A Brief Critical Review of Fylde Borough
Employment Land Studies

SUMMARY

I have briefly reviewed three studies: the Employment Land Study (2006) undertaken by GVA Grimley; The Fylde Sub Region Employment Land Review: Summary Statement (2010); and the Employment Land and Premises Study (2012) carried out by AECOM/BE Group. I have also considered the Business and Industrial Land Schedule published by FBC. The focus of my review has been the evidence put forward to justify the allocation of additional employment land in the Borough. The main purpose of producing this note is to encourage all stakeholders to engage in a proper critical scrutiny of these reports and the data and conclusions that drive our planning decisions so that we can improve the quality of those decisions. It has not yet been possible to question the authors of the studies and so I make no claims as to special insight or absolute truth in my conclusions. However, having conducted my own review of the studies, it appears to me that:

i) The Grimley study of 2006 contained a major error that led it to significantly overestimate the amount of land required to meet future employment demands in the period 2005 - 2015.

ii) FBC compounded and magnified this error in its contribution to the 2010 Sub-Region Review by using it as the basis of an unsound extrapolation to predict the amount of additional employment land required by 2027.

iii) AECOM/BE Group used 7 different models to predict the need for additional employment land in the period to 2033. Two show we will not need any more employment land and can release up to 29ha of the land currently in use; four predict that we will only need to use a fraction (about a quarter) of the 22.3ha of employment land already identified as becoming available under existing plans; one model (based on historic employment land take-up) shows that we will need more than twice as much land as is currently identified as becoming available (a total of 48.6ha). Bizarrely this latter model has been used without amendment as the basis of the study's recommendation.

iv) When the historic land take-up model is amended to account for land lost to employment use (based on FBC's own figures), it also predicts a reduction in the amount of employment land required over the period to 2030. The true significance of the historic land take-up data is that they record the migration of employment land at a progressively reducing rate from older sites to new sites.

v) In the period to 2030 the weight of evidence predicts a reduction in the amount of employment land required notwithstanding a predicted increase in employment in the Borough. Some movement from existing sites to new ones will continue albeit at a reducing rate and it would be sensible to use the additional land already identified (22.32 ha) to provide the flexibility to deal

with these changes rather than immediately allocate it to other uses. There is no requirement to allocate any further land to employment use.

vi) Most of the new employment sites brought forward in the last 20 years have been situated in the North of the Borough on or close to the M55 and the boundary with Blackpool. Since these sites have been open to occupation by businesses from Blackpool and Fylde, they have been serving the Blackpool requirement for employment land as well as that of Fylde for many years now. There is no requirement to make separate special provision over and above the conclusions drawn from the existing data.

The reasons for reaching these conclusions are set out in the sections below.

1. GVA GRIMLEY STUDY

An 'Employment Land Review' study was undertaken for FBC by GVA Grimley in 2006. The study identified land available for future employment use and looked at the prospects for future employment growth (that would create a need for additional employment land). They used consultants called Cambridge Econometrics to look specifically at Fylde's employment growth expectations in the period covered by the Grimley study (2005-2015).

1.1 Key assumptions

The study anticipated a substantial employment growth rate in Fylde borough in the period from 2005 to 2015. This prediction dramatically reversed the trend in previous years where the report admits: '*There has been a downturn in aggregate employment across the Fylde borough since 1998; the trend has been shallow but definite. This compares unfavourably with adjacent areas including Chorley and Preston …. The borough has continued to lose jobs in a period which saw employment growth within the North West region and Great Britain'* (section 12). Notwithstanding the record, Grimley predicted in 2006 that: *' the overall forecast growth for Fylde is expected to be significantly above the average at nearly11% by 2015; this is **twice** the national average rate of growth and **three** times the regional rate of growth for the same period.'* (section 8). The central assumption of the study assumed an additional 4,652 employees in Fylde over the period to 2015.

