



Department for
Communities and
Local Government

COASTAL FUTURES 2014: REVIEW & FUTURE TRENDS

DEVELOPING COASTAL ECONOMIES: Schemes, Funds & Initiatives – An Overview of Government Programmes

Keith Thorpe
Department for Communities & Local Government
22 January 2014



COMMON CHALLENGES FACING COASTAL COMMUNITIES

- **Peripheral location** (road, rail, digital connectivity)
- **Heavy reliance on seaside tourism** – often low wage, low skill jobs and seasonal
- **High levels of benefit dependency**
- **Imbalance in coastal labour markets** – economic growth sectors often poorly represented
- **Polarisation in quality of local housing** – poor quality private rented vs high quality owner occupied housing
- **Demography** – inward migration of the elderly, outward migration of young people, and transient populations



OPPORTUNITIES OPEN TO COASTAL COMMUNITIES

- **Capitalise on growth of domestic tourism** – success of “staycation” effect
- **Exploit new opportunities on the coast to diversify the economic base** - shift to low carbon economy/renewable energy
- **Exploit improved digital connectivity/ high speed broadband** - to develop on-line digital businesses
- **Maintain and improve attractiveness/quality of life in coastal communities**
- **Tackle vulnerability to coastal erosion/flooding** - affecting economic/social viability of some coastal communities



WHY SHOULD GOVERNMENT INTERVENE IN COASTAL COMMUNITIES?

- Address **market failures**
 - Information failures – need to signal potential of coastal areas;
 - Co-ordination failures/transaction costs – need for catalyst to stimulate wider investment;
- Tackle **institutional failures** – need to ensure Government policy works for and not against coastal communities.



COASTAL COMMUNITIES FUND: PURPOSE

- Creation of the UK-wide Fund announced by the Chief Secretary to Treasury in July 2011
- BIG Fund helping to deliver CCF as UK wide organisation
- UK Fund provides funding, on a bid basis, for projects which support local economic growth and jobs in coastal communities
- Equal to 50% of revenues generated by Crown Estate's marine assets. Government committed £27.8 million UK wide in 2014
- Recognises contribution coastal places make to the development of the Crown Estate's marine assets and their unique economic circumstances



Eligibility:

- Any coastal settlement within a local authority whose boundaries include UK foreshore, including local authorities whose boundaries only include estuarine foreshore.

Eligible organisations include:

- Charities
- Voluntary & community sector organisations
- Social enterprises, including co-operatives & community ownership initiatives
- Local authorities
- Development agencies in the devolved administrations
- Local Enterprise Partnerships in England,
- Private sector companies.



COASTAL COMMUNITIES FUND: FORECAST OUTPUTS FROM YEAR 1

- **26 projects, approved in 2012-13**, are forecast to deliver:
 - Over 4800 jobs (direct & indirect)
 - Support for more than 300 new business start ups
 - Over 1400 training places
 - Over 400 apprenticeships
- **Fund is leveraging in additional investment** from other sources – over £16m from public/private co-sponsors
- **Round 2 projects** announcement expected in February



COASTAL COMMUNITIES FUND: SOME CHALLENGES

- **Demand management** – programme severely oversubscribed; 2 stage process to filter down demand;
- **Timescales** – 2 year funding challenging, especially for capital schemes;
- **State Aid Cases** – difficulties in making CCF awards to some projects, other than de-minimis grants;
- **Maintaining consistency of approach across the UK** – different timetables emerging



COASTAL COMMUNITIES FUND: CHANGES TO ROUND 3

- Focus on jobs & growth to be retained;
- Combining Year 3 & 4 CCF budgets;
- Re-prioritise help for projects to assist coastal flooding recovery and protection
- Tighter timeframes for submission and assessment of projects;
- Increased focus on spend performance to minimise risk of underspend/maximise outcomes;
- Handling of extension to 2016-17.



ENCOURAGING LOCAL GROWTH, JOBS & ENTERPRISE

- **Local Enterprise Partnerships (LEPs)** – Strategic Economic Plans - 19 out of 39 cover coastal areas;
- **Enterprise Zones (EZs)** – 9 out of 24 EZs are in coastal locations;
- **City Deals** – 10 out of 28 City Deals are in coastal areas;
- **High Street/Portas Pilots** – 8 out of 26 are in coastal locations;
- **333 Town Team Pilots** – 20% in coastal towns.



