Solving the riddle of the sands: Regenerating England’s seaside towns

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Abstract  Many seaside towns are caught in a cycle of decline, stemming from the historic fall in demand for traditional ‘bucket and spade’ holidays. Economic stagnation, physical disinvestment and social problems feed into and reinforce each other in complex ways. Regenerating seaside towns is made all the more difficult by their relative remoteness and distance from the big cities. Political and academic interest in the subject means that there is now a greater awareness of the problem, but this only highlights the limits of knowledge of ‘what works’. This paper outlines a framework for seaside regeneration that has diversification of the economic base of seaside towns at its core. There are grounds for cautious optimism, but re-making seaside towns as vibrant and sustainable communities is still a huge and long-term challenge: one made all the more complex by the recession.

Keywords: Seaside, tourism, decline, deprivation, regeneration, policy

INTRODUCTION

Over the past forty years, some of England’s most famous seaside towns have become caught in a cycle of decline. A new, more focused and ambitious approach is needed to regenerate and re-fit them for the economic opportunities and environmental challenges of the future.

The decline of the traditional ‘bucket and spade’ tourism industry, in the face of competition from low-cost foreign package holidays, fundamentally undermined the viability of the local economy in places such as Margate in South East England and Blackpool in the North West. Physical decay, housing market imbalances and concentrations of deprived and vulnerable households have followed in the wake of weak economic growth.

In places where the holiday season once generated jobs, revenue and a sense of place and purpose, one now finds severe social problems. A recent benchmarking study of England’s 37 largest seaside towns found that their populations are older, earn significantly
In framing this argument, we draw on the detailed work which we did to develop a long-term regeneration strategy for Margate, on behalf of the Margate Renewal Partnership and Thanet District Council, with support from Kent County Council and the Department for Communities and Local Government (CLG). The paper also draws on subsequent discussions with a range of practitioners from seaside towns across England and Wales.

CYCLE OF DECLINE

Many seaside towns have become trapped in a complex and self-reinforcing cycle of decline, stemming from the relatively sudden collapse in demand for traditional ‘bucket and spade’ holidays. In our work in Margate, we traced how the shrinkage of the tourist trade from the 1960s fuelled increases in unemployment, falls in house prices and related imbalances in the housing market and, over time, community instability and deep pockets of deprivation.

Regeneration practitioners working to revive struggling seaside towns are left with a set of complex questions. What can seaside towns do to fit themselves better to new and emerging markets and growth sectors? How can they shake off the legacy of disinvestment and decay and update their ‘offer’ to potential visitors, residents and investors? How can they drive regeneration during a recession and at a time of limited credit?

This paper attempts to sketch out an answer to those questions. First, it describes how many seaside towns fell into a cycle of decline from the 1960s onwards, using Margate as an illustration. It then provides a snapshot of current conditions and highlights the growing policy debate around deprivation and regeneration in seaside towns. Finally, it argues that more comprehensive and holistic regeneration solutions are needed to support seaside towns to generate a new economic purpose.

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After years of being on the margins of the national policy agenda, there is now a growing appreciation of the problems facing seaside towns, with parliamentary committees, departmental working groups and practitioner networks all looking for new ideas. The policy blind-spot is starting to be addressed.

Little is known, however, about what works in terms of regenerating seaside towns. Regeneration policy and practice have tended to focus on inner-city deprivation, but the location of many seaside towns makes it more difficult for them to tap into the drivers of growth — such as access to housing and retail markets, high-value land banks and proximity to growth points — which are used to catalyse urban regeneration.

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serve the tourism market, and which had anchored the local economy, were less and less in demand. The holidaymakers for whom Margate had shaped itself to cater were no longer coming in the same numbers; the town was losing its economic purpose.

The local workforce, and young people entering the labour market in particular, were less and less able to rely on the hospitality and catering trade for jobs. Although many of these jobs were unglamorous and relatively low paid, they nevertheless gave local people their first step into the job market. Today, 13.3 per cent of working age adults in seaside towns claim one of the three main benefits for the non-employed, compared with 11.2 per cent nationally. Some — including Skegness in the East Midlands and Great Yarmouth in the East of England — have a rate of over 20 per cent, almost double the national average.