1.2 Its calculation and conclusions

In looking at employment land requirements, the study estimated the extra employment space needed by the additional employees it predicted in various industries and concluded that they would require an additional 27.7ha of employment land (table 47). This was based on a high level (ie inefficient) land use assumption. The equivalent number at the low use (efficient) assumption was 18.7ha. They also did an alternative simple calculation based on historic annual land take-up. This established an annual figure of 2.64 hectares (that they admitted included an uncharacteristic peak year) that was modified to a true run rate of 1.57ha pa. These

rates gave total numbers of 28.9ha and 17.3ha respectively (but they ignored the lower 'characteristic' figure and carried the higher figure forward in their later deliberations). They also looked at a case where there is no growth at BAeS, and this led to a total requirement of 18.5ha. In their recommendation they plumped for the 27.7ha figure, which they justified on the grounds that it was most similar to the historic take up figure (problems with this historic take-up model are examined in section 3.5 of this note).

They then looked at all the employment sites already in the system for future development (discounting some sites that were available but not geared to meet the forecast type of employment demand) and produced a list : Discounted Supply of Suitable Sites (table 57) showing a supply of 27.3ha. that was expected to become available in the study period from identified planned developments.

They concluded (para 13.6, page 231, Grimley study) that: '*there appears to be a sufficient match between supply and demand'* (i.e. a 27.7ha demand is broadly met by a 27.3ha supply). FBC drew the conclusion that employment land was tight.

1.3 Areas of concern with study

There was one significant error even if you fully accepted the upbeat economic assumptions. Grimley predicted an additional 946 jobs at BAeS, Warton but they incorrectly assumed in their calculations that these jobs would generate a requirement for an extra 9.19 ha (Table 47) of employment land in Fylde over and above the site BAeS already occupied at Warton. This was a substantial error and should have been picked up by FBC. BAeS had plenty of capacity within its existing footprints at Warton and Samlesbury to cope with the extra staff; it has employed several thousand more in the past and would indeed have needed to employ any additional staff on its existing sites. Correcting this error has a substantial impact on the demand figure, reducing it from 27.7ha to 18.51ha.

At the same time (certainly before the report was published and FBC used its conclusions to inform its SHLAA strategy) BAeS had declared its 'Marconi' site of some 8ha as surplus to requirements. This did not feature in the Grimley review of employment land supply. Had it done so, as it should, it would have increased the employment land supply figure from 27.3ha to 35.3ha.

The effect of correcting just this BAeS error (without questioning Grimley's other assumptions) would be to move from a conclusion that there would be a broad balance between supply and demand to a conclusion that there would be twice as much land available as was needed (35.3ha available and 18.5ha required). In fact, if you use Grimley's low land-use assumption the requirement figure comes down to around 11.5ha. suggesting that there is three times as much land available as is needed.

The BAeS error is repeated to a degree in some of the other calculations, in the sense that, for instance, when the hotel and restaurant business says that it expects to take on more staff, it doesn't mean it's going to build another hotel or restaurant. It usually means it will employ more staff to cope with extra business and busier shifts on its existing sites.

The reality is that, even if you accepted Grimley's optimistic economic assumptions at face value, a proper critical reading of the study would show that there was far more employment land already available or earmarked in the planning/development process than was going to be necessary, by a factor of more than 3.

1.4 Its effects

FBC used the study's conclusion that there was a balance of supply and demand (*'there appears to be a sufficient match between supply and demand'*) to draw the conclusion that employment land was 'tight' and in the case of the SHLAA exercise to declare: *'..employment land [has] not been included in this assessment .. because… there is a shortage of employment land..'* This ensured that almost all the land brought forward in the SHLAA exercise was greenfield although it was already apparent that substantial areas of brownfield land were becoming available.

