

AECOM

BEgroup

Employment Land and Premises Study

Fylde Borough Council



Final Report

August 2012

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EXECUTIVE SUMMARY

Introduction

- i) This report assesses the demand, supply and need for employment land and premises (Use Class B) in the Borough of Fylde (the Borough). It has been carried out for Fylde Borough Council to underpin and inform the Council's Local Plan and analyse employment land demand, supply and need to 2030. Consultants AECOM and BE Group have compiled this report which comprises five main elements:
- An assessment of the Borough's economy that informs the amount, location and type of employment land and premises required to facilitate its development and growth
 - A review of the current portfolio of employment land and premises
 - Identification and appraisal of additional potential employment land which could be used to meet the Borough's future land needs
 - An assessment of the potential impact of major public and private sector development proposals, notably the Warton Enterprise Zone
 - Recommendations on the future allocation of employment land and premises to maintain the Borough's economic growth.
- ii) The Study has taken into account recent changes in national planning policy including the adoption of the National Planning Policy Framework (NPPF), which has replaced all the previous Planning Policy Statements and Guidance Notes. A glossary of technical terms used in this study is included at Appendix 1.

Methodology

- iii) A number of research methods have been used including site visits, interviews with property market stakeholders and a survey of 230 local businesses (of which 126 responded). Major employers in the Borough have been individually consulted, as have the 15 Parish and Town Councils and key public sector agencies. Desktop analysis of existing strategies, reports and documents has been used to inform the overall findings. The property market in the local authority areas adjacent to Fylde has also been reviewed through desktop analysis of employment and planning strategies, and consultations with officers from those local authorities. Finally, the land supply has been assessed against forecast data to understand future land need. The methodology follows ODPM guidance on employment land reviews.

Findings

- iv) Fylde is an affluent area with little evidence of deprivation. Skill levels are above wider area averages and a comparatively high proportion of people work in professional occupations. Unemployment has increased over recent years but the rate of increase has been far less than elsewhere in Lancashire and the North West. The manufacturing sector employs the highest proportion of people in Fylde, with much of this accounted for by employment at BAE Systems, Warton and Toshiba Westinghouse's nuclear fuel production facility at Salwick.
- v) The population of Fylde is relatively self-contained. In 2001, 66 percent of the population both lived and worked in the Borough. There is a strong pattern of in-commuting, with inflow to Fylde exceeding outflow in the case of every Lancashire local authority area.
- vi) Around 75ha of the BAE Systems site at Warton is now an Enterprise Zone, along with its sister facility at Samlesbury. The Enterprise Zone proposal is to develop around 15,000 sqm of new B1 and B2 premises at Warton by 2015 (creating 500 new jobs). This accommodation will be directed at attracting advanced manufacturing (and related) inward investment into Fylde. Development phasing beyond 2015 has yet to be determined, pending the completion of the Enterprise Zone Masterplan.
- vii) Private sector commercial property agents report that there is a lack of good quality industrial options in the Borough. Requirements are for smaller units of 500 sqm or less. Office demand is predominantly local and for small, good quality modern suites. Whitehills Park is the most popular business location although there may also be demand for small offices in Kirkham and Lytham.
- viii) Properties enquiries, received via Blackpool Council's Blackpool Unlimited website, are dominated by the industrial sector. Companies want office and industrial units of 0-464 sqm; and sites of 4 ha or more. The majority of enquiries come from companies already based in the Fylde Coast sub-region. The company survey has identified modest demand from local businesses for industrial premises of 0-1000 sqm and offices of 0-500 sqm, primarily in Lytham and St Annes. There are ample vacant premises in the Borough to meet these requirements. The only possible

shortage is for larger (1000+ sqm) office units (although this need could be met at Heyhouses or Aegon if those premises remain in employment use).

- ix) Fylde is bordered by the two other Fylde Coast local authority areas, as well as the City of Preston. At present, the greatest impact comes from Blackpool, which has a shortage of employment land and lacks the available space to provide new employment allocations within its boundaries. Blackpool will have to look to its neighbours to meet the shortfalls. In Fylde, Whitehills Park could meet some of this need.

Employment Land Supply

- x) At 31st March 2012 there was a headline supply of 22.32 ha of available employment land, made up of 24 sites. Almost half this land is at Whitehills Park or Blackpool and Fylde Industrial Estate, with six of the sites at Whitehills Park (totalling 4.79 ha) now in bank ownership after being repossessed from a local developer.
- xi) Of this supply, 6.3 ha have consent, or are subject to undetermined planning applications, for alternative uses. A further 0.79 ha comprises three sites that are constrained in one way or another or are in use by the owners. The worst case scenario is that there is only 15.23 ha (16 sites).
- xii) An additional 26.28 ha is required based on past take-up rates. The other four forecast models (employment, labour supply and the two composite 'policy on' scenarios) suggest the Borough has a significant oversupply of employment land (see Table ES1). This would mean that much of the current land supply is surplus to requirements and could be used for other activities. However these methods take no account of pent-up demand, failures in the property market or land supply constraints in neighbouring Blackpool. They are frequently contradicted by empirical evidence generated by this study, i.e. consultations with property specialists.

Table ES1 – Fylde Forecast Land Scenarios, 2012-2030

Scenario	Gross Land Need, ha	Existing Land Supply, ha	Net Land Need, ha
Long term Land Take-up	+48.60		+26.28
Employment Change (including sectoral reductions)	-15.42/ -23.88		-37.74/ -46.20
Labour Supply Change (100	+4.08/		-18.24/

percent work in Fylde)	+4.67	22.32	-17.65
Labour Supply Change (existing 66 percent ratio of those working in Fylde)	+2.69/ +3.08		-19.24/ -19.63
Policy On (linked to Enterprise Zone) Employment Change	-19.60/ -29.19		-41.92/ -51.51
Policy On (Linked to Enterprise Zone) Labour Supply Change	+5.64/ +6.42		-15.90/ -16.68
Policy On (Linked to Enterprise Zone) Labour Supply Change (existing 66 percent ratio of those working in Fylde)	+3.72/ +4.24		-18.08/ -18.60

Source: BE Group, 2012

Recommendations

xiii) The key recommendations are:

- The Borough Council should protect existing employment sites that are not the subject of consents for alternative uses. However, as stated in the NPPF, the Council should avoid the long term retention of allocated sites where there is no reasonable prospect of the land being brought forward for B1, B2, B8 uses
- The Council should allocate a further 26 to 33 ha of employment land for the period 2012-2030
- This additional provision does not include demand that might be generated by the increasingly constrained development position in Blackpool. However, Fylde's role as an economic and employment centre serving a wider Fylde Coast area needs to be recognised
- The Council should work with Blackpool and Wyre Councils, who are yet to complete updated Employment Land Reviews, to ensure, as directed by the NPPF, that there is a robust employment land evidence base for the Fylde Coast sub-region
- The land supply should meet the needs of all the established settlements of Fylde. This includes the provision of freehold land and premises. Areas of search for new supply should initially concentrate upon the west of the Borough (capitalising on Junction 4, M55 and Blackpool Airport) and around Kirkham
- There is a need to provide locations for new office sector activity, particularly in the urban areas of Lytham and St Annes
- Continue to encourage rural diversification by allowing the conversion of agricultural space for employment uses. This may require public sector support

- Homeworking is an important local employment sector. For homeworkers effective broadband infrastructure is vital and both Lancashire County Council and Fylde Borough Council must ensure that Fylde is appropriately served in this respect
- Review and monitor this position and undertake the study again in five years, 2030 is a long time into the future, and much will happen before then.

1.0 INTRODUCTION

- 1.1 This report assesses the demand, supply and need for employment land and premises (Use Class B) in the Borough of Fylde (the Borough). It has been carried out on behalf of Fylde Borough Council (the Council).
- 1.2 The study has been commissioned to provide robust evidence to underpin and inform the Council's Local Plan. It analyses employment land demand, supply and need to 2030.
- 1.3 AECOM and BE Group, the consultants appointed by Fylde have compiled this report. It was carried out during 2012.
- 1.4 The Study comprises five main elements:
- An assessment of the Borough's economy that informs the amount, location and type of employment land and premises required to facilitate its development and growth
 - A review of the current portfolio of employment land and premises
 - Identification and appraisal of additional potential employment land which could be used to meet the Borough's future land needs
 - An assessment of the potential impact of major public and private sector development proposals, notably the Enterprise Zone at Warton
 - Recommendations on the future allocation of employment land and premises to maintain the Borough's economic growth.
- 1.5 A glossary of technical terms used in this study is included at Appendix 1.

Background

- 1.6 This Employment Land Study will form part of the evidence base for policies and proposals in the Fylde Local Plan. As part of the plan preparation process, the Council is required to review and assess the level and quality of its existing employment sites and premises to help ensure an adequate supply of appropriate sites has been identified over the plan period.
- 1.7 It is worth noting that the recently published National Planning Policy Framework, 2012 (NPPF) proposes the re-introduction of Local Plans. This is discussed further in

Section 2.0.

- 1.8 Land and premises need to reflect the changing requirements of businesses and local economies. The Study will therefore help assess the suitability of sites, indicating which sites might be best safeguarded for employment uses, any sites that appear no longer suitable for employment uses at least in their present form, and any need for new allocations. Planning policies are intended to intervene in the market to ensure amongst other things an appropriate balance between housing and employment uses in the Borough. However, as well as securing sustainable development for employment purposes, a realistic view is taken of the operation and vitality of the market.
- 1.9 The Study covers all industrial, warehousing and distribution uses, as well as offices. It does not refer to all uses that provide jobs, but to the above group of uses, which tend to share certain locational and physical characteristics. The Study is primarily concerned with those uses included within the planning Use Class B – B1 (business offices/light industrial), B2 (general industrial) and B8 (storage and distribution) and appropriate sui generis uses including recycling and the environmental industry.

Methodology

- 1.10 Research methods used include site visits, face-to-face and telephone interviews with property market stakeholders such as developers, investors and their agents. A survey of 230 local businesses (by post, with follow-up telephone calls) has been undertaken and the 15 Parish and Town Councils of Fylde have also been contacted by post.
- 1.11 Extensive consultation with the Borough's major private sector employers was undertaken and key public sector agencies, including the Blackpool Bay Area Company and Lancashire County Council, have also been contacted. Desktop analysis of national, regional and local reports and strategies has been undertaken, accounting for recent planning policy changes such as the introduction of the NPPF.
- 1.12 The property market in the local authority areas adjacent to Fylde was also reviewed. This has been undertaken through consultations with officers from the relevant Councils, combined with desktop analysis of the Employment Land Studies and Core Strategies of those local authorities. Understanding the supply and demand of

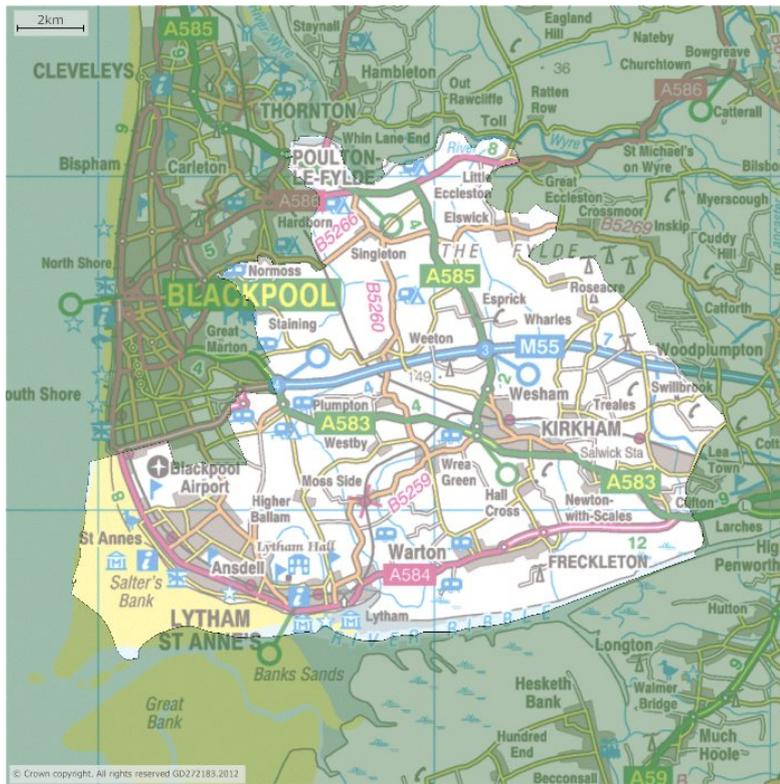
employment land and premises in neighbouring areas is important in assessing their impact on the Borough's land and property market.

- 1.13 Finally the land supply has been assessed against forecast data to understand future land need. This is then developed into a series of economic development recommendations that cover not just land, but also premises.
- 1.14 At Appendix 2 we have included a schedule of all consultees.

Study Area

- 1.15 The Borough of Fylde (population 76,600, mid year estimate 2010) is situated in the North West of England and covers 64 square miles. The largest settlement is St Annes, which lies on the Irish Sea Coast, south of Blackpool.
- 1.16 The Borough lies in the west of Lancashire. Together with the neighbouring local authority areas of Blackpool and Wyre, it forms a defined sub-region known as the Fylde Coast. The arterial M55 passes through the Borough, running from the M6 in the east to its termination on the edge of Blackpool.
- 1.17 The southern boundary of Fylde is defined by the River Ribble and Ribble Estuary. This forms a significant natural barrier, separating Fylde from West Lancashire District to the south. Figure 1 shows a map of the Borough.
- 1.18 All of the Borough's major settlements are south of the M55. Freckleton, Warton, Lytham and St Annes lie along the A584 which runs across the south of the Borough, linking Preston to Blackpool. Kirkham and Wesham lie north of the A583, which runs diagonally across the southern section of Fylde. Lytham and St Annes link to the Blackpool conurbation while the other main settlements have strong functional relationship with Preston. North of the M55 Fylde is predominately rural in character and employment areas are generally limited to farm conversions.
- 1.19 Employment and residential land uses are often closely linked and several of the Borough's major employers are located in, or on the edge of, predominantly residential areas. This includes the BAE Systems site at Warton.

Figure 1 – Fylde Borough



Source: ONS 2012

Employment Land Review: Guidance Note (ODPM 2004)

- 1.20 Employment Land Review: Guidance Note promotes a three-stage process, and provides the framework for this study. Although this document is now seven years old it has not been amended or superseded by more recent statements of policy and remains the only national guidance document for the production of Employment Land Studies.
- 1.21 Stage One: take stock of the existing situation including an initial assessment of 'fitness for purpose' of existing allocated employment sites. The objective is to identify the best employment sites to be protected; identify employment sites to be released and prepare an effective brief for stages two and three of the review. The outcome of this stage is to understand key employment land supply issues and generate a portfolio of potential employment sites to take forward for more detailed review.
- 1.22 Stage Two: understand the future quantity of land required across the main business sectors; to provide a breakdown of that analysis in terms of quality and location and provide an indication of 'gaps' in supply through economic forecasting, consideration

of recent trends and/or assessment of local property market circumstances. The outcome of this stage is to provide broad quantitative employment land requirements across the principal market segments covering the Local Plan period and an analysis of the likely 'gaps' in supply that need to be filled.

- 1.23 Stage Three: entails a qualitative review of all significant sites (and premises) in the existing portfolio in order to; confirm which of them are unsuitable for/unlikely to continue in employment use; to establish the extent of 'gaps' in the portfolio; and if necessary, identify additional sites to be allocated or safeguarded. The outcome will be the completion of the employment land review, to be taken forward in the Local Plan. The Fylde Employment Land Study is prepared in compliance with this advice.
- 1.24 Table 1 shows how this report aligns with, and answers the requirements of the ODPM guidance. The link between the report and the ODPM steps is not always clear cut, with different sections overlapping, indeed certain steps overlap. It should be noted this report reflects adaptation (and improvement) of the ODPM guidance in order to address the requirements of the brief and the particular local circumstances of Fylde's property market.

Table 1 – Employment Land Reviews – Guidance Note

Stage 1 – Taking Stock of the Existing Situation	
Step 1 – Devise Brief	Prepared by Fylde Borough Council
Step 2 – Collate Data on Land Stock and Revealed Demand	Land Stock covered in Section 6 Revealed Demand covered in Sections 4, 5, 6 and 8
Step 3 – Devise and Apply Site Appraisal Criteria	Site Appraisals covered in Section 6 and Appendix 6
Step 4 – Undertake Preliminary Site Appraisal	Site Appraisals covered in Section 6 and Appendix 6
Step 5 – Confirm Brief for Stages 2 & 3	Agreed in study progress meetings
Stage 2 – Creating a Picture of Future Requirements	
Step 6 – Understand Market Areas and Segments	Covered in Sections 3, 4, 5, 6, 8 and 10 Relationship with neighbouring areas covered in Section 7
Step 7 – Select and Apply Suitable Forecast Model/Demand Analysis	Covered in Section 10
Step 8 – Quantify Employment Land Supply	Covered in Section 6
Step 9 – Translate Employment Land Forecasts to Land Requirements	Covered in Sections 10, 12 and 13

Step 10 – Scenario Testing	Covered in Section 10, 12
Stage 3 – Identifying a New Portfolio of Sites	
Step 11 – Devise Qualitative Site Appraisal Criteria	Covered in Section 6
Step 12 - Confirm Existing Sites to be Retained or Released and Define Gaps in Portfolio	Covered in Sections 6, 12 and 13
Step 13 – Identify Additional Sites	Covered in Sections 11, 12 and 13
Step 14 – Complete Employment Land Review	Covered in Sections 6, 10, 12 and 13

Source: BE Group 2012

- 1.25 In line with the guidance the study covers, very broadly, all the employment property market segments and types of sites outlined in it (see Table 2). To keep the report simple, the research combines most of these requirements into three broad areas: employment land, office premises and industrial properties.

Table 2 – Main Employment Property Market Segments and Sites

Established or Potential Office Locations	Heavy/Specialist Industrial Sites
High Quality Business Parks	Incubator/SME Cluster Sites
Research and Technology/Science Parks	Specialised Freight Terminals
Warehouse/Distribution Parks	Sites for Specific Occupiers
General Industrial/Business Areas	Recycling/Environmental Industries Sites

Source: ODPM 2004

2.0 STRATEGY CONTEXT

Introduction

- 2.1 This chapter focuses on national, regional and local reports and strategies that have a relevance to the allocation of employment land and premises. An understanding of the strategies and reports contained in this review is needed to show strategic alignment and a holistic approach to promote sustainable development. BE Group's recommendations follow the general principles set by them.

National

National Planning Policy Framework – DCLG (2012)

- 2.2 As part of ongoing reforms of planning policy, the Department of Community and Local Government has published the NPPF. The NPPF sets out the Government's economic, environmental and social planning policies for England, articulating the Government's vision of sustainable development. It provides a framework for the production of local and neighbourhood plans and has replaced all the previous Planning Policy Statements and Guidance Notes.
- 2.3 In terms of business and economic development, the NPPF argues that *“Investment in business should not be over-burdened by the combined requirements of planning policy expectations. Planning policies should recognise and seek to address potential barriers to investment, including poor environment or any lack of infrastructure, services or housing.”* Local planning authorities should:
- *“Set out a clear economic vision and strategy for their area which positively and proactively encourages sustainable economic growth*
 - *Set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated requirements over the plan period*
 - *Support existing business sectors, taking account of whether they are expanding or contracting and, where possible, identify and plan for new or emerging sectors likely to locate in their area. Policies should be flexible enough to accommodate requirements not anticipated in the plan and to allow a rapid response to changes in economic circumstances*
 - *Plan positively for the location, promotion and expansion of clusters or networks of knowledge driven, creative or high technology industries*
 - *Identify priority areas for economic regeneration, infrastructure provision and*

environmental enhancement

- *Facilitate flexible working practices such as the integration of residential and commercial used within the same unit.”*

- 2.4 Planning policies should also “*avoid the long term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose. Land allocations should be regularly reviewed. Where there is no reasonable prospect of a site being used for the allocated employment use, applications for alternative uses of land or buildings should be treated on their merits having regard to market signals and the relative need for different land uses to support sustainable local communities.*”
- 2.5 In town centres, local planning authorities should “*allocate a range of suitable sites to meet the scale and type of retail, leisure, commercial, community services and residential development needed.*”
- 2.6 Planning policies should support sustainable economic growth in rural areas by taking a positive approach to new development, supporting “*the sustainable growth and expansion of all types of businesses and enterprise in rural areas, both through conversion of existing buildings and well designed new buildings*” and promoting “*development and diversification of agricultural and other land-based rural businesses.*”
- 2.7 The NPPF also proposes the re-introduction of district-wide local plans, replacing the present Local Development Framework system. This should be a single strategic document, with supplementary planning documents only created if they can help to bring forward sustainable development at an accelerated rate.
- 2.8 It is proposed that Local Plans will address the spatial implications of economic, social and environmental change, setting out the opportunities for development and providing clear guidance on what will, or will not, be permitted and where. The Local Plan should outline the Local Planning Authority’s strategic priorities. This should include strategic policies to deliver “*the homes and jobs needed in the area*” as well as “*the provision of retail, leisure and other commercial development*”.
- 2.9 Crucially, Local Plans should:
- “*Plan positively for the development and infrastructure required in the area to*

meet the objectives, principles and policies of this Framework

- *Be drawn up over an appropriate time scale, preferably a 15 year time horizon, take account of longer term requirements, and be kept up to date*
- *Be based on cooperation with neighbouring authorities, public, voluntary and private sector organisations*
- *Indicate broad locations for strategic development on a key diagram and land-use designations on a proposals map*
- *Allocate sites to promote development and flexible use of land, bringing forward new land where necessary, and provide detail on form, scale, access and quantum of development where appropriate*
- *Identify areas where it may be necessary to limit freedom to change the uses of buildings, and support such restrictions with a clear explanation*
- *Identify land where development would be inappropriate, for instance because of its environmental or historic value; and*
- *Contain a clear strategy for enhancing the natural, built and historic environment, and supporting Nature Improvement Areas where they have been identified.”*

2.10 Local planning authorities need to prepare and maintain a robust evidence base to understand business need within their area. This can be achieved by working with neighbouring authorities, LEPs and the local business community. This evidence base should be used to assess:

- *“the needs for land or floorspace for economic development, including both the quantitative and qualitative need for all foreseeable types of economic activity over the plan period*
- *the existing and future supply of land available for economic development and its sufficiency and suitability to meet identified needs. Reviews of land available for economic development should be undertaken at the same time, or combined with Strategic Housing Land Availability Assessments and should include a reappraisal of the suitability of previously allocated land*
- *the role and function of town centres and the relationship between them, including any trends in the performance of centres*
- *the capacity of existing centres to accommodate new town centre development*
- *locations of deprivation which may benefit from planned remedial action*

- *the needs of the food production industry and any barriers to investment that planning can resolve.”*

Regional

North West Regional Spatial Strategy to 2021 (NWRA 2008)

- 2.11 The Regional Spatial Strategy (RSS) was published at the end of September 2008. It provided a framework for development and investment in the North West over the next fifteen to twenty years. However, following the 2010 General Election, the new Secretary of State for Communities and Local Government announced the commitment to rapidly abolish the RSS and Regional Economic Strategy process and return decision making powers to local councils. Legislation to abolish both types of strategy (and the regional bodies that produced them) received Royal Assent in late 2011. However the full abolition of either policy document is formally awaited pending legal challenges. Their context is still relevant to consider for this study.
- 2.12 The RSS acknowledges that the strength of the regional economy is vital to the prosperity and quality of life of its residents. Therefore the following key objectives have been identified:
- Build on the region’s economic strengths, particularly the opportunities which exist in the three city regions of Manchester, Liverpool and Central Lancashire
 - Identify a range of significant investment opportunities for both existing and new inward and indigenous businesses and support important business sectors identified as transformational in the Regional Economic Strategy
 - Ensure that a forward supply of business land is identified in each sub-region to ensure that growth of the economy is not constrained – but recognising that this should be an upper limit to encourage the best and most sustainable sites to be retained for employment uses, while at the same time allowing for less appropriate sites to be used for other land uses, both built and open
 - Achieve wider social benefits, and more sustainable travel patterns, by linking new jobs opportunities with disadvantaged communities
 - Make town and city centres the focus of retail, leisure and office development to underpin their vitality and viability and their role at the heart of sustainable communities.

- 2.13 The key policies with relevance to employment land policy and provision are summarised.

Policy DP6 – Marry Opportunity and Need

- 2.14 DP6 states that “*priority should be given, in locational choices and investment decisions, to linking areas of economic opportunity with areas in greatest need of restructuring and regeneration. Proximity to, and access via public transport from, such areas will be important considerations in the choice of employment locations and sites*”.

Policy RDF1 – Spatial Properties

- 2.15 This policy sets the regional centres of Manchester and Liverpool as the first priority for growth and development. Second priority is the inner areas surrounding them (with particular emphasis on Housing Market Renewal areas). Third priority is the towns in the three city regions (which includes Blackpool in Central Lancashire City Region).
- 2.16 This policy is the cornerstone of the RSS. It will guide decision-making and the targeting of resources in connection with the location of employment land.

Policy RDF2 – Rural Areas

- 2.17 This policy states that plans and strategies should maximise the economic potential of the Region's rural areas by identifying Key Service Centres where rural development should be concentrated. Small scale development will also be permitted in Local Service Centres (as defined in Local Development Documents), to help meet local needs and support local businesses. Development outside the Key and Local Service Centres will only be permitted when necessary to sustain existing businesses.

Policy W1 – Strengthening the Regional Economy

- 2.18 Economic development should be promoted through the provision of appropriate sites and premises, infrastructure and clustering where appropriate. It should build on the region's strengths, particularly its City Regions, and includes growth opportunities such as advanced manufacturing and engineering, environmental technologies and biomedical, tourism and conferencing in Central Lancashire City Region. Support for rural growth and diversification is also encouraged, and the

need to link areas of opportunity and need is highlighted.

2.19 The RSS acknowledges the North West requires a range of sites with influences at different spatial levels in order to support economic growth:

- Regionally significant – a limited number of key regional sites e.g. sites to meet key growth sectors, knowledge nuclei, inward investment and headquarters functions.
- Sub-regional – sites, which play a complementary role to the regional significant employment sites. These have the potential to make a significant contribution to the growth of the sub-regional economy.
- Local – provision of a wide range of sites to support the development of a diversified local economy, ensuring there is access to a range of job opportunities for the local population.

Policy W3 - Supply of Employment Land

2.20 Policy W3 deals with the supply of employment land, although it sets supply requirements only at the level of the five sub regions. For this study it means there needs to be recognition of the figures for Lancashire.

2.21 The RSS states local planning authorities should undertake a comprehensive review of commitments, to secure a portfolio of sites that complies with the spatial development principles set out in Policies DP1-9, RDF1 and sub-regional policies. To this end, planning authorities should ensure:

- The most appropriate range of sites, in terms of market attractiveness (and social, environmental, economic sustainability) are safeguarded for employment use
- These sites can meet the full range of needs, and are actively marketed
- At least 30 percent of sites are available at any one time
- The amount of brownfield land uses is maximised, reflecting likely increases in supply available as a result of economic restructuring
- Consideration is given to mixed-use development, particularly within centres and on larger sites
- Appropriate provision is made in Key Service Centres and the re-use of agricultural buildings is fully considered to facilitate the growth and diversification of the rural economy
- The implications of home working on the scale and location of future

employment land requirements are considered

- The portfolio of sites should be reviewed every three years, to ensure there is not an over- or under-allocation of land in relation to the actual scale of economic growth.

2.22 Table 3 sets out the RSS provision of employment land for the period 2005-2021. The figures for Lancashire have been extracted, and are detailed below. These figures were not disaggregated below County level.

Table 3 – RSS Employment Land Provision Extracts

	Lancashire
2005 Supply (ha)	1069
Current take-up pa (ha)	68
Projected increase in take-up (%)	4.25
Projected take-up pa (ha)	71
Need 2005-2021 (ha)	1136
Extra allocation required	67
Flexibility Factor (%)	20
Need 2005-2021 (incorporating flexibility factor) (ha)	1363
Extra allocation required (incorporating flexibility factor) (ha)	294

Source: NW RSS, NWRA, 2008

2.23 The following points need to be noted about Policy W3:

- It focuses only on B1, B2, B8 land use allocations
- The need figures include regionally significant economic development, sub-regional and local sites
- ‘Available’ sites are defined as fully serviced, actively marketed or likely to be fully serviced and actively marketed in the next three years
- Portfolios should reflect the continuing economic restructure, which is likely to result in the declining need for B2 and significant increased demand for B1 uses
- The inclusion of a 20 percent flexibility factor reflects the degree of uncertainty in establishing employment land requirements. It also recognises there may be, exceptionally, need to provide extra land to take account of special circumstances e.g. particular company expansion requirements, or the realisation of significant inward investment potential

- The split of figures for each sub-region, by local authority area, will require local authorities and other partners to work together to decide. The Regional Planning Body will facilitate this approach.

Policy W4 - Release of Allocated Employment Land

2.24 Policy W4 deals with the release of allocated employment land. It states that where sites are to be de-allocated, (following the review process defined in Policy W3) consideration should be given to a range of alternative uses including housing and soft end uses. However Local Authorities must ensure there remains an appropriate and sufficient supply of employment land, matched against supply and demand. If employment land is to be lost, replacement sites should be identified (of equal or better quality), or alternative means of incorporating employment land should be considered (through mixed-use development, greater intensity of land use or through sites in neighbouring local authority areas).

Policy CLCR1 - Central Lancashire City Region Priorities

- 2.25 This states that plans and strategies for the Central Lancashire City Region should:
- *focus investment and sustainable development in the City of Preston and three towns of Blackburn, Burnley and Blackpool, raising economic performance, particularly through:*
 - *tourism and housing-led regeneration in Blackpool*
 - *knowledge-based development (including advanced manufacturing and aerospace) in Preston and Blackburn*
 - *regeneration and restructuring of the East Lancashire economy (including actions taken under the Elevate Transformational Agenda)*
 - *enhanced educational opportunities which will improve the skill-base of the resident population*
 - *developing new employment opportunities in accordance with policies W1 to W3 and addressing localised problems of worklessness.*
 - *provide for a range of good quality housing, accessible to local facilities*
 - *improve the City Region's internal and external transport links, in line with the transport investment and management priorities set out in policy RT10*
 - *develop the role of Blackpool Airport, in line with policy RT5*
 - *develop the role of Preston as a regional transport gateway in line with policy RT3*

- *improve the accessibility of employment locations by sustainable transport modes with priority given to the Elevate Housing Renewal Pathfinder area*
- *support and diversify the rural economy and improve access to services in the rural*
- *areas focusing development in locations which accord with RDF2.*

2.26 The policy also states that proposals and schemes will be directed primarily towards locations where they can contribute to these priorities.

Policy CLCR 2 - Focus for Development and Investment in Central Lancashire City Region

2.27 This states that development in the Central Lancashire City Region will be located primarily in Preston, Blackburn, Blackpool and Burnley, giving priority to central sites and locations which accord with RDF1, DP1-9 and policies W2 and W3. Development should address worklessness, enhance urban quality, and contribute to enhancing the natural setting of the city/towns. Outside the city/towns identified, development will be largely confined to Key Service Centres and Local Service Centres, in line with Policy RDF2.

North West Regional Economic Strategy 2006-2020 – North West Development Agency (2006)

2.28 The fundamental purpose of the Regional Economic Strategy (RES) is to improve economic performance and enhance the region's competitiveness. However, in June 2010 the Government announced the abolition of the nine Regional Development Agencies (RDAs), and the RESs they have produced (eight regional agencies through the Public Bodies Bill and the London Development Agency through the Localism Bill). The eight RDAs ceased operation in March 2012; however, the RES remains a relevant context document to consider.

2.29 The RES and Regional Spatial Strategy (RSS) provide the context for economic and spatial development in the region. While the RSS focuses on spatial and land-use related issues, the RES provides the policy context for economic issues as they relate to development and regeneration.

2.30 The vision of the RES is to create "*a dynamic, sustainable international economy which competes on the basis of knowledge, advanced technology and an excellent*

quality of life for all where:

- *Productivity and enterprise levels are high, in a low carbon economy, driven by innovation, leadership excellence and high skills*
- *Manchester and Liverpool are vibrant European cities and, with Preston, are key drivers of city-regional growth*
- *Growth opportunities around Crewe, Chester, Warrington, Lancaster and Carlisle are fully developed*
- *Key growth assets are fully utilised (priority sectors, the higher education and science base, ports/airports, strategic regional sites, the natural environment especially The Lake District, and the rural economy)*
- *The economies of East Lancashire, Blackpool, Barrow and West Cumbria are regenerated*
- *Employment rates are high and concentrations of low employment are eliminated.”*

2.31 The RES identifies three key drivers to achieve this:

- Improve productivity and grow the market
- Grow the size and capability of the workforce
- Create and maintain the conditions for sustainable growth.

2.32 With regards to enterprise, the RES states the need to develop key internationally competitive sectors and sectors with large and widespread employment.

2.33 In order to develop key internationally competitive sectors, the RES recognises the need to undertake cluster programmes in priority sectors to develop higher value activity, improve productivity and identify future growth opportunities from converging markets/technologies including:

- Biomedical – biotechnology, pharmaceuticals and medical devices
- Energy and Environmental Technologies
- Advanced Engineering and Materials – chemicals, aerospace, automotive, advanced flexible materials
- Food and Drink
- Digital and Creative Industries
- Business and Professional Services.

2.34 In order to develop sectors with widespread employment, the RES recommends the need to develop skills and procurement initiatives, connect jobs with people and influence government policy to support:

- Maritime, Distribution, Aviation – logistics
- Construction – design, building construction, civil engineering and maintenance
- Visitor Economy
- Retail
- Public sector
- Care/Healthcare.

2.35 The RES identifies 25 strategic regional sites across the region. None of these sites are in Fylde or indeed within the Fylde Coast sub-region.

2.36 The RES recognises the need for ensuring appropriate land use – both in terms of brownfield and new employment sites. The priorities for the use of land are shown in Table 4.

Table 4 – RES Land Use Priorities

Action	Reason
Deliver high quality employment sites and premises:	
Deliver the designated strategic regional sites as regional investment sites, knowledge nuclei or intermodal freight terminals	These sites provide a portfolio of opportunities to support knowledge-based growth, key sectors, sustainable freight distribution and economic restructuring
Identify and pursue reserve sites for major investment that would not otherwise take place in the North West in: - manufacturing - knowledge based industry, corporate headquarters and R&D	Evidence indicates potential future demand and a shortage of suitable sites
Develop a portfolio of sub-regionally important employment sites	Sub-regional sites will complement the existing regional sites to generate employment growth, especially where they are accessible to areas of worklessness
Secure new uses for brownfield land:	

Action	Reason
Invest in quality business accommodation/workspace focused on: - HMR/URC areas - rural areas	These areas need quality accommodation to stimulate demand/enable growth. In rural areas this includes examining the feasibility of establishing more co-located office hubs, which allow local access to multi-use workspace/hot-desks
Develop new uses for brownfield land – including housing and the creation of new strategic greenspace	The region has the largest stock of brownfield land of any English region. Much of it will not find employment use again so new uses are needed to turn it into an asset

Source: NWDA 2006

2.37 With regards to the Central Lancashire City Region Economy (which includes Fylde) the Strategy provides a list of the key assets and opportunities:

- *A world class concentration of aerospace and defence manufacturing (most important centre of high technology manufacturing outside South East)*
- *Strong concentrations in advanced manufacturing in chemicals, rubber and plastics, electronics and optical equipment, food and drink, paper and printing and recorded media.*
- *Opportunity for growth in environmental technologies and biotechnology.*
- *Preston – key location for knowledge-based employment, with fast growth in creative, ICT and new media occupations.*
- *Blackpool – the UK’s most visited tourist destination aiming to become a world-class resort destination by securing the regional casino, leisure investment and improvements to Blackpool Airport.*
- *Blackburn – strategic gateway to East Lancashire and Enterprise Capital of the Northwest 2005.*

2.38 Conversely, the key challenges are:

- *“Increasing economic activity rates in areas such as East Lancashire and Blackpool.*
- *Improving basic and higher level skills and qualification levels*
- *Stimulating enterprise*
- *Accelerating transition to higher value advanced manufacturing.*
- *Improve productivity of service sector businesses*
- *Improving intra- and inter- city region connectivity*
- *Developing regionally significant, high quality locations for business*
- *Expanding the role of higher education in the city region”.*

Lancashire Economic Strategy Framework of Priorities – Lancashire County Council – 2010

2.39 The Economic Strategy provides an overarching framework that will direct LCC's approach to economic development over the next three years. The framework is structured around five strategic priorities which are deemed critical to Lancashire's future economic success.

- Economic Growth, Knowledge and Innovation
- Spatial
- Skills and Employment
- Infrastructure
- Partner Development.

2.40 Under economic growth, knowledge and innovation, the priority most relevant to this Study, there are ten key objectives:

- Developing Lancashire's seven strategic development sites of regional importance to accelerate the region's growth
- Working with new Economic Development Companies to bring forward programmes to deliver sufficient sustainable growth
- Unlocking Lancashire's growth potential as a location for nuclear, renewable energy and environmental technology
- Enhancing Lancashire's competitive advantage in advanced manufacturing
- Bridging the shortfall in knowledge-based and creative sectors
- Strengthening links between Lancashire's leading companies, universities and SMEs
- Working with developers and investors to develop new business accommodation
- Strengthening linkages with major regional developments such as Mediacity:UK and the emerging Energy Coast initiative
- Improving Lancashire's visitor economy offer
- Aiming for economic growth to mitigate impacts of climate change and generate low carbon technology innovations to create a carbon neutral economy.

2.41 LCC aspires to work with its Multi-area Agreement partners to deliver the priorities in

order to improve the prospects of Lancashire. Furthermore it identifies a number of specific steps that LCC needs to take to ensure the priorities are achieved. These include ensuring that planning departments work more effectively with businesses, making sure strategic policy supports the achievement of priorities, and taking a more active role in strategic land assembly and the development of investment vehicles.

Lancashire Economic Assessment – Lancashire County Council – 2011

- 2.42 Although no longer a statutory document, the Local Economic Assessment remains an important document, providing an overview of Lancashire's local economy as well as playing a role in informing the development of economic strategies and interventions in order to support sustainable economic growth in Lancashire.
- 2.43 In terms of land, building and infrastructure, the Assessment reports that Lancashire has not benefited from the shift towards office base service sector employment, which has led to economic development and regeneration in many urban areas in the country. This has resulted in a lack of office space in the County (with the exception of Preston, Burnley, Lancaster and isolated areas of Fylde). There is therefore a need to increase the number of office developments in locations where there is demand, in order to capture a greater share of service sector employment in the future.
- 2.44 There remains a large amount of industrial space, some of which has become redundant due to the long term decline of manufacturing employment. There is therefore need to reutilise redundant space and provide appropriate premises to enable existing businesses to diversify and develop higher value activities, as well as to attract higher value companies to the area. Warehouse development, which has been an important contributor to employment growth in Lancashire in recent years, may provide the opportunity to support this higher value growth, particularly through links to advanced manufacturing.
- 2.45 The Assessment also highlights the *“lack of suitable employment sites in strategic locations which has limited economic growth and hindered inward investment”*. Therefore *“a development portfolio of proposed new sites is critical to Lancashire's economic future and the shift to the higher value economy”*. Many existing employment sites have been developed on an ad-hoc basis, rather than through

strategic or economic considerations. They are consequently not sufficient for higher value uses.

