



Over two thirds of the public recognise the British coast as unique and different to coastline in other countries

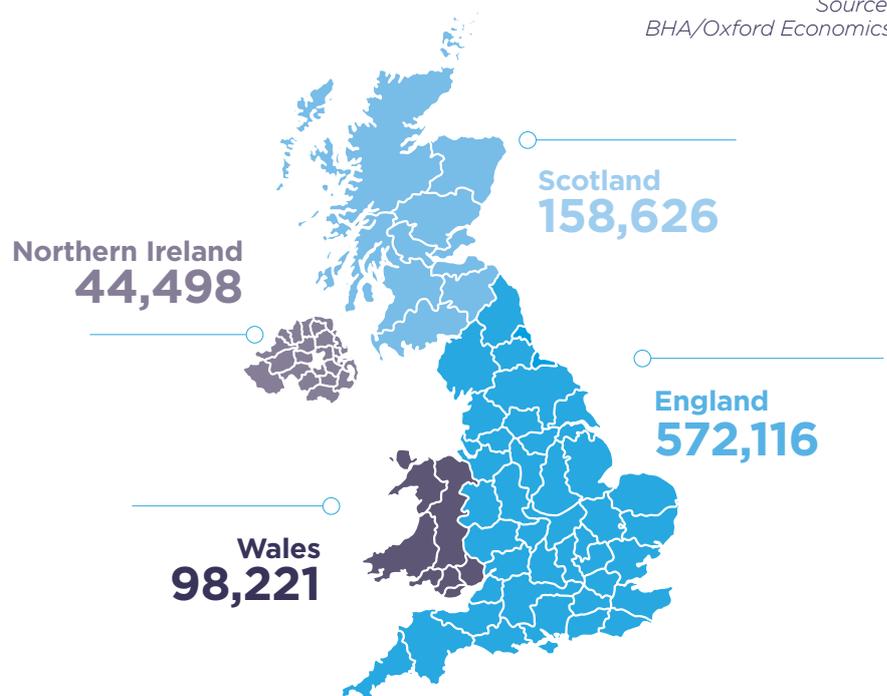
Bournemouth Pier. The area includes restaurants, event spaces, a new visitor information point, playground and water feature and was one of the first sites to benefit from the Seafront Strategy – an ambitious 20-year strategy to develop a world-class seafront for Bournemouth. Excellent transport links have also proven crucial to Bournemouth's seaside industry; hence a £1.5million investment at the site of the town's rail and coach station, which has created an attractive and welcoming arrival for visitors to the town.

Much of Bournemouth's popularity is also down to its world renowned festivals, with Bournemouth winning Best Event of the Year with Bournemouth Air Festival in 2015; it demonstrates what can be achieved when coastal areas are regenerated through a new and coordinated vision.

The Jurassic Coast is a World Heritage Site on the southern coast of

The Number of Hospitality Jobs in Coastal Local Authorities

Source:
BHA/Oxford Economics



- According to BHA/Oxford Economics, hospitality employment in coastal Local Authorities totalled 873,000 in 2014, a 10% increase since 2010. One in ten people in coastal areas are now employed in hospitality.
- In terms of GVA, the hospitality industry contributed £14,984 million to the economies of coastal Local Authorities in 2014, which represented an increase of 9.5% (£1,423 million) since 2010.

England which is managed through a collaboration of the Jurassic Coast Trust and local authorities. Research shows that the coastline brings £111 million to the local economy each year. Support for the investment is high with 90% of businesses believing

that the Jurassic Coast brand had a positive impact on their business. In addition to encouraging tourism, local residents support the investment local councils have made in protecting the environment and promoting the brand.

The recommendations in this report are based on detailed research, *The Potential Contribution of Coastal Tourism to the Regeneration of Seaside Towns*, which is available from the BHA.

Creating Coastal Powerhouses

The British Coastline
a national asset with great potential

We want the Government to deliver a comprehensive strategy to attract the investment which our coastal communities need to reach their full economic and social potential.

