

TENDRING DISTRICT COUNCIL

RESPONSE TO THE CALL FOR EVIDENCE FOR THE HOUSE OF LORDS SELECT COMMITTEE ON REGENERATING SEASIDE TOWNS AND COMMUNITIES

1. What are the challenges facing seaside towns and communities? Which of those challenges are common to many seaside towns, and to what extent (and why) have such challenges persisted over a number of years?

1.1 Seaside towns like Clacton on Sea face various social, economic and environmental challenges. Some of these challenges are inherent and result mainly from geographic constraints such as peripheral location; whereas others have developed over time as a result of changing social and economic trends. The challenges facing seaside towns and the opportunities for growth will also vary from town to town. Tendring has a number of coastal towns including Clacton, Harwich & Dovercourt, Frinton & Walton, Brightlingsea and Manningtree and they are all very different.

1.2 The issue of geography and 'peripherality' is an important one. Most seaside towns were originally founded upon tourism and maritime industries where the practical benefits of a coastal location were obvious. However, as these industries have declined and seaside towns have developed into coastal communities with more diverse economies, a peripheral location provides a number of disadvantages which affect their ability to compete for private sector investment and high quality jobs, shops and services. For example, businesses operating in an inland settlement (for example neighbouring Colchester) can draw both trade and supply (including materials, goods and labour) from a 360° wide zone of influence, whereas a coastal settlement like Clacton can only call upon an area of 180° and are therefore at an immediate disadvantage. For Clacton, its peripheral location means that a large proportion of its jobs are either in the public sector or are in small to medium sized businesses that primarily serve the demands and needs of the town's population. It also means that many residents have to commute to other settlements, such as Colchester, to find higher-paid work.

1.3 Many of the challenges facing Clacton and other seaside towns stem from this issue of peripherality and can manifest into a cycle of decline. Some of the issues are listed below:

1. an inability to compete with inland settlements for private sector business investment and resultant higher-paid job opportunities and better range of shops, services and attractions for residents;
2. higher than average unemployment and a high reliance on lower-paid public sector and service sector employment, and out-commuting;
3. difficulty in retaining young people with good academic achievement and skills resulting in an overall decline in the working-age population and a higher representation of people with low skills, low aspirations or health problems – a further disincentive to business investment;
4. a growing ageing population buoyed by inward migration of people wishing to retire to a seaside location - which brings some economic benefits in terms of consumer expenditure, but also places disproportionate strain upon local health facilities and the care and assisted living sectors which, in turn, rely on public-sector support and/or lower-paid workers;

5. comparatively low property prices which reflect the fragility of the local economy – resulting in low land values and a lack of economic viability in the construction of new high quality housing (including affordable housing) and business premises;
6. a growing waiting list of people needing affordable housing and a lack of available affordable housing resulting from limited new housebuilding and resulting in both low levels of disposable income amongst residents or the need to use bedsits, HMOs and hotels as temporary accommodation;
7. a high concentration of people with low-incomes, health problems and/or issues with alcohol, drugs or crime being accommodated in bedsits, HMOs and hotels which are all concentrated in and around the town centre;
8. highly visible social problems in the town centre which impact negatively upon the perception and image of town among its residents and visitors – affecting people’s usage and enjoyment of the town and the vitality and viability of town centre businesses including the night time economy;
9. dissatisfaction amongst local residents and businesses about the perceived decline in their town which add further to the lack in confidence amongst investors and distrust of the local authority and its public-sector partners; and
10. limited resources available to the local authority and its partners to undertake physical improvements in the area and to improve public services to its residents.

1.4 Such issues affect many seaside towns and communities, not just Clacton. However, the issues have developed over many years – essentially ever since the tourism economy of the town began to decline in the 1960s. Whilst there is a strong negative perception of Clacton’s issues which is holding back the regeneration and rejuvenation of Clacton, there is also a strong love of the town amongst many residents and some highly committed business owners who have invested heavily in their businesses and a committed Council that has placed economic development and growth at the top of its agenda.

2. Has sufficient research been conducted to provide robust analysis of the economic and social health and vitality of seaside towns? What are the main conclusions to be drawn from such data and research – and where are the principal gaps in knowledge and understanding?

2.1 There is currently very limited research into the economic and social health and vitality of seaside towns. One of this Council’s employees undertook an MBA dissertation in 2014 which looked at challenges facing seaside towns and this identified a gap in knowledge and understanding of how seaside towns could harness the opportunities presented by an ageing population to address their economic challenges and meet the housing and employment needs of the wider population. This dissertation is attached as an appendix to this paper.

