

Open Report on behalf of Richard Wills, Executive Director for Environment and Economy

Report to:	Economic Scrutiny Committee
Date:	12 July 2016
Subject:	Coastal Community Fund Bidding and Timetable

Summary

This report is to brief Members on the launch of the Coastal Communities Fund for England and raise awareness of the opportunities available to Coastal communities through the launch of the Coastal Communities Fund round four.

Actions Required

The Economic Scrutiny Committee is invited to consider and comment on the contents of the report.

1. Background

The Coastal Communities Fund (CCF) aims to encourage the economic development of UK coastal communities by awarding funding to create sustainable economic growth and jobs. Since the start of the CCF in 2012, DCLG have awarded grants to 218 organisations across the UK to the value of £119 million. This funding is forecast to deliver over 12,000 jobs and help attract over £200 million of additional funds to coastal areas.

Coastal Community Fund Key Points

The Coastal Communities Fund (CCF) aims to encourage the economic development of UK coastal communities by awarding funding to create sustainable economic growth and jobs.

- £36m CCF launched on MONDAY 23RD MAY 2016 (final budgets to be announced 2017/18 up to £90m)
- Minimum £50k – potential Maximum £4m but they want a geographic spread around the Country
- Round ONE Deadline for STAGE 1 applications is 30 JUNE 2016
- Round ONE Deadline STAGE 2 applications NOVEMBER 2016

- AWARDS announced MARCH 2017
- There is a REQUIREMENT for a pre-submission briefing with BIG prior to any capital scheme submission
- Round two will be announced in July for spend from 2017/18
- ALL projects have to spend within 2 years and 6 months (to be confirmed)
- Emphasis on all the schemes JOB CREATION and ECONOMIC GROWTH
- NO Match funding required – but obviously would help
- Bathing Waters included this year but ONLY as part of WIDER strategic program
- HAVE TO tie into local strategies and plans – CCT Economic Plans / LEP / Local Plans
- HAVE TO be environmentally sustainable

Since the announcement that Coastal Communities Funding would continue the County Council has been holding meetings with key Businesses, through the Coastal Developers Forum, to discuss the pulling together of strategic capital bids to submit into future rounds and through the Coastal Community Teams in Mablethorpe, Skegness and the Heritage coastal partners have been asked to identify how they can work together to develop proposals under key themes – Tourism, training, coherence and infrastructure. The aim of the discussions being fewer, larger, strategic projects being submitted. Members previously received a presentation by members of the Mablethorpe Area Partnership with their ideas for developments for the town.

The key themes that have been identified through these discussions can be divided into four categories and whilst not all will be eligible for coastal funding, do form a platform for wider strategic developments along the coast.

Infrastructure – A coastal developers bid, Access LN12 feasibility, Green hopper, GO Skegness and using car parks as destinations (marketing plans and feasibility studies)

Tourism – Lincolnshire Coastal Business Partnership scheme, infrastructure/ marketing events, local supplier/ food trails built around the coastal country park

Training – Coastal terms, coastal quality training

Coastal Cohesion – Coastal artist in residence

Examples of previous awards

An executive summary of the successful Greater Lincolnshire Local Enterprise Partnership (GLLEP) lead Coastal Business Modernisation project is attached at Appendix A.

The new visitor centre at Gibraltar Point and the new North Sea Observatory are also funded by the Coastal Communities Fund - £10,000.

Suffolk County Council

The project aims to create employer-led apprenticeships relevant to the low carbon energy sector in the coastal communities of Norfolk, Suffolk and Essex, plus an awareness-raising campaign to ensure that the opportunities in this emergent sector are visible and accessible to local people of all ages. Considerable growth is predicted on the East of England coast in off-shore wind and nuclear, along with skills gaps in a range of engineering-related disciplines - £762,000.