- 2.46 A number of strategic sites are identified in the Assessment which are deemed critical to diversifying the economic base and creating more than 15,000 jobs over the next five years. The BAE Systems site at Warton is the only site that is located in Fylde.

Sub-Regional

Employment Land Strategy for Lancashire West (Draft Report) – Lancashire Economic Partnership (2006)

- 2.47 This Strategy was commissioned to ensure that Lancashire West's employment land supply is "*aligned, as far as possible, to sustainable development principles and market requirements*". Rather than quantifying employment land provision, it focuses on the qualitative requirements of modern, sustainable and higher value added growth sector businesses. It is therefore intended to complement rather than replace employment land assessments. However it is noted that the Strategy has not been formally endorsed by Fylde Borough Council and therefore is included for reference rather than influence.
- 2.48 Within the Strategy, an overview of Fylde draws attention to the following key points:
- It is a predominantly rural Borough
 - Blackpool and Preston are the Borough's key employment centres – Fylde has high levels of out-commuting
 - The Borough has a number of key employers including BAE Systems and BNFL (now Toshiba Westinghouse) – retaining these businesses is a key priority
 - Public sector employment is very significant, and tourism is also imperative to the Borough
 - Fylde plays an important role in supporting the economic development of Blackpool and key sites at Whitehills Park, and land around Blackpool Airport provide employment land capacity for the wider area. Such sites highlight the interdependence of adjoining local authority areas and the importance of partnership working.

- 2.49 A review of the property market in Fylde states that in terms of industrial space, there is limited supply and recent developments have comprised small units. Furthermore, demand is low and predominantly local. With regards to the office market, supply is limited and no new development is taking place. Although limited, there is some demand for offices from companies servicing BAE Systems.
- 2.50 Working with individual local authorities, a list of potential employment sites were agreed and ranked using a set of typologies. The sites provide a starting point for further strategy development and statutory planning processes, rather than an exclusive list. A summary of each typology is set out below.

Prestige Sites

- High profile location capable of improving sub-regional image
- Good proximity to motorway junction
- Excellent public transport links
- Available infrastructure capacity
- Capable of attracting regional and national markets
- Capable of accommodating a wide range of business accommodation (including large units, i.e. over 100,000 sqft)

Urban gateway/hub sites

- Edge of/within town centre 'walkable zone'
- Walking distance to public transport links
- Proximity to town centre facilities
- Good access (including car parking)
- Capable of accommodating a mix of uses including knowledge-based business, target sectors and public sector office relocations – predominantly office development of varying scales
- Capable of creating distinctive business locations with clear identity.

Neighbourhood opportunity sites

- Likely to be located on the edge of large urban areas and/or on the edge of service centres in the smaller towns.
- Capable of accommodating the relocation/expansion of indigenous companies

- Small workspace developments of approximately one hectare yielding approximately 25,000 sqft of space in around ten units sized between 1600-3200 sqft. Mainly leasehold. Can be integrated into mix of uses
- Larger developments of two hectares allowing for development of 80,000 - 100,000 sqft in unit sizes between 3000 – 20,000 sqft. Leasehold and Freehold. Given possible need to cater for 24/7 working and HGV generation, locations close to main roads are required.

Rural renaissance sites

- Capable of creating distinctive business locations as part of market town 'renaissance' process
- Small workspace developments of approximately one hectare yielding approximately 25,000 sqft of space in around 10 units sized between 1600-3200 sqft. Mainly leasehold
- Larger developments of two hectares allowing for development of 80,000 to 100,000 sqft in unit sizes of between 3000-20,000 sqft
- Potential for broadband connectivity
- Well located to public transport facilities, shops and other services
- Likely locations in or on the edge of market towns.

Special Sites

2.51 There is no general typology and specific sites will need to present a unique locational offering, orientated towards a specific economic development objective. As a general rule, 'special site' designation would be limited to opportunities for specialist employment activities of sub-regional or regional interest in locations that do not readily fit the proposed typologies. Examples include:

- Redevelopment opportunities for key buildings to create specialist business accommodation
- Sites adjacent to existing major employers offering potential to create supplier parks, R&D facilities etc that support the operational competitiveness of key employers
- Sites for specialist use requiring specialist site assets, such as renewable energy potential, mineral resources or specialist environmental conditions.

Town Centres

2.52 The likely criteria for the Town Centre typology may include:

- A principal town centre with a wide catchment

- A cluster of small sites that individually would not warrant inclusion in this strategy but together provide a strategic opportunity within a town centre
- A masterplanning exercise has been completed or is underway.
- As with the Urban Hub/Gateway typology, these locations should seek to attract high value added businesses primarily in office accommodation, integrating employment with the town centre retail and service functions. This may include a focus on public sector expansion or relocation.

2.53 Sites identified in Fylde, alongside their size, typology ranking, rationale for inclusion, market view and deliverability classification are listed in Table 5 below. There are nine sites (one of which is partially in Fylde and partially in Blackpool).

Table 5 – Lancashire West Employment Land Strategy Schedule of Sites

Site	Size (ha)	Type	Rationale	Market View	Deliverability
Blackpool Airport Business Area*	13.0	Prestige	Key driver in supporting economic growth of Blackpool Employment land allocations around airport critical in capitalising in this asset and expanding employment opportunities in both Boroughs	Important, well located business location Most demand is industrial	Green
Whitehills Park, Preston New Road, Westby	19.8	Prestige	Existing mixed-use are Well located site Due to site size potential to promote large scale development Important B1/B2 site – critical to diversifying Blackpool's economy	Prime business location in area with good access to Fylde, Blackpool and Preston Little available land close to Blackpool therefore this will continue to be in good demand from B1/B2 occupiers	Amber
Dock Road, Lytham	6.5	Neighbourhood Opportunity	Existing industrial estate with some redevelopment opportunity Adjacent to residential area	Mainly local demand Likely to be some pent-up demand given shortage of employment sites in this location (particularly from service sector) Potential to attract B2 occupiers Potential access constraints for HGVs therefore smaller units more appropriate Expected to be substantial pressure for	Amber

Site	Size (ha)	Type	Rationale	Market View	Deliverability
				residential development	
St Annes Centre North (combination of non-adjointing sites)	1.48	Neighbourhood Opportunity	A combination of sites within St Annes' urban area including Durham Av, Allenby Rd, Lord St and Fleet St	Mainly local demand Likely to be some pent-up demand given shortage of employment sites in this location (particularly from service sector) Most demand likely to be for small scale office/studio/ workshop/ trade counter use May be second choice to accommodation available in central area of St Annes	Red
Stocks and Bonds Office, Heyhouses Lane, St Annes	11.9	Neighbourhood Opportunity	Substantial industrial area in St Annes Good road and public transport links Surrounded by residential uses	Mainly local demand (industrial and office) Given large site area and proximity to M55, the site may attract regional interest seeking a location near Blackpool	Amber
Council Offices, Derby Road, Wesham	0.79	Rural Renaissance	Identified as key market town in Joint Structure Plan and therefore plays critical role in terms of economic growth and rural diversification Existing employment location within residential area Good access and public transport links Most viable opportunity to develop local employment opportunity Under pressure for residential development – would benefit from protection	Very local demand Could be some pent-up demand given lack of available town centre office space	Amber
Progress Mill, Kirkham	2.2	Rural Renaissance	Identified as key market town in Joint Structure Plan and therefore plays critical role in terms of economic growth and rural diversification Well located, edge-of-town centre site Good public transport links One of the few development sites with potential to provide employment opportunity	If available, this site could attract some small-scale, local demand Potential access constraint	Red

Site	Size (ha)	Type	Rationale	Market View	Deliverability
St Annes	N/A	Town Centre	Principle town centre in Fylde providing new employment development opportunity for wide catchment Attractive employment location – good public transport accessibility and local amenities Under pressure for residential development – sites such as at Town Hall and Clifton Drive would benefit from protection	Likely to attract mainly small-scale, local demand Likely to be demand for office/service occupiers Employment land study required to quantify future demand for employment sites	Red
BAE Systems, Lytham Road	N/A	Special Site	Potential to be significant sub-regional site given BAE Systems's continued occupation Potential to build aerospace cluster around the company	Scale of land available key factor in assessing potential for development Extensive Masterplanning work would be required.	Red

Source: LEP 2006

* Site partially in Fylde and partially in Blackpool.

2.54 A definition of deliverability index is shown in Table 6.

Table 6 – Lancashire West Employment Land Strategy Deliverability Index

Index	Characteristic
Green	Positive market potential No significant development constraints; or there is a strategy or mechanism to resolve constraint
Amber	Positive market potential Limited development constraints Limited understanding of strategy/mechanism to overcome constraints
Red	Unclear market potential Significant development constraints No current strategy to overcome constraints

Source: LEP 2006

2.55 In its Forward Strategy and Action Plan, the Strategy identifies the need for public sector agencies to improve knowledge about employment sites in order to attract developers and investors to the area. In addition it is advised that outline development appraisals should be compiled, indicating development issues as well as risk mitigation measures. Additional research on business premises demand is

also required, which would most efficiently be comprised through a regular sub-regional business survey. The Strategy also emphasises the need for such market intelligence to be fed into planning policy, and for LDFs to adopt the typologies set out in the Strategy as far as possible (although it is noted that many sites may not fit with the typologies).

- 2.56 Employment land allocations should be protected where appropriate, but not where prospects for employment development are evidently weak. Where employment sites are proposed for alternative uses, the potential to use planning obligations to secure employment provision on more appropriate sites should be assessed. Policies should continue to protect employment land, which will be more effectual where sites fit one of the typologies. Likewise, where prospects for employment use at existing sites are limited, a lack of typology could provide the basis for de-allocation.

Fylde Sub-Region Employment Land Review: Summary Statement – Blackpool Council, Fylde Borough Council and Wyre Borough Council (2010)

- 2.57 This document draws together the findings of Blackpool Employment Land Review (2008), Wyre Borough Council Employment Land Review (2008) and Fylde Employment Land Review and Economic Development Strategy (2006).
- 2.58 It highlights seven key sites that should be the focus of future employment development. Of the seven sites, one is partially in Fylde - Blackpool Airport Business Area, and three are wholly in Fylde - Whitehills Park, BAE Systems at Warton, and Dock Road, Lytham.
- 2.59 With regards to longer term need, the Review states that new employment allocation in the sub-region is likely to focus on Fylde, and as a result of this Blackpool will have increased dependence on Fylde.

Local

Fylde Borough Local Plan (As Altered) – Fylde Borough Council (2005)

- 2.60 The Local Plan sets out detailed policies and specific proposals for the development and use of land in Fylde. The approach to the plan is based on the following broad goal:

“To provide for the necessary growth and development of the Borough in ways which are sustainable and which seek to preserve and enhance the quality of environment for those living and/or working in the Borough, and for visitors.”

- 2.61 Policy SP1 sets out a settlement hierarchy where development will be permitted:
1. Lytham and St Annes and land within Fylde adjacent to the Blackpool Boundary
 2. Warton, Kirkham and Wesham
 3. Wrea Green and Freckleton
 4. Elswick, Newton , Clifton and Staining
 5. Little Eccleston, Treales, Weeton, Wharles and Singleton.
- 2.62 Development will largely be prohibited in rural areas; however Policy SP2 sets out a number of exceptions, where development may be acceptable. This includes when development will help to diversify the rural economy, where it will re-use previously developed sites (in line with policy SP7) and where it will enable existing businesses to continue operating.
- 2.63 The Council will allow the redevelopment of large, developed rural sites in order to improve the environment and retain commercial development and local employment, under policy SP7 (subject to a number of criteria).
- 2.64 The Council's proposals for industrial and business land releases are shown in Policy EMP1 (see Table 8). Sites allocated for development under Policy EMP1 are appropriate for classes B1, B2 and B8 as indicated in Table 7.
- 2.65 Development of land at Blackpool-Fylde Industrial Estate and Whitehills Park should be linked to delivery of the Lytham St. Annes Link Road (Wild Lane) between School Road and Anna's Road. This will help to improve the accessibility of Blackpool Fylde Industrial Estate/Whitehills Park which could become a site of strategic importance in the Fylde Coast.

Table 7 – Policy EMP1

Allocated Employment Site	Size (ha)	Business Class-Use
Blackpool Fylde Industrial Estate	2.4	B1, B2, B8
Whitehills Park (Phase 2)	12.9	B1, B2, B8
Naze Lane, Freckleton	1.8	B1, B2
Queensway, St. Annes	3.8*	B1, B2, B8
Total	17.1	

Source: Fylde Borough Council, 2005

**This site already had a planning permission for industrial use, and has therefore been taken into account as a commitment and so is not included in the total. The site is included in the Policy because planning permission was granted in respect of 'industrial development' only. Policy EMP1 extends the allocation to Use Class B8 (storage and distribution)*

2.66 The industrial land supply includes only sites which are available for development and are in highly accessible locations. The following types of sites have been excluded from the land supply calculations:

- *“Infill sites within older industrial areas which may experience problems of access, internal road layout, and car parking and which were designated for business and industrial purposes in 1991*
- *Small sites below 0.2 ha. These will continue to come forward usually involving extensions to existing businesses*
- *Development within existing business and industrial curtilages where no new land is involved. Whilst in most cases the amounts of development will be small, redevelopment within the sites at BAE Systems and British Nuclear Fuels Westinghouse (now Toshiba Westinghouse) could be more substantial.”*

2.67 The sites identified in Policy EMP1 are intended to provide for the development needs of business and industry. Applications for non-business and industrial uses such as large scale tourist and leisure developments, housing or large retail stores, (which could reduce the supply of land for business and industrial uses) will be resisted, both on allocated employment land and in existing business and industrial areas. Policy EMP2 identifies sites that the Council will seek to retain primarily for business and industrial uses (see Table 8).

2.68 The BAE Systems site at Warton is identified as an Existing Business and Industrial Area. It is expected that the bulk of this site will continue to be used by BAE Systems for the duration of and beyond the plan period (although significant parts of the site

will now be redeveloped as part of an Enterprise Zone proposal, discussed below). If the existing use ceases completely within the plan period it is considered that *“the extent of land given over to runways, perimeter track etc is such that it would be inappropriate for the whole of this land to be built upon. In these circumstances, the runway, perimeter track, etc. would be considered by the Council to be Countryside Area where the relevant countryside policies would be applied.”*

Table 8 – Existing Business and Industrial Areas

Existing Business and Industrial Areas	Business Class-Use
Queensway, St. Annes	B1,B2,B8
Blackpool Airport, Squires Gate	B1,B2,B8
Scafell Road, Snowden Road/Everest Road, St. Annes	B1,B2,B8
Dock Road/Preston Road, Lytham	B1,B2,B8
Boundary Road, Lytham	B1,B2,B8
Naze Lane, Freckleton	B1,B2,B8
Kirkham Trading Park	B1,B2,B8
Progress Mill, Orders Lane, Kirkham	B1,B2,B8
Marquis Street/Richard Street, Kirkham	B1,B2,B8
Whitworth Street, Wesham	B1,B2,B8
Toshiba Westinghouse Site, Salwick	B1,B2,B8
BAE Systems, Warton	B1,B2,B8
Blackpool & Fylde Industrial Estate/Whitehills Park	B1,B2,B8
Former Stocks And Bonds Office, Heyhouses Lane, St. Annes	B1
Axa/Aegon Offices, Ballam Road, Lytham	B1
Land Registry, Lytham	B1
St George's Park, Kirkham	B1,B8
Fairfield Research Station, Greenhalgh	B1
Former RAF Camp, Hillock Lane, Warton	B1
Land Registry, Warton	B1
Brook Mill, Station Road, Wrea Green	B1,B2,B8
Clifton Marsh Depot, Clifton	B1,B2,B8

Source: Fylde Borough Council, 2005

- 2.69 Policy EMP3 highlights that development for employment uses will be permitted within the Borough's defined settlements, providing it is of appropriate scale, has good access, is well served by public transport, will not damage the amenity of

neighbouring residential areas and will not conflict with other plan policies. Landscaped buffer zones should be provided to protect housing areas in close proximity to employment development, and adjacent to open countryside, as set out in Policy EMP4.

- 2.70 The Plan also emphasises the importance of improving the access and environmental quality of some of the Borough's older industrial areas in order to attract further investment.

Fylde Employment Land Study – Fylde Borough Council (2006)

- 2.71 The Employment Land Study makes up one part of a two part study (the second part – Economic Development Strategy and Action Plan is analysed separately below). The Study assesses the local economy and reviews the supply of employment land.
- 2.72 It states that the Borough's business base is mainly made up of indigenous SMEs, with the exception of a small number of key employers. Both the industrial and office property markets are limited and made up predominantly of secondary accommodation, which is dated and inflexible, and lacks commercial appeal. Although new build accommodation is available at Whitehills Park and Blackpool Business Park, there is scope to improve supply by creating new, flexible options, suitable for a diverse range of occupiers.
- 2.73 As Fylde's largest allocated employment site is just 6.5 ha (Whitehills Park site), the Borough struggles to compete in the sub-regional or regional market. Furthermore allocated land is located adjacent to poor quality industrial estates, which limits its market attractiveness and future sustainability. There is potential to maximise Fylde's economic development through the delivery of high quality employment sites suitable for modern occupiers, as well as through the more efficient marketing of the Borough to investors as a regional and national employment location. Site infrastructure investment and improved links to the M55 will also increase appeal.
- 2.74 In summary the Study finds there is sufficient employment land to meet demand to 2016. However there is no 'buffer' to accommodate additional demand and this could constrain future growth. In addition, it is deemed there is likely to be a qualitative mismatch, with demand being predominantly office-based whilst supply is industrial. In response to this, the study recommends a revision of Local Plan Policy EMP2 to

ensure the protection of remaining employment land, as well as to give added flexibility to sites in order to allow office development.

Fylde Economic Development Strategy and Action Plan 2008-2021 – Fylde Borough Council (2006)

2.75 The Strategy outlines a number of economic challenges facing the Borough:

- A skills gap at the lower end of the occupation scale resulting in a reliance on economic migrants to fill low skill/salary and seasonal employment opportunities
- Out-migration of the more skilled workforce (notably to Preston)
- Dependence on the nuclear processing and aerospace sectors, and a need to diversify to limit the reliance on key employers
- Need to diversify the rural economy
- Lack of modern office and industrial premises, with most dating from the 1970s and 1980s
- A number of employment sites have been lost to residential development in recent years
- Employment land supply is constrained, with no margin for expansion. Additional suitable land is therefore needed to meet future demand
- Poor north-south connectivity. Furthermore the Fylde South railway line is underutilised
- No Council Economic Development team in place to work with businesses.

2.76 It also highlights a number of opportunities:

- Fylde performs a very important sub-regional role in terms of both productivity and employment levels, containing a cluster of high-value, knowledge-intensive businesses providing a platform to grow and diversify the economy
- Diversification through the growth of emerging sectors (e.g. computer and business services and the tourist and visitor economy) provides the opportunity for economic growth across Fylde
- The Borough has a skilled and mobile workforce – positive attributes that help to attract new businesses to the area
- Partnership working with the three Fylde Coast authorities is particularly important to allow for synergy and mutual benefit

- The regeneration of Blackpool is likely to create employment and increase visitor spend in Fylde's economy. Fylde has the opportunity to provide a complementary tourism offer focusing on high-value tourism and the image of settlements such as Lytham and St Annes as traditional Victorian resorts
- The development of Blackpool Airport is both strategically and locally important, offering the opportunity to diversify the economy and provide a catalyst to development
- The development of the M55 to Heyhouses Link Road will enhance access to Whitehills Park employment site, and improve linkages overall
- Rural Fylde is a key driver of growth. Links to developing SMEs, homeworking and conversion of agricultural buildings to business use should be promoted
- There are concentrations of deprivation within the Borough. Improving skills and qualification levels as well as access to employment opportunities are critical challenges.

2.77 The Strategy states that the three drivers of The Fylde Coast's economy (which includes Blackpool and the Wyre) are:

- Blackpool Regeneration
- Blackpool Airport
- St Annes Classic Resort.

2.78 An Action Plan has been developed for Blackpool by the Blackpool Task Force. This document responds to the regeneration needs of the town in the light of the failure to secure a regional casino development. Such regeneration could result in approximately £2 billion private sector investment to 2017 and create 11,000 new jobs and 2000 new homes. This investment will act as a catalyst for wider regeneration across the Fylde Coast. Furthermore, investment planned at Blackpool Airport will enhance its economic contribution and employment potential. It will improve business competitiveness and support regeneration in the area overall. It will also increase the demand for employment land. In addition there is potential to develop high-value manufacturing activity at the airport. Future investment at St Annes is expected to provide further opportunity for businesses to establish and successfully operate.

2.79 Local drivers deemed to be significant in the context of local economic development,

but not regionally important, are:

Key Service Centre centres

- 2.80 Economic development and regeneration can be enhanced through investment in the built environment and business premises in a number of local centres (including Wesham, Kirkham, Freckleton, Warton and Lytham). This will ensure hubs of economic development are created.

Existing Employment Hubs

- 2.81 The key employment hubs of Whitehills Park, Blackpool Airport, BAE Systems at Warton and Toshiba Westinghouse at Springfields contribute significantly to the economic success of the Borough and sub-region. These locations have potential to attract higher value occupiers alongside existing businesses.

- 2.82 There is considerable potential to release further land at Whitehills Park to serve the needs of both Fylde and Blackpool, and there is long term development potential at the Toshiba Westinghouse site. There may also be employment land available at Warton, should the reorganisation of BAE Systems activities take place (unlikely in the short term). Alternatively, there is potential greenfield land.

- 2.83 Other important employment land includes:

- Dock Road/ Boundary Road/Preston Road, Lytham
- The Land Registry and Aegon sites at Lytham
- Government Offices site at Heyhouses
- St Georges Park, Kirkham.

- 2.84 The Strategy states that it is important to retain marketable, economically viable employment land. Where sites are no longer economically viable, employment use should be incorporated into mixed-use development, to retain the economic viability of Fylde overall. This is particularly relevant in Lytham, where there is significant pressure from developers to redevelop sites exclusively for housing.

- 2.85 Six strands to the strategy are outlined to respond to the challenges and constraints in the Borough:

- 1 – Strong and Vibrant Town Centres
- 2 – Room to Grow – the Business Portfolio

- 3 – High Value Tourism
- 4 – Knowledge Intensive Industry
- 5 – Connected for Business
- 6 – Skills for Business.

2.86 Most relevant to this study are strands 2, 4, and 5.

Strand 2 – Room to Grow – The Business Portfolio

2.87 This states that the supply of employment land and premises should be considered at a Fylde Coast Area level, given the strong economic and workforce links. As analysed previously, the 2006 Employment Land Study reported that Fylde's employment sites and premises lack commercial appeal as they are dated, have access constraints, and are poor in environmental quality and maintenance levels. In response to this, key locations where modern business premises can be developed are:

Whitehills Park Phase 3

2.88 Given the strength of Whitehills Park as an employment location, the Strategy advocates the protection of Phase 3 land for employment development. It envisages that development here can assist in the delivery of a link road between the M55 and Heyhouses. The promotion of this land will increase its profile as a key employment location within Fylde Coast ensuring a strategic approach in locating companies and directing inward investment, and supporting investment in infrastructure. This location should be promoted as one of the key employment locations in Fylde.

Blackpool International Airport

2.89 High value uses should be targeted at this location, and land should be protected for this use (rather than general industrial development). There is also potential to develop the ICT sector here. Development of land here should be considered as being of strategic importance. Land adjacent to the airport (Squires Gate) is also considered to be an important part of the business portfolio, given its prominence and links to the strategic highway network.

2.90 The study also identifies the Pontins site as a potential employment location. However, a planning application for 348 dwellings has now been approved (subject

to a Section 106 Agreement) for the site.

Warton Aerodrome

- 2.91 A 7.7 ha site covering the former Marconi Adhesives Factory was highlighted in the Employment Land Study as being appropriate for employment development. The site has access constraints meaning it would be costly to develop, and this prohibits its development for purely employment use. Mixed use development would therefore be more viable (and there are aspirations for a mixed use scheme consisting of a hotel and retail use alongside industrial/hybrid uses). The FEDS advocates the development of the majority of the site for employment use, but acknowledges the need for an element of retail use in order to cover development costs. The site could provide opportunity for spin-off business activity associated with aerospace industry.

Strand 4 – Knowledge Intensive Industry

- 2.92 Two key sub-sectors in Fylde are aerospace and nuclear fuel processing. Both are significant growth sectors at a regional level and should therefore be promoted at sub-regional and local level. Spin-offs from these sectors, such as business and professional service sectors and specialist sub-sector activity, should also be encouraged.
- 2.93 In order to raise its potential to attract and develop knowledge intensive sectors, Fylde's business premises portfolio needs to match supply in terms of environment, tenure and service requirements. Fylde lacks a modern, managed workspace facility, which may result in the loss of SMEs from the Borough. The accompanying Action Plan proposes the development of a managed workspace facility.

Strand 5 – Connected for Business

- 2.94 Fylde's economic growth is associated with how well connected the Borough and its key sites are to the national transport network (both road and rail). There is therefore a need to focus investment and promotion to a number of strategic connections:
- Blackpool International Airport
 - East-West Train Linkages
 - M55 to Heyhouses Link Road.
- 2.95 It should be noted that Fylde Borough Council is in the process of producing an updated Economic Development Strategy to 2030. However, this will not be finalised

before the publishing of this Employment Land report.

Lancashire Advanced Engineering and Manufacturing Enterprise Zone Application – Lancashire County Council – 2011

2.96 The 2011 Budget announced that Government would establish 21 new Enterprise Zones (EZ) in Local Enterprise Partnership (LEP) areas in order to improve local economies and increase contribution to national growth. The first 11 LEPs to benefit from the EZs were named in the Budget. For the second wave, LEPs were asked to submit bids.

2.97 Lancashire Enterprise Partnership Ltd submitted a bid to develop the Lancashire Advanced Engineering and Manufacturing (AEM) Enterprise Zone, with BAE Systems as the lead private sector partner. The key aspiration of the EZ is...

“...to establish a world class UK location for advanced engineering and manufacturing (AEM), attracting and securing new investment. This will further strengthen the UK's AEM capabilities and build upon BAE Systems significant operations at its Warton Unit as well as the aerospace capabilities in the region. The Zone will capitalise on new and emerging market opportunities in parallel AEM activities thus strengthening and growing supply chains through modernisation of the sector in Lancashire and the UK, whilst providing a complementary offer to other national centres, including the Advanced Manufacturing and Research Centre in Sheffield in which BAE Systems is involved.”

2.98 In the Government's Autumn 2011 Financial Statement the Chancellor of the Exchequer granted Enterprise Zone status to Lancashire on the BAE Systems Samlesbury and Warton sites, which together form the company's Warton Unit. The Lancashire Enterprise Zone will become a national focal point for the advanced engineering and manufacturing sector, helping to mitigate the impact of the potential 1400 job losses (plus a wider number in the Lancashire-based supply chain) announced by BAE Systems in September 2011 for the Warton site.

2.99 The Enterprise Zone will support genuine additional growth, creating new businesses and new jobs through a combination of inward investment, specifically the introduction of new Tier 1 companies to the UK, securing re-investment, and the growth of SMEs through technology spin-out businesses and new business starts.

The Enterprise Zone comprises approximately 147ha in total, of which 75ha is at the Warton site. It will aim to provide the opportunity to create 4000-6000 high value jobs in the long term and 1,200 jobs in the short to medium term. Of the latter approximately 500 are expected to be at Warton, accommodated within some 15,000 sqm of new B1, B2 floorspace.

- 2.100 The Enterprise Zone function at Warton will be split between land to be severed from BAE Systems' operations and that to be retained within the secure site. The former will be with Lancashire Enterprise Partnership to deliver and deal with. The latter will see BAE taking the pivotal role in occupier selection as this will be geared to the use of the company's services e.g. the fully operational airport facilities.
- 2.101 Whilst the major focus of the Enterprise Zone will be on new entrants to the Lancashire region (and working with UKTI to attract investment from overseas) it is acknowledged that there may be exceptional circumstances where a local occupier relocation or expansion could be appropriate –though they may not qualify for the Zone benefits. However the Enterprise Zone is not seen by BAE Systems as a supply chain cluster. Nevertheless through the growth of new entrants to Lancashire's AEM sector, there will be knock-on support for growth and investment in supply chain companies.
- 2.102 The Enterprise Zone will have a life of 25 years. Approval of the Local Development Order is expected by August 2012 and the masterplan should be in place by Easter 2013.

Summary

- 2.103 It is a responsibility of local government to support and encourage economic growth. This includes the provision, initially through planning policy, of sufficient employment land and premises. This must be of the right scale, type, location, be readily available for development and be well related to the strategic or local highway network according to the nature of the site and the function of the settlement. One of the most important issues to consider is that the land must be allocated in sustainable locations and be readily capable of development. The employment land portfolio needs to be balanced and to adequately cater to all sectors of the economy, i.e. small and large businesses, offices and industrial, high and low quality operations.

- 2.104 The strategies recognise the importance of major employers such as BAE Systems and Westinghouse to the Borough and its strategic importance in linking the conurbations of Blackpool and Preston. Fylde provides a key role in supporting the economic development of Blackpool, through ongoing development at major employment sites such as Whitehills Park and Blackpool Airport.
- 2.105 Whitehills Park and (land around) Blackpool Airport are the main sub-regionally/regionally significant employment areas of the Borough. Other office and industrial sites cater primarily for the needs of local firms.
- 2.106 Lytham and St Annes (along with land off the M55, close to the Blackpool boundary) are a focus for development in the Borough. The other principal centres are Warton, Kirkham and Wesham, followed by Wrea Green and Freckleton. There are nine village centres, in the north and east of the Borough, which form a fourth and fifth tier of development focus.
- 2.107 22 Existing Business and Industrial Areas are identified in the Local Plan. These are focused in St Annes, Lytham and Kirkham but there are also a number of edge of settlement and rural employment areas, many in use by single large employers.
- 2.108 The previous employment land study (undertaken in 2006) felt that there was sufficient employment land to meet demand to 2016. However the Borough lacked a buffer of additional land which could accommodate any additional, unanticipated future requirements. In addition, demand was primarily for office-based sites while the existing land supply was mostly industrial.
- 2.109 Around 75ha of the BAE Systems site at Warton is now an Enterprise Zone, along with its sister facility at Samlesbury. The Enterprise Zone proposal is to develop around 15,000 sqm of new B1 and B2 accommodation at Warton by 2015. This will create 500 new jobs by 2015. Phasing of development beyond that date has yet to be determined, pending completion of a masterplan which should be in place by Easter 2013.
- 2.110 Clearly there have been changes since some of these strategies and reports were produced. For example the energy sector now has the potential to be a fourth driver of the Fylde Coast economy; Toshiba Westinghouse now operate the Springfields

site at Salwick, and; Blackpool Council has purchased the Tower and Winter Gardens complex.

3.0 SOCIO-ECONOMIC PROFILE

Introduction

- 3.1 It is important to understand the nature of the economy in Fylde in order to provide suitable employment opportunities to facilitate sustainable growth. For example there is a need to try and provide employment land close to existing concentrations of businesses, in regeneration areas or in areas where companies want to locate.
- 3.2 This section, therefore, considers the size of the economy, where the businesses are, and what type of businesses they are. By appreciating these aspects it is easier to facilitate economic development by allocating land and premises in the correct locations and of the right type. The profile is a result of secondary research, drawing together a number of existing data sources. It also uses demographic data to build the picture, given that there are no readily available answers to some of the key questions included within this section.

Demographic Assessment

- 3.3 The population of the Borough as of mid-year 2010 was 76,600 residents, which was 6.6 percent of the Lancashire total. 75.9 percent of the working age population were in employment (36,300 residents), which was higher than both the Lancashire and North West averages (72.0 percent and 68.4 percent respectively). As Table 9 shows, unemployment in the Borough was also low, particularly when compared to regional and national averages.

Table 9 – Unemployment Rates, Percent*

Fylde	Lancashire	North West	Great Britain
5.0	5.4	8.1	7.7

Source: ONS Annual Population Survey, 2011

*Percentage of economically active population.

- 3.4 Deprivation is not a significant issue in Fylde. The Lancashire County Economic Assessment (2011) indicates that the Lower Super Output Areas (LSOAs) of Fylde Borough had an average rank of 235 in 2010. This places Fylde in the top 30 percent least deprived local authority areas in England and makes the Borough the second least deprived in Lancashire, after Ribble Valley (which ranks 285). In comparison, neighbouring Blackpool is the 10th most deprived local authority area in England.

- 3.5 Deprivation in Fylde has grown slightly worse since 2007, when the Borough was ranked 249th in England (a drop of 14 places). This reflects similar decreases in most other Lancashire local authorities, during the recession. Across the County the changes range from a drop of three places in West Lancashire to a drop of 35 places in Chorley. Only three local authorities (Blackburn with Darwen, Rossendale and Wyre) improved their ranking between 2007 and 2010, and only by one to five places.
- 3.6 Table 10 shows that the level National Vocational Qualification (NVQ) attained by the working age population of Fylde is generally above wider averages. In particular, a higher proportion of residents have obtained NVQ levels three and four than elsewhere. The proportion of Fylde residents with the highest qualifications (NVQ4) is a quarter to a third higher than county, regional or national trends.

Table 10 – Qualifications

Qualification Level	Proportion of Working Age Population, percent			
	Fylde	Lancashire	North West	Great Britain
NVQ4 and above	42.5	31.6	28.7	31.3
NVQ3 and above	60.2	52.6	49.6	51.0
NVQ2 and above	78.8	69.9	66.8	67.3
NVQ1 and above	87.0	82.4	80.6	80.2
Other qualifications	7.2	6.8	7.3	8.5
No qualifications	Not known	10.8	12.1	11.5

Source: ONS Annual Population Survey Jan 2010 to Dec 2010

- 3.7 Table 11 illustrates the breakdown of employment by main occupation group. However, data is not available for four of Fylde's lower and mid-level occupation groups. The reasons given for this are that the "Sample size is too small for reliable estimate" or in the case of Process plant and machine operatives that an "Estimate is not available since the sample size is disclosive" (i.e. it will emphasise that most of the Borough's plant and machine operatives are in a few very large companies, notably BAE Systems, Warton).

Table 11 – Employment by Main Occupation Group

Socio-Economic Class	Fylde, percent	Lancashire, percent	North West, percent	Great Britain, percent
Managers and senior officials	10.4	9.4	9.1	9.9
Professional occupations	25.6	17.7	17.9	19.3
Associate professional and technical occupations	12.6	11.3	12.4	13.8
Administrative and secretarial occupations	14.8	11.3	11.4	11.1
Skilled trades occupations	Not known	12.8	10.9	10.7
Caring, leisure and other service occupations	Not known	9.9	10.0	9.0
Sales and customer service occupations	Not known	8.6	9.0	8.2
Process plant and machine operatives	Not known	6.6	7.2	6.5
Elementary occupations	10.7	12.3	11.8	11.0

Source: Annual Population Survey June 2010 to June 2011

- 3.8 The available data shows that Fylde presently has significantly higher proportions of people employed in professional and administrative and secretarial occupations than is the case elsewhere. The number of managers and senior officials is also slightly above wider averages, while the number employed in elementary occupations is lower than elsewhere.

Economic Activity

- 3.9 Table 12 illustrates economic activity which is measured using 2010 Annual Business Inquiry (ABI) data. BRES provides details of the number of jobs within differing industry sectors within a local authority area.
- 3.10 The manufacturing sector employs by far the largest proportion of people in Fylde. It accounts for 29.6 percent of jobs, almost double the Lancashire average and three times greater than the regional and national averages. The bulk of this is accounted for by employment at BAE Systems, Warton. According to BRES, the ‘manufacture of air and spacecraft and related machinery’ (which will comprise BAE and any local

sub-contractors) employed 8,553 staff in 2010. This is 20.8 percent of the 41,035 people employed across the Borough, in that year. Excluding this sector, manufacturing employment in Fylde is a modest 8.8 percent, below Lancashire and North West averages and in line with the national average.

Table 12 – Economic Activity

	Employment Structure, percent jobs			
	Fylde, percent	Lancashire, percent	North West, percent	Great Britain, percent
Agriculture, Forestry & Fishing*	0.0	0.1	0.5	0.8
Mining, Quarrying & Utilities	0.5	1.4	1.1	1.2
Manufacturing	29.6	15.1	10.3	8.9
Construction	4.1	5.4	4.5	4.4
Motor Trades, Wholesale & Retail	10.2	16.9	16.4	16.2
Transport & Storage	1.6	3.5	4.6	4.6
Accommodation & Food Services	7.2	6.3	6.7	6.8
Information & Communication	3.8	2.3	2.5	3.7
Finance & Insurance, Property, Professional and Business Administration	17.8	14.6	18.9	20.2
Public Administration, Education & Health	19.1	29.9	30.1	28.8
Other Services	6.1	4.5	4.4	4.4

Source: Business Register and Employment Survey 2010

* Excludes farm based agriculture as this is not measured by BRES

3.11 The finance and insurance, property, professional and business administration sectors also employ a considerable number of people. The sector accounts for 17.8 percent of jobs, more than the Lancashire average, but below regional and national averages. Service industries such as accommodation and food services, information and communication and other services also have a relatively strong role in Fylde. The proportions employed in these sectors are above wider averages.

3.12 In comparison, the public sector (public administration, education and health) has a weaker role in the Borough. Although it accounts for 19.1 percent of local

employment, this is more than a third less than the averages for Lancashire, the North West and Great Britain. The transport and storage sector is also limited in Fylde, employing 54 to 65 percent less people than elsewhere,

- 3.13 Agriculture, forestry and fishing employ only 0.03 percent of the Borough's population. However, farm based agricultural employment is excluded from BRES. As an alternative measure, the Department of Environment, Food and Rural Affairs June 2010 Survey of Agriculture and Horticulture (latest available data at the local authority level) indicates that in that year there were 170 agricultural holdings in Fylde, farming 10,881 ha of land. Two thirds of this land was grassland supporting livestock, 18 percent was used for the growing of cereals and the remaining 16 percent was used for other arable crops, fruit and vegetables. Together these farms employed 544 people including 294 full and part-time farmers, 177 full and part-time workers, 26 salaried managers and 47 casual workers.
- 3.14 BRES data also indicates that over the recessionary period of 2008 to 2010, the number of jobs in the Borough fell from 41,175 to 41,035 a modest 0.3 percent reduction. This includes both jobs lost completely, and jobs in firms which have moved from the Borough. In comparison the number of jobs in Lancashire and the North West fell by 2.4 percent and 3.4 percent over the same period. The national fall was 3 percent. This suggests that, over the 2008-2010 period at least, the recession has had a comparatively modest impact on employment in Fylde.

Numbers and Sizes of Businesses

- 3.15 As of mid-2011 there were 3,025 VAT/PAYE registered businesses in Fylde (6.8 percent of the Lancashire total of 44,495). This figure may exclude very small companies operating below the minimum financial threshold.
- 3.16 82.8 percent of businesses in Great Britain employ less than ten people (micro businesses), and overall 96.5 percent of all businesses are classified as small (up to 49 employees). As Table 13 shows, Fylde has a greater proportion of small and micro businesses than county, regional and national averages. 98.4 percent of businesses in Fylde employ less than 50 employees, with 90.1 percent employing less than ten.

