and distance learning, must therefore be part of the solution, and we recommend that the Government produces ambitious proposals for how it can best support and encourage flexible access as part of its review of Post-18 Education and Funding. (Paragraph 148)

20. We recommend that the Government enables the facilitation of partnership working between the FE and HE sectors, and local business and industry, in coastal and other isolated areas. The Careers and Enterprise Company and Founders4Schools are examples of best practice in this area. This best practice should be disseminated, and consideration given to launching a coastal-specific initiative, locally administered, aimed at encouraging and nurturing partnerships between schools, further education and higher education providers, and employers, in order to create a 'talent pipeline' able to serve local industries. (Paragraph 152)

21. The cost of post-16 transport is an impediment to accessing educational opportunities in certain coastal areas. We recommend that the Government funds relevant local authorities to provide full public transport costs for post-16 students in coastal communities. (Paragraph 154)

22. We recommend that the Government undertakes a bespoke review to examine what can be done, including consideration of a major marketing campaign, to attract teachers to seaside towns and communities and to incentivise healthy levels of retention. (Paragraph 156)

23. We recommend that the Government launches a targeted investment and improvement programme for both primary and secondary schools in coastal communities. (Paragraph 158)

24. We acknowledge this concern and recommend that the Government reviews as a matter of urgency how well the apprenticeship scheme functions in areas, and sectors, with high levels of seasonal employment, including the provision of flexible and general education and training programmes, and introduces appropriate adjustments to the scheme. (Paragraph 161)

25. It is vital to recognise that for young people in seasonal employment, the periods when they are not in employment should be seen as an opportunity for training and the development of skills to expand their employment prospects. For example, if a person works for six months of the year in seasonal employment, it seems reasonable to us that their employer should fund a month and a half's training (the same ratio of work to off-the-job

training as applies to an apprenticeship) and paid holiday. That leaves a period of time unaccounted for, which might usefully be filled with training or off-season work. (Paragraph 165)

26. Enhancing the status and potential of pursuing a career in the hospitality industry is important to the regeneration of many seaside towns. The outcome of the negotiations over the Tourism Sector Deal will, we agree, be of critical importance, and the Government must make efforts to promote and champion the hospitality industry. Its status and attractiveness must be dramatically bolstered. (Paragraph 169)

27. The economies of many seaside towns are suffering from skills shortages. We recommend that the Government urgently examines the causes of the skills shortages in coastal towns. In doing so, the Government should encourage and support local skills strategies to enable successful and sustainable partnerships to flourish between industry, local educational institutions and the third sector. (Paragraph 170)

Chapter 5: Housing, wellbeing and the built environment

28. A sustained, long-term effort is required to address the impact of transience on coastal areas. We recommend that the Department for Work and Pensions works with MHCLG to assess the scale and impact of population transience in and out of coastal areas, and examine the extent to which this is a result of non-coastal local authorities placing vulnerable adults and children into these areas. Such an assessment should be cross-referenced with the Government's updated research into the challenges facing coastal communities, including the disproportionately high levels of people claiming sickness and disability benefits in coastal towns, referred to in paragraph 48. (Paragraph 187)

29. We recommend that funding for the receiving coastal local authorities should reflect the financial impact of providing adequate services to support the needs of vulnerable people. (Paragraph 188)

30. Perverse financial incentives to offer poor accommodation, financial pressures on inspection and enforcement regimes, and the sheer scale of the problems associated with housing, mean that many coastal areas are making only very limited headway relative to the size of the problems they are experiencing. (Paragraph 216)

31. We recommend that the Government determines whether local authorities require additional powers to address the problems arising in areas with especially large numbers of HMOs. This determination should include the introduction of measures that enable local authorities to safeguard resources necessary for the enforcement of housing standards. (Paragraph 217)

32. We recommend that the Government implements changes to the system for the calculation of local housing allowance rates in areas with high densities of HMOs, to ensure it more accurately reflect local market rents. (Paragraph 218)

33. We recommend that the Government considers how existing funding for housing, such as the Homes England fund, might be used to support place-making as well as the creation of new homes. (Paragraph 219)

34. We recommend the introduction of stronger incentives for private landlords to improve the quality and design of their properties. This might include tax relief for making improvements to properties. (Paragraph 220)

35. We recommend that the Government pilots the introduction of Housing Action Zones, which might comprise of the proposed recommendations outlined above, and be delivered as a comprehensive package of measures to support housing regeneration in coastal areas. (Paragraph 221)

36. It is vital that the Government recognises that there is frequently an additional cost of delivering health services in coastal areas, due to higher proportions of older people, the impact of population transience, the prevalence of poor mental health and geographical isolation. Again, seaside towns are disadvantaged; Government policy, where it pertains to decisions on priorities for investment, with particular regard to national funding formulae, must recognise this. (Paragraph 242)

37. We welcome the approach in the NHS Long-Term Plan and hope that it helps to address—through a multi-agency partnership approach—the root causes of poor health outcomes in coastal communities. (Paragraph 243)

38. We recommend that DEFRA reviews and revises the approach taken to coastal flood risk investment decisions in order to give greater account to the protection of non-residential properties and assets, including business and public infrastructure. (Paragraph 255)

39. A wide range of benefits may be provided by investment in coastal protection, and we highlight the positive impact that such schemes can have upon the public realm and the visitor economy. (Paragraph 261)

40. We recommend that development and planning processes for future coastal protection schemes should include an appraisal of how designs might benefit the wider economy and the public realm. (Paragraph 262)

Chapter 6: Support for regeneration—funding and delivery

41. There is widespread concern that LEPs, in their focus on job creation and economic improvement, tend to favour reinforcing and building on known successes rather than tackling more problematic and marginalised areas, such as seaside towns. Through this risk-adverse approach, LEPs have failed to deliver their core objective—to promote local economic growth—wherever that might be. (Paragraph 291)

42. The requirement on LEPs to develop Local Industrial Strategies is weighted towards driving up productivity and local economic growth. Although we are concerned that this may risk isolating coastal areas which suffer from higher levels of social and economic deprivation still further, we regard Local Industrial Strategies as presenting an opportunity for renewed focus on addressing the skills gaps, low wage economies and aspiration challenges faced by many coastal communities. (Paragraph 292)

43. As Local Industrial Strategies are developed, greater emphasis must be placed on ensuring that the priorities of coastal communities are properly addressed. We recommend that LEPs are given a specific requirement to have regard to the needs of deprived seaside towns and communities, and for supporting regeneration and redevelopment in these areas. (Paragraph 293)

44. We recommend that action is taken to facilitate greater collaboration between LEPs that cover coastal areas through the creation of a formalised network of coastal LEPs. (Paragraph 294)

45. The UK Shared Prosperity Fund is viewed as a key opportunity to help support coastal business development, particularly in sectors that are often fundamental to seaside towns, such as tourism and retail, and to tackle deprivation in coastal communities. (Paragraph 299)

46. As soon as is reasonably practicable, the Government must provide a clear indication of how coastal areas will benefit from the UKSPF. (Paragraph 300)

47. If LEPs are given the responsibility for administering the UKSPF, they should have a greater role in facilitating coastal regeneration. This must involve dedicated engagement with coastal local authorities to support the development of place-based plans for regeneration, founded on agreement about local challenges. (Paragraph 301)

48. If LEPs are given the responsibility for administering the UKSPF, it will be imperative that they are adequately and appropriately resourced for the task. (Paragraph 302)

49. This commitment from the Government to strengthen monitoring and conduct retrospective reviews of projects is to be warmly welcomed. The success of a project should be defined by whether an intervention will have a lasting and substantive impact on the economic health and social wellbeing of the area. These assessments should be published routinely. (Paragraph 315)

50. If, following evaluation, the CCF is found to have supported sustained economic and social improvements for seaside towns, we recommend that the Government continues to provide a dedicated source of funding for coastal communities, beyond the completion of the latest round, due to conclude in 2021. On the basis that the CCF is proven as an effective source of financial support for struggling seaside towns, we recommend restoring the ratio of Crown Estates revenue allocated to the CCF back to its original 50% rather than the 33% it has been reduced to. In the future, consideration should be given to increasing this proportion further. (Paragraph 316)

51. Beyond 2021, the CCF should be focused on projects that aim to encourage sustainable place-based approaches to regeneration. The distribution of the fund must recognise that regeneration projects require a long-term approach. The Fund must be focused on contributing towards long-term change in communities and helping with effective planning and partnership stimulation. It should, in particular, focus on smaller communities. (Paragraph 321)

52. The UKSPF should seek to reinforce interventions from the LEPs and from the CCF. The development of the UKSPF should be used as an opportunity to evaluate where the areas of greatest need lie. A genuine and extensive consultation with neglected seaside towns should take place to ascertain the most effective distribution of the Fund. The Fund should prioritise long-term place-based solutions for areas where there has been persistent deprivation, including disadvantaged coastal communities. (Paragraph 322)

53. We recommend that the Government takes a more strategic approach to the co-ordination of coastal communities' policy at official-level across different government departments. Reinstating the cross-Whitehall official level

meeting to discuss coastal communities would be a first step in achieving this. (Paragraph 326)

54. Notwithstanding the uniqueness of regeneration projects, which will inevitably vary according to the locale, we recommend that the Government identifies, collates and disseminates examples of best practice in regeneration projects. Consideration must be given as to whether data might be harnessed in such a way as to help local authorities understand their areas better. (Paragraph 330)

55. We endorse the Minister's view that special focus should be given to Blackpool, given that issues relating to housing and deprivation in Blackpool are well-recognised as being some of the most significant in the country. Support for struggling seaside towns, such as Blackpool, should involve a strategic approach between national and local government, and LEPS, to address the intractable economic and social challenges that are causing persistent disadvantage in these areas. By solving the problems in Blackpool, the Government could identify a set of tools which enable them to tackle the problem in other seaside towns—if you can solve it there you can solve it anywhere. (Paragraph 338)

56. The Government should secure town deals for Blackpool and other deprived seaside towns. We strongly support this approach with determined action between government and local government to tackle the root causes of deprivation in seaside towns disparate, limited funding will not address the generational challenges that are so entrenched in these areas. (Paragraph 339)

57. A variant of Enterprise Zones designated specifically for coastal areas could offer seaside towns a package of placed-based interventions, including financial and practical benefits for business location, that could support long term, sustainable change. Elements of the standard Enterprise Zones could be adapted to meet the distinct challenges faced by coastal areas, including peripherality, poor connectivity and difficulty in attracting private investment and businesses to their areas. (Paragraph 346)

58. We recommend that the Government, in consultation with coastal local authorities and LEPs, reviews the current Enterprise Zone scheme to build a distinct package of measures aimed at supporting struggling seaside towns in promoting local economic activity. (Paragraph 347)

59. We recommend that new Enterprise Zones be created in coastal locations. The support offered should be tailored to meet the specific needs of seaside towns, including (but not limited to): tax relief on capital investment in property and the public realm; investment in digital infrastructure; and fiscal incentives to attract business investment. (Paragraph 348)

APPENDIX 1: LIST OF MEMBERS AND DECLARATIONS OF INTEREST

Members

Baroness Bakewell (joined 6 September 2018)
Lord Bassam of Brighton (Chairman)
Lord Grade of Yarmouth
Lord Knight of Weymouth
The Bishop of Lincoln
Lord Lucas
Lord McNally
Lord Mawson
Lord Pendry (resigned 18 July 2018)
Lord Shutt of Greetland
Lord Smith of Hindhead
Baroness Valentine
Baroness Whitaker
Baroness Wyld

Declarations of interest

Baroness Bakewell

Patron (unpaid), National Piers Society

Lord Bassam of Brighton (Chairman)

Member, Brighton Royal Pavillion & Museums Foundation

Member and Trustee, People's History Museum

Co-opted board member, Child Poverty Action Group

Receives rental income from a property in Eastbourne

Lord Grade of Yarmouth

Assisting a Business in the Community project in an advisory capacity in Blackpool

Lord Knight of Weymouth

Chief Education and External Officer, TES Global, managing the TES Institute which trains teachers in coastal towns

Director, Labour Coast & Country

The Bishop of Lincoln

As the Bishop of Lincoln, the member authorises and licences clergy for ministry in communities on the Lincolnshire coast. Those clergy are not employed directly by the Bishop, but minister under his authority.