South East Food Group Partnership Limited

The project will develop a Local Catch phone/web app. to enable seafood businesses to use the web/app to promote their business, develop new trade supply chains developed in local seafood sector and share best practice amongst local fishing communities - £23,900.

Sunderland County Council

This public realm and infrastructure improvement project aims to enable the next phase of master planned regeneration of the historic resort of Seaburn. It forms part of the City's seafront regeneration project to reinvigorate Sunderland's twin beach resorts. The project will carry out public realm and infrastructure improvements to enable onward development of a high quality, mixed-use leisure-led development creating a new and vibrant seafront community - £2,000,000

Way Forward

From discussions with partners, the Council is aware of a few applications that will be being submitted by the deadline of 30 June 2016. There is no requirement to advise the Council if a business / organisation will be submitting an application so further applications could be going directly to BIG.

Applications are commercially confidential at this stage but Members will be updated at a Committee meeting when the deadline has passed and a list collated.

2. Conclusion

The deadline of 30 June 2016 has been tight for submissions, especially where planning permissions have been required (one month) and the private sector has advised that it is more realistic that further applications will come forward from

partners and the Coastal Communities Teams for the next bidding round to be announced at the end of the summer.

3. Consultation

4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Coastal Modernisation CCF executive summary

5. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Nicola Radford who can be contacted on 01522 550633 or Nicola.radford@lincolnshire.gov.uk

Introduction

“Greater Lincolnshire Coastal Business Development Programme”

This Lincolnshire County Council, Coastal Communities Funded programme provided specialist and general business support and training for coastal businesses.

The area of coverage of the programme was within circa 10 miles distance from the coast – from Boston Borough in the South, up through all the modern-day County of Lincolnshire and into the modern North East Lincolnshire Council area, as far as Grimsby.

CCF Project

Project Title

“Greater Lincolnshire Coastal Business Development Programme”

CCF Round?

Round 1

Contract Holder

Lincolnshire County Council – lead officer on the project was Nicola Radford.

Other Partners

Delivery partner was John Owens Associates Ltd, working jointly with Skillsreach Ltd.

The two principals of these firms, John Owens and Roy Harper, worked on this project.

Corin Birchall of Kerching Retail Ltd delivered most of the work focussed on the retail sector.

Liam Lally of Zaddle Internet Ltd provided very bespoke Social Media training sessions as that need was identified.

There was a range of other important working partnerships such as SECWHA (Skegness, East Coast and Wolds Hospitality Association), Skegness Chamber of Trade, Mablethorpe Area Partnership (MAP) and various businesses and intermediaries who acted as project champions.

Aims / Objectives

The coastal business modernisation programme incorporated two distinct elements:

- **“Click to Prosper” (C2P)**, training to develop the skills within businesses to make effective use of smart phones, iPads, websites, online marketing, social media and selling products in a digital format - and 1-2-1 support to enable the business to plan this effectively themselves
- **'Retail Rejuvenation' (RR)** training, with follow-on 1-2-1 business support, to increase turnover, customer attraction, conversion and retention and ultimately profitability on a sustainable basis.
- Both C2P and RR were backed up by a post-workshop grant scheme, where firms were supported to apply their learning from the workshops into a business development plan, whereby a grant of up to £1,000 could be provided, matched to their own investment plans and funding.

Project Dates

The main project ran from start of July 2013 to 14 July 2015.

CCF Funding Awarded

- CCF - £200k Revenue
- Lincolnshire County Council - £50k Capital

Other Funding secured

Initially ERDF was proposed as match funding. However on looking at sector restrictions around retail and hospitality it was concluded that adding ERDF would limit the coastal business sectors looking to be supported.

Key Activities

“Click to Prosper” was a 2-day workshop with follow-on on-site business support to enable coastal businesses to maximise their returns from digital technology.

“Retail Rejuvenation” was a 1-day workshop with intensive follow on onsite business support to enable coastal businesses to maximise their retail offer.

