



House of Commons  
Communities and Local  
Government Committee

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**Coastal Towns**

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**Second Report of Session 2006–07**

*Report, together with formal minutes, oral and  
supplementary written evidence*

*Ordered by The House of Commons  
to be printed 26 February 2007*

## Communities and Local Government Committee

The Communities and Local Government Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Department for Communities and Local Government and its associated bodies.

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The following members were also a member of the Committee during this inquiry:

Lyn Brown MP (*Labour, West Ham*)  
Alison Seabeck MP (*Labour, Plymouth, Devonport*)

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### Committee staff

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## Summary

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The Government has no specific policy or initiatives for coastal towns, based upon the premise that coastal towns are too diverse to warrant such an approach. The diversity of coastal towns is evident if you contrast an area such as Brighton, with its buoyant and diverse economy, with Margate, marked by its physical isolation and relative deprivation. Our analysis has identified that a 'one size fits all' approach to coastal towns would be inappropriate given this diversity, however, we believe there are specific areas where Government needs to act to ensure that coastal towns are not neglected.

Our analysis has identified a number of common characteristics shared by many coastal towns. These include: their physical isolation, deprivation levels, the inward migration of older people, the high levels of transience, the outward migration of young people, poor quality housing and the nature of the coastal economy. Excluding their physical location, none of these characteristics are unique to coastal towns. The combination of these characteristics, however, with the environmental challenges that coastal towns face, does lead to a conclusion that they are in need of focused, specific Government attention.

We were particularly struck by the demography of many coastal towns, where there is a combination of trends occurring, including the outward movement of young people and the inward migration of older people. One of the impacts of this phenomenon is that there tends to be a high proportion of elderly in coastal towns, many of whom have moved away from family support resulting in a significant financial burden on the local public sector in these areas.

During our visit to Margate, we learnt about the challenges public services faced in providing adequate support for vulnerable adults and children who had been placed in the area by other authorities. Witnesses suggested there was insufficient communication from placing authorities and stressed the difficulties that this caused. The Government needs to take action to reduce the number of out of area placements and to ensure that when children are placed out of their local area there is improved communication between authorities.

Housing in many coastal towns appears to be characterised by a dual economy, with high house prices, often fuelled by inward migration and second homes, alongside a large, low-quality private rented sector. A large proportion of the accommodation in the private rented sector is composed of Houses in Multiple Occupation (HMOs). Large numbers of HMOs can present difficulties for the regeneration of an area, as their poor physical condition can put off investors. Many people that live in HMOs often stay on a short-term basis, which can make it difficult to get resident support for local regeneration projects. Actions to reduce the volume and improve the quality of HMOs are therefore often necessary in areas where there are large numbers.

A number of coastal towns suffer from deprivation and their economic regeneration is of critical importance. Tourism continues to be an important industry in many areas, especially in traditional seaside resorts. The Government needs to adopt a national approach to promote and support seaside tourism. The economies of coastal towns can

not, however, rely on tourism alone to be economically successful; and there is a role for economic diversification strategies to provide opportunities for local people to work in a range of industries.

The Government has conducted no research into the situation of coastal towns in recent years, nor did we receive any evidence demonstrating that there was any action or liaison between departments specifically on coastal towns. There is a need for Government departments to develop an understanding of the situation of coastal towns and work together to address the broad range of common challenges that these towns face.

# 1 Introduction

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## National policy context

1. No settlement in England is more than 70 miles from the coast.<sup>1</sup> The Indices of Multiple Deprivation (see figure 1) show that many coastal areas suffer from high levels of deprivation, and that this is not a phenomenon limited to inner-city areas. Many coastal towns also face specific environmental challenges arising from coastal erosion and climate change.

2. Our task in this inquiry has been to examine current Government policy affecting English coastal towns. There is no specific national strategy or policy framework for coastal towns or coastal communities. Coastal towns are affected by a range of policies administered by many Government departments.

3. The Government has stated that the Department for Environment, Food and Rural Affairs (DEFRA) “leads on coastal policy”.<sup>2</sup> That, apparently, is a reference to DEFRA’s responsibilities for flood and coastal erosion risk in England.<sup>3</sup> DEFRA also has departmental responsibility for implementing the Government’s policy on the spatial planning system for the sea and coast. The Government intends, through the introduction of a Marine Bill, to rationalise the spatial planning system, as currently there are a number of different policies and decision-making structures for coastal areas.<sup>4</sup>

4. In its evidence, the Government also outlined a range of policies and legislation within the remit of the Department for Communities and Local Government (DCLG) that affect coastal towns (though not specific to coastal towns). These included:

- neighbourhood renewal;
- the Housing Act 2004, and
- the Local Enterprise Growth Initiative.<sup>5</sup>

5. The Department for Culture, Media and Sport (DCMS) has lead responsibility for tourism and heritage; areas significant to many coastal towns, particularly in traditional seaside resorts where tourism is the dominant industry.

6. Other central Government departments with policy remits relevant to coastal towns include:

- the Department for Trade and Industry (DTI), which has lead policy responsibility for the Regional Development Agencies (RDAs); these in turn are responsible for

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<sup>1</sup> Ev 22, *Coastal Town: Written Evidence*, HC 1023-II of Session 2005-06 (hereafter HC 1023-II)

<sup>2</sup> Ev 167, HC 1023-II

<sup>3</sup> See [www.defra.gov.uk](http://www.defra.gov.uk). Flood and Coastal Risk Management

<sup>4</sup> Ev 168, HC 1023-II

<sup>5</sup> Ev 169, HC 1023-II

economic development and regeneration within their regions, including for coastal towns;

- the Department of Health (DoH), in relation to the demographic profile of many coastal towns;
- the Department for Education and Skills (DfES), in relation to skills and attainment levels, and
- the Department for Work and Pensions (DWP), with its responsibilities for the benefit system.

### ***Our inquiry***

7. We published our terms of reference and issued a call for evidence in December 2005. We received 66 memoranda and held five oral evidence sessions between June and October 2006. We thank all those who contributed to our inquiry by providing evidence or more informally during our visits to the coastal towns of Exmouth, Whitstable, Margate and Hastings. We are particularly grateful to our two specialist advisers for this inquiry, Helen Hayes, Joint Managing Director at a specialist urban regeneration and planning consultancy, Urban Practitioners, and Professor Fred Robinson of Durham University.

8. Throughout our report the term ‘coastal towns’ refers to English coastal towns, unless otherwise stated. There is no standard definition of English coastal towns for either policy-makers or practitioners: within the evidence we received, different bodies, including Government departments, use a variety of definitions.<sup>6</sup> The implications of this are discussed in paragraph 104. Our inquiry has sought to consider coastal towns in the broadest sense, including both small and large scale urban settlements on the coast. The adoption of a limited definition at the start of our inquiry could have risked excluding relevant evidence. We have, however, deliberately excluded consideration of the Government’s ports policy as this has recently been examined by the House of Commons Transport Committee in its inquiry – *The Ports Industry in England and Wales*.<sup>7</sup>

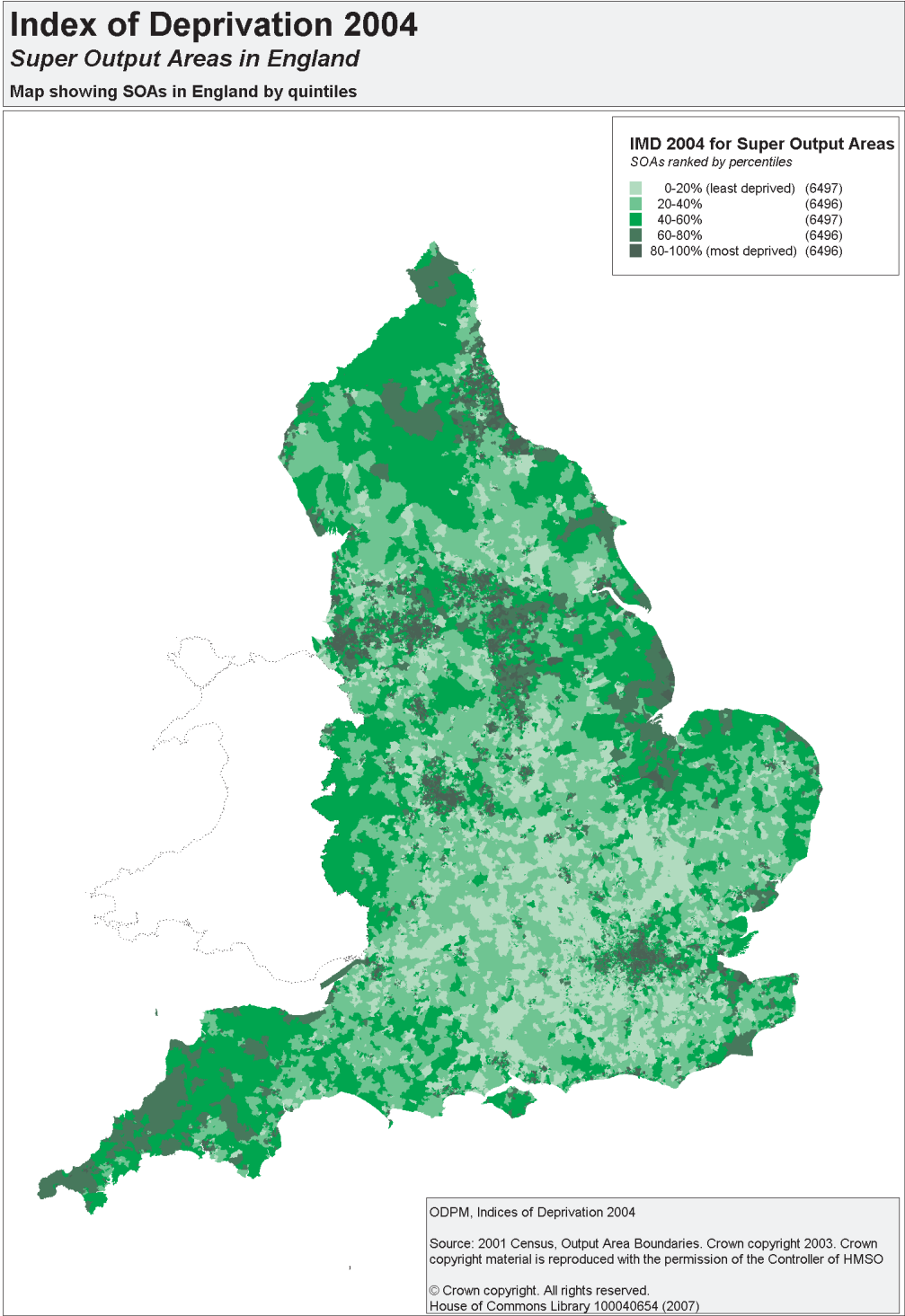
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<sup>6</sup> Ev 166, HC 1023-II

<sup>7</sup> Transport Committee, Second Report of Session 2006-07, *The Ports Industry in England and Wales*, HC 61-I



Figure 1: Indices of Deprivation 2004, Super Output Areas in England by quintiles



Data Source: House of Commons Library, February 2007

## 2 The characteristics of coastal towns

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### The diversity and commonality of coastal towns

9. The size and characteristics of settlements on the coast vary considerably: there are small rural towns and villages, traditional ‘seaside resorts’, and sites of industrial activity. Many witnesses commented on the risks inherent in any generalisation about coastal towns, given their differing social and economic profiles. Professor Fothergill stated that “there is clearly a huge difference between [...] a Great Yarmouth or a Skegness or a Thanet, where there is clear evidence of labour market difficulty, and, on the other hand [...] Bournemouth [...], where there is evidence of the strength of the labour market”.<sup>8</sup> The economic diversity of coastal towns can be seen in the variety of levels of deprivation experienced. For example, Blackpool is ranked as the 24th most deprived out of 354 local authority areas nationwide while the relatively prosperous coastal town of Bognor Regis is ranked 279th.<sup>9</sup> The Government and the RDAs both recognise this diversity.<sup>10</sup> The Government argued that there are many differences between coastal towns, including their “size, the impact of regional and historic contexts and different patterns of economic development. It is therefore difficult to generalise about places ranging from Bournemouth and Brighton to Skegness and St Ives.”<sup>11</sup>

10. Nevertheless, there tend “to be some common features shared by coastal towns”.<sup>12</sup> Economic diversity does not negate the fact that coastal towns account for a disproportionately high percentage of England’s deprived areas. As the Government told us, “twenty-one of the 88 most deprived authorities are in coastal areas”.<sup>13</sup> The South East England Development Agency (SEEDA) reports that nine out of ten of the South East’s most deprived wards are in coastal towns or cities.<sup>14</sup> Our evidence has also highlighted other commonalities including:

- physical and social isolation;<sup>15</sup>
- high proportions of older people together with higher levels of outward migration among young people;<sup>16</sup>
- low-wage, low-skill economies and seasonality of employment;<sup>17</sup>
- frequent dependency on a single industry, and<sup>18</sup>

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<sup>8</sup> Q 103

<sup>9</sup> Ev 175, HC 1023-II

<sup>10</sup> Ev 166, 15, HC 1023-II

<sup>11</sup> Ev 166, HC 1023-II

<sup>12</sup> Ev 15, HC 1023-II

<sup>13</sup> Ev 166, HC 1023-II

<sup>14</sup> Ev 25, HC 1023-II

<sup>15</sup> Ev 166 and 14 respectively, HC 1023-II. See for example Q 46, 139

<sup>16</sup> Ev 14, 47, 98, HC 1023-II. See for example Q 16, 138

<sup>17</sup> Ev 96, HC 1023-II

- a high incidence of poor housing conditions and a high proportion of private rented homes.<sup>19</sup>

### **Physical isolation**

11. One obvious feature of all coastal towns is that they are next to the sea. This can be an asset, providing economic and social opportunities such as employment in fishing, shipping and ports. Several witnesses, however, commented on the detrimental consequences of physical isolation and that this is often a barrier to economic growth. Three interrelated issues were raised regarding physical isolation: poor transport infrastructure, the 180-degree hinterland and the difficult topography found in many coastal towns, often characterised by steep hills and river estuaries.

12. The New Economics Foundation (NEF) argued that poor transport infrastructure “hinders businesses that are dependent on efficient logistics to access [...] markets.”<sup>20</sup> Others suggested that it is a handicap for tourism in particular.<sup>21</sup> Thanet District Council, for instance, pointed out that from London it takes the same length of time to get to York by rail as to Ramsgate, despite York being three times as far away.<sup>22</sup> Devon County Council argued that by making it harder for people to access jobs or medical help or to see family and friends, poor transport infrastructure acted as a barrier to economic and social inclusion.<sup>23</sup> In contrast, the British Resorts and Destinations Association (BRADA) provided an example of good transport links promoting economic growth. It argued, for instance, “the thing [...] driving Brighton is the fact that it has a fast rail link”.<sup>24</sup> Secondly, the 180-degree hinterland effectively halves the catchment area for businesses in coastal towns compared to that of businesses located inland, thus reducing their natural customer base.<sup>25</sup> Thirdly, some witnesses, including Devon County Council pointed out that as coastal towns were often situated on river estuaries and surrounded on either side by steep hills, their local topography limited the amount of land suitable for development and as such put land prices at a premium.<sup>26</sup> It was also noted that the fact that many coastal towns included or had nearby areas of land protected for reasons of ecological or historical significance could increase the difficulties associated with development.<sup>27</sup> Development constraints in coastal towns were also recognised by the English RDAs.<sup>28</sup> **The physical isolation of many coastal towns is often a significant barrier to economic growth, development and regeneration.**

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<sup>18</sup> Ev 14, HC 1023-II. See also Beatty, Christina, Fothergill, Stephen, *The Seaside Economy, the final report of the seaside towns research project*, Sheffield Hallam University, June 2003, p. 105, (hereafter the *Seaside Economy*)

<sup>19</sup> Ev 97, HC 1023-II

<sup>20</sup> Ev 23, HC 1023-II

<sup>21</sup> Q 172, Ev 39, HC 1023-II

<sup>22</sup> Ev 46, HC 1023-II. See also Ev 23, 40, 60, 61, 68, 102, 114, 118, and 152, HC 1023-II. See also Annex D

<sup>23</sup> Ev 104, HC 1023-II. See also Ev 9, HC 1023-II

<sup>24</sup> Q 139

<sup>25</sup> Q 172

<sup>26</sup> Ev 102, HC 1023-II

<sup>27</sup> Q 3, Ev 10, HC 1023-II

<sup>28</sup> Ev 14, HC 1023-II

### *Coastal management*

13. Several witnesses drew attention to the risks to which coastal communities are exposed as a consequence of climate change - rising sea levels, more frequent and more severe flooding, coastline erosion and increased frequency and intensity of storms.<sup>29</sup> According to the Environment Agency “by 2080 the UK could be facing major flood events once every three years compared to every one hundred years in the past”, putting one million people in coastal communities and £120 billions worth of infrastructure at risk.<sup>30</sup>

14. The severity of these risks is not uniform around the coastline. Some areas face significant levels of risk: the Environment Agency told us that areas such as “the Humber or at Happisburgh or around the Essex coast” would be “in the frontline of the impacts of climate change”.<sup>31</sup> It also stated that flood risk will rise by at least 30% around our southern and eastern coasts.<sup>32</sup>

15. Risk exposure to coastal flooding and erosion can be mitigated by sea defences, but the quality of flood defences varies: in London, for instance, there is a one in a 1000 year risk of flooding overcoming flood defences but along other parts of the coast that may have a naturally lower level of risk, the risk might be one in 50 because of the poorer flood defences.<sup>33</sup>

16. In some areas however, as the Environment Agency pointed out, it simply may “not be viable to provide coastal protection, either due to engineering limits or cost” and that “retreating to historic coastlines even in developed areas will in some places be the only sustainable option”.<sup>34</sup> The result is that in some areas residents face the loss of their homes. The Government has recognised the increasing risks of flooding and coastline erosion which threaten some coastal communities and acknowledged the considerable concern that has been expressed on the fairness of decisions to defend some coastal communities, using public funds, and not to defend others.<sup>35</sup> In some areas, particularly those areas subject to aggressive coastal erosion, the Environment Agency highlighted the need for long-term, possibly innovative, adaptation solutions. It told us “what preys heavily on people is compensation for their property”, and that “there may be a case for recognising the current generation’s special needs in grants and social support where individuals are affected”.<sup>36</sup>

17. The Government has already taken some steps to address the increased risk exposure of coastal communities resulting from climate change. The Environment Agency is considering a range of options to manage the relocation of coastal communities where coastal defence may not be viable; these include innovative solutions, such as “creating

<sup>29</sup> Ev 10, 30, 53, 83, 84, 106, 137, 167, HC 1023-II

<sup>30</sup> Ev 156, HC 1023-II, based on Future Flooding, Foresight Programme, DTI, 2004 and Q 389

<sup>31</sup> Q 388

<sup>32</sup> Ev 156, HC 1023-II

<sup>33</sup> Q 389

<sup>34</sup> Ev 118 and Ev 158, HC 1023-II respectively

<sup>35</sup> Shoreline Management Plans, [www.defra.gov.uk/environ/fcd/policy/smp.htm](http://www.defra.gov.uk/environ/fcd/policy/smp.htm)

<sup>36</sup> Q 391 and Ev 118

local housing trusts or facilitating local planning authorities to buy up freeholds to endangered property and allow residents to rent them back at a reduced market rate until they must be relocated”.<sup>37</sup> In January 2007, the Government announced funding for six pilot projects responding to flood and coastal erosion risk.<sup>38</sup> DEFRA is planning to launch an “adaptation toolkit” in late 2007.<sup>39</sup> **Some coastal communities face significant and increasing risks from coastal erosion and flooding. We welcome the Government’s consideration of adaptation measures and the launch of pilot projects. We are concerned, however, that the pace of Government action is too slow to meet the needs of those coastal communities where coastal erosion is at its most aggressive and that delay can only increase social injustice and uncertainty for those communities. We recommend that the Government, as a matter of urgency, put in place a fair and transparent national approach to coastal adaptation for communities threatened by the consequences of climate change.**

18. The Environment Agency called for improvements in the planning system to reduce and manage the risk of coastal flooding and erosion for existing settlements and new coastal developments, in particular commenting on Shoreline Management Plans (SMPs).<sup>40</sup> SMPs are non-statutory plans that provide a “strategic assessment of the threat to the coast and coastal towns from flooding and erosion”, now over a 100-year horizon, and include recommendations for managing this risk, including the option not to defend parts of the coast if they are not viable.<sup>41</sup>

19. SMPs are drawn up by area-specific coastal groups, covering a number of local authority areas, and are composed of maritime district local authorities and other bodies.<sup>42</sup> While the Environment Agency acknowledged that in practice many local planning authorities incorporated SMPs into their strategic development plans, it pointed to instances where this had not been the case, such as in North Norfolk, where the local district council has opposed adoption of the plan owing to local opposition.<sup>43</sup> It is understandably politically difficult for any individual local council to adopt a plan that acknowledges that it is not viable to maintain comprehensive coastal protection and that some people will lose their homes. The Environment Agency told us that SMPs should therefore be made statutory, giving them “equal weighting in development planning with other statutory plans”.<sup>44</sup> The impact of this would be to assist coastal authorities to take the strategic, long-term planning decisions that are needed, as there would be a statutory obligation for the authorities to take the SMPs into account. We conclude that SMPs should be made statutory to enable difficult but vitally necessary decisions to be made. **We welcome the use of Shoreline Management Plans which are a useful tool for managing**

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<sup>37</sup> Ev 118

<sup>38</sup> *New pilots announced to push policy on flooding and coastal erosion*, DEFRA News Release 3/07, 4 January 2007 <http://www.defra.gov.uk/news/2007/070104a.htm>

<sup>39</sup> *Making space for water, Developing a Broader Portfolio of Options to Deliver Flooding and Coastal Solutions*, DEFRA: Making Space for Water Programme. [www.defra.gov.uk/enviro/fcd/policy/strategy/sd2.htm](http://www.defra.gov.uk/enviro/fcd/policy/strategy/sd2.htm)

<sup>40</sup> Ev 116

<sup>41</sup> Ev 156, HC 1023-II

<sup>42</sup> Ev 156, HC 1023-II

<sup>43</sup> Ev 116

<sup>44</sup> Ev 116

**development and coastal flooding and erosion risk. The Government should make Shoreline Management Plans statutory to strengthen their use in the planning process. This will ensure that adequate account is taken of coastal flooding and erosion risk.**

20. Since the Environment Agency presented its evidence, the Government has published a new Planning Policy Statement (PPS25) on 'Development and Flood Risk'.<sup>45</sup> The Government stated that this "strengthens and clarifies policy that flood risk should be taken into account at all stages of the planning process."<sup>46</sup> PPS25 specifies the Environment Agency as a statutory consultee on all relevant planning applications and introduces further scrutiny arrangements for major developments.<sup>47</sup> PPS25 also enshrines a "sequential test" to avoid the development of land at risk of flooding.<sup>48</sup> **We welcome the measures within the Planning Policy Statement 25 that give greater weight to consideration of flood risk in the planning process.**

21. The British Urban Regeneration Association (BURA) argued that it is important to ensure that investment in sea defences is linked to the wider regeneration of the area to ensure that economic and social benefits are maximised. This might involve effective sequencing of work, for example by carrying out sea defence work prior to significant investment in public realm infrastructure projects. BURA suggested that such integrated planning had not always been the case and that previously there had been a tendency for the Environment Agency to think "in terms of engineering for flood defences", although there does now seem to be a more strategic approach on the part of the Environment Agency.<sup>49</sup> The Environment Agency confirmed that regeneration was one factor in decisions regarding sea defence investment and it stressed that deriving "multiple benefits" was its "guiding principle".<sup>50</sup> Indeed, its cost benefit analyses included consideration of social and environmental outcomes. **It is important that investment in sea defences is linked to the regeneration of coastal areas, and we welcome the steps now taken by the Environment Agency to ensure that the social and economic implications of sea defences works are considered at the outset and that the work contributes to the improvement of the public realm. We urge the Department for Communities and Local Government to work more closely with the Environment Agency and other bodies to ensure that opportunities for regeneration of coastal towns, afforded by investment in sea defences, are realised.**

22. The Environment Agency also called for better information to be provided to future generations wanting to live in existing coastal settlements. It called for potential homeowners to be made aware of the risks associated with climate change, including the possibility that their tenure may only be temporary, at the point at which local authority

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<sup>45</sup> *Planning Policy Statement 25: Development and Flood Risk*, Department for Communities and Local Government. Published on 7 December 2006, alongside the new Town and Country Planning (Flooding) (England) Direction 2007 <http://www.communities.gov.uk/index.asp?id=1504640>

<sup>46</sup> *Ensuring Appropriate Development in Flood Risk Areas*, Department for Communities and Local Government News Release, 2006/0164, 7 December 2006. <http://www.communities.gov.uk/index.asp?id=1002882&PressNoticeID=2310>

<sup>47</sup> Introduced on 1 October 2006. Environment Agency, Planning Policy Statement 25 (PPS 25), [www.environment-agency.gov.uk/commondata/acrobat/pps25\\_1657913.pdf](http://www.environment-agency.gov.uk/commondata/acrobat/pps25_1657913.pdf)

<sup>48</sup> Environment Agency, Planning Policy Statement 25 (PPS 25), [www.environment-agency.gov.uk/commondata/acrobat/pps25\\_1657913.pdf](http://www.environment-agency.gov.uk/commondata/acrobat/pps25_1657913.pdf)

<sup>49</sup> Q 279

<sup>50</sup> Q 384



searches are carried out on new purchases.<sup>51</sup> The Environment Agency has been tasked by the Government to produce coastal erosion risk maps and make them available in the public domain in the same way that flood risk maps already are. This is due to take place by the end of 2008.<sup>52</sup> Homebuyers will then be able to make an informed choice about purchasing a property. **We agree with the Environment Agency that the information provided to those considering purchasing a property in a coastal area must draw attention to the risks arising from flooding and coastal erosion, and therefore welcome the Government's intention for coastal erosion risk maps to be available in the public domain in 2008 on a similar basis to existing flood risk maps.**

### Demographics

23. Several witnesses drew attention to a range of demographic trends in coastal towns. These include: the inward migration of older people and those of working age, high levels of transient and vulnerable people, and the outward migration of young people. The net impact of these individual demographic trends is to leave many coastal towns with a higher than average older population and lower proportion of their population in the first half of their working age. Statistics provided by the Government showed that 29 out of the 31 coastal towns sampled had a lower proportion of their population aged 16-44 years than the English average.<sup>53</sup>

### Inward migration

24. Several witnesses highlighted the large number of older people who move to the coast to retire. This phenomenon can bring benefits to these communities. As Lincolnshire Coastal Action Zone pointed out, retired older people can make a positive contribution to their new communities. It also indicated that there were opportunities to design high-quality services that meet their needs, for example the use of state of the art technology to enhance independent living.<sup>54</sup>

25. As BRADA explained, however, the issue for public services is not the number of retired people *per se* but “the fact that they are creating, down the line, a much greater elderly population”.<sup>55</sup> It argued that elderly people in coastal towns may place additional pressures on services, beyond those that might be expected had those people remained in their original area of residency, because they have moved away from family support networks.<sup>56</sup> Several witnesses supported this and argued that the elderly population in coastal towns consequently place particular additional demands on health and social services, for instance, upon the local residential care sector though their greater

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<sup>51</sup> Ev 118

<sup>52</sup> *Making Space for Water Risk Mapping: Coastal Erosion*, DEFRA ; <http://www.defra.gov.uk/environ/fcd/policy/strategy/ha4b.htm>

<sup>53</sup> Ev 175, HC 1023-II. The Mid-Year Population Estimates 2003, by Broad Age Band 16-44 years, showed that the English average was 40.4.

<sup>54</sup> National Coastal Futures Symposium: The Report, 18th – 19th July 2006, Royal Renaissance Hotel Skegness, October 2006. Unprinted paper from the Lincolnshire Coastal Action Zone

<sup>55</sup> Q 138

<sup>56</sup> Q 138

dependency upon care home provision.<sup>57</sup> **The inward migration of older people to coastal towns can bring benefits but it also places significant additional demands on public services, particularly in the areas of health and social care.**

26. It is not simply retired people who are moving to the coast. In their report on the *Seaside Economy*, Professor Fothergill and Christina Beatty found that in the 43 principal seaside towns, the average growth in the working age population had been in excess of 20 per cent between 1971 and 2001. Their analysis also indicates that this growth is attributable to inward migration rather than an increase in the indigenous population.<sup>58</sup> Professor Fothergill also highlighted “an inflow particularly of people [...] in the second half of their working lives – from 35, 40 upwards”.<sup>59</sup> He told us that this inward migration results in a situation where “the balance between the available supply of labour and the supply of jobs is still seriously out of kilter”.<sup>60</sup> This is because people tend to move to the seaside because they want to live there rather than because of specific employment opportunities, so it can be a contributory factor to high unemployment levels.<sup>61</sup> The *Seaside Economy* report suggests that a proportion of the inward migration population will be on benefits and be drawn to the area by the “stock of suitable housing” (see para 43).<sup>62</sup> A proportion of the working age migrants will also however be in employment elsewhere and commute, drawn by the desire to live by the sea. For example, in Exmouth we heard from stakeholders that a number of local residents commuted to Exeter to work.<sup>63</sup>

### *Transient Populations*

27. Some witnesses highlighted the high level of transience in the population of some coastal towns.<sup>64</sup> The term ‘transience’ can be applied to people who move on a frequent basis. In coastal towns, the transient population can be identified in broadest terms to be composed of UK adults of working age (who may move with their children) and overseas migrant workers. Blackpool Council told us “only inner London has higher levels of transience than Blackpool [...] 11% of the Borough’s population could be classified as transient” and that “within the first six months of settlement, 55% are [...] likely to move again within the Borough”.<sup>65</sup>

28. Lancaster City Council stated that in Morecambe it was “not uncommon for primary schools to experience 30–40% turnover of pupils in a single year”.<sup>66</sup> Frequent relocation can have a negative impact on a child’s welfare and educational attainment.<sup>67</sup> Torbay

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<sup>57</sup> Ev 1, 30, 37, 47, 98, 145, 149, HC 1023-II.

<sup>58</sup> Q 60

<sup>59</sup> Q 92

<sup>60</sup> Q 91

<sup>61</sup> *The Seaside Economy*, p 39

<sup>62</sup> *The Seaside Economy*, p 39

<sup>63</sup> Annex A.

<sup>64</sup> Ev 98, 148, HC 1023-II

<sup>65</sup> Ev 141, HC 1023-II

<sup>66</sup> Ev 4, HC 1023-II

<sup>67</sup> Ev 141, HC 1023-II



Council also argued that the arrival of new children during the school year can cause educational disruption to the other children in the class.<sup>68</sup> In addition, Blackpool Council suggested that high pupil turnover can put significant pressures on teaching staff and the overall school system.<sup>69</sup>

29. Thanet District Council argued that high levels of transience can cause other problems, for instance, working with an established population is a key factor in traditional regeneration but that with transient populations “lasting impact is much harder to achieve”.<sup>70</sup>

30. We asked whether migrants from overseas contributed significantly to the transience within many coastal communities. Jobcentre Plus told us there was no proven statistical link between coastal towns and overseas migrants, who are still predominantly attracted to centres like London, despite a recent trend for their greater dispersal across the UK.<sup>71</sup> We received some evidence which suggested that overseas migrant workers can be a particular presence in areas around ports or in places where there is a predominance of low-wage, seasonal work, such as those coastal towns whose economy is dominated by tourism.<sup>72</sup> Nevertheless, evidence regarding the proportion of overseas migrant workers in coastal towns is thin and insufficiently robust to provide a firm basis for conclusions. Indeed, the Audit Commission has made a number of recommendations that call for improvements to data and intelligence sharing on migrant workers.<sup>73</sup> In previous years, it has been suggested that coastal towns had a disproportionate number of asylum seekers and refugees owing to the availability of accommodation (often redundant hotels).<sup>74</sup> Support for, and the dispersal of, asylum seekers is now co-ordinated on a national basis and this has alleviated this particular pressure on coastal towns, particularly in the South East.<sup>75</sup>

### *Vulnerable Adults and Children*

31. Some witnesses suggested that many coastal towns have particularly high numbers of vulnerable adults and children who move into the area. The term ‘vulnerable’ is often used to refer to people who are unable to meet their own everyday needs owing to a physical or mental health condition or who are vulnerable because of their situation, such as homelessness.<sup>76</sup> Vulnerable people either receive or are in need of community care services, requiring support from service providers such as mental health, housing, and social services. Vulnerable people may move to coastal towns voluntarily; however, they may also be placed there by other authorities to identified suitable accommodation.

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<sup>68</sup> Ev 149, HC 1023-II

<sup>69</sup> Ev 141, HC 1023-II

<sup>70</sup> Ev 47, HC 1023-II. See also Annex B

<sup>71</sup> Q 378

<sup>72</sup> Ev 33,140, HC 1023-II

<sup>73</sup> *Crossing Borders – responding to the local challenges of migrant workers*, Audit Commission, January 2007

<sup>74</sup> Ev 46, HC 1023-II

<sup>75</sup> Ev 170, HC 1023-II

<sup>76</sup> Ev 4, 47, 73, 80, 93, HC 1023-II. See also [www.phel.gov.uk/glossary](http://www.phel.gov.uk/glossary)

32. Lancaster City Council told us houses in multiple occupation (HMOs) are often used to cater for vulnerable people.<sup>77</sup> In many coastal resorts there is a ready supply of HMOs and care homes that have been converted from hotels and guesthouses (see para 39). This supply of HMOs and care homes can result in vulnerable people from other areas being placed in coastal areas. Thanet District Council said that “many boroughs, particularly those in London, actively promote relocation to Thanet to people on their housing and care lists”.<sup>78</sup> It argued that the problem was exacerbated by the failure of those placing vulnerable people in its area to inform the local authority, even though there is no formal obligation on them to do so.<sup>79</sup> Thanet District Council called for formal tracking for all placements of vulnerable adults and children.<sup>80</sup>

33. There is a significant financial cost to providing support services for vulnerable people, and their movement to coastal towns consequently puts financial pressure on a range of public services. Kent County Council referred to the placement of vulnerable adults and children, in particular by London boroughs, in its coastal towns as ‘social dumping’, and indeed, it can be seen as this.<sup>81</sup>

34. The same authority highlighted the issue of high concentrations of looked-after children within its district, particularly as a consequence of placements from other local authorities (out of area placements). Its evidence showed that the majority of looked-after children within the Thanet area were there as a result of out of area placements and there were “nearly eight times [...] more than in the Kent district of Tunbridge Wells.”<sup>82</sup> The Government indicated in its Green Paper, *Care Matters: Transforming the lives of children and young people in care*, that London boroughs have particularly high rates of out of area placements, with London children being twice as likely to be placed out of authority compared to other parts of the country.<sup>83</sup>

35. Thanet District Council stated that children placed by other authorities have highly complex needs “requiring input from a number of services and are likely to be further disadvantaged as part of a population in transition.”<sup>84</sup> The Government stated in its Green Paper that most children wanted to remain in an area that is familiar to them and that those placed elsewhere are less likely to succeed in education than looked-after children placed near their home.<sup>85</sup> The LGA stated that despite the drawbacks to placing children out of their authority area, the most important factor to consider is what is right and appropriate for the child, and in some circumstances, it can be both beneficial and

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<sup>77</sup> Ev 4, HC 1023-II. See also para 26

<sup>78</sup> Ev 47, HC 1023-II

<sup>79</sup> *Report of the Kent Child Protection Committee Inquiry into the general concerns expressed by officers and politicians in the Thanet Area regarding Child and Public Protection Issues*, Kent Child Protection Committee, June 2005. p. 23 (hereafter *Thanet Inquiry*)

<sup>80</sup> *Thanet Inquiry*, p. 23 and p. 69

<sup>81</sup> Ev 67, HC 1023-II

<sup>82</sup> *Thanet inquiry*, p. 36. See also Ev 147, HC 1023-II.

<sup>83</sup> *Care Matters: Transforming the lives of children and young people in care*, Department for Education and Skills Green Paper, 9 October 2006. p. 50

<sup>84</sup> *Thanet Inquiry*, p. 24

<sup>85</sup> *Care Matters: Transforming the lives of children and young people in care*, Department for Education and Skills Green Paper, 9 October 2006 p. 44

necessary.<sup>86</sup> It also stated that in these circumstances it is important that placing and host authorities communicate as far in advance of the placement as possible.<sup>87</sup>

36. The Government states that the shortage of foster carers is a significant causal factor for out of area placements.<sup>88</sup> Its Green Paper contains proposals to increase the supply of foster carers and improve commissioning arrangements for the placement of children. The Government intends that commissioning arrangements will be supported through the development of regional and sub-regional approaches to commissioning, to increase the choice of placement and the purchasing power of local authorities, and these proposals have been welcomed by the Association of Directors of Social Services.<sup>89</sup>

37. The LGA told us that there is a significant financial impact on coastal authorities that receive out of area placements, for instance, there is no additional funding to support the education of the child.<sup>90</sup> The LGA also stated that in one coastal authority an estimated 25% of its Youth Offending Team's work was with young people from out of area placements.<sup>91</sup> On our visit to Margate, the police stated that high levels of looked-after children in the area placed additional demands on its services, such as an increased level of investigations into runaways and criminal offences.<sup>92</sup> It also argued that these additional demands were not recognised in its funding allocations from Government.<sup>93</sup> The LGA stated it was aware that in some circumstances the placing and host authorities come to an agreement about specific funding for the child, but noted that these arrangements are 'ad hoc' and therefore often not satisfactory.<sup>94</sup>

**38. There can be significant drawbacks from placing vulnerable adults and especially children in care away from their home area; we accept that there are times when it may be necessary in the best interests of the individual but it should not be done simply to reduce costs of the placing authority. Placing authorities should ensure that they communicate as far in advance as possible with host authorities about all aspects of the placement of vulnerable children and adults. Placing authorities should also consider the impact of placements on the receiving community and host authority, and they should take responsibility for the financial impact of those placements.**

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<sup>86</sup> Ev 122

<sup>87</sup> Ev 122

<sup>88</sup> *Care Matters: Transforming the lives of children and young people in care*, Department for Education and Skills Green Paper, 9 October 2006. p. 50

<sup>89</sup> *Care Matters: Transforming the lives of children and young people in care*, Department for Education and Skills Green Paper, 9 October 2006. p. 45. See also Response from the Association of Directors of Social services (ADSS), the Local Government Association (LGA) and the Confederation of Children's Services Managers (Confed), <http://www.adss.org.uk/publications/consresp/2007/transforming.pdf>

<sup>90</sup> Ev 122

<sup>91</sup> Ev 122

<sup>92</sup> Annex B. See also *Thanet Inquiry*, p. 45

<sup>93</sup> Annex B

<sup>94</sup> Ev 122

### Outward migration

39. Significant levels of outward migration by younger people are a characteristic of many coastal communities. Nevertheless, there are noticeable exceptions to this trend; some coastal towns, such as Brighton and Bournemouth, have been successful in retaining a large proportion of young people. Brighton and Hove City Council, for instance, told us that “one third of [its] population is between 25 and 44 [...] we have two universities which bring a large influx of students, many of whom we cannot get rid of. They love to stay and they do”.<sup>95</sup> A number of causal factors have been suggested for the outward migration of young people including: the shortage of employment opportunities, housing costs and the shortage of services and facilities for young people.<sup>96</sup> The Foyer Federation suggested that it was related to the high proportion of older people in coastal towns because public services are geared towards the needs of older people rather than young people.<sup>97</sup> Some witnesses argued that it was the higher-skilled young people in particular who moved away. Lincolnshire Coastal Action Zone identified this pattern of migration as a “contributing factor to the low-skill levels in the labour market”.<sup>98</sup> During our visit to Margate we heard from a group of local young people who commented that most of their contemporaries in the area intended to move away when they were older in search of better employment opportunities.<sup>99</sup> They also argued that a shortage of facilities and activities for young people in the Margate area was a contributing factor.<sup>100</sup> **Many coastal towns have higher than average levels of outward migration of young people which can contribute to a skewed demographic profile.**

### Housing

40. Housing in many coastal towns, especially seaside resorts, often appears to be characterised by a dual economy, with high house prices alongside a large, low-quality private rental sector.<sup>101</sup> We received extensive evidence regarding the shortage of affordable housing, in particular in coastal towns, and it has been suggested that high house prices was one factor which motivated young people to leave the area.<sup>102</sup> Bournemouth Churches Housing Association, for example, told us “something like 80% of people within households aged from 20 to 39 cannot afford to buy the cheapest houses”.<sup>103</sup> Similarly the Market and Coastal Towns Association said that while there was no clear relationship between house prices and coastal location, “in general the highest price rises have tended to be on the coast”.<sup>104</sup> We discussed the issue of affordable housing in a nationwide context in our report, *Affordability and the Supply of Housing*, in which we included

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<sup>95</sup> Q 34

<sup>96</sup> See for example District of Easington Council, Q16

<sup>97</sup> Q 9, Q 326. See also Annex A.

<sup>98</sup> Ev 123, HC 1023-II

<sup>99</sup> Annex B. See also Annex D.

<sup>100</sup> Annex B

<sup>101</sup> Q 291

<sup>102</sup> Ev 17, 18, 19, 29, 32, 37, 52, 77, 102, 119, 160, HC 1023-II.

<sup>103</sup> Q 296. See also Q153

<sup>104</sup> Ev 30, HC 1023-II

recommendations designed to increase affordability, particularly through housing schemes such as low-cost home ownership.<sup>105</sup> A number of witnesses also commented on the high incidence of second home ownership in coastal areas contributing to increased house prices.<sup>106</sup> **The shortage of affordable housing is not unique to coastal towns but can be exacerbated by the high level of inward migration and the purchase of second homes. Greater provision of affordable homes is a key priority in many coastal towns and could be an important factor in retaining young people in the area.**

41. The difficulties resulting from insufficient affordable housing can be exacerbated by poor quality within the existing housing stock. Some witnesses indicated that poor quality was particularly widespread within the private rented sector, drawing attention in particular to the number of Houses in Multiple Occupation (HMOs) and care homes in many coastal towns resulting from their legacy of a large supply of former hotels, boarding houses and large Victorian houses.<sup>107</sup> The relatively high numbers of care homes in some coastal towns can contribute to growth in the numbers of elderly moving into the area and place additional burdens on health and social care services. BRADA argued that an inadequate supply of affordable housing can “inadvertently support the viability of the very worst quality HMOs” as the demand levels are consequently high.<sup>108</sup> Many HMOs are in a poor state of repair. The Government recognises that the “physical legacy of guesthouses and high-density housing [...] has led to particular housing problems”.<sup>109</sup> Its own analysis has shown that poor quality housing is of greater significance in coastal towns and “virtually half of all stock in these resorts was non-decent (compared to 33% elsewhere).”<sup>110</sup> This analysis also shows that there is much greater reliance on private renting in coastal resort areas.

42. Witnesses identified some of the problems that high levels of HMOs can cause. BRADA stated that this can “blight the locality [making it an] unattractive proposition for redevelopment”.<sup>111</sup> The New Economics Foundation stated “neighbourhoods can take on the characteristics of slums”.<sup>112</sup>

43. It has been suggested that there is a link between HMOs and a transient and vulnerable population “drawn by the easy availability of cheap rented and flatted accommodation”.<sup>113</sup> Blackpool City Council said that HMOs “have become magnets for dependent individuals and families across the country” and that some landlords in their area advertise in other UK towns and cities to attract tenants.<sup>114</sup> Bournemouth Churches Housing Association stated that in its view most of the people staying in HMOs in coastal towns were transient

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<sup>105</sup> ODPM: Housing, Planning, Local Government and the Regions Committee, Third Report of the Session 2005-06, *Affordability and the Supply of Housing*, HC 703-I

<sup>106</sup> Ev 17, 84, 102, 125, 159, HC 1023-II

<sup>107</sup> Ev 97, HC 1023-II

<sup>108</sup> Ev 97

<sup>109</sup> Ev 169, HC 1023-II. See also Q 511

<sup>110</sup> Ev 169, HC 1023-II. See also Q 511

<sup>111</sup> Ev 97, HC 1023-II

<sup>112</sup> Ev 23, HC 1023-II

<sup>113</sup> Q 51, See also *The Seaside Economy*, p. 39

<sup>114</sup> Ev 143, HC 1023-II

and attracted by the accommodation.<sup>115</sup> The difficulties related to transient populations have been discussed previously (see paras 27 to 29). **It is clear that many coastal towns suffer disproportionately from poor-quality housing and in particular have high numbers of care homes and HMOs, many of which have been converted from redundant hotels. We recognise the availability of HMOs can attract a transient population into an area, which can bring particular challenges, particularly increasing the difficulty in gaining community involvement in local regeneration.**

44. A range of existing controls are available to local authorities to manage HMOs including planning policy tools, such as Local Development Frameworks, Compulsory Purchase Powers and a new licensing regime, introduced in the Housing Act 2004.<sup>116</sup>

45. The licensing regime covering HMOs is designed to “help drive up standards in the private rented sector”.<sup>117</sup> Since April 2006, under this regime, all HMOs have 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.<sup>118</sup> HMOs are defined under this Act as properties comprising of three or more storeys and which are occupied by five or more persons forming two or more households. Local housing authorities can also choose to introduce additional licensing requirements for HMOs which do not fall within the criteria set in the Housing Act 2004 and which therefore are not subject to mandatory licensing. The Act also enables local housing authorities to introduce selective licensing in areas of low housing demand or with significant anti-social behaviour problems.<sup>119</sup> Although these new licensing powers were intended to improve the quality of housing stock, some have suggested that they have also resulted in a decline in ‘rogue’ landlords who wish to avoid the licensing standards.<sup>120</sup>

46. Some local authorities are tackling the problems associated with high proportions of HMOs in their area through the use of existing powers, for instance by applying specific planning policies.<sup>121</sup> Others are using the new licensing regime for the same purposes. Blackpool City Council, for example, told us that that it was considering using additional and selective licensing on top of mandatory licensing to improve standards.<sup>122</sup> Nevertheless, some witnesses argued that the existing powers were insufficient. Blackpool City Council suggested that “granting affected areas a special form of pathfinder status [...] to rebalance the housing stock” would be helpful.<sup>123</sup> BURA called for “stronger HMO licensing powers or, preferably, a change to the planning use classes order to differentiate HMOs from other residential use”.<sup>124</sup> Shelter said that the mandatory licensing regime was

<sup>115</sup> Q 321-324

<sup>116</sup> Ev 143, HC 1023-II

<sup>117</sup> Ev 169, HC 1023-II

<sup>118</sup> *Houses in Multiple Occupation (HMOs): Frequently Asked Questions*, Department for Communities and Local Government website - [www.communities.gov.uk/index.asp?id=1163883&cat=100027#acat](http://www.communities.gov.uk/index.asp?id=1163883&cat=100027#acat)

<sup>119</sup> *Houses in Multiple Occupation (HMOs): Frequently Asked Questions*, Department for Communities and Local Government website - <http://www.communities.gov.uk/index.asp?id=1163883>

<sup>120</sup> *Landlords sell to avoid property license*, Royal Institute of Chartered Surveyors, 25 September 2006, [www.rics.org/Property/Landlordandtenant/Landlords\\_sell\\_25\\_09\\_06.htm](http://www.rics.org/Property/Landlordandtenant/Landlords_sell_25_09_06.htm)

<sup>121</sup> List of local authorities that have HMO plans, HMO Lobby Group, [www.hmobby.org.uk/natlocalplans.htm](http://www.hmobby.org.uk/natlocalplans.htm)

<sup>122</sup> Ev 143, HC 1023-II

<sup>123</sup> Ev 143, HC 1023-II

<sup>124</sup> Ev 88



weak because it did not cover smaller HMOs and called for the definition of HMOs to be broadened when the Act is reviewed in 2007.<sup>125</sup> Local authorities are currently able to introduce additional licensing requirements that may cover smaller HMOs, however, we note that the level of use and effectiveness of these additional licensing powers has yet to be evaluated by Government. **We welcome the provisions within the Housing Act 2004 enabling local authorities to license Houses in Multiple Occupation. We recommend that the Government encourages local authorities to make full and effective use of the licensing and statutory planning powers available (including compulsory purchase) to manage HMOs. We recommend that the Government examines whether local authorities need additional powers to address the problems arising in areas with especially large numbers of HMOs.**

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<sup>125</sup> *The Supply of Rented Housing: Written Evidence*, Communities and Local Government Committee, HC47-II of Session 2006-07, Ev 120.

## 3 Coastal economies

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### Overall employment levels

47. Some witnesses drew parallels between a perceived economic decline in many coastal towns to the circumstances surrounding old industrial areas, such as coalfield communities.<sup>126</sup> In marked contrast, it was argued in the *Seaside Economy* report that “there has actually been strong employment growth in seaside towns. Between 1971 and 2001, total employment in seaside towns grew by around 320,000, more than 20 per cent over that 30-year period; so this not a situation like the old coalfields”.<sup>127</sup> Indeed, Professor Fothergill told us that this was “a very different scenario to that which you find in some of the old industrial areas”.<sup>128</sup> Statistics provided by the Department of Work and Pensions (DWP) indicate that, overall, employment levels in coastal and non-coastal areas are broadly comparable.<sup>129</sup> In 2003-04, the employment rate in English coastal towns was 74.6% compared to the English average of 75.1%.<sup>130</sup> Jobcentre Plus stated that unemployment levels in coastal towns are “not particularly different from other parts of the country”.<sup>131</sup> Such statistics are broadly consistent with the findings contained in the *Seaside Economy* report which indicate that the average employment and unemployment rates in coastal towns are similar to the average rates in non-coastal areas. There are a number of coastal towns, however, that have below average levels of employment; in Great Yarmouth the employment rate is 69.6% and in Blackpool it is 71.4%.<sup>132</sup> **We note that there has been employment growth in many coastal towns and that there is little significant difference between coastal and non-coastal towns in terms of overall average employment levels. We note, however, that a number of coastal towns do still have significantly lower than average employment levels.**<sup>133</sup>

### Benefits

48. Witnesses commented on the high proportion of people living in coastal towns and claiming benefits, particularly incapacity benefit.<sup>134</sup> Lincolnshire Coastal Action Zone Partnership told us “19.4% of the working age population are claiming Incapacity Benefit in some coastal areas of East Lindsey in comparison to the national average of 7%.”<sup>135</sup> The *Seaside Economy* report indicated that the growth in recorded permanent sickness “is a little higher” in seaside towns than in Great Britain as a whole, but that such growth is a

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<sup>126</sup> Ev 69, 117, HC 1023-II and Margate Visit Note, p2. See also *Coalfield Communities*, HC 44-I of Session 2003-04, Fourth Report of the Office of the Deputy Prime Minister: Housing, Planning, Local Government and the Regions Committee.

<sup>127</sup> *The Seaside Economy*, p. 5

<sup>128</sup> Q 89

<sup>129</sup> Ev 100. See Table 1: Employment Rates in Coastal Towns

<sup>130</sup> Ev 100. See Table 1: Employment Rates in Coastal Towns

<sup>131</sup> Q 361

<sup>132</sup> Ev 100. See Table 1: Employment Rates in Coastal Towns

<sup>133</sup> See also Ev 122, HC 1023-II

<sup>134</sup> Ev 47, 96,100, HC 1023-II

<sup>135</sup> Ev 124, HC 1023-II

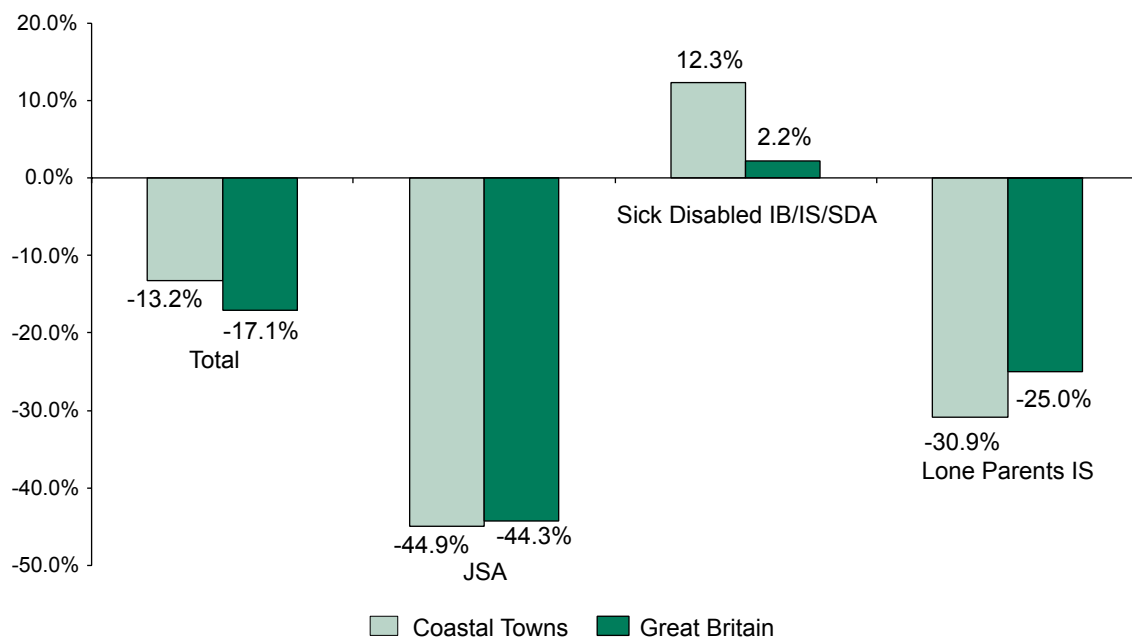


national trend.<sup>136</sup> Government figures confirm that the proportion of the population in coastal towns claiming benefits is higher than the national average. The figures showed that in 2006, 15.2% of the working age population in coastal towns were claiming benefits compared to 12.65% across Great Britain.<sup>137</sup>

49. A more detailed examination of sickness and disability benefit claimant numbers shows that while overall average levels in coastal towns are higher than that in non-coastal areas there is an even greater difference in the rate of the rise. Official figures show that in Great Britain there has been a 2.2% increase in the number claiming incapacity benefit, special disability allowance or income support for disability claims since 1997 but that “there has been a 12.3% rise in the number of claimants in coastal towns” over the same period (see table one below).<sup>138</sup> These figures are in stark contrast to the impression given by earlier DWP evidence, which stated that there had only been a “slight rise” in the proportion of sick and disabled benefit claimants in coastal towns and that this trend was “similar to national trends”.<sup>139</sup>

50. There is some noticeable variation between coastal towns. For example, in Blackpool there has been a 3.5% fall in the number of sickness and disability benefits claimants since 1997 while over the same time Great Yarmouth and Eastbourne have experienced rises of 33% and 30% respectively.<sup>140</sup>

**Table 1: Percentage changes in the number of Working Age Benefit Claimants between May 1997 and Feb 2006**



<sup>136</sup> *The Seaside Economy*, p. 42

<sup>137</sup> Ev 123. See Table 3: Percentage of Working Age Population on Benefit – May 97 & February 06

<sup>138</sup> Ev 123. See Table 2: Actual and Percentage Changes in Working Age Benefit Claimants between May 1997 and Feb 2006

<sup>139</sup> Ev 98

<sup>140</sup> Ev 123

Data Source: Department for Work and Pensions, Ev 123

51. We requested further information regarding the high growth rate in sickness and disability benefit in coastal towns in comparison to the average across Great Britain. The DWP told us that it had not done any analysis which would reveal the causes of this difference, justifying its position by saying that coastal towns were only similar “for the most part, in that they are situated on the coast”.<sup>141</sup> This seems inconsistent with its recognition of historically higher than average numbers of incapacity benefit claimants in some coastal towns. Even so DWP told us that it could not “say when the gap in coastal towns emerged or describe the labour market changes that caused it in those areas”.<sup>142</sup>

52. A number of witnesses put forward possible reasons for the difference: some suggested that those claiming benefits are attracted to coastal towns specifically, perhaps by the availability of cheap rented accommodation or by the lure of a coastal lifestyle (see para 43).<sup>143</sup> For instance, Professor Fothergill highlighted, “evidence of a very specific process going on whereby some benefit claimants are drawn into seaside towns [...] because of the availability of [...] private, rented accommodation, often flats in former boarding houses”.<sup>144</sup> Yet the DWP stated that there was “no evidence to suggest any additional movement of incapacity benefit claimants to coastal towns than anywhere else in the UK”.<sup>145</sup> It supported this claim with statistics showing that only 3.9% of all incapacity benefit claimants in coastal towns had moved there in the last 12 months and were already claiming incapacity benefit where they previously lived.<sup>146</sup> We do not find the DWP’s argument convincing: analysis which looks only at movement of benefit claimants in the last 12 months reveals little about the overall proportion of those in receipt of incapacity benefit who made their first claim before they moved to the coast. Thus it remains true that inward migration of incapacity benefit claimants could account, at least partially, for the higher than average growth rate of incapacity benefit claimants in coastal towns. Given the priority that the Government has assigned to reducing the number of people on long-term incapacity benefits in recent years, it is both disappointing and surprising that the DWP should have overlooked analysis of this phenomenon.

**53. It is unacceptable and extraordinary that the Government should have no knowledge of a potentially significant national trend in which coastal towns have experienced a disproportionately high rise in the number of people claiming sickness and disability benefit levels. It appears likely that the scale of inward migration of benefit claimants could be a contributory factor. We recommend that the Government investigates this trend with a view to identifying and addressing its causes.**

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<sup>141</sup> Ev 123

<sup>142</sup> Ev 123

<sup>143</sup> *The Seaside Economy*, p 39

<sup>144</sup> Q 100

<sup>145</sup> Ev 101

<sup>146</sup> Ev 101

### *Type and quality of employment*

54. Historically economic activity within coastal towns has encompassed traditional industries that have declined, including manufacturing, ship-building, fishing and other maritime sector work, in addition to tourism.<sup>147</sup> Official statistics show that the economy of seaside towns is diverse and that the range and trends in job sectors are broadly in line with the national experience, but with some noticeable differences in specific sectors.<sup>148</sup> Professor Fothergill stated that recent employment growth has been “surprisingly broadbased”, indicating that the tourism sector is not the dominant industry in coastal towns to the extent that is commonly perceived, although it may be in some traditional seaside resorts.<sup>149</sup>

### *Tourism*

55. Tourism has long been important to a number of coastal towns commonly identified as ‘seaside resorts’. Seaside resorts became popular destinations during the Victorian era and, according to BRADA, tourism peaked “in terms of volume in 1973”.<sup>150</sup> Some witnesses argued that tourism has declined in seaside resorts as foreign holidays and short-haul flights have become more affordable and popular.<sup>151</sup> BRADA stated that this is not the case and that the “coastal tourism sector has not collapsed, but changed dramatically [...] The simplistic views that everyone now goes abroad, therefore no one holidays at home misses the point. For the average UK resident, holiday no longer means just a week or a fortnight in the summer.”<sup>152</sup> Its position is supported by official statistics which show that the proportion of tourism-related jobs in coastal towns is still higher than the English average: 11.7% compared to an English average of 8.2%.<sup>153</sup>

56. Although tourism is only one of the employment sectors in coastal towns, for many traditional seaside resorts tourism is of significant economic importance. Domestic visitors to the English coast spent some £4.8 billion in 2005.<sup>154</sup> Data on domestic destinations shows that “Eight of the top 20 (40%) are beach destinations”.<sup>155</sup> Only 7% of domestic day trips, however, are to the coast and these trips appear to be concentrated in a relatively small number of seaside resorts.<sup>156</sup> In addition, “the average spend per visit for tourism day trips to the seaside or coast was £18.50, markedly lower than the average spend for tourism day visits to either cities or the countryside (£30.80 and £20.70 respectively)”.<sup>157</sup>

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<sup>147</sup> Q 288

<sup>148</sup> Ev 106-107. The four sectors with variables of more than 2% between coastal towns and the English average are; tourism, health and social care, real estate, renting, business activities, and manufacturing.

<sup>149</sup> Q 93

<sup>150</sup> Ev 93, HC 1023-II

<sup>151</sup> Ev 147, 91, HC 1023-II

<sup>152</sup> Ev 92, HC 1023-II

<sup>153</sup> Ev 106-107

<sup>154</sup> Ev 110

<sup>155</sup> VisitBritain Press Release VB42/06 p 1. These destinations are Blackpool, Scarborough, Isle of Wight, Skegness, Bournemouth, Great Yarmouth, Brighton and Hove, and Torquay.

<sup>156</sup> Ev 110-112

<sup>157</sup> Ev 110-112

This relatively low spend can be viewed as confirmation that a visit to the seaside is a ‘cheap day out’.

57. There is limited data on the numbers of visitors to the UK who travel to the coast or how much they spend during their visit. The main source of data on overseas visitors is the International Passenger Survey (IPS) which in 2006 introduced for the first time the option of listing a visit to the coastline/countryside.<sup>158</sup> It showed that Brighton was the only traditional seaside resort among the 20 most popular destinations for overnight stays on the part of overseas visitors.<sup>159</sup> This suggests that coastal resorts are less popular with overseas visitors than with visitors from other parts of the UK. The paucity of data relating to overseas travellers visiting the coast would make it difficult to determine the effectiveness of any efforts to encourage overseas visitors to the coast.<sup>160</sup>

58. A number of witnesses commented on the need to improve the quality of the tourism offer to attract visitors to coastal towns in an increasingly competitive environment.<sup>161</sup> The East Kent Partnership stated “more often than not in a lot of coastal towns, as a result of dilapidation and lack of investment over decades, the quality of the product is sadly lacking”.<sup>162</sup> The Lincolnshire Coastal Action Zone told us “coastal branding is weak and needs to be highlighted”.<sup>163</sup> While we accept the need to improve the quality of the tourism offer in some coastal towns, our evidence demonstrates that a number of coastal towns have already done so. Particular attention was drawn to examples of coastal towns where a greater number of visitors had been attracted through the development of niche markets. The Market and Coastal Towns Association highlighted Newquay and its focus on surfing, stating “they have almost invented a USP [unique selling point] for themselves”.<sup>164</sup> During our visit to Whitstable, we learnt about the regeneration of the area, in particular its successful tourism marketing based around oysters and seafood.<sup>165</sup> Further examples include Southport which has capitalised on golf tourism, Hull with its submariun, St Ives with the Tate gallery and many other seaside towns with their piers.<sup>166</sup> Coastal towns also have the opportunity to capitalise on the attractiveness of their national environment to draw visitors in. For instance, in Exmouth we heard about plans for a visitor centre to take advantage of the town’s position on the Jurassic coastline.<sup>167</sup> Other towns have the opportunity to develop in the increasingly popular eco-tourism market. Those towns that have been successful in their development of ‘niche’ markets and improving tourism tend to be ones where the local community has united behind a common vision for their area (see para 76).

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<sup>158</sup> Ev 110-112

<sup>159</sup> Ev 110-112

<sup>160</sup> Ev 110-112

<sup>161</sup> Q 185

<sup>162</sup> Q 148

<sup>163</sup> *National Coastal Futures Symposium: The Report*, 18th – 19th July 2006, Royal Renaissance Hotel Skegness, October 2006. Background paper from the Lincolnshire Coastal Action Zone, p 17

<sup>164</sup> Q 116, See also Q 187

<sup>165</sup> A Committee visit to Margate, Whitstable and Hastings took place on 18 October 2006.

<sup>166</sup> Q 192

<sup>167</sup> Annex A

59. The Minister for State for Sport, Department for Culture, Media and Sport, Rt Hon. Richard Caborn MP, gave his support for such development of niche markets as a means of improving tourism in coastal towns. He referred to his department's work to "drive the quality up" and acknowledged an historic lack of investment that has characterised the "Cinderella" industry of tourism.<sup>168</sup> We note, however, that neither the Government nor the lead national agency for tourism, VisitBritain, has a national strategy for coastal tourism. In contrast, the Welsh Assembly Government, has published a *Welsh Coastal Tourism Strategy*, stating that its intention is to establish a clear vision for the development of coastal tourism and realise the economic potential of the coastline.<sup>169</sup> Welsh coastal towns that rely on tourism will undoubtedly welcome this development, and the impact of the coastal tourism strategy may have lessons for tourism approaches in England.

**60. Tourism continues to be an economically important sector for many coastal towns, and it is important that the Government recognises this. We recommend that the Government conducts an immediate study on coastal tourism, including evaluating the levels and spend of domestic and inbound visitors to the coast in comparison to non-coastal areas. We urge the Government to ensure that action is taken at a national level to promote visiting the English seaside, and to consider the merits of introducing a national coastal tourism strategy, following the example of Wales.**

### Other sectors

61. Many witnesses have also commented on the need for coastal towns to develop a diverse economy and to reduce dependency on tourism.<sup>170</sup> The Lincolnshire Coastal Action Zone argued that economic strategies to support tourism and the diversification of industry do not have to be mutually exclusive but can be complementary.<sup>171</sup> The rationale for diversification is particularly linked to the nature of the jobs within the tourism sector and the seasonality of work (see para 62). Professor Fothergill stated that Brighton was an example where diversification had been achieved successfully: "At the core there is clearly a seaside tourism industry [...] but Brighton is a town with a big commercial sector, with two universities [...] it is a commuting settlement for London".<sup>172</sup> The *Seaside Economy* report concludes that it would be advantageous to create jobs across a wide range of sectors in order to provide the greatest economic opportunities for seaside residents.<sup>173</sup> Local strategies to increase jobs in high-skilled growth areas, such as IT and creative industries may be attractive to employers as many coastal towns are desirable places for employees to live. Strategies that encourage people to live as well as work in the local area are likely to bring increased economic and social benefits to those existing communities. **Some coastal towns have successfully diversified their economies and reduced their dependency upon**

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<sup>168</sup> Q 485

<sup>169</sup> *Welsh Coastal Tourism Strategy: Draft Final Strategy*, Welsh Assembly Government, January 2006 (consultation period ends March 2007)  
<http://new.wales.gov.uk/docrepos/40382/4038231141/403821124154/1156781/1156839/strategy.doc?lang=en>

<sup>170</sup> Ev 18, 6, 65, 103, 121, HC 1023-II

<sup>171</sup> *National Coastal Futures Symposium: The Report*, 18th – 19th July 2006, Royal Renaissance Hotel Skegness, October 2006. Background paper from the Lincolnshire Coastal Action Zone

<sup>172</sup> Q 105

<sup>173</sup> *The Seaside Economy*, p. 107

tourism. Many others would benefit from similar developments, particularly given the seasonal, low-skill and low-wage nature of employment in tourism. Economic diversification should be taken into account in regional and local regeneration strategies and development plans. We recommend that the Government encourages the sharing of best practice on economic diversification approaches for coastal towns.

### Seasonality

62. The seasonality of tourism in England is widely recognised. Tourism in coastal resorts is particularly limited to the summer months, given the preference of visitors for warmer weather for outdoor activities. BRADA stated in its publication *UK Seaside Resorts* that in 1996, for instance, “51% of all domestic holiday spending took place between July and September.”<sup>174</sup> A large number of our witnesses pointed out that such seasonality resulted in a high proportion of temporary and short-term employment in coastal towns.<sup>175</sup>

63. In contrast to the evidence provided by our witnesses on seasonality for coastal towns, Jobcentre Plus initially downplayed the significance of seasonality as an issue in coastal towns. It stated that seasonality was less significant than it had been in the past. It acknowledged that this was an issue in some coastal towns but stressed, “the vast bulk of employment tends not to be associated with tourism”.<sup>176</sup> The DWP did not comment specifically on the seasonality of employment in its original written submission. It did, however, comment on levels of temporary employment—a category that covers seasonal employment under this definition.<sup>177</sup> It stated that there was no marked difference between coastal and non-coastal areas in levels of temporary employment and that there was “little evidence that employment in coastal towns is particularly concentrated in temporary or self-employment” and “no prevalence of temporary employment in coastal towns”.<sup>178</sup>

64. We were not satisfied with this response, which could be viewed as misleading, and therefore requested further details. DWP provided statistics subsequently demonstrating that seasonal work in coastal towns was more than double that found in non-coastal towns.<sup>179</sup> This data establishes that there is a significantly higher level of seasonal employment in coastal towns and that this characteristic is not solely historic but rather a significant feature of employment patterns in coastal towns today.<sup>180</sup> This conclusion, based upon the statistical evidence, appears to be at odds with the views expressed and impression left after receiving evidence from Jobcentre Plus and the original DWP evidence. **We find it surprising that the significance of seasonal work in coastal towns was not recognised by the Department of Work and Pensions, and only became apparent as a result of further investigation by the Committee.**

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<sup>174</sup> *UK seaside resorts: behind the façade*, BRADA (formerly the British Resorts Association), 2000.

<sup>175</sup> Ev 1, 4, 5, 11, 14, 16, 23, 30, 34, 36, 62, 67, 80, 90, 93, 140, 159, 160, 166, HC 1023-II

<sup>176</sup> Q 353

<sup>177</sup> Ev 100

<sup>178</sup> Ev 94

<sup>179</sup> Seasonal employment in coastal towns 2005 was 15% in comparison the English average of 6%.

<sup>180</sup> Q 353



65. The seasonal nature of tourism has economic and social consequences, particularly for traditional seaside resorts. One of the suggested consequences is higher unemployment levels during the winter months. In the *Seaside Economy* report it was stated “it has long been known that there is a problem of seasonal unemployment in seaside towns”.<sup>181</sup> Caradon District Council provided a clear example: it told us “there are still around twice as many claimants in Looe in the winter as there are in the summer”.<sup>182</sup> Seasonal unemployment may also contribute to a sense of social isolation. The Foyer Federation argued that the winter closure of facilities and services used by young people had an adverse effect: “without anything to do, young people can get involved in negative behaviour—drug and alcohol misuse”.<sup>183</sup>

66. Many witnesses commented on the low-skill, low-wage and often part-time nature of employment in many coastal towns. The part-time nature of employment is linked to the nature of the tourism sector: indeed, “approximately 40% of the hotels and restaurants sector workforce in the UK as a whole works part-time”.<sup>184</sup> Professor Fothergill stated that “the disproportionate share of the overall jobs in seaside towns are part-time, and that this obviously raises worries about what the implications are for household incomes and so on”.<sup>185</sup> The Minister for State, Industry and the Regions, Department for Trade and Industry, Rt Hon Margaret Hodge stated that “If you talk about a feature of a coastal town, the low-wage, low-income, low-skill, seasonal employment is a feature”.<sup>186</sup>

**67. The seasonality of the economy in coastal towns presents economic and social challenges that need to be considered by national and local policy-makers. The Department of Work and Pensions’ failure to highlight the significance of seasonality in its original evidence is suggestive of a wider lack of understanding in Government of the specific employment patterns in many coastal towns and the challenges associated with those patterns.**

## Education

68. Evidence highlighted the low levels of aspiration and educational attainment by young people in some coastal communities, but this is by no means a universal pattern, with some coastal towns showing high levels of educational achievement. For example, in Hastings the proportion of school leavers with GCSEs grades A to C in 2003-04 was 14.9% below the national average.<sup>187</sup> The Learning and Skills Council stated that the issue of low attainment levels and aspirations “certainly applies to coastal areas” but were no more prevalent than in inner cities or other areas with a high rate of deprivation”.<sup>188</sup>

<sup>181</sup> *The Seaside Economy*, p 20

<sup>182</sup> Ev 11, HC 1023-II

<sup>183</sup> Q 330. See also Annex B and Annex D

<sup>184</sup> *UK seaside resorts: behind the façade*, BRADA (formerly the British Resorts Association), 2000

<sup>185</sup> Q 99

<sup>186</sup> Q 447

<sup>187</sup> Ev 23, HC 1023-II

<sup>188</sup> Q 410-411

69. The educational profile of coastal towns is linked to the nature of their economy and environment. The Coastal Academy argued that many young people in coastal towns have low aspirations “by virtue of career and job opportunities not being available in their home area”.<sup>189</sup> The Foyer Federation stated that the poor provision and high cost of public transport acted as barriers to young people staying on in education and attending college in some coastal areas.<sup>190</sup> The Learning and Skills Council agreed that this was a factor and that “in any periphery area or rural area there is always an issue of access to education”.<sup>191</sup> Some witnesses pointed out that those young people in coastal towns who did attain higher level qualifications often left to pursue higher education elsewhere and did not return, reinforcing the low-skill levels in coastal towns.<sup>192</sup>

70. The New Economics Foundation argued that it was important to break the link between, on the one hand, low aspirations and low educational attainment and, on the other, a low-wage economy which currently serve to reinforce one another.<sup>193</sup> During our visit to Margate and Hastings local people stressed the importance of raising educational attainment levels to facilitate local regeneration. They argued that this would make the area more attractive to private sector investors and employers.<sup>194</sup> Others stressed the importance in building stronger links between the education and business sectors to promote the development of vocational education.<sup>195</sup>

**71. The evidence suggests that a high number of young people in some coastal communities have low educational attainment levels and low aspirations. While we accept that raising educational achievement and career aspirations is an important element in local regeneration, we have no evidence to convince us that the experience of coastal communities in this regard is significantly different from other areas, such as inner cities or areas of deprivation, where the aspirations of young people and their level of educational attainment are lower than the national average. Any national initiatives to increase educational attainment levels in targeted geographical areas, should ensure that coastal communities with low attainment levels are included.**

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<sup>189</sup> Ev 1, HC 1023-II

<sup>190</sup> Ev 90

<sup>191</sup> Q 405

<sup>192</sup> Ev 17, 37, 131, 171, HC 1023-II. See also para 19

<sup>193</sup> Ev 23, HC 1023-II

<sup>194</sup> Annex B, Annex D

<sup>195</sup> Ev 68, 131, HC 1023-II



## 4 Regeneration and funding

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### Successful regeneration

72. The regeneration challenges faced in many coastal towns are similar to those faced in non-coastal areas, except that many are physically isolated, often with poor transportation links.<sup>196</sup> The evidence has highlighted some common factors that can contribute to successful regeneration in coastal towns, though these factors are not exclusive to coastal areas. This includes location, the role of entrepreneurs and the private sector, the role of the local authorities, partnership working and buy-in from the local community to change.

73. The location of a coastal town can be of critical importance to its regeneration success, in terms of the regional economy. The *Seaside Economy* report indicates that seaside towns in the South West and to a lesser extent, those in the South East “have fared better in terms of employment” than those in other regions as they have prospered from the wider regional economy.<sup>197</sup>

74. BRADA stressed the importance of communicating a vision for an area coupled with public sector investment, which it argued can be very successful in leveraging in private sector investment in the regeneration of coastal towns.<sup>198</sup> Shepway District Council provided an example where through a £10 million public investment it was able to successfully lever in “£22 million [...] from private, public and voluntary sources” to fund in excess of 50 regeneration projects in Folkestone.<sup>199</sup>

75. Witnesses also highlighted the role of the private sector in regenerating coastal towns.<sup>200</sup> Some drew particular attention to the important role of local entrepreneurship.<sup>201</sup> In Whitstable, for instance, one entrepreneurial family bought a local hotel and former Oyster Store, and now runs both as successful businesses which draw trade from London, contributing to local regeneration.<sup>202</sup> In Folkestone, local entrepreneurs played a significant role in the establishment of the town’s creative quarter, attracting artists and visitors into the area.<sup>203</sup> It was particularly disappointing therefore to learn from Lincolnshire Coastal Action Zone that overall levels of entrepreneurship in coastal towns were lower than those in non-coastal towns.<sup>204</sup>

76. The importance of different people and organisations working in partnership towards a shared vision was also stressed by some of our witnesses.<sup>205</sup> This was also emphasised by

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<sup>196</sup> See para 11-12

<sup>197</sup> *The Seaside Economy*, p 7

<sup>198</sup> Q 135

<sup>199</sup> Ev 75, HC 1023-II

<sup>200</sup> Ev 4, 14, 32, 55, HC 1023-II

<sup>201</sup> Ev 20, 75, HC 1023-II

<sup>202</sup> A Committee visit to Margate, Whitstable and Hastings took place on 18 October 2006.

<sup>203</sup> Ev 75, HC 1023-II

<sup>204</sup> Ev 117, HC 1023-II

<sup>205</sup> Q 165

local stakeholders during our visit to Margate and Hastings.<sup>206</sup> One way of achieving such a unity of vision is through masterplanning—a spatial planning process that sets out a plan for the future development of an area. East Riding of Yorkshire Council argued “if one has a masterplan that is clear, crisp and understandable [...] One then has a prospectus in which the RDA and others can invest”.<sup>207</sup> The price of not having a clear shared vision, by local people and organisations, for the development of an area can often be regeneration failure. This situation can occur where different groups within an area have competing regeneration strategies.

77. Local opposition to change can be seen as a barrier to regeneration. East Riding of Yorkshire Council, for instance, told us that it can be difficult to gain support for change from people who have moved to the area to retire: it stated “there is still a generation of people who do not want the town to change”.<sup>208</sup> Devon County Council argued “sometimes tensions result from a strong NIMBY attitude from the older generation which can restrict development of opportunities for the younger members”.<sup>209</sup> During our time in Exmouth we heard from local stakeholders about the difficulties they had encountered in trying to change the nature of the area.<sup>210</sup>

78. Devon County Council argued that the peripheral location of coastal towns can result in them being “rather insular and inward looking, with a resistance to change, which prevents them in some instances from taking full advantage of new opportunities.”<sup>211</sup>

**79. Differences of opinion over regeneration between different groups within the community can occur in any settlement. The demographic profile of many coastal towns, where a significant proportion of the community may have chosen to move to the area specifically because they like it the way it is, can exacerbate these tensions and represent a greater barrier to regeneration than may be experienced in some other areas.**

80. BURA argued that the most appropriate economic development strategy for each coastal town will be different. It also argued that economic development strategies do not have to rely solely on inward private sector investment. Indeed, in some instances, where a coastal town is particularly isolated or has particularly poor transport links, it may not be possible to attract private investment from further afield. It told us that there was also scope for economic development based on domestic investment and highlighted the example of Hastings where a “home-grown enterprise” was developing.<sup>212</sup> The New Economics Foundation supported this view. It stated that “large scale inward investment is not appropriate for many coastal towns” and that there is an important role for indigenous growth strategies.<sup>213</sup> Any successful economic development strategy must overcome any

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<sup>206</sup>Annex B, Annex D

<sup>207</sup> Q 21

<sup>208</sup> Q 14

<sup>209</sup> Ev 105., HC 1023-II. See also Annex A. NIMBY is an acronym for the phrase ‘not in my back yard’.

<sup>210</sup> Annex A

<sup>211</sup> Ev 104, HC 1023-II

<sup>212</sup> Q 277

<sup>213</sup> Ev 23, HC 1023-II

disadvantages of poor transportation links, through focusing on what industries and businesses will be able to be sustainable in coastal towns given these limitations.

81. Caradon District Council argued that regeneration is more costly in coastal towns: “to deliver any benefits [...] will always cost more than its counterpart in an inland town”.<sup>214</sup> It argued that a shortage of land, often arising from physical and geographical constraints, coupled with the limited access to markets, meant that it was “costing more and more to deliver any given output in a coastal town compared to others”.<sup>215</sup> The South West Regional Development Agency disputed Caradon’s argument. It stated “the agency sees equally difficult cost-benefit analyses in some inner city areas. It is difficult to say that coastal towns have either a special or higher cost”.<sup>216</sup> **While we recognise that there are particular challenges in coastal towns, there is no substantive evidence to demonstrate that they generally experience lower cost-benefit ratios or higher costs in regeneration projects than other areas.**

82. The heritage of coastal towns, particularly in seaside resorts, can be seen as both an asset and a challenge. English Heritage stated that there are some “specific qualities and challenges” in coastal towns, in terms of their heritage, pointing out that the extreme climate and large number of public and listed buildings in seaside resorts can lead to higher maintenance costs.<sup>217</sup> It could equally be argued, however, that high numbers of listed buildings are also an asset for these towns. English Heritage also stated that a “significant proportion of funding” is put into coastal towns in response to these challenges: “around 20% of our regeneration funding since 1999 has gone into coastal towns; that is around £10 million”.<sup>218</sup> The Heritage Lottery Fund told us that it had “given over £230 million to more than 517 projects in [...] English coastal resorts” since 1994.<sup>219</sup> This level of funding represents only 7% of the total Heritage Lottery Fund spending over the same time period; however, these figures do not represent the whole picture as the figures for seaside resorts exclude a large number of coastal towns that are not resorts.<sup>220</sup> It explained that the funding was not specifically targeted at seaside resorts, but that many had benefited due to the “combination of distinctive heritage needs combined with social and economic needs”.<sup>221</sup> For example in Great Yarmouth the Heritage Lottery Fund has invested £6 million in a range of schemes to revitalise the town.<sup>222</sup> Many coastal towns have an opportunity to capitalise upon the heritage of their towns, particularly seaside resorts, owing to their historic buildings and infrastructure, such intervention can contribute to the regeneration of their area, particularly in attracting tourists and investors.<sup>223</sup>

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<sup>214</sup> Q 18

<sup>215</sup> Q 19

<sup>216</sup> Q 66

<sup>217</sup> Q 236

<sup>218</sup> Q 236

<sup>219</sup> Q 236

<sup>220</sup> Q 256-258. Ev 161, HC 1023-II.