Lord Lucas

Resident of Eastbourne, and active in encouraging its regeneration through 'Engineering Eastbourne' and other routes.

Lord Mawson

Director, Andrew Mawson Partnerships

Chairman of Well North Enterprises CIC

Founder and President, Bromley by Bow Centre

Lord McNally

Member, Business in the Community Blackpool: Pride of Place National Advisory Board

Chairman of the Fleetwood Trust

Lord Pendry

President of Ramsgate Football Club

Lord Shutt of Greetland

Trustee, Cober Hill Charitable Trust

Director, Cober Hill Ltd. Cober Hill is a guest house and conference centre 5 miles north of Scarborough, operated on a not-for-profit basis.

Lord Smith of Hindhead

CEO, Association of Conservative Clubs; in this role, the member serves as a trustee of a number of affiliated clubs located in seaside towns

Chairman, Best Bar None, which runs schemes in several seaside towns

Baroness Valentine

Employed by Business in the Community to pilot an approach to regeneration in Blackpool which seeks to improve Blackpool's socio-economic prospects over the long-term.

Baroness Whitaker

Chair, Newhaven Coastal Communities Team

President, Newhaven Historical Society

Patron, Hillcrest Community Centre, Newhaven

Vice-President and past President, South Downs Society

Honorary Fellow, RIBA

Baroness Wyld

No relevant interests declared

A full list of Members' interests can be found in the Register of Lords Interests:
https://www.parliament.uk/mps-lords-and-offices/standards-and-interests/register-of-lords-interests/

Nick Ewbank (Specialist Adviser)

Partner has the following roles:

England's Creative Coast - Project Director (freelance) - A three-year arts and tourism project led by Turner Contemporary and Go to Places (Visit Kent) and principally funded by Arts Council England's Cultural Destinations programme and the Discover England Fund, administered by VisitEngland. The project aims to increase cultural tourism across the SE Coast.

Business development and capital project fundraising for Turner Contemporary and Kent County Council (freelance)

South East Creative Economy Network (Co-Chair - non executive) A sector sub-group of the South East LEP (SELEP), SECEN works to accelerate growth in the digital, creative and cultural sectors.

APPENDIX 2: LIST OF WITNESSES

Evidence is published online at www.parliament.uk/regenerating-seaside-towns and available for inspection at the Parliamentary Archives (020 7219 3074).

Evidence received by the Committee is listed below in chronological order of oral evidence session and in alphabetical order. Those witnesses marked with ⋆⋆ gave both oral and written evidence. Those marked with ⋆ gave oral evidence and did not submit any written evidence. All other witnesses submitted written evidence only.

Oral evidence in chronological order

⋆⋆	Mr Ben Pledger, Deputy Director in the Cities and Local Growth Unit at MHCLG; Ms Anne Frost, Deputy Director, Private Rented Sector, Ministry of Housing, Communities and Local Government;	QQ 1–10
⋆	Mr Giles Smith, Deputy Director for Heritage, Tourism and Cultural Diplomacy, Department for Digital, Culture, Media and Sport;	
⋆	Ms Beccy Eggleton, Deputy Director, Foundations Team, Industrial Strategy, Department for Business, Energy and Industrial Strategy	
⋆⋆	Ms Nicola Radford, Lead Officer, Coastal Communities Alliance;	QQ 11–18
⋆⋆	Ms Bridget Betts, Environmental Advice Team Leader for Dorset County Council and representative from the Dorset Coastal Community Team;	
⋆	Ms Helen Thompson, Investment Manager Partnership and Engagement, North East Lincolnshire Council and representative of North East Lincolnshire Coastal Communities Team.	
⋆⋆	Councillor Andy Smith, Chairman, Local Government Association Coastal Special Interest Group;	QQ 19–25
⋆⋆	Mr Bill Parker, Lead Officer, Local Government Association Coastal Special Interest Group;	
⋆	Mr Gordon Oliver, Elected Mayor, Torbay Council.	
⋆	Ms Patricia Yates, Director of Strategy and Communication, VisitBritain;	QQ 26–33
⋆	Mr Anthony Pickles, Head of Tourism Affairs, VisitBritain	
⋆	Ms Kate Nicholls, Chief Executive Officer, UKHospitality;	QQ 34–41
⋆	Mr Simon Longbottom, Chief Executive, Stonegate;	
⋆	Mr Alex Flach, Construction Director, Whitbread	

★ ★★	Bernard Donoghue, Director, Association of Leading Visitor Attractions;	QQ 42–50
	Kate Shane, Manager of Blackpool Tower, Merlin Entertainments	
★★ ★	Paul Kelly, Chief Executive, British Association of Leisure Parks;	QQ 51–60
★	Tim Wardley, Chairman, National Piers Society;	
	John White, Chief Executive, British Amusement Catering Trade Association	
★★	Daniel Davies, Chairman, Institute of Licensing;	QQ 61–74
★★	Brigid Simmonds OBE, Chief Executive, British Beer and Pub Association.	
★	Mr Gordon Marsden MP, Chair, All-Party Parliamentary Group for Tourism, Leisure and the Hospitality Industry;	QQ 75–85
★	Steve Double MP, Chair, All-Party Parliamentary Group for the Visitors' Economy.	
★	Ros Kerslake, Chief Executive, Heritage Lottery Fund;	QQ 86–91
★★ ★	Laura Dyer, Deputy Chief Executive, Arts Council England;	
	Dr David Tudor, Marine Infrastructure Portfolio Manager, Crown Estate.	
★★ ★	Fernanda Balata, Senior Programme Manager, New Economics Foundation;	QQ 92–98
	Scott Corfe, Chief Economist, Social Market Foundation.	
★ ★ ★	Geoff Barton, General Secretary, Association of School and College Leaders; Professor Ian Fribbance, Executive Dean, Faculty of Arts and Social Sciences, Open University;	QQ 99–115
	Steve Frampton MBE, President, Association of Colleges.	
★	Professor Darren Smith, University of Loughborough;	QQ 116–121
★ ★★	John Stewart, Policy Manager, Residential Landlords Association;	
	Ian Higgins, Chartered Institute of Environmental Health.	
★★ ★★	Richard Blyth, Head of Policy, Practice and Research, Royal Town Planning Institute;	QQ 122–128
	Catherine Ryder, Head of Policy, National Housing Federation.	

★   Alex de Rijke, Director, dRMM;   QQ 129–136

★   Gary Young, Partner, Farrells;

★   Andy Murdoch, Director (Cities), Buro Happold
     Engineering.

★   Karen Tyrell, Executive Director of External Affairs,   QQ 137–143
★   Addaction;

     Sam Crowe, Acting Director of Public Health, Public
     Health Dorset.

★   Mr Mark Latham, Regeneration Director, Urban   QQ 144–148
★   Splash;

     Mr Wayne Hemingway, Co-Founder, Hemingway
     Design.

★★   Mr Tim Morris, Chief Executive, UK Major Ports   QQ 149–159
★   Group;

★   Mr Richard Ballantyne, Chief Executive, British Ports
     Association;

     Mr Dafydd Williams, Humber Head of
     Communications, Associated British Ports.

★★   Catherine Wright, Director of Digital & Skills (Flood   QQ 160–166
     & Coastal Risk Management), Environment Agency;

★   Dr Ned Garnett, Associate Director of Research,
     Natural Environment Research Council.

★   Adam Bryan, Managing Director, South East   QQ 167–174
★   Local Enterprise Partnership; Jonathan Sharrock,
     Chief Executive, Coast to Capital Local Enterprise
     Partnership.

★★   Jake Berry MP, Parliamentary Under-Secretary of   QQ 175–187
     State, Minister for the Northern Powerhouse and Local
     Growth, Ministry of Housing, Communities and Local
     Government.

Alphabetical list of all witnesses

     Allerdale Borough Council   RST0071

★★   Arts Council England   RST0051

                                                             RST0121

     Association of Child Psychotherapists   RST0002

★★   BACTA   RST0101

★★   Fernanda Balata, Senior Programme Manager, New
     Economics Foundation

★   Richard Ballantyne, Chief Executive, British Ports
     Association

★   Geoff Barton, General Secretary, Association of School
     and College Leaders

★★	Jake Berry MP, Parliamentary Under-Secretary of State, Minister for the Northern Powerhouse and Local Growth, Ministry of Housing, Communities and Local Government.	
★★	Bridget Betts, Environmental Advice Team Leader for Dorset County Council and representative from the Dorset Coastal Community Team	
	Blackpool Council	RST0081
	Blackpool Pleasure Beach Ltd	RST0084
★★	Richard Blyth, Head of Policy, Practice and Research, Royal Town Planning Institute	
	Borough Council of King's Lynn & West Norfolk	RST0013
	Bournemouth Borough Council	RST0118
	Bridlington Central Action Group	RST0107
	Bridlington Civic Society	RST0037
	Bridport Local Area Partnership	RST0074
	Brighton & Hove City Council	RST0100
★★	British Association of Leisure Parks, Piers and Attractions (BALPPA)	RST0024
★★	British Beer and Pub Association	RST0065
★	Adam Bryan, Managing Director, South East Local Enterprise Partnership Jonathan Sharrock, Chief Executive, Coast to Capital Local Enterprise Partnership	
	Bude Coastal Community Team	RST0070
	Mr Tim Bunch	RST0057
	Bus Users UK	RST0025
	Business in the Community	RST0108
	Rosemary Cantwell	RST0119
★★	Chartered Institute of Environmental Health	RST0117
	Chichester District Council	RST0044
	Chideock Parish Council	RST0023
	Coastal Communities Alliance	RST0029
	Mr Alexander Martyn Coltman	RST0011
	Rhiannon Corcoran	RST0116
★	Scott Corfe, Chief Economist, Social Market Foundation	
	Cornwall Council	RST0047
★	Sam Crowe, Acting Director of Public Health, Public Health Dorset	