The **grant scheme** had up to £50,000 available solely targeted at C2P and RR participants– the criteria were deliberately straightforward:

- The business had to have participated in the “Retail Rejuvenation” or “Click to Prosper” programmes (or both) to be eligible.
- If they had participated in both, that made them eligible for two lots of grant funding.
- Minimum spend was £1,000 ex VAT – leading to a grant of £500 ex VAT.
- Maximum spend was up to the client, but could only result in a grant of £1,000 ex VAT maximum.
- Under spending on an allocated grant was fine (as long as it didn’t drop below the minimum grant of £500 ex VAT) but overspending would not attract additional funding!

Targeted Outcomes

There was a range of outcomes required:

- **4 Launch events.**
- **30 SMEs** to achieve at least 12 hours face to face participation on the C2P, comprising workshop attendance & 1-2-1 business support.
- **30 SMEs** to be supported to include workshop attendance and 1-2-1 business support, action planning etc. on the RR programme.
- **4 “Digital Champions”** to be identified.
- **8 Case Studies** to be written, at least one from each Local Authority area.
- Development of a **Coastal e-kit** of electronic resources, information etc.
- **Jobs safeguarded = 30.**
- **Jobs created = 10.**
- Successful running of grant scheme.
- Best practice anti-discriminatory practise.

Actual Outcomes measured against Targeted Outcomes:

Target Outcomes	Actual Outcomes
4 Launch events	4 successful Launch events , including the Caterex annual exhibition in Skegness
30 SMEs to achieve at least 12 hours face to face participation on the C2P, comprising workshop attendance & 1-2-1 business support	56 SMEs achieved at least 12 hours face to face participation on the C2P, comprising workshop attendance & 1-2-1 business support
30 SMEs to be supported to include workshop attendance and 1-2-1 business	33 SMEs were supported to include workshop attendance and 1-2-1 business

support, action planning etc. on the RR programme	support, action planning etc. on the RR programme
4 “Digital Champions” to be identified	4 “Digital Champions” were successfully identified
Development of a Coastal e-kit of electronic resources, information etc.	A Coastal e-kit of electronic resources, information etc. was developed and is now available at www.LincolnshireCoast.biz as well as in other formats and locations
8 Case Studies to be written, at least one from each Local Authority area	8 Case Studies were written, at least one from each Local Authority area
Jobs safeguarded = 30	Jobs safeguarded = 71
Jobs created = 10	Jobs created = 14
Successful running of grant scheme	Grant scheme ran successfully, distributing just under £30,000 across 40 beneficiaries
Anti-discriminatory practice:	There were overall more female participants than male: RR – 20 male and 28 female C2P – 30 male and 32 female
	Deliberate efforts were also made to engage with the Eastern European business community in Boston – leading to 5 Polish and 1 Lithuanian –led businesses taking part.

Additionally, the website at www.LincolnshireCoast.biz became a valued resource for participants particularly on the C2P course, with useful materials suggested by delegates added to it as the project developed.

This website will remain available until at least August 2017.

Why did you undertake the project?

There were substantial local stakeholder concerns that the Greater Lincolnshire coast had become the “Cinderella” for publicly funded business support engagement and impact.

Many of the business types that dominate the business scene on the coast are either tourism or retail based. These are both business sectors that are expressly excluded from other business support funding e.g. that from the EU.

Even for those businesses in the coastal areas that aren't in these sectors and would hence be eligible for some support, the domination of the business scene by these types means that many business support programmes don't attempt to engage with coastal firms – it is all seen as “too difficult”. The coast in general misses out.

This programme, (not fettered by the issues of EU funding), allowed support to be expressly targeted at retailers and tourism businesses, as well as any other coastal firm.

The decision to undertake a programme of e-business support was in part to help firms conquer the issue of remoteness and peripherally by electronic means.

Additionally, as it is recognised that the retail offering is a large part of people's visit to the coast, the RR programme was designed to help substantially improve retailers' offering and capability.