2.2 That research identifies opportunities arising from growth in older people wishing to remain active well beyond retire age and that have skills, experience and business potential that could support the wider economy. It also identifies the establishment of ‘retirement villages’ with commensurate services, facilities and employment opportunities to cater for the demands and needs of active older people as

being successful in the USA and other parts of Europe. There is a lack of knowledge and understanding about how such facilities could be established and integrated into the existing economies of seaside towns to bring about employment growth and improvements to people's quality of life.

3. To what extent are seaside towns affected by issues arising from the nature of their housing stock, including Houses in Multiple Occupation (HMOs) and former tourist accommodation that has been converted for other uses? How might any such issues be addressed – and are any changes to Government policy required?

3.1 Issues arising from the nature of the housing stock have a very significant effect on the economy of seaside towns and these are not confined to HMOs and the loss of tourist accommodation to bedsits.

3.2 Because of the peripherality of seaside towns like Clacton, the economy can be dominated by service-sector industries to primarily serve the needs and demands of the resident population. The Council's Economic Strategy undertaken in 2013 (attached in support of this paper), but currently in the process of review, recommends increasing the supply of new housing in and around the town as a means of increasing/maintaining the size of the working age population to support the labour demands of local business as well as increasing the overall population to expand consumer expenditure in the area.

3.3 The Council has followed this advice and has allocated significant areas of greenfield land for residential development through its Local Plan. However, because property prices are lower in Clacton than towns and villages further west (such as Colchester), residual land values are substantially lower and it has been difficult for housebuilders to acquire land from landowners at a mutually beneficial price to make development economically viable. As a result, developments in rural villages and further west (including locations like Manningtree) have been prioritised over schemes in Clacton – notwithstanding the fact that there is significant housing need in the Clacton area.

3.4 Furthermore, because the housing market in Clacton is heavily driven by the migration of older people into the town to retire, one of the most viable forms of housing is bungalows which do not necessarily fit the business model of most volume housebuilders nor are they particularly affordable to younger people with lower-incomes or families. Whilst bungalows are being built in Clacton and are providing the opportunity for people to downsize and thus free up family housing within the existing stock, there has been very little progress in delivering high numbers of general housing including 'affordable housing' secured through s106 legal agreements.

3.5 Because of the continued under-deliver of affordable housing, the Council remains reliant on private sector landlords (who are decreasing in number following the introduction of universal credit), bedsits, HMOs and hotels/guesthouses to meet temporary needs of people at risk of homelessness. Many people that are at risk of homelessness have social issues such as ill health, crime, abuse or dependency on drugs or alcohol and because most bedsits, HMOs and hotels/guesthouses are located in and around Clacton's town centre, there is a concentration of such people living in one part of Clacton. This has led to a perception that the town centre is deprived, run-down and unsafe.

3.6 To assist the Council in addressing these problems, it requires the Government to review its policies on funding and assistance for the delivery of housing. At present, the Government will tend to only assist housing or mixed-use developments that are 'shovel ready' i.e. with planning permission and a developer in place. However, in an area like Clacton where the economic viability of much needed housing development is more marginal, support is required to get schemes to a shovel ready state, to

under-write the affordable housing that is needed along with the infrastructure that s106 legal obligations can only partly fund. By providing such funding and assistance, high quality housebuilders will be able to acquire the sites around Clacton and will be able to deliver the housing needed to boost the town's economy and deliver affordable housing to meet the needs of people who are currently put-up temporarily in town centre bedsits, hotels and guesthouses.

3.7 Furthermore in relation to HMOs, a good quality well-run HMO can be very valuable in meeting the needs of vulnerable people who require support. Funding and assistance to enable the creation and construction of HMOs by competent registered providers in locations around the town (As opposed to concentrated within the town centre) would be a valuable step forward.

4. Do population transience, and demographic changes more widely, present any particular issues for seaside towns and communities? What is the nature and scale of such issues, and how can local organisations and communities be assisted in seeking to address them?

4.1 The demographic problem facing seaside towns like Clacton is a continual loss of young, educated, skilled and ambitious residents to other locations that offer better employment prospects; the retention of people trapped in a spiral of low educational attainment, skills and aspiration; and the in-migration of older people looking to retire along with younger people who cannot afford to live anywhere else.

4.2 The issues that arise from this trend are the limitations of the workforce which, in-turn, put off inward-investors and the increase in pressure put on local health services arising from a growing older population. Only increased job prospects can help address the loss of younger people from the town along with sufficient housing to meet their needs. The flow of older people and the fact that population in general is ageing is not a trend that can be easily reversed, but there are opportunities arising from an ageing population that are not being fully harnessed by seaside towns.