<sup>221</sup> Q 236

<sup>222</sup> Q 252

<sup>223</sup> Q 252-255

83. In the regeneration field, there are opportunities to share best practice across the UK. Practitioners and policy-makers involved in the regeneration of coastal towns participate alongside those involved in the regeneration of non-coastal areas. There has been little national linkage of coastal towns as a specific grouping at a policy or operational level although there are some signs that this is beginning to change. In 2006, for example, a national conference, *Coastal Futures*, was held in Skegness, hosted by the Lincolnshire Coastal Action Zone; a Seaside Network was launched by BURA; and a number of further events are planned for 2007.<sup>224</sup> ‘Coastal towns’ was the central theme of one of the Government’s 2006 city summits.<sup>225</sup>

84. BURA argued that coastal towns would benefit from learning about each other’s experiences as they may have more in common with each other than, for example, other towns within the same region.<sup>226</sup> It also argued that the DCLG has a role to play in supporting the spread of best practice between coastal towns.<sup>227</sup> The Minister of State, Industry and the Regions, Department for Trade and Industry, Rt Hon. Margaret Hodge said “I accept that clearly there is something to be gained from sharing the experiences” between coastal towns but she implied that that it was not appropriate for central Government to take the lead on this as she stressed the role of the regions and sub-regions.<sup>228</sup> **Leaving responsibility for the sharing of best practice on coastal town regeneration with regions and sub-regions is not an adequate response, as coastal towns would benefit from the sharing of best practice and experiences at a national level. We welcome the recent events which have facilitated such exchanges but regret that these have been ad hoc. The Government has a role to play in supporting and encouraging coastal towns to share experiences and expertise. We recommend that the Government supports a permanent network to facilitate the spread of best practice in coastal town regeneration.**

## Funding

85. There are no national or regional funding streams specifically targeted at coastal towns, but coastal local authorities are eligible to apply for funding from a large number of distinct sources. Two specific sources of regeneration funding that coastal local authorities have accessed and valued have been the Single Regeneration Budget (SRB) and the Neighbourhood Renewal Fund (NRF). Coastal local authorities have been allocated a total of £411.4 million from the NRF during 2001-08, equating to 14% of the total NRF allocations across England during this same time period, although the expenditure may not necessarily be specific to coastal towns.<sup>229</sup> There have been six rounds of SRB funding with

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<sup>224</sup> Including the Inaugural Conference of the Seaside Network, BURA, March 2007.

<sup>225</sup> Held on 16 May 2006, Phil Woolas MP, Q 510. City summits were held to examine the challenges faced in cities and towns and what actions could lead to improvements.

<sup>226</sup> Q 268

<sup>227</sup> Q 268

<sup>228</sup> Q 431

<sup>229</sup> These figures are based on the 20 coastal authorities that have been allocated NRF funding during 2001-08, they exclude the city areas of Liverpool, Portsmouth, Southampton and Hull. See [www.neighbourhood.gov.uk](http://www.neighbourhood.gov.uk)

the last round allocations made in 2001; in this last round £230.690 million was allocated to projects in coastal towns. This equates to 19% of the total funding allocated.<sup>230</sup>

86. Many witnesses argued that there is inadequate funding for the regeneration of coastal towns.<sup>231</sup> The New Economics Foundation stated that “Coastal resorts received less than 5% of funding in SRB Rounds 1 to 3 and less than 3% in Round 4. Finally, in 1998, the criteria were broadened with coastal towns specifically targeted and 44 bids were awarded to regenerate coastal towns”.<sup>232</sup>

87. A number of coastal towns have benefited from funding sources such as neighbourhood renewal funding yet some witnesses argued that strict eligibility criteria had excluded many others. East Riding of Yorkshire Council, for instance, told us “Most of the [...] coastal local authorities eligible for Neighbourhood Renewal Fund (NRF) programmes featured because they cover major industrial towns/cities and therefore have strongly urban neighbourhoods. In contrast, individual, “stand-alone” coastal towns exhibit smaller, but particularly intense, pockets of deprivation.”<sup>233</sup> Thanet District Council argued that its coastal towns (Margate, Ramsgate and Broadstairs) have high levels of deprivation yet still did not qualify for support from the NRF.<sup>234</sup> The Channel Corridor Partnership stated that Folkestone was “in that worst of all positions; bad, but not quite bad enough” to qualify for regeneration funding.<sup>235</sup>

88. Many organisations supporting coastal towns expressed concern about the absence of any funding stream to replace the SRB, funding from which came to an end in March 2006.<sup>236</sup> Shepway District Council argued that the end of SRB funding seriously compromises the ability of local partnerships to invest in regeneration projects and that 50 projects “are now under threat and, if lost, would be extremely difficult to resurrect in the future.”<sup>237</sup> Kent County Council drew attention to the fact that other significant funding streams, such as ERDF Objective 2 funding, the Heritage Lottery Fund’s Seafront funding and the Townscape Heritage Initiative, were coming to an end.<sup>238</sup> East Riding of Yorkshire Council argued that the loss of European funding in particular would make it, “more important for the coastal towns to identify their contribution [...] to the regional picture”, highlighting the increased importance of RDAs in providing regeneration funding for coastal towns.<sup>239</sup> The Government appears to have recognised the difficulties that coastal towns may face in accessing regeneration funding. The Rt Hon. Margaret Hodge MP told us that she was aware that a number of coastal towns failed to meet the new criteria for EU

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<sup>230</sup> 39 projects were specific to coastal towns (cities excluded) in round six, the total allocation was £1213.064 million across nine regions. See [www.communities.gov.uk/index.asp?id=1128086](http://www.communities.gov.uk/index.asp?id=1128086)

<sup>231</sup> Ev 4, 19, 25, 33, 108, HC 1023-II

<sup>232</sup> Ev 25

<sup>233</sup> Ev 62. See also Ev 5 stated that the Exmouth was too small to qualify.

<sup>234</sup> Ev 46

<sup>235</sup> Ev 8, HC 1023-II. See also Ev 147, HC 1023-II

<sup>236</sup> Ev 44, 61, 76, 101, HC 1023-II

<sup>237</sup> Ev 75, HC 1023-II

<sup>238</sup> Ev 69, HC 1023-II. See also Annex B

<sup>239</sup> Q 20

funding, telling us “that is a problem which I am going to think about at a national level, how we can ensure that we have sufficient and appropriate resources in coastal towns”.<sup>240</sup>

89. Several witnesses commented on the difficulties resulting from the “cocktail of funding” available for organisations trying to regenerate coastal towns.<sup>241</sup> BRADA stated that even in places where significant regeneration was taking place, like Blackpool, funding tended to be provided for individual, small projects and therefore was often not sequenced effectively.<sup>242</sup> The Southport Partnership explained that when major schemes are funded from a number of different sources there is increased risk of failure because if one funding stream fails—as can happen if a partner’s priorities change, their funds are over-committed or timescales are altered, the “whole thing collapses or it will take another three years to put back together again”.<sup>243</sup> Mr Miller, managing director of a theme park, Adventure Island, provided one example indicative of the fragmented nature of funding streams: in Southend, he argued, funding was being invested in different regeneration schemes despite the overarching need to maintain the cliff wall and protect people’s homes.<sup>244</sup> Some witnesses also highlighted the excessively bureaucratic burden imposed on local authorities by the need to enter a large number of competitive bidding processes to gain funding.<sup>245</sup> The Isle of Wight Council argued that there are too many competing and conflicting schemes which “demand a high level of administrative activity up-front for limited return”.<sup>246</sup> We also heard numerous calls for longer-term funding streams for regeneration to ensure the sustainability of projects and programmes and to reduce uncertainty.<sup>247</sup> The Dover Pride Regeneration Partnership explained that they can currently only deliver small intervention-based projects as its own funding is only guaranteed for three years, limiting its ability to deliver any long-term regeneration plans.<sup>248</sup>

90. Given these criticisms it is not surprising that a number of our witnesses called for a rationalisation of funding streams for regeneration. BRADA advocated a ‘single pot’ approach, arguing that this would result in investment that is more effective.<sup>249</sup> It did not, however, advocate the creation of a new national funding stream specifically for coastal towns on the grounds that there would be the danger that funding would end up with only one or two coastal towns as “it would become competitive and there would be a whole host of losers”.<sup>250</sup> The Minister of State, Local Government and Community Cohesion, Department Phil Woolas MP stressed the importance of Local Area Agreements (LAAs). He explained that one of the objectives of LAAs is to bring together as many specific area-based grants as possible into a pooling arrangement, providing a greater level of local

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<sup>240</sup> Q 436

<sup>241</sup> Q 168. See also Ev 46, 56, 137, HC 1023-II

<sup>242</sup> Q 120

<sup>243</sup> Q 168

<sup>244</sup> Q 225

<sup>245</sup> Ev 57, 137, HC 1023-II

<sup>246</sup> Ev 137, HC 1023-II

<sup>247</sup> Ev 9, 42, 61, 64, 75, 116, 138, HC 1023-II

<sup>248</sup> Ev 42, HC 1023-II

<sup>249</sup> Q 120

<sup>250</sup> Q 121



flexibility on expenditure.<sup>251</sup> We recognise that LAAs can contribute to greater local flexibility but note that LAAs do not provide a solution for the replacement of existing regeneration funding sources referred to by the witnesses.

**91. Given the number and complexity of the funding streams available for regeneration in coastal towns, there is considerable scope for their simplification and integration. We are not persuaded, however, that a specific funding stream for coastal town regeneration is warranted. We recommend that the Government evaluates the impact of the termination of various funding streams on coastal town regeneration, with a view to addressing any funding gap.**

### ***Funding for local authorities***

92. The demographic profile which defines so many of our coastal towns, the high percentage of the population which is elderly, transient or vulnerable, can impose higher than average costs on local authorities. In social care, for instance, Torbay Council argued that the shift in Government funding to general funding for local authorities, via a formulaic approach, means that funding is not transferred on a pound for pound basis.<sup>252</sup> This is suggested to be significant due to the higher levels of dependency on the state by the elderly in coastal towns, as many will have no local family support network.<sup>253</sup> The Minister for Local Government, Phil Woolas MP, claimed that demographics were already adequately reflected within local authorities' Revenue Support Grant and added that he had "increased the weighting in that grant in this current two-year settlement to reflect the fact that significant numbers of people are living to 80 and beyond".<sup>254</sup> This is an important development, not just for local authorities in coastal areas, but for all local authorities nationwide as they strive to provide support services for an ageing population but, nevertheless, it does not address the specific point made that the elderly in coastal towns may have higher levels of dependency upon state support than those in non-coastal areas owing to their lack of family support. **We agree with witnesses that it is important that the Revenue Support Grant calculations take into account the levels of elderly and transient populations in an area, and recognise the geographical variation in demands placed on services by these groups.**

93. As BRADA told us the public realm has a particularly significant role in those traditional seaside resorts which are dependent upon tourism, where "their very attractiveness relies on this grand public space".<sup>255</sup> Many witnesses, however, drew attention to the poor condition of the public realm in seaside resorts.<sup>256</sup> The Southport Partnership said that improving the condition of the public realm was the key element in coastal town regeneration.<sup>257</sup> The East Kent Partnership said one could "forget the tourism

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<sup>251</sup> Q 528

<sup>252</sup> Ev 147, HC 1023-II

<sup>253</sup> Ev 47, 98, 100, HC 1023-II. See also para 25.

<sup>254</sup> Q 504

<sup>255</sup> Q 135. The public realm is a term used to refer to those parts of a town that are available for everyone to use, for example streets, squares, parks and promenades.

<sup>256</sup> Ev 18, 32, 69, 100, HC 1023-II

<sup>257</sup> Q 148

product unless you improve your public realm locally”.<sup>258</sup> Supporting the public realm—the piers, parks, promenades, public shelters and bandstands that typify many coastal resorts developed on a grand scale in the 19th century—can also impose significant additional costs on the local authority, yet, as BRADA told us, doing so rarely generates a direct commercial return.<sup>259</sup> Blackpool City Council argued that central government takes “little account of” of this additional burden.<sup>260</sup>

94. Further it argued that visitors can place additional pressures on “services such as street cleaning, waste collection and disposal, and public conveniences”.<sup>261</sup> Day visitor numbers are taken into account within the revenue support grant funding formulae but as Blackpool City Council pointed out, a review of the indicators used on day visitor numbers in the revenue support grant funding formula, commissioned by the ODPM in 2005, “revealed that there was no acceptable way of updating the data based on currently available information”. As a result, visitor figures remain, in Blackpool City Council’s view, “crude in the extreme” as the data is disaggregated from national surveys to arrive at local authority figures.<sup>262</sup> Brighton & Hove City Council also criticised the methodology: first, it argued that “additional local authority costs arising from a day visit to the seaside are very much greater than those arising from a trip to a shopping complex or a private leisure park”;<sup>263</sup> secondly, it argued that the day visitor data is out of date as it is based on data from 1998 to 1991.<sup>264</sup> The Minister of State for Local Government, in response to a question on the costs of the public realm, countered that “I have never met a council [...] which do not say they have higher than average costs maintaining the public realm” and that “the formula does take into account the number of estimated visitors.”<sup>265</sup> **We agree with witnesses that Government funding to local authorities should reflect the impact of day visitors on the costs associated with maintaining the public realm in the formula for funding allocations. We suspect that witnesses are correct in their assertions that the funding formula methodology needs to be improved and recommend that the Government ensures that the data on day visitor numbers is both localised and up to date.**

### **Regional Development Agencies’ role**

95. Regional Development Agencies (RDAs) “are the primary vehicle for delivering support for the economic development of coastal authorities”.<sup>266</sup> They therefore have a significant role to play in the regeneration of coastal towns. Evidence has shown that all coastal RDAs have supported projects in coastal towns. Some witnesses have praised the work of RDAs in supporting the regeneration of coastal towns. BRADA stated that the

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<sup>258</sup> Q 151. See also Ev 77, HC 1023-II.

<sup>259</sup> Ev 15, 19, 44, 55, 75, 96, HC 1023-II

<sup>260</sup> Ev 144, HC 1023-II

<sup>261</sup> Ev 144, HC 1023-II

<sup>262</sup> Ev 144, HC 1023-II

<sup>263</sup> Ev 77, HC 1023-II

<sup>264</sup> Ev 77, HC 1023-II

<sup>265</sup> Q 508-509

<sup>266</sup> Ev 171, HC 1023-II



creation of the RDAs has “helped focus attention on coastal towns and some, for example SEEDA, have targeted declining coastal towns through their Regional Economic Strategies”.<sup>267</sup> Brighton & Hove City Council stated that its relationship with South East Regional Development Agency (SEEDA) “has been extremely positive [...] We even have a Sussex coastal towns strategy” and cited the seafront development initiative as an example of a successful intervention on the part of the RDA.<sup>268</sup> The English Regional Development Agencies argued that RDAs offer a wide range of support to support coastal towns. Some examples are: the South West RDA, which supports a Market and Coastal Towns Initiative; the North East RDA which has focused on the visitor economy on the North East coast; and the East Midlands RDA which is supporting a Coastal Action Zone.<sup>269</sup> Rt Hon. Margaret Hodge MP, the Minister responsible for RDAs, argued that all RDAs “had developed strategies to tackle the specific issues which face the coastal towns in their regions”.<sup>270</sup>

96. Nevertheless, other witnesses believed that RDAs were not best placed or equipped to address the needs of coastal towns. BURA stated “there is a basic problem for RDAs, which is that they will always argue that their region is the coherent unit—they have to argue for that—and they therefore do not [...] have any incentive to see the specific interests of the coast”.<sup>271</sup> East Riding of Yorkshire Council said it could be a challenge to gain RDA recognition for coastal towns. It stated, “our RDA is very much based on sub-regions which cut across the coastal strip”.<sup>272</sup> It also argued that, in its region, “because of the quite urban and rural split within the RDA, neither team [of officers within the RDA] fully understands the needs of a coastal town”.<sup>273</sup>

97. Witnesses also commented on the varying levels and types of support provided by RDAs. BRADA stated that some RDAs provide significant financial and policy support to coastal towns, such as the North West RDA, but that others do not.<sup>274</sup> It called for all RDAs to have “special coastal initiatives [...] primarily to ensure that the specific coastal issues are properly identified and thus adequately addressed”.<sup>275</sup>

98. The Rt Hon. Margaret Hodge MP stressed that giving RDAs “maximum flexibility” over funding and regional policy decisions was part of the Government’s approach to devolving power, the implication being that this principle applies to policy and funding towards coastal towns.<sup>276</sup> She also stated that there was a “huge amount” of collaboration between RDAs: she thought that SEEDA was “the lead among the RDAs on the issue around coastal towns” and assumed that it organised a forum for sharing best practice.<sup>277</sup>

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<sup>267</sup> Ev 25, HC 1023-II. See also Ev 7, HC 1023-II.

<sup>268</sup> Q 47

<sup>269</sup> Ev 15, HC 1023-II

<sup>270</sup> Q 429

<sup>271</sup> Q 271

<sup>272</sup> Q 21. See also Ev 70, HC 1023-II.

<sup>273</sup> Q 21

<sup>274</sup> Q 126

<sup>275</sup> Ev 99, HC 1023-II

<sup>276</sup> Q 431

<sup>277</sup> Q 450

No evidence however was received from any other witnesses, including the RDAs, to support the assertion that RDAs share best practice on coastal towns.

**99. We note that RDAs have adopted a variety of approaches towards supporting coastal towns and that a number of these has been welcomed by local regeneration partners. We are not convinced that any mandatory requirement for RDAs to adopt a specific approach towards coastal towns would be beneficial. We do recommend, however, that one RDA (such as SEEDA, owing to its expertise) has lead responsibility for facilitating the sharing of best practice on coastal towns across regions, and that RDAs establish regional forums for coastal towns.**

## 5 National policy and initiatives

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### Departmental action

100. No one Government department has specific responsibility for coastal towns and responsibility for policy areas affecting coastal towns is shared across a number of Government departments.

101. The Department for Trade and Industry has policy responsibility for the RDAs. RDAs are required to report on their inward investment levels and business growth levels, including disaggregating their output data on a rural/urban basis. The RDAs do not currently disaggregate their data by coastal towns. We requested that this be done but were told that it was not possible as the information was not available from RDA Management Information Systems.<sup>278</sup> Without data collated at a regional or national level on coastal towns, an evaluation of the economic situation and the adoption of appropriate policy responses is difficult, as is any evaluation of the effectiveness of RDAs in meeting the needs of coastal towns. The Minister for Industry and the Regions told us that her Department was currently reviewing the evaluation and monitoring data on the performance of RDAs. She agreed that at present it was not possible to determine the performance of RDAs in meeting the needs of coastal towns and that in her view the department did not monitor coastal towns in sufficient detail.<sup>279</sup> **Given that the Government does not collate or analyse data on the investment levels and business growth in coastal towns it is difficult to see the basis for any confidence that coastal RDAs are effectively meeting the economic needs of the coastal towns in their respective regions. We note that currently RDAs disaggregate their output data on a rural/urban basis. We urge the Government to require RDAs to disaggregate their data in relation to coastal areas in their region. This would enable the Government to evaluate the effectiveness of RDAs in developing the economies of coastal towns within their regions.**

102. The Department for Culture, Media and Sport (DCMS) has policy responsibility for tourism. There are a large number of other bodies and partnerships with delegated responsibility for tourism. VisitBritain is the national tourism agency with responsibility for advising Government and the promotion of Britain worldwide. The RDAs have a strategic responsibility for tourism within their regions. BRADA stated that there is “a multitude of different regional and sub regional structures” for tourism, including 110 Destination Management Organisations nationally with responsibility for promoting their areas.<sup>280</sup> It argued that the structures are confusing and asserted that “if tourism interests find it confusing what hope [is there] for the [Government] and others trying to deliver broader policies with tourism implications”.<sup>281</sup> The British Association of Leisure Parks, Piers & Attractions argued that at present there “is insufficient co-ordination in the development of many of the tourist destinations that we have around the UK, particularly

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<sup>278</sup> Ev 109

<sup>279</sup> Q 450

<sup>280</sup> Ev 97, HC 1023-II

<sup>281</sup> Ev 97, HC 1023-II

on the coast” and that this “is causing some of the difficulties they are facing”.<sup>282</sup> VisitBritain agreed that there are “a lot of bodies that are involved that are not necessarily networked in the way that they should be, and one of the challenges for Partners for England is to network them successfully.”<sup>283</sup> The Minister for State for Sport, Rt Hon. Richard Caborn MP, agreed, “there are far too many bodies [...] and that really needs to be streamlined”.<sup>284</sup> **Fragmentation within the tourism support sector is a national issue and not specific to coastal towns. Coastal towns, as well as other tourist areas, would benefit from a more coherent and streamlined national structure.**

103. Much of our evidence suggests insufficient appreciation on the part of Government of the experiences and needs of coastal towns.<sup>285</sup> BURA stated that the Government had no understanding of the ways in which national policies on HMOs or the benefits system, for instance, impacted on coastal towns specifically.<sup>286</sup> The Government recognises that there is a range of common characteristics found in many coastal towns but has admitted that in recent years it has not undertaken any large scale research on the problems facing coastal towns.<sup>287</sup> Levels of understanding about the needs of coastal towns also appear to vary between Government departments. As discussed previously, the Department for Work and Pensions appeared to have little awareness of the continuing levels of seasonality of employment within coastal towns and any policy implications resulting from this (see para 42). In contrast, the Minister for Industry and the Regions accepted that seasonal employment was a feature of coastal towns.<sup>288</sup> **The Minister for Local Government stated that, in his view, further research on the impact of policy would help the Government to understand fully the needs of coastal towns and inform policy-making.**<sup>289</sup> **We agree.**

104. The Government told us it did not have a standard definition of coastal towns.<sup>290</sup> This is reflected in the evidence provided from various Government departments. The DCLG’s evidence drew upon data from a sample group of 30 coastal towns, while the views expressed by the DWP appear to be based on evidence from 17 selected coastal towns.<sup>291</sup> Such variations have implications for policy development. It is difficult to see how a unified, Government-wide understanding of coastal towns can be developed without a common evidence base. **The Seaside Economy report states “Seaside towns are the least understood of Britain’s ‘problem’ areas”.**<sup>292</sup> **We concur with this view and believe the Government does not sufficiently appreciate the needs of coastal towns.**

105. A number of witnesses stated that they were unable to comment on the effectiveness of Government or specific departments, due to their lack of awareness of any

<sup>282</sup> Q 174

<sup>283</sup> Q 212

<sup>284</sup> Q 494

<sup>285</sup> See for example Ev 59, 62, HC 1023-II

<sup>286</sup> Q 284

<sup>287</sup> Ev 166, HC 1023-II

<sup>288</sup> Ev 65, HC 1023-II

<sup>289</sup> Q 522

<sup>290</sup> Ev 166, HC 1023-II

<sup>291</sup> Ev 175, HC 1023-II. See also Ev 92.

<sup>292</sup> *The Seaside Economy*, p. 9

Governmental action taken specifically on coastal towns.<sup>293</sup> Where witnesses were able to comment on cross-departmental Government liaison, they often argued that a more joined-up approach was needed.<sup>294</sup> The East Kent Partnership, for instance, told us that the onus is currently on local authorities to pursue different Government departments to support sustainable development strategies and projects, rather than one coherent Government approach to supporting local regeneration and that, this can be a barrier to successful regeneration.<sup>295</sup>

106. There is, nevertheless, some evidence which suggests that in a few specific policy areas that affect coastal towns, there is cross-departmental liaison. For example, the Parliamentary Under-Secretary, Department for Environment and Food and Rural Affairs, Barry Gardiner MP told us that DEFRA has liaised closely with the DCLG on the development of recent policy planning statements and on rural housing issues.<sup>296</sup> The DCMS, for example, has also worked with the DCLG to produce good practice planning guidance for tourism.<sup>297</sup> All Government policies can be seen to affect the lives of residents in coastal towns in some way. Given this situation, and that generally cross-departmental liaison takes place on policies, it is arguably easy to demonstrate that cross-departmental liaison takes place on general policy areas that these affect coastal towns. It is less easy to demonstrate that there is liaison on a strategic level specifically on coastal towns.

107. The Rt Hon. Margaret Hodge MP explained that, at a ministerial level, no regular discussions currently take place on coastal towns specifically but she thought that it would be a “good idea” if they did.<sup>298</sup> The DCLG did not provide any evidence of inter-departmental liaison specifically on coastal towns but provided examples of specific liaison on policy areas that affect coastal towns such as casino policy and coastal flooding.<sup>299</sup> There is no evidence of any strategic interdepartmental co-operation taking place specifically on coastal towns.

108. The Government has accepted that there are some common features shared by many coastal towns and that they face particular challenges.<sup>300</sup> Many of these challenges cannot be addressed successfully without inter-departmental liaison. Examples of issues that would benefit from greater cross-departmental liaison include:

- Addressing the high levels of deprivation in many coastal towns, through close liaison between DCLG and DTI, RDAS;
- Improving the transport links to many coastal towns, requiring the DCLG to work with the Department for Transport;

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<sup>293</sup> Ev 8, 41, HC 1023-II

<sup>294</sup> Ev 68, 99, 116, 137, HC 1023-II

<sup>295</sup> Ev 44, HC 1023-II

<sup>296</sup> Q 469

<sup>297</sup> Q 501

<sup>298</sup> Ev 67, HC 1023-II

<sup>299</sup> Ev 168, HC 1023-II

<sup>300</sup> Ev 166, HC 1023-II

- Dealing with the policy implications of the high elderly and vulnerable population found in many coastal towns through joint working between DCLG and the Department of Health;
- Tackling the challenges of seasonality in coastal towns through close liaison between DCLG and the DTI, and
- Reducing levels and concentrations of benefit dependency in coastal towns through a joint approach between the DCLG and the DWP.

109. **The lack of cross-departmental liaison on coastal towns is disappointing, indicating that there is a national policy vacuum on coastal towns. Given the common characteristics shared by many coastal towns and the cross-cutting nature of the common issues facing them, cross-departmental joint working must be put in place. This would be facilitated by greater understanding and transparency over the situation of coastal towns. The Government should establish a permanent cross-departmental working group on coastal towns led by the Department for Communities and Local Government. Its role should include monitoring and promoting cross-departmental understanding of the needs of coastal towns, consideration of the effect of Government policy on coastal towns and overview of any national initiatives for coastal towns.**

### ***A national strategy for coastal towns***

110. The Lincolnshire Coastal Action Zone called for a National Coastal Regeneration Strategy to address the needs of coastal towns.<sup>301</sup> It called for this to include a number of national initiatives such as: the establishment of a coastal enterprise zone; a housing-led regeneration scheme; the re-location of public sector employment to coastal areas and ‘coastal proofing’ of national policies.<sup>302</sup> It argued that such a national strategy was essential to address effectively the common issues affecting coastal towns.<sup>303</sup> BURA also supported the principle of having a national strategy for coastal towns, stressing the need for shared learning, although it acknowledges some risk if the strategy were to be seen as imposed by central Government. BRADA commented that theoretically a single national approach to coastal towns, including funding, sounded desirable, yet was sceptical that this could be practically implemented.<sup>304</sup> Professor Fothergill stated that a “one-size-fits-all approach is not necessarily appropriate” given the level of diversity among coastal towns.<sup>305</sup> SEEDA argued that coastal towns were too diverse to have a meaningful national strategy but that greater national recognition of the common issues faced in coastal towns and appropriate interventions in response would be welcome.<sup>306</sup> **Our analysis of the evidence has demonstrated that coastal towns are diverse but that many coastal towns do share some common features, including deprivation. We are convinced that there is a need for greater Governmental understanding and appreciation of the needs of coastal**

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<sup>301</sup> Ev 116, HC 1023-II. See also Ev 53, HC 1023-II.

<sup>302</sup> Ev 119, HC 1203-II

<sup>303</sup> Ev 116, C 1023-II

<sup>304</sup> Q 132

<sup>305</sup> Q 103

<sup>306</sup> Q 69

**towns. The variety of the challenges and opportunities that exist for coastal towns, however, make it difficult to conceive of a national strategy that would both an effective tool for delivery and sufficiently localised to reflect the diversity of conditions and needs in coastal towns and on this basis we are not recommending the adoption of a national strategy solely for coastal communities.**



## Conclusions and recommendations

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1. Government has neglected the needs of coastal towns for too long. A greater understanding and appreciation is needed of the challenges faced in coastal towns. A national strategy for coastal towns is not a solution to their needs as a 'one size fits all approach' is inappropriate, but there are a number of areas that are in need specific Government action.

### National policy

2. The Seaside Economy report states "Seaside towns are the least understood of Britain's 'problem' areas". We concur with this view and believe the Government does not sufficiently appreciate the needs of coastal towns . (Paragraph 104)
3. The lack of cross-departmental liaison on coastal towns is disappointing, indicating that there is a national policy vacuum on coastal towns. Given the common characteristics shared by many coastal towns and the cross-cutting nature of the common issues facing them, cross-departmental joint working must be put in place. This would be facilitated by greater understanding and transparency over the situation of coastal towns. The Government should establish a permanent cross-departmental working group on coastal towns led by the Department for Communities and Local Government. Its role should include monitoring and promoting cross-departmental understanding of the needs of coastal towns, consideration of the effect of Government policy on coastal towns and overview of any national initiatives for coastal towns. (Paragraph 109)
4. Our analysis of the evidence has demonstrated that coastal towns are diverse but that many coastal towns do share some common features, including deprivation. We are convinced that there is a need for greater Governmental understanding and appreciation of the needs of coastal towns. The variety of the challenges and opportunities that exist for coastal towns, however, make it difficult to conceive of a national strategy that would both an effective tool for delivery and sufficiently localised to reflect the diversity of conditions and needs in coastal towns and on this basis we are not recommending the adoption of a national strategy solely for coastal communities. (Paragraph 110)

### Vulnerable adults and children

5. There can be significant drawbacks from placing vulnerable adults and especially children in care away from their home area; we accept that there are times when it may be necessary in the best interests of the individual but it should not be done simply to reduce costs of the placing authority. Placing authorities should ensure that they communicate as far in advance as possible with host authorities about all aspects of the placement of vulnerable children and adults. Placing authorities should also consider the impact of placements on the receiving community and host authority, and they should take responsibility for the financial impact of those placements. (Paragraph 38)

## Coastal economies

6. We note that there has been employment growth in many coastal towns and that there is little significant difference between coastal and non-coastal towns in terms of overall average employment levels. We note, however, that a number of coastal towns do still have significantly lower than average employment levels. (Paragraph 47)
7. It is unacceptable and extraordinary that the Government should have no knowledge of a potentially significant national trend in which coastal towns have experienced a disproportionately high rise in the number of people claiming sickness and disability benefit levels. It appears likely that the scale of inward migration of benefit claimants could be a contributory factor. We recommend that the Government investigates this trend with a view to identifying and addressing its causes. (Paragraph 53)
8. Tourism continues to be an economically important sector for many coastal towns, and it is important that the Government recognises this. We recommend that the Government conducts an immediate study on coastal tourism, including evaluating the levels and spend of domestic and inbound visitors to the coast in comparison to non-coastal areas. We urge the Government to ensure that action is taken at a national level to promote visiting the English seaside, and to consider the merits of introducing a national coastal tourism strategy, following the example of Wales. (Paragraph 60)
9. Some coastal towns have successfully diversified their economies and reduced their dependency upon tourism. Many others would benefit from similar developments, particularly given the seasonal, low-skill and low-wage nature of employment in tourism. Economic diversification should be taken into account in regional and local regeneration strategies and development plans. We recommend that the Government encourages the sharing of best practice on economic diversification approaches for coastal towns. (Paragraph 61)
10. We find it surprising that the significance of seasonal work in coastal towns was not recognised by the Department of Work and Pensions, and only became apparent as a result of further investigation by the Committee. (Paragraph 64)
11. The seasonality of the economy in coastal towns presents economic and social challenges that need to be considered by national and local policy-makers. The Department of Work and Pensions' failure to highlight the significance of seasonality in its original evidence is suggestive of a wider lack of understanding in Government of the specific employment patterns in many coastal towns and the challenges associated with those patterns. (Paragraph 67)

## Housing

12. The shortage of affordable housing is not unique to coastal towns but can be exacerbated by the high level of inward migration and the purchase of second homes. Greater provision of affordable homes is a key priority in many coastal towns and could be an important factor in retaining young people in the area. (Paragraph 40)

13. It is clear that many coastal towns suffer disproportionately from poor-quality housing and in particular have high numbers of care homes and HMOs, many of which have been converted from redundant hotels. We recognise the availability of HMOs can attract a transient population into an area, which can bring particular challenges, particularly increasing the difficulty in gaining community involvement in local regeneration. (Paragraph 43)
14. We welcome the provisions within the Housing Act 2004 enabling local authorities to license Houses in Multiple Occupation. We recommend that the Government encourages local authorities to make full and effective use of the licensing and statutory planning powers available (including compulsory purchase) to manage HMOs. We recommend that the Government examines whether local authorities need additional powers to address the problems arising in areas with especially large numbers of HMOs. (Paragraph 46)

### Coastal management

15. Some coastal communities face significant and increasing risks from coastal erosion and flooding. We welcome the Government's consideration of adaptation measures and the launch of pilot projects. We are concerned, however, that the pace of Government action is too slow to meet the needs of those coastal communities where coastal erosion is at its most aggressive and that delay can only increase social injustice and uncertainty for those communities. We recommend that the Government, as a matter of urgency, put in place a fair and transparent national approach to coastal adaptation for communities threatened by the consequences of climate change. (Paragraph 17)
16. We welcome the use of Shoreline Management Plans which are a useful tool for managing development and coastal flooding and erosion risk. The Government should make Shoreline Management Plans statutory to strengthen their use in the planning process. This will ensure that adequate account is taken of coastal flooding and erosion risk. (Paragraph 19)
17. We welcome the measures within the Planning Policy Statement 25 that give greater weight to consideration of flood risk in the planning process. (Paragraph 20)
18. It is important that investment in sea defences is linked to the regeneration of coastal areas, and we welcome the steps now taken by the Environment Agency to ensure that the social and economic implications of sea defences works are considered at the outset and that the work contributes to the improvement of the public realm. We urge the Department for Communities and Local Government to work more closely with the Environment Agency and other bodies to ensure that opportunities for regeneration of coastal towns, afforded by investment in sea defences, are realised. (Paragraph 21)
19. We agree with the Environment Agency that the information provided to those considering purchasing a property in a coastal area must draw attention to the risks arising from flooding and coastal erosion, and therefore welcome the Government's

intention for coastal erosion risk maps to be available in the public domain in 2008 on a similar basis to existing flood risk maps. (Paragraph 22)

### Physical isolation

20. The physical isolation of many coastal towns is often a significant barrier to economic growth, development and regeneration. (Paragraph 12)

### Demographics

21. The inward migration of older people to coastal towns can bring benefits but it also places significant additional demands on public services, particularly in the areas of health and social care. (Paragraph 25)
22. Many coastal towns have higher than average levels of outward migration of young people which can contribute to a skewed demographic profile. (Paragraph 39)

### Regeneration

23. Differences of opinion over regeneration between different groups within the community can occur in any settlement. The demographic profile of many coastal towns, where a significant proportion of the community may have chosen to move to the area specifically because they like it the way it is, can exacerbate these tensions and represent a greater barrier to regeneration than may be experienced in some other areas. (Paragraph 79)
24. While we recognise that there are particular challenges in coastal towns, there is no substantive evidence to demonstrate that they generally experience lower cost-benefit ratios or higher costs in regeneration projects than other areas. (Paragraph 81)
25. Leaving responsibility for the sharing of best practice on coastal town regeneration with regions and sub-regions is not an adequate response, as coastal towns would benefit from the sharing of best practice and experiences at a national level. We welcome the recent events which have facilitated such exchanges but regret that these have been ad hoc. The Government has a role to play in supporting and encouraging coastal towns to share experiences and expertise. We recommend that the Government supports a permanent network to facilitate the spread of best practice in coastal town regeneration. (Paragraph 84)

### Funding

26. Given the number and complexity of the funding streams available for regeneration in coastal towns, there is considerable scope for their simplification and integration. We are not persuaded, however, that a specific funding stream for coastal town regeneration is warranted. We recommend that the Government evaluates the impact of the termination of various funding streams on coastal town regeneration, with a view to addressing any funding gap. (Paragraph 91)

27. We agree with witnesses that it is important that the Revenue Support Grant calculations take into account the levels of elderly and transient populations in an area, and recognise the geographical variation in demands placed on services by these groups. (Paragraph 92)
28. We agree with witnesses that Government funding to local authorities should reflect the impact of day visitors on the costs associated with maintaining the public realm in the formula for funding allocations. We suspect that witnesses are correct in their assertions that the funding formula methodology needs to be improved and recommend that the Government ensures that the data on day visitor numbers is both localised and up to date. (Paragraph 94)

## Education

29. The evidence suggests that a high number of young people in some coastal communities have low educational attainment levels and low aspirations. While we accept that raising educational achievement and career aspirations is an important element in local regeneration, we have no evidence to convince us that the experience of coastal communities in this regard is significantly different from other areas, such as inner cities or areas of deprivation, where the aspirations of young people and their level of educational attainment are lower than the national average. Any national initiatives to increase educational attainment levels in targeted geographical areas, should ensure that coastal communities with low attainment levels are included. (Paragraph 71)

## Further national and regional action

30. We note that RDAs have adopted a variety of approaches towards supporting coastal towns and that a number of these has been welcomed by local regeneration partners. We are not convinced that any mandatory requirement for RDAs to adopt a specific approach towards coastal towns would be beneficial. We do recommend, however, that one RDA (such as SEEDA, owing to its expertise) has lead responsibility for facilitating the sharing of best practice on coastal towns across regions, and that RDAs establish regional forums for coastal towns. (Paragraph 99)
31. Given that the Government does not collate or analyse data on the investment levels and business growth in coastal towns it is difficult to see the basis for any confidence that coastal RDAs are effectively meeting the economic needs of the coastal towns in their respective regions. We note that currently RDAs disaggregate their output data on a rural/urban basis. We urge the Government to require RDAs to disaggregate their data in relation to coastal areas in their region. This would enable the Government to evaluate the effectiveness of RDAs in developing the economies of coastal towns within their regions. (Paragraph 101)
32. Fragmentation within the tourism support sector is a national issue and not specific to coastal towns. Coastal towns, as well as other tourist areas, would benefit from a more coherent and streamlined national structure. (Paragraph 102)

33. The Minister for Local Government stated that, in his view, further research on the impact of policy would help the Government to understand fully the needs of coastal towns and inform policy-making. We agree. (Paragraph 103)

## Annex A: Visit note – Stakeholders in Exmouth, 6 June 2006

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### List of Participants

Dr Phyllis Starkey MP (Chair)

Sir Paul Beresford MP

Mr Clive Betts MP

John Cummings MP

Mr Greg Hands MP

Dr John Pugh MP

Alison Seabeck MP

**Mr Andrew Bailey** (Web Group)

**Mr Bernard Hughes** (Local Businessman, County and District Councillor)

**Mrs Jill Elson** (EDDC Communities portfolio holder and Exmouth member)

**Mr Paul Diviani** (EDDC Portfolio holder and Exmouth member)

**Cllr Eileen Wragg** (Mayor of Exmouth Town Council)

**Mr Chris Davis** (English Nature)

**Mr Simon Bolt** (Chairman of Chamber of Trade)

**Mr John Wokersien** (Town Clerk, Exmouth Town Council)

**Mr David Conway** (Exmouth WHC project Promotion Group)

**Mr Malcolm Sherry** (Business Consultant, Chair Honiton/East Devon Chamber of Commerce)

**Mr J D Fowler** (Eagle Investments Ltd)

**Mr Andrew Gibbins** (Natwest Bank PLC)

**Mr Robin Carter** (FWS Carter & Sons)

**Mr John Ward** (Cranford Nursing Home)

**Mr Tony Alexander** (Principle Exmouth Community College)

**Mr Ian Stuart** (Stuart Line Cruisers)

**Mr Peter Jeffs** (Director of Communities, EDDC)



**Mr Simon Wood** (Chamber of Trade)

**Ms Cherry Harris** (Exmouth Youth Worker, Devon County Council)

**Mrs Pat Graham** (EDDC member, Chairman of Exmouth Town Management partnership)

**Mr Frank Hart-Venn** (Exmouth Rotary)

**Mr John Bain** (Clinton Devon Estates)

**Mr. Chris Fayers** (Eagle One, developed the Docks area)

**Ms Joan Thomas** (Devon Cliffs Holiday Park)

**Mr Fowler** stated that Exmouth was a difficult town to categorise. It called itself a resort, but was more a town. It was economically dependent on Exeter, with a high proportion of retired people. There was no elected pressure to develop Exmouth as a coastal resort. Tourism was declining as traditional British resort goers were dying out. There was no development along the sea front, and the district council was happy in some ways not to revive it. In the meantime development was occurring in other places, and therefore jobs were created elsewhere, leading young people to leave the town and adults to seek work elsewhere.

**Cllr Wragg** stated that Exmouth needs to move away from the 1960s and 70s, and capitalise on the natural environment. The town had an SSSI in its estuary, was part of the Jurassic coast and was on the verge of hosting a visitors' centre. The county, district and town councils were all working together. One problem was that development would attract retired people, and this created an area of low paid work which meant young people could not afford to live in the town. Exmouth had a very large community college with 2,300 students, and it needed to keep young people in the town.

**Mr Bolt** expressed his view that in Exmouth there was a lack of jobs and adequate road infrastructure. The proposed A3303 dual carriageway had been downgraded, and there was no A road to the town. Public transport was also needed, but roads were more important, as better roads would attract more commuters. Exmouth was on a peninsula and at present was an 'end point going nowhere' — it needed to go somewhere.

**Mr Hassett** stated that there was a regional issue of a lack of affordable housing and employment. The economic future of the town was uncertain. The fishing industry was long gone, and tourism was restructuring itself.

**Mrs Elson** explained that Exmouth Council had to provide facilities for rural areas and day visitors, so not just its 36,000 residents, but more like 90,000. It needed to build in its opportunities, such as the forthcoming expansion of Exeter airport and the Skypark – it was the nearest coastal town to the development.

**Mr Jeffs** said that the town was split over embracing tourism. As well as the commercial economic benefit it brought costs to residents: low paid work which in term placed pressure on social housing; 420 holiday homes potentially empty for much of the year; unstable seasonal employment, which also led to difficulty finding housing; temporary

economic immigrants coming to the town for work which could present language issues and need for specialist services.

The greatest proportion of the town was the over 65s (23%), which meant there were more pensioners than under 20s, leading to inter-generational conflicts of view; such as between the vision of the area as a peaceful retirement place or that of a vibrant holiday resort or a place for young people to enjoy. Tourism also made demands on the taxpayer, e.g. maintaining sea front gardens, seating and beach cleaning.

**Mr Alexander** stated that the school was in very poor repair when he arrived four years ago, and has improved since, with lots of community support. However the funding it receives is very low—10-15% lower than other areas, e.g. Birmingham, where he had last taught. There was no provision for EFL teaching. From 2007, the school would like to make use of the Plymouth Royal College site, shortly to be vacated, which had superb facilities. There was a possibility that these buildings would be sold as a hotel or conference centre, which would be bad for the community college. Sixty-four per cent of pupils stayed on to the Sixth Form, the majority doing A levels. The college wanted to increase the vocational courses it offered too. Half the leavers went on to higher education, but a low number of these returned to the area. Twenty-two per cent of leavers went into local employment.

**Mr Bain** stated that the location of future employment land was of central importance for the economic development of Exmouth, in order to counter the dormitory effect of Exeter.

**Ms Harris** raised the issue of supportive housing. In particular, she stressed the importance of affordable housing for young people.

**Mrs Elson** stated that affordable housing was being addressed by the council, but that there were particular difficulties in the area with housing supply. Currently 18,000 people were on the housing register awaiting accommodation in Exmouth. She explained that there was a risk that more holiday properties would close in future due to the impact of the closure of the teacher training facility within Exmouth. This was because the properties tended to be rented during term-time to students and during the summer as holiday properties, in order for owners to maintain a regular income.

**Mr Fayers** explained that there was no affordable housing as part of the new marina development. However, a section 106 agreement had ensured that affordable housing would be provided within the town centre by the developer. This provided less affordable housing than the current local policy due to the planning decision being taken prior to it.

**Mr Conway** provided an overview of the proposal for the development of the Exmouth Gateway Visitor Centre. This was described as a major, ambitious project for the town that was supported by all partners. A feasibility study had been completed with the financial assistance from the SWRDA—this estimated visitor projections at 250-300 thousand people per annum. The proposal was for this development to be complete by 2009-10. The funding for this project had been allocated, but not formally committed as yet; however negotiations were taking place with the Living Landmarks Lottery Fund.

A number of meeting participants expressed the view that the night-time economy within Exmouth was booming, with young people being attracted into the town from a wide

catchment area. This had a real economic benefit to the town, but had associated issues that needed addressing. In particular, given the high resident older population this did cause tensions.

English Nature and the RSPB were supportive of the visitor centre and were content that there would be no adverse effect on the environment.

**Ms Homer** explained that the RDA had had cross-departmental meetings on the visitor centre. £7.1 million had been committed to the Jurassic coast, with nine towns benefiting. This was a major opportunity for the Exmouth-Swanage coast. Everything had to comply with the UNESCO science development plan.

**Mr Paul Diviani** stated that tourism represented 20% of the East Devon GDP. It was therefore balanced by other sectors. The RSS and the Regional Enterprise Strategy had increased employment provision. Many residents were resistant to change. The biggest problem, when the Cranbrook development was devised, was that the resources for infrastructure were not in district council control. Exmouth and its surrounds needed an iconic project to turn it into a tourist centre.

**Ms Stuart** informed the Committee that Exmouth had won an award for the best value family coastal resort. Stuart Cruises now operated all year round. The Ex was the top river in country for wildlife and attracted visitors in winter. Other people were starting to realise the potential for winter activity. She felt that many people in the meeting seemed to be against tourism, when in fact there was great potential which went undeveloped. The sea front swimming pool, for example, went unmodernised, and holiday camps were expanding and not being noticed. Stuart Cruises now employed ten people plus seasonal part timers.

**Mr Thomas** stated that the season was getting longer because of walkers. Exmouth had an excellent nightlife which attracted visitors.

**Mr Wokersien** said that Exeter was very lively at night. There were three clubs and lots of pubs, it was a developing sector. Some described the town as Jekyll and Hyde. Local people came for the nightlife, even from Exeter, not just tourists. This could create problems with the elderly residents. There were also 'boy racers', and the CCTV which had been installed with grants needed renewing, with no financing available to do this.

**Mrs Elson** stated that there were more licensed premises in Exmouth than Exeter. Almost all policing was done at night, and the elderly population was unhappy that most daytime shifts were taken by Community Support Officers.

**Mr Alexander** explained that Exeter Community College was the largest employer in East Devon. Tourism would be a big boost to the sector, especially once the Plymouth Royal College had moved. The seaside culture could encourage academic underachievement as low qualifications were needed for much local work.

**Mr Hughes** stated that the Committee should not think that Exmouth was not optimistic. Nimbyism and other anti-groups were preventing development. There had been a petition of 12,000 signatures to oppose Unlocking Exmouth, but at the same time, there was a recognition in the town that 'something needed to be done'. The town had really suffered

when Clark's factory had closed down, and the heart needed to be put back into the town. There were now 16 charity shops in the town centre – it was gradually running down. Part of the problem was that the council appeared to expect developers to pick up the costs of infrastructure improvement, for example, a £4 million watersports centre on the front had been proposed; was this to be entirely paid for by the developer? Work was needed on the roads, but this had been abandoned on cost grounds. Financial support from central government was needed.

**Cllr Temperley** stated that the problem for Exmouth was that it was too big to come under the assistance of the Market and Coastal Towns Association but too small to be a national priority.

**Mr Hassan** said that the town did not *look* deprived on a day to day basis but it was not fulfilling its potential. It had struggled to access national funds so that was why it was now looking towards the private sector. The regeneration of Exmouth did need to be part of a wider project.

**Cllr Wragg** stated that it should be made clear that a relatively small number of people were opposed to development; the petition was not reliable. The local press had supported the negative point of view until recently, but now was encouraging positive responses.

**Mr Fayers** said that Exmouth had only one third of the hinterland that most towns had, because of the coast and the estuary. Although the visitor centre plans were laudable, they were not a panacea for the town's economy. Returning visitors would be essential to success, and other problems the town faced should not be forgotten.

**Mr Venn** stated that the people of Exmouth were very supportive of the voluntary sector. The visitors centre would be an ongoing, evolving one which should attract return visits. The development's goal was to attract people who would return regularly.

**Mr Bolt** said that towns need an 'attractor' to generate visitors. Exmouth had relied too much on its resort side but now had new plans. However the town centre needed to be better, with proper planning and transport links.

**Mr Conway** explained that the visitor centre would go out to the wider community, encouraging local and longer term visitors. It was linked to the expansion of the community college. The county council did fund development; it had for example financed the cycle path on the coast at £1.9 million per annum.

## Annex B: Visit note – Stakeholders in Margate, 18 October 2006

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### Participants

Dr Phyllis Starkey MP (Chair)

Lyn Brown MP

Mr Greg Hands MP

Dr John Pugh MP

**Richard Samuel** (Chief Executive, Thanet District Council)

**John Bunnett** (Corp. Director, Thanet District Council)

**Cllr Sandy Ezekiel** (Leader, Thanet District Council)

**Sam Thomas** (Regeneration Manager, Thanet District Council)

**Cllr Bayford** (Chair, Margate Renewal Partnership)

**Carla Wenham** (Renewal Manager, Thanet District Council)

**Derek Harding** (Director, Renewal Partnership)

**Ann Smith** (Chair, Margate Town Partnership)

**Fran Warrington/Ruth Wood** (Kent Tourism Alliance)

**Frank Thorley** (Local Entrepreneur)

**Chief Supt. Peter West** (Kent Police)

**John Haward** (Director Kent and Medway, GOSE)

**Richard Murrells** (Director, Health for Children & Young People, Kent County Council)

**Janet Waghorn** (Executive Director, East Kent Partnership)

**Paul Tipple** (Chair, East Kent Partnership)

**Frances Rehal** (Director, Surestart Millmead)

**Victoria Pomery** (Director, Turner Contemporary)

**Keith MacKenney** (Regeneration Manager, Kent County Council)

**Lucy Betts** (Supporting Independence Programme)

**Allert Riepma** (Senior Development Manager, SEEDA)

**John Holmes** (Chair, Thanet Community Development Trust)

**Paul Trumble** (Chair, Local Strategic Partnership)

**Jenny Cranstone** (Dalby Square Project)

**Sue Buss** (Principal, Thanet College)

**Cheryl Pendry** (Press Officer, Thanet District Council)

**Andrea Bennett** (Corporate Project Officer, Thanet District Council)

The Chair opened the meeting by thanking local stakeholders for attending, and outlined the main themes of the Committee's inquiry.

**Mr Thorley** said that public funding was vital to the future of Margate. The future of the Dreamland site was the major issue facing the town as its regeneration could act as a catalyst for regeneration of the rest of Margate.

**Mr MacKenney** said the area benefited from a strong and active partnership. However, various local funding streams had been or would soon be lost—single regeneration budget, objective 2, townscape initiatives and Heritage Lottery Fund monies among them. He said that something equivalent to the coalfield communities fund could be a way forward towards helping coastal towns.

**Mr Thomas** said that the area differed from other urban centres because of the large number of small-scale private sector businesses operating in it.

**Ms Rehal** argued for the development of more children's centres, suggesting that more lottery funding was required and that the allocation of funding needed careful consideration.

**Mr Murrells** discussed the role of improved community infrastructure in regeneration.

**Mr Harding** said the town needed to be more reactive to its problems and stressed the scale of the problems relating to unemployment, a significant transient population and low local skills levels. A serious programme was required to tackle those issues.

**Ms Waghorn** said local authorities had worked with an inward investment agency to bring in more private sector experience. There had been significant advances in the town's marine and aviation facilities with substantial improvements in the port and the local airport. This effort was focused beyond Margate.

**Mr Trumble** said major improvements were necessary to local infrastructure, and that the Local Strategic Partnership was working on that. In particular, transport links required improvement, but the "loop", a bus system for the local area, was improving.

Another participant argued for significant infrastructure investment. He added that small and medium-sized enterprises could not afford to pay substantial training costs and that the area had sought large company investment but had many small firms operating within it. He argued for substantial improvements in local literacy and skills levels, suggesting



that community-based projects for training before formal qualifications were sought would be useful.

**Mr Holmes** stated that the image of coastal towns needed to be enhanced at a national level.

**Chief Supt Peter West** spoke on the issue of funding, saying that funding levels do not adequately reflect the level of policing need, influenced by factors such as the high numbers of Looked after Children in the area.

**Mr Riepma** outlined SEEDA's support for improving the skills-base within the local area. He went on to outline two major projects that SEEDA had supported to assist in regenerating the area, producing high-quality residential accommodation in the old town centre area and the development of a business park. It was stated that these projects would lever in private sector funding.

**Cllr Bayford** spoke on the need to enhance the image of Margate town centre. He noted that the Dreamland site was privately owned, and as such this presented a challenge.

**Ms Cranstone** spoke from her experience in regenerating Dalby Square of the need to involve residents and overcome their apathy. She also highlighted the lack of public transport in the area, informing the Committee that locals called Thanet 'Planet Thanet'.

**Ms Smith** stated that with climate change and global warming Thanet had the potential to increase its levels of tourists, and that as such it needed to improve its beaches and coastal paths.

**Mr Bunnnett** spoke on the need to have a vision for the local area and said strong partnerships were critical in developing a shared vision across organisations necessary for successful regeneration.

In response to a question on ownership of the vision for the area, **Ms Wenham** spoke of the work under way to communicate a co-ordinated simple message to the public about the regeneration of the town. **Mr Samuel** explained that as the Chief Executive of Thanet District Council he was ultimately responsible for the Vision and regeneration of the town, as the public look towards the district council for action.

**Cllr Ezekiel** spoke on the challenge in communicating change to the public particularly on issues such as the Dreamland site, where there is a resistance to change. He explained that the council had a community leadership role in communicating and managing this change process.

**Ms Wenham** added that there was a particular difficulty in engaging transient populations in regeneration, as they are not connected to the local area.

**Mr. Harding** stated that many local people held a nostalgic regard for Dreamland as they feel it is the heart of Margate. He explained that this was a difficult issue and that people need to be helped to develop a new identity with the town.



**Mr Tipple** stressed that the need for good transport links within the local area was just as important as its rail link to London. In particular, Thanet had a low level of car ownership making effective public transport even more important.

**Mr Murrells** said that raising the educational attainment levels in the area was vital in attracting the private sector to invest. He stated that central Government needed to create more incentives beyond simple investment in schools for this to take place.

**Mr Thorley** finished by stating that Margate had a lot to offer tourists and private investors, as he believed Margate was an attractive seaside town with the best beaches.

## Annex C: Visit note – Young people in Margate, 18 October 2006

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### Participants

Dr Phyllis Starkey MP (Chair)

Lyn Brown MP

Mr Greg Hands MP

Dr John Pugh MP

**Nigel Cross** (Thanet Youth Council Officer)

**Kirra Contento** (Thanet Youth Council)

**Robert Ward** (Charles Dickens School)

**Jameelah Bowden** (Charles Dickens School)

**Mat Hayes** (Hereson School)

**Alex Fitzjohn** (Hereson School)

**Dan Parkinson** (Hereson School)

**Kyle Daniel** (Hereson School)

**Zak Bowra** (Hereson School)

The Chair opened the meeting by outlining the purpose of the Committee's inquiry.

### **General points**

The general view expressed by the young people was that there is not much for them to do in Margate in evenings or at weekends. The lack of any kind of youth centre or sports facilities meant that young people generally stayed home or hung around on street corners, which led to the possibility of drinking and fights.

**Miss Contento** said that the local council had organised summer activities, including bowling, skating and mountain biking, which had proved popular and been well attended, but that the funding was not available to do this all year round.

### **Job opportunities**

The group from Hereson School said that most young people in and around the town expected to move away when they left school, not least because of job opportunities. There was plenty of manual labour around, particularly in the building trade, but few, if any, opportunities for office work. Most would think about living in London.

There were summertime jobs available for their age group. Several said they would consider staying in the area if better-quality jobs were available. They felt pushed to go elsewhere in search of work. Two of the Hereson group had moved into the area from Bradford and Huddersfield: each felt their previous home had had more to offer people their age, and each intended to move away.

### **Drugs**

The Hereson group said that weed was the most easily—and pretty easily—obtainable drug. Harder drugs were less prevalent. They believed that most drugs arrived in the area from London.

### **Policing**

One of the group also said the local police could spend more time trying to deal with local drug sales; at present, particularly on weekends, too much of their time was spent dealing with routine trouble, such as street fights. Indeed, there was a general feeling that the police were not sufficiently visible. There was a general feeling that Margate, in particular among local towns, was a trouble spot. None of the group had themselves been beaten up, but several knew people who had.

### **Absence of youth facilities**

The pupils from Charles Dickens school said that there was little to do in town at weekends, which were spent largely phoning friends, meeting in the town, or watching television or doing coursework at home.

One of the Hereson group said that things were easier for younger people in the summer because of the beach—“but you can’t go there every day”.

### **Relationship with older people**

On relationships with older people, one of the Hereson group suggested younger people tended to be branded as bad apples on the basis of isolated incidents.

### **Aspiration**

Asked how many of them intended to go on to university, three of the eight put their hands up.

## Annex D: Visit note – Stakeholders in Hastings, 18 October 2006

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### Participants

Dr Phyllis Starkey MP (Chair)

Lyn Brown MP

Dr John Pugh MP

**Robin Deane** (Performance Director, 1066 Housing Association)

**Clive Galbraith** (Co-chair of the Local Strategic Partnership)

**John Hodges** (Co-chair of the Local Strategic Partnership)

**Tim Hulme** (Director of Projects, Hastings New College)

**Steve Manwaring** (Director, Hastings Voluntary Action)

**Graham Marley** (Ten Sixty Six Enterprise)

**Cllr Matthew Lock** (lead member regeneration at Hastings Borough Council, and East Sussex County Council transport lead)

**Roy Mawford** (Chief Executive, Hastings Borough Council)

**Cheryl Miller** (Chief Executive, East Sussex County Council)

**Michael Nix** (Partnership Director, Hastings and Rother Learning and Skills Council)

**Cllr Peter Pragnell** (Leader of Hastings Borough Council)

**Cllr Simon Radford-Kirby** (economic development projects, East Sussex County Council)

**John Shaw** (Director, Sea Space (local regeneration company))

**Luke Springthorpe** (Chair, Young Persons' Council)

**Steve Swan** (National Sales and Development Manager, Tomorrow's People)

**Owen Thompson** (Chair, Local Strategic Partnership equalities group)

The Chair opened the meeting by thanking local stakeholders for attending, and outlined the main themes of the Committee's inquiry.

**Cllr Pragnell** welcomed the Committee on behalf of the participants. He stated that having recently become council leader, he and his group intended to maintain the cross-party commitment to regenerating Hastings, a prime example of which was the university centre in which we were having the meeting. But it had taken the town 40 to 60 years to

decline, and regeneration would be a long-term process. He said that the key issue facing the town was education and training with a view to improving the skills base in order to attract employers. An early key plank of that programme would be the development of a major college on the old station site.

**Mr Mawford** said Hastings had, 50 years ago, been the third tourist resort in the country behind Blackpool and Bournemouth, but that over-reliance on tourism was part of the reason for subsequent decline. None the less, although education was, indeed, the key issue in reviving Hastings, tourism remained the second most important issue. Transport was the third major need: Hastings connections with Kent and beyond were vital to bring wages, house prices and employment levels up.

**Ms Miller** said Hastings differed significantly from other coastal towns in the strength of the partnerships forged between the various strands of local government and development agencies. This had arisen from the Government's rejection of a bypass plan, leading to the creation of a 10-year, five-point plan for the area.

**Mr Shaw** outlined the vision for Hastings contained in those five points: 1) Urban renaissance. 2) Educational excellence. 3) Business and enterprise initiatives aimed at existing businesses, expansion and links to educational institutions. 4) Improving IT use in business, particularly broadband. 5) Improved transport connections, both road and rail.

He added that Hastings' employment demography gave the town unique problems:

- 41% is public sector;
- 13% manufacturing (which is above the regional average);
- 22% is in distribution, retailing and hospitality (below the 29% regional average);
- 8% is in financial services (well below the 22% regional average).

This profile highlighted the lack of high-skilled employment opportunities in the area. In addition, the employment rate was 70%, against a national 80% average, and educational qualifications also fell below national averages.

Finally, Hastings suffered from low-quality housing stock as a result of poor conversion of former tourist resort properties. In the 1950s, the town had 50,000 bed nights, with accommodation to match. Now the figure was nearer 900 bed nights, with the accommodation converted into flats or HMOs.

**Mr Hodges** said Hastings's problems stretched back 150 rather than just 50 years. The town had always had transient populations moving through and had been at the fringe of everything and the centre of nothing. The former tourist hotels had now become transient accommodation for refugees, with a high concentration of Kosovans. But the town needed to remember it had a 180 degree hinterland, with the view in the direction of the other 180 degrees across the channel.

**Mr Deane** talked about the neighbourhood renewal focus on social housing. The neighbourhood renewal unit, in particular, had a strongly urban focus, rather than dealing with specifically coastal concerns. HMOs were a common issue facing coastal towns.

**Mr Hulme** also said the town had significant similarities with Margate and Folkestone as former coastal resorts. The new college in Hastings was focused on improving skills among the young, with 1,200 full-time and 10,000 part-time students. Employers seeking workers had reported that basic reading and writing skills in the area were often poor – in some instances, school leavers had the literacy levels of 10-year-olds. For the college, that raised the difficulty that students of the right age were often a long way from being able to undertake further education.

**Mr Mawford** added that the town had an unusual population profile: more young and older people than average, with consequently fewer in the middle age range.

**Cllr Radford-Kirby** said that Hastings suffered, as the whole of East Sussex did, from accessibility problems. This was nothing new: 14th century east Sussex peasants had been unable to join the Peasants' Revolt for lack of usable roads.

He highlighted significant local employment issues, such as the seasonality of employment and the number of low-paid jobs – “not what you'd want if you had a choice”.

**Cllr Pragnell**, in response to questions, stressed that tourism was not the No. 1 industry in the town, and had not been since at least the 1970s. Although educational attainment was rising, the town still had high levels of people suffering mental health problems.

**Mr Marley** said there were two key issues: skill levels and ‘employability’ among younger people; and transport, with 85% of the area's businesses and micro-businesses operating within a 10-mile radius because they simply couldn't get out any further.

**Mr Swann**, national sales and development manager of Tomorrow's People, pleaded with the Committee not to forget disadvantaged people and the work of the third sector. He said that Single Regeneration Budget funding for his group would end in March and that the Learning and Skills Council was providing only 10 months' funding for educational provision. Sustainable long-term funding for the third sector was a priority.

**Mr Thompson**, chair of the local strategic partnership equalities group, said that Hastings was a multicultural town. It had become a dispersal area for asylum seekers, but without sufficient government support for that burden in an already deprived area. The town had coped, but needed more help.

**Cllr Pragnell** added that the number of asylum seekers being housed in the town was falling off, and that dispersal was being handled better with people being housed at different locations throughout the area: at one point previously, “torturers and tortured” had been housed in the same former hotel, leading to the obvious trouble between different groups.

**Cllr Matthew Lock** said, on educational needs and skills levels, that he had been shocked to read a survey saying most employers in the area would prefer to employ an ex-prisoner than a school-leaver on the grounds that the former were more reliable.

**Cllr Radford-Kirby** said that there had not been enough money to deal with dispersal of asylum seekers in Hastings, perhaps because the area suffered from the incorrect perception that the south-east is rich.

**Ms Miller** noted that the black and minority ethnic population of the area was only 3% of the total.

**Mr Thompson** added that that population had previously been negligible: when he arrived in Hastings 40 years ago, this was the only dark face he ever saw.

**Cllr Pragnell** added, though, that there are now between 70 and 90 ethnic groups within the area.

**Ms Miller** said that a response to the changing population was required from the area's education authority, and that increasing legal constraints on how the travellers population should be dealt with raised issues.

She agreed with **Mr Radford-Kirby** that Hastings might be seen as prosperous because it was in the south-east, while it in fact had the same GDP as Merseyside or Humberside.

She, too, stressed connectivity problems — it takes as long to go from Hastings to London as from London to Yorkshire.

She, too, said improved tourism will not alone regenerate the town: better employment opportunities are the route to economic improvement, while changing the town's image as somewhere people retire to is also essential.

She also explained the need to change the town's demographic profile, stressing that Hastings had among the highest proportions of elderly people in the country.

**Mr Manwaring**, said although Hastings was a small place it had a vibrant voluntary sector with more than 400 organisations at work. But local action sometimes happened in spite of rather than because of national programmes. He called for neighbourhood renewal assistance to help get self-starting local schemes under way.

**Cllr Lock**, in response to questioning on whether the role of tourism was not being undervalued, said that Hastings was looking forwards not backwards.

**Cllr Pragnell** added that the town had a past and was proud of it — the recent 940th anniversary celebrations of the Battle of Hastings, for example. Links were being forged with Bayeux, Calvados and Caen on the basis of that shared past, but Hastings was not primarily a seaside resort and tourism alone would not be enough to lift out of decline a town that was the 39th most deprived borough among 350.

**Mr Hedges** said, however, that 2,000 people had taken part in the Battle of Hastings re-enactment recently, with 10,000 in the area and spending money for the event. He said many of Hastings's problems were self-inflicted, with inept councils not investing properly.

**Mr Springthorpe** said there were 25,000 young people in the area. His main interest was in the social side of regeneration, with a major need for a youth building offering educational and recreational opportunities. Otherwise, drinking was a local problem because young people had few places to go but pubs, especially in the winter months.

He said local buses could do better at serving people's needs rather than sticking to set routes: for example, they could focus on places young people might leave in significant numbers late at night.



Older people in the town perceived a pandemic of youngsters out drinking on the streets, a perception that could be partly addressed by creating a centre for the younger population.

Like **Cllr Lock**, he was appalled by the survey reporting that employers were more likely to employ ex-prisoners than young people, and he felt that owed something to perceptions created by the media about young people's habits and educational levels.

He believed that most young people would want to leave the town when it came to seeking jobs. There simply were not enough high-end jobs, with Brighton and London much more attractive. Low-skilled jobs were available, but the town badly needed a high-skilled labour force so that jobs would be created in the area.

He also said that while schools surrounding Hastings were of good quality, standards within the town's schools were low.

It fairly easy to obtain "soft" drugs — cannabis and ecstasy in particular. Some cocaine was also available. He believed that these drugs came to the town from London.

**Mr Thompson** praised the youth council for working with older people in the town on common problems.

**Mr Mawford**, questioned about perceptions of the town created by the media, said the local media were generally supportive, but that national media stories, particularly in the Daily Mail, had been deeply unhelpful.

## Witnesses

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<b>Adam Bates</b> , Head of Tourism, Brighton & Hove City Council	Ev 5
<b>Dr Robin McInnes OBE</b> , Coastal Manager, and <b>Steve Weaver</b> , Chief Executive, Blackpool Borough Council	Ev 5
<b>Councillor Ian Ward</b> , Cabinet Member for Environment, Planning and Transport, Isle of Wight Council	Ev 5
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<b>Professor Steve Fothergill</b> , Centre for Regional Economic and Social Research, Sheffield Hallam University	Ev 16
<b>James Hassett</b> , Chief Executive, Market and Coastal Towns Association	Ev 20
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## Tuesday 11 July 2006

- Colin Dawson**, Chief Executive, **Philip Miller MBE**, Managing Director of Stockvale Ltd, The British Association of Leisure Parks, Piers & Attractions Ltd Ev 30
- Michael Bedingfield**, England Marketing Director, **Stuart Barrow**, Government Affairs Officer, VisitBritain Ev 30
- Judith Cligman**, Director of Policy, **Kate Clarke**, Deputy Director, Policy, Heritage Lottery Fund Ev 36
- Duncan McCallum**, Policy Director, Policy and Communications Group, English Heritage Ev 36
- Jess Steele**, Deputy Chief Executive, British Urban Regeneration Association Ev 41

## Tuesday 17 October 2006

- Peter Kegg**, Chartered Institute of Housing and Chief Executive of Bournemouth Churches Housing Association Ev 45
- Sophie Livingston**, Head of Policy and Communications, and **Peter Shimwell**, Manager of the Redruth Foyer, Foyer Federation Ev 49
- Bill Wells**, Economy and Labour Market Divisional Manager, DWP, and **Jeremy Groombridge**, Director Business Design, JobCentre Plus Ev 53
- Dr David King**, Director of Water Management, and **Phil Rothwell**, Head of Flood Risk Management Policy, Environment Agency Ev 56
- Peter Marsh**, Regional Director of Skills, Learning and Skills Council, SE Region Ev 59

## Tuesday 24 October 2006

- Rt Hon. Margaret Hodge MBE MP**, Minister of State (Industry and the Regions), Department of Trade and Industry Ev 63
- Barry Gardiner MP**, Parliamentary Under-Secretary (Biodiversity, Landscape and Rural Affairs, Department for the Environment, Food and Rural Affairs Ev 67
- Rt Hon. Richard Caborn MP**, Minister of State (Sport), Department for Culture, Media and Sport Ev 71
- Phil Woolas MP**, Minister of State (Local Government & Community Cohesion) Ev 75

## List of written evidence

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The following written submissions were published on 18 April 2006 in *Coastal Towns: Written Evidence*, HC 1023-II, Session 2005–06.

Councillor Geoffrey Richards, Sutton on Sea South Ward  
Coastal Academy  
Councillor Ron Shapland MBE BSc FICFor  
Lancaster City Council  
Exmouth Town Council  
Cumbria Tourist Board  
Channel Corridor Partnership (CCP)  
Caradon District Council  
English Regional Development Agencies (RDAs)  
Essex County Council  
South Hams District Council  
South Lakeland District Council  
East of England Development Agency (EEDA)  
nef (new economics foundation)  
Holyhead Forward  
Market and Coastal Towns Association (MCTA)  
Southport Partnership  
Skegness Town Council  
Southampton City Council  
Torbay Line Rail Users Group  
Dover Pride  
East Kent Partnership  
Thanet District Council  
Jenny Lennon-Wood & Christopher Wood  
Cornwall County Council  
The Theatres Trust  
Sefton Metropolitan Borough Council  
The National Piers Society  
Dover District Council  
East Riding of Yorkshire Council (ERYC)  
United Utilities (UU)  
Learning and Skills Council (LSC)  
Kent County Council  
South East of England Development Agency (SEEDA)  
Shepway District Council  
Brighton & Hove City Council  
English Heritage  
South Tyneside Council  
Kent Green Party  
Bournemouth Borough Council

The British Amusement Catering Trades Association (BACTA)  
British Resorts And Destinations Association (BRADA)  
Shepway Economic Regeneration Partnership  
Devon County Council  
Lincolnshire Coastal Action Zone (CAZ) Partnership  
Isle of Wight Council  
Blackpool Council  
Torbay Council  
Wyre Borough Council  
Environment Agency  
Suffolk Coastal District Council  
The British Associations of Leisure Parks, Piers & Attractions Ltd (BALPPA)  
Heritage Lottery Fund (HLF)  
Office of the Deputy Prime Minister

## Supplementary written evidence

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The following written submissions were received after the publication of *Coastal Towns: Written Evidence, HC 1023-II, Session 2005–06*. They are reproduced in the back pages of this Report.

District of Easington (CT 55)	Ev 82
North West Development Agency (NWDA) (CT 56)	Ev 85
VisitBritain (CT 57)	Ev 85
British Urban Regeneration Association (BURA) (CT 58)	Ev 88
Foyer Federation (CT 59)	Ev 89
Department for Work and Pensions (DWP) (CT 60)	Ev 92
Supplementary memorandum by the Department for Work and Pensions (DWP) (CT 60(a))	Ev 100
Department for Trade and Industry (DTI) (CT 61)	Ev 108
Supplementary memorandum by the Department for Trade and Industry (DTI) (CT 61(a))	Ev 109
Mr M S Kirkaldie BSc (CT 62)	Ev 109
Mr Glyn-Jones (CT 63)	Ev 110
Department for Culture, Media and Sport (DCMS) (CT 64)	Ev 110
Supplementary memorandum by the East Riding of Yorkshire Council (CT 30(a))	Ev 112
Supplementary memorandum by the Environment Agency (CT 50(a))	Ev 114
London Councils (CT 65)	Ev 121
Local Government Association (CT 66)	Ev 122
Supplementary memorandum by the Department for Communities and Local Government (CT 56(b))	Ev 122
Supplementary memorandum by the Department for Work and Pensions (DWP) (CT 60(b))	Ev 123
Supplementary memorandum by the Department for Work and Pensions (DWP) (CT 60(c))	Ev 131

## List of unprinted written evidence

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Additional papers have been received from the following and have been reported to the House but to save printing costs they have not been printed and copies have been placed in the House of Commons Library where they may be inspected by Members. Other copies are in the Record Office, House of Lords and are available to the public for inspection. Requests for inspection should be addressed to the Parliamentary Archives, House of Lords, London SW1. (Tel 020 7219 3074). Hours of inspection are from 9:30am to 5:00pm on Mondays to Fridays.

CT 36(i) - Economic indicators and measures of deprivation, Brighton & Hove City Council

CT 37(i) - Background paper from English Heritage/Heritage Lottery Fund for the Committee's visit to Margate, Whitstable and Hasting, 18 Oct 06

CT B/P 02 – DCMS – Background note on Government Policy

CT B/P 06 – JPC Shapter/Sybil Cardy – Documents re: development of Exmouth Docks.

CT B/P 10 – Save Dreamland Campaign [note from the Committee visit to Margate, Whitstable and Hastings, 18 Oct '06]

CT B/P 14 – Note from Councillor Jeannie Law, Ward Councillor for Seasalter, Whitstable, Kent on 'How Whitstable turned itself into a success'



# Formal Minutes

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**Monday 26 February 2007**

Members present:

Dr Phyllis Starkey, in the Chair

Sir Paul Beresford

Mr Clive Betts

John Cummings

Mr Greg Hands

Anne Main

Dr John Pugh

## ***Coastal Towns***

Draft Report (*Coastal Towns*), proposed by the Chairman, brought up and read.

*Ordered*, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 110 read and agreed to.

Annexes read and agreed to.

*Resolved*, That the Report be the Second Report of the Committee to the House.

*Ordered*, That the Chairman do make the Report to the House.

*Ordered*, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

Several Papers were ordered to be appended to the Minutes of Evidence.

*Ordered*, That Appendices to the Minutes of Evidence taken before the Committee be reported to the House.

[Adjourned till Tuesday 27 February 2007 at Ten o'clock.]

# Reports from the Communities and Local Government Committee in the current Parliament

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The following reports have been produced by the Committee in the current Parliament. The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

On 27<sup>th</sup> June 2006, by Order of the House, the ODPM Committee was succeeded by the Communities and Local Government Committee and all proceedings of the former Committee were deemed to be proceedings of the latter.

## Session 2005–06

First Report	The Work of the Committee in 2005–06	HC 198
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## Session 2005–06

First Report	ODPM Annual Report and Accounts	HC 559 ( <i>HC 1072</i> )
Second Report	Re-licensing	HC 606 ( <i>Cm 6788</i> )
Third Report	Affordability and the Supply of Housing	HC 703–I ( <i>Cm 6912</i> )
First Special Report	Government Response to the Committee's Fourth Report of Session 2004–05, on the ODPM Annual Report and Accounts 2004	HC 407
Second Special Report	Government Response to the Committee's Eleventh Report of Session 2004–05, on the Role and Effectiveness of The Local Government Ombudsmen for England	HC 605
Third Special Report	Government Response to the Committee's Seventh Report of Session 2004–05, on the Role and Effectiveness of the Standards Board for England	HC 988
Fourth Special Report	Government Response to the Committee's First Report of Session 2005–06, on the ODPM Annual Report and Accounts 2005.	HC 1072
Fourth Report	The Fire and Rescue Service	HC 872–I ( <i>Cm 6919</i> )
Fifth Report	Planning-gain Supplement	HC 1024–I ( <i>Cm 7005</i> )

# Oral evidence

## Taken before the Office of the Deputy Prime Minister: Housing, Planning, Local Government and the Regions Committee

on Tuesday 27 June 2006

Members present

Dr Phyllis Starkey, in the Chair

Sir Paul Beresford  
Mr Clive Betts  
Lyn Brown  
John Cummings  
Mr Greg Hands

Anne Main  
Mr Bill Olnor  
Dr John Pugh  
Alison Seabeck

*Witnesses:* **Mr Stephen Vinson**, Head of Economic & Community Services, **Mrs Kaja Curry**, Tourism Development Manager, Caradon District Council, **Mr Paul Bellotti**, Forward Planning Manager, **Ms Sue Lang**, Principal Regeneration Manager, East Riding of Yorkshire Council, and **Mr Peter Coe**, Head of Regeneration, District of Easington Council, gave evidence.

**Q1 Chair:** Perhaps I may start this afternoon's evidence session which is the first one we have held in the House of Commons. We had a session in Exmouth to start off our investigation into coastal towns. We are interested in identifying the challenges of coastal towns and the effectiveness of regional and national responses to those challenges. I hope that the witnesses will feel free to speak absolutely frankly. We are not here to pass judgment on your individual towns but to try to use your experience to inform our investigation. In a moment I shall ask you to say who you are and where you are from. Given that we are pressed for time, if one witness has made a point do not feel that you have to do it again just to demonstrate that it occurs elsewhere.

**Ms Lang:** I am Sue Lang, Regeneration and Funding Manager of East Riding of Yorkshire Council.

**Mr Bellotti:** I am Paul Bellotti, Forward Planning Manager, also of East Riding of Yorkshire Council.

**Mr Vinson:** I am Stephen Vinson, Head of Economic and Community Services of Caradon District Council.

**Mrs Curry:** I am Kaja Curry, Tourism Development Manager for Caradon District Council, Cornwall.

**Mr Coe:** I am Peter Coe, Head of Regeneration, Easington District Council.

**Q2 Chair:** A number of you have highlighted the range of challenges that you feel coastal towns face, including deprivation, environmental constraints and unemployment. Those sorts of issues are faced by a large number of towns across the country. Can you say why you think coastal towns are worthy of special attention?

**Mr Vinson:** Our basic view is that because these towns are set on a coastline they have 180 degrees—maybe more if they are on a headland—

of sea and obviously no settlements or people to support the basis of an economy. If there are inland towns—we have some—on main thoroughfares they have a threshold population much greater than the town itself to draw upon in terms of the provision of public services or businesses. A coastal town has a void in population in terms of what one can call upon to provide services.

**Q3 Chair:** Is that the major characteristic that makes them differ from other towns?

**Mr Coe:** We were late in giving evidence. We are not a typical resort coastal town. Easington is an ex-coalfield and ex-industrial area. The linkages with major conurbations, however, in terms of transport and economic infrastructure would be common across most coastal areas, in that a lot of investment and development has happened in larger cities and areas of growth, and distance to travel to work and accessibility is now an increasing part of economic markets from which I believe all coastal areas suffer.

**Mr Bellotti:** Coastal towns often feature environmental assets such as heritage coasts and certainly around Bridlington we have those, which mean there are limitations on where we can develop in future and choose suitable sites for regeneration. While it is an asset to attract visitors to Bridlington it can also be a constraint.

**Q4 Chair:** I should like to ask one further question about the major constraints on economic development in each of your areas and what you are doing to tackle those constraints.

**Mr Vinson:** Our particular area as a coastal town in an AONB landscape setting is very attractive and is popular with tourism. The basis of the local economy is tourism which is very seasonal. There is a low wage rate with a limited career structure. The difficulty lies in reinvestment to maintain a good stock of premises, particularly as one has a

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27 June 2006 Mr Stephen Vinson, Mrs Kaja Curry, Mr Paul Bellotti, Ms Sue Lang and Mr Peter Coe

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conservation area to take into account. We are looking both to diversify the tourism basis and extend the season and go upmarket in quality. We are also working with the RDA on an historic environmental heritage scheme which seeks to invest RDA, European, English Heritage, council and private sector funding to upgrade premises which are not maintained to a consistent standard because the economic base is so cyclical in nature given its link to tourism.

**Ms Lang:** Bridlington had a lot of land designated for employment and went all out to attract some major inward investors, but one by one all of them have moved away from the area. They find that they cannot make it stack up economically because of the distance from main markets. We are trying to concentrate on growing local businesses and harnessing the benefit from things like digital technology which means that businesses are less dependent on being adjacent to markets. To do that means having to reconfigure the business premises base within the town and also to fit it into a tourism context.

**Mr Coe:** Easington probably suffers blanket deprivation both in social and economic terms; indeed, it is the seventh worst district authority in the country based on the index of multiple deprivation. I will not go into all the barriers and issues that we face, but they are wide-ranging in nature. This is largely the legacy of the mining industry and economic blight that is apparent in the area. Significant efforts have been made in education and skills to bring forward demand-led enterprise zones and economic growth, and that has been largely as a result of the national coalfield programme. In our main coastal town there has been a 15-year concerted effort effectively to try to redesign its purpose and diversify its economy.

**Q5 John Cummings:** How has your tourism industry changed over the past 10 years? I address myself to the two sets of witnesses because Easington is perhaps a different entity from what we have talked about here?

**Ms Lang:** It has changed very much. There is a group of people who choose to spend their two weeks in Bridlington or other resorts and there are still services and accommodation to cater for them. We have seen a considerable increase in self-catering, particularly caravan parks, but there are a lot more day trips which create problems. For the same amount of visitor spend, this generates hugely increased numbers of journeys to the town which needs to be managed. Another issue is the positioning of places like Bridlington in terms of business tourism. We have a conference and event venue, but we have done a lot of research into how to position that venue so it is not just creating more supply without demand.

