

FYLDE EMPLOYMENT LAND AND PREMISES STUDY – 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 percent work in Fylde)	+4.08/ +4.67		-18.24/ -17.65

Scenario	Gross Land Need, ha	Existing Land Supply, ha	Net Land Need, ha
Labour Supply Change (existing 66 percent ratio of those working in Fylde)	+2.69/ +3.08	22.32	-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.