

This paper has been produced in response to the LGA Coastal Special Interest Group's call for evidence to:

- (1) Support the SIG initiative to highlight the issues around coastal resort regeneration to Government; and;
- (2) Feed into the House of Lords Select Committee on "Regenerating Seaside Towns".

The paper provides a contextual introduction to East Lindsey, a summary of interventions which have/will support the regeneration of our coastline, the key structural problems our coast experiences and a list of ways Government can help coastal communities (both locally and nationally) to realise their potential.

## **1. Background – A Coastal District:**

- 1.1** East Lindsey covers 183,107 hectares, making it the second largest Local Authority District in England.
- 1.2** East Lindsey has the largest population of any district in Lincolnshire with 136,401 residents. In addition, there are nearly 25,000 static caravans located along our coastal strip. Whilst this brings an influx of visitors during the year, a number of people reside in caravans as their main home but are subsequently unrecognised in terms of service planning and delivery (including Council Tax, Community Infrastructure Levy and NHS / GP funds) placing additional pressures on all public services;
- 1.3** The District has a high proportion of residents aged 65 years and over (28% of the population). This reflects the importance of East Lindsey as a destination for retirees - typically from lower income employment with poor access to social and family networks. Between 2015 and 2036 the number of over 65's is expected to increase from 40,000 to 55,000. Over the same period, the working age population is forecast to decline from 79,000 to 77,000. These forecasts have serious implications for the future of the labour market and productivity in East Lindsey;
- 1.4** With a net outflow of working age people and a growing retiree population, labour market participation is likely to decline yet demand for health related services will increase. If current economic activity rates stay the same, the percentage of the economically active workforce who work in East Lindsey will need to increase from 66% to 81% to sustain the local jobs market - this is equivalent to 9,979 more jobs than people available to fill them by 2036;
- 1.5** The relatively sparse population and peripheral geography can result in poor access to services, social isolation and difficulty in travelling to medical appointments. This impact on residents' physical and mental health and becomes a subsequent issue for employers as the health of working age people is often poor;
- 1.6** The NHS experience significant major recruitment difficulties on the Lincolnshire coast and an associated withdrawal of health related provision. There are no Further Education campuses within East Lindsey and no roads are identified as part of Highway England's strategic network;
- 1.7** 30% of the District is identified as having significant flood risk. This restricts opportunities for housing development, although not business growth along the East Lindsey coastline. However, the lack of an equitable funding formula to contribute towards future flood defence schemes also creates uncertainty for future commercial investment; and;
- 1.8** Greater Lincolnshire is a major area of agricultural production and food manufacturing that contributes significantly to UK food security. Greater Lincolnshire accounts for 25% of all Grade 1 agricultural land in England, the vast majority of which is protected by existing coastal flood defences.

## 2. Regeneration Schemes:

There have been a number of interventions that have been undertaken in order to support the regeneration of our coastline – year on year increases to visitor numbers and spend on the coast highlight the importance of investment into visitor infrastructure:

Intervention	Benefit
Structures on the Edge (including the Festival of Bathing Beauties): <a href="http://www.lincolnshire.gov.uk/bathing-beauties/structures-on-the-edge">www.lincolnshire.gov.uk/bathing-beauties/structures-on-the-edge</a>	A Celebration of the iconic beach hut and, through modern architecture, the delivery of unique structures such as the 'Cloud Bar' focusing national/international attention on coastal heritage, art and interaction with the natural environment.
The North Sea Observatory: <a href="http://www.lincolnshire.gov.uk/bathing-beauties/north-sea-observatory">www.lincolnshire.gov.uk/bathing-beauties/north-sea-observatory</a>	Provision of an iconic build, all weather, all season facility.
Coastal Country Park: <a href="http://www.lincolnshire.gov.uk/coastalcountrypark">www.lincolnshire.gov.uk/coastalcountrypark</a>	The formalisation of the coastal hinterland offer.
Lincolnshire Coastal Grazing Marshes Project: <a href="http://www.lincsmarshes.org.uk">http://www.lincsmarshes.org.uk</a>	Lottery funded project directed at supporting local agricultural activity and developing the grazing marshes as a visitor product.
Upgrading Facilities at Donna Nook: <a href="http://www.lincstrust.org.uk/get-involved/top-reserves/donna-nook">www.lincstrust.org.uk/get-involved/top-reserves/donna-nook</a>	Improved Car Parking facilities to support seasonal visitors to the local seal colony supporting season extension (Nov – Dec annually)
Destination BID: <a href="http://lcbid.co.uk">lcbid.co.uk</a>	Business Improvement District for our coastal strip – rates premium used to improve and market visitor economy offer.
Gibraltar Point Visitor Centre: <a href="http://www.skegnessstandard.co.uk/news/video-new-1m-visitor-centre-at-gibraltar-point-in-skegness-opens-1-7400518">www.skegnessstandard.co.uk/news/video-new-1m-visitor-centre-at-gibraltar-point-in-skegness-opens-1-7400518</a>	c.£1m investment into a replacement visitor centre with modern facilities etc.