4.3 Both the Council's Economic Strategy and the research within the dissertation identify growth in the care and assisted living sector as a key area of opportunity for seaside towns like Clacton. There could be an important role for the public sector in supporting this growth which could include, for example, the creation of centres for excellence in the treatment of health conditions that mainly affect older people which could take the form of specialist hospitals and associated training/innovation centres – thus providing high skilled employment and training for younger people whilst meeting the health needs of its older residents. This Council believes there should be more support in Government policy for the creation of such centres of excellence in seaside towns through the NHS and educational establishments. The local Clinical Commissioning Group (CCG) for North East Essex has already been looking into the possibility of progressing such a model.

4.4 Apart from demographic issues, residents living in many coastal towns face significant housing challenges with many living in extremely poor housing. Many East and South East coastal communities contain areas of significant deprivation, yet are close to London and areas of affluence. The relative low rents in these coastal areas makes them an attractive area for people affected by welfare reforms to move to putting massive pressure on local services and budgets.

4.5 The use by London Boroughs of homes outside of London means that fewer private homes for rent or to buy are available for local people in housing need. The significant deficit of good quality affordable

housing in coastal communities is being exacerbated if nothing is done to prevent the forced or “financially encouraged” out migration from London.

- 4.6 We are well aware that the placing authority has a duty to assess the impacts and to advise the receiving authority that it has placed an applicant in that authority, but knowing that they have been placed is somewhat irrelevant to the social and economic issues which that applicant may be bringing to the district. Equally many of the individuals who are out migrating are not placed but are being financially “assisted” which means that they have “voluntarily” relocated to a cheaper rent area.
- 4.7 Families deprived of their local and family support networks that are placed in unfamiliar surroundings will face significant challenges and may not be able to maintain their employment thereby becoming an increasing burden on support agencies and the state.
- 4.8 Whilst accepting that the placing authority must have regard to a range of issues when looking at housing an applicant in another authority area, we are also cognisant to the financial viability assessment which the host authority must undertake when considering where to house an applicant and it is clear that for many high rent areas, that financial viability test will mean that they will have to be placed in lower rent areas or the applicant will be placed into immediate financial hardship by the host authority. What this means is that there is an inevitable migration of housing applicants from high rent areas to low rent areas, many of whom will be unable to continue working due to the distance from their new home to their workplace and considerable social disruption to their support networks. As these applicants will as a result of this relocation become unemployed they will be competing with existing residents for the few jobs that exist locally or become an immediate burden on the localised welfare support systems.
- 4.9 We are also aware that many of the families who are moving have had their benefits capped as a consequence of large numbers of dependent children. The effect on school rolls, social services and other support services can be significant when large unplanned numbers of children move into an area.
- 4.10 It is clear from recent ONS figures that there is already a drift from central to outer London Boroughs of new claimants and it is inevitable that a ripple effect will follow of claimants being pushed out into the home county areas, many of which already struggle with their own difficulties. Many coastal communities close to London already contain some of the most deprived area in the country and the prospect of further migration of those forced out of London due to Welfare benefit changes is not going to assist us in dealing with the issues we already face.
- 4.11 Councils have no existing powers to do anything about another Council purchasing or renting private property in the area, although clearly such activity could significantly distort the local market. Nor do Councils have any power to prevent financial assistance being provided by one Council to encourage residents affected by the reforms to move to another lower rent cost area. It is imperative that the Government now takes action to address potential massive problems for Councils close to London. We suggest that this should be on six fronts:
- Ensuring that requirements to include affordable housing in new development in London are pursued and delivered;
 - Ensuring that welfare reforms recognise the high cost of housing in London, and that London residents are supported adequately to enable them to afford to remain in their communities;

- Reminding Councils that they should seek to house all of their residents in housing need within their areas and make it a requirement that they obtain the explicit agreement of another Council to host those from outside of its area even on a temporary basis;
- Requiring Councils to notify the relevant Local Housing Authority of any properties that they currently own and /or rent or propose to buy and/or rent in their areas:
- Requiring Councils which relocate or assist their residents to another Council's area to meet the additional costs to the benefit and support systems that are created as a result of them housing that Council's residents'.
- That the government collates and publishes quarterly data on net housing benefit movements between local authority areas.