**Q6 John Cummings:** Can you give a practical example of the impact that that has had upon your particular area?

**Ms Lang:** One key issue is the need to work very closely with caravan park owners, for example. To compete they have had to provide more and more facilities on their sites—swimming pools, evening venues et cetera—which mean that people are not going into the town and perhaps spending as much money as we would like. But we have built up quite a good relationship with them and want to be able to promote the whole experience of being in that area. We have also done a lot of work with bed and breakfast establishments and small hoteliers to enable them to bring their products up to standard. With Objective 2 and Yorkshire Forward funding through RDA we have enabled them to create better *en suite* facilities, reorganise facilities, improve frontages and create a more upmarket feel to the areas of B&Bs.

**Q7 Anne Main:** You said earlier that there are still people who choose to spend the two weeks of their holiday in your area. Has that profile of persons or families changed, or is it the same as you would have expected? I just want to see if your tourism base is changing.

**Ms Lang:** Without being pejorative, those communities falling within C2, D and E tend to take those staying holidays. What we seek to do is make it appeal to a broader spectrum of people.

**Q8 Anne Main:** Has there been any change in the age profile?

**Ms Lang:** They tend to be older; it is an aging population. There are people who have been to the same bed and breakfast for 20 to 25 years running.

**Q9 Anne Main:** Therefore, it is an aging tourist population?

**Ms Lang:** Yes.

**Q10 Mr Betts:** It depends on the age profile of your resident population and the extent to which you have a skewed demographic profile. There are probably fewer younger people than the average. What does that do in terms of the economic impact on the area and the pressure on services?

**Mrs Curry:** In Caradon we have an aging population. We have a higher proportion of the elderly and also many fewer younger people in our coastal towns and other parts. That is obviously having an impact on health services in particular. They have a higher requirement for health services. It also has an impact on employment opportunities for younger people. There are many fewer opportunities for them; they have to travel further. It also has an impact on education. There is no post-16 education in Looe, for example; students have to travel further for that. All the time it is undermining the reason for young people to stay; it makes it more difficult or even impossible for them to stay. Therefore, it is less likely to attract incomers with families because the infrastructure is not there to support young people.

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**Q11 Mr Hands:** I should like to come back to Caradon. I must declare an interest, in that as a child I lived in Looe between 1973 and 1976. I am somewhat out of date. To return to tourism for a moment, how great do you believe is the potential, bearing in mind what appears to be an overall reduction in general seaside tourism in the United Kingdom, for developing niche tourism? Basically, fishing towns like Looe are not attracting the same number of bed-and-breakfast-type people but may pitch for a more upmarket kind of tourist industry, for example shark fishing?

**Mrs Curry:** We have certainly seen a change in Looe's tourism industry since the time you left.

**Mr Hands:** It has gone significantly more upmarket.

**Q12 Dr Pugh:** All the sharks are gone!

**Mrs Curry:** It has certainly levelled out and we do not have quite such a high peak. We have a peak but we also have built-up the shoulder periods. Therefore, unemployment does not have such a high peak out of season; it is levelling off. That has been a positive change. As to quality, there has certainly been a shift from bed and breakfast and lower quality serviced accommodation. Customers now demand higher quality. That has manifested itself by a loss of low quality hotels in particular. They have now changed to apartments which are sold off either as private dwellings or as serviced accommodation. Time share is also manifesting itself in some of the lower quality and cheaper caravan sites in the area. There is a shift from low quality caravans to either statics or chalet-type developments of which we see more and more today. Again, they are being sold off almost as second homes or on a timeshare basis. That in itself will have an impact, because we are not getting new visitors coming through; it is being taken out of that market.

**Q13 Mr Hands:** What about niche tourism?

**Mrs Curry:** The shift in the quality of accommodation is also reflected in the activities in which people want to engage. It may come as a surprise that Looe has very high quality food outlets and restaurants. There is a niche there that is being developed. In addition, not shark-fishing but certainly looking at wild life is becoming more important in the area, for example the recent reported sightings of basking sharks. There is a potential for niche tourism, but we also know from our surveys that bucket-and-spade holidays, if you like, are still the bread and butter for many of our coastal towns; it keeps them going, but there is certainly potential for adding on some of those activities. Another niche is diving as a result of the creation of the first artificial reef with the sinking a few years ago of *HMS Sylla* about 10 miles from Looe. That has seen an increase in diving tourism in the area, so there is huge potential for identifying what is unique to an area that can be offered to visitors and developed.

**Q14 Mr Betts:** One of the issues that always emerges is that young people leave and do not come back. Do you have examples of anything that you have done to keep young people in the area, or even attract them, or things that you would like to do but cannot for a specific reason? One issue that has already been raised with me is that where older people have grown up in an area they are probably quite supportive of measures to attract young people either as residents or visitors, but once people move into an area to retire they do not really want lots of young people around or things that may attract them. There is some kind of conflict with or resistance to that. Is that an issue that also faces you?

**Ms Lang:** That is certainly something that we have had to address. We have had to go all out, particularly in Bridlington, to have a town-wide strategy that attempts to balance those things so that no one group feels disadvantaged and we are taking account of the needs of all groups. To get there has been a long and expensive process. One of the key issues is that to get it right involves a lot of fine-grain work with the community. To achieve that is quite expensive and time-consuming. There is still a generation of people who do not want the town to change, but a lot of the people who retired to the east coast from the mining and steel industries are no longer feeding through in that way because those industries are no longer there. There is perhaps a slight shift in that younger people move to the coast for quality of life. Having said that, a lot of them think they have retired but find that their pensions are not stretching that far and they need to get back into employment, which is also quite a challenge. We are trying to achieve that balance, recognising that there will be those odd demographics in a coastal area.

**Q15 Mr Betts:** Is there anything specific that you have done successfully in the area to retain young people, or something that you think might be successful if you were allowed to do it?

**Ms Lang:** To be slightly cynical, our own regeneration team has kept some young people who have grown up in Bridlington.

**Q16 Chair:** Mr Coe, do you want to comment on the demographic issues from your point of view?

**Mr Coe:** Over the past 20 to 25 years our area has suffered significant emigration and has lost probably one quarter of its population over that time because of mine closures. Certainly, as to increasing educational attainment and generating employment, one of the prime issues for us is the creation of places as well as working with the social aspects of local community regeneration. We have had significant investment in different sectors over that period, including the tourism industry. We have the Seaham Hall Hotel and Spa in the area, which is a £20 million investment. We are encouraging organisations and investors like that to go into modern apprenticeships to make sure that schools have vocational relationships with those people so they can support and explore

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27 June 2006 Mr Stephen Vinson, Mrs Kaja Curry, Mr Paul Bellotti, Ms Sue Lang and Mr Peter Coe

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different sector opportunities. That has been progressing well. But when one asks young people at local level why they do not want to stay in the area they say that it is lack of amenity and facilities and those kinds of issues. If they cannot be mobile and get around either by public transport or car ownership they will move away to areas that are more convenient to them. It is improving but there are still real issues about migration.

**Alison Seabeck:** We all come from areas with very different economic histories. From your evidence it appears that you face similar problems now. Evidence that we have received from elsewhere suggests that there are coastal towns and villages—Whitstable, Stow-on-the-Wold, Padstow and so on—which buck the trend and are thriving. Do you have other examples in your areas where individual towns or villages are regenerating well and, if so, what do you believe to be the reasons?

**Q17 Sir Paul Beresford:** Perhaps I may add to that. There is a knee-jerk reaction to looking to the public sector to pay. Following on what Alison Seabeck said, all three of you have given examples of where you have got on with it yourselves with help from partners. Can you give us a few more examples? Can you also tell us where there are obstructions—red tape obstructions and central and local government obstructions—that might be removed to allow you to move faster and better?

**Mr Vinson:** To give one example, there are measures to retain young people within the locality. That is a joint project that we are still pursuing with Torpoint College. How do you retain young people within an area? How do you support a small business sector where quite often bigger businesses will have in-house training or increase the wage rates and take skilled people away from the small business sector? That causes a problem for expansion of the small business sector. For the three years during which the project has been in place with Torpoint College it has used three of our business units. During school time they offer vocational training which is directed at providing practical skills through the children's curriculum, but out of school time they also offer training courses, which are supported by the European Social Fund, to those over the school age who need to be equipped with skills that are directly relevant to the need of employers. But quite often the educational institutions offer a one, two or three-year course which starts in September and does not immediately provide the types of things that the small business community need. That is a project which we have established at Torpoint. At the moment we have two planning applications going through the system to establish a similar project in Saltash and another one in Liskeard.

**Mr Bellotti:** We do not have any areas that are bucking the trend wholesale in the East Riding, but because of that we are putting in place master planning in three of our coastal towns to try to address the issues, problems and programme and co-ordinate efforts through multi-agencies to direct and target those investments and efforts in order to

buck the trend in future years. One example of that is in Hornsea where we can point to a market town initiative which has brought forward some very valuable projects in recent years, including a brand new promenade, but it will take some time for us to detect whether or not that has helped us buck the trend. On a much larger scale, we are preparing an area action plan for Bridlington which draws together retail employment and housing allocations into a master plan for the town to help bring about a renaissance which creates more jobs and, hopefully, keeps young people in Bridlington so we do not suffer a leakage to major cities. You asked about obstructions. It is not so much obstruction, but understandably coastal towns are at the fringes of city regions. Because of that we need to find ways to draw the benefits that we will achieve through city region developments to coastal areas and tap into that growth, particularly from Northern Way. We think we can do that through a master planning process which is much more long term and is less project-led but more programmed development.

**Mr Coe:** We are looking at a town with a 15 or 20-year focus on this matter. It has received significant investment from structural funds, both domestic and European. One of the issues for us is the rate of progress. Dealing with a cocktail of funding issues in an area like ours, which is a pilot for everything under the sun, is extremely difficult. Great flexibility at the local level for implementation would be welcome. Similarly, there are more emergent issues around Northern Way. City regions, city-centric, regional and economic policies give rise to concern in areas like ours that might be considered to be on the periphery, albeit it is between two of the main city regions, in that European investment from which we have benefited and made good progress with in the past could well be deflected into those core city areas which would be administered and delivered through the RDAs.

**Q18 Dr Pugh:** Moving directly to the RDAs, they spend hundreds of millions of pounds every year in one region or another. Do you think you get your fair share of that when you look at the profile of the expenditure of the RDAs? Do you think they recognise your needs? That is a question addressed to all the witnesses.

**Mr Coe:** As a region I would question it. Locally, a town like Seaham in particular has done reasonably well. We have matched that investment from whichever public source fifty-fifty with private investment. That has been quite an achievement given the development interest in the area over recent years. The issues around the RDA are two in number. One is at policy level. To sustain that continued development we are on the cusp of hopefully making tourism a part of a sustainable economy for our area. That is only just emerging and is part of a wider and more sustainable economy. The other is at programme level in terms of implementation and the way that RDAs have developed, getting them to see a wider approach rather than a red line approach to site development.

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**Mrs Curry:** We need to recognise that to deliver any benefits in a coastal town will always cost more than its counterpart in an inland town.

**Q19 Dr Pugh:** Why?

**Mrs Curry:** A number of issues arise, starting off with the fact that one has only a 180 degree hinterland and market. Having the coast and all that that entails in terms of coastal defence work, and also often having a historic and very compact town into which one has to squeeze things, means it costs more. The fact that there is no other available land in the area pushes up house and land prices. There is access often along very narrow corridors, particularly when it is along a river. Again, that limits access to markets, jobs and also tourism. All the time it is costing more and more to deliver any given output in a coastal town compared with others.

**Q20 Dr Pugh:** But should this not make them more reluctant to spend because they get less bang for the buck on that basis?

**Mrs Curry:** That seems to be the case. Because any output will cost more in their ratios our coastal towns often seem to have lost out to other areas. The reason is that our ratios do not come up to the formulas which apply to other towns.

**Ms Lang:** We would echo that experience. We have been very fortunate in that most of the coastal towns in Yorkshire have the designation as either an urban or rural renaissance town, but that does not perhaps recognise the interrelationship and coastal nature of those towns. As you can imagine, in the rural market towns programme Yorkshire has a huge number of such towns all putting up their hands for resources, and what the actual objectives are and how the prioritisation is working has become a bit nebulous. We have been fortunate that the RDA has explicitly sought to match European funding in terms of Objective 2 where that is available. The concern is that as that funding goes away and we have the more thematic approach to European funding it will be more important for the coastal towns to identify their contribution, if you like, to the regional picture.

**Q21 Dr Pugh:** Obviously, the RDA understands deprivation, big cities and so on. Do you believe—presumably, this will be reflected in its policies and strategies—that it understands the position of coastal towns as well as it might, or that its priorities and conceptions lie elsewhere?

**Ms Lang:** In our case, because of the quite distinct urban and rural split within the RDA neither team fully understands the needs of a coastal town. Mr Bellotti referred to master planning. If one has a master plan that is clear, crisp and understandable it is far easier. One then has a prospectus in which the RDA and others can invest, but the cost of compiling that and marshalling the funding is itself quite a significant job. I think we have to go down that route in order to gain that understanding.

**Q22 Dr Pugh:** How hard have you had to lobby to get included in the relatively new regional economic strategies?

**Ms Lang:** We have done so. Our RDA is based very much on sub-regions which cut across the coastal strip. That is a challenge, and it is still being played out because the city regions really came along as the new Regional Economic Strategy was in preparation. Therefore, it has tended to become perhaps city-region focused which in some respects is good for us as a local authority because of our proximity to Hull, but there is a danger that we will then lose impetus as far as the coastal towns are concerned.

**Q23 Dr Pugh:** Can you liaise with the officer responsible specifically for tourism within the RDA?

**Ms Lang:** Yes.

**Q24 Dr Pugh:** Is that true of all our witnesses?

**Mrs Curry:** Yes, but tourism is not the only issue that we need to consider.

**Q25 Dr Pugh:** But that would help, would it not?

**Mrs Curry:** Yes.

**Chair:** I am conscious that we have skated over the issues, but thank you very much. We must move to the next set of witnesses. If when you get back on the train you suddenly think of a really good example of an initiative that you should have told us about please feel free to drop us a note.

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**Witnesses:** Mr Adam Bates, Head of Tourism, Brighton & Hove City Council, Mr Steve Weaver, Chief Executive, Blackpool Borough Council, Dr Robin McInnes, OBE, Coastal Manager, and Councillor Ian Ward, Cabinet Member for Planning, Environment and Transport, Isle of Wight Council, gave evidence.

**Q26 Chair:** Since you were sitting here when I spoke to the previous witnesses you will know the form. Perhaps you would first explain who you are and then we shall move to the questions.

**Mr Bates:** I am Adam Bates, Head of Tourism for Brighton & Hove.

**Mr Weaver:** I am Steve Weaver, Chief Executive of Blackpool Borough Council.

**Councillor Ward:** I am Ian Ward, Cabinet Member for Planning, Environment and Transport, Isle of Wight Council.

**Dr McInnes:** I am Robin McInnes, Coastal Manager for Isle of Wight Council. I chair the Coastal Defence Groups of England and Wales.

**Q27 Chair:** As I said before, there is no need to repeat something that somebody else has said. Given that there are two witnesses from the Isle of Wight, I would appreciate it if only one of you responded to a particular topic. Let me ask you



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about the social and economic impact that the age profile in your particular coastal towns has on your areas.

**Councillor Ward:** As to the age profile on the island, about 26% are pensioners and retirees. That percentage is growing by 5% a year. The problem for us is that we do not have a workforce.

**Q28 Sir Paul Beresford:** Is that 5% of the 26% or the total?

**Councillor Ward:** Five per cent of the total population.

**Q29 Sir Paul Beresford:** So, next year it will be 31%?

**Councillor Ward:** Yes. For people it is an attractive place in which to retire. The problem that that presents to us is one of medical services. We have little more than a cottage hospital. Most of our medical treatment is provided across the Solent on the mainland. The cost of that journey is not subsidised in any way. Our ferries are not subsidised in any way, and we have a real problem of access. A 10-minute two-way journey on a ferry costs a single person £16.

**Q30 Sir Paul Beresford:** If one turns it on its head, the 5% will go down if this continues, will it not?

**Councillor Ward:** I do not follow.

**Q31 Sir Paul Beresford:** If this continues as you say the 5% will reduce to 4, 3 and 2% because they will be attracted away.

**Councillor Ward:** I am talking about older people.

**Chair:** They are coming in, not just growing old there.

**Q32 Anne Main:** They are going there to live, not to visit?

**Councillor Ward:** Yes. That is the age profile of the population.

**Q33 Chair:** In relation to the Isle of Wight, is its major problem the fact that it is an island or that it has lots of coastal towns?

**Councillor Ward:** In part it is both. Having listened to the previous witnesses, they have all the problems that we have but ours are compounded by the fact that we are an island. Yes, our coastal towns suffer just the same but the problem is compounded because we are an island with serious access problems.

**Q34 Chair:** Perhaps I may remind you of the question which is to do with the social and economic impact of the age profile and what pressure that places on agencies. As a supplementary, what are you doing to address the outward migration of young people, if that is an issue for you?

**Mr Weaver:** One point I make in relation to this point, which applies to a lot of the problems we face, is that the coastal towns and resorts and the issues they face are very different. There is not one common theme for all coastal towns and resorts

because they are very different. In Blackpool's case the issue of a growing elderly population, which will increase from 16% of those of retirement age now to 21% by 2020, as we estimate it to be, is not caused by people moving to Blackpool to retire but because we are losing our young people and retaining our elderly population. That places significant pressures on social care and health. We are losing young people with the entrepreneur spirit and ability to grow the area. What are we doing about it? Clearly, we have to care for the elderly population and have to skew our budgets to deal with that. In order to try to retain and have a plan for the younger population we have to change the whole nature of Blackpool's economy, which at the moment is seasonal and incredibly low wage—I believe that it has the fourth lowest gross annual earnings of anywhere in the UK—to create career opportunities and all-year-round employment so that young people believe it worthwhile staying in Blackpool. That is about reshaping and transforming the resort to an all-year-round economy based on a very different tourism industry—we do not have an alternative—from the one it now has. If we cannot reshape that and deal with the economic profile and prosperity of Blackpool we will not be able to deal with the issues arising from the changing demographics. It is not that we are opposed to elderly people staying in Blackpool, but the changing nature of the population is causing a real problem, in that we are losing our young people and there is pressure on public service budgets. In particular, the elderly population that remains in Blackpool is one which has particular issues of deprivation and disadvantage and, therefore, the costs on the public purse are significantly more than would be case with a healthy and wealthy elderly population moving in.

**Mr Bates:** Clearly, we are quite different from many of the other towns and cities that have spoken. We are a city of about a quarter of a million people, of whom over 165,000 are of working age. One third of our population is between 25 and 44, arguably the most economically active. We have two universities which bring a large influx of students, many of whom we cannot get rid of. They love to stay and they do, and in many respects that has helped us. There has been an immigration of commuters who have replaced London living for living by the coast. That gives rise to a whole range of other issues for us. Some of the problems that we share with other coastal areas are less to do with the demographics of the city than some of the more physical attributes of where we are which we have heard about previously. Within that, the history of many of the social issues that we share and are common across coastal towns and cities shows very clear pockets of dependency, if you like, within our area. We have high levels of looked-after children, very significant mental health issues, homelessness, very high levels of housing benefit dependence and so on, so we are not immune to the problems faced by other coastal towns.

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**Q35 Anne Main:** If I may begin with Blackpool, I should like to address tourism and how it has changed over the past 10 years. Perhaps you would comment on things like conferences, because I know that that has given rise to some issues.

**Mr Weaver:** In relation to government policy and, until very recently, regional development agency policy, I believe that tourism has been a Cinderella industry. As a country we have been able and happy to support manufacturing industry but not places which give people huge fun and entertainment in terms of the industry. For example, it has not supported the pleasure beach which gives millions of people huge fun and entertainment and needs considerable investment, whereas it is happy to support manufacturing that may produce the kind of bric-a-brac and “kiss me quick” hats that you find on Blackpool front. I cannot see a rational, intellectual reason for supporting one and not the other. Tourism and industry is changing because people’s expectations and experience are growing. If we take the North West as an example, we have spent £200 million of public money through the Regional Development Agency, lottery money and other support to give people reasons not to come to Blackpool over the past 15 years. We have spent that on attractions elsewhere throughout the North West. We have spent public money, whether it is in Manchester, Liverpool or elsewhere in the North West, on leisure and tourist attractions, whether it be the football museum in Preston or the attractions in Liverpool and Manchester, but failed to support the basic bedrock of the tourist industry in Blackpool to meet the raised level of quality, expectation and experience.

**Q36 Alison Seabeck:** Was that simply because other councils made a better job of it in terms of bidding for funding?

**Mr Weaver:** No; it is because the nature of investment has been skewed towards, if you like, culture and other kinds of investments, not the kind of fun and entertainment that is typical of a seaside tourist industry.

**Q37 Chair:** Are you suggesting there is a value judgment being made about what is and what is not worthy entertainment?

**Mr Weaver:** No. I do not suggest that it is an issue of class.

**Chair:** I merely seek clarification.

**Anne Main:** I would like to go back to tourism and address a question to all the witnesses. I am aware that Blackpool is sometimes described as the entertainment capital of Europe, and it is also engaged in conferencing. Some parties go there and some do not. It is all changing. I should like to hear the reasons why you think that tourism is changing. Why are people going elsewhere?

**Q38 Chair:** Perhaps we can be relatively disciplined and to the point.

**Mr Bates:** It has changed and continues to do so. The pattern of travel is such that people are taking increasing numbers of short breaks and their duration is shrinking. The numbers of trips increases as does the level of competition. Ten or 15 years ago the range of options was much more limited. Any number of destinations in Europe now take the same amount of time to get to and probably cost you less. It is much more competitive. We are not alone here; it would be the same for Blackpool and elsewhere. We have attempted to diversify. I believe that in the case of Brighton & Hove it has been a matter of putting together broadly two markets that balance each other out and provide a sustainable sector. We have a leisure market that follows a perfect distribution over the course of the year, as you would expect. We have a conference and business market which, looked at over the course of the year, is completely inverted in relation to leisure. If you put those two things together you have a much stronger base for allowing your industry to make the required investment in its infrastructure: the provision of rooms, painting the outside of the property and training and developing people. However, to be in a competitive position and deliver a competitive conference and meetings facility requires substantial investment. At the moment we have reached a point where we have to look at how to refresh that offer, because for us we developed it 30 years ago. It is now much more competitive and we need to renew our main conference facility.

**Q39 Anne Main:** Perhaps the Isle of Wight would also comment on that briefly? Do you have the same sorts of pressures?

**Councillor Ward:** Our tourist industry was in its heyday in the fifties and sixties where traditionally families came and spent their two weeks by the seaside. Effectively, the market has disappeared. Now the average stay on the island is something like four days. As I tried to explain earlier, the fact that we are an island really prevents the day-tripper coming to us because it is too expensive. If you consider that it will cost a husband and wife who want a short break something like £100 to come across with their car, they will just drive on and go elsewhere. Even that market has shrunk as well. Our tourist market has slumped, for want of a better description.

**Q40 Anne Main:** How do you diversify? The Isle of Man has exactly the same problems and they have various events to attract people to that island?

**Councillor Ward:** We are doing exactly that. As you probably know, we host the Isle of Wight music festival; we also host White Air which is an extreme sports event; and we have motocross. We are trying to encourage and sponsor all these things and also make use of our natural environment with cycling, hiking and so on. That is the market that we seek to attract. The Isle of Wight is really one coastal town. Most of our population lives around the

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coast. We are trying to make best use of all our assets and promote the idea that people should come to the island because it is a beautiful place.

**Q41 Anne Main:** Mr Weaver, what are you doing to attract tourists?

**Mr Weaver:** We have developed the new Blackpool master plan. We cannot diversify away from tourism. For us it must be mass tourism but of a different quality. Our aim is to have an all-year-round resort. We have looked for this unique catalyst which will help change the perception of Blackpool and attract people to it all year round. Hence, we have pursued pretty well blinkered a resort casino/leisure application, because for us that is the kind of catalyst or grain of sand in the oyster which creates the pearl. Without it we cannot see the future of Blackpool. Only that will give the major impetus to all sorts of investment in Blackpool from other private sector tourism players.

**Q42 Dr Pugh:** I like the association of Blackpool with oysters and things like that. I was looking at a report by Sheffield Hallam University on the seaside economy. It concludes by saying: "While there has clearly been restructuring in the wake of the rise of the foreign holiday, the continuing resilience in employment in and around parts of the local economy most dependent on tourism suggests there has often been successful adaptation. The seaside tourist industry remains one to be nurtured, not written off as a lost cause." Working on the idea of nurturing, do you think that the RDAs in your areas have shown the capacity and ability to do that successfully?

**Councillor Ward:** We have had some investment via the RDA but in the main it has gone into housing and infrastructure; they are our greatest needs.

**Q43 Chair:** What sort of infrastructure?

**Councillor Ward:** We have invested our money in housing and port facilities. The tourism industry has had next to nothing; we just do not get the level of funding to be able to spread it around. Unfortunately, we are in quite a rich region, so we have no Objective 1 or Objective 2 EU status. We are seen to be a wealthy part of the country and so we get nothing. In reality our levels of deprivation are probably worse than those of the South West, but we get no recognition of that.

**Q44 Lyn Brown:** Have you ever mapped your areas of deprivation?

**Councillor Ward:** Yes.

**Q45 Lyn Brown:** Have you managed to make a comparator with other areas?

**Councillor Ward:** Yes. Not only has it been mapped but it has been taken to the European Commission who agrees that we should have Objective 1 or 2 status, but the Government has denied it because we are in the south east region.

**Q46 Dr Pugh:** That does not stop them taking a positive interest in your affairs, does it?

**Councillor Ward:** No, and we try hard, but the cards are stacked against us.

**Q47 Anne Main:** You are lumped in with other areas and so it counts against you?

**Councillor Ward:** Yes.

**Mr Bates:** I would say that the relationship with and the resultant action that has taken place between ourselves and the RDA has been extremely positive. The strategies up and down and in the middle all talk to each other and link thoroughly through the regional economic strategy, the local strategy, the area investment framework, local area agreements and so on. They are clear about the existing priorities. We even have a Sussex coastal towns strategy to encompass areas all the way from Hastings through to Shoreham harbour. A lot of work has been done. We have some very good evidence of where the interventions have had a positive effect. A very good example would be the seafront development initiative that took place a number of years ago literally between the piers. That is our shop window. Approximately £2 million of principally European funding, a lot of which was administered through SEEDA, resulted in over £20 million of total investment, mostly private, which arguably initiated a very large regeneration within much of the centre of the city. Notwithstanding that, some very large capital projects still need to happen for the city to remain successful. For us to remain competitive we need a £100 million conference centre. The upside to delivering that is probably another 2,000 jobs in tourism in the city; the downside to maintaining the status quo may be a loss of 2,000 jobs.

**Q48 Chair:** You are in the same RDA as the Isle of Wight?

**Mr Bates:** Yes.

**Mr Weaver:** Government policy over many years has focused on the industrial towns and cities which were in need of significant support and regeneration. I believe that that has been a great success. We now have some great cities and industrial towns in the country. I believe that government policy shaped that. Because of that, in the past the regional development agencies—I can speak for the North West—have not focused sufficiently on the issues that face coastal towns and resorts. Only very recently in terms of the North West Development Agency, Blackpool's potential and the need to support it has been recognised in the policies and that is starting to flow through in terms of financial support. That has not been there in the past but it is now being recognised. Whether that applies to all the coastal towns and resorts in the North West is a different issue. I can speak only for Blackpool in relation to that, but I believe that that is founded on the fact that in the past different governments have not looked at the issues of coastal towns and resorts as seriously as they have considered industrial towns and cities. To return to a point made by my colleague from the Isle of

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Wight, there are very dense populations on the periphery of our regions and on the coast which can suffer significant degrees of deprivation and which on their own would bring them within Objective 1 support, but because they are isolated it means they are not part of a larger conurbation and therefore are unable to access the levels of funding that would otherwise be available.

**Q49 Alison Seabeck:** You have covered in some depth the problems of central government funding, but how should the funding formula to calculate central government funding be changed in order to take account of the anomalies which show up presently in coastal areas? Explain your concerns, if you like, about the way in which day visitors are calculated. Do you have concerns about the way in which the education statistics are gathered in September? Does that skew education budgets?

**Mr Bates:** The very obvious one for us is that by any measure of success of a city in delivering visitors we would be ninth or tenth. We accurately measure day visits to the city. In 2005, which is the last year for which we have data, there were 6.7 million visits. The existing formula which distributes approximately £200 million worth of grants to authorities currently puts us at 127 out of 354. If you look at that it just does not make sense by any possible measure of the relative numbers of day visitors that come through the city. We have some very high levels of housing benefit recipients which are peculiar to coastal areas and, like Blackpool and others, the comparative spending on children's social services is extremely high for a number of reasons. I think it would be helpful if all of those matters were more accurately reflected in central government grant funding.

**Q50 Alison Seabeck:** Spending on children's social services is anomalous; it is different in coastal areas?

**Mr Bates:** It is.

**Q51 Chair:** Why?

**Mr Bates:** The short answer is that we do not know. There is not enough evidence clearly to indicate the reasons for it. There are suggestions that it is related to some of the social issues that we face in coastal area and parents face regarding homelessness, alcohol abuse, substance misuse and so on which we see occurring very frequently and are very costly to adult social care in areas where there are pockets of deprivation. In consequence, that impacts on children's social care costs.

**Mr Weaver:** As to revenue support, our estimate is that there is a transparent gap of £5 million in terms of the cost of our being a tourist visitor economy and what we receive in terms of central government grant, but beneath that there are other issues in terms of children and educational issues. Why do we think we face additional costs because of that? One is the transient nature of our population which imposes significant costs on us. I refer to movements in and out of and around Blackpool, such that some of our primary schools

have a turnover in a 12-month period of 55 to 60%. The performance of those pupils falls well below that of the stable population. In addition, the families that come in which suffer significant deprivation and disadvantage are drawn by the easy availability of cheap rented and flatted accommodation. That imposes significant pressures on our children's services. One statistic given to me before I came here was that since April we have found that of the 120 single people who have arrived in Blackpool and presented themselves only 5% have come with a job. That is also symptomatic of families who come to Blackpool; they present high-cost issues for us to deal with.

**Q52 Anne Main:** Are you saying that because of the inexpensive nature of the accommodation that you have people who either have no wages or who are on low wages would be attracted disproportionately to coming to your areas, so the poverty cycle is in some way fuelling itself?

**Councillor Ward:** Yes.

**Mr Weaver:** It is effectively a transfer from the cities to the coast. Exactly why people do that we do not know. In Blackpool there is a large amount of relatively cheap and easily available rented and flatted accommodation. Bed and breakfast accommodation and guest houses fall out of that use and look for another; they become either houses in multiple occupation or apartments. I am sure that there are other reasons that we do not yet properly understand.

**Q53 Anne Main:** Perhaps the reasons are quality of life?

**Mr Weaver:** It could be that, but it certainly happens.

**Q54 Chair:** Is it the same in the Isle of Wight?

**Councillor Ward:** We suffer the same problem. Formerly, the rate used to take into account temporary residents, if one can call them that, but the new formula it does not.

**Q55 John Cummings:** Is the problem because people are paid cash in hand? That applies to both the Isle of Wight and Blackpool.

**Councillor Ward:** This is symptomatic of the poor levels of pay in the tourism industry. We are on minimum wage at best. I dread to think what happens unofficially.

**Q56 John Cummings:** Does Blackpool have the same opinion?

**Mr Weaver:** In part, it is due to the cash-in-hand economy. We also have landlords in Blackpool who place advertisements in Manchester, Leeds, Liverpool, Newcastle and Glasgow inviting tenants to take up their accommodation.

**Q57 Lyn Brown:** I am fascinated by what I have heard about poverty and the magnet of deprivation of some of the coastal towns. I asked the Isle of Wight whether or not they did any mapping. Can I confirm that the type of mapping you are talking

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about is the tracing of economic indicators down to certain output areas in order to express and explain the nature of deprivation, where it is and who is impacted by it?

**Councillor Ward:** We do have that information and we will gladly send it to you.

**Lyn Brown:** I do not know whether the other witnesses have such information. Chair, is it in order for us to ask for that in writing?

**Chair:** If possible, perhaps each of you can send that to us afterwards.

**Q58 Mr Betts:** We have heard how perhaps you might like to tweak the formula to get what you believe is a fairer share of central government mainstream funding, but one of the issues raised is the complexity of lots of different bits of funding streams around the place which you try constantly to access and pull together. Is that a fair criticism? Would you rather see those pulled together or reorganised in some way so you have one direct funding stream to help coastal towns? Is that feasible in your view?

**Mr Weaver:** Absolutely. Government has moved towards single pot funding for capital allocations and perhaps it could go further in terms of housing and allow much more local flexibility. Clearly, we would ask for a larger cake, but even with its present size if we were genuinely allowed local flexibility in its distribution simplified by bringing everything together that would be much better. I can be cheeky and say that, in addition to funding which you would expect us to ask for, changes in government recognition of tourism as an industry are as important as recognition in planning policies of the different issues that coastal towns and resorts face. I refer to PPG20 and 21 in terms of tourism and housing policies. If government policies in relation to that reflected the different natures, needs and demands in coastal towns and resorts it would help considerably. It is not just an issue of funding; it is about policy.

**Q59 Chair:** Do the other witnesses agree with that?

**Councillor Ward:** Yes.

**Mr Bates:** I would broadly echo that.

**Q60 Chair:** I was struck by just how different Brighton and Hove were, not least in their demography. Do you believe that the strategy pursued by Brighton and Hove, with its two universities and a wealthy population of London commuters who can sustain upmarket cultural activities, is a one-off or can anybody else do it?

**Mr Bates:** There are probably elements of it which would be indicative of where success might exist in other coastal areas. For us there are a couple of threads. We cannot do much about our location, and to some extent we benefit from it. Equally, it poses problems for us in creating an ever-greater disparity between the haves and have-nots within our city because of rising housing costs. However, I believe that a very important decision was made almost 30 years ago to develop our conference centre. One has to reflect upon the fact that in 1977

when it opened there was not one in Glasgow, Edinburgh, Birmingham, Manchester, Cardiff or London. That was the point at which we said very clearly that that was how we would set out our tourism development for the next 30, 40 and 50 years and beyond. But I believe there are other elements, a number of which rest upon things like the development of cultural facilities. That thread has developed very much over the past 10 to 15 years. We have Brighton festival events. We have heard about how those work elsewhere. We would very much support the idea that Blackpool could benefit from its location for the establishment of something like a super-casino. We can see clearly how that would benefit a resort such as that. We see no competition in that.

**Mr Hands:** In one of your answers you talk about the importance of attracting private capital, which Brighton has been much more successful in doing, and also attracting new businesses like the whole language school industry and the gay economy in Brighton which has been very important to the prosperity of the city. I think that a lot could be learned from other coastal towns like Brighton. I do not think that it is merely a question of London commuters moving to Brighton; I think that it is a more innovative, flexible approach in which one does not look merely to central government to come along and help out.

**Chair:** The issue is whether everybody else could do it as well?

**Mr Hands:** I think that your premise is incorrect. I think it is wrong to say that Brighton is built purely on a London commuter or London flight economy.

**Q61 Chair:** Do the other witnesses want to add anything?

**Councillor Ward:** These initiatives are more difficult for us on the island for us to take advantage of, but, as Mr Hands said, we are looking to private finance as well. We do not want to rely on the Government. We are not here for a handout; we are trying to help ourselves. We are in touch with private financiers and developers and move on as best we can.

**Mr Weaver:** Higher education is absolutely key. That cannot happen in Blackpool for probably eight or 10 years, but it is part of our long-term strategy. I think that is an important development.

**Q62 Dr Pugh:** But that is something that only big resorts can do; it is not a solution to smaller resort deprivation?

**Mr Weaver:** That is absolutely right. As to the private sector, that is absolutely key to investment. In Blackpool we have to create the infrastructure for that. Like Brighton, we believe that our strategy to have a new convention/conference facility is absolutely critical to our future. That is probably where we are competitors. It will cost the sum of

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money to which Brighton referred. That will not come from the public purse and we have to look for a way to ensure it is delivered.

**Chair:** Thank you very much for your evidence. We look forward with great interest to the written additions for which we asked.

Witnesses: **Mr Jamie Merrick**, Director of Sustainable Communities (EEDA), **Mr Paul Lovejoy**, Executive Director, Strategy & Sustainability (SEEDA), **Mr Ian Wray**, Head of Planning, Transport and Housing (NWRDA), and **Mr Ian Thompson**, Director of Operations (North) (SWRDA), gave evidence.

**Q63 Chair:** I imagine that all of the witnesses have been listening to the evidence. Perhaps you would begin by telling us who you are.

**Mr Wray:** I am Ian Wray, Head of Planning, Transport and Housing at North West Regional Development Agency.

**Mr Thompson:** I am Ian Thompson, Director of Operations (North) for the South West of England RDA.

**Mr Merrick:** I am Jamie Merrick, currently acting Director of Sustainable Communities at the East of England Development Agency.

**Mr Lovejoy:** I am Paul Lovejoy, Executive Director of Strategy and Sustainability with the South East England Development Agency.

**Q64 Anne Main:** I would like to start by looking at problem areas. You have been listening to what has been said. Professor Steve Fothergill has said that “seaside resorts are the least understood of Britain’s problem areas. They have never received the same attention as inner cities and rural areas.” While that may be quite a sweeping statement, do you agree with it?

**Mr Lovejoy:** I do not believe that is entirely true. In the case of my own agency, I can point to a recognition that the coastal fringe of the South East is a distinct area with distinct problems. We have pointed out for several years that if a regional boundary was drawn around the coast of the South East and it was called a region it would be an economy approximately the same size as the north east of England and would be performing at the same level. We recognise that there are issues in terms of untapped economic potential and we believe we can demonstrate that over several years our strategies have recognised the priority that need to be attached to those areas.

**Mr Merrick:** From an east of England perspective, I think that we have a very different spatial pattern from many other parts of the country, in that we do not have a core city or major large-scale urban conurbation. Our small and medium-size towns and cities, both coastal and inland, have been the major focus of our attention. Because of that very different characteristic of the region there has been a major focus on a number of the larger and smaller coastal settlements such as Yarmouth and Lowestoft which have been major drivers of our sub-regional economies.

**Mr Wray:** From the point of view of academic research and government research, it is probable that Professor Fothergill is correct, and he is in a good position to know. He is an outstanding academic and has carried out seminal research in

this area. In the past a good deal of research has focused on the problems of core cities and big cities. Certainly, from our point of view it was when the development agency was established that we began to realise the serious problems in coastal resorts.

**Mr Thompson:** Because of our distinct geography in the South West—I calculate that in our region we have about 700 miles of coastline—and the wide variety of settlements on the coast, it is difficult to see massive differences between inner city and rural areas. There are a lot of shared characteristics, but as an agency in the South West we have learnt a lot about their particular problems since 1999 when we were established.

**Q65 Anne Main:** Do you regard coastal towns in your region as problem areas, or do you think they are just other versions of rural and urban problem areas? Do you regard them as special problem areas and, if so, in what way?

**Mr Thompson:** Because of the large number of our coastal settlements we distinguish some that have special economic needs; they are more disadvantaged or deprived towns. I believe that that is reflected in the strategies and interventions that we have used in our regions. I think the answer is, yes, we recognise some as having those special needs.

**Q66 Chair:** You will have heard Caradon make the point that RDAs may not invest in coastal towns because the costs are higher and presumably the cost benefit analysis is poorer, or whichever way round it is. Do you believe that to be the case?

**Mr Thompson:** As a general point, no. I believe that in the context of the costs of RDA programmes and interventions and the returns that it looks for the agency sees equally difficult cost benefit analyses in some inner city areas. It is difficult to say that coastal towns have either a special or higher cost from that point of view.

**Q67 Anne Main:** To go back to my “problem areas”, can I ask the other witnesses to respond?

**Mr Wray:** The important point about coastal towns is that they vary enormously. In the North West, which has some of the most serious problems in the country, as the research made clear, some coastal towns are doing quite nicely. They are not exactly bucking the trend, but places like West Kirby, with its strong commuter element, Grange-over-Sands with its a large retired but relatively affluent population and also Southport with its commuter base, although it also has problems, are

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not doing too badly. But places like Blackpool, Morecambe and New Brighton in Merseyside have very acute problems of deprivation and a very limited economic base on which to diversify.

**Mr Lovejoy:** As I think you heard from the previous set of witnesses, within one region, the South East, we see two contrasting examples. In both cases my organisation has been able to agree a set of appropriate priorities for investment and action, but the futures that those two areas face are very different. In one you see the opportunities presented by a bold investment to attract new business and individual tourism over the past 30 years in the context of a city which has always been seen as having a close relationship, both cultural and geographic, with the capital. In the Isle of Wight we come as near as we can to the problems of isolation and peripherality in the South East. I argue that they will always require very different solutions.

**Q68 Anne Main:** Is there a lack of flexibility in teasing out those different problems? No one size fits all. Do you say that you need to look at them in a very flexible way?

**Mr Lovejoy:** Yes, I am saying that. I say that whether it is at regional or national level there is a need to respect the different possibilities and dynamics in those areas which will vary quite significantly.

**Q69 Alison Seabeck:** Basically, are you saying that there should not be a national coastal town strategy because the nature of coastal towns is such that they are far too diverse to have a national strategy?

**Mr Lovejoy:** Certainly, the conclusion we draw is that it is questionable whether a national framework would deliver the results that we look for, if by that we mean a “one size fits all” approach. If we are looking to secure recognition of the needs of coastal towns and communities as a set and then recognise the different interventions and possibilities, that might provide a useful framing of need, but I am not aware that any regional development agency has argued for the value of a single national strategy.

**Q70 Chair:** I do not think you need to make comments. Do you think there should be a national coastal town strategy, or not?

**Mr Merrick:** Our position would be exactly the same as Mr Lovejoy’s.

**Q71 Chair:** Is that the general view?

**Mr Merrick:** Yes.

**Q72 Lyn Brown:** Do you accept the premise put to us earlier that tourism is not perceived as an industry by government or government policy?

**Mr Thompson:** Perhaps I may start on tourism. We recognise tourism as an important sector in the regional economic strategy. It is one of the 10 business sectors that we prioritise, so at regional

level we recognise that and reflect it in the sort of interventions that we make in the most needy resorts.

**Q73 Chair:** In each RDA is there a regional coastal town strategy?

**Mr Wray:** We do not have a strategy, but one of the things we did shortly after our establishment in response to the submissions that we had on the first strategy was to commission consultants to look very carefully at the future economic roles and possibilities for all our different coastal resorts. That work was commissioned as much to advise and educate ourselves and the local authorities as to produce a rigid strategy, but we have agreed informally some very short documents which we call strategy agreements with some of the more important towns and cities.

**Mr Thompson:** We do not have a special coastal strategy within our economic strategy, but what guides our investment in coastal towns is the emphasis on tourism and the marine sectors as two of our priority business sectors.

**Mr Merrick:** We do not have a dedicated coastal strategy. We have a regional towns and cities strategy which has a typology of places within it. One of the five is coastal towns; another is concerns with areas around port towns, which have a slightly different driver in terms of how they are developing. As to tourism, that is one of the key sectors that has underpinned our two previous regional economic strategies.

**Q74 Anne Main:** Do you agree that if they are only 180 degrees in extent they have only half the ability to generate money? Do you agree that there should be some mechanism to direct funding to coastal towns?

**Mr Wray:** One must bear in mind that what really matters is the totality of public sector support which comes through a variety of programmes. It comes through the transport programmes, which are now administered through regional funding allocations, through housing programmes—the regional housing strategy—and through our own budgets. There are still very substantial budgets that we need to influence and deploy to support coastal towns which will not be within a ring-fenced budget for coastal towns.

**Mr Thompson:** On that point, it depends largely on the type of coastal town that we are talking about. I see two distinct categories: the resorts and some of our port and industrial coastal towns. I believe that the nature of these and the economic development projects or programmes that are used by the RDAs and other partners are perhaps what matter more than necessarily the hinterland or population catchment.

**Q75 Chair:** I want to pick up a point on the SWRDA. You have the Market and Coastal Towns Association, do you not?

**Mr Thompson:** We have a market and coastal towns programme, yes.



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**Q76 Chair:** Therefore, to that extent you have a coastal towns strategy?

**Mr Thompson:** Indeed. That programme is specifically for market and coastal towns. Fifty towns are in that programme, of which 11 are coastal towns.

**Q77 Dr Pugh:** I was a little surprised to find that you did not have coastal strategies. Every region has a coast in a sense, just as every region has a city. Do you have a tourism strategy?

**Mr Lovejoy:** For the South East, yes.

**Mr Thompson:** Yes, we do for the South West.

**Q78 Dr Pugh:** To be fair, I think that the experience of RDAs with regard to tourism is mixed, in the sense that they only recently assumed extra responsibilities in that respect. Given that you do not have a coastal strategy, can you understand the feelings that come across from some coastal resorts? Skegness wrote: "The record of success for the RDA and other bodies has been less than satisfactory. Most appear to concentrate on areas where they are based. It is difficult to identify where or how the East Midlands Development Agency has in a major way supported or developed the economy of Skegness." You must understand where some of the resorts are coming from here. They believe that basically you are centred very much in the industrial heartlands of your areas and have a limited perception of this issue.

**Mr Lovejoy:** If I may make an observation from the point of view of a regional development agency that is in the process of refreshing and developing a coastal strategy, while that may be a useful contribution I am not sure that that deals with those concerns. There are a large number of settlements along the coast with different potential and also different degrees of readiness for major investment. There is an issue over prioritising and some will always feel that there is further progress to be made. We need to make choices at the regional level.

**Q79 Dr Pugh:** Is that because to some extent you are involved occasionally in the business of backing winners and looking at resorts which have the capacity for economic regeneration, to some extent sidelining those resorts that belong to the past?

**Mr Lovejoy:** I would not say "sidelining". We are always looking to raise and release some untapped economic potential, but for that to work there needs to be both an issue to address and a degree of agreement and common purpose around the priorities to be addressed. We can help secure the second but not alone. Therefore, we need to work with local actors and work it through according to local potential.

**Q80 Dr Pugh:** Would you say that part of your sensitivity to the issue is the fact that you are in an area which does not have a particularly strong industrial conurbation? This applies probably also to the East of England Development Agency.

**Mr Lovejoy:** In the case of the South East, the sensitivity would arise primarily from the fact that per head of population we have a lower proportion of funding than any other, so there is a risk of communities and interest across the region being excluded from the benefit that the regional development agency can bring precisely because its resources are so limited.

**Q81 Dr Pugh:** To test the sensitivity a little, the former Minister of Tourism said that every coastal town you ever go to says that it needs better transport links. I think this is recognised as a problem that is faced by all coastal resorts. What specific measures are you taking in your own areas to address these problems?

**Mr Thompson:** There are a couple of examples in the South West where the region, not just the RDA but other regional bodies and local authorities, is trying to persuade the Department of Transport to look at a couple of key link roads that would benefit resorts. One is the new link road and bypass for Torquay; the other is a link road for the Weymouth area, particularly related to the development of the 2012 Olympics sailing site at Portland. That road would obviously benefit that particular event. Those are two specific examples.

**Q82 Dr Pugh:** Mr Wray, do you have similar examples?

**Mr Wray:** In the North West the picture varies, in the sense that Blackpool has very good communication links. It has motorway almost to the doorstep and a relatively uncongested special road to the centre of Blackpool. It has fairly good road links, but obviously they suffer from congestion from time to time. It also has an airport.

**Q83 Dr Pugh:** And outside Blackpool?

**Mr Wray:** Outside Blackpool the two key issues are access to Southport and access to Morecambe. Dealing first with Morecambe, we have consistently supported the Lancaster bypass, be it the northern or western route. We are now firmly behind the northern route. There will be a public inquiry into that shortly. We have lobbied very strongly for that route which will deliver excellent access to Morecambe. As to Southport, the position is slightly more difficult. In the past we have supported an improved road link from the M58. That has not made it into the regional funding allocations and list of priorities, but we have a scheme in the list which will provide access to the Port of Liverpool. Discussions are under way with the local authority to see whether that can also help improve access to Southport.

**Q84 Dr Pugh:** Mr Merrick and Mr Lovejoy, do you have examples in your areas?

**Mr Merrick:** I can give two specific examples. In one case we have played a regional advocacy role with national government. There was an announcement this morning about major transport schemes which have the potential to be funded through the transport innovation fund. We

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developed the evidence case and lobbied government effectively about links to our ports which in the east of England play a national economic role. We have 53% of the national container traffic moving through ports in the region. Clearly, we want to encourage as much of that as possible to go onto non-road modal shifts. Today, there has been an announcement about rail routes from the east of England to the north and London to enhance capacity. That is the kind of national and economic role that our coastal areas play. Secondly, at the specific locational level we have established a number of urban regeneration companies in coastal towns: Great Yarmouth, Lowestoft and Southend. There has been more local work to develop the business case and the potential funding mechanisms for local infrastructure investment to support the growth of those towns, including their tourism economies.

**Mr Lovejoy:** Similarly, in terms of advocacy we have continued to promote the needs of the Sussex coast in particular for improvements to the A27 corridor, which implies road, rail and other solutions, in the aftermath of a multi-modal study that concluded that there was no need for a major highway enhancement there. In terms of more specific activities, we invested in and contributed to a fixed-term revenue support grant for early services from Hastings into London and late services from London back to Hastings specifically to demonstrate the potential of Hastings as a location to London residents and commuters. I am pleased to say that after six months the franchise operator took up both services as permanent ones.

**Q85 Chair:** Mr Lovejoy, I want to ask about Objective 2 structural funding. For example, Thanet has benefited from such funding, but that programme is due to end in 2008. Do you believe that coastal towns will suffer disproportionately from the end of Objective 2 funding, and what will replace it? If not, does this mean that coastal towns will be even lower in the pecking order for regional funds?

**Mr Lovejoy:** I should say first that the South East is in an unusual situation in that only two of our 55 district council areas, Hastings and Thanet, have been eligible for Objective 2 funding. Therefore, the impact would be rather more localised and rather different from that experienced in other regions. It is certainly the case that in those two areas concentrated programmes of additional capital investment have been put to good effect in terms of releasing land for infrastructure and supporting businesses, and there are real concerns about the forward impact as those programmes cease. I think we can demonstrate in both cases that certainly at regional level the needs of those areas have been recognised in the regional programmes that my organisation directly supports and in local frameworks for action that we have agreed with local partners to spend regional money at local level. It is the case that the replacement of the former Objective 2 will have a less area-specific focus to it, which means there will be new regional

initiatives that can be applied across the region, including those two areas, but we understand their concerns.

**Mr Thompson:** I would echo the point that we are looking to work closely with local economic partnerships to ensure that the supply of matching funding for key projects is maintained when Objective 2 eventually finishes. I add that there are still some very important projects being built and funded now under Objective 2, so it has a tail of about a couple of years.

**Mr Merrick:** The east of England is like the South East. We had relatively few areas that qualified for Objective 2: Yarmouth, Lowestoft and Southend. There is a need to look at the transition. In the context of a regional development agency which has 0.1% of regional GDP and public expenditure of £24 billion, I think we have to line up existing funding and look at what is a relatively small amount of funding in the great scheme of things and also how we catalyse the market to deliver.

**Q86 Mr Betts:** When we visited Exmouth the other week we saw a situation where quite a percentage of the population is retired and a lower percentage of the population works but not in Exmouth; they work in Exeter. Is it important that coastal towns should be economically self-sustaining, or does it really matter if they become retirement homes or commuter belts by the sea?

**Mr Thompson:** Perhaps I may pick up another example. In my region Weston-super-Mare has a very similar demographic trend, with a large proportion of people commuting to Bristol for work and some retirees and other people living in the town. We think it is important in the particular case of Weston, which is a large town of about 100,000 people, to try to make it more self-sufficient economically and attract business and employment to the town so that people who form a very skilled workforce—they work in computer and aerospace companies in Bristol—could work in the town itself. In the particular case of Weston we would like to make it more self-contained.

**Q87 Chair:** Why is it important to make it self-contained?

**Mr Thompson:** With its relationship to the greater Bristol area, we see commuting as an issue; it is causing congestion on the motorway and unsustainable patterns of travel. A big town like Weston of 100,000 should really have its own economic base, not act as a dormitory for a city 20 miles away.

**Mr Wray:** Whilst I agree with that up to a point, the residential population of coastal towns is rather important because the demands that they generate are the base load of demands for restaurants, shops, pubs—all the sort of facilities that tourists use at certain times. In relation to Morecambe, for example, we are quite anxious that in future it

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should develop a residential suburban role, not a long distance commuting role, in relation to Lancaster which is only a few miles away.

**Mr Lovejoy:** I have nothing specific to add, other than that to allow that trend to develop through a policy of benign neglect as we have highlighted risks leaving economic potential unused. It would be difficult to justify leaving an area that could

make an additional £13 billion contribution to the UK economy, were it to perform at the national level, to continue to drift behind national and not regional averages.

**Chair:** Thank you very much for your evidence. As with the other witnesses, if when you leave you think of something that you should have said or particular examples we shall be happy to receive them.

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**Tuesday 4 July 2006**

Members present:

Dr Phyllis Starkey, in the Chair

Mr Clive Betts  
John Cummings  
Mr Greg Hands

Anne Main  
Dr John Pugh  
Alison Seabeck

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*Witness: Professor Steve Fothergill, Centre for Regional Economic and Social Research (CRESR), Sheffield Hallam University, gave evidence.*

**Q88 Chair:** Welcome to this session on coastal towns, Professor Fothergill. Can I start by asking you what prompted you to carry out your study on seaside towns, whether you think they have a future and, if so, what it is?

**Professor Fothergill:** There are rather a lot of questions there. Let us take the origins of this particular study. I am an academic who has worked on British urban and economic development issues for many years in many different contexts, not least, for example, in the context of the coalfields, which one or two of your colleagues around the table know that I am fairly heavily engaged with, but this particular study was driven by pure old-fashioned academic curiosity in the sense that very little was really understood about the dynamics of Britain's seaside towns, the economy of the seaside towns, and, at least in theory, it seemed to me we might be looking at a serious problem in that many of the towns have quite high unemployment compared to neighbouring areas, and we all know that many people now do not go for their holidays in British seaside towns, they go abroad, and so I wanted to pick apart what was going on, and I think we have been able to get some way in terms of answering that question.

**Q89 Chair:** Does that then lead you to think that there is a future for seaside towns and is there a future or a lot of futures?

**Professor Fothergill:** I think what we thought we might find was that seaside towns had entered a spiral of decline rather similar to some old industrial areas and that that would be marked by loss of employment, particularly in the tourist sector, and that, in turn, would trigger further job losses in the local economy, out-migration of population, et cetera, et cetera. What we actually found was the opposite of that, which is that there is strong growth in employment and in population in seaside towns. That is not to say that they are all without problems, but this is a very different scenario to that which you find in some of the old industrial areas.

**Q90 Chair:** Is the population growth (so the in-migration) true of all coastal towns?

**Professor Fothergill:** The overwhelming majority, yes. We looked at data from the beginning of the seventies right through to the beginning of the present decade and there are one or two slow growers admittedly, I think there are probably a

couple which have not shown growth, but the average growth across the 43 principal seaside towns in the working age population is in excess of 20% over that 30-year period; so this not a situation like the old coalfields.

**Q91 Chair:** Before I let my colleague in, can I ask you to say in what sense you think that seaside towns are problem areas?

**Professor Fothergill:** As I said a moment ago, I think in theory we thought we were looking at a problem. In practice, the problem that we have found is that to keep balanced in the labour market of the seaside towns, the economy of the seaside towns has got to grow very quickly. The seaside towns are attracting large numbers of in-migrants from other parts of the country. To avoid that feeding through to unemployment, you have got to keep employment in the towns growing quickly, much quicker indeed than the national average, and, in fact, there are a number of seaside towns where the balance between the available supply of labour and the supply of jobs is still seriously out of kilter and there is quite a lot of unemployment, either visible unemployment or hidden unemployment still.

**Q92 Anne Main:** Can I ask you about the correlation between employment and the demographic needs of the people that are moving in. Are you finding they are a certain age group and fit the right skill-sets? Has the employment which is growing been matched by the people who are coming in or are they coming in for different reasons, such as to retire, or trade down, or whatever else you might suggest—quality of life issues?

**Professor Fothergill:** There is undoubtedly an inflow of people over retirement age, but what we were documenting is that even among people of working age there is an inflow from other areas, and it is an inflow particularly of people, let us say, in the second half of their working lives—from 35, 40 upwards—and amongst those that we did interview (and they were only a subset obviously), residential preference, the desire to be living in a seaside town, seems to be the driving factor rather than necessarily it all being driven by the fact, "Oh, there was a job there, therefore I moved to a seaside town." It is people wanting to live in these towns because they are attractive places to live.

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**Q93 Anne Main:** What is the employment that is growing then: servicing those people?

**Professor Fothergill:** The employment growth in seaside towns has been surprisingly broad based. One of the things that we had expected to find was that those sectors most closely linked to tourism would be on the slide. In fact that is not the case, they are surprisingly robust, which tells us that the tourist industry is surprisingly robust, but even beyond that there is quite broad-based growth, in large parts of the service sector particularly, in seaside towns.

**Q94 John Cummings:** Did you do any specific research in relation to the unique circumstances which prevail in the likes of Seaham in County Durham, Sunderland and South Shields. I mention more specifically that Seaham had three working collieries, Sunderland had one and South Shields had one. I thought you were looking at whole of the United Kingdom?

**Professor Fothergill:** John, you will know in many other contexts I have done a lot of research on the former mining communities. The particular project I am dealing with, seaside towns, dealt just with what we call the 43 principal seaside resorts around the country, which actually in the north-east, I have to confess, did not include the places you have just mentioned. It did include Whitley Bay, it did include Whitby and Scarborough but I am afraid not Sunderland, Seaham or South Shields.

**Q95 John Cummings:** Why, given your particular interest is in mining areas?

**Professor Fothergill:** This was not an attempt to monitor the economic change around the whole coastline; this was a project that was trying to look at what had happened to seaside resorts, not all coastal areas. We were concentrating on the places where the tourist industry was or had been a dominant component of the overall economy.

**Q96 John Cummings:** So there might be a further report in the future?

**Professor Fothergill:** I can point you in the direction of plenty of work I have done on the coalfield economy.

**Q97 Chair:** Would it be possible for you to say, given the amount of work you have done on coalfield communities, whether the coastal coalfield communities would share characteristics with the coastal resort towns that you have studied in that particular project?

**Professor Fothergill:** I do not think I have ever disaggregated the coalfields to look specifically at coastal coalfield communities, so perhaps I had better not shoot from the hip on that one.

**Q98 John Cummings:** The research is entitled “the seaside economy” not “seaside resorts”, Stephen.

**Professor Fothergill:** But if you look more carefully, that is the strapline, the seaside economy. If you look more carefully, it is clearly saying this is about seaside resorts.

**Chair:** We understand that.

**Q99 Alison Seabeck:** You talked about employment growth across a lot of seaside towns and areas, is it largely low-paid employment? I am talking about outside of the tourist industry specifically here. You have people moving into the care sector, for example, because you have a very large elderly population. Was that evidenced or were there places like Butlins where you can have some really quite high paid jobs and was there a reason for that?

**Professor Fothergill:** I have got to say, if there is one weakness in the particular research we have done, it is that we have not looked enough at the quality of jobs. I could not comment on pay. What I can comment on is the full-time/part-time split. What we did observe is that there has been growth in both full-time and part-time employment in seaside towns and jobs for both men and women. On the other hand, what we also note is that the disproportionate share of the overall total of jobs in seaside towns are part-time, and that obviously raises worries about what the implications are for household incomes and so on. So, there clearly is an issue, which I think you are getting at, but beyond those simple statements on full-time/part-time I cannot really elaborate.

**Q100 Dr Pugh:** I think you would accept though, would you not, that what your research establishes is something that runs contrary to the perceived wisdom about what is happening in seaside towns, and there may be other research that points in different directions; but in terms of the unemployment problem in coastal towns, is that just a problem caused by unemployed people moving into coastal towns?

**Professor Fothergill:** No, it is a problem of the overall balance within the labour market. If you have got lots of people moving in, who may not be unemployed when they move in, and if you are not growing the stock of jobs fast enough, the imbalance in the labour market is going to come out somewhere or other. Over and above that there is some evidence of a very specific process going on whereby some benefit claimants are drawn into seaside towns because of the availability of a certain sort of small, private, rented accommodation, often flats in former boarding houses. So, there is an element of that attraction in, if you like, of the unemployed, but it is not the dominant process as best we can tell. The dominant process, as far as there is an imbalance, is simply one of overall flows in the labour market.

**Q101 Dr Pugh:** Is it a kind of drive of the decline: the boarding house shuts down, the boarding house then becomes attractive to unemployed people, or maybe unemployable people in some cases, and a vortex of decline starts which every seaside town in some way or other needs to address?

**Professor Fothergill:** I am trying to say there is an element of that, but in the overall jigsaw it is not a dominant factor in understanding joblessness in seaside towns. When we actually did the survey work, and we surveyed a thousand jobless people in seaside towns, we got a pretty good handle on who

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they are, and when you actually try to pick out how many of these people are in the category of, say, the young, benefit dependent, in-migrants from other areas living in private rented accommodation, it is actually quite a small part of the overall jigsaw. It is a part but it is not the dominant part.

**Q102 Dr Pugh:** But there is another kind of structural pressure, is there not? What your research does show is that the age profile of people in seaside towns tends to skew towards the elderly, if I can put it like that, which means that whatever council is in charge has a very substantial services enterprise it needs to run in order to deal with all the problems that old people have and generate. In those circumstances, the actual cash, money available to invest in the infrastructure of the town, is limited; so you get social services using resources that could be used to some extent for regeneration. Is that not a common pattern?

**Professor Fothergill:** You have to understand what we did in this research project, which was essentially about the labour market and the economy of the seaside towns. I hear the arguments that you are making, I have heard them made before and I think there is a lot of validity in them, but I do not think, from our research, I can really document or tell you anything about the scale of that problem other than the fact that, clearly, if you have a large tourist population or an ageing population, it is going to place demands on services which are unusual compared to other places.

**Q103 Mr Betts:** I think you reject in your report the idea of a national coastal towns programme, a one-size-fits-all solution, but is not there some sense in which pulling the issues of seaside towns together on a common basis at least recognises there are some common issues between them and some common things that may well succeed. Is not a national programme approach rejected too easily by you in your report?

**Professor Fothergill:** There are some things that unite seaside towns and there are other things on which they look very different. Taking the very different bits first, when you look at the labour market indicators, there is clearly a huge difference between, on the one hand, let us say, a Great Yarmouth or a Skegness or a Thanet area in Kent, where there is clear evidence of labour market difficulty, and, on the other hand, some of the smaller seaside towns along the south coast or, indeed, some of the big ones along the south coast, the Greater Worthing and the Bournemouth areas, where the evidence on the strength of the labour market and the balance of the economy would suggest these places are not doing too badly. That is why I think we said a one-size-fits-all approach is not necessarily appropriate. On the other hand, I would accept the argument that because in all of these towns the tourist economy is an important component of their overall economy and that that imposes unique demands on local authority services in the upkeep of basic public infrastructure—for example, parks,

promenades, provision of lifeguards, et cetera—then there is something there which is very distinctive and where a claim could be made that something, in general, should be done to offset the additional costs of local authorities in seaside areas.

**Q104 Mr Betts:** Is there a basis on which at regional level you at least identify those towns which have got particular problems in the demographics. There could be a programme established which would benefit a group of those towns and we should look towards helping them on that sort of basis?

**Professor Fothergill:** Yes, to some extent some of that exists already through the various RDA funding mechanisms and through UK assisted area status, through European funding, et cetera. Certainly I would say that there is a subset of perhaps eight or 10 seaside towns that, just like some former industrial towns, have a very strong case for regional assistance.

**Q105 Mr Betts:** You refer to successful adaptation by some of the towns. Have you got particular examples, particular features where you think that we can learn lessons from certain of these towns getting it right?

**Professor Fothergill:** Let me say, successful adaptation does not mean moving away from tourism. The British seaside tourist industry should not be regarded as something which is dead or dying and therefore adaptation equates to moving out of that business altogether, but when you look around the coast you can see that some towns are evolving into taking on different roles as well as tourism. Perhaps tourism may be smaller, it may be the same size as it was before, but there are some that are becoming essentially dormitory settlements for neighbouring cities. There are some that are evolving into diverse economies in their own right. Take the example of Brighton, which is one that always comes to my mind. At the core there is clearly a seaside tourist industry in Brighton—the beaches were full last weekend—but Brighton is a town with a big commercial sector, with two universities, it is a commuting settlement for London, et cetera. That is an example of a large resort that I would regard certainly as having successfully adapted and moved on but without discarding the tourist element.

**Q106 Mr Betts:** Could you identify whether in that success it has really been the Government at national level, RDAs, local government, or has it been the markets that have achieved this change and adaptation?

**Professor Fothergill:** I think, if we are honest, it is the market. Some of the towns that appear to have the strongest economies are ones, some of them in the south-east of England, that have been able to piggyback their local economies on the wider growth of the south-east regional economy. Some of the towns that appear to have been successful are ones that have been very good at riding changing trends in the tourist industry itself. I think

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large parts of the south-west of England fall into that category, where they have managed to move into not quite an all-year round tourist trade but certainly something approaching that. The ones that have the biggest problems are those that were initially hooked into mass market tourism and where that was a dominant part of the overall economy, not just one component part alongside others. I am thinking of Great Yarmouth there or Skegness.

**Q107 Anne Main:** You have mentioned piggybacking on the south-east or the south-west, does it at all become a north/south divide overall, relatively speaking, rather like the housing market?

**Professor Fothergill:** Oddly, if anything, it is almost an east/west divide. The seaside resorts that in labour market terms seem to be showing the least resilience are those down the east coast. Those in the south-east and the south-west are doing okay as well. Those in north-west of England (Blackpool Southport, et cetera) perhaps are not as good as some of those further south, but the problem area as best we can see is broadly the east coast resorts.

**Q108 Anne Main:** In which case, in your view, what can this Committee recommend that could help coastal towns, particularly in those areas that you have spoken about?

**Professor Fothergill:** I have thought long and hard about this, and I think that the first thing I would say to you is that you should not write-off seaside tourism as some sort of dead duck. It is a big industry in Britain, it still supports a large chunk of the economy of many of these towns and I think it is an industry worth supporting. It does have a future. As we all get more affluent, we all spend more on leisure and holidays, we go abroad and we go on holiday in Britain. That is the first thing that I would say to you: do not write-off the industry. The other thing I would say is that there is most certainly a case for addressing the particular needs of funding the public realm, public infrastructure in seaside towns. A lot of that burden at the moment falls on local authorities. They do not get an obviously commercial return for what they spend and it is a non-statutory responsibility, and I think on that front there is a case for helping that sort of provision because it underpins so much else of the local economy.

**Q109 Anne Main:** You mentioned that magic word “infrastructure”, which comes up in all sorts of strands of life. Are you saying that particular Government departments could do more to aid seaside towns? In which case, which ones? Seaside coastal towns really?

**Professor Fothergill:** It is perhaps not for me to pinpoint exactly which government department, but if we are talking about support for the seaside tourist industry and offsetting some of the costs that fall onto local authorities, or perhaps matching what local authorities put in, then we are probably talking DCLG, maybe DCMS, because that is the lead department on tourism, but also maybe DTI. This is an industry in its own right, the tourist industry.

**Q110 Anne Main:** Do you think it needs special recognition over and above other industries?

**Professor Fothergill:** There is a case for looking in more detail at the case for having some special programme. I am not going to commit myself absolutely. It was the role of my research to document what has been happening, not necessarily to say in detail what should be done, but I think in principle there is a case for looking at that.

**Q111 Dr Pugh:** Is not there a problem, because it is perfectly possible to run the argument that you have public realm infrastructure development and following that comes private investment—we have seen it in the cities—but the cities have a huge natural population, whereas the coastal resorts are different in many respects, they rely on people actually going to them on a day basis or a week basis, or whatever, and, therefore, the justification for big public realm investment to a government looks less transparent and less apparent?

**Professor Fothergill:** If you rolled all the seaside towns together, they add up to a substantial population. This is not a marginal part of Britain. The 43 seaside towns we covered in our study have a combined population of 3.1 million. That is greater than the whole population of the north-east of England; it is greater than the whole population of Wales. This is a substantial part of Britain that has distinctive characteristics and may well justify distinctive interventions, but that is something, as I say, that needs very careful consideration. In principle it is worth looking at, but it will need detailed consideration.

**Chair:** Thank-you very much, Professor Fothergill.

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*Witnesses:* **Mr James Hassett**, Chief Executive, Market and Coastal Towns Association (MCTA), and **Mr Peter Hampson** Director, British Destinations and Resorts Association (BRADA), gave evidence.

**Q112 Chair:** Can I ask you to introduce yourselves and the organisation you are from. Mr Hassett, of course, some of us have met already at Exmouth?

**Mr Hampson:** My name is Peter Hampson. I am the Director of the British Resorts and Destinations Association, which was recently renamed. It was previously the British Resorts Association. I have been a Director of that association since 1993.

**Mr Hassett:** I am James Hassett. I am the Chief Executive of the Market and Coastal Towns Association, which is an association that operates in the south-west of England.

**Q113 Alison Seabeck:** We have heard and you have heard from Professor Fothergill that there is a case to be made for special treatment for coastal areas and coastal towns. What, in your view, makes coastal towns unique?

**Mr Hampson:** I think it would be difficult, having seen and read the evidence that has been produced to you, not to realise that there are some interesting issues revolving around coastal towns which would appear to be considerably different. I would make the case that seaside towns do have a future with a mixed economy but that there are special problems, which you have had outlined to you in numerous pieces of evidence, whether it be geographical, physical, economic or social, and that those need to be recognised in terms of public policy. The public policy that we see being put into place is adequate for most situations, but in certain circumstances, and mainly in coastal towns, they are acting as a barrier in some ways to the redevelopment of those towns.

**Mr Hassett:** From my side it is interesting because I deal with market towns as well as coastal towns. Some of the issues that are raised certainly in the coastal towns of the size I deal with, and you will appreciate I deal with the very small towns with populations of between two and 25,000, are exacerbated by a coastal location rather than being necessarily overtly unique. There are issues, for instance, around the need for assistance because of the risk of flooding, particularly in coastal areas, but if we looked at the subset levels, in a low-level area you could find some analogy with that but it is definitely exacerbated by that coastal location.

**Q114 Alison Seabeck:** Would you not accept that, having listened to both your responses on that, that this is like a piece of jelly. There are so many diverse reasons why coastal towns and villages have problems, and they vary so enormously from place to place and area to area that it is quite difficult to pick out a single defining issue. Can you pick out a single issue which is common across the piece that is not reflected anywhere else inland?

**Mr Hampson:** I think in the written evidence that we submitted we put to one side the smaller towns. I think there is an issue about the scale and the economic impact, and, yes, my organisation represents a lot of the bigger coastal towns but it also represents a lot of the smaller coastal towns. I think that you need to be hard-faced to say that there is an issue of scale here and there are certain places where

it is in the public interest to actually concentrate on the larger towns and, therefore, what tend to be the larger problems. Obviously my colleague is not going to necessarily agree with that, but I would tend to point to that as being perhaps a solution. There are some fundamentals. I do not want to hog it, but there are things around housing, access, recognition and the nature of how programmes are being put together which perhaps, I can address in a later question.

**Mr Hassett:** From my side the south-west is relatively unique from an English perspective in terms of the number of towns it has of this particular size. It obviously has a huge coastline and has a number of towns that would fall into the category that I would deal with, and when you aggregate those up, as we have already heard today, it does not represent a significant number of people. I think some of the issues that were raised earlier that have been raised by my colleague here in terms of the common threads are actually less prevalent in the small towns. There is a particular nuance around a particular town, for instance, that has had a particular history and there is a particular reason why it is that shape, that form, has that particular economic aspect, which we try as an association to listen to, but we have less of a one-size-fits-all response to that.

**Q115 Alison Seabeck:** That said, are there any common threads which link together those towns which have successfully regenerated?

**Mr Hassett:** I think a lot of them in my experience have almost decided on a unique selling point in terms of deciding what they have got.

**Q116 Alison Seabeck:** Can you give us an example?

**Mr Hassett:** Newquay really is the classic one. They have turned round and decided that they had a particular niche that they wanted to go for, which is lifestyle, surfing, those kinds of aspects. They have promoted that very heavily and have actually made themselves a destination for a particular activity in terms of a niche within the tourist industry. They have almost invented a USP for themselves. Lots of the towns in the south-west, certainly through our particular process, are looking for those USPs; they are trying to find out what makes them distinctive.

**Q117 Alison Seabeck:** Could you explain what that is?

**Mr Hassett:** Unique selling point.

**Q118 Alison Seabeck:** No. What is Newquay, for those people here who may not be entirely aware of it?

**Mr Hassett:** It is a reasonably sized coastal town in the south-west that has very much built a tourism industry based on surfing and adventure type holidays in the south-west.

**Q119 Mr Hands:** How much of that is due to the airport in Newquay and how much to the niche attraction? Is Newquay's success actually down to

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the cheap and easy way of getting there? I saw some fascinating figures comparing holidays in English seaside towns and holidays in France and the expense of going to an English seaside town is largely because of the rail fare. How much of that is due to transport rather than a niche activity?

**Mr Hampson:** I think the airport is a factor. It is a publicity factor more than it is a reality factor. The airline to Newquay does not carry enough people to make that much of a difference. The fact that there is an airline and people from London can fly to it gets an enormous amount of publicity about Newquay being the hip and up and coming destination. It is a factor, but it is a different issue: it is the difference between reality and perception. Can I answer perhaps the question that was put by the previous speaker? I think there is a unique feature in all those places that are successful, and it is called money. All of those places that are pulling themselves up have had access to some sort of funding in the last six, seven eight years. That is the key factor.

**Q120 Mr Hands:** Private or public?

**Mr Hampson:** No, from pump priming funding, i.e. Objective 1, Objective 2, ERDF, SRB. Without that kind of pump priming money, you do not see the kinds of activity, and that would bring me on to the point that I really would like to get over to the Committee. One area that needs to be addressed, where there is activity taking place, publicly funded. We need to start looking at a "single pot" programme approach which would make the monies that are available go a lot further. At the moment, even places like Blackpool where there are major schemes, it is single small schemes and it is not being sequenced properly. It is not getting the kind of flows that they need to maximise the benefits of public money that is being put into these places.

**Q121 Chair:** Are you suggesting a single pot for coastal towns, or just a small pot full stop?

**Mr Hampson:** I think that would be a step too far. If you were to go down a single pot for coastal towns route, the danger is it would end up with one or two across the country, because it would become competitive and there would be a whole host of losers. Where monies are available, I am talking about a programming and a phasing that allows it to be spent as a single pot.

**Q122 Anne Main:** Can I take you back, because you are putting in a lot of information. Before I go back to the thing I was going to ask you about, you just said where the money has been spent, in which case surely you can put a grid overlay in areas and you could see if that was the case. So, I presume there are facts to back up that statement. If so, I would like the information. You threw in, and you said your colleague, Mr Hassett might not agree with you, that the larger towns, generally speaking, have the bigger problems. Again, is that backed up by facts and figures and information, because we heard from our previous speaker that some of the larger towns were piggybacking on the fact that they were bigger because, by diversifying, they could have language

schools, they could have conferencing and all those things that smaller towns cannot have. Have you got information to back that assertion up?

**Mr Hampson:** Yes, the scale of problems in somewhere like a Blackpool, because of the size of Blackpool, will be relatively bigger and often much, much bigger.

**Q123 Anne Main:** Will they be less solvable though?

**Mr Hampson:** No, if they are dealt with and if it is recognised that they have got issues and problems, they are imminently solvable.

**Chair:** Can we move on. I am sure you can put in answers to the previous questions and, if you want to, to the ones that you get subsequently.

**Q124 Dr Pugh:** A couple of weeks ago I got a letter from the Chief Executive of Blackpool Pleasure Beach. It was a copy of a letter he had written to the Prime Minister which said more or less that he had heard the Prime Minister speak about the importance of national tourism and all that kind of thing but he had not seen very much action as a result. It was a rather plaintive, rather sad letter, and quite discouraging of the Government's intentions. Do you think the Government adequately understands the modern imbalance of the tourist industry, if I can put it like that?

**Mr Hampson:** The modern imbalance?

**Q125 Dr Pugh:** Not the tourism industry in general but the tourism industry around England?

**Mr Hampson:** I think the situation has changed significantly in the last three to four years, and that is the problem because a lot of the people who have given you evidence, me as well, are talking about things that have happened over the last two and three years and we are talking about situations which are dynamic and changing. There has been a huge sea-change in the attitudes towards both domestic tourism and, indeed, coastal tourism as a particular issue. The fact that you as a committee are asking such pertinent questions, I think, shows that there is a changing attitude.

**Q126 Dr Pugh:** Has that change swept through the RDAs as well?

**Mr Hampson:** It is changing as we speak, rather than it has changed. I think that they are now, three or four years down the line, starting to realise that there are some issues. The problem with RDAs, of course, is that their funding is markedly different and their priorities are markedly different. In terms of coastal investment, some RDAs are able to put significant amounts of support into coastal towns, whereas others are not. The north-west is an example where there are significant amounts of money and effort going in. I think the north-west is probably, of the RDAs, the one that is the furthest developed.

**Q127 Dr Pugh:** Taking advantage of this favourable wind, is there more that coastal towns can do help themselves?

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**Mr Hampson:** They can do a certain amount, but there is an interchange, a number of public policy areas. The first thing is the understanding in public policy terms that coastal towns do have some very specific problems. If this Committee could establish in the minds of government that whenever any public policy is being discussed there may be nuances which affect coastal towns, that would be a huge advantage. I have spoken about the single pot. There are some major issues about housing, and in particular the imbalance that has been created in a lot of coastal towns, driven largely by housing benefit, HMO type housing, which is increasing the relative price of low quality housing to a point where public policy now cannot intervene in a lot of coastal towns because the thresholds are set so low that when housing corporations, housing associations, look at housing projects in a lot of seaside towns the unit levels, the cost per unit, are too high and they simply cannot intervene. So, that is another area of public policy where—

**Q128 Dr Pugh:** Apart from the public realm, you have good a tourist industry that has sunk huge amounts of its own money into all these resorts. Do you think there is evidence of clear long-term planning? In other words, are the people of Newquay thinking not where they are now but where they will be in the next 10, 15 or 20 years?

**Mr Hassett:** My entire association is set up to try and get the local people to think about a 20, 25-year timeframe for the redevelopment of their towns. I suppose the difference is that we are actually asking the residents what they want their town to look like rather than trying to make a strategic decision necessarily on which towns in particular should be supported or not. It is an interesting point, simply because I think what many of the people who are involved certainly in my association are concerned about is a trend. It is the long-term trend. It is not necessarily how they are at the moment, it is what they are worried the town might be like in 20 years' time. Some of the towns, once they have seen their service centres disappear, are concerned that they are going to become dormitory towns for larger cities and towns and so they are trying to second-guess what is happening in their town at a particular point in time and come up with a solution to that. Linking that point back to some of the points that are raised by the RDA, we are talking about the tourism industry and it is probably not appropriate for the RDA to be named in that particular aspect. We have to try and look at things from a sustainable communities perspective, which is actually looking at the environment and the community as well as the economy, and that for us throws up a whole different raft of challenges in terms of co-ordination of funding, for instance, and actually getting appropriate funding for the appropriate solution. In our particular region a lot of people have approached the RDA for projects that, to be honest with you, the RDA would not have ever funded because it does not think that they are a high enough priority.

**Q129 Dr Pugh:** You let slip the word “resident” a few minutes ago. They have to own the vision as well, do they not—

**Mr Hassett:** Absolutely.

**Q130 Dr Pugh:**—more than RDAs and those planning bodies and partnerships, the vision for the town. Is there a time lag between the vision being brought out and put down on paper and being owned by the community represented by the town?

**Mr Hassett:** I suppose the kind of process we promote is the reverse of that, because we try to get the communities to articulate their own vision. The lag that we find is the ability for the community to communicate to some of their likely funding agencies in a way that the current funding agencies can listen to. So, there is a translation issue between the general public who are trying to say, “These are the things we need”, and the things that some of the public bodies can fund. So, it is not exactly there is a mismatch, it is just trying to put it in terms of understanding and timeframes that people understand.

**Q131 John Cummings:** Can I turn your attention again to funding. Do you think that the coastal towns have stood between being deprived enough and, indeed, successful enough when it comes to securing funding?

**Mr Hampson:** An interesting question. I think I understand where you may be coming from. The problem with a lot of the towns is that they do have quite reasonable economies. It was one of the issues that my organisation struggled with in the late nineties, explaining why we had a buoyant tourist economy in a lot of these tourism towns, indeed a buoyant mixed economy, yet there were pockets of very severe social deprivation. I think it was only when the work that was done by our previous speaker came up that we were able to explain why you should have this strange situation of very high deprivation but a fairly buoyant economy. So, the economy is running very fast, and should be, therefore, getting bigger and better. But what you are getting is this in-migration, often people who do not come for particular employment purposes but just come to live, because it is better living in a seaside town than an inland equivalent very often. So, yes, in some ways, until probably three, four or five years ago, there was this issue that people just did not believe that you could have a nice seaside town and yet have these huge pockets of social deprivation. And in some cases they are enormous pockets of deprivation. You will have seen from the evidence we present, both written and oral, the sorts of scales where I see from my colleague in Blackpool a 60% transience in primary schools.