	Cut Tourism VAT	RST0050
★★	Daniel Davies, Chairman, Institute of Licensing	
	Deco Publique	RST0091
★	Alex de Rijke, Director, dRMM	
★	Bernard Donoghue, Director, Association of Leading Visitor Attractions	
★★	Dorset County Council	RST0072
	Steve Double MP, Chair, All-Party Parliamentary Group for the Visitors' Economy	
★★	Laura Dyer, Deputy Chief Executive, Arts Council England	
	East Devon District Council	RST0038
	East Lindsey District Council	RST0069
	East Riding of Yorkshire Council	RST0086
★	Beccy Eggleton, Deputy Director, Foundations Team, Industrial Strategy, Department for Business, Energy and Industrial Strategy	
★★	Environment Agency	RST0112
	Mr Wayne Evans	RST0111
	Felixstowe Forward c/o SCDC	RST0093
	Five10Twelve Limited	RST0056
★	Alex Flach, Construction Director, Whitbread	
	Professor Steve Fothergill	RST0005
	Footprint Futures	RST0015
★	Steve Frampton MBE, President, Association of Colleges	
★	Professor Ian Fribbance, Executive Dean, Faculty of Arts and Social Sciences, Open University	
★★	Anne Frost, Deputy Director, Private Rented Sector, Ministry of Housing, Communities and Local Government	
	Furness Economic Development Forum	RST0113
★	Dr Ned Garnett, Associate Director of Research, Natural Environment Research Council	
	Great Yarmouth Borough Council	RST0064
	Headlands School Bridlington	RST0096
★	Wayne Hemingway, Co-Founder, Hemingway Design	
★★	Ian Higgins, Chartered Institute of Environmental Health	
	Hornsea Civic society	RST0030

	Hornsea Community News	RST0018
	Hornsea Town Council	RST0040
	Ilfracombe Town Council	RST0017
★★	Institute of Licensing	RST0089
★★	Paul Kelly, Chief Executive, British Association of Leisure Parks	
★	Ros Kerslake, Chief Executive, Heritage Lottery Fund	
	Dr Peter Kyle MP	RST0061
★	Mark Latham, Regeneration Director, Urban Splash	
	Let's Go Hornsea Regeneration Group	RST0043
	Lincolnshire County Council	RST0028
	Local Government Association	RST0105
★★	Local Government Association Coastal Special Interest Group	RST0099
★	Simon Longbottom, Chief Executive, Stonegate	
	Lynton & Lynmouth Town Council	RST0020
	Mr Paul Malley	RST0004
★	Gordon Marsden MP, Chair, All-Party Parliamentary Group for Tourism, Leisure and the Hospitality Industry	
★★	Merlin Entertainments (Blackpool) Ltd	RST0088
★★	Merlin Entertainments plc	RST0082
★★	MHCLG	RST0097
		RST0122
	Mr Graham Mitchell	RST0042
★★	Tim Morris, Chief Executive, UK Major Ports Group	
★	Andy Murdoch, Director (Cities), Buro Happold Engineering	
	NALC	RST0026
	National Casino Forum	RST0041
	National Coastal Tourism Academy	RST0080
★★	National Housing Federation	RST0054
★★	New Economics Foundation	RST0104
	Newquay Beach Hotel	RST0012
	Kate Nicholls, Chief Executive Officer, UKHospitality	
	Mr Timothy Norman	RST0009
	North Devon Council	RST0063
	North Norfolk District Council	RST0031

	North Somerset Council	RST0109
	North Yorkshire County Council	RST0090
	Northumberland County Council	RST0067
★	Gordon Oliver, Elected Mayor, Torbay Council	
	Onion Collective CIC	RST0098
	our kitchen on the isle of thanet	RST0073
	Professor Tanya Ovenden-Hope	RST0032
	PADI Europe Middle East and Africa	RST0048
★★	Bill Parker, Lead Officer, Local Government Association Coastal Special Interest Group	
	Penzance Placeshaping Board	RST0115
	Anthony Pickles, Head of Tourism Affairs, VisitBritain	
★★	Ben Pledger, Deputy Director in the Cities and Local Growth Unit, MHCLG	
	Mr Simon Pollentine	RST0027
	Dr Ursula Pool	RST0066
	Port Training Services (Port of Blyth)	RST0120
	Portsmouth City Council	RST0075
★★	Nicola Radford, Lead Officer, Coastal Communities Alliance	
	Ramsgate Coastal Community Team	RST0036
	Mr Johannes Read	RST0079
	Mrs Betty Renz	RST0049
	Mr Angus Robinson	RST0019
	Rockport Leisure Limited	RST0123
★★	Catherine Ryder, Head of Policy, National Housing Federation	
★★	Royal Town Planning Institute	RST0102
	Scarborough Borough Council	RST0068
	Seafarers UK	RST0078
★★	Kate Shane, Manager of Blackpool Tower, Merlin Entertainments	
	SHED (Save Heamoor from Excess Development)	RST0087
★★	Brigid Simmonds OBE, Chief Executive, British Beer and Pub Association	
	Mr Robert Sissons	RST0001
	Skegness Town Council	RST0014

★★	Councillor Andy Smith, Chairman, Local Government Association Coastal Special Interest Group	
★	Professor Darren Smith, University of Loughborough	
	Giles Smith, Deputy Director for Heritage, Tourism and Cultural Diplomacy, Department for Digital, Culture, Media and Sport	
	Snettisham Parish Council	RST0003
	South Tyneside Council	RST0033
	Southend Labour Group of Councillors	RST0052
	St. Anne's Town Council	RST0085
★	John Stewart, Policy Manager, Residential Landlords Association	
	Suffolk Coastal and Waveney District Councils	RST0092
	SW Tourism Alliance	RST0022
	Swale Borough Council	RST0076
	TDA	RST0060
	Teach First	RST0077
	Teignbridge District Council	RST0045
	Tendring District Council	RST0110
	Thanet District Council	RST0046
★★	The Open University	RST0034
	Theatres Trust	RST0055
	Mr Alan Thompson	RST0008
★	Helen Thompson, Investment Manager Partnership and Engagement, North East Lincolnshire Council and representative of North East Lincolnshire Coastal Communities Team	
	Tourism Alliance	RST0106
	Tourism Management Institute	RST0062
★	Dr David Tudor, Marine Infrastructure Portfolio Manager, Crown Estate	
	Turner Contemporary	RST0016
★	Karen Tyrell, Executive Director of External Affairs, Addaction	
★★	UK Major Ports Group	RST0053
	Vision Group for Sidmouth	RST0058
★	Tim Wardley, Chairman, National Piers Society	
	West Sussex County Council	RST0114

★★   John White, Chief Executive, British Amusement
         Catering Trade Association

★   Dafydd Williams, Humber Head of Communications,
         Associated British Ports

★★   Catherine Wright, Director of Digital & Skills (Flood
         & Coastal Risk Management), Environment Agency

         Wyre Borough Council   RST0083

★   Patricia Yates, Director of Strategy and
         Communication, VisitBritain

★   Gary Young, Partner, Farrells

APPENDIX 3: CALL FOR EVIDENCE

The House of Lords Select Committee on Regenerating Seaside Towns and Communities was appointed by the House on 17 May 2018. The remit of the Committee is "to consider the regeneration of seaside towns and communities".

The Committee will explore the following key issues in detail and would welcome your views on any or all of the following questions. Please note that questions are not listed here in any particular order of importance.

Questions

This is a public call for written evidence to be submitted to the Committee. The deadline is 1pm on Tuesday 9 October 2018.

Background and understanding

1.   What are the challenges facing seaside towns and communities? Which of those challenges are common to many seaside towns, and to what extent (and why) have such challenges persisted over a number of years?

2.   Has sufficient research been conducted to provide robust analysis of the economic and social health and vitality of seaside towns? What are the main conclusions to be drawn from such data and research – and where are the principal gaps in knowledge and understanding?

Housing and demographics

3.   To what extent are seaside towns affected by issues arising from the nature of their housing stock, including Houses in Multiple Occupation (HMOs) and former tourist accommodation that has been converted for other uses? How might any such issues be addressed – and are any changes to Government policy required?

4.   Do population transience, and demographic changes more widely, present any particular issues for seaside towns and communities? What is the nature and scale of such issues, and how can local organisations and communities be assisted in seeking to address them?

Transport and connectivity

5.   5. Do problems relating to transport and connectivity (including digital connectivity) present a barrier to economic growth for seaside towns and communities? What action has been taken to address such matters, and is any further Government action required? To what extent would addressing such issues create the opportunity for future inward investment and growth?

The role of the visitor economy

6.   How successful have initiatives that seek to promote tourism and the visitor economy in seaside towns proven to be? How important are these sectors to the economies of seaside towns? Is sufficient attention being given to the potential contribution that could be made by other sectors, beyond tourism?

Physical regeneration

7.   Are sufficient tools and resources available to local authorities, property owners and other stakeholders to allow them to promote and deliver the

restoration and regeneration of the physical environment in seaside towns? Could new approaches – or the removal of any existing barriers – support further regeneration?.

Social and economic regeneration

8. What work is being done in seaside towns to support social and economic regeneration, and to improve social mobility across the whole community? What more could or should be done by the Government, and relevant organisations, to deliver such initiatives?

9. What role should local businesses, SMEs and social enterprises play in seeking to deliver regeneration in seaside towns? How effective is any help currently provided to these groups by the Government, local authorities and others? Are there any barriers to growth that could be addressed by changes in policy?

Education, health and wellbeing

10. Is educational provision in coastal communities of a good enough standard? Do coastal communities experience any particular challenges around the provision of secondary, further and higher education and, if so, what action should be taken to promote positive change?

11. Is there evidence to suggest that certain health conditions are more prevalent in seaside towns? What factors might contribute to levels of poor health in coastal areas? Would any targeted interventions help to address any such issues in these areas?

Delivery structures

12. What impact has the Coastal Communities Fund had upon seaside towns and communities? Are any further targeted interventions from Government required?

13. To what extent is it currently possible to develop a 'vision' for individual seaside towns? Is there a need for longer-term thinking and, if so, is that need currently being met? What role should Government departments, local authorities, local enterprise partnerships and other stakeholders play in delivering against such a vision, and is any action required to improve integrated working between these groups?

14. Are there fiscal or financial measures available which could help to support the regeneration of seaside towns? Could the Government provide any financial freedoms or investments which would help to generate positive change?

People and place

15. What role should local people and local communities play in the regeneration of seaside towns and communities? Do good processes of community engagement, and community resilience and capacity building, currently exist and, if so, could they be applied more widely?

16. Do any integrated models of regeneration, bringing together local communities, businesses, public sector bodies and others to pursue common goals, currently exist? If so, how do such models seek to promote physical, social and economic regeneration in seaside towns? How can any lessons learnt from such work be applied more widely – and is further innovation required?

APPENDIX 4: ACRONYMS AND GLOSSARY

ABP	Associated British Ports
ALVA	Association of Leading Visitor Attractions
APD	Air Passenger Duty
BACTA	British Amusement Catering Trade Association
BALPPA	British Association of Leisure Parks Piers and Attractions
BEIS	Department for Business, Energy & Industrial Strategy
CCF	Coastal Communities Fund
DCMS	Department for Culture, Media & Sport
DEFRA	Department for Environment, Food & Rural Affairs
EZ	Enterprise Zone
FCERM	Flood & Coastal Risk Management
GVA	Gross Value Added
HMO	House in Multiple Occupation
LEP	Local Enterprise Partnership
MHCLG	Ministry for Housing, Communities, and Local Government
NALC	National Association of Local Councils
NEF	New Economics Foundation
SIG	Special Interest Group
SME	Small and Medium-sized Enterprises
UKSPF	United Kingdom Shared Prosperity Fund

APPENDIX 5: VISIT NOTES

Note on visit to Clacton, Wednesday 18 July 2018

Introduction

On Wednesday 18 July the Committee visited Clacton-on-Sea and Jaywick. The Committee met with local stakeholders and representatives of local businesses and public service providers, in a session convened by Tendring District Council. The Committee also visited Clacton County High School and participated in an engagement session organised by the Select Committee Engagement Team.

