

MEETING: CABINET MEMBER - REGENERATION
DATE: Wednesday 1 September 2010
TIME: 10.00 am
VENUE: Town Hall, Bootle (this meeting will be video conferenced to the Town Hall, Southport)

Councillor

DECISION MAKER: Maher
SUBSTITUTE: Fairclough

SPOKESPERSONS: Dorgan Hough

SUBSTITUTES: Pearson Sumner

COMMITTEE OFFICER: Olaf Hansen Committee Clerk
Telephone: 0151 934 2067
Fax: 0151 934 2034
E-mail: olaf.hansen@legal.sefton.gov.uk

The Cabinet is responsible for making what are known as Key Decisions, which will be notified on the Forward Plan. Items marked with an * on the agenda involve Key Decisions

A key decision, as defined in the Council's Constitution, is: -

- any Executive decision that is not in the Annual Revenue Budget and Capital Programme approved by the Council and which requires a gross budget expenditure, saving or virement of more than £100,000 or more than 2% of a Departmental budget, whichever is the greater
- any Executive decision where the outcome will have a significant impact on a significant number of people living or working in two or more Wards

If you have any special needs that may require arrangements to facilitate your attendance at this meeting, please contact the Committee Officer named above, who will endeavour to assist.

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AGENDA

Items marked with an * involve key decisions

<u>Item No.</u>	<u>Subject/Author(s)</u>	<u>Wards Affected</u>
1.	Apologies for absence	
2.	Declarations of Interest Members and Officers are requested to give notice of any personal or prejudicial interest and the nature of that interest, relating to any item on the agenda in accordance with the relevant Code of Conduct.	
3.	Minutes of the meeting held on 4 August, 2010	(Pages 5 - 8)
4.	Neighbourhoods and Investment Programmes Department - Service Plan 2010-2011 Report of the Neighbourhoods and Investment Programmes Director	All Wards; (Pages 9 - 24)
* 5.	Informed Assessment of the Economic Viability of Affordable Housing in Sefton Joint Report of the Planning and Economic Development Director and the Neighbourhoods and Investment Programmes Director	All Wards; (Pages 25 - 36)
6.	Sheffield Hallam University Report on Tourism Report of the Leisure and Tourism Director	All Wards; (Pages 37 - 46)

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THE "CALL IN" PERIOD FOR THIS SET OF MINUTES ENDS AT 12 NOON ON WEDNESDAY 11 AUGUST, 2010. MINUTE NOS. 31, 34 AND 35 ARE NOT SUBJECT TO "CALL IN".

CABINET MEMBER - REGENERATION

MEETING HELD AT THE TOWN HALL, BOOTLE ON WEDNESDAY 4 AUGUST 2010

PRESENT: Councillor Fairclough

ALSO PRESENT: Councillor Dorgan

28. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Maher and Hough.

29. DECLARATIONS OF INTEREST

No declarations of interest were received.

30. MINUTES OF THE MEETING HELD ON 7 JULY, 2010

RESOLVED:

That the Minutes of the meeting held on 7 July 2010 be confirmed as a correct record.

31. DEVELOPING THE LOW CARBON ECONOMY

The Cabinet Member considered the joint report of the Planning and Economic Development Director, the Neighbourhoods and Investment Programmes Director and the Environmental and Technical Services Director that updated on progress made since November 2009 in developing a policy for tackling climate change and the development of a Low Carbon Economy (LCE); and indicating that a decision on this matter was required to reinforce the momentum for a co-ordinated approach to the Low Carbon and Climate Change agendas.

The report detailed the results of a serious and sustained work programme to adapt the people and places of Sefton to unavoidable climate change; and to maximise investment and employment opportunities as fossil fuels were progressively replaced by renewable energy and a sustainable way of life.

The report concluded that it was fully expected that the new LCE would reflect and enhance the distinctive geography of Sefton, with strong co-operation and mutual learning between local businesses, schools, social

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CABINET MEMBER - REGENERATION- WEDNESDAY 4 AUGUST 2010

landlords, civic and community centres and visitor destinations as they build low carbon communities for the future.

This was a Key Decision and was included in the Council's Forward Plan of Key Decisions.

RESOLVED:

That the Developing the Low Carbon Economy report be noted.

32. FEED-IN TARIFF (CLEAN ENERGY CASHBACK) SCHEME - POTENTIAL OPPORTUNITIES

The Cabinet Member considered the joint report of the Planning and Economic Development Director and the Neighbourhoods and Investment Programmes Director that advised of the potential opportunities available under the Feed in Tariff (FIT) initiative and seeking approval to explore these opportunities in more detail with interested and relevant partners and Energy Service Companies at both Sefton and sub-regional level; and indicating that a decision on this matter was required because approval was necessary to undertake exploratory discussions with interested partners and Energy Service Companies.

The report indicated that FITs became available in Great Britain from 1 April 2010 and that under the scheme, energy suppliers made regular payments to householders and communities (including local authorities) who generated their own electricity from renewable or low carbon sources such as solar electricity panels or wind turbines; and explained how the FIT worked.

The report also indicated that the main priority was the implementation of energy generating systems on public buildings, and to a degree on social housing. However if successful it had the potential to kick start similar initiatives on private sector housing, and critically thereby create significant job and work opportunities for local small to medium enterprises.

RESOLVED: That

- (1) the Planning and Economic Development Director be requested to undertake exploratory discussions with interested partners and Energy Service Companies as detailed in paragraph 4.3 of the report; and
- (2) the Planning and Economic Development Director be requested to draft a further report on the findings of (1).

**33. COMMUNITY SUSTAINABLE ENERGY PROGRAMME -
MAGHULL TOWN HALL**

The Cabinet Member considered the joint report of the Planning and Economic Development Director and the Neighbourhoods and Investment Programmes Director advising of the request received from Maghull Town Council for assistance in the preparation of a bid under the Community Sustainable Energy Programme (CSEP); and indicating that a decision on this matter was required to comply with standard reporting procedures.

The report indicated that the aim of CSEP, funded by the Big Lottery, was to help community based organisations in England to reduce their energy bills and environmental impact, as well as raising public awareness of climate change and how to tackle it; and Maghull Town Council was very keen to address CO² emissions from its buildings; and that assistance was now sought from the Council in the preparation of a bid for funding to install solar photovoltaics on all four sides of Maghull Town Hall roof.

RESOLVED: That

- (1) the Planning and Economic Development Director and the Neighbourhoods and Investment Programmes Director be authorised to assist Maghull Town Council in preparing, and submitting the bid, detailed within the report, and if successful with the delivery of the project; and
- (2) the Planning and Economic Development Director and the Neighbourhoods and Investment Programmes Director be requested to draft a further update report on the Community Sustainable Energy Programme.

**34. MERSEYSIDE SUB REGIONAL CHOICE BASED LETTINGS
SCHEME**

The Cabinet Member considered the report of the Neighbourhoods and Investment Programmes Director that outlined the progress made in establishing a Merseyside sub-regional choice based lettings (CBL) scheme and sought approval to: enter into an IT contract for the provision of IT services to provide CBL; confirm the participation of Sefton Council in a Merseyside sub regional CBL scheme; agree the governance arrangements; and approve the draft Allocations Policy for consultation.