**Q132 John Cummings:** Hopefully after this inquiry people will be more aware of the specific problems that exist in relation to deprivation in seaside town areas, but would you not agree that perhaps there is a need now for a national coastal town funding strategy and, if so, how would you believe that would work? How would it be managed?

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**Mr Hampson:** If there was an endless pot of money and you could waive a magic wand, I would agree entirely that a major single national approach with a big pot of money that everybody could actually go to and which was big enough to deal with the core problems in all of the seaside resorts would be a great solution, but I cannot see how it could or would be practically managed. I think there are policies which encourage that but not necessarily funding schemes. I am not sure I have explained that particularly well.

**Q133 John Cummings:** Have you any indication or any research to indicate to the Committee what sort of sums of money you are talking about for the generation of coastal towns?

**Mr Hampson:** To be honest, we have never sat down and tried to calculate, just because of the pure range and the scale of the issues.

**Q134 John Cummings:** Recognising that Objective 2 is coming to an end, where do you think your future funding will come from?

**Mr Hassett:** Certainly in the communities we are dealing with, initially most of the communities have looked towards the Regional Development Agencies for support. What we are trying to promote is an increased focus on the lottery for some of the social side aspects and, to be honest with you, some of the issues that are being raised in terms of flood defence, we are certainly looking broadly, again, to the Environment Agency. A lot of it is coming from the public sector in that respect and certainly in terms of getting the infrastructure right, it is a breadth, but you are trying to find the funding from a variety of sources, including trusts and charities, to be honest with you. That is what our groups are looking for.

**Q135 John Cummings:** Looking at the levels of deprivation (and I would certainly cast my attention to Sunderland, Seaham and South Shields resorts) there is nothing sadder than seeing a run-down, paint peeling terrace of guest houses which you often encounter in these particular areas. Do you find much local enthusiasm for them to do anything about it themselves or is it always someone else's problem?

**Mr Hampson:** No. I think there is an issue, and Professor Fothergill touched on this, this issue of public realm. The typical coastal town has got a huge range of issues—weather induced, sea induced, sand blown, the kind of economy—and these have all been highlighted to you in previous evidence, but there is an issue about coastal towns that their very attractiveness relies on this grand public space, its inherited grand public space. If you were redesigning the long seaside resort you would not build them on the sort of scale that the Victorians and Edwardians have done. You have got this space and it needs to be dealt with. What we do see is that, where money is spent on public infrastructure projects, it does have an amazing impact on private sector investment, and the sort of properties that you are talking about, the run down and peeling. If the streetscape of that particular road was dealt with

and there was a signal, some enthusiasm and some future for the town, it is almost certain that a lot of those properties would suddenly go from, “I cannot afford to invest in this”, to, “I cannot afford not to invest in it.”

**Q136 Mr Hands:** I have got three different questions I am going to roll into one, so brief answers. First of all, do you think that attention to tourism actually ironically detracts from other problems that coastal towns face, secondly, can housing issues in coastal towns be addressed within the context of regional housing plans, and, thirdly do you think that the demographics of coastal towns creates huge obstacles to regeneration and is there much hope of changing the population structure of these towns?

**Mr Hassett:** In terms of the demographics, that does present a huge challenge in terms of the long-term viability of the towns. The south-west is an immigration area. The only age group that we are in deficit in terms of migration is the student, the 18 to about 24 year old category, and that presents us with a particular issue in terms of skewing our demography into an older group generally within the south-west, which is shown to be exacerbated in coastal towns. I am sorry; you are going to have to repeat the other questions.

**Q137 Mr Hands:** The second is housing issues, regional housing planning, and, third, whether ironically there is too much attention on tourism?

**Mr Hassett:** I think the tourism industry is so important to the coastal towns that I do not think I would feel comfortable saying that there is far too much attention, it is vitally important. What I would say is that it is not the only thing that we need to be focusing upon, but it is vitally important. I would not say that it has too much attention, just that maybe we need to give some of the other areas attention. From the housing side of things, particularly because of the size of towns that we deal with, because I am dealing with very small towns (and this is a personal sort of understanding about how things have gone), I do not see much impact currently on some the regional housing activity in towns of the size that I am dealing with.

**Q138 Mr Betts:** Just on the demographics, presumably some of the people coming in to retire have reasonable incomes, but, on the other hand, we heard when we went down to Exmouth that there is a tendency for those people to say that they rather like the place the way that it is, that is why they moved there, and then become part of the resistance to any proposed change to bring in new ventures which would actually enliven the place.

**Mr Hampson:** It is known as “last-settler syndrome”. It is a common feature. The simple point about the demographics is that older people move into towns and it is still fresh blood, it is still money. But the problem is not with the people who are retiring: the people who might be my age and above (you are not talking about elderly people). The problem is that young people are leaving, people of an older generation are coming in and those people

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are then becoming elderly in large numbers. It is not the retired people, it is the elderly end. The people who need to be looked after by the social services that cause the difficulty; so that is the problem with the resort demography. It is not about those who people who have retired there; it is the fact that they are creating, down the line, a much greater elderly population. That would not be a problem, if it was recognised as an issue and it was properly funded, but local services, the NHS, in coastal towns are not funded to recognise the fact that they have got this greater increase of individuals, but also elderly individuals who are deliberately moving away. If we still have an ethos of family support, they are people who are moving away from their family and friends and end up, or are more likely to end up, in local authority social care because they have not got anybody else to look after them. I hope I have covered that area. Tourism detracts? Tourism does not detract. In coastal towns it is often the only solution. You are not going to make widgets in Skegness, you are not going to build cars in Torbay, I am afraid. And so tourism is important. The problem with tourism is it does detract if it is not understood. It is starting to be understood, and the inquiry that you are carrying out, I hope, will help people to understand the dynamics of it. In the written evidence that we have put forward, I talked about happy holiday memories. In the absence of facts people just make wild assumptions about the tourism industry.

**Q139 Anne Main:** On the infrastructure, because we have moved away from it, do you think you can make a particular case for improving the

infrastructure so that young people would want to come and live and work and spend time in the town and it becomes a more vibrant place to be?

**Mr Hampson:** It will depend on the town. All the towns are different. If there is work for people, either in the town, or there is work within commuting distance and the access issues, because in my view, and it is a broad statement (I tend to make broad statements)—the thing that is driving Brighton is the fact that it has got a fast rail link. The thing that will drive Folkestone is the fact that it is about to get a fast rail link to London—it is about issues of economy and access.

**Q140 Chair:** We will leave the last word to Mr Hassett and then we will have to move on.

**Mr Hassett:** We are working on the presumption that, if we put a load of infrastructure investment in, it will do something in terms of attracting more people in and those kinds of things. I think there is an argument that regeneration does do that. I think there is also an argument that the people who actually live in that town who are going to have to put up with the public realm debate in the town that they live in, which has maybe faded a bit because people do not have the money to keep it up, in some respects they deserve a certain amount of investment into the town for their own rights. It is not always about the new and the bigger and the better. In the south-west a significant number of our population just live in these towns, and in some respects we have almost got a duty of care to them to make sure that their towns are looked after and that they are attractive places for them to live in as opposed to just attracting people to come and see it. It is just a thought I had.

**Chair:** Thank you both very much.

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*Witnesses:* **Mr Stefan Jankowski**, Manager, **Mr Nigel Bellamy**, Deputy Chairman, Southport Partnership, **Ms Janet Waghorn**, Executive Director, and **Mr Paul Tipple**, Chairman, East Kent Partnership, gave evidence.

**Q141 Chair:** Good afternoon. Would you mind telling us who you are please?

**Ms Waghorn:** I am Janet Waghorn. I am the Executive Director of East Kent Partnership.

**Mr Tipple:** I am Paul Tipple, Chairman of the same body but also a private citizen.

**Mr Bellamy:** I am Nigel Bellamy, the Vice Chair of Southport Partnership and I work in the voluntary sector.

**Mr Jankowski:** Stefan Jankowski, the Partnership Manager and Deputy Chairman.

**Q142 John Cummings:** I would like to address this question to both sets of witnesses. Would you tell the Committee whether you believe that you get adequate support from the regional development agencies?

**Mr Jankowski:** Certainly in our case we work very closely with the regional development agency to develop a coherent and clear strategy for our town.

**Q143 John Cummings:** But the question was, do you get adequate support from the regional development agency?

**Mr Jankowski:** I would say yes, we do, but, of course, as we always say, more would be even better. They give us a fair crack of the whip.

**Mr Tipple:** That is our view. SEEDA is the RDA but I would have to add that just as important is the Government Office in terms of policy functions that they exercise on behalf of central Government. That is just as valuable.

**Q144 John Cummings:** So do you get adequate support from the Government Office?

**Mr Tipple:** Considerable.

**Mr Jankowski:** We certainly do.

**Q145 John Cummings:** Do you believe that regional level is the most appropriate for co-ordination of action on coastal towns?

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**Mr Tipple:** It depends how you want to define it. If you do it on the basis of an RDA's coverage then no, it is not in the sense that from our perspective it is too big an organisation with far too great a geographic area to necessarily understand the particular sensibilities of somewhere like East Kent. Where the SEEDA RDA has scored is in the creation of what they call area investment frameworks, of which we are one, which works through the local communities building up, in our case, over three district authorities to articulate what the needs of those communities are and to put in place not simply the strategy but also the action plan over a period of 10 to 15 years as to how that will be delivered, and that enables the RDA and all the other Government departments successfully to get behind that with funding.

**Q146 Dr Pugh:** Is that a sub-regional strategy?

**Mr Tipple:** Effectively.

**Mr Jankowski:** We sit within the Merseyside City Region, which is a sub-regional strategy as well, which brings up another set of tensions and we have to fight our corner for that.

**Q147 John Cummings:** Are you successfully fighting your corner?

**Mr Jankowski:** It is too soon to say. The sub-regional strategies are still being written and the funding and the allocation of resources are subject to lively debate.

**Q148 Anne Main:** Are coastal towns viewed too much within the context of tourism?

**Mr Jankowski:** Southport was built for tourism, interestingly, in the 19th century. Its *raison d'être* is tourism. It is what the town understands best. It has decided that, although there are additional areas it could benefit from, tourism and regeneration through the enhanced tourism model is where its future lies.

**Mr Tipple:** The traditional form of tourism, no. Tourism is an important component, yes, of the economies of the three districts I represent, but tourism is grossly overrated in terms of the way Government departments approach these areas and it is not really closely addressing the market. The other aspect I would add is that tourism can be a part of economic regeneration provided that the nature of the tourism offer itself has a quality product behind it, and more often than not in a lot of the coastal towns, as a result of dilapidation and lack of investment over the decades, the quality of that product is sadly lacking, which is why in the East Kent instance we are looking at tourism, culture and leisure, those three components coming together, and driving them forward in a way that improves significantly the tourism product that people are looking for in today's modern age.

**Q149 Anne Main:** Can I tease that out a bit? Generally speaking the tourist sector is seasonal and often characterised, as you have said, by low skill, low paid jobs, a rather faded image, so how are you going to move away from that, if you are

going to move away from it? Are you going to move away from tourism? Are you going to develop other economic activities or are you going to enhance the product, and if you are how are you going to do it?

**Mr Tipple:** We do both. In the case of East Kent we conducted some important research that identified which sectors over the next 20 years we would successfully be able to attract, and in our case we are trying to exploit the coastline and the heritage we have in a way that will attract the marine and aviation industries, particularly at the hi-tech end, to be able to locate close to the key sea ports we have, and also we have an international airport in Kent which again can be home to high technology companies which need to be co-located to an operational airfield. We are also looking at inward investment from the mainland as well as from beyond the EU in the sense of, again, hi-tech industries coming from South Africa and Israel, to name but two countries, which are expressly looking for locations that are close to the continent of Europe, thus exploiting the gateway potential but, for a variety of reasons, have difficulty coping with the culture and temperament that is continental Europe. They feel more comfortable working in East Kent.

**Mr Jankowski:** We have a classic resource strategy which is based on the principle of a pristine built, high-class environment, so a high quality physical structure within the town, but our regeneration is firmly directed to sustainability which is the bringing in of private sector investment. We believe that we now have significant levels of private investment that did not exist eight years ago.

**Q150 Anne Main:** So both of you are drawing mostly on the private sector to drive this upgrade?

**Mr Tipple:** Yes.

**Mr Jankowski:** Yes.

**Mr Tipple:** At the end of the day nothing will work unless we have sustainability but somebody will make some money. That is a very crude position to take but frankly if we are going to get the private sector they have got to see that they can make something from it.

**Q151 Mr Betts:** What do you think are still perhaps the biggest barriers you are facing for successful regeneration and where you have been successful what have been the key elements to that?

**Mr Bellamy:** The public realm is important. I think you have to look at the social and community side of it as well. I think that was touched on in the last bit of evidence. Whilst unemployment is relatively low in Southport we have to remember that these industries predominantly produce low paid, low skill jobs, and the other dominant industries I think are care industries, which are the same, and that inevitably means we lose a lot of young people who go off to look for careers, so there is a gap within the labour market that is fairly noticeable. In terms of those who are left, there is perceived to be a lack of opportunity because of that skills gap and that needs to be addressed. There is also the fact that,

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although we are doing our best to even out the tourism trade, the fact that there are peaks in the season does affect people's attitude to education and the college. People drop out as they are offered more hours, et cetera. You have got those social factors that need to be addressed hand in hand or otherwise you will not get a holistic approach that is owned by the community and the town as a whole. I think those have been recognised over the years as the three sectors that have worked closely together.

**Ms Waghorn:** Building on that, we have also got to support the public realm. We have just had a study done in Margate about tourism and the biggest thing it came out with was, forget the tourism product unless you improve your public realm locally. Otherwise you can ask for people to come and visit and tell them it is a good place to be and you might as well forget the whole thing. The public realm is a real thing and I would support everything that has been said about that. I would also cite accessibility and infrastructure: to be able to get in and out of places in a reasonable time and to be able to visit. One of the things that is unique about some of the things we have done is that it is about the links we have with the higher education and further education sector and getting them to develop new courses and new products that can train local people in new skills. In that I am thinking around the cultural developments that we are trying to achieve and new industries that we are trying to set up locally. They have got some bespoke courses now that they are putting on in the local area for local people and we have now got an HE campus in the Thanet area to take that on and let people really take on the education element and that is working.

**Q152 Mr Betts:** Would each of you like to say what is the biggest success story you have had so far which others might be able to learn from?

**Mr Bellamy:** I think it is the fact that we started as a partnership with an SRB and we have kept that together despite the fact that the main tranche of money that came next was on the infrastructure side. While in the last three or four years things have been in separate pots we have managed to the partnership together and retain the fact that we still talk about issues like housing problems with tourism deliverers, et cetera. I think our greatest success is the fact that partnership has remained intact.

**Mr Tipple:** From my perspective I would say it is the buy-in by all the stakeholders, be they public sector, private sector, community or the voluntary sector. They are all behind the strategy, they have all been involved in its conception, they have tracked it through at every stage and there is total transparency across the piste. Against that backdrop the most tangible form of progress has been in the cross-boundary order working, therefore, how communities work with communities which might be 20 miles away in order to promote the area as a whole and not necessarily their particular destination or location. That has

proved an enormously helpful tool in mobilising people. There is a wealth of talent out there, as I am sure you will appreciate, particularly in the voluntary sector. If you can mobilise that, which I like to think we have been successful in doing, it really does make an impact.

**Q153 Mr Betts:** Can I pick up on the point about housing? Would you want more affordable housing in your area? Would that enable you to retain some of the young people who would otherwise leave or is there a danger that if you provide it you end up attracting people from elsewhere, as one or two witnesses have said, who simply come because it is a nice place to live on their benefits?

**Mr Bellamy:** The evidence we have is that in the main people who come can afford the houses that are there but we have seen a huge rise in house prices in the last three or four years. If you bear in mind that you have a lot of young people on minimum wage jobs who are earning £10,000 a year and the starter flats are £100,000, there is no hope for them to be able to see a start in living in that economy, so they are going to move away to get jobs in higher paid areas. We have done a lot of research which has shown that the unit cost for builders is wrong because it is done on a sector basis rather than on a Southport basis and equally the numbers we are allowed to build are just not keeping pace with the needs that we have within the town. One of the things that has been successful has been a lot of private retirement flats but they are very expensive. We meet a lot of young people who are moving away because they simply cannot get jobs that will enable them to get on the mortgage ladder and in the private rented sector there are issues about quality and safety. We have done a lot of work through the SRB but we continue to struggle with that.

**Mr Jankowski:** There is additional pressure now which is probably an outcome of economic success with the influx of migrant workers who are tending to take some of the lower priced rental accommodation. Southport has a disproportionately high level of private rented accommodation. We are now seeing problems in the housing market that have been brought about through the influx of migrant worker labour.

**Mr Tipple:** We want a balanced approach. If you look at the whole of East Kent it is characterised by fairly affluent Canterbury and its region and you look at the coastal areas, characterised by, again, quite affluent wards living cheek by jowl with seriously deprived areas, so it is a mix, I think, of affordable housing, particularly linked to key workers, and there are schemes now where certain companies have actively been promoting that with some success. It is looking at those properties that traditionally have been broken up into however many apartments and trying to restore them so that they become family units again; in other words, trying to reflect in your housing stock the need to stabilise the determinants in the local population.

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**Q154 Mr Betts:** If I can turn to Southport, is the evening economy a major player for you?

**Mr Jankowski:** We have an evening economy strategy which we look at and try and drive forward. The evening economy is very difficult in our town. It is run by small businesses who perhaps compete on price in terms of the night time economy offer. We have issues about the cultural offer in terms of theatre and other things for a broader look at the demographic in our evening economy, but we are aware of the issues and are working on them.

**Q155 Alison Seabeck:** Can I ask Southport, we have looked at the information in your Classic Resort strategy, and obviously you in turn have looked at how that relates to what is going on in some European areas. Earlier today we talked about issues around sustainability and growing private sector investment. Is that what has driven the European comparisons that you have looked at? Was that private sector investment in those European towns?

**Mr Jankowski:** When we took our exemplars of successful European resorts, it was to try and identify what makes a classically good resort. Why do you get towns of similar scale to Southport with quite powerful visitor economies like some of the ones in Europe? We wanted to look outside the UK model of resort towns to see what was the best practice Europe-wide.

**Q156 Alison Seabeck:** But did you pick up evidence to support your view that private sector investment is the most powerful driver as opposed to perhaps French resorts drawing in funding from local or central government?

**Mr Jankowski:** Yes, there is that and the fact that in the European resorts the wage rates and the career progressions tend to be better than in the UK.

**Q157 Alison Seabeck:** What would you put that down to?

**Mr Bellamy:** It is the educational structure, I think. We have struggled quite a lot with the college to get them to re-gear their day-release programmes. It is very difficult. They do courses as if it is a school curriculum and people cannot just get a straight day off in the way they want to and that makes it difficult for both the students and the employers. The other thing is maintaining a progression that they can keep in-house. We need to do work with the private providers and make them not just give their time up but also pay them work-based training because part of the classic resort is also about having a high quality service offer.

**Q158 Alison Seabeck:** And that is clearly evidenced from the European example?

**Mr Bellamy:** Yes.

**Q159 Dr Pugh:** What you are saying is that in Europe tourism is treated as an industry, as a career, something that needs developing, but in a lot of our seaside resorts people just regard tourism as a way of getting cheap labour to make a fast profit and get on kind of thing?

**Mr Jankowski:** We still suffer from being seen as somewhere where people will retire and say, "I will open a boarding house in Southport. There can't be much to it", and you see them in Sainsbury's buying the food for their guests and you think, "Oh, dear me". That is part of the problem.

**Q160 Alison Seabeck:** To East Kent, in terms of proximity you are closer than Southport to the rest of Europe. Are you picking up on the lessons from the north French coast and Holland as to how they are regenerating some of their areas?

**Mr Tipple:** We look closely particularly at what French coastal towns are doing, working our way from Calais downwards, as it were, and this performance does vary. The key difference there is that when you look at the role responsibilities and funding availability in chambers of commerce they have a fair degree of autocracy but they seem to work. They can perform very quickly and they are therefore that much more responsive to market forces and that is why I think they score. Generally speaking what they have succeeded in doing is reflected in our strategy, which is all about being clearer about what the offer is in your coastal town and what the hinterland behind it—we should not forget that—is able to offer. If I come back to East Kent, you have got Canterbury surrounded by the coastal towns. In the middle is a rather large chunk of important rural land which promotes an important rural economy.

**Q161 Alison Seabeck:** If we can talk about the governance issues around some of those Norman French towns where they are fairly self-governing with mayors, are you saying that that gives them more power to their elbow in a sense in terms of making quick focused decisions?

**Mr Tipple:** Yes, particularly when you take into account the level of private sector investment which is channelled through chambers of commerce.

**Q162 Anne Main:** Can I take you back to what you said about valuing tourism as a career? Is it partly to do with any push that we have got now to encourage everyone to go for degrees rather than taking up vocational training and valuing becoming skilled up in industry? I do not know if that is part of the problem.

**Mr Tipple:** I think far too much emphasis is placed on the attainment of formal qualifications which do not necessarily reflect the requirements of the trade or industry that you are in. I also think that too much emphasis is placed on marketing by the public sector and significantly less on working with the industry. For example, the investment that is made in website development to try and market an area into mid-Europe is, I think, largely wasted. It should be directed into the travel agents who sell



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packages into the UK, be they based in Germany, France or the Netherlands, which tend to be the three dominant countries that people who are disposed to travel regularly travel to. It is those people you need to be able to sell the packages to and that is something that generally speaking the tourism industry in this country is not particularly strong at doing.

**Dr Pugh:** Coming back to funding, you have spoken very respectfully of the Government Office North West and the development agency. I would expect you to do nothing less in the circumstances you are in, but it is a nightmare, is it not? You have to get various packages of money, whether it be SRB, Objective 2, Objective 1 or whatever, mix and match, and then get all the streams tied together and then try and accomplish something with occasional schemes falling because the funding simply is not there in one pot or another. Would you like to comment on whether there is a need for greater consistency of funding? In the old days the local authority would have the revenue and would simply provide a pier or whatever it was that was required.

**Q163 Chair:** You can disagree if you like.

**Mr Bellamy:** We have experienced several different funding streams and we have had quite a lot of discussions about it. Whilst I recognise that there were faults with single pots and there was the competition element, et cetera, our view is, having talked to other resorts, that there are significant issues but there are different quantities. Even when you get to local authority level you see certain structures getting further away as we speak, such as the strategic health authorities, et cetera, and I think having a pot of money that has allowed you to address particular areas of need that you have in the way that a local partnership can, albeit it is accountable to the local authority or whatever, is the best mechanism you can get because not everyone is the same and the more the subs come down in different bits it does not allow you to produce a holistic package. We would definitely favour that as an approach because there are issues that we seriously know would be good drivers for us but we cannot persuade people at regional level, like with the marine lake in Southport.

**Q164 Dr Pugh:** Are you suggesting that if you have an effective partnership you can get more of the funders into the same tent and you are more likely to get mixes of funding at the right time in the right way?

**Ms Waghorn:** Yes.

**Mr Tipple:** Oh, certainly. We have got an illustration which I can talk to you outside about, but the key message we get back from central Government departments and other agencies is, "Oh, you have actually got a holistic strategy. Ah, we can now see where that particular project relates", be it in employment terms, housing, social community involvement. It hits a lot of Government department buttons suddenly, and suddenly the doors open. The emphasis is very

much on the partnerships to be able to articulate that vision and the strategy and demonstrate the linkages, but suddenly it prompts the Whitehall civil servants to say, "Wow! We are with you on that one", and suddenly what was a very difficult array of potential pots of funding to be able to access, let alone know about, come together, so I am very much in favour of the partnership approach where, as I said at the beginning, you have got all the stakeholders, from the public authorities down to voluntary groups, working to that same agenda and the industry clear about what the deliverables and the outcomes are going to be. That way you get their buy-in.

**Mr Jankowski:** I would absolutely reinforce that.

**Chair:** Can I follow up that one and say do you have any positive examples of interdepartmental co-ordination within Government?

**Anne Main:** Or not!

**Q165 Chair:** If not, what would you like to see?

**Ms Waghorn:** I think we could give a really good example of Margate as a town where a lot of different agencies and Government departments have now come together to try and have a holistic approach.

**Q166 Chair:** Can you briefly list them?

**Ms Waghorn:** The agencies?

**Q167 Chair:** Yes.

**Ms Waghorn:** We have got English Partnerships, the Government Office, the Department for Culture, Media and Sport, we have got a lot of lottery funding, we have got all sorts of different funding—I am trying to think of it all off the top of my head. SEEDA are involved, the Arts Council are involved, the Environment Agency. There is a whole host of different agencies that are all involved in one plan that everybody has agreed on as to what needs to be done and it covers housing, infrastructure, brownfield development and new creative industries and new enterprise. It is a totality of development.

**Q168 Chair:** Who drew up the plan?

**Ms Waghorn:** It came out with support from our partnership, funnily enough. There was a need to drive it forward. Margate has had a host of funding over the years, SRBs, ESFs, you name it, it has had it, but it has had this one pot mentality. Then they realised and we facilitated bringing a team together. It is now chaired by the Chief Executive of SEEDA and it is given that much prominence and now has got everybody on board. We provided the grass roots base for that to get it going. Everybody has then come along and seen the importance of it and they are now driving it forward. What it means is that we have more money and we are getting more bite for our bark and that is what really has got to happen now.

**Mr Jankowski:** On our side we have a similar cocktail of funding—NWDA, Objective 1 from the RDF, ESF, LTP, Sefton Council, HOF, lotteries, percolated across, in our case at the moment, nine

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capital projects. The problem comes when one of those partners decides that their priorities have changed or that their timescales have changed or, “Oh, we have over-committed somewhere else”, and you find yourself permutating nine capital projects with 18 different funders all operating to different timescales and it is difficult. It is as much a black art as a science to get them all to the starting line and then all to the finishing line, and that is where the advantage is of a single pot and total commitment from all the agencies to your strategic plan. We would rather know that we were not getting any money from certain areas than be told, “Oh yes, there is a good chance”. By the time you have built all the funding together it is so easy—one block gets pulled out and the whole thing collapses or it will take another three years to put back together again.

**Q169 Chair:** Is that not what the Government Office should be doing, drawing all the things together? It is a line from *Yes, Minister*, “You might think so”. Okay, fine. Finally, do you think the private sector has sufficient incentive to invest in coastal towns and, if not, what could give them greater incentive?

**Mr Jankowski:** From our side the town has to believe that it has reached the point where it is improving. It is not just the private sector. The stakeholders tend to be people who know your town well. It is community, it is health, it is education, it is the youth, the way we work across

all the different complexities and partnerships, but you do have to make them believe that you are investing in a town that has a future. Once people believe that the town has a future then you pump in your infrastructure, your public realm works, and we get immediate returns on our public realm works. There will be people knocking on our door. The private sector will want to invest because they have bought the vision. You do not have to hit them over the head with it. You let them learn and believe and that is the way forward.

**Mr Tipple:** I would echo all of that. I would just add that if they see public authorities working closely together and knocking down the traditional barriers, particularly on planning, then you will have them eating out of your hand. We have experience of that and we have had to go down the road of getting local authority chief executives themselves to be party to the initial discussions where private investors are looking in and saying, “Is this an area where we want to come and locate to?”. It is that senior level engagement and an open and honest commitment to say that planning is not difficult, is almost not going to be an issue: we are not going to put obstacles in your way. You also are able to demonstrate, as my colleague has just said, commitment on the part of the community as a whole to support what is going on and they will buy in. They see signs of a flexible, adaptable workforce that is prepared to be upskilled and they see the facilities that are there to enable that to happen and they are very happy.

**Chair:** Thank you very much.

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**Tuesday 11 July 2006**

Members present:

Dr Phyllis Starkey, in the Chair

Sir Paul Beresford  
Mr Clive Betts

John Cummings  
Dr John Pugh

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*Witnesses:* **Mr Colin Dawson**, Chief Executive, BALPPA (The British Association of Leisure Parks, Piers & Attractions Ltd), and **Mr Philip Miller MBE**, Managing Director of Stockvale Ltd, owners and operators of Adventure Island Amusement Park, Southend on Sea, The British Association of Leisure Parks, Piers & Attractions Ltd, **Mr Michael Bedingfield**, England Marketing Director, and **Mr Stuart Barrow**, Government Affairs Officer, VisitBritain, gave evidence.

**Q170 Chair:** Can I welcome you to this afternoon's session on coastal towns and could I ask you to introduce yourselves and say which organisations you are representing?

**Mr Barrow:** I am Stuart Barrow. I am Government Affairs Officer at VisitBritain.

**Mr Bedingfield:** Good afternoon. I am Michael Bedingfield, England Marketing Director from VisitBritain.

**Mr Dawson:** Good afternoon. I am Colin Dawson. I am the Chief Executive of BALPPA.

**Mr Miller:** Good afternoon. I am Philip Miller, the Managing Director of Adventure Island, Southend on Sea.

**Q171 Chair:** Can I start with the first question, which is to ask you whether you think coastal towns have unique attributes compared with other UK visitor destinations?

**Mr Dawson:** Yes, I think they do. I think the tourism product in coastal towns is one that in many cases has been developed over generations. There is a long tradition in our coastal towns of tourism and visitor attractions in particular, and that is something that I think we should protect and guard against any potential danger of ever losing.

**Q172 Chair:** But why is that different from other towns that are established tourist destinations, like Bath or London, for example?

**Mr Dawson:** I think one of the simplest answers is catchment. Very often they are backed to the sea. Half of their catchment is fish and therefore they are very much dependent on pushing and enabling themselves on that 180 degrees as opposed to inland tourist destinations that have a much wider and larger catchment area. Also, the road systems tend to be so much better inland than they are on the coast.

**Q173 Sir Paul Beresford:** You said "protect" but really what we ought to be looking to do is enhance, surely.

**Mr Dawson:** Yes, I agree with that.

**Q174 Sir Paul Beresford:** Can you give some suggestions? The knee-jerk reaction for some of the people from some of the towns is to say, "Here is my hat. Please fill it". I am a taxpayer, you are a

taxpayer. Are there things that Government could do to make it easier for them to move ahead without necessarily doling out all our money?

**Mr Dawson:** I think there is a partnership between the two. I think there is a partnership between the private sector and the public sector that is where the future lies but that needs to be a co-ordinated approach. At the moment there is insufficient co-ordination in the development of many of the tourist destinations that we have around the UK, particularly on the coast, and I think it is that lack of guidance and that lack of co-ordination that is causing some of the difficulties they are facing.

**Q175 Sir Paul Beresford:** How would suggest that comes about?

**Mr Dawson:** I would suggest some form of a national policy coming from the Government and coming down through the regions giving a much firmer direction to the local authorities and the regions to help put that right.

**Q176 Sir Paul Beresford:** Why through the regions? Why not something that is related to the coast?

**Mr Dawson:** I think it is generally accepted that the regions are getting more and more say in what happens in our areas now and as a consequence of that they need to be very firmly in the loop.

**Q177 Chair:** Can I bring in VisitBritain? What would you feel about whether coastal towns are different from other places?

**Mr Barrow:** It depends which coastal town you mean. If you are talking about Deal it does not have the same profile as, say, Poole would have or a seaside resort town like Scarborough. You mentioned Bath. If you are interested in Regency architecture in Bath or Cheltenham you might see Brighton as a Regency architecture site you would want to go and see, so it depends what your motivation would be. Obviously, seaside resort towns are different from cities but seaside cities will have the same market profile as cities inland.

**Q178 Sir Paul Beresford:** What do you suggest to improve things?

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**Mr Barrow:** It is up to the local authority. The interests of the local authority in creating a bigger tourist market will lead it to make its own policies and that is for them to decide<sup>1</sup>.

**Q179 Chair:** Do both groups think that English coastal towns have a viable economic future?

**Mr Bedingfield:** Absolutely. What we have seen recently is rejuvenation of many coastal towns. There has always been an historic appeal of coastal towns and I think rejuvenation by both the public and the private sector gives that longevity.

**Q180 Chair:** You are obviously largely about tourism from outside the UK.

**Mr Bedingfield:** I am actually not. VisitBritain comprises two bodies. One is certainly that we lead the world to Britain but we also have responsibility to ensure that the domestic visitor stays in England for their holidays. If you look at the mix of that, about 77% of our total visitor economy is from the British people holidaying in England, and by far one of the main reasons for staying in this country is the quality of our seaside destinations.

**Q181 Chair:** What about marketing our seaside destinations abroad?

**Mr Bedingfield:** We do that as well. Part of my remit is also to market England to our near European markets, our major markets, so France, Germany, Ireland and the Netherlands, and certainly we make sure we feature those coastal towns, but also in the work that VisitBritain does overseas we make sure that we showcase England's coastline, which includes our coastal towns and also areas that are not necessarily associated with those towns, like the coastland owned by the National Trust, which is all very much in the vicinity of the coastal towns so that they can be used as a place (a) to get there and (b) to stay to enjoy that coast.

**Q182 John Cummings:** Would you tell the Committee how you believe English coastal towns are responding to the changes in tourism trends? In my lifetime I have seen immense changes, people moving away virtually *en masse* from domestic locations to locations abroad. How are you responding to these particular trends?

**Mr Bedingfield:** Taking one example that was in the press at the weekend, the Brighton initiative to bring 12 tuks-tuks from India, that has got national coverage, and that is a way that a coastal town is using a type of transportation from overseas just to give it a different sort of flavour. What you have

actually seen is rejuvenation in many areas in terms of upgrading of accommodation, also the variety of attractions at the seaside. Again, to use Brighton for a second example in my answer, they have got the largest sandcastle in England and that is bringing more people to that particular town to experience a wider variety of attractions. It is all about increasing the number of attractions for rejuvenation.

**Q183 John Cummings:** Do you think local authorities are aggressive enough in pursuing tourism within their particular area?

**Mr Bedingfield:** I think there is a great variety of local authorities.

**Q184 John Cummings:** Give us some good ones and some poor ones.

**Mr Bedingfield:** I think Brighton is a very good example of a local authority that has undertaken a lot of pioneering work in terms of rejuvenating Brighton which is no longer classified necessarily as a resort but an excellent example of a city by the sea.

**Q185 John Cummings:** And a poor example, some local authorities who are not responding? There is nothing sadder in this world than travelling along the seafront and looking at dilapidated buildings, peeling paint, a forgetfulness about the whole place. Can you identify any readily?

**Mr Dawson:** I think Margate is probably a very good example of what you are referring to. It is a very sad case but equally perhaps we could give the Southend example to answer your question on a good opportunity.

**Q186 John Cummings:** How do you tackle these problems?

**Mr Miller:** If you compare Southend to Margate, I have an interest in Margate. I am trying to do some business there on a park that was there for 90 years and has now closed down. The demise of Margate as a town is really built around the demise of Dreamland Amusement Park. That is another story, but if you look at Southend, 30 years ago—I own a business on the seafront, about eight or nine acres. It is called Adventure Island, but my family bought it from the receiver. Southend was really in the doldrums, for whatever reason, and over the years we have kept reinvesting, and particularly in the last 10 years I have put in £15–£16 million of my own money and others around me have followed, so you have got another attraction up the road. It is all private money and the council come along with all their bits as well. Your question was about a good one and a bad one. I do not think it is quite as simple as good and bad ones. You could not necessarily call the Isle of Thanet a bad one because it is a private guy that has ruined the site, who owns the park. You cannot blame the council for that because it was not theirs to do anything with. In Southend it ranges from good to indifferent to bad, depending what the time of the year it is and where the moon is half the time.

<sup>1</sup> As a Non-Departmental Public Body, VisitBritain is not a lobbying organisation. We do, however, have a remit to advise government. We would refer the Committee to our earlier written evidence to this Inquiry in which we set out our advice for the "OOs and Rs of visitability". The visitability measures could certainly improve things in certain local authority areas should they not already employ them. However, it is not for us to lobby particular councils explicitly to erect particular structures etc, though we will, of course consider proffering advice if a council asks for it.

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If you ask what is the answer to it, some sort of guidance for all the councils to follow in regard to all coastal regions that rely on tourism would be helpful.

**Q187 John Cummings:** Do you have any examples where coastal towns capitalise on unique selling points?

**Mr Dawson:** Yes. From our prospect, we are a national organisation and we have a lot of coastal members. One of the prime examples is where Newquay, for example, has identified a niche market and they have done very well with the surfing business down in Newquay. It was because there was something unique about Newquay and they have done very well with that.

**Q188 John Cummings:** Are you embraced by central Government in as much as they seek your advice when developing policies? Do our friends sitting next to you meet with you on a regular basis? Does VisitBritain meet with the Department on a regular basis and which other bodies do you meet with?

**Mr Barrow:** Which department in particular?

**Q189 John Cummings:** I thought it might be the department that led to your being. I think you are funded by the Department for Culture, Media and Sport.

**Mr Barrow:** That is right.

**Q190 John Cummings:** So obviously that is the body to which you will be ultimately responsible.

**Mr Barrow:** Yes, we have regular contact with the DCMS.

**Q191 John Cummings:** Do you have regular contact with the association here?

**Mr Barrow:** Through various bodies.

**Mr Dawson:** We do indeed, yes. We sit on a number of bodies together and we also have very regular contact with the DCMS at minister level and at officials level.

**Q192 Chair:** Can I pursue this issue about the unique selling point? Do you think that every coastal town has to try and find its unique selling point?

**Mr Barrow:** It helps. Southport, for example, would have the Royal Birkdale, golf tourism. Some coastal towns might have a pier that is particularly attractive or a natural coastline. The international market being what it is, the consumer will want something that they cannot get anywhere else. They want that "must see" attraction, so obviously it helps if you have got one. Hull, for example, which was not regarded as a tourism destination for many years, now has the Hull Submarium, which is an add-on to the aquarium idea that has boosted tourism to that city.

**Mr Dawson:** I think the piers are offering significant opportunity for a number of coastal towns. The difficulty is the high maintenance cost of piers. It is the issue of trying to get some help with those

maintenance costs which are very significant. Take Southend pier, for example. There is a projection of a £6 million spend to put that pier back into the required level of maintenance over a 10-year period. It is an awful lot of money to be found, and if there could be some assistance, and we have suggested maybe through rate relief, it would help those pier owners to advance their piers and take advantage of the opportunity.

**Q193 Dr Pugh:** There are lots of excellent examples of Victorian piers that have been restored. There are piers that need restoring and there are piers for which astronomic sums are projected for their restoration and they are uncertain as to whether they will get the money. In some cases the decision is made that the pier just has to go. For example, in Morecambe, at the end of the day the pier ended up in the scrap yard and Brighton has about three. I think one of them the axe may fall on; we do not know. It is a glorious ruin at the moment. In terms of cost/benefit analysis is there any cost/benefit analysis that could be done on piers because obviously there are some which can be absolutely huge, can they not?

**Mr Dawson:** An interesting factor is that the ones that are successful are the ones that are in private ownership.

**Q194 Chair:** Which ones would they be?

**Mr Dawson:** I think Brighton is a good example of one. I know it has been mentioned previously but that is a good example. Teignmouth is another. Those are good examples of piers that have been identified as having some uniqueness about them and people have made major strides in developing them.

**Q195 Dr Pugh:** But generally they are not restored with private funds, are they?

**Mr Dawson:** No. They are not in private ownership. Some of the problem is that in transferring them into the private sector the sums of money invested just to get them back into a reasonable state of repair are very significant because they have been allowed to get into a very poor state.

**Q196 Dr Pugh:** So what decides it? In a sense the pier is something that you perambulated along in Victorian times. It is an old holiday custom, maybe a very natural holiday custom, but it is not a very lucrative holiday custom in many respects in this modern age.

**Mr Dawson:** No.

**Q197 Dr Pugh:** There must come a point, and I go back to my original question, where you have to reach a decision about a pier, that it really cannot be refurbished; it just has to go or it cannot be economically repaired. When does that scenario occur?

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**Mr Dawson:** It is the identification of some opportunity that the pier presents that would not otherwise be available. There is still this huge fascination for people about being able to walk out over the water.

**Q198 Dr Pugh:** Take the case of Brighton that has got a pier that needs restoring. Has that reached the point of no return?

**Mr Dawson:** It is a different scenario there slightly because you already have a very successful pier there and I think that has always been the problem with any potential development of the west pier, that you have the central pier which is hugely successful and there will be little scope for another one to duplicate the success. Something unique would have to be found in order to develop the west pier, and that has been the problem.

**Q199 Dr Pugh:** So Brighton might not need another pier?

**Mr Dawson:** I think Brighton might not need another pier.

**Q200 Dr Pugh:** Can I turn to VisitBritain? I have a question to ask you in relation to the action you think the Government are making. What more can the Government do to increase the attraction of English coastal resorts apart from giving them more money to do it?

**Mr Barrow:** Obviously, our remit is to market what is there, and we have to market what we are presented with rather than actively lobby local government to produce specific things for us, though we can highlight general good practice. Take the piers example. Bognor Regis has a pier which is pretty dilapidated but they have an annual birdman competition which has sponsorship from Red Bull these days. Rather than have a unique physical attraction you can have unique events that might attract visitors.

**Q201 Dr Pugh:** If the Government give you money it will be value for money? It will help the coastal towns?

**Mr Barrow:** We have a very good return on investment.

**Q202 Dr Pugh:** The reason I ask that is that when we were in Lille I picked up this document which you may have seen, *Le Nord d'Angleterre*, which tells you all about the north and the attractions, and I looked to see what you were doing for seaside resorts. You mention, I think, about four on the map—Whitby, Scarborough, Blackpool and Morecambe, a strange eclectic choice, and you miss out some very good examples. Obviously, Southport is one I would mention. I poured through the document thinking, "Is there a mention of Southport in it?", so I turned to the Liverpool page and you have got as far as the squirrel reserve just outside Southport but you did not mention that it was next to Southport, and I looked at the Lancashire page hoping you might mention Southport so that people in France,

Germany, wherever know it is there, only to find you did not. You did tell them about Oswaldtwistle, which I thought was an eccentric choice. Can you explain how that happened first? This is going out all over Europe and you are promoting seaside resorts. You are actually promoting four seaside resorts and missing out one, I would have thought, fairly obvious case.

**Mr Bedingfield:** The way we put the brochures together is in consultation with the local tourism bodies and they give us a flavour of what they would like to promote.

**Q203 Dr Pugh:** And they did not tell you Southport was there?

**Mr Bedingfield:** It might be that Southport is featured in another one of our brochures.<sup>2</sup>

**Q204 Dr Pugh:** So far as I know it is still in the north of England.

**Mr Bedingfield:** It is.

**Q205 Dr Pugh:** You have just mentioned the golf so I looked with some enthusiasm when I saw the picture on the Merseyside page of golf. I thought this must surely be the Royal Birkdale which was mentioned, and it is not; it is Hoylake, the other side of the Wirral, so in a sense you lost the opportunity. What I am really asking is, have you the skill, the background, to promote coastal resorts successfully when you—or somebody in your organisation—do not seem to know that much about them?

**Mr Bedingfield:** There are two things. First, we take the information that is given to us by the local tourist boards in terms of the regional tourist boards who want us to promote what they call their attack brands or whatever they want to promote.

**Q206 Dr Pugh:** Morecambe is an attack brand, is it?

**Mr Bedingfield:** Again, I do not think I am in a position to comment on the information that we are given to promote. The second part of my answer is that the piece of print you have in front of you is designed as an entry into our website where you will find far more information. What we have proved now is that it has made people laugh, it has made conversation, and that is exactly what we want to do to make people go on to our website.

**Q207 Dr Pugh:** I do not think they are laughing about it in France or Germany. They just do not know about half the seaside resorts in the north of England. I have not checked out the *Le Pays de Galle* version of this but I do not think it is good enough to say that you work on information given. You are the experts in tourism.

**Mr Bedingfield:** We are the experts in tourism. What we use the printed piece of material for is ideally to make people go on to our website and

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<sup>2</sup> Pleasureland, Southport, is listed as the number one attraction in the North West in the enjoy England Family fun map supplied to this Committee with our earlier written evidence.

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find out far more information. What we cannot do is put out pieces of print that are 200-300 pages long which cover every part of our tourism infrastructure.

**Q208 Dr Pugh:** You are doing a good job. It would be more reasonable to say there is an omission here and maybe one should review the reprinting next time round and make sure you include things that perhaps ought to be included.

**Mr Bedingfield:** I take it on board.

**Q209 Chair:** Particularly where members of the Select Committee represent them, obviously. You said that your remit is essential to sell Britain abroad, or indeed within the UK, but not to advise local authorities on how better to develop the tourism attractions within their areas. Is that right? Whose job is it to do that?

**Mr Barrow:** Under the restructuring, when the British Tourist Authority became VisitBritain policy went to DCMS and was removed from our organisation, so we are allowed to advise but we are not allowed to lobby.

**Q210 Chair:** Who looks at the tourism offer, so to speak, of UK plc and thinks, "There is a bit of a *lacuna* here. We need to develop more golf courses", or whatever, and takes some sort of initiative? Who would do that?

**Mr Barrow:** The initiative we have already started is Partners for England which is going to meet every six months. The first one was before Christmas. The last one was in late June. That brings together all the RDAs with Enjoy England, VisitBritain and local authorities to look at the whole tourism package and to see what more could be done at a local level under the initiatives of new localism and regionalisation.

**Q211 Chair:** And that has not been done up until now, has it? That is a new initiative, to bring all those together?

**Mr Barrow:** Yes. It is the new reality of RDAs.

**Q212 Chair:** Do you think part of the problem is that tourism is too fragmentary, that there are too many different groups involved? The RDAs are for all economic development, not just for tourism.

**Mr Barrow:** There are a lot of bodies that are involved that are not necessarily networked in the way that they should be, and one of the challenges for Partners for England is to network them successfully.

**Q213 Mr Betts:** What percentage of overseas visitor nights are spent at the seaside?

**Mr Bedingfield:** I do not have that information, sorry.

**Q214 Mr Betts:** Does anyone have it?

**Mr Barrow:** I am not sure that the figures are compiled by ONS in that way. I think they are done on a regional basis, so for the south west it would not just have the seaside towns. It would also have places inland, in Wiltshire, for example.

**Q215 Mr Betts:** So in each region they would have a percentage of overseas visit nights which were spent at the seaside?

**Mr Barrow:** There are some figures that are being compiled and I would be happy to send some research we do have. It is not in the form we would like it in at the moment but I would be happy to send it.

**Q216 Mr Betts:** Could you send it and say how you would like to improve it as well?

**Mr Barrow:** You mean the way it has been collated?

**Q217 Mr Betts:** Yes.

**Mr Barrow:** Okay.

**Chair:** That would be very helpful.

**Q218 Mr Betts:** How do you monitor how effective you are at getting overseas visitors to go to the seaside?

**Mr Barrow:** Obviously, overseas visitors have their own views of where they would like to come in the first place and most inquiries will be about London. One of our challenges is to get people who come to London then to visit other areas.

**Q219 Mr Betts:** How do you monitor how successful you are in doing that?

**Mr Bedingfield:** My primary remit is looking at influencing the domestic visitor to holiday in England. How we do that is that first of all we make sure that we get as much information on somebody as possible when they inquire for a brochure, when they go on the website. We take their details. We have a comprehensive system in place where we have to then contact those people to find out, on seeing our marketing activity, how that has influenced their decision to have a holiday in England. That is part of our remit with the DCMS, to make sure we give them comprehensive statistics on return on investment.

**Q220 Mr Betts:** Do you do surveys afterwards to find how successful that has been?

**Mr Bedingfield:** Absolutely, yes.

**Q221 Mr Betts:** It is possible to have any information about those as well?

**Mr Bedingfield:** Yes, we can do that.

**Q222 Mr Betts:** Let me turn to BALPPA. You suggest in your evidence that a specific scheme to help coastal regions would be helpful. Given that we have just been talking about the diversity of all the different coastal resorts and towns and cities,

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would a scheme really be helpful or are you talking about a variety of schemes that could be pulled together or targeted at appropriate locations?

**Mr Dawson:** Yes. I think schemes as a strategy are that what we are trying to identify here. There is a need for the various agencies and the RDAs to be pulled together to concentrate their efforts with a partnership between the public sector and the private sector that moves things forward because all too often, certainly from the private sector perspective, it is not always simple to identify where you should go in order to make things happen. We have had a classic example in Southend where all the money that has been spent down there so far has been from the private sector but there are more opportunities down there, as there are in numerous other places around the coast, where more could be done to invigorate and rejuvenate tourism.

**Q223 Mr Betts:** Who is going to be pulling it all together? Is it a central Government responsibility or do you think some of the RDAs should be involved?

**Mr Dawson:** I think there has to be guidance from the Government on a national strategy that pulls the thing together. All too often now they are dispersed and they are operating individually.

**Q224 Mr Betts:** I am not quite certain I am getting the flavour of this. We have talked about a national strategy but then we are talking about the fact that every town, every city on the coast is very different.

**Mr Dawson:** Yes, but that is why it would have to go down through the regional bodies. What I am saying is that there is insufficient guidance to the regions for them to concentrate their efforts. They need that guidance. There needs to be a policy from national government which says, "This is the strategy and you will follow it", and that comes down through the regions so that the region then takes that on board and works with the partnerships in the area, private and public sector, to make things happen.

**Q225 Chair:** Is that your view, Mr Miller?

**Mr Miller:** I can give you a few examples in Southend. We have got various grants from various bodies. We have had Thames Gateway give us some money for a big scheme. Objective 2 have given money for the high street. We have had a small amount of lottery money for the cliffs. If we could talk about the cliffs, at the moment they are in danger of bowling into the sea. They are a big threat to the local economy, let alone the people. We have had one collapse and we have had a £35 million estimate come along that the council have not got any money for but in the meantime they are spending £6 million or £7 million on one scheme not too far away, another £10 million or £15 million somewhere else of this grant money, and the people of Southend are saying, "Why are you doing that when this is the most desperate, horrific business here?", because it is a danger to people's homes. That is a classic example. Instead of having all this money where the council is given

the opportunity to bid for the money and they have to meet these criteria in a short space of time, where they really want it they would like to divert it there.

**Q226 Chair:** Are you saying there is a lack of an overall strategy?

**Mr Miller:** Totally, yes.

**Q227 John Cummings:** I am rather surprised that none of the witnesses has made any reference to the present debacle with the provision of casinos. Do you see the provision of casinos being very high? Will it help the regeneration of seaside towns? How do you view the way in which the legislation is being shoved through the washing machine at the present time?

**Mr Dawson:** I think the regional casino does offer opportunities for regeneration of coastal towns but, going down the scale to the small and large casino, I do not think it offers anything. In fact there is a great problem of transference of business from the coastal arcades that have been the tradition in this country for so many years to the smaller and larger casinos. With the regional casino, of which one is currently planned, we know not where, that is a totally different operation because that has very significant leisure and hotel support, and that is definitely an opportunity to regenerate a town.

**Q228 John Cummings:** Do you feel the same way?

**Mr Bedingfield:** I agree.

**Mr Miller:** I do not; only in certain places. In Southend we all breathed a big sigh of relief when we did not get it, the people that live there. The council has one view but the residents—and there are a lot of businesses—have a completely different one. It just would not have worked in Southend. We have not got the car parking, we have not got the infrastructure. If you look at the Blackpool model it is absolutely perfect for them. Let them have it, please do.

**Q229 Mr Betts:** Sheffield wants it too.

**Mr Miller:** Have two. I am not against casinos *per se*. I do not mind them at all. I even got married in one.

**Mr Dawson:** So if we gave the impression it was within our gift it certainly is not.

**Mr Miller:** It is no good living in a nice town if you cannot get around it. Southend is in good luck already. If you suddenly have these hundreds of thousands of people coming to these casinos where are you going to put them? Where are you going to park them? We just have not got it.

**Q230 Sir Paul Beresford:** Let me take you back a little bit to the question before the last one. The problem with national guidance is that it must be national and it has to apply across the board but in your particular cases the most striking thing is the variety of the towns. Do you want guidance or do you actually want more freedom?

**Mr Dawson:** No, I think it is guidance, because without the guidance what is happening at the moment is—



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**Q231 Sir Paul Beresford:** What is the guidance going to say?

**Mr Dawson:** I will give you an example. We have just had the tourism policy guidance. That is a classic example which is pointing out to local authorities that when you consider planning applications for tourism destinations this is what you should be considering. It is that sort of guidance that is bringing a focus into tourism which previously did not exist. That is what I am talking about. Mr Betts made a classic example just now when he said that the brief of RDAs is extremely wide and as a consequence of that tourism gets pushed to the end, if it is there at all. In many cases there is no tourism represented in the RDAs at all. That is the sort of policy guidance that I would like to see.

**Q232 Mr Betts:** If I can turn to VisitBritain, how well do you think Government departments work with you and listen to you about making sure that regeneration developments are linked into tourism and the needs of that industry?

**Mr Barrow:** There has certainly been much interest in an initiative such as Liverpool winning Capital of Culture 2008 or the Olympics or many events that will help us promote Britain internationally as a tourist destination. Local government is quite responsive to the need to attract tourists to the local economy. We are very worried that the Lyons review might suggest a bed tax on tourism which we think would be detrimental to the tourist trade,

but in general we feel that the Government is supportive of the tourist industry. It is one of our biggest industries after all, £74 billion a year.

**Q233 Chair:** Can I ask you about the bed tax routine? Might it not make some local authorities rather more enthusiastic about promoting tourism if they thought it was going to bring in income, because one of the points that has been made to us by local authorities is that from the point of view of a council tourism may increase their costs enormously without giving them as a council any additional income whatsoever.

**Mr Barrow:** If those local authorities that have publicly said they are against the idea, such as Bournemouth, do not impose a bed tax but other local authorities do, then Bournemouth, which is already a popular tourist destination, is going to become relatively more attractive than those that want to promote more tourism to their area. It is a bizarre way to try and attract visitors by making them pay more.

**Q234 Chair:** Unless it might be seen as a way of mobilising funds to maintain the public fabric which we are told is what attracts people to seaside resorts.

**Mr Barrow:** Which is exactly what they thought would happen in the Balearic Islands when they imposed an eco tax on tourists, and they have had to abandon it because they saw a big drop in tourism to the Balearic Islands.

**Chair:** Thank you very much indeed. If, when you disappear, you think of something you should have said, drop us a note.

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*Witnesses:* **Ms Judith Cligman**, Director of Policy, and **Ms Kate Clarke**, Deputy Director, Policy and Research, Heritage Lottery Fund, and **Mr Duncan McCallum**, Policy Director, Policy and Communications Group, English Heritage, gave evidence.

**Q235 Chair:** Would you say who you are and which organisation you represent please?

**Mr McCallum:** I am Duncan McCallum, Policy Director of English Heritage.

**Ms Cligman:** I am Judith Cligman. I am Director of Policy and Research at the Heritage Lottery Fund.

**Ms Clarke:** And I am Kate Clarke. I am Deputy Director of Policy and Research at the Heritage Lottery Fund.

**Q236 Chair:** Can I start by asking you whether you think that the role of heritage in the regeneration of coastal towns is any different from its role in other towns and cities and whether you can give any specific examples?

**Mr McCallum:** English Heritage has been investing in seaside towns and coastal towns for a long time. We recognise that there are specific qualities and challenges faced by those towns. If we take, for example, the extreme climate, more maintenance is needed than for many other buildings. There tend to be a large number of listed buildings, a large number of public buildings, so there is a range of issues that are perhaps broader and more

challenging than in other areas, so I think they do stand out as a specific group. Although we have never targeted them as a single group, when you look at the figures and the way we have been targeting our funding in the last few years, we have put a significant proportion of funding into these areas. Perhaps I can give you a couple of examples. In our area grant funding, that is principally to the conservation areas, around 20% of our regeneration funding since 1999 has gone into coastal towns; that is around £10 million. In our individual building grants something over 10% has gone into buildings in and around coastal towns, and also in our places of worship grants 14–15% of our funding has gone into these. We recognise that there are particular issues that need addressing and in a way they are slightly different from other historic towns.

**Ms Cligman:** I would make the point first of all that the Heritage Lottery Fund has a very broad remit so we do not just fund historic buildings; we also fund the cultural sector, so museums, libraries and archives; we fund biodiversity projects too which is something that people tend to associate less with us. Of course, we also fund cultural and intangible

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heritage, so cultural traditions. Our attitude to the role of heritage and culture in coastal towns is that they are extremely important in defining the distinctive character of those towns and very often coastal towns do have a very distinctive heritage. Indeed, the whole nature of the seaside town grew up around a certain history and social development which means they have a very special heritage. They also, of course, have particular attractions which are associated with coastal towns, such as public parks that are particularly designed to attract tourists as well as the more general leisure market of the people that live there. Clearly, therefore, we recognise that there is an extremely important heritage in those towns. We have put a lot of our resources into English coastal resorts. Over £66 million has gone into 43 townscape heritage schemes in towns which are defined as English coastal resorts and we have given more than £230 million to more than 517 projects in towns that are formally designated as English coastal resorts, and of course a great deal more money has gone into other towns such as Liverpool which are not defined as resorts but are obviously coastal towns. We do not treat them differently except in so far as, with our Townscape Heritage Initiative, we give priority to towns which have distinctive heritage needs combined with social and economic needs. Because those two are very frequently found together in coastal towns they have benefited from our funding to quite a considerable degree, but we do not treat them differently in any other way.

**Q237 Chair:** When you are taking decisions on funding things on heritage grounds, you have just said that you take into account some factors but how much are you taking into account the abstract (if I can describe it that way) heritage value of a particular building or park and the contribution that facility might make to economic regeneration and tourism?

**Ms Cligman:** We do both because we ask the people that apply to us to demonstrate why that heritage asset is of importance to them and to their local community, and we ask them to explain how it is significant to them. We do not define heritage ourselves. We ask the people who apply to us to define it. We ask them to make the case in terms of the value of the place to them in heritage terms, and we also ask our applicants to define the social and economic needs when we are supporting things within a townscape heritage scheme, which is a programme which is specifically designed to help historic urban areas. We ask people to make the case and they have to have a strategy for dealing with the wider social and economic problems within which the role of that heritage asset is set. We will not just help the heritage asset unless there is a clear strategy to maintain and sustain it for the benefit of the community in the long term. We ask them to provide that evidence to us.

**Q238 Chair:** What about English Heritage?

**Mr McCallum:** We take a similar line, but obviously, because our remit moves into the planning world and we spend a lot of time out there discussing planning applications and things in seaside or coastal towns, I suppose we think that generally we have a reasonable context for understanding the decisions and where we give grants. We are also involved in quite a few regeneration partnerships because of our regional presence. So often it is the case that we will be sitting on a town regeneration board, and Margate was mentioned, for example. We have a place on the Margate Regeneration Board and we make sure that heritage plays a proper part in the regeneration, so I suppose we have a wider context in understanding where we think grants can best be focused.

**Q239 Sir Paul Beresford:** Anybody involved in regeneration in this country will know that sooner or later you bump up against English Heritage. English Heritage has spent a lot of time looking at and listing things. They do not de-list things. Do you ever look at some of the projects, some of the people that come to you, and think, “Hang on a minute. Should we not actually de-list this building to give an opportunity for its regeneration which it may not have otherwise?”

**Mr McCallum:** I believe we have just supplied a list of all the buildings that we have de-listed to the House of Commons Library and it goes to 44 pages, I understand, so we do de-list things but we do not do it very often. The point is that if a building is listed it does not rule out either its demolition or its significant alteration. If a building has been so altered that it has lost its special interest or we recognise that it is uneconomic to repair, and the west pier at Brighton is an example of that, a listed building that we recognise is simply uneconomic, no scheme will make it viable to repair, but many other buildings do have some kind of future. I believe that English Heritage is now looking at regeneration proposals and rather than saying, “No, you cannot do that. That is affecting the historic character” it is much more realistic in accepting change to bring about that vitality because it is not now just looking at individual buildings and safeguarding them. We are often looking at the wider area and we are prepared in some cases to make a compromise on an individual building in order to achieve a wider regeneration.

**Q240 Sir Paul Beresford:** Do you not need a programme, a review, of listed buildings? If you have got 37 examples of it, three might suffice, or, if you have one example, perhaps you have got one example because no-one would ever build a building like that again because it was so damned awful in the first place.

**Mr McCallum:** The Heritage Protection Review will be looking at the whole of the designation system. Although at the moment there is no programme to go through and look at all the listed buildings, as we move from the old system towards

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the new system I am sure there will be some buildings where, now that we know more about a certain building type, we recognise that this example is not a particularly outstanding one. We have moved away from walking round an area and looking at buildings one by one and more towards a thematic approach. We look at industrial buildings and we look at mills and that gives us a much better understanding of the national picture, and therefore where an individual building sits in that quality framework.

**Chair:** Can we get back on the agenda?

**Q241 Dr Pugh:** Can I ask about the issue of compromise? You have an excellent reputation for a number of very good projects indeed, but at the same time people have a sense that you are purists. For example, when restoring some piece of seaside heritage we have to acknowledge the fact that people's habits change and people's uses of things have changed. I think of parks, for example. Many of the original Victorian and Edwardian parks did not have things like cafés in them, did not have things like children's swings, did not even have things like modern toilets, all of which are highly desirable if a thing is going to be used. How do you deal with those issues where you are involved in a dialogue with the council who wish to do something which requires your funding and they justifiably call for heritage funding but what they are restoring is not quite the original article?

**Ms Clarke:** One of the ways that we deal with that is that we help people find new uses for things. All heritage is a dialogue about what is important; that is what makes it interesting and that is what makes places special, so you accept that. For example, we have funded park restoration in seaside towns. At Clacton Marine Gardens, for example, we have funded new facilities. In our THI schemes we help people to find new uses that are going to keep buildings there. That is the important thing, bringing together regeneration and heritage and what we have shown with seaside towns is that it works very well.

**Q242 Dr Pugh:** But by being over-rigid you can very significantly adding to costs, can you not? For example, the Victorians are very fond of wrought iron which is very costly now and replacing like for like is extraordinarily hard, is it not, and can cripple a project financially?

**Ms Cligman:** Our approach with parks has been that we ask the local authority, because it usually is the local authority, to work closely with the local community in defining what the needs of the local community are now, today, because parks have always been about meeting the needs of the community that lives around them. We ask them to work with the local community and many of our parks projects have set up user groups in order to do that. They define what their needs are and we fund children's playgrounds, we fund modern facilities of all kinds, and we spend a very

considerable amount of money on that, but we also ask them to do that within looking at the character of the park as a heritage asset.

**Q243 Dr Pugh:** So there is that flexibility?

**Ms Clarke:** Yes.

**Ms Cligman:** And we will fund all aspects of the park—the loos and the things that people need now to make them usable, as well as the railings. We spend a very great deal of money on railings but we think it is worth it if you are going to get a quality product that the local people can enjoy. In the case of coastal towns, parks have always played an important role in the leisure aspect of coastal towns historically.

**Q244 John Cummings:** Your memorandum supports the need for special initiatives to tackle the various challenges faced in coastal towns but you do not give any specifics of the nature of these special initiatives. Could you give some indication to the Committee what you have in mind?

**Mr McCallum:** A good example, I think, is in the south west region where the South West Region Development Agency is working on a Market and Coastal Towns Initiative, which is focused on regenerating these areas. We have put a post in there to deal specifically with the heritage issues because one of the things that coastal towns have often suffered from in the past because of under-investment is that slow slide in the drop-off of quality, and I think that is why the Heritage Lottery Fund and ourselves put money in and why we put a lot of effort in. It is to try and bring that quality threshold back up again. That is one example. The Margate Renewal Partnership is another one in the south east of England, and indeed, somewhere like Seaham, where I know that we have been working with our grant scheme and the local authority, the county council, the district council and other partners to bring the whole range of different activities together, in a way, in trying to create a critical mass. Sometimes in the past we have perhaps grant-aided small, individual regeneration projects and because there is not a whole range of activity going on at the same time sometimes that effort gets lost. For that critical mass it is about partnership and that is why in my view the regional development agencies often offer the key to that because they are sufficiently local to know the names of the people that need to be involved. They do have access to sources of funding and they understand the local circumstances in a detailed enough way compared to maybe a national approach which would be rather too general.

**Q245 John Cummings:** Are the regional development agencies willingly embracing your concepts or do you think there ought to be an element of compulsion in relation to coastal town strategies imposed upon regional development agencies?

**Mr McCallum:** We work with all of them and I think they all recognise to a greater or lesser extent the importance of their coastal towns. As I say,

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there are some in the south east and the east of England and in Yorkshire, particularly good examples, that we know about that—

**Q246 John Cummings:** Do you have some bad examples?

**Mr McCallum:** There are others that are not quite as far ahead of the game as those in terms of specifically building in the heritage element. All the agencies are working very hard at the regeneration angle and sometimes we feel that the heritage angle, which we believe is a key element in success, is not always built in at an early stage.

**Q247 John Cummings:** So would you like to see an element of compulsion upon regional development agencies to develop specific coastal strategies?

**Mr McCallum:** I do not think compulsion is the right way to go. I think it is about persuasion and making people understand the importance and the unique place that coastal settlements have in this country's history.

**Q248 Chair:** Can I pick up what you have just said about the heritage angle not always being built in? Do you think that sometimes strategies are relying on heritage without assessing whether there might not be another way of doing it?

**Mr McCallum:** We encourage the characterisation, as we call it, the historic landscape characterisation or appraisal work before they start making the big decisions to understand what they have got and the historic asset they have.

**Q249 Chair:** If I could use an example, speaking from ignorance, Brighton and its famous pier, has there been such an emphasis on preserving that second pier that it has diverted a huge amount of energy from other projects that it might have been better spent on, given that it appears that it has finally been decided that it is a no-hoper?

**Mr McCallum:** Specifically in Brighton, you mean?

**Q250 Chair:** As an example. There may be some others.

**Mr McCallum:** We all hoped for quite a long time that we could make the scheme work, so I think that certainly English Heritage and, I understand, the Lottery Fund for a long time were battling to keep the thing going. We recognised we would have to put a lot of money in and it was only when there were further catastrophic problems with it—

**Q251 Chair:** Like arson.

**Mr McCallum:**— that we came to the conclusion that there simply was not enough remaining of the original structure. We try to take a balanced view in terms of being realistic and not throwing all our money at one-off projects, doing that in certain instances for a few key projects but also trying to build other projects around there and maybe doing enhancement work. If you are restoring a pier you do not just do the pier; you do enhancement

around it and maybe some of the buildings facing the pier to try and create that critical mass to change the perception of an area.

**Q252 Chair:** If I may turn to the Lottery Fund, can you comment on the relationship with RDAs as well? English Heritage seem to feel that the RDAs are important and effective. What is your interaction?

**Ms Cligman:** We have regional teams in the regions of England. We also, obviously, operate in the rest of the UK where we have country teams and they are increasingly working with the RDAs and are looking at the regional economic strategies and the work that the regional development agencies are doing. We are finding that there is increasingly a recognition of the role of culture and heritage and regeneration and that is growing. I think it is something that we would like to see recognised more by the RDAs and built on more. It is only, if you like, a small element of their strategy but in some places the RDAs are very actively recognising the role that heritage and culture can play in revitalising coastal towns and we are certainly involved in partnerships in a number of areas where they are doing that. It is something where we think there are some very positive things going on. For example, in Great Yarmouth, I think the borough there has recognised that the heritage and the culture can play an enormous part in revitalising Yarmouth and so they have had £6 million worth of funding from us for a range of schemes over the years but they are also now working with a partnership which we are involved with called Integrate which involves the regional development agency in a programme of enhancement works, and indeed marketing initiatives which are aimed at developing the offer that Great Yarmouth has for tourists and also its general economic development. There are some very good examples where the RDAs have taken heritage on board as being one of these distinctive USPs of a place and then I think there are other areas where we have found that the RDAs have only come on later once they have seen what can be done.

**Q253 Chair:** Can you give an example of that?

**Ms Cligman:** I think we saw that very strongly in the case of Chatham Dockyard. It is probably not particularly central to your inquiry but at Chatham we put £13 million worth of funding into reviving the historic dockyard and now that the RDA has seen the economic benefits that can come out of creating a destination like that they have begun to engage with that and see that as a potential for further economic development, but it can be quite difficult in some cases for the RDAs to come in and fund things like that because it does not tick all their boxes.

**Q254 Chair:** Which boxes does it not tick then?

**Ms Cligman:** In terms of their formula for economic regeneration they are often focused much more on indicators such as job creation and other things and they do not necessarily always see the

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economic and social benefits that heritage can have because that is often something which is quite difficult to define in terms of hard outputs. It is something that we look at when we evaluate the impact of our schemes but it is not something that is very easily done in sheer square metres of floor or jobs created. You have to tell the story in a more sophisticated way than that.

**Q255 Dr Pugh:** Is it that they do not see it or is it that they do not see it in a seaside context? We have things like the Lowry Centre, we have things like the museum in Liverpool, which are all financed in part with RDA money and they are cultural offers, are they not? They are heritage offers.

**Ms Cligman:** As I say, I think they are beginning to see it. Much more familiar to the RDAs and perhaps much more recognised in Government policies generally is the role of culture, so that the role of the Lowry and Falmouth Museum and the Baltic Exchange, those sorts of cultural offers, I think are recognised as being important to regeneration but heritage is not always seen in that light. It is more about big new cultural offers that will attract people rather than the general urban grain of a historic place.

**Q256 Mr Betts:** Is the portion of funds which goes to coastal towns from the Heritage Lottery Fund a fair one? I understand it is about 7% of your total funds that goes to coastal towns. Secondly, is that sufficient to deal with their heritage needs?

**Ms Clarke:** Can I say one thing about our figures? I cannot tell you how much we have given to Britain's coasts because it is a very much bigger sum than that and we have funded a lot of things outside coastal towns, for example, Chatham Dockyard.

**Q257 Mr Betts:** The figure we have from you is £234 million, which is 7%.

**Ms Clarke:** What I wanted to stress was that that is only part of what we have given to Britain's coast.

**Q258 Mr Betts:** You have confused me completely now. You give us a memorandum saying you have given a certain amount and now you are saying it is not the right figure, so can you explain that to me?

**Ms Clarke:** What I have given you is the figure that we have given to British coastal resorts as defined by the British Resorts Association; that is the figure you have got. In terms of whether that is a fair sum, what we try to do with our funding is to spread it equitably across the country and ensure that as many people as possible have funding from us so that it does not just go to London, Edinburgh, to the great cities. We have to take the applications that come to us.

**Q259 Mr Betts:** Is it sufficient?

**Ms Clarke:** There will always be more that we can do anywhere and we have got a huge demand for our funding. What we try and do is distribute it fairly and equitably.

**Q260 Mr Betts:** Can I pick up the point you just made that you are obviously dependent on bids? I just wondered to what extent that leads the whole process to being a bit hit and miss. If you look at the distribution, for example, on the figures I have been given, probably St Anne's gets £168,000 or has had during that period. Southport has almost got money coming out of its ears, has it not, with £5.5 million? I just wondered to what extent the money is allocated not on the basis of any strategy with the wider potential economic regeneration implications but is that a nice project because someone has bid for it? Does it tick all your boxes in this case, and is that how money is allocated by you?

**Ms Clarke:** There are two things here. We do have to take the applications that come to us but what we do have are development areas, which are areas of country that have had less funding and where the success rates are not as high as other places.

**Q261 Mr Betts:** So no jam for Southport in the future?

**Ms Clarke:** Well, we do try and spread it across. For example, some of the development areas that we have got are in coastal towns—Bournemouth, Blackpool, Torbay, Eastbourne, King's Lynn and West Norfolk—are all areas where there has been less funding and we are working with those areas to try and raise the success rates actively.

**Q262 Mr Betts:** When you approve funding is this just a matter of keeping a building in good condition or whatever or do you actually look at these wider issues, "Can we stimulate other developments surrounding the area? Can we pick a focal point for other things to happen?"

**Ms Cligman:** The first thing I would like to say is that our region and country teams work very closely with the local authorities, and indeed with the RDAs in their areas, and they encourage them to tell us about their priorities and what their strategies are. We like to have an overview where we can of what is coming to us and to see where the projects that are coming forward from local authorities fit within their overall strategy so we are a responsive funder. We do not go out there and say, "Please apply to us for such-and-such a project", or, "We think more of these are needed in your region". We try and work with the local authorities to understand what their strategy and their priorities are for the region. Having said that, we are very interested in the sustainability of our projects and as a funder you will be aware that we have had no major projects that have failed because they have not been viable so far, and long may it continue. We look at whether a project is sustainable and how it sits within the local economy and what the visitor figures are going to be and what role it is going to play within that economy, and we ask the local authority to justify it in terms of the sustainability of the asset.

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**Q263 Sir Paul Beresford:** Can I pick up on what Clive has been saying but turn it the other way round? Presumably you have got more demands than you have got funds, that would be fairly normal, so it would be sensible not to spread the jam too thinly and what you really ought to be doing is looking at sufficient funds for some projects to make sure they get on their feet and go and really work even if others do not get the funding that they have applied for. The alternative, if you follow Clive's thinking and if I can take words out of his mouth, is to spread it sufficiently thinly that everybody is happy because they have all got a little bit but actually nothing happens.

**Ms Cligman:** I think our track record shows that that is not the case. We have a record of funding some very considerable projects which we have always seen through with very substantial amounts of funding coming from us as well as from other partners. We also have adopted the approach of using our portfolio of smaller grants, not small grants but smaller grants, to make sure we can support heritage projects very widely. The very nature of lottery funding is that it comes out of people's pockets and people need to see the benefits of lottery funding in their communities, so we have used our Your Heritage programme, which is for grants of up to £50,000, to make sure that we can get our funding out as widely as possible. Indeed,

the title of our strategic plan is *Broadening the Horizons of Heritage*, and we have tried to make sure that every community can have a chance of defining what their own heritage is, what is important to them, and getting our funding to do that. At the same time I think we have done a good job of focusing our funding for larger projects to make sure that we are funding things that there is a genuine need for and which are sustainable in the long run.

**Mr McCallum:** Can I just add, where English Heritage and the HLF work very closely together is on partnership working, and we are quite interested in looking at the pump priming activity. Sometimes we spot an area that we believe is particularly in need of regeneration. We might fund, in conjunction with the local authority or other partners, a post to go in there to start that work, to do the thinking, to do the background research, to actually put together the bids for the large sums of money. We are never going to have huge sums of money in terms of the size that the HLF have, but I think it is efficient use of our local knowledge and our local contacts to actually put the case to the HLF and to actually say, "We believe this particular town is very needy", or, "We believe it has a particular problem that can be solved or helped along its way by a lottery grant."

**Chair:** Thank you very much.

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*Witness:* Ms Jess Steele, Deputy Chief Executive, British Urban Regeneration Association, gave evidence.

**Q264 John Cummings:** Would you tell us what the drivers were behind the recent establishment of the seaside network, please?

**Ms Steele:** Yes, BURA is an independent cross-sectoral organisation, so we have members from different areas across the whole of the UK and across all sectors and all types of geography, all scales of towns and cities. We were approached by a number of different coastal towns, seaside towns, and that included Hastings and Scarborough, and once we got those two approaches we started to talk to others, and in those towns people from the private sector particularly were keen to see a cross-sectoral network. This is very much a learning experience. All of BURA's work is about bringing people together who are involved in different angles; so it is about sharing learning across the sector.

**Q265 John Cummings:** How many seaside resorts do you have involved with yourselves and what activities will your organisation undertake to achieve its objectives?

**Ms Steele:** We are launching the network tomorrow; so it is literally only just happening. Really I am here to talk about BURA's work rather than specifically the seaside network. At the moment we have 80 signed-up members. Some of them are from the same town; they might be a pier owner and the local authority and possibly a voluntary organisation, all from the same town, it

is not 80 different towns at this stage. As I said, we are launching tomorrow in Hastings, and we will then be drawing in more and more members, I hope, over time. In terms of answering your question about what do we hope to achieve, it is very much about bringing people together. Everything that BURA has done since 1990 has been about bringing people together who would not normally meet. Some of them would meet through other networks. The local authorities, for example, involved the seaside network are likely to meet in a number of ways.

**Q266 John Cummings:** How will you achieve this?

**Ms Steele:** Through a combination of best practice visits to places that we have given awards to in the past or places that have won other awards, show-casing visits, which might not necessarily be best practice but where somebody wants to show something they have done, discussions about the very issues you are talking about, the need for special initiatives, particularly initiatives that draw the whole nation's coast together rather than specifically regional initiatives, and we will use our capacity around research, holding events, running training and running the "best practice" awards and bring all that to seaside towns.

**Q267 John Cummings:** Under whose umbrella do you operate?

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*Ms Steele:* BURA is an independent not-for-profit membership association, so BURA is an entirely stand-alone organisation—it has no core funding, it is a not-for-profit social enterprise. I suppose you would call it, a membership association.

**Q268 John Cummings:** Given that regeneration is one of the responsibilities of the DCLG, how do you think the department could best support the seaside network?

*Ms Steele:* What I would like to see is a national shared learning programme. I understand that the way the regions and the RDAs approach it inevitably is that they see more in common within the region than between coastal towns from different regions. It may well be true that there are clear regional similarities in the nine regions of England, Wales and Scotland, and so on, but our experience since 1990 has been that people respond well to shared learning nationally, and I believe that DCLG could help to support that. This is not, of course, a bid for support in any sense (as I say, it is not about the seaside network), but I do believe there is scope for a shared national learning programme.

**Q269 John Cummings:** Would you suggest that the impetus to form the seaside networks actually demonstrates the need for some sort of national seaside strategy?

*Ms Steele:* I do think that. When we first started it we were not sure what response we would get. We sent out a little questionnaire, a very simple questionnaire that said: “Do you think this is a good idea? What would you like to see it do?”, and so on, and we got a very good response with a lot of people saying, “This is a fantastic idea. We cannot wait.” So, we really felt that meant that there was a demand there, but also, from our point of view, it is clear that the best things that we have done in the past have been about bringing people together from different parts of the United Kingdom to share their learning. I also think that there are very big policy themes that impact not just on coastal towns but in particular ways on coastal towns and a national strategy would not solve those but it would come to understand how those things like houses in multiple occupation, the way the welfare system works, issues around enterprise support and so on, work specifically in coastal towns. I think that would help the local organisations and strategic partnerships in those coastal towns to get more of a grip on the issues for them and to understand where government is going with those big policy questions and how that might impact on them in the future.

**Q270 Dr Pugh:** When we spoke to the local authorities they were quite supportive and appreciative of what the RDAs had done on their behalf, but there again, you do not bite the hand that might possibly feed you, do you?

*Ms Steele:* No.

**Q271 Dr Pugh:** From a rather more neutral point of view (marks out of 10), what would you give the RDAs for their efforts with regard to the seaside economy?

*Ms Steele:* They all differ. They would get nine different scores, but I think that there is a basic problem for the RDAs, which is that they will always argue that their region is the coherent unit—they have to argue for that—and they therefore do not see, in general, they do not have any incentive to see, the specific interests of the coast.

**Q272 Dr Pugh:** How could they improve on that?

*Ms Steele:* We have seen already that SEDA have come up with their own coastal strategy. You could invent regional coastal strategies, I think a national strategy would be better value for money and better use of everybody’s energy and time, but, more importantly, I do not think that any kind of compulsion should be put at the regional level to do that. I think a national strategy would enable the local and sub-regional organisations to put pressure at regional and at all kinds of levels on organisations like English Heritage as well, all kinds of funders and strategic bodies. For me a national pulling together of coastal issues is the way forward.

**Q273 Dr Pugh:** Do you think nationally there are some very specific problems that define coastal resorts? As has been mentioned, things like the higher cost of housing, the land and infrastructure, which, as it is suggested, is more difficult to produce in the coastal towns than it would be in say, the middle of a city or on brownfield sites in the heart of desolate industrial waste land?

*Ms Steele:* The most obvious thing is the sort of geographical, topographical thing that you are at the end of the line (you have got only a 180-degree catchment), and that means that all those issues around transport make it much more difficult to develop land, even if the land is available. I also think there is an important revenue issue which I think BARDA have raised that this is not just about physical development or capital investment, it is about the on-going revenue needs of places that are both difficult geographically, in the sense that they have to deal with the sea, they have to deal with sea defences, and so on, but they are also difficult because they are often tourist places.

**Q274 Dr Pugh:** There are special funds for sea defences, are there not?

*Ms Steele:* The Environment Agency deals with flooding, and so on, and so, yes, there are special funds, but there are not special funds to recognise local authorities’ additional burdens in seaside or coastal towns.

**Q275 Dr Pugh:** Are we talking about burdens on social services?

*Ms Steele:* Both. You could say the two examples would be a burden on social services, but the other would be a burden on the maintenance of the public realm because of visitor numbers, for

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example. It is a totally different experience for a local authority to try to deal with that effectively in a place which is just a straightforward residential area compared to a place that has high numbers of visitors.

**Q276 Dr Pugh:** Going back to the RDAs and their mission apropos coastal towns, there are two types of seaside resorts, and we can talk about them for the moment. Some seaside resorts have obviously had their best days and are on a path of gradual, but nonetheless identifiable, decline from which they will not really recover and go back to their former glory; others have prospects and can be regenerated. What should the RDAs do? Should they respond by addressing the needs of those in most immediate decline or should they put their money into those resorts that look like they have a burgeoning future ahead of them?

**Ms Steele:** I would like to say that all towns have some kind of future. Presumably what you are saying is a tourism future, a domestic future.

**Q277 Dr Pugh:** If I can give an example, a resort like New Brighton, on the other side of Liverpool, will never be what New Brighton was in the past when it had a pier and a boost of holiday-makers, et cetera, for very, very obvious reasons that I think people would accept. The question is what do you do there? Do you leave that alone on the grounds that there is no potential for the RDA, or do you say actually this is exactly the sort of place where you should be putting money in because, like a coalfield community or whatever, there is likely to be a lot of unemployment in that area?