ENCOURAGING LOCAL GROWTH, JOBS & ENTERPRISE

- **Regional Growth Fund** - boosting private sector employment in areas over reliant on public sector jobs;
- **Growing Places Fund** – addressing local infrastructure and site constraints through LEPs and EZs;
- **Single Local Growth Fund** - £2bn in 2015-16 for all LEPs, and a minimum of £2bn every year for subsequent 5 years
- **European Regional Development Fund (ERDF)** – helping a wide variety of projects to benefit regional & local economies, including coastal areas.



GETTING COASTAL COMMUNITIES WORKING: Skills, Training and Apprenticeships

- **Work Programme** – created a single welfare to work programme to help all unemployed people back to work and be more responsive to local economic conditions e.g. in coastal towns
- **Job Centre Plus** – more freedoms and flexibilities to tailor back-to-work services to meet needs of individual claimants and local labour markets.
- **Apprenticeships** – from 2011 new route from Work Experience into apprenticeships - to deliver £60,000 for young unemployed nationally by 2015



IMPROVING CONNECTIVITY : Transport Connections

- **Investment in the Strategic Road Network**- benefitting coastal towns e.g. to seaside towns and Cornwall and Haven Ports/ coastal communities in East Anglia
- **Local Major Road Schemes** – local authority networks improving access to seaside towns e.g. Devon, East Sussex, Blackpool Tram
- **Local Pinch Point Fund** – 72 schemes across England receiving funding including coastal and seaside towns
- **Local Sustainable Transport Fund** - supporting sustainable transport measures , including support for tourism and coastal settlements e.g. Northumberland, Southport
- **Community Rail schemes** – e.g. St Ives Bay line (Cornwall), Bittern line (Norwich – Sheringham), Grantham to Skegness line



SOME OTHER GOVERNMENT PROGRAMMES SUPPORTING COASTAL COMMUNITIES

- **Rural Broadband Programme** (£530m UK wide) & **Rural Community Broadband Fund** (£20m in England)
- **Rural Communities Energy Fund** – to help rural communities in England to install a renewable or low carbon energy scheme;
- **Rural Development Programme for England (RDPE)** – 7 year programme with £3.7bn budget;
- **Visit England** programmes – promoting coastal & seaside locations;
- **Heritage Lottery Fund** – funding historic infrastructure in coastal towns eg piers;
- **BIG Fund** grant programmes.



MARINE PLANNING'S CONTRIBUTION TO REGENERATING COASTAL ECONOMIES

- The benefits that **marine planning** presents to coastal regeneration depends on engagement from LEPS & LAs in the marine planning process - so please do get involved
- Plan-making began for the South Marine Plan Areas (6&7) earlier this year
- A consultation on the East Inshore and Offshore Marine Plans (3&4) was launched on Tuesday 16th July which will run for 12 weeks
- If you have an interest in these plan areas or you would like to consider and input into how future marine plans could facilitate the regeneration of coastal economies you can find the consultation at:
http://www.marinemangement.org.uk/marin_eplanning/





COASTAL COMMUNITIES GETTING ON WITH IT

- **Localism Act - Community Right to Bid** e.g. Hastings Pier/
Whitelock Trust
- **Neighbourhood Planning** – over 70 communities in coastal
locations have begun neighbourhood plans e.g. Lynton &
Lynmouth (Devon), Littlehampton (Sussex), Headlands
(Hartlepool)
- **Coastal town led initiatives** – e.g. Scarborough, Lowestoft,
Padstow, Aldeburgh, Lyme Regis, Filey, Mablethorpe and Sutton
on Sea



SOME CONCLUSIONS

- Coastal Communities Fund providing targeted support for growth & regeneration in coastal places will continue to 2017;
- Coastal communities securing significant benefits from non-targeted programmes, which dwarf funds available under the CCF;
- Marine planning has a key contribution to make;
- Importance of coastal town and community-led initiatives;
- Need to raise awareness in coastal communities of wider sources of support & help;

THINK GLOBAL, ACT COASTAL!



Department for
Communities and
Local Government

QUESTIONS?

Keith.Thorpe@communities.gsi.gov.uk

Web sites:

www.communities.gov.uk

www.biglotteryfund.org.uk