Blackpool Local Plan Part 2

Employment Land Update 2021 and Blackpool Airport Enterprise Zone Topic Paper

February 2022





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Introduction

- i. This additional evidence base has been produced in response to a request from the Inspector at the examination hearings for the Blackpool Local Plan Part 2: Site Allocations and Development Management Policies Document which took place in December 2021.
- ii. It draws together and provides an update to the evidence that was presented to the Inspector, including at the hearings in respect to Matters 3 and 4 of the Examination.
- iii. In addition to the evidence already presented this document explains the exceptional circumstances required which enable the release of green belt land at Common Edge Road to support the economic viability and delivery of the Blackpool Airport Enterprise Zone (BAEZ) in line with paragraph 140 of National Planning Policy Framework 2021 (NPPF) and in order to give effect to the Blackpool Local Plan Part 1: Core Strategy and in advance of the review of the Core Strategy.
- iv. Specifically, this document addresses the need for additional land at the BAEZ and how this supports the delivery of the employment land requirement in the Blackpool Local Plan Part 1: Core Strategy as set out and how the evolution and background to and details of the BAEZ complies with and supports the implementation of the Core Strategy.
- v. The document comprises two parts:
 - Part 1 is an Employment Land Update 2021 which has been undertaken to assess employment land take-up over the plan period to 31st March 2021 and identifies remaining available land. The assessment provides an update of information set out in the 2013 Employment Land Study which identified the employment land requirement over the plan period to 2027 and provides justification for the need to allocate additional employment land at the Blackpool Airport Enterprise Zone to meet this requirement.
 - Part 2 is a Blackpool Airport Enterprise Zone Topic Paper which provides the
 justification for the exceptional circumstances that exist in this location to
 facilitate the release of the Green Belt in order to support the economic
 delivery of the Enterprise Zone.

Part 1 - Employment Land Update 2021

1 Introduction

- 1.1 The purpose of this part of the document is to provide an update and assessment of the current employment land take-up which informs the approach taken in the Local Plan Part 2: Site Allocations and Development Management Policies (hereafter SADMP) with respect to new employment land proposed to be allocated at the Blackpool Airport Enterprise Zone (hereafter BAEZ).
- 1.2 The Local Plan Part 1: Core Strategy (hereafter Core Strategy) was adopted in 2016 and provides the overarching strategy for development in the Borough to 2027. Key policies related to the provision of employment land are CS3: Economic Development and Employment and CS24: South Blackpool Employment Growth. Further discussion around these policies can be found in Section 2.
- 1.3 The <u>2013 Blackpool Employment Land Study</u> (ELS) (published in June 2014) is a key the evidence base document for the Core Strategy and provides an overview of the local economy/property market; analyses existing employment land and available land supply; assesses how much employment land is needed to 2027; and identifies how this need will be met. It informed the strategic policies in the Core Strategy, specifically policies CS3: Economic Development and Employment and CS24: South Blackpool Employment Land.
- 1.4 This Employment Land Update reviews employment land take-up since the start of the plan period and informs the policies and allocations within the SADMP.
- 1.5 To determine future land requirements, the preferred approach in the ELS was based on applying long-term historical trends in land take-up within the Borough. Projecting forward an average annual take-up rate of 1.75ha and including a 20% flexibility allowance (to provide a margin of choice), the study recommended that 31.5ha of employment land is needed to 2027.

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¹ 2013 Blackpool Employment Land Study – Section 7

- 1.6 At July 2012 the baseline supply of available employment land in the Borough was 21.6ha. However, when considering the likelihood of development coming forward, the realistic supply was reduced to 17.8ha. This suggested a shortfall in supply of 13.7ha.²
- 1.7 Blackpool is intensely developed and has a tightly constrained boundary, which means there is a demonstrable lack of future development land. Opportunities for further employment expansion within the Borough at that time were therefore extremely limited. In particular, the remaining shortfall could not be accommodated on lands within the Blackpool boundary. The outcome of co-operation between Blackpool and Fylde Councils on this issue resulted in Fylde providing for this shortfall, and this has been added to Fylde's requirement over their Local Plan period to 2032. Meeting Blackpool's longer term needs is therefore integrally linked with how it functions within the Fylde Coast and the joint consideration of future employment development for the sub-region, which would complement and support a strengthened Blackpool economy.
- 1.8 This update has been undertaken to assess employment land take-up and available land over the plan period up to 31st March 2021. The assessment therefore provides an update of information set out in the ELS. It provides an overview of the local planning policy framework in relation employment land and economic development (section 2), details employment take-up and losses (section 3) and discusses the available land within the Borough including additional employment land at the BAEZ as proposed in the SADMP (section 4).

² 2013 Blackpool Employment Land Study – paragraphs 4.2-4.24

2 Local Plan Policy Context

2.1 The following section sets out the local planning policy context which is relevant to the provision of employment land.

Blackpool Local Plan Part 1: Core Strategy (adopted 2016)

2.2 The Core Strategy was adopted in 2016 and is a key planning document which sets out where new development such as housing, employment, retail and leisure should be located to meet Blackpool's future needs to 2027. The Strategy also identifies which areas within Blackpool will be regenerated, protected or enhanced; and sets out key development principles, including design and affordable housing.

Spatial Vision

2.3 The spatial vision for the Core Strategy sets out where Blackpool aspires to be by 2027 in response to the Borough's key issues and characteristics. As the main economic centre of the Fylde Coast, Blackpool aims to have a diverse and prosperous economy with a thriving culture of enterprise and entrepreneurship. It seeks to retain a strong educational offer supporting a skilled and educated workforce encouraging aspiration and ambition.

Strategic goals and objectives

- 2.4 The spatial vision is underpinned by four goals. Each goal is supported by a number of strategic objectives. The aim is to achieve these objectives through the implementation of the Core Strategy policies. Of the goals and objectives that are most relevant to employment and the economy it is useful to set out the following:
 - GOAL 1: Sustainable regeneration, diversification and growth
- 2.5 The goal reflects strategic priorities and the strengths and weaknesses of the Blackpool economy which underpins the Core Strategy. Enabling the provision of jobs, including non-seasonal jobs which complement Blackpool's existing assets and retaining or enhancing a sustainable employment base whilst capturing investment lead to objective 3 in furthering that goal:-

- Objective 3. Strengthen the local economy through sustainable investment in new enterprise, entrepreneurship and business start-ups, creating better paid jobs and a wider choice of employment
- 2.6 Goal 4 is part of the wider spatial approach to give effect to meeting the needs identified:
 - GOAL 4: Supporting growth and enhancement in South Blackpool to meet future housing and employment needs for Blackpool and the Fylde Coast
- 2.7 Objective 17 is identified in furthering that approach:
 - Objective 17. Support economic growth along the Blackpool Airport Corridor and on lands close to Junction 4 of the M55

Key Strategic Policies

- 2.8 Policy CS3: Economic Development and Employment highlights that sustainable economic development will be promoted to strengthen the local economy and meet the employment needs of Blackpool and the Fylde Coast Sub-Region to 2027, with the focus on:
- a. Safeguarding around 180 hectares of existing industrial/business land for employment use; and enhancing these sites with new employment development on remaining available land and through opportunities for redevelopment
- b. Promoting office development, enterprise and business start-ups in Blackpool Town Centre including the Central Business District
- c. Promoting land in South Blackpool as a strategic priority, to help strengthen the Fylde Coast economy and make an important contribution towards meeting the future employment needs of Blackpool residents
- 2.9 In order to improve employment opportunities for Blackpool residents the focus will be to:

- a. Develop and deliver an effective skills agenda to ensure local people have the necessary skills; improve aspirations and opportunities for people to move into work; and retain skilled people in Blackpool
- b. Secure inward investment into Blackpool including Public Sector and Government Department relocation opportunities
- c. Nurture and support responsible entrepreneurship by facilitating a culture of enterprise and promoting Blackpool as a great place for start-up businesses
- 2.10 With respect to providing quality employment land, the supporting text recognises that that lack of future development land within Blackpool makes it essential to provide better quality employment sites with new sustainable employment development and to capitalise more on other existing assets within the Borough.
- 2.11 With regards to existing industrial/business land, there are 13 main industrial/business areas within Blackpool (figure 1) which amount to 182.1ha of employment land in total. These areas provide a range of employment related uses that make an important contribution to Blackpool's employment offer and the local economy; and will be retained as safeguarded employment land.
- 2.12 Some of the main employment areas present redevelopment opportunities for new employment development. This will strengthen Blackpool's employment offer by helping to retain existing occupiers and attract new businesses. This redevelopment will be a particularly important element of supply going forward by helping to retain and improve existing employment land. It will also make available land within those areas more attractive to develop.
- 2.13 The supporting text recognises the specific opportunities for redevelopment which includes a number of estates within South Blackpool currently under occupied and in need of comprehensive improvement. In order to facilitate regeneration, redevelopment opportunities which introduce a suitable mixed-use development, including housing, will be considered where it is exceptionally and robustly justified as necessary to secure the future business/industrial use of the site. Any such enabling development should not conflict with wider plan objectives.

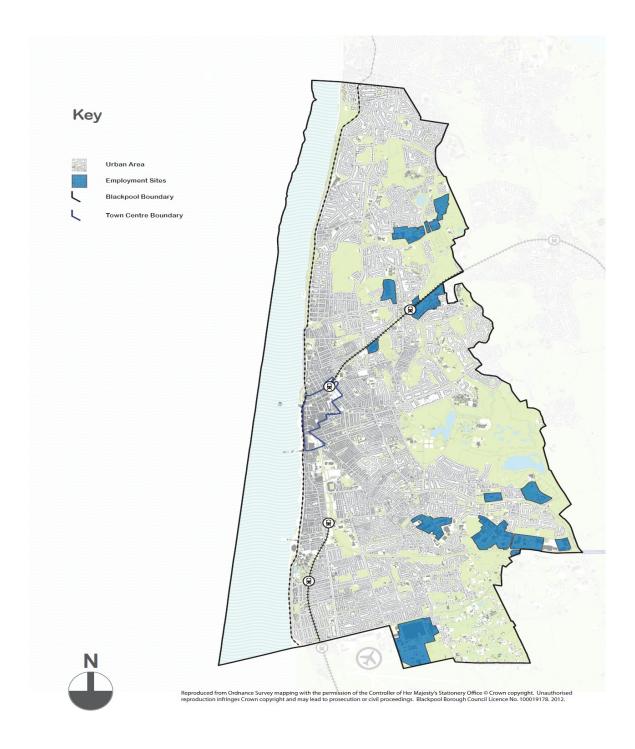


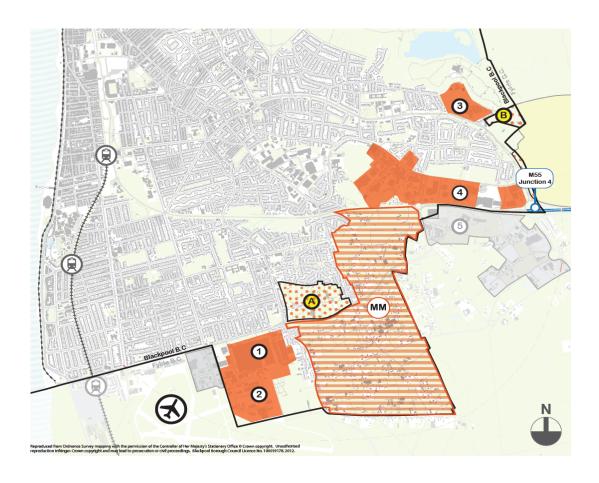
Figure 1: Blackpool's designated employment sites (taken from the Core Strategy)

In delivering the Core Strategy Vision, South Blackpool has an important role to 2.14 play in strengthening the local economy and contributing to rebalancing the housing offer. Section 8 of the Core Strategy provides a suite of policies (CS24-CS27) which enable the delivery of South Blackpool Growth and Enhancement.

- 2.15 In economic terms, the employment sites in South Blackpool (Figure 2 below) present opportunities for quality employment development to help meet Blackpool's future employment needs and support sub-regional growth.
- 2.16 In wider strategic terms, Blackpool Council and neighbouring authorities are cooperating over the future development of lands on the Blackpool/ Fylde boundary around junction 4 of the M55, as well as key sites along Blackpool Airport corridor and at Whyndyke Farm. This is to ensure that development in this area will support the strategic objectives set out in each authority's Local Plan and provide the necessary supporting infrastructure, in order to deliver a strong and distinctive sustainable urban extension to Blackpool which is closely integrated with the surrounding area.
- 2.17 The ELS³ and Duty to Co-operate Memorandum of Understanding⁴ identify lands at South Blackpool on the Blackpool/Fylde boundary as the most appropriate location to attract major new economic development, providing sustainable jobs for Fylde Coast residents and supporting sub-regional employment growth. This includes redevelopment opportunities on existing employment sites within Blackpool as well as new development on wider land in neighbouring Fylde.
- 2.18 Due to Blackpool's limited land availability, land at South Blackpool is of utmost importance to meet the future employment needs of Blackpool residents to help strengthen and grow the local economy, complementing employment development within Blackpool Town Centre and existing employment sites elsewhere in the Borough. Lands at South Blackpool are essential in attracting significant inward investment providing the opportunity for larger, more attractive development for businesses which cannot be readily accommodated elsewhere.