**Ms Steele:** We have to recreate that place somehow, yes. One of the most obvious national strategic things is to look at all these places and say that not many of them are going to be about inward investment because they are at the end of the line in the sense of the country. They should all be about looking at what value is locked into that place, that town, and how can that be released. For example, in Hastings, where I am from, which would have been one of the ones where people said, "Oh, that has not got any future", some years ago, I do not think that is any longer true either for tourism or for home-grown enterprise development, which is the route they are heading down. Each town has to be dealt with on its own merits. We always would say that, but at the same time New Brighton, Hastings, all these places, I would suggest it would be good for the people who are responsible for developing strategies in those towns to spend time with each other, because they will gain ideas about new niches, new approaches, "How can we find a new future for this town?" I do not think we should have something that is only about tourism, the coast is not only about tourism, and the finding from the 2003 Sheffield Hallam Report was that domestic tourism has not collapsed in exactly the same way that we once thought.

**Q278 Dr Pugh:** The point I was trying to make really was that, if we have an area of industrial deprivation in the middle of a city, it is very rare that the Regional Development Agency say, "They will never get their car manufacturing base back. We will walk away from that", but that approach is not taken towards quite sizeable coastal communities. In a sense they are left to languish, are they not, by RDAs and by others as well?

**Ms Steele:** Absolutely, and that is why we need a much stronger focus, and obviously we welcome this inquiry because it is beginning to bring that focus to it. We must not let RDAs walk away from any town which still has people in it and has the serious problems that these places have.

**Q279 Sir Paul Beresford:** What about other quangos? You have touched on the Environment Agency and this old friend of mine, English Heritage. Do they help or are they getting away?

**Ms Steele:** I think there is some really exciting thinking going on in some of these agencies. I know the Environment Agency better than I know English Heritage. The Environment Agency is a huge piece of bureaucracy with a pretty dead culture in a lot of ways. This is my personal opinion. On the other hand, there are some people within it who are really going to make waves, as it were, who will really change this: because they are starting to think they could spend their flood defence money in ways which will contribute to regeneration. When people start to think like that, instead of thinking in terms of engineering for flood defences, when they start to think about how it can contribute, I certainly would not write either of those agencies off in any sense. They both have an important role to play.

**Q280 Sir Paul Beresford:** Would you keep them? One of the problems of regeneration in this country, because of its heritage, is sooner or later you bump up against a building that is absolutely worth it, and along comes English Heritage and says, "No, no, no, you have got to keep it."

**Ms Steele:** What would I say about that? I think that heritage-led regeneration can be extremely effective, even in places where you might not imagine it, like in Deptford, in South-east London, where I was from before I went to Hastings, and people should have the right to argue for that and really push for it. I do not think English Heritage stands in the way of regeneration. I think usually you can make the case that a building is really unusable in the future and eventually that case would be accepted.

**Q281 Chair:** The point you were making about the Environment Agency thinking imaginatively, I am trying to remember something that was in the papers a week or so ago about some salt marshes that were being created somewhere where English Heritage had broken down the old sea defences. You would not happen to know where that was, would you?



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*Ms Steele:* I do not.

**Q282 Chair:** But that is obviously a good example.

*Ms Steele:* The Environment Agency is saying, “Our flood defences raise the value of this land. Let us get developers to recognise that and pay for part of that”—not pay for part of the flood defences but pay for regeneration on the back of that.

**Q283 Chair:** Can I go back to your parent department, the Department for Communities and Local Government. How effective do you think that has been thus far in tackling the needs of coastal towns?

*Ms Steele:* Not.

**Q284 Chair:** “Not”, okay.

*Ms Steele:* I would say “not” because there is no national strategy, there is even no encouragement for RDAs to consider coastal towns and there is no understanding of how these big policy claims about HMOs or the benefit system or how any of those things impact on coastal towns. I have been involved in the ODPM for five years, in the sense I have been on the National Community Forum going on about these subjects taking along time.

**Q285 Chair:** I guess you would say that, in your experience, coastal towns suffer from a lack of government departmental co-operation, not to say, presumably, any government departmental interest.

*Ms Steele:* Yes.

**Q286 Mr Betts:** You seem to be saying that there are certain common characteristics of seaside towns. Should there, therefore, be a special approach by central government? Should it be central government led or should they be trying to shape and help other agencies and organisations to form their own strategy?

*Ms Steele:* I think that would be a bad reaction to something if it felt like it was just imposed from Westminster. I think that would be a problem. What I think the department can do really well is encourage what I was talking about, a national shared learning programme between all interests in coastal towns. The idea would be that you would start with that kind of shared learning, you would lead to a shared strategy and then you would debate the best way to address this funding-wise. I would not say at the moment that we have a clear answer to that. There are various different options. If a pot of money was available at some point, how would you do that? The way that I think seaside towns would react against would be the kind of

LEGI (the Local Enterprise Growth Initiative), which is an example of an initiative by the DCLG where there is lots of money but very competitive, some winners but lots and lots of losers. Something like that, I think, would probably not help. What we are trying to do is draw a line round the coast and say, “This coast has something in common. It is very important to us as a nation. Let us support it over time.” There are other examples, like the coalfields investment programme, which was much more a mixture of learning strategy and money. I am not saying that was perfect in any way, and we have things to learn from that, but that kind of mixture of those three things rather than just, “Here is some money. Who is going to bid for it?”, which I do not think is a useful approach.

**Q287 Mr Betts:** There should be a national strategy of some kind built up from experiences?

*Ms Steele:* Yes, built up from experiences, and some of the people who have put into your inquiry as well, the networks and agencies as well as the towns themselves.

**Q288 Mr Betts:** In terms of what might be learnt coming towards that strategy from tourism, is there a sense in which trying to regenerate towns on the back of tourism has its down sides and lots of low-paid, low-skilled sometimes seasonal jobs?

*Ms Steele:* Yes. There are two problems. One is that tourism will never run a town by itself. It will never sustain a town on its own. It never did. That is one of the important things, that the towns that were most successful on tourism also had other industries, they had winter-based industries as well as summer bathing and so on. Tourism on its own is not going to be enough to maintain an economy, but the other thing is that seasonal and sessional work is becoming more and more common anyway, and that is why I said the benefit system needs to be considered in this because the benefit system is incapable of understanding seasonal and sessional work and it is one of the reasons that you end up with lots of people on incapacity benefit not even taking up the seasonal work opportunities and sessional work opportunities because, as soon as they do, they lose their benefit status, which means they lose their housing benefit, which means they are taking an enormous risk for a very small amount of pay. Until that system is reconsidered around sessional and seasonal work, that situation will remain and, therefore, that kind of tourism at least, which is probably the only kind we have got on offer, is not an effective, long-term answer on its own.

**Chair:** Thank you very much indeed.

**Tuesday 17 October 2006**

Members present:

Dr Phyllis Starkey, in the Chair

Lyn Brown  
Mr Greg Hands  
Martin Horwood

Anne Main  
Dr John Pugh

*Witness: Mr Peter Kegg*, CIH member and CE of Bournemouth Churches Housing Association, Chartered Institute of Housing, gave evidence.

**Q289 Chair:** Good morning and welcome to this Committee, Mr Kegg. I see, although I note that you are particularly involved in a housing association in Bournemouth, that you are going to be talking in general about housing issues and coastal towns, not simply from your own experience. Is that right?

*Mr Kegg:* I will aim to cover both.

**Q290 Chair:** We have a number of submissions about housing issues relating to coastal towns, but it would be very helpful to have your indication of what you think are the particular housing problems in coastal towns and what you believe to be the root causes of them.

*Mr Kegg:* I think a significant issue in many coastal towns is affordability, particularly in the south-east, south-west, but generally the cause of that: low-wage economy, very attractive environment, buyers from other areas wanting to move in, say, from London being able to pay high prices; another general issue with coastal towns, I think, is the rehousing of people needing support and quite a number of issues around rough sleeping and related issues such as drugs and crime; and the last point I particularly wanted to raise was the issue of larger, older buildings that were built for a previous era for hotels or bed and breakfast which now are re-used for other purposes, particularly things like houses in multiple occupation, drug treatment centres, et cetera.

**Q291 Chair:** Is there a bit of a contradiction between saying that, on the one hand, people coming into the area are driving up house prices and, on the other hand, citing the use of these larger housing for hostel accommodation or essentially people on benefits coming in? Presumably those sorts of people are actually looking at cheap housing. Is it that there are two different sets of housing or what?

*Mr Kegg:* I think it is a complex situation. You can have very expensive housing—sea views, and river views are becoming increasingly popular—but there is also a stock of older housing which is quite difficult to use and people do not want to go to voluntarily, therefore it provides quite low-cost housing, but it does not exist in every area, so what that will do is tend to attract relatively poor people in from surrounding areas, or other areas, simply because it exists.

**Q292 Chair:** Do you feel that the problems in coastal towns need to be addressed by targeted interventions. If so, should they be from the Regional Housing Board or should there be national policies targeted at coastal towns as a class?

*Mr Kegg:* I think there is an issue around regeneration of problem areas with larger properties, I think probably mostly at a regeneration level, probably targeted at a regional level, but there also may be a case for some kind of legislation, although the latest legislation in relation to HMOs and registration, et cetera, will help, but we will wait to see the impact of that.

**Q293 Anne Main:** Can I take you back to a comment you just made about the issues surrounding the root cause. Shelter has said that 50% of those in poverty were home owners and many of them were elderly. Is it anything to do with the demographics of the population that you have got? Are the older saying they cannot afford to maintain the older style houses?

*Mr Kegg:* Clearly there is an issue of poverty with the elderly which will be associated with income poverty whilst being asset rich, but there is also absolute poverty as well, people living on benefits. Again, looking at the Bournemouth situation, which I do not think will be very atypical, we have two wards where child poverty exceeds 60%; so with a low-wage economy there are quite serious poverty issues, but I think that they are quite different in kind for younger families and single people than they would be for the elderly.

**Q294 Dr Pugh:** Clearly local authorities will acknowledge the kind of problem and the kind of analysis that you are presenting, but rather than just acknowledge or identify it, do you think they are really making any positive steps to actually address it? Are there examples of good practice where local authorities have been very proactive in both recognising the problem and dealing with it?

*Mr Kegg:* Yes, there are a number of authorities, including Bournemouth, that have run accreditation schemes in relation to the private and rented sector. Problems of affordability or access to accommodation have been addressed by working with private landlords to build new properties to let to people on the housing waiting list. There are also public sector leasing arrangements.

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**Q295 Dr Pugh:** But if a private landlord has an opportunity to build accommodation, he will build, obviously, at the best price he can and probably for the market of people coming into the resort who actually want high value property. A local authority cannot force a developer to build affordable housing, can it?

**Mr Kegg:** A developer building for sale will go for the highest price he can get. A private landlord building for rent will go for the market-place that is available. We do have some evidence of landlords providing accommodation to meet local homelessness needs.

**Q296 Dr Pugh:** In terms of the local authority's role, they do not have a free hand, do they? They cannot build houses, they are dependent on funding, like the Housing Corporation, they are dependent on what may be planning guidance and factors like that. In terms of the external restraints upon them, how easy is it for them to deal with the problem?

**Mr Kegg:** I think it is very difficult. Section 106 opportunities are being worked out, but it is relatively limited. With high priced areas, and coastal areas can be quite high priced compared with other areas, it is difficult to get properties to stack up financially using Housing Corporation criteria and just the sheer level or the lack of investment in social housing generally. There is a low supply of housing, and what the Joseph Rowntree study has shown is that in areas, in Bournemouth in particular, but actually a lot of coastal resorts, something like 80% of people with households aged from 20 to 39 cannot buy the cheapest houses, and we believe in the Bournemouth area that has now risen to 90% that cannot buy, so there is a very serious problem of affordability leading to homelessness and having to look for creative solutions.

**Q297 Dr Pugh:** Can you pass any comment on the role of the Housing Corporation in helping to solve the problem?

**Mr Kegg:** I think the Housing Corporation is, quite rightly, very keen to see the maximum number of units for the amount of money available, but it does make it very challenging in high cost areas to meet their targets. I suppose what we would like to see is more flexibility in relation to high cost areas so that it is possible to meet needs in those areas.

**Q298 Dr Pugh:** Have you had a chance to survey regional spatial strategies to see whether they provide any kind of answer or whether they complicate the problem?

**Mr Kegg:** I have not surveyed the strategies, but there is an intention to increase the supply of housing through the planning process.

**Q299 Dr Pugh:** But not specifically in coastal towns, do you think?

**Mr Kegg:** Not specifically, no, but they are focused on market areas.

**Q300 Dr Pugh:** Can I take you to an issue that has been raised by a number of witnesses, and that is the strong demand for second homes in coastal areas. It may well be that the second-home purchaser is an elderly person, wants a flat and is not in the market for affordable family housing really. To what extent is the problem of second homes really complicating the issue or is it a minor factor and not a major problem?

**Mr Kegg:** In Bournemouth there are 6,000 second homes, with a housing stock of about 80,000.

**Q301 Dr Pugh:** Are we talking about detached, semi-detached dwellings or flats here?

**Mr Kegg:** I do not know the kinds of property. There is some evidence, reading the local papers and so on, of relatively wealthy people using city bonuses to buy places at Sandbanks and so on. So, there is evidence that people are buying quite large properties (they may also be flats) as second homes. I think also the tendency to buy second homes will depend on accessibility, whether you go there for a holiday or whether you go there at weekends, but I think the important thing is it is a single market place. If there is a significant take-up of second homes, it will be another factor that will help drive up prices.

**Q302 Dr Pugh:** I was questioning whether, in fact, it was a single market place. It strikes me that if people retire, they are probably elderly, they probably do not want a property with stairs, they probably do not want some of the complications that come with a family house, garden, and so on. I was wondering whether you have been able to tell whether there was a distinct, niche market here which did not affect much the affordable housing.

**Mr Kegg:** I do not think there is a niche market. Again, from observation (I was in Eastbourne for 30 years), people will buy the biggest and the best property they can get, so someone retiring at, say, sixty—

**Q303 Dr Pugh:** Will buy a detached family house?

**Mr Kegg:**—will sell their small house in London and buy a detached house on the coast.

**Q304 Dr Pugh:** What measures, if any, would you advocate to mitigate that problem?

**Mr Kegg:** In terms of second homes?

**Q305 Dr Pugh:** In terms of local people trying to buy housing?

**Mr Kegg:** I think there needs to be more assistance to what I think has been called the intermediate market, the locally employed person. I met a person the other day who was a qualified central heating fitter who works for the Gas Board, and he said, "I cannot afford to pay a rent of £800 a month and save up for a deposit", and yet, if he could have a deposit, he would then be able to pay a mortgage. He is in a real catch twenty-two situation. So, maybe some more help with people on the margins.

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**Q306 Dr Pugh:** What sort of help? Financial help?

**Mr Kegg:** Yes—there is the Home Buy initiative that is coming in, but it is quite limited—whether it is worthwhile helping people into the market place and also maybe taking a stake in the property as well. Actually building social housing is an economic intervention and it may be possible to intervene in other ways economically that would help, I was going to say, low-earning people, but, in fact, some of these people will be earning £25-30,000 a year, but to buy a house in a lot of places now—

**Q307 Dr Pugh:** What other ways? You said it may be possible to intervene in other ways.

**Mr Kegg:** I think it could be desirable to intervene financially to help the family so that they can achieve what they want, which is to buy a house. The problem with that is that, by intervening in that way, it can drive up the market place.

**Q308 Anne Main:** Following on from that, given that high numbers of old people are retiring to, or purchasing, second homes—you have dealt with the second home side of it—many people are just moving into the area and bringing in a different economy because they have perhaps moved from a wealthier area. You have suggested one way, which is perhaps assisting people financially. Do you believe there is anything to be said for a limit in who can purchase locally? Would you be looking to deter these people who are driving up prices?

**Mr Kegg:** I think that would be an unacceptable way forward. I know it happens in the Channel Islands, but I cannot see a way in which that would work. I also think to some degree that the elderly market is a replacing market, so that people are moving out as they die and other people are coming in to take their place, but there is certainly a very difficult issue of low local earnings and relatively high prices and, therefore, it seems better to target the help at those that would benefit most from it.

**Q309 Anne Main:** If that is in a generating market, as you said, they do not stay very long or they die, or whatever, they do not stay in the area as long as perhaps a family would. Professor Fothergill stated to the Committee that there is undoubtedly an inflow of people over retirement age, surely they cannot be the major source of the problem then?

**Mr Kegg:** They help replace the market so that the market does not diminish, despite the fact that people are leaving it, because others are coming to replace them.

**Q310 Mr Hands:** I am slightly confused by all this. I was wondering whether I could go back to the beginning and ask you a very general question, which is how far do you think housing as an issue determines the success or otherwise of a coastal town in the current environment? My impression is that Bournemouth is relatively successful as a coastal town at the moment. How much of that is down to issues of housing and, if so, what is there in

Bournemouth in terms of housing that particularly makes it a success whereas in other coastal towns that is lacking and is making it not a success?

**Mr Kegg:** I do not think the success or otherwise is down to housing, I think the success is about economic regeneration. What has happened in Bournemouth is that it has been very fortunate to attract a significant financial services industry into the area and, consequently, significant retail, et cetera, so that, in fact, it has been very successful economically. I think perhaps it may be worthwhile the Committee visiting Bournemouth as an example of a coastal town about which, when I spoke your Committee specialist, I said it may be atypical and we should attract the Committee's interest in that. I lived in Eastbourne and I knew Hastings quite well, and clearly there are issues around the need to maintain economic success which then feeds into the housing market.

**Q311 Mr Hands:** Would you be suggesting it might be a red herring for us to consider housing as one of the key factors?

**Mr Kegg:** No, I think there are special issues around housing. I think the very large privately rented sector in many seaside towns (properties that were built in the Edwardian period or later) is housing people who struggle to survive: they get converted to other uses—we have got some as drug treatment centres—and that is feeding quite a lot of people into the area, perhaps 400 people a year, with quite serious drug issues or having recovered from drug issues, but the rate of success is not necessarily very high.

**Q312 Chair:** Can I ask you about the level of houses in multiple occupation? Are they a significant problem within some of the coastal towns and what are the issues that are associated with them?

**Mr Kegg:** They are significant, in my experience, and the problems associated with them are low standards, insecurity of tenure, relatively poor landlords, poor standards in terms of shared facilities, and also, with the single room rent restriction, it is the only place where young people can go to, so they are mixing with challenging people. It does provide a service, but it also presents a problem, and the general standards of properties need to rise, both internally and externally, because the general appearance of them is quite poor and that in itself can help drive down the perception of an area.

**Q313 Chair:** Is there a view within some of the coastal towns that it would be advantageous to reduce the numbers of HMOs and, if so, how would they propose to do it?

**Mr Kegg:** It may be the market place will help determine that. There is some evidence, I think, of private landlords deciding it is better to be in one-bedroom self-contained flats or in studio self-contained flats rather than having shared facilities, but a way forward on those would be to self-contain them. It would reduce the numbers somewhat, but at least it would improve the quality of life for the people using them.

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**Q314 Mr Hands:** Still talking of private rented accommodation, obviously coastal towns have a reputation—I am a Member of Parliament in Central Inner London—as being places that attract a large number of benefit claimants, sometimes because of the policies of Central Inner London Boroughs and other cities, but do we see that as a very significant problem?

**Mr Kegg:** I think it is an issue. If there is not an economic base for an area to be successful, then landlords will attract customers from where they can and so they will work with London authorities and so on. The other issue is that the public subsidies in the private rental sector in this way may be better diverted to helping to achieve some assistance for home ownership.

**Q315 Chair:** Do you mean public subsidies through housing benefit?

**Mr Kegg:** I think there are two elements of public subsidy, arguably. One is that when someone buys a property the whole of the interest payable is allowable against tax. There is also the housing benefit, so that the combined revenue subsidy, either by income foregone by the Government or paid out through housing benefit, is actually quite high, and I think it would be worth looking and comparing the financial input into home ownership, the private rental sector, the RSL sector, with a view to seeing how more assistance might be given to potential buyers and encouraging people to work: because if people are paying high rent there is a very significant work disincentive, and that is very challenging to overcome. I think that maybe the growth of the private rental sector is an unintended consequence of a number of different government policies.

**Q316 Anne Main:** Given that a large number of people in these houses in multiple occupancy are transient population, how would you propose this money is targeted because, by their very nature, they are not going to stay there very long?

**Mr Kegg:** It is a separate problem. I think there is an issue of HMOs and transients, there is an issue of local families that will stay in the area that actually are forced to rent at quite high rents because they cannot afford to buy.

**Q317 Anne Main:** We are effectively looking at HMOs and transient populations here with regard to benefit claims. I struggle to see how what you have proposed could help those people?

**Mr Kegg:** That is a separate issue. I think the financial cost of maintaining that kind of accommodation is high to the Government. What do you do about a solution? I suppose they are actually reducing numbers. Increase standards, reduce numbers and divert the funding that was otherwise—

**Q318 Anne Main:** When you say “reduce numbers”, do you mean reduce numbers of units or reduce numbers of people?

**Mr Kegg:** Reduce the number of units.

**Q319 Anne Main:** So you would like to see, in some of these coastal towns, less HMOs?

**Mr Kegg:** Yes.

**Q320 Anne Main:** What happens to the displaced people that would normally occupy those low-rate units?

**Mr Kegg:** They are transient, so there would be a turnover.

**Q321 Anne Main:** But you would be shifting the problem elsewhere, because they might be transient but their place is usually filled by another set of transient people coming in, are they not. They are not transient and then, obviously, you have got a load of unoccupied houses, or are you saying you have?

**Mr Kegg:** Yes. I cannot answer that question fully, but I think what happens is that, if you have got accommodation available, people will fill it. If it is not there, they will not come. What landlords will do in Bournemouth is advertise in Liverpool saying, “Would you like to live rent-free in Bournemouth?”

**Q322 Anne Main:** Surely that would drive the unit cost up. If you have got fewer units than people who want to come, surely it will be more expensive to live there?

**Mr Kegg:** No, but I think there is a market place in HMO properties, and so if you actually had fewer of them there would be less people coming in that needed support.

**Q323 Chair:** Are most of the people in HMOs in coastal towns not originally from those coastal towns?

**Mr Kegg:** Yes.

**Q324 Chair:** So they could as easily be somewhere else?

**Mr Kegg:** There is quite a lot of movement of single people in particular, because the HMO people are mainly single people, there is quite a lot of movement from around the country, but very little is known about the scale of that movement or the reasons for that movement.

**Q325 Chair:** Have those people moved to the coastal towns because of the housing or because there are jobs available in coastal towns?

**Mr Kegg:** I think it is complex. I think the availability of transport, the attractiveness of an area. Why live in Liverpool on benefit when you could live in Bournemouth? There is also the prospect of jobs in the tourism trade. So, there are quite a lot of factors.

**Chair:** Thank you very much indeed. We will have to adjourn the Committee for 10 minutes.

*Committee suspended from 4.50 p.m. to 5.00 p.m.  
for a division in the House*

*Witnesses:* **Ms Sophie Livingstone**, Head of Policy and Communications, Foyer Federation, and **Mr Peter Shimwell**, Manager of the Redruth Foyer, gave evidence.

**Chair:** Thank you for installing yourselves in our absence. Anne is going to start the questioning.

**Q326 Anne Main:** In its memorandum, the Foyer Federation suggested that the high number of older people that there tend to be in coastal towns has led to service providers focusing on their needs, which you could argue is only right since there are lots of them, but the result of this might be that there might not be enough facilities for young people. To what extent does this make you any worse off than any other area which happens to have a high proportion of elderly people?

**Ms Livingstone:** I think that is the overarching theme of our evidence and certainly the work we have done since being called to give oral evidence. We have spoken to 14 out of the 18 coastal foyers, and there are 134 foyers at the moment around the UK, and certainly the issues that are coming up are ones that I think we both agree are not specific to coastal areas, they actually cut across the issues that most foyers are facing. So, yes, there are (and this is all anecdotal) instances of foyers facing problems with young people having problems accessing services due to the focus on older people, but, as you rightly say, that is not specific to coastal areas at all.

**Q327 Anne Main:** When you say it is anecdotal, you have no facts and figures to back-up the fact that young people have not been able to access services?

**Ms Livingstone:** Unfortunately not. We are a very small organisation and what we have had to do is literally phone our foyers and ask them for examples, and in busy projects they cannot, unfortunately, give us data. However, this is what they are telling us, that it is very difficult. For example, I spoke to Cromer Foyer, and they have had problems with accessing dentists because of the high proportion of retired people in the local community who have got more money to go and pay for dentistry. Therefore, there is a lack of NHS dentists.

**Q328 Anne Main:** This the great pound again. This is someone with money coming into an area and disadvantaging younger people or families?

**Ms Livingstone:** Yes, but then you can argue that access to NHS dentistry is a nationwide problem.

**Q329 Chair:** Mr Shimwell, you are in the Redruth Foyer. Is that right?

**Mr Shimwell:** That is correct, yes.

**Q330 Chair:** You obviously would be able to speak for the experience of that particular foyer?

**Mr Shimwell:** Yes, certainly. I would not describe Redruth particularly as a coastal town, although I speak for the other foyers within our group, Devon and Cornwall Housing, which include Padstow, Plymouth and Torbay, and I have certainly got an understanding of coastal towns around the UK and foyers. In answer to the question that you ask—

“Why are coastal towns any different?”—I think you have to see it in the context that coastal towns have basically got two seasons. They have got summer seasons where there is an influx tourists and people around and then a winter season where literally lots of things close up. Those services (cafes) actually close down for six months, eight months of the year, leaving lots of young people who are living in foyers absolutely nothing to do. Walking through Padstow last week I must have seen half a dozen cafes, boarded up places, closed, and with so many holiday lets in the centre of the town, it really is a dead town, it is a community really with no heart, and I think the knock-on effect on our young people is that, without anything to do, young people can get involved in negative behaviour—drug and alcohol misuse is quite common—and I think that is particular of lots of coastal towns.

**Q331 Anne Main:** How do you address these things? As you say, these things are open at other times, obviously when the demand is there and the business is worth running, and then shuts down when there is not enough business to sustain them. So, what is it that you are suggesting? How would you suggest that access to these facilities could be provided?

**Mr Shimwell:** I certainly think services for young people, both in the voluntary sector and in the statutory sector, run on shoestrings, and the various bits of money that they can obtain get spent on things which cost a lot of money in coastal areas. If I can give an example, in the centre of Torbay there is no meeting place for young people at all and a lot of the money has been spent on services for housing and shelter for older people and community centres.

**Q332 Anne Main:** This is council money?

**Mr Shimwell:** Yes.

**Q333 Anne Main:** Is that because the voters are elderly voters and they are voting for the services they want?

**Mr Shimwell:** I guess so. Young people do not turn up in numbers to vote, unfortunately, quite a lot of them—obviously those of 16 and under do not get a chance in any case—but it does seem to me that in coastal towns there is an intergenerational gap in that they see people on the street, they have got nothing to do, “Let us get them off the street and get them doing something”, without actually consulting the young people on this. What I would like to see is more young people, like the young people in our foyers, being consulted on the services that are provided for them, because I think they are very much demonised in the press and by a lot of communities. They are seen as a problem rather than an opportunity or a solution.

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**Q334 Anne Main:** Is that a government or a local government problem though? Where do you think the fault lies? Is it local government not listening or assessing the real needs in its areas?

**Mr Shimwell:** I think it possibly is a local issue, because I think some areas certainly manage to engage their young people better than others. I cannot really comment on the national picture.

**Q335 Anne Main:** You do not think there is a national policy implication then, that there should be some sort of national policy for this?

**Mr Shimwell:** I do not think so. I think regionally local authorities need to look at the contributions that they are making and consider where their money is being spent and, if there is a need to provide services for young people in these coastal towns, where is the money going and are young people consulted on those issues?

**Q336 Lyn Brown:** You touched a little on intergenerational issues, and in your memorandum you talk about intergenerational conflict. Could you explain that a little for us?

**Ms Livingstone:** Certainly it is, again, something that is raised by foyers generally, but, obviously, it is exacerbated in areas with a higher proportion of older people. Eastbourne Foyer talked about older people fearing younger people in the town. They see groups of young people as a problem, and that is obviously linked to the lack of facilities and places to go. Going back to the previous question, Eastbourne Foyer did also say that the council there had tried to be quite forward-thinking with regard to young people. They initiated setting up the foyer as a flagship of the borough and also in partnership with the local college, and they put it out to tender and they identified that about 10 or 11 years ago, and so they were quite forward-thinking. They also host the annual skate-boarding championships in Eastbourne, and so they are actually trying to do things to cater for young people in the town.

**Q337 Lyn Brown:** Can I take you on from that. That is terrific, Eastbourne Council is obviously doing its job, but can you tell us how this intergenerational conflict manifests itself? Does it manifest itself by walking into a town hall and voting for all things that are for those over 55 to do, or does it manifest itself in any other way?

**Ms Livingstone:** Certainly complaints about the foyer. Young people certainly report to us that if they apply for jobs with the foyer as their address they will not get a look in at an interview because of perceptions about what the foyer does. Cromer Foyer highlighted that to me and said they have had quite a lot of issues with a negative perception of their young people, and what their foyers are trying to do, and in fact they are holding an open evening tonight to invite people from their local neighbourhood (and that is predominantly older people in the surrounding area) into the foyer to try and demystify what they do and what the young people are trying to do. So, the foyers are proactively trying to change that perception, but I think it is in

the context of a wider issue about young people not having places to go, there not being necessarily facilities for people for young people to go to, and also the media is also whipping that up as well. Again, that is a broader issue.

**Q338 Lyn Brown:** There is a foyer in my constituency which does not have a "bad rep", so do you think that this particular difficulty that the foyer has with the perception about what it does and who it is catering for is particularly in coastal towns, or do you think it is simply an issue that is perhaps outside the cities?

**Ms Livingstone:** I think you are probably right that it is more likely to be outside the cities. It depends on where the foyer is physically situated as well. Taking the example of Cromer, they have got a lot of older people as their neighbours. Bath Foyer has the same thing. They are situated in a cul-de-sac which has got sheltered housing in it. They did have a number of issues with intergenerational conflict there and the foyer undertook a project with the young people and the older people, and the problems of milk bottles being taken from doorsteps and things like that have actually dissipated because they took that action. So, it is not specific to coastal towns, but, obviously, with the population being older in coastal towns, that does exacerbate it.

**Mr Shimwell:** Could I echo what Sophie is saying there. I do not think it is just a coastal town issue, I think the issue is of isolation, because lots of rural areas face similar issues that the coastal towns face, but I do think the disparity between rural, coastal and more urban areas and young people comes back to young people being seen as a problem: "We must find something for them to do." I think we definitely need some more resources there. We cannot have young people growing up in communities that are dying, literally.

**Q339 Lyn Brown:** I would like to take you back to the question that Anne was asking. Given the problems that you have described, what government action do you think needs to be taken in order to help?

**Ms Livingstone:** We are trying to talk to government at the moment in the run up to the Comprehensive Spending Review. They are doing a review of the Children and Young People's Policy with a view to coming out with a 10-year strategy, and we have been feeding into that and highlighting the lack of facilities issue with the hope that that will be recognised and that there will be guidance to local authorities about that and that funding will be directed in that way. There are obviously other issues that young people in foyers face. Mental health issues are a big issue for young people. Foyers across the board are reporting to us that the young people who are coming to them are younger, they have more acute needs, so there are a whole lot of complex issues round that that government needs to be looking at at a national policy level as well as on a local level. That needs to be done in partnership.

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**Q340 Lyn Brown:** Can I take you on to employment. A Government submission to this Committee stated that nationally there are no higher than average levels of temporary employment in coastal towns. Is this your experience?

**Mr Shimwell:** Not at all. I think it is quite clear from the evidence that has been given before that the seasonality of work is really destructive, especially if you consider young people. Young people born in coastal towns are paid very low wages, often much less than the national minimum wage. They are not employed on contracts; they are not employed on the way they look; they are not employed on where they live. I think it is very difficult for a young person to enter the employment market in a coastal and isolated town. I can think of a specific example which is linked to transport. I attended an interview in the summer with a young person from one of our projects who had got great experience working in restaurants and pubs, and he was not taken on at a holiday camp purely because he did not have his own transport. That was the only reason that the employer gave him. That is a terrible disadvantage, that you cannot even grasp the opportunities because the public transport is not reliable and, therefore, it is seen that the young person will be unreliable themselves. So, I would not agree with what the Government is saying there.

**Q341 Lyn Brown:** Can you talk to me about training? Is it easy for young people in coastal towns to access training? You have touched on the issue of transport.

**Ms Livingstone:** It depends a lot on where their local college is situated. I spoke to a young person who lives in Torbay Foyer who is attending the college in Paignton, the next town, which is eight miles away, and it costs her £20.00 a week to travel to college, which, when you are on benefits, leaves £26.00 to cover everything else. She is still doing it because she is incredibly determined to go to college, but, obviously, for young people who have got self-esteem issues or motivation issues, that can seem like an insurmountable barrier. Again, in Eastbourne, £2.60 a day for a young person to get to college from the foyer, and they cannot get a free pass because they are 1.95 miles away from the college and you have to be two miles away according to the bus company rules. Again, young people are hit by these sorts of issues time and again. Foyers work actively with the Learning and Skills Council to provide life skills training programmes, but we see that very much as a gateway into further training and education and young people are hit by transport and benefit issues when they get to the point that they are ready to go to college.

**Q342 Chair:** You say you work actively with the Learning and Skills Council. Have they proposed any solution to the problems that you are describing which are essentially affecting access to the training courses?

**Ms Livingstone:** Not in terms of where colleges are situated. What we have done with the Learning and Skills Council is develop a national qualification called the Learning Power Award, which is a life skills qualification which will help young people develop life skills, budgeting, self-esteem, all the things you need to help live independently and then move yourself on. For some young people even walking through the doors of the college can be a huge issue, so the Learning Power Award that we have developed with the Learning and Skills Council is to help them get to that point, but then we have not come to any conclusions or solutions with the Learning and Skills Council about then getting them to college where that is difficult to access.

**Q343 Lyn Brown:** You have mentioned transport and transport costs as a barrier to training and employment. Are there any other barriers that you think we should know about for young people in coastal towns as to training and employment?

**Mr Shimwell:** Certainly housing in general and having the move on access, especially to social housing, for foyer residents. Foyer residents are in foyers either because they are homeless or they are unemployed, for whatever reason, and it is not easy for young people of 16 to 25 to enter the private rented sector. In fact, private landlords do not want to touch under 25s because it is high risk, and in these small coastal towns, rural towns, where there is very little accommodation that is appropriate for young people, it is very difficult. At the end of, say, a two-year stay in Foyer the next step of moving that young person on into independence, that transition, is the key. Again, on a local level, perhaps various foyers around the UK have made agreements with their local authorities to move on, but it is just not enough because in most of the areas that we are discussing there is a chronic shortage of social housing. The move on in Cornwall is particularly pertinent because of the high prices of rents, especially in the summer—there are lots of summer lets, and then winter lets the local people back in—but it is very difficult for young people to enter the housing market, the rented housing market.

**Q344 Dr Pugh:** The association between drugs and coastal towns goes back to the Second World War if not before. It is not specifically a young person's issue, is it, particularly Class A drug use?

**Mr Shimwell:** No, I do not think it is. I am not really sure whether there is an abundance of evidence that says that the drug or alcohol issues in coastal towns are worse than any other areas of the UK. What I would say from my own experience is that I think there is a bit of backdoor peddling in through the ports, where there is less security and less monitoring of drugs coming into the country. Certainly in Cornwall and the south-west, where we did not believe we had a significant problem with drug issues around the ports, around seaside areas,



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and especially during the summer months, there seems to be an availability of Class A and Class B drugs. Whether or not that is any different—

**Q345 Dr Pugh:** How would you characterise, amongst the young people that you know of, the pattern of use? Is there a heavy use of Class A drugs or is it largely recreational drugs?

**Mr Shimwell:** It is unlikely that most of the young people that we work directly with in foyers would be on a drugs programme because of the support that is available to them. Most of our support is around education and training, so a young person who has got a drug or alcohol dependency would be unlikely to be living in a foyer, but certainly of the young people that we come across and that we deliver advice and guidance to, there is certainly a significant number, I would say. Again, I do not think this is purely a coastal problem, I think it may be exacerbated in some coastal towns, but I think it is a national picture, and rural areas are the same. As to drugs coming into rural areas, I would say, it is just as severe a problem as it is in some of the inner cities.

**Q346 Dr Pugh:** In terms of the problems across your desk, which is the bigger problem: alcohol abuse or drug abuse, or hard drug abuse?

**Mr Shimwell:** I am sorry, would you repeat that?

**Q347 Dr Pugh:** In terms of the problems across your desk, is alcohol the major problem?

**Mr Shimwell:** I think alcohol is the major problem, to be fair, that we are dealing with on a day-to-day level—I think drugs are probably secondary—because alcohol is so widely accepted, cheap and available everywhere.

**Q348 Dr Pugh:** In terms of interventions, are you familiar with any very successful interventions? Do you think the Government should do more specifically for the kind of areas we are talking about here?

**Mr Shimwell:** In Cornwall we have got a very good drug and alcohol service and we are supported very well, and I certainly feel I would be able to signpost a young person to a number of good services. Nationally, I am not sure if that is the case.

**Ms Livingstone:** To echo your points, foyers do not work with high support needs for young people on the whole. Therefore foyers would not generally take young people with a drug dependency. Having said that, foyers are all independent. In Aberdeen they have something called the Life Shaper Programme which is for young people who have

been on Class A drugs, and it has been very successful. To come back to the issue about the prevalence of drugs, HEART Foyers, who operate a foyer in Felixstow, said the foyer does not suffer disproportionately from higher drug use despite their situation, their location. However, we did run a homelessness prevention programme called Safe Moves in Felixstow and they did have a very high number of people referred to that programme with drug issues. They probably do not then end up in the foyer, because the foyer has not got the capacity to support them, it is not set up to do that; so the picture you will get from us about drug use in these areas is slightly distorted because of the nature of the programmes that we run, the projects that we run.

**Q349 Dr Pugh:** In terms of serious alcohol abuse, are you picking up the national trend of it occurring earlier, in much younger children?

**Mr Shimwell:** Certainly, yes.

**Q350 Anne Main:** Mr Shimwell, can I take you back to what you said about the seasonal problem with drugs coming in through the ports, which is a particular coastal issue?

**Mr Shimwell:** Yes.

**Q351 Anne Main:** Do you think there is some sort of role for government intervention to make the ports less accessible for drugs? You have not suggested that, but that is the correlation I would draw from what you have said. If you believe that is a problem, is it borne out statistically in any other coastal areas that there is a significant drugs problem at certain times of the year coming through the ports?

**Mr Shimwell:** It is a reasonable suggestion, is it not, to put resources where the problem lies?

**Q352 Anne Main:** I am going on what you have just told the Committee?

**Mr Shimwell:** My experience is in the south-west and in Cornwall. Certainly more interventions into stopping drugs coming into the UK would be an advantage. I cannot really comment on the national picture, whether nationally there is a problem around ports. I think there certainly is around the south-west, Cornwall, Torbay, Penzance, in particular, and I would say that the knock-on effect of drugs coming into those areas is waiting times on drug and alcohol rehab, programme support and key work, so an early intervention would be a reasonable suggestion.

**Chair:** Thank you very much indeed.

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*Witnesses:* **Mr Bill Wells**, Economy and Labour Market Divisional Manager, DWP, and **Mr Jeremy Groombridge**, Director Business Design, JobCentre Plus, gave evidence.

**Q353 Chair:** Can I start off with the question which I think is puzzling all of us. We have been told in most of the submissions from most other groups that one of the issues about coastal towns is a great deal of low-paid employment and high seasonality, and yet the jobcentre figures that you have given us for the coastal towns that you have cited appears to suggest that temporary employment is not higher in coastal towns in other areas. Is temporary employment different from seasonal employment, or is everybody else wrong?

**Mr Wells:** Seasonal employment is included in temporary employment in these figures. These figures are taken from the Labour Force Survey, which is a household survey, in the individual areas that it is carried out. It is nationally representative. I think one of the issues may be around difference in scale rather than anything else. I think it may have been true more in the past that coastal towns were more dependent on seasonal and tourism work than they are at the moment, but there are many other forms of employment (for example retailing, construction, schools), and although in some coastal towns there are issues about seasonality, it still remains the case that the vast bulk of employment tends not to be associated with tourism; so there may be obvious examples but there are many other forms of employment.

**Q354 Chair:** I think I am having further difficulties with your grasp. I realise you have given us the number of jobs in tourism in these different places.

**Mr Wells:** Yes.

**Q355 Chair:** You have not given us the proportion of the jobs in those areas which are related to tourism.

**Mr Wells:** But they are quite low. We can provide you with those numbers.

**Chair:** I think that would be helpful as a corollary of that.

**Q356 Lyn Brown:** Is it not the definition of what you define to be a tourism-related job that might be at issue here? For instance, I presume there is more laundry during the times of high season in a tourist place, but you would not necessarily equate the higher volume of work or workers within the laundry sector as tourist-related employment, would you?

**Mr Wells:** Not necessarily, no. You are quite right, in the sense that—

**Q357 Lyn Brown:** So a job could be seasonal and attached to the tourism industry without necessarily being called a job which is created because of tourism?

**Mr Wells:** Yes, but I think it remains true that, as there has been a movement away from tourism, in the sense of two-week holidays in Clacton, or whatever, the reliance on seasonal industries has actually diminished, both because that industry has declined but also because other forms of employment have grown.

**Q358 Lyn Brown:** The two-week holiday has declined but the day-trippers and the week-enders are still there.

**Mr Wells:** Yes.

**Q359 Lyn Brown:** One still sees a significant increase in visitor numbers at seaside resorts during the traditional holiday periods?

**Mr Wells:** Yes, but part of the diversification in some, but by no means all, coastal towns is that the day-trippers and the week-enders come not just during the seasonal period. There are different forms of tourism: business tourism or pop concerts or whatever. I should also say (which I think is a theme of our memorandum) that actually it differs from town to town and there are big differences between the different coastal towns. I would not want to say that there is no problem with seasonality in every town. I suspect I am saying that seasonality and temporary jobs are relatively smaller now than they used to be in the past and there also tend to be vacancies coming up because of the natural turnover in the labour market.

**Q360 Lyn Brown:** If there was an influx of people during the times that traditionally are the holiday period which is greater than the numbers for the rest of the year, despite the fact that there has been a diversification in tourism and some people go to walk in the autumn or by the sea in the winter, or whatever it is that people choose to do, presumably you would have greater pressure on the services that they use, whether it be restaurants or pubs, whether it be laundry services or clubs. Presumably, therefore, one needs a higher level of staffing during that time than one would need during the rest of the year, despite the fact that one might not decline or decrease one's workforce as significantly as one did in the past. Presumably, therefore, there are still jobs that are seasonal, that are attached to tourism, which you are not actually classifying as seasonal tourism?

**Mr Wells:** I think there is a difference between temporary jobs and tourism jobs. There are more tourist jobs during the high season but some of those jobs would be filled by people who actually leave the towns as well. Also, there is a difference between the jobs and the people taking the employment. If someone works in the high season, they may work somewhere else during the rest of the year. As I said, I do not want to overstate this, but I do think that—

**Q361 Lyn Brown:** What you are telling me is that, although there are more jobs there, the unemployment that one sees as an underlying factor is not actually caused by casual or seasonal employment?

**Mr Wells:** I think that is right. Actually the levels of unemployment as opposed to the levels of inactivity are actually relatively low compared to the past and not particularly different from other parts of the country.

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**Q362 Martin Horwood:** I was almost with you until you said that. I was beginning to think that perhaps the explanation for this is that when you are talking about temporary employment in other towns you are talking about permanent temporary employment, in other words jobs that are continuing but that are always on temporary contracts, whereas in coastal towns we were seeing peak season temporary contracts that did not exist off-peak, but you have just said that seasonal unemployment is no worse. It sounds as though you just said that seasonal unemployment was no worse in coastal towns either.

**Mr Wells:** It is higher, but it is lower than it has been in the past. The degree of seasonality in employment and unemployment is higher in most coastal towns. I think there is an issue about the scale and how it has changed over time.

**Q363 Chair:** The evidence that your department has given is different to the evidence that has been given by the DCLG, which appears to be that temporary employment is higher in coastal towns than elsewhere, but also to the evidence that was given earlier this afternoon by the foyers. Is the issue that many temporary jobs in coastal towns are not included within your statistics because they are grey market jobs paying less than the national minimum wage?

**Mr Wells:** This is a survey of individuals rather than the jobs themselves. The tourism jobs are surveys of jobs, but the temporary work is from the Labour Force Survey, which is actually a survey of individuals in those areas.

**Q364 Chair:** At what time of year?

**Mr Wells:** Throughout the year. There is a continuous survey of 60,000 households across the country, about 120,000 people, and you ask the individual what their labour market status is, including their employment status, in terms of its permanency or temporary nature.

**Q365 Chair:** But if they are being employed at less than the national minimum wage, they are not likely to declare themselves, are they?

**Mr Wells:** In these figures there are a lot of people who seem to tell the truth, even though it looks like they are doing things illegally.

**Q366 Anne Main:** In your memorandum, you said there was a slight rise in the proportion of sick and disabled people claiming out of work benefits. I would like to explore that on two levels: (1) are we sure that your figures are not reflecting maybe people being classified in a different way, so that they are falling into a different category now, so that is why your figures look lower, and (2) do you think that this rise in the proportion of people claiming incapacity benefits is anything to do with it being coastal towns, or the age demographic, or is it acceptable, is it predictable?

**Mr Wells:** The figures we presented in the memorandum tend to be the numbers receiving the different types of benefits, and so, therefore, the unemployment benefits—Job Seekers Allowance—have declined over time.

**Q367 Anne Main:** Is that because they are now on incapacity benefits?

**Mr Wells:** No, because the numbers going onto incapacity benefits have actually been declining across the country for a number of years. However, for a while—they are now going down—the numbers on incapacity benefit actually increased because the average duration on the benefit went up. It was not that more people were going on to the benefit; it was that the people on the benefit were staying on the benefit for longer.

**Q368 Chair:** Are they starting to claim incapacity benefits somewhere else and then moving to coastal towns, or is there something about living in a coastal town that affects your health so that you are more likely to claim incapacity benefit?

**Mr Wells:** I think it is true overall in our figures that the level of overall benefits are higher in coastal towns than in other parts of the country, and actually in some cases higher than the level of employment, and we identified two or three towns where the employment rate was higher than the national average. But they also had a higher level of total numbers on benefits than the national average. So, of the people who are without work in the coastal towns it does look as though for a lot of them a bigger proportion of them are on benefits.

**Q369 Chair:** Which are largely incapacity benefits?

**Mr Wells:** Which are largely incapacity benefits.

**Q370 Chair:** That is my question. Do you know whether they were claiming it before and they moved to a coastal town as a claimant, or whether they got ill when they were there?

**Mr Wells:** I do not know; I suspect that most of them will have joined the incapacity benefit in the area where they live.

**Q371 Dr Pugh:** I am trying to get it clear about what you are saying, so if you would help me on this, as we do need to get this very clear. If we had a pie-chart that had all the jobs of all the coastal towns and you had to shade in a section of the pie-chart that indicated the measure by which some of them were part-time or seasonal, or whatever you want to call them, what would it look like and how would it differ from a pie-chart filled in for the whole country?

**Mr Wells:** I might get the numbers wrong but the tourism/seasonal jobs will be somewhere around 10 to 20% in the coastal towns and they may be 10 to 15% in other parts of the country. So there is likely to be over the year a greater proportion of the jobs that are filled and covered that are tourism/seasonal temporary jobs, but they are not a particularly large portion of the pie-chart, and although they may be bigger than in other areas the difference is not enormous.

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**Q372 Dr Pugh:** So 80% of people in coastal towns are on full contracts, annual contracts of one kind or another, who are employed?

**Mr Wells:** In terms of jobs I think it is important to realise that roughly 20% of all people move into and out of a job in any one year and most of those movements are voluntary—the vast majority of them are voluntary.

**Q373 Dr Pugh:** Imagine another pie chart that has all the jobs again but this time they are shaded in depending whether they are low paid or not; how would we define low paid? How would the pie chart for coastal towns look when compared with the pie chart for the country as a whole?

**Mr Wells:** I know less about the earnings in the area but I suspect that it would have a similar set of characteristics to the pie chart you have just asked me to describe.

**Q374 Dr Pugh:** Can you factor into it—let us get these figures accurate—a lot of people in seaside towns who work for their own little businesses, they have a sweet shop, a small down by the front, whatever, and they are essentially self-employed people and they will carry on, no matter how low their earnings are, for quite a long time. Do you have any measure for that?

**Mr Wells:** In the memorandum we put in on information on self-employment, which is again from the Labour Force Survey, again the story is one of differences across the coastal towns, but with perhaps a slightly higher proportion overall in coastal towns who are self-employed.

**Q375 Dr Pugh:** On the demographic features, if you take into account that every town has so many people in employment, be it part-time, be it high paid, be it whatever, and so many people who are not, who are either unemployed or elderly or whatever, how does the profile of coastal towns look different from the profile of the country as a whole?

**Mr Wells:** Again, some are above and some are below but the general trend was that 10 or 20 years ago the coastal towns would have been further towards the bottom of the distribution of employment rates: i.e. they had less employment than other areas, but that everybody has moved up; but in general the areas at the bottom have tended to move up slightly faster than others.

**Q376 Dr Pugh:** So there is more economic activity, in other words?

**Mr Wells:** Yes.

**Q377 Dr Pugh:** What actions are JobCentre Plus taking to monitor the impact of migrant workers on employment in coastal towns?

**Mr Wells:** I will pass over to Jeremy in a moment. Within the department we are monitoring the labour market for migrants, both by considering all the various different statistics that there are available, including national insurance numbers, and they tend to be issued by JobCentre Plus in those offices, and the conclusion on that—which has been published—

is that we can find no discernible statistical effect of migrants on the claimant unemployment. Maybe Jeremy would like to add something?

**Mr Groombridge:** That is certainly our view of local labour markets. We are very much informed by the national picture that we have available to us, but this view is augmented by what we see happening in the local labour market, albeit anecdotally. We look, for example, at the way that traditional entry level jobs are filled and we are noticing changes over time, but the critical factor, as Bill has said, is that there is no clear unequivocal statistical connection that the department has been able to identify.

**Q378 Dr Pugh:** So the assumption is normally that a lot of low skilled jobs in coastal towns, tourism and seasonal jobs of one kind or another—obviously there are Polish plumbers and so on—quite a lot of the migrant workforce is a relatively low skilled base. You would assume that they would disproportionately migrate, as it were, to coastal towns, and you are saying that the evidence does not stand that up so far?

**Mr Groombridge:** There certainly has not yet been proven any statistical link. So all we can really do is to monitor the kind of entry level jobs that we would normally put people into, and we do notice changes over time. But that does not amount to a proven statistical link of the kind that Bill was referring to.

**Mr Wells:** There is also some information on national insurance numbers and the workers' registration scheme, and there are some areas of coastal towns—Bournemouth, Brighton and Great Yarmouth—where a higher proportion of the population have asked for national insurance numbers, who are migrants, relative to the national average. But in general, for all migrants asking for national insurance numbers the coastal towns that we have looked at tend to be less, partly because places like London and other places dominate migration still, even though with the accession countries they have spread across the country more than in the past.

**Q379 Lyn Brown:** You have made reference to the Labour Force Survey as the source for your evidence this afternoon, and given that that survey is national do you think that you have robust enough evidence to confidently supply us with the evidence that we have required this afternoon, or do you think that you might have evidence of a data gap in reference to coastal towns?

**Mr Wells:** The Labour Force Survey is run by the Office for National Statistics and their objective is to make it nationally representative and nationally representative in the sense that all areas of the country can be represented fairly. There are a couple of areas where the Labour Force Survey is a little reliant on population estimates and so therefore there may be issues about some migration. It also a household survey and so therefore communal establishments tend not to be represented as much in it and, as you heard earlier, there may be particular

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types of communal establishments, what they call houses in multiple occupation, which are more prevalent in coastal towns.

**Q380 Lyn Brown:** I understand the need for national statistics and I think the Labour Force Survey is a good one, so I am not trying to undermine the evidence that you have given us, but what I am trying to understand is whether or not you feel that you have been able to give us the answers as correctly as possible, given that it is only the Labour Force Survey upon which you have been able to rely, and that there is nothing you have been able to give us that enables us to dig deeper underneath the statistics that you have provided us with from the Labour Force Survey.

**Mr Wells:** I think the answer to that is yes, because although we have used the Labour Force Survey for a particular set of descriptions on this we have also used the surveys of employers for the tourism jobs and the benefits information for benefits, and the information on the national insurance. It makes it a little fuzzy at the edges but I think that the overall picture is consistent, using all of those sources.

**Q381 Anne Main:** On the point of migrant workers, from which we have moved from, I would like to know what your definition of a migrant worker is, particularly to make sure we are all talking about the same thing, and it says that you believe 400 jobs have disappeared from their books because directors are now directly hiring migrant workers. What evidence do you have of that?

**Mr Wells:** Again, these were in different sources. In terms of national insurance numbers the definition of people from abroad, and the information that I gave you in terms of some of the areas had more people born abroad, who asked for a national insurance number, is one source. In terms of the local evidence, again JobCentre Plus—and I will let

Jeremy speak—is literally that they deal with employers and the employers are getting in touch with other agencies and setting up different recruitment terms.

**Q382 Anne Main:** Are you saying then that the employers who work with JobCentre Plus are removing themselves off their books because you believe they are going elsewhere for their workers; is that what you are saying?

**Mr Wells:** We would rather that they stayed with JobCentre Plus so that more of the clients of JobCentre Plus would use them and reduce the numbers on benefits, but there are examples which JobCentre Plus has of employers who used to recruit through JobCentre Plus but who now recruit elsewhere.

**Anne Main:** That is what I said, but I just wondered where you got your figures from of 400 jobs disappearing.

**Chair:** Southport JobCentre Plus, who have said that.

**Anne Main:** That is what I am saying. I just wondered if there is anything to support this, if it is nationally rolled out?

**Q383 Chair:** I think you have to take it that it is Southport who said those figures and presumably you might have anecdotes from elsewhere?

**Mr Groombridge:** I am not familiar with the specific figures around Southport, but certainly in the world in which we operate there are obviously other agencies that can help move people into jobs, and indeed we have a shared objective in that sense. But there are certainly instances where employers will use the services of other agencies in preference to JobCentre Plus, and that is the world we work in.

**Chair:** Thank you very much indeed. We now move on to the Environment Agency.

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*Witnesses:* **Dr David King**, Director of Water Management, and **Mr Phil Rothwell**, Head of Flood Risk Management Policy, the Environment Agency, gave evidence.

**Chair:** Good afternoon, gentleman. Anne Main, sea defences.

**Q384 Anne Main:** Obviously some areas would specifically welcome sea defences and others may say they are not good things particularly if they are further down the coast and may feel that they are being impacted on, but how do you feel that sea defences could possibly lead to any form of overall regeneration of an area?

**Dr King:** Firstly, in terms of us progressing our capital programme we have a guiding principle, which is about trying to derive multiple benefits for the investment that is made, and quite often that is regeneration—regeneration is not the prime purpose, it is clearly about protecting people and property, but there are numerous examples around the coast, in Hull, in Harwich, where regeneration comes on the back of the infrastructure investment

that the agency has put in. I think the issue is not that people think sea defences or managing flood risk is a bad thing, the opinion really is what is the appropriate intervention, are we going to build a defence, whether that is a hard engineering structure or whether it is a soft engineering solution, such as managed re-alignment.

**Q385 Anne Main:** To pick you up on the point you just said, you actually said that the principal reason is for the defence of people's homes, and regeneration may well follow from that.

**Dr King:** That is correct because our principal mandate is about protecting people, property and the environment, but clearly where there is an opportunity to bring funding streams together, to derive multiple benefits such as regeneration, then we would do so.

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**Q386 Anne Main:** Would you agree that the Environment Agency should be thinking more creatively about ways in which investment in sea defences could benefit local communities economically as well as environmentally?

**Dr King:** We do that already because our investment is very much done on the basis of a cost benefit analysis, and built into that are both social and environmental benefits as well. So it is part of the evaluation of whether we put in investment or not.

**Q387 Anne Main:** Could you give a little more explanation of how you do your cost benefit analysis?

**Dr King:** Clearly the situation with sea defences, or indeed coastal erosion, is that there is a limited pot of money, and therefore we need to put in the investment where we get the maximum benefit in terms of reducing risk, so there is a cost benefit equation that would apply to any particular scheme, and in general the benefit cost for defence schemes is very, very good. So even at the margins we are getting six to one benefits, and many of our schemes are much better than that.

**Q388 Martin Horwood:** In your evidence you have provided some specific examples of towns, for example Happisburgh, where there is an issue about long-term sustainability and viability, and you have lots of national tools, flood risk maps, coastal erosion maps, shoreline management plans, and so on. But do you have a picture overall for the country how many towns or which towns do have issues of long term viability and sustainability, like Happisburgh?

**Dr King:** We do not have a complete picture but the overriding message in terms of climate change is that the risk on the coast will increase, and we are going through a process of strategic planning which is built into the shoreline management planning process, where basically the coast in England and Wales is divided up into about 30 different coastal cells, and that will give much more precise information. But clearly we know, for example, in the Humber or at Happisburgh or around the Essex coast, that there are areas there that will be in the frontline of the impacts of climate change.

**Q389 Martin Horwood:** So do you have any sense, for instance, of how many people are likely to be affected by 2050 or by 2080?

**Dr King:** Currently in coastal communities that are exposed to risk there is in excess of one million people, and probably in the order of 120 billion in terms of infrastructure, but obviously the amount of risk varies in different parts of the coast. For example, if you take somewhere like London and, indeed, part of the Thames Gateway where you have defences there which provide a very high standard of defence, one in a 1000 years, while other parts of the coast might be as low as one in 50. So the risk exposure is different.

**Q390 Martin Horwood:** This is both a risk of coast erosion and of repeated flood events. You talk about once in 100 year flood event happening once every three years?

**Dr King:** Correct. I think that is one of the key messages that we are delivering in our evidence, that our sustainable communities on the coast need to recognise and adapt to the risk presented by climate change, and the evidence is that every iteration of the science shows that climate change is biting faster than we thought previously. So there is a big risk and there is a need for good adaptation policy.

**Q391 Martin Horwood:** So those communities that are going to be at risk of erosion, of repeated flood events and where there are issues of long term viability, do you think that government is doing enough—or let us put it collectively, politicians are doing enough—to identify ways in which alternatives like relocation should be pursued?

**Dr King:** I think there is certainly room for more innovative thinking because clearly if you take the example of Happisburgh, which has lost something like 25 properties in as many years, and where coastal erosion is quite aggressive—it can be a metre or two metres in a storm event—what preys heavily on people is compensation for their property, and I think that government and indeed local government need to think creatively about how they can help communities to adapt to changes.

**Q392 Martin Horwood:** Do you have a specific proposal? Do you think that compensation is the right route?

**Dr King:** Clearly there are opportunities for purchase of properties, leaseback, as we pointed out in our evidence, which would certainly ease it. Government is very nervous in talking about compensation, but my colleague is part of a government working group on adaptation tools and might be able to comment on that.

**Mr Rothwell:** Under the Government's strategy for flood and coastal erosion risk, *Making Space for Water* is a programme of work looking at adaptation and how we can help communities that are risk, and where it is likely to be uneconomic to continue defence or even to put any defence in. We are looking at a number of different options, including working with Regional Development Agencies and local authorities to move the planning envelope back so that over a period of time—and we are talking, 10s, 20, 50, 100 years—there is an opportunity to move and envelope of the town and the settlement back. We are looking at buy-out of property and then lease back; we are looking at insurance and assurance as a possible route. So there are a number of different options and we are due to report back by the end of the year.

**Q393 Chair:** Which department are you reporting back to?

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**Mr Rothwell:** To Defra.

**Q394 Martin Horwood:** When you are talking about compensation or even schemes like lease back or buy-out you are still talking about somebody locally taking the burden of cost, whether it is the district council or whatever, but are you advocating to government that there should be some more national scheme to effectively compensate people for the consequences of climate change and not place all the burden on particular local communities?

**Mr Rothwell:** That is one of the options we are looking at; we are also looking at existing powers like local government well-being powers that can be used to channel the money into community development to ensure community coherence, which is another option. So there is a range of different options being looked at.

**Q395 Anne Main:** On the buy-out and lease back, I would like to explore that a little further. That is a massively costly proposal, I would have thought. Are you suggesting that there is any time limitation so that people would have a particular period of time, given that you have said that this erosion has speeded up significantly, possibly more than anybody could have forecast? Would you say that people five or six years ago would not be eligible because they should have seen it coming? Is there some sort of time scheme limit on this?

**Mr Rothwell:** This is very early days and it is too early to put flesh on the bones. If you look at the number of properties that have suffered from erosion and fallen off cliffs or are about to, it is actually a relatively small number, but the ongoing risk will mean that number will grow. At present we are looking into exactly how big a problem it is.

**Q396 Chair:** Can we move on to the planning changes that might be required? Reading your submission, basically you have told certain settlements to call it a day and go, basically, and accept the inevitable, and others to shift themselves geographically, essentially, over time in order to move themselves away from the threat, really. Are the current planning arrangements adequate to achieve that, or do you need an increase in powers to insist that the local development frameworks, for example, take account of your guidance and the shoreline management plans, for example?

**Dr King:** As you might expect, the planning framework around both coastal erosion and indeed coast and flood defence is quite complex and operates under different bits of legislation. For example, the primary legislation that the Agency would work under is the Land Drainage Act that dates back to 1974; coastal erosion goes back to 1949. So clearly there are opportunities to combine both of those and in combining them to recognise the increasing knowledge and to gain knowledge over that period of time. But we have certainly seen in the last three to four years significant

improvement in the planning around flood risk management through PPG25 and its replacement, which is due later this year, PPS25, but in terms of coastal erosion and coastal planning it is mostly about PPG20, which is again about 14 or 15 years old, and certainly again our knowledge of climate change has significantly moved on, indeed as has our understanding of what sustainable development is and what are sustainable communities, and we think that that could be updated.

**Q397 Martin Horwood:** You also at various stages in your submissions talk about the potential of the greater role for the Environment Agency for more flexible powers. Do you want to expand on that at all?

**Dr King:** The government produced its strategy for coastal erosion and flood management a number of years ago, called *Making Space for Water*. In giving that direction of travel they indicated that there should be a greater role for the Agency in terms of all things flood management and coastal erosion. They are currently consulting on that with the objective of having one body that would have the overall strategic view. The prime mechanism is through shoreline management plans, and shoreline management plans are drawn up both by ourselves or indeed local authorities, but plans, as you well recognise, are only as good as how well they are picked up, and that is clearly an issue at the moment. While the planning process and shoreline management plan is good and takes the right time horizon, it is how you embed those and make them relevant to regional development strategies, local development frameworks, et cetera, and we believe that if they were statutory, similar to the river basin plans that are required under the framework directive, it would greatly help.

**Q398 Chair:** Can you clarify, the river basin plans, are they statutory at the moment?

**Dr King:** The river basin plans are statutory plans; that is a new plan that is required under the EC directive of the water framework directive and they will be in place from 2015.

**Mr Rothwell:** They have to be fully in place by 2015.

**Q399 Chair:** 2015?

**Mr Rothwell:** Yes. The first phase is now being worked on with a view to finalising the first phase by 2009, but they have to be fully in place by 2015.

**Q400 Chair:** But the shoreline plans will not become statutory?

**Mr Rothwell:** Shoreline management plans are currently not statutory. There has been one phase of shoreline management plans and we are now

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writing phase 2, which is the second iteration five years on; but they are currently not statutory.

**Q401 Martin Horwood:** The other question I have is about spending on current sea defences because your submissions do talk about the need to inject realism long term, but is your impression that spending on sea defences at the moment is being maintained year on year? The second question is what do you think is the future of that? Are we going to be a series of Canutes waving at increasingly large tides which will eventually overpower us?

**Dr King:** The current level of expenditure in flood and coastal erosion includes inland—it is £550 million a year, and that certainly took an uplift in the last spending review when government put in an additional £150 million on to the baseline. Our evidence, indeed independent evidence and, probably, the most authoritative of this, the Foresight Study, their recommendation is that the

level of investment over time should rise to in the order of £1 billion a year, and certainly we believe that there should be an upward trajectory in investment.

**Q402 Martin Horwood:** But the thrust of a lot of your submission is that we should in some ways be moving—and this is the first policy area, perhaps—from mitigation to adaptation, but that seems to fly in the face of it?

**Dr King:** No, I do not think so because clearly in terms of mitigation there is a need to grab hold of emissions nationally and globally, but our point would be that locked into the system now are changes that will manifest themselves in greater risk on the coast, and in order to manage that risk there is a need for further investment.

**Martin Horwood:** Scary stuff.

**Chair:** Indeed, yes. Thank you very much and thank you for your written evidence, which was extremely interesting.

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*Witness:* **Mr Peter Marsh**, Regional Director of Skills, Learning and Skills Council, South East Region, gave evidence.

**Q403 Chair:** I am sorry you are the last in a long line of witnesses, Mr Marsh. I am not sure if you were sitting in on any of the earlier evidence sessions?

**Mr Marsh:** Yes, I sat in on the last two.

**Q404 Chair:** So not the Foyer?

**Mr Marsh:** Not the Foyer but the JobCentre Plus and the last one.

**Q405 Chair:** If I may start, one of the key issues that the Foyer Federation raised was that coastal towns often have very poor transportation links with long journey times to FE Colleges, for example. Is it your experience from the Learning and Skills Council that that is a factor in discouraging young people in coastal towns from accessing education opportunities?

**Mr Marsh:** Yes. In any periphery area or rural area there is always an issue of access to education and learning and the choice that you may get in any particular area, and the LSC nationally two years ago undertook a thorough review of all of its learning provision and that was one of the issues certainly which came out in coastal areas and rural areas. There has been a considerable amount of discussion with transport operators about how that might be mediated in some way and more areas would have better access in terms of transport, but I think the key area for the Learning and Skills Council is to establish a pattern of provision which enables the maximum number of learners to access the maximum number of appropriate learning opportunities, and so part of that review looked at how we might achieve that, and that certainly also covered coastal areas as well.

**Q406 Chair:** What was the suggestion to deal with it in coastal towns?

**Mr Marsh:** Certainly a degree of reorganisation of provision and collaboration so that the individual institutions were not just delivering their courses for their students but they were actually cooperating with other institutions to make provision more accessible, and so there was not a duplication and, if you like, inefficient provision being made.

**Q407 Chair:** Are you saying that the provision would be moved to the coastal towns?  
**Mr Marsh:** No, we are looking at provision within a defined area, so we would be mapping it in terms of the extent to which it met the needs of that local area, how we could reorganise it and encourage providers to work together so that there was the right level of provision in terms of vocational areas—for example, opportunities for progression and ways of planning provision at that local level.

**Q408 Anne Main:** Just on the point of transport, to go back to something that the Foyer said earlier, they gave us two scenarios: one, that someone they quoted was spending £20 a week on getting to where they were going, leaving them with very little left to survive on, and for others it is poor transport links in as much as the infrequency of public transport meant that someone could not take a job. Have you identified whether it is the cost of transportation or the sheer unavailability of it which is the primary consideration?

**Mr Marsh:** I think it is both. Again, it affects periphery areas including coastal towns in that same way. Obviously we have discussed these issues with local authorities to see the extent to which that can be mediated, but it is a particular issue, yes,



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that is true. The other opportunity, of course, is to establish new learning centres which enable more people to access provision more closely to where they live.

**Q409 Chair:** So that is moving the provision?

**Mr Marsh:** Yes, it is developing new provision or getting providers to outsource some of their provisions more closely to the community.

**Q410 Lyn Brown:** The Coastal Academy's memo states that young people in coastal areas have low aspirations. First of all, do you think that is true? If you do, why is it true? Finally, what are you doing about it if it is true?

**Mr Marsh:** I do not know how much has been discussed before but in any area which is socially and educationally deprived there is an issue of aspiration, and that certainly applies to coastal areas as much as any other area, for example inner city areas.

**Q411 Lyn Brown:** So you would not say it is any more prevalent there than it is in inner city areas?

**Mr Marsh:** I do not believe it is, compared to an inner city area or an area that has a high rating on the index of deprivation. The issues of deprivation impact upon that, impact upon aspiration, and the Learning and Skills Council is responsible for purse compulsory education and learning, with the exception of higher education, and so what we have been doing is working very, very closely with local education authorities and particularly in the 14 to 16 age group, to try and encourage more young people staying on and learning in education. That is the particular issue—low attainment at 16 and low staying on rates, and the two go together, and really you cannot go back far enough to start trying to tackle that issue, and we have been working very, very closely with local education authorities in those areas where that applies.

**Q412 Lyn Brown:** Are there networks of Sure Start?

**Mr Marsh:** Yes, there are networks and we are doing even more work now through some of the local area agreement arrangements, which bring together a wider range of partners. And a key issue for us—and I do not know how much that came out in our evidence—is having the right partnership and having recognition of some of those linked issues which will impact upon young people's aspirations and attainments.

**Q413 Lyn Brown:** Do you think that educational attainment across the board, through the Key Stages and all the way up to GCSE, are significantly poorer in coastal towns, and could you compare them to the inner cities?

**Mr Marsh:** I think if you compared them to other areas of low attainment they would be very similar, but it starts at an early age, and I would say that some of the initiatives like Sure Start are the beginning of that process to try and do something about it.

**Q414 Lyn Brown:** Are there more failing schools in coastal town areas?

**Mr Marsh:** I would have to get further information for you about that. There are some very good schools but there will also be some failing schools.

**Q415 Lyn Brown:** Is the LSC doing anything specific in those areas in order to remedy the situation for the 16 plus?

**Mr Marsh:** Yes, we have set up a number of vocational learning centres to attract young people into learning, which is more appropriate to their needs and is more attractive. We have also looked at the type of provision we are offering, to ensure that there is a ladder of progression, so that we are not just offering for people who do attain, but also we have opportunities for people who have not done so well at school. Particularly tackling some of the issues around what we call skills for life, basic skills needs, looking at more informal ways of introducing young people to learning, working with those agencies which can offer those particular opportunities, and particularly youth services, and that we fund through what we call our discretionary funding and local initiative funding, and there are a range of different initiatives which will have been established with those agencies.

**Q416 Lyn Brown:** To go back to the point of the discretionary fund would you pay for transport in areas where a student might be having to fund a very large sum out of their benefit?

**Mr Marsh:** Unfortunately I do not think our funding will stretch to that level of subsidy and in that sense it would not be the best use of the amount of funding that we have to subsidise the transport system; and also access in periphery areas is not just an educational issue it is a broader social issue which needs to be tackled with other agencies, and I think that is an area that we need to tackle jointly through some of those partnership arrangements.

**Q417 Anne Main:** I want to take you back to the poverty of aspiration and you said that you did not think it was any different between any other area that was deprived within a coastal town. Can I ask you if you see no correlation by the fact that in coastal towns we have had lots of evidence that says there is very little incident of jobs for young people to go to, so as a result if they were to get these qualifications that they may have to leave the area, so it is a disincentive. Do you have any view on that?

**Mr Marsh:** First of all your first point. I think high unemployment—and I heard the discussion about seasonal unemployment and whatever—our data suggests that there is higher than average unemployment—I am not sure whether it is seasonal or otherwise—in coastal towns than the national average. But if you take other areas where there is higher unemployment you have the same problems; there are few jobs and lower levels of aspiration. The less economic activity in terms of, I suspect, business formation—so you cannot just

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look at the skills issue in isolation, and this is where we have to work closely with partners to ensure that there is a vigorous approach to trying to develop local economies, and skills in that sense is a part of that continuum.

**Q418 Anne Main:** So they can stay within that community should they get well qualified?

**Mr Marsh:** Yes.

**Q419 Mr Hands:** We are talking about a lot of things that are common problems between coastal towns and other smaller communities. Would you say that there are perhaps any specific solutions that can be offered to coastal towns rather than just to all smaller communities? And is there anything in the seasonal nature of employment in coastal towns, anything there that opens up particular possibilities for learning and for the LSC?

**Mr Marsh:** I think certainly some of our work with the tourism sector is something to try and develop a skills base, it is something we found to be very, very helpful in terms of getting more people into learning, even if they are in temporary employment, and that seems to me to be something which is valuable and worthwhile doing. I think it is also necessary for us to look at those employment sectors where there are opportunities for people to work and seek to develop those. I know that the RDA have suggested that coastal communities and coastal economies ought to seek to grow their businesses, the businesses they have rather than necessarily import them, attracting with investment. We probably believe it is a combination of the two. We have to develop the local economic base to be able to get, if you like, the jobs which will employ people and you have to develop the skills base to ensure that you can attract those jobs in the first place. So the two are vitally interconnected in that sense.

**Q420 Dr Pugh:** Just a very general question first. Do your targets in relation to Level 2 qualifications mean that you find it hard to get at the resources or to allocate resources to hard to reach categories? This obviously applies to a lot of places apart from coastal towns.

**Mr Marsh:** So what you are saying is that we have a target for Level 2 which in some way distracts us away from the most needy?

**Q421 Dr Pugh:** Yes.

**Mr Marsh:** I do not think so because we target below Level 2 as well and particularly skills for life, basic skills, literacy and numeracy; and in working with young people we are seeking to support young people into a position where they can start attaining Level 2 qualifications. So I would not say that that is a particular problem in the way that perhaps you are suggesting.

**Q422 Dr Pugh:** A specific question on coastal towns. Blackpool submitted evidence that in coastal towns you often get small primary schools maybe with a very transient population of children,

moving in and out and their parents in bed-sit land, perhaps, and this obviously starts them off with an extremely poor basis as far as their educational attainments go. Have you picked this up and how significant a factor do you think it is in the educational performance of children in coastal towns?

**Mr Marsh:** I have not seen any data and I could ask to see if there was any, but I believe that it would be the case that with a transient population it is less likely that people will be sufficiently stable in their environment to see learning as a high priority for both their families and themselves.

**Q423 Dr Pugh:** So given that specific problem, if you were going to ask the government for a specific initiative which you think would benefit and affect the educational outcomes in coastal towns, what would you ask for?

**Mr Marsh:** I think it is related to the availability of employment and the employment for those particular communities, and again that is something that we are working with in partners in some of the regeneration partnerships.

**Q424 Dr Pugh:** You do not need any more resources or programmes?

**Mr Marsh:** I think we always need more resources and more programmes to do that, but I think in a way it is part of a broader problem of people who are under achieving, under participating, and it is just one aspect of that cycle. So, yes, I would suggest that we do need more resources.

**Q425 Chair:** The main theme of a lot of your evidence is that you need to be working with local partners in local communities to actually meet the specific needs. Do you find that there is a tension between that need to be locally responsive and the fact that you have to meet national targets?

**Mr Marsh:** There can be a tension between targets and being locally responsive. I think if we tried to look at it in a broader context some of our targets are the very targets which will assist communities to achieve the level of skills that they require to find work and progress in employment. So I do not think there is a direct link, but if you were saying hypothetically if targets can sometimes be inappropriate, yes, but I think our targets, which are at the lower skills level, are the right ones to have as targets.

**Q426 Chair:** You do not think there is any more freedom you need in order to be able to meet the specific needs of the coastal towns in the southeast, which is your region?

**Mr Marsh:** It is interesting. Some of the work that we have been undertaking through local area groups are beginning to look at some of those freedoms and flexibilities that we might need to actually achieve what we need to achieve in terms of initial engagement. Where we do have programmes we have a community budget which enables us to fund a provision which is not necessarily qualification bearing. So there are some

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opportunities there. I think the flexibility, if you like, is required in the responsiveness in the way in which we can sometimes allocate small amounts of funding to achieve what we need to achieve at a very, very local level.

**Q427 Anne Main:** Just on that point, because you did answer my colleague at length to say that you would not run to funding, for example, transport, but if in some coastal town areas the population is disproportionately aged then it could be that the flexibility you would want in that area is to support a relatively small number of younger people for them to access education which it would not be realistic to bring in because there is just not the sheer volume of numbers to make it work.

**Mr Marsh:** Yes, and we have worked with schools to support them in terms of sharing the provision between groups of young people. I cannot give you specifics on that in terms of coastal regions but I know elsewhere in the country that that has certainly been the case, and it is managing those scarce resources, both in terms of provision and access, that is essential to this and having a very detailed knowledge of what is available and what young people want to do.

**Q428 Chair:** What about distance learning?

**Mr Marsh:** Again, distance learning is something that is available as well.

**Chair:** Thank you very much.

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**Tuesday 24 October 2006**

Members present:

Dr Phyllis Starkey, in the Chair

Mr Clive Betts  
Lyn Brown  
John Cummings  
Mr Greg Hands

Anne Main  
Mr Bill Olnner  
Dr John Pugh

*Witness:* **Rt Hon Margaret Hodge MBE**, a Member of the House, Minister of State, Industry and the Regions, Department of Trade and Industry, gave evidence.

**Q429 Chair:** May I welcome you Minister as the first in a series of ministers in this session this afternoon on coastal towns? May I begin by focusing on the effectiveness of the regional development agencies in respect of coastal towns? It has been represented to us that coastal towns have certain characteristics in common which differentiate them from non-coastal towns and there seems to be a difference of opinion as to whether RDAs are effectively meeting the needs of coastal towns or not; some RDAs seem to be and some others not. What do you think would be the advantage of requiring RDAs to have a specific coastal strategy, assuming they have a coast obviously?

**Margaret Hodge:** May I go back a step to the presumption that coastal towns have many features in common? It is true that they do, but if you look at the regional dimension it could well be that a coastal town has more in common with a nearby market town than it does with a coastal town elsewhere in the country. Coastal towns themselves have very different features, so I think this presumption that all coastal towns are the same is the first one I would question. The second point I would make is that we deliberately took the decision to give the RDAs maximum flexibility, which is why we gave them a single funding pot. A suggestion that we should in a sense ring-fence activity and funding around a particular category—coastal towns—although those coastal towns may face challenges, runs counter to the policy of devolving power to the region which we think is the best tier in which to intervene in the economy where the market is failing. Having said that, I just want to say a third thing. In preparing for this I looked at what the RDAs were doing and every RDA—all except London, which has no coast to it—had developed strategies to tackle the specific issues which face the coastal towns in their regions. They are all called something different: Yorkshire has a renaissance programme for its towns and cities; EMDA is doing quite a lot, but it has a coastal action zone on the Lincolnshire coast; SEEDA has a south-east coastal strategy which runs from Whitstable in North Kent to Southampton; the South West RDA has a market and coastal towns' initiative with a special association where they have brought together lots of funding; One North East has a framework for the development of the visitor economy; EEDA is

doing things around Yarmouth, Lowestoft, Felixstowe, Harwich and in Southend where they have set up Renaissance Southern; North West has a new vision for north-west coastal resorts which was actually in 2003. Without direction they are all cognizant of the particular challenges which face them around the economies in coastal towns and are tackling them.

**Q430 Chair:** Notwithstanding that, the East Riding of Yorkshire did actually say that their "... RDA was very much based on sub-regions which cut across the coastal strip", so it is not uniform and there are some areas where people feel it is difficult. May I ask where tourism fits into the RDAs' strategy in relation to coastal towns?

**Margaret Hodge:** Tourism is one of the industries which they will want to sponsor where relevant and where they will wish to tackle challenges, again where relevant. Tourism is changing hugely: there is a growth in day tourists and probably a decline in people staying there, but, again, if I look at the RDA record, in Morecambe they are actually putting money into an urban splash development for the Midland Hotel which is part of the tourism strategy. Almost all the RDAs, as I looked through their actual expenditure programmes, have programmes which will support tourism in their area. Take another one, Blackpool: there is a Re-Blackpool URC which is doing something about a central gateway into Blackpool, which is about green space and sports, a central promenade investment. There is stuff going on in every RDA which is trying to reduce the gap we talked about last year in economic growth and prosperity within their regions and obviously promoting tourism as one of the industries which are a feature of the coastal towns.

**Q431 Anne Main:** I should like to pick up on the fact that the Minister said many of the RDAs are doing things in different ways. That was part of the problem which was raised by Kent County Council. They said that the funding in their case was being channelled through the area strategic partnerships and this was breaking up geographical boundaries. It appears to me that what has come over from the evidence is that we have a somewhat fragmented approach and as a result we are not getting a vision for coastal towns. What do you think about that?

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**Margaret Hodge:** I do not agree; it is as simple as that. Kent falls into the SEEDA area where they are actually developing a pretty consistent approach right across their coast. You might argue that there ought to be a national strategy around coastal towns. What you come up against there is the Government's policy that we believe in devolving power and resources to the lowest tier possible and for these purposes we think the region is the best tier. I think that is the best place to take those decisions. These coastal towns—think of Blackpool and Bournemouth—are all very, very different. The idea that we could nationally, either in DTI or in DCLG, establish what is an appropriate solution for the very different things for Southport against some of the ones in the South East or the South West is misconceived. I would rather do it ... Having said that, what I do accept is that there are real issues around coastal towns and we probably in the past have not focused on those issues sufficiently; we need to do more so in the future. What I also accept is that clearly there is something to be gained from sharing the experiences. If we can create fora where people can talk to each other, share what they have done, that is to the benefit of all. Where should the decision be taken? No, not in Whitehall and yes, in the regions and sub-regions.