The following Members of the Committee attended the visit:

Lord Bassam of Brighton (Chairman), Lord McNally, Lord Mawson, Lord Shutt of Greetland, Baroness Valentine and Baroness Whitaker.

This note provides a summary of the key points raised during the course of the visit.

Introduction from Tendring District Council

The Committee was met by Cllr Neil Stock OBE, Leader of Tendring District Council, Paul Price, Corporate Director, Operational Services and Ewan Green, Corporate Director, Regeneration and Planning. The Committee was taken to Tendring District Council offices where an introductory discussion between Council members and Committee Members took place. Cllr Stock told the Committee that Tendring District has the longest coastline of any district in the country. Clacton-on-Sea is the largest urban area in the district, with a population of approximately 60,000. Cllr Stock explained that the decline of the traditional seaside holiday since the 1960s has had a significant effect upon the local economy and that the area now suffers higher than average unemployment, lower than average incomes and pockets of deprivation where ill health and low skills are particular issues. The town has also been left with a legacy of low-quality holiday housing stock which is often used for flats and houes in multiple occupation.

Council representatives were asked what challenges they felt there were to delivering regeneration projects. It was suggested that greater devolution of powers and flexibilities around raising investment would help to support efforts to tackle socio-economic problems in the district. The peripherality of coastal areas was also highlighted as a key challenge and it was suggested that there should be greater recognition of this characteristic by policymakers, and of the specific issues that this presents for coastal communities.

Tour of Holland Haven, Clacton-on-Sea and Jaywick Sands

The Committee was then taken on a bus tour of the local area. The tour began by viewing the coastal defences between Clacton and Holland-on-Sea. The Committee was told that over the 37 miles of coastline, the District contains a number of areas at high risk from tidal flooding and coastal erosion. The Committee was informed about the Essex and South Suffolk Shoreline Management Plan, which is a partnership between the Environment Agency, Essex County Council and District Councils, aimed at managing flooding and coastal change over the next 100 years. The Committee was shown the results of the 'Hold the Line' strategy, a £36 million scheme (the majority of which was provided through the Environment Agency, with the Councils raising the rest), which created 23 beaches through the

insertion of 23 granite groins. The Council has estimated that this will protect more than 3,000 homes from erosion by the sea over the coming decades.

The Committee then visited Jaywick Sands. This area was founded in the 1930s as chalets and beach huts for holiday makers, particularly those from London. Over time many of the holiday homes were converted to permanent dwellings, partly as result of people moving away from homes damaged in the Second World War. As they were never intended as permanent homes, and many are built of wood, much of the housing does not meet building regulation requirements and elements of infrastructure are below the usual standards. The area has a particularly high density of 60-1000 dwellings per hectare and contains a number of unadopted roads. Mr Price informed the Committee that the area is at high risk of tidal flooding as existing housing is below sea level, and that Jaywick Sands suffers from a number of social and economic problems. Mr Price was, however, keen to stress that Jaywick Sands has a core of longstanding residents with a strong sense of community.

Mr Price showed the Committee the site of some of the work the Council is undertaking in the area. The Jaywick Place Plan is a regeneration project led by the Council and the local Coastal Communities Team which will develop 30 hectares of Council owned land and upgrade existing properties. The Council estimates that this has the potential to develop around 900 new homes. Essex County Council has also provided £6 million of funding to address unadopted roads in Jaywick Sands, helping to improve road surfaces and street drainage.

Meeting with local stakeholders

Following a working lunch, provided by Tendring DC, a meeting was held between Committee members, Council representatives and local stakeholders, including local businesses and representatives from the NHS, the Department for Work and Pensions and Essex Police.

Funding

Local stakeholders were asked for their assessment of the adequacy of the funding provided by the Coastal Communities Fund (CCF), a government initiative which provides grants to coastal communities for regeneration projects. Council representatives stated that they welcomed the initiative and that there are a number of CCF funded projects underway in neighbouring areas. It was also highlighted that this type of grant-based funding, that is usually concentrated on single projects, does not necessarily work for all coastal areas. It was suggested that funding mechanisms that could be delivered as a 'package', and would deal with a range of issues at a time, might be a more effective approach in some areas. In addition, local business representatives highlighted the significant amount of time and resource needed to complete the application process for the CCF and other funds. Council members also emphasised that businesses don't always want to rely on external funding.

Concerns were raised about the impact of leaving the European Union on the EU financial support that had previously been made available for coastal communities, including through the European Maritime Fisheries Fund. It was suggested that place-based funding should be considered as a replacement.

There was also agreement that greater support should be offered to local coastal businesses, particularly those that rely on tourism. It was suggested that business rates could be revaluated to mitigate the impact of seasonality on businesses

in seaside towns. It was noted that Colchester has implemented a Business Improvement District, a scheme where business led partnerships are created through a ballot process. A Business Improvement District is a defined area in which a levy is charged on all business rate payers in addition to the business rates bill. This levy is used to develop projects which will benefit businesses in the local area. However, there was some agreement amongst the group that this type of scheme might not work in an area like Clacton, due to its propensity for smaller, independent businesses.

Health and wellbeing

The Committee heard from representatives from NHS North East Essex, who outlined the initiatives that had been undertaken to redesign the delivery of healthcare in the local area. This included work to invest in existing buildings and infrastructure to make them fit for purpose, and to deliver a model of care that is focused on prevention and the treatment of long-term conditions. They also highlighted work undertaken in Colchester to create primary care hubs combining health and leisure facilities, along with access to pharmacists. Health representatives expressed concerns regarding the local workforce, noting that it is difficult to encourage staff at all levels, including GPs and those working in the acute sector, to come and live and work in the local area.

Employment

A local representative of the Department for Work and Pensions told the Committee that there is a high level of unemployment in the area. Specifically, it was suggested that some groups are "entrenched in worklessness" and are in a perpetual cycle of receiving different benefits that is difficult to break.

Police

The Committee heard from a Community Policing Team Inspector with Essex Police. It was explained that the biggest challenges for the local force related to: the proportion of young adults classed as 'vulnerable' in the area, who tend to have a high incidence of mental health issues; the 'county lines' drugs trade; and the high incidence of mental health problems throughout the broader population, including issues relating to alcoholism. A number of initiatives have been introduced to help to tackle some of these issues. These have included the Essex Street Triage Scheme, which involves ensuring that mental health professionals travel with police in their cars, to ensure that individuals with mental health problems, who come to the attention of police, receive the appropriate care and treatment rather than ending up in custody. The Committee also heard that budget cuts have had an inevitable impact across all support services and on the resource capabilities of the police force.

Aspirations

Committee members asked the group what changes they would like to see to help to support improvements in the area. The suggestions included:

- Easier access to investment funding for entrepreneurs, including a reduction in red tape.
- Making it easier for residents to get to London, through improving the rail links and potentially lowering the fare.

- Greater recognition of the challenges presented by the peripherality of coastal communities and consideration of policies or investment specifically designed for seaside areas.

- Greater support to mitigate the impact of seasonality on local businesses.

- Better access for residents to further and higher education.

Visit to Clacton County High School

Members then attended a workshop organised by the Select Committees Engagement Team at Clacton County High School. The workshop was organised with a group of Year 12 students. The students were asked a set of four discussion questions about living in Clacton-on-Sea. Discussions were facilitated by Members of the Committee. A summary of the discussion from each question is included below.

Discussion topic 1: What do you like best/like the least about Clacton-on-Sea?

The key themes to emerge from this discussion, included:

- That the living near the beach was a positive and the recent refurbishment of the beaches was also regarded as a success.

- The cinema was regarded as one of the best features of Clacton.

- The students felt that there was a good community spirit.

- Some frustrations were expressed with the number of tourists that visit the town and the beach, particularly with 'city-trippers' who visit for the day from London. Some students stated that they recognised that tourist provide a valuable source of income for the town but that they did not feel like they themselves benefited from this income.

- There were a number of complaints about the unreliability of public transport.

- Students suggested that there was a lack of activities for young people, particularly with the closure of some shops on the high street, and the fact that the nearest town, Colchester, was expensive to get to.

- The students stated that they felt that career opportunities were limited in Clacton to the care sector, tourism and homemaking.

- Students stated that they were aware that there were issues in the local population around drug and alcohol addiction. The students suggested that these people may not be able to access the help they require.

- The group felt that sometimes there was a lot of aggression and anti-social behaviour in the local area.

Discussion question 2: If you could make any changes to Clacton, what would these be and why?

The key themes to emerge from this discussion, included:

- Students stated that they would like to see a greater variety of shops and restaurants, which they thought would also bring in more jobs for young people in the area. The students also said that they would like to see the improvements made to the high street to make it a nicer place for people to do their shopping and socialising.

- The students also stated that they would like to see better parks and more open spaces. They highlighted that the parks are not well maintained,

including the local skate park. Students also suggested that there was a lack of leisure facilities in general.

- The students stated that they felt like the area was unsafe at times. They also complained that a lot of walkways had been vandalised. They suggested that more public art could improve the look and feel of the area.

- The group don't cycle despite public transportation being unreliable. Reasons for this were the prevalence of potholes with cars trying to avoid potholes they did not feel they could trust drivers. They also thought that bicycles would be stolen.

- The students told us that a local radio station had held a summer festival and that there should be more initiatives like this.

Discussion question 3: Are you aware of any initiatives to improve the local area/ opportunities for young people. If so, what is your opinion on these?

- Overall, the students stated that they were not aware of any such initiatives. Some students stated that they were aware of investment in the local area but felt that this was to benefit the tourists, rather than the residents.

- One student cited a locally-led initiative to stop the closure of Shorefields School (local SEN School).

- When asked about potential to be involved in apprenticeship schemes in local industry, such as the wind turbines to be involved with the wind turbines, some students expressed negative views about apprenticeships, including concerns that taking an apprenticeship would mean being "stuck in a job for life". Students also stated that they felt that there were no career opportunities in the creative sector in Clacton.

Discussion question 4: Where do you plan to live when you are an adult? Why?

- Many students stated that they liked living by the sea, with some suggesting that coastal areas are good places for children to grow up.

- A number of students stated that they wanted to move to a bigger city, such as London, so it was felt that there are not many job opportunities in Clacton.

- A number of students said that they were put off from commuting to London from Clacton by the high cost of rail fares. Some students expressed a desire to go to university but also cited concerns about student loans.

Note on visit to Blackpool and Fleetwood, Wednesday 5 and Thursday 6 September 2018

Introduction

From Wednesday 5 September to Thursday 6 September the Committee visited Blackpool and Fleetwood. The Committee met with representatives from: Blackpool Council; the Blackpool Housing Company; Merlin Entertainments; Blackpool Pleasure Beach; Associated British Ports; Wyre Council; Hillhouse; Blackpool and The Fylde College; Blackpool Opportunity Area Partnership; and the Growth and Prosperity Programme.

The following Members of the Committee attended the visit:

Lord Bassam of Brighton (Chairman), Lord Knight of Weymouth, Lord Lucas, Lord McNally, Lord Shutt of Greetland, Baroness Valentine and Baroness Wyld.

This note provides a summary of the key points raised during the course of the visit.

