

## **Blackpool Council – Written evidence (RST0002)**

Blackpool Council welcomes the Liaison Committee’s invitation to submit further evidence on the regeneration of seaside towns and communities since the production of the original report in 2019. As our evidence shows, Blackpool has witnessed a quickening pace of change, unarguably aided by the availability of substantial funding streams, and the UK government developing a greater technical understanding of the drivers of deprivation. Locally, we have evolved our working as part of the Blackpool Pride of Place Partnership, using the best of the Private and Voluntary Sectors to develop a Town Prospectus showcasing how our town’s potential can be unlocked.

As an authority, we have benefited hugely from intensive engagement with the Department for Levelling Up, Housing and Communities on all three of their named areas of responsibility. We have found officials in the department to be committed, attentive and responsive to our conversations, with our strong, positive working relationship unlocking the delivery of specific projects such as the development of the Civil Service Hub, relocating the town’s court facilities, and bespoke housing interventions in Blackpool’s inner areas.

It remains, however, difficult to argue that the government has developed a funding and support system tailored to the needs of seaside communities, from which all places have been able to benefit in proportion to their need. The deep cuts of austerity from 2010 onwards have resulted not in increased local flexibility to deliver, but a retreat to ensuring minimum legal standards for service delivery are met. The government’s response to the Select Committee’s admirable report showed little appetite for a change in the system to recognise the collection of unique factors shared by all coastal communities, or the specific baskets of issues faced by those with economies structured around tourism, the maritime industry, or energy generation, to name but three sectors. The quantum of new capital funding available has masked the missed potential of approaches that could have maximised a collective transformational benefit for coastal areas.

### **1. What has changed since the Committee published its report in 2019?**

Large-scale development projects have continued in the town as a catalyst to stimulate economic growth and improved population-level outcomes, with significant uplifts in funding supporting a manifold expansion of both the number of projects in delivery and our ambition. The streams of important projects aimed at delivering better outcomes around jobs and health have become a landscape-shaping torrent; an aspiration to improve and renew is now a confidence that we can reach a tipping point of transformational change.

Blackpool has now received support from the Towns Fund, Heritage Action Zones, Getting Building Fund, Shared Prosperity Fund, Levelling Up Fund (Round 2), and the Coastal Communities Fund. As a result, the Council has developed, approved, or completed the following projects:

- *Blackpool Conference and Exhibition Centre* – a project to increase the capacity of the Winter Gardens complex as a conference venue to 10,000 delegates opened in November 2021;

- *Abingdon Street Market* - to rejuvenate a town centre market in the centre of town as a retail, food and beverage venue, opening in 2023;
- *Houndshell Shopping Centre Extension* – providing units for a new Wilkos store, a new restaurant and a new multi-screen cinema including an IMAX screen, due to open in late 2023;
- *Heritage Action Zone* – restoring shopfronts in an area of high heritage value, with an associated community creative hub, live/work units for creatives and starting a cultural events programme;
- *Blackpool's Town Deal Programme* – projects around the town centre which will support young people into learning and work; provide new business start-up assistance; invest in the Blackpool Illuminations; relocate the central courts to enable a year-round leisure attraction; undertake clearance work for the LUF-funded Multiversity (see later); build new infrastructure to at the Airport Enterprise Zone; and develop a new sports village adjacent to Blackpool FC.
- *Shared Prosperity Fund Programme* – 13 projects covering a host of priority areas, including art and culture, business support, capacity building in the Third Sector, and four projects addressing climate adaptation and mitigation;
- *Measures to improve poor quality private sector housing* – This is the foundation on which the transformative benefits of the regeneration projects detailed above will be built. A bespoke agreement with DLUHC includes investment in scaling up the Council's housing enforcement team to support a crackdown on rogue landlords not meeting standards, and working with Homes England to explore regeneration opportunities to improve Blackpool's housing stock with an emphasis on creating a quality built environment, whilst also supporting our communities through the corresponding transformational change. While the Council expects to see positive improvement from the initiatives above, alongside our existing range of housing investment via the Council and its wholly owned companies, it is widely recognised that Blackpool's inner area housing issues require significant physical intervention and capital investment at scale over an extended period.