5. Do problems relating to transport and connectivity (including digital connectivity) present a barrier to economic growth from seaside towns and communities? What action has been taken to address such matters, and is any further Government action required? To what extent would addressing such issues create the opportunity for future inward investment and growth?

5.1 Due to their peripheral location, transport and connectivity problems are a huge barrier to economic growth. An efficient and affordable transport network is essential for businesses to operate and invest in a coastal area and important for the resident population to enable them to commute for jobs that cannot be provided in the seaside town itself.

5.2 The Council is aware of the investment that Greater Anglia is making in new rolling stock for the local rail network but rail fares remain at a level that is unaffordable to many local people. There has been very limited investment in the facilities provided at railway stations to make them an attractive and viable alternative to private car use.

5.3 In terms of roads, Clacton is served by the single-carriageway A133 which suffers considerable congestion during commuting hours and in peak holiday season. There are capacity problems at two of the main roundabouts on the A133 which, if addressed, would improve the attractiveness of the town for inward investment – however, the funding of these improvements is a relatively low priority to the Highway Authority and Department of Transport compared with other major schemes associated with large scale housing growth.

5.4 Turning to digital connectivity, the implementation of ultra-fast broadband has been identified by the Council's consultants currently undertaking a review of its Economic Strategy as being key to the area's economic success. At present, the Tendring District and Clacton has 0% ultra-fast broadband and this will become a significant barrier to retaining existing businesses, encouraging new businesses and enabling people to work more flexibility in their homes without the need to commute. It would also support the innovation in care and assisted living which might prove crucial to future economic growth in the town.

5.5 Assistance in delivering ultra-fast broadband in seaside towns should be a high priority for Government if the regeneration of these areas is to be achieved.

6. How successful have initiatives that seek to promote tourism and the visitor economy in seaside towns proven to be? How important are these sectors to the economies of seaside towns? Is sufficient attention being given to the potential contributions that could be made by other sectors, beyond tourism?

6.1 The tourism and visitor economy remains very important to seaside towns like Clacton however the nature of it has changed considerably since the 1960s and the increase in the affordability of foreign travel. There has been a large reduction in the number of people who visit the town for a holiday and an increase in the people that visit for only a day. The owners of two of Clacton's largest tourist attractions, the Pier and the Pavilion, tell us that they cannot rely on seasonal trade and that they have to provide attractions to meet the year-round needs of the town's residents. They have both invested heavily in turning their facilities into year-round all-weather attractions and marketing them to the local population.

6.2 The organisation and marketing of events has become an increasingly important aspect of attracting tourism, as demonstrated by the success of Clacton's air show and beach festivals.

6.3 It remains important to promote tourism and the visitor economy, but it is also important to encourage local people to visit and use the town's facilities and attractions and to encourage them into the town centre to spend their money. Seaside towns like Clacton have struggled to compete with nearby centres of population to provide an attractive shopping and leisure experience which is why many Clacton residents leak trade to Nearby Colchester.

6.4 The other sectors that require more attention, support and research include the care and assisted living sector and renewable energy, as identified in the Council's Economic Strategy.

7. Are sufficient tools and resources available to local authorities, property owners and other stakeholders to allow them to promote and deliver the restoration and regeneration of the physical environment in seaside towns? Could new approaches – or the removal of any existing barriers – support further regeneration?

7.1 This Council has recently set up a Working Party to look at the issues facing Clacton Town Centre and opportunities to secure its long term vitality and viability. The Working Party includes representatives from local businesses and landlords. They tell us that business rates are often higher than rents and are a major barrier to investment. For example, because rates are so high, landlords have very little incentive to improve shop fronts, convert upper floors for residential use or undertake works to improve the appearance of their properties. Rates relief for businesses in seaside towns could help to unlock this barrier and incentivise landlords and businesses to improve their properties and create residential accommodation in upper floors.

8. What work is being done in seaside towns to support social and economic regeneration, and to improve social mobility across the whole community? What more could or should be done by the Government, and relevant organisations, to deliver such initiatives?

8.1 As explained above, this Council has set up a dedicated Working Party to address the issues in Clacton Town Centre and is also leading on major projects to rejuvenate Jaywick Sands and stimulate economic activity in Harwich. The long-term success of such projects will depend, to an extent, on the ability to reverse issues surrounding unemployment and lack of skills. The Government and relevant organisations could assist in this by supporting the creation of centres for excellence in seaside towns that provide

education and training in key sectors of the economy that are likely to grow in these areas – for example health, social care, assisted living and renewable energy. If such educational establishments were provided in seaside towns, there would be greater job prospects in those areas, greater aspiration amongst younger people, opportunities for supply-chain industries within the locality and a better quality of service in the healthcare sector for local residents.