Wednesday 5 September

Introduction from Blackpool Council

The Committee was taken to Blackpool Council offices where, over a working lunch provided by the Council, an introductory discussion between Council members and Committee Members took place. Council representatives told the Committee that Blackpool does suffer from a range of social and economic issues, including lower than national average life expectancy, issues relating to drug and alcohol abuse and that the area therefore scores highly on the indices of deprivation. Council representatives explained that Blackpool's social and economic problems stem, in part, from a "legacy of success." Council representatives suggested that housing, and issues relating to the standard of housing in the town, is one of the key challenges in Blackpool.

Council representatives highlighted a number of issues relating to the tourism industry. They suggested that tourism is still a significant element of the town's economy and that Blackpool attracts around 18 million people a year, with around 28,000 residents relying on the tourism industry for work. However, due to improvements in transport links, visitors are becoming less likely to stay overnight, opting just to visit for a day trip. The Council also cited problems with the image and reputation of the town.

Some positive changes were also highlighted to the Committee. The recent addition of a large Sainsbury's near the train station had brought employment to the area. The council has recently moved its headquarters into the middle of the town, which it is hoped will encourage companies and businesses to do the same.

Housing

As the Council considers housing as one of the most significant challenges facing Blackpool, Council representatives organised for Members to see for themselves the extent of the problem, in the form of a visit to two HMO properties. Members were taken round properties that were deemed to be typical examples of the problematic housing stock in Blackpool. Both properties were in extremely poor condition and had been converted to house a number of tenants.

The Committee were told that, following the decline of tourism activity, the town was left with a large number of former guest houses and hotels. Over the past 40 years there had been an ongoing process of conversions from guest houses to residential properties, often to HMOs. It was suggested that there are now 8,000 privately rented homes in the inner area of Blackpool—50% of all housing stock. This has resulted in a prevalence of poor quality housing, and some areas becoming very densely populated.

This situation was being compounded by the fact that private landlords are relying on tenants in receipt of housing benefits to occupy these properties. The Committee heard that over 80% of privately rented homes are let to recipients of Housing Benefit. Rent and capital values in the area are based on Local Housing Allowance rates, with little premium for large or higher quality homes, leaving no market incentive for improvement. Council representatives also suggested that within this local population there was a high prevalence of social and health problems, including mental ill-health, and drug and alcohol dependency. The

Committee was told that the Council often feels limited in the action it can take to tackle antisocial behaviour, including that it found closure orders difficult to implement successfully. Council representatives suggested that the "evident deprivation" was hindering a successful tourism economy and detracting higher spending visitors, business and young professionals from basing themselves in the centre of Blackpool.

Blackpool Housing Company

The Committee then visited a housing project completed by Blackpool Housing Company, which was wholly owned by Blackpool Council. The Council had implemented a number of initiatives to address housing issues, often through investing its own money and through its wholly owned companies. It had been acquiring, converting or refurbishing homes for market rent in inner Blackpool since 2016. The Committee was told that the Company is wholly commercial, borrowing through the Council and requiring a lower return than private investors. The Committee was taken around a property which the Company had renovated; a former hotel which had been converted into a set of two-bedroom flats. The Committee was told that in two years, the Blackpool Housing Company had delivered 200 homes.

Members were also taken round Foxhall Village, an 'urban village' of new homes. This was a £12 million public sector investment to build 400 new homes. 160 homes had been built via a development agreement with a private partner to date, 50% of which were affordable, with the others available at between £125,000-185,000. It was hoped that better quality housing of this type would encourage professionals to live there, improve the environment for people already living in the area and trigger further development of retail and leisure facilities in the town centre.

Blackpool Tower

The Committee then visited Blackpool Tower and met with business leaders in the visitor sector, including Merlin Entertainments who run the Tower. The Committee was told that the Tower is a successful attraction. The local authority had some stake in many of the attractions in Blackpool, and Merlin stated that it had a very good relationship with the Council. It was noted that although it had been a profitable summer, Blackpool still has many day visitors but not as many people staying overnight. The possibilities associated with a career in the hospitality and leisure industries were emphasised; business representatives noted that there were a number of recruitment challenges and that it was important to emphasise these possibilities to young people locally.

The first day of the visit concluded with a working dinner, hosted by Blackpool Council, during which the Committee heard from council, business and community representatives.

Members were told that Blackpool's visitor economy sector was experiencing issues around employment, skills and recruitment. Recruitment had become a challenge, particularly around management level. The business leaders told the Committee that they felt there was little desire amongst young people to work in tourism. Unemployment in Blackpool was relatively low, but there were around 20,000 residents unable to work, often due to ill health. Members were told that there is a sense that low levels of aspiration are prevalent in Blackpool and that they often see a cycle of worklessness.

There was a sense that some areas now feel unsafe for residents, particularly at night, as a result of high levels of anti-social behaviour relating to drug and alcohol abuse. It was suggested that solving the housing issues around HMOs was key to addressing some of the social problems experienced in Blackpool, but there was also recognition that action by the Council was making a difference.

Thursday 6 September

Fleetwood Dock

The Committee visited Fleetwood Dock, and met with representatives from Blackpool Council, Associated British Ports, Wyre Council and Healthier Fleetwood. Fleetwood is the most recent area to have formed a parish council (known as Fleetwood Town Council), which was established following a referendum in June 2009.

Members were told that all five wards of Fleetwood fell within the top 20% most deprived wards nationally, with two of the town centre wards being in the top 10% (according to 2015 figures). Fleetwood had a high proportion of people (around 34%) living in rented accommodation and high concentrations of houses in multiple occupation. Around 55% of residents were in work, but there were high percentages of people working part time hours and the average household income was lower, compared to other areas in Wyre. Fleetwood also had the highest rates of overall crime in the area.

Wyre Council explained that some of these issues had been caused by the overall decline in Fleetwood's traditional employment sectors—fishing and tourism. It was suggested that the decline in fish stocks and the introduction of quotas had diminished the fishing industry in the area, with fish now being driven in to Fleetwood for processing.

Members were told that Fleetwood had some of the lowest life expectancy in Wyre borough. All five wards in Fleetwood were significantly above national averages in terms of the prevalence of chronic disease, such as diabetes and coronary heart disease. There were also significant levels of drug and alcohol abuse, and poor mental health and social isolation amongst the local population. There were high numbers of children in care and a high proportion in care due to abuse or neglect.

To outline what steps were being taken to address some of these health issues, the Committee heard from a local GP, who had instigated a number of programmes aimed at improving the health of the local population. Many local residents were suffering either residual health problems from the industries they used to work in, or problems such as mental health related issues caused by the loss of the fishing industry in the area. Three local GP practices had come together to approach the area's problems. They had helped to develop Healthier Fleetwood, which was described as a "residents-led, social movement". The group had so far set up a community choir and a table tennis club, which had helped residents' health, in terms of providing a source of physical activity and fostering a sense of community.

Representatives from Wyre Council and Associated British Ports outlined their aspirations for regeneration of the area. The key challenges for the area were that; Fleetwood had a limited future as a commercial port; there were areas of under-utilised land; and there were legacy issues relating to the quality of the existing infrastructure. Members were told that the Council were hoping to secure between £10–30 million of investment, ideally in the form of a public/private partnership, to unlock the opportunities offered by developing the port. The aim

of this development would be to redevelop the marina, through developing its tourist, retail and residential offer, and attract some of the visitors from Blackpool and the Lake District to visit the area. Representatives stated that funding had, so far, been difficult to secure.

Hillhouse Technology Enterprise Zone

The Committee then visited Hillhouse Technology Enterprise Zone, before attending a presentation by its site Director. The site was established in 2016 and was occupied by over 40 companies including chemical and polymer production companies such as Victrex, AGCCE, Global Renewables and Addison. It was one of four Enterprise Zones in Lancashire which combine into the Lancashire Advanced Manufacturing and Energy Cluster.

Hillhouse was located on the former ICI manufacturing plant on the Wyre Coast, which was acquired by the NPL group in 2003. A detailed masterplan was being developed, which aimed to create jobs and opportunities for development of businesses, in chemical and polymer manufacturing, advanced manufacturing, engineering, and low carbon and sustainable industries. This aimed to generate an additional 3,000 jobs over the lifetime of the Enterprise Zone. Government financial incentives, in the form of Business Rates Relief and Enhanced Capital Allowances, were available at the site for businesses which invest in expanding their business. The Committee heard some work had been done with Blackpool and the Fylde College looking at job opportunities for students.

Blackpool Airport Enterprise Zone

The Committee then went on a brief tour of Blackpool Airport Enterprise Zone, followed by a discussion with local educational leaders at the Lancashire Energy HQ, during a working lunch hosted by Blackpool and Fylde College. The Committee heard about the key challenges around education in the area. Local educational leaders explained that the picture at Foundation Stage and Key Stage 2 was good but that performance at secondary level, particularly Years 7–9, was a problem. Over half of Blackpool pupils attended secondary schools which 'require improvement', compared to 10% nationally. This was reflected in attainment figures, with the second lowest rate of pupil progress in England, and only 48% achieving grades 9–4 in English and Maths at GCSE. It was suggested that the quality of teaching at this level was poorer than at other levels such as Key Stage 4, and that this was linked to lack of leadership in schools and the more general issue of the difficulty in attracting staff to the area.

The Committee was told that post-16 education in Blackpool was performing better, with Blackpool being home to some of the nation's best sixth form and further education provision. There were issues around intergenerational worklessness, but an adequate number of jobs were available locally, so a significant focus for local educational leaders was to connect more students with jobs. This was being done by trying to engage more businesses with schools, and by ensuring that continual assessments were done between the needs of the local labour market and the skills and courses offered at the further education level. The Committee also heard that the town has been chosen to be one of 12 Opportunity Areas nationally, with a focus on how the school system can improve social mobility, back by £6 million core Opportunity Area funding.

Note on visit to Margate, 12 September 2018

Introduction

On Wednesday 12 September the Committee visited Margate. The Committee met with local stakeholders, service providers and business representatives in a session convened by Thanet District Council. The Committee visited the Dreamland amusement park, the Turner Contemporary gallery and also viewed a number of housing regeneration projects.

The following Members of the Committee attended the visit:

Lord Bassam of Brighton (Chairman), the Bishop of Lincoln, Lord Lucas, Lord McNally and Lord Shutt of Greetland.

This note provides a summary of the key points raised during the course of the visit.

Background presentations

The visit began with a number of background presentations from:

- Cllr Bob Bayford, Leader, Thanet District Council
- Nick Dermott, Heritage Development Adviser
- Bob Porter, Head of Housing and Planning
- Penny Button, Head of Safer Neighbourhoods
- Paula Harbidge, Tourism Manager

The Committee heard that Thanet was perceived as having a peripheral location, creating barriers to economic growth and inward investment. Coastal parts of the district, including substantial parts of Margate, were characterised by large Victorian and Edwardian properties that, since the decline of domestic tourism in the 1960s, had been subdivided into flats, bedsits and Houses in Multiple Occupation. A long-term lack of housing investment, and low rises in property values, had led to issues around quality and housing standards.

A number of social and economic challenges were also set out. In recent years the district had seen a significant increase in rough sleeping, with Thanet having the highest number of rough sleepers in Kent. Thanet also had the highest concentration of looked after children in the county, with a total of 548; of these 244 had been placed by other local authorities (being drawn from a total of 93 different councils). These children – particularly those placed from outside the district – were vulnerable and could potentially be exposed to high risk exploitation. Over 23% of people in Thanet were living with a long-term disability (compared to a Kent county average of around 17%) and, in the Cliftonville ward of Margate, transience and demographic change were proving harmful to community cohesion and resilience.