**Q432 Dr Pugh:** May I take you back to tourism for a second? When we were discussing tourism and what the RDAs do for tourism, you mentioned two examples from the North West, Morecambe and Blackpool. You are aware, are you not, that the North West Development Agency is considered to be one of the better-performing development agencies by external audited assessment?

**Margaret Hodge:** They have not all been assessed yet. We have had two assessed by the NAO—presumably the North West was one—and both the ones which have been assessed have done well.

**Q433 Dr Pugh:** You will recall what they were given a black mark for, will you not?

**Margaret Hodge:** No.

**Q434 Dr Pugh:** It was tourism and their development and promulgation of tourism. They are not the best; I think they would recognise that themselves. They have taken over this new brief in part.

**Margaret Hodge:** I have to come back to you and ask whether you are saying to me that what they are doing in Southport, for example, where they are trying to renovate the pier and the trams, is a bad thing? Is what they are doing in Blackpool, which I described, what they are doing in Morecambe a bad thing?

**Q435 Dr Pugh:** I am not saying anything. I am just saying that following external assessment and by their own confession I think they would acknowledge that tourism is not one of the areas

where they are performing at their best by their own standards and relative possibly to other development agencies.

**Margaret Hodge:** I do not want to put them down, but have they said that to you?

**Q436 Dr Pugh:** Their own documents reveal it. If the Minister is not aware of them, I can certainly present them to the Minister and they will show under-performance in that area and a recognised under-performance which they wish to attend to. That brings me on to the question I really wanted to ask. There is a feeling that the RDAs are not really well attuned to the problems of coastal towns and tourism as well, in fact the East Riding of Yorkshire Council said "Because of the quite distinct urban and rural split within the RDA neither team fully understands the needs of a coastal town". There is a perception, is there not, that RDAs were set up to deal with economic blight and under-achievement in cities and all that kind of thing? Do you not feel they have not sufficiently got to grips both with the problems of coastal towns and the potential which exists for tourism within coastal towns and the economic benefit that brings?

**Margaret Hodge:** Let me correct some things in that contribution. The first thing is that RDAs were established to promote economic growth in all our regions and to close the gap in economic prosperity between regions. They are not just set up to deal with poor economic growth: they are there to keep us pushing forward. They are not just dealing with the weaker economies within their regions: they are dealing with the whole of the region and encouraging economic growth. The second thing is that what I would accept—it is not a particular RDA issue—is that we as a nation have probably not focused sufficiently on the issues around coastal towns, hence this inquiry, hence the work which is going on in RDAs, hence the academic work which is being done around coastal towns. I welcome that focus on coastal towns. I have just recently been involved in having to re-draw the map of those areas which are given assisted area status and a number of coastal towns fell out of that under the EU criteria for one reason or another. That is a problem which I am going to think about at a national level, how we can ensure that we have sufficient and appropriate resources in the coastal towns. However, from my reading of what the RDAs are doing, they do recognise the importance of tourism as an industry in their area, they are tackling it, they do acknowledge and recognise that coastal towns have specific problems; they are attempting to do that. They have more to do, they could share better and it is a new area of policy where ideas will evolve as we find out what works.

**Q437 Dr Pugh:** On the "more to do" bit, do you think it fair to expect the RDAs, given their increased responsibility for tourism, to reflect that in their staffing structures?

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**Margaret Hodge:** With the greatest respect, I do not think that we at government level should get involved in the staffing structures of RDAs. I am quite surprised to see a Liberal Democrat who believes in devolution of powers suggesting that.

**Q438 Dr Pugh:** You have more control of the RDAs than I have.

**Margaret Hodge:** I do not want to be involved in the staffing structures of RDAs full stop.

**Q439 Anne Main:** You keep saying we need to do more but you also say we have no ring-fencing. I actually struggle with the concept that we need to do more without telling the RDAs what to do. Many coastal towns say they struggle to attract significant inward investment levels. What action, if any, is the DTI taking to encourage inward investment in coastal towns? I do not know whether the Minister has already answered that by saying there is no ring-fencing and she is going to stay out of it. I would welcome a bit more clarity on that one.

**Margaret Hodge:** First of all may I say that coastal towns are different: some are doing extremely well. I have two tables in front of me, one on employment rates and the other on gross value added rates. If you look at unemployment, greater Worthing, Weymouth, greater Bournemouth, Eastbourne—

**Q440 Anne Main:** I asked about inward investment.

**Margaret Hodge:** These are all towns where their employment rates have increased at a faster rate than the national average. We then look at the other end. What I am trying to say is that a universal prescription around coastal towns is inappropriate. If you look at other coastal towns, there are some real problems and ones which lots of us know about. I was in Great Yarmouth two or three weeks ago, Hastings, greater Blackpool. If you look at GVA, some are doing much better than the national average.

**Q441 Anne Main:** I am sorry; I really want to know what steps the DTI is taking, if any, to encourage inward investment in coastal towns.

**Margaret Hodge:** Do you mean inward investment into the area or inward investment from abroad? Do you mean from elsewhere in the UK?

**Q442 Anne Main:** From wherever is appropriate.

**Margaret Hodge:** Growth. You just want new jobs, new business, those sorts of things.

**Anne Main:** Yes, inward investment and growing indigenous businesses.

**Q443 Mr Olnier:** That is what the RDAs do.

**Margaret Hodge:** Yes, that is what the RDAs do.

**Q444 Anne Main:** So the DTI is actually standing back from that.

**Margaret Hodge:** I have very regular discussions with the RDAs; I meet the RDA chairs every six weeks; I take a close interest in their business plan; I see their regional economic strategies. To that extent there is a constant conversation between the DTI,

officials and ministers, and the RDAs. The RDAs are tasked with the job of encouraging inward investment, encouraging growth and dealing with disparities in their regions.

**Q445 Anne Main:** In that case, is your department taking any action to monitor the investment levels and business growth by the RDAs?

**Margaret Hodge:** Yes, we do that and it is reported to Parliament, as I said in evidence to this Committee last week. You can pick up what the RDAs are doing from their output data, their six-monthly reports to Parliament. I think I am right on that but I shall correct myself if I am wrong on that. I think there are six-monthly reports to Parliament.

**Q446 Chair:** May I say that when we had the representative from DWP here the Committee found it quite difficult to believe the numbers he was putting before us in that most people in many coastal towns, not all, had been saying that it was a low wage seasonal economy, yet the rates of temporary work, as recorded by the DWP, seemed pretty low. We are in no position to challenge them, but suffice it to say that what the DWP told us did not seem to accord with the qualitative impression we have been given by certain towns. I just mention it to you.

**Margaret Hodge:** I am happy to provide you with the statistics we have which are in the public domain. What they show is a differential rate of performance.

**Chair:** We had it for specific towns and I cannot recall now just which ones. What the DWP were giving us just seemed counter-intuitive. We are in no position to challenge the figures, but we just felt they were wrong.

**Q447 Lyn Brown:** The figures which were given to us were the labour force survey figures and in our probing what we wondered was whether or not there was any real knowledge beneath the basic figures we were given. There did seem to be seasonal work, but what we could not work out was whether or not people came in to do the seasonal work and then left. What we could also not work out was how much of the economy was based on tourism. We just wondered as a committee whether or not there might have been value to additional pieces of work which could explore the specific phenomena within coastal towns and give us a bit more information. None of us thought that the labour force figures were bad *per se* in what they showed, but we did wonder whether or not there might be a little bit more mining which could happen which would give us a clearer picture.

**Margaret Hodge:** I think that is right. The picture is complicated: there are some coastal areas where seasonal work is taken up by migrant labour of one sort or another; in other areas seasonal work is taken up by local labour. If you talk about a feature of a coastal town, the low wage, low income, low skill, seasonal employment is a feature. What I am saying to you is that if you were to say to Government, look at coastal towns, you are looking at some extremely successful coastal towns alongside some coastal towns which have real challenges. The question you then have to ask is what the best way of tackling

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those challenges is. Is it best for Government to tackle it or is it best at the RDA and sub-regional level, relationships between RDAs, local authorities and other interests? I would put to you that I think the better way forward is to do it at the regional level with sub-regional partnerships, always saying of course that information should be shared across the piece and of course more research and a better understanding of the sorts of issues which face communities in coastal towns is of benefit to us all.

**Q448 Mr Betts:** Someone who did not know better might paraphrase your answers to us by saying you have set up the RDAs, it is nothing to do with you now, let them get on with it.

**Margaret Hodge:** No. What I have said is that it is a function of the RDAs, that is the appropriate place to place it. The issue of tackling some of the challenges facing communities in coastal towns is new. There needs to be additional thinking about that, quite a lot of research has been done, some by Sheffield University, which is very helpful. We need to keep thinking about the issues, but where is the best tier in which to take action? I do not think it is in DTI, I think it is down in the localities.

**Q449 Mr Betts:** Two points to which you alluded. I just want to know where in the Department this sort of thing happens. Is there no attempt to monitor the performance of different RDAs one against the other in terms of how well they are doing on coastal towns?

**Margaret Hodge:** Yes.

**Q450 Mr Betts:** If so, what is that system and how does it operate? Secondly, yes, coastal towns are very different but similarities might be that Morecambe is not very similar to Blackpool in the same region but might have some similarities with Bridlington or Scarborough in another region. What is the mechanism for pulling together whether initiatives are successful in one area which could then be replicated and produced in another area to similar effect?

**Margaret Hodge:** Do we monitor it at that detailed level? Probably not enough. Should we do more? Probably yes. I am reviewing our monitoring data on RDAs. We are half way through the NAO exercise so I want to see what comes out of that. As part of the CSR, the Comprehensive Spending Review exercise we are now looking at evaluation and monitoring and seeing whether we can improve it and we probably can. The answer is that you probably could pick out of the monitoring a comparative evaluation about how RDAs are performing around their coastal towns. Has that been done? No, it has not. Could we do it? I shall look at that. Would it be an interesting thing to do? Yes, probably. What mechanisms are there for sharing experience? Part of that is DTI, where we hold the data from all the RDAs so we have a function there. Remember that one of the benefits of the regional tier is that it is easier to get ten people round the table than it is to get however many local authorities. There is a huge amount of collaboration

between the RDAs on sharing best practice but, again, we could do more; not in this area but in other areas we do not do enough. I think SEEDA—and I shall come back to the Committee if I am wrong—does take the lead among the RDAs on the issue around coastal towns, so I assume that becomes a forum in which they can share their experience and find out what has worked best. Can we improve that? We can always improve those mechanisms. I come back to this point: coastal towns are an emerging issue on which undoubtedly all of us can do more work.

**Q451 Anne Main:** Given that they may be sharing best practice, what sanctions are there, if any, or what, if anything, is done if an RDA is performing badly according to your assessment after you have evaluated their data?

**Margaret Hodge:** Interestingly enough, we are just looking in relation to the Comprehensive Spending Review at whether we should consider a similar awards mechanism that they have in local authorities where, if you do better you get greater freedom. I cannot remember the term which is currently used to describe that but something along those lines.

**Q452 Chair:** Earned autonomy.

**Margaret Hodge:** Thank you. A mechanism of earned autonomy, which is slightly praising the good. Clearly the NAO audit will be the first interesting evaluation. We have the performance data, which is open to all of us as parliamentarians and I have it as the Minister responsible, and I have said I want to develop rather more sophisticated evaluation data as part of the CSR.

**Q453 Mr Oler:** You mentioned a review of your department and I just wondered whether you had a specific team within your department in the DTI which has responsibility for coastal towns, not for giving them money which I think is the RDAs' job. Is there a department in your department which keeps its eye on the overall economic plight of some of these coastal towns?

**Margaret Hodge:** We have a team which supports our regional policies and within that coastal towns will be one of the areas, as will the coal-mining communities or anything. There is a whole set of issues which you could define, such as market towns; you could look at all sorts of definitions which might warrant a sharing of information, a sharing of knowledge, a sharing of what works in terms of interventions. We do not have anything specific for coastal towns but clearly we focus on those issues of importance and again I say coastal towns are an important issue. It came really home to me when I was doing the assisted area map because a number of coastal towns fell out under the criteria established by Europe. Great Yarmouth was one where we know the need is huge, where there is high unemployment, where there is a lot of seasonal employment, where wages are low, yet because Lowestoft had improved so much and therefore no longer met the criteria necessary to be described as

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an assisted area that had a knock-on effect on our ability to find sufficient population to cover Great Yarmouth. There are issues like that. Dover was another one, Blackpool was another one which has not come in as an assisted area where we know there are issues and we know that we need to focus our interventions because the market is failing.

**Q454 Mr Olnier:** That leads me very neatly on to what, if anything, your department is able to do about levering in some European monies. You are obviously very correct in saying that coastal towns are extremely diverse and I just wonder about the European fisheries policy and how some of the fishing industry in coastal towns has been particularly hit. Not wishing you to encroach on another Minister's views, surely your Department as a lead Department has a view on that.

**Margaret Hodge:** I am not going to encroach on fisheries policy which I know Barry can help you with. However, I do have a view on European funding and I am expressing it now. I think what I am trying to do for those areas which did not obtain assisted area status is try to ensure that they get what is known as tier three status, which means that the small- and medium-sized enterprises in those areas can access state support at a lower rate but nevertheless state support for those enterprises. We are trying to ensure that happens. The structural funds, and I made a statement on Monday this week to the House on how we intend to allocate those, do not have any geographical boundaries and I would hope that access to those structural funds will be

open to those coastal towns which need extra government intervention and support and that we can do that. I have a list of projects where coastal towns had support from European regional development funds: Cromer seafront enhancement programme, something called Into Great Yarmouth—

**Q455 Chair:** Perhaps you could leave the list with us.  
**Margaret Hodge:** I shall leave the list with you. It is not a complete list, it is an indicative list, but I am happy to leave that with you.

**Q456 Mr Olnier:** As you will see, we have four ministers giving evidence to us today on coastal towns. I notice you are not all in the room at the same time, but I wonder whether you and your staff are in the same office at the same time because obviously the plight of some coastal towns affects very much what each of your respective departments does. I just wondered whether there were meetings at ministerial level. At what level in the system do you coordinate?

**Margaret Hodge:** Talk about coastal towns?

**Q457 Mr Olnier:** Yes.

**Margaret Hodge:** I suppose the honest answer is that we do not at present and that is a perfectly valid issue for you to raise with us. Perhaps we should, as this evolves as an area of policy, try to see what cross-government action could benefit. It is a good idea.

**Chair:** Thank you for being so honest with us. Thank you very much.

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**Witness:** **Barry Gardiner**, a Member of the House, Parliamentary Under-Secretary, Biodiversity, Landscape and Rural Affairs, Department for Environment, Food and Rural Affairs, gave evidence.

**Chair:** I do not intend us to have an in-depth discussion, or any discussion at all frankly, about the EU fisheries policy. Could we move instead to the first question?

**Q458 Mr Betts:** Most of the questions will be about sustainability and what the Government can do to help preserve the future of coastal towns. The reality surely is that some towns are already crumbling away into the sea, others, with global warming, may at some stage get washed away or flooded. Is one of the functions of your Department not to be looking at whether it is realistic in the long term to sustain some of these towns at all or whether in fact we may be wasting money now trying to attract investment there for towns which really have no future at all?

**Barry Gardiner:** Let me begin by apologising and that is not for who I am but for who I am not this afternoon because the Flood and Coastal Defence Minister was supposed to be in China and the Fisheries Minister and Marine Bill Minister were supposed to be elsewhere—I cannot remember where. So you have me who is not the specialist in

either of these areas, but I hope we do talk to each other across our own Department as well as inter departments and I shall try to cover the brief as best I can. To respond specifically to that, it is clear that the last person in authority in England to try to hold back the sea was called Canute and he was singularly unsuccessful in that. I take it that nobody is suggesting that we should be doing that, but what we do have to take account of here is that there are significant communities all around our coastline who quite understandably expect that Government are going to help and support them in flood defence management. That is why what we have been trying to do is to bring together, in a far more integrated way than has happened hitherto, the whole spatial planning and we hope through the Marine Bill ultimately the planning of the marine environment, the land environment and through the methodology which has been given to us through the EU of integrated coastal zone management. We are spending increasing amounts on coastal and flood defence. I think that is right, but I think you are right also to suggest that what we should be trying to do is to work with the natural environment instead of seeing ourselves as



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working against it. Experience shows that where we simply try to work against it and put up defence measures *per se* often what happens is that nature finds a way round and that can cause more havoc further down the coast than you have prevented in the place where you put up the defence.

**Q459 Mr Betts:** At what point are you planning to identify some areas where we may have to say to communities that their area is not sustainable physically and we are presumably then going to have some serious planning to do about relocation of those communities, compensation and all those sorts of issues. How far advanced is that planning process?

**Barry Gardiner:** If you ask me whether we have identified or the Environment Agency has identified specific communities where we have to say the game is up, the answer to that is no. Increasingly what we are talking about—and this is part of the resilience pilot which we have already put under way—is piloting grant schemes to make properties more flood resistant and resilient in areas where community schemes may actually be impracticable. That is part of this responsive approach to the environment, trying to say that for the level of risk one has here, for the occasional flooding one is going to see from a particular estuary, then perhaps the appropriate response here is not simply to build a wall and think one can protect the whole community, but is more in this resilience planning method.

**Q460 Mr Betts:** That has not quite answered the question, has it? Planning going on about some areas which may not be sustainable. At what point does that get shared with those communities and with other government departments? In the meantime it is quite likely that someone else in Government is offering some grants to somebody to invest in that area and to attract business to employ the people who do live there.

**Barry Gardiner:** This is precisely why we want the Environment Agency to take the strategic overview, because we believe that is absolutely the best way to ensure that we can get a holistic approach here and we can identify exactly those problems. You are asking me at what point on a scale and the answer is that I do not know. That is a matter which the Environment Agency will have to consider and determine as part of the process of coastal management and coastal zone management in which it is engaged. We do think it is important that there is that strategic overview and we are consulting on a proposed model for the EA to exercise that role. In effect the Agency would become the lead authority for all sea flooding and coastal erosion issues; it would take a lead role in long-term planning; it would have a key role in the decision about allocation of resources and in managing delivery of the defences. It would do that of course in partnership with the local authorities. That is the vision we have for the future and that is what we are consulting on at the moment. You want me in a sense to run before I can walk. What

I am saying is that at the moment we are at the point where we are consulting on that framework which we believe will be able to give a much more integrated, much more coherent approach to this problem. I am afraid you want to take me a bit further down the road and for me to say at what point they would then go to a community and tell people that they are going to have to say that this part of this community is not one which can actually be defended against climate change or against erosion.

**Q461 Mr Hands:** You have answered the gist of what I was going to ask in your last answer. However, in terms of the Environment Agency, it sounds as though the Environment Agency will be making the decision effectively about the future of one of these developments and obviously all kinds of factors will have to be taken into account. You said the Environment Agency in consultation with the relevant local authority or authorities. I just have a feeling, having seen various citizen action groups over the years, that they are going to want to know who is in charge on an elected basis of making the decision which effectively ends their community. Is it going to be the case that the Environment Agency is going to be the person for them to seek to lobby or blame or is there going to be a ministerial decision above that?

**Barry Gardiner:** It is critically important that we recognise the role of the local planning authorities and they must play a key and important part in this.

**Q462 Mr Hands:** Presumably the local authority would never make such a decision to end one of their communities on the basis that those are the people who vote for the local authority. Essentially the local authority will always say it is the Environment Agency. Who will people think is accountable for the decision to end their community?

**Barry Gardiner:** Ultimately I am sure you know that the people who are always accountable are politicians and ministers.

**Q463 Mr Hands:** Yes, but which one?

**Barry Gardiner:** As the ministers in the Department that accountability would come back to, Defra because the Environment Agency is an agency of Defra. It is always important that ministers should be taking decisions on the basis of evidence and on the basis of coherent strategic planning policy. That is what we are trying to ensure happens through the role of the Environment Agency working alongside the local planning authorities.

**Q464 Mr Hands:** What worries me still is that in the meantime other government departments could be carrying on spending money on communities which the Environment Agency might in three or four years' time say have no future.

**Barry Gardiner:** With respect, nothing that is happening in terms of the setting up of this more integrated approach is going to change the status

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quo in that respect. Climate change is an inevitability; we know that. Coastal erosion is an inevitability; we know that. Therefore it is quite possible that is happening now. It is not going suddenly to start happening because of the change in the way in which the Environment Agency is working with local authorities.

**Q465 Chair:** Before we move on to talk about the integrated coastal management zones can we have a bit of clarity? At the moment presumably there is nothing to stop the RDA pouring a load of money into coastal town A even though the Environment Agency thinks that half of coastal town A is going to be beneath the sea in ten years' time. Is that the case or would that information be available to the RDA and therefore would it not be extremely foolish to be taking that decision now?

**Barry Gardiner:** No. Let us establish a couple of things. It is clear that at the moment the Environment Agency and the RDAs do talk to each other. It is not that they are going to find suddenly this wonderful contrivance the telephone and be able to speak to each other: that information is there already. The change will be in that there will be a much more strategic role for the RDA in the planning, the defence planning and the management planning, as communities may wish to expand or not the areas into which they may wish to expand and the potential risks to which they would be exposed if they were to do that. That is the role which is envisaged, that strategic overview role. Of course at the moment they talk to each other, of course at the moment the RDAs are looking to make sensible strategic investment in local infrastructure, in the local skills base, in the sort of things you were talking to Margaret about earlier in terms of skills base for tourism and so on.

**Q466 Mr Betts:** So already the RDAs may be getting on the telephone and be being told by the Environment Agency to be very careful about putting money in somewhere because they are actually looking at it as a possible issue of concern.

**Barry Gardiner:** The Environment Agency is already working in many areas looking at flood defence and coastal erosion. I do not want to bore you with lists, because I saw what happened to Margaret.

**Q467 Chair:** We had some pictures from the Environment Agency which were extremely graphic.

**Barry Gardiner:** They are already spending £100 million on major infrastructure projects for coastal defence and flood defence. They are already aware of areas where there are such problems, but of course the RDAs are aware of that as well. Regional Development Agencies are well tapped in to what is going on in their regions and, as Margaret said to you earlier, that is the whole point: it is to devolve that autonomy, that knowledge down the chain and get decisions being taken in the light of that local knowledge.

**Q468 Anne Main:** I should like you to expand a bit on the inter-departmental work but I do think Clive had a very valid point. Really the decisions to be making large inter-departmental decisions rather than individual departmental decisions need to be taken soon rather than later, from what you have described, otherwise we could be ending up with departments working at odds with each other for a considerable period of time. I should be quite interested to know whether you can tell me what steps you are taking to improve the coordination of coastal policy between departments so we do not have exactly what Clive described which is basically investment going in only to have the rug pulled from underneath the community down the line.

**Barry Gardiner:** We actually work very closely with DCLG on these matters.

**Q469 Anne Main:** Could you give us examples?

**Barry Gardiner:** Yes, certainly. I can give you one or two: PPG20 and PPG25. These are guidances which we are working on with DCLG. If I could just get for you exactly what we are doing with them on that, planning policy guidance 20 on coastal planning provides the basis for coastal planning stating that developments should not be allowed on land which is affected or likely to be affected by erosion or land instability and that local development plans should clearly show where those areas are. That is the existing PPG20. Against that, what we are now introducing in the Marine Bill and what will be, as part of the integrated coastal zone management, trying to make sure that we then work very closely with them after the Marine Bill is in place to see what revisions need then to occur to PPG20 to bolster that and make it a much more holistic, integrated view which is looking at what is happening in the marine environment as well as on the land environment. This is one of the ways in which we are already working for what is quite some time down the line to make sure that their planning policy guidance is going to line up with the sort of new integrated approach we are taking. If there are other points on which you would like specific examples of how we are working together—

**Q470 Anne Main:** That is working together on a planning policy statement. The wider picture to which Clive was referring, and which I am still not really happy with, is the strategy for the whole area being referred to. It could well be that in a regional development area there does not seem to be a strategy for the whole area.

**Barry Gardiner:** No, that is absolutely wrong and that is exactly what we are seeking to address and actually making more integrated and more strategic.

**Q471 Anne Main:** How?

**Barry Gardiner:** Let me explain how: putting through shoreline management plans. In the last ten years the progress we have made with shoreline management plans now covers 6,000 kilometres of coast in England and Wales. Those plans form the basis of the work which is done then between the

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local authorities and the Environment Agency; they form an agreed basis, if you like, for managing that area. That is part of the whole integrated coastal zone management approach to this that what we are doing is trying to set out in a much more coherent and much more holistic way what is going on both in the marine and on the land environment where the coast is affected. It provides the infrastructure for us to do that. I could give you other examples of ways in which Defra as a department is working closely with DCLG and other departments: for example, in terms of the specific issues I know you will be raising with other ministers, on housing we have put together the Affordable Rural Housing Commission and the report they have now produced and both departments working together to address that need; the question of tourism and the impact that has and the low wages which are often there within the tourist industry and within small coastal towns. These are things which are part of the whole rural agenda we have in Defra, because of course many coastal towns are a very significant nodal point for a wider rural area.

**Q472 Anne Main:** Did you just say that your Department would have an impact on the development of tourism? That did not seem to be what the Minister said to us earlier. It seemed to be to leave it to the RDAs.

**Barry Gardiner:** I am sorry, I did not say that. What I said was that these are areas where we speak closely and in fact I speak to the RDAs as well because we put in about £80 million of funding to the single pot, to the RDAs, precisely to deliver on the rural agenda. Although the RDAs are line managed in silo, as it were, from DTI, as Defra we actually are contributing to that single pot and we expect our PSA targets to be delivered out of that in exactly the same way. There is “joined-upness” here; there really is coherence across Government in terms of the approach we take and the importance we attach to many of these smaller coastal towns because of the effect they have on the rural area in which they are situated.

**Q473 Dr Pugh:** You talked about the excellent cooperation which exists between government departments where they are all singing from the same song sheet, but there are occasions when they will not be, are there not?

**Barry Gardiner:** I do not want to give an over-rosy impression. There are tensions sometimes.

**Q474 Dr Pugh:** What we should be interested in hearing about from you is how you deal with conflicts. Sometimes Defra’s responsibilities will lead them through action on habitat preservation and the DCLG may want to stimulate housing growth; you may wish to look after some site of special scientific interest and there may be a conflict between that and tourism initiatives. Therefore councils, in furthering their aims, may talk to different government departments in different

accents, as it were. How do you address this inter-departmental conflict which occurs because they are working to two different government departments?

**Barry Gardiner:** Yes, but government departments may have specific focuses and specific things they are trying to achieve and you gave an example of housing development. Let me take that as a good example of where very often, at a governmental and at a regional level, grant is allocated for public sector housing in an aggregated way and it makes it very difficult for small towns to get that development in place where the cost of any particular small scheme, say five or six houses, is proportionately much higher per unit than if you are doing it in an urban conurbation where you are able to put in 100 or 150 units. The point is that Government also recognise, whilst you want to get maximum bang for your buck, you want maximum return on your policy for the money you put in, that there is an argument of equity here and that there has to be some form of disaggregation, that there have to be some ways of ensuring that there is equity for people in remote, high-cost-of-land rural communities who equally need to be able to access housing because they have the same housing need. The way we resolve that in Government is precisely as we have done, by setting up an Affordable Rural Housing Commission, by listening to the recommendations that it made and by then working together as departments across Government to deliver on that wider agenda of maximum effectiveness, but also equity.

**Q475 Dr Pugh:** With respect, what I was really trying to get at was that there are quite clearly going to be conflicts from time to time between habitat preservation and housing growth. In the local authority area they will take an overview, they will strike some sort of balance. You could imagine at RDA level they will take an overview, they will wish to strike some kind of balance, but the government departments may well be working in individual silos and no overview is taken at government level and that can be a complication.

**Barry Gardiner:** That is exactly what I am telling you we do do: we do speak to each other, we do take an overview and we do try to resolve those problems at a government level. Of course we are all trying to achieve the maximum within our own given area, but we do recognise that occasionally the convergence of that can bring tensions. It is then for us to resolve that as Government in the appropriate government sub-committees, the cross-departmental committees, where we do precisely that. Actually the best ways in which Government do it are by setting up things like the Affordable Rural Housing Commission to help us by getting the local knowledge which is precisely living with these tensions and is able to see it from a slightly different perspective.

**Q476 Chair:** May I put this in a slightly different way? One of the issues which has been drawn to our attention by a number of previous witnesses in

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earlier sessions is that because the Environment Agency's remit is coastal and flood defences they do not always maximise the potential economic regeneration benefit which might be derived for certain communities if the flood defences were planned in such a way that they also took note of economic regeneration needs, for example like providing a nice promenade that people might want to walk up and down. I merely use that as an example.

**Barry Gardiner:** That is not a point which has been made to me before but it is certainly one which I should be very happy to pursue with the Environment Agency. If one were to look at a very good example of best practice, and one which has been quite topical at the moment, British Waterways and what they have been able to do with the increase in their funding over the past seven or eight years, it has been quite extraordinary because what they have done is precisely, having coped with the backlog of safety and maintenance that they needed to put right, to embark on a very impressive and innovative property development and regeneration programme. In many parts of the

country what they have done is used that investment precisely not just to create the 200 miles of new waterways, expanding the network by ten per cent, but they have actually also at the same time created regeneration hotspots through doing that. That has been by very astute, very experienced and skilled use of the property portfolio and management of that and the dialogue they have entered with the private sector.

**Q477 Chair:** We should like to encourage you to take that example to the Environment Agency. It was pointed out to us that in many of these communities the sums of money invested by the Environment Agency are very, very large, much larger than any other agency and that some benefit should be derived.

**Barry Gardiner:** That is a very fair point. It is not one which has been made to me before, but if that is the case then I should be very happy to speak with them to make sure that we do manage it in such a way that we maximise the regeneration opportunities.

**Chair:** Thank you very much.

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*Witness:* **Rt Hon Richard Caborn**, a Member of the House, Minister of State for Sport, Department for Culture, Media and Sport, gave evidence.

**Chair:** Welcome Minister. As you know, we are looking at coastal towns and taking this up with a number of ministers with different responsibilities.

**Q478 Dr Pugh:** May I start off with a very easy question? What action is your Department taking to monitor the number of domestic and overseas visitors to coastal towns and also how much they spend, which is the key factor?

**Mr Caborn:** I do not think they monitor specifically visitors to coastal towns; that would be an expensive exercise. We are accused of too much bureaucracy as it is now. We can give you figures and a breakdown in writing from VisitBritain of how many are coming here and we can ask them if they would make a stab at whether they believe they are going into coastal towns. It would be very difficult to see exactly. We are trying desperately to make sure that this great capital of ours, London, is a gateway into the whole of the United Kingdom of which coastal towns are part. If you are asking me specifically whether we have a breakdown of those figures, I do not think we have, but I shall ask VisitBritain to provide you in writing with the best stab possible at that.

**Q479 Dr Pugh:** In terms of profiling tourist patterns to the British coast, do you have no information at all? Do you have anything you can provide to us?

**Mr Caborn:** Britain received 91 million spending £16.2 billion, England accounted for 70.8 million of these holidays and £12.2 billion of the total spend. That is domestic holidays involving at least one overnight stay in the year 2003. The British

took 20.5 million seaside holidays in the UK, spending £4.7 billion; England accounted for 19.1 million of these and £3.5 billion of the total spend. As a proportion of all holidays, seaside holidays in England by British account for 27% of holiday trips, 32% of all nights and 29% of all spend. That does not give you what you were asking, which was on seaside holidays. If we have any further detailed analysis on that, I shall send it in writing to your Clerk.

**Q480 Dr Pugh:** Do you think it worthwhile getting that sort of information and checking on what is basically a national institution, the English seaside town?

**Mr Caborn:** It depends what you want. I should have thought that it would be far better and time spent far better to make sure that the regional development agencies do factor this into their economic strategies. As you probably well know, my Department just a little over three years ago brought the RDAs into play on this. We thought it was an important part of the economic driver of a region. I am talking now about tourism. We gave that responsibility to the RDAs. What has happened since then, if you look at the statistics over the three years, is that the spend now is about £52 million through the RDAs of which we shall be spending through our Department, ring-fenced, about £3.5 million. I think overall the investment through the regional development agencies has been considerable and some of that obviously will have hit the areas you are talking about here. That is part of it. My view would be to make sure that they are factored in very much to the economic

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strategy of each of those regions. You get copies of that like I do and indeed every other MP and indeed the various authorities do make comments on that. They are driving up the economic wellbeing of their regions driven by GDP per capita.

**Q481 Dr Pugh:** Having given this largesse to the RDAs and also the responsibility, how do you measure the success of that enterprise in terms of getting a result?

**Mr Caborn:** It is very simple. They were set up by statute and their drive is to create wealth and that is measured by GDP.

**Q482 Dr Pugh:** Specifically on the tourist function.

**Mr Caborn:** Tourism is part of that. They are charged with driving up GDP per capita and wealth creation in the regions and tourism is a part of that.

**Q483 Dr Pugh:** Do they do it?

**Mr Caborn:** I think they do. If you look at the Hallam report on seaside economy, overall, talking about tourism specifically, you will see that, contrary to popular belief, during 1971-2001 total employment at the seaside grew by some 320,000, or more than 20%. You have had a copy of the report. I think the general direction is showing what that is doing. It is absolutely true that a lot more could be done and that is why we saw tourism much more as an economic driver for the regions than stand-alone as it was three years ago.

**Q484 Dr Pugh:** Are you satisfied both that a good job is being done and that it is being properly assessed?

**Mr Caborn:** No, I am never satisfied. I think more can be done and we are in a changing world. I know for example that tourism generally is the fourth largest sector, something like £75 billion. We are running the largest deficit of any sector in industry, something like £15 billion, when that was broadly neutral just over a decade ago. I cannot say that is satisfactory by any stretch of the imagination and that is why the RDAs are looking at this specifically. There are many areas of tourism which need to be exploited. The Olympic Games give us a great opportunity to do that, but things like business tourism, educational tourism, many of those niche markets, have not been exploited to the degree they ought to be. That is why I say to the resorts that they have to think in a modern way as well. I am not satisfied; far from it.

**Q485 Lyn Brown:** Some of the issues we have been looking at have been down-at-heel resorts, possibly decaying attractions, seaside hotels which have now become homes for multiple occupation. Do you think more needs to be done? Do you think there needs to be a more robust methodology to improve the offer that our seaside towns are making in the tourist economy? Has the DCMS got a strategy for doing so?

**Mr Caborn:** I know that you are looking specifically at the seaside, but overall, as far as tourism is concerned, it has always been one of those Cinderella industries and I know that my Department over the recent past has been trying to drive the quality up. We have been doing that with the whole fitness-for-purpose, the quality counts, all those have been developed. When I was a tourism minister a few years ago I remember going to Blackpool and having long discussions. I remember going to Sussex and having discussions about how we can get proper investment, how we can get a proper career structure inside tourism and the wider industry. The industry has not invested in that way in the recent past. It is changing now and hopefully for the better. I also believe that there are some niche markets in tourism which have not been exploited.

**Q486 Lyn Brown:** I think you are right when you talk about it being a Cinderella industry. One of the issues for me has been the quality of the offer which is made. It does vary across the country and the ways and methodology for measuring that quality vary across the country. If I am going to the Lake District, which is an area I know fairly well, then I am fairly confident that, if I am looking at a four-star or five-star accommodation, it is going to deliver four- or five-star accommodation for me and I know the quality of the offer I am buying. Would you say that would be similar for the rest of the country or do you feel we have some way to go? If so, how are the bodies you have just mentioned going to help to deliver that?

**Mr Caborn:** The overall body for tourism is genuinely trying to look at how you can bring proper standardisation into the industry, a proper hallmarking of that. There are several markets now for quality hotels and they are trying to bring that into one. They have had some difficulties and no doubt some of the bigger hotels were reluctant to come into it, particularly the four- and five-star hotels. I believe that is still under discussion but progress has been made. You are right that we do need to have one standardisation if that is possible. Then we need a threshold in which you get to that standard and if you do not meet that standard you are not in that marketing campaign. That is indeed what the industry has been doing.

**Q487 Lyn Brown:** I am fascinated to hear what you say. Given the 2012 Olympics are going to be a huge opportunity for us to market tourism and indeed our coastal towns, how are you going to encourage the visitors to the Olympics to go into our coastal towns and how are we going to ensure the standardisation of the offer has some credibility?

**Mr Caborn:** How we are doing that is that we have asked every region to bring forward an Olympic strategy. We have put somebody in each region for a time working with the RDAs, working with the sports board, working with the tourism board and we are looking at a whole series of ways in which UK can benefit from the Olympics. We have a

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nations and regions committee set up under the Olympic board which is chaired by Charles Allen and all the regions and devolved administrations are represented on that. I would hope that over the coming weeks and months they will be coming forward with those strategies and part of that should be a proper tourism strategy involving the coastal towns. It is not just about the tourism there; it is about how they can attract other activities around sport. We shall probably be looking, I would guess, at around 200-odd teams from countries coming here for the Olympics and probably over 100 of those will be having holding camps. It could well be that some of those coastal towns with good facilities, particularly for aquatics, sailing, canoeing and so on could be attracting teams to come over and domicile themselves in those areas. I would suggest that there are a great many opportunities for coastal towns to benefit from the Olympics.

**Q488 Anne Main:** Written submissions have suggested that the allocations to local government via the revenue support grants and distributed locally do not reflect the number of day visitors and the great impact on coastal towns of having visitors. Do you have anything you wish to say about addressing that?

**Mr Caborn:** Not particularly. I thought that overall the investment from local authorities into tourism particularly had increased year on year over that period. Those were the statistics which were given to me.

**Mr Hands:** I think the question was more whether local authorities should be given greater funding for higher visitor numbers.

**Anne Main:** Yes, that is right. The funding just does not reflect the actual cost of supporting an area which is supposed to attract visitors.

**Q489 Chair:** That is a separate question. There are two separate questions. One is in relation to visitor numbers and the second is about what has been said to us about the fact that in many coastal towns they have a great deal of public space which they have to keep in good condition because it is part of their tourism offer; a lot more parks and things than would be justified for a town of similar size.

**Mr Caborn:** That is part of their economy, that is part of their wealth creation is it not? That is a judgment which will be made at the local authority level. That is a judgment they will make with the regional development agency in terms of where the investment is going to go. It will be a judgment which is made by Sport England in that region as to what they want to put in as a visitor attraction around recreation and open spaces. The whole public realm is a big issue in these areas. Those are judgments which are made by the local authority and we do not specifically say they will do X, Y, Z. That is what I thought local democracy was about.

**Q490 Anne Main:** Getting away from open spaces and onto the built environment, many important elements of the country's heritage are in coastal

towns. Should the National Lottery develop a specific grant funding programme for coastal towns recognising that?

**Mr Caborn:** I do not think they should specifically. It is for them to judge; it is not for Government to intervene. We get criticised anyway on the Lottery that we interfere when we do not interfere; that is the allegation made particularly by Opposition parties but it is not true. The bodies are at arm's length from Government. They are set up and given a remit by Parliament to carry that out. If you believe that the Heritage Lottery Fund is not actually delivering for the area you are talking about, I would suggest that Members of Parliament write to the Heritage Lottery Fund. It is not for government ministers to direct that. We say that we are impartial in these areas and that they are at arm's length from Government. As you know, we have just had a debate in the House over the new Lottery Bill and we have made it very, very clear indeed that those funding bodies are at arm's length from Government. However, if you believe they are wrong, then you ought to take that up with the Heritage Lottery Fund.

**Q491 Anne Main:** So you do not believe there is any special case to be made for coastal towns to have any extra grants in any way, shape or form to support the heritage, the often crumbling Victorian piers and so on that they need to support, which are very, very expensive.

**Mr Caborn:** That is a decision for the Heritage Lottery Fund, if we are talking specifically about the Lottery Fund.

**Q492 Anne Main:** I was talking about any of the funding streams.

**Mr Caborn:** Any funding stream. As far as we are concerned, funding streams have been completed or there have been extra funds from the RDAs and the single regeneration budget. Over £1,234 million have gone to 517 projects in English coastal resorts. That is not Heritage Lottery Fund, that is what is levered off from the various other funding schemes which you referred to. I do go back and say that in terms of the Heritage Lottery Fund, it is their decisions not decisions of Government.

**Q493 John Cummings:** The British Resorts and Destinations Association told the Committee in evidence that there were 110 destination management organisations across England responsible for tourism delivery within their areas. Do you think this contributes to the tourism sector being currently too fragmented to promote seaside resorts?

**Mr Caborn:** It is a characteristic of British life. When I came into this job there were 400 governing bodies governing 130 sports. I found that in Trade as well. I agree with you that there are far too many bodies there and that really needs to be streamlined. I do believe that the initiative taken by Digby Jones of the CBI, probably about four or five years ago, has helped, through what we have

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done in VisitBritain as well, to start consolidating that into a much more focused position than we previously had.

**Q494 John Cummings:** Are you focused upon any definite benefits that you can see by reducing the number of bodies with responsibility for tourism in England? How might the impact of this affect coastal towns directly?

**Mr Caborn:** I hope we can continue to reduce the numbers of bodies involved in that and the way we would do it is actually by not giving public money to certain organisations and making sure that they did focus in. In terms of coastal towns, that is much more for both their local authorities and how they interface with the regional development agencies, because that is where the money tends to come from for tourism now and will for coastal towns, as indeed any other area for tourism.

**Q495 Mr Hands:** I want to come back to the issue of visitor numbers. I am not sure we did properly cover that. I am genuinely confused as to whether visitor numbers should be viewed as being a good thing or a bad thing in terms of local authority funding. I was wondering what your Department's view is on whether, if a coastal town is getting higher visitor numbers, that should mean more or less funding in the sense obviously that the local economy is benefiting from higher visitor numbers, but at the same time local infrastructure potentially needs more funding from central government to cope with the visitor numbers. I was wondering what your Department's view is on that.

**Mr Caborn:** It depends where the funding comes from.

**Q496 Mr Hands:** Central government grants essentially to local authorities.

**Mr Caborn:** That is already factored in, is it not, and also the investment which comes through other streams, transport—

**Q497 Mr Hands:** Is it factored in? I am not sure visitor numbers are. Clearly central government funding is based primarily on resident population and I am not sure visitor numbers are reflected in that. My question is: do you see visitor numbers as overall being a good thing for the target authority or a bad thing? What is your thinking?

**Mr Caborn:** It is a good thing surely because it is going to create employment, it is going to bring wealth into that area. As I have already indicated, I think the more progressive authorities, the top ten in per capita investment, outside Liverpool, were all coastal towns.

**Mr Hands:** I happen to agree with you but I am just going to present the alternative argument which we have heard from various authorities, which is that because of larger visitor numbers their public amenities, parks and so on, are somewhat burdened by too many visitors coming to them. Do you think that is an invalid argument?

**Chair:** Could I just expand on that? We are talking about day visitors. They are not staying the night, they just come in, sometimes with their picnic and they hardly spend any money locally. They are the ones these results are most concerned about.

**Q498 Mr Hands:** It could be either, because I am not sure central Government grants would even be looking at people staying a week or two. I think one of the key questions is whether we think visitors are a good thing or a bad thing for how we fund local authorities.

**Mr Caborn:** I should say visitor numbers are a good thing; attracting into a town or resort would be a mark of success. Again it depends how you quantify some of those visitors. If you look at some of the spends, I know some of the resorts are looking at how they can attract business in for business conferences. Let us look at our own political parties. Our political parties go to Bournemouth, to Brighton, to Blackpool, there is huge investment. Look at the number of conferences taking place now. Bournemouth is a big attraction for that, Scarborough is a big attraction; you can go round the coast. That is business, it is conferences, it is exhibitions and many other activities. When you are talking about visitors, then some of these have very large disposable incomes either singly or corporately. I would suggest these are the areas which need to be looked at. I know that some universities are also taking coastal towns into consideration for some of their conferences.

**Q499 Anne Main:** I should like clarification. Do more visitors equal greater pressures therefore more funding or do more visitors simply equal, in the Department's view, a greater revenue stream for the local authority and possibly attract less funding? Which is it? Which model does the Department follow?

**Mr Caborn:** It does not follow any particular model because it does not control transport, it does not control the ideas budget, it does not control a whole series. The budgets we control have a very good fist on it. One is that we have put tourism with the RDAs and where we were putting something like £3.5 million into it that has gone up to £50-odd million. The investments we are putting in through areas like Sport England, again at the regional level, have increased considerably. In the areas we have directly controlled from DCMS we have been able to invest very wisely and also to lever more money into those coastal resorts and tourism in general. Several departments are funding that public well and the services inside those coastal resorts as they are other areas.

**Q500 Dr Pugh:** May I ask you to reflect on the partnership you may or may not have with other departments in Government? Clearly there is a need in terms of promoting tourism to look at other things as well and help the promotion of tourism. For example, you need housing so young people can stay in seaside resorts and the like and find

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affordable accommodation. Equally, one of your predecessors, Kim Howells, went round many of the seaside resorts and he said that wherever he went people made points about transport links and the inadequacy of them. Clearly if we are to have successful coastal tourism we have to have a number of things going right as well both in terms of housing and in terms of transport. Is there a sufficient partnership between the various departments of Government to ensure that things do go right or is there still something of a silo mentality here?

**Mr Caborn:** To be absolutely honest, I do think there was a silo mentality. If you look at where tourism has been, it has slopped around many government departments in England. It has never been the case in Wales and it has never been the case in Scotland or indeed in Northern Ireland but it has in England, which is why three or four years ago we took the decision to put that into a multi-agency. Rather than it slopping around somewhere we decided to put it inside the regional development agencies, a multi-agency organisation, which has the sole objective of driving up the wealth creation of their region. That is why we put tourism there, because we saw it as a major economic driver. Before then it had gone round DTI, to the Home Office to DCMS, it had slopped around Whitehall bouncing from pillar to post. I do know that because when I used to chair the Trade and Industry Committee we argued then that we ought to find a home inside the economic sector. We have done that in DCMS by putting it inside the RDAs which are an economic driver. That is the reality.

**Q501 Dr Pugh:** I can understand that it is entirely desirable to have a regional overview and to integrate these things at a regional level, but also necessarily a number of government departments are involved in the process and therefore there is a need for there to be an overview at a central government level. What I am wondering is what your Department does in terms of meeting other departments like DCLG and so on to facilitate

that, to make that happen, to have a general focus not just on tourism but what actually makes tourism happen.

**Mr Caborn:** We worked with the Department for Transport, DCLG on the good practice planning guidance for tourism, which was published by DCLG this year and there are several areas where we work together as departments on the whole question of tourism. I do come back, if you are asking about the day-to-day activity, to the fact that is now taking place inside the regional development agencies, which is a multi-agency for Government anyway with a very specific objective. That is where I believe the focus has to be to drive up both the quantity and quality of tourism.

**Q502 Dr Pugh:** Would you feel it appropriate for example if your Department had input into housing strategy at a national level simply because housing is a big problem which has been brought up in all our inquiries into all the coastal towns we looked at? I am not saying you are responsible for solving it, but you have a view on what effect it will have on the tourist economy.

**Mr Caborn:** Yes, in the normal course of Government we would have a view. If it is something on open spaces or in other areas of sustainable communities, in these areas yes, we would have an input. We would have an input in terms of the arts, culture and so on. We would make our contribution to that debate. That is one thing about developing the policy and it is then about delivering it. The delivery mechanism, as far as tourism is concerned and therefore this area you are talking about, is actually through the regional development agencies.

**Q503 Dr Pugh:** Just to touch briefly on the issue of transport and transport links, do you make representations to the Department for Transport about what transport links would beneficially help inbound tourism?

**Mr Caborn:** Absolutely. As I said, the good practice tourism guide which went out was a case in point where the Department for Transport was one of those, along with other departments, which came together to look at that at a strategic level.

**Chair:** Thank you very much indeed Minister.

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*Witness:* **Mr Phil Woolas**, a Member of the House, Minister of State, Local Government and Community Cohesion, Department for Communities and Local Government, gave evidence.

**Chair:** Good to see you Minister. As you know, we have had a series of ministers from other departments on various aspects of coastal towns before you. We want to take up in a session with you a number of issues which have arisen during the course of our investigation and our visits to a small number of coastal towns.

**Q504 Anne Main:** In your memorandum you accept that there tend to be larger numbers of older people in coastal towns and that this presented challenges for local authorities. What are the challenges to

coastal towns from having higher concentrations of the elderly and what action is your Department taking to address them?

**Mr Woolas:** It is very true, as our memorandum states and as you have just stated, that on the whole coastal towns do have higher than average numbers of elderly people. The main way in which we take that into account is to recognise that through the mainstream funding, through the revenue support grant to the local authorities. As you will know, we are currently operating on a two-year settlement, moving to a three-year settlement from April 2008 onwards. In particular the elderly social services



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funding stream takes into account and weights the grant accordingly; indeed I increased the weighting in that grant in this current two-year settlement to reflect the fact that significant numbers of people are living to 80 and beyond. So that is taken into account and that did benefit the coastal towns.

**Q505 Anne Main:** May I just ask for a little clarification? When you talk about weighting the grant, what figures are you using to assume grant levels? Are you using current population or predicted population? What figures are you using to do that?

**Mr Woolas:** I recognise that is a very important question. A change was made in the formula for this settlement over previous settlements to try to take into account to a greater extent future population projections rather than simple historical facts by using the mid-year Estimates. We plot population trends so that the future is taken into account more than it was previously, although I recognise of course that some local authorities, not just coastal towns, argue that the data do not keep up to date, do not adequately reflect the fact that the difficulty with that argument for our department is that of course the allocations are made in advance and with a two-year settlement that obviously affects that matter. Secondly, we have to be fair to everyone, so the Secretary of State at the time and the Deputy Prime Minister tried to strike a balance between historical trends and future projections.

**Q506 Anne Main:** May I ask what figures you are using for the future projections? They are based on what?

**Mr Woolas:** They are the mid-year estimates from 2004 and then they are updated each year. Although the formula does not change, the figures do change throughout the two years. They are based on the ONS figures and of course we utterly rely on data from the Office of National Statistics, which is independent data obviously. Our policy is to use their data and to refer any queries over that data to the ONS.

**Q507 Anne Main:** Is that solely based on age?

**Mr Woolas:** No, no; that is based on the total population and then a combination of the census and the mid-year estimates to track historic trends and predict future trends. It is a weighted formula based on the total population and then on the demographic range within that population.

**Q508 Dr Pugh:** Some of the coastal towns have told us that they have higher than average costs in maintaining the public realm. Think of Victorian piers, think of public promenades, think of some of the listed buildings, the high number of visitors and the burden they impose on the public infrastructure. Do you think it is a fair point that they have higher than average costs maintaining the public realm, any more so than a city or a town?

**Mr Woolas:** I have never met a council or group of councils which do not say they have higher than average costs maintaining the public realm.

**Q509 Dr Pugh:** Are they making a fair point in this case?

**Mr Woolas:** Let me just answer in this way, if I may. The formula does take into account to a significant degree the number of estimated visitors to a local authority area, whether that be day visits or extended tourist visits. Of course authorities such as Westminster, York and so on do get compensated—if that is the right word. On the whole coastal towns do benefit from that. There is of course a debate in the local government family as to the fairness and accuracy of the weighting that we give to day visitors and we have a statistical working party that meets with the Local Government Association representatives and technical experts and we have very robust discussions about the accuracy or otherwise of the figures. We do take that into account. The particular needs are of course recognised by the Defra schemes in terms of coastal defences and you have been taking evidence from other departments. I am sorry, I think there was a third point.

**Q510 Dr Pugh:** You dealt with it. You have anticipated my second question by saying it is reflected in terms of the rate support grant and so on. I should imagine that you are not often lobbied by a group of councils which calls itself the coastal councils or anything like that which makes a specific plea along these lines; at least I am not familiar with such a lobbying group.

**Mr Woolas:** There is an emerging one and there is, as you are aware the all-party group. From the middle of last year we undertook a series of meetings which we called summits. We started out with the eight major city areas in England, but then extended those to 56 other major towns and cities and groups of towns and cities as well and held a series of summits. On 16 May 2006 we held a coastal towns and cities summit in Brighton which a number of representatives from across the country from coastal towns did attend. The purpose of that summit and the others was to ask some pretty fundamental questions about the relationship between those areas and central Government, particularly to ask them to identify, a process that has been going on since, the barriers which stop them taking joined-up decisions locally and any requests that they have as part of the powers that they need to join up their strategies better in each area. I think the coastal towns' summit, which I attended personally in Brighton and have followed since, was one of the more fruitful ones because it did show up some common themes, particularly, as you will be aware with your constituency, the changing nature of the tourism offer where the work on themes are common themes, changes to the fishing industry and ports industry. Although one would say that there are significant differences between towns like Newhaven and Southport, there are indeed some common approaches which we are addressing through the Local Government White Paper process and indeed the embedding of the local area agreements which I believe have already shown success in some of the coastal towns.

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**Q511 Mr Betts:** Another issue which has been raised in quite a few areas is the fact that many coastal towns look quite attractive if you walk down the promenade but behind is a number of pretty poor quality houses, often in the private sector and often housing in multiple occupation. The memorandum from your Department talks about measures in the 2004 Housing Act which could drive up the quality of those particular dwellings but not much about how we might remove and reduce the quantity of them to make a more balanced community. Do you have any ideas on that?

**Mr Woolas:** Yes. The housing in multiple occupation and the affordable homes point is a very important point. What we identified, and obviously we had the Sheffield Hallam report to help us as well, was that in some towns there is a vicious circle of a decline in the traditional tourist industry leading to a movement generally from hotel and bed and breakfast to properties being transferred to private rented with populations moving in because of the availability of relatively affordable private rented, relative to the region they are in, leading in turn to difficulties in those towns due to the nature of the tenancies and the people moving in tending to be less well-off people. I am just looking for the figures. We do within our neighbourhood renewal strategies identify that of the 88 most deprived local authority areas in the country some twenty-one of those areas are indeed coastal towns. We recognise very much these issues and this point about this vicious circle that I have described. The new powers on HMO licensing do allow the local authorities to influence the quality and offer of the housing that is available where it is in multiple occupancy. The introduction of mandatory licensing of high-risk HMOs that are three storeys or more and that have five or more persons in them is particularly obviously relevant to local authority areas. We have also given all local authorities the discretion to extend licensing to other types of privately rented HMOs in all or part of their areas and that is a power which is particularly taken up by coastal towns.

**Q512 Mr Betts:** I was going to ask about authorities which come back and say that they find the mandatory licensing is a welcome step forward. I think most of us think it is. There still are properties which fall outside that mandatory definition and authorities do have the discretion to come up with plans which would extend licensing to all HMOs in their area and probably put forward plans as well for licensing of the private rented sector in general. If coastal towns were to come forward if they had particular problems with those plans, would the general presumption be that the Minister would be sympathetic to them?

**Mr Woolas:** Yes, both specifically to that request and in the Local Government White Paper process. We see the White Paper as an evolving process and a dialogue with different local authorities and their partners in different areas to recognise the very different needs that they have in housing. Take Springbourne and Boscombe West in Bournemouth where we have a Neighbourhood Management

Pathfinder which is, one would think, a relatively prosperous area and indeed Bournemouth as a whole is but that particular area has high levels of deprivation and private rented housing. You clearly need a different solution there than you would say in your constituency, Mr Betts, or others; similarly where you have old holiday-village-type facilities. The approach we take is to say to the local authorities that they should identify what powers they do not have that they need to address the problems and also tell us what obstacles our policy—central Government not just DCLG—or the law in particular, what barriers there are to stop them doing what they want to do. If you take Blackpool's regeneration strategy which grabs headlines because of the proposed casino, underneath that headline grabbing initiative is a very substantial regeneration programme which largely revolves around the change in tenure and nature of the housing that Blackpool has. In that example there are powers which they do not have over housing financing that we are examining. The answer to your question is very definitely yes.

**Q513 Lyn Brown:** DCLG evidence to us talked about 21 of the 88 most deprived areas being in the coastal areas and that includes five resorts, as you indicated earlier. One of the things that was raised with us by one of the coastal resorts was that they did not believe that the Neighbourhood Renewal Unit had within it the expertise necessary to understand or deal with the issues experienced by the coastal areas. They felt that much of the expertise within the Neighbourhood Renewal Unit was predicated upon problems in inner city and urban areas. They raised with us two examples. One was the issue you have just been speaking about of homes in multiple occupation and how that impacts on coastal area. The second was the issue of dispersal policies and how coastal areas and others of the 21 areas did not have the expertise available inside those coastal areas to help them deal with the issues which came from dispersal because they did not have a history, a knowledge bank to be able to cope and they had nobody with whom to work. Would you think that was a fair concern? Would you agree with it? Is any action planned?

**Mr Woolas:** It is a very good point. My view would be that the expertise is there across the Department and across Government, but whether or not it is all located in the Neighbourhood Renewal Unit ...? The strategy regarding the Neighbourhood Renewal Unit is to work with local authorities and some of those local authorities that we work with are substantial in their own right; the Birmingham, the Manchesters and so on. As the memo says, some of them are not that big, such as Penwith, which is obviously in a different category. I suppose the honest answer is that I do not know, but it sounds a reasonable point and if the Committee were to raise it, it is something I should certainly investigate.

**Q514 Lyn Brown:** We shall be happy to do that. The second issue that was raised with us was about authorities taking their looked-after children into

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coastal areas, into foster parents' homes, children's homes, other residential facilities and leaving them there, so that at the age of 16, 17 and 18 they became the responsibility of those coastal areas and did not revert to being the responsibility in particular of the London boroughs which had enabled them to go there. The obvious issue for the coastal towns was clear: it is a matter of resources and the nature of their communities. The second issue is one about children. I accept this is not necessarily an issue for the DCLG, but it is about children and whether or not they should be located so far away from the homes they had come from.

**Mr Woolas:** This is a hugely important issue and it has been an issue in local government finance ever since local government finance was invented. The policy we have adopted is to recognise, again going back to the point from Anne about the funding formulas, from demographic data and compensate, if that is the right word, to a degree those towns which are the recipients as it were of children. What emerged also—and I think was covered in the annual report two years ago—is that there is a potential tension between the economies of scale and the efficiencies which, say, inner city boroughs can meet by placing children out of borough and a desirability in policy terms of doing so. What we are attempting to do, again falling back on the local area agreement strategy, by providing better joining up of funding through, in this case, children and young people's services and health and PCT and environmental health, and also very importantly through the supporting people budget, which is also distributed via local authorities, is to enable councils to release efficiencies which allow them to a greater extent to place more children in borough rather than out of borough. As the Committee will know, you can make some very significant savings. Even though the economy and efficiency argument might push boroughs, other things being equal—and I say "boroughs" quite deliberately because it tends to be boroughs which have the significant numbers—to make savings by pulling them out of borough, they can be and increasingly are being offset by the efficiency savings that can be gained by better joining up with other government partners. That is the approach we take. Just to emphasise the point about the funding for children and indeed young adults being recognised in the funding formulas.

**Q515 Lyn Brown:** I accept all that you say; I am not arguing with it. I realise that maybe this is something we need to take up with the Children's Minister, but given that the area which raised this particular concern with us is also an area which talked to us about their low educational achievement, talked to us about the low aspiration of the young people in their area, talked to us about the lack of facilities for further education and higher education in their area and the lack of resources and facilities for young people generally, it is clearly not necessarily an environment into which we would want to put vulnerable young people. I accept what you say to me in terms of funding and in terms of economy of scale, but surely there is something fundamentally

wrong with a policy which enables us to allow some local boroughs, London boroughs in particular, to displace their young people into places which are not necessarily in the best interests of those children.

**Mr Woolas:** The Committee will be aware that the division of responsibilities is such that our main portfolio is on the funding. The presumption of our financing policy is that the children should be cared for as near to home as possible and in-borough if possible. My joining-up funding point is important also for those children who are placed out of borough and the historic example of Hastings has always been cited in local government finance debates, particularly from central London boroughs and boroughs South of the Thames and there are similar regional and sub-regional examples around the country. If the funding formula recognises those factors, say the funding of children with needs in Hastings, but that funding formula is a health funding formula rather than a social services funding formula or an education funding formula, it is therefore not joined up. That again is why we attempt, through local area agreement, where partners share their outcomes, to achieve a better result.

**Q516 Lyn Brown:** Is there a performance indicator which local government is judged upon which would enable us to see, to ascertain whether or not the outplacements for young people in care were in their best interest?

**Mr Woolas:** Yes, I believe there is. It is one of the ones we share with other departments, but I shall confirm that.

**Q517 Chair:** Although by far the most distressing cases drawn to our attention were about the children in care and one of the points was—I think it was in Margate—that Margate social services were completely unaware of a vulnerable child being in their area until she walked into the sea and committed suicide, there were similar problems with a number of vulnerable adults and in Margate in particular there is essentially a care-home industry with homeless adults, adults with mental health diseases and children who are essentially being dumped there, paid for by their home boroughs, but subsequent costs being picked up by Margate who are not being funded for it and, most importantly, the individuals are getting an appalling service and no rehabilitation as far as we could see.

**Mr Woolas:** Is this in relation to children?

**Chair:** The lot. It is most distressing in terms of children, but exactly the same thing is happening with vulnerable adults.

**Q518 Mr Hands:** A related area and that is that I should like to probe you about the effects of immigration in coastal towns, both in terms of funding and also potentially in terms of community cohesion. Obviously on the funding side we are working currently on figures for the current grant settlement based on population in mid-2004. I am using a bit of guesswork here, but certainly the experience in London has been that a large number,

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300,000-plus have come to London from the new EU accession countries but I think also a lot have come to the coastal towns. Has immigration in the last two and a half years had any impact on funding for coastal towns? Secondly, is much attention being given by the Department in its community cohesion role to the effect that may have in coastal towns and most specifically port towns where there have been problems?

**Mr Woolas:** On the latter point, one of the purposes of moving the responsibility for community relations policies and community cohesion from the Home Office to the new Department for Communities and Local Government in the most recent changes in the machinery of Government was indeed to recognise the point that you rightly make that the ability of Government centrally to work with local areas required a departmental focus on that local area where you would get expertise and contact in a way that perhaps the Home Office did not have. In the Local Government White Paper process the responsibilities and strategies for community cohesion, in part to reflect the point about new immigrant communities, is a central part of the policy and quite right too I believe. On the funding issues, of course one has to balance in community cohesion terms the perception in some areas that if grants or funding are given for a particular community at the expense, as is perceived, of other communities within that area, often the indigenous population, you can, if you are not careful, do more harm than good. I am not saying that overrides the policy.

**Q519 Mr Hands:** That is very difficult to avoid. You are essentially talking about communities which have their central government funding based to some extent on population, to some extent on need. I do not think anybody would be saying the additional money would be going to the Poles or to the Bulgarians or wherever it might be. It is updating those population numbers from mid-2004 to reflect the changing nature and changing size of the community.

**Mr Woolas:** I believe very strongly that the balance we struck in the funding formula by changing is the fairest way of doing that. Of course we have examined and continue to examine other ways, but the danger is deciding at what point to take a decision and how much flexibility you bring in, bearing in mind that the revenue support grant is a pool of money which is distributed to all authorities. If one were to have a more short-term change, there would be losers as well as gainers.

**Q520 Mr Hands:** I guess my question is that instead of changing the formulae you should have a more frequent assessment of the data which goes into the formulae to reflect Britain changing. This is moving slightly away from coastal towns but coastal towns are visibly affected by this. You should have the data updated more often than every three years.

**Mr Woolas:** We use the projected population for each year, and therefore that does not change, even within the three-year settlement.

**Q521 Mr Hands:** Then to reduce the lag time I guess.

**Mr Woolas:** Whatever one does with the formula there are losers as well as gainers until you have to strike a balance in that. My own view—and I have looked at this personally in some depth, as have our statisticians and policy officials—is that we have the balance as right as is possible in the system we have. The population fluctuations in two types of areas, coastal towns as a result of seasonal labour as well as the immigrant point you make and student towns where there are dramatic shifts in population to coincide with college and university term times, present a particular challenge in the funding formulae because as well as how frequently one refreshes, there is also the question of the point at which you measure and this is one of the challenges for the statisticians. If you take a measurement of students in August you will get a different figure than you will if you take it in December and similarly with the coastal towns. I appreciate that is playing off the point about immigration; I am sorry if I am diverting you. It is something we have looked at and if one examines the statement to the House on the RSG settlement in December of last year, that point is specifically addressed and indeed I think some Members asked questions about it.

**Q522 Dr Pugh:** In the Government's own memorandum they say "... the Government has not undertaken any large scale research in recent years into the problems facing coastal towns", which is why I am delighted to hear that your Department has had a summit on the issue. Do you think the absence of research is a real deficiency in terms of teasing out what are the generic problems of coastal resorts or whether in fact they do have generic problems? Is there scope for further research or do we have a known phenomenon with obvious solutions?

**Mr Woolas:** I think there is. It is a personal view and I shall tell you why I think there is. I think that there is, because what is happening in towns and cities around the country through the better joining up of financing, the better ability that councils now have to work with other government agencies, to work with the private sector and the voluntary sector in producing strategies for their towns and cities and indeed counties through the sustainable communities plans, through economic regeneration plans, indeed through the local development framework planning documents, that greater freedom of flexibility that local areas have, their attempts to re-invent their economies, is a common theme throughout the country, but is particularly sharp in coastal towns where there has been and is a heavy dependency on the tourism industry, coastal towns where there has been a heavy dependency on fishing and coastal towns where the port is the economic *raison d'être*. In order to better inform those strategies more research has to be done and in some cases outside the big cities their capacity to do that research is not as great as everyone would desire. The regional development agencies in some instances can help fill that gap. I think particularly of the South East strategic priorities for their coastal

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area—which includes two ‘Diamonds for Investment and Growth’ areas. These are set out in the South East Regional Economic Strategy. I do not know whether you have come across that yet. That is a good example. If you look at the South West Regional Development Agency economic plan, which recognises the sub-regional differences, that has been a great, great help. In all honesty, the answer to your question is yes.

**Q523 Dr Pugh:** In order to benefit from research and get results we obviously require integrated policy across the piece. We have been much tasked with the problem of how you get policy properly integrated and unified and a common answer we have had this afternoon is to say that it is done at the RDA level. Then we always ask what happens at central government level and how far the efforts of central government departments are coordinated. The DCLG has a series of cross-cutting responsibilities, the DCMS is responsible for tourism, Defra are described in your memorandum as having the lead responsibility for coastal policy and the RDAs, who sew it together on a regional basis, are answerable to the DTI. You can see the difficulty we have here in understanding how, if there is a common view about how things are to be progressed, they are to be progressed at the central government level as well as through regional level.

**Mr Woolas:** What we attempt to do as part of the enhanced policy, again through changes in the Department’s function, is to become better at what we describe as place-making. Those economic regeneration strategies, which are multifarious, are fundamentally bottom-up. They are fundamentally about empowering local councils and their partners to lead economic regeneration. What we do through multi-area agreements as they emerge, through sub-regional strategies of RDAs and indeed working with Government Office, is to make sure that those strategies are complementary; a point the Committee considered last week in your deliberations on regional policy. What seems to be common through the coastal towns is a greater emphasis, apart obviously from the fishing and maritime industries which are inherent in coastal towns, not just on tourism but on culture as a vehicle of regeneration itself. Therefore the relationships become a bit more complex. The tourism may be a regional or a sub-regional as well as a local offer; the culture may be specific to a particular town or cultural city. We think that the building block approach, the bottom-up approach is the right approach. I am confident that the Department has or is obtaining a good understanding of each strategy in each area. Not that we can dictate the policy but so that we can facilitate it, acting as what we describe in the Department as a junction box between the local area and the regional and national strategy. May I just give one example to illustrate my point, which is a very powerful example and relates to Torbay. Torbay are trying to re-invent and re-engineer their tourism offer to one of the most important domestic tourist destinations in the

country. Torbay is made up of three towns essentially, one of them being Brixham, the second highest fishing port by value in the United Kingdom.

**Q524 Mr Hands:** By value of what?

**Mr Woolas:** Fish sold. The quantity is not great but the crabs are more expensive than the haddock; in fact I am told the Brixham crab is now a world-renowned dish. The point is that Defra’s fishing investment grants looked at particular bids, particular projects proposed by local areas all round the coast. The particular one in Brixham, although only £2 million of bid, was a central part of their regeneration strategy of the waterfront including a £100-plus million private sector development and was a central part of their job creation and educational strategy building around the fishing industry, restaurant trading, catering, fishing, engineering, boat building and so on. So the £2 million, although a small amount of money if looked at exclusively as a fishing project, would have had various merits over other bids, but looked at as part of a regeneration strategy became much more important and by working with Defra, Defra of course recognised that point and were able to facilitate that particular grant, giving the taxpayer essentially much better value for money and giving Torbay a real opportunity. There are similar examples elsewhere.

**Q525 Dr Pugh:** So a scenario we fear, which is somebody looking at their fish and the DCMS doing something different with it vis-à-vis the hotels and not talking to one another and not colluding at any government level, is a scenario which we wrongly fear because it just does not happen.

**Mr Woolas:** I think it is a scenario every elected Member of Parliament is very familiar with and that understanding is what the Department for Communities is attempting to act as a facilitator of. The key weapon in that, as our memorandum points out, is the local area agreement. Again in the case of Torbay, their further education college is a major partner of the local strategic partnership and they have a very innovative principal. Because that strategy has been drawn up locally, the partnership is able to facilitate that, with our help, across Whitehall. So their information to the DfES or in that case the Learning and Skills Council was part of that and was successful.

**Q526 Anne Main:** In terms of partnership and communication, I just feel that the picture you have painted, which sounds absolutely admirable, is not exactly the picture we were given by the Minister of State for Industry and the Regions when she gave us a very frank answer that no, they were not good enough and yes, they needed to do better. Would you endorse that view or would you say that your view, which seems to be a little rosier, is more the accurate picture?

**Mr Woolas:** One can always do better. The local area agreement process is very early in its life. We are only in year two. Every area in England will have an LAA up and running by 1 April next year, so there are

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areas where it is too early. Conceptually, if one tries to join up strategies from Whitehall, I do not think personally you will ever succeed. You can join them up locally and Whitehall can facilitate them and that is what we are trying to do.

**Q527 Anne Main:** We were concerned about lines of communication; that departments work together and communicate with each other so we do not have the ridiculous situation which we had in sea and coastal defences where money may be going into a project that may have the rug pulled from under it a few years later as somebody changes strategy. We want to make sure that the communication between departments is going on.

**Mr Woolas:** That is a good point. One can strive to be perfect of course, but the locking in of those decisions in the local area agreement is the solution to that point, in so far as there is a perfect solution. The other point worth making is that many of the examples I receive as local government minister on the alleged lack of “joined-upness” actually reflect a lack of money, not a lack of joining up. You can be joined up as much as you want, but it does not pay all the bills so not every town can have its ideal plan.

**Q528 Chair:** May I just take up the question of simplifying the money which comes to coastal towns? It was put to us in Margate that it would be helpful if the Government could simplify the number of funding streams which are available to coastal towns and given that Margate is in Kent they drew an analogy with the coalfield communities’ funding where there had been a single stream going into those communities and they thought that maybe coastal towns should be considered in a similar fashion and get a single stream of funding.

**Mr Woolas:** One of the objectives of the local area agreements is to bring as many specific area-based grants as possible into a pooling arrangement to give areas greater flexibility on the use of their funding and to simplify arrangements by having a similar set of terms and conditions. Our White Paper is due out shortly.

**Q529 Chair:** Excellent. We look forward to it with bated breath.

**Mr Woolas:** It is a very important point. Our policy is that unless there are exceptional circumstances area-based funding should be pooled or aligned exactly to meet the point Margate made.

**Chair:** Excellent. Thank you very much indeed, Minister.

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# Written evidence

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## Memorandum by the District of Easington (CT 55)

### EXECUTIVE SUMMARY

Seaham is located in the North of the District of Easington within the ex East Durham Coal field. There are many coastal ex colliery settlements along the Durham coastline as the coalfield stretched many miles under the North Sea, most of those to the South relate more readily to the New Town of Peterlee (1950s Radburn style development created to be a World Centre for Mining and aimed at “stitching together” surrounding colliery settlements).

Seaham is not a traditional coastal town. It developed as an industrial town centred on coal mining. Seaham had three super pits excavating coal and exporting it all over the world via Seaham Port.

The demise of the industry left a legacy of unemployment, severe economic disruption, poor health and huge environmental problems, most notably the state of the coastline.

Efforts have been made over the last 20 years to regenerate the town with over £400 million being invested. Key developments have been the A19 link road, the relocation of Seaham Harbour Dock Company offices, the development of a new shopping mall, two new housing developments, Dalton Park and Dawdon and Foxcover industrial estates.

The District has benefited from a number external funding regimes that have been allocated to Seaham to kick-start the regeneration of the area. However this funding is beginning to decrease and there is a need to think of new ways to attract investment.

Tourism has been highlighted as one of the key ways of turning the town of Seaham around. The “Turing the Tide” project has cleaned up the coastline and it is now an area that the local community can be proud of. With the continued support from regional agencies and emerging regional economic policy drivers Seaham has real potential to become a sustainable coastal spa town and a much used visitor attraction for the North East.

### 1. Background

1.1 Seaham is located within the District of Easington that covers an administration area for the former East Durham Coalfield. It lies immediately to the South of the City of Sunderland, East of Durham City itself and North of the New Town of Peterlee and Hartlepool. The District benefits from being located on the A19 Trunk Road and is located between the North East’s two City Regions (Tyne and Wear/Teess Valley).

1.2 The District itself lost over 10,000 direct coal mining in the late 1980s early 1990s and a further 25,000 associated jobs above ground over the same period. This is reflected in migration figures where approximately 112,000 people were resident in the District in 1971 and the population is now stabilising at around 93,000 at the last census. Current demography now reflects and ageing population. It has a blanket problem of social and economic problems manifesting in out migration of skilled workers, low levels of entrepreneurship, low incomes, low attainment rates, generational joblessness, health, housing and environmental problems resulting in being positioned seventh worst Authority in the Country within the Index of Multiple Deprivation.

1.3 The town of Seaham forms part of the North East region and benefits from good links north and south via the A19 road network and the Durham Coastal rail line. Seaham has a population of approximately 21,000 (2001 census), and it is the most northerly town in the district, bordering Sunderland City. It is one of two principal towns in Easington (the second being Peterlee New Town) and is included in the Durham County Structure Plan and the Major Centres Programme. It is closely adjacent to the village of Murton and settlement of Cold Hesledon (both to the East of the town), the increasing proximity of the urban form provides a sense of a wider town in land use and planning terms.

1.4 In many ways Seaham is not a traditional coastal town. It has a recent history of heavy industry albeit alongside a long-standing one in relation to Christian heritage. The tourism potential of the town is only recently coming to light. Indeed it has been incremental since the demise of the coal mining industry across the County. The town of Seaham grew around the coal mining industry and the Port. It had three collieries located in the area, Seaham Colliery, Vane Tempest Colliery and Dawdon Colliery, all of which were super pits employing 1,000 people in direct mining jobs.

1.5 Seaham Harbour was constructed in 1828, by Lord Londonderry for the transshipment of coal from the Durham Coalfields around the world. All of the local pits were connected by rail links so that the coal could come from the pits directly to the ships to be exported. There is still evidence of the railway lines in and around the town today and it is interesting to see how Seaham has developed around them, instead of the usual road network.

1.6 The last of the collieries in Seaham closed in the late 1980s. Leaving behind a legacy of heavy industry, poor health, unemployment and most notably huge environmental problems. In response to these issues the East Durham Task Force (EDTF) was established to coordinate the regeneration activity, not just in Seaham, but also across the whole district. The EDTF comprised of a number of public, private and

voluntary sector organisations and acted as the coordinating body for new public and private sector investment in East Durham. The EDTF also defined a number of strategic objectives, which sought to tackle a wide range of economic, social and environmental problems. One of the key objectives that emerged was making Seaham a geographical priority given the fact that it had been hit by three colliery closures.

## 2. *Strategic vision*

2.1 As a result of Seaham being made a priority settlement, the “Seaham Regeneration Strategy” (Drivas Jonas 1994) was commissioned by a partnership of the District of Easington Council, Durham County Council, Seaham Town Council, English Partnerships, British Coal Property and Seaham Harbour Dock Company. The Strategy had two principal objectives:

- To secure the physical regeneration and economic development of Seaham; and
- To provide an environment that was attractive to residents, in which businesses could flourish and that would serve to attract visitors and inward investment alike.

2.2 To govern the work outlined in the strategy, the Seaham Regeneration Member Panel was established with elected Council members from the Town, District and County Councils represented to drive projects forward. To support the Panel an officer group was set up to implement/facilitate projects on the ground and report back to the Panel. This approach has been very successful and we are looking to mirror the approach in Peterlee.

2.3 This work is now being revisited and a “vision” for the area is being re-established in light of the fact that a significant amount of development has been progressed in the Tow, developer confidence has grown and private sector investment has been forthcoming. The development potential of the Town has aspirations to maximise the opportunities of its coastal location and seize its potential to become a one to two day visitor destination in a growing regional tourism and leisure market.

## 3. *Investment profile*

3.1 In the period since the strategy has been published, considerable progress has been made in achieving most of the projects recommended, via a series of inward investment programmes totalling some £400 million, with approximately 50% being sourced from the private sector.

3.2 Such investments have included the relocation of the Dock Company Offices to free up a prime location for a retail development in the heart of the town. Seaham Harbour Dock Company has benefited from new bespoke accommodation and Modus properties were successful in gaining the retail site. The development is due on site in 2006 with ASDA acting as an anchor tenant for the proposals.

3.3 Plans are also underway to redevelop St Johns Square, a civic space within the town. The area currently suffers from high levels of anti social behaviour and many of the buildings have fallen in to disrepair. The aim of the scheme is to provide a new Integrated Service Centre, providing cross authority services, a new Primary Care Trust facility and a new Job Centre.

3.4 The implementation of the A19 link road has fostered the development of Dawdon and Foxcover Enterprise Zones (location of the former Dawdon Colliery). This has brought some much needed investment and employment into the area with over 38,000 square metres of floorspace being constructed.

3.5 The other two colliery sites in Seaham have been reclaimed and sold off for large scale housing developments. The Vane Tempest colliery (now East Shore Village) has been sold to a housing consortium that has nearly completed the construction of around 600 new dwellings. Seaham Colliery has just been master planned by Browne Smith Baker Architects and is due to go out to the market for a preferred developer for the construction of 400 homes, within the next month. The three former colliery sites mentioned are strategic sites within English Partnerships National Coalfields programme. The programme was established in 1996 and includes 101 sites with an estimated value of £600 million to be developed by 2012.

3.6 Improvements have also been made to the existing housing stock, in order to improve residents quality of life. Investment has been targeted at Dawdon and Deneside wards and has featured a programme of selective demolition and replacement in the Parkside area, improvements to Local Authority stock in Deneside and group repair to private housing in Dawdon.

3.7 A vital aspect of the regeneration activity in Seaham is the A19 Link Road and its proposed extension to meet with the A690 and the A1 to the west. This link will become a route of strategic importance, acting as a catalyst for economic investment. As well as facilitating the existing developments of the new shopping complex, the port and Dawdon and Foxcover Enterprise Zones, the extension will also promote the development of Hawthorn Prestige Industrial Estate (just off the A19) and the potential use of a Strategic Reserve Site for economic development. There has already been interest from the GREAT Institute (Geothermal Research Education and Training Institute) to develop economic activity based on utilising local geological resources as an energy source for the Hawthorn Site. It is hoped that this link will become a strategic economic corridor for the District and the region as a whole.



3.8 The concentrated efforts within the Town since the early 1990s has brought real potential benefits for economic change. This is reflected by the fastest growing land and property prices in England over the past five years. Emerging small business retail growth in the Town. An increase in development enquiries for hotels and serviced/non-serviced guest accommodation (This has resulted in two developments one including a golf course, fishing lakes and wider leisure activities).

3.9 The focus on the Town over a concentrated period has been brought about through close working and collaboration with partnerships at a regional and National level based around the issues of ex coalfield areas, (particularly the Coalfield Communities Campaign, English Partnerships and the Coalfield Regeneration Trust), not due to its location as a coastal settlement or Authority or due to its potential contribution in Regional Economic terms.

#### 4. *Tourism potential*

4.1 As previously mentioned the tourism potential of Seaham has only been explored in the last 20 years. Before this time the sea and the port were an integral part of the coal mining industry, with much of the coal being extracted from seams underneath the sea bed, or spoil being dumped out to sea. This of course had a major impact on the coastline, with the sea and local beaches being heavily polluted with coal and other waste products. This point is highlighted by the number of properties along the seafront that are facing away from the water, which in other seaside towns would be taking advantage of the prime views.

4.2 However, as part of the Seaham Regeneration Strategy 1994, it was recommended that Seaham's location should be exploited to help shape the economic future of the town. A massive project, "Turning the Tide", was established to clean up the Durham Coastline after the many years of excavation and dumping of coal out to sea. The overall cost of the project was £10 million and also included improvements to the promenade and a focal point around Bath Terrace and Terrace Green. As a result of this initiative the area has been designated Heritage Coast Status and a trust has been set up to ensure its continual, protection, management and development.

4.3 Work has commenced to redevelop the North Dock. To date £½ a million (from the Liveability Fund and the District of Easington Council) has been invested in public accommodation works to ensure that the local community have access to the area. Funding applications are currently being prepared to finance future phases of work, including birthing facilities, new workshop units for small businesses and the restoration of the historical features on site such as the coal chutes, railway tunnels the Lifeboat House and the North Breakwater.

