







The Rt Hon Rishi Sunak MP Chancellor of the Exchequer HM Treasury The Correspondence & Enquiry unit 1 Horse Guards Road London SW1A 2HQ

10<sup>th</sup> September 2020

Dear Chancellor,

We are writing to you as a cross-sector coalition representing the interests of people, businesses and places on our coast. The Covid-19 crisis has profoundly impacted coastal communities. It has exposed and exacerbated long-standing socio-economic and environmental challenges, including notoriously weak labour markets and economies heavily dependent on the tourism sector, which has been greatly affected by the current crisis. Coastal areas now need an urgent and co-ordinated response to level-up and support a sustainable recovery.

As a coalition, we represent 57 local authorities, over 100 Coastal Community Teams, over 87 Coastal Partnerships and wider initiatives, 35 Coastal Destination Management Organisations and thousands of small businesses. We are supported by a network of social, economic and environmental coastal experts.

In your considerations for the Comprehensive Spending Review we collectively ask for £70.8m over the next three years (£23.6m per year) to deliver a programme of activity that will be the catalyst for a green and resilient recovery of our coastal (including estuarine) areas, supporting jobs and increasing wellbeing. This activity will help mitigate the economic loss to coastal communities from the pandemic, forecast to be a drop-in tourism spend of £10.1bn on the coast. Coastal communities are also the most vulnerable to the impacts of climate change, with coastal flooding and erosion posing an ever-greater threat.

This urgently needed programme of support would help restore coastal economies and build resilience against future economic and climate shocks by:

- Investing in projects and businesses that create quality green and blue jobs on the coast, including investment in green and blue skills training, through a reimagined Coastal Communities Fund [Treasury / MHCLG]
- Supporting a Coastal Tourism Recovery Plan to enable coastal economies to rebuild from Covid-19 and address seasonality [DCMS / NCTA]
- Providing seed funding for the Year of the Coast 2023 programme of recovery, reimagining and celebration (moved from 2021 due to Covid-19) [MHCLG]
- Resourcing the Living Coast Partnership to help the new England Coast Path National Trail act as a catalyst for innovation and green recovery and to ensure this potential is delivered for the benefit of communities, nature, business and visitors [Natural England / DEFRA]









• Adopting the "Coastal Based Approach", a framework for land and sea management to deliver a joined-up approach to development and management of our coastline, bridging the gap in the overlap between catchment and marine management [Environment Agency / DEFRA/MMO] [Further detail of the programme is included in the supporting notes attached]

To ensure wide-reaching and inclusive change, we are also requesting that the Prime Minister appoints a dedicated Minister for the Coast who can work across Government, supported by the reinstatement of the Whitehall cross-department working group for the coast. A new Minister and cross-departmental working group could begin to tackle some of the deep rooted issues on the coast, such as improving digital connectivity and green transport infrastructure, increasing community and environmental resilience through integrated management across land and water, attracting new investment and catalysing innovative ways of working to ensure coastal communities are not left behind.

We applaud the Government's levelling up and build back better agendas, for which our programme of activity provides a cost-effective delivery mechanism at the coast. Our tourism, maritime, creative, sustainable fishing, food, renewable energy and environmental economies have the potential to be world leaders but need further support if they are to accomplish their potential.

This urgently needed recognition and investment from the Government will help secure the future of our coast and generate both economic resilience and environmental sustainability through greater connectivity, economic diversity, and by restoring pride in our coastal identity as an island nation. This is a clear and urgent opportunity to improve the lives of the millions of coastal residents and the experience of 248 million visitors each year.

The current pandemic has had a devastating impact on coastal areas, but we believe with urgent Government intervention at the right scale, together we can build a brighter future for the coastal communities we serve.