2 FYLDE SUB REGION EMPLOYMENT LAND REVIEW (2010)

FBC took the uncorrected Grimley figure of 27.7ha demand for the period to 2015 and extrapolated it to 60ha for the period to 2027. This is a bogus number that compounds the original error with an unsound process. Not only is this based on an incorrect initial number but the presumption that the exaggerated growth rates and restricted land supply postulated in the Grimley report for the period to 2015 would continue to 2027 appears not to have been questioned. Furthermore no allowance was made for a natural matching growth in the supply

Why FBC felt in 2010, well into a recession, that it was acceptable to continue to use (and even extrapolate forward on the basis of) pre-recessionary assumptions that could clearly be seen to be wrong is a mystery. In addition the Grimley report itself actually foresaw existing employment land increasingly being released after the period covered by its study (i.e. after 2015).

3. AECOM/BE Group: EMPLOYMENT LAND and PREMISES STUDY

This study was commissioned by FBC and its final report is dated August 2012. The underlying economic predictions were commissioned from Oxford Economics. The study involved all the usual range of activities including questionnaires to businesses and stakeholder consultations. The basic task, as in the case of the Grimley study was to identify the need for employment land, in this case, for the period to 2030. The study recognised employment land of 22.32ha already identified in the planning system as becoming available in the period.

3.1 Key assumptions and calculations

The BAeS Warton site and its Enterprise Zone were specifically excluded from consideration on the grounds that it was a separate exercise intended to draw business in from outside the region to replace BAeS work. However the impact of the Enterprise Zone was reflected in the economic forecasting models (ie they modelled situations without an Enterprise Zone and with one – in the latter case they assume extra employment outside the zone of 500 employees over the period).

The study developed 7 models to assess the amount of employment land needed. The first model is based on historic employment land take-up trends. The other 6 are more scientific attempts to predict the future, based on the work done by Oxford Economics. These 6 models forecast employment growth using two different techniques. The two techniques expand to 6 models by changing assumptions on the Enterprise Zone (Policy on and Policy off) and, in the case of the second technique, varying the percentage of workers deemed to commute out of the borough. In each of the 6 cases the land required is then calculated (as in Grimley) on the basis of the space required to support an employee in a particular industry sector. The ranges shown arise from differences in the employee density assumptions.

The first technique looks at employment changes broken down into 19 industry sectors using the Oxford Economics forecast. This predicts a decline in manufacturing and a growth in services (only in the private sector; public sector services are set to decline). In the period to 2017 there will be a 4.1% growth in employment (additional 2000 jobs). Total employment will then plateau for 5 years before a slight drop to a further plateau lasting to 2030 (see section 10, table 63).

The second technique is based on population forecasts produced by Oxford Economics for the period to 2030. The prediction is for the Fylde population to grow from 77,000 (2012) to 85,000 (2030). The study expects the working population to grow by 1100. It goes on to calculate how much extra employment land would be needed for them to work on. This is broken out into forecasts that assume a) that the whole 1100 work within the Borough and b) that only 66% do (the current ratio).

The different techniques and assumptions produced 7 different models:

i) long term employment land take-up history;
ii) employment change (no Enterprise Zone effect)
iii) labour supply change (100% work in Fylde).
iv) labour supply change (66% work in Fylde).
v) employment change (with Enterprise Zone)
vi) labour supply change (with Enterprise Zone; 100%)
vii) labour supply change (with Enterprise Zone; 66%).

3,2 Its results

The tables below show the results of the different models in the study. In Table 3.2.1 the figures show the predicted change in the employment land requirement between

now and 2030. A negative number shows the area of land that is currently used for employment that will no longer be required and can be assigned for other use.

