

BLACKPOOL LOCAL PLAN

PART 1: CORE STRATEGY

BLACKPOOL COUNCIL STATEMENT

MATTER 3

ECONOMIC DEVELOPMENT AND EMPLOYMENT LAND

APRIL 2015

Blackpool Council

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Matter 3 – Economic Development and Employment Land (Policies CS1, CS3)

Participants: Blackpool BC, NS&I/Rowland Homes

Introduction

This Statement has been produced by Blackpool Council to outline its response to the Matters and Questions raised by the Inspector for the Hearings into the Blackpool Local Plan Part 1: Core Strategy Development Plan Document (SD001).

The Statements form the main basis for the Council's submission to the Hearings. Where appropriate the Statements draw upon and cross reference to the main sources of information used in the preparation of the Core Strategy. To assist document numbers are referenced where appropriate.

Position of the Council regarding Matter 3

3.1 Is the plan positively prepared, aspirational but realistic in respect of the local economy?

3.1.1 The Council considers that the plan has been positively prepared is aspirational but realistic in respect of the local economy.

3.1.2 The Core Strategy economic policies (CS1, CS3 and CS24) align with the priorities in the Lancashire Enterprise Partnership's Growth Plan 2013 (EB014) and the Lancashire Enterprise Partnership's Strategic Economic Plan (EB015) and seek to positively encourage investment and development that will provide sustainable jobs; support economic growth; strengthening the local economy and regenerate key areas of the town. This will be achieved through the provision of employment land for investment and new development; protecting existing employment sites (albeit introducing some flexibility in policy to provide choice and encourage investment); and improving skills of residents within the Borough to ensure they can benefit from employment opportunities.

3.1.3 The spatial approach set out in Policy CS1 reflects a dual focus of regeneration within Blackpool Town Centre, the Resort Core and neighbourhoods in the inner areas supported by growth in South Blackpool. This approach balances the need to plan for growth in line with the Government's Growth agenda against Blackpool's geographical constraints in terms of the tightly drawn authority boundary and limited available land supply.

3.1.2 The assessment of employment land demand is set out in the Blackpool Employment Land Study 2013 (EB012) and further justification and explanation of the approach taken is provided in the Employment Land Technical Paper June 2014 (EB0011).

- 3.1.3 Paragraphs 5.20 to 5.31 of the Core Strategy summarises the approach and sets out the employment land requirement of around 31.5ha over the plan period. 17.8ha of this within Blackpool with around 14ha being provided by Fylde Borough agreed through the Duty to Co-operate. (Further discussion regarding the appropriateness of this provision is set out under Question 3.2)
- 3.1.4 This figure is considered to be aspirational but at the same time realistic in that it takes into account longer term trends to reflect the cyclical nature of the UK and local economy and recognising the likelihood of demand/take up remaining low in the short to medium term locally, until normal market conditions resume. In addition it includes a 20% buffer which allows for the possibility that some land may not come forward in the short to medium term, provides a choice of sites, allows for reasonable vacancy levels to facilitate 'churn' in the market, and provides flexibility while some sites are being redeveloped including those that may require enabling development.
- 3.1.5 A key strand of the approach to economic development is capitalising on existing assets and the existing industrial/business locations are important to Blackpool's strategic land supply, promoting regeneration and redevelopment of existing employment land and buildings. This approach to existing sites to improve market attractiveness and encourage invested is complemented by other Core Strategy policies which aim to improve the quality of place and make Blackpool a more attractive place to invest reduce the need to travel providing easy access to jobs and improve employment prospects for local people.
- 3.1.6 Whilst the protection of existing employment sites is important to Blackpool's future supply of employment land, Policy CS3 adopts a realistic approach to the development of certain employment sites. It provides some flexibility in relation to those main employment areas which present redevelopment opportunities for new employment development. It allows consideration of redevelopment opportunities which introduce a suitable mixed-use development, including housing, in exceptional circumstances (where robustly justified and not conflicting with wider plan objectives) on a small minority of sites where this would secure the future business/industrial use of the remainder of the site. This will assist in strengthening Blackpool's employment offer by helping to retain existing occupiers and attract new business making available land more attractive to develop in existing employment areas.
- 3.1.7 Policy CS23: South Blackpool Employment Growth reflects the policy approach in CS3 and supports the redevelopment of existing employment sites with South Blackpool to provide high quality modern business/industrial uses alongside proposals for new business/industrial development at Blackpool Airport Corridor and Lands close to Junction 4 of the M55.