Yours sincerely,

Ernest Gibres

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Who Are We? <u>Coastal Communities Alliance</u> <u>Local Government Association Coastal Special Interest Group</u> <u>National Coastal Tourism Academy / England's Coast</u> <u>The Coastal Partnerships Network</u>

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# Supporting Notes – Letter to Chancellor, 10<sup>th</sup> September 2020

# Our ask:

We are collectively asking for £70.8m cross-departmental funding over the next three years (£23.6m per year) to help deliver a green and resilient recovery for coastal areas.

The coast is facing serious challenges. Coastal communities host some of the most deprived places in the country; have notoriously weak labour markets and frail economies; and are the most vulnerable to the impacts and costs of climate change<sup>1</sup>. They remain "the least understood of Britain's 'problem' areas"<sup>2</sup>.

The Covid-19 crisis has profoundly impacted our already fragile coastal economies. It has exposed and exacerbated long-standing socio-economic challenges. Coastal towns have been identified as the most vulnerable to the economic impact of lockdown measures by a number of reports, including from the Institute for Fiscal Studies<sup>3</sup>, Centre for Towns<sup>4</sup>, the Institute of Employment Studies<sup>5</sup>, Social Markets Foundation<sup>6</sup>, Hotel Solutions<sup>7</sup>, the Hope not HATE Charitable Trust<sup>8</sup>, Social Investment Business<sup>9</sup> and Place Bureau<sup>10</sup>.

Yet, we have one of the most stunning and diverse coastal landscapes of any country in the world, and a unique coastal culture and heritage. Our coast has still unmet potential for solar, wind and marine renewable energy. Many of the natural solutions to the climate emergency, including carbon capture, can be found in the restoration of our coastal and marine habitats and biodiversity, which are also a vital source of food for the UK. The proven health and wellbeing benefits of access to blue space could not be more relevant and important in a post-covid world. There is no question that our coast, seas and our coastal communities are key to driving the 'Green Recovery'.

Only an urgent and coordinated response now can inject hope and build the confidence of our coastal communities to help realise the government's levelling up agenda, and ensure that we build back better, creating greater resilience against future economic and climate shocks, and showcasing the value of our coast to the world.

<sup>&</sup>lt;sup>1</sup> 54 of the 82 local authorities on the Coast have declared a Climate Emergency (66%)

<sup>&</sup>lt;sup>2</sup> House of Commons, Coastal Towns report 2006-07 <u>https://publications.parliament.uk/pa/cm200607/cmselect/cmcomloc/351/351.pdf;</u> House of Lords, The Future of Seaside Towns report 2017-19

https://publications.parliament.uk/pa/ld201719/ldselect/ldseaside/320/320.pdf

<sup>&</sup>lt;sup>3</sup> Institute for Fiscal Studies, The Geography of the COVID-19 Crisis in England report 2020 <u>https://www.ifs.org.uk/uploads/The-Geography-of-the-COVID19-crisis-in-England-final.pdf</u> report

<sup>&</sup>lt;sup>4</sup> Centre for Towns, The Effect of the COVID-19 Pandemic on our Towns and Cities report 2020

https://www.centrefortowns.org/reports/covid-19-and-our-towns/viewdocument/21

<sup>&</sup>lt;sup>5</sup> Institute for Employment Studies, Labour Market Statistics June 2020: IES Analysis <u>https://www.employment-</u>

studies.co.uk/resource/labour-market-statistics-june-2020-ies-analysis <sup>6</sup> SMF report

<sup>&</sup>lt;sup>7</sup> Hotel Solutions, From Survival to Recovery report 2020 <u>http://www.hotelsolutions.org.uk/wp-content/uploads/FROM-SURVIVAL-TO-RECOVERY.pdf</u>

<sup>&</sup>lt;sup>8</sup> HOPE not hate Charitable Trust, Understanding Community Resilience in Our Towns report 2020 <u>https://www.hopenothate.org.uk/wp-content/uploads/2020/08/v6-towns-report-2020-08-v6.pdf</u>

<sup>&</sup>lt;sup>9</sup> Social Investment Business <u>https://sibgroup.org.uk/resources/covid-19-coastal-communities-investing-social-economy-revive-seaside-resorts-and-coastal</u>

<sup>&</sup>lt;sup>10</sup> Place Bureau report









An investment of £70.8 million over the next three years in the coastal recovery can help deliver this vision in a cost-effective way. This three-year programme would enable recovery, reimagination and celebration, culminating in the Year of the Coast 2023 (moved from 2021 due to Covid-19).