Table 3.2.1

Model	Land required (relative to current employment land) by 2030
i)	+ 48.6 ha
ii)	- 15.42 ha to – 23.88 ha
iii)	+ 4.08 ha to + 4.67 ha
iv)	+ 2.69 ha to + 3.08 ha
v)	- 19.60 ha to – 29.19 ha
vi)	+ 5.64 ha to +6.42 ha
vii)	+ 3.72 ha to + 4.24 ha

Two of the models (those based on employment change) predict a material reduction in the amount of employment land required by 2030. Four of the models (based on labour supply deriving from population change) predict a slight increase in the amount of employment land required; in each case substantially less than the 22.32ha already identified as available employment land. One model (based on an interpretation of the historic land take-up records) shows a requirement for substantially more employment land; more than twice as much as the 22.32ha already in the pipeline..

For the purposes of the forthcoming Local Plan, the question is what additional changes are required on top of the 22.32ha of future employment land already identified in the existing plans (but not yet in use). Table 3.2.2 below shows the changes required in the Local Plan relative to those existing planning assumptions (i.e. changes in the area of employment land required compared to the existing area in use plus the 22.32ha already planned).

Table 3.2.2

Model	Land required relative to current planning assumptions
i)	+ 26.28 ha
ii)	- 37.41 ha to - 46.2 ha
iii)	-17.65 ha to - 18.24 ha
iv)	- 19.24 ha to -19.63 ha
v)	- 41.92 ha to - 51.51 ha
vi)	- 15.90 ha to -16.68 ha
vii)	- 18.08 ha to – 18.60 ha

In all the models save i), it is shown that the presently planned 22.32ha very substantially exceeds the forecast demand (and of course in two cases none of the 22.32ha is required and some existing employment land can be re-assigned). The study explains that this result derives from the fact that the industry sectors in decline

use more land than those industries expected to grow. Model i), which is based on historic trends, shows a significant area of additional employment land will be required over and above the planned 22.32ha..

3.3 Its conclusions and recommendation

As we can see, six of the seven predictions of future employment land requirements indicate that the 22.32ha already identified within the planning process will provide substantially more employment land than is necessary.

Strangely the study's authors reject these six predictions in favour of the one prediction, based on a simple extrapolation of historic employment land take up, which showed that significantly more employment land must be designated up to a total of 48.6ha (more than twice the 22.32ha already identified).

3.4 Areas of concern with review

3.4.1 BAeS Warton site

One of the major weaknesses of the study is a failure to probe the likely evolution of the BAeS site which itself comprises nearly half of current employment land in the Borough (242ha out of a total of 498ha – Table 3, Fylde Sub Region Employment Land Review: Summary Statement) and houses a business that seems to be in long term managed decline as BAeS transfers business to its Samlesbury site with much better motorway access. Decisions already taken by the Government and BAeS will significantly impact use of the site (notwithstanding the success or failure of the Enterprise Zone) within the plan period.

3.4.2 Some data inconsistency

It was apparent that some of the data used by BE Group to establish its employment land take-up trends was not consistent with the equivalent data appearing in the Fylde Sub-Region Employment Land Review. On investigation it appears that BE Group had included car retail related land take-up that was specifically excluded in the Sub Region review. For the purposes of this exercise, I have applied the Sub Region review assumptions.

3.4.3 Pent up demand

The study supports its decision to use the high land requirement figure predicted by the historic land take-up model on the basis of what it called 'pent up demand' identified in its business and market survey activity. Table 60 shows a comparison of currently available units (office and industrial separately) of different sizes against the demand for such units over the next two years from the survey sample. The study interprets this information to suggest that there is a potential shortage of large office sites and medium size industrial units. This is unjustified for several reasons.

The figures in Table 60 do not represent the total available supply. They only show a snapshot of what is currently empty. Generally, when a business moves into one of these empty units, it leaves a newly empty unit behind it, so the supply is not reduced. The real role of empty units in the market is to provide a degree of flexibility in the system to make it easier for businesses to move. Given that the requirements listed in the table are expected to arise over the next two years, the data seem to show more than adequate flexibility.

The survey revealed very high levels of satisfaction with business accommodation. The study's own findings declare that '*There are ample vacant premises in the Borough to meet these requirements'* (AECOM BE Group study Final Report Exec Summary viii)).