4.4 The private sector is also beginning to take an interest in what the town has to offer. Tom Maxfield, a partner in the Sage Software Company, has redeveloped Seaham Hall into a multi award winning hotel and serenity spa, popular with visiting sports personalities and touring bands/artists who are performing in the region. The hotel has been so successful that they are currently looking to expand and build a boutique style hotel on the same complex (recently awarded best spa hotel in the world by the *Sunday Times*).

4.5 Private investment has also been seen at Dalton Park in Murton, an adjacent village to Seaham, in the form of a new out of town outlet retail facility. The developers chose the site due to its excellent on the A19. The facility is exceeding all expectations in terms of footfall and profits and they are currently looking at phase 2 of the development, which will aim to include an extreme sports facility, a cinema and a bowling alley, which will give the park a more regional focus.

#### 5. *Current issues*

5.1 As highlighted by the content of this report Seaham is not a traditional coastal town, in respect of it being a resort that is reliant on the tourist industry for economic growth. However it does suffer from many similar issues, such as unemployment, and high levels of deprivation (Easington District is the seventh most deprived Local Authority in England—Index of Deprivation 2004). These issues have arisen as a result of demise of the coal mining industry and not through the seasonality of the tourist industry and decline in numbers of people taking holidays in Britain.

5.2 As a result of our status as one of the 88 most deprived authorities, Easington District has received a substantial amount of funding to help bridge the gaps between this area and the national averages. The area has benefited from European Monies and assistance from English Partnership as part of the National Coalfields Programme as well as other grants and initiatives. However, as is the case with many areas throughout the country a continually resourced and focussed effort is required in an environment where there is a need to think of new ways to attract inward investment to support future regeneration.

5.3 Unlike many coastal towns, we are at the very start of creating a tourist industry and there is a need within the region to raise the profile of the town so that the Durham coastline is not forgotten when regional tourism strategies are brought forward so that there is support for future growth and development. This is to ensure that the town of Seaham has an economic focus and can look to increase visitor numbers and employment levels in what is a beautiful part of the North East.

5.4 The need define Seaham's future as a Northern Coastal Spa Town is becoming recognised more widely and this is reflected in emerging investment and development. Its role and function in relation to the regional and pan regional policy agenda is less clear. The emergence of the Northern Way and City Regions presents potentially both opportunities and threats in the continued renaissance of the District as a whole. It is vital that tourism within this process plays a major part and compliments rather than competes with the existing regional visitor offer.

5.5 The North/South transport links in terms of the rail line and trunk road are assets yet connectivity and targets of decreasing travel times between City Regions could potentially lead to exclude the area at faster speeds. The continued diversification of the Towns and District business base is reliant on this infrastructure to re-establish economic stability and take benefit of the potential growth of the region as well as significantly contribute to its success.

5.6 Areas in coal field or coastal areas have significant contributions to make to these emerging wider policy agendas and support in a time where tourism and leisure markets are flourishing and yet there is a lack of recognition within broader city region approaches of the contribution of either types of localities in developing regional economic policy approaches.

5.7 The Environment Agency's recent coastal recreation strategy for the North East Region identifies that it is vital that Seaham Harbour becomes a focal point for investment in this respect. This has to be considered in the wider economic sustainability of the Town and will hopefully influence the view of the Regional Development Agency in terms of its continued commitment to Seaham.

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**Memorandum by the North West Regional Development Agency (NWDA) (CT 56)**

**ADDITIONAL STATEMENT OF EVIDENCE FROM THE NORTH WEST REGIONAL  
DEVELOPMENT AGENCY, JULY 2006**

1. The Agency's initial Regional Economic Strategy in 1999 indicated a specific "action" relating to coastal resorts.

*"The North West's coastal resorts are important tourism and leisure assets. They are the most sustainable locations for new development on the coast. But their markets are changing and some resorts have experienced serious economic difficulties . . . The NWDA will develop a new vision for the coastal tourism resorts in partnership with local authorities and other agencies . . ."*

(paragraph 5.25, page 33).

2. The Agency commissioned Locum Destination Consulting in 2002 to prepare the report "A New Vision for North West Coastal Resorts". The consultants work involved workshop sessions and consultation with local authorities and other key partners in the towns.

3. Since 2002 almost £86 million has been invested in North West coastal towns by the Agency.

4. The ReBlackpool Urban Regeneration Company was formally established in February 2005.

5. A further £72 million of NWDA investment in coastal towns is planned by the end of 2007-08.

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**Memorandum by VisitBritain (CT 57)**

**INTRODUCTION**

Intro. 1 VisitBritain, the British Tourist Authority, promotes Britain internationally to 36 markets and England domestically to the British. England is also marketed in four European countries (Germany, France, the Netherlands and Eire) where England is a particularly strong brand. We are responsible for both the visitbritain.com and enjoyengland.com visitor-oriented websites and jointly fund the Britain and London Visitor Centre (BLVC) in Lower Regent Street, London.

Intro. 2 VisitBritain is grateful for the opportunity to share information and views for this important inquiry into coastal towns. There are key issues in the visitor economy that VisitBritain would wish to be borne in mind.

Intro. 3 There are an estimated 1.4 million jobs in tourism in the UK as a whole, some 5% of all people in employment. Tourism is one of the largest industries in the UK, accounting for 3.5% of the UK economy and worth approximately £74.2 billion in 2003, with most tourism spending in Britain being made by the British. Of the £74 billion, around £13 billion is foreign visitor spend.

1. *The case for special initiatives to tackle the needs of coastal towns*

1.1 We believe it will be most helpful to the committee if we discuss the needs of the visitor economy in sustainable economic development for coastal towns. In general, a successful visitor economy will need to provide tourists with certain “oos and ahs”—specifically the “oos and Rs” of visitability:

**The “oos”**

Something to *view*—the photo opportunity, the postcard view, the “must-see” attractions.

Something to *do*—quality events, galleries, museums, parks, rides, adventures etc.

Something to *chew*—places to buy food and drink, cafés, restaurants, pubs, bars etc.

A place for the *loo*—well-managed, clean public toilets, preferably free of charge.

**The “Rs”**

Road, Rail, wateR and aiR—accessibility for visitors, including paRking.

Responsiveness to consumer demand—high quality customer service, value for money.

Refuse management—bins for visitors to use, clean streets for a congenial environment.

Rarity—that special something only this location can offer. (eg the natural Devon/Dorset Jurassic Coast or the man-made Deep Submarium, Hull).

VisitBritain/enjoyEngland already promote a number of initiatives, campaigns and events to tackle the visitor economy needs of coastal towns. These are discussed under section 6.

1.2 The Blue Flag for clean beaches and, indeed, the Green Flag initiative for public parks represent welcome initiatives that incentivise local authorities and help improve both the perception of coastal towns as a visitor destination and the actual experience. Our market research suggests that England is sometimes seen as a rather grey place. Indeed, some emerging markets (Russia, China) display perceptions of a Conan-Doyle novel environment of foggy, dark streets. Overcoming the perceptions barrier is a key aim of our marketing.

2. *Looking at the work DCLG is doing to address the social, housing and environmental problems coastal towns face, and to evaluate whether it is effective, well-focused or adequately funded*

2.1 VisitBritain cannot comment on those areas outwith tourism and the visitor economy. We do note, however, the “liveability” agenda and the “Liveability Fund” initiated under the former ODPM. The improvement of public spaces to increase liveability will clearly also have an affect on an area’s “visitability” where it leads to a more positive visitor experience. It is worth noting that “liveability” and “visitability” are not, however, synonyms. For example, the need for parking facilities in coastal towns presents a perennial problem and potential conflict between the residents who live there and the tourists who visit.

3. *Assessing the effectiveness of DCLG’s liaison with other departments, in key areas such as employment, migration, and social housing, and co-operation with local authorities*

3.1 Again, VisitBritain cannot comment on those areas outwith tourism and the visitor economy. However, as the Committee is assessing the effectiveness of “joined-up government”, it may be of interest to the Committee to know that VisitBritain has recently been consulted by DEFRA on the proposed Marine Bill, and by the Department for Transport on the Ports Policy Review. Both of these consultations have clear implications for the visitor economy in coastal towns and cross-departmental relations.

3.2 Tourism provides many gateway jobs to future careers and is a key source of first-time employment, or holiday employment for students. Up-skilling for hospitality, within the remit of the DfES, is vital for the visitor economy. Language skills (including simple *English* language skills such as articulation) can prove lacking.

3.4 Other areas where coastal towns will be affected by the initiatives of other departments include the DfT Review of the Brighton Mainline and “Getting Equal: Proposals to Outlaw Sexual Orientation Discrimination in the Provision of Goods & Services” from the Women & Equality Unit (of the DTI at time of release, but we understand this unit is now absorbed into DCLG). VisitBritain specifically targets the lucrative gay and lesbian travel market with world-class marketing, promoting the tolerant nature of our country and the cosmopolitan nature of such coastal towns as Blackpool and Brighton.

3.5 A recent, welcome and noteworthy example of DCLG liaison with our sponsor-Department, the Department for Culture, Media and Sport, is the Good Practice Guide on Planning for Tourism (the replacement for PPG21). This Guide was jointly launched by DCLG with the Tourism Minister, Sean Woodward MP last month (June 2006).

4. *The case for more specific regional initiatives, and whether enough attention is paid to regional disparities*

4.1 Event-related and event-motivated tourism are worthy of consideration here. For example, Weymouth hosts the Olympic sailing in 2012. There will be event-related tourism—visitors who go to

Weymouth for the sailing; and event-motivated tourism—visitors who go to Weymouth after the Olympics having seen it and found it appealing in the media coverage. Similarly, Liverpool Capital of Culture 2008. Sustaining interest following a major event that gets a location—and the area around it—on the tourist map is vital. Inland, we have seen this happen successfully in Birmingham/West Midlands following our second city’s unprecedented international exposure for the May 1998 G8 Summit and the Eurovision Song Contest hosted in the same month. Initiatives or events should be “once in a lifetime, for a lifetime of opportunity”.

4.2 The success of Birmingham is also consistent with a trend in international travel toward city breaks. One negative of this trend for coastal towns is the decline of traditional seaside week-long “bucket-and-spade” tourism (though this is far from dead). Coastal towns and port cities such as Brighton, Bristol, Exeter, Hull, Liverpool, London, Newcastle/Gateshead, Plymouth, Portsmouth and Sunderland are specifically marketed as City Break locations for the increasing interest in such tourism. (See the cityCulture brochure.) Initiatives such as Civil Renewal within DCLG will have regional implications.

4.3 Regional *differences* can be very important and positive phenomena. We would hope that attempts to create “level playing fields” among regions do not lose sight of this.

## 5. *Consideration of the security of future funding for regeneration and supporting coastal towns*

5.1 Current inefficiencies in tourism promotion are pronounced. Investment in the industry is not merely about spending more, but spending better. Of course, we would point out that Grant-In-Aid to VisitBritain for promotional work to our markets overseas has been frozen at £35 million since 1997. But overall government—and local government—funding to the tourism sector could and should be directed and spent in a more effective way. At present, the funding for our sector is directed through five or six silos. There is too little real co-ordination or cohesion. Tourism in Scotland is devolved to the Scottish Parliament; in Wales it is the Welsh Assembly. In Britain, all overseas promotion and marketing is funded through the Department for Culture, Media and Sport. In England, the eight Regional Development Agencies are under the Department for Trade and Industry. In London, Visit London is funded by the Greater London Authority and the London Development Agency. And the 514 networked tourist information centres in England are funded by local government and local partners. There has to be a more effective way for this public funding to be spent.

5.2 Developments in shared-services and greater efficiencies have begun. The recent Partners for England Summit held on 27 June was convened to establish practical measures for national and regional agencies along with local authorities to fully engage in the visitor economy, and to develop a set of clear roles and responsibilities among partners. It was hosted by England Regional Development Agencies and EMAB (the England Marketing Advisory Board established by the Secretary of State for Culture, Media and Sport, to oversee the creation, development, promotion and implementation of the marketing strategy for England), supported by the Local Government Association.

5.3 VisitBritain is deeply concerned by suggestions that the Lyons Review of Local Government Finance might recommend a visitor tax, tourist tax or “bed tax” on accommodation. The United Kingdom already has the third highest rate of VAT on tourism-related services in the European Union (after Denmark and Slovakia). As a matter of policy, VisitBritain opposes increases in taxation on the visitor economy. Tourism is highly “price elastic” or “price sensitive” and only through expert brand-marketing have we managed to overcome this enormous disadvantage. Burdens such as local taxes would be intolerable, as has been discovered elsewhere—notably the Balearic Islands.

## 6. *Evaluation of the success of the RDAs and other bodies in supporting and developing the economies of coastal towns*

6.1 As a Non-Departmental Public Body, sponsored by the DCMS, VisitBritain is clearly one such “other body”. In the hope that they are of interest, we have included, with this memorandum, examples of recent and current information and marketing campaigns which impact on coastal towns and cities:

6.1.1 enjoyEngland international and domestic market profiles 2006.

6.1.2 watersideEngland.

6.1.3 tasteEngland.

6.1.4 cityCulture.

6.1.5 England 2006/Brighton pull-out from the *Sunday Times*.

6.1.6 Family fun map.

6.2 enjoyEngland’s Quality Assessment is a key aspect of our work and an assurance to visitors. Similarly, our annual enjoyEngland Awards for Excellence present the opportunity to highlight and encourage best practice in the visitor sector.

### **Memorandum by the British Urban Regeneration Association (BURA) (CT 58)**

The British Urban Regeneration Association (BURA) has provided a forum for the exchange of ideas, experience and information for the diverse regeneration sector since 1990. As the leading independent champion for those involved in regeneration, BURA's unique strength comes from its wide range of members from the private, public, voluntary, community and academic sectors. The Association offers national and regional networks, pioneering and practical modular training programmes, diverse and constructive events and campaigns addressing key issues on the regeneration agenda, in particular the long-term development of the regeneration workforce itself.

#### **RESEARCH**

BURA's dynamic cross-sector think-tank, the Steering & Development Forum (SDF), shapes and influences regeneration policy through independent research on issues around the practical delivery and implementation of regeneration and by responding to government consultations on relevant policy initiatives.

The SDF was established in 2001 with the specific aim of articulating the views of the regeneration sector to policymakers through constructive dialogue. Recent and current research projects include:

- (i) Regeneration Priorities for CSR2007.
- (ii) The Sustainability of Suburbia.
- (iii) Institutional Investment in Regeneration: Necessary Conditions for Effective Funding (with Investment Property Forum).
- (iv) Local Government, New Localism and the Delivery of Regeneration.
- (v) Provision of Affordable Housing: Issues in Policy and Practice.
- (vi) Towards A National Strategy for Regeneration.
- (vii) Delivering in the Growth Areas: Overcoming the Barriers to Regeneration.
- (viii) Procurement in Urban Regeneration: Accountability, Shared Vision and Partnering.

#### **BEST PRACTICE**

BURA identifies and promotes best practice in regeneration, guiding and inspiring the sector's evolution and exploring the social, economic and environmental issues involved for all parties. Our long-standing and highly-respected awards programmes help to define as well as promote excellence in regeneration. We see our awards as creating a body of best practice over time and so maintain contact with previous award-winners to disseminate the lessons from their experience.

Several of our award-winning projects have been in coastal towns, including St Annes on Sea in Lancashire [BURA Award 2005], Gunwharf Quays in Portsmouth [BURA 2003 & Crystal Awards 2005], Littlehampton East Bank development [BURA 2004], and Grange Park estate in Blackpool (DPM Award 2004).

#### **REGENERATION BY THE SEA**

Regeneration in coastal settlements presents specific challenges, most of which have been explored in detail by this Inquiry: seasonal employment and economic patterns, transient populations, poor connectivity, housing market issues, neglected or decaying architecture. Renewal is starting to happen, slowly but surely.

We believe the case has been made that coastal towns have specific problems and the nature of those problems has been well described by respondents to the Inquiry. This now needs to be formally recognised by Government. The next stage should focus on sharing best practice solutions and empowering cross-sectoral local partnerships to deliver the solutions through coherent single pot funding. There is no doubt that coastal towns deserve the attention demonstrated by this Inquiry and we welcome the explicit review of funding approaches. We need a debate about the relative merits of approaches like LEGI (substantial funding for a few pathfinders) and NDC (lots of money for limited number of "worst cases", versus, for example, the Coalfields Regeneration Trust approach of a major national programme allowing for interventions throughout the areas affected by industrial collapse).

In terms of national policy, two major issues for almost all coastal towns are Houses of Multiple Occupation (HMOs) and the benefits system. Coastal towns share with 'studentified' areas the urgent need for stronger HMO licensing powers or, preferably, a change to the planning use classes order to differentiate HMOs from other residential use (as has been achieved in Northern Ireland). HMO demand in seaside towns tends to be fed by the benefits system.

However, welfare reform issues in coastal towns go far beyond this particular housing-related impact. BURA has been working with the National Community Forum and Community Links, in close liaison with DCLG (ODPM) and the DWP, to understand and explain how the benefits system could be better used to underpin regeneration and neighbourhood renewal. We have proposed a Community Allowance that would enable claimants to undertake constructive community regeneration work without putting their benefit status at risk. Since this kind of work is usually part-time, short-term, sessional and unpredictable it does not fit with a welfare system based on the notion of full-time work (at least 16 hrs/wk). It therefore becomes a “phantom economy” of work that doesn’t get done even though the people who could best do it are present in abundance and the money that could pay for it is available through a plethora of regeneration and renewal schemes. While we believe the Community Allowance would be a major boon to all deprived areas, it could be particularly important in areas where seasonal and sessional employment is the dominant economic option—supporting local people in seaside towns to build up a whole-year portfolio of economic activity from a starting-position far from the “normal” labour market.

#### BURA SEASIDE NETWORK

We are currently establishing the BURA Seaside Network. This is an indication of our belief that coastal towns around the UK have more in common than their regional distribution would suggest. The coast is a thread that draws together different parts of the UK—seaside towns in the north and south, east and west have a substantially shared experience and a lot to learn from each other. Reflecting the diversity of people involved in regeneration, the network brings together public, private and community interests from towns and cities by the sea, with different ambitions but a shared heritage, whether they were resorts or ports, fishing towns or shipyards.

This new “pier-to-pier” network, launching in Hastings on 12 July 2006, aims to explore challenges and successes to speed up the process of change, share the best standards of practice and delivery, and join forces to build a stronger voice. We have had a very enthusiastic response, especially from regenerators who want to see the network focus on “delivery rather than more planning, strategy, etc”.

#### **NOTE: Distinction between BRADA and the BURA Seaside Network:**

The key feature of the Seaside Network is its CROSS-SECTORAL nature. Whereas BRADA is mainly for local authorities, BURA has a unique membership which is one-quarter public sector, one-quarter private sector, one-quarter voluntary/community sector, one-quarter individuals. This guides our approach to all our work including the Seaside Network.

The Seaside Network aims to involve all TOWNS BY THE SEA whether they are/were ports, resorts or a bit of both, and regardless of how they see their future economic niche.

Our focus is very strongly on REGENERATION, and therefore alongside issues of the physical fabric, tourism, transport and economic development, the Network will also address issues such as welfare, asylum, education and health, housing, and community development that would be less likely to feature in an association focusing on coastal destinations and attractions.

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#### **Memorandum by the Foyer Federation (CT 59)**

##### EXECUTIVE SUMMARY

Since launching in 1992, the UK Foyer network has grown to over 130 local Foyers supporting more than 10,000 homeless 16 to 25 year-olds each year, giving them a chance to realise their full potential. They enable young people at risk to escape the “no home-no job-no home” cycle by delivering a holistic service that integrates accommodation with training, job search, personal support and motivation.

This submission highlights key themes drawn from the Foyers’ experiences of working with young people in coastal towns, including:

- A predominantly retired population.
- Access to transport.
- Educational opportunities.
- Family breakdown.
- Substance misuse.
- Access to housing.

## INTRODUCTION

1.1 Foyers provide accommodation with opportunity for young people, and a community in which they can grow towards independence and thrive. By integrating training and job search, personal support and motivation with a place to live, they provide a bridge to independent living, and a chance for young people to realise their full potential.

1.2 There are currently over 130 Foyers across the UK supporting over 10,000 young people every year. There are various models, ranging in size from fewer than 10 beds to well over 200. Foyers can be developed as new builds or as conversions from existing projects and services. All Foyers are independently developed and managed by local partnerships and/or Housing Associations, but the Foyer Federation and the Foyer Accreditation Scheme connect them all through shared values, operating principles and a quality framework.

1.3 Foyers aim to meet their mission statement by providing affordable and secure accommodation with personal support and access to training and employment. Unlike other accommodation, the Foyer requires a two-way agreement with residents, so that in exchange for accommodation and use of the Foyer services, the young person commits to working on an action plan to move towards personal and economic independence.

1.4 Because the Foyer Federation works with over 10,000 young people a year we are particularly well suited to highlight the problems and disadvantages young people in coastal areas face. Some of the evidence below relates specifically to issues faced by residents in Foyers, but often the issues highlighted are problems faced by the majority of young people living in coastal areas.

1.5 The Foyer Federation has gathered evidence from seven coastal Foyers: Exeter Foyer, Plymouth Foyer, Lewes District Foyer, Worthing Foyer, Scarborough Foyer, Foyer for the Island (Isle of Wight), and Torbay Foyer.

1.6 This submission highlights key themes drawn from the Foyers' experiences of working with young people in coastal towns.

## RETIRED POPULATION

2.1 All the Foyers referred to the high percentage of retired or older people living in coastal towns. One key consequence of this is that local services are predominantly focused around their needs. There is also a lack of social activities available for young people, and if there is anything to do, for example cinemas, they are usually expensive. This lack of affordable activities is particularly acute in the winter months.

2.2 Inter-generational conflict was also highlighted as an issue by some Foyers.

## TRANSPORT

3.1 All the Foyers highlighted the inadequacies of public transport, and the associated high cost. Young people living in Foyers generally have no access to private transport, and for the majority who are living on benefit, the cost of public transport is prohibitive. Foyer for the Island noted the high costs of ferry tickets to the mainland, which means that young people living on the Isle of Wight are generally stuck there. Scarborough Foyer also pointed out that their nearest large town is York, which at a cost of £40 for a train ticket, is out of the reach of young people living in the Foyer.

3.2 Exeter Foyer raised the point that students at FE colleges can apply for free travel passes, but no such option is available to Foyer residents on life-skills courses. In Plymouth, moped hire schemes exist, but again are not available to Foyer residents on life-skills courses. On the Isle of Wight the local Connexions service is twenty minutes away by train at a prohibitive cost for Foyer residents.

## LACK OF EDUCATIONAL OPPORTUNITIES

4.1 A general lack of educational opportunities is linked to the issue of inadequate and expensive transport. Lewes District Foyer pointed out the lack of a local college. The nearest college is in Lewes and is a long and expensive train journey away.

4.2 Where Foyers do have access to local colleges there is often an issue with the type of courses available or appropriate to Foyer residents. Exeter Foyer pointed out that the lack of relevant and suitable courses at their local college leads to disillusionment and low expectations among Foyer residents. Torbay Foyer has one young person that would like to do a carpentry course, but no such course is available at the local college. Scarborough Foyer reported that their local FE college does not have relevant courses available, such as construction.

## EMPLOYMENT

5.1 All Foyers referred to the seasonal nature of employment, paid on a minimum wage basis. Jobs available are usually in the hospitality sector, such as hotels, bars, catering, or retail. The only employment available all year round is call-centre jobs or work in care homes because of the high percentage of retired people in coastal areas.

5.2 No high-tech industries are attracted to coastal areas, therefore the focus is on entry-level employment. Scarborough Foyer also pointed out that jobs in larger firms are rare and usually short-term. Larger factories are also located outside towns, with limited public transport again meaning that they are prohibitive to young people living in Foyers.

5.3 The seasonal nature of employment in coastal areas, combined with the decline of the local fishing industries, mean that a lot of young people are caught in the benefits trap. All Foyers highlighted the decline in tourism because of cheaper flights to non-UK destinations which has had a negative influence on the summer jobs available.

5.4 The Foyer for the Island highlighted the impact of European migrant workers on the number of jobs available to young people during the summer months, particularly as migrant workers are often prepared to work for less than the minimum wage.

## FAMILY BREAKDOWN AND MISUSE PROBLEMS

6.1 A large amount of drug related issues stem from being close to ports where drug trafficking takes place.

6.2 In addition, the decline of the local fishing industries has led to a lack of community and unemployment. The results are a high incidence of drug addiction, unemployment and domestic abuse, leading to a high proportion of family break-down—the main cause of Foyer referrals.

6.3 Many young people in step families do not get on with their step mother, father or siblings and this often results in them leaving the family home.

6.4 This, combined with the lack of social activities, lead to many young people being involved in anti-social behaviour and drug abuse. In all the seven coastal towns the Foyer provides the only real alternative accommodation for these young people.

6.5 Indeed, 15% of referrals to Torbay Foyer are from young people left behind by families choosing to leave the area due to the decline in the tourist industry and a lack of jobs.

6.6 Because of the lack of transport, employment and educational opportunities, young people in coastal towns tend to be inward-looking and live in communities that are difficult to break out from. When living in a small town with drug problems it is often difficult for vulnerable young people to avoid being drawn in.

6.7 Scarborough Foyer described the “bucket and spade” syndrome where many people from Leeds come to Scarborough to start a new life because of the positive postcard images that many coastal towns have. However, a lot of people do not find what they are looking for and many end up with drug and alcohol addictions. Torbay Foyer added that a lot of young people migrate to Torquay in the summer and end up staying, which can often lead to substance misuse and anti-social behaviour.

6.8 Related to the above issues are a high number of mental health issues, due to depression and low self-esteem. Worthing Foyer noted that due to a lack of floating support and social services for young people they have difficulties linking in with mental health services and anger management courses, for example.

## HOUSING

7.1 All Foyers pointed out the lack and high cost of housing and move-on accommodation available for young people and Foyer residents in particular. The rental market is geared towards summer lets and therefore affordable private rental accommodation is generally only available during the winter months.

7.2 However, as Torbay Foyer pointed out, many private landlords do not want to rent out to under-25s, particularly those affected by Single Room Rent, and not enough new social housing is available. In many cases the only accommodation available for young people are the Foyers, and they can not cope with all the number of referrals. Scarborough Foyer also pointed out the lack of Registered Social Landlords in their area.

## CONCLUSION

Many of the problems highlighted in this submission affect young people across the UK. However, the situation in coastal towns is particularly acute and exacerbated by the seasonal nature of employment, a lack of affordable transport and the predominance of an older population making access to appropriate public services more scarce.



## Memorandum from the Department for Work and Pensions (CT 60)

### SUMMARY

1. This memorandum is submitted by the Department for Work and Pensions as a contribution to the Communities and Local Government Select Committee's inquiry into coastal towns.

2. Over the last 10 years the UK has established one of the strongest labour markets in the world. There are now more people in work than ever before and the UK has the best combination of employment and unemployment of any major economy.

3. Since 1997 the Government's key labour market objective has been to achieve high and stable levels of employment so everyone can share in growing living standards and greater job opportunities. The aim is to give everyone the opportunity to work and encourage those who are able to work to do so. This will reduce the total number of people without a job and the problem of concentrations of those without a job—whether amongst particular groups of people or in particular areas of the country such as in coastal towns.

4. The Department for Work and Pensions has a Public Service Agreement target to reduce worklessness in the areas with the poorest initial labour market position. This target reflects the fact that the Department's policies need to target these smaller concentrations of worklessness with resources focused on those areas with greatest need.

5. There is no one challenge in coastal towns and no single policy or activity to help these areas. The best labour market policy for coastal towns is the comprehensive support provided through Jobcentre Plus.

6. This memorandum covers the following:

- the Government's employment objectives;
- the challenge in coastal towns;
- area based programmes;
- jobs in coastal towns;
- benefit receipt in coastal towns;
- provision of Jobcentre Plus services in coastal areas;
- future shape of the network;
- local strategic partnerships; and
- the centralising of benefit processing.

### 1. INTRODUCTION

1.1 The UK has one of the strongest labour markets in the world with an employment rate that is the highest of the major industrialised economies, and at 28.9 million there are more people in work than ever before. Over the last 10 years, the greatest improvements have been in those areas that were previously furthest behind—including some coastal towns. A lot has been achieved, but there remains more to do in order to extend employment opportunity to all.

1.2 Raising employment in the most disadvantaged areas is a particular priority for the Government, and is set out as a target in the Department for Work and Pension's Public Service Agreement (PSA). The most disadvantaged areas are predominantly concentrated in cities (20 of the 30 lowest local authorities, with a further five in major towns (Luton, Preston etc), although they are also found in former industrial areas. The Government has made significant progress in raising employment across these most disadvantaged areas. In April 2006 the Department moved away from a target which aimed to increase the employment rates in the worst 30 Local Authority Districts, and instead to Spring 2008 are taking forward PSA target (4f), to increase the employment rate in the 903 local authority wards with the poorest initial labour market position, taking into account the economic cycle. This aims to significantly reduce the difference between the employment rate in these deprived wards against the overall national level. Of the 903 wards, approximately 75 are located in coastal towns.

1.3 This revised PSA target reflects the fact that the Department's policies need to target these smaller concentrations of worklessness, and that resources need to be more efficiently targeted to those areas with greatest need. The wards were chosen on the basis of those in the 10 Local Authority Districts with the lowest employment rates and with benefit claim rates between 20 and 25%.

## 2. THE GOVERNMENT'S EMPLOYMENT OBJECTIVES—EMPLOYMENT OPPORTUNITY FOR ALL

2.1 The Department's overall objectives for the labour market are set out in the DWP Five Year Strategy<sup>1</sup> and its welfare reform Green Paper (A new deal for welfare: Empowering people to work<sup>2</sup>). They are:

- to prevent poverty and provide security for those who cannot work;
- to ensure that the system is sustainable over the long term; and
- ensure that work is the best route out of poverty.

2.2 The Government has also set out a long-term aim of reaching employment equivalent to 80% of the working age population. This will include reducing by one million the number of people on incapacity benefits, helping 300,000 lone parents into work, and increasing the number of older people in work by a million. It will also require further progress to be made in reducing inactivity and worklessness in the most deprived areas of the UK.

## 3. PROGRESS SO FAR

3.1 In the Government's first Parliament, the priority was to tackle long-term unemployment and youth unemployment. The New Deal for Young People and New Deal 25 Plus have been very successful and have contributed to long-term youth unemployment being virtually eradicated and long-term adult unemployment being cut by almost three quarters—to just 150,000. Overall, claimant unemployment has fallen by around 400,000 with unemployment on the International Labour Organization (ILO) definition down by around 600,000. Again, the most significant improvements were in the areas previously furthest behind.

3.2 The creation of Jobcentre Plus in 2001 which brought together the Employment Service and the non-pension parts of the Benefits Agency, has enabled the Department to extend employment opportunities to groups previously left behind—particularly on incapacity and lone parent benefits. Initiatives such as the New Deal for Lone Parents and Pathways to Work have contributed towards the increase in the lone parent employment rate by more than 11 percentage points and the reduction in the number of lone parents on benefits by over 200,000–777,000, while the numbers on incapacity benefits is now falling after decades of strong growth.

3.3 The Government will now be going further still, as set out in the welfare reform green paper. It intends to create a welfare system which prevents poverty and provides security for those who cannot work while extending employment opportunity for all those who are able to work.

3.4 In particular, the government will:

- reform Incapacity Benefit for sick and disabled people, requiring job-related activities in return for extra money (except for those for whom it would be unreasonable to require them to undertake any form of work-related activity in the foreseeable future);
- increase incentives for Lone Parents to enter or re-enter the labour market; and
- provide more help for older workers: improved rewards for deferral of State Pension, age legislation, information campaign with employers, and changes that allow people to work and draw their occupational pensions.

## 4. THE CHALLENGE IN COASTAL TOWNS

4.1 The overall context is important in understanding the challenge in coastal towns. By far the best labour market policy for these areas is the comprehensive support provided through Jobcentre Plus. This includes the New Deal and Pathways to Work, as well as targeted support in looking for and finding work. This approach has been particularly successful in helping the most disadvantaged areas.

4.2 There is a wide diversity of employment rates in coastal towns—from those that are significantly above the national average (for example Worthing, Scarborough, the Isle of Wight) to those some way below (Great Yarmouth, Blackpool). Given this diversity, there is clearly no one challenge in coastal towns and no one response. The challenges are the same as those across the country—tackling benefit dependency in the most disadvantaged areas and breaking the inter-generational cycle of poverty.

## 5. AREA BASED PROGRAMMES

5.1 Tackling worklessness in deprived areas means addressing multiple barriers and disadvantage. In addition to mainstream provision, area based programmes have been developed to offer greater flexibility of support. Action Teams for Jobs were introduced in 2000 to increase employment among disadvantaged groups such as homeless people and ex-offenders. Action Teams provided an outreach service with provision

<sup>1</sup> February 2005, The Department for Work and Pensions Five Year Strategy: Opportunity and security throughout life, DWP (Cm 6447).

<sup>2</sup> January 2006, A new deal for welfare: Empowering people to work, DWP (Cm 6730).

that included jobsearch advice, financial support including travel to work costs, childcare costs as well as debt counselling and training opportunities. By June 2006 Action Teams had helped about 174,000 people into jobs.

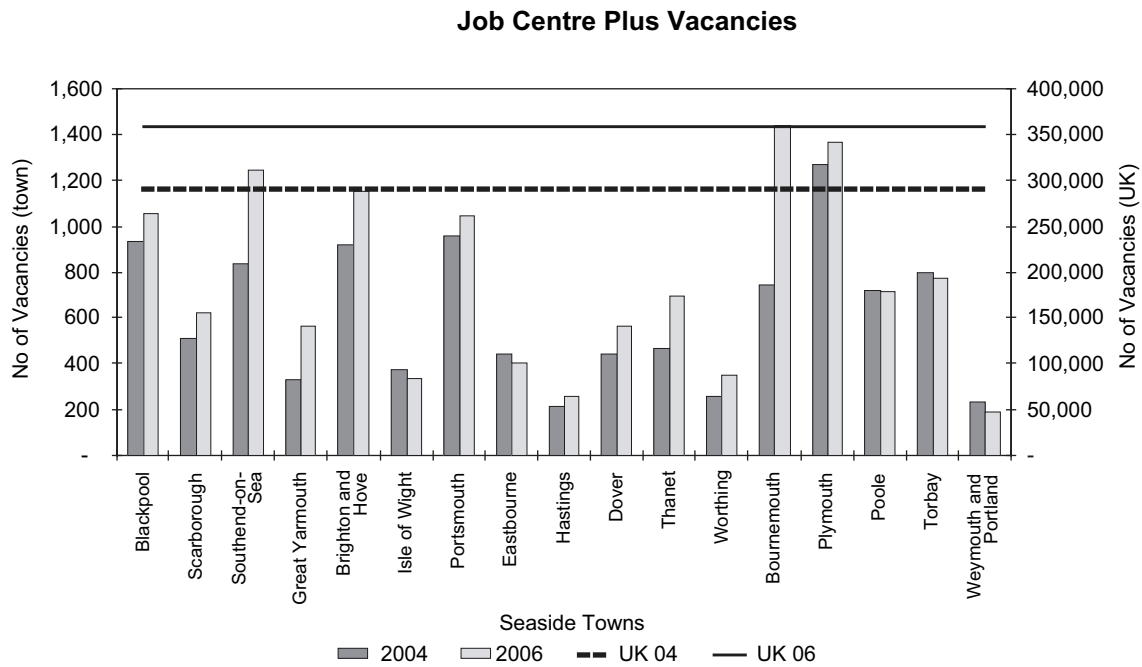
5.2 The Working Neighbourhood Pilot ended in April 2006. Early indications from the evaluation of these pilots indicates that a more intensive and flexible approach at local level can be effective. With the ending of Action Teams in September 2006, the Department’s future strategy will give more flexibility of support to local areas. The Department is reviewing how any additional resources, such as the Deprived Areas’ Fund, can best be deployed to support area based initiatives.

5.3 The Department’s Cities Strategy will in effect operate in all geographical areas and will pool resources at a local level to allow multi-agencies and community stakeholders to make a greater impact in tackling worklessness. The City Strategy Pathfinders will operate from Spring 2007.

6. JOBS IN COASTAL TOWNS

6.1 Chart 1 shows Jobcentre Plus vacancies in 2004 and 2006. In almost every one of the coastal towns analysed, the number of vacancies Jobcentre Plus handles has increased over the past two years. This is in line with national trends, showing a continued strong demand for labour from employers. With vacancies close to record levels, in coastal towns as across the country, a person looking for a job has a good chance of finding one.

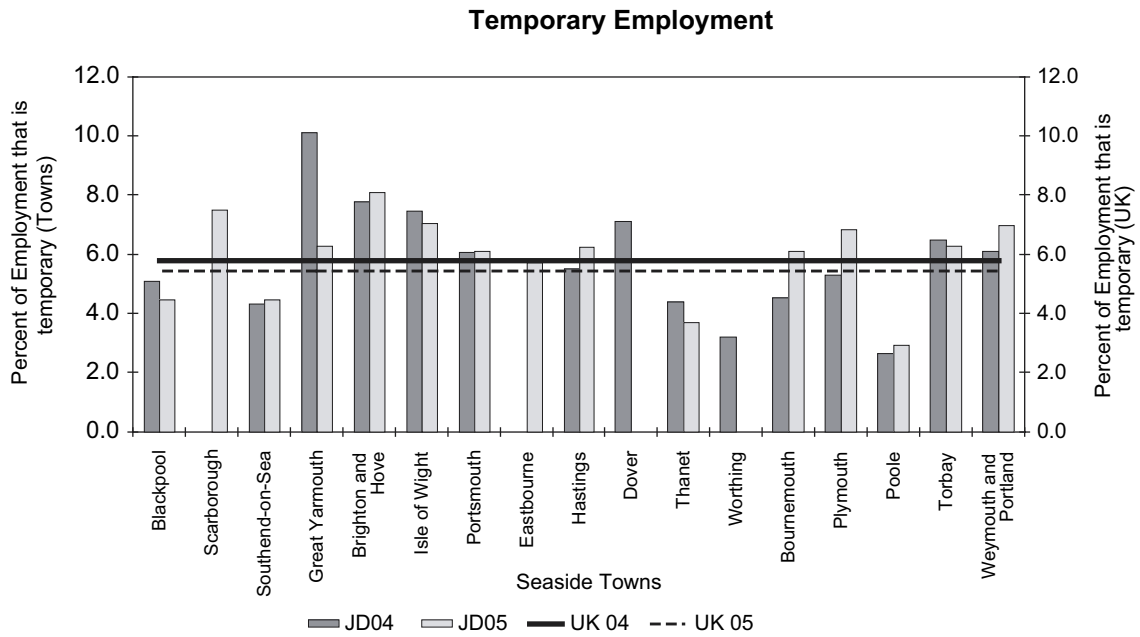
Chart 1: Jobcentre Plus Vacancies 2004 and 2006, Coastal Towns and UK



Source: Jobcentre Plus Vacancy Data: Nomis

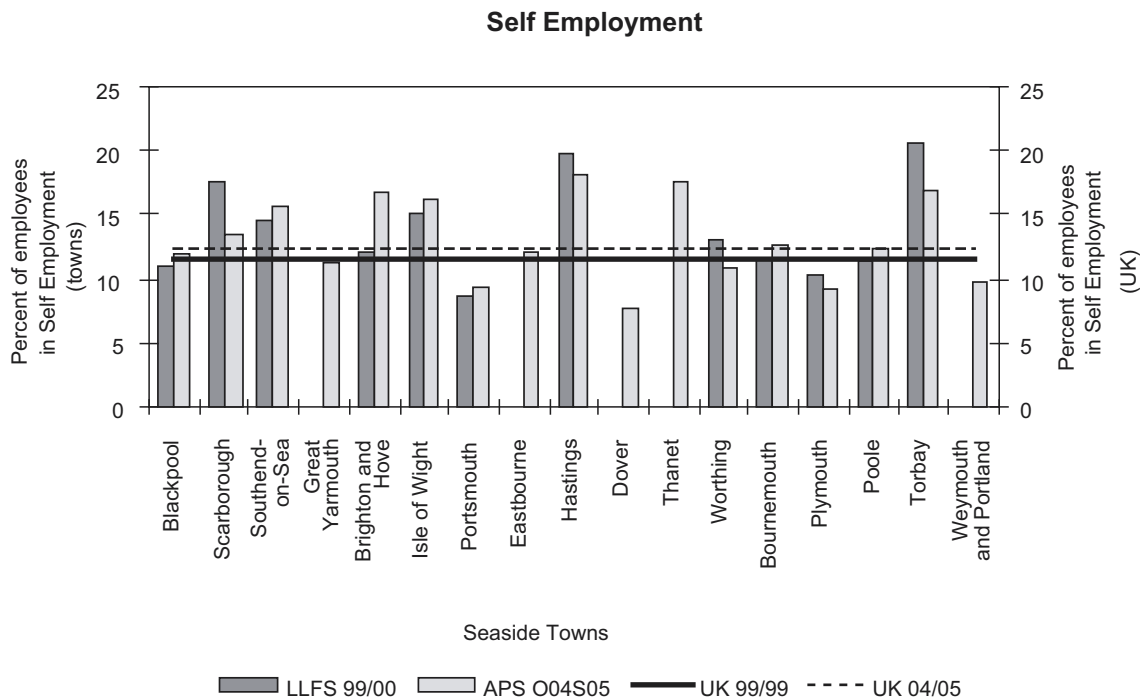
6.2 There is little evidence that employment in coastal towns is particularly concentrated in temporary or self-employment. Chart 2 shows that nationally, just below 6% of employees are on temporary contracts. There is some variation between the coastal towns analysed, although this ranges from around 3% in Poole, to 8% in Brighton and Hove. What variation there is, is narrowly concentrated around the national average, indicating no prevalence of temporary employment in coastal towns.

**Chart 2: Proportion of Temporary Employment, 2004 and 2005, Coastal**



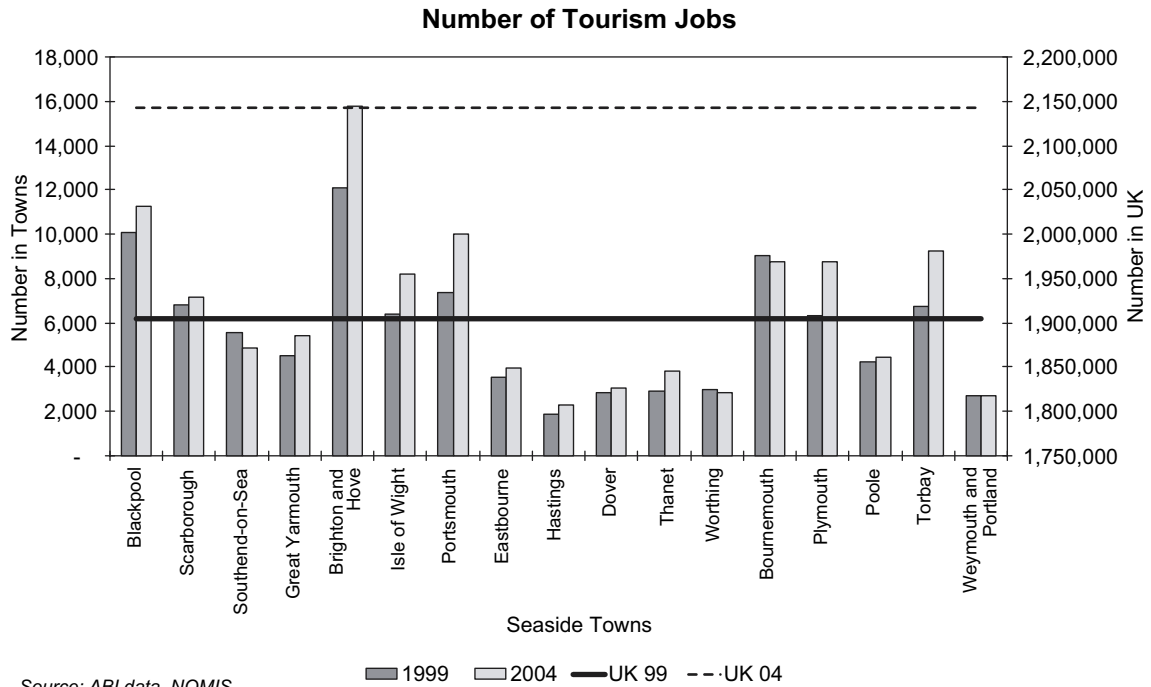
6.3 Similarly with self employment, although some variation between coastal towns exists (from 8% in Dover to 17% in Hastings), variation is concentrated around the national average of 13% of employees in self employment. In general, there is no evidence of an over-dependence on self employment in coastal towns.

**Chart 3: Proportion Self-Employed 2000 and 2005, Coastal Towns and UK**



6.4 As one might expect, the level and proportion of tourism related jobs is higher in coastal towns. Overall in the UK, the number of tourism jobs has increased by almost 250,000 since 1999, and coastal towns have on the whole benefited from this.

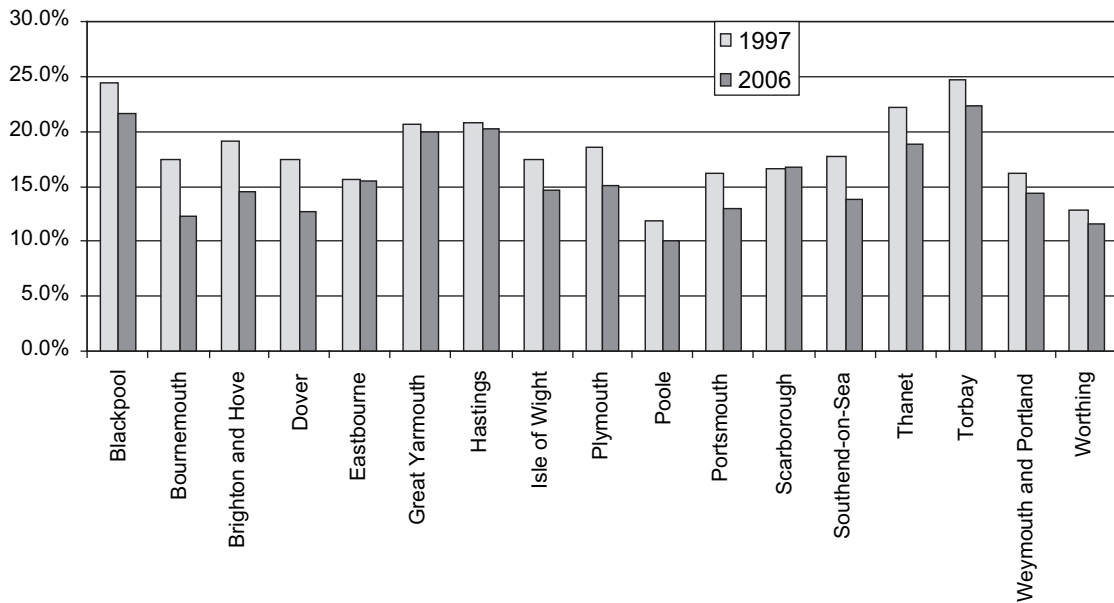
Chart 4: Tourism Jobs, 1999 and 2004, Coastal Towns and UK



7. BENEFIT RECEIPT IN COASTAL TOWNS

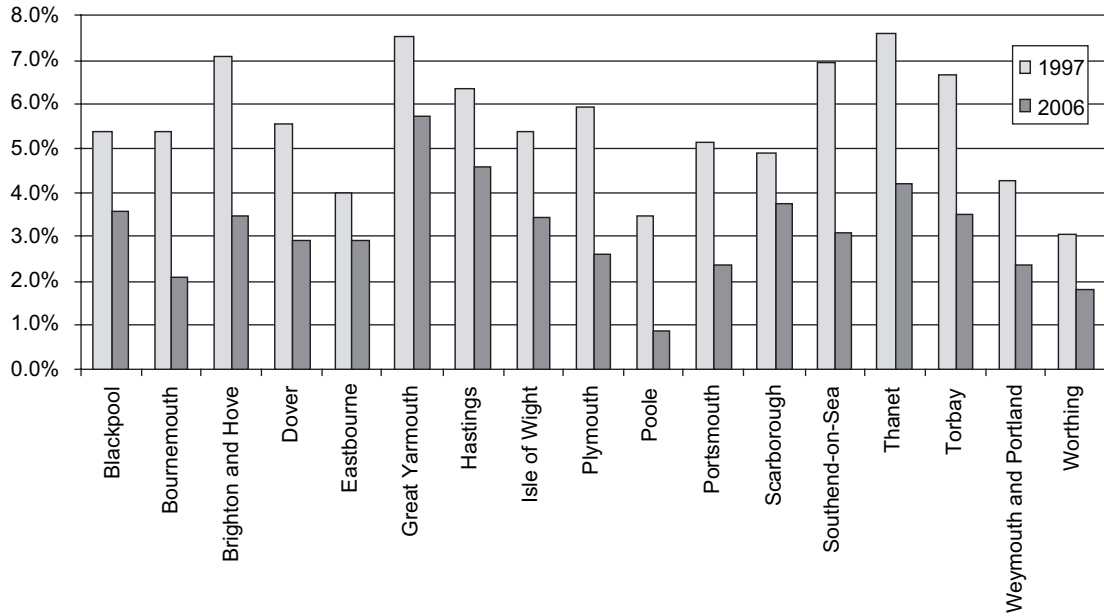
7.1 Chart 5 shows that the proportion of the Working Age population claiming out of work benefits has decreased in all but one of the coastal towns analysed (Scarborough).

Chart 5: Benefit Receipt as a proportion of Working Age Population in Coastal Towns, 1997 and 2006

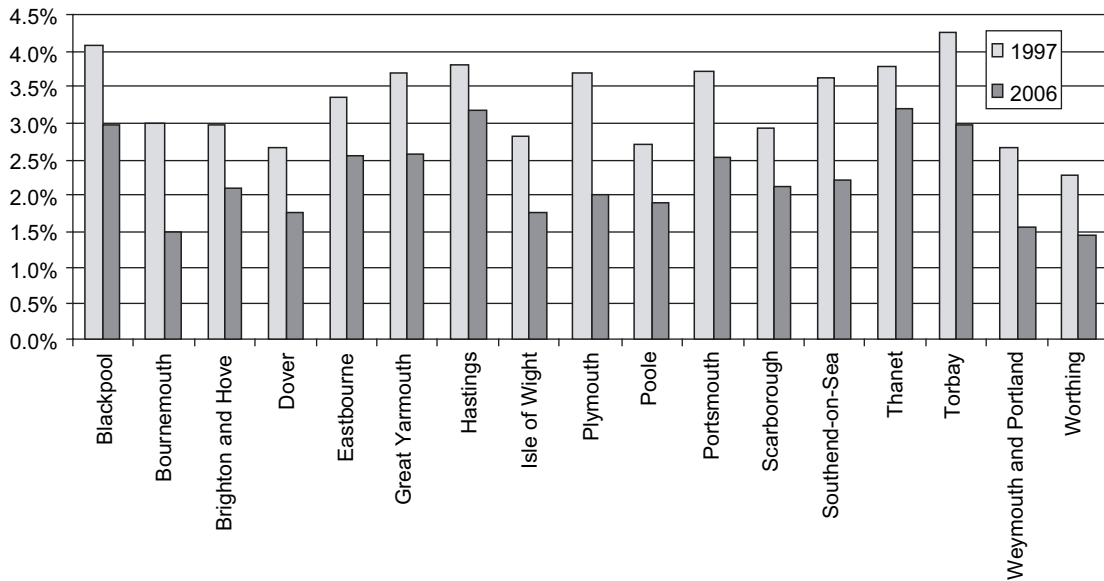


7.2 This has been driven primarily by reductions in the numbers of Jobseekers Allowance (JSA) recipients and Lone Parents receiving Income Support (IS) as shown by charts 6 and 7. The proportion on JSA has fallen substantially in each one of the coastal towns (as it has across the country). Long term unemployment for youth and the prime aged have decreased even further.

**Chart 6: JSA Receipt as a proportion of Working Age Population in Coastal Towns, 1997 and 2006**

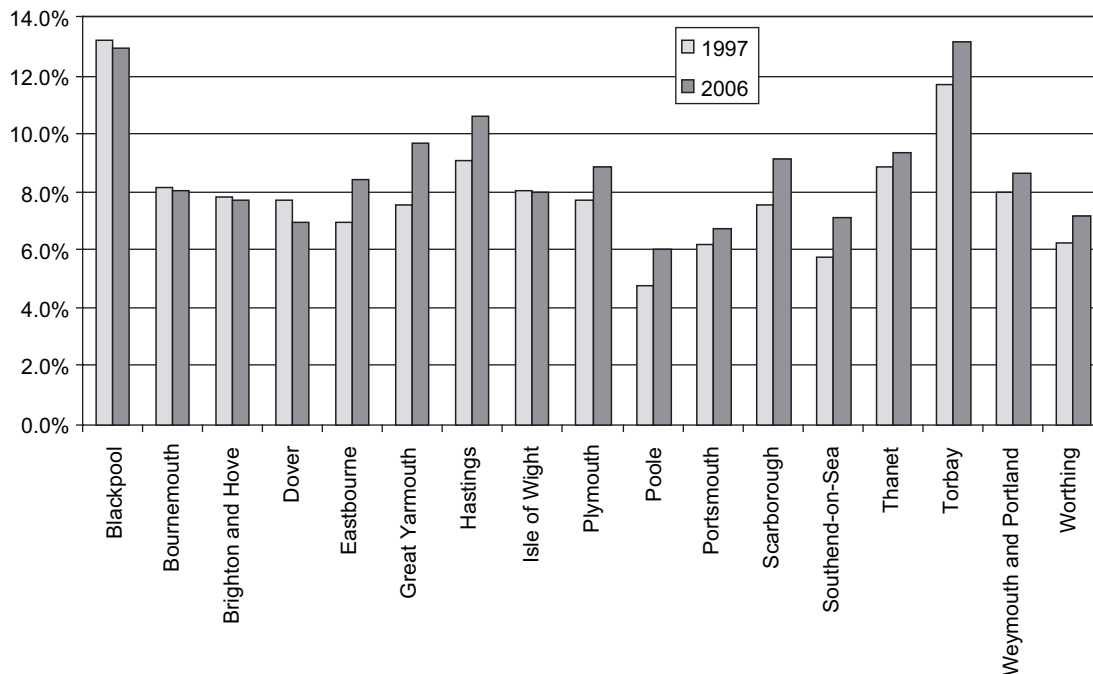


**Chart 7: Lone Parent IS Receipt as a proportion of Working Age Population in Coastal Towns, 1997 and 2006**



7.3 There has however been a slight rise in the proportion of sick and disabled people claiming out of work benefit Incapacity Benefit (IB) Severe Disablement Allowance (SDA) or Income Support (IS) through disability). Since 1997, the overall IB caseload has increased, but stabilised and has now started to fall over the last year. The trends shown in coastal towns in chart 8 are similar to these national trends.

**Chart 8: Sick and Disabled IB/SDA/IS Receipt as a proportion of Working Age Population in Coastal Towns, 1997 and 2006**



## 8. PROVISION OF JOBCENTRE PLUS SERVICES IN COASTAL AREAS

8.1 Jobcentre Plus is driven by the twin priorities of developing new approaches to customer service and improving efficiency. The Jobcentre Plus modernisation agenda is based on the use of alternative delivery channels and a commitment to tailoring support according to the specific needs of customers.

8.2 Jobcentre Plus has created a modern service delivery model using the telephone as the preferred route for first contact, face-to-face contact for advisory services, and centralised Benefit Delivery Centres providing a more flexible and specialist environment for processing claims.

### *Face-to-face services*

8.3 The Government recognises the important role of the Jobcentre network in providing a face-to-face service, especially for those customers who are unable to use self-service or telephone channels. It has invested in modern customer facing outlets, and the rollout of new offices is now substantially complete with only a small number of offices remaining to rollout.

8.4 Face-to-Face services are the most resource-intensive. Although they are available to most customers through work focused interviews and fortnightly job reviews, it is important they are used effectively by focusing on key activities which help the most disadvantaged customers at critical points in their job search and support.

8.5 To enable customers to access “self-help” services, Jobcentre Plus provides facilities similar to those provided by banks, insurance companies and other government services such as Tax Credits. These include jobpoints and customer access phones, which have been located in Jobcentres to allow customers the flexibility to search vacancies online or by telephoning Jobseeker Direct.

8.6 Where a full Jobcentre service may not be viable, Jobcentre Plus considers alternative, more flexible ways to deliver those services in addition to its Internet and telephone based services. Jobcentre Plus also offers services in conjunction with partners and intermediaries to provide additional support for those who require it.

### *Telephone and Internet services*

8.7 Jobcentre Plus is also developing its telephone and internet services. These channels provide more choice for the customer and are more cost effective for the taxpayer.

8.8 Customers with access to a telephone can already use the Jobcentre Plus contact centre network for job search, National Insurance number applications and to apply for benefits. Customers who are unable to make a claim by telephone (either personally or through someone acting on their behalf), can make a claim in person, by post or, if necessary, by an arranged visit at their home or another location.

8.9 Customers can also use the internet to search for the latest vacancies in the area of their choice at a time that suits them: the Jobcentre Plus Internet Job Bank is the most used public sector internet site in the UK. Information on jobs, training and learning opportunities as well as childcare provision and voluntary work can all also be found on the Direct Gov website. [www.direct.gov.uk](http://www.direct.gov.uk).

8.10 Jobcentre Plus is keen to further develop this self-service approach and has in 2006 introduced the piloting of on-line benefit claims. Some customers in the North East and South West are able to submit e-forms to initiate a claim for Jobcentre Plus benefits. It is planned to extend this to other regions by 2007.

## 9. FUTURE SHAPE OF THE NETWORK

9.1 Jobcentre Plus operational managers have been asked to keep services under continual review in order to make the most effective use of the existing estate and taking account of access to Jobcentre Plus services through alternative channels such as Contact Centres and E Channels.

9.2 All stakeholders likely to be affected by the closure will be invited to provide their views on the impact of any changes. This consultation is then considered by the Department's Ministers who make the final decision on closure.

## 10. LOCAL STRATEGIC PARTNERSHIPS, SKILLS AND QUALIFICATIONS

10.1 In England Local Strategic Partnerships (LSPs) have been established to tackle issues such as crime, jobs, education, health and housing. The equivalent partnerships in Wales and Scotland are Community First Partnerships and Local Economic Forums respectively. These wide-ranging issues cut across many traditional boundaries, between both individual organisations and the public, private, voluntary and community sectors. LSPs are central to tackling issues important to local communities and influence the way public services and mainstream programmes are delivered, to ensure that specific issues and those people in most need receive a more proportionate share of the benefits from those programmes. The principles of LSPs apply to all communities including coastal towns.

10.2 Jobcentre Plus operational managers work locally and regionally with LSPs and other partners such as local authorities and Regional Development Agencies to ensure that increasing opportunities for employment is a central element of Local Area Agreements, Regional Economic Strategies and other initiatives.

## 11. CENTRALISATION OF BENEFIT PROCESSING

11.1 Historically benefit processing has been done in a large number of smaller teams in a wide range of locations. This has not been a cost effective way of delivering services and the Jobcentre Plus Board decided in June 2004 to reduce the number of sites processing benefits by centralising into larger centres.

11.2 A Project has been established to implement this decision over the period up to March 2008. Jobcentre Plus plans to have migrated work previously done in 650 locations to 77 larger Benefit Delivery Centres. Around 40 will be in place in 2006-07 with the balance due in 2007-08. Current plans show that eight of these sites are in coastal locations. Sites were selected on the basis of availability, cost and suitability of existing estate, optimum brigading of work and caseloads, number of staff likely to be available and utilisation of trained staff to help maintain performance during transition period.

## 12. CONCLUSION

12.1 Coastal towns vary with each other by employment rate and labour market characteristics. There is no one challenge of coastal towns, and no one response. Since 1997, coastal towns have benefited along with the rest of the nation from improvements in employment rates, and reductions in unemployment. Those areas that started in the worst position have often experienced the biggest improvements, and this is also true of coastal towns. It is through the government's welfare to work programmes, and proposals for further welfare reform, that the Government will continue to revive the local economies and labour markets in coastal towns.

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## Supplementary memorandum by the Department for Work and Pensions (CT 60 (a))

### EMPLOYMENT IN COASTAL TOWNS

*Q. The statistics provided within the DWP memorandum indicate that there is “little evidence that employment in coastal towns is particularly concentrated in temporary or self-employment”. The Committee would be grateful if you could provide details of the methodology used in the collation of these statistics, including an explanation of the definition of “temporary”, and the reasoning behind the choice of sample coastal towns used within this analysis.*

*Q. During the evidence session it was stated that “seasonal employment is included in temporary employment in these figures” (Q353). In answer to a further question on seasonal employment it was stated that “the degree of seasonality in employment and unemployment is higher in most coastal towns” (Q362). Please provide clarification on whether the figures provided to the Committee accurately incorporate seasonal employment levels and if not an explanation of how the DWP accurately assesses the nature of employment in coastal towns*

### SELECTION OF COASTAL TOWNS

The local authority district (LAD) level is the smallest level of geography for which employment data is available. The coastal towns were selected on the basis that they comprise an LAD in their own right or that they make up the majority population of one. Thanet LAD, for example, contains both Margate and Ramsgate; Scarborough LAD includes both Scarborough and Whitby. Several coastal towns in England (Newquay and Penzance in Cornwall; Littlehampton in West Sussex and Skegness in Lincolnshire, for example) have populations that comprise only a small part of the non-metropolitan LADs where they are situated.

### EMPLOYMENT AND ITS MEASUREMENT

Employment in local authority districts (including coastal towns) is measured using the Local Area Labour Force Survey (up to 2003) and the Annual Population Survey (APS—2004 onwards), both of which are self-assessed residence-based surveys looking at population, economic activity (employment and unemployment) economic inactivity and qualifications. The APS is updated quarterly.

People aged 16 or over are classed as employed if they have done at least one hour of work (paid or unpaid) in the reference week or are temporarily away from a job (for example, if they are on holiday).

Respondents classify themselves into one of four employment status categories (and according to their main job if they have more than one). These categories are employees, the self-employed, unpaid family workers or participants in government-supported training schemes.

- Employees are those who are in employment and paid a wage by an employer for the work that they do. This category may be further sub-divided into permanent and temporary employees.
- The self-employed are defined as those who, in their main job, work on their own account, whether or not they have employees.
- Unpaid family workers are those whose work contributes directly to a business, owned or operated either by themselves or by a relative, but who receive no pay or profits for this work.
- People on government-supported training schemes include those doing work experience with an employer and those engaged wholly in training.

**Temporary Employment** covers those employees who say that their main job is not permanent in one of the following ways: fixed period contract, agency temping, casual work, seasonal work or other temporary work. This is also based on respondents’ self-assessment.

**Seasonal Employment** is thus a subset of Temporary Employment. Further statistics are given in charts 1 and 2.

### THE TOURISM SECTOR

Under the UK Standard Industrial Classification (SIC) system certain industries can be classed as “tourism-related”. Some of these industries (such as hotels and tour coaches) are specific to tourism while others, such as restaurants and bars, cater both to tourists and local residents. Conversely, other sectors which serve the local community and not classed as tourism related also cater to tourists, such as transport (the great western main line in the South West, for example) petrol stations and financial services (foreign exchange services).

Tourism-related industries include:

- Hotels (SIC group 551).
- Camping and short-stay accommodation (552).
- Restaurants (553).
- Bars (554).

- Activities of travel agencies and tour operators (633).
- Libraries, archives, museums and other cultural activities (925).
- Sporting activities (926).
- Other recreational activities (927).

Data on employment by sector comes from the Annual Business Inquiry (ABI) which is a workplace-based survey of the number of jobs held by employees. Employee jobs exclude the self-employed, government-supported trainees and HM Forces. 2004 is the most recent year for which ABI data is available.

#### HOMES IN MULTIPLE OCCUPATION

*Q. What is the impact of the Labour Force Survey tending not to use data from “housing multiple-occupancy, which are more prevalent in coastal towns” (Q379)?*

The Labour Force Survey (LFS)/Annual Population Survey sampling frame covers 97% of private households in Great Britain. The exclusion of most communal establishments (CEs), including homes in multiple occupation (HMOs), from the LFS sampling and population weighting means that the LFS estimates of employment *nationally* probably omit about 150,000 people who are employed but live in CEs, and about 30,000 who are “unemployed” (although inconsistencies between the Census definition and the LFS’s ILO definition make it difficult to quantify this accurately).

One of the most important aspects of the LFS design is that it must meet Eurostat’s requirements, as the LFS is conducted under Regulation. Eurostat’s requirements are for results for private households only, recognising that “for technical and methodological reasons it is not possible . . . to include the population living in collective households” (Eurostat, EU LFS Methods and Definitions 1996, p 11).

The LFS is not alone in excluding CEs from its sampling frame; the Expenditure and Food Survey, the Family Resources Survey, the General Household Survey and the Survey of English Housing also do not sample from CEs. The decennial Population Census is the best source of data for people living in communal establishments, including HMOs.

#### INCAPACITY BENEFIT IN COASTAL TOWNS

*Q. Evidence has been provided by the DWP on the large number of people claiming incapacity benefit in coastal towns. Does the department know what proportion of these people were claiming it prior to moving to a coastal town, and if so, what action is being taken to address this?*

Of the 119,550 Incapacity Benefit claimants in the coastal towns studied, 4,660 had recently moved to the coastal town. This represents 3.9% of the total Incapacity Benefit claimants in coastal towns. There is no evidence to suggest any additional movement of Incapacity Benefit claimants to coastal towns than elsewhere in the UK. As such, there is no specific policy in place to offer any additional support or intervention to these claimants.

#### COASTAL TOWN DATA

The following tables and charts illustrate some aspects of the labour market in coastal towns.

- Table 1 looks at the employment rates in 17 coastal towns, while Table 2 shows the number of Jobcentre Plus vacancies there in the past three years.
- Charts 1a and 1b compare the breakdown of jobs by employment status for coastal towns and for England as a whole; Charts 2a and 2b show a breakdown of temporary employment by type of temporary work.
- Tables 3 and 4 show the number and per cent respectively of jobs in tourism in coastal towns, with comparison figures for England and Great Britain.
- Charts 3–4 look at the jobs by sector in both coastal towns and England overall, first in 1998 and later in 2004.
- Table 5 looks at the number of working age claimants who claimed Incapacity Benefit/Severe Disability Allowance (IB/SDA) in a non-coastal town in February 2005, who then subsequently moved to a coastal town by February 2006 and were still claiming IB/SDA.

Table 1

## EMPLOYMENT RATES IN COASTAL TOWNS

	1999–2000	2000–01	2001–02	2002–03	2003–04	APS04	APS05
Worthing	82.2	82.4	78.2	74.2	85.1	84.7	81.4
Weymouth and Portland	74.3	79.0	73.9	80.2	76.9	78.3	78.8
Poole	80.5	78.1	79.7	81	79.5	78.5	77.2
Eastbourne	77.9	74.7	75.0	76.9	75.4	75.2	77.0
Isle of Wight	70.8	70.7	72.3	73.8	75.1	76.3	76.9
Scarborough	71.9	72.8	72.6	69.5	70.3	72.2	76.8
Bournemouth	74.8	73.8	74.4	76.4	77.2	75.2	76.7
Southend-on-Sea	78.1	73.0	74.2	76.1	76.3	76.8	75.3
Thanet	69.7	74.1	74.0	65.7	62.4	74.6	74.9
Dover	73.9	69.7	77.5	78.0	73.1	73.8	74.8
Portsmouth	71.5	73.6	75.1	79.7	77.7	72.3	74.2
Hastings	79.6	73.8	69.6	70.3	69.8	72.0	73.1
Torbay	73.2	73.6	73.0	72.5	73.7	72.3	73.0
Brighton and Hove	75.7	71.3	75.1	76.8	78.1	76.1	72.6
Plymouth	71.7	72.9	73.8	72.1	73.3	74.0	71.8
Blackpool	69.4	69.5	74.2	71.7	70	71.6	71.4
Great Yarmouth	68.8	73.2	66.7	67	72.5	70.7	69.6
<b>Coastal Towns</b>	<b>73.9</b>	<b>73.5</b>	<b>74.3</b>	<b>74.4</b>	<b>74.7</b>	<b>74.9</b>	<b>74.6</b>
<b>England</b>	<b>74.6%</b>	<b>75.2%</b>	<b>75.1%</b>	<b>75.0%</b>	<b>75.0%</b>	<b>75.1%</b>	<b>75.1%</b>
<b>Great Britain</b>	<b>74.2%</b>	<b>74.7%</b>	<b>74.6%</b>	<b>74.6%</b>	<b>74.8%</b>	<b>75.0%</b>	<b>74.7%</b>

Source: Nomis; Local Area Labour Force Survey and Annual Population Survey. Labour Force Survey 4-quarter average (England and Great Britain).

Table 2

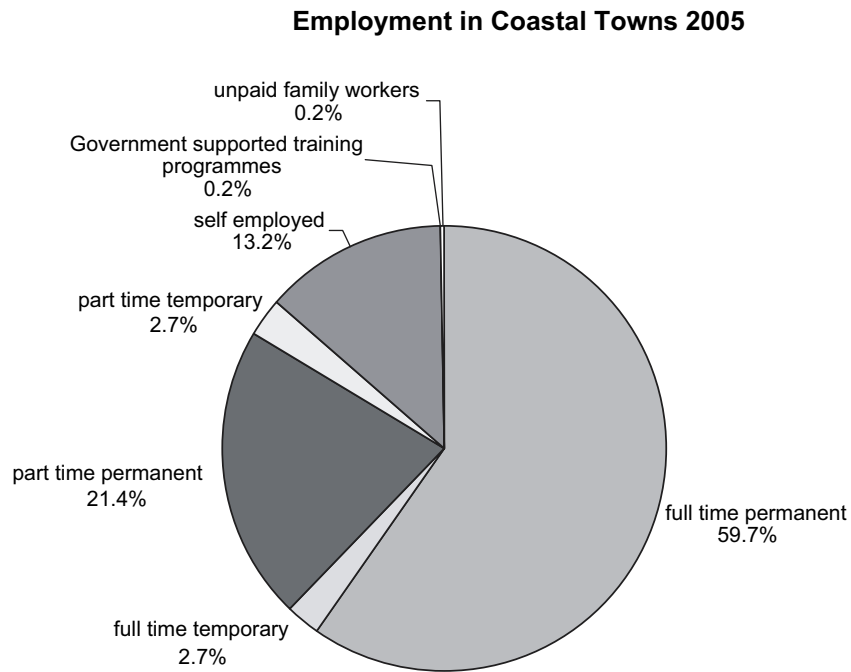
## JOBCENTRE PLUS VACANCIES (000s)

	2004	2005	2006
Blackpool	931	1,204	1,057
Bournemouth	748	888	1,435
Plymouth	1,267	1,250	1,368
Southend-on-Sea	835	675	1,241
Brighton and Hove	919	995	1,153
Portsmouth	958	964	1,045
Torbay	794	751	774
Poole	719	655	713
Thanet	465	873	696
Scarborough	512	573	622
Great Yarmouth	328	510	561
Dover	442	419	561
Eastbourne	442	368	400
Worthing	257	405	348
Isle of Wight	373	346	338
Hastings	217	323	257
Weymouth and Portland	235	282	186

Source: Jobcentre Plus Vacancy Data; Nomis.

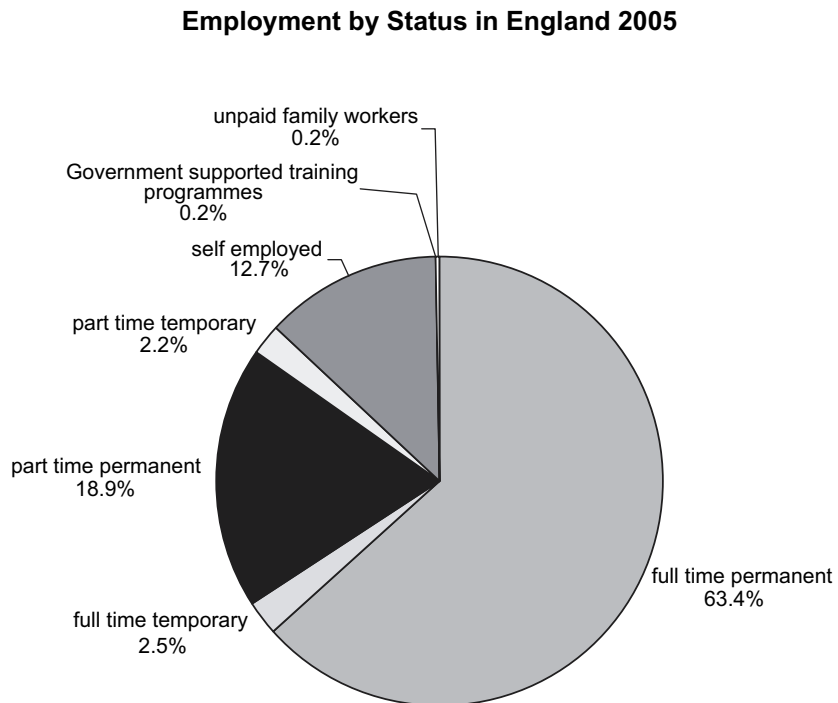
CHART 1: EMPLOYMENT BY JOB STATUS

(a) *Coastal Towns*



Source: Annual Population Survey 2005.

(b) *England*

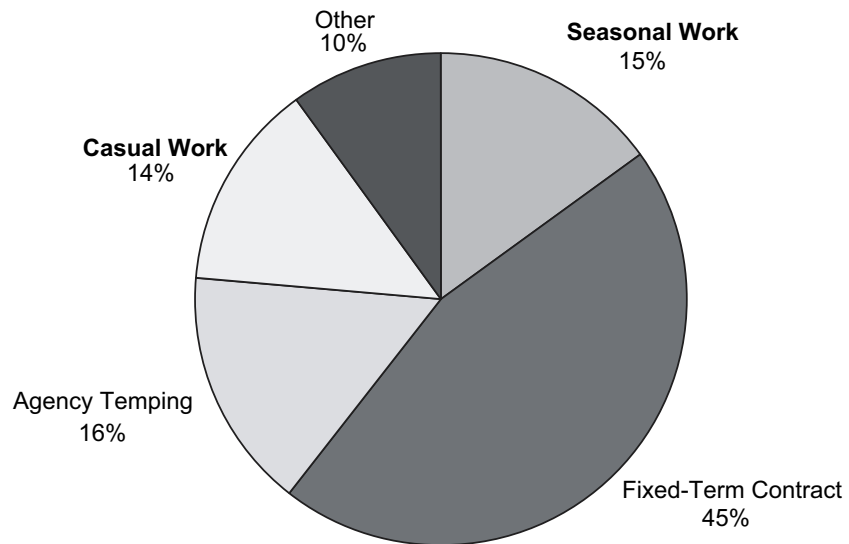


Source: Annual Population Survey 2005.

CHART 2: TEMPORARY EMPLOYMENT BREAKDOWN

(a) *Coastal Towns*

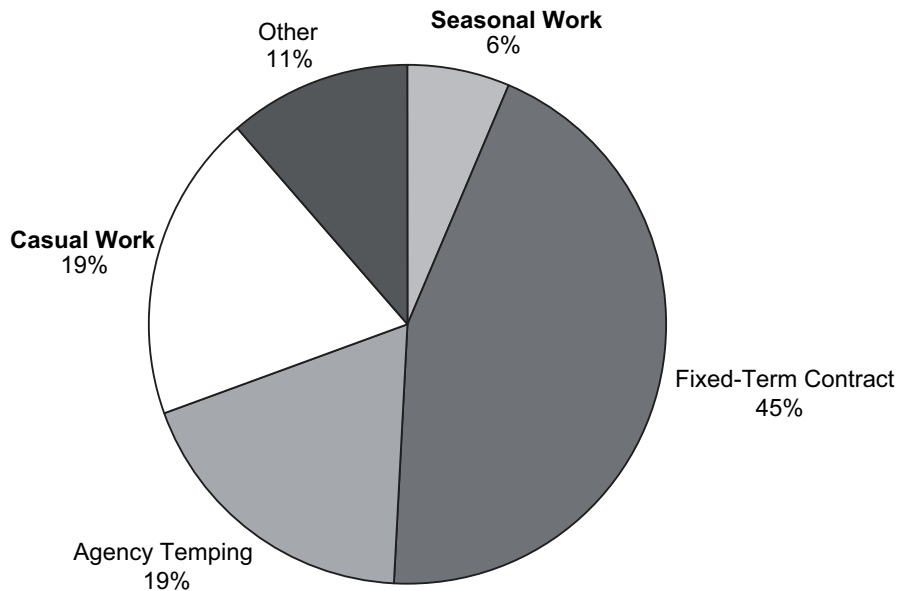
**Temporary Employment in Coastal Towns 2005**



Source: Annual Population Survey 2005.

(b) *England*

**Temporary Employment in England 2005**



Source: Annual Population Survey 2005.

**Table 3****NUMBER OF JOBS IN TOURISM**

	<i>1999</i>	<i>2000</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>	<i>2004</i>
Brighton and Hove	12,094	13,106	13,103	14,865	14,031	15,763
Blackpool	10,105	11,171	8,951	9,534	9,884	11,250
Portsmouth	7,387	8,791	8,110	9,343	9,173	9,986
Torbay	6,730	6,601	7,793	7,342	7,513	9,253
Plymouth	6,300	6,301	6,710	6,969	7,408	8,785
Bournemouth	9,032	9,561	9,149	10,564	10,710	8,724
Isle of Wight	6,361	6,809	6,395	11,691	5,626	8,183
Scarborough	6,803	6,757	7,904	7,441	7,042	7,159
Great Yarmouth	4,489	4,582	5,413	5,344	5,513	5,404
Southend-on-Sea	5,559	7,217	5,423	4,818	5,524	4,833
Poole	4,218	4,498	4,283	5,215	5,485	4,471
Eastbourne	3,576	3,820	3,425	3,903	3,436	3,950
Thanet	2,924	3,086	4,442	4,161	4,277	3,812
Dover	2,826	2,859	3,672	3,606	3,355	3,068
Worthing	3,022	2,667	2,933	2,530	2,681	2,825
Weymouth and Portland	2,690	2,939	2,895	3,215	3,117	2,733
Hastings	1,905	2,118	1,805	2,232	2,174	2,260
<b>Coastal Towns</b>	<b>96,022</b>	<b>102,882</b>	<b>102,407</b>	<b>112,773</b>	<b>106,948</b>	<b>112,458</b>
<b>England</b>	<b>1,636,631</b>	<b>1,655,391</b>	<b>1,695,262</b>	<b>1,767,073</b>	<b>1,791,173</b>	<b>1,837,046</b>
<b>Great Britain</b>	<b>1,905,491</b>	<b>1,932,812</b>	<b>1,979,481</b>	<b>2,053,324</b>	<b>2,080,379</b>	<b>2,141,824</b>

Source: Nomis—Annual Business Inquiry Employee Analysis.

**Table 4****PERCENT OF JOBS IN TOURISM**

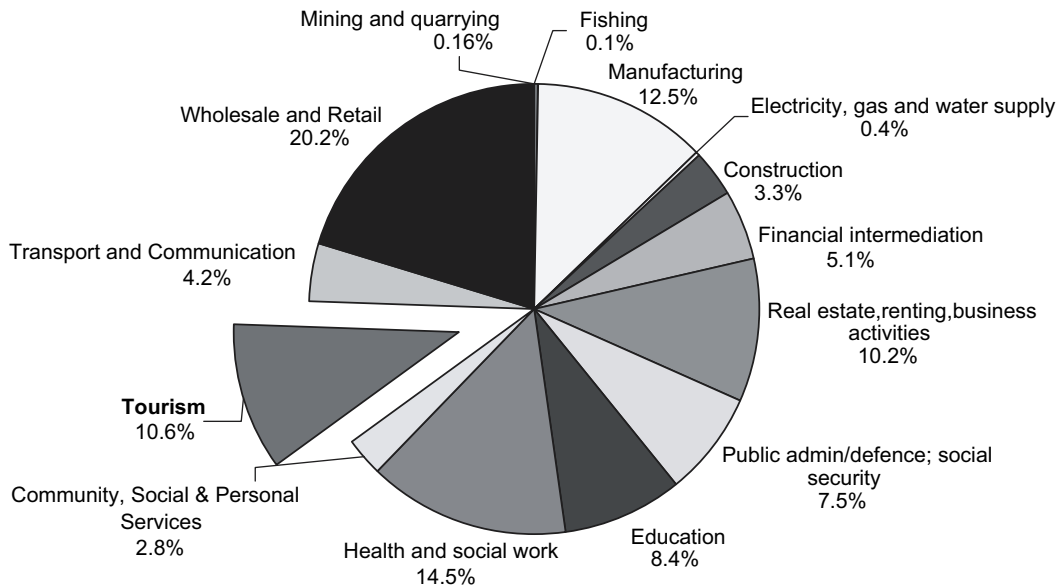
	<i>1999</i>	<i>2000</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>	<i>2004</i>
Blackpool	16.7	18.1	14.6	15.3	17.7	19.0
Torbay	15.4	14.8	16.2	16.7	16.6	18.8
Scarborough	17.1	17.1	19.1	18.3	17.6	18.0
Isle of Wight	15.2	14.4	13.3	22.7	11.2	17.4
Great Yarmouth	14.2	14.4	15.4	15.4	15.5	15.3
Weymouth and Portland	16.7	15.1	16.7	17.6	17.1	15.1
Brighton and Hove	10.9	11.4	11.3	12.6	12.1	13.4
Bournemouth	13.2	13.2	12.7	14.1	14.0	11.7
Eastbourne	10.5	10.4	9.5	11.0	9.4	10.4
Thanet	8.6	9.5	11.6	11.2	11.7	10.0
Portsmouth	7.6	8.8	8.0	9.1	9.3	9.7
Plymouth	6.3	6.4	6.4	6.8	7.2	8.4
Dover	7.4	8.0	9.5	9.0	8.6	7.9
Hastings	6.8	7.3	6.3	7.7	7.4	7.5
Southend-on-Sea	9.2	10.2	8.4	7.2	8.4	7.5
Poole	6.7	7.1	6.7	8.7	8.7	7.0
Worthing	6.4	5.9	6.3	5.4	5.9	6.3
<b>Coastal Towns</b>	<b>10.5</b>	<b>10.9</b>	<b>10.6</b>	<b>11.7</b>	<b>11.2</b>	<b>11.6</b>
<b>England</b>	<b>7.6</b>	<b>7.6</b>	<b>7.7</b>	<b>8.0</b>	<b>8.0</b>	<b>8.2</b>
<b>Great Britain</b>	<b>7.7</b>	<b>7.7</b>	<b>7.8</b>	<b>8.0</b>	<b>8.1</b>	<b>8.2</b>

Source: Nomis—Annual Business Inquiry Employee Analysis.

