

Blackpool: the B&B trap – quality and affordability in Blackpool’s private rented sector

@BlackpoolCAB

This research took place in the unitary authority of Blackpool. Blackpool is a large seaside town in Lancashire, North West England. Stretching along the Fylde Coast,



Figure 5: A dilapidated B&B in central Blackpool

Blackpool covers an area of nearly 13.5 square miles. It is one of the most densely populated local authority areas in the UK, outside of London, with an average 40.7 people per hectare (compared to an average of 5 people per hectare across the North West¹⁵). The population of Blackpool is estimated at

142,080. In addition to the resident population, Blackpool

sees an estimated 11 million tourists visit the resort each year¹⁶. It has a significantly transient population, both in terms of movement in and out of the town, and within the town itself. The area which includes the South Beach district has particularly high levels of transience and has the 65th highest population inflow rate in England¹⁷.

Housing and Deprivation in Blackpool

Although Blackpool has a similar proportion of owner-occupiers compared to the English average, the proportion of private rented accommodation is nearly 10% more than the English average. It is important to note that these figures have been extracted from 2011 census data, the most recent available for Blackpool’s housing stock. However, the 2012/2013 English Housing Survey revealed that private rented

¹⁵ Office for National Statistics. 2011. Census: QS102UK Population density, local authorities in the United Kingdom.

¹⁶ Blackpool Joint Strategic Needs Assessment. 2014.

file://users/usershome/NowickiM/My%20Documents/Downloads/JSNA19-Chapter-11.pdf

¹⁷ Ibid

accommodation has now overtaken the social rented sector as the second most common housing tenure in England (19% of housing in England is now part of the private rented sector)¹⁸. Therefore, it is more than likely that the proportion of private renters in Blackpool highlighted in the table below will have risen further still since 2011.

Housing tenure ¹⁹	Blackpool	England
Owner-occupied	61.6%	63.4%
Social rented	10.9%	17.7%
Private rented	26.1%	16.8%

This above average proportion of private rented accommodation in Blackpool is driven by two main factors: changes in the seaside economies with many former guest houses being converted into flats and houses in multiple occupation, and fluctuations in seasonal work creating demand for temporary accommodation in resort areas. Blackpool has a significant proportion of houses in multiple occupation, which are particularly prevalent in central wards close to the promenade. A monitoring project by Blackpool Council identified that up to 37% of private sector rented properties in resort areas could be classified as houses in multiple occupation²⁰.

Blackpool experiences considerable levels of disadvantage. 46 out of 94 areas within Blackpool are amongst the 20% most deprived areas of the country and there are no areas amongst the 20% most affluent. Blackpool's relative position in the national deprivation rankings has worsened dramatically over the past decade; from the 24th most deprived of 354 local authority areas in England in 2004, to the 12th in 2007, with its most recent ranking as the 6th most deprived local authority in 2010²¹.

Blackpool Council has had to grapple with large budget cuts in recent years. The local authority budget for 2014-15 has been described as the most challenging to date, with a budget saving target of £15.8m²². These cuts have had a unique impact on the housing structure of a town whose once booming tourist industry has been

¹⁸ Department for Communities and Local Government. 2012. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/284648/English_Housing_Survey_Headline_Report_2012-13.pdf

¹⁹ ONS 2011: <http://www.neighbourhood.statistics.gov.uk/dissemination/LeadTableView.do?a=7&b=6275023&c=FY1+1NF&d=13&e=7&g=6379547&i=1x1003x1004&m=0&r=0&s=1424701055452&enc=1&dsFamilyId=2482>

²⁰ Council for Voluntary Service. 2013. Blackpool context report. <http://www.cvsbwf.org/wp-content/uploads/2013/09/Blackpool-Context-June-2013-Version.pdf>

²¹ Oxford Consultants for Social Inclusion. 2011. Blackpool Joint Strategic Needs Assessment. 2014.

²² Blackpool Council. 2014. http://webcache.googleusercontent.com/search?q=cache:_mOdKubvVLgj:www.blackpool.gov.uk/democracy/members/admin/files/02b1ef71-10f1-41c0-92e0-00f8c8c3607f/Revenue%2520Budget%25201415%2520Report%2520v4.doc&cd=1&hl=en&ct=clnk&gl=uk

in steady decline in recent decades. This research therefore aims to explore the housing consequences that are specific to Blackpool due to the demise of its tourist economy.