Statistically, people living on the coast are more likely to be poorly educated, unemployed and living in low-quality housing than those living in similar inland communities. Through harnessing the potential of our coastal communities, it is possible to make our seaside towns destinations of choice for tourists and residents.

The Government should implement an ambitious strategy, with targeted economic incentives and action to regenerate coastal economies, attract visitors and increase opportunities for over eight million people living on the coast in the United Kingdom.

A Strategy for UK Coastal Communities

Central government funds different initiatives directly targeted at coastal development, such as the Department of Communities and Local Government (DCLG) coastal community fund in England. However, these programmes suffer as policy across Government is uncoordinated and often at odds, preventing the critical mass of focused funding that coastal communities require.

The British Hospitality Association (BHA) would like to see the UK Government and the Devolved

7- Point Coastal Action Plan

- 1 **The Government should appoint a powerful ‘Seaside Tsar’** to oversee the delivery of a Coastal Investment Strategy and the creation of Coastal Action Groups.
- 2 **The Coastal Action Groups** should provide a co-ordinated response to the social and economic challenges facing coastal communities and develop a **Coastal Investment Strategy** which identifies and promotes opportunities for investment and helps local authorities to attract badly-needed new investment.
- 3 **A Progressive Tax Environment** that encourages existing and new coast enterprises to invest in their business. The Government should recognise the economic evidence and success of 31 other European countries in reducing the rate of VAT on accommodation and attractions.
- 4 **Creation of Coastal Enterprise Zones** to incentivise investment through a mix of time-limited tax exemptions and investment incentives for hospitality, tourism and other businesses.
- 5 **Investment in critical infrastructure** including improved broadband, rail and road connections, as well as protection against the threat of rising sea levels.
- 6 **Improved education and training provision for young people and adults** to ensure they have the skills for a variety of sectors, including, but not limited to, tourism.
- 7 **Support Local Authorities** to tackle social issues and housing problems, this includes multi-occupancy which creates negative impacts in coastal towns and reduces their attraction as visitors destinations.”

Administrations deliver Coastal Action Groups alongside a co-ordinated Coastal Investment Strategy to drive the regeneration of coastal communities. This Coastal Investment Strategy would involve the government departments responsible for education, planning, economic development, health, social security, inward investment, transport and tourism.

Greater efforts should be made by central government departments to attract and promote opportunities for further investment in coastal economies. This should include UK Trade & Investment (UKTI) and its Regeneration Investment Organisation (RIO) taking a more proactive role in identifying and promoting coastal investment opportunities.



Two thirds of the public support increased investment in coastal areas

A Progressive Tax Environment

We need to enable coastal businesses to invest their profits in the development of their businesses. Small and Medium Enterprises (SMEs) make up 80% of hospitality and tourism businesses, including many based in coastal communities. Coastal tourism is at a significant disadvantage. 31 other European countries currently benefit from a reduced rate of tourism VAT, which enables them to channel investment into wages, training, and marketing. The combined burden of paying 20% VAT and National Insurance can significantly limit businesses' ability to recruit and train staff when establishing themselves and considering expansion.

The Challenges Facing our Coastal Communities

Industrial, social and environmental changes present coastal communities with a range of issues:

- Traditional maritime industries, including those dependent on ports and harbours, have declined or become less labour intensive. As a result, coastal communities are more likely to suffer from high and persistent levels of unemployment.
- The international tourism market has become more competitive. While the majority of other countries have reduced tourism taxes, including VAT, the UK has not and is currently ranked 140 out of 141 countries in terms of price competitiveness.
- Lower levels of education and skills attainment among young people in coastal areas.
- Demographic change, which includes an increasing number of elderly and an increasing number of residents with disabilities, creates pressure on the local health services.
- Rising sea levels threaten coastal communities, particularly in low-lying areas such as the East of England.

The Value of Hospitality to Coastal Communities

Despite challenging conditions, hospitality remains a key source of coastal employment with one in ten people in coastal areas now employed in hospitality.