We are a cross-sector coalition representing 57 local authorities, over 100 Coastal Community Teams, over 87 Coastal Partnerships, 35 Coastal Destination Management Organisations and thousands of small businesses on the coast. With the support of a network of social, economic and environmental coastal experts from academia, NGOs and think tanks, we have been working together for a number of years as a collaborative, and in close partnership with MHCLG, DCMS and the DEFRA family to support government outcomes.

But more support is needed to deliver a cross-departmental programme of coastal recovery that can improve the lives of the millions of coastal residents and the experience of 248 million visitors each year. Alongside other national investments in housing, infrastructure and innovation to help level up our economy, this programme will help restore pride in our coastal identity as an island nation.

# Our highlighted initiatives

1. A dedicated fund to invest in projects and businesses that support and create green and blue jobs (with decent pay and conditions) in coastal towns, including through investment in green and blue skills training – a reimagined Coastal Communities Fund.

## Department: Treasury/MHCLG

<u>Desired outcome and benefits</u>: supporting an economic recovery across different industries on the coast, with the potential to create 160,000 new jobs in coastal areas, adding about £7.2bn to the coastal economy<sup>11</sup>, through innovation and greater investment in building expertise, skills and capacity in our coastal communities.

<u>Costs</u>: this fund can be financed through the allocation of funding equivalent to 50 per cent of the revenues from the Crown Estate's marine activities (circa £20mi per year based on previous years). As such, it is a reimagined Coastal Communities Fund, meeting its original investment of 2011 whilst addressing the limitations of previous rounds of the funding with regards to delivering sustainable economic change.

#### 2. Coastal Tourism Recovery Plan

Department: DCMS

<u>Desired outcome and benefits</u>: jobs, skills and economic recovery, improving productivity through seasonality, supporting small businesses and strengthening the UK's place in the world.

<sup>&</sup>lt;sup>11</sup> This would be brought about through innovation and greater investment in building expertise and capacity in our coastal communities, by increasing renewable energy, aquaculture and tourism revenue in coastal Local Authorities; while investing in energy efficiency, ensuring sustainable fisheries, and reducing coastal erosion and flood risks resulting from climate change. From Turning Back to the Sea: A Blue New Deal to Revitalise Coastal Communities, New Economics Foundation 2016 https://neweconomics.org/uploads/files/NEF-Blue-New-Deal-AP-HighRes.pdf









The programme would include a mix of product development and marketing support to address seasonality and rebuild coastal communities, business support, training and capturing best practice and lessons learnt to support recovery and build resilience in the sector.

<u>Costs</u>: to deliver the Coastal Tourism Recovery Plan, the National Coastal Tourism Academy requires £200k to kick-start activity for 2020-21, followed by £450k per year in 2021-22, 2022-23 and 2023-24, a total for the whole programme of £1.55m. The programme would provide an ROI of 5:1 based on past experience through the Discover England Fund project England's Coast.

#### Rationale:

- The impact of COVID-19 on coastal tourism pre-Covid-19, coastal tourism in England was valued at £13.7bn or £17.1bn across Great Britain. The current estimated economic loss since the pandemic is £7.96bn in England or £10.1bn in Great Britain, equating to the loss of more than 100k jobs<sup>12</sup>. Seven per cent of coastal businesses have already closed permanently; 25 per cent of accommodation stock is forecast to close<sup>13</sup>. 74 per cent of businesses were closed at the critical start of the season and are now operating at 40 60 per cent capacity to allow for social distancing. Coastal communities are highly dependent on tourism, and as such need dedicated support to build back better.
- Levelling up economic opportunity across regions of the country tourism employs 20 per cent of the workforce in most coastal towns and more than 50 per cent in many of them, including Newquay, St Ives, Skegness, Mablethorpe, Cleveleys, Whitby and Minehead. The population on the coast is subject to extreme seasonality: 32% of all visits occur in July and August - this impacts severely on employment, productivity, skills, investment and the experience for visitors.
- 3. Maximise the potential of the new England Coast Path (ECP) National Trail to act as a catalyst for innovation and green recovery and to ensure this potential is delivered for the benefit of communities, nature, business and visitors