3.17 The total number of VAT registered businesses can be broken down further by industry sector. However, sectoral breakdown is only available for 2,860 (94.5 percent) of the 3,025 companies shown in the 2011 ONS data (and for similar proportions of the Lancashire, North West and national firms), where the business sector has been clearly identified. Table 14 shows the proportions of those 2,860 businesses in each industry sector.

Table 13 – Business Sizes

Area	Number of Employees						
	1-4	5-9	10-19	20-49	50-99	100-249	250+
Fylde	77.2	12.9	5.3	3.0	0.8	0.5	0.3
Lancashire	74.5	13.7	6.3	3.4	1.1	0.6	0.4
North West	65.8	15.5	8.7	6.2	2.2	1.1	0.5
Great Britain	68.0	14.8	8.2	5.5	2.0	1.0	0.5

Source: ONS 2011

3.18 Table 14 shows that the majority of businesses in Fylde are in the professional, scientific and technical, construction and retail sectors. The proportion of construction businesses in Fylde is below regional and national averages, while the proportions of professional, scientific and technical and retail firms are closer to wider norms. The proportions of accommodation and food, information and communication, property and arts, entertainment, recreation and other services companies in Fylde are also generally above wider averages (although the number of ICT firms in Fylde follows the national average). However, the proportions of production, wholesale and finance and insurance businesses in the Borough are lower than elsewhere.

Table 14 – VAT Registered Businesses by Sector, percent

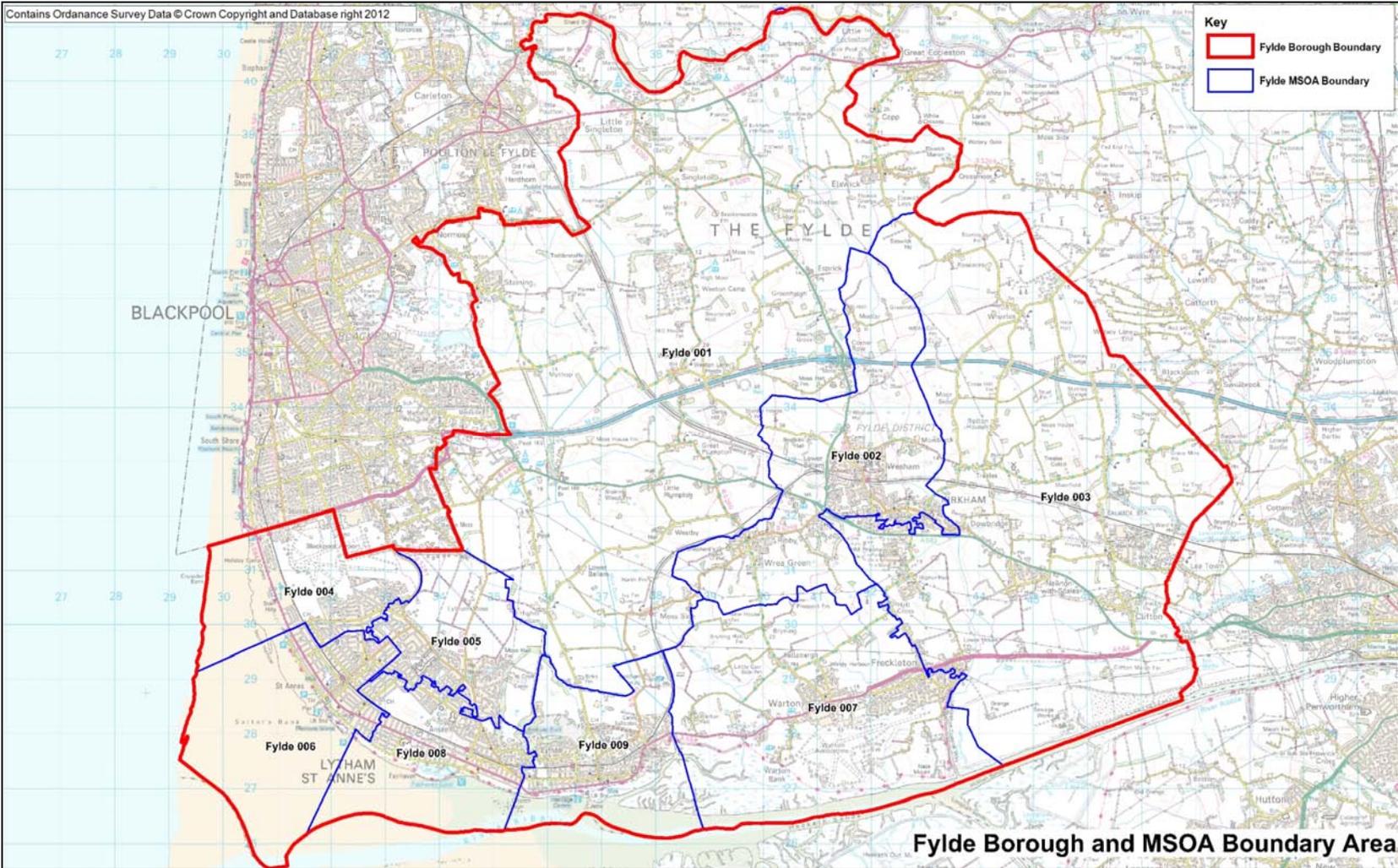
Sector	Fylde	Lancashire	North West	Great Britain
Agriculture, Forestry and Fishing	5.9	7.8	5.4	6.0
Production	5.6	7.8	7.1	6.3
Construction	10.8	12.7	12.1	12.5
Motor Trades	4.0	4.3	3.6	3.2
Wholesale	4.0	5.4	5.5	5.0
Retail	10.1	10.8	10.3	9.0
Transport and Storage	3.0	3.8	3.5	3.2
Accommodation and Food Services	7.0	6.2	6.5	6.1
Information and Communication	7.2	4.3	5.3	7.3
Finance and Insurance	1.7	2	2.5	2.1
Property	5.4	3.5	3.7	3.6
Professional, Scientific and Technical	15.2	12.2	15.0	16.2
Business Administration and Support Services	6.3	6.6	6.7	6.9
Public Administration, Defence, Education and Health	6.5	6.0	6.1	5.7
Arts, Entertainment, Recreation and Other Services	7.3	6.6	6.7	6.9

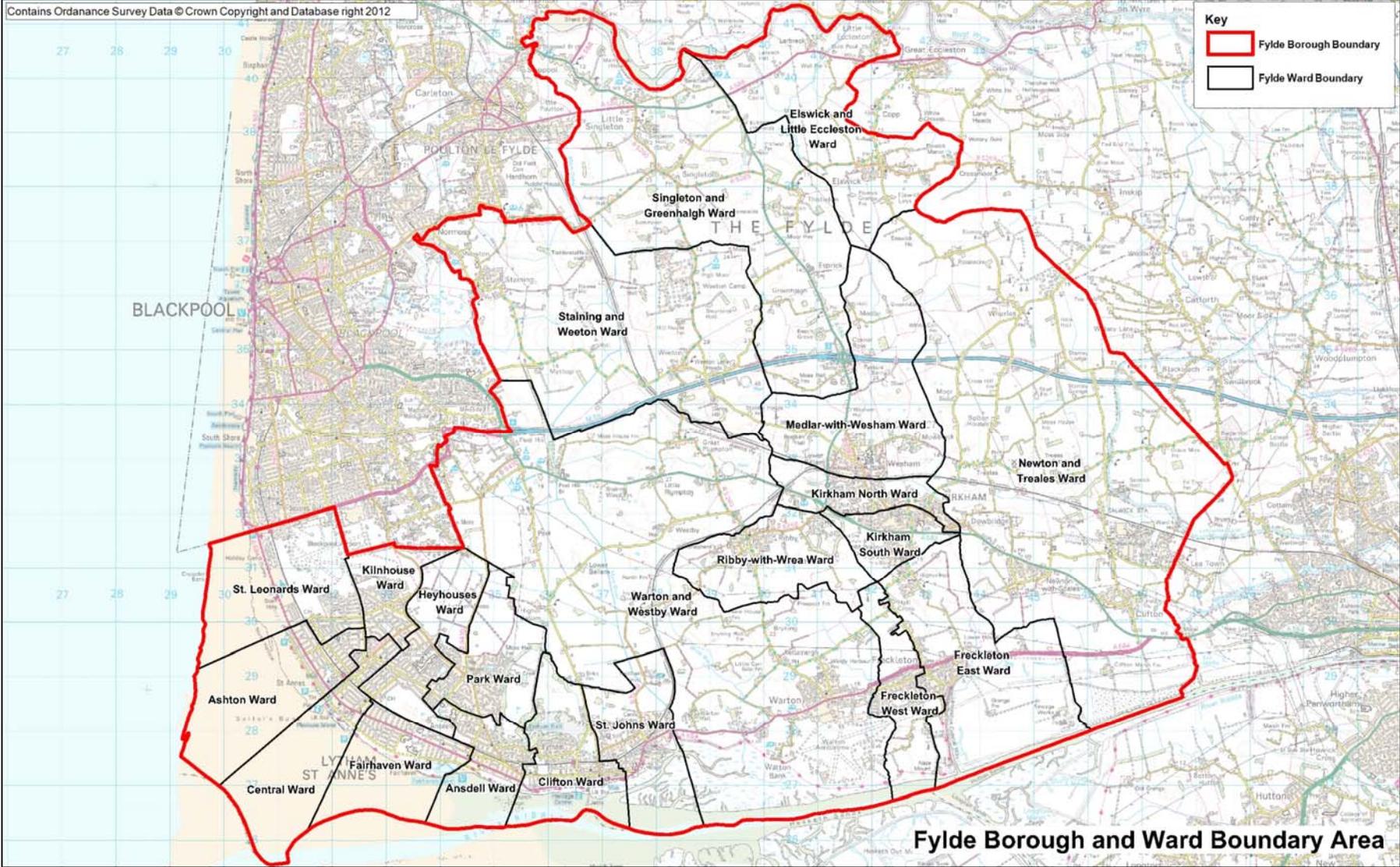
Source: ONS 2011

Geographic Location

- 3.19 Table 15 shows the distribution of office and industrial premises (hereditaments identified by the Valuation Office for the purposes of business rates collection). The spatial distribution can be analysed by Middle Super Output Areas (MSOAs). Fylde comprises nine such MSOAs, which are identified in Table 15 along with the wards they include. Maps of these locations are included at Figure 2. The most recent Valuation Office data available at the MSOA level is only for 2008, which pre-dates the recession.
- 3.20 Fylde MSOA Number 006 (which corresponds to the wards of Ashton, Central as well as the northern half of Ansdell ward) has the highest concentration with just over a quarter of all properties. This MSOA includes most of central St Annes.

Figure 2 – Fylde MSOA and Ward Boundaries





Source: Aecom, 2012

Table 15 – Valuation Office Hereditaments MSOA Location

<i>MSOA (Wards)</i>	Number of Units		Homeworking	
	Factories/ Warehouses	Office	Number of people	Proportion of people
Primarily Urban				
Fylde 002 (Medlar-with-Wesham, Kirkham North, Ribby-with-Wrea)	72	87	361	7.5
Fylde 004 (Kilnhouse, St Leonard's)	37	61	217	7.1
Fylde 005 (Heyhouses, Park)	14	0	310	12.0
Fylde 006 (Ansdell (north), Ashton, Central)	97	153	394	10.0
Fylde 007 (Freckleton West, Warton with Westby (south))	42	12	303	8.2
Fylde 008 (Ansdell (south), Fairhaven)	49	0	355	9.3
Fylde 009 (Clifton, St John's)	55	81	331	9.6
Sub-Total	366	394	2,271	9.0
Primarily Rural				
Fylde 001 (Elswick and Little Eccleston, Singleton and Greenhaigh, Stanning and Weeton, Warton and Westby (north))	97	42	526	14.4
Fylde 003 (Newton and Treales, Freckleton East, Kirkham South)	69	11	328	10.6
Sub-Total	166	53	854	12.6
Fylde Total	532	447	3,125	9.7

Source: ONS Commercial and Industrial Floorspace 2008

ONS Census 2001

- 3.21 Although primarily rural in nature, MSOAs 001 and 003 still account for 45 percent of all properties in the Borough. This can be explained by the fact MSOA 001 in particular contains both Blackpool and Fylde Industrial Estate and Whitehills Park
- 3.22 There are 16 percent more factories and warehouses than offices in Fylde. Factories/warehouses outnumber offices in the rural MSOAs as well as in Warton and Freckleton. The bulk of the Borough's office supply is concentrated in Lytham, St Annes, Kirkham and Wesham.

Homeworking

- 3.23 In Fylde, homeworking accounted for 9.7 percent of the working age population in employment in 2001. This is greater than homeworking levels across Lancashire (9.0 percent) and the North West (8.4 percent). These figures are obtained from the 2001 Census and more up to date data will not be available until the results of the 2011 Census are published.
- 3.24 High proportions of people worked from home in the rural MSOAs of the Borough. However, homeworking rates were also high in Fylde 005 and 006 MSOAs, which include much of the St Annes urban area.

Commuting

- 3.25 Table 16 analyses 2001 Census data on commuting. As with homeworking, more up to date commuting data will not be available until the results of the 2011 Census are published.
- 3.26 Table 16 shows, as might be expected because of their proximity, that there are strong commuting flows between Fylde and Wyre, Preston and Blackpool. In 2001, the Borough was a net importer of labour at a level of some 7900 workers, largely as a result of the aerospace, nuclear fuel and insurance sectors.
- 3.27 Despite these flows, Fylde remains comparatively self-contained. In 2001, approximately 66 percent of Fylde's employed residents also worked in the Borough. This compares well to other self-contained Lancashire local authorities including Preston (where 68 percent of people both live and work in the area), Burnley (66 percent), Pendle (64 percent) and West Lancashire (57 percent). Only Lancaster (Borough) is significantly more self-contained, where nearly 83 percent of employed residents both live and work in the area.
- 3.28 National experience is that commuting patterns differ between occupational groups. For example lower grade jobs tend to be filled by more local workers who travel less than 2 miles to the place of business. Higher grade workers are generally prepared to travel further (an average of 6 to 12.5 miles) and for up to an hour or more. Therefore out-commuting is more common among professionals and skilled workers.

Table 16 – Travel to Work Flows - Fylde, 2001

Origin/Destination	Fylde Inflow	Fylde Outflow	Net Inflow/(Outflow)
Blackpool	7,394	4,827	2,567
Preston	3,592	2,825	767
Wyre	3,491	1,270	2,221
South Ribble	1,995	615	1,380
Chorley	660	219	441
Lancaster	435	201	234
Ribble Valley	325	272	53
Blackburn	223	222	1
West Lancashire	205	87	118
Hyndburn	105	72	33
Pendle	48	24	24
Rossendale	42	18	24
Burnley	30	27	3
Fylde	20,453	20,453	-
Total	38,998	31,132	7,866

Source: Census 2001

Earnings

- 3.29 Table 17 shows that the average earnings of people living and working in Fylde are higher than county, regional and national levels. Indeed average weekly pay is higher in Fylde than in any other local authority in Lancashire, apart from Ribble Valley and West Lancashire when measured by place of residence. It is notably higher than rates in adjacent Blackpool, Wyre and Preston.

Table 17 – Average Weekly Earnings

Area	Gross Median Weekly Pay, £ (Analysis by place of work)	Gross Median Weekly Pay, £ (Analysis by place of residence)
Burnley	337.3	354.3
Chorley	351.4	390.4
Fylde	465.5	414.4
Hyndburn	334.0	349.0
Lancaster	342.9	361.6
Pendle	350.5	343.7
Preston	361.1	332.0
Ribble Valley	443.1	429.6
Rossendale	325.9	353.6
South Ribble	351.4	385.2
West Lancashire	373.4	417.0
Wyre	307.2	348.0
Lancashire	358.7	370.2
Blackburn with Darwen	364.0	328.2
Blackpool	313.0	239.6
North West	373.7	373.7
Great Britain	405.7	406.4

Source: Annual Survey of Hours and Earnings 2011

Local Growth

- 3.30 In February 2012, the BBC (British Broadcasting Corporation) commissioned Experian to look at evidence of economic growth, or otherwise, from 2010 to 2012 in every local authority area in England. By reviewing growth over the last two years the report hoped to identify the local authorities, and regions, with the most potential for rapid recovery from the recession.
- 3.31 The study ranks local authority areas in terms of their recent business-led growth (the health and growth of local Small and Medium Enterprises (SMEs)), export-led growth (growth in the number of businesses who export internationally, and in the amount of goods and services they export) and sector-led growth. Sector-led growth is defined as expansion in key economic sectors, which are felt to have the most short-term growth potential. These are:
- Administrative and Supportive Service Activities

- Computing and Information Services
- Finance, Insurance & Pensions
- Media Activities
- Professional Services
- Real Estate.

3.32 The study also considers the proportion of high growth 'champion' businesses. High growth 'champion' firms are defined as "*young, small but rapidly growing firms with directors that show entrepreneurial skill, appetite for business risk and real international outlook.*" It also looks at the proportion of public sector employment in each area, assuming that there will be little growth in the public sector over the next few years.

3.33 By these measures, the local authority with the highest growth potential is ranked 1 and the authority with the lowest growth potential is ranked 324. Table 18 shows how each local authority area in Lancashire (as well as Blackburn with Darwen and Blackpool) ranks on this index.

3.34 By most measures, Blackpool has the lowest growth potential in Lancashire. The local authority is ranked fifth lowest in England because of its dependence on the public sector and third lowest in terms the proportion of growth sector employment it contains. However, Blackpool is felt to contain a high number of business champions and the local authority is in the top 5 percent nationally for this measure. Other areas which score poorly overall include Lancaster, Preston and Wyre.

3.35 Although it ranks better than many of its neighbours, Fylde is seen to have lower growth potential than much of central and east Lancashire. The Borough has a low dependence on public sector employment (it is one of the top ten percent best performing local authority areas for this measure) and the recent performance of its SMEs puts it in the top 16 percent for business base growth. However, it is ranked amongst the 25 percent worst performing local authority areas in England for export-led growth (notably Exporting Potential) and for its lack of business champions.

Table 18 – Local Growth in Lancashire

Area	Business-led growth		Export-led growth		Sector-led growth	
	Business Base Growth 2010-2012	Business Champions	Current Exports	Exporting Potential	Proportion of Public Sector Employment	Proportion of Growth Sector Employment
Blackburn with Darwen	288	35	67	18	258	233
Blackpool	267	16	314	270	320	322
Burnley	219	14	64	133	218	295
Chorley	18	63	88	83	133	60
Fylde	50	254	246	297	30	137
Hyndburn	220	68	99	34	153	308
Lancaster	86	189	241	264	300	251
Pendle	165	49	119	25	112	312
Preston	162	141	248	186	279	176
Ribble Valley	93	39	274	169	97	324
Rossendale	9	251	55	221	47	245
South Ribble	41	17	245	116	120	283
West Lancashire	44	72	141	35	146	253
Wyre	37	143	279	204	250	270

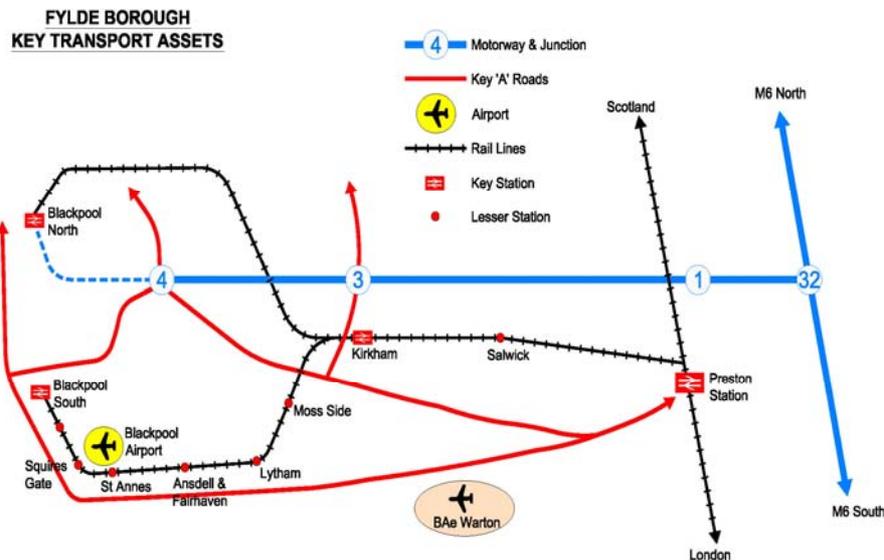
Source: Experian 2012

- 3.36 The best performing local authority area in Lancashire is hard to determine. Chorley and Rossendale are amongst the top 6 percent best performing in England for their business base growth, while Burnley, Blackpool and South Ribble rank equally well for their business champions. Generally, Lancashire's authority areas are much weaker in terms of both their export and sector-led growth.

Key Transport Assets

- 3.37 Fylde has various strategic transport assets which should not be under-estimated. These can be summarised as follows and which are shown on the sketch diagram included at Figure 3.

Figure 3 – Fylde’s Key Transport Assets



Source: Aecom 2012

- 3.38 The M55 will continue to be the core access route into the area, linking with the national motorway network at the M6 junction. A key advantage that the M55 provides Fylde is its relative lack of congestion, although the section of the M6 between the M55 and M61 junctions is increasingly busy. The two key issues that do not align well with Fylde are that the majority of the Fylde population is on the coast, while the motorway is inland meaning relatively poor linkage, and that there is little access from the motorway towards the eastern end of the borough (M55 lacks a junction 2), which is where both BAE Systems, Warton and Toshiba Westinghouse, Salwick are located.
- 3.39 The A584 and A583 form important routes to access the coastal area and to link with Preston and Blackpool. These routes are however, particularly through Lytham, Fairhaven and St Annes, slow and in many ways constrained. Significant use by larger employment related vehicles or large volumes of cars would be detrimental to the environment of the area. This relative inaccessibility along the coastal belt is something that helps explain the low volume of employment activity in Lytham and St Annes in particular. Routes through to locations such as Warton, although improved and of good quality still have over-reliance on the west side of Preston, which around the Docklands and Ribble Crossings can be both convoluted and congested.
- 3.40 The Blackpool North to Preston (and beyond) railway line is a critical asset for the area. Although there are only two stations on this line within the Borough, Kirkham

and Salwick, the latter is relatively low key and lightly served. There is however significant potential in Kirkham as one of two primary stopping points between Blackpool and Preston (the other being Poulton-Le-Fylde). At present the latter appears to be the preferred stop; nevertheless the combination of significant population in Kirkham itself and its role as the interchange point for the South Fylde Railway Line via Lytham, means it is an undersold asset for the Borough. It is central and has other amenities such as good road links and the M55 in close proximity. The importance of the Blackpool North line within the North West's rail network is highlighted by its recently announced inclusion in the forthcoming electrification programme related to the 'Northern Hub' improvements.

- 3.41 The South Fylde railway line, from Blackpool South via Lytham and St Annes to Kirkham and onwards to Preston is a low key local route, but penetrates well the large proportion of the Borough's population living along the coastal belt. It also links into the southern end of the Blackpool Tram network and is close to Blackpool Airport. However, it suffers from being single track, which impacts on its connectivity. The introduction of passing points could support a better timetable and improve connectivity. This is perhaps the most underused transport asset of the Borough at present.
- 3.42 The two airport facilities, both in Fylde, at Blackpool and Warton are critical infrastructure for the area, not just in terms of the fact that they are air transport facilities but as employment hubs. Clearly they have very different roles with each being identified and recognised for their employment potential. Access from these hubs to housing opportunities is key to keeping the relatively high paid employees within the authority area.

Summary

- 3.43 Fylde has a population of 76,600 people, comprising an economically active and skilled workforce. This is evidenced by the high proportions of people who work in professional occupations in Fylde, compared to the rest of Lancashire and the North West. It is also an affluent area, amongst the top 30 percent least deprived local authority areas in England.
- 3.44 The manufacturing sector employs the highest proportion of people, although much of this is accounted by employment at BAE Systems, Warton and Westinghouse's

nuclear fuel production facility at Salwick. High proportions of people are also employed in the finance and insurance, property, professional and business administration sectors. However, a smaller proportion of people are employed in the public sector, and in transport and storage, than in the wider county and region.

- 3.45 Fylde has lost employment over the recessionary period 2008-2010, although the extent of job losses, at 0.3 percent appears to have been mild compared to reductions in employment across Lancashire and the North West. Most of the study area's businesses employ less than ten employees (90.1 percent). The bulk of Fylde's businesses are either in St Annes or along the M55 Corridor, close to the boundary with Blackpool.
- 3.46 In 2001, the latest figures available, homeworking in Fylde accounted for 9.7 percent of the working age population, greater than homeworking levels across Lancashire (9.0 percent) and the North West (8.4 percent) figures.
- 3.47 The population of Fylde is relatively self-contained. In 2001, 66 percent of the population both lived and worked in the Borough. There is a strong pattern of in-commuting, with inflow to Fylde exceeding outflow in the case of every Lancashire local authority area.
- 3.48 The average earnings of people both living and working in Fylde are higher than elsewhere in Lancashire, and notably higher than elsewhere on the Fylde Coast.

4.0 PROPERTY MARKET – GENERAL

Introduction

- 4.1 Prior to analysing the study area's property market by the individual components of sites, industrial and offices – commentary is provided about the study area as a whole. This comprises a review of the supply of premises along with information on general national property and business trends. It is important to understand the supply and demand for property, as this is the key driver affecting the market for employment land.

Public Sector Enquiries

- 4.2 Since 2009 Blackpool Council (via the Blackpool Unlimited website) has been the organisation with prime responsibility for enquiry handling in Blackpool, Fylde and Wyre. Previously, this service was provided across Lancashire by the now disbanded Lancashire Economic Partnership (LEP).
- 4.3 Whilst enquiries data has been provided by Blackpool Council from 2008 onwards, there are caveats to any analysis. Firstly, 2009 saw a very significant decrease in enquiry numbers which cannot simply be a reflection of a lack of demand. Rather, it is understood to be the result of a gap of several months between the withdrawal of the enquiries service on the LEP website (Make It Lancashire) and the establishment of Blackpool Unlimited as the new focus for property enquiries on the Fylde Coast. During that period enquiries received by the three local authorities were not recorded.
- 4.4 Secondly, the data may exclude some enquiries received by Fylde Borough Council officers, which were not subsequently passed on to Blackpool Council. Thirdly, the enquiries are derived from searches on the Blackpool Unlimited website and may record multiple searches by the same organisation. Fourthly, the data on the type of property required, shown in Table 19, indicates the first preference given in each enquiry (e.g. offices) only, it does not reflect the fact that some of those enquiring may also have selected a second or third preference (e.g. industrial or land) as well.
- 4.5 Finally, enquiries are only included in the analysis if Fylde is specifically mentioned as a desired location. A number of Lancashire-wide enquiries are excluded.

4.6 Table 19 sets out year by year analysis of the sector type of property enquiries for Fylde between 1st January 2008 and 7th June 2012. The number of enquiries received over this period was modest, only 163, with industrial premises accounting for 58 percent. There were few land requirements. The figures show improving demand in 2011 (a 38 percent increase on 2010) and data for the first half of 2012 suggests that the number of requirements received this year could be even higher. This recent growth in demand reflects significant improvements in the number of industrial/warehouse enquiries since 2010, although the small number of office enquiries received each year is also increasing.

Table 19 – Public Sector Enquiries 2008-2012 Type – Fylde

Sector	2008	2009	2010	2011	2012*	Total	Percent
Office/ Serviced Office	11	2	8	14	8	43	26.4
Industrial/ Warehouse	19	4	16	29	27	95	58.3
Land	5	1	7	7	5	25	15.3
Total	35	7	31	50	40	163	100.0

Source: Blackpool Council, 2012

*Part year

4.7 Only 44 percent of those enquiring about land or property stated a preferred size band. As Table 20 shows, most of those enquiries were for properties at the smaller end of the size spectrum, i.e. below 464 sqm. However, the industrial/warehousing sector, not unsurprisingly, exhibits a greater percentage of enquiries for larger floorplates – with almost 30 percent being for premises in excess of 930 sqm. Only two of the land enquiries defined the size of the sites they were looking for. Both wanted sites in excess of 4 ha.

Table 20 – Blackpool Council Enquiries 2008-2012 Sizes – Fylde

Type	Size Band, sqm				Total
	0-464	465-929	930-2323	2324+	
Office/ Serviced Offices	17	2	0	5	24
Industrial/ Warehouse	27	5	6	8	46
Land Size Band, ha	0-2.0	2.01-4.0	4.01+	Total	
Number	0	0	2	2	

Source: Blackpool Council, 2012

- 4.8 Discussions with Blackpool Council officers indicate that 69 percent of the recorded enquiries came from organisations and individuals already based within the Fylde Coast sub-region (the proportion based specifically in the Borough of Fylde was not recorded). Another 6 percent came from Preston, while 14 percent came from elsewhere in the North West. 9 percent came from the rest of the UK, while the number of international enquiries was negligible at around 1 percent. The source of the final 1 percent was not known.

Property Supply

- 4.9 A schedule of the floorspace being marketed in the study area (as at spring 2012) has been compiled from site visits, property databases, a trawl of commercial property agents and consultation with other stakeholders. The marketed space is taken to be a very close approximation to that vacant – obviously there may be occupiers waiting for interest in their property before moving or empty units not actually being marketed. The schedules for industrial premises (including warehouses and workshops) and offices have been included in Appendix 3.

Industrial

- 4.10 Table 21 shows that there is 12,667 sqm of marketed industrial floorspace, made up of 58 properties, in the Borough. Most of the available units are less than 500 sqm in size and there is only one property of more than 1,000 sqm on the market. The greatest availability, by number of units, is in the 101-200 sqm category.
- 4.11 Blackpool and Fylde Industrial Estate/Whitehills Park, has the most properties (29 percent of the total) while Lytham has the most floorspace (almost a quarter of the total). However, there are also 16 units, totalling 3,117 sqm, available at Progress Business Park, Kirkham. The three towns have properties available in all size bands up to 500 sqm. However, there are only three properties of 501-1000 sqm (in Clifton, Freckleton and Lytham) and only one unit of more than 1,000 sqm (in Clifton) available. The Borough lacks larger industrial and warehouse options.
- 4.12 Outside of the main settlements, the largest availability is at Clifton Business Park, off Preston New Road. The scheme has six units available, ranging in size from 134 sqm to 1,033 sqm.

4.13 There are a number of small workshops, in farm properties/barn conversions, in the rural north and east of the Borough. None of these are being openly marketed, although some may be vacant and not on the market or being informally marketed (i.e. without the use of an agent).

Table 21 – Amount of Marketed Industrial Property

Area		Size Band, sqm					Total
		0-100	101-200	201-500	501-1000	1001+	
Blackpool and Fylde Industrial Estate/Whitehills Park	Floorspace, sqm	339	1,007	1,237	-	-	2583
	Number of Properties	6	7	4	-	-	17
Clifton	Floorspace, sqm	-	440	274	673	1033	2,420
	Number of Properties	-	3	1	1	1	6
Freckleton	Floorspace, sqm	-	-	-	693	-	693
	Number of Properties	-	-	-	1	-	1
Kirkham	Floorspace, sqm	99	1,014	2,004	-	-	3,117
	Number of Properties	1	8	7	-	-	16
Lytham	Floorspace, sqm	183	1,304	1,050	600	-	3,137
	Number of Properties	2	9	3	1	-	15
St Annes	Floorspace, sqm	-	307	-	-	-	307
	Number of Properties	-	2	-	-	-	2
Wesham	Floorspace, sqm	-	-	410	-	-	410
	Number of Properties	-	-	1	-	-	1
Total	Floorspace, sqm	621	4,072	4,975	1,966	1,033	12,667
	Number of Properties	9	29	16	3	1	58

Source: BE Group 2012

- 4.14 Table 22 shows that the majority of marketed industrial space in the study area is of moderate quality (the quality appraisal comes from an external inspection only and considers building condition, style, specification, servicing areas, eaves height and rental level). There are also 16 good quality properties available, primarily at Blackpool and Fylde Industrial Estate/Whitehills Park. These include nine new build units. Single budget premises are available in most of the main settlements.

Table 22 – Quality of Marketed Industrial Property

Area	Quality		
	Good/New	Moderate	Budget
Blackpool & Fylde Industrial Estate/Whitehills Park	15	2	-
Clifton	-	6	-
Freckleton	-	1	-
Kirkham	-	15	1
Lytham	1	13	1
St Annes	-	1	1
Wesham	-	-	1
Total	16	38	4

Source: BE Group 2012

- 4.15 The majority of premises (82.8 percent) are available leasehold (Table 23)). Ten units are available for sale or to let. These include new build units and Whitehills Park and a number of workshops, on backland sites, in Lytham. No properties are marketed solely as freeholds.

Table 23 – Tenure of Marketed Industrial Property

Area	Tenure		
	Leasehold	Freehold	Either
Blackpool & Fylde Industrial Estate/Whitehills Park	12	-	5
Clifton	6	-	-
Freckleton	-	-	1
Kirkham	16	-	-
Lytham	11	-	4
St Annes	2	-	-
Wesham	1	-	-
Total	48	-	10

Source: BE Group 2012

Offices

4.16 Table 24 shows that there are 9,144 sqm of marketed offices (49 premises) in the Borough. 65 percent of the premises are of less than 200 sqm. There are no individual units available larger than 402 sqm.

Table 24 – Amount of Marketed Office Property*

Area		Size Band, sqm					Total
		0-100	101-200	201-500	501-1000	1001+	
Blackpool & Fylde Industrial Estate/Whitehills Park	Floorspace, sqm	-	1,316	682	-	-	1,998
	Number of Properties	-	7	3	-	-	10
Clifton	Floorspace, sqm	-	120	-	-	-	120
	Number of Properties	-	1	-	-	-	1
Kirkham	Floorspace, sqm	217	893	2,243	-	-	3,353
	Number of Properties	3	6	7	-	-	16
Lytham	Floorspace, sqm	-	148	-	-	-	148
	Number of Properties	-	1	-	-	-	1
St Annes	Floorspace, sqm	278	272	1,842	-	-	2392
	Number of Properties	6	2	6	-	-	14
Westby	Floorspace, sqm	178	397	558	-	-	1,133
	Number of Properties	2	3	2	-	-	7
Total	Floorspace, sqm	673	3,146	5,325	-	-	9,144
	Number of Properties	11	20	18	-	-	49

Source: BE Group 2012

*Excludes 13,935 sqm of vacant space at The Former Stocks and Bonds Office, Heyhouses Lane, St Annes.

- 4.17 There is a further 13,935 sqm of vacant office space at the Former Stocks and Bonds Office (Heyhouses), Heyhouses Lane, St Annes. Although, the owners of Heyhouses are seeking planning permission for a change of use to retail and housing, at the time of writing, the vacant accommodation remains on the market. This gives a combined total of 23,079 sqm. Space at Heyhouses is flexible and can be divided in a number of ways, thus it is not possible to estimate the number of individual properties available on this site.
- 4.18 Kirkham has 37 percent of the available floorspace and a third of the supply of premises. This includes five 250-400 sqm units at The Crossroads Business Centre, Blackpool Road.
- 4.19 St Annes also has a reasonable supply of premises, comprising seven larger suites at Avroe Crescent, Blackpool Business Park and seven town centre/edge of centre properties. If Heyhouses is included, St Annes has 71 percent of the available space in Fylde.
- 4.20 There are also 10 properties at Whitehills Park, totalling 1,998 sqm. Most are 101-200 sqm in size. There is little or no availability in the other main settlements of the Borough.
- 4.21 In the rural areas of the Borough, office properties are on the market at Peel Hall Business Park, Peel Road, Westby and Clifton Business Park. There may also be small offices in farm properties or as part of barn conversions. Again none of these last two are being openly marketed, although some may be vacant and not on the market, or being informally marketed.
- 4.22 At present, vacant space is available at Heyhouses which could meet the expansion or inward investment needs of larger firms. Elsewhere, Fylde lacks larger, readily available office accommodation. Although we are aware that there is some 2800 sqm unoccupied at Aegon, Lytham this is not presently being marketed.
- 4.23 The majority (57 percent) of the office space is moderate quality. However, good quality space is available, in sizes ranging from 101 to 402 sqm, at Whitehills Park, St Annes and The Crossroads Business Centre/St George's Park, Kirkham. Most settlements lack any budget accommodation. These are summarised in Table 25.

Table 25 – Quality of Marketed Office Property

Area	Quality		
	Good/New	Moderate	Budget
Blackpool and Fylde Industrial Estate/Whitehills Park	9	1	-
Clifton	-	1	-
Kirkham	10	6	-
Lytham	-	-	1
St Annes	1	13	-
Westby	-	7	-
Total	20	28	1

Source: BE Group 2012

- 4.24 Almost two thirds of the office properties are available leasehold (Table 26). Most of the new-build premises at Whitehills Park and The Crossroads Business Centre are on the market for sale or to let. Accommodation at Heyhouses is also available for sale or to let.

Table 26 – Tenure of Marketed Office Property

Area	Tenure		
	Leasehold	Freehold	Either
Blackpool & Fylde Industrial Estate/Whitehills Park	2		8
Clifton	1	-	-
Kirkham	11	-	5
Lytham	1	-	-
St Annes	10	1	3
Westby	7	-	-
Total	32	1	16

Source: BE Group 2012

- 4.25 An observation drawn from the review of marketing particulars is that many do not promote recognition of Fylde. For example properties at Whitehills Park and Blackpool & Fylde Industrial Estate are marketed as Blackpool and premises at Kirkham and Clifton are promoted as Preston or West Preston.

Valuation Office Data

Industrial

- 4.26 According to 2008 Valuation Office (VO) statistics (the most up to date available) there were 532 industrial hereditaments in the Borough, totalling 258,000 sqm. Based on the identified 58 marketed premises totalling 12,667 sqm (see Table 21 above), this suggests an overall occupancy rate for the study area of 95.1 percent by floorspace. By premises numbers, the occupancy rate is 89.1 percent.

Offices

- 4.27 There are 447 office hereditaments in the study area, totalling 139,000 sqm. Of this space there are 49 marketed premises totalling 9,144 sqm (see Table 24 above). Including Heyhouses. The vacant floorspace total is 23,079 sqm.
- 4.28 The overall office occupancy rate for the study area is therefore 83.4 percent by floorspace. This increases to 93.4 percent if Heyhouses is excluded. By premises numbers the overall occupancy rate is around 89.0 percent.

Modern Occupier Needs

- 4.29 In this sub-section the report outlines what modern businesses are looking for in terms of their property, as well as those developers providing space for them. These are general comments and apply across the UK, as well as in the study area.
- 4.30 There are two key property sub-markets to consider in understanding the demand for premises. The first is the demand from companies looking for sites for their own occupation; the second, which is necessarily derived from the first, comes from specialist property developers who will provide solutions for these companies.
- 4.31 Many end-user companies, especially small ones, looking for accommodation prefer occupying an existing building to either organising the construction of one for themselves or entering into a design and build agreement with a developer. This is due to the management time involved; while it may also be difficult to rationalise and visualise such an important acquisition off-plan.
- 4.32 Having premises built for owner occupation requires a long lead-time to cover the planning, negotiation and construction time involved. Furthermore not every

company wants a brand new building, partly because they are generally more expensive than second-hand ones.