³ 2013 Blackpool Employment Land Study – Section 8

⁴ 2013 Duty to Co-operate Memorandum of Understanding



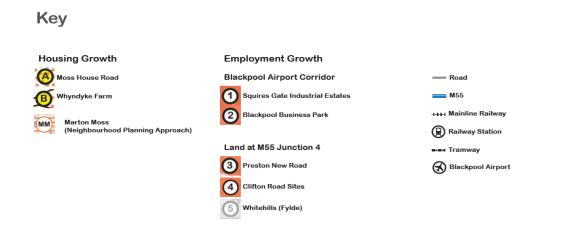


Figure 2: South Blackpool's designated housing and employment sites (taken from the Core Strategy)

- 2.19 Policy CS24: South Blackpool Employment Growth focusses on development at Blackpool Airport Corridor which includes the Blackpool Airport Enterprise Zone.
- 2.20 The policy states that the Council will support:
 - 1. Redevelopment of existing employment sites within South Blackpool to provide high quality modern business/industrial facilities (Class B uses)
 - 2. Proposals for major new business/industrial development (Class B uses) in principle at sustainable locations within wider lands at South Blackpool to support sub-regional economic growth, including:
 - a. Blackpool Airport Corridor
 - b. Lands close to Junction 4 of the M55
- 2.21 The supporting text provides additional detail with respect to the Blackpool Airport Corridor which forms an important southern gateway to Blackpool, and includes Blackpool Business Park, Squires Gate Industrial Estate and Sycamore Trading Estate within the Blackpool boundary. Parts of Blackpool Business Park are within neighbouring Fylde, along with Blackpool Airport which also forms part of the Airport Corridor. With direct links to the M55 via Progress Way, the sites have been a prime location for much of Blackpool's recent industrial and business development.
- 2.22 It identifies Blackpool Business Park as a 40 hectare employment site with 6.9 hectares of land remaining available for development (as at July 2012). It recognises there has been a range of new development providing modern business space which meets the needs of local businesses wanting to relocate or expand as well as attracting new inward business development.
- 2.23 Alongside opportunities to develop remaining land at the Business Park, there is potential for major redevelopment and enhancement of the longstanding Squires Gate and Sycamore Trading estates. This would also present opportunities to improve the Squires Gate Lane frontage, site access and traffic circulation/connectivity to the adjoining employment areas. In order to facilitate regeneration, redevelopment opportunities which introduce a suitable mixed use development will be considered where this would secure the future business/industrial use of the site. Any enabling development would need to be robustly justified and not conflict with wider plan objectives.

2.24 Beyond the Blackpool boundary, the supporting text recognises Blackpool Airport is an important sub-regional asset and will be a key driver in supporting economic growth across the Fylde Coast. It is important that its position is maintained as a regional airport with the potential to provide strong business connections, supporting both tourism and business aspects of the economy. Lands around the airport will be critical in capitalising on this asset. Blackpool and Fylde Councils are working with the airport owners and other stakeholders to identify opportunities for appropriate future growth and development, the integration of the airport with adjacent developments and supporting infrastructure requirements. Ancillary business/ industrial development of lands at the airport will therefore be supported which reinforces its role and function.

3 Employment Take Up and Losses

- 3.1 This section provides an assessment of the take up of available employment land over the plan period to date (2012-2021) and any losses that have taken place.
- 3.2 The supply of employment land over the plan period was originally identified in the Blackpool Employment Land Study 2013 (ELS) which forms part of the evidence base underpinning the Core Strategy, in particular Policy CS3: Economic Development and Employment. Policy CS3 safeguards 'around' 180 ha of employment land within the Borough. The ELS at paragraph 4.79 confirms that Blackpool's 13 main employment areas shows that 5 are fully developed and 8 contain available land. Collectively they provide 182.1ha of employment land.
- 3.3 The 2013 ELS identified a requirement of 31.5ha⁵ of employment land over the plan period to 2027 (2.1ha per annum). The 2012 baseline supply of available employment land in the Borough was 21.6ha⁶. However, when considering the likelihood of development coming forward, the realistic supply was reduced to 17.8ha. This was due to the removal of land at Preston New Road (NS&I site) amounting to 3.8ha which is unlikely to be developed for employment when considering the economic viability of the wider site.⁷ This identified a shortfall in supply of 13.7ha. As a result of this, Fylde Council is providing 14 hectares of employment land within their current adopted Local Plan.
- 3.4 With this in mind, take up of employment land which is located within Blackpool Borough over the plan period should therefore equate to an average of 1.2 ha per annum see table 1.

Table 1: Expected employment land take-up over the Plan Period

Employment Land Requirement over	31.5ha	2.1ha per annum
the Plan Period (2012-2027)		
Employment Land Supply: Blackpool	17.8ha	1.2ha per annum
Fylde Contribution	14ha	-

⁵ 2013 Blackpool Employment Land Study – Section 7

⁶ 2013 Blackpool Employment Land Study – Section 7

⁷ 2013 Blackpool Employment Land Study – paragraphs 4.2-4.24

Employment Land Take-up 2012-2021

3.5 Table 2 shows the take up of employment land on the designated employment sites within Blackpool. There was no take-up during the first few years of the plan period (2012-2015) due to the country emerging from a recession. There has been some land take up in recent years, however these rates are still low and are below the expected average take up rate identified in the paragraph 3.3. Current average take-up is 0.62ha per annum (refer Table 2) compared to the expected average take up of 1.2ha per annum (refer Table 1).

Table 2: Schedule of Individual Site Take-up (2012-2021)

Year	Site	Estate Name	Area (ha)
2015-16	Royal Mail	Blackpool Technology Park	1.7
2016-17	M I Flues (extension to existing unit)	Clifton Industrial Estate	0.6
2017-18	Units 1-25 Kincraig Court	Moor Park Estate	0.4
	Units 1-4 Dakota Court	Blackpool Business Park	0.4
	Units 1-12 Enterprise Court	Blackpool Business Park	0.4
2018-19	Fylde Coast Accident Repair Centre	Blackpool Business Park	0.9
	Power Station	Blackpool Business Park	0.2
	Macadam	Vicarage Lane Ind Est	0.6
	Swann Tours	Vicarage Lane Ind Est	0.01
2020-21	Love Expo; Polypipe	Blackpool Business Park	0.41
Total take-up			5.62
Average take-up rate per annum			0.62

Employment Land Losses since 2012

3.6 There have been some losses of designated employment land since the start of the plan period.

National Savings and Investment Site (NS&I), Preston New Road

3.7 The 2013 ELS identified for the NS&I site a total site area of 11.9ha which included 3.8 ha of undeveloped land.

- 3.8 The ELS acknowledged that the undeveloped land was unlikely to come forward for employment uses (see paras 4.20-4.24 of the ELS) and the 3.8ha was therefore not included in the supply. It has subsequently been developed for housing. However, there has been further loss of designated employment land in this location as a result of the approval of a further phase of housing development approved in 2021 (application ref: 20/0021). This permitted site is a proposed housing allocation in the emerging Local Plan Part 2 (HSA1.23). It was demonstrated to be unviable to develop for business/industry through both the site allocation and development management processes.
- 3.9 There is therefore now only 2.9 hectares of land remaining in employment use in this location as opposed to the 8.1 hectares envisaged at the point of adoption of the Core Strategy.



Figure 3: Remaining employment land (purple shading) at the former NS&I site, Preston New Road

Aldi – Blackpool Retail Park

3.10 The development of an Aldi foodstore in 2015 has led to the loss of 0.6 hectares of designated employment land at Squires Gate Industrial Estate adjacent to Blackpool Retail Park (application ref. 14/0698).



Figure 4: Loss of designated employment land that is now an Aldi foodstore (red outline) adjacent to remaining employment land.

In summary, since the start of the plan period there has been loss of 3.6ha of 3.11 designated employment land to other uses (refer table 3).

Table 3: Size of Designated Employment Areas

	2013 ELS Position (ha)	2021 Position (ha)
Blackpool Business Park	23.6	23.6
Sycamore	5.2	5.2
Squires Gate Ind Est	19.9	19.3

	2013 ELS Position (ha)	2021 Position (ha)
Clifton Road	45.9	45.9
Bpool and Fylde Estate	1.3	1.3
NS&I Preston New Road	11.9	2.9
Chiswick Grove	4.5	4.5
Vicarage Lane	15.6	15.6
Mowbray Drive	16.9	16.9
Dev Road	3.4	3.4
Warbreck Hill	8.3	8.3
Moor Park Ave	17.6	17.6
Blackpool North Tech Park	8	8
Total	182.1	172.5

- 3.12 During the period 2012-2021 it can clearly be seen that the employment land uptake of 0.62ha per annum is below the anticipated take up of 1.2 ha per annum across the plan period. Taking into account this underperformance, future take-up needed to meet the Borough's employment land requirement as set out in the Core Strategy is 12.18ha over the next 6 years (2021-2027). This equates to 2.03ha per annum.
- 3.13 The following section considers the availability of land within the Borough and opportunity to boost the employment land uptake in order to meet the requirement set out in the Core Strategy and ELS.

4 Available Employment Land

- 4.1 This section provides information on the remaining employment land available within the Borough's designated employment sites and the opportunities that additional employment land at the BAEZ presents to boost the employment land uptake over the remainder of the plan period.
- 4.2 The table below sets out the remaining available land across the Borough on those designated employment sites identified in the ELS and Core Strategy. Maps of these areas can be found in Appendix A.

Table 3: Available land for development in Blackpool Borough (as at March 2021)

Employment Area	Available land (ha)
Blackpool Business Park	4.75
Squires Gate Industrial Estate	1.7
Sycamore Estate	0
Vicarage Lane	0.02
Clifton Road	2.5
Preston New Road (NS&I)	0
Chiswick Grove	0
Mowbray Drive	0.3
Warbreck Hill	0
Devonshire Rd / Mansfield Rd	0
Moor Park	0
North Blackpool Technology Park	2.0
Blackpool and Fylde Estate*	0
Total	11.27

^{*} The majority of this Estate is located outside the Borough boundary in Fylde; 1.3ha is the amount of land within Blackpool only.

4.3 It should be noted that the 11.27ha available land is less than the 12.18 hectares identified in paragraph 3.10 required to be taken up over the next six years to meet the Core Strategy employment land requirement.

Employment land opportunities at the Blackpool Airport Enterprise Zone

- 4.4 The Blackpool Airport Enterprise Zone (BAEZ) was approved in November 2015 and the site became operational in April 2016. The status of the BAEZ is valid for 25 years and provides business incentives of rate relief over a period of five years and Enhanced Capital Allowance⁸. Further context to the BAEZ can be found in Part 2 of this paper (Section 7).
- 4.5 The BAEZ covers 144 hectares of which around 62 hectares lie within Blackpool Borough and 82 hectares in Fylde. The site incorporates existing employment land at Blackpool Business Park, Squires Gate Industrial Estate and Sycamore Trading Estate. As set out in table 3, 4.75 hectares of available employment land is at Blackpool Business Park which comprises 8 sites with all but one being less than a hectare in size (refer Appendix A-Map 1).1.7 hectares is also available at Squires Gate Industrial Estate (refer Appendix A-Map 2).
- 4.6 In addition to these sites, within the BAEZ designation there is also an additional 9.4 hectares identified for employment land at Common Edge Road (orange shaded area in figure 5). This forms part of the 'industrial heartland' as set out in the approved BAEZ Masterplan (EL1.002d). The land is currently designated as Green Belt. The justification for exceptional circumstances to release this land for the Green Belt is clearly set out in Part 2 of this document (refer Section 9).
- 4.7 The justification in economic terms for this area of land to be developed for employment uses and the need for it to be brought forward during the plan period is emphatically set out in Part 2 of this paper and is specifically detailed in paragraphs 9.17-9.25.
- 4.8 This additional land at the BAEZ allows for a wider choice of attractive employment sites that will boost the employment land uptake which is needed over the remainder of the plan period in order to achieve the requirement set out in the Core Strategy and ELS.
- 4.9 Furthermore, this additional employment land at the BAEZ will also ensure that around 180ha of employment land continues to be safeguarded in line with CS3 (refer table 4) due to the loss of designated employment land at the NS&I site, Preston New Road and at Squires Gate Industrial Estate discussed at paragraphs 3.6-3.9.