RESOLVED:

That the Cabinet be requested to approve:

- (i) the draft Allocations Policy for consultation according to statutory guidance;
- (ii) the proposed governance arrangements;

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- (iii) the selection of the IT supplier, Abritas;
- (iv) the estimated set-up costs of the scheme;
- (v) that the Neighbourhoods and Investment Programmes Director be authorised to enter into an agreement with the other local authorities (Halton, Knowsley, Liverpool and Wirral, or at least 3 of them) to govern the implementation of the Abritas contract referred to below;
- (vi) the Neighbourhoods and Investment Programmes Director in consultation with the Head of Corporate Legal Services be authorised to enter into a contract with Abritas for the provision of the IT system;
- (vii) the one-off set-up costs to be paid from existing provision in the housing capital programme approved by Council on 8th July 2010;
- (viii) continued development of the scheme with the sub-regional partners; and
- (ix) request the Neighbourhoods and Investment Programmes Director to draft a further to Cabinet Member - Regeneration and the Cabinet on the results of the consultation exercise on the Allocations Policy.

35. DISTURBANCE PAYMENTS FOR RESIDENTS MOVING AS A DIRECT CONSEQUENCE OF HOUSING MARKET RENEWAL REDEVELOPMENT ACTIVITY

The Cabinet Member considered the report of the Neighbourhoods and Investment Programmes Director that proposed changes to the arrangements for, and amounts of disturbance payments to be made to residents (both tenants and owner-occupiers) moving as a direct consequence of Housing Market Renewal redevelopment activity.

RESOLVED:

That the Cabinet be recommended to:

- (1) to approve the levels of disturbance payments to be made to residents (both tenants and owner-occupiers) moving as a direct consequence of Housing Market Renewal redevelopment activity be adjusted as detailed within the report; and
- (2) the level of disturbance payments be revised annually on 1 April to take account of changes to the Consumer Price Index.

Agenda Item 4

REPORT TO: Cabinet Member - Regeneration
Cabinet Member – Communities

DATE: 1st September 2010
8th September 2010

SUBJECT: Neighbourhoods and Investment Programmes Department –
Service Plan 2010-2011

WARDS AFFECTED: All

REPORT OF: Alan Lunt – Neighbourhoods & Investment Programmes Director

CONTACT OFFICER: Alan Lunt 0151 934 4580

**EXEMPT/
CONFIDENTIAL:** No

PURPOSE/SUMMARY:

To seek approval to the Neighbourhoods and Investment Programmes Departmental Service Plan 2010-2011.

REASON WHY DECISION REQUIRED:

Compliance with Corporate Policy

RECOMMENDATION(S):

That Cabinet Members for Regeneration and Communities:-

1. Approve the Neighbourhoods and Investment Programmes Departmental Service Plan for 2010-11

KEY DECISION: No

FORWARD PLAN: No

IMPLEMENTATION DATE: Following the expiry of the call in period for the minutes of the relevant meetings

ALTERNATIVE OPTIONS:

None

IMPLICATIONS:

Budget/Policy Framework:

Financial: There are no financial implications as a result of this report, although those implications flowing from the content of the plan are incorporated into approved Departmental. Budgets 2010-2011

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<u>CAPITAL EXPENDITURE</u>	2010/ 2011 £	2011/ 2012 £	2012/ 2013 £	2013/ 2014 £
Gross Increase in Capital Expenditure				
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
<u>REVENUE IMPLICATIONS</u>				
Gross Increase in Revenue Expenditure				
Funded by:				
Sefton funded Resources				
Funded from External Resources				
Does the External Funding have an expiry date? Y/N	When?			
How will the service be funded post expiry?				

Legal: None

Risk Assessment: A risk assessment has been carried out as part of the Service Planning process

Asset Management: None

CONSULTATION UNDERTAKEN/VIEWS

CORPORATE OBJECTIVE MONITORING:

<u>Corporate Objective</u>		<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community	/		
2	Creating Safe Communities	/		
3	Jobs and Prosperity	/		
4	Improving Health and Well-Being	/		
5	Environmental Sustainability	/		
6	Creating Inclusive Communities	/		
7	Improving the Quality of Council Services and Strengthening local Democracy	/		
8	Children and Young People	/		

LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT
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None

1.0 Background

1.1 As work progresses to refresh the existing Sustainable Community Strategy, Service Departments have been requested to complete a 'light touch' service planning process for 2010-11, focussing upon existing Corporate and Departmental priorities.

1.2 The attached draft Service Plan is the first to be presented for approval under the new Organisational structure and Departmental name. The Service plan (attached as Appendix 'A') seeks to deliver against a range of key priorities and objectives for the constituent divisions of the new Department, which are;

- Neighbourhoods
- Strategic Housing
- Investment Programmes (including Housing Market Renewal)
- Corporate Energy
- Private Sector housing
- Homelessness
- Home Improvements

1.3 There are six key priorities contained within the service plan which seeks to deliver a number of positive outcomes across all aspects of the Departments delivery. These priorities are;

- Delivery of excellent, responsive and customer focussed services
- Development and implementation of Area Management arrangements across Sefton
- Delivering a range of high quality and affordable housing
- Reducing the Council's energy consumption
- Effective management of external funding in accordance with priorities established by the Sefton Borough Partnership
- Supporting the development of family based approaches to tackling deprivation and worklessness.

1.4 Beneath these priorities there are 24 actions that will be achieved in order to deliver the priority outcomes set out above.

2.0 Conclusion

2.1 The draft Departmental Service Plan will achieve significant outcomes against identified Departmental priorities and will provide the focus for the activity of all Departmental staff during the current financial year. Future service plans will reflect the potentially evolving Corporate priorities but will also report on progress made against those outcomes targeted for 2010-11, which will help to deliver high quality services to safer and sustainable communities across Sefton.