What were the main barriers to potential success at the offset?

There were several:

Relating to the RR offer

- “I've done it like this for forty years, what makes you think you know better, why do I need to change? I'm alright as I am....” – then followed by a swear-worded exhortation to go away in several cases....
- Businesses being one-man (or woman) bands, which meant that attendance on a day meant closure of the business.
- General inertia amongst some of the business community – some of the businesses were run by people in their 60's as a lifestyle business / final career, they didn't want to grow their business as they were getting what they wanted from it.
- Scepticism and suspicion – the firms weren't used to ANY business support and were not always comfortable in engaging with it.
- Many of the businesses were unlikely to be able to increase their staffing even after our help, they were just too small and likely to stay so – this obviously impacts on job creation potential.
- Intense seasonality – most business is undertaken in many of these firms in the summer months, when the holidaymakers are around. Trying to engage with these firms then is unlikely to be well received!

Relating to the C2P offer

- Again, intense seasonality – particularly true for the hoteliers and B & B owners, the summer is where the money is made to sustain over the

slack winter period. They simply weren't available to engage with any programmes at busy times.

- Event timings – B & B owners are often tied-up with providing breakfast to guests first thing in the morning.
- As in the RR offer, scepticism and suspicion – the firms weren't used to ANY business support and were not always comfortable in engaging with it.
- Again as in the RR offer, general inertia amongst some of the business community – some of the businesses were run by people in their 60's as a lifestyle and in their final career, they didn't want to grow their business as they were getting what they wanted from it. This was particularly true of some B & B owners.

Which barriers were overcome and how?

- Seasonality – easy to overcome, the programmes were both delivered substantially in the off-season – November to March. This was well received, even amongst those businesses not directly engaged with holidaymakers.
- Event timing – a simple change to a 10:30 am start on C2P meant that B & B owners could easily participate.
- Scepticism and suspicion – by engaging with SECWHA at the very start of the C2P programme, and working with them to tailor the material to the hospitality market, we got a strong attendance amongst B & B owners/ hoteliers on the first programme.

This then spread as being a “good thing” by word of mouth: as SECWHA is across a large swathe of the target area, both hospitality and non-hospitality businesses were hearing that this was a useful programme. This helped considerably in recruitment for the next programmes.

This engagement accounts for the enormous over-reach of the target – 56 compared to a target of 30. We could easily have repeated this programme another few times if funding had been available - demand was high and increasing.

- Unfortunately, as we didn't have as strong a champion as SECWHA for the retailers, the achievement of the RR targets was much harder.
- N E Lincolnshire was particularly challenging for this project (see below) – but we managed to engage with the Grimsby Freeman to get an event at the Freeman Street Market – “Gadgets & Gizmo's” in May 2015, organised by John Owens Associates with CDI Alliance as the deliverer.
- It was a very positive, well-organised event, attended by a number of new technology / business support specialists such as University of Lincoln Technology Hub; Mablethorpe Technology Hub; Mortons Media Group; CDI Alliance and John Owens Associates / SkillsReach.

- The event provided a really useful opportunity to profile technological business opportunities to existing and potential businesses, and also to the wider community.
- A number of local strategic stakeholders also attended, including representatives from Humber LEP, the Chamber of Commerce and third sector groups.

Which barriers were not overcome and why?

- We had some barriers that were not really surmountable without stronger engagement by other parties – for example, although the project covered N E Lincolnshire, there were some issues about engagement with N E Lincolnshire Council, as a parallel CCF bid for improvements on Sea View Street in Cleethorpes wasn't awarded. This left them without a mechanism to engage - so they really didn't.
- Likewise, we talked with the existing N E Lincolnshire business support sub group to offer Click to Prosper and Retail Regeneration widely to N E Lincolnshire coastal SMEs – but this never materialised as there were concerns about overlap with other N E Lincolnshire ERDF provision.
- Overall, despite quite strong efforts from our delivery team, we never really managed to engage the N E Lincolnshire support community so that their firms could benefit.
- Broadband access remains a significant challenge and obstacle to business development across the coast – but has improved substantially over the project duration, and continues to improve across the county as a whole.