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⁸ Blackpool Local Plan Part 2 – DM8: Enterprise Zone

Table 4: Additional employment land at BAEZ supporting Core Strategy Policy CS3

Amount of Designated Employment Land – 2021 Position	172.5ha
Proposed additional BAEZ employment land	9.4ha
Total	181.9ha

The additional employment land being brought forward at the EZ is considered to be in conformity with policies CS1, CS3 and CS24 of the adopted Core Strategy which support and give effect to Core Strategy policy as set out in detail in Part 2 of this paper.





Proposed Additional Employment Land

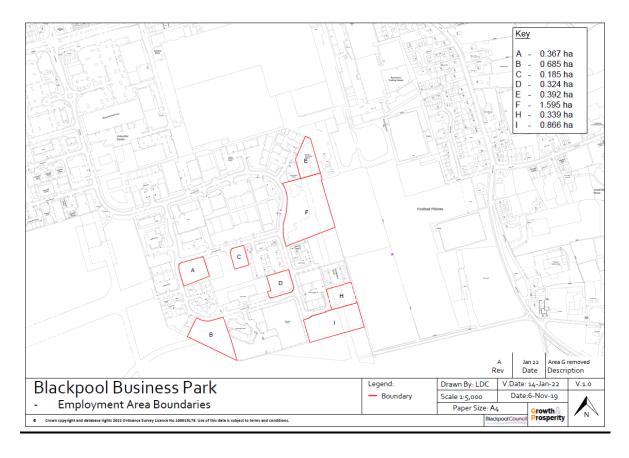
Figure 5: Proposed additional employment land at the EZ (orange shading)

5 Summary

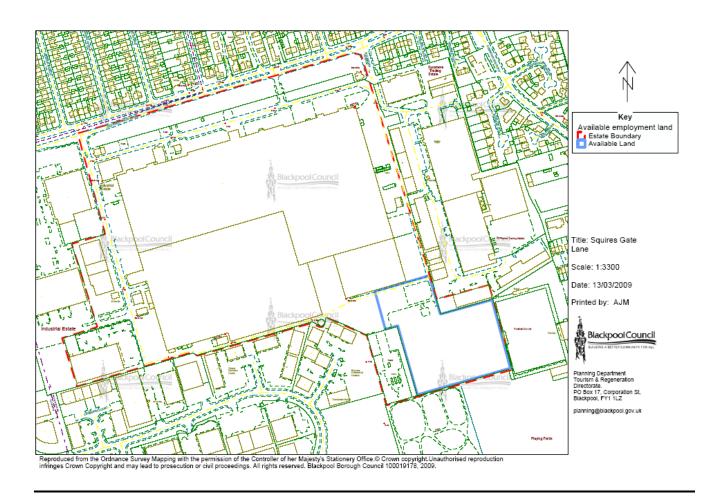
- This Employment Land Update concludes that take up over the plan period to date remains slow compared to the expected take up identified in the 2013 Employment Land Study and Core Strategy. During the period 2012-2021 employment land take up has been 0.62ha per annum compared to the expected average take up of 1.2ha per annum.
- 5.2 Therefore, future take up needed to meet the Borough's employment land requirement is 12.18ha which equates to 2.03ha per annum over the next 6 years (2021-2027).
- 5.3 The Local Plan Part 2 proposes to designate an additional 9.4 hectares of employment land at the Blackpool Airport Enterprise Zone (see figure 5) to be brought forward up to 2027.
- 5.4 This additional land at the BAEZ will allow for a wider choice of attractive employment sites needed to boost employment land uptake over the remainder of the plan period in order to meet the requirement set out in the Core Strategy.
- 5.5 This additional employment land would also ensure that the amount of safeguarded employment land remains at around 180 hectares as set out in policy CS3 of the Core Strategy as there has been a loss of designated employment land since the start of the plan period at Squires Gate Industrial Estate and the National Savings and Investment Site, Preston New Road.

Appendix A: Available employment land (as at March 2021)

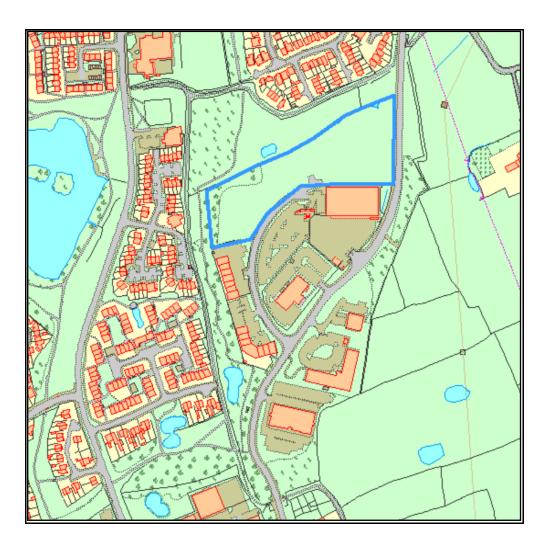
Map 1: Available Land at Blackpool Business Park



Map 2: Available Land at Squires Gate Industrial Estate



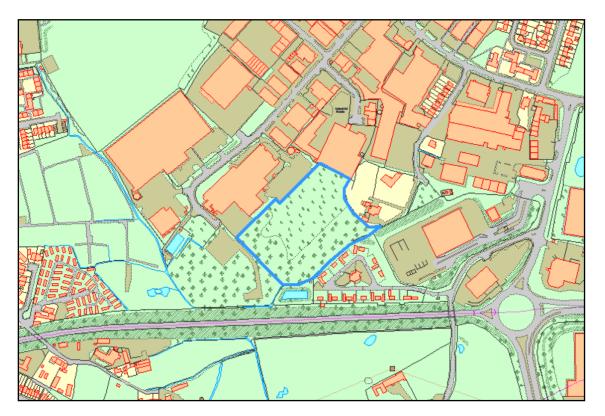
Map 3: Available Land at Blackpool North Technology Park



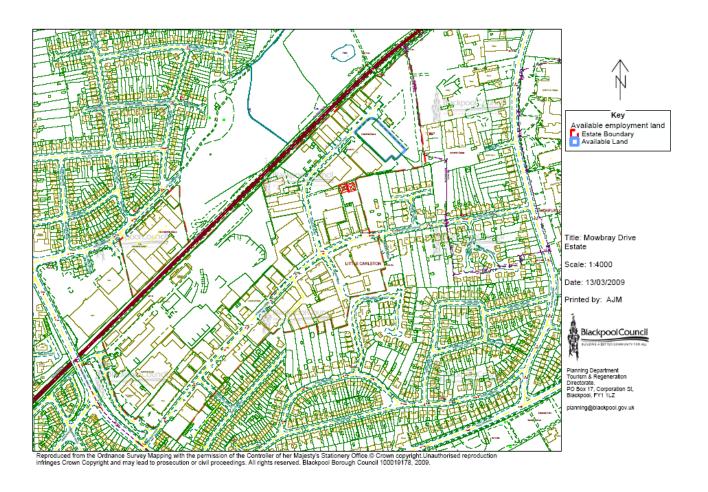
Map 4: Available Land at Vicarage Lane Industrial Estate



Map 5: Available Land at Clifton Road Industrial Estate



Map 6: Available Land at Mowbray Drive Industrial Estate



Part 2 - Blackpool Airport Enterprise Zone Topic Paper

6 Introduction

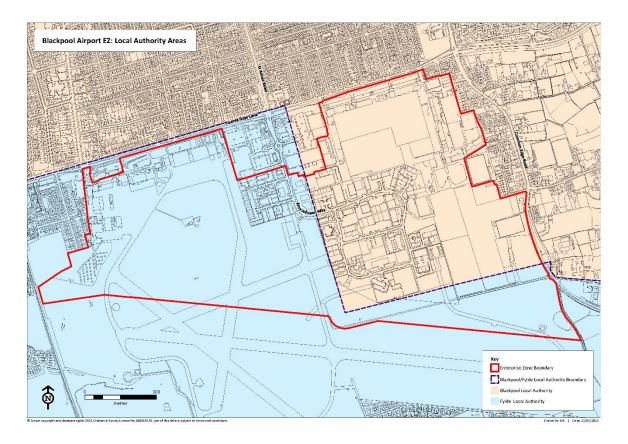
- 6.1 This Part 2 is a Blackpool Airport Enterprise Zone (BAEZ) Topic Paper which provides the justification for the exceptional circumstances that exist in this location to facilitate the release of the Green Belt in order to support the economic delivery of the Enterprise Zone.
- 6.2 The Topic Paper comprises the following:
 - Section 7: Provides information on the location of BAEZ and description of land contained within the designation including ownership; the historical background to the designation of the BAEZ and its purpose; an overview of the BAEZ Masterplan and the phasing and delivery plans.
 - **Section 8**: Sets out the national and local policy context.
 - Section 9: Provides the evidence to justify the release of land from the Green Belt within the BAEZ designation at Common Edge Rd and includes evidence on the legal position; the strategic policy justification; and the economic justification presented by the BAEZ demonstrating exceptional circumstances. In addition detail of the location of an amended Green Belt boundary and the compensatory measures that are to be provided are described; the consequences of not releasing land from the Green Belt on the viability and deliverability of the BAEZ are set out; and information relating to the consideration of alternative land to releasing that which is in the Green Belt is presented.
 - Section 10: Summary this pulls together all the evidence and clearly expounds the case that the evidence presented meets the requirements of the NPPF21 and demonstrates exceptional circumstance for the release of Green Belt within the BAEZ at Common Edge Rd.

7 Context to the Blackpool Airport Enterprise Zone

Location

7.1 The Blackpool Airport Enterprise Zone (BAEZ) is located in the south of the Borough straddling the local authority boundary with Fylde covering 144 hectares of which 62 hectares lie within Blackpool and 82 hectares in Fylde (Figure 1 refers). The site benefits from excellent access to the M55 via Progress Way and onward connectivity to the national motorway network and with local train, bus and tram routes connecting the Fylde Coast and beyond.

Figure 1 - Blackpool Airport Enterprise Zone boundary and Local Authority Areas



7.2 The site incorporates the existing Category III airport buildings and surrounding business and employment lands as well as land within the Green Belt. With respect to the latter two distinct pieces of Green Belt exist. A rectangular area of land circa 13.93ha (parcel A Figure 2 refers) which currently supports sports playing fields and facilities; and a small triangular shaped area (parcel B) of circa 1.15ha.

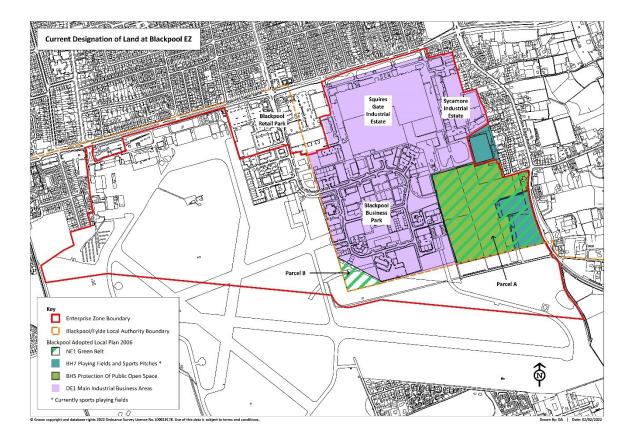


Figure 2 - Current Local Plan Designations at the BAEZ

- 7.3 The area is already well-established as a hub for business and commercial activity and has a history in aviation engineering, having previously been the manufacturing site for Vickers Wellington and Hawker Hunter military aircraft. Today, one of the airfield's key uses is in helicopter transportation to key energy generation sites in the Irish Sea as well as being the location for the Lancashire Energy Head Quarters a flagship training and education centre run by the Blackpool & The Fylde College. At designation the BAEZ site supported some 260 existing businesses providing circa 1800 jobs.
- 7.4 That part of BAEZ which lies within the Blackpool authority area includes the existing Sycamore Industrial Estate, Squires Gate Industrial Estate and Blackpool Business Park, as well as the land used for sport playing fields in the south east corner of the BAEZ site. Blackpool Retail Park which fronts onto Squires Gate Lane is not included in the BAEZ designation, nor is the airport runway, the latter excluded to ensure that commercial viability and possible future expansion was not compromised. The site is in multiple ownership albeit significant areas are owned by Blackpool Council who also own Blackpool Airport, Figure 3 refers.