Neighbourhoods and investment Programmes Department – Service Plan March 2010 to March 2011

Name of Directorate: Communities

Name of Service / Team: Neighbourhoods and Investment Programmes

Page 12 for the Service	1. To deliver excellent services that are responsive and based on the needs of individuals, businesses and local communities.	Why are they priorities?	<ul style="list-style-type: none"> Improving customer responsiveness is a key corporate project for Sefton As a 4 star authority we must strive to maintain excellent service delivery based upon what we know and understand of our communities Efficient use of resources is dependent upon knowing the demands of our customers and responding accordingly 	
Which priority does it link to?	What are the main actions which will impact on this priority for 2010-2011	Is it resourced?	Deadline	What are the outcomes of doing the action? Any related measures for the outcome and how we're doing at the moment

1	<p><i>To deliver a customer focused approach to our services so that the customer is at the heart of everything we do. This will mean that we -</i></p> <ul style="list-style-type: none"> - <i>support our staff and give them all the skills they need in customer care to deliver services that our customers deserve and expect</i> - <i>commit to putting the right systems in place to make sure that the customer has a single point of contact and deal with all their issues in one go</i> - <i>Develop principles of customer contact – detailing how we respond to our customers, response rates etc</i> - <i>develop effective systems for recording customer contact</i> 	Yes	March 2010	Customers will receive a consistent level of service regardless of who they speak to within the department
	<p><i>Ensure all staff are briefed to play a key role in delivering the Transformation Programme by recognising that we own it and by constantly challenging ourselves on ways to deliver better services for less or in more innovative ways to provide service improvements.</i></p>	Yes	March 2010	<p>Culture of positive challenge and not defensiveness within the department Staff feel part of the transformation agenda within the Council and can execute their roles within it Internal service reviews with focus on service improvement</p>
	<p>To recognise that addressing equalities and diversity is the only way to develop stronger communities and to design all of our services around the needs of individuals and communities and not one size fits all</p>	Yes	March 2010	<p>Better understanding of our communities and their individual needs Compliance with equalities legislation Improved service planning</p>
	<p><i>To maintain the strong relationships with our key partners and to contribute towards the development of our new area based governance structures as part of the Sefton Borough Partnership</i></p>	Yes	March 2010	<p>Effective partnerships with specific terms of reference and clarity of role Services with a stronger understanding of the local Better local accountability</p>

	<i>To actively implement corporate risk management processes and embed these into our culture so that we all anticipate and plan for risks as part of our business. To ensure that we have an appropriate and costed asset management plan, accommodation strategy and the necessary ICT to operate an effective and efficient customer led service.</i>	Yes	July 2010	Culture within the department that is not risk averse but risk aware Systems to allow rapid response to risk
	To have robust performance management systems in place which will highlight our areas of good and poor performance. To act on any issues that come up in a positive and consistent way.	Yes	July 2010	Greater understanding within the department of levels of performance and expectation Staff with performance as a core role
	To empower our staff through positive leadership to effect changes to the way we work for the benefit of our community. To do this through a strong commitment to workforce development and by rewarding positive achievement and by investing in our staff. To send out clear consistent messages about where we are going and how we need to get there.	Yes	July 2010	Department strong in leadership, coaching and mentoring Staff given the opportunity to develop and contribute to both the Department's and Council's development

	<p>To communicate the priorities and actions within our plan to as wide an audience as possible:</p> <ul style="list-style-type: none"> - to ensure that staff within the Department sign up to it and work across the Council to deliver them. - so that other parts of the Council and partners work with us to deliver these priorities - so that our residents, Parishes and businesses can have say in what needs to be done and can tell us if we need to change anything to make it work for them 	Yes	June 2010	<p>Engaged and aware staff Clearly defined priorities – efficient use of staff resources Better understanding of community needs</p>
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Name of Service / Team: Neighbourhoods and Investment Programmes

Page 16 Priorities for the Service	2. To lead on the development and implementation of area management within the Council and key partner organisations.		Why are they priorities?	<ul style="list-style-type: none"> • State of the Borough Core Evidence confirms that the need to address inequalities throughout Sefton is a key priority. • Key workstream within the Governance Review • Highlighted within the Comprehensive Area Assessment that we don't know and understand our communities well enough. • Key corporate project for Sefton.
	Which priority does it link to?	What are the main actions which will impact on this priority for 2010-2011	Is it resourced?	Deadline
1,2,3,4,5,6	1. To get the area based governance structures right. Focussing on building up the Area Committees skills and knowledge to enable them to take on a larger influencing role over the next twelve months. This will also mean rationalising/incorporating some of the existing area based groups that exist such as Community Safety Area Partnerships, Business Village Partnerships within the area governance arrangements.	Yes – although there are vacancies within the team	March 2011	Review of Area Committees completed Effective area committees with relevant agenda and discussion items Better service responsiveness to Area Committees

	2. Working within the public engagement model and with the Equalities Partnership to ensure that residents, Parishes and businesses can have their say about how services are designed and run and also continually feeding back to them on how we are doing and asking are we doing the right things and in the right ways.	Yes	March 2011	Better engagement of residents in Governance structures Strengthened links with CEN – awareness of needs of hard to reach groups
	3. Working with service providers within and outside of the Council who deliver services that mean something to neighbourhoods and people within them. Helping services to work better together to reduce duplication, increase co-ordination and people's satisfaction with services. Encouraging services to take an area based view of what needs to be done according to need and to take on a patch management approach. To take the lead on developing Area Plans.	Yes	March 2011	Better service understanding Delivering service improvements Increased satisfaction levels with service delivery
	4. As part of working with service providers start to undertake Total Place mapping at an area level to investigate how far we can take area management.	Yes	Ongoing	Knowledge of resource investment in Sefon

	5. To continue with our interim area management arrangements and keep them focussed on meeting the needs of our elected members and residents.	Yes-although there are vacancies within the team	March 2011	Increased responsiveness to needs of residents and Members To continue to support vulnerable residents in areas subject to major HMRI change,
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Name of Service / Team: Neighbourhoods and Investment Programmes

Page 18 ties for the Service Which priority it links to?	3. To ensure that Sefton can offer attractive and affordable housing within reach of local amenities which people choose to live in.			Why are they priorities?	<ul style="list-style-type: none"> • Housing Strategy • HMRI Strategy • Affordable Warmth strategy • Homelessness legislation • Strategic Housing Inspection
	What are the main actions which will impact on this priority for 2010-2011	Is it resourced?	Deadline	What are the outcomes of doing the action? Any related measures for the outcome and how we're doing at the moment	
1,3	1. To measure the impact of the Housing Strategy and to make sure that actions arising from it are actioned by all partners.	Yes	Ongoing	- To deliver the items in the Housing Strategy Action plan under it's 4 themes	