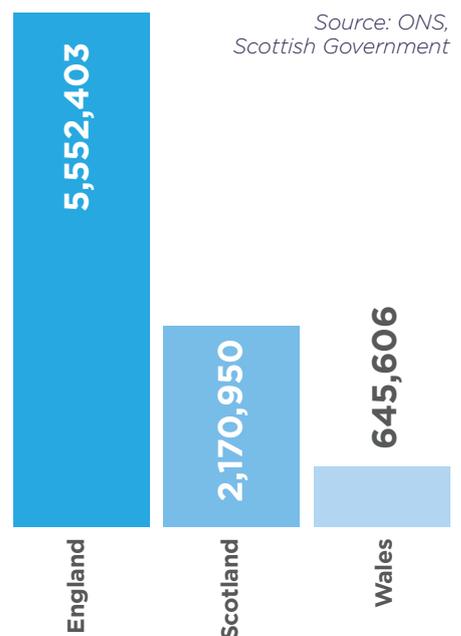
Research shows that seaside tourism is a major industry in its own right. The number of people employed is broadly comparable to the telecommunications industry and greater than the aerospace, pharmaceuticals or steel industries. The BHA, therefore, calls on the

Government to provide the industry with the same status it attaches to others.

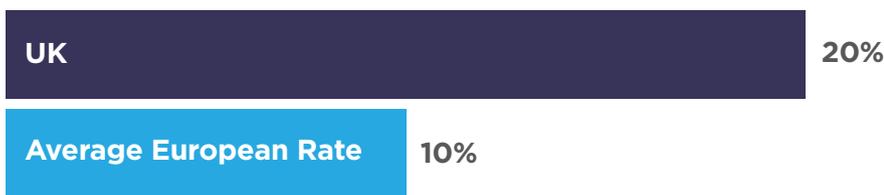
The Government and the industry can together create an attractive environment for investment. Building on the heritage and offer of the "Great British Holiday" appeal to millennials, families and baby boomers we can attract new operators of outdoor and sea-based attractions to modernise the tourist and visitor offer.

This new investment will help drive growth in other sectors as has been successfully showcased in Brighton and Bournemouth. It will also help coastal areas retain staff to work

Coastal Population of Great Britain



Tourism VAT is twice the European average



in skilled employment in modern businesses.

Creating Career Choices in Hospitality

Hospitality and tourism has already become a career of choice in some areas, but more needs to be done. Since 2012, the British Hospitality Association has arranged over 40 events across the UK as part of the Big Hospitality Conversation, with half of these in coastal locations.

These events see employers offering talented candidates work placements, apprenticeships, and jobs. Over 60,000 job opportunities have been pledged through the Big Hospitality Conversation, with over 10,000 of these offered in a coastal area.

Public Support for Coastal Investment

A recent public survey commissioned for the BHA showed strong public support for increased investment in the British coast. Two-thirds of the public support increased investment in coastal destinations as a way to encourage them to take more seaside breaks.

Four in five people view the coast as offering “beautiful, unspoilt beaches and coastline with lots of natural beauty”. Over two thirds recognise the fun atmosphere at UK beaches. However, less than 50% of people have visited the seaside in the last 3 years viewing coastal visits as an expensive (62%) journey to run-down locales in serious need of investment.

Models of Best Practice for Coastal Area Investment

There are already good examples of coastal investments making a return both in income generation and social benefits.

The creation of the **Folkestone Creative Quarter** has transformed an area of the town through a regeneration strategy based on the arts, the creative industries, and education. Since its establishment, the town has become a community of choice for a range of artist studios, creative enterprises and related artists, retailers, and businesses. This was made possible by the leadership and strategy delivered in partnership between the Roger De Haan Charitable Trust, the local and district councils, the Lottery Fund and Visit Kent.

Bournemouth recently opened **The Pier Approach** a new landscaped pedestrianised area fronting



Almost half of the public (45%) cite “poor accommodation options” as a problem in visiting the coast



Over half (51%) of the public have not visited the British seaside over the past three years