Despite these challenges recent years had also seen a number of positive developments. The visitor economy had seen significant growth since 2013, and now accounted for 10.6% of local employment. The opening of the Turner Contemporary, followed by Dreamland, along with the operation of good quality high speed trains into London had helped to draw more day visitors into Margate. The seafront area within the town had also been modified as part of a 2011 project delivering £6m improvements to sea defences. Popular perceptions of the town had begun to change as a result, and strong historic connections to London were

once again coming to the fore. The creative industries and heritage sectors were also benefiting from these positive trends.

Dreamland

Following these initial briefings, the Committee then travelled to Dreamland. Originally opened in the late 1800s on the site of a seaside zoo and gardens, the park featured a number of historic rides and attractions including the Scenic Railway, a Grade II listed wooden rollercoaster that was almost 100 years old.

Following a period of closure in the previous decade, a number of regeneration initiatives and projects had been pursued to return the park to active operation. After a compulsory purchase order was acquired by Thanet District Council a number of funders including the Council, the Heritage Lottery Fund, the Department for Culture, Media and Sport and private backers had invested to restore the Scenic Railway and rejuvenate the site. The park was seeking to make the most of its heritage, with historic rides returned to operation, while at the same time establishing a programme of music events which would tie into the wider emerging appeal of Margate. In recent years a new 15,000 capacity music venue had been added to support this operation. The park had also been landscaped, with a number of art installations incorporated.

Turner Contemporary

The Committee then travelled to the Turner Contemporary gallery. Opened in 2011, the gallery had first been conceived in the 1990s, when the county and district councils had conducted feasibility work around the prospects for culture-led regeneration in Margate. In 2002 Kent County Council had put together a team of staff to help bring forward proposals for an art gallery, which intended to draw upon the historic link between Margate and the painter JMW Turner. A total of £17.4m funding for the gallery was then provided by the county council, the regional development agency, Arts Council England, trusts, foundations and private individuals. Land for the site was committed by Thanet District Council; the gallery is built upon the site of a historic boarding house where Turner stayed on visits to Margate.

Since opening, the gallery had played host to over 2.9 million visitors, with an average of 350,000 to 400,000 visits per year. It was estimated that these visits had contributed around £68m to the local economy, and the gallery was closely associated with a revitalised cultural and arts scene locally, and an associated growth in businesses in these sectors. Over 20% of visitors to the gallery were locals, and the gallery was actively working with local schools on engagement programmes.

Housing and Dalby Square

The Committee also visited Dalby Square, in the Cliftonville area of Margate, and heard about housing regeneration work undertaken there. The Dalby Square Townscape Heritage Initiative (THI) had been running since 2013, with a funding allocation of £2.5m, of which 75% was provided by the Heritage Lottery Fund, with the remainder drawn from Thanet District Council.

The programme was intended to restore the built environment of the square in a manner that was sympathetic to original designs and building techniques. The core aim of the project was to prove that these late C19th houses were attractive, robust, highly adaptable and 'future proof'. In bringing vacant properties back

into use the Council and partners had sought to provide affordable, high-quality housing to locally based key workers. Some properties within the square had been converted for the specific purpose of allowing multiple generations of the same family to live together, and initial feedback from occupants of these properties was overwhelmingly positive. Efforts had been undertaken to 'future-proof' these properties for climate change, with steps taken to minimise flood risk, conserve water, and provide efficient heat and energy use. A partnership had been developed with the University of Kent to assess performance in this regard.

An earlier round of THI funding had been used to effectively transform a number of run-down buildings in the Old Town of Margate.

Margate Task Force

The Margate Task Force had been in operation since 2009 and was a multi-agency approach intended to provide support and interventions for local people who were at risk of social exclusion. The Task Force brought together officers from 14 different agencies and co-located them within the offices of Thanet District Council. Those agencies included the police, fire and probation services, as well as housing, community safety and the Department for0 Work and Pensions teams.

The Task Force was set up to provide early interventions, and actively worked on the streets of Margate on schemes to prevent homelessness, improve access to services and address anti-social behaviour.

Group discussion

Following site visits, and after a working lunch hosted by Thanet District Council, the Committee held discussions with a number of local businesses and service providers. Major themes raised during the discussion included:

Culture-led regeneration within Margate had helped to change the social and economic life of the town, and brought a new level of energy and engagement. It was suggested that initial commitment from the public sector had helped to trigger significant private sector investment and engagement.

As an example, Kent County Council and Thanet District Council had remained committed to the Turner project after some initial setbacks and, having seen the project through, had played an important role in then encouraging a number of creative and arts-based business to develop in the town.

In a similar manner, the restoration and re-opening of Dreamland had also required long-term commitment, and resilience in the face of challenges. These projects could only be delivered in partnership, and with an appropriate vision to guide that partnership.

The Margate Task Force was seen as a very positive development by a number of local service providers; the project had delivered major improvements to multi-agency working, and a greater level of integrated support to people in need locally. Earlier interventions could help to offset more costly interventions further down the line.

Growth in the visitor economy also brought challenges including, for example, issues around litter and environmental management. Such issues had an impact on local residents, and needed to be resourced and managed appropriately by the local authorities.

High speed train links to London had helped to change the image of Margate and encouraged the growth of the creative sector. There were, however, issues regarding the retention of young people within the district once they finished education.

As a result, many visitor economy businesses had a reliance on workers from overseas, and there were concerns as to the potential impact of Brexit upon this workforce.

Seasonality was also an issue in this regard; developing a 52 weeks per year visitor offer was important in delivering the right sort of employment opportunities to retain people locally. This was challenging; many hotels had issues with occupancy in winter months.

The attraction of multi-national businesses might help to address this. Proximity to London was an advantage in this regard, and Locate in Kent was undertaking work to promote a number of business parks in the wider area.

The Chamber of Commerce noted that the public sector sought to engage effectively with the business community but felt that smaller businesses in particular sometimes struggled to see the value in such engagement. For the business community, progress on significant public sector projects was often felt to be "too slow", and there were associated frustrations regarding the time taken for planning approvals and, where appropriate, public funding decisions.

Canterbury Christchurch University was actively promoting courses in the arts and digital sectors, and engaging with local people, and as such were seeking to equip local people with the skills required to work in those sectors that growing locally.

East Kent College was actively training students for work in the hospitality sector; a working hotel had been developed on campus, which was trading on a commercial basis. There was still a view, though, that local youngsters were keen to "get out to London" when the opportunity arose.

Note on visit to Skegness, Wednesday 10 October 2018

Introduction

On Wednesday 10 October the Committee visited Skegness. The Committee met with representatives of East Lindsey District Council, Lincolnshire County Council, the Environment Agency, Skegness Town Council, The Coastal Destination Business Improvement District, The Greater Lincolnshire Local Enterprise Partnership, Skills Reach Ltd, Magna Vitae Trust for Leisure and Culture and representatives from Butlins, and attended a public forum event arranged by the Select Committee Engagement team.

The following Members of the Committee attended the visit:

Lord Bassam of Brighton (Chairman), Baroness Bakewell, the Bishop of Lincoln, Lord McNally, Lord Mawson and Lord Shutt of Greetland,

This note provides a summary of the key points raised during the course of the visit.

Introduction from East Lindsey Council

The Committee was met by representatives from East Lindsey District Council (ELDC) for an introductory session. The team meeting the Committee comprised: Cllr Craig Leyland, Leader of the Council; Cllr Steve Kirk, Portfolio Holder for the Coastal Economy; Anne Shorland, Assistant Director—Growth; James Gilbert, Growth and Promotions Service Manager; and Nicola Radford of Lincolnshire County Council and the Coastal Communities Alliance.

Council representatives outlined their key concerns to the Committee. The district had a high proportion of residents aged 65 years and over, making up 28% of the population. This was partly due to the fact that the area was considered a desirable place to retire to and partly because the area had struggled to retain younger people due to a lack of education and employment opportunities (for example, there were no Further Education colleges within East Lindsey which covers c.700sq miles). Council representatives explained that this posed challenges for the labour market and productivity in East Lindsey, where, if the current demographic trends continued, there could be a shortage of working age people to fill the jobs available in the future. The Council also highlighted that the growing retiree population had put pressure on health-related services, and that the NHS had experienced significant difficulties in recruiting staff for the Lincolnshire coast.

The Committee was told, however, that the most significant challenge for the area was maintaining and improving its coastal defences.

Coastal defences and flood risk

The Committee was told that around 30% of the District was identified as being at significant risk of flooding. Along the coast of East Lindsey flood defences were managed through a mixture of hard defences, flood banks and a beach nourishment project. Beach nourishment started in the early 1990s and serviced 20km of open coastline, costing around £6-7 million a year.

Members were told that this work had had a positive effect on the appearance of the beach and had helped to keep residents safe. Council representatives raised concerns around the levels of funding available for future flood defence schemes, suggesting that this was creating uncertainty for future commercial investment; it was suggested that existing funding models did not always reflect realities on the ground. The Council highlighted that having a large area of the district vulnerable to flooding had affected their ability to bring forward new build housing in East Lindsey. Council representatives also informed the Committee that if the beach nourishment project stopped, within 8 years there would be a high risk that that the beach would go back to its clay underlayer. They suggested that the area required additional coastal defences funding, to top up levels available from the statutory Environment Agency funds.

North Sea Observatory, Chapel St Leonards

The Committee visited the North Sea Observatory, a purpose-built marine observatory designed to offer all year-round facilities to visitors. This was part of a broader effort to promote the 'natural' coast, to expand the local visitor offer throughout the year and to go beyond relying only the appeal of the 'bucket and spade' holiday. The project had been funded by Lincolnshire County Council, the Coastal Communities Fund and Arts Council England. Members were told that the Observatory was attracting a good number of visitors, including 5,000 visitors to an initial art exhibition held in the venue.

Councillors told the Committee that their own budgets for regeneration had been cut by around 80% and that this has made them more 'partnership focused' as an authority, having to work harder to find funding streams. Peripherality, access and risk of flooding were all identified as significant challenges to investment. The Committee was told that there were challenges around working with partners at national level—that national objectives, frameworks and guidelines did not always align with local need. The need for recognition of the length of time development projects take, and that those involved need to be able to plan over the long-term and not necessarily make quick returns on investments, were cited as particular issues. This posed particular problems around maintaining public support for a project, and for the bidding processes for funding where there was a sense that only projects that can deliver fast returns are successful. It was pointed out that the North Sea Observatory itself took ten years to complete.

Members asked the Council what they saw as the role of the local authority in regeneration projects. The response was that they saw themselves as 'enablers', facilitating between the private sector for investment, the Environment Agency, and other partners. It was suggested that a key role for local authorities was have a vision of what regeneration looks like and to invest their own money into regeneration projects, to encourage others to do the same.

Caravan occupancy

Members were told there was a significant level of caravan occupancy in the area. In East Lindsey there were around 25,000 static caravans located along the coastal strip. While this brought an influx of visitors every year, a number of people resided in caravans as their main homes. This meant they were unrecognised in terms of service planning and delivery, and that they were not paying Council Tax. This 'hidden population' was estimated to be around 6-7,000 people. The Council were taking steps to try to identify those who were using the caravans as their main home and were therefore liable to pay Council Tax. There was also a concern around the flooding risk for those in caravans and over the winter period (October-March), caravan occupancy was not permitted.