	<p>2. To provide new life-time homes where people want to live and target those areas/properties/households most in need of housing renewal by tackling issues of low demand, and poor quality housing</p>	<p>Yes</p>	<p>March 2011</p>	<p>HMR –acquisition of properties in target areas of the Klondyke and Queens/Bedford Rd, through either CPO or voluntary means. demolition of 257 properties, and preparation of land for new house building.</p> <p>Delivery of Sefton Affordable Warmth Strategy, Reduction in households suffering from fuel poverty and excess winter deaths. Contribution towards NI 187, 186</p> <p>Assisting our housing partners to build 450 new homes on various sites , providing a range of types and tenure of dwellings</p> <p>Improved choices and opportunities for looked after children in our Corporate parenting role by helping to provide quality accommodation and support to find a job or enter training</p>
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	<p>To enable people to continue to live at home independently and improve their health</p>	<p>Yes</p>	<p>March 2011</p>	<p>Improve the conditions of HMOs, remove Category hazards from all homes occupied by vulnerable people and reducing the number of empty homes, by increasing the number of licensed HMOs, utilising our enforcement powers, and improving engagement with private landlords through a new Accreditation scheme</p> <p>Effective intervention towards mitigating the effect of the recession through participation in the Mortgage Rescue scheme</p> <p>Reduction in numbers of people who are homeless by provision of preventative services. Target for 2010/11 is 3.2 successful cases prevented per 1,000 households</p> <p>Improve the waiting times for the provision of major adaptations to 29 weeks., to assist keep vulnerable households living comfortably in their own homes</p> <p>Improved Management the Broad Lane Gypsy & Travellers Site, to ensure satisfactory provision of accommodation and facilities for residents</p>
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	<p>3. To support the provision and survival of a range of locally based services which meet local peoples needs such as community centres, shopping parades and town centres.</p>	<p>Yes (until March 2011)</p>	<p>March 2011</p>	<p>Working in partnership with CVS to deliver a coherent support mechanism for third sector organisations to maximise their delivery and support sustainability. Focus on business planning, infrastructure, financial stability and policy development and implementation.</p> <p>Build business confidence and support small local businesses to continue to trade within a challenging economic climate. Working with services and partners to provide an effective response to business needs</p> <p>Recognise the distinct, vital role Sefton's Town Centres play and to provide appropriate support in their development and function</p>
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Name of Service / Team: Neighbourhoods and Investment Programmes

Priorities for the Service	4. To ensure that the Council can reduce its energy consumption		Why are they priorities?	<ul style="list-style-type: none"> • Climate Change Act 2008 – statutory requirement to reduce carbon emissions • Sefton LAA target NI 188 (mitigation of climate change) • Carbon Reduction Commitment – statutory requirement
Which priority does it link to?	<i>What are the main actions which will impact on this priority for 2010-2011</i>	<i>Is it resourced?</i>	<i>Deadline</i>	<i>What are the outcomes of doing the action? Any related measures for the outcome and how we're doing at the moment</i>
Page 22	To deliver a range of measures in line with the Carbon Reduction Commitment to minimise costs to the Council for energy consumption	Staff - Yes, but 2 vacancies. Carbon Trading at £500K to be agreed via Finance	March 2011	Structured actions agreed to ensure legal compliance with CRC to avoid rigorous financial and legal penalties that apply to this statutory obligation Deliver Strategic Energy Review by June 2010 and implement recommendations by March 2011, resulting in reduced utilities consumption costs from Council buildings by 3%

Name of Service / Team: Neighbourhoods and Investment Programmes

Priorities for the Service	5. To ensure that all Area Based Grant and external funding programmes are managed appropriately and in accordance with Council and Sefton Borough Partnership priorities.	Why are they priorities?	<ul style="list-style-type: none"> • Use of resources is a key line of enquiry under Audit • Performance Management Framework is a key Corporate project • Aligning resources to priorities is key part of Transformation agenda
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<i>Which priority does it link to?</i>	<i>What are the main actions which will impact on this priority for 2010-2011</i>	<i>Is it resourced?</i>	<i>Deadline</i>	<i>What are the outcomes of doing the action? Any related measures for the outcome and how we're doing at the moment</i>
2,3,4,5	<i>1. To ensure that adequate succession planning measures are put in place for post 2011 to mitigate risks of present levels of resource dropping of being discontinued</i>	<i>Yes- until March 2011</i>	<i>January 2011</i>	<i>Investment agreement in place with the HCA and the HMR Programme sustained to completion Clear identification of those services impacted upon by fixed term funding; full risk assessments completed and succession action plans produced.</i>
1,2,3,4,5	<i>2. To ensure that all activities funded have clear decision making processes and robust performance management and audit systems in place.</i>	<i>Yes- Until March 2011</i>	<i>January 2011</i>	<i>Standardised approach to decision making and performance management across all funded activities Clear understanding of how ABG and external funding programmes are being used – what is spent, how it is spent and how it is delivered</i>
1,2,3,4,5	<i>3. That a transparent and clear commissioning and prioritisation process is in place for any funding post 2011.</i>	<i>Yes- until March 2011</i>	<i>December 2010</i>	<i>Resources are best used to deliver against strategic priorities Allocation of resources is conducted to achieve best outcomes for funding</i>

Name of Service / Team: Neighbourhoods and Investment Programmes

Priorities for the Service	6. To support the development of family based approaches to tackle deprivation and especially worklessness	Why are they priorities?	<ul style="list-style-type: none"> • Despite significant levels of investment areas of deprivation have remained unchanged within Sefton • Looked after Children is a corporate priority
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<i>Which Priority does it link to?</i>	<i>What are the main actions which will impact on this priority for 2010-2011</i>	<i>Is it resourced?</i>	<i>Deadline</i>	<i>What are the outcomes of doing the action? Any related measures for the outcome and how we're doing at the moment</i>
2,3,4,5,6	<i>To utilise Working Neighbourhoods Fund to develop a pilot family based approach to address worklessness</i>	<i>Yes – Until March 2011</i>	<i>March 2011</i>	<i>Testing alternative methods to tackling worklessness where traditional approaches have failed</i> <i>Better understanding of what approaches could be successful in long term interventions in relation to overcoming economic inequalities</i>
	<i>To continue to participate in the Vulnerable Localities Initiative and bring an area management perspective to it</i>	<i>Through existing resources</i>	<i>March 2011</i>	<i>Ensure consistency in approaches and sharing of good practice</i>
	<i>To actively contribute towards the corporate parenting role of the Council by thinking about how we can support looked after children when they leave our care.</i>	<i>Need to identify level of support required</i>	<i>March 2011</i>	<i>Extending the Department's involvement in wider approaches to improving outcomes for looked after children</i>

Agenda Item 5

REPORT TO: PLANNING
CABINET MEMBER – REGENERATION
CABINET

DATE: 18 AUGUST 2010
1 SEPTEMBER 2010
2 SEPTEMBER 2010

SUBJECT: INFORMED ASSESSMENT OF THE ECONOMIC VIABILITY OF
AFFORDABLE HOUSING IN SEFTON

WARDS AFFECTED: All

REPORT OF: Andy Wallis, Planning & Economic Regeneration Director
Alan Lunt, Neighbourhoods & Investment Programmes Director

CONTACT OFFICER: Alan Young – Strategic Planning and Information Manager
Tel: 0151 934 3551

Jim Ohren – Principal Manager
Tel: 0151 934 3619

**EXEMPT/
CONFIDENTIAL:** No

PURPOSE/SUMMARY:

To report the comments received during consultation on the draft Informed Assessment of the Economic Viability of Affordable Housing (available to view online at www.sefton.gov.uk/affordablehousing)

To seek approval of the final Informed Assessment of the Economic Viability of Affordable Housing (available to view online at www.sefton.gov.uk/affordablehousing) as part of the evidence base for the Local Development Framework, taking into account consultation comments.