Housing failure in the centre of Blackpool is our number one public policy challenge. Sustained intervention and investment is needed to reverse decline and deliver a better future. This challenge was recognised by government in the run up to announcing Blackpool's Levelling Up Pilot. In addition, Blackpool's housing issues were also strongly featured in the Chief Medical Officer's 2021 report which highlighted that, housing, especially the private rented sector and other accommodation including Houses of Multiple Occupation (HMOs) and static caravan parks, is a key issue for coastal communities. This national interest in addressing housing market failure in coastal areas is a positive sign that there is an increasing understanding of the importance of housing as a key challenge faced by coastal areas.

In addition to the above, the government has made its own direct investment in Blackpool, with work commencing early this year on a £100m Civil Service Hub.

It is inarguable that this represents a vote of confidence in the people and town of Blackpool. Blackpool's demonstrable scale of change has unlocked hotel and leisure developments across the report for private sector investors. The showcase project falling into this category is the Blackpool Central £300m

private sector leisure development. Set to include major leisure attractions including a "Flying Theatre", hotel and food and beverage operators, public realm improvements and a multi-storey car park, it will bring an additional 600,000 visitors per year to the town, increase localised visitor spend by £75m and create 1,000 new jobs. The work delivered and planned to date has triggered other private sector investment in accommodation, with Premier Inn opening a flagship £7.1m hotel in a town centre location in 2021, Hampton by Hilton now doubling the size of a hotel only opened in 2018, and a £25m Holiday Inn due to complete in late 2023.

However, Blackpool's success is not easily replicable, being based on intensive work by an innovative Council, and extensive support and understanding by government. The scale of effort comes with a corresponding need for finance, time and commitment to achieve transformational change in tourism-based seaside resorts, where models that cannot account for seasonal fluctuations of trade often compromise project business cases. Progress in Blackpool has happened through brute force and determination in the absence of a specific seaside-focussed model of investment, happening despite the system rather than because of it.

## **2. Do the key challenges facing your coastal area remain the same as those discussed with the Committee on its visit?**

Given the deeply embedded, long-term, interconnected social issues present in the town, Blackpool's key challenges remain unchanged, albeit these are framed by the borough being one of the few places in England to experience population shrinkage, with a fall of around 0.4% since 2019:

- Low-wage and demand-led jobs with seasonal patterns making up significant portions of the local labour market. Proportions of residents on Jobseekers Allowance or Universal Credit looking for work shows that patterns of seasonality, although moderate, are more pronounced in 2021 than they were in 2018 and 2019. Steam Tourism reports found Blackpool's regional share of employment from the visitor economy increased 5pp to 47% between 2018 and 2021, and the number of full time employees through the visitor economy reduced by 5000. The largest business area of decline in Blackpool since 2019 has been computer programming (-1.2%), which is an issue for our future ambitions;
- Low attainment and skills levels amongst both children and adults. Since 2019, the proportion of working age residents without formal qualifications has decreased, with 52% of residents qualified up to Level 3. Overall, this indicates a steady increase in the qualification levels of Blackpool's working age population. Additionally, the percentage of Level 4 qualified residents has increased by 1.2pp to 28.8%. However, Blackpool still falls significantly short on the national average of 41.7%;
- Balancing the need for a constantly-refreshed tourism offer with the perception of residents that investment comes at the expense of local people, impacting on their sense of self-worth;
- High levels of physical and mental health issues amongst existing residents and those moving into the area, with the 2021 Census showing the overall proportion being relatively static at around 25% of the population over the last decade;

- Geographical isolation contributing to a continued reliance on tourism and the public sector for job provision, with a decline of workers in the night time economy of 5% counteracted by a 4% rise in numbers working in the care industry;
- Underdeveloped national transport links;
- Low levels of social capital, arising from population movement to, from and around the town, driven by disproportionate numbers of poor quality Houses in Multiple Occupation converted from failed holiday accommodation. The Onwards Social Fabric Index highlights that Blackpool has a very low social fabric score of 3.7 and it the 5<sup>th</sup> least socially mobile area in England.