The glory days of British seaside holidays are over, but the legacy of Blackpool's formerly booming tourist industry remains, with high numbers of guest houses, small hotels, often referred to as B&Bs (many now being used as houses in multiple occupation) still prevalent in the town centre, many of which are in a state of extreme disrepair. Current owners bought their B&Bs many years ago, full of optimism that they would be able to turn them into successful businesses. But for many the dream became a nightmare, as they have become trapped in large dilapidated houses they cannot afford to maintain, nor are able to convert into smaller homes due to council planning restrictions.

The tenants of these houses in multiple occupation are no better off. Generally they are single men often struggling in seasonal work, on low incomes or in receipt of benefits; tenants are packed into substandard rooms due to an inability to afford any other accommodation. This research explores the lived experience of both tenants and landlords, and questions whether the needs of either group are being met.

Methodology

Our primary research method focused on conducting in-depth semi-structured interviews with a range of participants. In total, we conducted 14 in-depth interviews: 12 single men (ten of whom were aged under 25) living in private rented accommodation; one in-depth case-study of a B&B owner, and written statements from three others, and Blackpool Council's planning policy manager.

To interview young single men living in houses in multiple occupation, B&Bs and private rented flats to take part in our research, we asked local Citizens Advice staff and volunteers to identify potential participants. We also contacted the Blackpool Council Housing Options team to identify appropriate participants.

However, our most successful recruitment strategy occurred as a consequence of working in partnership with Blackpool Streetlife, a local organisation that provides shelter and support for young people under 26 with a range of issues, including housing. This was particularly successful, as Streetlife has a specific, and easily identifiable client base; one that was particularly appropriate for this research project. Indeed, 10 of our 12 participants (single men renting privately) were recruited through Streetlife.

B&B owners were a particularly difficult group to engage with, despite using a variety of recruitment methods. We began by identifying B&B owners from local Citizens Advice records. We hand-delivered letters to B&Bs that were either for sale, or in visible disrepair, and engaged with local councillors with close links to the

small hotel and B&B industry. We also made contact with the local Bed & Breakfast Association. However, despite this thorough recruitment exercise, we managed to secure only one case-study interview with a B&B owner willing to discuss his experiences with us in detail, although we did also receive statements from three other owners. We also met with Blackpool's Planning Policy Manager. The interviews were supplemented by further research that predominantly consisted of secondary analysis of recent Council planning policy publications, as well as informal discussions with staff within the Council's planning team.

Findings

Young men in houses in multiple occupation and B&Bs

Participants had moved into their accommodation for a variety of reasons. The majority told us they had moved to Blackpool from out of the area, and six told us that they had already moved around several times within the private rented sector. Several participants told us they had left home because of a difficult family life, two were fleeing violence from gangs and three had moved following relationship breakdowns.

Of the 12 single men interviewed, nine were in receipt of benefits (notably, two were in receipt of Universal Credit).

To manage the costs of moving and remaining in their current accommodation, five participants told us that they had borrowed money from family and friends, two had used payday loans and one had borrowed from both. One participant, John, used Cash Converters regularly for short-term money loans, stating that *"I've been to Wonga and I'm always at Cash Converters"*. John also told us, *"I've not cooked a meal in months – I eat biscuits or don't really bother"*, and that the majority of his extremely limited income was spent on paying his rent.

However, reliance on family support and payday lending was not the only way in which participants were able to secure accommodation. Half of those interviewed had received help from local charities to pay bonds to secure their current accommodation, although this was almost always one-time only help. One participant, Gary, said that he could not afford to move again because he would need to find the money for a deposit and lettings agent fees, as he would not be eligible for a second bond.

Even where participants had access to bond schemes to help them access accommodation, other issues quickly began to emerge. Martin told us that he felt he could not complain about disrepair for fear of retaliatory eviction, an issue that made him particularly fearful, as he would not be able to afford moving costs should he be evicted. These are consistent issues in the private rented sector across the country that have been highlighted through Citizens Advice's ongoing

[Settled and safe](#) campaign, which is fighting for greater rights and protection for private renters.