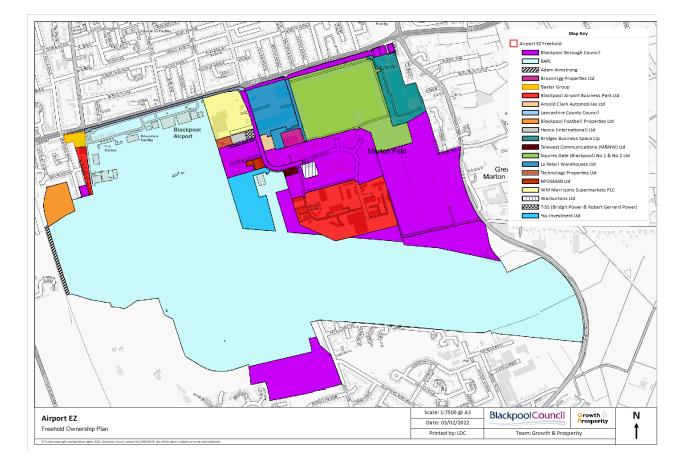


Figure 3 - Current Land Ownership at Blackpool Airport Enterprise Zone

Designation of the Blackpool Airport Enterprise Zone

- 7.5 The policy to create a new generation of Enterprise Zones (EZs) across the UK was announced by the Chancellor George Osborne in March 2011. EZs are designated areas of employment land where special policies apply which are designed to encourage business growth. Established by primary legislation, EZs do not come with direct central government funding but do benefit from a number of fiscal powers and incentives.
- 7.6 In early January 2015 the LEP received a specific request from Chancellor George Osborne and the Treasury Department inviting a proposal for the establishment of an EZ at Blackpool Airport including adjacent existing employment areas located in both Blackpool and Fylde local authority areas. This request was a direct response to lobbying from local MPs following the temporary closure of Blackpool Airport in October 2014.
- 7.7 A business case was drafted by Genecon Consultants on behalf of the Lancashire Local Enterprise Partnership (LEP) and the Blackpool, Fylde and Wyre Economic

Development Company (EDC)⁹ and following approval by these bodies was submitted to Government at the end of January 2015.

- 7.8 The business case presented the economic and financial impact of granting EZ status to the Blackpool Airport Corridor development area and looked at the economic impact in terms of jobs and businesses that could be attracted to the site and the financial impact in terms of business rate retention. In particular the business case sought approval for the agreement of the following EZ incentives:
 - i) Business rates relief of up £275,000 over a period of five years;
 - ii) As an EU Designated Assisted Area, 100% enhanced capital allowance (ECA) for new plant and machinery assets to be used primarily within the EZ. In line with HM Treasury rules, given that it is not acceptable under State Aid rules for a business to claim both ECA benefit and business rates relief, ECAs would be made available to companies locating within a designated ECA zone (Figure 4 refers) on the Airport Corridor sites and would be particularly attractive to manufacturers needing to make capital intensive investments;
 - iii) Potential to implement Tax Increment Financing schemes to borrow capital for the development of infrastructure on the EZ;
 - iv) Agreement of a Local Development Order across the corridor sites to accelerate the planning consent process for businesses wanting to locate onto the Enterprise Zone; and
 - v) Focused support from UKTI to market EZs to overseas markets and encourage inward investment;
 - vi) Support for implementation of superfast broadband connectivity.

⁹ The EDC ceased in March 2017 and was superceded by Blackpool, Fylde and Wyre Economic Prosperity Board.

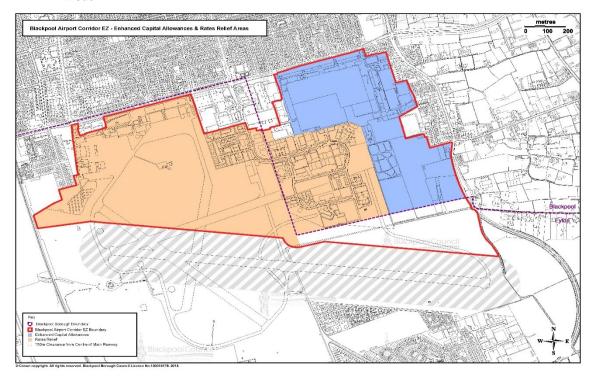


Figure 4 - Blackpool Airport Enterprise Zone - Enhanced Capital Allowance and Rate Relief Areas

- 7.9 The bid was successful with the Chancellor announcing on behalf of Government the designation of BAEZ on 12th November 2015 as part of the Autumn Financial Statement. The BAEZ became operational in April 2016 with a 25 year designation providing fiscal powers and incentives related to rate relief up to £55,000 per annum per qualifying business a maximum of £275,000 ¹⁰ over a period of five years and Enhanced Capital Allowance. ¹¹
- 7.10 Following operational commencement of BAEZ in April 2016, a Memorandum of Understanding (MOU) (document EL2.006h) was entered into on 9th November 2016 with Ministerial signatory Andrew Pearce MP on behalf of DCLG, alongside Lancashire LEP, Lancashire County Council, Fylde Borough Council and Blackpool Council. The MoU sets out the objectives and responsibilities of the parties and established Blackpool Council as the 'Accountable Body' which has the obligation to progress the development of BAEZ and has the ability to utilise the fiscal powers. Fylde Borough Council agreed that all BAEZ business rates growth generated within the Fylde sector of BAEZ would be passed to Blackpool

 $^{^{10}}$ The ability to offer up to an individual business up to five years business rates relief to a maximum of £55,000 per annum £275,000 in total.

¹¹ ECA allows businesses to recuperate their investment in new fixed plant and machinery by reductions in Corporation Tax of Euro 125 million for each eligible business currently available to November 2023.

Council to enable it to undertake the development of BAEZ. The MOU also required the Accountable Body to develop a 5 year Implementation Plan and a Marketing Plan.

Purpose of the BAEZ

- 7.11 Blackpool Airport Enterprise Zone covers 144 hectares and is one of the largest EZs in the UK. Over its 25 year lifespan the aim of BAEZ is to transform the economic base of Blackpool & the Fylde Coast and position itself as a premier business location in the North West. BAEZ will build upon its legacy as an international airport, connecting Blackpool with a global audience; that it is part of the Lancashire Advanced Manufacturing and Energy Cluster a key part of the Northern Powerhouse Industrial Strategy; its proximity to Blackpool town centre and its world renowned visitor attractions; its links to home grown skills, knowledge and services including the Enterprise Zone's Energy HQ, a flagship training and education centre run by the Blackpool & The Fylde College; its coastal setting and its influence and proximity to the UK's Energy Coast and internationally significant energy and chemical industries.
- 7.12 BAEZ is targeting a wide range of sectors including food and drink manufacturers, energy, aviation, creative and digital, advanced manufacturing and professional services. However, there is potential for other commercial activity to operate on the site, whether in existing or new buildings. It is estimated that BAEZ will:
 - \rightarrow support 5000¹² new jobs;
 - → attract £300m plus of private sector investment;
 - → generate a cumulative Gross Valued Added total over the first five years of £232m and £2.08bn over the EZ lifetime;
 - → assist in the diversification of the local economy, which in Blackpool relies heavily on tourism and public administration; and
 - → seek a sustainable future for Blackpool Airport
- 7.13 Specifically BAEZ will provide, consolidate and update infrastructure; unlock development sites and provide an opportunity to accommodate larger footprint occupiers not currently available in Blackpool and the Fylde Coast; attract new business and enable local business growth and deliver long-term sustainable employment.

¹² The initial Enterprise Zone bid of January 2015 estimated the Enterprise Zone had the potential to enable 3,000 new jobs. The Masterplan approved in February 2018 has been used to define the full potential of the Enterprise Zone and the new job estimate has increased to 5000 over the lifespan of the EZ.

Blackpool Airport Enterprise Zone Masterplan overview

- 7.14 The former Blackpool, Fylde and Wyre EDC tasked with delivery of the EZ by the Accountable Body (Blackpool Council), commissioned Mott MacDonald, in conjunction with multi-disciplinary partners, in early 2017 to produce a practical Development Masterplan based on the original submission for the BAEZ, providing a strategic framework and direction for the development and delivery of the EZ and the objectives of both Government and the LEP.
- 7.15 The Masterplan has been developed to act as a guide for the delivery of BAEZ during its lifespan. As the site evolves, updated iterations of the Masterplan will be produced every five years to ensure the Masterplan accurately reflects and supports EZ development and evolving economic climate.
- 7.16 A draft Masterplan was subject to public consultation managed as a joint undertaking between Blackpool and Fylde Councils during November and December 2017 and in line with each authorities Statements of Community Involvement. The consultation approach and outcomes which informed the final Masterplan 2018 is set out in the Statement of Consultation (document <u>EL1.002f</u> refers).
- 7.17 The approved Masterplan (document EL1.002e refers) establishes a vision "To make Blackpool Airport Enterprise Zone a premier business location, where high quality businesses facilitate economic growth and employment, and further develop the strong skills and knowledge base of the Fylde Coast."
- 7.18 To help deliver the vision 7 key objectives are identified:
- **Objective 1: Meeting the Demand from a Diverse Range of Sectors** To continually adapt the masterplan in a planned manner through the promotion of distinct character areas which meet the demand of modern businesses and industries from a diverse range of sectors
- **Objective 2: Improving Accessibility** To provide a fully connected business and industrial park which provides enhanced transport infrastructure with an emphasis on sustainable transport, which increases accessibility to, and navigation in, the EZ.
- **Objective 3: Delivering Critical Infrastructure** To ensure that utilities and other business critical infrastructure is competitive with the premier business locations nationally and internationally and seeks out low carbon alternatives where feasible

Objective 4: Marketing and Promotion – To maintain high levels of new investment in Blackpool and Fylde through strong branding and marketing which promotes the Enterprise Zone and the City Centre as a leading location for inward investment.

Objective 5: Supporting Competitive Businesses, Knowledge and Innovation – To provide supporting actions which help existing and new companies to improve their competitiveness and create an environment for exchange of ideas where future knowledge is captured for sustainable growth within the region.

Objective 6: Create an Active, Productive and Liveable Environment – Deliver a high quality and sustainable urban environment where cutting-edge architecture is complemented with healthy, safe and connected spaces to create an interesting, active and engaged place to work and do business.

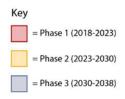
Objective 7: Protect the Airport's Future – To support the ongoing operation and expansion of the airport which acts as a catalyst for the rapidly growing energy sector, a significant contributor to the economy of the Fylde Coast.

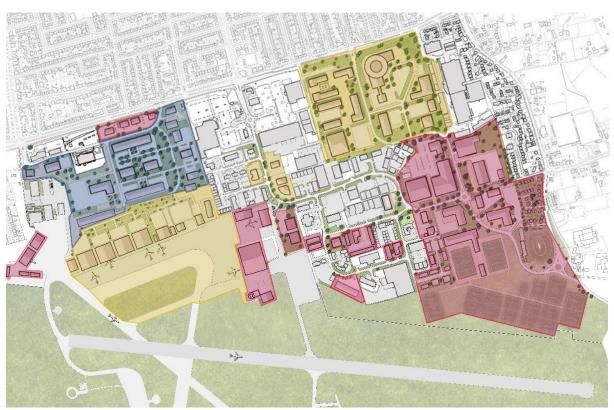
- 7.19 Various stages were undertaken in the development of the Masterplan as set out in the September 2018 version (document EL1.002e refers) which explains the process which has been undertaken in constructing the Masterplan and the decisions and areas of consideration which have been included. This has comprised an initial baseline assessment; land use strategy including land ownerships and practical deliverability; concept options; highways layouts; and final Masterplan. This was then followed by a Phasing Strategy which promoted three initial phases, albeit in reality with some overlapping. The time periods were Phase 1 (2018 2023); Phase 2 (2023 2030) and Phase 3 (2031 2038). Further information on the updated phasing strategy to deliver BAEZ is provided below at paragraph 7.22 of this report.
- 7.20 During the development of the Masterplan Blackpool Council took the decision to acquire Blackpool Airport in September 2017 when marketed by the private sector owner to maximise the opportunity and ability to deliver the vision and objectives of BAEZ.

Delivery of the Blackpool Airport Enterprise Zone - Overview

7.21 As referenced in paragraph 7.19 above, following the development of the Masterplan 2018, a Phasing Strategy was produced. The original Phasing Strategy promoted three phases, Phase 1 commencing with the development of the Common Edge area to the east of the EZ; Phase 2 progressing to the redevelopment of Squires Gate Industrial Estate as the focus of second phase activity; and Phase 3 concluding with development at the airport. Figure 5 refers.

Figure 5 - Masterplan 2018 Phasing Plan





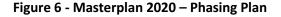
7.22 As the Masterplan has a lifespan of 25 years it is a live document and has to be able to respond to changing economic circumstances, new opportunities and specific accommodation requirements. In December 2020 an updated Masterplan was approved (document EL1.002d refers) responding to changes in private sector landownership, specifically at Squires Gate Industrial Estate, with the subsequent need to amend the development approach to reflect estate refurbishment in preference to redevelopment; the need for new locations for the junction of the Eastern Gateway access road as determined by detailed highway studies and the reconfiguration of the replacement sports facilities. The changes to the 2018 Masterplan are set out in more detail in the 7 December 2020 Executive Report section 6¹³. In response to these circumstances an amended two main

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 $^{^{13}}$ Submitted to the Examination library alongside this additional evidence base report

phase delivery plan was approved, (Figure 6 refers) with some overlap in timing of works across both phases.