- 4.33 However the recent combination of low interest rates and the depressed stock market has led to an unusually large number of companies looking to own their premises (although current market conditions, i.e. the credit crunch, are softening this due to the lack of available finance). One route to achieving this is by developing their own site, especially if they cannot find a suitable freehold property. Nationally most requests for such small sites to enable self-build are of less than 0.4 ha in size.
- 4.34 Although design and build options can be convenient, they are quite expensive because the controlling developer makes its profit not only on the land sale, but also on managing the building process. Consequently if the company is able, some prefer to buy land direct and organise building contractors themselves. This is especially the case with lower value added industries where high quality buildings are of secondary importance. However without strong planning control this scenario can lead to business areas of lower aesthetic value and layout.
- 4.35 Developers acquiring sites consider the nature of the market, as outlined above, as well as the potential for speculative development, i.e. riskier, supply-led, rather than demand-driven construction. They also prefer to acquire prominent, (easy to develop) greenfield sites close to arterial roads or motorways because irrespective of sustainable transport policies, private transport still predominates. They naturally want land that is attractive to end-users. Furthermore property development is intensely entrepreneurial and extremely price sensitive. So although land may be available on the open market, if it is at too high a price, then the developer will not acquire it.

Emerging Property Trends

Industrial

- 4.36 Occupiers are generally looking for smaller premises as average company size continues to decrease. In line with rising aspirations and a concentration on higher value added activities, companies are looking for higher quality accommodation. In rural parts, company sizes are generally already small; and the desire for high quality is less of a priority due to affordability issues. Successful industrial businesses

typically require dedicated, self-contained, secure yard areas, and for units over 2000 sqm the trend seems to be at least one dock level loading bay and a 40 metre turning circle to allow heavy goods vehicles access into and out of the unit. Eaves heights are also continuing to rise from an average of six metres to more towards ten metres to allow storage racking and more efficient use of space. For B8 high bay warehousing eaves heights can now be 15 metres to accommodate automatic racking systems.

- 4.37 Large requirements, above 10,000 sqm, are very rare in Fylde, and where they do exist are generally for distribution warehousing. Most of these are contract-led with a flurry of activity as a number of specialist distribution companies look for units, before one of them secures the contract on offer. However these companies generally cannot wait for a bespoke warehouse to be built for them and so, due to the rarity of such large, available buildings their search areas are increasingly wide.
- 4.38 Freehold demand is relatively strong as a result of low interest rates, poor stock market pension performances and increased private sector interest in property investment. However the lack of available finance is constraining this sub-market currently. This previously resulted in an overheated investment market, rising values, lowering yields and led to property developers being more willing to offer speculative, freehold buildings. However, following the credit crunch speculative development has stopped dead across much of the country. It may resume once the effects of the recession recede, but in more rural areas speculative development will never be the norm.
- 4.39 Outsourcing of many aspects of the production and distribution process has led to a declining need for traditional, large scale, all-encompassing manufacturing facilities. This is gradually being replaced by smaller, sub-assembly light manufacturing space. Shorter leases (five years) and break clauses (three years) are now becoming much more the norm.

Offices

- 4.40 The trend is for smaller office suites as average business sizes fall. There are two strands to this. Micro-businesses (those with less than ten employees) want serviced offices or similar types of easy-in, easy-out schemes that lower their risk of exposure.

Whilst small businesses (with 10-49 employees) are looking for offices in the region of 150-300 sqm, often they are satellite facilities for larger companies.

- 4.41 Improving technology means specifications are changing, for example wireless networks may soon make raised floors superfluous and make the conversion of Victorian buildings and the like easier.
- 4.42 In line with rising aspirations and a concentration on higher value added activities, successful companies are looking for higher quality accommodation. For example air conditioning is becoming almost a standard requirement in new schemes, which pushes up rentals by £5-10/sqm on average. Furthermore some occupiers (looking for more than 200 sqm) increasingly want self-contained premises, i.e. their own front door, toilets, reception, utilities, etc. There is increasing demand for relatively short leases (one to three years), which helps account for the increasing popularity of serviced offices.
- 4.43 Car parking remains a big problem for occupiers everywhere as planning policy seeks to limit spaces in response to the sustainability agenda. However, more often than not, businesses cannot rely on public transport, especially in rural areas, and so there remains a strong demand for car parking spaces. Developers are starting to charge per car park space in major cities, and this is now being extended to other settlements.
- 4.44 Prior to the credit crunch, freehold demand was strong as a result of low interest rates, poor stock market pension performances and increased private sector interest in property investment. However, as with the industrial market, the recession and lack of available finance is constraining this sub-market and limiting speculative development, particularly in rural areas.
- 4.45 Occupiers requiring higher skills, especially those linked to key growth sectors will be concerned about access to an appropriate pool of skilled labour, which will drive demand towards city centres, research facilities and higher education institutes.
- 4.46 Property will need to be increasingly flexible to accommodate research-based manufacturing space as more complex processes develop, but still within an office environment.

4.47 Clustering around like-minded companies will also drive demand to key business park locations, with good availability of 'white collar', knowledge-based, skilled staff. Other businesses will require central urban locations such as the professions and creative industries, where face-to-face contact is important or where public transport is important to attract staff.

The Future

4.48 Research in Regional Futures: England's Regions in 2030 (ODPM et al, published in 2005) projects that "the number of jobs in the distribution and service sectors will increase by up to 600,000 and two million respectively over the next ten years." This increase in service sector employment will result in "an increase in demand for offices and higher density accommodation, whereas the increase in distribution will require locations with good strategic road and rail access."

4.49 It is also worth highlighting some of the historic but still relevant findings of the Government's Foresight programme which sought to predict future trends and influences on the socio-economic environment of the UK.

4.50 The research finds that structural forces at work in the economy will create an explosion of SMEs (small and medium enterprises) in the near future. The UK has around 4.3 million such businesses. This rapid growth and change will be driven by:

- Revolutionary advances in computing and communication technologies, especially the internet
- Advances in other technologies such as material sciences and biotechnology
- Growth in knowledge-intensive work supplanting labour-intensive industries
- The rise of intellectual capital as the key value creation.

4.51 This will lead to new opportunities for SMEs. Many more will be in technology intensive sectors. Other opportunities will arise from large corporations outsourcing, unbundling or investing in start-ups. There will be parallel opportunities in the public sector – in health, caring services for the elderly and the disabled.

4.52 The research suggested that the majority of 2005's SMEs will not exist in 2015 and the majority of SMEs that will exist in 2015 did not exist then. This will obviously lead

to very dynamic business profiles in all areas, increasing the emphasis on planning policy to be equally dynamic and flexible.

- 4.53 This will also see new ownership patterns (with more companies owned by women, minorities, and people in their 20s and 60s); intangible assets as the main drivers of value; SMEs acting in collaborative groups, in procurement for example; access to more financing options; and proportionately more companies trading internationally.
- 4.54 Although the industrial base in developed markets will continue to be eroded as jobs transfer to emerging markets, fears of the demise of Western manufacturing are unfounded. Developed manufacturing economies will still hold an advantage in high-value and capital-intensive activities; proximity to customers will also be critical for many.

Summary

- 4.55 12,667 sqm of industrial and warehouse space is available in the Borough, comprising 58 properties. It is concentrated in Blackpool and Fylde Industrial Estate/Whitehills Park, Lytham, St Annes and Kirkham. There is relatively little small workshop space and only one unit above 1000 sqm. Supply is very limited in Freckleton and Wesham, while there no available premises in Warton. Outside of the main settlements, six units are on the market at Clifton Business Park. There are a reasonable number of good quality units available, most at Blackpool and Fylde Industrial Estate/Whitehills Park. Ten properties are available for sale or to let in Blackpool and Fylde Industrial Estate/Whitehills Park and Lytham. Elsewhere, freehold availability is limited.
- 4.56 If Heyhouses is included, then there is 45 percent more office floorspace available than there is industrial. The office supply is concentrated in St Annes, Kirkham, Whitehills Park and at Peel Hall Business Park, Westby. Availability elsewhere is limited. Most of the vacant offices are 101-200 sqm in size and Heyhouses is the only source of available suites of more than 402 sqm. Most space is of moderate quality, but again there is a reasonable range of good quality premises in Whitehills Park and Kirkham. A third of the offices are available for sale or to let.
- 4.57 Blackpool Council, who handle enquiries on behalf of Fylde, receives more enquiries for industrial space than for offices; and fewest for sites. Most industrial enquiries are

for units up to 464 sqm; and for sites of more than 4 ha. Most enquiries come from companies already within the Fylde Coast sub-region or from Preston. Interest from outside of the North West is negligible.

- 4.58 Modern businesses and developers want easily developable, accessible, prominent sites for their premises. A healthy property market will provide a mix of options: including speculative developments; design and build schemes; and freehold plots for owner-occupiers to self-build. However, development is entrepreneurial and not every company (looking for space) can realistically be satisfied all the time. The property market, by nature, is inherently imperfect. Companies will, however, generally seek to move from existing property to provide themselves with better, more efficient, cost effective accommodation of an appropriate size.
- 4.59 Modern trends are expected to lead to a greater number of businesses that are smaller in size, which are more dynamic and technology driven and which will come and go more fluidly.

5.0 PROPERTY MARKET – ANALYSIS

Introduction

- 5.1 This section considers the more detailed issues related to supply and demand within the study area as a prelude to assessing the future need for land.
- 5.2 The section presents the comments of private sector stakeholders on Fylde’s industrial and office property markets. The industrial market refers to accommodation for manufacturing, storage, distribution and warehousing purposes including smaller workshop premises.
- 5.3 Private sector stakeholders made a range of comments regarding the local market. Their views have been summarised in a series of tables. Table 27 provides a breakdown of the general comments received with regard to conditions within the Borough as a whole.

Table 27 – Property Market Comments – General

Contact	Comment
Regional Agent	Market is very ‘soft’ at the moment Demand for development has generally been good On the whole accessible motorway locations are most popular, and rural and inaccessible locations are not
Regional Agent	Mainly a leasehold market – businesses do not have the funds to purchase property at the moment
Regional Agent	Demand is reasonably strong despite the recession Requirements are mainly from companies based in Fylde and Blackpool – with little interest from elsewhere in the region Popular schemes include Whitehills Business Park – vacant properties here let quickly Demand for land is limited, with the occasional requirement from larger firms for design and build plots Larger companies generally already have land for their future expansion
Local Developer	Signage from the M55 to Whitehills Business Park is poor Whitehills Business Park predominantly serves Fylde’s businesses (rather than Blackpool’s). Approximately 70 percent of occupiers are from Fylde (N.B. this conflicts with the statements of other agents, developers and some public sector representatives who indicate that Whitehills Park primarily serves businesses in Blackpool).

Source BE Group, 2012

5.4 Table 28 provides a summary of the comments received from stakeholders with regards to the local industrial property market.

Table 28 – Property Market Comments – Industrial

Contact	Comment
Regional Agent	<p>There is a shortage of good quality units in the Borough – there is definitely a gap in the market, and further development at Whitehills Business Park would particularly be successful</p> <p>Whitehills Business Park and Blackpool and Fylde Industrial Estate are both been very popular successful</p> <p>It is mainly a SME market - there are bigger companies occupying units of over 5000 sqm but they tend to expand rather than move premises and therefore they have little influence on the property market</p> <p>Businesses in the area are good at utilising what space they have – in part because of the lack of good quality options. A good local example (although in Blackpool rather than Fylde) is the former TVR factor in Bispham. The initial intention was to redevelop the site but instead it has been reconfigured and has been very successful</p>
Regional Agent	<p>There is no shortage of industrial units – there was previously a lack of good quality units but development at Whitehills Business Park has resolved this</p> <p>The newly refurbished Lytham Trade Park is a good example of a popular moderate quality scheme</p> <p>Mainly a leasehold market.</p>
Regional Agent	<p>Businesses generally require starter units of less than 500sqm</p> <p>Rents are approximately £30-45/sqm (for moderate quality industrial units)</p>
Regional Agent	<p>Whitehills Business Park and Blackpool and Fylde Industrial Estate generate most demand – there is limited demand elsewhere in the Borough</p> <p>There is generally an undersupply of industrial space, and very little good quality space</p> <p>The most popular size is circa 500sqm – but there are only moderate and poor quality options in Fylde</p> <p>There is some demand for larger warehouse units (above 2500sqm) – and although there are a few on the market in Blackpool, there are none in Fylde</p> <p>Freehold deals are driving the market – values are approximately £280/sqm. However there is very little freehold stock</p> <p>There is limited demand for industrial space in Kirkham</p>
Local Developer	<p>Demand is mainly for smaller units (less than 500sqm)</p> <p>Anything above 1000 sqm struggles to let</p>

Source BE Group, 2012

5.5 Table 29 sets out the occupancy rates on some of the Borough’s most significant industrial property schemes.

Table 29 – Fylde Selected Industrial Schemes Performance

Property Scheme	Total Floorspace, sqm and Number of Units	Unit Size Range, sqm	Occupancy Rate, percent	Comments
Peel Hall Business Village, Westby	1277 7 units	74-326	100.0	Rural conversion scheme with range of buildings Industrial units are popular (fully let) but offices are not (all vacant – see Table 30) Industrial rents range from £20-50/sqm The whole site is for sale – being marketed as investment opportunity including a number of dilapidated buildings, and 3.4ha of additional undeveloped land.
Lidun Industrial Estate, Lytham	2409 11 units	105-718	91.1	Popular scheme Relatively modern, moderate quality units Rents range from £40-55/sqm Units available to let.
Blackpool & Fylde Industrial Estate	9755 42 units	46-1951	88.9	Northern Trust scheme Relatively modern with range of sizes Rents approximately £40-45/sqm Units available to let.
Olympic Court, Whitehills Park	976 5 units	186-214	78.1	New, high quality development Demand is reasonable but has decreased with recession - only one unit still available Units are available for sale or to let Average rents are £50/sqm.
Progress Business Park, Kirkham	9956 45 units	26-770	70.7	Moderate quality scheme Range of sizes Rents average £45/sqm.
Lytham Trade Park, Lytham	1083 6 units	142-294	69.2	Newly refurbished scheme Performing well –

Property Scheme	Total Floorspace, sqm and Number of Units	Unit Size Range, sqm	Occupancy Rate, percent	Comments
				popular Rents approximately £50/sqm Units have planning consent for Gym/Personal Fitness Centre, as well as B1, B2 and B8 use.
Clifton Business Park, Clifton	5083 13 units	49-2094	52.4	Modern, moderate, quality scheme Rents range from £35-55/sqm.

Source BE Group, 2012

- 5.6 Table 30 provides a summary of the comments received on the local property market.

Table 30 – Property Market Comments – Office

Contact	Comment
National Agent	Demand is primarily local and requirements are for suites of around 100 sqm or less Larger firms are not interested in the type of space offered at Former Stocks and Bonds office (Heyhouses) – it is old, in poor condition and offer room sizes that no longer meet modern requirements.
Regional Agent	Limited office market – in many ways the Borough is seen as a bit of a backwater Rural areas have practically no office market at all (with the exception of small barn conversion schemes occupied by just a handful of small businesses) Very poor town centre offer in Fylde's towns – offices are generally old, poor quality, inaccessible, lacking prominence and have little or no parking. There are therefore generally high vacancy levels Because of poor town centre offer and access issues businesses are gravitating towards out-of-town schemes Whitehills Business Park is Fylde's premier business location – it is a good quality, modern and popular development – the first of its kind in Fylde (and caters for Blackpool businesses too) However Whitehills has now been hit by the recession and businesses are struggling to fund relocating there. Nonetheless there is demand and the market here will pick up again soon Land values have dipped massively – previously approximately £1 million/ha, now £375,000/ha (and plots are being sold in 'soft' deals) There are large numbers of civil service/public sector jobs in Fylde. Such organisations rarely move premises (perhaps only once every 15-20 years) – they therefore have limited effect on the property market despite making up a large proportion of the workforce.

Contact	Comment
Regional Agent	<p>Whitehills Business Park provides good quality premises and is very popular with local businesses</p> <p>Kirkham previously had an undersupply of office space but the new Crossroads Business Centre development has resolved this (and in fact has 'flooded' the local market). Furthermore, offices here are also overpriced and therefore take-up has been disappointing</p> <p>Rural developments do well, and are generally occupied by creative companies</p> <p>There could possibly be the need for a small office scheme at Lytham but it is not clear if there would be enough demand to justify development</p> <p>It is mainly a leasehold market – partly because of the recession</p>
Regional Agent	<p>Firms mainly require moderate/good quality office space of around 100 sqm</p> <p>Those looking for budget office space will generally locate in St Annes town centre</p> <p>Away from the Lytham St Annes conurbation demand is focused in Kirkham – St George's Court is the most popular scheme here</p> <p>Rents are about £110/sqm for good quality offices and £55-100/sqm for budget and moderate suites</p>
Regional Agent	<p>The main areas of demand are Whitehills Business Park and Blackpool Business Park</p> <p>There is little differentiation between enquiries for Fylde and Blackpool</p> <p>There is an over-supply of office space at both locations – based on recent take-up, there is probably supply for 10 years</p>
Local Developer	<p>There has been interest from several call centre firms requiring space at Whitehills Business Park – however no deals have been completed, This is deemed to be because of the lack of public transport through Whitehills – desperately needs to be improved</p> <p>Demand is mainly for smaller offices of less than 500 sqm</p> <p>Will be seeking planning permission for several office units at Whitehills during 2012 (despite many developers putting plans on hold).</p>

Source BE Group, 2012

- 5.7 Table 31 sets out the occupancy rates for some of the Borough's most significant office-based property schemes.

Table 31 – Fylde Selected Office Schemes Performance

Property Scheme	Total Floorspace, sqm and Number of Units	Unit Size Range, sqm	Occupancy Rate, percent	Comments
Olympic Court, Whitehills Park	2777 10 units	195-1,022	78.9	New, high quality development Popular Available for sale or to let Demand is reasonable but has decreased with recession Average rents are £110/sqm
St George's Court, St George's Park, Kirkham	2442 11 units	161-656	70.9	New, high quality development Available to let – rents approximately £100/sqm Two storey offices – potential to let individual floors
The Pavilions, Avroe Crescent, St Annes	2624 18 units	27-379	49.8	Modern development Available to let or for sale Rents are approximately £80-120/sqm Freehold approximately £950/sqm.
Croft Court Offices, Whitehills Park	2108 11 units	167-227	43.8	High quality, prestigious office development Close to junction 4, M55 Available for sale or to let Rents are approximately £100/sqm
The Crossroads Business Centre, Blackpool Road, Kirkham	1878 6 units	252-402	21.4	Available for sale or to let Brand new, modern office suites Potential to let/sell individual floors Good onsite car parking

Property Scheme	Total Floorspace, sqm and Number of Units	Unit Size Range, sqm	Occupancy Rate, percent	Comments
Peel Hall Business Village, Westby	1133 7 units	89-325	0	Rural conversion scheme with range of buildings Office rents range from £80-500/sqm The whole site is for sale – being marketed as investment opportunity including a number of dilapidated buildings, and 3.4ha of additional undeveloped land.

Source BE Group, 2012

Summary

- 5.8 Mixed opinions have been generated regarding Fylde's industrial market, although the general consensus is that demand is predominantly for smaller units of 500 sqm or less.
- 5.9 It is felt that there is a lack of good quality options in the Borough, with the exception of one regional agent who feels that recent development at Whitehills has resolved this issue.
- 5.10 Whitehills Business Park and Blackpool and Fylde Industrial Estate are deemed to be the most popular industrial locations, and Table 29 shows that the Borough's industrial schemes are generally doing well – with four out of the seven schemes surveyed having over 75 percent of space occupied.
- 5.11 With regards to the office market it is felt that demand is predominantly local, and for small, good quality and modern suites.
- 5.12 Again, Whitehills Business Park is seen to be the most popular office location, with Kirkham also generating demand (although one agent states that the market has now been flooded here). Potential demand for a small office development at Lytham is also highlighted.

- 5.13 There are contradicting opinions about the Borough's rural office market – one stakeholder believes there is no rural market at all, whilst another states that rural conversion schemes are successful.
- 5.14 In terms of office scheme performance, only two developments have over half their space occupied. The only rural scheme to be surveyed (Peel Hall Business Village in Westby) does not have any office occupiers at present (although its industrial units are fully let).

6.0 EMPLOYMENT LAND

Introduction

- 6.1 There are two aspects that need to be looked at specifically. First is the existing portfolio of land in the Borough, not only how much there is, but also its quality, type, suitability and availability.
- 6.2 The Borough needs a balanced portfolio of land to accommodate a sustainable, growing economy that can respond to dynamic market conditions, changing business needs and working practices, including higher technology operations.
- 6.3 By initially establishing how much land there is, we must then, secondly, consider how much land is needed in the future (to 2030). This assessment is based on the consideration of both 'policy off' and 'policy on' scenarios as well as the roll forward of long-term trends in historic employment land take-up.
- 6.4 The Fylde Employment Land and Economic Development Strategy report produced in 2006 suggested the Borough needed 28 ha for the period 2005-15. It concluded there was a match with the then identified level of supply – 27.3 ha. The subsequent Fylde Sub Region Employment Land Review: Summary Statement 2010 determined that based on the 28 ha figure for 2005-15, taking this forward would represent a requirement of 60 ha to 2027.
- 6.5 The latter document highlighted the following:
- Much of Fylde's remaining land is focused on newer business park locations close to the M55, including Whitehills Park
 - Blackpool's tight knit boundary suggests some of that Borough's future employment need may have to be met in Fylde
 - That the leading, modern business parks in the Fylde sub-region are located within Fylde, namely St Georges Park, Kirkham; Whitehills Park; Junction 4, M55; Blackpool Business Park, adjacent to Blackpool Airport.
- 6.6 In calculating the existing land supply and future needs from now until 2030, it is important to set a base date for the analysis. For this report, that date is 31st March 2012. Any employment planning permissions approved since 1st April 2012 do not therefore affect the identified land supply.

Land Supply

- 6.7 The start point for the supply side assessment is the Council's Industrial Land Schedule, dated 31st March 2011. This is the most up to date document held by the Council. This identified four sites allocated under Policy EMP1 and a further eight sites comprising land with planning permission, but not yet under construction. Together the twelve sites totalled 24.03 ha. At the outset of the study the Council agreed this should comprise the definition of the existing land supply.
- 6.8 To establish the up to date supply position for this study's baseline we have reviewed each of the twelve sites to determine their status as at 31st March 2012. The review identified the following changes for the EMP1 sites:
- Whitehills Park Phase II actually comprises two non-contiguous sites, which should therefore be treated separately
 - The Blackpool and Fylde Industrial Estate site availability should be reduced by 4.9 ha, as this land is situated within a secure site occupied by the Department of Work & Pensions. It represents potential expansion for that development and is not available to the market.
- 6.9 The review of sites identified as having unimplemented planning consent has determined the following:
- Site IV Whitehills Park (0.46 ha) should be omitted from the supply figure as it simply related to a change of use
 - Site 5 Kirkham Trading Park has only one site of 0.20 ha, not two
 - Site 9 Land at Dock Road, Lytham should be excluded. The 3.40 ha related to the original, now lapsed, Redrow application which was for a mix of residential and office/industrial development. The 3.40 ha reflected the entire proposed site, not just the area applicable to employment uses
 - Site 27 Lytham Quays. This area of 3.35 ha is Kensington Developments' application for the same site as Site 9 above. However only 0.72 ha was proposed for employment use. The Redrow Homes has now secured consent for this site solely for residential use. Their scheme leaves 0.1 ha of the 0.72 ha remaining for possible employment use
 - Site 21C Units D3-4, Site D, Cropper Close, Whitehills Park (0.69 ha). The site has been built out since April 2011.

- 6.10 Subsequent research has identified a number of additional undeveloped sites that are located within either existing employment areas, or as is the case at Whitehills Park, existing employment allocations. Although not currently recognised as part of Fylde’s available employment land provision (as they fall outside the definition agreed at the study outset) we consider these sites should be included to generate a true picture of the current supply figure. There are 14 such sites, which together total a further supply of 11.19 ha.
- 6.11 The majority of the sites are located at Whitehills Park. Five sites sit within Phase I (5.24 ha in total) and another five are within Phase II (2.32 ha in total). There are three sites in the Dock Road/Preston Road Employment Area, Lytham, totalling 1.51 ha. However, for reasons of inaccessibility or owners’ alternative aspirations, these cannot be seen as short or medium term possibilities.
- 6.12 A further 0.69 ha vacant brownfield site has been identified in the adjacent Boundary Road Industrial Estate (Former Stanway Site). Again however, the owner has alternative aspirations.
- 6.13 As a consequence of these additions the available land supply at 31st March 2012 comprised 8.47 ha from the Policy EMP1 allocated sites, 2.66 ha from sites with unimplemented planning consents and 11.19 ha from other vacant land within the Borough’s employment areas. The total of 22.32 ha represents less than eight years supply, based on the historic take-up trend experienced by Fylde.
- 6.14 Table 32 sets out Fylde’s 2012 supply, outlining the size and location of each site, providing comments on its current status (e.g. owner intentions) and assessing when it might come forward for development or use. The assessment of timescale is based upon a number of factors – ownership situation, planning status, known or likely constraints, infrastructure and services required, market demand. Detailed proformas for each site (which include plans) are provided at Appendix 6.

Table 32 – Employment Land Supply – Fylde, 2012

Ref	Site	Size, ha	Comment	Estimated Availability, years
EMP(1)	Blackpool & Fylde Industrial Estate	2.40	Telereal Trillium own but not marketing. Vacant brownfield site.	3-5

Ref	Site	Size, ha	Comment	Estimated Availability, years
			<p>No planning approval.</p> <p>Possible ground contamination from former use as motorway servicing compound.</p> <p>Overhead electricity pylons cross the site.</p> <p>Adjacent to waste water pumping station.</p> <p>B1, B2, B8 uses</p>	
EMP1 (2a)	Whitehills Park Phase II – Car Showroom Site	0.98	<p>Evermore own.</p> <p>Vacant, greenfield site.</p> <p>On market for sale (or let)</p> <p>No planning approval.</p> <p>Surrounded by sui generis (car sales) and employment uses.</p> <p>Adjacent (to the west) to High Pressure National Grid (Water) Distribution Pipeline</p> <p>Surface water and drainage issues</p> <p>B1 offices (or motor retail – Sui Generis)</p>	0-1
EMP1(2b)	Whitehills Park Phase II – Land at junction of Hallam Way/Graceways	0.39	<p>West Register (Realisations) own – (Royal Bank of Scotland).</p> <p>Vacant greenfield site.</p> <p>Previously on market for sale, but attracted little interest. Site will now be held for three years, pending improving market conditions. Would be released sooner if an acceptable offer was made.</p> <p>No planning approval.</p> <p>On-site electricity substation</p> <p>Surface water and drainage issues.</p> <p>B1/B2/B8 uses</p>	3-5
EMP1(3)	Naze Lane Industrial Estate Extension, Freckleton	1.80	<p>Poly Group own</p> <p>Vacant brownfield site.</p> <p>Not on market at present though is surplus to requirements and owner looking to sell in short/medium term.</p> <p>Proximity to Warton Aerodrome runway constrains building height and construction materials.</p> <p>B1 industrial/B2/B8 uses.</p>	1-3

Ref	Site	Size, ha	Comment	Estimated Availability, years
			Current access constraints.	
EMP1(4)	Queensway Industrial Estate, St Annes	2.90	Greenhurst Investments own. Vacant greenfield site. Not on market at present. Outline application submitted for mixed use development – decision awaited. Proximity to Blackpool Airport runway constrains building height and construction materials. Possible wildlife habitats on site. Needs new road access in form of roundabout B1/B2/B8 uses.	1-3
1W	Site 2, Hallam Way, Whitehills Park	0.98	Next Generation Clubs own. Vacant greenfield. Planning consent granted for nine B8 trade park units (totalling 4,881 sqm) but since been subject of refused application and lost appeal to increase retail use proportion for each unit. Site constrained by on-site electricity substation. Surface water and drainage issues. B1 industrial/B2/B8 uses.	1-3
2K	Land off Graceways, Lytham St Annes Way, Site 11/A, Whitehills Park	0.48	West Register (Realisations) own– Royal Bank of Scotland. Vacant greenfield site. Previously on market for sale, but attracted little interest. Site will now be held for three years, pending improving market conditions. Would be released sooner if an acceptable offer was made. Surface water and drainage issues B1/B2/B8 uses	3-5
5	Kirkham Trading Park, Kirkham	0.20	ITM Leisure own. Brownfield site, in temporary use for open storage. Full planning consent for three industrial units totalling 948 sqm Constrained by gas valve compound to north and access currently reliant on access through	3-5

Ref	Site	Size, ha	Comment	Estimated Availability, years
			ITM site. B1 Industrial/B2/B8.	
10	Land off Queensway Industrial Estate, Snowden Road, St Annes	0.90	Greenhurst Investments own. Vacant greenfield site. Not being marketed as is part of a larger site that is subject of current mixed-use development planning application. Proximity to airport runway constrains building height and construction materials. Possible wildlife habitats on site. Needs new road access in form of roundabout. B1/B2/B8 uses.	1-3
27	Land at Lytham Quays, Dock Road, Lytham	0.10	Redrow Homes own. Vacant brownfield site Originally part of larger employment site but rest now consented for housing. In temporary use as site compound by Redrow. Possible contamination from previous use. B1/B8 uses	3-5
Additional Site 1	Land at Dock Road, Lytham east of Tangerine Group	0.92	Kensington Developments own. Vacant brownfield site Within Employment Area Policy (EMP2) but owners state they are preparing outline application for residential use. Located within Flood Risk Area and adjacent to Ribble Wetlands Ecological Site (RAMSAR; National Nature Reserve; SSSI; Special Protection Area; Biological Heritage Site). Site area could be reduced to accommodate bridge link between Dock Road and Graving Dock Road. B1/B2/B8 uses.	5+
Additional Site 2	Land adjacent to Water Pumping Station, Graving Dock Road, Lytham	0.49	Fylde Borough Council owned vacant brownfield site. Current lack of access could be overcome by bridging of Liggard Brook.	5+

Ref	Site	Size, ha	Comment	Estimated Availability, years
			Backland site B1/B2/B8 uses.	
Additional Site 3	Land at Olympic Court, Hallam Way, Whitehills Park, Phase II	1.00	Henco International Limited. Two vacant greenfield sites either side of Hallam Way. On the market for design and build for B1, B2 B8 uses with capacity for 4,116 sqm of development.	0-1
Additional Site 4	Land at Woodside, Whitehills Park, Phase I	0.13	West Register (Realisations) own–Royal Bank of Scotland. Small, vacant greenfield site. Previously on market for sale, but attracted little interest. Site will now be held for three years, pending improving market conditions. Would be released sooner if an acceptable offer was made Surface water and drainage issues B1/B2/B8 uses	3-5
Additional Site 5	Land East of Brooklands Way, Whitehills Park, Phase I	1.58	West Register (Realisations) own–Royal Bank of Scotland. Vacant greenfield site. Previously on market for sale, but attracted little interest. Site will now be held for three years, pending improving market conditions. Would be released sooner if an acceptable offer was made Surface water and drainage issues B1/B2/B8 uses	3-5
Additional Site 6	Land West of Brooklands Way, Whitehills Park, Phase I	1.56	West Register (Realisations) own–Royal Bank of Scotland. Vacant greenfield site Previously on market for sale, but attracted little interest. Site will now be held for three years, pending improving market conditions. Would be released sooner if an acceptable offer was made Surface water and drainage issues B1/B2/B8 uses	3-5
Additional Site 7	Land West of Premier Inn, off	1.84	London and Regional (HC Sites) own	1-3

Ref	Site	Size, ha	Comment	Estimated Availability, years
	Hallam Way, Whitehills Park, Phase I		Vacant greenfield site. Full planning consent for a 7,660 sqm health and fitness club (subject to Section 106 agreement). A planning application for renewal of this consent was submitted in Feb 2012 and is pending a decision Surface water and drainage issues B1/B2/B8 uses (or D1 leisure)	
Additional Site 8	Land off Boardmans Way, Whitehills Park, Phase II	0.07	Private Individuals own. Very small, vacant greenfield site. Unable to contact owners directly. Adjacent owner indicates that there are no plans for development on this site. Surface water and drainage issues. B1/B2/B8 uses.	3-5
Additional Site 9	Land adjacent to Napthens Solicitors, Hallam Way, Whitehills Park, Phase II	0.12	Calder Developments and Barnett Waddingham Trustees own Vacant greenfield site. Partly in developer ownership. Site is being held, pending improving market conditions. Future development likely to be for offices. Surface water and drainage issues. B1 offices.	3-5
Additional Site 10	Land West of Graceways, Whitehills Park, Phase II	0.48	Henco International and a private individual own. Vacant greenfield site. The north of the site has consent for a food court comprising 495 sqm of A1, A3 and A5 uses on approx. 0.24 ha. The south of the site is considered suitable for offices, but there are no present plans to develop this land. Surface water and drainage issues. B1 offices (and A1/A3/A5 food retail)	1-3
Additional Site 11	Land off Cropper Close, Whitehills Park, Phase II	0.65	West Register (Realisations) own– Royal Bank of Scotland. Vacant greenfield site	3-5

Ref	Site	Size, ha	Comment	Estimated Availability, years
			Previously on market for sale, but attracted little interest. Site will now be held for three years, pending improving market conditions. Would be released sooner if an acceptable offer was made Surface water and drainage issues B1/B2/B8 uses	
Additional Site 12	Land off Neptune Court, Whitehills Park, Phase I	0.13	Lancashire Ltd own Small, vacant greenfield site Only remaining undeveloped plot in Neptune Court office park On the market for design and build for B1 office uses with capacity for 1,115 sqm of development.	0-1
Additional Site 13	Land west of Ballam Road, Lytham	1.53	Kensington Developments own Cleared brownfield site Owners have submitted a planning application for 20 dwellings on the site. Foundations of previous buildings onsite Electricity substation onsite Trees on site (part of Witch Wood) B1 offices (or C3 housing)	0-1
Additional Site 14	Former Stanway Site, Boundary Road, Lytham	0.69	Kensington Developments own Cleared brownfield site Owners have submitted a planning application for 34 dwellings Access constraints Foundations of previous buildings onsite B1/B2/B8	0-1
TOTAL		22.32		

Source: Fylde Borough Council and BE Group, 2012

- 6.15 Over almost half of the 2012 supply (15 sites comprising 10.39 ha) is located in proximity to Junction 4, M55, at Whitehills Park and Blackpool & Fylde Industrial Estate. This is suitable for high quality office or industrial developments.
- 6.16 Of these 15 sites, six (totalling 4.79 ha) at Whitehills Park are now in bank ownership after being repossessed from a former local developer. Consultations with the bank

indicate that the land was placed on the market for sale, but that it received no interest. The bank now proposes to retain the sites for another three years, pending improving market conditions. However, individual sites could be released sooner if an acceptable offer was received.

- 6.17 Whitehills Park also contains the only immediately available developable land anywhere within the Borough that is not proposed for alternative uses. This comprises three sites, which are on the market for sale (primarily for design and build developments). These total 2.11 ha, representing only 9 percent of Fylde's employment land supply.
- 6.18 Two other sites in Lytham, totalling 2.22 ha, could potentially be brought forward over the next year. However, in both cases the developer has submitted planning applications for housing developments.
- 6.19 Of the remaining 2012 supply, 17 percent comprises the 3.80 ha at Queensway, St Annes, although this is not on the market as it is the subject of a mixed use planning application by the owners, Greenhurst Investments, which sees only 1.18 ha being used for employment purposes. In addition there will be development constraints regarding building heights and construction materials because of the proximity to Blackpool Airport's runway.
- 6.20 The schedule includes other sites that for various reasons have not been developed since the 2006 study. Another 8 percent of the supply involves 1.8 ha at Naze Lane, Freckleton, which is dependent on site access being created to what in any event is a low grade, poorly accessed location. The 0.2 ha site at Kirkham Trade Park, which is the only available land in Kirkham, also requires the construction of an access – and is being used by the owners for open storage related to their business.
- 6.21 Therefore, in Table 33 scenarios are presented for Fylde's land resource, considering the total supply initially and then adjusting it according to the various assumptions made above.

Table 33 – Fylde Land Supply Scenarios

Scenario	Cumulative Total Land Supply, ha	Comments
Baseline	22.32	Allocated and existing consented employment sites.
Baseline less land subject of alternative planning applications	16.02	Queensway Industrial Estate, St Annes. Employment proposed for 1.18 of total 3.18 ha site (remainder proposed for housing). Land West of Premier Inn, off Hallam Way, Whitehills Park, Phase I. Consent for a health and fitness club (subject to a renewal application) on the 1.84 ha site. Land West of Graceways, Whitehills Park, Phase II. Employment proposed for 0.24 of total 0.48 ha site (remainder consented for food and food retail). Land west of Ballam Road, Lytham. Owner proposing housing development on the 1.53 ha site. Former Stanway Site, Boundary Road, Lytham. Owner proposing housing development on the 0.69 ha site.
Baseline less alternative planning applications and potentially unviable/unavailable	15.23	Kirkham Trading Park – 0.2 ha being used by owners for open storage. Dock Road, Lytham – 0.1 ha Land adjacent to Water Pumping Station, Graving Dock Road, Lytham – 0.49 ha access constraints may prevent development

Source: Fylde Borough Council and BE Group 2012

6.22 As Table 33 shows, in a best case scenario Fylde has 22.32 ha of employment land and in a worst case only 15.23 ha, at the base date of 31st March 2012.

Geographic Distribution, Availability & Suitability

6.23 Almost three-quarters of the land supply is located on the western edge of the Borough, in close proximity to Blackpool. 12.79 ha is in the vicinity of Junction 4, M55, which because of its accessibility is perceived by local property agents to be as much as a provision, if not more so, for Blackpool, than it is for Fylde.

6.24 Of the major settlements of Fylde, Kirkham has a negligible supply while much of the land in Lytham is either proposed for alternative uses or subject to access constraints. In St Annes, there is a supply of 3.80 ha at Queensway, although as noted above this is the subject of a planning application which would see the

employment provision reduced by around two thirds in size. There are rural opportunities at Naze Lane, Freckleton and Peel Hall Business Village, Westby.

- 6.25 In Table 34 there is an analysis of the existing land supply at 31st March 2012 by location and availability. 19 percent is immediately available, within 0-1 years, while most (74 percent) is likely to be available within 1-5 years. 1.41 ha at Dock Road and Graving Dock Road, Lytham is constrained long term.

Table 34 – Location and Availability Assessment

Location	Availability, years				Total, ha
	0 - 1	1 – 3	3 – 5	5+	
Freckleton	-	1.80	-	-	1.80
Kirkham	-	-	0.20	-	0.20
Lytham	2.22	-	0.10	1.41	3.73
St Annes	-	3.80	-	-	3.80
Whitehills Park/Blackpool & Fylde	2.11	3.3	7.38	-	12.79
Total, ha	4.33	8.90	7.68	1.41	22.32

Source: BE Group 2012

- 6.26 Table 35 shows that 77 percent of the land supply is generally available for a mix of B1, B2, B8. Six sites, totalling 5.08 ha, are primarily suitable for office uses. This includes five sites at Whitehills Park which are either on the market for offices (although one of these also has the potential for Sui Generis car showroom use) or where the owner is indicated they intend to develop an office scheme. The final site is Land west of Ballam Road, Lytham, which is considered as only suitable for office uses although the owner has submitted a planning application for housing.