The idea that there is a shortage of large office capacity is impossible to square with the scale of loss of office accommodation and re-designation of redundant office capacity in the Borough over the last decade. If there had been a serious demand, one would have expected FBC and the developers to have met it with office conversion projects instead of the wholesale re-assignment that has actually taken place.

The figure of 2.3ha of pent up demand put forward by the study represents less than 0.5% of the employment land in the Borough (Fylde Sub Region Employment Land Review). It is not a pent up demand (implying that it cannot yet be met) it is exactly what you would expect to see in a healthy well-resourced market.

3.4.4 Blackpool Requirement

The study suggests that its recommendation that an additional 26.28ha is required to meet Borough needs does not include the employment land requirements of Blackpool. This is not the case. The figure used is derived from the historic land take up data. These data clearly do include the Borough's ongoing contribution to meet Blackpool's need since there is no way of preventing Blackpool businesses from moving onto the sites on the Blackpool boundary (where over 60% of the Borough's new employment land has been created over the last 20 years). Blackpool's need is included in any predictions that derive from the historic take-up data.

3.4.5 Model confusion appears cause of flawed recommendation

BE Groups's decision to ignore the evidence of the six of its prediction models in favour of one with completely different results seems to have been based on a misunderstanding of the fundamental difference between those six models and the seventh model based on historic land take up trends.

It must be assumed that the methodologies used in the six ignored models are respectable methodologies normally used in this kind of endeavour (otherwise why would BE Group pay Oxford Economics to undertake their work and why would FBC pay BE Group to do this study at all?). The study's authors state that their methodologies follow ODPM guidance for such studies (Executive Summary iii)) and are based on BE Group's experience and application in other employment land review studies. For them to dismiss all this as they do in section10.37: *'Common sense suggests this argument* (ie all the models except i)) *is flawed.'* is very strange. Even

more so is the comment in 10.39: '*In all instances where BE Group has been involved these models* (effectively models ii to vii) *have been discounted in favour of historic land take-up trends'.* What was the purpose of models ii) to vii) and all the work that went into them if both common sense and BE Group's experience suggested they should be ignored?

The fact is that the six models based on future industry and population trends all produce an answer to the question: ' how much more or less land will I need to use to support employment in 2030 than I am using to support employment now?'
The seventh model (based on historic land take up trends) is answering the question: 'how much new employment land will I need to bring into use by 2030 based on past experience?' The questions are completely different and both answers have some relevance for planning purposes. The BE Group seem to have assumed that both questions were the same and that the answers should be the same, forcing them to deduce that some of the answers were wrong. This appears to have led them to misunderstand the evidence and draw the wrong conclusions.

The historic rate of employment land take-up has been used in both the Grimley study and this BE Group study as a reason to reject any calculated predictions of lower need so we'll consider it in the next section.

3.5 Historic land take-up model

The methodology is straightforward. As the BE Group report puts it: '*Employment Land take-up is recorded by the Borough Council. In Table 61 a schedule of all completions between 1989 and 2011 is shown. The 59.6ha of land developed over this period equates to an average take-up of 2.7ha/year. Analysis of the most recent 5,10, and 15 year periods reveals respective annual take-up averages of 2.98; 2.13 and 2.01ha.',* The figure of 2.7ha is then multiplied by 18 in the study to calculate the amount of additional employment land needing to be commissioned between 2012 and 2030, a total of 48.6ha. FBC would certainly not have needed to go out to consultants to produce this model.