These are mostly multi-generational issues that cannot be rectified in a three-year period, requiring the cumulative impact of the projects identified above to even start to make a significant difference, which also need to be supported by initiatives which account for the underlying dynamics at a national policy level. Even the potentially seismic impacts of Covid and Brexit have made relatively little difference to the underlying context, with the immediate pain adding little to the entrenched structural issues of our economy. Our larger than average public sector, plus an almost exclusively domestic visitor market, have insulated us from the impact of Brexit, making it difficult to assess the relative impact of both.

Similarly, COVID's impact on Blackpool's economy has arguably been more limited than in other places, although the level of NEETs has increased following a fall before 2019. In common with many other places, we are now also seeing more difficulties in filling vacancies – with ONS' Labour Demand Percentage calculation showing Blackpool is above the national average and has some severe issues in key sectors, such as healthcare. The support packages put in place by the UK government to mitigate the impact sustained many businesses and individuals in the short term. Initial COVID recovery trackers showed that Blackpool was one of the most-recovered large places in the UK, with footfall up to pre-COVID levels soon after full lockdown restrictions were lifted, and Blackpool has continued to perform well in terms of visitor numbers throughout the recovery period. However, given that the town contains eight of the country's twenty most deprived areas, the economic issues associated with COVID have been exacerbated by the town's economic standing, particularly the link between underlying health issues and COVID-related health problems.

Away from the economic impacts, COVID proved that one of Blackpool's advantages is that local agencies share an understanding of our problems, and have a common commitment to addressing them. Community hubs helped to cement positive working relationships between organisations, and led to the establishment of new collaborative mechanisms that have been sustained to this day.

### **3. Are the current funding mechanisms available working to enable investment in local projects and to address areas of concern?**

As detailed above, Blackpool has benefited extensively from a variety of funding sources. In each case, the funding received addresses priority areas that will combat the town's biggest issues. However, the creation of various funding pots represents a piecemeal and short-term approach to problem solving, and is no

replacement for the core organisational funding lost since 2010. Competitive bidding processes such as the Levelling Up Fund do not guarantee a development pathway due to the uncertainty of receipt of funding, and expend considerable resource, particularly when bidding guidance changes between funding rounds. More trust can and should be given to locally-led partnerships to deliver the right solutions for their places without an onerous bidding and reporting process. Locally in Blackpool, our Town Deal Board and Town Deal Investment Panels have been key in anchoring projects to local need and driving their delivery – offering a blueprint for future projects.

In spite of the UK Shared Prosperity Fund being a non-competitive funding source, it still required a considerable resource to develop a credible Investment Plan. In addition, the impact of weighting UKSPF funding towards population rather than to need, and using a LEP-level geography to identify need but a local authority-level geography to distribute funding, coastal communities have received a smaller proportion of funding than via the previous EU regime. This is because they can tend to be smaller than inland conurbations within LEP areas but suffer relatively higher levels of deprivation.

#### **4. Has enough progress been made to address digital and transport connectivity challenges faced by coastal communities?**

Again, the picture here is of significant local progress, in part driven by national programmes, but little that seeks to address the unique challenges of coastal communities and the smaller population hinterland created by the geography of peripheral towns. The key national digital programme, Project Gigabit, does not appear to consider coastal needs in its plans, and some pockets in the town remain digitally excluded, with significantly lower internet connection speeds than the national average. Locally, investment in digital connectivity both from the initial £3.5million by DCMS in the Local Full Fibre Network and subsequent £90+million from the private sector fibre co-operative members, alongside Blackpool's fortunate location for transatlantic fibre connectivity, is starting to attract interest and potential future investments. An innovation catalyst facilitated by Lancaster University has developed identifying Blackpool as the ideal place to decarbonise data centres, with good access to growth space at Blackpool Airport Enterprise Zone, and on and offshore renewable connections and local energy storage.