Table 35 – Land Suitability

Type	Amount, ha	Percent
B1 office	5.08	22.8
B8	-	-
B1,B2,B8 various	17.24	77.2

Source: BE Group 2012

Sites Quality

- 6.27 All sites have been graded using a standard scoring system that consists of objective measures (as far as possible). Each site is scored for its attractiveness to the market and for how well it meets planning policy objectives. The categories are: location, prominence, public transport, sequential test, planning status, services availability, environmental setting, flexibility and site availability. The assessment gives an appraisal of the overall quality of the land resource. The scoring system is provided in Appendix 5, while the results of the detailed scoring are provided in Appendix 6.
- 6.28 The highest market scoring site is Land West of Premier Inn, off Hallam Way, Whitehills Park, Phase I. This is a large, flexible good quality greenfield site which is prominently located in the centre of Whitehills Park and has full planning consent (albeit subject to a renewal application). It scores 80 out of a maximum possible of 100.
- 6.29 Whitehills Park contains most of the Borough's good quality employment land. This is emphasised by the fact that the nine highest scoring sites (with scores ranging from 66 to 80) are all in Whitehills Park. It is further illustrated in Table 36 which shows the average score of all the sites in each settlement. The settlement with the highest overall quality of its portfolio of sites is Whitehills Park/Blackpool & Fylde Industrial Estate. This is closely followed by St Annes while sites in Lytham, along with the single site in Freckleton, have low average scores.

Table 36 – Overall Sites Quality by Settlement

Settlement	Number of Sites	Highest Site Score	Lowest Site Score	Average Site Score
Freckleton	1	39	39	39
Kirkham	1	59	59	59
Lytham	5	59	29	46
St Annes	2	63	61	62
Whitehills Park/ Blackpool & Fylde	15	80	51	65

Source: BE Group 2012

- 6.30 The scoring is intended to give a reasonably objective, transparent appraisal of the overall quality of the land resource. This scoring system is just one method to use when assessing sites. There will be exceptions that prove the rule. However it gives

general guidance, and those sites scoring well are the ones to be protected – at least more so than those scoring poorly. However low scoring sites can still have a role to play in satisfying the needs of all sectors of Fylde’s businesses, for example sites in Lytham and Freckleton could have a role in providing budget workshop and storage accommodation to local firms. Also, though low scoring, some sites represent the only (or limited) supply for some locations.

Employment Areas Assessments

6.31 BE Group has reviewed a total of 33 Employment Areas across Fylde. These include the 21 ‘Existing Business and Industrial Areas’ identified in policy EMP2 of the Fylde Local Plan (2005) along with Whitehills Park (policies EMP1 and 2). It also includes 11 ‘Additional Employment Areas’ which, although they are allocated in the Local Plan for non-employment uses, do provide some B1, B2, B8 accommodation. It excludes any facilities (e.g. farms) which may be seeking, or have obtained, planning permission for business space, but have yet to develop any employment premises.

6.32 Each area has been appraised and assessed through a combination of site visits, local intelligence, consultations with some owners and the views of those involved in the local property market. Proformas have been completed for each area and are accompanied by site plans. These are included at Appendix 9. Some key points to note about the proformas are:

- Area boundaries are based on Geographic Information Systems (GIS) plans provided by the Borough Council. Area sizes are also calculated from GIS
- In ‘Area Reference’ the local authority’s planning policy descriptor is provided for the Employment Areas already designated in the Local Plan. The Additional Employment Areas are simply labelled 1-11
- The ‘Name’ contains the local authority’s designated title for the area, including where necessary the main street and town
- A brief ‘Description’ is provided in the form of BE Group’s comment on the area
- In a multi-occupier scheme, ‘Occupier(s)’ lists the major occupiers only
- ‘Prominence’ assesses the visibility of each area from adjacent main roads. Areas can have high, moderate or low prominence
- ‘Current Use (Use Classes)’ identifies whether buildings in the area are in office/light industrial (B1); general industrial (B2) and/or warehouse (B8) uses

In some cases areas may also contain an element of retail (A1), food retail (A3-A5) or motor retail (Sui Generis)

- An indication is provided of the age of properties in each of four categories assessed in 'Buildings Age'. These are pre-1960s; Post 1960; Modern (i.e. post 1990) and New
- 'Buildings Quality' is also broken down into three category assessments. 'Low' represents low quality design, externals, and condition. 'Good' equates to modern design, building condition, parking and external area provision. The remaining category is 'Moderate', covering properties that do not fit the other two headings
- In access constraints, any physical barriers to vehicle access (particularly HGV access) are discussed
- The distance from the area to the strategic road network (including the M55), the nearest rail station (in some cases the nearest rail station is in Blackpool), nearest bus route and nearest services (local shops, hotels and cafes/pubs/restaurants) is measured
- The quality of car parking within the area is measured. To get a 'good' rating each individual property must have its own off-street parking
- 'Constraints' can be physical, environmental or planning based and will lower the quality of the area and/or limit existing or proposed business operation
- 'Critical Mass' indicates whether the area has sufficient supply of existing premises, and occupiers, to encourage further businesses to locate within the area and (potentially) encourage further expansion
- Vacant land is identified, as is the scope for remodelling of particular properties or sites. Expansion possibilities are also included. All of these are identified, for simplicity, as 'Opportunities for redevelopment/expansion'
- Finally the future role of the area is set out. This incorporates both BE Group's recommendations and a view on what proportion of the area should remain in employment and what proportion (if any) could be lost to other uses
- The surveys which informed this area assessment were carried out in April 2012.

6.33 The template for the employment areas' proforma is included at Table 37.

Table 37 – Employment Area Proforma Template

Map	
Area Reference	
Name	
Description	
Occupier(s)	
Prominence	
Current Use (Use Classes)	
Size, ha	
Building Age	
Building Quality	
Access Constraints	
Distance to M55 Motorway, km	
Distance to A-road, km	
Distance to Rail Station, km	
Distance to Existing Bus Route, km	
Distance to Services, km	
Car Parking	
Constraints	
Critical Mass	
Opportunities for redevelopment/ expansion	
Other Information	
Recommendations	
Percent which could remain in Employment Uses (B1/B2/B8)	
Percent which could be lost to Other Uses	
Date of Survey	

Source: BE Group 2012

6.34 Table 38 provides the assessment of the 33 official and unofficial Employment Areas in Fylde. Together they indicate that some 521.1 ha of land is in employment use across the Borough. 46 percent of this is contained within the BAE Systems facility at Warton, with a further 17 percent comprising the Toshiba Westinghouse nuclear fuel processing site at Salwick.

Table 38 –Summary of Existing Employment Areas

Area	Description (Use Classes)	Size, ha	Remaining Area to be Developed, ha (Employment Sites)	Opportunities for Redevelopment/expansion	Recommendations
EMP2(1 and 3): Snowdon Road Industrial Area (including Queensway, Scafell Road, Everest Road), St Annes	Low grade, edge of settlement industrial estate with trade and office uses fronting Kilnhouse Lane and bad neighbour/motor trade uses to the rear (B1(a, c), B2, B8)	13.10	3.80	None, all undeveloped land is in use for open storage or proposed for FBC waste depot.	Retain as local employment area for B1/B2/B8 uses. Scope to expand by 3.80 ha
EMP2(2): Blackpool Airport, Squires Gate, St Annes	Good quality mixed-use area, with food retail fronting Squires Gate Lane and office/car showroom uses to the rear (A1, A3, B1 (a), Sui Generis). It should be noted despite the site description name this employment area is adjacent to, and does not form part of, Blackpool Airport.	11.93	0.00	Existing employment area is fully developed.	Retain as key employment area for mixed retail, motor retail and B1(a) office uses.
EMP2(4): Dock Road/Preston Road, Lytham	Edge of settlement employment area, divided in two by waterway, with trade/retail uses fronting Preston Road and housing development underway on backland sites (A1, B1(a, c), B2, B8, C3)	13.18	1.51	Most vacant land south of Liggard Brook is now under development for housing. Of the three employment sites within the area, two are owned by developers with aspirations for housing. The third is owned by FBC but is undevelopable until access constraints are overcome.	Most available employment land has now been lost to housing. FBC should work to retain the remaining 1.51 ha for B1/B2/B8 employment uses, where possible, while working with owners/developers to overcome the access constraints.
EMP2(5):	Low grade, edge of settlement	5.14	0.69	The 0.69 ha vacant site has been	Retain as local

Area	Description (Use Classes)	Size, ha	Remaining Area to be Developed, ha (Employment Sites)	Opportunities for Redevelopment/expansion	Recommendations
Boundary Road, Lytham	industrial estate comprising a mix of larger companies and smaller engineering/motor trade occupiers (A3, B1(c), B2, B8)			acquired by developers who currently wish to promote it for residential use. No other opportunities.	employment area for B1/B2/B8 uses. The 0.69 ha employment site should be retained for office/ industrial uses.
EMP2(6): Naze Lane, Freckleton	Small, rural industrial estate in an isolated location to the rear of BAE Systems, Warton (B1(c)/B2/B8)	6.85	1.80	1.80 ha employment site is available. No other opportunities.	Retain as local employment area for B1/B2/B8 uses. Access constraints (and rural location) mean that significant further expansion of this area (beyond the allocated employment site) should be discouraged.
EMP2(7): Kirkham Trading Park	Good quality trade park, prominent and centrally located in Fylde (B1(c), B2, B8, D1)	4.87	0.20	Employment site is in use by adjacent occupier for open storage. No other opportunities.	Retain as local trade park for B1/B2/B8 uses
EMP2(8): Progress Mill, Orders Lane, Kirkham	Large converted mill in a residential area (B1(a, c)/B8)	2.20	0.00	None.	Retain as local employment area for B1/B8 uses.
EMP2(9): Marquis Street/Richard Street, Kirkham	Low quality industrial estate within the Kirkham urban area, with constrained road access (B1(c)/B2/B8)	2.62	0.00	Some of the older low quality industrial premises may provide future opportunities for refurbishment or redevelopment.	Retain as local employment area for B1/B2/B8 uses.
EMP2(10):	Large factory for Fox's Biscuits, in a	3.61	0.00	None.	Retain as site for key local

Area	Description (Use Classes)	Size, ha	Remaining Area to be Developed, ha (Employment Sites)	Opportunities for Redevelopment/expansion	Recommendations
Whitworth Street, Wesham	residential area (B2)				employer (B2 use)
EMP2(11): Toshiba Westinghouse (Former BNFL) Site, Salwick	Self-contained, secure, licensed nuclear site occupied by a Tier 1 nuclear contractor (Toshiba Westinghouse) and associated supply chain companies (B2)	86.63	0.00	<p>Toshiba Westinghouse has consent for new production facilities on cleared, brownfield land within the facility. Other land could be used for the storage of waste which would otherwise go to Clifton Marsh Landfill Site.</p> <p>Toshiba Westinghouse also own greenfield land outside of the secure area, off Deepdale Lane. The company intends to retain this land for car parking, should changing legislation require them to move all car parking outside of the secure area.</p>	Retain as specialised employment area for nuclear industry and associated supply chain activities (B2 use)
EMP2(12): BAE Systems, Warton	Secure aircraft production facility for BAE Systems, including runways and wind tunnel (B1(a), B2, B8)	241.12	0.00	Part of the area (74.8ha) is now designated an Enterprise Zone (See Section 9.0). Land south east of Mill Lane is proposed for housing.	FBC will need to work with BAE Systems and other stakeholders to help manage change over the lifetime of the Enterprise Zone, and beyond.
EMP2(13a): Blackpool and Fylde Industrial	Established industrial estate comprising two large occupiers (Department of Work and Pensions (DWP)/Child Maintenance	26.32	2.40	There is a 2.4 ha undeveloped brownfield site off the entrance road. There is a further 4.9 ha of undeveloped land east of the	Retain as sub-regional employment area for B1/B2/B8 uses.

Area	Description (Use Classes)	Size, ha	Remaining Area to be Developed, ha (Employment Sites)	Opportunities for Redevelopment/expansion	Recommendations
Estate	Enforcement Commission (CMEC) and Booker Wholesale) and a multi-let scheme of terraced industrial units (B1(a, c), B2, B8)			DWP/CMEC offices. However, this is within grounds of the secure DWP/CMEC facility (ITSA Site) and only available for the expansion of that occupier.	
EMP2(13b): Whitehills Park	Good quality greenfield business park, on a main road location close to the Blackpool/Fylde boundary (A1/A4/B1(a, c)/B2/B8/C1/Sui Generis)	34.21	10.39	There is 10.39 ha of undeveloped greenfield land within the area and the two adjacent allocated (EMP1) expansion sites. There are also options to expand the area to the west. These are discussed further in Sections 6.0 and 11.0.	Retain as sub-regional employment area for B1/B8 and associated services/motor retail uses. Protect (existing and proposed) greenfield expansion sites to ensure the future growth of this key employment area.
EMP2(14): Former Stocks and Bonds Office (Heyhouses), Heyhouses Lane, St Annes	Large, secure former hospital complex, in a residential area, now subdivided to provide extensive office accommodation for larger firms including Hewlett-Packard (B1(a))	11.97	0.00	Some of the older low quality office premises may provide future opportunities for refurbishment or redevelopment.	Retain as a key source of larger B1(a) office suites in the Borough. Permit refurbishment/remodelling if it is deemed necessary to allow the premises to meet modern occupier needs.
EMP2(15): Axa/Aegon Offices, Ballam Road, Lytham	Two large, multi-storey office buildings, with vacant land to the west (B1(a))	4.94	1.53	There is 2,973 sqm of vacant office space in the Aegon/Guardian Financial building. This is being held by Aegon/Guardian Financial Services for future expansion.	Retain as a key facility for Fylde's larger B1(a) office employers. The vacant land west of Ballam Road is judged to be surplus to requirements and could be

Area	Description (Use Classes)	Size, ha	Remaining Area to be Developed, ha (Employment Sites)	Opportunities for Redevelopment/expansion	Recommendations
					lost to other uses.
EMP2(16): (Former) Land Registry, Lytham (Birkenhead House)	Large, multi-storey office building in a prominent location close to the Lytham Sea Front (B1(a))	1.11	0.00	Partial redevelopment of this property is proposed by the new owner for a mixed use scheme	If a mixed-use scheme is submitted for planning permission, FBC should ensure that as much of the property as possible is retained in B1(a) office use.
EMP2(17): St Georges Park, Kirkham	High quality office park, with main road frontage, along with a large factory for Keypack (A4, B1(a), B2)	7.38	0.00	None.	Retain as a key local employment area for B1(a) offices.
EMP2(18): Fairfield Research Station, Greenhalgh	Research, development, production and warehouse facility for Universal Products, with main road frontage, south of Jct3, M55 (B1(b)/B2/B8)	6.21	0.00	Universal has consent for a 2,719 sqm warehouse and a 1,263 sqm research and innovation facility in the south of the area, along with 3,233 sqm distribution unit in the north. Further land is available in the east of the area (presently forming landscaping) which is being held for future expansion of the operation.	Retain as site for key local employer (B1/B2/B8 uses)
EMP2(19): Former RAF Camp, Hillock Lane, Warton	Good quality, self-contained research and development facility (recently acquired by Helical Technology), including a vehicle test track, in rural location (B1(a, b)/B2/B8)	6.43	0.00	None (apart from redevelopment of the vehicle test track).	Retain as site for key local employer (B1/B2/B8 uses)
EMP2(20):	Good quality office complex (occupied	5.16	0.00	Land in the east has consent	Retain as site for key local

Area	Description (Use Classes)	Size, ha	Remaining Area to be Developed, ha (Employment Sites)	Opportunities for Redevelopment/expansion	Recommendations
Land Registry, Warton (Wrea Brook)	by Land Registry) in a Green Belt location between Lytham and Warton (B1(a))			(subject to a Section 106 agreement) for a 990 sqm office building, while most land in the south will become car parking (retaining two existing ponds). Remaining land in the west will be held by Land Registry for future expansion.	employer (B1(a) use)
EMP2(21): Brook Mill, Station Road, Wrea Green	Large converted mill in an edge of settlement location (B1(c)/B2/B8)	1.72	0.00	Some of the older mill properties may provide future opportunities for refurbishment or redevelopment.	Retain as local employment area for B1/B2/B8 uses
EMP2(22): Clifton Marsh Depot, Clifton	Sub-divided former Brownhills Motorhome Depot off a main dual carriageway, in a rural location (B1(a, c), B8, Sui Generis)	1.17	0.00	None.	Retain as local employment area for B1/B8 and associated motor retail uses
Additional Employment Area 1: Mill Farm, Fleetwood Road, Greenhalgh	Small, informal business park in converted farm buildings on a main road location (A1, B1(c), B8)	2.26	0.00	None.	If access constraints can be overcome FBC should adopt the farm as an allocated B1(c)/B8 employment area (although at present the dominant use is the retail sale of plants). This area is also discussed in the Potential Additional Sites Section (Section 11.0)

Area	Description (Use Classes)	Size, ha	Remaining Area to be Developed, ha (Employment Sites)	Opportunities for Redevelopment/expansion	Recommendations
Additional Employment Area 2: Wareing's Site, Blackpool Road, Kirkham	Rural facility for J Wareing and Son (B1(a, c), B2, B8)	3.60	0.00	None.	New build facility for a key local employer. The premises are large enough to warrant adoption as an allocated employment area. The boundary of any allocation should be tightly defined to protect surrounding countryside.
Additional Employment Area 3: Peel Hall Business Village, Peel Road, Westby	Small, good quality rural business park (B1(a,c)/B8)	5.37	0.00	3.44 ha of greenfield expansion land is available around the existing business units.	Despite high vacancy rates the Village has become an established rural business park. FBC should adopt it as an allocated B1(a,c)/B8 employment area. The boundary of any allocation should be tightly defined to protect surrounding countryside.
Additional Employment Area 4: Brownhills Motorhome Sales, Blackpool Road, Clifton	Motor home showroom and adjacent storage land, recently acquired by Campbells Caravans (B1(c), B8, Sui Generis)	3.10	0.00	None.	Area to be used for sui generis caravan showroom and storage. Thus primarily a retail rather than B1/B2/B8 employment area.
Additional Employment Area 5: Clifton House Farm,	Former farm buildings, now in use as tool hire centre and trade units (B1(c),B8)	0.99	0.00	None.	Former farm buildings, now in use as tool hire centre and trade units.

Area	Description (Use Classes)	Size, ha	Remaining Area to be Developed, ha (Employment Sites)	Opportunities for Redevelopment/expansion	Recommendations
Lytham Road, Warton (Braithwaites Yard)					FBC should adopt the farm as an allocated B1(c), B8 employment area. The boundary of any allocation should be tightly defined to protect surrounding countryside and housing.
Additional Employment Area 6: Axa Building, North Warton Street, Lytham (Westcliffe Centre)	Large, stand alone office/industrial building in a dense residential area close to Lytham Town Centre (B1(a), B8)	1.00	0.00	Owner considering options for the disposal of the property which could include redevelopment for housing or to allow expansion of the adjacent foodstore.	Re-use of this area for B1/B2/B8 employment would be limited by access constraints and surrounding housing. FBC should therefore consider if this property can be released for retail or residential uses.
Additional Employment Area 7: Petros House, St Andrew's Road North, St Annes	Large, multi-storey office building (occupied by Inenco) on a town centre retail/residential street (B1(a))	0.24	0.00	Present occupier intends to vacate at the end of the lease period in 2014. Owner has aspirations for housing.	Retain and adopt as one of the few large B1(a) office properties in Fylde. Permit refurbishment/remodelling if it is deemed necessary to allow the premises to meet modern occupier needs.
Additional Employment Area 8: Mythop Hall, Mythop Road, Weeton	Farm with rear buildings let to GAP Convenience Distribution (B8)	1.95	0.00	None.	The farm now operates as a small business park (albeit with premises presently let to a single occupier) and represents a

Area	Description (Use Classes)	Size, ha	Remaining Area to be Developed, ha (Employment Sites)	Opportunities for Redevelopment/expansion	Recommendations
					rare employment facility north of the M55. FBC should adopt the farm as an allocated B1(c), B8 employment area. The boundary of any allocation should be tightly defined to protect surrounding countryside.
Additional Employment Area 9: Freckleton Boatyard, Naze Lane East, Warton	Rural boatyard (B1(c), B8)	1.86	0.00	Some vacant brownfield land around the Naze Lane East entrance which could be used for a frontage development. However, growth of this area is constrained by the fact it is in a Countryside Area (Plan Policy SP3).	Active boatyard, the only such facility in the Fylde section of the Ribble Estuary. FBC should adopt the boatyard as an allocated employment area. However, such an allocation could limit appropriate uses in the area to boatbuilding/boat repair and storage. The boundaries of any allocation would also have to be carefully drawn to protect surrounding countryside and the biological heritage of Freckleton Pool.
Additional Employment Area 10: Dingle Farm,	Farm conversion to provide a workshop scheme in an isolated rural location (B1(c), B8)	1.86	0.00	None.	The farm now operates as a small business park. FBC should adopt the

Area	Description (Use Classes)	Size, ha	Remaining Area to be Developed, ha (Employment Sites)	Opportunities for Redevelopment/expansion	Recommendations
Vicarage Lane, Newton (Dingle Rural Business Park)					farm as an allocated B1(c), B8 employment area. The boundary of any allocation should be tightly defined to protect surrounding countryside.
Additional Employment Area 11: Sunny Bank Mill, Sunny Bank, Kirkham	Low quality former mill complex in a primarily residential area (B1(c), B8)	1.00	0.00	The mill appears to have a low occupancy rate and some areas may be derelict. The mill therefore provides future opportunities for refurbishment or redevelopment.	The mill is an existing multi-let employment scheme in Kirkham. FBC should adopt the property as an allocated B1(c), B8 employment area. FBC should also consider if opportunities exist to remodel and improve this building.
Total		521.10	22.32		

Source: BE Group 2012

- 6.35 Only 4 percent comprises remaining undeveloped land, while further opportunities for redevelopment and expansion are focused on the Enterprise Zone at BAE Systems (see Section 9.0). Opportunities elsewhere are limited and large occupiers are generally retaining vacant land to meet their own expansion needs. There are a number of older industrial properties in Kirkham (at Sunnyside Mill and Marquis Street/Richard Street) which may provide long term opportunities for refurbishment and redevelopment.
- 6.36 In Lytham and St Annes, the owners of Heyhouses, Petros House and Birkenhead House (Former Land Registry building) have aspirations for non-employment uses. However, this study has identified that the Borough lacks larger office suites, which could meet the expansion or inward investment needs of larger firms. For this reason (if possible) these properties should remain in employment (office) use. To allow this, refurbishment, remodelling or limited redevelopment of individual buildings may be required to ensure that they meet modern occupier needs.
- 6.37 Research has also identified 11 Additional Employment Areas across the Borough. Most are small and seven are in rural locations, however, all are in active use as employment facilities and (with the below exceptions) it is recommended that they be adopted as employment areas in the Local Plan. Adoption would allow future growth and change in these sites to be better managed and controlled. Setting a tight boundary to the allocations would also ensure that surrounding countryside and housing is protected.
- 6.38 Exceptions to this may include the former Brownhills Motorhome Sales facility; Blackpool Road, Clifton (Additional Employment Area 4) which has recently been purchased by Campbells Caravans and is likely to be used for Sui Generis caravan sales rather than B1/B2/B8 employment. Also the Axa Building, North Warton Street, Lytham (Westcliffe Centre, Additional Employment Area 6) which is heavily constrained in terms of access and may no longer be viable for employment uses.

Summary

- 6.39 Updating of the Borough Council's recorded employment land availability schedule, confirms that as at 31st March 2012 there were 24 sites totalling 22.32 ha. This represents sites allocated in accordance with Policy EMP1, unimplemented planning permissions and other vacant land in the Borough's employment areas. After

adjustment to reflect a worst case scenario this land supply could reduce to 15.23 ha. This is a reduction from 2006, when 27.3 ha was deemed available.

- 6.40 The land supply is dominated by provision in the west of the Borough, especially at Whitehills Park, close to the M55 motorway and Blackpool. Whilst this location might be attractive to new investors to the Borough, the relative distance and poor connectivity at present make it less enticing to Fylde's indigenous companies located in Lytham and St Annes. There is almost no supply in Kirkham while sites in St Annes and Lytham are either constrained or have owners seeking alternative uses.
- 6.41 The only existing rural option is at Naze Lane, Freckleton. However, this is not really an issue, as rural growth is more dependant on property availability rather than land.
- 6.42 The availability of the existing supply is not a particular issue, as most could be brought forward in the medium term (1-5 years). However there is less than two years' supply of immediately available land, based on the historic average annual take-up rate.
- 6.43 Site scoring shows that Fylde does have a range of high quality employment sites, but that these are almost all within Whitehills Park. Whitehills is also the only source of available land for office uses.
- 6.44 A review of Fylde's 33 identified (formal and informal) Employment Areas shows that most of the Borough's office and industrial sites are fully developed, with only a comparatively small proportion of undeveloped employment land available. Apart from the Enterprise Zone at BAE Systems, Warton, opportunities for redevelopment and expansion are limited. Even here the nature of the Enterprise Zone means this land will not be available to local businesses, and its use will be reserved for inward investments associated with a restricted number of industry sectors. This means any related growth by indigenous companies within the supply chains for the Enterprise Zone occupiers will need to be accommodated within the Borough's wider employment land and premises provision.
- 6.45 In Lytham and St Annes, the owners of several large office complexes have aspirations to redevelop their facilities for non-employment uses. Given the shortage of larger office suites in the Borough any such redevelopment schemes should be limited.

7.0 NEIGHBOURING AREAS ANALYSIS

Introduction

- 7.1 This section considers the property market in the local authority areas adjacent to Fylde. Understanding the supply and demand of employment land and premises in neighbouring areas is important in assessing if they have any impact on Fylde's land and property market. However, in reality many of the impacts are limited, as companies tend to prefer to remain in their localities due to the desire to retain staff.
- 7.2 Fylde shares the Fylde Coast with the local authority areas of Blackpool and Wyre. To the east is Preston, while South Ribble lies to the south east. To the south is West Lancashire. However, Fylde and West Lancashire are divided by the Ribble Estuary and do not share a land boundary. For this reason, no analysis of West Lancashire is deemed necessary. Figures for the total property supply, set out in Table 39 are taken from 2008 Valuation Office data (the latest available); while local authority reports and a number of relevant background documents are used as appropriate.

Table 39 – Property and Floorspace Distribution

Area	Floorspace, sqm (Number of Units)		Total Floorspace, sqm (Number of Units)
	Factories/ Warehouses	Offices	
Preston	1,049,000 (1,310)	414,000 (885)	1,463,000 (2,195)
South Ribble	1,177,000 (905)	121,000 (362)	1,298,000 (1,267)
Blackpool	634,000 (1041)	207,000 (736)	841,000 (1,777)
Wyre	531,000 (1,077)	122,000 (383)	653,000 (1,460)
Fylde	258,000 (532)	139,000 (447)	397,000 (979)

Source: ONS Commercial and Industrial Floorspace 2008

- 7.3 As Table 39 shows, Preston has the largest supply of floorspace in the sub-region, not surprising as Preston is the largest settlement in Lancashire. South Ribble has the second largest supply, and also has slightly more industrial floorspace than Preston – a legacy of its former New Town status which created a number of large

employment areas. On the Fylde Coast Blackpool dominates in terms of employment floorspace, followed by Wyre. Despite the presence of large employers in the Borough, some of whom are of regional and national importance, Fylde has the lowest supply overall. The Borough does however, have a reasonably large office supply, greater (by both premises numbers and floorspace) than that in Wyre and South Ribble.

- 7.4 The Economic Impact of Shale Gas Exploration and Production In Lancashire and the UK 2011 report by Regeneris Consulting highlights the potential benefits of this activity (Fracking) in Lancashire. The report notes that up to 1,700 jobs could be generated in this sector by 2016, with the bulk of the economic activity (and job creation) on the Fylde Coast. This would include some 160 long term maintenance jobs. Average wage levels in the high skill jobs generated would be around £55,000/year, around twice the average salary levels of the County.

Preston

- 7.5 In 2009, Preston had an employment land supply of 107 ha, and required an additional 13 ha to meet targets to 2026. This additional need is just under a quarter of the total requirement for Central Lancashire (54 ha), to 2026, as set out in the Central Lancashire Core Strategy, Employment Land Requirements Background Topic Paper (2010). This target was derived from the RSS target for Lancashire by the Central Lancashire local authorities.
- 7.6 By this measure, Preston requires 120 ha of employment land to meet its needs to 2026. However, the City Council also assumes it will lose around 11 ha of employment land to non-employment uses over this period, meaning that 131 ha will ultimately be required (107 ha on existing sites, 24 ha on new allocations).
- 7.7 Preston's large existing land supply and comparatively modest future requirements mean that the City is self sufficient for employment land, with no need to look to surrounding local authority areas for support. The City's larger strategic sites are focused around Junction 31(a) M6, and include Preston East (34.89 ha) and Red Scar (24.06 ha).
- 7.8 Proposed new allocations will also be focused around Junction 31(a) and are likely to include The Junction 31(a) Employment Site (up to 25.50 ha) and Roman Road Farm (up to 21.94 ha). These strategic sites will meet needs for industrial and

warehousing land, while office requirements will (where possible) be accommodated in the City Centre where there are plans to create a new central business district.

- 7.9 The availability of land around Junction 31(a) means that there is pressure to release some of the older employment sites for housing, particularly those in city centre locations. Preston City Council is presently working with other Central Lancashire authorities to produce a joint Supplementary Planning Document which will clarify the criteria by which marginal employment sites can be released for other uses.
- 7.10 The City Council is aware of the Enterprise Zone proposals at Warton. However, it assumes that most cross boundary linkages will be with the adjacent Enterprise Zone at Samlesbury. What form those linkages might take has still to be determined.
- 7.11 In 2006, the Lancashire Economic Partnership (LEP) produced a Draft Employment Land Strategy for the 'Lancashire West' sub-region (Lancaster, the Fylde Coast, Central Lancashire and West Lancashire District), although as noted in Section 2 this was not formally endorsed by Fylde Borough Council. This identifies Preston as having a service sector led economy and a declining, but still relatively important, manufacturing sector. The City is a substantial net importer of workers, with a travel to work area which includes Chorley, South Ribble and parts of Fylde (Kirkham/Wesham and Warton/Freckleton). The regeneration of Preston City Centre is critical to driving forward economic growth across the sub-region, although key schemes (such as the Tithebarn Regeneration) have stalled and will not now be delivered in their originally proposed form.
- 7.12 The City's property market was, prior to the recession, considered to be buoyant. Industrial demand was for motorway related sites, with increasing demand for logistics units. Office demand was from a mixture of local companies and large corporations/public sector agencies.

South Ribble

- 7.13 In 2010, South Ribble had an employment land supply of 159 ha, and required an additional 27 ha to meet targets derived from the RSS, to 2026. This additional need accounts for half of the total requirement for Central Lancashire (54 ha), to 2026, as set out in the Central Lancashire Core Strategy, Employment Land Requirements Background Topic Paper (2010) and the South Ribble Site Allocations and Development Management Policies, Development Plan Document (2011).

- 7.14 By this measure, South Ribble requires 186 ha of employment land to meet its needs to 2026. However, the Borough Council also assumes it will lose around 35 ha of employment land to non-employment uses over this period, meaning that 221 ha will ultimately be required (159 ha on existing sites, 62 ha on new allocations).
- 7.15 South Ribble's large employment land supply includes major strategic sites at Cuerden and Samlesbury. The strategic site at Cuerden lies between Leyland, Lostock Hall and Bamber Bridge, adjacent to the M6/M65 junction. Owned by Lancashire County Council, this 65 ha site is suitable for high technology industrial and business uses.
- 7.16 The Samlesbury site is occupied by BAE Systems and lies partly within the Ribble Valley local authority area. In May 2011, BAE submitted a successful bid for Enterprise Zone Status at both their Samlesbury and Warton facilities. The new Enterprise Zones encompass 147.3 ha, of which 72.5 ha is at Samlesbury. That 72.5 ha includes 37.4 ha which is presently designated as Greenbelt, but is expected to be released for development through the Local Development Framework process in 2013.
- 7.17 16 ha, primarily in Ribble Valley, is allocated for an additional phase of development at Samlesbury, to April 2015. 36,000 sqm of development would be brought forward over this period, comprising:
- Two 10,000 sqm B2 industrial units
 - A 3,000 sqm facility for skills, business support and academic link organisations, together with accommodation for Enterprise Zone administration, demonstration, meeting and/or exhibition space.
 - A 6,000 sqm 'Regional Skills Academy'
 - A 7,000 sqm B8 unit
 - A 2,000 sqm B1 unit
 - A B1 facility at Samlesbury, size circa 2,000 m².
 - 2,000 sqm of incubation and other office and workshop space
 - 4,000 sqm of B1(a) offices.
- 7.18 Short term activities will also include the preparation of eight development plots, suitable for 3,500 sqm units, targeted at advanced manufacturing firms. The short

term development at Samlesbury will be more than double that at Warton, where only 15,000 sqm is proposed to 2015.

7.19 Other land will be retained beyond 2015 for future development, to be determined by a masterplan which is being prepared for the Enterprise Zone. However, additional land could be made available at Samlesbury and Warton to respond to major inward investment requirements of 7,500 to 10,000 sqm.

7.20 Occupancy at Samlesbury will be limited to high value companies (inward investors) in the following sectors:

- Advanced flexible materials
- Aerospace
- Computing, systems engineering and autonomous systems
- General Aviation Services
- High-end automotive including motorsport, electric/alternative energy vehicles
- Nuclear
- Renewable energy.

7.21 The 2006, Draft Employment Land Strategy for West Lancashire highlights the continuing importance of manufacturing in South Ribble, with major employers including BAE Systems, Samlesbury. The service sector accounts for 64 percent of employment while around 15,000 South Ribble residents (38 percent of the workforce) commute into Preston. In 2006 there was strong demand for industrial and logistics sites, with motorway access, from local and regional firms. Office demand is also for out of town sites, with good motorway access.

Blackpool

7.22 The 2010 Blackpool Employment Land Review indicates that, as of 31st March 2010, Blackpool had an employment land supply of 23.5 ha, provided across nine sites. However, only 9.1 ha (38.7 percent) of this is of good quality and readily available for development. This comprises land at Blackpool Business Park and North Blackpool Technology Park. Most of the readily available sites are subject to firm developer interest and are likely to be brought forward in the short term. Thus Blackpool lacks a good quality land supply to meet its medium and long term needs which, based on past take-up, are around 1.6 ha/year.

- 7.23 Blackpool has very constrained local authority boundaries, with few opportunities to provide new employment sites in the town. This therefore raises the question as to whether some future employment land requirements may need to be met through linkages with the wider sub-regional land and property market of the Fylde Coast.
- 7.24 In terms of land requirements, Blackpool is continuing to look to the Joint Lancashire Structure Plan 2001-2016 identified requirement for 210 ha across the Fylde Coast sub-region to 2016. 125 ha (59.5 percent) of this need was allocated to Wyre, 45 ha to Fylde (21.4 percent) and 40 ha to Blackpool (19.1 percent). An earlier Blackpool Employment Land Study, produced in 2007, also suggests a need for 40 ha of additional employment land, in this case to 2021.
- 7.25 The 2006, Draft Employment Land Strategy for Lancashire West identifies Blackpool as having a service sector led economy, focused on tourism and the public sector. The town has low levels of employment in manufacturing and financial services. The property market is primarily local, with new development generally taking place on edge of town/out of town locations.

Wyre

- 7.26 The Wyre Core Strategy Preferred Option (2012) divides the Borough into nine Spatial Areas:
- Central Rural Plain
 - Cleveleys
 - Fleetwood
 - Garstang and Catterall
 - Poulton-Le-Fylde and Carleton
 - Rural East and Uplands
 - Rural West
 - Thornton
 - Wyre Sands.
- 7.27 The Core Strategy allocates an employment land supply of 96 ha for the period 2011 to 2028. This supply is focused in the Spatial Areas of Thornton (65 percent), Fleetwood (18 percent), Garstang and Catterall (17 percent) and Poulton-Le-Fylde (1 percent).

- 7.28 A particular focus for employment land allocations is the Fleetwood-Thornton Strategic Site, a strategically important land corridor between Harbour Village, Fleetwood and Stanah Road, Thornton. Overall, 76 ha of employment land will be made available in this area, including around 62 ha at Hillhouse, Thornton. Proposals for this former ICI facility include a specialist industrial park, providing land and properties for companies in the energy, renewables, chemicals and plastics sectors, and a 28 ha trade park. Major energy infrastructure is planned on the site, including a 875 MW combined cycle gas power station, to be completed by 2016.
- 7.29 Fleetwood is recognised as a focus for office development in the Borough, with mixed-use redevelopment options at Fleetwood Docks. However, much of Wyre's employment land is felt to be constrained by access issues and land in multiple ownerships. There is also a lack of understanding about owner intentions and what is actually deliverable on key sites, including Hillhouse.
- 7.30 Reviews of Wyre's land supply include the Wyre Employment Land Study (2008). This study identified that in 2008 Wyre had a realistic land supply of 79.56 ha. Based on the Borough's average annual gross employment land completion rate between 2001/02 and 2006/07 of 1.55 ha/year, this suggests a significant forward land supply of more than 52 years.
- 7.31 The most recent Employment Land Monitoring Report (March 2011) indicates an increased land supply of 88.99 ha, on 17 sites. This is explained by the fact the latter figure includes land which has been recently allocated in the Fleetwood/Thornton Area Action Plan and the Adopted Local Plan. The 2008 study relied solely on allocations in the first draft of the Local Plan. Thus the two supply figures are not comparable.
- 7.32 The key conclusion of these studies is that Wyre has a significant forward supply of land, although the deliverability of some sites is in question. However, Wyre is still in a position to help meet some employment land needs in constrained Blackpool and, should it be required, in Fylde as well. At the time of writing, no discussions about such possible joint working have been undertaken.
- 7.33 The 2006, Draft Employment Land Strategy for Lancashire West (along with the Draft Core Strategy) highlights that Wyre has been hard hit by recent declines in the deep-sea fishing and the chemical industries. This has left an economy strongly dependant

on the public sector and a weakened tourism industry. The property market, and particularly the office market, is almost exclusively local.

Summary

- 7.34 Preston has the largest supply of floorspace in the sub-region according to Valuation Office figures. South Ribble is second overall, although it has more industrial floorspace than Preston. On the Fylde Coast Blackpool dominates, followed by Wyre. Despite the presence of several large employers in the Borough, Fylde has the lowest supply overall. However, Fylde's office supply is greater than that of either Wyre or South Ribble.
- 7.35 Fylde shares a boundary with the City of Preston and there is extensive commuting between the two local authority areas. As stated elsewhere Fylde is a net importer of labour from Preston, primarily due to the presence of Westinghouse and BAE Systems. However, Preston is relatively self sufficient in terms of its employment land supply and most of the City's strategic sites are located away from the Fylde boundary, along the M6 corridor. New development in Preston is therefore likely to have only a modest impact on the land and property market in Fylde.
- 7.36 The greatest impact comes from adjacent Blackpool, which has a shortage of employment land and lacks the available space to provide new employment allocations within its boundaries. The town will have to look to its neighbours to meet the shortfalls, particularly for industrial and warehouse sites. In Fylde there are existing employment areas which can meet some of this need, notably Whitehills Park. However, Blackpool must also look to Wyre, which has a far larger existing supply of employment land than Fylde.
- 7.37 Fylde is linked to South Ribble (and Ribble Valley) by the common Enterprise Zone allocations at Samlesbury and Warton. Over the next four years 36,000 sqm of office/industrial accommodation is proposed at Samlesbury, targeted at companies in a number of high value sectors. This compares to only 15,000 sqm proposed at Warton over the same period.