REASON WHY DECISION REQUIRED:

To comply with national planning guidance on the need to provide a robust evidence base for Sefton's affordable housing policies in the Local Development Framework

RECOMMENDATION(S):

That:

- (i) Planning Committee and Cabinet Member - Regeneration note the comments received during consultation process into the draft study, the responses to those comments, endorse the final Informed Assessment of the Economic Viability of Affordable Housing and recommend that Cabinet approves them to inform the emerging Core Strategy for Sefton;
- (ii) Subject to (iii) below, Planning Committee adopts the key findings of the study to inform the emerging Core Strategy process for Sefton; and
- (iii) Cabinet notes the comments received during consultation process, the responses to those comments and approves the final Informed Assessment of the Economic Viability of Affordable Housing to inform the emerging Core Strategy process for Sefton.

Agenda Item 5

KEY DECISION: YES

FORWARD PLAN: YES

IMPLEMENTATION DATE: Following expiry of call in period after Cabinet meeting on 2nd September 2010

ALTERNATIVE OPTIONS:

None

IMPLICATIONS:

Budget/Policy Framework:

Financial:

The cost of the study (£25,000) has been covered by an existing agreed budget line in the Housing Capital Programme.

<u>CAPITAL EXPENDITURE</u>	2009/ 2010 £	2010/ 2011 £	2011/ 2012 £	2013/ 2014 £
Gross Increase in Capital Expenditure				
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
<u>REVENUE IMPLICATIONS</u>				
Gross Increase in Revenue Expenditure				
Funded by:				
Sefton funded Resources				
Funded from External Resources				
Does the External Funding have an expiry date? Y/N	When?			
How will the service be funded post expiry?				

Legal: N/A

Risk Assessment: N/A

Asset Management: N/A

CONSULTATION UNDERTAKEN/VIEWS
N/A

CORPORATE OBJECTIVE MONITORING:

<u>Corporate Objective</u>		<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		√	
2	Creating Safe Communities		√	
3	Jobs and Prosperity	√		
4	Improving Health and Well-Being	√		
5	Environmental Sustainability	√		
6	Creating Inclusive Communities	√		
7	Improving the Quality of Council Services and Strengthening local Democracy		√	
8	Children and Young People		√	

LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT

Affordable Housing Viability Assessment Final Report, Three Dragons, July 2010

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INFORMED ASSESSMENT OF THE ECONOMIC VIABILITY OF AFFORDABLE HOUSING IN SEFTON

BACKGROUND:

- 1.1 Members may recall earlier this year (i.e. Planning Committee 10th March 2010, Cabinet Member – Regeneration 17th March 2010) that a draft Informed Assessment of the Economic Viability of Affordable Housing was reported before going out for public and stakeholder consultation. The need to carry out such an assessment is set out in Planning Policy Statement 3 and reinforced by the landmark Blyth Valley Legal Decision. This essentially concluded that a Core Strategy could be found unsound if its affordable housing policies were not supported by such an assessment. This line has subsequently been firmly supported by the Planning Inspectorate at Core Strategy public inquiries.
- 1.2 The assessment was produced on the Council's behalf by its retained specialist consultants Three Dragons (the commissioning of whom was reported to Planning Committee on 6th May 2009, Cabinet Member – Regeneration on 6th May 2009, and Cabinet on 14th May 2009). The assessment was informed by a range of evidence (such as data on past affordable housing projects, residential land values and house prices) and through information gathered from an initial workshop held with representatives from developers, registered social landlords, private sector landlords, neighbouring authorities and government housing and development agencies in August 2009.
- 1.3 In line with best practice the draft assessment was made available for wider public and stakeholder consultation, before being finalised.

CONSULTATION UNDERTAKEN:

- 2.1 The consultation period for comments to be made on the draft Assessment began on 25th March 2010. In line with our Statement of Community Involvement the draft Assessment was made available to view in a number of locations throughout Sefton, including the Planning offices in Bootle, at Bootle, Crosby, Formby, Maghull and Southport libraries and on the Sefton website. The availability of the draft Assessment was advertised in the local press, in the London Gazette and on the Sefton website. We also sent letters to over 200 organisations our Local Development Framework database.
- 2.2 Additionally we held a further workshop, hosted by our consultants Three Dragons during the consultation period. The workshop was held on 17th May 2010 in Bootle Cricket Club and was attended by representatives from developers, registered social landlords, private sector landlords and neighbouring authorities. At the workshop the discussions centred on the key findings of the draft assessment, including the level of affordable housing we should seek in different locations, the size of developments that we should apply affordable housing policies to and the potential use of commuted sum

payments in lieu of affordable homes that cannot be provided on site as part of a development.

- 2.3 Overall the consultation period ran for 9 weeks and concluded on Friday 28th May 2010. This was longer than our usual 6 week consultation but allowed the consultation to straddle the Easter holidays and for comments to be made following the second workshop to be taken into consideration. In total we received comments from 9 organisations. These comments are set out in a report of consultation available to view at www.sefton.gov.uk/affordablehousing along with our response and changes made to the assessment as a result.

SUMMARY OF COMMENTS RECEIVED DURING CONSULTATION:

- 2.4 The comments received to the draft assessment were wide-ranging and detailed but some common themes were identified.

(i) Study Methodology

- 2.5 It was questioned whether there was too much reliance on findings that are based primarily on a model. Given the wealth of information that Sefton has from its recently completed Strategic Housing Land Availability Assessment (SHLAA) and Strategic Housing Market Assessment (SHMA) couldn't the assessment be based more on empirical evidence?
- 2.6 *Three Dragons Response – In their experience of undertaking these studies an approach that is based on actual sites will inevitably suffer from lack of detailed information. It is very difficult to draw policy conclusions in a systematic way based on a sample of sites. Rather a more generalised approach is needed to draw out the key policy lessons. Analysis of actual sites may also undersell policy where the sample is often, in their experience, weighted too heavily towards high abnormal development costs. Using a High Level testing approach allows policy to be assessed on the basis of normal costs and revenues across a range of sub markets. Nonetheless, those sites that have particular issues that would affect the viability of affordable housing would be subject to detailed discussions using the assessment as a starting point.*
- 2.7 The methodology assumes that higher levels of affordable housing do not affect market house prices. Anecdotal evidence shows that there is a correlation between higher levels of affordable housing and a decrease in market prices. The methodology should factor in this when determining viability.
- 2.8 *Three Dragons Response – We are unaware of any systematic body of evidence that suggest that prices change in line with the percentage of affordable homes and accordingly do not accept this point. This information was requested from the workshop but none was forthcoming. It is the consultants' view, in line with similar studies carried out elsewhere, that a 'stigma' effect should not be attached to the analysis, particularly where housing needs are pressing. If a developer can prove such an impact on a particular site, then this should be evidenced in the site specific data provided.*

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(ii) Impact of section 106 requirements

- 2.9 The assessment assumes a standard level of section 106 contributions of £5000 per unit. It isn't clear what this includes, for instance the requirement to build homes to meet the Code for Sustainable Homes Standard. In many cases the contributions can be significantly greater and this may be exacerbated by the future introduction of a tariff-based system such as Community Infrastructure Levy (CIL). The level of contributions and other associated costs are important factors in assessing viability of affordable homes.
- 2.10 *Three Dragons Response – We accept that in some cases costs are greater than £5000 per unit. A per unit levy was tested in the report and acts as a proxy for any form of CIL or tariff. In addition, the assessment commented on a level of £10,000 per unit. Notwithstanding this, the Council will have to be flexible in weaker market locations to ensure costs do not make affordable housing unviable.*