The first thing to say about this model is that it is based purely on new employment land take up. It is measuring land that comes into use for employment purposes that was not in such use before. The model does not take any account of land taken out of employment use or of emerging spare or redundant employment land. Unlike the other models, it is not measuring change in the amount of employment land actually in use. Thus the model fails to take account of the change in the nature of business and the migration of employment land from one part of the Borough to another. It recognises businesses setting up on new sites at Whitehills and elsewhere but does not recognise the land taken out of employment use at Sadler's, Cookson's, GEC Marconi and many other sites. This is why its results differ markedly from the other models that effectively account for land coming into and leaving employment use. The historic take-up model is not wrong on its own terms; it's just answering a different question We can however amend the historic take-up model to answer the same question as the other models by including employment land taken out of employment use in the calculation (using the FBC figures for the period from 2001 - 2013). This is quite instructive.

3.5.1 Amended historic take-up model

Looking at the summary tables at the end of the Business and Industrial Land Schedule (base date 31 March 2013) published by FBC there is a table entitled 'Land Lost to Business and Industrial Use Since Mid-Year 2001'. This schedule shows that 23.8ha of land that had been employment land was re-categorised for other uses between mid 2001 and March 2013. This table does not include the 8ha site (ex-Marconi) in Warton that was declared surplus to their requirements by BAeS some years ago (and since completely assigned to non-employment use), nor the Land Registry site (1.1ha); it does include a part of the Stocks and Bonds offices site in St Annes (7.3 out of 11.9ha) and part of the Aegon/Guardian site (0.6 out of 4.9ha) that are all surplus to their previous employment requirements.

To produce an amended model it is necessary to use employment land take-up figures from the same start point (mid 2001). In looking at the figures in the BE Group report (Table 62) it was apparent that there were inconsistencies between it and the equivalent table (Table 4 in Summary Statement) in the Fylde Sub Region Employment Land Review. Unpicking the details it was clear that the BE Group study included some categories (car show rooms) that were ruled out of the employment land category by the Fylde Sub Region Review. For the purposes of this exercise the Fylde Sub Region figures are used together with figures from Fylde's own Business and Industrial Land Schedule (Base Date March 2013) to cover the last 3 years (to March 2013). This gives a total employment land take-up from mid 2001 to March 2013 of 17.4ha.

For the purposes of running an amended historic take-up model I'll run two cases. Case 1 will use the 'lost' employment land figure of 23.8ha from the FBC schedule. Case 2 will add to this 8ha representing the Marconi site at Warton that has been out of employment use for many years and was effectively allocated for residential/retail use by March 2013.

First we work out the net gain/loss of employment land since 2001; then we find the annual average gain/loss; then use the annual average to calculate the change in the amount of employment land needed between 2013 and 2030 (i.e. multiply the annual average by 17). The results are shown in the Table 3.5.1 below.

Table 3.5.1

Case	Emplt land take-up since 2001 ha	Emplt land lost/spare since 2001 ha	Total inc/dec since 2001 ha	Average inc/dec since 2001/13 ha/pa	Tot inc/dec Emplt land 2013 - 30
1	**17.4**	**23.8**	**-6.4**	**-.53**	**-9.0**
2	**17.4**	**31.8**	**- 14.4**	**- 1.2**	**- 20.4**

The predicted change in employment land required is shown in the final column. The figures in the final column corresponds to the figures in Table 3.2.1 above; they show that not only will there be no need to use any of the 22.32ha of land already assigned

for future employment use but that, by 2030, we will actually need less employment land than is currently in use.

The amended historic take-up model is probably the model with the strongest evidential base (all based on FBC figures) and it produces a prediction that is closely aligned with the employment prediction models used in the BE Group study.

3.5.2 Lessons to be drawn from amended model

This exercise is instructive for two reasons. Firstly it shows that, if you ask the same question, all the different models (taking widely differing approaches) give you answers that fall within the same range. Which is to say that the amount of employment land required to support expected increased levels of employment in the Borough to 2030 ranges from a small amount of additional land (that is a very small proportion of the additional 22.32ha already assigned) down to 30ha less than is currently in use (over 50ha less than is currently in use and assigned). The weight of evidence points to there being a need for less employment land in 2030 than is currently in use.