8.0 COMPANY SURVEY

Introduction

- 8.1 A business survey has been carried out to establish evidence of demand for land and property, and substantiate findings in other sections of this study. It also widens the consultation process and provides direct empirical data on the demand for property and land. It is another strand of evidence that will be used to inform the study's conclusions and recommendations.

Methodology

- 8.2 A questionnaire (included at Appendix 7), with explanatory covering letter and pre-paid envelope, was sent out to 230 companies. The company databases were sourced from EGI, a specialist commercial property database. In 2010 there were approximately 2,296 relevant businesses operating out of B1, B2 or B8 premises or sites in the study area (according to the Office of National Statistics), and therefore this is a ten percent sample.
- 8.3 In so far as was possible the sample of companies targeted reflected the geographic sub-areas that make up the study area, i.e. St Annes, Lytham, Kirkham, Wesham, Warton and a range of smaller villages and parishes. For the purposes of this analysis Whitehills Park and Blackpool and Fylde Industrial Estate are considered to be part of St Annes, although in practice they are separated from the town by an area of Green Belt. Table 40 below, shows the geographic distribution of the companies responding, relative to the original sample used.

Response

- 8.4 The postal response achieved was 16.1 percent. Building on this, follow-up telephone calls were made to elicit better co-operation from businesses.
- 8.5 These actions significantly enhanced the numbers of responses, as well as establishing those companies who have either ceased trading or are no longer in the study area.
- 8.6 Overall 126 questionnaires have been completed, 55 percent of the total originally targeted (230). This is a good representative sample as it equates to 5.5 percent of the study area's relevant business population.

8.7 Table 40 shows that the geographic distribution of the companies responding to the survey is reasonably representative of the original sample used, although the response from Lytham was slightly higher than expected, while the responses from Blackpool and Fylde Industrial Estate/Whitehills Park and Kirkham, slightly lower. The proportions responding in each settlement are also somewhat skewed by the very good response rates achieved in the villages of Clifton and Wrea Green. In both, around half of the companies surveyed responded.

Table 40 – Geographic Distribution of Respondents

Area	Proportion of Businesses	
	Original Sample, percent	Companies Responding, percent
Blackpool and Fylde Industrial Estate/Whitehills Park	2.4	0.9
Clifton	2.6	4.0
Elswick	1.1	0.0
Freckleton	6.2	5.6
Kirkham	11.8	8.7
Little Eccleston	0.8	0.0
Lytham	29.2	32.5
Moss Side	0.5	0.0
Singleton	0.8	2.4
St Annes	34.6	34.0
Treales	0.5	0.0
Warton	3.9	4.8
Weeton	1.1	1.5
Wesham	2.4	2.4
Westby	0.2	0.0
Wrea Green	1.9	3.2
Total	100	100

Source: BE Group 2012

8.8 No responses were obtained from the settlements of Elswick, Little Eccleston, Moss Side, Treales and Westby. This is unsurprising as only 1-4 businesses were surveyed in these small communities.

Company Size

8.9 The 126 companies taking part in this survey employ 1,616 people. Of these, 18.1

percent are part-time employees, as shown in Table 41.

Table 41 – Number of Employees

Area	Full-Time	Part-Time
Blackpool and Fylde Industrial Estate/Whitehills Park	17	0
Clifton	38	5
Freckleton	37	18
Kirkham	165	27
Lytham	833	117
Singleton	21	0
St Annes	170	108
Warton	21	5
Weeton	8	1
Wesham	4	1
Wrea Green	10	10
Total	1324	292

Source: BE Group 2012

8.10 The high level of full-time employment in Lytham is due to four particularly large local companies that took part in the survey:

- Fylde Community Link (160 employees, 40 part time)
- Helical Technology (185 employees, 15 part time)
- Statestrong (100 employees)
- Tangerine Holdings (125 employees, 5 part time).

8.11 These account for 35 percent of the identified employment from the survey.

8.12 Elsewhere, as Table 42 shows, responses generally follow the national profile of small company employment. Almost three quarters employ ten or less (micro businesses), while the proportion of small firms (employing 11-50) is also quite large (21.4 percent). There are only five companies with over 50 employees, the four large firms of Lytham and builders J Wareing and Son of Kirkham.

Table 42 – Company Size

Area	Company Size, employees							Total
	0-2	3-5	6-10	11-20	21-50	51-100	101+	
Blackpool & Fylde Industrial Estate/ Whitehills Park	0	1	1	0	0	0	0	2
Clifton	1	1	1	2	0	0	0	5
Freckleton	3	2	0	1	1	0	0	7
Kirkham	2	2	2	4	1	1	0	12
Lytham	11	12	9	3	3	0	4	42
Singleton	1	0	1	1	0	0	0	3
St Annes	14	10	9	4	4	0	0	41
Warton	2	1	1	1	1	0	0	6
Weeton	1	0	1	0	0	0	0	2
Wesham	1	1	0	0	0	0	0	2
Wrea Green	3	0	0	1	0	0	0	4
Total	39	30	25	17	10	1	4	126
Proportion of Companies Responding, percent	31.0	23.8	19.8	13.5	7.9	0.8	3.2	100.0

Source: BE Group 2012

Current Premises

- 8.13 Companies were asked to state the type of property they occupy e.g. offices, industrial, warehouse, etc. Table 43 shows a relatively even split between industrial and office accommodation. 34.9 percent of the companies replying occupy industrial/warehouse accommodation, while 32.5 percent are in offices. Almost half of the office based businesses are in St Annes, mostly in town centre/edge of centre suites.
- 8.14 Table 43 also illustrates the strength of homeworking in Fylde, not just in rural settlements but in Lytham and St Annes as well. Just over a quarter of the respondents from both towns work from home. Across the Borough, 23.0 percent of the companies replying are home based.

Table 43 – Responses by Premises Type Occupied

Area	Accommodation Type								Total
	Office	Serviced Office	Industrial	Warehouse	High-tech/Lab	Barn Conversion/ Farm Location	Home	Site	
Blackpool & Fylde Industrial Estate/ Whitehills Park	2	0	0	0	0	0	0	0	2
Clifton	2	0	3	0	0	0	0	0	5
Freckleton	1	0	4	0	0	0	2	0	7
Kirkham	2	0	6	3	0	0	1	0	12
Lytham	15	0	15	0	0	0	11	1	42
Singleton	0	0	0	0	0	2	1	0	3
St Annes	19	0	11	0	0	0	11	0	41
Warton	2	0	2	0	0	0	1	1	6
Weeton	0	0	0	0	0	1	1	0	2
Wesham	0	0	0	0	0	1	1	0	2
Wrea Green	1	0	0	1	0	2	0	0	4
Total	44	0	41	4	0	6	29	2	126
Proportion of Companies Responding, percent	34.9	0.0	32.5	3.2	0.0	4.8	23.0	1.6	100.0

Source: BE Group 2012

8.15 Companies were asked to indicate whether they own or rent their property. Table 44 shows that overall there are far more companies that rent their premises than own them. Although 23.0 percent work from home – most of which will be owned freehold.

Table 44 – Tenure of Premises Occupied

Area	Tenure of Accommodation				Total
	Leasehold	Freehold	N/A (work from home)	Not Stated	
Blackpool & Fylde Industrial Estate/ Whitehills Park	0	2	0	0	2
Clifton	3	2	0	0	5
Freckleton	4	1	2	0	7
Kirkham	7	1	1	3	12
Lytham	15	10	11	6	42
Singleton	0	1	1	1	3
St Annes	21	8	11	1	41
Warton	4	1	1	0	6
Weeton	1	0	1	0	2
Wesham	1	0	1	0	2
Wrea Green	2	2	0	0	4
Total	58	28	29	11	126
Proportion of Companies Responding, percent	46.1	22.2	23.0	8.7	100.0

Source: BE Group 2012

- 8.16 Table 45 indicates the sizes of premises occupied by companies. Overall, emphasis is on premises of 500 sqm or less (58.4 percent), however the greatest proportion (23.2 percent) is based in premises of 101-200 sqm. Only one company, based in Kirkham, occupies a property of more than 5,000 sqm.
- 8.17 Respondents were asked to comment on whether they were satisfied with their present accommodation, and if not to explain why. Table 46 shows that 88.1 percent are content. Satisfaction was lowest in Lytham while no unsatisfied companies were identified in many of the smaller settlements of the Borough.
- 8.18 Of the 15 companies that are unsatisfied with their property or site, nine gave reasons why, with some giving more than one reason.

Table 45 – Size of Premises Occupied

Area	Size, sqm,							N/a (Work from Home)	N/a (Occupy Site Only)	Total
	0-100	101- 200	201- 500	501- 1000	1001- 2000	2001- 5000	5001+			
Blackpool & Fylde Industrial Estate/ Whitehills Park	0	2	0	0	0	00	0	0	0	2
Clifton	1	3	0	1	0	0	0	0	0	5
Freckleton	0	1	2	1	0	1	0	2	0	7
Kirkham	4	4	0	0	1	0	1	1	1	12
Lytham	12	4	5	5	0	4	0	11	1	42
Singleton	0	0	1	1	0	0	0	1	0	3
St Annes	7	12	7	2	1	1	0	11	0	41
Warton	0	2	2	0	1	0	0	1	0	6
Weeton	1	0	0	0	0	0	0	1	0	2
Wesham	0	1	0	0	0	0	0	1	0	2
Wrea Green	2	0	1	0	0	0	0	0	1	4
Total	27	29	18	10	3	6	1	29	3	126
Proportion of Companies Responding, percent	21.4	23.0	14.3	7.9	2.4	4.8	0.8	23.0	2.4	100.0

Source: BE Group 2012

8.19 Five companies, in Kirkham, Lytham and St Annes, are in premises they feel are too small. One St Annes based business feels that its property is 'run down' and needs improvements. Two businesses (in Lytham and St Annes) indicate that their rent is too high and are generally dissatisfied by the behaviour of their landlord. One Lytham based business wishes to move after it failed to get planning permission to expand on an existing site. Poor access is also regularly stated as a reason for dissatisfaction.

Table 46 – Satisfaction with Current Premises

Area	Tenure of Accommodation				Total
	Very Satisfied	Satisfied	Unsatisfied	Very Unsatisfied	
Blackpool & Fylde Industrial Estate/ Whitehills Park	0	2	0	0	2
Clifton	1	4	0	0	5
Freckleton	3	4	0	0	7
Kirkham	3	7	2	0	12
Lytham	21	14	7	0	42
Singleton	3	0	0	0	3
St Annes	18	18	4	1	41
Warton	1	4	0	1	6
Weeton	1	1	0	0	2
Wesham	0	2	0	0	2
Wrea Green	3	1	0	0	4
Total	54	57	13	2	126
Proportion of Companies Responding, percent	42.9	45.2	10.3	1.6	100.0

Source: BE Group 2012

Future Accommodation Requirements

- 8.20 Companies were asked to indicate whether they are considering moving premises in the next twelve months, or two to three years. 20 companies indicated that they are intending to relocate, with 10 of them proposing that this will happen in the next year.
- 8.21 The forecasted future space needs by size, tenure, quality and location type are shown in Tables 47 and 48. These are then summarised in Tables 49-52 (offices) and 53-56 (industrial).

Table 47 – Property Requirements by Location and Type – Offices

Location Type	Current Size, sqm	Required Size, sqm	Tenure and Quality	Area Preferred
Lytham				
Business Park	2001-5000	1001-2000	No Preference/Prestigious/ New	Lytham
Town Centre	101-200	201-500	No Preference/Moderate	St Annes
Town Centre	0-100	101-200	No Preference/Moderate	Lytham
Business Park/ Town Centre	Home	0-100	No Preference/No Preference	Lytham, St Annes
St Annes				
Business Park	Home	0-100	Leasehold/No Preference	Lytham, St Annes
Town Centre	0-100	0-100	Leasehold/Moderate	St Annes
Town Centre	0-100	0-100	Freehold/ No Preference	St Annes
Total	2102-5500	1303-3100		

Source: BE Group 2012

Table 48 – Property Requirements by Location and Type – Industrial

Location Type	Current Size, sqm	Required Size, sqm	Tenure and Quality	Area Preferred
Freckleton				
Rural (Barn Conversion/ Farm Location)	Home	0-100	No Preference/Moderate	Freckleton
Lytham				
Industrial Estate	Additional	501-1000	Freehold /Prestigious/ New	Lytham
Industrial Estate	201-500	501-1000	No Preference/No Preference	Anywhere in Borough
Industrial Estate	Home	201-500	No Preference/Moderate	Lytham, St Annes, Blackpool (close to M55)
Industrial Estate	Additional	101-200	Freehold/No Preference	Lytham, St Annes, Warton
Industrial Estate/ Business Park	Home	0-100	Freehold/Moderate	Lytham, St Annes
St Annes				
Town Centre	101-200	501-1000	No Preference/No Preference	St Annes, Blackpool
Industrial Estate	101-200	101-200	Leasehold/Basic/Budget	Lytham
Industrial Estate	101-200	101-200	Leasehold/Moderate	Lytham, St Annes
Town Centre	Home	0-100	Leasehold/No Preference	Lytham, St Annes, Blackpool

Location Type	Current Size, sqm	Required Size, sqm	Tenure and Quality	Area Preferred
Warton				
Industrial Estate	201-500	201-500	Leasehold /Prestigious/ New	Warton
Wesham				
Industrial Estate/ Business Park	101-200	101-200	Freehold/Basic/Budget	Kirkham
Total	806-1800	2309-5100		

Source: BE Group 2012

8.22 Only one company is looking for a site for industrial use. As this is not a property requirement it is excluded from Tables 47 and 48. Based in Lytham, the company is looking for 0.3 ha of land on an industrial estate in Kirkham.

8.23 Tables 47 and 48 show the greater industrial demand compared to the office sector, both in terms of total floorspace required and number of requirements (almost 2:1). There are 12 industrial requirements compared to seven offices.

Table 49 – Summary of Office Requirements – Sizes

Size, sqm	Number of Companies Responding	Proportion of Companies Responding, percent
0-100	4	57.1
101-200	1	14.3
201-500	1	14.3
501-1000	0	0.0
1001-2000	1	14.3
2000+	0	0.0
Total	7	100.0

Source: BE Group 2012

Table 50 – Summary of Office Requirements – Tenure

Tenure	Number of Companies Responding	Proportion of Companies Responding, percent
Leasehold	2	28.6
Freehold	1	14.3
No Preference	4	57.1
Total	7	100.0

Source: BE Group 2012

Table 51 – Summary of Office Requirements – Quality

Quality	Number of Companies Responding	Proportion of Companies Responding, percent
Budget	0	0.0
Moderate	3	42.9
New	1	14.3
No Preference	3	42.9
Total	7	100.0

Source: BE Group 2012

Table 52 – Summary of Office Requirements – Location Type

Location Type	Number of Companies Responding	Proportion of Companies Responding, percent
Business Park	2	28.6
Business Park/ Town Centre	1	14.3
Rural	0	0.0
Town Centre	4	57.1
No Preference	0	0.0
Total	7	100.0

Source: BE Group 2012

- 8.24 In terms of floorspace, the demand for industrial accommodation is between 65 and 77 percent more than the office figures. However, office floorspace demand is reduced by the fact that the largest of the seven firms with a requirement is looking to downsize from a 2001-5000 sqm unit to one of 1001-2000 sqm.
- 8.25 Generally, firms looking for space do not want to move from the settlement from which they presently trade. Thus the majority of businesses based in Lytham or St Annes wish to stay within the Lytham St Annes urban area (although three industrial businesses would also consider premises in Blackpool). Only one respondent indicated that they would look anywhere in the Borough for a new property.
- 8.26 There are seven requirements for office premises with all except one being for units up to 500 sqm. All the businesses are Lytham or St Annes based and want alternative properties in the Lytham St Annes urban area (three want premises in St Annes, two want premises in Lytham, while two would consider accommodation in either settlement). There is a slight preference for leasehold tenure and moderate

quality premises. Town centre or business park units are preferred. However many companies gave no preference for the specification of office required.

Table 53 – Summary of Industrial Requirements – Size

Size, sqm	Number of Companies Responding	Proportion of Companies Responding, percent
0-100	3	23.1
101-200	4	30.7
201-500	2	15.4
501-1000	3	23.1
1001-2000	0	0
Over 2001	0	0
Site	1	7.7
Total	13	100.0

Source: BE Group 2012

Table 54 – Summary of Industrial Requirements – Tenure

Tenure	Number of Companies Responding	Proportion of Companies Responding, percent
Freehold	4	30.7
Leasehold	5	38.5
No Preference	4	30.7
Total	13	100.0

Source: BE Group 2012

Table 55 – Summary of Industrial Requirements – Quality

Quality	Number of Companies Responding	Proportion of Companies Responding, percent
Budget	3	23.1
Moderate	4	30.7
New	2	15.4
No Preference	4	30.7
Total	13	100.0

Source: BE Group 2012

Table 56 – Summary of Industrial Requirements – Location Type

Location Type	Number of Companies Responding	Proportion of Companies Responding, percent
Industrial Estate	8	61.5
Industrial Estate/ Business Park	2	15.4
Town Centre	2	15.4
Rural (Barn Conversion/ Farm Location)	1	7.7
Total	13	100.0

Source: BE Group 2012

8.27 There are 12 industrial requirements (and one site requirement). Demand is for units of 1000 sqm or less, with the most popular size band being 101-200 sqm. There are seven requirements for Lytham and/or St Annes (three would also consider Blackpool and one would also consider Warton) and one requirement each for Freckleton, Kirkham, Warton and Wesham.

8.28 There is a greater preference for leasehold premises, but four businesses want to buy (30.7 percent). Demand is generally for budget or moderate premises, although there are also two requirements for new/high quality units. Industrial estates are the most preferred location. Again many of the companies expressed no preference with regards to these characteristics.

Property Factors

8.29 A number of companies expecting to move in the next three years identified the most important factor(s) when looking for alternative accommodation. These are shown in Table 57. Several companies gave more than one reason.

8.30 The most important factors are: cost, location, size and the specification of premises (for example the need to have appropriate storage space, lorry loading access or product demonstration facilities). The accessibility and parking are also important.

Table 57 – Most Important Factor(s) When Seeking Alternative Accommodation

Quality	Number of Companies Responding
Cost	7
Location	5
Size	5
Specification of property (e.g. have appropriate storage space, lorry loading access, product demonstration facilities, etc.)	5
Accessibility	2
Parking	2
Local environment	1
Security	1
Total	28

Source: BE Group 2012

Job Creation

- 8.31 The 20 firms with property requirements presently employ 207 people (26 part-time). 60 percent of these (125) are employed by one large firm (see Table 58).

Table 58 – Potential Job Creation

Present Location	Area Preferred	Present Employees (Part-Time)	Potential Additional Jobs to be Created
Industrial			
Additional	Lytham	125 (5)	55-75
Additional	Lytham, St Annes, Warton	2 (0)	0
Freckleton	Freckleton	1 (1)	0
Lytham	Anywhere in Borough	15 (0)	4
Lytham	Lytham, St Annes, Blackpool (close to M55)	1 (0)	0
Lytham	Lytham, St Annes	2 (0)	0
St Annes	St Annes, Blackpool	3 (1)	0
St Annes	Lytham	2 (0)	0
St Annes	Lytham, St Annes	4 (0)	0
St Annes	Lytham, St Annes, Blackpool	2 (0)	0

Present Location	Area Preferred	Present Employees (Part-Time)	Potential Additional Jobs to be Created
Warton	Warton	8 (0)	0
Wesham	Kirkham	2 (0)	1
Sub-Total		167 (7)	60-80
Site			
Lytham	Kirkham	4(1)	0
Sub-Total		4(1)	0
Office			
Lytham	Lytham	8 (4)	4
Lytham	St Annes	9 (3)	2-3
Lytham	Lytham	4 (0)	2
Lytham	Lytham, St Annes	10 (10)	0
St Annes	Lytham, St Annes	3 (0)	0
St Annes	St Annes	1 (0)	0
St Annes	St Annes	1(1)	0
Sub-Total		36 (18)	8-9
Total		207 (26)	68-89

Source: BE Group 2012

- 8.32 Companies were asked if their proposed move or expansion would result in any additional jobs being created. Six businesses collectively would hire an additional 68-89 new staff (60-80 in the industrial business, 8-9 in the offices businesses). The jobs would be generated primarily in Lytham and St Annes.
- 8.33 Most of the new jobs (81 to 85 percent) would be generated by the expansion of a single large firm within Lytham.

Perceptions/Comments

- 8.34 Respondents also made additional comments relating to the wider business environment, with some making several comments (Table 59). The most common statements are about the perceived lack of business support, grants and funding and the lack of cheap, accessible parking in the main settlements. Several companies also felt there is a lack of available office accommodation in Lytham, St Annes and (to a lesser degree) Kirkham. The lack of high speed broadband in the Borough, and particularly in the smaller settlements, was noted by five firms.

Table 59 – Other Issues

Comments	Number of Times Commented On
Poor business support/funding/grants (lack of/need more)	7
Parking issues (lack of parking space/expensive)	7
More office premises required in Lytham, Kirkham and St Annes	5
Limited broadband accessibility	5
High business rates	4
Public transport is important	2
Constrained road access (e.g. access road has pot holes)	2
Traffic issues	1

Source: BE Group 2012

Summary

- 8.35 Most companies requiring office space want premises up to 500 sqm. There is a slight preference for leasehold tenure and moderate quality premises (although many companies gave no preference as to the specification of office required) on business parks or in the Borough's town centres.
- 8.36 Despite the general economic shift from industrial to service sector activity, the survey has found demand for industrial premises to be significantly higher than that for offices. This applies both in terms of the number of requirements and the total floorspace requirement.
- 8.37 In terms of industrial need, the greatest demand is for units of 101-200 sqm, but there is reasonable demand up to 1000 sqm. There is demand for both leasehold and freehold premises. Industrial estates are the most popular location.
- 8.38 If all the relocations and expansions went ahead, then they could generate 68-89 new jobs in the Borough, primarily in Lytham and St Annes.
- 8.39 The findings in Section 5.0 – Property Market Analysis assessed supply of available premises. In Table 60 the available properties are aligned to the identified company requirements as one test of the supply and demand position. It illustrates that overall Fylde has a reasonable range of premises. However, based against the company requirements from a relatively small sample (approximately five percent), there is a potential shortage of larger (1001+ sqm) office units (although availability at

Heyhouses could meet these needs) and 501-1000 sqm industrial units. There appear to be sufficient freehold and good quality/new premises to meet requirements.

Table 60 – Overall Fylde Premises Supply and Demand Analysis

Requirement Property Size, sqm	Industrial		Office	
	Available Units	Number of Requirements Identified by Company Survey	Available Units	Number of Requirements Identified by Company Survey
0-100	9	3	11	4
101-200	29	4	20	1
201-500	16	2	18	1
501-1000	3	3	0	0
1001+	1	0	0	1
Freehold (or Either)	10	4	16	2
Good Quality/New	16	2	20	1

Source: BE Group 2012

- 8.40 The survey confirms the strength of micro and small businesses in the study area and the need for both business park/industrial estate property solutions as well as town centre office accommodation. It also emphasises the importance of cost, location, and property size/specification to businesses.
- 8.41 It should be remembered that the company survey is just one strand of evidence. It illustrates pent-up demand. It is not the sole answer; obviously not all the company requirements will come to fruition as shown by the survey returns. Equally there will be other companies who were surveyed that stated that they do not intend to relocate at the moment, but which may well do so over the next five years. It should be noted that the company survey was undertaken during the credit crunch recession. This is likely to impact on future plans and the timing of these plans. It was certainly commented upon by businesses and is affecting them, whether that be directly or indirectly.

9.0 STAKEHOLDER CONSULTATIONS

Introduction

9.1 Here commentary is provided about Fylde as a whole. This comprises comment from the public sector and other stakeholders – public sector agencies and major businesses. It should be noted that each organisation’s comments are their perception of the situation, and may well reflect their role and involvement, rather than being the complete picture. This has been done to widen the consultation process and to complement the company survey.

Parish and Town Councils

9.2 All 15 Parish and Town Councils of the Borough have been contacted by post. Three parish and three town councils responded:

- Elswick Parish Council
- Greenhalgh with Thistleton Parish Council
- Kirkham Town Council
- Medlar-with-Wesham Town Council
- St Annes Town Council
- Staining Parish Council.

9.3 The six councils made comments on the local economy and the parish/town employment land and property market. These are discussed below.

9.4 Elswick Parish Council comment simply that *“there is no further need for employment land in Elswick”* and that further employment development in the Parish would not be sustainable *“because of inadequate bus services and other facilities to/in the area.”* Staining Parish Council responded with a similarly brief statement indicating that there is no available land or premises in the Parish suitable for employment uses.

9.5 Greenhalgh with Thistleton Parish Council highlights the rural nature of its Parish. Greenhalgh with Thistleton Parish has the smallest population of Fylde’s 15 parishes and towns, and much of the land is in agricultural use. The Parish contains a high proportion of farm workers, home based businesses and retired residents.

9.6 The Parish Council is not aware of any unmet requirements for land or property in the Parish. Fairfield Research Station is now occupied by Universal Products Limited and

the company has recently received planning approval for employment development on all unused land within the facility. The Fairfield site and other existing business facilities in the Parish are felt to meet all local employment needs. Existing planning policies on farm diversification are also judged sufficient to support future growth in the Parish's agricultural sector.

- 9.7 In terms of areas of search for new employment sites, the Parish Council believes that: *“any additional employment land and premises development should be centred at sustainable locations close to the centres of population that they serve and within or at least, adjacent to existing settlements. As far as possible such developments should be on brownfield sites. The availability of previously-identified land at Whitehills [Park], near to the Blackpool boundary, M55 Junction 4 and other capacity at Whyndyke [Farm] could provide additional sustainable sites if required.”*
- 9.8 *“It seems to this [Parish] Council that the under-used site capacities at BAE Systems and [Toshiba] Springfields, together with various other redundant locations, should be the principal locations on which the forward planning policies should depend.”*
- 9.9 The Greenhalgh with Thistleton Parish Council area includes Junction 3, M55. The Parish Council notes that an (unnamed) party is understood to have acquired land around Junction 3, with a view to pursuing industrial or housing development. The Parish Council is concerned about the possible loss of greenfield land in this area and intends to oppose any development proposals which might be submitted for planning approval.
- 9.10 Kirkham Town Council responded with a list of the existing employment areas of Kirkham:

Industrial Areas

- Kirkham Trading Park, Freckleton Road
- Progress Mill, Orders Lane
- St Georges Industrial Park, Kirkham Bypass
- Sunnybank, Sunnybank (Road).

Office Areas

- The Crossroads Business Centre, Freckleton Street
- Kirkgate, Poulton Street

- St Georges Business Park, Kirkham Bypass.

- 9.11 The Town Council feels that some of these areas still provide opportunities for additional employment development, particularly Sunnybank. However, vacant premises are available to meet most requirements. In particular, it is considered that the town has a large supply of available small office suites.
- 9.12 More generally, the Town Council comments that *“Kirkham would very much like to attract more employers to Kirkham and certainly wish to encourage people to work locally; we feel some of the existing sites are under utilised.”*
- 9.13 *“Kirkham has excellent road and rail links 5 minutes from Junction 3 M55 Kirkham is on the A583 and with its own railway station. We have a proactive Kirkham and Wesham Business Group which supports and improves business in the town for residents and visitors alike.”*
- 9.14 Medlar-with-Wesham Town Council state that *“Development should not be allowed on greenfield sites throughout the Borough”*. Instead future employment development should be focused onto *“unused areas of employment land and premises.”* Further land and premises is felt to be available in the sites of major employers who have reduced the size of their workforce (and hence their local land and property requirements) in recent years.
- 9.15 The Town Council is also concerned about the *“unregulated development of farm and agricultural buildings”* in the Medlar-with-Wesham area.
- 9.16 St Annes Town Council consider that there *“is a need to ensure that a variety of employment opportunities should be located within the town.”* For this reason it is opposed to the change of use planning application at the former Premium Bond site (Heyhouses) which would see employment land lost for housing. If, as the planning applicants maintain, there is no current demand for employment uses at Heyhouses then the site *“should be retained as an employment land bank until such time as demand returns.”*

Other Public Sector Bodies

Lancashire County Council

- 9.17 The County Council (LCC) announced in April 2012 the commitment to the Superfast Broadband project, which will provide enhanced broadband communications to the parts of the County (approximately one third of all businesses and households) where there are no providers of Superfast Broadband and no commercial plans to deploy Superfast Broadband. The project, costing £32 million, is being funded by Broadband Delivery UK (BDUK), European Regional Development Fund and local authorities.
- 9.18 The project will be rolled out across the County over the next two and half years, with a target of reaching 97 percent of all properties by the end of 2014. Fylde, in particular the rural areas, will benefit although the timetable for delivery and which areas will benefit, has not yet been established. BT has been appointed as the delivery partner. There will not be a direct role for Fylde Borough Council.
- 9.19 The non-urban areas of Fylde are included within the LCC-led North Lancashire Rural Local Action Group area, which covers all Census Output Areas classified as rural within Fylde, Wyre and Lancaster. Three direct grant funds have been provided to help the development of micro businesses (less than 10 employees); diversification into non-agricultural activities; adding value to agricultural or forestry products.
- 9.20 Historically Fylde has been seen as having a stable, successful economy due to the reliance it has been able to have on a few major employers in aerospace, nuclear, insurance and government department activities. There is now however, a realisation that the local economy must diversify to address contraction within some of these sectors. The Warton Enterprise Zone is, in part, a response to this, notably the proposed job losses within BAE Systems.
- 9.21 The Lancashire Enterprise Partnership is a wholly owned company of LCC, and is responsible for the delivery of the Warton EZ. The EZ comprises three areas surrounding the excluded (from the EZ) operational airfield. These are the Northern Area (39.7 ha); South West (12.8 ha) and South East (21.3 ha). The Northern Area will be developed first as this comprises the bulk of the existing buildings located

close to the site's current access. Development of the South West and South East areas will first require new access arrangements to be provided.

- 9.22 A Local Development Order is being prepared for Phase 1 of the Northern Area. This will involve 8.2 ha, and the programme means that land could be available in late 2012.
- 9.23 The EZ is proposed to accommodate only those activities that can be seen to have linkages to the advanced manufacturing sectors, and that deliver genuine inward investments to Lancashire. There should however be knock-on opportunities for local businesses within the AEM supply chain and it is important therefore that there are sites and premises which can accommodate their growth and expansion arising from the EZ. hence the need for employment allocations that reflect this.

Blackpool Bay Area Company

- 9.24 Blackpool Bay Area Company (BBAC) has a role in providing economic development support not just for Blackpool, but also for Fylde and Wyre. This includes the initial point of contact for property enquiries.
- 9.25 Although Blackpool Borough Council has yet to update its Employment Land Review (this is to be done in early summer 2012), BBAC is concerned that the constrained boundaries mean there is little scope for further employment land provision. This issue has previously been recognised, for example the Fylde Sub-Region Employment Land Review Summary Statement (2010) proposed that the boroughs of Fylde and Blackpool should have an additional 70 ha of employment land through to 2026. 50 ha of this is to be met at Junction 4, M55.
- 9.26 Research relating to fracking suggests the Fylde sub-region has the potential to establish a centre of excellence for the sector, that serves not just the UK but other European countries where opportunities have been identified. The research suggests potential locally based employment in the order of 1,700 jobs, with only 200 of these directly linked to drilling operations in the area.
- 9.27 The only possible infrastructure constraint to new development relates to drainage. United Utilities have plans for a new treatment works and pumping station, to be constructed in Wyre. In advance of this they are stating that pre-2016 no new

housing schemes should be allowed if they comprise more than 20 units. No indication has been given about the scale of acceptable employment development.

- 9.28 Whilst these new treatment works will not directly serve the Whitehills Park area, or the wider Borough, what they would do is to free up capacity in Blackpool, which developments in Fylde could then tap into.

Ribble Valley Borough Council

- 9.29 Although not an adjacent local authority area, Ribble Valley will also be impacted by the Enterprise Zone at Samlesbury, as part lies within the Borough's boundaries.
- 9.30 The land in question sits outside BAE's secure site. As it is located on an area previously earmarked for an 'aerospace park' the Borough Council is treating the EZ as part of its forward employment land supply. Although the land is subject to the EZ Local Development Order the Council is likely to take a less proscriptive approach about what happens on the site. This could include allowing activity that has no relevance to the EZ objectives – it simply will not be allowed the EZ benefits.

Central Government Departments

- 9.31 There are four sites within Fylde that are occupied, or used to be occupied, as key civil service employment locations – Peel Park; Wrea Brook Court; Heyhouses and Birkenhead House. Consequently BE Group sought to consult with those responsible for managing these facilities, as well as Telereal Trillium who own two of the sites. However all approaches have failed to generate any kind of response.
- 9.32 What is known is that Telereal Trillium are seeking to secure alternative higher value uses for Heyhouses, and that Birkenhead House has now been purchased by a local business with a view to regeneration of the site. This would see the company relocating from Whitehills to occupy part for its own offices, alongside proposals for a hotel and some housing to the estuary frontage.

Key Businesses/Landowners

- 9.33 One to one consultations have taken place with most of the major businesses located in the Borough. The majority have been founded in Fylde by local residents, even though some have through ownership changes or acquisitions become national companies.

Aegon, Ballam Road, Lytham

- 9.34 Aegon have their Protection Business insurance operations in Lytham. This relates to critical health and unemployment insurance. The company employs just under 300 people on the site. Although in recent times Aegon has divested some of its business activity that was based in Lytham, and relocated some support functions to its main Edinburgh base, there are no intentions for further changes.
- 9.35 Aegon occupy a three hectare site that houses a 8400 sqm office building. In 2009 a sale and leaseback was concluded with Aviva, with Aegon taking a 20 years lease. The purpose was to release capital to enable Aegon to carry out extensive refurbishment of the building.
- 9.36 Aegon occupy one third of the building for their own use. One third has been sub-let to Guardian Financial Services. 2800 sqm remains vacant, but is not on the market as it seen as future expansion for either of the two existing occupiers.
- 9.37 To the west of Ballam Road, Aegon has sold its former computer block site to Kensington Developments. Although an allocated employment site, Kensington has submitted a planning application for residential use.

Guardian Financial Services, Ballam Road, Lytham

- 9.38 Guardian Financial Services is a 'closed book' insurance business. It was part of Aegon until November 2011, when it was purchased by equity investment company, Cinven. This is the first venture by Cinven into this sector of the financial services industry.
- 9.39 Guardian Financial Services have taken a 10 year lease of part of the Aegon building, with an option to lease additional space. At present they employ 170, most of who were transferred from Aegon, and have the capacity to grow to 250-300 in the building.
- 9.40 Around 80 percent of the workforce lives locally within Fylde. There is very little churn in the workforce; the average length of service with Guardian/Aegon is 18 years. Although Guardian, or in the previous guise of Aegon, has not been a significant recruiter of staff in recent years, the experience is:

- Customer service staff can readily be sourced from the Fylde
- Specialist skills set (underwriters; actuaries) recruitment is more challenging and requires casting the net wider. Recruiting experienced people is difficult because Lytham is removed from the main financial services sector locations. To overcome this, the company has recruited graduates and trained them, as graduates are more receptive to taking a first job in the area.

9.41 Guardian see the advantages of their current location being the accessibility, an easy commute and no congestion; the close proximity (walking distance) to facilities in Lytham town centre; plentiful parking on site; limited competition for personnel, which means high levels of staff retention.

Axa, Ballam Road, Lytham

9.42 Axa employ 500 people at Ballam Road. These provide back office functions for the company's UK operations, including finance; IT and human resources. Axa own and occupy a 6,000 sqm (65,000 sqft) office building. Their ownership includes some car parking, although they lease part of Aegon's multi-storey car park. Site access is shared with Aegon.

9.43 Lytham is one of four company sites in the North West. Other operations are located in Morecambe, Bolton and Manchester. Lytham is seen as a long term commitment, although there are no plans to increase the workforce from its present size.

9.44 As a national company their activity is geared to a nationally based supply chain. As such there is very little connection with local Fylde suppliers.

9.45 AXA also own a 1.04 ha site at Westcliffe. This houses a print room function, employing a further 40 staff. The site is poorly located for employment activity and in association with a current review of its print room functions it is likely Axa will shortly review the future of the Westcliffe site.

Tangerine Group, Dock Road/Boundary Road, Lytham

9.46 Tangerine Group has its main offices at Dock Road, and its manufacturing and distribution functions at Boundary Road. The company manufactures, and exports worldwide, veterinary products. Currently the company employs 125 people but plans to increase this number in the short to medium term.

- 9.47 Since purchasing premises from Statestrong four years ago, Tangerine has invested heavily in creating state of the art production facilities. The company's current growth pattern will see production space at full capacity in two years time, at which point the Boundary Road site would need to be augmented.
- 9.48 The company has concerns about both its locations. At Dock Road, as a result of the loss of former employment sites to housing consents, only Tangerine and Helical remain. The company considers the introduction of residential use into what has been a long established employment area is likely to constrain continuing employment activity. The Boundary Road estate is largely built out, with no room for expansion as it abuts green belt. The only currently undeveloped site, the former Stanways workshops, is understood to have been purchased with a view to residential development. This is a site of 0.69 ha (1.7 acres).
- 9.49 Whitehills Park is not viewed as a sustainable development solution for Lytham's indigenous businesses, especially because of its poor accessibility from Lytham.

Inenco, Petros House, St Annes

- 9.50 Inenco has grown to occupy all of Petros House, which is leased from an Irish property company. Inenco occupy circa 2,500 sqm (27,000 sqft) and employ around 220 staff providing energy procurement, consultancy and renewable generation services. The building lease expires in 2014 and the company has aspirations to move, to larger premises, but there is nothing suitable in St Annes.
- 9.51 As a result Inenco are exploring other opportunities within the Borough, although these are very limited. Whitehills Park is not considered an attractive solution. Were land to be brought forward in Kirkham, then this might be of interest.

Kensington Developments, Lytham

- 9.52 Kensington are a significant local development company. The company did have extensive landholdings at Dock Road, Lytham, most of which have been sold to Redrow Homes. At the north east end of Dock Road, Kensington still own 0.92 ha, which is allocated for employment use as it sits within the Dock Road Employment Area boundaries. However, Kensington are preparing a planning application for change of use to residential land.

9.53 Kensington also own land to the north of Liggard Brook, off Graving Dock Road, and in order to pursue housing there, and to overcome highways constraints associated with that road, the company is proposing a bridged link from Dock Road. This would take some of the 0.92 ha site. Such an access would make available Fylde Borough Council's 0.49 ha employment site adjacent to the water pumping station, which currently is inaccessible.

9.54 The only other land Kensington control that has potential employment use is at Whitehills Park. This could be brought forward as part of a residential-led mixed-use scheme. At present there is no defined proposal for the scale of employment development.

Toshiba Westinghouse, Salwick

9.55 Westinghouse holds the Springfields site at Salwick on a 150 year lease from the Nuclear Decommissioning Agency. This was granted in 2010. Westinghouse do however own all the buildings and facilities on the site. They have a contract to decommission the older buildings and services facilities and also use the site for the manufacture of nuclear fuel.

9.56 The site extends to around 160 ha, and although all is not currently used as it has nuclear licensed site status, Westinghouse will neither reduce the site boundaries nor release areas to non-nuclear related activity.