(iii) Financial assumptions and modelling

- 2.11 The assessment needs to establish the actual land values at which land will be brought forward for development. Judgement will need to be made about the uplift over and above existing land use values and how this 'planning gain' will affect the viability of affordable homes.
- 2.12 *Three Dragons Response – There is a difference between land value and residual value. The market process will settle the value of land. Where the market does not discount land for the policy then what is paid for land could be higher than what it is worth. Uplift will not necessarily be the whole basis of the process in setting policy. The consultants would not wish to prescribe this uplift too tightly as it will vary for different types of sites. The workshop did not provide any standard assumptions for uplifts although the consultants have taken into account the experience of other similar authorities when recommending the policy target options.*
- 2.13 The assessment does not differentiate between the financial assumptions of small sites (those below 15 homes) and larger sites. Small sites are self evidently unable to benefit from the economies of scale and fixed costs are likely to represent a larger share of the development budget.
- 2.14 *Three Dragons Response – Numerous workshops have been held in most parts of the country where small sites have not been seen as being systematically more expensive to develop than large ones. The consultants accept the argument about economies of scale and costs may be higher on smaller sites. However, evidence from the Valuation Office tends to support the argument that smaller sites, in general, tend to generate higher land values than larger ones. This is likely to suggest that although costs may be higher, values are also higher (and 'exclusivity' factor).*

- 2.15 The assessment does not assume any costs relating to the acquisition and holding of land. Land is an 'upfront' cost in the development process and the cost of holding land throughout the development process can be significant.
- 2.16 *Three Dragons Response – There is a land finance deduction of 10% off residual to take account of this. Inevitably this may not be enough in some instances but will be too much in others. Site by site testing for negotiations will discover the actual scale of this cost in any given location.*
- 2.17 The assessment assumes a reasonable developer profit as 15% but it should be noted the level of profit a developer would expect is reflective of the risk involved. Other well established residual land valuation models advise 17.5 – 20% developer profit with some other specialist types of accommodation expecting a profit of 20-25%.
- 2.18 *Three Dragons Response – A 15% margin has recently been held (at the Hinckley and Bosworth Core Strategy Development Plan Inquiry) as being a reasonable figure for plan making purposes. However the Council may possibly be prepared under very difficult market conditions to accept a higher margin subject to justification. It is always important in these situations to make a distinction between profit on (gross development) value and cost. In our experience a 15% margin on value will usually generate a 20% return on cost. In higher value areas this will be higher still. Recent developments in the Sefton area have gone ahead with a margin below 15%. The Council may be prepared, according to market circumstances, to accept a higher margin in site-specific cases.*

(iv) Site specific issues

- 2.19 Formby should not have higher affordable housing targets than elsewhere. There should be a single target for the whole of Sefton set at the indicative national standard of 15 homes.
- 2.20 *Three Dragons Response – The sites with the greatest potential for affordable housing are the higher value areas. The report underlines the difficulty in delivering affordable housing in lower value areas. A large amount of Sefton's available land for development is on small sites. By not lowering the threshold for affordable housing it would limit the amount that would be delivered.*
- 2.21 Is the absence of any mention of Melling due to the lack of sites in the area and therefore the affordable housing policy is not applicable?
- 2.22 *Three Dragons Response – The assessment refers to the main settlement areas only. Melling, for the purposes of this assessment, is included in the Maghull area. Although there may not be identified sites in Melling at present, such sites could become available in the future and affordable housing policies should therefore cover the whole of Sefton.*

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KEY FINDINGS AND POLICY RECOMMENDATIONS OF FINAL ASSESSMENT

3.1 Although changes have been made to the draft Assessment as a result of comments made, essentially the key findings remain unchanged in the final assessment (available to view at www.sefton.gov.uk/affordablehousing). The key findings set out in the assessment are:

(i) Identification of housing sub-markets in Sefton

3.2 It is apparent that the local variation in house prices has a significant impact on the viability of affordable housing in a particular scheme. A broad analysis of house prices in Sefton using HM Land Registry data was undertaken and identified seven viability sub markets -

- Prime Sefton (broadly Birkdale, Ainsdale and Blundellsands)
- Formby
- Crosby, Hightown and Rural Hinterland
- Maghull and Aintree
- Southport
- Litherland, Orrell and Netherton
- Bootle and Seaforth

3.3 These different sub-markets have significant differences in the residual value able to cross-subsidise affordable housing. For example, a housing scheme in Prime Sefton with 30% affordable housing, at 40 dwellings per hectare (dph), will generate nearly £3 million residual value per hectare. The same scheme in Bootle will have costs of almost £0.5 million per hectare greater than its revenue (i.e. will have a negative residual value). On this basis, the study advises that a single affordable housing target for the Borough would be a very difficult policy position to defend.

(ii) Testing the viability of a range of housing developments to deliver affordable housing

3.4 A number of development models were tested, using a range of size, house types and densities. These examples were chosen to reflect the range of sites that have been and are currently or likely to be available for development in Sefton. This testing showed that higher density development (over 80dph) looks marginal even without an affordable housing element in locations such as Bootle, Seaforth, Litherland and Orrell. However, in higher value areas, affordable housing contributions on higher density schemes should be viable.

3.5 The introduction of external grant makes a significant difference in the mid to lower sub markets, although in the weakest sub-market areas grants may not be enough to 'rescue' schemes seeking an affordable housing element.

3.6 The analysis also shows that residual values are very sensitive to changes in house prices, both in the short and long term, and that additional costs, such as remediation works or the Code for Sustainable Homes can have significant

impacts on scheme viability, most clearly in the lower value sub-markets. Viability is also highly sensitive to the relationship between existing (or, where relevant, alternative) use value. In this regard, affordable housing will often be viable on sites, for example, in back or garden use. However, small-scale redevelopment and conversion schemes (typically under 5 units) 'will be significantly challenging on viability grounds'.

- 3.7 The analysis of Sefton's supply of sites (based on extant unimplemented planning consents and the five-year land supply) suggests that smaller sites (less than 15 units) make a significant contribution (i.e. about 30%) to housing supply. Given this, Sefton's current policy approach (i.e. applying affordable housing requirements to sites 15 dwellings or more) is likely to 'miss' a significant opportunity to provide affordable housing in some parts of the Borough. From a housing management perspective the study did not find any, in principle, objections to the on-site provision of affordable housing on small sites, although a financial payment for off-site approach could be considered in certain circumstances.