The housing market in Margate was affected even more dramatically than the labour market. The reduced number of holidaymakers left the town with an over-supply of rooms in hotels and B&Bs. Struggling to find customers, many landlords sub-divided their properties into bed-sits and small flats and made them available to benefit recipient and low-income, often single-person, households. Single-person households represent almost half of households in Margate’s Cliftonville West and Margate Central wards, the most deprived parts of the town, compared with less than one third nationally.3

The unusual design of seafront hotels — several storeys high, little space at the front or back — made them unattractive to buyers, and difficult to convert to more typical family accommodation. Other aspects of the unusual physical infrastructure of seaside towns went from being an asset to a drain on resources.

Without the income from holidaymakers, piers, promenades and lidos are costly to maintain and difficult to convert to meet alternative purposes.

In parallel to the increase in unemployment and poverty among long-standing communities in Margate, it quickly became a destination for vulnerable and transient households, including care leavers, people with substance abuse problems and ex-offenders. Seaside towns have been described as the ‘dumping grounds for people facing problems such as unemployment, social exclusion and substance abuse’.3 Some of these households were attracted by the availability of cheap accommodation in a relatively attractive location; others were encouraged to move into the town by service providers in other parts of the country.3 Margate, like a handful of other seaside towns, has also been used as a processing centre for asylum seekers.

By the 1990s, the decline of many seaside towns was so stark that they had become stigmatised. Tabloid-friendly phrases such as ‘Costa del Dole’ were used to paint a grim picture of stagnation and dependency, further knocking local confidence and doing little to attract households or investors. Another layer of complexity was created in Margate by the arrival of migrant workers from the new EU accession states. Margate is located in the District of Thanet, where the number of migrants more than doubled between 2002/03 and 2006/07, the majority arriving to take up jobs in nearby rural areas, following the expansion of the EU in 2004.4 These households arrived to work, but local services were ill-equipped to support and integrate them. They added another transitory group to an already transient population of placed children and adults, benefit claimants and others drawn by cheap rented accommodation.
Taken together, this complex set of interlocked problems — a weak labour market; an unbalanced housing market; high levels of deprivation and population transience — created very unstable communities and made it extremely hard for local service providers and regeneration practitioners to put Margate on a more sustainable and prosperous path.

CURRENT CHALLENGES

No single account covers every seaside town in England, and those which were not as reliant on domestic tourism have managed to diversify, creating new areas of growth around the culture and creativity industries, boutique shopping, the conference trade and niche leisure pursuits such as surfing. Nevertheless, many seaside towns have not been able to meaningfully and sustainably create a new economic purpose, and are still reliant on the declining tourist trade and other low-wage, low-skills and sometimes seasonal sectors. The catering and hospitality sectors account for 30 per cent of jobs in seaside towns, and jobs in public administration, education and health are also over-represented. In contrast, the banking, finance and insurance sectors, which — until recently at least — generated significant employment growth nationally, are all under-represented. The low numbers of jobs in the sectors which have suffered from the immediate impacts of the banking crisis may have protected seaside towns in the short term, but their reliance on public-sector jobs and investment make them vulnerable to the tightening of public-sector spending over the medium term.

According to the recent benchmarking study published by CLG, the employment rate and the average levels of skills in England’s 37 largest seaside towns are both below the national average, although this masks significant differences between seaside towns. Thirty-one per cent of working-age adults in Blackpool and 39 per cent in Skegness have no formal qualifications, compared with a national average of 23 per cent. Over 13 per cent of adults are on some form of benefit, compared with the national average of 11 per cent, and, worryingly, the rate of Incapacity Benefit take-up has increased in seaside towns against a general national fall. Average earnings are ‘substantially below the English average’.1

The demographic picture in seaside towns also reflects their relative decline. Almost a quarter of the population is of pension age, compared with a fifth of the national population, reflecting the out-migration of younger households and the growth in residential care homes. The population is still growing, in line with the national trend, but at a lower rate than England as a whole.

In terms of the housing market, the availability of cheap, private rented accommodation remains the single biggest challenge to creating more sustainable communities. As the benchmarking study put it, seaside towns have ‘high levels of private renting more akin to London’1 — but without the high levels of demand, buoyant labour market and countervailing high house prices which are found in the capital.