- 7.23 As with the original 2018 phasing strategy the updated first phase, which now covers the period 2018 to 2026 (to reflect the change in circumstances highlighted above in paragraph 7.22 and the impact of the Covid 19 pandemic in progressing practical aspects of the delivery), focuses on the delivery of infrastructure and development plots in the eastern sector of the EZ at Common Edge which is predominantly within the Blackpool boundary. This **first phase** includes:
 - the delivery of a new link road to create a new eastern gateway from Common Edge Road linking into Amy Johnston Way to open up access to the industrial heartland of the EZ and new development opportunities at Common Edge, including junction upgrades on Common Edge Road. The new road will also link through to the Business Hub to relieve existing traffic congestion at the current single point of entry from Squires Gate Lane into the EZ;

- the relocation and upgrading of playing field pitches and the provision of new sporting facilities to release around 10.5ha of land for future commercial development in the industrial heartland;
- enabling drainage and provision of utility infrastructure
- provision of large serviced development plots to provide development opportunities
 to be under construction or completed and occupied by 2026 providing land receipts
 and rates revenue to fund the prudential borrowing required to enable the provision
 of infrastructure investment; and contribute to meeting employment targets;
- the marketing and disposal of a limited parcel of land for enabling housing development providing land receipts to assist in the economic viability of BAEZ;
- Completion of development of a limited number of small infill plots on Blackpool Business Park facilitated by the new link road to raise rates revenue and contribute to meeting employment targets.
- 7.24 The **second phase** (2025 to 2038) of activity focuses on Blackpool Airport and delivering the Airport Zone and Knowledge Quarter both of which lie within the Borough of Fylde. The Airport Zone will focus on the delivery of viable and high-quality airport operations within a consolidated airport area with the relocation and consolidation airport operations to the south; deliver high quality business, commuter and energy focused airport services; provision of a new smaller scale airport terminal, runway aprons, taxi-ways, maintenance and aircraft storage hangars as well as other operational facilities and car parking. The focus in the Knowledge Quarter will be on business, research and development and education growing a high-quality office, R&D and industrial offer around the existing Blackpool and Fylde College and Energy Centre and focussed growth around key aviation, energy industries, educational facilities; and in particular the emerging digital sector taken full advantage of the telecommunications capabilities linked to the North Atlantic loop fibre optic cable, which is critical national infrastructure, with the base station secured at BAEZ and becoming operational in 2020.
- 7.25 The phasing strategy is fundamentally linked to the Delivery Plan and the economic viability of BAEZ. Both are informed by the EZ financial appraisal and business case which is underpinned principally by the need for prudential borrowing and retained new business rate growth to ensure BAEZ delivers the agreed economic outputs as highlighted under paragraph 7.12 above and realises the established vision and objectives (paragraphs 7.17 to 7.18 refer). The fiscal position, Delivery Plan and annual progress to date is set out and recorded in a series of Executive reports covering the period from June 2018 to February

2022¹⁴. The initial Delivery Plan was approved by the Executive in June 2018 (document <u>EL2.006n</u> refers) and the report provides detail on the financial requirements including the likely level of outputs, the potential levels and timing of expenditure required to deliver the essential infrastructure, the estimated growth and the timing in business rate income and capital receipts from plot sales and any other funding sources to support the expenditure.¹⁵

- 7.26 The primary fiscal benefit available to EZ accountable bodies is the power to retain all new business rates growth from within an EZ for use in developing / delivering EZ objectives. In particular EZ accountable bodies have the specific power to utilise the projected business rate growth above an established baseline business rate income to support prudential borrowing to provide enabling infrastructure and meet other delivery costs associated with the promotion and delivery of an EZ.
- 7.27 This approach has been adopted in BAEZ and validates the first phase of development at Common Edge Rd. The early development of this area is fundamental to the successful delivery of BAEZ and its financial viability over its lifetime to 2041.
- 7.28 A significant amount of the investment, required to deliver the essential infrastructure to unlock parcels of land which are currently undevelopable or inaccessible, to create opportunities for business rate growth, is inevitably required up front. In order to maximise the benefits, it is necessary for Blackpool Council, as the Accountable Body to prudentially borrow against the future growth in order to ensure that it occurs and the benefits of investment and jobs are realised.
- 7.29 The importance of this first phase is highlighted by the fact that the Accountable Body has approved to date circa £29.72m for the period up to the end of the financial year 2022/23 plus the cost of prudential borrowing to assist in delivering Phase 1¹⁶; in addition £7.5m of Towns Deal Funding has been secured by the Council to support the provision of circa £18m of infrastructure in Phase 1 specifically for the Common Edge highway upgrade and the Eastern Gateway access road and associated utility and drainage infrastructure; and a £250,000 grant from the Football Foundation¹⁷ has been allocated towards the cost of the £3.4m¹⁸ new sports changing facilities as highlighted in the 7 February 2022 Executive

¹⁴ Includes the Following Executive Reports 18 June 2018 – BAEZ Masterplan: Delivery Plan (document EL2.006n refers); 15 July 2019 – BAEZ Annual Review; 7th December 2020: BAEZ Annual Review; and 7 February 2022 – BAEZ Annual Review

¹⁵ It is important to note that no specific income stream such as the sale of a parcel of land for residential or employment development at Common Edge are hypothecated to any specific infrastructure element.

¹⁶ The allocation relates to the period end of the financial year 2024 – refer to 7 February 2022 Executive Report.

¹⁷ Confirmed on 13th December 2021.

¹⁸ The £18m and the £3.4m costs are components of the overall £29.72m costs

Report¹⁹. It is crucial to note that the Town Deal funding is time limited and has to be expended by the end of financial year 25/26.

7.30 The £29.72m forms part of the total capital expenditure for the first phase of development of circa £65m to 2027 (the end of the Local Plan period). The whole life expenditure forecast to the end of the EZ in 2041 is £73.01m at present values, plus the associated costs of prudential borrowing. This means that 89% of capital expenditure occurs in the first phase and highlights the critical importance of delivering Phase 1 to provide long term income generation from new development to meet the cost of prudential borrowing across the lifespan of BAEZ. A detailed summary of the forecast expenditure to progress BAEZ is set out under section 6 of the 7th February 2022 Executive Report, along with the whole life income of £74.25m. The predicted income is marginally more than the predicted total expenditure, however this does not include the cost of prudential borrowing which will result in a shortfall. This shortfall over the lifetime of BAEZ will be addressed by additional investment from Blackpool Council, justified by the wider economic benefits of BAEZ in hosting 5000 new employment opportunities; the generation of an estimated £2Bn Cumulative GVA, and by further increase in book value of any retained assets such as the airport, at the end of the lifespan of BAEZ.

Progress with Delivery

7.31 Significant headway has been made in progressing the delivery of Phase 1 as set out below with the total cumulative expenditure incurred from April 2016 to 1st February 2022 of circa £14.1m with projection to the end of financial year 2021/22 totalling £15.1m. Additional to this is £3.2m for the sport changing facility contracted with payment beyond the financial year in May/June 2022. In parallel the Council has also invested £4.8m in the Multiply development which is located in the Phase 1 area of the EZ.

Specific to Phase 1:

Relocation and enhancement of existing playing fields and sporting facilities.
 Permission was granted in August 2020 (<u>Application 20/0108</u> refers) for 12 new grass playing pitches located south of Division Lane West. This proposal has been implemented and the new playing fields came into full use in October 2021.
 In addition, planning permission was granted in August 2021 (<u>Application 20/0564</u> refers) for improved sports pitches and new changing facilities to the north of Division Lane West. The changing facilities are currently under construction with completion anticipated May 2022. Together both developments provide for a significant enhanced

 $^{^{19}}$ Submitted to the Examination library alongside this additional evidence base report

- offer of playing field and sporting facilities with some £7m of investment, increasing the playing field area from 99,600 sqm to 100,100 sqm.
- **Grant application submitted and approved in December 2021** for £250,000 from the Football Foundation to assist in funding the new changing facilities.
- Significant progress with the provision of the new link road and eastern gateway to serve the Common Edge and core business park area, with property acquisitions in excess of £1m secured to enable junction improvements at the junction of Common Edge Rd and School Lane to facilitate the new Eastern Gateway link road for the BAEZ;
- Business case prepared and approved (the latter December 2021 by DLUHC) for Town
 Deal funding of £7.5m for highway works, including Eastern Gateway access road,
 Common Edge upgrade and two new access points from Amy Johnson Way to Blackpool Airport;
- Detailed highway design underway with the appointment of Wilde Consulting initial £330,000 contract. Outline planning application for the new highway works including a significant upgrade to Common Edge/Queensway, new junctions at School Road and for the Eastern Gateway access road expected to be submitted end of February 2022²⁰;
- Completion of the surrender and renewal of the lease with South Shore Cricket and Squash Club, to enable both new changing facilities and new highways to be constructed;
- Detailed design commissioned for new 3G pitch and floodlit rugby pitch at Common Edge;
- Completion of 40,000 sq.ft Multiply facility at Amy Johnson Way January 2022 with the tenant commencing from 1st February 2022 a £3m fit out with full operational use due March 2022;
- Full grant recovery of £800,000 from Growth Deal to support Multiply development
- **Architects and quantity surveyors** are presently progressing detailed design feasibility studies for the following enquiries:-

²⁰ Submission delayed from that stated in Matter 3 Statement because of the need to revise the drainage strategy and allow for an EIA scoping to be undertaken which has confirmed that there is no need to support the application with an EIA.

- → 75,000 sq.ft. floorplate Drinks and additives manufacture
- → 30,000 sq.ft. floorplate Chimney Engineering company
- → 25,000 sq.ft. floorplate spring manufacturer
- → 30,000 sq.ft. Floorplate Spring manufacturer (separate company)

The above to be accommodated on land to be released at Common Edge by the new highway. The intention being to progress construction in parallel with the construction of the new Eastern Gateway access. All the enquiries being secured on the basis of reactive response to occupier need following generic marketing of BAEZ.

Discussions are progressing with Electricity North West for the provision of a new
 Primary Sub-station to be located at Common Edge alongside the new Eastern Gateway access road.

Across the BAEZ

- A new Transatlantic Telecommunications 48 pair fibre optic cable has been installed by Acquacomms which provides communication to the United States in less than 0.64 Milliseconds making the EZ extremely attractive location for digital and data industries. An extensive local fast fibre network has been installed in the existing business park and through Common Edge Playing fields in anticipation of future development. The cable ducting traversing Common Edge also includes the Trunk cabling used by ZAYO to connect to major exchanges in Manchester, London, Newcastle and onward to the Nordics and mainland Europe;
- **Continued refurbishment of Squires Gate Industrial Estate** by owners Euro Properties, with property now substantially let;
- a total of 1803 gross jobs have been recorded on the EZ since commencement in April
 2016 (circa 1400 net). The figure includes for FT Equivalent construction jobs;
- more than 250 enquiries including 7 current data centre requirements, a 75,000sq.ft requirement for a drink manufacturer; and three engineering companies for whom proposals are in preparation;
- There have been a number of new developments completed since the commencement of the EZ these include (but not exclusive to):-
 - → Blackpool and the Fylde College Energy HQ (30,000 SQ FT)
 - → Dakota Court (20,000 sq.ft.) (4 units)

- → Enterprise Court (Planning consent for 64,000 sq.ft.) constructed circa 16,000 sq.ft.
- → ARC (20,000 sq.ft. (with an additional 14,000 sq.ft. planned)
- → Hunter House (20,000 sq.ft. two units)
- → Lockheed Court (circa 16,000 sq.ft. 5 units)
- → Multiply neXus Building -- (40,000 sq.ft.)
- → Aquacomms base station (1000 sq.ft.)
- Progressed masterplan/design for provision of new aviation hangars at Blackpool Airport, with planning applications anticipated for early 2022;
- Appointment of manager to lead transition of Airport CAA Licences in April 2020;
- Successful transition of CAA operational licences from Regional and City Airports to Blackpool Airport Operations Ltd, with effect from 1st November 2021;
- Continued regular progress reporting to DLUHC, Lancashire LEP Enterprise Zone Governance Sub Committee and Blackpool Fylde and Wyre Economic Prosperity Board in accordance with approved EZ governance regime;
- Ongoing marketing activity to support Blackpool Airport in collaboration with LEP and Marketing Lancashire to promote the Lancashire Enterprise Zones branding for international marketing;
- Rebranding of the LEP controlled Lancashire Enterprise Zones and the appointment of international marketing agents Colliers to promote Lancashire's four Enterprise Zones to the global market;
- Provision of regular newsletters to subscribing Enterprise Zone business community highlighting progress, opportunities and more recently communication of Covid-19 business support and financial assistance updates
- Recruitment in 2021 of two project managers to support the delivery of new physical infrastructure and commercial development at the BAEZ and the airport.