#### Department: Natural England/DEFRA

<u>Desired outcome and benefits</u>: increase the number and diversity of visits and visitors to the coast/access to green and blue spaces; coastal economic regeneration leveraging the value of the ECP and invest in the path's wider corridor to manage and improve access and environmental assets at the coast; boosting tourism strategy, leisure, wellbeing and health benefits of the coast to local residents and domestic tourists, and further projecting our coast to international visitors.

<u>Costs</u>: Phased development of 44 coastal projects over 8 years, the initial investment for first 3 years is £4m supported by additional match funding. Based on pilot project in Cumbria, this funding could leverage up to 7:1 of cash and in-kind matched support alongside an increase in visitor spend. In 2017, an additional £334m of tourism spend was generated by visitors walking on the English coastal paths. There are also health and environmental benefits which can be realized, new research that uses Defra MENE data shows that spending at least 120 minutes a week in nature is associated with good health and wellbeing<sup>14</sup>. Evidence from Exeter University Medical School is also showing that health benefits from access at the coast ('blue space') are greater than from other types of green space and 8% of

<sup>13</sup> Hotel Solutions (May 2020)

<sup>&</sup>lt;sup>12</sup> NCTA 2020 <u>https://coastaltourismacademy.co.uk/resource-hub/resource/dcms-select-inquiry-into-the-impact-of-covid19-on-coastal-tourism</u>

<sup>&</sup>lt;sup>14</sup> https://www.nature.com/articles/s41598-019-44097-3









visitors indicated that they would not have done any physical activity if they had not gone for a walk on the coastal path.

# 4. Adoption of the "Coastal Based Approach" – a framework for joined-up land and sea management to ensure the sustainable development of our coastline

# Department: Environment Agency/DEFRA/MMO

<u>Desired outcome and benefit</u>: bridging the gap in the overlap between catchment and marine management. An approach to coastal governance which builds upon our experience of the Coastal Partnerships and the Catchment Based Approach (CaBA). The Coastal Based Approach (CoBA) would provide a systematic approach to the entire coast of England enabling the lessons of the Coastal Partnerships, Coastal Groups, Catchment Based Approaches and the Marine Pioneers (amongst others) to be converted into a routine communication and delivery mechanism. This would provide clear benefits to Government and its agencies in the joined-up delivery of a wide variety of policies and programmes to bring about multiple benefits for coastal communities, economies and nature. It would provide leadership and assist facilitation on coastal matters at a time of growing awareness of the needs of the coast and the challenges induced by climate change.

<u>Costs</u>: As included in the proposal from the Environment Agency to DEFRA as part of the Comprehensive Spending Review, the proposal would require funding of £1.75m per year to support 50 large and 10 smaller Coastal Partnerships and national coordination through the Coastal Partnerships Network.

## Total investment over 3 years of £70.8 million or £23.6 million per year.

- a reimagined Coastal Communities Fund to support and create green and blue jobs [£20m per year from Crown estate marine revenues]
- a Coastal Tourism Recovery Plan [£1.55m DCMS/NCTA]
- a nationally led programme of locally delivered action to boost the health and wellbeing benefits of our coastline, as well as improve coastal livelihoods, landscapes, local economies and the living environment. [£4m Living Coast/Natural England]
- a roll-out of the Coastal Based Approach [£1.75m per year CoBA/Coastal Partnerships]