9.57 At present Westinghouse have 1,250 staff plus 60 contractors working on the site. The company expects to reduce the workforce by one fifth over the next five years. Also on the site are two Tier 2 contractors, National Nuclear Laboratories (NNL) and Uranium Asset Management (UAM). NNL employ 100 and UAM a further 30/40.

9.58 Westinghouse see no need to extend the site footprint in the foreseeable future. They do control further land outside the site fence and this will be retained, in part in case it becomes necessary to move parking offsite for security reasons.

9.59 The company has no problems in recruiting or skills availability. It has its own on-site apprentice training school, which it also makes available to the chemical process companies located at Hillhouse, Wyre.

9.60 Although the Warton Enterprise Zone includes reference to nuclear as one of the advanced manufacturing sectors to be accommodated, Westinghouse see it to be of little interest, when Springfields already has spare capacity and importantly is a licensed (difficult to achieve) nuclear site. However, it is acknowledged that Springfields will not be opened up as a 'nuclear business park'. Other companies may locate there but this will depend on having a direct involvement with Westinghouse, in either a joint venture or as part of their supply chain.

Balfour Beatty, Blackpool Airport

9.61 Blackpool Airport is 95 percent owned by Balfour Beatty and 5 percent by Blackpool Borough Council. However it is entirely located in Fylde, representing the green belt between St Annes and South Blackpool.

9.62 Since Fylde's previous Employment Land Study in 2006 the airport has experienced a sharp decline in passenger traffic, with only three airlines now providing commercial route services. Helicopter activity will continue until at least 2030, servicing the Irish Sea gas and wind farm installations. Other activity is executive jets and general aviation. There is no airfreight business, nor is this considered an opportunity in the future.

9.63 The airport has 90 direct employees. There are a further 110 indirect jobs based at the airport.

9.64 Balfour Beatty is currently preparing a new masterplan for the airport. This includes an intention to reduce the airport designation for 10.28 ha (25.4 acres) through the demolition of three hangars and the removal of long term parking areas. Proposals will reflect the owners' aspirations to realise at least some higher value (mainly retail) uses to offset the ongoing operational losses associated with the airport. There is however an intention to provide some employment land. Details of the masterplan are expected to be available in early summer 2012.

9.65 The company is concerned about new residential development in proximity to its operational boundaries. Specific reference was made to the former Pontins holiday camp, which sits at the western end of the main runway, and to land adjacent to the airport's southern building.

Universal Products Limited, Greenhalgh

- 9.66 Universal Products Limited (UPL) occupies the former Fairfield Research Station close to Junction 3, M55. The site extends to 6.47 ha. The company is one of the UK's leading contract manufacturers, specialising in the pharmaceutical and personal care markets. It is also the location for its offices, research and development, and distribution activities.
- 9.67 Planning permission has recently been granted to extend the existing buildings with 1254 sqm (13,500 sqft) of new offices; extend the warehouse by 2694 sqm (29,000 sqft) and construct a new distribution facility of 3028 sqm (32,600 sqft). These are seen as being sufficient to accommodate the company's future growth, and at this point in time UPL have not set a time for when the new facilities will be constructed.

BAE Systems, Warton

- 9.68 Notwithstanding plans for the Lancashire Enterprise Zone on areas of the Warton site, BAE Systems remain the Borough's major employer. The Warton site continues to employ around 6,000 people, although it is expected this figure will reduce over the next twenty years. The importance to the local economy is illustrated by the GVA level per employee of £84,000-£88,000. The local supply chain impact is 1.2 jobs per 1 BAE Systems job. The ratio of direct;indirect jobs is estimated to be 1:1.9. Warton is now the company's only remaining UK location with an operational airfield, following the closures of Brough, Filton and Woodford. An added value aspect of the runway is that it is one of the three longest in the UK.
- 9.69 BAE Systems continuing presence at Warton is underpinned by a further 10-12 years construction programme of the Typhoon aircraft and subsequent ongoing maintenance contracts on the aircraft until 2065. In addition there continues to be development of unmanned aircraft.
- 9.70 With regard to the land forming the Enterprise Zone, this falls into two categories. Land surplus to BAE Systems' requirements is to be severed from the operational site and responsibility will rest with the Lancashire Enterprise Partnership. Land for Enterprise Zone use that remains within the secure site will see BAE taking the pivotal role in determining who is located there. BAE is particularly receptive to uses that wish to capitalise on the presence of the runway, in order to offset its annual

costs for maintenance.

Summary

- 9.71 Of the six Town and Parish Councils who responded to the survey questionnaire, four (Elswick, Greenhalgh and Thistleton, and Staining Parish Councils, and Medlar-with-Wesham Town Council) stated that there is no need for any further employment land allocation in their areas. Medlar-with-Wesham Town Council made an additional comment, voicing its concern about unregulated development of farm buildings in the area.
- 9.72 Kirkham Town Council felt that although existing vacant premises will meet most future employment requirements, there is also potential for additional development within existing employment areas. It also highlighted its desire to attract further employers to the town. St Annes Town Council highlighted its opposition to the proposed change of use (from employment to residential) at Heyhouses.
- 9.73 A number of initiatives have been introduced by LCC aimed at enhancing the rural economy. In addition, the need for the local economy to diversify away from reliance on a select number of key employers has been highlighted.
- 9.74 Ten of the Borough's key businesses were consulted on a one to one basis as part of the study. Several affirmed their desire to expand in the future. Of these, Guardian Financial Services and Aegon have scope to do so within their current sites. Furthermore, Universal Products Limited has recently been granted permission to extend its current premises at Greenhalgh.
- 9.75 Inenco and Tangerine Group also wish to expand in the future, but neither has sufficient space at their current locations. Interestingly both companies state that Whitehills would not be considered as an attractive location to locate to (Inenco indicated a preference for locating in Lytham St Annes or Kirkham).
- 9.76 Axa confirm its long term commitment to the Ballam Road site, but also state it will be reviewing its one hectare site at Westcliffe, which is considered as being poorly located for continuing employment use. Toshiba Westinghouse plan to reduce its workforce by a fifth over the next five years and therefore has no plans to extend its site (but it does plan to retain it). BAE Systems similarly expect to reduce its workforce over the next twenty years, but there will be a continuing presence driven

by ongoing construction and operational maintenance requirements well beyond the end of the Local Plan period. The Warton site provides the company's only operational runway in the UK.

10.0 GROWTH FORECASTS

Introduction

10.1 This section explains the five alternative models we have applied to the assessment of employment land allocations for the forthcoming Local Plan period. None provide a definitive answer, but are influences to be considered. The five models are:

- Historic land take up forecast
- Policy off – employment based forecast
- Policy off – labour supply forecast
- Policy on – employment based forecast
- Policy on – labour supply forecast.

10.2 The 'policy on' forecasts reflect the Lancashire Advanced Engineering and Manufacturing Enterprise Zone status allocated to BAE Systems' Warton site.

10.3 For the last four models we have commented upon the implications in terms of the volume of land required. Where appropriate, the options take into account assumptions regarding the built floorspace associated with developable land areas drawn from BE Group's experience and application in other Employment Land Review studies. Job related floorspace densities used equate to those identified in the Homes and Communities Agency and OFFPAT (Office of Project and Programme Advice and Training) Employment Densities Guide 2nd Edition, published in 2010.

Model 1: Historic Land Take-Up Forecast

10.4 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 59.61 ha of land developed over this period equates to an average take-up of 2.70 ha/year. Analysis of the most recent 5, 10 and 15 years periods reveals respective annual take-up averages of 2.98; 2.13 and 2.01 ha.

10.5 Table 62 provides a breakdown of the land take-up by location. This shows that almost half that take-up has involved sites around Junction 4, M55, acknowledged to be a location that accommodates the property needs of Blackpool-based businesses that cannot be met within that borough because of constrained land provision. Analysis shows a very clear correlation to the availability of developable sites.

During the 1990s take-up here related to the Blackpool & Fylde Industrial Estate. Since 2005 it has been associated with the coming on stream of Whitehills Park.

Table 61 – Fylde Borough Employment land Take-Up 1989-2011

Year	Area (ha)
1989/90	1.0
1990/91	4.10
1991/92	-
1992/3	6.00
1993/94	4.30
1994/95	9.30
1995/96	4.80
1996/97	0.40
1997/98	3.00
1998/99	1.40
1999/00	-
2000/01	4.00
2001/02	1.50
2002/03	0.90
2003/04	0.80
2004/05	0.50
2005/06	2.70
2006/07	0.90
2007/08	3.93
2008/09	6.28
2009/10	2.74
2010/11	1.06
TOTAL	59.61
Average Annual Take-Up	2.70

Source: Fylde Borough Council, 2012

- 10.6 Similar patterns apply to other of the Borough's employment locations. Much of Kirkham's take-up reflects the development period of St Georges Park (1993/4-2001/2). St Annes' take-up relates to the Blackpool Business Park, adjacent to the airport, and primarily the decade 1995-2005.

10.7 Over one quarter of the total take-up involved four self-contained sites. These were the Faurecia research and development and test track facility and Land Registry's new complex – both at Warton; J Wareing & Son's site near Kirkham and Universal Products redevelopment of the former Fairfield Research Station at Greenhalgh.

Table 62 – Fylde Employment Land Take-Up by Location

	Lytham	Whitehills Park/ Blackpool & Fylde	Airport, St Annes	Kirkham	Westby	Solus Sites	Other
1989/90					1.00		
1990/91	0.80	3.30					
1991/92							
1992/93						6.0	
1993/94			0.30	4.00			
1994/95		9.30					
1995/96			0.40	0.70		3.70	
1996/97					0.40		
1997/98	0.90	1.40	0.30	0.40			
1998/99		0.60	0.20	0.60			
1999/00							
2000/01			0.50			3.50	
2001/02			0.70	0.80			
2002/03			0.20		0.70		
2003/04			0.20		0.60		
2004/05			0.50				
2005/06		2.70					
2006/07		0.90					
2007/08		0.70		0.20		3.00	0.03
2008/09		6.28					
2009/10	0.94	1.80					
2010/11		0.31		0.45			0.30
Total	2.64	27.29	3.30	7.15	2.70	16.20	0.33

Source : Fylde Borough Council and BE Group

10.8 If long term trends continue, the Borough would need 48.6 ha to cater for an expected annual take-up of 2.7 ha for the next 18 years (to the end of the Local Plan period, 2030).

10.9 At 31st March 2012 there was 22.32 ha of available land in the Borough (from Section 9), which suggests the Council needs to find an additional 26.28 ha to match historic trends (of 2.7 ha/year).

Model 2 : Employment Based Forecast

10.10 This option uses as its base the Fylde employment forecast commissioned from Oxford Economics as part of this employment land review study. The forecast projects employment change through to 2030. It breaks down employment to 19 industry sectors, with some such as manufacturing, wholesale and retail trade, financial and insurance activities, further analysed to sub-sectors. It should be noted this forecast reflects a 'non-intervention' scenario, in that it does not take into account any planned or emerging investment programmes in Fylde, e.g. the Enterprise Zone at Warton.

10.11 Oxford Economics' baseline indicates that Fylde's employment has been resilient during the recent recession with total numbers increasing year on year from 2008 until 2012, which is forecast to see a slight drop (around 0.8 percent). This contrasts sharply with the North West, where there was a year on year fall over the same period, representing a reduction in employment numbers of over 4 percent.

10.12 The model suggests that the number of jobs within the Borough is set to grow as the economy recovers. By 2017, compared to the present day, the area will see a 4.1 percent growth, which represents an additional 2000 jobs. The forecast indicates total employment will then plateau for five years, before a marginal drop to a further plateau that lasts to 2030.

10.13 The figures suggest that Fylde is aligned to the general trend of the UK of a decline in manufacturing employment and growth in services – but only in the private sector. Whilst manufacturing is seen to decline, this is from an above the North West regional average percentage share. At present manufacturing employment represents 25.6 percent of the Borough's total, with this forecast to reduce to 18.7 percent by 2030. Of this reduction of 3,000 jobs, 2,300 are attributed to the aerospace and nuclear industries. In comparison the North West's manufacturing employment equates to a 9.3 percent share, forecast to fall to 6 percent by 2030.

10.14 In terms of services, for example whilst the financial and insurance and business services sectors exhibit some growth, public administration is forecast to decline.

This reflects the impact of public sector cuts and the presence of both local and central government facilities in the Borough.

10.15 This model, in terms of future employment land requirements, is likely to be affected by three key factors:

- The future mix of activities in terms of office, manufacturing and warehousing employment within different sectors. It is impossible to predict the impact of evolving technical change over the Local Plan period, and we have therefore assumed the current split is maintained
- The average space each employee occupies – the employment density. We have assumed no variation in the density rates through to 2030 and as stated earlier have used those identified in the 2010 published Employment Densities Guide 2nd Edition
- The average development floorspace per hectare for office, manufacturing and warehousing activities. We have applied the development industry norm of 3,900 sqm per ha.

10.16 Table 63 provides a breakdown of the projected sectoral changes. It should be noted that the figures include non-B use class sectors such as health, education, retailing and tourism accommodation, to acknowledge their reference as economic activity. It should also be noted that due to rounding of figures the total in the 'Workforce Change' column of 1700 does not equate to the 1900 difference in total employment forecast between 2012 and 2030.

10.17 In calculating the employment land requirement arising from forecast employment changes, the following assumptions have been used (Table 64):

- The proportion of people in each industry sector that occupy B1, B2 or B8 space conforms to those ratios used in other studies and accepted in comparable locations and are sourced from the South East Regional Planning Conference's (SERPLAN) 'The Use of Business Space'
- Employment densities for each B use class are those set out in the 2010 Employment Densities Guide 2nd Edition published by HCA and OFFPAT
- The development per hectare of land is uniform across all B Use Class functions – 3,900 sqm per hectare, the accepted industry norm.

Table 63 – Fylde Projected Employment Change by Industry Sector, 2012 - 2030

Industry Sector	Workforce Change Numbers of Employees	Percentage Workforce Change
Agriculture	(100)	-20.0
Mining & Quarrying	-	-
Manufacturing	(3000)	-24.0
• Food, drink & tobacco	(200)	-22.2
• Processing nuclear fuels	(300)	-17.6
• Aerospace	(2000)	-29.0
• Other transport equipment	(100)	-5.0
Utilities	-	-
Construction	400	+14.3
Wholesale & retail trade	400	+8.5
Transportation & storage	100	+12.5
Accommodation & food services	300	+8.3
Information & communications	200	+9.5
Financial & insurance activities	300	+16.6
Real estate activities	200	+33.3
Professional, scientific, technical activities	2100	+36.8
Administrative & support service activities	200	+16.6
Public administration & defence	(500)	-18.5
Education	100	+4.8
Health	400	+10.3
Arts, entertainment, recreation	100	+20.0
Other services activities	500	+15.6
Total	1700	

Source: Oxford Economics and BE Group 2012

Table 64 – Model Assumptions

Industry Sector	Employees		
	Proportion Occupying B1, B2, B8 Floorspace, percent	Floorspace per person, sqm	Other Comments
Agriculture	5	12	Managerial, admin
Manufacturing	100	36-47	Higher density reflects B2; Lower density B1 light industry
Construction	26	12	Managerial, admin
Distribution	48	70	Warehouses, offices-non large scale/high bay facilities
Transport	48	70	Warehouses, offices-non large scale/high bay facilities
Financial & Business	100	12	
Government & Other Services	22	12	Local Government, Public Administration

Source: SERPLAN and Employment Densities Guide 2nd Edition, 2010

10.18 Application of these assumptions suggests the following in terms of future employment land provision :

- From sectors predicted to grow, the need for a further 12.63 ha
- From those sectors where reduced employment is predicted there will be a need for between 28.05 and 36.51 ha less. This range reflects the variance in employment densities between light industry and general manufacturing.

10.19 The net result of this suggests Fylde would have a surplus of employment land of 15.42-23.88 ha by 2030, beyond the land that is currently allocated or consented. The detailed calculation is provided at Appendix 8.

10.20 In reality the employment land provision situation will be reliant upon two issues:

- How far the growth in office employment takes place in a town centre location, at higher densities, rather than in low-density business parks. It is likely to be the latter in view of the Borough's geographic characteristics
- Whether the decline in some manufacturing sub sectors will actually lead to the release of land that could then be regenerated for other employment uses.

- 10.21 It is probable that these land requirements' calculations represent a false position. Irrespective of changes to employment densities, whilst growth sectors seek to expand by taking additional space, declining sectors may actually not release land in line with the above assumptions. Were this to be the case this model's outcome would change to a position where over half the current supply would be required to meet the forecast need.
- 10.22 It is possible the Local Plan period will see further changes in employment densities. For office employment this could be the result of trends towards remote working, hot desking, increased use of ICT and smaller businesses. Densities in manufacturing and distribution may well continue to fall as a result of automation. However, it is impossible to project what the percentage change in densities might be and thus what the impact on future land requirements might be.

Model 3: Labour Supply Forecast

- 10.23 This option is based upon the forecasts produced by Oxford Economics to cover the Local Plan period. The forecast indicates a rise in population numbers for the Borough to 85,000 by 2030. This represents a 10.4 percent increase from the 2012 figure of 77,000. Reflecting a trend of an ageing population, the working age population figure is not seen to grow from its current level.
- 10.24 The forecast suggests an increase in the number of the residents working of 1100 by 2030. To calculate what the increase means in terms of additional employment land need we have converted the effect of the 1100 extra economically active residents into an equivalent land area. We have applied the Oxford Economics' forecasts for the percentage shares of the different industry sectors to the 1100 figure to establish the number of jobs applicable to each sector. We have also assumed that the relationship between employment densities and land requirements within industry sectors is the same as projected in Model 2 – the employment based analysis. This translates to an additional land need of between 4.08 and 4.67 ha. As with Model 2 the range of need reflects high and low densities for manufacturing employment.
- 10.25 However the 2001 Census data (still the most up to date evidence for commuting patterns) indicates that 66 percent of the economically active working age population are employed in Fylde. We have therefore adjusted the 4.08 – 4.67 ha figure to

reflect this. This indicates a revised employment land requirement of between 2.69 and 3.08 ha. The detailed calculation is included in Appendix 8.

Model 4: Policy On Scenario, Employment Based Forecast

10.26 The 'policy on' scenario is based on the information contained within the now approved Enterprise Zone bid application, submitted in May 2011 to the Department of Communities and Local Government, referenced elsewhere in this report. The scenario reflects the following:

- 1400 direct jobs are to be lost from BAE Systems at Warton by 2013
- There is a high quotient of supply chain and indirect employment in the area that will be impacted by the downsizing at Warton – 1.9 jobs for each BAE System job
- From the development proposals identified in the bid, some 5,000 new jobs will be created within the Samlesbury and Warton Enterprise Zone by 2037, of which some 2,606 will be at Warton (based on the size of the Warton site when compared to the wider Samlesbury/Warton Enterprise Zone)
- Those 2,606 jobs have been divided between the seven target sectors of the Enterprise Zone as is indicated in the bid document.

10.27 It should also be remembered that the declared objective of the Enterprise Zone is not to accommodate local businesses, or even those indigenous to Lancashire. The Enterprise Zone is for inward investment projects from outside the County, and relates to land already in use for employment purposes.

10.28 The 'policy on' scenario identifies a number of differences from the policy off forecasts. These are:

- The overall jobs total forecast will increase by 2,400 over the Local Plan period (compared to 1,900 in the policy off scenario)
- The unemployment rate will be 1.1 percent of the labour force, rather than 2 percent
- There will be a increase of 1,600 in the number of residents working, rather than an increase of 100
- The percentage of economically active residents increases to 76.6 percent in 2030, compared to 74.8 percent in the policy off forecast
- The manufacturing sector sees employment fall by 3,400 as jobs generated by the Enterprise Zone do not offset losses at BAE Systems and elsewhere.

10.29 Applying the 'policy on' scenario to the employment based model indicates that growth sectors would generate a further need of 12.14 ha. The potential surplus land arising from reduced employment in other sectors would increase to be between 31 and 41 ha. As explained previously, the variance reflects the different employment densities applicable to light and general industry. There would therefore be a net surplus of 19.60-29.19ha.

Model 5: Policy On Labour Supply Forecast

10.30 For the labour supply model the 'policy on' scenario indicates there would be an increase in working residents of 1,600, over the Local Plan period. Assuming this increase aligns to the percentage share of each industry sector in accordance with the forecast employment by sector, then this suggests a need of between 5.64 and 6.42 ha.

10.31 Adjusting this figure to reflect the fact that only 66 percent of the economically active working age population are employed in Fylde, the revised employment land requirement is between 3.72 and 4.24 ha.

10.32 The detailed calculations for the 'policy on' scenarios are set out in Appendix 8.

Summary

10.33 In this sub-section the workings of the forecast models are drawn together into a number of conclusions. Table 65 illustrates the net land need for each model when the existing baseline land supply of 22.32 ha is taken into account.

10.34 Applying the long term (from 1989) annual average take-up of 2.7 ha/year, indicates there is a shortage of employment land to cater for Fylde's needs to 2030 of 26.28 ha.

10.35 The two 'policy off' forecasts suggest the Borough needs significantly less employment land than predicted by historic take-up rates. Indeed both suggest reductions in the supply requirements from land already in use. The employment based model suggests an oversupply of between 38 and 46 ha when the current baseline available supply is included. The oversupply reduces to between 31 and 39 ha when land subject to alternative planning applications, or potentially unviable/unavailable, is taken into account. The labour supply model suggests a very modest

additional land requirement of less than 5 ha, which represents around one quarter of the currently available supply.

Table 65 – Fylde Forecast Land Scenarios, 2012-2030

Scenario	Gross Land Need, ha	Existing Land Supply, ha	Net Land Need, ha
Long term Land Take-up	+48.60	22.32	+26.28
Employment Change (including sectoral reductions)	-15.42/ -23.88		-37.74/ -46.20
Labour Supply Change (100 percent work in Fylde)	+4.08/ +4.67		-18.24/ -17.65
Labour Supply Change (existing 66 percent ratio of those working in Fylde)	+2.69/ +3.08		-19.24/ -19.63
Policy On (linked to Enterprise Zone) Employment Change	-19.60/ -29.19		-41.92/ -51.51
Policy On (Linked to Enterprise Zone) Labour Supply Change	+5.64/ +6.42		-15.90/ -16.68
Policy On (Linked to Enterprise Zone) Labour Supply Change (existing 66 percent ratio of those working in Fylde)	+3.72/ +4.24		-18.08/ -18.60

Source: BE Group, 2012

10.36 Consequently, according to the employment based model, this would mean that all the currently allocated or consented but undeveloped employment land in the Fylde is surplus to requirements, as would be some land already in use. As such it could be used for other activities. The labour supply model suggests around 75 percent of the current allocations or unimplemented consents could be released to other uses.

10.37 Common sense suggests this argument is flawed. The two models cannot account for the vagaries of the property market. They assume the property market is the perfect market, and not rife with market failures as is reality. For example neither model makes allowances for companies modernising or relocating into different sized properties; that land is not used totally efficiently; that some brownfield land will remain undeveloped due to the costs of remediation; that some companies occupy more space than they need or will hold land long term for their own possible future expansion; or that there needs to be a range of sites and locations to provide companies with choice. Furthermore the company survey identified short term

property requirements equating to 2.3 ha from just ten percent of the Borough's companies, which immediately challenges the findings of the models.

10.38 The 'policy on' forecast scenarios also generate outcomes that suggest Fylde would have an oversupply of land, although this conclusion must be caveated as Oxford Economics has had to base the 'policy on' forecast largely on information available only for the period to 2015. Little information exists about Enterprise Zone activity post 2015, and so Oxford Economics have projected the available 2012-2015 data forward to 2037 (the final completion date of the Enterprise Zone).

10.39 In other comparable local authority areas where similar studies have been completed, the use of employment and labour supply models has also generated unusually negative outcomes. In all instances where BE Group has been involved these models have been discounted in favour of historic land take-up trends.

10.40 It should also be noted that we have not accounted for potential additional need that might be generated by growth in the workforce numbers resident in neighbouring authority areas. For example Blackpool, where the constrained development opportunities mean it is likely both residents and businesses may look to the Fylde to deliver needs that Blackpool cannot deliver itself.

11.0 POTENTIAL ADDITIONAL SITES

Introduction

11.1 In accordance with the brief, consideration has been given to identifying the most appropriate broad locations for future employment land provision within Fylde Borough. It should be noted that this relates to potential areas of search that could be appropriate for new sustainable employment development. The study is not identifying specific sites that might be allocated in the Local Plan. In considering sustainable locations regard has been given to aspects such as accessibility, public transport, planning policy, environmental impact and viability (in terms of market demand).

11.2 Considerations are clearly influenced by the geography of the Borough – the areas close to key transport nodes and population centres. As a result, eight broad locations have been identified. The Enterprise Zone at Warton is excluded as it is a planned re-use of an established employment allocation, and purports to serve as a location for specific industry sectors relevant to the site's current use. It is also intended to exclude local occupiers.

11.3 The eight broad locations are:

- Poulton-le-Fylde Industrial Estate Extension
- Boundary Road, Lytham
- Blackpool Airport (Squires Gate Lane)
- Whitehills (Junction 4, M55)
- Whyndyke Farm (Junction 4, M55)
- Greenhalgh (Junction 3, M55)
- Kirkham (west of current settlement boundary)
- Wesham (north west of current settlement boundary).

Poulton-le-Fylde Industrial Estate Extension

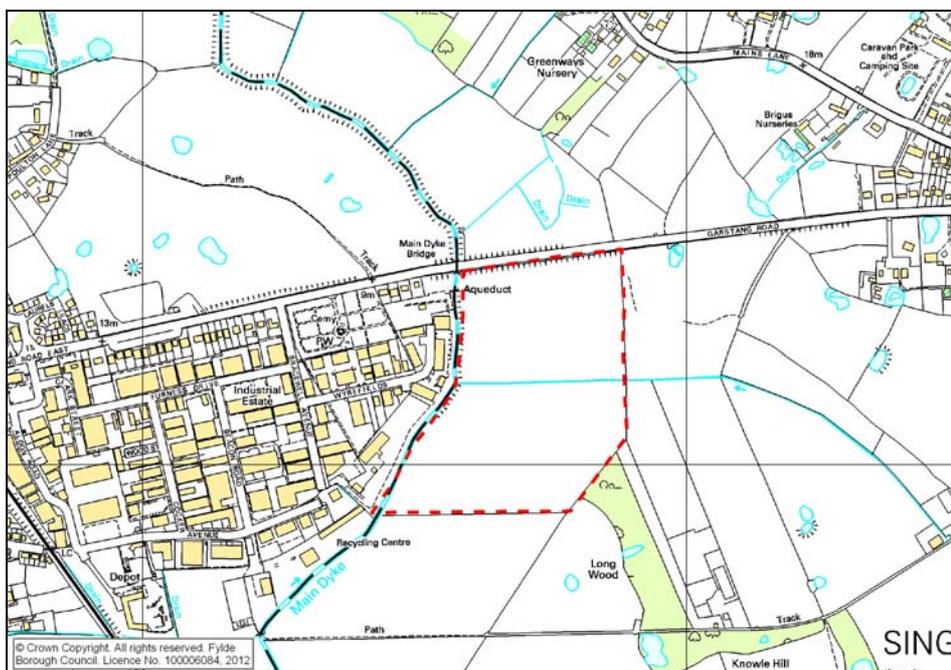
11.4 Although forming part of Wyre Borough's existing employment land supply, the Industrial Estate could only be significantly expanded by taking in land within Fylde. This would mean any such development would be seen as an allocation for Fylde, not Wyre.

11.5 The Industrial estate is close to the urban area and therefore links well to population

centres (albeit not in Fylde). It is accessible by both road and public transport.

- 11.6 The Industrial Estate is successful and Wyre Council did suggest the principle of such an expansion as one of the initial options considered in the process of developing its Core Strategy Preferred Options. However this was not pursued to any degree and was excluded from the Preferred Option.
- 11.7 Whilst the location would be sustainable in terms of accessibility, public transport and market viability, expansion would necessitate incursion into what is currently Countryside Areas policy designation (Policy SP2). Furthermore, in terms of meeting the needs of Fylde's businesses and workforce, the links are very tenuous because of the distance and poor connectivity involved. Nevertheless, it is an area of search that would be attractive, as a proven location for B1, B2 and B8 use activity.
- 11.8 *Indicative size of any allocation* – The need to protect countryside in what is (from Fylde's perspective) an isolated rural site may limit the size of any allocation. A modest extension to the existing industrial estate (around 5 ha) is therefore suggested (see Figure 4).

**Figure 4 – Poulton-le-Fylde Industrial Estate Extension
(Indicative Site Area Only)**



Source: BE Group, 2012

11.9 *Suitable uses* – Given the character of the existing industrial estate it is assumed that this would be an industrial (B1(c), B2, and smaller B8) location.

Boundary Road, Lytham

11.10 Lytham has a very limited portfolio of existing industrial estates. Boundary Road represents the largest existing provision, situated as the gateway to Lytham from the east. As such there is in theory the opportunity to facilitate expansion of the estate by releasing additional land along its eastern boundary.

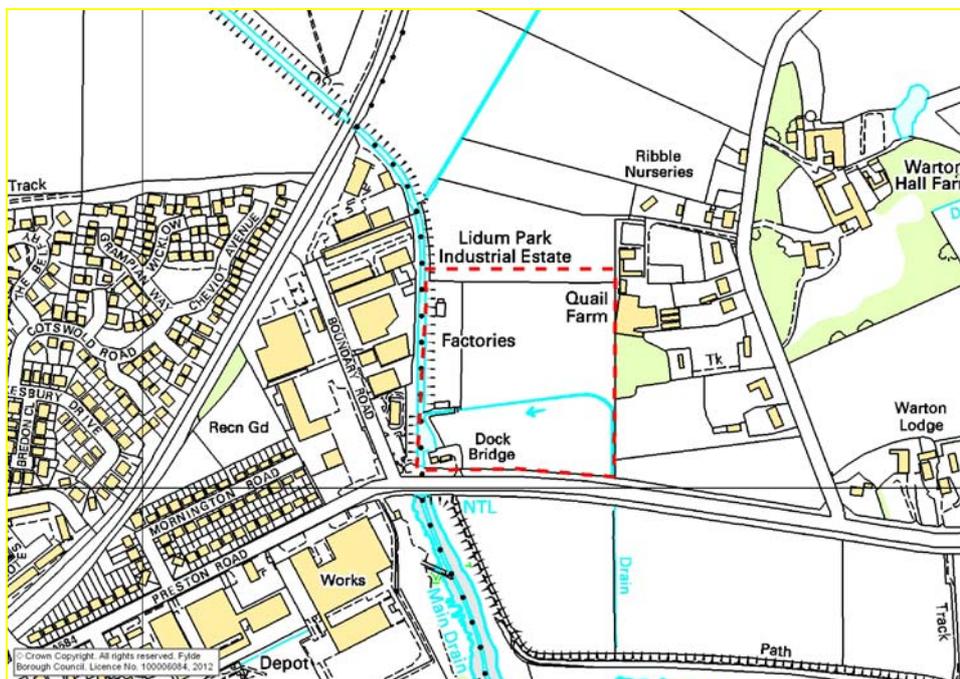
11.11 Boundary Road is a strong gateway site into Lytham from the east. It has public transport routes running past it and is adjacent to the urban area. Therefore it has good access to the main residential areas of Lytham and Warton.

11.12 From the aspects of accessibility, public transport and market viability the location very sustainable. In line with the adjacent uses on the existing estate, it would be suitable for B1, B2 and B8 use activity. However the potential expansion eastwards would represent incursion into Green Belt (Policy SP3). There is also a SSSI within the potential area of search. Furthermore due to the current layout, Boundary Road could not deliver a road access, so a new junction would be required on Lytham Road.

11.13 *Indicative size of any allocation* – If an allocation is proposed here then it should be of a similar size to the existing industrial estate (5 ha) in order to provide an economy of scale. However, planning and environmental constraints may limit the size of any allocation to a small site (1-3 ha) fronting the A584 (see Figure 5).

11.14 *Suitable uses* – Given the character of the existing industrial estate it is assumed that this would be an industrial (B1(c), B2, and smaller B8) location, possibly with some B1(b) research and development uses as well. Developments fronting the A584 should be of a high quality, as befitting a gateway location into Lytham, and could include some B1(a) offices.

**Figure 5 – Boundary Road, Lytham
(Indicative Site Area Only)**



Source: BE Group, 2012

Blackpool Airport

- 11.15 The owners of Blackpool Airport have indicated that their new masterplan will see the potential for the release of approximately 10 ha (25 acres) of land within the airport's perimeters. This is currently designated as 'Leisure Uses at Blackpool Airport' (Policy TREC19). This area fronts Squires Gate Lane and currently comprises a mix of airport hangars and long stay surface car parking.
- 11.16 This is a highly accessible location both by road and by public transport. Clearly the advantage of having access to both the South Fylde Railway Line and to bus links from the Airport to Blackpool Town Centre (and beyond) is significant. However, the success of this will depend on how well public transport is linked into any site development, as well as the quality of bus links to Lytham and St Annes.
- 11.17 The Airport owners propose to promote higher value alternative uses for this land. However, employment uses could also be provided on the land, with emphasis upon B1 or small-scale B8 activities. The location would be highly sustainable for such employment uses. It would also likely to prove to be of interest for existing Blackpool-based businesses, or companies wishing to locate in Blackpool, due to its connectivity with Blackpool's urban area.

Indicative size of any allocation – At the time of writing, the Airport's owners appear to be seeking high value use development on the available 10 ha. However, Fylde Borough Council should seek to secure at least half the land (5 ha) to be allocated for B1, B2, B8 employment uses (see Figure 6).

**Figure 6 – Blackpool Airport
(Indicative Site Area Only)**



Source: BE Group, 2012

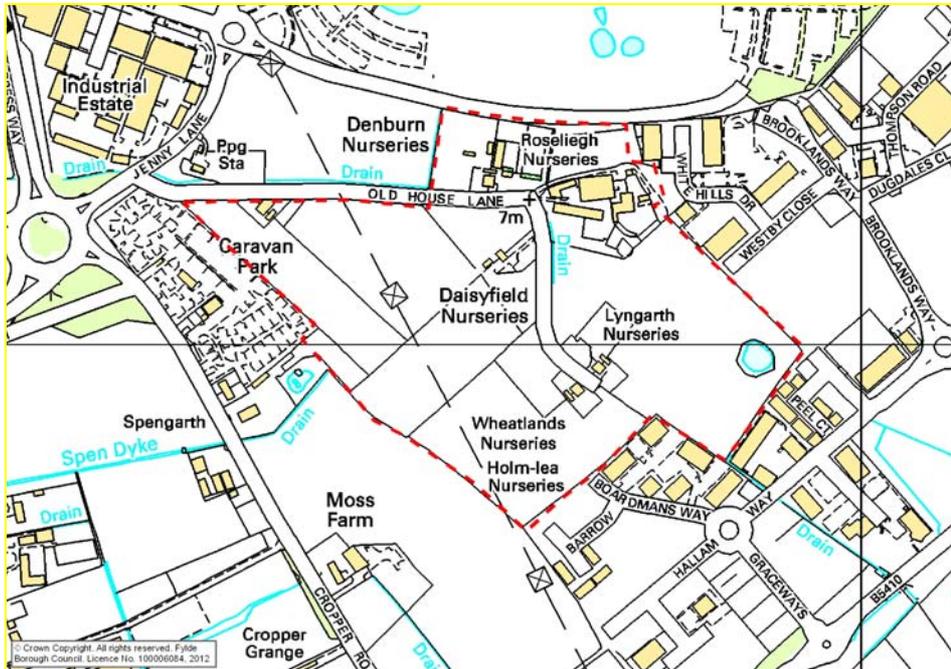
11.18 *Suitable uses* – The type of development would be similar to the existing employment area on Amy Johnson Way, comprising B1(a) offices. Although, the employment allocation may focus on 'airport-related' employment uses, it is not clear if there is sufficient demand for such a specialist scheme. In addition, the Warton Enterprise Zone will provide extensive accommodation for inward investment from the aerospace sector (and associated industries) meeting needs in many airport-related sectors.

Whitehills

11.19 Land north west of the existing Whitehills Park estate provides the potential for future expansion. The land is owned by Lancashire County Council and is currently in agricultural use. It falls within Countryside Areas (Policy SP2). The landholding, known as the Marton Estate, extends to 14ha (35 acres).

- 11.20 The County Council in its response to the Fylde Local Plan consultation indicated a preference for a mixed-use employment and residential development on the Marton Estate. This could include a potential Phase 3 of Whitehills Park. This area of search is considered sustainable in terms of accessibility, market viability, public transport and environmental impact. The proximity to the M55 motorway and Blackpool's urban area are seen as particular strengths in terms of market demand.
- 11.21 As noted elsewhere in this report, without construction of the Heyhouses Link Road, for many of the existing St Annes and Lytham based businesses, Whitehills is considered to be an inaccessible and inappropriate solution for their employment land and premises needs. However, in late June 2012 a called-in application by Lancashire County Council for the Link Road was approved by the Secretary of State (along with a housing application by Kensington Developments on land south of Queensway, which will provide much of the funding for the road). Delivery of the Link Road is now more likely.
- 11.22 Although Whitehills has excellent access from Junction 4, M55 by car, care has to be taken not to allow the combination of sites in this area to create undue pressure on that junction. Although the scale of proposed development allows the potential for public transport to be provided by bus, strategic access by rail is more difficult to achieve, since the site is distant from stations in both Blackpool and Fylde.
- 11.23 *Indicative size of any allocation* – Fylde Borough Council should seek to agree with the County Council that at least half the landholding (7ha) should be allocated to B1(a-c), B2 and B8 uses. This would provide expansion land on a successful local employment area with a critical mass of existing employment premises and a strong recent history of land take-up. A development off Cropper Road would be well placed to link to St Annes, once the Link Road was completed (see Figure 7).

**Figure 7 – Whitehills
(Indicative Site Area Only)**



Source: BE Group, 2012

11.24 *Suitable uses* – Suitable development would reflect that already available at Whitehills Phases I and II, comprising good quality B1(a-c), B2 and B8. Property should be made available in a range of sizes, providing space both for local micro/small businesses and larger regional/national firms. In particular, this could be an opportunity to deliver larger office accommodation, something not presently available outside of Heyhouses.

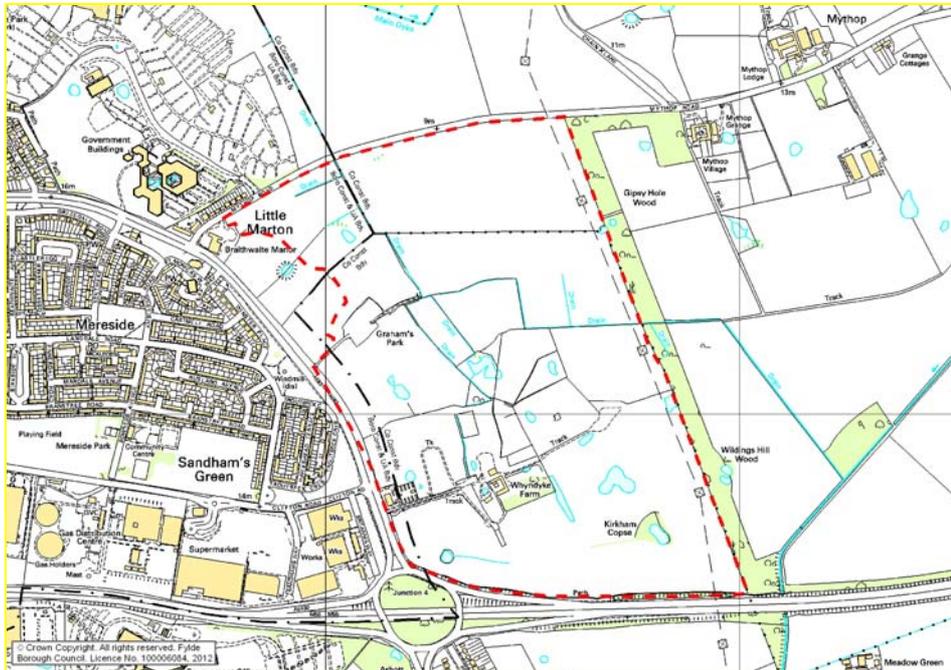
Whyndyke Farm

11.25 Located within the north-east quadrant of Junction 4, M55, Whyndyke Farm represents an 89 ha (220 acre) development proposal, accessed off Preston New Road, Marton. Present proposals by the Whyndyke Consortium are for a major residential scheme of 2,000 homes with supporting facilities.