All participants were very candid about their experiences, with half telling us that they were living in poor standard accommodation, which they felt was detrimental to their health. They told us their accommodation was small, damp, mouldy, draughty and expensive to heat (a common issue across the country, exemplified by Citizens Advice's [Fair play for prepay](#) campaign). John told us *"it's cold but the electric is very expensive. It's damp. The taps leak and the heating is on at the wrong time so it's cold when I'm at home"*. Gary commented that *"the shower is broken and the flat was dirty when I moved in. My neighbours are violent and deal drugs ... I'd like to move away and live close to my parents but it's the price"*. When we asked another participant, Tom, about the choices that had been available when moving in to his current property, he responded that he had *"no choice [and] no money ... it's just hell ... I'd rather be homeless"*.

However, although they were living in poor accommodation and had experienced a range of health problems, many of our research participants were optimistic about their situation, and spoke of aspiring to have settled futures including a job and their own house. Gary said *"in five years I'd like a good job, a nice car and a family"*. This could perhaps be symptomatic of a coping strategy where participants focus on the potential positive aspects of their future, rather than their uncertain and precarious current living situations.

The dual problems of poor quality accommodation coupled with an inability to afford to move due to low income and high moving costs, in particular the unaffordability of large deposits, have in effect left many of our participants trapped in unsuitable private rented accommodation. However, we were also interested in capturing the difficulties faced by B&B owners themselves which compound these issues of quality and affordability.

B&B Owners

Bill, our case study B&B owner, owns a fifteen room property, built in the 1890s. The property was run down when he bought it outright around fifteen years ago with his wife Jane. They had originally planned to refurbish the property, which Jane would run as a B&B while Bill worked away from the area. Unfortunately, mid-way through this refurbishment and before they could build up a clientele, Jane fell ill following a family trauma, and in subsequent years developed dementia. Bill gave up work to become Jane's full-time carer, until she sadly passed away recently. Bill has also suffered from deteriorating health himself, having had four heart attacks in the past few years. He told us that he has applied to the Council for planning permission to change the use of his property in order to make it easier to sell, but

this has been refused. He is liable for business rates²³ and has high heating costs because of the size and age of the property, which amount to over £3,000 a year. Bill says he is *"in a Catch 22"* situation as he cannot afford to refurbish the property, nor can he sell it because it is neither a business nor a house. He is clear that he does not want to use the property as a house in multiple occupation. His problems with planning permission appear to be due to the fact that his property lies in a Holiday Accommodation Area, which greatly restricts the change of use of B&Bs. He has also received a letter from the Council warning him to tidy up the outside appearance of his property.

One of the neighbouring properties has been sold at auction recently and another is due to be. He made it clear during the interview that he knew of other B&B owners in similar positions to himself and he felt the sale at auction of the neighbouring property was a last resort for the owner, as they tend to make a financial loss on the sale this way.

As well as the costs associated with the property in terms of day-to-day heating and rates, Bill also gave details of costs he had incurred in relation to fixtures and fittings. When a toilet broke recently, he was hoping it would simply be a question of replacing it. However, due to the age and construction of the property and the lack of investment in it over a considerable period, he needed to spend five times his budget in order to get the replacement toilet installed. Again, he described himself as being *"in a Catch 22 situation"*, unable to move forward due to a lack of funds to invest in the property, and the high risk of a financial loss if he sells it as it is.

We identified three other B&B owners who had properties outside of the Holiday Accommodation Area in order to make a comparison with Bill's situation. They provided us with statements describing their situations. One owner has been told that in principle the necessary planning permission to change of use from a hotel into a house is likely to be accepted because his property is outside the Holiday Accommodation Area. However, there would be planning and building costs associated with this option too and the owner wants to sell it as quickly as possible for personal and health reasons. Another B&B owner told us that they have had no paying guests since October 2014 and are finding it difficult to manage with little income. The guest house needs repairs but the owners have no money to do them. Both felt their health was worsening as a result of the stress. The third B&B owner was also looking to sell his property as soon as possible, and noted that his daughter and son-in-law were planning on selling a property of theirs in order to help him move on and out of the B&B, something he would be unable to do without their financial assistance.

²³ Local Government finance rules mean that local councils retain revenue from business rates. This is invaluable given reductions in revenue support grants. There are, therefore, concerns that large-scale conversion from business to residential usage may affect a local authority's revenue stream.