There are also broader schemes which have and will support the regeneration of our coast:

Intervention	Benefit
Skegness Countryside Business Park: <a href="http://www.lincolnshire.gov.uk/transport-and-roads/major-projects/skegness-countryside-business-park">www.lincolnshire.gov.uk/transport-and-roads/major-projects/skegness-countryside-business-park</a>	The Skegness Countryside Business Park is an £8million project on the outskirts of the town which once delivered will provide the infrastructure required to support economic growth in the coastal town and surrounding area.
Go Skegness: <a href="http://www.lincolnshire.gov.uk/transport-and-roads/major-projects/go-skegness">www.lincolnshire.gov.uk/transport-and-roads/major-projects/go-skegness</a>	Go Skegness is a highways and transportation improvement project. The project is designed to support the East Coast economy and encourage growth by working to alleviate town centre congestion, in addition to developing more opportunities for visitors and residents to use sustainable methods of transport, like buses and cycling.
Investment into Super Fast Broadband: <a href="http://www.onlincolnshire.org">http://www.onlincolnshire.org</a>	The provision of SFFB to 90% premises on the coast to improve digital connectivity and business opportunities linked to SFBB infrastructure.

### 3. Key Structural Problems:

- 3.1 Housing:** Having 38% of the area of the District in coastal flood risk affects the ability to bring forward new build housing in East Lindsey. Whilst there are 968 houses with permission in the District's Coastal Zone, only 286 have started. The obvious effect on new build housing is coastal flood risk, this is linked to low land values which impacts on the overall viability of sites. Land values in the District decrease as you get nearer to the coast. The other major factor is that East Lindsey has an Old Age Dependency ratio of 49, compared to a national average for England of 27. This means that the 65+ population of East Lindsey is equivalent to 49% of the 15–64 age-group population, compared to just 27% across England in aggregate. This translates into a higher mortality rate than average, coupled with higher home ownership, meaning that the second hand housing market far outstrips the new build market in terms of turn-over. The impact of this is the housing market fails to offer choice to those of younger age groups, many of which work in the low wage, low skilled coastal economy. This makes it difficult for those who would seek a new home and use the Governments Help to Buy Scheme and also means that the Council's ability to deliver affordable housing is beginning to be compromised.
- 3.2 Deprivation:** The Indices of Multiple Deprivation suggest a concentration of issues affecting labour market participation in the Coastal area, which scores poorly on education and skills and where poor levels of health (especially mental health) affect the propensity of the local population to seek employment;
- 3.3 Seasonality:** Whilst the Visitor Economy is a dominant and dynamic economic sector on the coast, the coastal economy (as evidenced by unemployment statistics) is highly seasonal and this significantly affects the business environment on the coast. Around half of coastal businesses are categorised as in decline, despite a year on year increase in visitor numbers, spend and tourism related employment;
- 3.4 Peripherality and Sparsity:** Our location means that residents experience large travel to learn distances; limited transport connectivity; challenges for the viability of learning cohorts; a perceived lack of demand and choice for both learners and businesses; difficulties in retaining young people in the area or attracting graduates, commuters, working families and key professionals to sustain public service delivery that are needed to underpin a thriving economy. As a result, coastal businesses tend to be remote from suppliers, customers and areas with a more skilled labour market;
- 3.5 Employability:** The low skills offer also impacts on the ability of local employers to recruit employees that meet the needs of their business, particularly those in more specialist sectors. The lack of further education provision restricts the ability of businesses to upgrade existing employee skills and affects the aspirations of local young people. It also affects the propensity for inward investment and the appeal of priority sectors such as Healthcare and visitor economy;
- 3.6 Aspirational Ceiling:** An intergenerational issue of low skills/aspirations in families and businesses; coupled with a strong view that change is not desirable as it will lose the character of the area. This can limit public appetite or capacity to improve the economy and exacerbate a dependency culture on the public sector to instigate change; and;
- 3.7 Health:** With regards to limiting health problems, the District experiences a more significant challenge in relation to the health and availability of the workforce, with a high proportion of the working age population claiming benefits in East Lindsey. These benefits are associated with the ill physical or mental health of the claimant or a dependent. They also reflect poor access to mental health services locally which has resulted in those with moderate to severe mental health problems being on a waiting list for almost 3 years.