Seaside towns are often hostage to the local geography and topography. The characteristics which once made them desirable holiday destinations — their relative remoteness and distance from the offices and factories in the big cities — has become a handicap in terms of their future development. Smaller seaside towns, in particular, are peripheral outposts on main transport routes. It is more difficult for them to tap into the
drivers of growth, including sub-regional housing and job markets, proximity to growth points, and new transport developments, which are often used to catalyse urban regeneration. Seaside towns are also potentially vulnerable to the impacts of climate changes. The specific impacts on different places are not entirely known but the best predictions suggest that rising sea levels — and associated faster rates of erosion, increasing likelihood of flooding and generally more extreme and unpredictable weather conditions — will impact significantly on most coastal regions. In all, these risks create further uncertainty for regeneration practitioners and potential investors.

GROWING INTEREST
Thanks to the recent benchmarking study and related research, more and more is known about the conditions and challenges in seaside towns — but greater awareness of the problem only serves to emphasise the limits of knowledge of ‘what works’ in terms of solutions. As the researchers Fothergill and Beatty have argued, seaside towns are ‘the least understood of Britain’s “problem areas”’.5
Seaside towns have largely been on the margins of central government regeneration policy and, as a result, have not been central to mainstream regeneration programmes such as the National Strategy for Neighbourhood Renewal and the Housing Market Renewal Programme. The lack of policy interest and government funding has in turn meant that there have been few incentives for developers and businesses to invest. As Local Futures have argued, ‘there has been a significant urban focus within the government’s regeneration and renewal agenda, a policy framework that may exacerbate the challenges for some coastal areas because higher levels of investment are going to central urban areas’.

When seaside towns are included in broader regeneration programmes — Margate, for example, is a mixed communities pilot — it is unclear at best whether or how policies and practical approaches are adapted to fit the seaside context. Despite this relative lack of interest nationally, there has been a significant amount of local regeneration activity in seaside towns. By and large, these have been specific, localised and essentially ameliorative. They have stabilised conditions and held the decline of the poorest neighbourhoods, but often lack the capacity and resources to reverse it. There have been few comprehensive programmes with the explicit objective of fundamentally altering the prevailing market dynamics and creating a new, diversified economic purpose.

In recent years, seaside towns have moved up the regeneration agenda, prompted by increasingly negative coverage of once-vibrant tourist destinations (fuelled by the Labour and Conservative parties’ decision to abandon the tradition of holding their annual conferences by the sea), the growth in Incapacity Benefit against the national trend, and the efforts of local practitioners through bodies such as BURA’s Seaside Network.

The House of Commons CLG Select Committee’s 2007 report on coastal towns highlighted the problems facing the towns, including the poor quality of much of the housing stock, high levels of Incapacity Benefit claiming and, in some places, high levels of seasonal work. Going further, it criticised the poor understanding of how national policies and systems, including the benefits regime and the regulation of private rented housing, affected seaside
towns and the lack of joined-up thinking about assistance and intervention. Since the Committee’s report was produced, CLG has formed an inter-departmental working group on coastal towns and funded further research, including the benchmarking study cited above. The Department for Culture, Media and Sport (DCMS) has also established a new 45 Sea Change programme to support heritage- and culture-led regeneration.

These developments are welcome, but the strategic focus of central government regeneration is the Regeneration Framework. In 2007, HM Treasury mandated CLG to develop the framework to ‘provide a clearer link between neighbourhood renewal and wider economic interventions’ and ‘help ensure regeneration interventions are co-ordinated with regional strategies’. The framework aims to ensure that places facing market failure are targeted and public investment helps unlock long-term private-sector investment.

Even before the extreme financial turmoil of recent months, the move into a new phase of regeneration activity was clear. The days of multi-billion programmes, long lists of priority areas and area-based initiatives tackling the multiple aspects of deprivation are already gone. Put simply, we already know that practitioners in seaside towns cannot expect a bumper ‘new deal for the seaside’ and, like practitioners everywhere else, will be expected to ‘do more with less’.

The government’s ambition for the framework is welcome, but it is clear that the bleak economic picture, and the difficulties in applying lessons learned in the inner-cities to seaside towns means that imaginative thinking about making the framework work for places such as Margate and Blackpool will be needed.