CHART 3: JOBS BY SECTOR 1998

(a) Coastal Towns

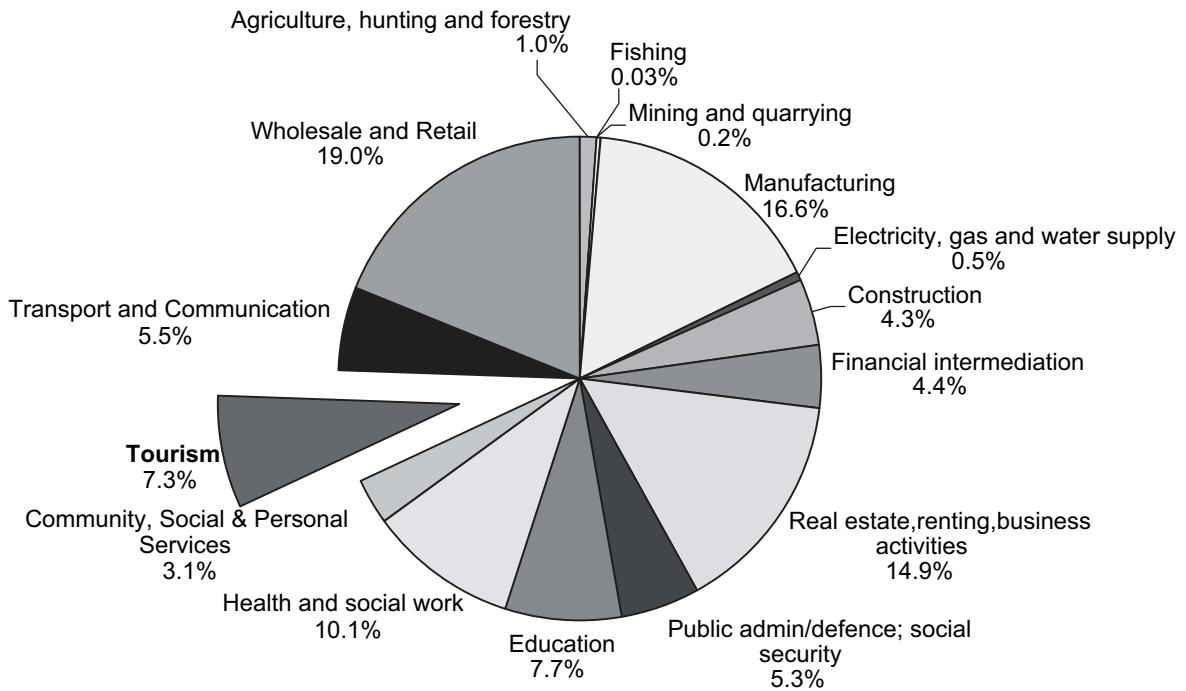
**Jobs by Sector in Coastal Towns 1998**



Source: Nomis—Annual Business Inquiry Employee Analysis.

(b) England

**Jobs by Sector in England 1998**

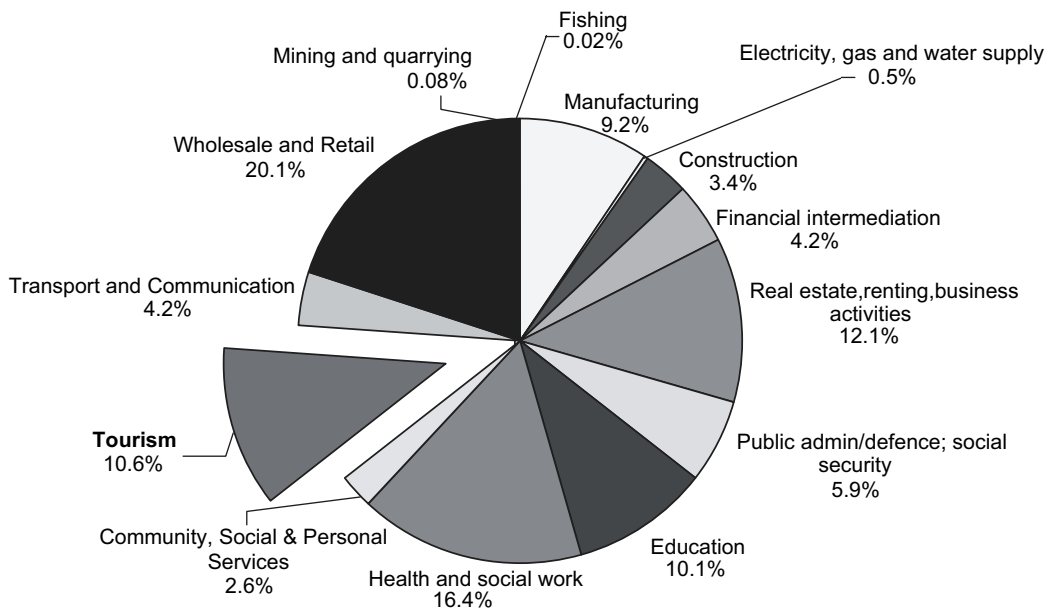


Source: Nomis—Annual Business Inquiry Employee Analysis.

CHART 4: JOBS BY SECTOR 2004

(a) Coastal Towns

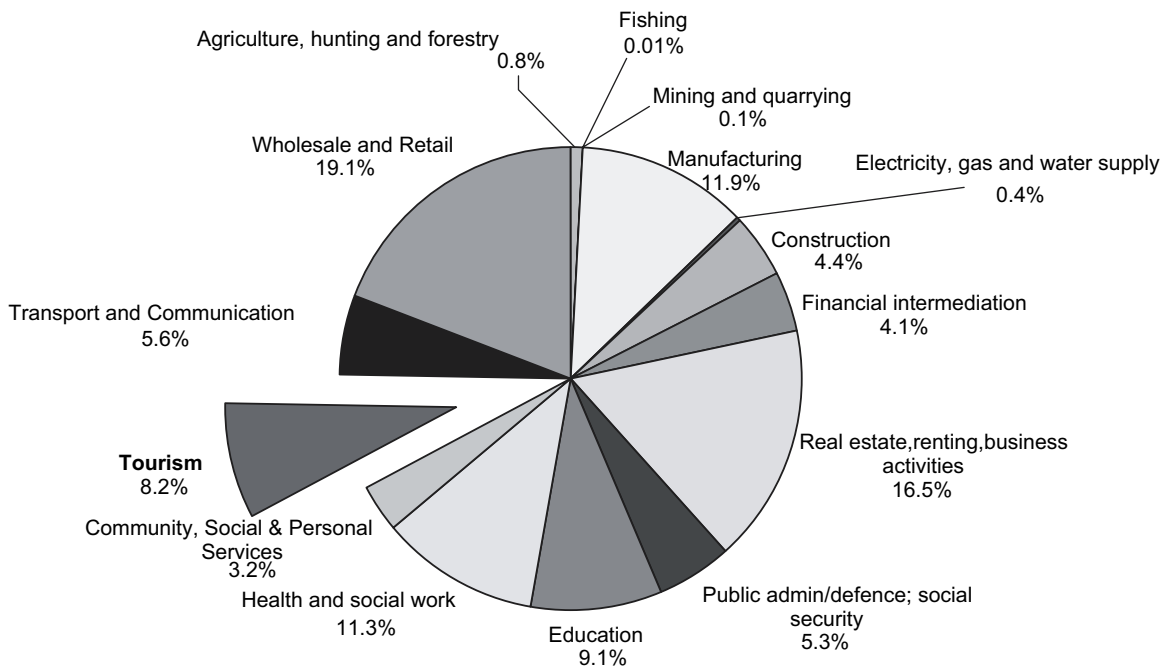
**Jobs by Sector in Coastal Towns 2004**



Source: Nomis—Annual Business Inquiry Employee Analysis.

(b) England

**Jobs by Sector in England 2004**



Source: Nomis—Annual Business Inquiry Employee Analysis.



Table 5

## INCAPACITY BENEFIT CLAIMANTS

Number of Working Age claimants who claimed Incapacity Benefit/Severe Disability Allowance (IB/SDA) in a non-coastal town in February 2005, who then subsequently moved to the following coastal towns by February 2006 and were still claiming IB/SDA.

<i>Coastal Town</i>	<i>WA IB Claimants in Feb 2006</i>	<i>Claimed IB in a non-coastal town in Feb 2005</i>	<i>As a proportion of those claiming in Feb 2006</i>
Blackpool	11,380	650	5.7%
Bournemouth	8,880	370	4.2%
Brighton and Hove	12,520	370	3.0%
Dover	4,630	120	2.6%
Eastbourne	4,170	220	5.3%
Great Yarmouth	5,080	210	4.1%
Hastings	5,600	260	4.6%
Isle of Wight	6,350	180	2.8%
Plymouth	14,160	360	2.5%
Poole	4,870	140	2.9%
Portsmouth	7,750	280	3.6%
Scarborough	5,400	240	4.4%
Southend-on-Sea	7,210	320	4.4%
Thanet	6,750	250	3.7%
Torbay	7,580	350	4.6%
Weymouth and Portland	3,400	170	5.0%
Worthing	3,820	170	4.5%
<b>Total</b>	<b>119,550</b>	<b>4,660</b>	<b>3.9%</b>

Source: DWP Information Directorate 100% WPLS.

Notes:

1. Figures are rounded to the nearest 10. Totals may not sum due to rounding.

### Memorandum by the Department for Trade and Industry (DTI) (CT 61)

#### EAST OF ENGLAND

**Project:** Cromer Seafront Enhancement Programme

**Description:** The project reconnects and strengthens the linkages between the Cromer seafront and foreshore area with the commercial heart of Cromer town centre by addressing access issues and enhancing the physical and commercial environment along the foreshore/promenade through making investment in new facilities and attractions.  
ERDF Grant: £2,177,000

**Project:** Integreat Yarmouth

**Description:** To form an integrated strategic destination, building on the cultural and historical strengths of Great Yarmouth, redeveloping unsightly and outdated features and creating a fresh approach to the physical environment of Great Yarmouth.  
ERDF Grant: £4,703,500

**Project:** Offshore Renewable Energy Centre (OREC)

**Description:** Construction and establishment of a facility intended to form a hub for the renewable energy industry in the East of England. The building will be a landmark in the area. The centre will contain facilities for exhibitions, conferences and internal networking space to promote knowledge sharing and other positive synergies. The project aims to develop the offshore renewable energy sector to increase supply chain activity.  
ERDF Grant: £2,324,420

**Project:** SSHAPE (Southend Seafront, High Street & Pier Enhancement)

**Description:** To reshape, consolidate and enhance the physical structure and environment of the strategic town centre from the Prittlewell gateway into Southend through the High Street to the Pier and foreshore.  
ERDF Grant: £5,467,075

## NORTH WEST

*Project:* **Central Corridor, Blackpool**

*Description:* Creating a multi use landscaped environment, also providing recreational, cultural, social and employment opportunities for the local communities.  
ERDF Grant: £3,744,000

*Project:* **Luneside East, Lancaster**

*Description:* A high quality mixed use development designed on “urban village” principles. Will provide business floorspace and create 169 additional jobs.  
ERDF Grant: £2,314,941

## YORKSHIRE AND THE HUMBER

*Project:* **Bridlington Spa**

*Description:* Refurbishing an iconic and landmark building on the seafront. Contributing to the local and regional economy in the tourism and business sectors through growth in visitors to events held there and provision of conference and business facilities.  
ERDF Grant: £4 million +

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**Supplementary memorandum by the Department for Trade and Industry (DTI) (CT 61(a))**

27 November 2006

Thank you for your letter of 1 November, about the Coastal Towns Inquiry.

I have been advised by the Regional Development Agencies that it is not possible to provide data and analysis showing inward investment and business growth levels in coastal towns in comparison to the UK average from RDA output data.

The RDA Tasking Framework, introduced in April 2005, requires the RDAs to disaggregate their output data on a rural/urban basis and by disadvantaged area, but there is no requirement for outputs to be disaggregated by coastal town. In view of this, information is not available from RDA Management Information Systems that could appropriately address the Committee’s question.

*Margaret Hodge*

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**Memorandum by Mr Kirkaldie (CT 62)**

I was deeply disturbed by the chairperson’s remarks regarding Margate that locals should not wallow in nostalgia. This remark is and was deeply offensive especially when one has seen the demise of our coastal towns of Margate/Broadstairs and more importantly Ramsgate over time.

My family have for generations fought in the armed services and joined from Ramsgate indeed we can trace our origins back to people who fought in the seven year war from Ramsgate.

It is developers who have caused the demise of the heritage of the above coastal towns one who is a convicted criminal.

For the chairperson to malign people who have a genuine care for their rich heritage has comprised the way that this now worthless investigation has been structured.

I would draw the attention of the committee to a Russian proverb

*“If you dwell on the past you will lose an eye. But if you forget the past you will lose both eyes.”*

As a trained conservator it is clear that the best of our Coastal towns and heritage are in its past, allied to the future not just the future.

It is the failure by Local Government officials at community levels who have no idea how to properly and succinctly look after and enhance (for tourism reasons) heritage assets indeed my local authority has had its heritage assets improved by local people who care about its past. I have had to fight English Heritage to have architectural sound buildings listed and upgraded most are publicly owned.

The utilisation of our visitable assets is a fundamental part of why people visit sea side towns and they cannot be called a resort if there is nothing to visit.

The Turner centre has cost the public dear. £10 million and its not built as yet! That money would have enabled a significant visitor centre for our East Kent heritage centre but the blinkers are on—and an area for arts sake is a dangerous combination and elitist at best. The common ground dictates that the area as a whole is unique . . . in fact Thanet should have a coastal heritage status conferred on it due to the significant sacrifices and the part it played during our military missions Dunkirk etc and the Napoleonic wars. Perhaps the committee should be minded to run a scheme of Coastal Heritage status at the highest level then the public as a whole would identify what that area has contributed to our national identity as well as our nostalgic past something the America and Australian do well and we in England do not!

There are many facets to making an area sustainable and visitable and a sustainable part of that is the nostalgia and visitability of that coastal heritage, not down to corporate greed and developers who have deliberately contribute to the demise of our coastal heritage towns.

I have son and daughter who have both had to work away from the area due to the failure of well paid jobs this is part of Thanet's problems not all of it, in fact it's been that way for centuries. Art and architecture are not the whole way forward technology and coastal seamanship plays a significant part in any coastal town its how its implemented that is the problem.

£40 million enabling development can be achieved in Ramsgate for Thanet over night but the wilful actions by our local government prevents this why? This enabling development would elevate the status of the area and enable real apprentices and inward investment.

No this coastal town review is yet another whitewash where things are just glossed over and unwarranted attacks on those who served and local residents who deeply care for the area do no justice for our local town heritage of which for the record Ramsgate is fast becoming the most polluted town in England fact not fiction and I can back that up with facts.

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#### **Memorandum by Mr Glyn-Jones (CT 63)**

I write to you in your capacity of Chairman of the Select Committee looking into deprivation in seaside resorts and would be grateful for your advice. I am member of a group residents who are concerned about the future of Eastbourne and have formed a Society called "E-Vision".

Eastbourne was recently described by SEEDA as a failing economy but the population continues to grow quite rapidly. Tourism, as in other resorts, has declined since the 1970s and accounts today for 30–40% of the town's economy. Industry and services contribute less and their ability to grow is restricted by shortage of land and by traffic congestion and especially by very poor road communications. If the A27 between Lewes and Hastings was made a double-lane highway, many of our problems would be resolved. Reports have also said that planning decisions have not always been far-sighted.

The effect is that Eastbourne is a low wage economy. A report by the Department of Health last month said poor quality housing, violent crime, road injuries and deaths in Eastbourne were all higher than national average and people living in the town centre were among the most deprived 25% in the country. The Borough Council is short of money, it forecasts huge and rising budget gaps and does not have the capital to repair its public buildings such as the four theatres.

Over a year ago, along with SEEDA and Wealden Council it commissioned consultants, Rubicon Regeneration, to prepare a long term economic regeneration programme but this has not yet been published.

What is happening in Hastings is a model. It is using Government/EU grants of £70 million to act a leverage to attract £400,000 of private enterprise investment. But I cannot see government giving Eastbourne a grant of this nature in the current financial environment.

Frankly we don't see what can be done and would be grateful for your comments.

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#### **Memorandum by the Department for Culture, Media and Sport (DCMS) (CT 64)**

27 November 2006

Thank you for your letter of 1 November to Richard Caborn, asking for further information about the potential impact and legacy of the Olympic Games and Paralympic Games in 2012 on coastal towns, and requesting statistics on visitor numbers and their economic impact on coastal towns.

Hosting the 2012 Games will provide an opportunity to realise huge benefits for the whole of the UK, including the coastal towns. They will also be a boost in our drive to create a healthier and more active Nation, a better trained workforce and encourage community cohesion and participation.

The Games will reach into every community in the country through the UK wide Torch Relay, the four year Cultural Olympiad and the UK Schools Games. Some towns and cities will also host pre Games training camps for National Teams.

The four-year Cultural Olympiad, which starts in Beijing in 2008 will reach into the heart of our communities and highlight our exceptional creative industries. The UK wide Torch Relay will leave a legacy of increased participation and engagement in culture.

Whilst offering the opportunity to stimulate sports participation within local communities and building multicultural contacts, hosting Pre Games Training Camps also offers economic benefits and the potential legacy of International business links. Some of our coastal towns with good facilities, particularly for aquatics, might well attract national and overseas teams.

There will be business opportunities through 2012 contracts and supply chain opportunities. This will create a legacy of partnerships forged and businesses becoming fit for purpose increasing their ability to bid for other contracts.

For Coastal Towns, the most significant opportunity for economic benefit will come from tourism. Hosting the Olympic Games in 2012 will be a great opportunity for the UK to showcase itself to billions of people worldwide. It is therefore essential that we get the welcome right and take full advantage of this unprecedented marketing opportunity. A positive image and perception of the UK by the international community will in turn lead to more people wanting to visit the UK, providing a significant boost to the visitor economy.

It is estimated that there will be a post-2012 “Games dividend” of at least a 1.5–2% increase in visitor numbers and revenues for 2012–16, providing a return from hosting the Games of £1.4 billion–£2 billion. We aim to spread these benefits across the UK. In Australia following the Sydney Games in 2000 there were over 700,000 “Olympic induced” international arrivals to Queensland from 1997–2005.

To maximize 2012 opportunities DCMS and its partners, Visit Britain and Visit London, have published the widest ever consultation of the tourism sector and will publish a comprehensive strategy in spring 2007. The consultation has only just finished and whilst we don’t want to pre-empt the findings, we envisage there will be many things we can do to maximise this unprecedented opportunity, for example:

- (a) Raise standards by increasing the percentage of accredited accommodation in the UK.
- (b) Raise our Game in accessibility for disabled visitors, older people and families.
- (c) Work with People 1st to improve skill levels.
- (d) Make every available use of the extensive marketing opportunities.

As one of the venues for 2012, the Games will obviously have a tremendous impact on Weymouth. A number of significant projects have already been announced or are underway with a historic environment dimension. These include the Heritage Lottery Fund’s Townscape heritage initiative Scheme around the Esplanade. The Weymouth and Portland National Sailing Academy (WPNSA) is part of the £8 million regeneration of Osprey Quay to redevelop the vacated naval base, providing significant new jobs and a vibrant community. This world class training and competition venue has already hosted the World Youth Sailing Championships, and is equipped to stage further major international sailing events and competitions after the Games. This facility leaves a permanent legacy for sailing, and the WPNSA estimate that it will make a significant contribution to the local economy— £8.1 million in 2005–06 and set to rise to £11 million in 2012.

A Nations and Regions Group (NRG), comprising of representatives from every region and nation, has been established to provide leadership and strategic direction, to ensure UK-wide benefits from the Games. DCMS is working closely with the NRG.

These plans build on, and add value to existing regional strategies and drive forward social and economic priorities in each nation/region. Local communities are being engaged in the development of plans embedding legacy into key programmes to ensure wider and more sustainable benefits are delivered.

You also requested statistics and analysis relating to visits to coastal towns. Please see the attached document which summarizes the information we currently hold. I would like to notify the Committee that more up-to-date data on day visits (the Leisure Day Visits Survey 2005) is due to be published on 1 December. Day Visits are an important part of total tourism GVA, and the 2005 survey will include new detail on coastal areas in particular. We would like to make a new submission to the Committee in December, to take account of this.

*Shaun Woodward MP*

Minister for Creative Industries and Tourism

## VISITOR NUMBERS AND VISITOR SPEND IN COASTAL TOWNS

### *The Tourism Industry*

The Tourism Industry generates around £75 billion a year and directly employs 1.4 million people in the UK. In 2005 a record 30 million visits were made to the UK by overseas residents (up 8% on 2004), and visitor expenditure was £1.42 billion (up 9%).

### *The Tourism Industry and Coastal Towns*

**Domestic Visitors:** Visits to the English coast by domestic visitors create around £4.8 billion of expenditure. This is made up of:

- 17% of overnight stays and around £3.6 billion of expenditure. [in 2005, 19.3 million overnight trips were made by UK residents to the English seaside. On these trips, a total of 83.3 million nights were spent.]

- an estimated 7% of day trips and around 5% of spend (approximately £1.2 billion) [The latest figures for day visits cover the 2002–03 period at present, and these show that there were 1.1 billion tourism day visits in Great Britain, of which 7% were to the seaside or coast. The average spend per visit for tourism day trips to the seaside and coast was £18.50, markedly lower than the average spend for tourism day visits to either cities or the countryside (£30.80 and £20.70 respectively).]

[More detailed data for overnight stays by domestic visitors (therefore, not including overseas visits or day trips) is enclosed (Source United Kingdom Tourism Survey).]

**Inbound Visitors:** VisitBritain are this year including an “activity” question in the international Passenger Survey (IPS). One of the options will be “visiting coastline/countryside” which will improve our knowledge in this area. However, we do not expect a huge percentage of inbound visitors to do this and results will still be subject to a significant margin of error.

The 2005 IPS asked about where overnights were spent, from which we get the Top Towns visited. (However, the sample size issue applies here too.) A few major port cities appear in the top twenty, but Brighton is the only traditional seaside resort town:

#### TOP TOWNS 2005: VISITS

<i>Rank</i>	<i>City/Town</i>	<i>Visits (000)</i>
1	London	13,893
2	Edinburgh	1,134
3	Manchester	824
4	Birmingham	728
5	Glasgow	684
6	Liverpool	438
7	Oxford	437
8	Cambridge	416
9	Bristol	398
10	Brighton/Hove	332
= 11	Nottingham	282
= 11	Cardiff	282
13	Bath	269
14	Newcastle-u-T	266
15	York	246
16	Inverness	227
17	Leeds	202
18	Reading	191
19	Coventry	164
20	Luton	148

Visits figures are rounded to nearest 10,000—Excludes day visits.

Source: International Passenger Survey, Office for National Statistics.

#### **Supplementary memorandum by the East Riding of Yorkshire Council (CT30(a))**

Following the Oral Evidence Session, held on Tuesday 27 June 2006 at the House of Commons, East Riding of Yorkshire Council would like to submit additional written evidence with examples of specific initiatives undertaken in our coastal towns. Additionally and as requested by the Chair, we are enclosing maps of the Yorkshire and Humber coastal zone, which depict economic indicators at Super Output Area (SOA) level in order to demonstrate and explain the nature of deprivation, where it is and who is affected by it.

##### 1. MEASURES TO ASSIST YOUNG PEOPLE

The Select Committee asked for examples of initiatives to help young people achieve economic well-being and stay in coastal areas. In Bridlington we have established a “Young Aspirations” project. This started as a multi-agency programme to provide bespoke curriculum and support to young people in danger of being excluded from school. It has been very successful.

After three years its “progression” stage was intended to provide the platform to enable higher-achieving students to access suitable training and employment opportunities. However, the needs of the underachieving cohort and some organisational difficulties (ie one of the participatory secondary schools being in special measures), have meant that this element of the programme has had to be put on the “back burner” for now.

Several young people have, however, accessed the “Opportunity Knocks” programme (funded through Yorkshire Forward and European Regional Development Fund), which assists business start-ups.

## 2. OTHER INNOVATORY PROJECTS

In terms of innovatory projects, we would point to the extent to which we have integrated highways schemes with the town centre redevelopment programme in Bridlington. The regeneration impacts were a significant feature of an “LTP Exceptional” bid (up to £5 million) and we are very hopeful of a positive announcement soon, which will enable a package of measures to ease the “seasonal surge”.

Another key success was the “Synchronised Swimming” approach to partnership working and programme management. This has been instrumental in creating one Partnership and one delivery team to manage all the funding streams. The latest challenge is to mesh an allocation for the Neighbourhood element of the Safer and Stronger Communities Fund with existing funding, particularly European Regional Development Priority 3 (Community Economic Development) Funding.

## 3. INDEX OF MULTIPLE DEPRIVATION (2004) MAPS

The attached maps show a very clear pattern of multiple deprivation in the coastal towns with widespread economic deprivation in their rural coastal hinterlands. The additional commentary relates mainly to the East Riding area.

### 3.1 Overall

Within the East Riding area pockets of deprivation are interspersed among relatively affluent areas with the highest concentrations of deprivation evident in the coastal and estuarine towns of Bridlington, Withernsea and Goole. There are parts of Bridlington ranked among the 3% most deprived areas of the country. Almost the whole town of Withernsea has been allocated scores placing it within the 15% most deprived areas in England. Goole is a port town, but is situated 60 miles inland on the Humber Estuary and did not, therefore, feature in our response to the Coastal Towns Inquiry. However, it is referred to here to provide context.

### 3.2 Employment

Ten SOAs in the East Riding are in the 10% most deprived areas in the country and are found in Bridlington, Withernsea and Goole. Six of these are located in Bridlington, with a further two effectively covering the whole town of Withernsea. All of the other towns along the Yorkshire and Humber (Y&H) coastal strip contain SOAs within the 20% most deprived areas, with the majority falling within the 10% most deprived.

### 3.3 Income

The East Riding SOAs which feature in the 10% most deprived areas in England, can exclusively be found in Bridlington, Withernsea and Goole. The scores mean that between 32% and 38% of people within these SOAs are income deprived ie that they receive either Income Support, asylum subsistence support or have an income which is below 60% of the median calculated using benefit claims. Similar trends are also apparent with the other Y&H coastal towns.

### 3.4 Education

In terms of education, skills and training deprivation (education deprivation for children and young people, in addition to lack of skills and qualifications among the working age adult population), 13% of the SOAs in the East Riding are ranked within the 25% most deprived in the country. This is a relatively high figure for an area generally regarded as affluent. Most of these deprived SOAs again cover the three towns of Bridlington, Withernsea and Goole.

### 3.5 Barriers to Housing and Services

The indicators fall into two sub-domains: “geographical barriers” and “wider barriers” which also includes issues relating to *access* to housing, such as affordability. Here the rural nature of the East Riding is highlighted through the high numbers of SOAs ranked within the 25% most deprived in the country. In the main all of the coastal towns across the Yorkshire and Humber area score well in this domain, although the connecting strips of coastline and their outlying villages do not.

### 3.6 *Crime*

This domain measures the incidence of recorded crime (burglary, theft, criminal damage and violence). Bridlington and Goole contain SOAs, which are located in the 10% most deprived areas nationally, a situation which is mirrored in the other major coastal towns of Whitby, Scarborough and Grimsby/Cleethorpes.

### 3.7 *Health*

This domain measures those areas, which have relatively high rates of people who die prematurely or whose quality of life is impaired by poor health or disability. Again Bridlington and Goole contain SOAs, which are located in the 10% most deprived areas nationally, as well as Whitby, Scarborough and Grimsby/Cleethorpes. Their hinterlands also record low levels of health deprivation.

### 3.8 *Living Environment*

Again Bridlington, Goole and Withernsea feature within the 10% most deprived areas for this domain, which concentrates on housing conditions (social and private) as well as more “outdoor” aspects such as road traffic accidents and air quality. There are only 269 SOAs in the country with a higher ranking than the harbour area of Bridlington. The same picture of a poor “living environment” is also strongly evident across the other coastal towns, with the larger settlements of Whitby, Scarborough and Grimsby/Cleethorpes faring particularly badly.

### 3.9 *Income Affecting Children and Income Affecting Old People*

This domain measures the same principles as the overall Income domain, but enables a picture for both young and old people to be established separately. It is not surprising that income issues for older people are evident across the board, given the large number of retirees to the coastal towns. The prevalence of income deprivation in young people reflects the low wage, low skill, part-time and seasonal employment that is often the mainstay of the tourism industry in the coastal towns and the itinerant households that the cheap and rented accommodation, which is readily available in these locations, tends to attract.

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## **Supplementary memorandum by the Environment Agency (CT 50(a))**

### SUMMARY

- This paper supports the Environment Agency’s written evidence presented to the Select Committee in February 2006.
- The Environment Agency believes that the main priorities facing coastal towns are those driven by climate change and sea level rise. There is an urgent need to understand the extent to which climate change and sea level rise could affect some of our coastal communities, even under more moderate impact scenarios.
- Whilst engineering solutions can deal with some of the problems they cannot deal with them all—some engineering solutions are unsustainable. Avoiding risk in the first place is the only sure answer although we have to accept that many coastal settlements will still be at risk and that measures will have to be taken to address this increasing threat. This includes innovative farsighted spatial planning solutions.
- In order to help coastal communities adapt over several generations it is important that policy makers address the problem as soon as possible.
- The Environment Agency supports spatial plans that look beyond the immediate planning horizons—that anticipate the impacts of climate change and sea level rise by setting the direction of travel and don’t foreclose strategic options. Regional Spatial Strategies and Local Development Frameworks should include policies on climate change and coastal change that look beyond the immediate future by considering three periods; 0–20 years, 20–50 years and 50–100 years.
- The Environment Agency believes strongly that spatial plans of coastal authorities should adopt the preferred policies identified in the second generation Shoreline Management Plans. This is an essential step towards a more sustainably managed coast.
- The Environment Agency supports the review of coastal planning policy, currently contained in PPG20: Coastal Planning (1992), to address the current and future planning needs arising from climate change and sea level rise. This could be achieved either through the production of a Planning Policy Statement (PPS) to replace PPG20 or by incorporating coastal adaptation issues in the proposed PPS on climate change. Whichever option is preferred it is considered that the need for updated policy on coastal planning is urgent.

- The Environment Agency recognises the plight of some coastal communities who are losing their homes through coastal erosion. We support research into how these communities can be helped to adapt to future coastal change and how to address some of the issues faced by small communities at risk.

## INTRODUCTION

Historical records show that sea levels have been rising in the South East of England for the last 10,000 years following land mass readjustments at the end of the last ice age. Climate change induced sea level rise is now exacerbating this problem. Now we can foresee the day when some parts of our existing coastal towns and communities could become uninhabitable unless we act. It is also imperative that we do not add to this problem by increasing development in areas where continued protection from the sea is unsustainable.

Recent changes in the land use planning system have recognised the importance of a strategic approach, and the use of spatial planning techniques to steer how communities will be sustained. Success in this venture relies on close effective partnership between central and local government agencies, developers and most importantly coastal communities. How coastal towns will cope and adapt to an uncertain future is a crucial issue.

The Environment Agency (England and Wales) is a national organisation but with strong roots in local delivery. It is able to influence national policy but at the same time ensure local action is taken to achieve environmental outcomes on the ground. Our role in promoting and delivering sustainable coastal management is being further enhanced under the Department for Environment, Food and Rural Affairs (Defra) “Making Space for Water” strategy.

We very much welcome this Select Committee’s interest in this important topic and its influence in promoting a long-term direction for sustainable development in coastal towns. The Environment Agency is keen to work closely with the Committee, Central and Regional Government and local authorities in achieving truly sustainable communities in a rapidly changing environment.

## COASTAL TOWNS AND SEA LEVEL RISE

### *Latest evidence of sea level rise*

Recent research by a number of establishments indicates that the sea level predictions used within the Foresight report (produced by the Office of Science and Technology) and the last United Kingdom Climate Impacts Programme (UKCIP) reports (2002) were underestimated.

### **Appendix 2 for climate change graphs**

In addition the impacts of such factors as polar and glacial melt on storminess and risk of tidal surge were not well understood and probably underestimated. Recent evidence has been published of a possible 5mm/yr addition to sea level rise through contribution from the Greenland Ice melt alone<sup>3</sup>. Sea level rise is regional in its impacts. The greatest impact will be seen in the South East of England whereas in the North West the effect is significantly lower.

The latest predictions for sea level rise and other climate change impacts are being incorporated in planning policy for local authorities (for example the draft PPS25). It is also incorporated in the Environment Agency project appraisal guidance, which is used to determine the extent and priority of new flood and coastal risk management work.

### *Lost to the sea—historic examples of past coastal change*

Dunwich, a major historic East Anglian coastal town was slowly washed away from the 13th Century up to the storm of 1740 when it finally ceased to be a town and living community.

**Example:** Many of our modern coastal towns on the east coast such as Happisburgh could follow a similar course with residents needing help to relocate, and a clear planning strategy to allow migration of the town in a landward direction. **Photograph SC01** shows the rapidly eroding coastline.

This section of coastline has been eroding since the first coastal settlements were built. Then communities expected to live and work with nature, now they believe our heavy engineering works can prevent continued natural erosion. This is simply not viable, either economically or scientifically.

Over the last 400 years the popular Suffolk coastal town of Aldeburgh has lost half of its historic town to the sea. The Moot Hall used to be in the town centre now it sits just behind the seawall. The popularity of the town continues to grow with further redevelopment and yet, the town remains vulnerable to breach of the defences that rely heavily on a natural supply of shingle from further up the eroding coastline.

<sup>3</sup> Ridley *et al*, Journal of Climate, September 2005.



*The relentless forces of nature*

Sea level rise is notoriously difficult to measure but the United Nations Environment Programme (UNEP) has confirmed that in the last 100 years, the global sea level has risen by about 10 to 25 cm. At present the Environment Agency does not plan for the worst case scenario when allowing for future climate change, as this would make most costs prohibitive. Instead we choose a more moderate model to assess risk and response although this may change as certainty in forecasts increases.

Short-term economic and political expediency must not lead to the retention of existing defences as long as possible thereby leaving coastal towns exposed to unacceptable risks in the next 50 to 100 years. Sustainable solutions are needed that will have to include relocation.

## STRATEGIC COASTAL PLANNING AND MANAGEMENT

*Shoreline Management Plans (SMPs)—new messages from the current review*

To help guide management decisions on the coast Shoreline Management Plans have been produced. The first generation was of limited success but a new generation of plans, in the process of completion, will lead to a more sustainable management approach. When developing Regional Spatial Strategies and Local Development Frameworks regional planning bodies and local authorities should use SMPs to ensure that new development and redevelopment/regeneration avoids areas of existing and future high flood and erosion risk.

The Environment Agency would like to see SMPs become statutory plans so that they have equal weighting in development planning with other statutory plans. SMPs will be reviewed at least every ten years to update climate change, coastal geomorphology and risk information. As with the current round of review future SMP policies may therefore change in response to increased unmanageable risk.

**Example:** At Happisburgh the community expected that they would always be defended and did not understand that the long-term coastal change this frontage is undergoing would make that impossible. **Photograph SC02** shows some of the failed attempts to defend this coastline.

New SMP policies must be agreed and adopted by coastal authorities in their strategic development plans if they are to be delivered. Planning decisions must be considered in this strategic context and promote the new purpose of planning to achieve sustainable development. They can no longer be made to suit local economic and political expediency in the case of unsustainable coastal development.

**Example:** Happisburgh and adjacent frontages. North Norfolk District Council has not so far adopted the policies contained in their “second generation” SMP.

This highlights the dilemma facing coastal authorities when unpopular decisions have to be made. They need strategic planning guidance to promote the more challenging long-term sustainable coastal management solutions, and a more appropriate portfolio of policy options to help with managing the impacts this may have on local communities.

To create a sustainable coastline means establishing the right combination of coastal development, coastal engineering and protection, no intervention and enhancement of the natural environment. National and international biodiversity targets and directives place a duty on the UK to protect and enhance natural coastal features and habitats. Natural coastlines are resilient and can accommodate sea level changes, even helping reduce risk to some built development when engineers work with nature and restore these natural “surge and wave absorbers”.

**Example:** The Humber Estuary Strategy, balancing managed realignment with improved defences.

*Lifetime of development vs. development in perpetuity*

New development (especially residential) is rarely removed once it has passed its “design lifetime”. Once developed an area tends to remain developed, is redeveloped or regenerated, or it falls into disuse, becomes “brownfield land” (previously used land) where there is currently a policy presumption to develop it first before “greenfield land”.

Granting permission for development in places that will be at future significant coastal risk from flooding and erosion will create future problems related to potential relocation and this must be part of the consideration of the plan. Where permission is granted for residential use over former industrial use on “brownfield sites” it is simply substituting a more vulnerable development in draft PPS25 terms.

**Example:** Jaywick remains vulnerable to long term sea level rise. Expensive ongoing major engineering works will be needed to prevent the rural and town wall frontages from deteriorating over the next 100 years. Under present guidance this is the sort of redevelopment that should not be implemented in high flood risk areas. **Photograph SC03** shows the Jaywick town seawall.

*Where do coastal towns go?*

The Environment Agency publishes national flood risk maps to present vital risk information to planners and communities. We will be publishing coastal erosion risk maps from 2008. These maps support SMP information for strategic planning purposes and should be an important information source for the sustainability appraisal of spatial plans. New development or re-development should avoid the areas identified by these maps where Strategic Risk Assessments highlight the danger from flood or erosion risk.

**Example:** See case study Internet flood map example for Happisburgh, Jaywick, Canvey Island.

Existing coastal towns have developed over centuries in response to coastal trade and infrastructure. They must remain on the coast to support local and national commerce and communication. But they need to be aware of new threats from the sea and be able to adapt if they are to be sustained for centuries to come. The Environment Agency believes it is time that coastal planning policy (currently contained in PPG20) is reviewed to reflect the planning issues facing sustainable coastal management and development due to climate change and sea level rise.

The principles of Integrated Coastal Zone Management (ICZM) (subject of Defra strategy consultation) provide the tools for helping develop long term integrated strategic planning solutions. The eight principles of ICZM recommended by the European Commission should form the foundation for coastal and marine spatial planning practice.

- A broad “holistic” perspective (thematic and geographic).
- A long term perspective.
- Adaptive management during a gradual process.
- Reflecting local specificity.
- Working with natural processes.
- Participatory planning.
- Support and involvement of all relevant administrative bodies.
- Use of a combination of instruments.

By applying these principles consistently the Environment Agency believes that ICZM has an important part to play in planning a sustainable coastline.

#### HELPING COMMUNITIES ADAPT TO CLIMATE CHANGE

*Disaster planning*

When the forces of nature prevail, the public will rely on community-based resilience mechanisms. The Environment Agency works closely with central and local government in helping prepare for major civil emergencies. But these plans are a last resort. By avoiding risk at the strategic spatial planning stage the need for disaster planning can be reduced or removed.

**Example:** Canvey Island, Essex. Only two routes on and off the island. Emergency services could be seriously hampered in trying to evacuate the area. Emergency plans have been prepared to try and manage this scenario, which has arisen due to the lack of strategic risk assessment techniques in the early days of planning how to develop this low lying area. **Photograph SC04** shows one of the low-lying roads off the island relative to normal high tide level.

Important infrastructure such as electricity, gas, water installations must be located above flood risk levels or outside the area. Similar consideration should be given to the location of hospitals, fire and ambulance stations and police stations in coastal towns. Many sites have been developed without thought for the future flood risk they could be exposed to.

*Making Space for Water (MSFW)*

Defra’s new strategy for flood and coastal erosion risk management has at the heart of it the need to work with nature and to plan for flood and erosion as part of a long-term strategic approach. The strategy promotes whole shoreline solutions.

The resulting policy development is split into a number of work streams. Key coastal initiatives include:

- Developing the strategic role of the Environment Agency to include a coastal overview. This highlights the importance of developing effective strategic partnerships with local authorities and improved consultation over development on the coast.
- Production and publication of coastal erosion risk maps by the Environment Agency. This will provide important new risk information for local authorities. Together with our flood risk maps all coastal spatial development plans should incorporate this information in their sustainability appraisals.

- Development of adaptation tools to help communities live with increased future coastal risks. The importance of building room into spatial plans for coastal development to allow space for coastal towns to migrate landward away from future risk<sup>4</sup>.

### *Helping communities adapt to the future*

Some coastal communities already face erosion and loss of their homes because it is not viable to provide coastal protection, either due to engineering limits or cost.

**Example:** Happisburgh, Norfolk. Second generation SMP pilot has recognised the inevitability of continued long-term natural realignment of the north east Norfolk coast. Schemes to slow down this erosion have failed and any further work is not economically viable. The local community feels abandoned and ignored, and are calling for compensation for the loss of their homes and devaluation of other properties next in line. **Photograph SC05** shows the erosion of cliff and total loss of existing properties.

As the current programme for second generation SMPs is implemented there will be many communities facing similar threats. We cannot sustainably protect many parts of the coast as the effect of sea level rise and increased storminess takes hold. Communities affected by this reality are feeling isolated and abandoned. Better risk evaluation techniques are being developed, risk information is being provided for public information and communities need help in adapting to this new higher risk future.

Making Space for Water projects are examining ways to help communities. There may be a case for recognising the current generation's special needs in grants and social support where individuals are affected. Future generations wanting to live in existing coastal settlements must be informed about the risks when carrying out local authority searches, so that they can make decisions in full knowledge that their tenure may only be temporary.

Professionals, such as planners, engineers, architects and surveyors (and local authority decision makers/members) will need to use risk management techniques. Where the risk is unacceptably high for conventional development, resilience to flooding will have to be built in to the design and planning of coastal towns and settlements—Draft PPS 25 has been revised to better reflect the future increasing flood risk. We would like to see planning policy for the coasts (currently in PPG20) revised to address the future coastal risk of erosion and to complement PPS25. This could be via a Planning Policy Statement on coastal planning or covering this issue in the proposed climate change PPS.

**Example:** Thames Gateway. This major redevelopment within the Thames Estuary tidal flood risk area is an example of how planning and development measures can include risk management in the very infrastructure of the community. **Photographs SC07 and SC08** show ways of delivering Making Space for Water within new development at Thames Gateway.

Successful long term adaptation solutions may rely on innovative ideas such as: creating local housing trusts or facilitating local planning authorities to buy up freeholds to endangered property and allow residents to rent them back at a reduced market rate until they must be relocated. Existing powers such as the Local Authority Wellbeing duty may be applicable or partnership approaches between regional and local government to funding and planning for future growth and economic sustainability on a shifting coastline. Such approaches are already being considered in North Norfolk and in the Making Space for Water strategy workstream on adapting to coastal change and risk.

### *Learning from the past— planning safe coastal development*

It is vital that new development or redevelopment in coastal towns and settlements is directed to areas outside high flood or erosion risk. The Environment Agency is happy to work with DCLG and local authorities to find sustainable development solutions, preferably at the earliest possible stage in strategic planning. Planning authorities need to tighten planning restrictions in areas at most risk whilst potentially easing other planning restrictions on the landward side of existing coastal settlements that are under pressure from erosion or flood risk. This may mean it is more sustainable in the long term to build on “green field” sites under these circumstances rather than to redevelop “brown field” sites, which could be used for less vulnerable maritime and marine infrastructure and services supporting a growing leisure industry.

Above all it is vital that the policies resulting from the second round of SMP production are fully adopted and implemented by local authorities. They will set out a way of achieving long term sustainable management of rapidly changing and vulnerable coastlines. Incorporating these policies into strategic

<sup>4</sup> Annex G 2, PPS25 Consultation Document.

spatial development plans will in turn also help highlight truly sustainable development opportunities along our coastlines. Working with coastal change as recommended by SMPs is the only way to secure viable coastal towns for future generations.

*September 2006*

## APPENDIX 1

### CASE STUDIES

*Happisburgh, Norfolk*

SMP erosion map

#### *Description of the settlement:*

Happisburgh is a small community located on the NE coast of Norfolk. The heart of the village consists of older properties but it has extended over the post war years with mixed development along the coastal frontage. There has been some redevelopment and new build within the present village boundary.

The coastline is soft cliff that has been eroding due to wave attack and surface water runoff for many years.

**Photograph SC01** shows the dynamic nature of this frontage.

The North Norfolk District Council has promoted various schemes but all have eventually been destroyed by the aggressive wave conditions on this exposed corner of East Anglia. Schemes to try and slow down erosion have recently failed to meet Defra grant-in-aid criteria and the SMP policy for this coastal frontage is now to allow retreat through no active intervention.

#### *Development issues:*

- There remains a pressure to continue building or redeveloping houses within the village boundary.
- Some residents with houses at risk face losing all their property assets and are unable to afford to relocate in the village.
- There is no mechanism within strategic planning procedures to help displaced homeowners gain permission to rebuild their homes on the landward side of these settlements; ie to migrate the settlement landward as the coastline migrates landward.

#### *Description of the settlement:*

The town of Jaywick has developed piecemeal over the years on a site that was originally inter-tidal marshland until it was drained for farming.

**Photograph SC06** shows surface water standing behind the seawall.

Prior to the 1953 East Coast flood disaster many of the properties were of temporary construction. On the night of the 1953 surge tide the whole town was flooded and 35 people lost their lives.

Since 1953 there have been numerous flood defence improvements schemes to keep pace with beach loss and wave damage. Finally in the late 1980s a major capital scheme was undertaken to construct rock groynes and beach recharge to create an artificial beach in front of the town.

Massive rock groynes and artificial beach recharge protect Jaywick from waves, but the old seawalls are still relied upon for protection from surge tides.

Since this scheme completion the town has attracted grants and external funding to redevelop and expand the housing and infrastructure, increasing the population now living behind an artificial sea defence. All surface water drainage has to be pumped out of the area.

#### *Development issues:*

- Jaywick was former tidal marsh and lies behind an artificial sea defence. These defences will have to be maintained over the next 100 years or more if major risk to life and property is to be avoided.

**Photograph SC03** shows the defence wall.

- Holding the line will become increasingly more difficult and expensive for public funds as sea level rise and increasing storms attach this frontage.
- The adjacent rural seawalls are where the 1953 breaches occurred that flooded the town. These walls have been improved but remain a serious source of risk.

- This is an example of temporary buildings constructed on old marshland becoming permanent desirable homes in a location of increasing flood risk, without any strategic planning decision being made about future sustainability.
- This does not represent sustainable development but is still being allowed.

*Description of the settlement:*

Canvey Island is now an intensively developed town lying wholly below normal high tide level. The lowest part of the island lies at its centre, creating a bowl effect. All surface water drainage has to be pumped over the seawall.

In 1953 there were only 31,000 residents in the whole of the Castle Point Borough. That year the East Coast floods killed 58 people on Canvey Island. The current population of Canvey Island is now a massive 36,000 with approximately 86,000 in the Borough. There are only two routes on and off the island that will become blocked in the event of tidal overtopping. The island is also home to major oil storage facilities again lying below high tide level.

The tidal defences have benefited from being part of the Thames Tidal Defence programme and are currently among the highest standards of defence anywhere in the United Kingdom. The need to maintain the level of protection along the Thames into the next century is now the subject of the Thames 2100 project. Already seawall levels exceed the rooftops of some properties on the island!

*Development issues:*

- When the walls are one day overtopped by a major tidal surge, the 36,000 residents will be placed in a life-threatening situation.
- The emergency infrastructure would probably be unable to cope with a major failure of the tidal defences.
- Redevelopment continues unabated and leaves future public funding committed to having to maintain an unsustainable coastal town.
- The defences benefit from forming part of the Thames Tidal Defence frontage, but would this level of risk be acceptable if the defence standards were similar to other coastal towns?
- A Strategic Flood Risk Assessment for South Essex is currently being undertaken by Thames Gateway South Essex, this covers Canvey Island. The SFRA will provide Castlepoint BC with information on consequences of a flood occurring at Canvey Island to assist them in making decisions about future development and emergency planning.

THAMES GATEWAY, ESSEX AND KENT

*Description of the settlement:*

The Thames Gateway is a national priority for regeneration and growth from the Government's four growth areas identified in the Sustainable Communities Plan, launched by the Deputy Prime Minister in February 2003. The Thames Gateway stretches for 40 miles along the Thames Estuary from the London Docklands to Southend-on-Sea in Essex and Sheerness in Kent. By 2016, Government's targets for the Gateway include 120,000 new homes and 180,000 new jobs. Over half of the area of the Thames Gateway lies within the floodplain of the Thames Estuary, the majority of the proposed development sites are on brownfield sites on the riverside. The area is currently protected to a high standard, often in excess of a 1:1000 year annual probability however, as a result of sea level rise and deteriorating assets the risk of flooding is likely to increase. By 2080 we expect the sea level in the Thames to rise by an average of 26 cm to 86 cm, with extreme surge conditions adding another 2 metres. The Thames Estuary 2100 Project is developing a long-term flood risk management plan, which is considering a variety of methods to find ways of managing this increasing risk. In order to maintain flood risk at its current level until the year 2100 renewing or adapting current systems could cost £4 billion. The Project is looking at a number of solutions to reduce this cost, including identifying parts of the Estuary where flood storage would reduce water levels and reduce the need to substantially raise flood defences.

*Development issues:*

- 1.25 million people, £80 billion of property and major infrastructure are already sited within the Thames Estuary floodplain. However the location, layout and design of the existing developments do not incorporate flood management measures, other than the reliance on estuary-side walls and barrier.
- The new Thames Gateway developments will need to be located and designed to be safe. Development should be avoided in the areas of highest risk.

- Regeneration of brownfield sites provides the opportunity for flood defences to be set-back and flood storage areas created to make space for tidal flooding.
- Early discussion has been undertaken between the Environment Agency and DCLG to identify the parts of the Estuary where future flood storage areas will be required, and the measures needed to ensure the new developments are sustainable.
- It will be impossible to keep everything dry all of the time. The increasing risk of flooding will need to be accepted; awareness raising within the communities at risk and improved emergency planning will need to be put in place so that the Thames Gateway can adapt to a changing climate.
- Estuary-side developments will need to be designed to flood, making space for water but also ensuring that the residents and users are safe.

## THE HUMBER ESTUARY STRATEGY

### Location map

The Humber Estuary SMP (HESMP) indicated that a major programme of improvement works would be needed to counter the effects of sea level rise and to ensure that appropriate standards of protection are maintained. It also pointed out that in some places the defences will need to be realigned, either to make them more sustainable or to counter the effects of sea level rise, and supported the creation of new inter-tidal habitat to maintain the estuary's conservation status. Since the HESMP was published the implications of sea level rise and compliance with the Habitats Regulations have been clarified and a set of sites that will meet the various realignment needs over the next 50 years has been identified. A long-term programme of the works needed to manage the defences over the same period has been drawn up. The Environment Agency has reviewed plans for the next 15 years and confirmed priorities. Using this information we have developed our broad framework for managing the estuary's defences into a comprehensive strategy covering the next 50 years.

### FLOOD STORAGE (MANAGED REALIGNMENT AND DIFFERENTIAL STANDARDS)

Three of the eight sites identified will provide flood storage that is predicted to lower peak water levels by up to 100 mm or more for significant distances along the Ouse and the Trent. One of these, at Alkborough, is already being built and will also provide vital new inter-tidal habitat. Further studies are required to confirm the other two will be effective. If they are built, they will be designed to act as washlands and so should not flood very often, making it possible to continue using them for agriculture. The construction timing will again depend on a number of factors, including the actual rate of sea level rise and the willingness of owners to make their land available. Another way of providing flood storage in the future could be to provide differential standards of protection; raising defences protecting areas (such as villages) where flooding would cause major damage but leaving them at their present level where the damage would be less serious (such as farmland). These farmland areas would flood more frequently than at present but the flooding would be managed to minimise the overall risk to people and property. This approach is not being examined seriously at present but may need to be considered in 20 to 30 years time beside the Ouse, between the Ouse and the Trent and between Whitton and Winteringham. There are significant flood warning and development control issues to be addressed before it can be taken forward.

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### Memorandum by London Councils (CT 65)

London is looking at providing more suitable accommodation for London's children in care.

This includes a focus on better commissioning to:

- reduce unnecessary out of authority placements;
- improve local capacity and provision; and
- recruit, retain and train foster carers

In London we have set up the London SEN and Children in Care Commissioning Board. This initiative has been led by the Association of London Directors of Children's Services (ALDCS), London Councils and other partners, including the DfES. The aim is to set up a dedicated commissioning and intelligence unit serving London for children with SEN and those in care.

We intend to:

- ensure that each borough has effective and robust commissioning arrangements in place;
- share best practice; and
- develop cross-London commonality and coordination of arrangements where appropriate.

In achieving these aims we hope to make a better choice of suitable placements available to each child.

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**Memorandum by the Local Government Association (LGA) (CT 66)**

No doubt you will have received submissions from individual coastal authorities setting out their views on the impact of out of area placements (OAPs) on their coastal towns. I am sure that most of the issues you need to consider will have already been raised in those submissions. We are hopeful that you have also taken the time to seek information from those authorities making placements in coastal towns in order to build up a full and balanced understanding of issues driving OAPs in coastal towns and challenges to overcome in reducing the number of OAPs and improving outcomes for those children who, for whatever reason, are placed outside of their home authority.

Although we have looked into the impact of OAPs in terms of scale, we have not so far been able to gather evidence from member authorities that we feel would be of any great use to you. It is fair to say that for those coastal authorities receiving high numbers of OAPs the impact on resources is significant. We spoke to one local authority that estimated to have an OAPs population at the same level as that of the authority's indigenous care population. This, we were told, was a problem in terms of supporting the education of the child; no additional funding was available for OAPs unless that child had been stated as having a Special Educational Need (SEN). The pressure on resources was highlighted by another authority which estimated that 25% of its Youth Offending Team's work was with OAPs. We are aware that in some circumstances the placing and host authority come to agreement about support funding for the child, but those arrangements are currently ad hoc and therefore not satisfactory in many circumstances.

In our response to the recent Care Matters Green Paper the LGA makes it clear that, as a principle, we oppose out of authority placements unless a suitable alternative is unavailable in the authority or where it is demonstrated to be in the child's best interests (by meeting their needs better than other options). However, it is vital that whenever a local authority makes a care placement, the most important factor to consider is whether that placement is right and appropriate for the child. There are clearly drawbacks to placing children out of authority; however, in some instances it can be both beneficial and necessary. When out of authority placements are deemed necessary, it is important (as well as a statutory requirement) that the placing authority and host authority communicate as far in advance of the placement as possible and about all aspects of the placement.

It is worth drawing your attention to the Green Paper response by the Association of Directors of Social Services (ADSS) which also talks about the issue of OAPs. The LGA backs comments in the ADSS consultation response about the need to address the "current disjunction inherent in the 'belonging regulations' concerning Social Care, Health Care and Educational responsibilities for children placed out of authority" and would urge you to consider this as part of your work.

We would not support any policy or lobbying position that required local authorities to bring back into their authority OAPs which were made some time ago.

As a final observation, the LGA would say that the Green Paper does not say enough on this issue and hope that your work can help to make progress in this area.

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**Memorandum by Department for Communities and Local Government (CT 56(b))**

Whether there is a performance indicator which local government is judged upon which enables one to ascertain whether or not the outplacements for young people in care were in their best interest. If so to provide the Committee with this data.

Improving the outcomes for looked after children is a high government priority, with a current Public Service Agreement target to improve the placement stability and educational attainment of looked after children.

In addition, to the existing indicators that measure the placement stability and educational attainment of looked after children, from 2005–06, a new indicator has been introduced to measure the distance from home a looked after child is placed.

Placements should of course always be made in children's best interests and include the child's and families own views. Doing this effectively relies on the local authority's own judgements about whether a placement was made in the children's interest taking individual circumstances into account. The need for case by case judgement means that a universally applicable single performance indicator is not necessarily the best way of assessing whether a placement is in a child's best interests and is not practically possible.

The other means of obtaining a view on the effectiveness of the placement is through vigorous scrutiny of the six monthly statutory reviews of placements by independent reviewing officers and the follow up of issues raised.

The Select Committee will be aware that East Kent has particular concerns over the number of looked after children who are placed at considerable distance from their homes and communities. A network has been created to provide a boost to reviewers' confidence when it comes to challenging placements to ensure children's needs are met.

DfES and the Government Office are currently awaiting a report into “Looked after Children” from Thanet District Council, commissioned by Sir Gus O’Donnell. Government Office will keep the Committee informed on developments.

The Select Committee may also be aware of DfES’s “Looked after Children” Green Paper which sets out a strategy for addressing the issue of placements of children outside their local area. This provides recommendations on ways in which choice and diversity in placements for looked after children can be improved. Local conferences are being arranged to disseminate and consult on the proposals in the Green Paper.

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**Memorandum by the Department for Work and Pensions (DWP) (CT 60(b))**

1. In a letter dated 1 December the Committee requested the following:
  - The DWP memorandum dated 28 September 2006 provided the Committee with statistics and analysis of benefit claimants within coastal towns. However, it did not include data and analysis in comparison to the UK average. Please provide a comparison of benefit claimant levels between coastal and UK average.
  - Data showing the proportion of people on incapacity benefit in coastal towns in comparison to the UK average, and analysis on the reasons for any difference between these figures.
2. The memorandum below has five tables, all of which look at benefit claimants in coastal towns and Great Britain. Figures for Great Britain rather than the UK are provided as Northern Ireland has a separate benefit system and their benefit data is maintained separately.
3. Table 1 looks at the number of people on working age benefits. Table 2 does a comparison of the actual and percentage changes in working age benefit receipt between May 1997 and February 2006. In broad terms coastal towns have followed the national trend in the number of benefit claimants, with both Jobseeker’s Allowance (JSA) and Income Support for long parents (ISLP) having falls exceeding the GB average. There is some variation, though. Poole, for example, has seen a 75% fall in JSA receipt since 1997, while Eastbourne has seen only a 21% fall in JSA claimants.
4. The exception to this trend has been in sickness and disability benefits. While Great Britain has seen a 2.2% rise in the number of Incapacity Benefit (IB), Special Disability Allowance (SDA) or Income Support for disability claims, there has been a 12.3% rise in the number of claimants in coastal towns since 1997. This disguises some variation. Dover and Blackpool for example, have seen falls in sickness/disability benefit receipt of 6.5 and 3.5% respectively, while Great Yarmouth and Eastbourne have seen respective rises of 33 and 30%.
5. A comparison of percentage changes between coastal towns (aggregated) and Great Britain is shown in Chart 1.
6. Table 3 has the percentage of the working age population on benefit. Coastal towns only have slightly higher proportions of working-age benefit claimants than the national average, despite the increase in numbers for sickness/disability benefits, as shown in Chart 2. Towns such as Blackpool, Torbay and Hastings, with higher than average percentages of working age population as benefit claimants in 2006, also had high rates of benefit receipt in 1997.
7. Table 4 looks at the number of people on incapacity benefit between 1999 and 2006. Table 5, though, looks at incapacity benefit as a percentage of the working age population, comparing it with the GB average; Chart 3 illustrates the broad trends. Coastal towns again have a slightly higher proportion of their working age population on IB, with some places (Worthing, Southend-on Sea and Poole) below the national average and most places slightly above it. Blackpool, Torbay and Thanet have exceeded the national average by about 2 percentage points, but this gap in the proportion of claimants has existed prior to 1997.



**Table 1**  
**WORKING AGE—KEY OUT OF WORK BENEFITS—(all 000's)**

	May 1997					February 2006				
	Total	JSA	Sick Disabled IB/IS/SDA	Lone Parents IS	Total	JSA	Sick Disabled IB/IS/SDA	Lone Parents IS	Total	
Blackpool	20.8	4.6	11.3	3.5	18.3	3	10.9	2.5	18.3	
Bournemouth	16.3	5	7.6	2.8	12.4	2.1	8.1	1.5	12.4	
Brighton and Hove	29.5	10.9	12.1	4.6	24.2	5.8	12.9	3.5	24.2	
Dover	10.4	3.3	4.6	1.6	7.9	1.8	4.3	1.1	7.9	
Eastbourne	7.4	1.9	3.3	1.6	7.9	1.5	4.3	1.3	7.9	
Great Yarmouth	10.7	3.9	3.9	1.9	10.8	3.1	5.2	1.4	10.8	
Hastings	9.9	3	4.3	1.8	10.2	2.3	5.3	1.6	10.2	
Isle of Wight	12.4	3.8	5.7	2	11.7	2.7	6.3	1.4	11.7	
Plymouth	28.4	9	11.7	5.6	23.3	4	13.6	3.1	23.3	
Poole	9.7	2.8	3.9	2.2	8	0.7	4.8	1.5	8	
Portsmouth	19.2	6.1	7.3	4.4	15.9	2.9	8.3	3.1	15.9	
Scarborough	10.1	3	4.6	1.8	10.3	2.3	5.6	1.3	10.3	
Southeast-on-Sea	17	6.7	5.5	3.5	13	2.9	6.7	2.1	13	
Thanet	15.2	5.2	6.1	2.6	13.4	3	6.7	2.3	13.4	
Torbay	13.4	3.6	6.3	2.3	12.1	1.9	7.1	1.6	12.1	
Weymouth and Portland	6.1	1.6	3	1	5.5	0.9	3.3	0.6	5.5	
Worthing	6.8	1.6	3.3	1.2	6.4	1	4	0.8	6.4	
<b>Coastal Towns</b>	<b>243.3</b>	<b>76</b>	<b>104.5</b>	<b>44.4</b>	<b>211.3</b>	<b>41.9</b>	<b>117.4</b>	<b>30.7</b>	<b>211.3</b>	
<b>Great Britain</b>	<b>5,183.2</b>	<b>1,573.9</b>	<b>2,616.6</b>	<b>992.7</b>	<b>4294.7</b>	<b>876.6</b>	<b>2,673.3</b>	<b>744.8</b>	<b>4294.7</b>	

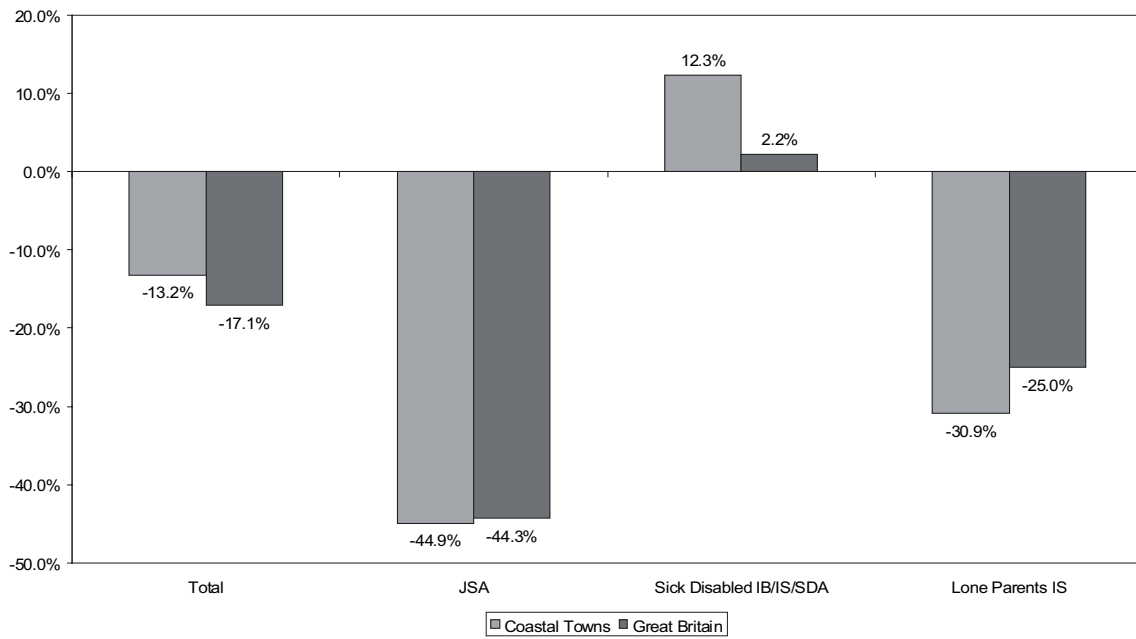
Source: Department for Work and Pensions, Information Directorate, 5% sample.

**Table 2**  
ACTUAL AND PERCENTAGE CHANGES BETWEEN MAY 1997 AND FEBRUARY 2006

	<i>Actual Changes (000s)</i>					<i>Percentage Changes</i>				
	<i>Total</i>	<i>JSA</i>	<i>Sick Disabled IB/IS/SDA</i>	<i>Parents IS</i>	<i>Lone</i>	<i>Total</i>	<i>JSA</i>	<i>Sick Disabled IB/IS/SDA</i>	<i>Parents IS</i>	<i>Lone</i>
Blackpool	-2.5	-1.6	-0.4	-1	-1	-12.0	-34.8	-3.5	-28.6	-28.6
Bournemouth	-3.9	-2.9	0.5	-1.3	-1.3	-23.9	-58.0	6.6	-46.4	-46.4
Brighton and Hove	-5.3	-5.1	0.8	-1.1	-1.1	-18.0	-46.8	6.6	-23.9	-23.9
Dover	-2.5	-1.5	-0.3	-0.5	-0.5	-24.0	-45.5	-6.5	-31.3	-31.3
Eastbourne	0.5	-0.4	1	-0.3	-0.3	6.8	-21.1	30.3	-18.8	-18.8
Great Yarmouth	0.1	-0.8	1.3	-0.5	-0.5	0.9	-20.5	33.3	-26.3	-26.3
Hastings	0.3	-0.7	1	-0.2	-0.2	3.0	-23.3	23.3	-11.1	-11.1
Isle of Wight	-0.7	-1.1	0.6	-0.6	-0.6	-5.6	-28.9	10.5	-30.0	-30.0
Plymouth	-5.1	-5	1.9	-2.5	-2.5	-18.0	-55.6	16.2	-44.6	-44.6
Poole	-1.7	-2.1	0.9	-0.7	-0.7	-17.5	-75.0	23.1	-31.8	-31.8
Portsmouth	-3.3	-3.2	1	-1.3	-1.3	-17.2	-52.5	13.7	-29.5	-29.5
Scarborough	0.2	-0.7	1	-0.5	-0.5	2.0	-23.3	21.7	-27.8	-27.8
Southeast-on-Sea	-4	-3.8	1.2	-1.4	-1.4	-23.5	-56.7	21.8	-40.0	-40.0
Thanet	-1.8	-2.2	0.6	-0.3	-0.3	-11.8	-42.3	9.8	-11.5	-11.5
Torbay	-1.3	-1.7	0.8	-0.7	-0.7	-9.7	-47.2	12.7	-30.4	-30.4
Weymouth and Portland	-0.6	-0.7	0.3	-0.4	-0.4	-9.8	-43.8	10.0	-40.0	-40.0
Worthing	-0.4	-0.6	0.7	-0.4	-0.4	-5.9	-37.5	21.2	-33.3	-33.3
<b>Coastal Towns</b>	<b>-32</b>	<b>-34.1</b>	<b>12.9</b>	<b>-13.7</b>	<b>-13.7</b>	<b>-13.2</b>	<b>-44.9</b>	<b>12.3</b>	<b>-30.9</b>	<b>-30.9</b>
<b>Great Britain</b>	<b>-888.5</b>	<b>-697.3</b>	<b>56.7</b>	<b>-247.9</b>	<b>-247.9</b>	<b>-17.1</b>	<b>-44.3</b>	<b>2.2</b>	<b>-25.0</b>	<b>-25.0</b>

**Chart 1: Percentage Changes between May 1997 and February 2006**

**Percentage Changes in the number of Working Age Benefit Claimants**



Source: Department for Work and Pensions, Information Directorate, 5% sample

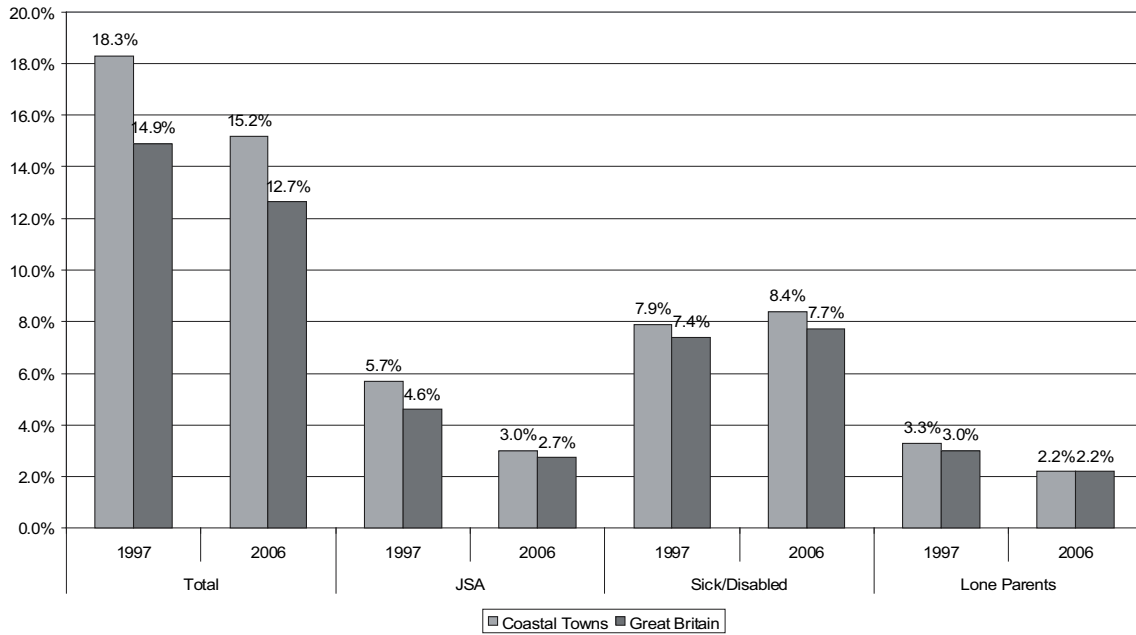
**Table 3**  
**PERCENTAGE OF WORKING AGE POPULATION ON BENEFIT—MAY 1997 AND FEBRUARY 2006**

	Total		JSA		Sick/Disabled		Lone Parents	
	1997 %	2006 %	1997 %	2006 %	1997 %	2006 %	1997 %	2006 %
Blackpool	24.3	21.65	5.4	3.55	13.2	12.89	4.1	2.96
Bournemouth	17.5	12.37	5.4	2.10	8.1	8.08	3.0	1.50
Brighton and Hove	19.1	14.48	7.1	3.47	7.8	7.72	3.0	2.09
Dover	17.4	12.75	5.5	2.90	7.7	6.94	2.7	1.77
Eastbourne	15.6	15.43	4.0	2.93	6.9	8.40	3.4	2.54
Great Yarmouth	20.7	20.01	7.5	5.74	7.5	9.63	3.7	2.59
Hastings	20.9	20.32	6.3	4.58	9.1	10.56	3.8	3.19
Isle of Wight	17.5	14.81	5.4	3.42	8.0	7.98	2.8	1.77
Plymouth	18.7	15.14	5.9	2.60	7.7	8.84	3.7	2.01
Poole	12.0	10.00	3.5	0.88	4.8	6.00	2.7	1.88
Portsmouth	16.2	12.96	5.1	2.36	6.1	6.77	3.7	2.53
Scarborough	16.6	16.80	4.9	3.75	7.5	9.13	3.0	2.12
Southend-on-Sea	17.6	13.83	7.0	3.09	5.7	7.13	3.6	2.23
Thanet	22.1	18.73	7.6	4.19	8.9	9.37	3.8	3.22
Torbay	24.8	22.43	6.7	3.52	11.7	13.16	4.3	2.97
Weymouth and Portland	16.2	14.37	4.3	2.35	8.0	8.62	2.7	1.57
Worthing	12.9	11.54	3.0	1.80	6.3	7.21	2.3	1.44
<b>Coastal Towns</b>	<b>18.3</b>	<b>15.2</b>	<b>5.7</b>	<b>3.0</b>	<b>7.9</b>	<b>8.4</b>	<b>3.3</b>	<b>2.2</b>
<b>Great Britain</b>	<b>14.9</b>	<b>12.65</b>	<b>4.6</b>	<b>2.73</b>	<b>7.4</b>	<b>7.73</b>	<b>3.0</b>	<b>2.19</b>

Source: Department for Work and Pensions, Information Directorate, 5% sample.

**Chart 2: Percentage of Working Age Population on Benefit—May 1997 and February 2006**

**Percentage of Working Age Population claiming Benefits**



**Table 4**  
**INCAPACITY BENEFIT CASELOAD 1999–2006 (000s)**

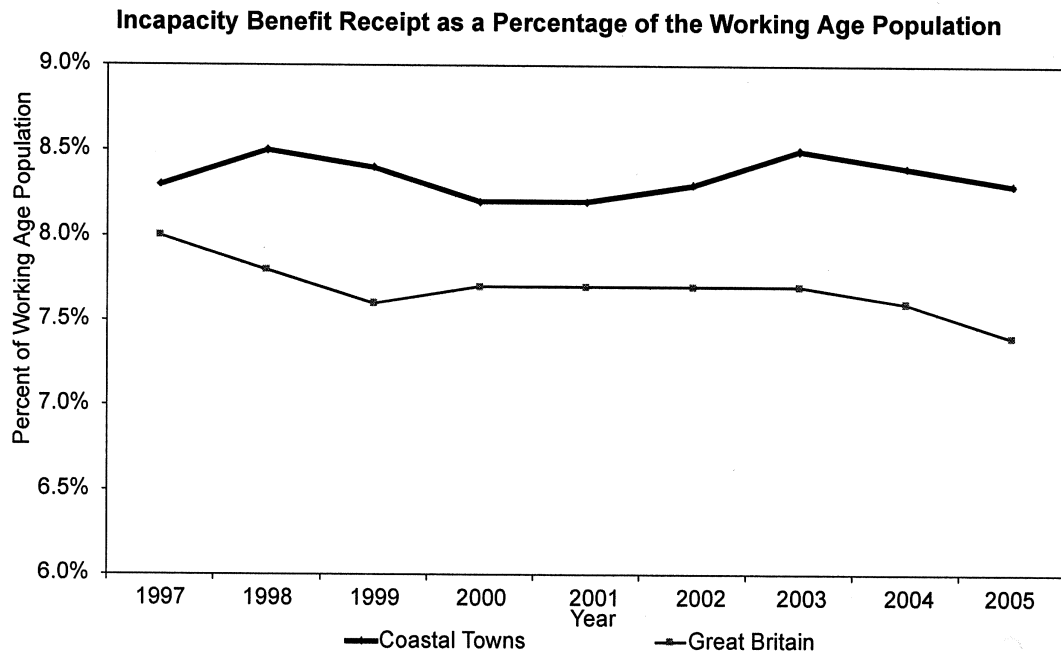
	1999	2000	2001	2002	2003	2004	2005	2006
Blackpool	11.58	11.53	11.49	11.59	11.67	11.77	11.56	11.52
Scarborough	5.07	5.19	5.4	5.57	5.72	5.71	5.54	5.47
Southend-on-Sea	6.54	6.63	6.83	7.03	7.21	7.34	7.3	7.31
Great Yarmouth	4.66	4.73	5	5.1	5.23	5.25	5.19	5.17
Brighton and Hove	12.16	12.17	12.41	12.54	12.68	12.72	12.75	12.68
Isle of Wight	5.78	5.78	6.05	6.24	6.44	6.6	6.5	6.47
Portsmouth	7.25	7.27	7.38	7.31	7.47	7.59	7.62	7.86
Eastbourne	3.49	3.58	3.72	3.84	3.92	4.09	4.18	4.23
Hastings	4.94	5.13	5.31	5.35	5.45	5.53	5.61	5.69
Dover	4.75	4.78	4.8	4.7	4.77	4.85	4.77	4.75
Thanet	6.26	6.4	6.5	6.59	6.71	6.93	6.99	6.9
Worthing	3.63	3.69	3.74	3.73	3.88	3.87	3.83	3.89
Bournemouth	7.83	8.04	8.22	8.32	8.53	8.79	9	8.91
Plymouth	13.22	13.64	13.88	14.32	14.34	14.34	14.3	14.35
Poole	4.65	4.66	4.76	4.81	4.86	4.81	4.83	4.94
Torbay	6.88	6.83	7.16	7.28	7.6	7.8	7.62	7.73
Weymouth and Portland	3.06	3.12	3.26	3.34	3.34	3.43	3.37	3.46
<b>Coastal Towns</b>	<b>111.75</b>	<b>113.17</b>	<b>115.91</b>	<b>117.66</b>	<b>119.82</b>	<b>121.42</b>	<b>120.96</b>	<b>121.33</b>
<b>Great Britain</b>	<b>2,732.05</b>	<b>2,756.51</b>	<b>2,805.45</b>	<b>2,811.43</b>	<b>2,819.05</b>	<b>2,817.01</b>	<b>2,767.74</b>	<b>2,747.49</b>

Source: DWP Tabulation Tool, Work and Pensions Longitudinal Study.

**Table 5**  
**INCAPACITY BENEFIT CLAIMANTS AS A PERCENTAGE OF THE WORKING AGE POPULATION**

	1997	1998	1999	2000	2001	2002	2003	2004	2005
Blackpool	13.5	15.5	15.4	13.3	13.1	13.7	13.5	13.6	13.0
Bournemouth	9.2	9.1	8.1	8.2	8.0	8.2	8.3	8.1	8.3
Brighton and Hove	8.3	8.1	7.9	7.8	7.8	7.8	7.8	7.7	7.6
Dover	7.8	8.3	7.6	7.5	7.7	7.2	7.2	7.0	7.0
Eastbourne	6.5	6.8	7.8	7.7	8.0	7.8	8.2	7.9	7.9
Great Yarmouth	9.3	9.6	9.0	8.8	9.2	9.2	9.7	9.7	9.5
Hastings	8.8	9.3	9.0	9.2	9.4	9.6	9.9	10.1	10.6
Isle of Wight	9.0	8.6	8.0	7.6	7.4	7.8	8.3	8.4	8.3
Plymouth	8.8	8.4	8.4	8.8	9.0	9.2	9.1	9.2	9.0
Poole	5.1	5.4	5.7	5.9	5.5	5.5	5.6	5.5	5.6
Portsmouth	7.1	7.1	6.8	6.5	6.4	6.4	6.4	6.4	6.5
Scarborough	8.1	8.2	9.0	8.2	8.7	9.2	9.4	9.4	8.8
Southend-on-Sea	5.6	6.3	6.3	6.5	6.9	7.3	7.5	7.1	6.8
Thanet	9.1	9.5	9.8	9.1	9.4	9.3	9.7	9.8	9.8
Torbay	10.3	10.6	11.7	9.4	9.2	9.3	9.5	9.7	9.6
Weymouth and Portland	9.4	8.7	8.6	8.1	8.1	8.4	8.6	8.0	7.9
Worthing	2.5	2.4	2.3	2.4	2.5	3.3	3.0	3.0	3.0
<b>Coastal Towns</b>	<b>8.3</b>	<b>8.5</b>	<b>8.4</b>	<b>8.2</b>	<b>8.2</b>	<b>8.3</b>	<b>8.5</b>	<b>8.4</b>	<b>8.3</b>
<b>Great Britain</b>	<b>8.0</b>	<b>7.8</b>	<b>7.6</b>	<b>7.7</b>	<b>7.7</b>	<b>7.7</b>	<b>7.7</b>	<b>7.6</b>	<b>7.4</b>

Source: Department for Work and Pensions, Information Directorate, 5% sample.



**Memorandum by the Department for Work and Pensions (DWP) (CT 60(c))**

The DWP has not done any analysis on the difference between these towns and the national average. Coastal towns are similar, for the most part, in that they are situated by the coast. This situation, though, may be entirely unrelated to their labour market position. They should not all be expected to have the same characteristics, and the statistics show that they have different labour markets and benefit claimant rates to each other. An aggregate picture for coastal towns (provided in some circumstances due to sample size restrictions) does not capture this variation.

Towns where the proportion of Incapacity Benefit claimants is above the national average, such as Blackpool, Torbay and Hastings, have had a historically high difference in these rates. This is most likely to do with state dependence, where claiming a benefit in one period make that person more likely to claim in a subsequent period. Data on IB goes back only as far as 1995, after the gap emerged, and while we can show the historical trend we cannot say when the gap in coastal towns emerged or describe the labour market changes that caused it in those areas.