A vision to store renewable wind power otherwise unused by the National Grid is developing, albeit subject to grid constraints which are a national rather than specifically coastal issue. We are looking to use renewable power for new data centres and advanced manufacturers on the Blackpool Airport Enterprise Zone and to capture their waste heat in heat networks to heat public buildings, tourist attractions, swimming pools and social housing. The Council is currently working the Connected Places Catapult to develop the strategic outline business case and roadmap to drive this forward. This activity is, again, reliant on the entrepreneurial spirit of a local partnership trying to forge a cleaner future rather than external policy levers and support. Replicating the relationship with Government described earlier, through consideration of how government could move its own data processing into ethically powered data centres in Blackpool, would turbocharge this work.

In terms of transportation, there is more local variation between coastal areas. In Blackpool, a key factor is the need to counterbalance relatively good road links with more sustainable forms of transport. Blackpool has good motorway connectivity direct to the heart of the town, with a new multi-storey car park under construction for the Blackpool Central development also set to deliver a significant uplift in provision for Electric Vehicle charging. But in line with our climate emergency commitments and transport management objectives, the council would prefer more coach and heavy rail visitor arrivals. The former requires further investment in new coach arrival facilities, something currently beyond most funding pots. The latter has seen significant investment in electrification, although line closures for maintenance at peak time bank holidays mean that rail cannot effectively be promoted as a travel alternative. With the rail market shifting to leisure and tourism, adjustment of maintenance programmes now needs serious consideration. Similarly, there is a need to open up more direct routes to key tourism markets, such as Glasgow and Sheffield.

Once in the resort, the Blackpool Tramway offers an efficient way of dealing with mass volume tourism, connecting Blackpool to Fleetwood. Progress on the Fylde Coast Tram Loop, included in the Restoring Your Railways programme and which would see the restoration of a link between Fleetwood and the national rail network in Poulton, has been slow. Meanwhile rail services to the south of the town remain limited pending progress via the same programme to increase the frequency of services on the South Fylde Line.

Blackpool is diversifying its economy and its transport needs will change as a result. A new town centre business and office district is springing up supported by an expanded conference centre. This will increase commuting into the town, and measures are in place to weight this travel towards bus and rail, hence the importance of the work detailed above. But the issues here are not just economic, with the corresponding social impact being a lack of connectivity to other areas which could address access to the Fylde for a wider pool of labour, as well as addressing community isolation.

## **5. Have steps been taken to address education concerns in your area?**

Considerable steps have been taken in this regard, with the Opportunity Area Programme beginning to address some of the inequalities related to literacy, inclusion and the numbers of young people who are not in employment, education and / or training. This is due to be superceded by the Priority Education Investment Area programme. However, the funding available is only a fraction of what is required to sustain and extend the work, and the gap between the end of the OAP funding and the beginning of the PEIA funding has already led to a loss of momentum. The disproportionate number of "high needs" pupils requiring intensive support and additional facilities in the town remains a challenge, with additional Government funding to address the shortfall created by this issue requested, but not forthcoming as yet.

There is a significant knowledge and access gap in technology and digital literacy in Blackpool, which was partially addressed by the provision of additional devices to residents eligible for Free School Meals during the Covid-19 pandemic. Many families still do not have access to a device in the home and school IT

infrastructure is in great need of refresh, repair and general updates. This latter element is being addressed through the DFE's Connect the Classroom project that is providing funding and purchasing support to all Blackpool schools, bringing in millions of pounds of funding to ensure that children, teachers and support staff can make the best use of technology in school and have easy access to high-speed internet. Private and public sector providers of broadband are working hard to ensure that all schools have access to superfast broadband direct to their schools within the next five years. Of particular relevance is a project with our Local Full Fibre Network and co-operative collaboration to upgrade all our public sector sites to a minimum of 10 Gigabit speeds, with the first 10 public sector sites in the Bispham area already benefiting. The plan is to extend this to all public sectors over the next few years subject to business case and financial viability.