A FRAMEWORK FOR SEASIDE REGENERATION

The final section returns to the three questions posed in the Introduction: What can seaside towns do better to fit themselves to new and emerging markets and growth sectors? How can they shake off the legacy of disinvestment and decay and update their ‘offer’ to potential visitors, residents and investors? How can they drive regeneration during a recession?

The suggested answers give grounds for cautious optimism, but above all emphasise that the challenge of re-making seaside towns as vibrant and sustainable communities remains a huge task — one which demands yet more effort from local practitioners and smarter, more tailored support from central and regional government. This section starts by looking at how recent policy shifts should provide the foundations for a smarter policy response, before outlining a framework for new response.

Recent governance reforms in England have sought to sharpen the strategic ‘place shaping’ role of local authorities, ie their ability to set a long-term vision for their place, and then lead local communities and their partners to deliver it. In particular, the government has introduced a set of new freedoms and duties on local authorities to do more to promote economic development. This enhanced strategic leadership role could translate into meaningful place transformation if local councils can galvanise public and private and sector partners to forge a new purpose for seaside towns. This is particularly important in the context of recession; a recent report by the Work Foundation emphasised the importance of ‘clear strategy, strong leadership … and cross-sector partnerships built around a clear vision of the future’ in a changing...
In line with the Regeneration Framework, the role for central and regional government in helping seaside towns to get through the recession and prepare a stronger recovery is not through large new programmes, but tailored and specific interventions to repair the physical fabric, attract new households, businesses and visitors, and find ways to link seaside towns to growth in the surrounding regions.

The approaches to problems which have worked in other places are not easily mapped across to seaside towns, but there is still much that practitioners can learn and adapt from their peers elsewhere and in other seaside towns. In particular, emerging evidence suggests that the places which are best suited to cope with the impact of the recession combine specialisation in growth sectors with a diverse base of skills and jobs. The Work Foundation’s report stressed the need for cities to ‘have “diverse specialisms” in knowledge intensive industries, rather than rely too heavily on one area’. In a similar vein, analysis by the Centre for Cities of the resilience of different cities to the impact of recession argued for the importance of economic diversity alongside some level of specialism and job clusters to ensure that places were flexible enough to take advantage of new and emerging growth opportunities.

Reviewing the problems in seaside towns, the lessons elsewhere and emerging evidence on resilience to the recession points to four key tasks which form the bones of a framework for seaside regeneration.

The first core task is to break decisively from the over-reliance on domestic tourism as the main focus of economic activity, by refreshing and re-sizing the sector so it can play a more productive and sustainable role in the local economy. Modern consumer habits mean that domestic tourism will not play the role it once did as the primary source of employment. The mass tourism symbolised by crowded beaches is increasingly unpopular with a population looking for uniqueness and difference.

Domestic tourism is, however, likely to increase as a result of the recession, the weakness of the pound and longer-term concerns about the environmental impact of flying and short-haul flights in particular. A recent survey found that 20 per cent of Britons who took a holiday abroad in 2008 plan to take their holidays in the UK in 2009, although this has to be set against households making general cutbacks in expenditure.

Tapping into this market means refreshing what is on offer, and providing cultural opportunities, quality food and drink and better retail facilities. It also means renovating and refreshing public spaces, so that seaside towns tell a different story about themselves to new visitors. The potential for attracting private developers back into seaside towns on the back of the growth in domestic tourism is real.

Second, it is crucial that seaside towns shake off the legacy of disinvestment and decline. Again, this is made all the more challenging by the credit crunch, contraction in the construction industry and tightening of funding for physical redevelopment.

Nevertheless, the task in seaside towns is not wholesale physical redevelopment but specific and targeted improvements. Tapping into relatively small-scale funding pots and striking one-off deals to restore hotels, theatres and piers to their former glory; improving frontages and facades; clean sweeps; improvements to lighting — all these have worked successfully. Re-valuing and reviving local assets to fit new demands is a
Progress so far has been slow, but incentives to move across to low-carbon technology and renewable energy sources are starting to fall into place, as outlined in the Government’s 2007 Energy White Paper. Two elements of current policy are particularly relevant. First, the government has placed a Renewables Obligation on licensed electricity suppliers to source an increasing proportion of their electricity sales from renewable sources — increasing from 7.9 per cent in 2007/08 to 15.4 per cent in 2015 and ultimately to 20 per cent — or to pay a penalty. Secondly, since the introduction of the 2005 EU Emissions Trading Scheme, power station operators face a cost for emitting carbon dioxide.