8 Planning Policy Context

8.1 The following section sets out the planning policy context which is relevant to the BAEZ designation and includes guidance set out in National Planning Policy Framework (NPPF) published in July 2021; policy in the Blackpool Local Plan Part 1: Core Strategy which was adopted in January 2016; and policy in the Blackpool Local Plan Part 2: Site Allocations and Development Management policies Submission Document June 2021 (SADMP).

National Planning Policy Framework 2021

Economic Development

8.2 Sustainable development is at the heart of NPPF and Section 2 identifies three overarching objectives, including at point a):

'an economic objective — to help build a strong, responsive and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity; and by identifying and coordinating the provision of infrastructure'

- 8.3 Section 6 of NPPF21 provides guidance on building a strong, competitive economy and at paragraph 81 and 82 states:

 - 82. Planning policies should:
 - a) set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth, having regard to Local Industrial Strategies and other local policies for economic development and regeneration;
 - b) set criteria, or identify strategic sites, for local and inward investment to

match the strategy and to meet anticipated needs over the plan period;

- c) seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment; and
- d) be flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices (such as live-work accommodation), and to enable a rapid response to changes in economic circumstances.

Blackpool Local Plan Part 1: Core Strategy 2012 to 2027

8.4 The Core Strategy vision sets out where Blackpool wants to be by 2027. Extracts from the vision which are pertinent to the BAEZ designation in relation to the economy are highlighted below:

'As the main economic centre of the Fylde Coast, Blackpool has a diverse and prosperous economy with a thriving culture of enterprise and entrepreneurship. It retains a strong educational offer supporting a skilled and educated workforce encouraging aspiration and ambition.'

'Blackpool has created a more equal society with sustainable communities having fair access to quality jobs, housing, shopping, health, education, open space, sport and recreation.'

'South Blackpool makes an important contribution to rebalancing the housing market and growing the Fylde Coast economy by providing improved choice in quality homes and jobs in sustainable locations to meet community needs and support regeneration.

- 8.5 As set out within the ELU 2021 update the Vision is underpinned by 4 Goals and 21 objectives of particular relevance are the following:
 - → **Goal 1** <u>Sustainable regeneration diversification and growth</u> specifically **Objective 3**: to strengthen the local economy through sustainable investment in new enterprise, entrepreneurship and business starts ups creating better paid jobs and a wider choice of employment;
 - → Goal 4: Supporting growth and enhancement in South Blackpool to meet future
 housing and employment needs for Blackpool and the Fylde Coast, specifically
 Objective 17: Support economic growth along the Blackpool Airport Corridor and on
 lands close to Junction 4 of the M55.

8.6 **Policies CS1**: **Strategic Location of Development** focuses development in the Town Centre, Resort Core and neighbourhoods as well as supporting housing and economic growth in South Blackpool.

Policy CS1: Strategic Location of Development

- 1. To deliver the Core Strategy vision the overarching spatial focus for Blackpool is regeneration and supporting growth.
- 2. Blackpool's future growth, development and investment will be focused on inner area regeneration, comprising:
 - a. Blackpool Town Centre, including the three strategic sites of Central Business District, Winter Gardens and Leisure Quarter
 - b. The Resort Core, containing the promenade and the majority of resort attractions and facilities, holiday accommodation and major points of arrival
 - c. Neighbourhoods within the inner areas, including mixed holiday and residential neighbourhoods adjacent to the seafront, and predominately residential neighbourhoods on the edge of the inner areas.
- 3. Supporting growth in South Blackpool will be promoted to help meet wider housing and employment needs, whilst recognising the important character of remaining lands at Marton Moss, identified as a strategic site.
- 8.7 In developing the policy approach to economic development it was recognised that whilst the visitor economy would continue to underpin Blackpool's economy and remain an important growth sector there was a recognised need to strengthen economic prosperity; support new business growth; and secure sustainable investment that would provide jobs in other employment sectors. In particular, it was considered growing those sectors that already have a strong foothold in the Fylde Coast and encouraging other emerging key growth sectors would assist in delivering the economic strategy.
- 8.8 **Policy CS3: Economic Development and Employment** aims to address this agenda by safeguarding around 180ha of existing employment land (point 1a refers); promoting economic development in the Town Centre; and at Point 1c promoting land in South Blackpool as a strategic priority, to help strengthen the Fylde Coast economy and make an important contribution towards meeting the future employment needs of Blackpool residents. Point 2 relates to improving employment opportunities for Blackpool residents including at point 2b focussing on securing inward investment into Blackpool.

- 8.9 At paragraph 5.42 of the supporting text to CS3 it is acknowledged that developing lands along the Blackpool Airport corridor and surrounding existing business areas to deliver sustainable development is critical to capitalise on this major economic asset. In addition paragraph 5.38 recognises the challenges facing Blackpool and allows the consideration of enabling development including housing where it is exceptionally and robustly justified as necessary to secure the future business/industrial use of the site and does not conflict with wider plan objectives.
- 8.10 The Core Strategy at paragraphs 8.8 and 8.9 highlight that lands at South Blackpool will be essential in attracting significant inward investment providing the opportunity for larger, more attractive development for businesses which cannot be readily accommodated elsewhere; and that Blackpool Council will work jointly with neighbouring authorities to promote sustainable locations within South Blackpool to support business and industrial growth for Blackpool and the Fylde Coast sub-region.
- 8.11 Core Strategy Policy CS24: South Blackpool Employment Growth provides detail on which locations are considered most sustainable for new employment development and which are in line with the strategic priorities being pursued through the Duty to Co-operate. The policy supports redevelopment of existing employment sites within South Blackpool to provide high quality modern business/industrial facilities (Class B uses); and proposals for major new business/industrial development (Class B uses) in principle at sustainable locations within wider lands at South Blackpool to support sub-regional economic growth, including, Blackpool Airport Corridor.

Policy CS24: South Blackpool Employment Growth

The Council will support:

- Redevelopment of existing employment sites within South Blackpool to provide high quality modern business/industrial facilities (Class B uses);
- 2. Proposals for major new business/industrial development (Class B uses) in principle at sustainable locations within wider lands at South Blackpool to support sub-regional economic growth, including:
 - a. Blackpool Airport Corridor
 - b. Lands close to Junction 4 of the M55

Blackpool Local Plan Part 2 – Site Allocations and Development Management Policies (Submission document June 2021) (SADMP)

8.12 Additional employment land associated with the BAEZ designation of circa 9 ha is identified in Policy DM7: Provision of Employment Land and Existing Employment Sites, as part of the identified 16.1ha, with further explanation provided at paragraphs 3.3 and 3.4 of the Employment Land Update Paper evidence base (EB013).

Policy DM7: Provision of Employment Land and Existing Employment Sites

1. Proposals for new development or redevelopment of existing premises will be permitted in accordance with the specified uses for each employment area as identified on the Policies Map:

Employment Area	Available Land (Ha) (as at March 2019)	Appropriate Use Classes
Blackpool Airport Enterprise Zone*	16.1	B2, B8, E(g)
Vicarage Lane	0.02	B2, B8, E(g)
Clifton Road	2.5	B2, B8, E(g)
Preston New Road (NS&I)	0	E(g)
Chiswick Grove	0	B2, B8, E(g)
Mowbray Drive	0.3	B2, B8, E(g)
Devonshire Rd / Mansfield Rd	0	B2, E(g)
Moor Park	0	B2, B8, E(g)
North Blackpool Technology Park	2	B2, B8, E(g)
Warbreck Hill	0	E(g)(i)

^{2.} Proposals for non B and E(g) uses will not be permitted except for those which are in accordance with Policy DM8: Blackpool Airport Enterprise Zone.

Policy DM8: Blackpool Airport Enterprise Zone is a criteria based policy to guide development to support the delivery of BAEZ. The identified uses set out in the policy align with the BAEZ Masterplan and with Policy EC4 - Blackpool Enterprise Zone in the Fylde Local Plan which was adopted October 2018.

^{*} Incorporates Blackpool Business Park; Squires Gate Industrial Estate and Sycamore Estate.

Policy DM8: Blackpool Airport Enterprise Zone

- 1. The boundary of Blackpool Airport Enterprise Zone (EZ) is identified on the Policies Map.
- 2. The Council supports the sustainable development of the EZ to create more businesses and jobs and attract international investment with positive benefits for the sub-regional economy and increasing the contribution to national growth. In supporting development at the EZ, the viable long term operation of Blackpool Airport must be maintained.
- 3. The following uses at the EZ will be supported:
 - Target sectors comprising energy industry, advanced manufacturing and engineering, aviation and aerospace, food and drink manufacture and the digital and creative sector;
 - b. Outside the target sectors other B2,B8 and E(g) uses will be considered where this promotes job creation and industry diversification provided it does not compromise the development of the target sectors;
 - c. in the south east quadrant supporting facilities and services, excluding hot food takeaway uses (sui generis), to serve the EZ business community in this location limited to:
 - i. convenience store no greater than 275m² gross;
 - ii. café or sandwich shop no greater than 275m² gross;
 - iii. children's day nursery;
 - d. the relocation and enhancement of the existing playing pitches and associated new changing facilities.
 - e. Enabling housing development at site allocation HSA1.13 identified on the Policies Map^{21} .
- 4. The overall delivery of the EZ is guided by an agreed Blackpool Airport Enterprise Zone Masterplan. In line with local plan policy, the Masterplan will establish the development and design framework for the site and determine the appropriate mix,

²¹ Refer to Schedule 1 for Site Allocation HS1.13

quantum and location of development to deliver the objectives of the Enterprise Zone;

- 5. A Design Framework, including building, landscape, green infrastructure, sustainable urban drainage and incorporating cycle and pedestrian connectivity, will be required setting out the design principles for the site and taking into account the objectives of the Blackpool Green and Blue Infrastructure Strategy and Action Plan;
- 6. To aid the delivery process, if requested, Blackpool Council will work with Fylde Borough Council, Lancashire County Council, Highways England and other stakeholders to produce a Local Development Order.

Green Belt

National Planning Policy Framework

- 8.14 NPPF21 at Section 13 sets out national guidance for Green Belts. The Government attaches great importance to Green Belts. The fundamental aim of Green Belt policy is to prevent urban sprawl by keeping land permanently open; the essential characteristics of Green Belts are their openness and their permanence. Paragraph 138 of NPPF highlights the five purposes of Green Belt:
 - a) to check the unrestricted sprawl of large built-up areas;
 - b) to prevent neighbouring towns merging into one another;
 - c) to assist in safeguarding the countryside from encroachment;
 - d) to preserve the setting and special character of historic towns; and
 - e) to assist in urban regeneration, by encouraging the recycling of derelict and other urban land
- 8.15 At paragraph 140 it states:

'Once established, Green Belt boundaries should only be altered where exceptional circumstances are fully evidenced and justified, through the preparation or updating of plans. Strategic policies should establish the need for any changes to Green Belt boundaries, having regard to their intended permanence in the long term, so they

can endure beyond the plan period. Where a need for changes to Green Belt boundaries has been established through strategic policies, detailed amendments to those boundaries may be made through non-strategic policies, including neighbourhood plans.'

- 8.16 Before concluding that exceptional circumstances exist to justify changes to Green Belt boundaries, it has to be demonstrated that all other reasonable options for meeting identified need for development have been fully examined (Paragraph 141 refers). When drawing up or reviewing Green Belt boundaries, the need to promote sustainable patterns of development should be taken into account (Paragraph 142 refers).
- 8.17 Paragraph 143 provides guidance when defining Green Belt boundaries in that plans should:
 - a) ensure consistency with the development plan's strategy for meeting identified requirements for sustainable development;
 - b) not include land which it is unnecessary to keep permanently open;
 - c) where necessary, identify areas of safeguarded land between the urban area and the Green Belt, in order to meet longer-term development needs stretching well beyond the plan period;
 - d) make clear that the safeguarded land is not allocated for development at the present time. Planning permission for the permanent development of safeguarded land should only be granted following an update to a plan which proposes the development;
 - e) be able to demonstrate that Green Belt boundaries will not need to be altered at the end of the plan period; and
 - f) define boundaries clearly, using physical features that are readily recognisable and likely to be permanent.
- 8.18 In relation to Paragraphs 140 and the reference to strategic and non-strategic policy paragraphs 20 and 28 of NPPF21 relate. Paragraph 20 states:

Strategic policies should set out an overall strategy for the pattern, scale and design quality of places, and make sufficient provision for:

- a) housing (including affordable housing), employment, retail, leisure and other commercial development;
- b) infrastructure for transport, telecommunications, security, waste management, water supply, wastewater, flood risk and coastal change management, and the provision of minerals and energy (including heat);
- c) community facilities (such as health, education and cultural infrastructure); and
- d) conservation and enhancement of the natural, built and historic environment, including landscapes and green infrastructure, and planning measures to address climate change mitigation and adaptation.