Environment Agency

The Environment Agency highlighted that, due to the flat topography of the area, flooding that breaches sea defences could travel up to 15 kilometres inland. Members were informed that the District was in the middle of a 6-year settlement of coastal funding. Concerns were again expressed regarding the impact on the area if this funding was in any way reduced; it was noted that agricultural areas that have been flooded usually take around 6-7 years to recover. It was suggested that defending coastal areas from flooding had not yet been sufficiently recognised as a national priority.

Members were told that often, new housing was not allowed to be built on at-risk land in the area. There was a desire expressed by several individuals for the ability to link flooding funding with projects that would support growth, and to make investment in coastal defences deliver more for the district in terms of its tourist offer.

Butlins

The Committee then held a working lunch discussion, hosted at Butlins, where Members were met by Chris Baron, Resort Director. Butlins received around half a million visitors a year and was the biggest private sector employer in the

area. The Committee heard that Butlins played a key role in supporting local employment and skills training, and an important ambition for the company was to offer more people work across 52 weeks of the year.

The difficulty of attracting young people to the hospitality industry was discussed and the need to market the industry as a more attractive career prospect was highlighted. Butlins stated that there was a skills shortage in the area and the pool of available labour was getting smaller. There was also a difficulty associated with recruiting senior managers to work in hospitality in the area, which those present agreed was also an issue in other areas such as education and health.

Some support was expressed for the recent changes to the apprenticeships scheme, but some of the challenges of implementing the scheme in East Lindsey, and in tourism more broadly, were particularly emphasised. A concern was raised regarding the loss of locally led training for hospitality and tourism, particularly that which had been offered by Butlins in-house, due to the requirement in the apprenticeship scheme for using providers that are on the register of apprenticeship training providers (RoATP). Apprenticeships are meant to run over 12 months which, Members were told, posed difficulties for coastal businesses (a high proportion of which were SMEs) that tended to only be able to offer seasonal work. It was also pointed out that there was a general lack of skills training opportunities, or funding for that training, for people over the age of 25. The potential for employing older people in the hospitality sector was also discussed, given the area's demographic.

Concerns were raised about the impact on the workforce of leaving the European Union. It was suggested that the impact had already been felt, particularly around the number of workers from Eastern Europe, who were estimated to make up around 20% of the Butlins workforce.

The issue of tourism and VAT was also discussed. It was suggested that cutting the rate of VAT for tourism could generate $4.2 billion over ten years for the Treasury, and that these funds could go towards investment in skills. Butlins stated that it would like to see the rate of VAT cut for accommodation and visitor attractions.

Housing

Jason Oxby, Homelessness, Housing and Wellbeing Service Manager at ELDC, outlined some of the issues relating to housing in the district. He stated that around 15,000 people from outside areas were wanting to be housed across Lincolnshire. Members were told that Lincolnshire had around 400 people who were sleeping rough during 2017/18 and that the County Council was seeking to develop a Social Impact Bond (a commissioning tool that can enable organisations to deliver outcomes contracts and make funding for services conditional on achieving results) to help to tackle homelessness in the county. It was also noted that Skegness, unlike other areas visited by the Committee, does not consider the quality of its housing an issue. Houses in Multiple Occupation were present locally (HMOs) but these were generally considered to be of good quality and a useful way of housing single people.

Public forum

The Committee then attended a public forum event organised by the Select Committee Engagement Team. The Engagement Team had invited local interested parties to attend an event to share their experiences of living in a seaside town with Members of the Committee.

Those in attendance included local business owners, residents, members of the Council and school children. The event took the form of a roundtable discussion, structured by four overarching questions. The attendees were divided into groups, with at least one Member in each group. The groups were then asked to discuss the following questions:

- What do you like best/like the least about living and/or working in Skegness?
- What do you think are the most significant issues for those who live and/or work in Skegness?
- Are you aware of any initiatives to improve the local area? If so, what is your opinion of these?
- What changes would you like to see made to Skegness?

The key points raised by the discussion, included:

Most people indicated that living by the sea was the aspect they most enjoyed about living in the town. The sense of community was also highlighted.

Residents expressed some frustrations regarding the impact the tourism industry had on the town, citing the volumes of people that visited in the summer and the difficulties that caused in terms of parking and accessing businesses at the centre of town. Residents also expressed a sense that decision making about the town sometimes appeared to be rooted in what benefits tourists first, with consideration of residents' needs secondary to this.

Attendees highlighted that a number of health issues were prevalent within local communities, including mental health problems and drug and alcohol dependencies. Some attendees stated that they were concerned that anti-social behaviour in the town, relating to drug and alcohol abuse, was having a detrimental effect on the area's reputation. It was suggested that the area's reputation had worsened in recent years.

Transport connectivity was cited as a significant challenge for the area. Attendees stated that there were insufficient rail networks, no Sunday public transport, that the roads were unsafe to cycle on and often very busy with traffic. Local business representatives suggested that limited transport links impacted negatively on their businesses and deterred outside investment.

The remote nature of the area was also highlighted as causing issues for local services such as health services and the police. It was suggested that available funding for services was insufficient to cover the scale of the county, particularly when transport issues made accessing more remote areas difficult.

There was some discussion around the new hotel being built in the area, with some residents and business owners stating that it would help local employment and bring new visitors to the area. Some attendees suggested that more should be done to encourage large employers into the area. Other attendees were concerned about the impact it would have on the established hotel businesses in the area.

Attendees stated that coastal flooding was a significant concern and suggested that the Council should prioritise funding in this area.

There was support for the summer festival that is put on in the town each year and agreement that this type of event helped to foster a sense of community.

Some attendees stated that they were concerned with the provision of utilities in the area, citing problem with water pressure, waste provision and power, which could potentially deter private companies from undertaking development projects.

Note on visit to Cornwall, Tuesday 23 October to Wednesday 24th October 2018

Introduction

On Tuesday 23 October and Wednesday 24th October the Committee visited Cornwall. The Committee met with representatives of Cornwall Council, the Town Council, Cornwall Police, Jubilee Pool, Penzance Town Council, the Tate St Ives and St Ives Town Council.

The following Members of the Committee attended the visit:

Lord Bassam of Brighton (Chairman), Lord Grade of Yarmouth, Lord McNally, Lord Shutt of Greetland and Baroness Valentine.

This note provides a summary of the key points raised during the course of the visit.

Tuesday 23 October

Nansledan development

Members were met by representatives from Cornwall Council and began the visit in Newquay. Members visited the Nansledan development, a 540-acre extension to the coastal town of Newquay. The development was being led by the Duchy of Cornwall, which owns most of the land. Members heard that the aim of the development is to establish a community of more than 4,000 homes, with a high Street, church, school and public spaces. Members were told that around 30% of the new homes under construction at Nansledan are affordable housing for rental or shared ownership by people on the local housing list, and that affordable houses were deliberately interspersed with private housing, with the aim that all housing is built to the same high standard. Members heard that the use of local resources for construction was preferred so as to assist the local economy and reflect local identity.

Introductory discussion

Members met with representatives of Cornwall Council and the Duchy of Cornwall for an introductory discussion. The key issues that were raised, included:

The night time economy. Members were told that Newquay had, for some time, suffered with the negative impact of an expanding night time economy in the area. This had given rise to issues around anti-social behaviour and, it was suggested, impacted adversely on the reputation of the town, which had become associated as a destination for young people celebrating the end of school, and as a resort for stag and hen dos. Members were told that Newquay had been successful in tackling these issues, thanks to partnership work involving the Council, local services and local businesses, and that is had successfully shifted the focus of the local tourism economy towards a more family-friendly offer.

Improving the tourism offer. Members were told that efforts have been made to extend the tourist offer all-year round. This has included supporting developments such as the Tate in St Ives and businesses set up around surfing. Representatives

suggested that the area is adversely impacted by the fixed school holidays as this caused a concentration of visitors at certain times of the year.

Digital economy. Members were told that it was felt that there was great potential for the digital economy in Cornwall. Members heard that digital connectivity was of a good standard in Cornwall and that the area had received EU funds for improving digital infrastructure, including rolling out super-fast broadband.

Employment. Members were told that there are high levels of employment in the area but low wages levels, due to the seasonality of many of the businesses operating in Cornwall.

Education. Council representatives told the Committee that the area had benefitted proximity to the University of Falmouth which had helped to stem the outward migration of young people from the area.

Housing. Members were told that, as with many coastal areas, there were challenges in Cornwall around Houses in Multiple Occupation (HMOs). Members were told that restrictions have been put on holiday letting due to problems associated with high numbers of tourists

Discussion on operation service delivery challenges in coastal communities

Members then met with individuals who work in local public services, including fire, waste, parking, environment and health representatives. Members heard that the spike in population, caused by the seasonal influx of tourism, puts additional pressure on all public services. Members heard that traffic congestion and parking violations were a particular issue for the town of Newquay during the busy summer months. Representatives from the Newquay fire services also expressed some concerns that, as the trend for holidaymakers had moved towards self-catered holiday accommodation, it was harder to ensure that everyone adheres to safety standards. The rise in self-catering also had an impact for the waste services who highlighted that often visitors in this type of accommodation fail to dispose of waste correctly, and that the area had low recycling rates.

Newquay Safe

Members were told about a key initiative that was put in place to tackle the negative impact of the town's night time economy, Newquay Safe. The Committee heard that it Newquay Safe was set up in 2009 and involved a partnership of over 20 agencies to tackle issues around the area's night time economy, following the alcohol-related deaths of two young people. The partnership aimed to help tackle crime, disorder and anti-social behaviour and included work between Cornwall Council, Newquay Town Council, local health services, Coastguard, Devon and Cornwall Police, Visit Cornwall and Newquay Regeneration Forum.

Measures introduced by the partnership included a voluntary Bar Crawl code of Conduct, Challenge 25, which is operated in all pubs and clubs, police powers to confiscate alcohol from anyone they believe may consume it in a public place (Designated Public Place Order), and a two-week scheme to provide alcohol free, under 18 entertainment for students who visit the town after taking their exams.

Wednesday 24 October

Discussion with local police service

The Committee held a breakfast discussion with a representative from Cornwall Police. Members were told that the presence of networks which are exploiting children and vulnerable adults to transport drugs, known as 'county lines', were a significant problem in the area. Although the issue is not unique to coastal towns, Members were told that this activity is often focused in areas with poor housing stock, and a high level of population transience, including populations with drug and alcohol problems.

Members were also informed of the changing nature of police work. The representative from Cornwall Police suggested that a significant proportion of police work is now focused around dealing with people with mental health issues, often those people who have reached crisis point, rather than on investigating crime. It was suggested that seaside towns often have a higher proportion of vulnerable people, those that have 'fallen through the gaps', and that this is putting greater strain on public services, such as the police force. Members were told that there needs to be greater recognition that this is a common challenge for coastal areas. Members were told that tackling poor housing and providing more support services for vulnerable people would be key to tackling some of these issues. Members were also told that low police numbers and a difficulty in recruiting detectives was compounding the pressures felt by police services, both in Cornwall and in other areas of the country.