England has the greatest wind generation capacity in Europe, much of which is concentrated along our vast coastlines. Tidal and wave power are also increasingly a possibility, with the recent opening of the first commercial wave farm off the Portuguese coast. The question is no longer whether English coastlines will begin fulfilling their energy potential, but when and where. A number of areas are beginning to explore these possibilities, including in Thanet, where an offshore wind farm has been proposed.

Renewable energy could act as the catalyst for generating the new economic purpose which so many seaside towns are looking for. The growth in private companies looking to supply and manage renewable energy could make it easier to develop new funding mechanisms. The sector as a whole could stimulate a range of employment, from research and development, to construction, and manufacture of components. If properly managed, there could also be potential for partial community or public ownership of these facilities, creating localised sources of energy and revenue for reinvestment in the community.
Realising this sort of larger-scale transformative change to the industrial structure will require a combination of significant infrastructure development, large inward investment initiatives, improvements in skills levels and targeted business support. All this points to the need to integrate seaside towns more fully into wider functional economic areas. A key lever for achieving this will be sub-regional partnerships between neighbouring councils and delivery partners.

In recent years, a combination of local demand and legislative changes has led to a rise in the number and importance of sub-regional economic partnerships across England. Clustered predominantly in areas that have suffered industrial decline in the North and the Midlands, these partnerships are developing joint plans to boost economic productivity across their functional economic area — be that a sub-region or a city-region. Some plans focus on skills, others on business support, some on transport or physical development, and a few include house building or housing renewal. A number of coastal areas facing the decline of port-related industries — including South Hampshire on the South coast — have formed such partnerships. Priorities and partnership arrangements will vary from place to place but, given their relative isolation, all seaside towns should think more about how local regeneration initiatives can link the place into the drivers of growth in the surrounding jobs and housing markets.

Fourthly, seaside towns need people-based interventions to deal with the complex needs of a diverse, transient and often deprived local population, and to ensure local people benefit from regeneration. Tackling the particular manifestations of worklessness and economic inactivity is vital. Some of the vulnerable and high-need individuals and households in seaside towns are among the furthest from the labour market. Helping them into gainful and sustainable employment will require intensive and closely tailored interventions and investment in skills, training and job placements. Work, however, is not a panacea and needs to be matched with an equally determined approach to improving health, in part by improving the quality of housing and the local environment, and programmes to improve community safety and social cohesion.

Finally, in relation to the framework for seaside regeneration, one needs to take into account the implications of the recession. Regeneration programmes everywhere are being hit by the credit squeeze, housing market turmoil and shaky investor confidence. In the short term, seaside towns may be relatively insulated from serious shocks by the growth in domestic tourism and the relatively small numbers of jobs in the financial and business sectors which has been worst hit over the past year. Just as they have benefited less from the ‘urban renaissance’ of the past decade or so, it may be that they are less badly affected by the forthcoming recession. In the medium term, their dependence on public-sector jobs and investment make them quite vulnerable. In the long term, the outlook could be much brighter if, as outlined above, seaside towns could position themselves effectively for the eventual up-turn, by nurturing new sectors and industries and shaking off the legacy of disinvestment.

CONCLUSION

Seaside towns remain the ‘the least understood of Britain’s “problem” areas’, but the seriousness of the problems and the urgency of the imperative to act decisively are
increasingly difficult to ignore. It is universally understood that seaside towns cannot go back to the future; domestic tourism will not play the dominant role it once did in shaping the local economy and giving places such as Margate a sense of place and purpose.

The task is to revalue existing assets and refresh the ‘visitor offer’ while nurturing alternative growth sectors and industries. Changing the prevailing market dynamics by driving up skills and creating new jobs and rebalancing the housing market are crucial. But economic solutions are not in themselves a panacea. Equally determined action is needed to support vulnerable households, restore a sense of stability to the most deprived neighbourhoods and promote greater cohesion between different communities in areas of high transience.

With a clear focus on diversification and new growth and sharp interventions to tackle the local manifestations of decline, the next forty years could be a much more prosperous period for seaside towns than the last forty.

Note
Opinions expressed in this paper are the personal views of the authors.

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