9. What role should local businesses, SMEs and social enterprises play in seeking to deliver regeneration in seaside towns? How effective is any help currently provided to these groups by the Government, local authorities and others? Are there any barriers to growth that could be addressed by changes in policy?

9.1 Businesses have told us that whilst the help and assistance provided to them by Government is welcome, the amount of work that the application process is too difficult and overly onerous. Business rates has been identified as one of the biggest barriers to investment and a rates relief scheme would be highly beneficial.

10. Is educational provision in coastal communities of a good enough standard? Do coastal communities experience any particular challenges around the provision of secondary, further and higher education and, if so, what action should be taken to promote positive change?

10.1 Educational attainment in Clacton's schools has been below average – however this reflects some of the wider issues surrounding lack of opportunities and low aspiration and the cycle of deprivation and is not necessarily a reflection of the quality of the schools and the ability of their teaching staff. There is however an issue with young people leaving the town to seek further education.

10.2 If seaside towns could be the home to specialist education establishments or centres of excellence to provide training in particular sectors, as suggested above, there would be a stronger incentive for younger people to reach their potential, stay in the area and contribute towards growth in the local economy.

11. Is there evidence to suggest that certain health conditions are more prevalent in seaside towns? What factors might contribute to levels of poor health in coastal areas? Would any targeted interventions help to address any such issues in these areas?

11.1 Statistics for seaside towns show that there is a higher prevalence of mental health issues, lower life expectancy and higher proportions of people with long term disability which is no doubt linked, in part, to the higher than average proportion of older residents.

11.2 If seaside towns could be the home of centres for excellence in health and social care, with all the associated benefits of local employment and training opportunities, there would be well-resourced facilities in place to deal with health issues that are particularly prevalence in these coastal locations.

12. What impact as the Coastal Communities Fund had upon seaside towns and communities? Are any further targeted interventions from Government required?

12.1 Although this Council has applied for Coastal Communities Funding, no funding has been received to date, although there is a current application for assistance to establish an Innovation Centre in Harwich. Successful applicants to the 'Fast Track' scheme were announced recently but our

application did not fall under this stream of funding. Therefore this authority cannot currently comment on the impact the fund has had on seaside towns and communities.

13. To what extent is it currently possible to develop a 'vision' for individual seaside towns? Is there a need for longer-term thinking and, if so, is that need currently being met? What role should Government departments, local authorities, local enterprise partnerships and other stakeholders play in delivering against such a vision, and is any action required to improve integrated working between these groups?

13.1 Because seaside towns have seen long-term decline, it is likely that radical solutions are required to help transform the image of an area. Unfortunately radical schemes are often very expensive and well beyond the budgets available to local authorities. For example, the rejuvenation of Jaywick Sands could be achieved if there were a substantial government grant. Without such funding, the Council has had to work with landowners and other partners to deliver change in a fragmented and piecemeal manner that will take decades to complete.

13.2 The decline of many town centres and a loss of major retailers in the face of competition from online shopping and larger inland centres is expected to have a serious impact on the economy of seaside towns. That said, it may be that seaside towns have a greater opportunity to maintain town centre activities as they retain a unique experience of providing coastal and waterfront activities and traditional architecture. The Clacton Town Centre Working Party will be exploring such opportunities as part of its ongoing work.

14. Are there fiscal or financial measures available which could help to support the regeneration of seaside towns? Could the Government provide any financial freedoms or investments which would help to generate positive change?

14.1 Rates relief for businesses in seaside towns is the main suggestion. Local businesses have told us that business rates are currently a significant barrier and disincentive to investment.

15. What role should local people and local communities play in the regeneration of seaside towns and communities? Do good processes of community engagement, and community resilience and capacity building, currently exist and, if so, could they be applied more widely?

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

16. Do any integrated models of regeneration, bringing together local communities, businesses, public sector bodies and others to pursue common goals, currently exist? If so, how do such models seek to promote physical, social and economic regeneration in seaside towns? How can any lessons learnt from such work be applied more widely – and is further innovation required?

16.1 From our engagement with communities, businesses and public sector bodies, it is clear that there are common goals around rejuvenating Clacton and other seaside towns. This Council does facilitate a number of working groups that bring these bodies together to bring about an integrated approach to delivering regeneration within the constraints of funding and resources. If there were more incentives

for businesses and access to grant funding as outlined above, this integrated approach is likely to achieve more success on the ground.