Paragraph 28 states:

Non-strategic policies should be used by local planning authorities and communities to set out more detailed policies for specific areas, neighbourhoods or types of development. This can include allocating sites, the provision of infrastructure and community facilities at a local level, establishing design principles, conserving and enhancing the natural and historic environment and setting out other development management policies.

Blackpool Local Plan Part 1: Core Strategy

8.19 There is no specific reference to the Green Belt in the Vision or the Goals and Objectives of the Core Strategy. Reference is made to Green Belt in Core Strategy Policy **CS6: Green Infrastructure**. At point 1a it states that 'in terms of Green Belt areas, the Council will apply national policy to protect their openness and character, and retain the local distinctiveness'. The policy also states that there is **no planned** strategic review of the existing Green Belt Boundary during the plan period.

Policy CS6: Green Infrastructure

- High-quality and well connected networks of green infrastructure in Blackpool will be achieved by:
 - a. **Protecting** existing green infrastructure networks and existing areas of Green Belt. The loss of green infrastructure will only be acceptable in exceptional circumstances where it is allowed for as part of an adopted Development

Plan Document; or where provision is made for appropriate compensatory measures, mitigation or replacement; or in line with national planning policy. In terms of existing open space, sports and recreational buildings and land, including playing fields, these will be protected unless the requirements of paragraph 74 of the NPPF are met.

In terms of Green Belt areas, the Council will apply national policy to protect their openness and character, and retain the local distinctiveness. There is no planned strategic review of the existing Green Belt boundary during the plan period.

- b. **Enhancing** the quality, accessibility and functionality of green infrastructure and where possible providing net gains in biodiversity.
- c. **Creating** new accessible green infrastructure as part of new development and supporting urban greening measures within the built environment.
- d. **Connecting** green infrastructure with the built environment and with other open space including the creation, extension or enhancement of greenways, green corridors and public rights of way.
- 2. All development should incorporate new or enhance existing green infrastructure of an appropriate size, type and standard. Where on-site provision is not possible, financial contributions will be sought to make appropriate provision for open space and green infrastructure
- 3. International, national and local sites of biological and geological conservation Importance will be protected having regard to the hierarchy of designated sites and the potential for appropriate mitigation. Measures that seek to preserve, restore and enhance local ecological networks and priority habitats/ species will be required where necessary.

9 Justification for the release of Green Belt at Blackpool Airport Enterprise Zone

- 9.1 This section sets out the justification for the release of the Green Belt at BAEZ. It includes the legal scope for finding exceptional circumstances in the context of the Local Plan Part 2 and sets out the strategic policy and economic justification in light of the evidence provided.
- 9.2 In addition this section also proposes a modified Green Belt boundary at Common Edge Rd. compared to the boundary set out in the Local Green Belt Review Assessment (document <u>EB021</u> refers) taking into account NPPF21 paragraph 138 (a) and (f) and discussions had at the hearings under Matter 3: Green Belt; and details the compensatory improvements to be provided associated with the release of Green Belt. The consequences of not releasing land from the Green Belt for additional employment land and housing at BAEZ is defined in terms of the planning process and the viability of the EZ. Finally the consideration of alternative land to the release of Green Belt is addressed.

The Legal Scope

- 9.3 The scope for removal of land from Green Belt has been dealt with in recent case law²² which makes it clear that a finding of exceptional circumstances is a matter left to the decision maker in all the circumstances of the case. A factor is capable of amounting to an exceptional circumstance in a broad array of circumstances. However, the test of "exceptional circumstances" is a less demanding test than the "very special circumstances" test applicable in development management as opposed to plan making. Specifically the courts have made it plain that:
 - there is no requirement that Green Belt land may only be released as a last resort;
 - there is no requirement to show that assumptions upon which Green Belt boundaries were drawn up have been falsified by subsequent events;
 - exceptional circumstances may comprise one factor or a combination of factors of varying natures;
 - general planning needs, for example general housing, are not excluded from amounting to exceptional circumstances. The need does not have to relate to a special form of housing or to a particular level of intensity.

²² See Compton Parish Council v Guildford BC [2020] inc at [68][70] .and Keep Bourne End Green v Bucks Council [2020] EWHC 1948 (Admin) including at [146] per Holgate J. [EL3.002b and c].

9.4 There is no doubt that the matters set out within this document and the associated evidence are capable of being assessed to fall within this broad legal scope nor doubt in the view of the Local Planning Authority that they should be found to do so.

Strategic Policy Justification

- 9.5 As highlighted in Section 8 Policy Context, (paragraph 8.15 refers) paragraph 140 of NPPF21 clearly states that Green Belt boundaries should only be altered where exceptional circumstances are fully evidenced and justified through the preparation or updating of plans; and that strategic policy should establish the need for any change to Green Belt boundaries; and where a need for change is established detailed amendments to those boundaries may be made through non-strategic policies.
- 9.6 Paragraph 20 of NPPF21 clarifies that strategic policies should set out an overall strategy for the pattern, scale, design quality and provision and points a) to d) give further detail which includes making sufficient provision for employment and housing.
- 9.7 In considering the strategic policy justification, the strategic policies in the Core Strategy which establish the need for change to the Green Belt boundary, through their implementation, are Policy CS1: Strategic Locations for Development, Policy CS3: Economic Development and Employment and Policy CS24: South Blackpool Employment Growth.
- 9.8 To deliver the Core Strategy Vision the overarching spatial focus for Blackpool is regeneration and supporting growth. The Core Strategy Spatial Vision, the four overarching goals and the objectives which underpin the vision support this dual strategy focus to deliver the change required and to meet the needs of Blackpool's people now and in the future. This dual focus is set out in Policy CS1 which clearly identifies South Blackpool as a location for strategic development to help meet wider housing and employment needs.
- 9.9 This focus on South Blackpool Growth is also followed through in the key strategic policy which directs economic development and employment in the Borough, Policy CS3 at Point 1c. Promoting land in South Blackpool as a strategic priority to strengthen the Fylde Coast economy and make an important contribution towards meeting the future employments needs of Blackpool residents is clearly defined. Policy CS24 more specifically states that the redevelopment of existing employment sites within South Blackpool, to provide high quality modern business and industrial facilities, will be supported at sustainable locations and Blackpool Airport Corridor is specifically identifies at point 2a.
- 9.10 The BAEZ clearly aligns with the strategic policies highlighted above in terms of its location within a strategic priority area in the south of the borough in an area clearly identified to deliver South Blackpool Growth (refer to Part 1 Figure 2) including the existing employment areas at Blackpool Business Park, Squires Gate industrial Estate and Sycamore

Industrial Estate and located within the Blackpool Airport Corridor referenced in Policy CS24.

- 9.11 In addition the purpose of BAEZ which is detailed in paragraphs 7.11 to 7.13 and the Masterplan Vision and Objectives (paragraphs 7.17 to 7.18 refer) clearly align with the aims of strategic policy to strengthen and diversify the Blackpool and Fylde Coast Economy providing high quality modern business and industrial facilities (Policy CS24 refers) and to secure inward invested to improve employment opportunities (Policy CS3 point 2b. refers). The significant contribution that the BAEZ will make in terms of diversification, job growth and increased GVA is set out in paragraph 7.12 and will directly assist in delivering on the Core Strategy Vision, Goal and Objectives to 2027.
- 9.12 In terms of Green Belt policy, reference is made to Green Belt in Core Strategy Policy CS6: Green Infrastructure. At point 1a it states that 'in terms of Green Belt areas, the Council will apply national policy to protect their openness and character, and retain the local distinctiveness'. The policy also states that there is no 'planned' strategic review of the existing Green Belt Boundary during the plan period.
- 9.13 Following the Examination of the Core Strategy in May 2015, the BAEZ was designated in November 2015 (paragraphs 7.5 to 7.10 above refers) which included within the boundary, a small area of Green Belt within Blackpool, located in the south east corner of the BAEZ (Figure 2 refers). In response to the BAEZ designation, a local amendment to the Green Belt through the local plan process is proposed in the SADMP and is further explained in the Council's Statement on Matter 3: Green Belt (document <u>EL2.00c</u> refers).
- 9.14 It is acknowledged that the Core Strategy in Policy CS6 does not expressly identify that the SADMP will review the Green Belt boundary, however the policy itself refers to 'planning for' which the Core Strategy policy could not have envisaged because the evolution of the BAEZ proposals occurred after formulation of the Core Strategy policy for the Green Belt.
- 9.15 However the Core Strategy as a whole is being given effect to by the SADMP and in relation to the Green Belt by the policy adjustment (relatively minor) which in itself meets the policy imperatives for release of Green Belt land and adjustment to the boundary as set out in this paper and otherwise explained in associated evidence, including that which assesses the role of the modest area to be lost in terms of serving Green Belt purposes. As set out above and to be precise in relation to removal of the Green Belt at the BAEZ, this gives effect to the strategy in particular Core Strategy policies CS1, CS3 and CS24 and not only meets the requirements of NPPF21 paragraph 140 but also paragraphs 138 and 143 (document EB021 Local Green Belt Review Assessment refers).

9.16 Paragraph 140 of NPPF21 states that where a need for changes to Green Belt boundaries has been established through strategic policies, detailed amendments to those boundaries may be made through non-strategic policies.' The policies in the SADMP which give effect to the land released from Green Belt are policy DM7: Employment Land and Existing Employment Sites which identifies the land released from Green Belt within the 16.1ha of available employment land at BAEZ; and Policy DM8: Blackpool Airport Enterprise Zone which defines the EZ designation through the Policies Map and sets out the criteria to guide development at BAEZ.

Economic Justification

- 9.17 Section 7 of this paper has set out the historical background to the designation of the BAEZ, and the purpose of the EZ in terms of generating significant job growth; securing an estimated £300m plus of private sector investment; generating a cumulative Gross Valued Added total over the first five years of £232m and £2.08bn over the EZ lifetime; assisting in diversifying the local economy, which in Blackpool relies heavily on tourism and public administration; and seeking a sustainable future for Blackpool Airport.
- 9.18 Details of the Masterplan and the phasing of development are set out under paragraphs 7.14 to 7.20. The phasing strategy is fundamentally linked to the Delivery Plan and the economic viability of the EZ. Both are informed by the EZ financial appraisal and business case. The approved business case is underpinned principally by the need for prudential borrowing and the retention of new business rate growth to ensure BAEZ delivers the agreed economic outputs as highlighted under paragraph 7.12 and the established vision and objectives (paragraphs 7.17 to 7.18 refer).
- 9.19 The first phase of development as detailed in paragraph 7.23 highlights the specific development needs to 2026 which closely aligns with the end of the Local Plan period which is 2027. These specific needs include the release of around 10ha of land from the Green Belt to pump prime development and is specifically required to deliver:
 - the new link road to create a new eastern gateway from Common Edge Road linking into Amy Johnston Way to open up access to the industrial heartland of BAEZ and new development opportunities at Common Edge, including junction upgrades on Common Edge Road. The new road will also link through to the Business Hub to relieve existing traffic congestion at the current single point of entry from Squires Gate Lane into the EZ;
 - drainage and provision of utility infrastructure, to enable delivery of large serviced development plots to provide development opportunity, to be under construction or completed and occupied by 2026, providing land receipts and rates revenue to fund

- the prudential borrowing required to enable the provision of infrastructure investment; and contribute to meeting employment targets; and
- the marketing and disposal of a limited parcel of land for enabling housing development providing land receipts to assist in wider delivery and economic viability of the BAEZ.
- 9.20 The above development also requires the relocation and upgrading of playing field pitches and the provision of new sporting facilities to enable the release of the Green Belt land for future employment and housing development.
- 9.21 The fiscal position, the importance of delivering this early phase of development and the progress in delivery of the Masterplan is detailed and verified in a series of approved Executive Reports over the period June 2018 to February 2022. The reports, as appropriate, provide detail on the Delivery Plan; the likely level of outputs, the potential levels and timing of expenditure required to deliver essential infrastructure; estimated growth and timing of income from business rates growth, land sale revenue and grant income to support the expenditure; and seek endorsement for planned activity in the proceeding next 3 year period whilst noting progress to date. In addition and where required, seek approval for any additional allocation of capital funding and necessary prudential borrowing to ensure the overall objectives of the Masterplan are continued to be met.
- 9.22 It is important to highlight that EZs do not receive specific public sector funding to support delivery and are therefore reliant on specific EZ powers to borrow against future business rates growth, 100% of which is retained by the EZ for the purpose of enabling development. Therefore the sooner development can be completed and generate business rates, the greater the likely income and ability to afford essential infrastructure investment across the whole of BAEZ. This re- enforces the compelling economic case for a plan-led approach ahead of any comprehensive review of the Green Belt when the Part 1 is reviewed.
- 9.23 Significant progress has been made in delivering Phase 1 of BAEZ and this is set out in detail at paragraph 7.31 and this progress has already incurred since April 2016 to 1st February 2022 a total cumulative expenditure of around £14.1m with projection to the end of financial year 2021/22 totalling £15.1m. The total capital expenditure for the first phase of development is circa £65m to 2027 (the end of the Local Plan period). The whole life expenditure forecast to the end of BAEZ in 2041 is £73.01m at present values, plus the associated costs of prudential borrowing. This means that 89% of capital expenditure occurs in the first phase and highlights the importance of delivering Phase 1 to provide long term income generation from new development to meet the cost of prudential borrowing across the lifespan of BAEZ.