Clearly, the issue of being trapped in poor quality B&B accommodation is having a negative impact not only on tenants but also on the property owners themselves. They are left unable to refurbish nor sell their properties due to a combination of a lack of funds and difficulties in changing the property use due to strict Council planning restrictions regarding Holiday Accommodation. This is an issue we also explored in this research through a meeting with the Council's Planning Policy manager and through secondary research of Council planning strategy documents.

Local planning restrictions

The local authority's planning policy manager acknowledged the issue of a declining tourist industry in Blackpool on the town's housing stock; that there are too many hotels, too many flats and not enough good quality accommodation in more central locations. More change of use to houses in multiple occupation was permitted during the 1960s and 1970s, and as a result there are now around 3,000 such properties. Consequently the Council defends robustly appeal decisions against house in multiple occupation applications. They stated there is not enough provision of good quality family accommodation stock.

However, there does not appear to be any strategy in place to amend the restricted Holiday Accommodation Area to more easily enable change of use from B&Bs to family homes. As indicated in Blackpool's emerging core planning strategy (2016 and beyond) currently with the Secretary of State²⁴: *"Holiday accommodation continues to be an integral part of Blackpool's tourism offer and is vital to the resort's visitor economy ... holiday accommodation use will be safeguarded and appropriate measures to enhance the character and appearance of existing hotel buildings and frontages will be supported, to help sustain the long term future of the resort. Change from holiday accommodation will only be permitted in very exceptional circumstances"*.

A prominent part of Blackpool Council's strategy has focused on controlling the quality of Holiday Accommodation. For example, hotel accommodation owners are served with a Section 215 notice that demands they improve the external appearance of their properties (as experienced by Bill). If the owner can demonstrate that they have no means to make the improvements themselves, the Council will carry out the work and place a charge on the property. However, there is no monetary provision available to help hoteliers to repair or bring their accommodation up to expected standard from the Council.

Conclusion

This research indicates that the decline of Blackpool's tourist economy has had a profoundly detrimental impact on the quality of rental accommodation available in

²⁴ Blackpool Council. 2014. Blackpool Local Plan, Part 1: Core Strategy- Proposed Submission. <https://www.blackpool.gov.uk/Residents/Planning-environment-and-community/Documents/Proposed-Submission-Core-Strategy.pdf> and <https://www.blackpool.gov.uk/Residents/Planning-environment-and-community/Documents/Proposed-Submission-Core-Strategy.pdf>

Blackpool, and that this has had a particularly significant impact on young single men in the town.

B&B owners, too, have become trapped in a cycle of disrepair and inability to sell or change the use of their property, particularly in Blackpool's designated Holiday Accommodation Areas. This has resulted in many B&B owners being left in a state of limbo, struggling to fill their properties with tourists due to a decline in industry, and unable to change the use of the building in order to sell up and move on. Consequently, former-B&B accommodation is being left in a poor state of repair, which in turn perpetuates the cycle of declining overnight tourism in the town. Bill, our detailed case study B&B owner with a property in the Holiday Accommodation Area spoke in detail of how he felt completely trapped in accommodation that was detrimental to the local area as well as to him personally.

Resolving the issues highlighted in this report is, of course, a huge and complex challenge. It is clear that no single remedy will be enough. Rather, a variety of approaches are needed.

We feel in particular that if there was greater flexibility in allowing appropriate change of use for struggling B&B owners, the appearance of the accommodation would improve and owners would be able sell or change the accommodation to meet both their own personal needs and the needs of the local population in terms of enabling the provision of more family sized homes in locations central to the towns.

In their proposed planning policy Blackpool Council has acknowledged the fact that there are too many holiday bed spaces in their strategy around regenerating the town centre and resort core. However, it appears that their focus emphasises the importance of improving quality and appearance, and perhaps foregoes the acknowledgement that flexibility of planning policy, and financial investment to help struggling B&B owners improve the quality of their accommodation is necessary in order for the planning policy to be a success for both property owners and tenants.

Both Exeter and Blackpool Local Authorities lack the appropriate legislative tools to deal with particular problems in their local area, leading them to use broader-brush planning restrictions that have unintended negative consequences for both tenants and landlords. In both instances, a register of landlords that is based on local intelligence and tackles these specific local issues would be a more suitable intervention.