At a more basic level, further investment is required to ensure that all staff and pupils have a personal device that they can use to access "in-class" and remote education, allowing cross-town collaboration which will reduce some of the impact of teacher shortages in certain key subject areas. Blackpool still requires considerable additional investment to allow schools to "catch-up" with less deprived areas, and ongoing investment that allows Blackpool schools to efficiently provide and engage with family support, attendance support and provisions that build better standards of literacy and numeracy. As one of the most complex areas in England, and in common with other coastal locations, the use of eligibility for Free School Meals as a comparator for funding allocation masks the complexity of the issues involved. Population mobility combined with low levels of adult literacy, low numbers of adults with Level 4 qualifications, and high numbers of children and adults with SEND who also live in poverty mean that Blackpool needs additional funding for its schools that is above the current Pupil Premium and National Funding Formula allocations.

As with funding in other areas, the demands placed upon small areas to constantly bid into ad hoc pots of money are considerable. Additional High Needs Block funding and funding through the DFE's safety-valve programme will be beneficial to Blackpool as they will increase much needed provision for our most vulnerable pupils and will allow Blackpool to build additional Special School and Alternative Provision places. Additional bids for new Special Free Schools and Alternative Provision Free Schools are ongoing, but an integrated cross-departmental approach is needed to better align funding streams and to better open-up access to these opportunities.

Over the last four years the percentage of good or better schools has increased in Blackpool, with only 6 schools from 43 rated less than good by Ofsted, 4 of which are in the secondary phase. We have also seen the establishment of three new independent schools, broadening the educational offer, with quality assessed by Ofsted and the DFE. However the picture on outcomes remains mixed, with improvements before the pandemic now being lost for some headline measures, particularly in Maths and in overall progress against national benchmarks in the secondary phase.

## **6. Has accessibility to education improved?**

There is a greater availability of places for children in good or better schools in Blackpool, and there is a broader offer for children and families since the last report was published – albeit that accessibility has arguably decreased for high needs pupils. Access to further and higher education is still limited by poor outcomes for many in the secondary phase in Blackpool, as these prevent many children from moving on successfully to their next education destination. A limited range of further and higher education opportunities are available in Blackpool, even though the standard of the offer is high. In the long term the Multiversity, a new town centre University Campus for Blackpool & The Fylde College, will open up learning opportunities for local residents, as well as make Blackpool an attractive prospect for out-of-town students.

## **7. Will proposed changes to devolution structures set out in the Levelling Up and Regeneration Bill help coastal areas?**

Any proposal which maximises the potential of local areas and harnesses their ability to target and address local issues is most welcome. As highlighted throughout this submission, where our innovation is met by a willingness to work across traditional structures, the rewards on offer are greater, and could be even greater still if systems were designed to further enable this. Effective devolution requires strong leadership and political bravery. However, resistance to change can slow down progress and hinder nimble and innovative authorities like Blackpool. Large county areas, including both significant coastal areas and inland authorities, often need to balance competing interests, masking a realistic view of the differences between affluent landlocked localities and the coastal fringe, and creating challenges in ensuring a fair deal for all. It is therefore essential to ensure that mechanisms exist to continue to give freedom and flexibilities to those places unable to agree devolution deals despite their best efforts. Direct devolution to Upper Tier Authorities such as Blackpool that have demonstrated an understanding of local challenges and opportunities in collaboration with government would be a wise move. We would equally support the view of the LGA that demographic disparities are addressed through the levelling up agenda, particularly if these are extended to cover the specific context of coastal areas.

## **8. What would you like to see happen to better support coastal areas and enable growth and prosperity?**

Our asks are quite simple:

- A longer-term approach taken to the distribution of supportive funding, including a simplification of the process and addition of an element to recognise the challenging context of coastal areas, rather than yearly competitive bidding rounds, to allow for longer term planning of investment.
- A methodology for the distribution of Shared Prosperity Fund monies that recognises the unique challenges faced by coastal communities that are often smaller and more isolated.
- Specifically in Blackpool, continued positive relationship with Central Government, across all departments, in addressing key issues.
- Government to continue sitting on Blackpool's Pride of Place Partnership Board, working with its local public/private/voluntary sector partnership to address systemic social issues and develop the economy.
- Government to allocate additional funding for Homes England and support local council's and their partners in launching physical interventions in inner



areas, acknowledging the distinct and pernicious housing challenges that coastal areas face.

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