- 9.24 Part of the first phase of the BAEZ Masterplan is the delivery of housing site allocation HSA1.13 which aligns with supporting text paragraph 5.38 to Policy CS3 which recognises the challenges facing Blackpool and allows the consideration of enabling development including housing, where it is exceptionally and robustly justified as it is through the Delivery Plan and BAEZ fiscal requirements.
- 9.25 The land receipt from the housing site is fundamental to the delivery of the BAEZ as detailed in paragraphs 7.21 to 7.30. HSA1.13 is owned by the Council and the receipts from the delivery of the housing on this site will contribute to the anticipated lifetime costs for the delivery of BAEZ.

Proposed Modified Green Belt Boundary

9.26 To accommodate the first phase development at BAEZ, the SADMP (Submission document) proposes an amendment to the local Green Belt boundary at Common Edge Rd. The Local Green Belt Review Assessment (document <u>EBO21</u> refers) sets out the proposed amended boundary. However in response to the discussions at the hearings an alternative boundary is now proposed as a main modification, which aligns with the northern boundary of the relocated sporting facilities and the northern and north western boundary of South Shore Cricket, Squash and Rugby Club (Figure 7 refers), aligning with the requirements NPPF21 paragraph 143 f) to have clearly defined boundaries, using physical features that are readily recognisable and likely to be permanent. This reduces the amount of land that would be released from the Green Belt from 13.93 ha (as proposed in the Local Green Belt Assessment) to 10.27ha a reduction of 3.66ha.

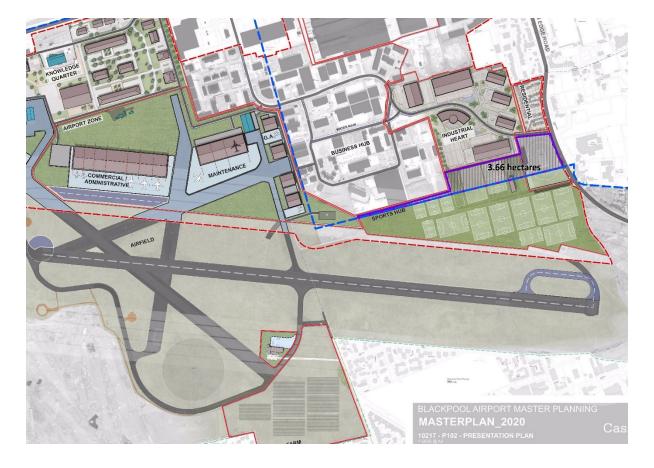


Figure 7 - Proposed amended Green Belt Boundary

Compensatory Improvements

- 9.27 Paragraph 142 of the NPPF21 requires the impact of removing land from the Green Belt to be offset through compensatory improvements to the environmental quality and accessibility of remaining Green Belt.
- 9.28 The compensatory improvements which offset the release of land from the Green Belt are provided by the relocation (within the Green Belt) and significant enhancement of the existing playing fields and sport facilities at Common Edge.
- 9.29 Permission was granted in August 2020 (<u>Application 20/0108</u> refers) for 12 new grass playing pitches located south of Division Lane West. This proposal has been implemented and the new playing fields came into full use in October 2021. In addition, planning permission was granted in August 2021 (<u>Application 20/0564</u> refers) for improved sports pitches including a new floodlit 3G pitch; a floodlit rugby league pitch and training area; and new changing facilities to the north of Division Lane West. The changing facilities are currently under construction with completion anticipated May 2022 and the 3G and rugby league facilities will be operational in 2023. In addition access has been improved by an upgraded junction at Common Edge Rd./Division Lane West with improved vehicle access

into the sporting facility complex and improved cycle and pedestrian access and parking. Together both developments provide for a significant enhanced offer of playing field and sporting facilities with circa £7m of investment, increasing the playing field area from 99,600 sqm to 100,100 sqm. Figure 8 refers.

Figure 8 - Plan of relocated and enhanced playing fields and sporting facilities

Consequences of not releasing land from the Green Belt

- 9.30 The consequences of the SADMP not releasing land from the Green Belt for additional employment land and housing at BAEZ would be twofold and relate to (i) the uncertainty in the planning process and (ii) the impact on the viability of the EZ.
- (i) Uncertainty and delays in the planning process
- 9.31 The practical problems that would result would be in the first instance the uncertainty in the planning process. Whilst the proposed development could still be pursued through the submission of an application, very special circumstances would need to be established and there would be uncertainty of the outcome of having to refer the application to the Secretary of State and whether the Secretary of State would require an inquiry. This would inevitably cause an element of delay to the delivery of the EZ and impact on overall viability of BAEZ (point (ii) below refers).
- (ii) Impact on the viability of the Enterprise Zone

- 9.32 Delay in the delivery of land at Common Edge would significantly delay income generation from both land sales and retained business rates which would severely restrict the capacity to prudentially borrow and consequently reduce the ability to maximise development potential (which in turn generates business rates). A significant gap between costs outlay and income would result which could render the delivery of the whole of the EZ unviable.
- 9.33 The approved Business and Delivery Plans would be undermined and result in additional financial strain on the Council including:
 - Loss and deferment of income from sale of land to assist in funding the required infrastructure costs (circa £18m at Common Edge) which enables built development and business rates generation;
 - Inability to generate business rates income across the lifetime of the EZ sufficient to meet the cost of prudential borrowing and deliver the objectives of the EZ including 5,000 jobs and £300m private sector investment and generating an additional £2 billion GVA;
 - The inability to spend the £7.5 million Towns Deal within the required timeframe of the end of the financial year 2025/26 with subsequent loss of the funding;
 - the cost of abortive work already undertaken to date and the additional cost of holding third party land in relation to highways works related to the Eastern Gateway
- 9.34 Other consequences include:
 - Affecting the ability to attract new inward investment to diversify the economy to making the economy more resilient and retain local skills and talent;
 - Stalling the momentum of investment and delivery in the EZ including loss of market reputation and competiveness;
 - Severely restricting the ability to capitalise on the opportunities of the digital and data sector related to the North Atlantic Loop telecommunications cable.

Consideration of alternatives to the release of Green Belt

- 9.35 NPPF at paragraph 141 requires the strategic plan making authority to demonstrate that it has examined fully all other reasonable options for meeting development need before concluding that exceptional circumstances exist to justify changes to Green Belt boundaries.
- 9.36 The release of Green Belt in the south of the Borough is intrinsically linked with the BAEZ phasing and delivery plans as detailed under paragraphs 7.21 to 7.30. Therefore, it is not reasonable to consider land that has been previously developed and or is well-served by

public transport elsewhere in the Borough. The BAEZ being in the location that it is, inevitably spatially confines the opportunities that BAEZ has to successfully bring forward the BAEZ and the employment benefits it confers.

- 9.37 In terms of looking at alternative development scenarios within the EZ (Plan EL1.002d refers), other land opportunities within the BAEZ boundary that could deliver suitably sized plots, responding to business demand and providing the necessary land receipts required to underpin the economic viability of the BAEZ are not available. The operational airport land in the west of the BAEZ, some of which is also in the Green Belt, does not provide appropriate development opportunities to meet Phase 1 of the Delivery Plan²³ alongside the need to ensure current air related activities are not compromised.
- 9.38 The existing employment areas within the BAEZ, formerly Blackpool Business Park, Sycamore Trading Estate and Squires Gate Industrial Estate, also have only limited opportunities for raising the necessary revenue, with a few infill sites of limited size in private ownership and therefore not under the direct control of the EZ Accountable Body (Blackpool Council). Hence there is no alternative land other than the land at Common Edge which could be serviced to provide development capacity to meet the economic targets within the timeframe of the BAEZ and therefore fund the prudential borrowing that is needed to fund development at the EZ across its lifespan as detailed in this paper.

²³ Refer to Executive Report – Blackpool Airport Enterprise Zone: Delivery Plan 18 June 2018 – Submitted to the Examination Library

10 Summary

- 10.1 In summary it is considered by the Council that the evidence set out in Parts 1 and 2 of this paper and other associated evidence, meets the requirements of NPPF21 and provides clear legal and economic justification for the release of land from the Green Belt at Common Edge Road through the plan-led approach, to directly support the viability and deliverability of BAEZ across its lifespan to 2041 and support the delivery of the economic vision, goals and objectives of the Core Strategy.
- 10.2 Through the implementation of strategic policies CS1: Strategic Location of Development, CS3: Economic Development and Employment and CS24: South Blackpool Employment, which substantiate the designation of BAEZ, (paragraphs 9.5 to 9.11 refer), the need to change the Green Belt at this location is clearly established and is enabled through non-strategic policy in the Local Plan Part 2, namely through policies DM7: Provision of Employment Land and Existing Employment Sites and DM8: Blackpool Airport Enterprise Zone.
- 10.3 Whilst Core Strategy Policy CS6: Green Infrastructure at point 2c does not envisage a planned strategic review of the Green Belt, it has been evidenced that this does not legally preclude a change to the Green Belt as set out in paragraphs 9.3 and 9.4.
- 10.4 Part 1 of this paper has set out the case for how the additional land at the EZ will support the delivery of the employment land requirement, boost the annual uptake of employment land to meet the annual target to the end of plan period and support the delivery of the Core Strategy.
- 10.5 The economic justification establishing exceptional circumstances is unequivocally set out under paragraphs 9.17 to 9.22, which highlights the imperative of releasing the land from Green Belt at Common Edge Road to enable the 'pump-priming' of new development integral to the fiscal approach adopted and approved by the Accountable Body, the Lancashire LEP and endorsed by the then DCLG (now DLUHC), to ensure the viability and deliverability of the BAEZ.
- 10.6 The commitment of the Accountable Body to delivering this major economic asset for Blackpool and the Fylde sub-region is undeniably demonstrated by the significant progress which has already been made since 2016 when the EZ became operational. The first phase of development (paragraphs 7.31 and 9.23 refer) has not only already seen £14.1m of investment but will account for 89% of the lifetime capital expenditure for the whole of the BAEZ, highlighting the incontrovertible need to deliver this early phase of development. It is clear from the evidence provided in this paper that certain key

developments need to be undertaken within the plan period (paragraph 9.19 refers). Delay in this development will undermine the delivery of BAEZ and the benefits it confers to the economy. This reinforces the compelling economic case for a plan led approach ahead of any comprehensive review of the Green Belt as part of the Part 1: Core Strategy review. The latter is unlikely to be concluded with the adoption of an updated plan before 2025.

- 10.7 The alternative to adopting a plan-led approach through the Local Plan Part 2 to amending the Green Belt will be the more demanding test of establishing 'very special circumstances' that any planning application would be subject to through the development management process. This approach will inevitably cause uncertainty and an element of delay to the delivery of BAEZ, without question causing fiscal strain, negatively impacting on overall EZ viability with subsequent failure to transform the economic base of Blackpool & the Fylde Coast and support the delivery of the Core Strategy.
- 10.8 The requirement to consider alternative land to Green Belt to meet development needs has been undertaken and paragraphs 9.35 to 9.38 clearly highlight the spatial constraint of the BAEZ and the impracticality of considering land outside the designated boundary. Within the boundary no alternative land opportunities that would deliver the required land receipts and fund the prudential borrowing needed to deliver BAEZ exist.
- 10.9 With respect to identifying an amended Green Belt boundary, the Council consider that the alternative boundary discussed with the Inspector at the Matter 3 Hearing comprising the northern boundaries of the new enhanced sporting facilities and the South Shore Cricket, Squash and Rugby Club provides an appropriate permanent, physical feature easily recognisable and aligning with the requirements of NPPF21. This proposed boundary reduces the area of Green Belt land to be released to a modest 10.27ha with the associated evidence (document EB021 refers) establishing that this land does not in fact serve the purposes of Green Belt. The significantly enhanced sport playing pitches, changing room facilities, which remain in the Green Belt and associated improved pedestrian, cycling and vehicle access provide the required appropriate compensatory measures.
- 10.10 Taking into account the additional evidence that is set out in this paper along with the associated evidence relating to the Local Plan Part 2 Submission document and the Council's Hearing Statements, the Council respectfully asks the Inspector to conclude that the requirements of Green Belt policy as set out in NPPF21 have been met and that exceptional circumstances have been demonstrated and in doing so that the Inspector agrees to the release of circa 10.27ha of land from the Green Belt within the EZ at Common Edge to allow the significant economic benefits of BAEZ to be realised and in doing so supports the delivery of the Core Strategy.