Jubilee Pool

The Committee then travelled to Penzance, first visiting the Jubilee Pool. Jubilee Pool is an Art Deco lido, operated by Jubilee Pool Penzance Limited, a Community Benefit Society. The saltwater lido was originally opened in 1935. In February 2014, the pool suffered serious structural damage from storms. In August 2014, The Coastal Communities Fund granted Cornwall Council £1.95m as a part of a repair and restoration project totalling £2.94m. Match funding was provided by Cornwall Council, Cornwall & Isles of Scilly Local Enterprise Partnership's Regional Growth Fund, Tempus Leisure, Penzance Town Council and The Friends of Jubilee Pool.[286] Members were told that it was successfully attracting visitors to the area. Members were informed that, the Friends of Jubilee Pool would continue to develop the offer of the pool, including operating the pool café and undertaking a project to heat part of the pool with natural geothermal energy.

St John's Hall

The Committee then travelled to St John's Hall where it met with representatives from Cornwall Council and Penzance Town Council, who made a series of presentations on place-shaping in Penzance and strategic challenges in coastal communities.

Members were told that over the past 3-5 years that there had been much more collaboration between different levels of local government and local organisations through the Penzance Place Shaping Board. The Board provides an interface between Penzance Regeneration Partnership (which itself includes Penzance Town and local Cornwall councillors, Penzance Business Improvement District, Penzance Chamber of Commerce, Penzance & District Tourism Association, Penwith College, Penzance Neighbourhood Plan, Penzance Harbour Steering

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286 Jubilee Pool, History: https://www.jubileepool.co.uk/plan-your-visit/history

Group) and Cornwall Council represented by members of Cornwall Council's senior leadership team from the Transport, Property and Economic Development functions as well as representatives from the Environment Agency. This, the Committee was told, had provided a productive forum for setting a clear strategic vision for the area. Members were told that recent successes had included the development of an ambitious Neighbourhood Plan and the establishment of a Business Improvement District.

Members were told about some of the challenges that the area was facing. Members were told that Penzance had been a prosperous area due to the harbour and the local mining industry, but that the area had declined economically over time. Members heard that average local wages were low but that local house prices were high, partly due to the prevalence of second home ownership. Council representatives highlighted that high business rates were also impacting adversely on local businesses and suggested there was a case for cutting VAT on tourism related activities as a way of supporting businesses within the local tourism economy.

Members also heard that the area has suffered from decades of a lack of investment and has struggled to secure private sector funding. It was suggested that there needs to be greater recognition of this challenge by the Government, and that it needs to do more to incentivise the private sector to invest in poorer coastal areas. Members were told that area had receive funding from the Coastal Communities Fund and had also benefited from EU funds. Concerns were expressed that, post-Brexit, the Shared Prosperity Fund needs to meet the needs of poorer coastal areas. Another concern was the extent to which local areas would get control over how the money is spent.

Council representatives discussed with the Committee their areas of focus for regeneration and recovery, which included protecting and developing the shoreline, and regenerating the town centre. Concerns were raised that, as the funding formula for coastal defences is calculated primarily by how many homes would be protected, it does not account for the range of benefits that might be provided by investing in coastal protection. It was suggested that the funding formula should take into greater account schemes which might also benefit the public realm or the visitor economy.

The Tate, St Ives

The Committee completed its visit by visiting St Ives. Members visited the Tate St Ives. The Tate St Ives opened in 1993 and included exhibits from British artists with links to the St Ives area. It also runs a number of learning programmes and events for local school children and others in the community. Members were told that the Tate St Ives had received funding for an expansion in 2015, doubling the size of the gallery. It has been successfully attracting large visitor numbers, around 240,000 a year.

Second homes

In St Ives, the Committee also met with representatives from Cornwall Council and St Ives Town Council. The Committee heard about the negative impact that second homes can have on coastal areas, including that it can raise local house prices and that second home properties are often left empty for most of the year, meaning the local economy does not benefit as it would from more permanent residents. Members were told that in 2016, St Ives held a referendum on its neighbourhood plan which resulted in the banning of the sale of future new-build

houses and flats to second homers. This has since been replicated in St Minver (including Rock) and the Rame peninsula.

Note on visit to Scarborough, Wednesday 12 and 13 December 2018

Introduction

On Wednesday 12 and Thursday 13 December the Committee visited Scarborough. The Committee met with representatives of Scarborough Borough Council, East Riding of Yorkshire Council, North Yorkshire County Council and York Teaching Hospital NHS Foundation Trust.

The following Members of the Committee attended the visit:

Lord Bassam of Brighton (Chairman), the Bishop of Lincoln and Lord Shutt of Greetland.

This note provides a summary of the key points raised during the course of the visit.

Introduction from Scarborough Borough Council

The introductory session was led by Jim Dillon, Chief Executive of Scarborough Borough Council (SBC) at the Scarborough University Technical College. Others present at the introductory session were: Cllr Derek Bastiman, Leader of SBC; Cllr Helen Mallory, Deputy Leader of SBC; Richard Bradley, Commercial Director at SBC; Alex Richards, Acting Regeneration Services Manager at SBC; John Burroughs, Housing Strategy and Development Officer at SBC; Liz Philpot, Growth Programmes and Policy Manager at East Riding of Yorkshire Council; Judith Kirk, Assistant Director Education and Skills at North Yorkshire County Council; Richard Benstead, Programme Director, North Yorkshire Coast Opportunities Area at North Yorkshire County Council; and Mike Proctor, Chief Executive of York Teaching Hospital NHS Foundation Trust.

Members were first shown a short film outlining a number of projects undertaken in the area. These included the development of luxury holiday flats on the North Bay; the Alpamare water park; the open-air theatre and the education campus, which included the University Technical College. Council representatives informed the Committee that there had been significant private investment in the area and in the public realm, citing the success of the luxury holiday flats, built on the site of the corner café, which had been developed at the time of the recession but had continued to be profitable. Members were informed that the area had two enterprise zones and the borough was also the site of Woodsmith Mine, a deep potash and polyhalite mine located near in Whitby. Council representatives also highlighted that while there had been significant redevelopment of some sites, other heritage sites like the Peasholm Park, had been preserved.

Skills and employment

A major development in the area had been the University Technical College (UTC), which opened in 2016. The UTC offers students aged 14-18 technically oriented courses of study (around 60% academic / 40% practical), combining National Curriculum requirements such as GCSEs and A Levels with technical and vocational elements. It was sponsored by a number of partners including McCain, Unison, Flamingo Land, GCHQ and the University of Hull. On the neighbouring site the Coventry University Scarborough Campus which also opened in 2016

offers a range of courses, with intake every six weeks and the opportunity for condensed learning, which Council representatives suggested offered flexibility, particularly to those employed in seasonal work and adult learners with family and work commitments. Members received a presentation by two students who had taken part in the *F1 in Schools Success* programme. This international competition for school children saw the students having to design and manufacture a miniature car out of the official F1 model block using computer aided design software and tools.

Members asked whether the development of the UTC and Coventry University Scarborough Campus had helped to stem the migration of young people from the area. Council representatives stated that they believed the UTC had given young people in the area more of a reason to stay and that student numbers had increased from 20 in its first year, to 240 in 2018. The role of the UTC in meeting local skills needs was also highlighted, for example, in relation to the potash mine, which was expected to generate up to 4,000 jobs.

Members were also told about the development of a 'skills village' in the area. This was aimed at taking children out of school to give them experience of vocational work, with the opportunity to take part in apprenticeships later on. This project received support from the Coastal Communities Fund and the Local Enterprise Partnership (LEP).

Members were also told that there are high insolvency rates for under 25-year-olds, which they attributed to high start-up rates for businesses. There was also some discussion of the high use of agency staff in the area, which Council representatives suggested was driving down wages and working conditions.

Tourism

The Committee heard that the borough received around 7.8 million visitors a year and that Scarborough was the most visited area outside of London. It was suggested that government sometimes did not recognise the value that tourism can bring to the economy, and that it was not always regarded as an 'industry' by decision makers. Transport connectivity was highlighted as a barrier for the visitor economy, with particular reference to the A64 route.

Coastal defences

The Committee also heard about the impact of coastal erosion on the area. The Council outlined the key issues including that the area has a legacy of ageing coastal defences (around 19.8 km of defences in the borough). Coastal landslide risk combined with coastal erosion were leading to property and infrastructure loss and the Council had estimated that, in undefended areas over the next 100 years, around 155 households could be lost. The Council informed the Members that since 2011, £34 million has been invested in coastal defences in the borough and that £2 million had been directly spent on coastal protection assets, safeguarding around 1,200 households from coastal erosion.

There were some concerns expressed over the amount of funding available for coastal defences, which Council representatives suggested had been reduced by around 50%. Concerns were also raised over the role played by utility companies in the funding of coastal defences. It was highlighted that utility companies do not currently have an obligation to fund coastal defences, even if coastal erosion or flooding could impact on their services. It was suggested that that there should be a requirement on these companies to contribute to costs.

Housing

Members were also told that the Council has rolled out selective licensing to try to tackle some of the problems related to Houses in Multiple Occupation (HMOs) in the area. This approach was aimed at raising housing values and ensuring that businesses were not deterred from investing in the area due to poorly managed HMOs. Council representatives told the Committee that there was a shortage of affordable housing in the area and that they had seen a rise in homelessness locally.

Tour of the local area

Members then visited some local areas of interest, accompanied by Council representatives.

Scarborough Open Air Theatre

The Theatre, which had been opened in the 1930's, had declined during the 1970s, closing in 1986. It had then undergone a major refurbishment and reopened in May 2010. It had hosted 12 major music events and in September 2017, music promoters Live Nation signed a ten-year deal with the Council to bring concerts to the venue for the next ten years.

Water park

Members then visited the Alpamare Scarborough water park, which was part of the redevelopment of the North Bay area and had received funding from the Borough Council. The park had a principal focus upon the visitor economy, but also offered promotions and discounted rates aimed at serving the local community. Council representatives told the Committee there were also plans to develop a 'glamping' site nearby and that the Council had recently purchased the Travelodge nearby, all with the aim of improving the visitor offer of the area.

Summary discussion

Members then visited Whitby for the conclusion of the visit and a summary discussion, over lunch hosted by the Borough Council, of the issues raised during the day. Those present were asked what key points they would like to raise in relation to the Committee's inquiry. The responses included:

Transport. Council representatives told Committee Members that the transport infrastructure is not adequate and effectively cuts them off from West Yorkshire. It was suggested that the Department for Transport does not recognise the potential benefits of improving transport infrastructure to facilitate 'leisure' travel. It was also suggested that businesses are impacted by poor transport links to the area (although there has been some success in retaining McCain in the area).

Heath services. Members were told that Scarborough Hospital falls into a particular category, that of "unavoidably small hospitals", which are often situated in remote areas of the country (usually, but not always, coastal locations). They can have potentially higher costs as they serve a relatively small population, and other hospitals are too far away to safely serve the needs of the local population. Hospitals of this size sometimes have issues with recruiting sufficient staff. There are also safety standards, set by the Royal Colleges, that demand a certain number of patients are treated in one particular place (for example, in maternity units), that smaller hospitals struggle to meet.

Education. The importance of early years education was stressed, and Council representatives called for more responsibility for improving education to be devolved locally.

Ambition and employment. The need to foster ambition in the local population was raised, with the acknowledgment that the area needs to be able to offer a decent lifestyle, as well as employment. It was noted that the area has low unemployment, at around 1.25%

Adult education. Council representatives highlighted that although there were job opportunities presented by industries such as the potash mine and offshore wind, there were difficulties finding employees in the local area with the right technical skills and qualifications. It was suggested that greater focus on adult education would help to support more local people to meet the requirements of these jobs, and provide more of a reason for young people to stay to work and live in the area.