Secondly, the exercise confirms the general validity and relevance of the 'employment' and 'population' based models used by the BE Group and contradicting the suggestions that '*Common sense suggests [they] are flawed'* or that the market in employment land is so imperfect and distorted that it renders those models unrealistic. An amended historic take-up model that measures land coming into and leaving employment use is as realistic as it gets and it clearly predicts a reduction in the total amount of employment land required.

Helpful as it is to see that all the evidence is reasonably consistent it would be wrong to assume that this answer gives the whole story or that the un-amended historic take-up model is totally irrelevant. The total amount of employment land in use is not the only issue of importance. Location is also important and it is this that seems to have been driving the historic land take-up figures. In effect there has been some migration of employment away from traditional sites to new sites.

4. What the evidence really seems to show

4.1 Less land required by modern businesses

The evidence from the BE Group study is that the Borough has a reducing absolute requirement for employment land notwithstanding predicted increases in the level of employment. The study makes the point that the industries it expects to grow will use employment land more effectively than those it expects to shrink. It also established (although its use of statistics needs to be viewed with caution) that a substantial proportion of companies in the Borough operate from home (23% of its survey – table 60).

4.2 Migration of sites and loss of traditional businesses

The real significance of the historic take-up figures is not that they demonstrate an increase in employment land use (as we have established in 3.5) but rather that they illustrate the migration of employment sites from one part of the Borough to another. In the main this migration has been away from the South of the Borough to the North, more particularly to sites that are closer to the M55. As new business sites have become available with excellent transport links in Kirkham and at Whitehills, businesses from Fylde and Blackpool have moved to the new sites. It should also be recognised that the existing land take-up figures already include meeting the demand of business from Blackpool since many of the new sites are on the border with Blackpool and there is no way of, or reason for, excluding Blackpool businesses from using the sites.

The northerly trend is not only driven by the migration of existing businesses in search of better premises. The loss of Sadler's, Cookson's, Aegon, Land Registry and Stocks and Bonds and their employment sites from have been driven by broader national economic rationalisations in those business areas and represents the kind of business change anticipated in the Grimley and BE Group studies.

4.3 Further loss of manufacturing expected

Both the Grimley and BE Group studies anticipate further loss of manufacturing business with its relatively inefficient use of land. BAe Systems has been investing heavily in its Samlesbury site and, beyond its current Typhoon manufacturing programme, will not be undertaking any final assembly and flight-testing at its Warton site. In those circumstances the maintenance of the site's runway, will become an expensive and unjustified overhead on the business. Since the runway was, and still is, the site's one critical advantage, one cannot sensibly expect BAeS to fully commit to the site to the end of the LP plan period. Attempts to attract business to part of the site through the Enterprise Zone have not been very successful, serving mainly to illustrate the relative attractiveness of the Samlesbury site with its superior transport links. The future of the Toshiba/Westinghouse nuclear site, now owned by a company whose home country has radically changed its position on nuclear power in the last couple of years, must also be uncertain. The Grimley report anticipated that after 2015, employment land would be increasingly released by these industries.

4.4 Trends in employment land take-up

As discussed in 3.4 above, there are some errors (or at least inconsistencies with the sub-regional data) that lead to a misleading interpretation of employment land take-up trends in the BE Group study. The Fylde Sub-Region Employment Land Report covers land take-up from 1991/92 to 2009/10. It shows an overall average take-up of 2.6ha pa that is close to the figure used by BE Group. However, it produces a separate figure for the period from 2001/02 to 2009/10 of 1.8ha pa. A simple analysis of the same data also reveals that the average for the previous decade (1991/92 to 2000/01) was 3.32ha pa. (Table 4, Fylde Sub-Region Employment Land Review: Summary

Statement); the reduction trend is strong. Bringing the data even more up to date, we can use the FBC Business and Industrial Land Schedule (Base Date 31 March 2013) to look at the average rate over the last 10 years and 5 years periods recorded. Over the last 10 years the average was 1.5ha pa. Over the last 5 years the average has been 1.24ha pa. The table below summarises the situation.