What were the critical success factors for this Project?

- **Engagement** – where the project was most successful, we had an engaged champion (often an organisation like SECWHA or the FSB) who were telling their members how good it was, how they could benefit and how to engage.
- **Partnership** – generally working with others to achieve their aims too. For example, working with a Polish accountant in Boston who was very keen on helping “her” client businesses (mostly Polish) to engage as an intermediary with whatever would be beneficial to them – there were 5 of her clients plus herself on the last Boston RR course!
- **Relevance** – e.g. bespokeing the first course for the hospitality sector with SECWHA, organising it so that delegates suggested some of the agenda items for week 2 on week 1 via a vote on each course, having a resource area online immediately so they could use a YouTube video to learn how to use Twitter.

- **Course content** – for example our C2P course covered areas such as the impact of TripAdvisor and online booking such as www.booking.com on local businesses. A particular area of concern was Wi-Fi for hotels and B & B's – so attention was focussed on this and resources provided.
- **Visibility** across the area from North to South, running courses in Boston, Skegness, Alford and Mablethorpe – enabling participants to attend not only from the main centres but also from coastal villages such as North Somercotes and Chapel St Leonards.
- **Grant scheme:** grant awards were made in respect of specific business development plans prepared by the businesses and utilising the knowledge and skills gained from C2P and/or RR. This meant that the final grant awards offered real additionality from a public funding perspective.
- **Reasonable level of grant** – not too high a figure to engage with SMEs, a minimum level of £1,000 ex VAT leading to a grant of £500 ex VAT enabled smaller businesses with less complex projects to engage.

What went wrong in the project and why?

We don't think anything particularly went wrong with the project - the targets were all achieved and often oversubscribed, but there are always lessons to be learnt.

- The grant scheme didn't spend as much as anticipated – but for a positive reason – businesses on C2P identified that there were very low (or sometimes no) cost alternatives to spending out on equipment – so they didn't. They had, however, explored the issue and identified this for themselves.
- They also now have a methodology they could use in the future to do this again if they needed to.
- Likewise, very simple physical re-arrangements of shops, or a different pricing structure could bring huge no-cost benefits to RR participant without the need for a grant.

What did you learn from delivering this project?

- The importance of tailoring your offering, “benefits not features”.
- Listening to what the SMEs say they want, don't presume you know!
- Political targets and agendas from above aren't necessarily what people want – we do need to recognise them, and what funding sources need, but if you don't deliver what people want, they won't turn up and you won't get your targets anyway!
- The different rhythms and dynamics of different coastal towns and businesses – for example the seaside town of Skegness needed a very different engagement approach to the port town of Boston.

- Understanding that projects need the capacity to be led by the businesses that they are designed to serve – they need the flexibility to alter aspects of their delivery “on the fly”.
- The importance of local coastal stakeholders and the benefits of consulting and sharing ownership of funded programmes such as C2P and RR.

For example, although not in the original project brief, strong demand for intensive Social Media training became obvious – and we catered for this demand with a very successful training programme.

What would you do differently with hindsight?

- Look at how we promoted the retail offering – and see how we could improve the dissemination of the benefits of this via a better approach through identified local business leaders.
- Be MUCH more prescriptive in moving the grant scheme forward – some businesses seemed to need an inordinate amount of handholding!

How sustainable, post-funding is the project?

There is no C2P or RR offering now the programme has ceased, however: Many businesses have built their own capability and resilience through improved usage of IT or through a better retail presence, which means that they will be more competitive in the marketplace: this adds enormously to their sustainability, which is really what the project was about.

Were there any ‘Green Agenda’ outcomes from the project?