#### **4. What needs to change to support Growth in the Future:**

- 4.1** East Lindsey stands at 33 out of 326 local authority districts in the Indices of Multiple Deprivation for 2015. This is a considerable shift from 58 in 2010. East Lindsey now falls just outside the 10% most deprived local authority districts in England. This indicates that more targeted support and intervention is required to support our coastal economies which experience the highest levels of deprivation;
- 4.2** There needs to be greater visibility, coordination and engagement by Government on any specific policies or investment strategies for coastal communities. There also needs to be greater recognition of the different solutions that are appropriate for failing and flourishing coastal communities;
- 4.3** On a national scale, bidding opportunities for economic growth (such as Growth Deals administered through LEPs) tend to be targeted towards large scale interventions and therefore inappropriate for smaller seaside towns which cannot demonstrate the level of economic return in direct competition with larger urban areas;
- 4.4** Other targeted investments for coastal communities tend to be small scale (e.g. LEADER, Coastal Community Teams, Coastal Revival Fund, Big Lottery) supporting delivery of community-led projects. This can restrict the ability of local partners to develop more strategic investments towards visitor infrastructure and related areas (such as transport and the natural environments) that would more positively influence national productivity;
- 4.5** The Lincolnshire coast has received limited investment through the Coastal Communities Fund, despite having one of the UK's leading coastal resorts and significant investment in off-shore wind farms. Again, there needs to be greater consideration of the relative impact of bids to local areas, rather than assessing all applications on a national scale (especially with estuary areas, as well as coastal communities eligible to apply for funding);
- 4.6** Funding formulas for the provision of key services in coastal communities reflect an historic regime of underfunding alongside a lack of understanding of the additional pressures of delivering services in rural / peripheral communities. Current funds are predicated on previous formulas and therefore even modest increases do not close the actual gap which exists.
- 4.7** The Lincolnshire coast is generally flat and accessible. However, significant resources are required (as a % of local government spend) to maintain the appearance and cleanliness of our coastal resorts and open spaces. This includes sand clearance which can otherwise significantly restrict movement along the foreshore. With further austerity cuts, the ability of local authorities to maintain the current service standards will become increasingly challenged. Other coastal areas have delivered targeted public realm interventions and initiatives to improve access to the foreshore and beach. This should be identified as an eligible investment as part of any national regeneration programmes which replace European Structural Funds assistance; we would also encourage the funding of a new commercial disabled facilities grant programme, which would permit the retro-fit of visitor accommodation to improve access to all visitors.
- 4.8** Agree a clear agenda and investment plan setting out long term flood protection. This will lead to developer certainty and provide the Coastal area with a template for its future economic development.
- 4.9** Increase capital infrastructure funding to top up statutory Environment Agency funds for coastal defence. This would support a move towards designing and implementing new physical structures which can support diversified economic activity;

- 4.10** Significant investments in access to and the range of further education available for coastal learners and businesses - enabling employers to meet their skills needs as well as increasing the aspirations of young people;
- 4.11** Establish a national Sector Skills Council for the Visitor Economy to address specific training and recruitment challenges. It should also recognise the importance of a skills ladder which includes entry level skills, customer care and a high number of managerial skills which are transferrable to other situations;
- 4.12** Provide a new model for delivering coastal apprenticeships, so that the main training occurs during the closed season and on-the-job training occurs during the peak season. Our major visitor economy businesses have proposed this and are willing to pilot in Greater Lincolnshire;
- 4.13** Increase investments in physical infrastructure (road and rail) to improve connectivity to settlements along the Coastal area;
- 4.14** Support ELDC in review of caravan occupancy and market housing in flood risk areas. The latter would work toward new legislation around rescinding permissions which have stalled or not started;
- 4.15** Greater investment in utilities infrastructure on the coast to deliver growth.
- 4.16** The campaign for Tourism VAT should be prioritised and accelerated within HM Treasury, with evidence suggesting a positive economic return within 2 years of implementation;
- 4.17** Review funding for related sectors (e.g. NHS) to ensure that those in poor health are supported to remain in or return to the workforce and that we can recruit and retain core professions. Economic wellbeing is a proven protective factor in people's health and wellbeing- but if the workforce is too unwell to work, the economy won't thrive; and;
- 4.18** Cross Government focus and support to help smaller seaside towns in deprived areas. This should seek to broker serious debate as to whether to prioritise new and innovative solutions (where a number of previous interventions have tried and failed) or to strategically manage decline in some challenged settlements.