(iii) Conclusions and Policy Recommendations

- 3.8 The report recommends that Sefton adopt the following key affordable housing policy positions through its Local Development Framework:

- Based on strict viability approach apply a dual target broadly splitting the main urban area of Sefton, including Bootle and Seaforth and Litherland, Orrell and Urban Sefton (called 'lower value Sefton' in the report) versus the remaining higher value sub-markets. On this basis, Three Dragons propose a 30% target for the higher value areas and a 15% target for the lower value areas. Alternatively, the report suggests that the Council could consider a more location specific based approach, including a three-way policy target, to the level of affordable homes required in housing schemes. This would set a target of 30% for Prime Sefton (Ainsdale, Birkdale and Blundellsands) and Formby; 25% for Crosby, Maghull and Southport; and, 10% for Litherland, Orrell, Bootle and Seaforth.
- That the Council should adopt a dual threshold approach for when the affordable housing target is implement, with a size threshold of 15 dwellings in the Pathfinder area and a size threshold of 5 dwellings elsewhere. Three Dragons think a size threshold below 5 dwellings would be difficult to justify in viability terms anywhere in the Borough.
- Importantly if there is any doubt about viability on a particular site, Three Dragons note that it will be the responsibility of the developer to make a case that applying the Council's affordable housing requirement for their scheme makes the scheme not viable. (Members may be aware that this is currently the approach that Sefton applies where the viability of a proposal to deliver affordable housing is in question).

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- In cases where it may not be feasible or appropriate to provide affordable housing on-site, Three Dragons consider that a commuted sum payment (based on the equivalent amount which would be contributed by the developer/landowner were the affordable housing provided on site) could be sought. This would require the Council to have a clear strategy to ensure the money is spent effectively on delivering affordable housing elsewhere and in a timely manner.

Implications of Assessment and Key Conclusions

- 4.1 The final assessment will be a key piece of evidence for the Core Strategy and when taken together with the already completed Strategic Housing Market Assessment (and any updates to it that may be produced) will underpin our affordable housing policies. In short, the findings of the assessment will be evaluated in combination with evidence on housing need and will enable future policies to seek affordable housing in the areas where it is most needed and most viable.
- 4.2 At this point in time and ahead of the potential development of any new affordable housing policies through the emerging Core Strategy process, it is **not** proposed to make any immediate changes to the Council's current negotiating position with regard to affordable housing, as set out on the website at www.sefton.gov.uk/planningstudies
- 4.3 In this regard, Members will be aware that where there is a disagreement about the economic viability of a scheme, with regard to affordable housing, consistent with PP3 advice, Three Dragons, are normally instructed to undertake a site specific viability assessment (e.g. the former Leaf site at Virginia Street, Southport, is a case in point). This is in full recognition of the key point that the Council can only seek an affordable housing contribution (either in terms of on site provision or an off-site commuted sum in lieu) where it is economically viable to do so.
- 4.4 To conclude, this very important further study reaffirms the importance and prudence of the transparent viability approach we are currently adopting with regard to negotiating affordable housing in Sefton. Whilst providing a thorough overview of the viability of affordable housing at the Borough and sub-Borough level as a basis for affordable housing policy development, the study recognises that individual sites may vary from the norm. Accordingly, it further anticipates, notwithstanding any new affordable housing policy framework that may emerge through the Core Strategy process, that the current 'bespoke' viability approach will need to continue in the future on a site specific basis where economic viability is in question. This will ensure that the Council's position is protected at potential planning appeal and will also ensure that development viability is not prejudiced by unrealistic affordable housing requirements. In this regard, what we are doing closely accords with PPS3 advice on affordable housing.

Recommendations

That:

- (i) Planning Committee and Cabinet Member - Regeneration note the comments received during consultation process into the draft study, the responses to those comments, endorse the final Informed Assessment of the Economic Viability of Affordable Housing and recommend that Cabinet approves them to inform the emerging Core Strategy for Sefton;
- (ii) Subject to (iii) below, Planning Committee adopts the key findings of the study to inform the emerging Core Strategy process for Sefton; and
- (iii) Cabinet notes the comments received during consultation process, the responses to those comments and approves the final Informed Assessment of the Economic Viability of Affordable Housing to inform the emerging Core Strategy process for Sefton.

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REPORT TO: Cabinet Member Regeneration

DATE: 1 September 2010

SUBJECT: Sheffield Hallam University Report on Tourism

**WARDS
AFFECTED:** All

REPORT OF: Graham Bayliss,
Director of Leisure & Tourism

**CONTACT
OFFICER:** Tony Corfield
Asst Director of Leisure & Tourism (Tourism)

**EXEMPT/
CONFIDENTIAL:** No

PURPOSE/SUMMARY: To inform members about the recently published report by Sheffield Hallam University covering Seaside tourism industry in England & Wales. This report sets out robust & powerful data covering levels of employment, economic output and trends for seaside towns around the country.

The report also provides a national ranking for seaside towns which is useful in understanding the importance and relevance of tourism within those towns.

REASON WHY DECISION REQUIRED:
N/A

RECOMMENDATION(S):
Members note the scale of employment, economic benefit and national importance of Southport as a principal seaside resort town.

KEY DECISION: No

FORWARD PLAN: Not appropriate

IMPLEMENTATION DATE: Following the expiry of the 'call-in' period for the Minutes of this meeting

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ALTERNATIVE OPTIONS:

IMPLICATIONS:

Budget/Policy Framework: Tourism and its importance with regard to Southport has long been recognised within Sefton’s budget and policy frame work.

This report evidences the importance of tourism to the economic fabric of both Southport and Sefton and the need to continue to support the ongoing development of Southport as England’s Classic Resort

Financial:

<u>CAPITAL EXPENDITURE</u>	2009 2010 £	2010/ 2011 £	2011/ 2012 £	2012/ 2013 £
Gross Increase in Capital Expenditure				
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
<u>REVENUE IMPLICATIONS</u>				
Gross Increase in Revenue Expenditure				
Funded by:				
Sefton funded Resources				
Funded from External Resources				
Does the External Funding have an expiry date? Y/N	When?			
How will the service be funded post expiry?				

Legal: N/A

Risk Assessment: The primary risk is around the ability of the Council and its partners to continue to appropriately support this major economic driver in times of economic stress.

Asset Management: The Council holds a variety of assets in Southport that are directly linked to the success or failure of

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Southport as a sustainable seaside town.