There was a “Green Agenda” re the marketing and publicity aspect of the C2P element – encouragement of businesses to engage via these means with potential and actual customers via electronic means.

We also encouraged usage of electronic means versus paper based as far as practicable.

However, part of the aim was to encourage visitors to the coast to use B & B’s, buy in shops etc. – so quite difficult to equate with an agenda of minimising use of resources, reduction of carbon emissions etc.

How did this project seek to provide coastal business support?

- Although it sounds blasé, the key element in the coastal business support for this project was a recognition that we needed to support hospitality businesses and retailers as well as “ordinary” firms: this generally can’t happen in ERDF and such programmes.

- In the case of much of the Lincolnshire coast, hospitality is a key sector – (this may not be as true in some other locations around the UK).
- Working in detail with local coastal stakeholders (at a very local level) makes a real difference in terms of ownership; 'doing with' rather than 'doing to', letting them contribute to project design and operational delivery methods.

How did this project seek to create coastal jobs?

- By generally supporting those businesses with aspirations to grow – but it must be recognised that many business owners on the coast either don't have the skills, capacity or funding to grow, or don't want to in the first place.

How did this project seek to boost coastal skills?

- There does appear to be a general 'digital reluctance' with technology. For example, applications that are taken for granted elsewhere are not being used consistently on the coast e.g. card-readers for cashless payments, Facebook pages etc.
- BUT amongst those businesses that recognise IT and the web as a route to competitive advantage, there is an interest in engaging and gaining skills that they see as useful within this area.
- These web /IT skills requirements may be at quite a low level - but are urgently needed by many businesses.

What is different about coastal areas that needs to be taken into account in economic / community development project delivery?

- The coast is different and business support programmes need to recognise that: for example intense seasonality, low levels of skills, transient business ownership, complex local stakeholder relationships, 3rd career, older people running them, some with low aspirational levels and lack of interest in engagement.
- Many coastal businesses often have a perception that they are 'missing out' on publicly funded business support, partly due to their ineligibility for some programmes such as ERDF. This perception in itself is a barrier to their engaging with programmes.
- Coastal businesses, especially in the tourism sectors, often employ only 1 or 2 people (frequently a husband and wife), and find it very difficult to find the time to attend courses or any learning off-site - and we recognised and ameliorated this.

What were the mainstream opportunities or challenges from this project that were not directly related to (or exacerbated by) the coastal context?

- There were the normal business issues of time constraints, lack of funding, and gaps in skills that are a common thread amongst SMEs irrespective of coastal location or not.
- There was the issue of finding good quality staff – an issue which can be problematical in other non-seaside areas too.

How can this type of project funding add even more value to coastal economies?

- By recognising the differences and allowing programmes of support to cater to the whole range of business types, including hospitality and retail.
- By recognising that small changes in programme aims and delivery can make huge differences to businesses, and whether they engage or not.
- By recognising that it is often much easier to get one additional job in 50 firms than 50 additional jobs in one firm – it's not such a good headline though.
- On the coast, you are much more likely, by the nature of many of the businesses, to achieve the former.

Where are the opportunities for government policy in its broadest sense to further support the coastal communities / economy development agenda?

- Recognition of the uniqueness of coastal economies and the need to bespoke or at least tailor business support and skills programmes.
- The need to better engage with local business stakeholders, even if that is time-consuming and complex.
- A bespoke, locally owned approach could tackle, locally, challenges such as:
- Supporting programmes that respond to Digital Reluctance, low ambition and capability.
- Local independent (and often isolated) retailers reluctant to invest in their own skills-base and their business development potential.
- Taking into account seasonal start-stop coastal economies that make programmes like Apprenticeships, Business Start Up more challenging.
- Stimulate aspiration and demand for business support programmes.
- Exploit through collaboration, collective opportunities to extend the season and therefore support business growth and jobs.
- Facilitate opportunities for isolated seaside resorts to learn from each other, benchmarking and sharing best practise.

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