11.26 Whilst currently there are no proposals to include employment use, the introduction of such activity as part of the overall development would enhance its sustainability credentials, as well as assisting with the spread of employment-related traffic movements around Junction 4. In this respect it is suggested that around 30 percent (27 ha) of Whyndyke Farm be developed for B1 (a-c), B2 and B8 employment.

- 11.27 As with Whitehills, the site has excellent access from Junction 4, M55. However, care has to be taken to ensure that this does not become a motorway employment site only (attracting most of its occupiers and workforce from outside of Fylde) and that it links with the residents of the Borough. Delivering the scheme as a mixed-use development, with housing, will help to fund the required infrastructure, while delivery alongside a Whitehills expansion will provide an economy of scale.
- 11.28 The close proximity between Whyndyke Farm and Whitehills suggests that there would be value in considering these two locations as one area of search for new employment provision, recognising they both have access to Junction 4, M55 and could serve to meet the needs of both Fylde and Blackpool.
- 11.29 *Indicative size of any allocation* – The size of any allocation will ultimately be dependant on the outcome of negotiations with the applicant. The suggested provision of 30 percent employment (27 ha) to 70 percent (62 ha) housing should be a starting point for discussions as this would meet the bulk of Fylde’s future land needs while still allowing for a substantial residential development (see Figure 8).
- 11.30 *Suitable uses* – Uses would need to be appropriate for a mixed-use development and suitable for a location close to housing. However, the size of the proposed allocation (up to 27 ha) would be large enough to support the full range of B1 (a-c), B2 and B8 uses.

**Figure 8 – Whyndyke Farm
(Indicative Site Area Only)**



Source: BE Group, 2012

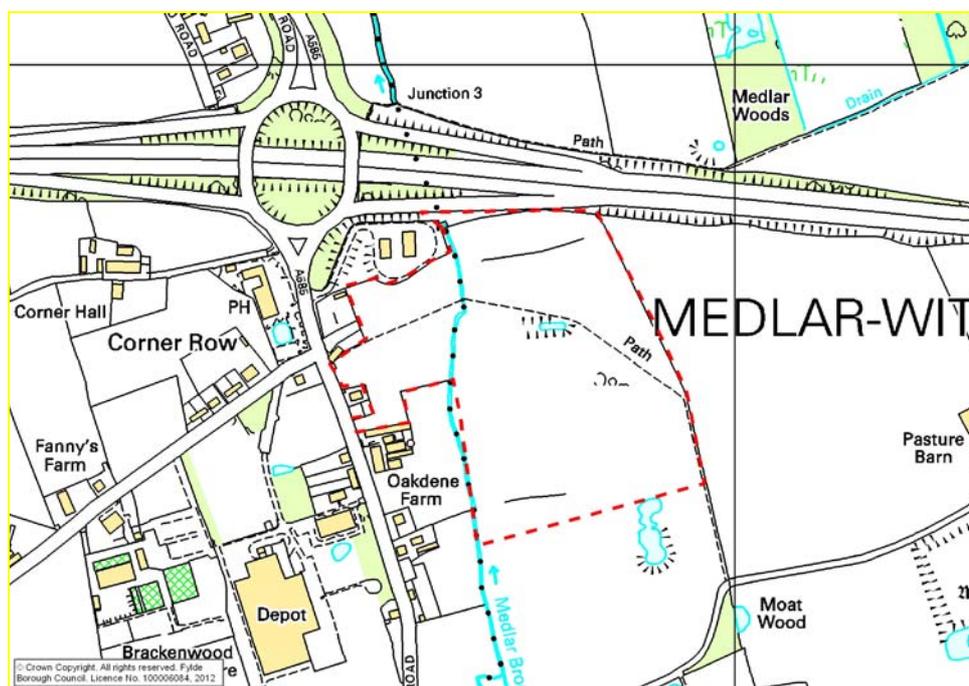
Greenhalgh, Junction 3, M55 Motorway

- 11.31 Junction 3 provides an important highways-based node for the Fylde Coast sub-region, providing key connections into both Fylde and Wyre Boroughs. There is already some employment-based activity in the vicinity of the junction, represented by Universal Products and Premier Inn.
- 11.32 There is across the UK a common association between motorway junctions and employment areas, even those perceived, like Junction 3, to be in a rural setting. Similar examples in the North West include Junction 17, M6, Sandbach (Capricorn Business Park) and Junction 4, M58, Skelmersdale (White Moss Business Park).
- 11.33 This site has excellent access to the motorway network and is within reasonable driving distance of Kirkham. However, it does not relate well to the town's population without the use of a car. The site cannot easily be accessed by pedestrians, but Kirkham's role as a rural transport hub does present opportunity to enhance public transport provision to and from the site. This would avert the scenario that this site becomes an isolated car borne development attracting long distance commuting, but generating little employment in Kirkham/Wesham.

11.34 Land around Junction 3 lies within Countryside Areas (Policy SP2). Accessibility, especially by private vehicle is good, and it is a location likely to prove attractive to the marketplace. Indeed some of the Borough's businesses have indicated it is a location they would be attracted to. However, from environmental, planning and, to a degree, public transport perspectives the location may not be considered as a particularly sustainable additional area of search.

11.35 *Indicative size of any allocation* – As this is a rural location, some distance from existing settlements a very large allocation may not be appropriate. However, the scheme must be large enough to provide a critical mass of employment uses in this new employment area and be large enough to finance the infrastructure and public transport improvements it would need. A size of around 10 ha would provide this (see Figure 9).

**Figure 9 – Greenhalgh, Junction 3, M55 Motorway
(Indicative Site Area Only)**



Source: BE Group, 2012

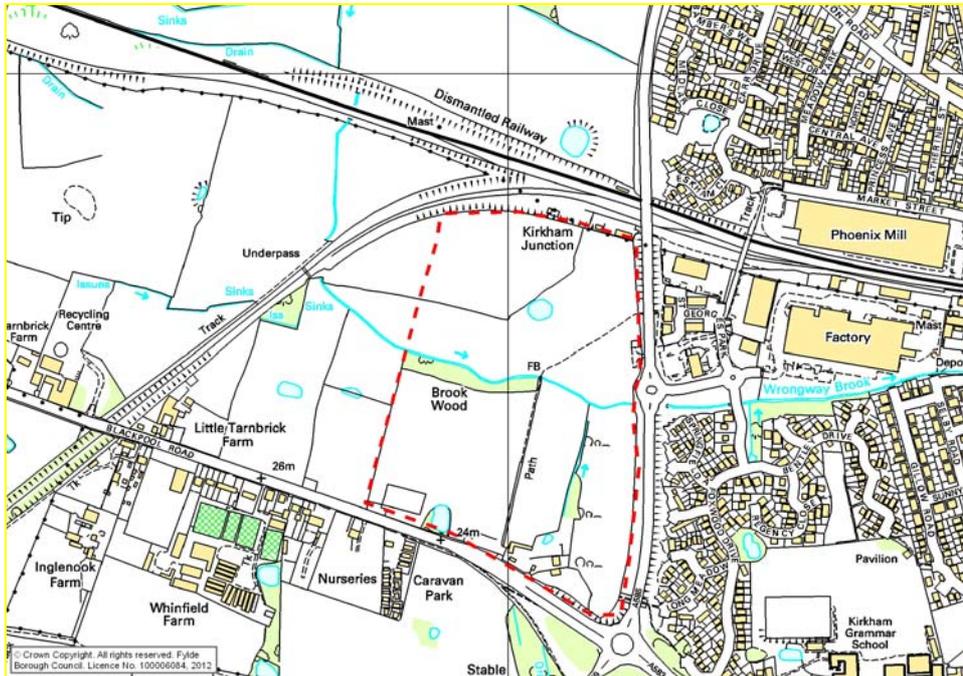
11.36 *Suitable uses* – Property here would need to meet local needs and also compete with other motorway employment areas across the North West. A mix of good quality B1(a) offices, B1(b) research and development, B1(c) light industry, and B2 industrial would be required to do this. This would also be a good location for larger B8

logistics units, although there is no evidence of strong demand for distribution warehousing in Fylde at the moment.

Kirkham, west of existing settlement boundary

- 11.37 Kirkham's existing employment areas are essentially built out, with little room for further growth. Yet Kirkham is a transport hub within Fylde, an attribute that will be further enhanced when the Blackpool North to Preston rail electrification takes place. Kirkham will be the main Fylde rail station on this line.
- 11.38 The most logical area of search for new employment land provision would be a westward urban extension to the west of the A585, which links the A583 Preston to Blackpool route with Junction 3, M55. Employment land provision could form an element of a mixed-use development either south or north of the railway junction for the Blackpool North and South Fylde lines.
- 11.39 This area is well connected to the existing settlement and can, with the provision of some pedestrian crossings, be accessed from Kirkham/Wesham by foot. Provision of employment uses here would encourage workers to access Kirkham Town Centre for services, benefiting local businesses. Additionally, proximity to both the railway (and future upgrades) is a major strategic benefit. Car access is good, and the area is close to both the M55 (Junction 3) and the meeting point of the east-west A583 with the north-south A585.
- 11.40 *Indicative size of any allocation* – As with the previous area of search, the size of any allocation must balance the need to protect countryside land with the need to provide a critical mass of development that will pay for the new infrastructure required. Again an allocation of at least 10 ha would be needed to make a new employment area viable. (see Figure 10).
- 11.41 *Suitable uses* – Unlike a motorway based development, it is assumed that an employment area here would focus more on meeting local needs in central and eastern Fylde. The emphasis would therefore be on smaller B1(a-c) and B8 accommodation, possibly including some incubation facilities. To prevent competition with Kirkham Town Centre, ancillary retail should be kept to a minimum.

**Figure 10 – Kirkham, west of existing settlement boundary
(Indicative Site Area Only)**



Source: BE Group, 2012

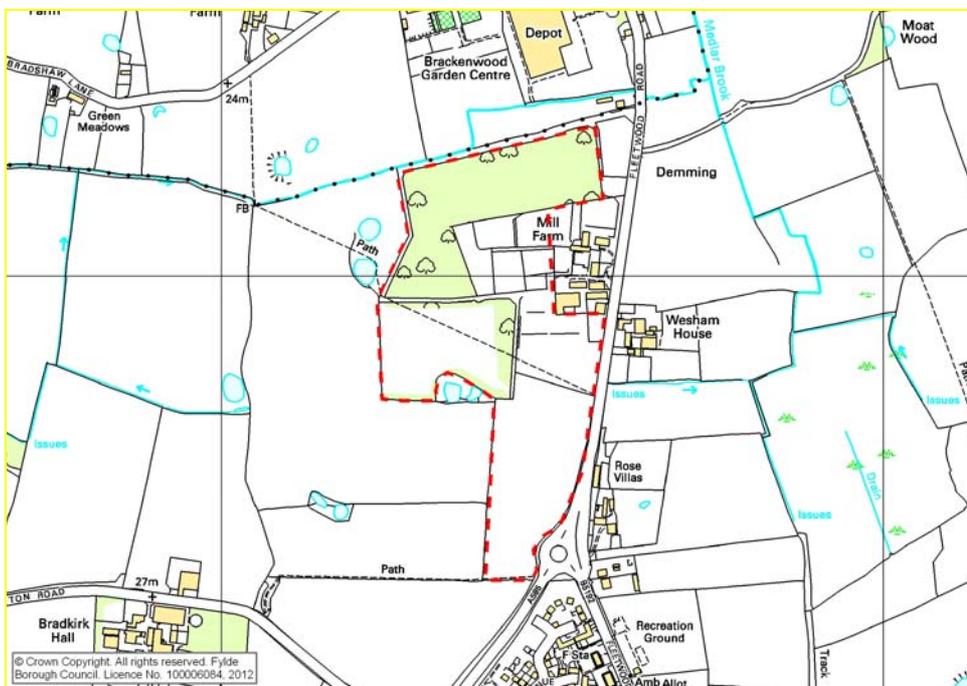
Wesham, north west of current settlement boundary

- 11.42 A third potential area of search has been suggested for the Kirkham/Wesham area. It comprises 14 ha of greenfield land between Universal Products (Fairfield Research Station) and the A585/B5192 Fleetwood Road roundabout, at the northern edge of Wesham. It surrounds Mill Farm, a potential employment area off the A585.
- 11.43 This site has excellent access to the motorway network, located only 0.7 km from Junction 3, M55. However, it also borders Wesham and can, with the provision of some pedestrian crossings, be accessed from Kirkham/Wesham by foot. Development of employment uses here would encourage workers to access Kirkham Town Centre for services, benefiting local businesses. Kirkham/Wesham Station is only 1 km away and the area is on existing bus routes. Thus the land could serve as both a motorway business park and meet the local needs of Kirkham and Wesham.
- 11.44 Access could be provided from the A585/B5192 roundabout, both for this land and the existing employment uses at Mill Farm. The latter is presently constrained by the lack of a (roundabout) junction with the A585.
- 11.45 As with the previous options, this land lies within Countryside Areas (Policy SP2).

Development would also require the removal of up to 4.5 ha of woodland, located North West of Mill Farm. It is also surrounded by several water features (ponds and drainage ditches).

11.46 *Indicative size of any allocation* – Again the size of any allocation must balance the need to protect countryside land with the need to provide a critical mass of development that will pay for the new infrastructure required. The suggested allocation of 14 ha would be sufficient for this and could be reduced by around 4ha (to 10 ha) to protect key environmental features, if required (see Figure 11).

**Figure 11 – Wesham, north west of current settlement boundary
(Indicative Site Area Only)**



Source: BE Group, 2012

11.47 *Suitable uses* – Property here would have the dual functions of providing a motorway employment area and meeting local needs. The development would therefore be a mix of larger B1(a-c)/B2 units, to meet sub-regional/regional requirements for motorway related property, and smaller B1(a-c) and B8 accommodation aimed at local firms. This would also be a good location for larger B8 logistics units although, as discussed previously, there is no evidence of strong demand for distribution warehousing in Fylde at the moment.

Summary

- 11.48 The opportunities are limited for potential areas of search for future employment land provision within Fylde. In all eight broad or, in one or two instances, quite specific opportunities have been identified. An overview of the sustainability of the locations has considered aspects of accessibility, sustainability, viability in terms of market demand, environmental impact and planning policy. Table 66 summarises the findings.
- 11.49 Collectively, these opportunities could provide up to 83 ha of land, 2.5 times Fylde's maximum identified land requirements to 2030. 34 ha (41 percent) of the opportunity land is around Junction 4, M55, while another 34 ha is around Junction 3 and Kirkham.
- 11.50 The focus around Junction 4, and particularly at Whitehills Park, reflects historic patterns of development in the Borough (almost half the take-up since 1989 has involved sites around Junction 4, M55). Thus this is an established employment location in Fylde, with a critical mass of existing development and a history of good demand. Links to the rest of Fylde are limited but can be improved if the Link Road is brought forward. Allocation of one or more, additional employment sites here thus represents a comparatively low risk strategy.
- 11.51 Potential allocations around Kirkham and Wesham will be more complex as they require development of a new greenfield employment area 'from scratch'. The environmental and access issues will be considerable and occupier demand at these specific locations needs to be established. However, a Kirkham and/or Wesham allocation is likely to be the main opportunity to provide a large employment site away from Junction 4, M55 that would directly benefit residents in central and eastern Fylde.

Table 66 – Potential Additional Sites, Summary

Potential Opportunity	Accessibility	Sustainability	Viability (Market Demand)	Environmental Impact	Planning Policy	Suggested Allocation Size, ha	Viable Uses
Poulton-le-Fylde Industrial Estate	Low – Area has good road and public transport links to Poulton-le-Fylde. However, most existing public transport links to Fylde settlements will be via Blackpool.	(In the context of Fylde) Low – Area is 8 km from Kirkham, and around 20 km from St Annes. Access options, other than by car, are limited.	High - Extension to an existing industrial estate with a critical mass of properties and proven history of demand.	Moderate – Extension of an existing industrial estate into a countryside area.	Countryside Areas	5	B1(c), B2, B8
Boundary Road, Lytham	High – Public transport available. Area has pedestrian access into Lytham and St Annes.	High – On a gateway location into Fylde's main urban areas	High - Extension to an existing industrial estate with a critical mass of properties and proven history of demand.	High – Development requires incursion into Green Belt and may impact on SSSI	Green Belt SSSI	1-3 min 5 max	B1(b), B1(c), B2, B8 Possible B1(a) on frontage
Blackpool Airport	High - Public transport available. Area has close links to the local rail network.	High – Area is on a main public transport route (Squires Gate Lane) within the Blackpool/St Annes Conurbation. Development would be (in part) on previously developed land.	Moderate – Adjacent to existing employment areas. However, much recent development has been for retail/food retail/motor retail rather than B1/B2/B8 employment.	Low – May require some incursion into Green Belt around Airport Runways. However, much of the development would be on brownfield land.	Airport-related Leisure Uses	5	B1(a)
Whitehills	Moderate – At present public transport options are limited. However, a critical mass of development (i.e.	Moderate – As discussed, public transport options would need improvement. Combined with	High - Extension to an existing business park with a critical mass of properties and proven history of	Moderate – Extension of an existing business park into a countryside area.	Countryside Areas	7	B1(a), B1(b), B1(c), B2, B8

Potential Opportunity	Accessibility	Sustainability	Viability (Market Demand)	Environmental Impact	Planning Policy	Suggested Allocation Size, ha	Viable Uses
	Whitehills/Whyndyke Farm) gives scope for their improvement. Delivery of the Link Road would also improve accessibility to Lytham and St Annes. Would increase pressure on Junction 4, M55.	Whyndyke Farm, this would represent a sizable extension of the Blackpool urban area into the countryside.	demand.				
Whyndyke Farm	Moderate – Excellent access to the M55. However, improved public transport links would be required to connect the area to the main settlements of Fylde.	Moderate – As discussed, public transport options would need improvement. However, provision of employment uses would improve the sustainability of the wider development.	High – would link to other established and successful employment areas around Junction 4, M55.	Moderate – Combined with the housing, this represents a sizable expansion of the Blackpool urban area into the countryside.	Countryside Areas	27	B1(a), B1(b), B1(c), B2, B8
Greenhalgh, Junction 3, M55	Moderate – Motorway site, but does not relate well to Kirkham without the use of a car.	Low – Area would represent a completely new greenfield development. Risk that it would not link well to Kirkham.	Moderate – Demand for employment uses on this site will need to be established.	High – would require a substantial development in a countryside area, some distance from the nearest settlement.	Countryside Areas	10	B1(a), B1(b), B1(c), B2, B8
Kirkham, West of existing settlement boundary	High – Opportunity to provide pedestrian links to Kirkham/Wesham.	High – links directly to services and rail links in Kirkham.	Moderate – Demand for employment uses on this site will need to be established	High – would require a substantial development in a countryside area.	Countryside Areas	10	B1(a), B1(b), B1(c), B8

Potential Opportunity	Accessibility	Sustainability	Viability (Market Demand)	Environmental Impact	Planning Policy	Suggested Allocation Size, ha	Viable Uses
Wesham, north west of current settlement boundary	High – Opportunity to provide pedestrian links to Kirkham/Wesham and to provide road access directly off the A585/B5192 roundabout	High – links directly to services and rail links in Kirkham.	Moderate – Although there are a small number of employment uses at Mill Farm, demand for a much larger development will need to be established	High – would require a substantial development in a countryside area and could result in the loss of up to 4.5 ha of woodland.	Countryside Areas	14	B1(a), B1(b), B1(c), B2, B8
Total						83	

Source: BE Group, 2012

11.52 Any of the three locations in the Kirkham/Wesham may encounter planning or environmental impact concerns, but they are sustainable in terms of accessibility, public transport and viability.

12.0 CONCLUSIONS

Introduction

- 12.1 In this section the findings from each of the preceding sections are drawn together into a number of conclusions, broadly themed under the three headings identified in the ODPM guidelines.

Economic and Property Market Assessment

- 12.2 The socio-economic profile of Fylde reveals almost 76 percent of the working age population to be in employment, higher than the Lancashire and North West averages. Unemployment, at 5 percent in 2011, is low particularly when compared to the regional (8.1 percent) and national (7.7 percent) averages. It is also an affluent area, amongst the top 30 percent least deprived local authority areas in England.
- 12.3 The Borough's population is relatively self-contained, with the most recent available figures showing that 66 percent of Fylde's employed residents also work in the Borough. There is a strong pattern of in-commuting, with inflow to Fylde exceeding outflow in the case of every Lancashire local authority area. As a result, compared to some 31,000 who commute out of Fylde to work, 39,000 commute in.
- 12.4 The commuting patterns reflect the structure of Fylde's economic activity. In contrast to the national picture of a structural decline in manufacturing, the manufacturing sector employs by far the largest proportion of people in Fylde. 29.6 percent of jobs are in this sector, primarily due to employment at BAE Systems, Warton and Westinghouse's nuclear fuel production facility, Salwick. As a consequence the percentage share is almost double Lancashire's average and more than treble the national average for the manufacturing sector.
- 12.5 Financial and business services also employ a high proportion of people (17.8 percent of jobs) by comparison to Lancashire, though this is below regional and national averages. Notwithstanding the presence of central government departments (DWP, Land Registry) a smaller proportion of people (19.1 percent) are employed in the public sector than is the case for Lancashire, the North West or Great Britain.

- 12.6 The most recent employment forecasts suggest Fylde will, during the Local Plan period, align to the national pattern of reduction in manufacturing and growth in service sector activity.
- 12.7 Nevertheless the forecasts suggest Fylde will continue to see the manufacturing sector's percentage share of jobs to be three times that of the average for the whole of the North West.
- 12.8 There are approximately 2,100 businesses in Fylde operating from B1, B2 or B8 use class land or premises. Most (90.1 percent) are micro-businesses employing less than ten people. A further 8.3 percent employ up to 49 people (small businesses).
- 12.9 The bulk of Fylde's businesses are either in St Annes, or along the M55 corridor, close to the boundary with Blackpool. The M55 is the core access route into the area. However, it is inland, passing through rural areas, so it does not relate well to the majority of Fylde's population which is located along the coast. There is little access from the motorway towards the eastern end of Borough, which is where BAE Systems and Toshiba Westinghouse are located.
- 12.10 The role of the A583 and A584 needs to be recognised and strengthened over time, particularly around Kirkham. The town is strategically well connected to all parts of the Borough and has proximity to the M55. It also has an existing sizeable population. East of Kirkham, however, the lack of an additional M55 motorway junction in the Borough (i.e. a Junction 2) means that opening up land for development in that area (and servicing west Preston) will remain challenging.
- 12.11 The recently announced electrification programme for the Blackpool North to Preston railway line presents significant potential for Kirkham, which is the larger of the two stations on this line within the Borough. Kirkham has a significant population; is centrally located within Fylde with good road links and is close to Junction 3, M55; is the interchange point for the South Fylde railway line.
- 12.12 In order for towns to be attractive economically they need to receive investment. Kirkham appears to have such an opportunity both with the electrification of the rail line and the supportive stance of Lancashire County Council towards matters such as rail based Park and Ride and the upgrading of the South Fylde Line. While local

issues (such as delivering appropriate parking) can be seen as barriers in the short term, the longer term benefits must be seized to help Kirkham's existing businesses thrive and attract future investment.

- 12.13 The two airport facilities in the Borough, Blackpool Airport and BAE Systems at Warton, provide critical infrastructure not just in terms of transportation but because they are employment hubs. They have very different roles, but access from these hubs to housing opportunities is key to keeping the relatively highly paid employees within the authority area. This is underlined by central government's decision to make some 75 ha of the BAE Systems site at Warton an Enterprise Zone. The aim of the Enterprise Zone is to establish a world class location for advanced engineering and manufacturing, building upon BAE Systems' operations and aerospace capabilities.
- 12.14 Industrial property demand requirements are for the smaller end of the size spectrum, for units of 500 sqm or less. Whitehills Park and Blackpool and Fylde Industrial Estate are considered to be the most popular locations for this sector of the property market, both now and in the future.
- 12.15 Demand for offices is predominately locally sourced. It is for good quality, modern suites of around 100 sqm, although the company survey findings suggest some requirements for up to 500 sqm. Again Whitehills Park is (and is expected to remain) the most popular location, with Kirkham also generating demand. Some local property market influencers consider there is potential demand for a small offices development in Lytham.
- 12.16 There is a general shift to higher value industries, which is leading to a need for more modern and efficient business space. This is raising the quality expected in accommodation, both industrial and office, confirmed from consultations with a number of the Borough's indigenous businesses. Modern needs are moving a substantial proportion of companies to out-of-town, more accessible locations – in Fylde's case this is evidenced by the success of the Whitehills Park and St Georges Park developments, both of which have good access to the M55. Occupiers are polarised towards those seeking to own their property and those looking for shorter term, more flexible property solutions. Broadly, the former represent locally owned

and established businesses; the latter, regional or national companies with multiple sites.

Current Property and Land Supply

- 12.17 At 31st March 2012 Fylde's available employment land supply stood at 22.32 ha. This represents sites allocated in accordance with Policy EMP1; unimplemented planning consents, and other vacant land in the Borough's employment areas. It equates to less than eight years supply based on the long term take-up trend experienced by Fylde.
- 12.18 However five sites have consents for alternative planning uses, or are the subject of proposals for higher value activities. At Queensway Industrial Estate, St Annes, 2.0 ha of the 3.18 ha site is proposed for housing. 1.84 ha at Hallam Way, Whitehills Park is the subject of a renewal application for a previously consented health and fitness club use. Also at Whitehills Park, 0.24 ha at Graceways has been approved for food retail. Two sites in Lytham (Ballam Road – 1.53 ha and Boundary Road – 0.69 ha) are subject to residential development proposals. One small site at Kirkham Trading Park is in use for open storage, and two further small sites at Dock Road and Graving Dock Road, Lytham may be unviable or unavailable. Adjustment to reflect a worst case scenario of all the above sites being lost from employment land use, would reduce the current supply to only 15.23 ha.
- 12.19 The west of the Borough, especially Whitehills Park, dominates the provision. Whilst this location might be attractive to new investors to the Borough (due to its location close to the Junction 4, M55 and Blackpool), the relative distance from Lytham and St Annes makes it less appealing to indigenous companies located. There is almost no supply in Kirkham, while sites in St Annes and Lytham, as evidenced above, are either constrained or have owners seeking alternative uses.
- 12.20 The availability of the existing supply is not a particular issue, as 93 percent could be brought forward in the medium term (1-5 years). However there is less than two years supply of immediately available land, based on the long term average annual take-up rate.
- 12.21 77 percent of the supply is generally available for a mix of B1, B2 and B8 uses. Whitehills Park is the only source of readily available land for offices uses.

- 12.22 The existing 33 formal and informal employment areas are all productive. Most are fully developed. The available land supply of 22.32 ha represents only four percent of the total supply, 521.10 ha. Apart from the Enterprise Zone proposals at BAE Systems, Warton, opportunities for redevelopment and expansion are limited. And the nature of the Enterprise Zone means this land will not be available to local companies, eligibility will only be for inward investors associated with a number of defined advanced engineering and manufacturing industry sectors.
- 12.23 Notwithstanding the impact of the recession the evidence of the current available property supply suggests Fylde continues to attract demand. Based on the latest Valuation Office data, for both the industrial and office sectors 89 percent of properties are occupied. For the industrial sector this represents 95 percent of the study area's floorspace. For the office sector it is somewhat less, at 83 percent – although this increases to 93 percent if the DWP Heyhouses site is excluded.
- 12.24 For the industrial and distribution sectors there are supply shortages associated with some size bands. This is especially so for larger properties. There are only four properties available of greater than 500 sqm, and none larger than 1,033 sqm. There is relatively little small workshop space (premises of less than 100 sqm). The availability is concentrated at Whitehills Park, Blackpool and Fylde Industrial Estate, Lytham and Kirkham. These locations represent 83 percent of the currently available space. Outside of the main settlements a further 10 percent of the available premises are located at Clifton Business Park.
- 12.25 More than one in four of the vacant industrial properties are good quality units. With only one exception they are concentrated at Blackpool and Fylde Industrial Estate/Whitehills Park.
- 12.26 The available office supply is concentrated in Kirkham, St Annes and Whitehills Park. Together these locations represent 60 percent of the premises currently being marketed. A further 14 percent is at Peel Hall Business Park, Westby. Elsewhere availability is limited. Most of the vacant offices are of less than 200 sqm. Heyhouses is the only source of potential available premises of more than 402 sqm. Most space is of moderate quality but there is a reasonable range of good quality

office properties at Whitehills Park and The Crossroads Business Centre, Kirkham. One third of the offices are available for purchase.

- 12.27 The above office supply data excludes the 13,935 sqm of vacant space at the former Stocks and Bonds Office, Heyhouses, St Annes. This is the subject of a current planning application for a change of use to retail and housing.

Future Land Requirements

- 12.28 It is a responsibility of local government to support and encourage economic growth. This includes the provision, initially through planning policy of sufficient employment land and premises. Provision must be of the right scale, type, location and be readily available for, and capable of, development. The allocated land must be in sustainable locations and comprise a portfolio that is balanced, to adequately cater to all sectors of the economy i.e. small and large companies, offices and industrial, high and low quality operations.
- 12.29 Since the Borough's previous Employment Land Study was completed in 2006 there have been considerable changes to the planning policy and strategy landscape. Government has now formally approved the National Planning Policy Framework, which provides the framework for the production of local and neighbourhood plans. The NPPF replaces all the previous Planning Policy Statements and Guidance Notes.
- 12.30 The Government has, through the Localism Bill announced that the North West Regional Spatial Strategy, and Regional Economic Strategy, are to be abolished. However the full abolition of either policy document is formally awaited pending legal challenges, and their context is still relevant consideration for this study. The RSS sets a supply requirement to the level of the Lancashire sub-region, but not that of Fylde.
- 12.31 This study is primarily concerned with those uses included within the planning Use Class B (B1, offices, research and development and light industrial; B2, general industrial; B8, storage and distribution) and appropriate sui generis uses including recycling and the environmental industry. It considers a number of different employment land scenarios. All look at the situation as it stands now. As such the

land supply required is balanced against what is currently available. Furthermore it sets forecasts for an eighteen year period (to 2030).

- 12.32 The long term take-up rate since 1989 averages 2.70 ha per year. Analysis of the performance for the past 15, 10 and 5 year periods reveals an increasing level of average take up of 2.01, 2.13 and 2.98 ha respectively. Perhaps surprisingly, despite the recessionary background of the last three years, since 2007 the Borough has experienced a better take-up than the long term trend.
- 12.33 Based on the long term annual rate of 2.70 ha, there is indicatively a shortfall of 26.28 ha of employment land to cater for Fylde's needs to 2030. This is after taking into account there is 22.32 ha of employment land currently available. Given that potentially almost one third of the latter figure represents sites held for expansion, already consented for other uses or are unviable or unavailable for other reasons, the worst case scenario would be an even greater shortfall.
- 12.34 The alternative methods include 'policy off' forecasts based on employment and population assessments. Both suggest the Borough needs significantly less employment land than that predicted by the long term take-up rate. Indeed both suggest reductions in the supply requirements from the land already in use. The employment-based model suggest an oversupply of up to 29 ha, when the current available supply is included. The labour supply model suggests a very modest additional land requirement (less than 5 ha), which represents around one quarter of the currently available supply.
- 12.35 However these methods make no allowance for companies modernising or relocating into different sized property; that land is not used totally efficiently; that some companies occupy more space than they need or will hold land long term for their own possible future expansion; or that there needs to be a range of sites and locations to provide companies with choice. Furthermore the company survey identified short term requirements equating to 2.3 ha from just ten percent of the Borough's companies. Therefore common sense suggests the assessments based on the forecasts are flawed, even though their principles of limited job growth and higher density land use are correct.

12.36 A 'policy on' forecast, to reflect the Enterprise Zone at Warton, also generates outcomes that suggest Fylde has an oversupply of employment land. However, this forecast is caveated by the limited information available about development activity post-2015.

12.37 Nor do any of the forecast scenarios take account of potential additional need that might be generated by growth in the workforce numbers resident in neighbouring authority areas. For example, Blackpool where constrained development opportunities mean it is likely both residents and businesses may look to Fylde to deliver needs that cannot be met in Blackpool.

12.38 The different scenarios are illustrated in Table 67. This shows the various models suggest the net land need ranges from a shortfall of 26.28 ha to an oversupply of 52 ha. The former figure reflects the long term land take-up performance for the Borough since 1989.

Table 67 – Fylde Forecast Land Scenarios, 2012-2030

Scenario	Gross Land Need, ha	Existing Land Supply, ha	Net Land Need, ha
Long term Land Take-up	+48.60	22.32	+26.28
Employment Change (including sectoral reductions)	-15.42/ -23.88		-37.74/ -46.20
Labour Supply Change (100 percent work in Fylde)	+4.08/ +4.67		-18.24/ -17.65
Labour Supply Change (existing 66 percent ratio of those working in Fylde)	+2.69/ +3.08		-19.24/ -19.63
Policy On (linked to Enterprise Zone) Employment Change	-19.60/ -29.19		-41.92/ -51.51
Policy On (Linked to Enterprise Zone) Labour Supply Change	+5.64/ +6.42		-15.90/ -16.68
Policy On (Linked to Enterprise Zone) Labour Supply Change (existing 66 percent ratio of those working in Fylde)	+3.72/ +4.24		-18.08/ -18.60

Source: BE Group, 2012

12.39 The above figures are based on the assumption that all the current land supply is readily developable and available in an open market. This may not necessarily be

the case, with potentially 7.09 ha unavailable or undevelopable. Replacing this land would increase the potential shortfall to 33.37 ha.

- 12.40 Research has identified eight possible broad areas of search where additional future employment land allocations might be delivered. Three are situated at the western end of the Borough, close to Junction 4, M55 and/or Blackpool. These are Blackpool Airport, Whitehills and Whyndyke Farm. Three relate to the Kirkham and Wesham area – Junction 3, M55 (Greenhalgh); a westward expansion of Kirkham alongside the A585 and a north westward expansion of Wesham, also alongside of the A585. The others are linked to potential expansion of existing industrial estates – Boundary Road, Lytham and Poulton-le-Fylde Industrial Estate. Although the latter estate is in Wyre, the area of search for expansion is in Fylde.
- 12.41 Each of the areas of search have been considered in terms of accessibility, public transport provision, viability from the perspective of likely market demand, existing planning policy and possible environmental impact. The three areas at the western end of the Borough best respond to all of these factors. Nevertheless it is important that the Borough has a balanced portfolio of employment land allocations, not just by type and size, but also spatially in relation to its settlement pattern. Consequently areas of search around Kirkham have been included.
- 12.42 Finally, it should be noted that the Enterprise Zone at Warton has been excluded from future land supply considerations for Fylde. This is because the Enterprise Zone represents re-use of existing employment land, and also due to the fact the development will only be available to businesses that represent new inward investment into Lancashire. Even then such investments must link to the defined advanced engineering and manufacturing sectors associated with the Enterprise Zone's mission statement. The needs of indigenous companies that might contribute supply chain support to the Enterprise Zone's occupiers will have to be met from the Borough's wider employment land and premises portfolio.

13.0 RECOMMENDATIONS

- 13.1 The recommendations of this study have regard to the recently published National Planning Policy Framework. In this respect two particular aspects of the NPPF influence the recommendations. Firstly, to avoid the long term protection of sites allocated for employment use, where there is no reasonable prospect of a site being used for that purpose. Secondly, that individual local authorities should work with County and neighbouring authorities to prepare a robust evidence base. Consequently the Council should work with Blackpool and Wyre Councils, who are yet to complete updated Employment Land Reviews, to ensure, as directed by the NPPF, that there is a robust employment land evidence base for the Fylde Coast sub-region.
- 13.2 The study recommends the protection of the identified current land supply that is not the subject of existing consents for alternative uses. It also recommends the provision of between 26 and 33 ha of additional employment land. This needs to be allocated and brought forward to meet requirements for the Local Plan period to 2030. This recommendation is based on the evidence of the long term (since 1989) annual average take-up rate experienced by the Borough.
- 13.3 The Council needs to note that this scale of additional provision does not include demand that might be generated by the increasingly constrained development position in adjacent Blackpool. There needs to be recognition that Fylde fulfils a role as an economic and employment centre serving a wider area than just its own authority boundaries. In part this is due to geography and infrastructure provision. In part it is because of existing employers such as BAE Systems and Toshiba Westinghouse. The Borough has a sub-regional role to play in the property market and it is recommended the extent is assessed in conjunction with Blackpool and Wyre, as the two other districts in the Fylde Coast economic sub-area.
- 13.4 The Borough Council needs to strategically consider where the required additional employment land supply should be provided. These considerations must reflect the importance of provision, not just by type and size, but also a sites portfolio that links to all the established settlements. It is important to provide a portfolio of sites that meets needs across all parts of the Borough. The recommendation is made therefore to initially concentrate upon provision in the west of the Borough (capitalising on

Junction 4, M55 and Blackpool Airport) and in the Kirkham area. It may well be appropriate, in order to secure the employment land provision, to consider delivery as part of mixed-use development schemes.

- 13.5 In addressing this further land provision regard should also be given to tenure and use. There is need to include the provision of freehold land and premises and this may need direct land acquisition (either independently or via a joint venture) by the public sector. And despite the shift to service sector activity most of the existing supply is targeted towards the industrial sector. There is therefore need to broaden the choice of locations for new office sector activity and particularly consider scope for modern office village provision in the urban areas of Lytham and St Annes (i.e. for units up to 500sqm).
- 13.6 Not all property and land need is for high quality, modern space. There is a market for lower quality, moderately priced accommodation. This type of space needs to be protected, especially in the more rural areas of the Borough where it can provide important business space to help diversify the economy away from agriculture. However this normally involves premises conversion (as it is economically more feasible) rather than land allocations. Therefore the Council should continue to proactively support rural diversification where there will be no detrimental impact upon local communities or infrastructure.
- 13.7 Home working represents an important sector of employment in Fylde – close to one tenth of those in employment. For such businesses effective broadband infrastructure is vital. An LCC led project is presently underway which will boost broadband accessibility in Fylde.
- 13.8 Notwithstanding this study provides forecasts to 2030, this is a long time into the future, and much will happen – as illustrated by the changes to the UK and global economy since the previous Fylde employment land study assessment in 2006. The Council should therefore review and monitor this position and refresh the study again within five years. By this time the Enterprise Zone at Warton will have been established and there should be evidence of its impact and effect on the local and wider sub-region economy.