Table 4.1
Average rate of employment land take-up over time

Period	91/92 to 00/01	01/02 to 09/10	Last 10 years *	Last five years *
Take-up	**3.32ha pa**	**1.80ha pa**	**1.50ha pa**	**1.24ha pa**

* note: figures adjusted to remove car retail as discussed in 3.4.2 .

The trend is not unexpected since land take-up has been driven by two main factors that, over time, have a diminishing impact as business adjusts to them.

Firstly, the creation of the M55 and its link roads has transformed transportation links into the Borough and it was always going to be more attractive to site businesses closer to this feature. Initially one would expect a proportion existing businesses to migrate from their existing sites as well as new businesses to set up there. Over time, the backlog of existing business migration dies down and one is left with the meeting the needs of new businesses (minus the failure of existing ones) at a lower ongoing rate. Also the over all quality of the existing stock of sites has progressively improved as older sites have dropped out of use and this further reduces the need for business migration The result is ever reducing pressure to migrate the employment footprint.

Secondly, the nature of business, and its use of land, is changing dramatically. Not only have we lost manufacturing jobs and sites but we are also losing those businesses that required large regional office blocks. What businesses do is changing and the way that they do it is changing. Home working is a growing feature across the country that is well reflected in Fylde. All this change is dramatically reducing the amount of space that employers need to provide for employees and this is becoming apparent in the employment land take-up figures.

4.5 Future capacity

While the evidence indicates that a slight reduction is expected in the amount of employment land in use by 2030, there is a need to allow some flexibility to recognise the, needs (albeit reducing needs) represented by the historic land take-up figures.

At the rate of employment land take-up averaged over the last 5 years the 22.32ha already identified in the planning system will meet demand for a further 18 years, taking us beyond the end of the plan period. This takes no account of the land that Grimley and the BE Group studies both anticipated being released by current manufacturing operations at BAeS and Toshiba Westinghouse.

BAeS and Toshiba/Westinghouse both represent industries that use outrageously large areas of land in their processes. In combination they occupy over 320ha of the Fylde. At the current rate of employment land take-up this area would provide a source of

employment land that would last more than 250 years. Neither industry is likely to survive in its present form for a tenth of that period.

5. Conclusions

Evidence provided by the Grimley and BE Group studies into the requirement for employment land in the Fylde appears to have been misinterpreted. This has led to mistaken Council policies and to misleading contributions to sub-regional studies.

Despite a growth in employment in the Borough, less employment land will be required in 2030 than is the case now.

There has been a record of migration of employment land in the Borough from traditional sites to new sites with better transport links via the M55. The effect has been to release quite large areas of employment land to other uses (housing and retail).

The needs of Blackpool for business and employment land have been addressed by new employment land sites on the Fylde/Blackpool boundary for the last 20 years and are already fully reflected in Fylde's employment land take-up figures.

The rate of employment land take-up has progressively reduced as the business disrupter effect of the M55 link to the national motorway system has been absorbed.

The requirement to continue to provide migratory flexibility and new employment land take-up can comfortably be met by the land already designated for future employment use for the LP period to 2030.

Based on the evidence, there seems to be no justification for assigning any further land for employment in the Local Plan beyond the 22.32ha already identified for that purpose.

There is a very substantial amount of employment land currently tied up in manufacturing industries that both the Grimley and BE Group studies expect to decline, releasing substantial amounts of additional employment land.

The potential for future pressure on green field land in the Borough from fracking operations makes it especially important that employment land policies are based on a full and thorough understanding of all the evidence.

Fylde already has a very large area of land assigned to employment in what most of us would regard as a relatively rural borough (498ha compared with 145ha in Wyre and 178ha in Blackpool). We need a more considered debate on what it's being used for and how it's changing.

A.L.G. May 2014