CONSULTATION UNDERTAKEN/VIEWS
N/A

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CORPORATE OBJECTIVE MONITORING:

<u>Corporate Objective</u>		<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		√	
2	Creating Safe Communities	√		
3	Jobs and Prosperity	√		
4	Improving Health and Well-Being	√		
5	Environmental Sustainability	√		
6	Creating Inclusive Communities	√		
7	Improving the Quality of Council Services and Strengthening local Democracy		√	
8	Children and Young People	√		

LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT

Sheffield Hallam University's "The Seaside Tourist Industry in England & Wales – June 2010.
STEAM 2008 Volume and Value Research

1.0 **Background**

- 1.1 The report presents new information on the scale of the seaside tourist industry in England and Wales, including Southport, Sefton's seaside tourism offer. The figures are comprehensive in that they cover just about all the towns where seaside tourism is a significant component of the local economy, consistent in that they provide data for each individual resort on the same basis, and comparable through time.
- 1.2 The seaside economy has traditionally been measured via large-scale visitor surveys. The approach adopted in the report is radically different. The report estimates the number of jobs in seaside tourism using official, published figures on local employment. This involves disentangling the jobs supported by seaside tourism from those supported by local consumer spending, often in the same sectors and same firms. The crucial step involves comparisons between employment levels in key sectors in seaside towns and the average in those sectors in comparator towns where there is little significant tourism. The resulting job figures are in turn used to derive estimates of the economic output of the seaside tourist economy.
- 1.3 The report covers 121 places in all, including all the principal seaside resorts, smaller seaside towns, sub-parts of some larger towns and important holiday parks. For statistical purposes, all these places are accurately defined down at the local level so that surrounding rural areas within the same district, for example, are excluded from the figures. The comparator towns are all accurately defined in the same way.
- 1.4 The comparisons standardise for population size and for the extent to which different towns function as 'central places' for their surrounding hinterlands. The job figures all include the self-employed and adjust for the seasonality of employment in the tourist trade.
- 1.5 Key conclusions are that:
 - The national seaside tourist industry directly supports some 210,000 jobs, spread across six sectors of the local economy. This is an average year-round figure.
 - Since the late 1990s, employment in the national seaside tourist industry is estimated to have increased – by around 14,000 in the principal seaside towns (and possibly as much as 20,000 overall) or by a little more than one per cent a year.
 - The value of the economic output (Gross Value Added) associated with this employment in national seaside tourism is estimated to be £3.4bn in 2007 (or £3.6bn in 2009, adjusting for inflation).

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- Southport's share of this is estimated as £94m which does not include supply chain linkages and multiplier effects which result in the total contribution to the local economy actually being significantly larger.
 - Southport's direct tourism jobs employment number is 5300 which increases substantially if supply chain and indirect jobs are included in the total, making it one of the largest sectoral employers in the borough.
- 1.6 The report concludes that seaside tourism in England and Wales is by any standards a large industry. In terms of employment it is comparable to the telecommunications sector and larger than the motor industry, aerospace, pharmaceuticals or steel.
- 1.7 The report's findings also explode important myths about the industry. Far from being in terminal decline as a result of the rise of foreign holidays, a substantial British seaside tourist industry remains alive and well and seems even to have been growing over the last decade. For the future, the industry has a potentially important contribution to make not only to seaside towns but also to the British economy as a whole.
- 1.8 It is also important to note that other tourism product within Sefton, such as Sefton's Natural Coast and Aintree Racecourse **is not** included in these numbers.

2.0 Population

- 2.1 Southport is 11th out of 41 Principal Seaside Towns in order of population within the report.

Principal seaside towns

Greater Bournemouth	335,500
Greater Brighton	284,300
Greater Blackpool	264,600
Greater Worthing	191,300
Southend-on-Sea	159,900
Isle of Wight	138,500
Torbay	133,200
Hastings/Bexhill	127,100
Thanet	122,300
Eastbourne	94,900
Southport	90,400

- 2.2 It is important to note in both the above table and following tables that a number destinations (Greater Bournemouth vs Bournemouth etc) or in the case of Torbay incorporate more than one seaside town.
- 2.3 It would be interesting to compare a notional Greater Southport (ie including Sefton's Natural Coast indicators) to understand how much further Southport figures would climb in national standing.

3.0 Employment

- 3.1 The report uses the following key sectors to define jobs directly supported by seaside tourism (Defined in terms of the 2003 Standard Industrial Classification)
-

RETAIL TRADE

52 Retail trade

HOTELS AND RESTAURANTS (ex 55.2)

- 55.1 Hotels
- 55.3 Restaurants, cafes, takeaways
- 55.4 Bars, pubs and clubs
- 55.5 Canteens and catering

CAMPSITES AND SHORT-STAY ACCOMMODATION

- 55.21 Youth hostels
- 55.22 Camping and caravan sites
- 55.23/1 Holiday centres and holiday villages
- 55.23/2 Self-catering holiday accommodation
- 55.23/3 Other tourist or short-stay accommodation

TRANSPORT

- 60.22 Taxis
- 60.23 Excursions and sight-seeing
- 61.1 Ferries etc
- 63.22 Harbours
- 63.3 Travel agencies and tourist assistance

RECREATION, SPORTING AND CULTURAL ACTIVITY

- 92.13 Cinemas
- 92.3 Theatres, arts facilities and entertainment (ex 92.33)
- 92.5 Libraries, archives, museums, historic buildings, zoos
- 92.6 Sporting activities and facilities
- 92.7 Gambling and other recreation, inc. parks, hire of beach equipment

FAIR AND AMUSEMENT PARKS

- 92.33 Fair and amusement parks, inc. theme parks and preserved railways
-

- 3.2 The report indicates that Southport ranks 8th in terms of numbers of direct tourism jobs that exist as a function of it being a seaside town with a core tourism economy. The report suggests that Southport's retail offer is part of its seaside appeal and helps it pull in visitors from Merseyside and other parts of the NW. This is completely in accord with other research undertaken over recent years which very clearly identifies the power of Southport's broad based offer in attracting visitors and spend.

no. of jobs

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Greater Blackpool	19,400
Greater Bournemouth	12,100
Greater Brighton	11,900
Torbay	9,200
Isle of Wight	7,900
Great Yarmouth	5,600
Newquay	5,300
Southport	5,300

4.0 **Economic impact (GVA)**

- 4.1 The report indicates that Southport ranks 8th nationally in terms of GVA directly attributable to the seaside tourist industry.

	£m p.a.
Greater Blackpool	279
Greater Brighton	258
Greater Bournemouth	177
Isle of Wight	149
Torbay	120
Great Yarmouth	116
Thanet	100
Southport	94

5.0 **Wider economic impact**

- 5.1 The report also provides an estimate for the wider impact of seaside tourism and its effect on economic impact. Whilst the report does state that this is on the basis of an estimate, it is interesting to note that if the suggested factor of increase for economic impact, due to the effect of supply chain and indirect jobs on the above £94m figure, is compared with that quoted in the annual 2008 STEAM Volume and Value research then they are remarkably close at just over £1/4Bn.

6.0 **Conclusions**

- 6.1 The Sheffield Hallam report clearly identifies that seaside tourism nationally is a critical component of our national economy. It also clearly establishes that Southport's tourism economy is both substantial and in the top 10 nationally.
- 6.2 The report also identifies that this sector is growing and capable of creating and supporting increased jobs.

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- 6.3 Whilst the Sheffield Hallam report and our longstanding STEAM Volume and Value research use different methodology and effectively generate their headline figures using different data sets, the final data from both strongly reinforces the importance of tourism.
- 6.4 In Sefton's case we already know that whilst Southport isn't entirely made up of tourism businesses Southport's economy is founded on the visitor economy and its future is inextricably linked to the health and sustainability of that sector.

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