3.2 Does the plan provide for sufficient land to meet economic development needs during the plan period and is this supported by robust evidence?

3.2.1 The Council considers the Core Strategy provides sufficient land to meet economic development needs during the plan period.

3.2.2 Policy CS3 promotes sustainable economic development to strengthen the local economy and meet the employment needs of Blackpool and the Fylde Coast Sub-Region to 2027. It focuses on 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.

3.2.4 Policy CS3 has been informed by a robust and up-to-date evidence base:

- Employment Land Technical Paper (2014) (EB011)
- Blackpool Employment Land Study (2013)(EB012)

3.2.5 The Employment Land Technical Paper (EB011) summarises all the evidence used to inform Blackpool's employment land needs and provides justification and explanation of the approach taken by the Council to meeting future employment land requirements over the plan period to 2027. It draws on information and data from published sources, including the Local Plan evidence base on employment matters.

3.2.6 The 2013 Employment Land Study (EB012) provides robust evidence on employment land needs and available land. The assessment of demand, based on historic uptake and forecasted needs is fully justified and set out in the Section 7. It identifies Blackpool's employment land requirement to be 31.5 hectares over the plan period to 2027. Section 8 of the Study discusses how it is intended to meet this need. This will be through:

- 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
- Promoting office development, enterprise and business start-ups in Blackpool Town Centre including the Central Business District
- 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

3.2.7 It is therefore considered that Policy CS3 identifies the right amount of land to meet the needs of business/industrial development over the plan period as informed by the evidence base. A buffer has been applied to allow flexibility and choice in the market.

3.2.8 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 are therefore extremely limited. It has been confirmed through the Duty to Co-operate and within the Fylde Local Part 1 that Fylde Council will identify around 14 hectares of land to meet Blackpool's employment land need which can't be met within the Borough. 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.

3.3 Is the strategy for employment land (based on a continuation of historic land take-up) compatible with that for new housing (based on the Oxford Economics scenario of a small decline in employment)? (see also Matter 2)

3.3.1 The Council considers that the strategy for employment land is compatible with that for new housing.

3.3.2 Section 7 of the 2013 Employment Land Study (EB013) provides the justification for the approach taken with regards to future employment land provision. It provides an assessment of how much employment land is needed in the future over the 15 year plan period. There are a range of growth forecast models that can be used to determine future land requirements. All have some limitations, but they are influences to consider. The preferred approach for Blackpool is based on projecting forward historic trends in land take-up, although alternative models were also considered.

3.3.3 Three scenarios were considered:

- Historic Land Take-up
- Policy-off employment based forecasts (Oxford Economics)
- Policy-off labour supply forecasts (Oxford Economics)

3.3.4 The long-term historic land take-up forecast suggests a shortfall of net land supply, while the policy-off employment based and labour supply forecasts suggest a supply surplus. These outcomes take into account the identified realistic land supply of 17.8ha and the recognised need to apply a 20% buffer to provide flexibility and facilitate choice.

3.3.5 The employment and labour forecasts indicate that the Borough needs significantly less employment land than predicted by long-term historic take-up rates, which reflects the forecast fall in employment and labour force by Oxford Economics. These both suggest that the 17.8ha of realistic land supply is surplus to requirements, meaning that none of this land committed and available to develop would be required. However, common sense suggests this argument is flawed. Both models assume the property market is a perfect market and not rife with difficulties. For example, there are no allowances made for companies modernising or relocating into different sized properties; land not being used efficiently; some brownfield land remaining undeveloped due to the costs of remediation; or some companies occupying more space than they need/holding land long term for their own possible future expansion.

- 3.3.6 Whilst ‘policy off’ economic and population forecasts can provide helpful comparisons, local authorities are advised to apply caution when considering these. It is probable that these land requirement calculations represent a false position, given the wide range of factors that shape outcomes locally, the uncertainty predicting employment densities (including whether the growth sectors choose to locate in higher or lower density areas) and how densities may change over the Local Plan period, and the assumption that declining sectors will release land that could be regenerated for other employment uses (for example, in reality some of this land could be lost to enabling development). All of these could have a significant influence on the outcome.
- 3.3.7 Consequently, rolling forward long-term historic take-up rates is considered a better approach for calculating future land requirements, as this reflects local factors and evidence of past trends. The same conclusion (i.e. discounting employment and labour supply models in favour of historic land take-up trends) has been reached by neighbouring local authorities that have undertaken similar studies for their respective areas, where the alternative employment and labour supply models have generated comparable results.
- 3.3.8 The preferred model for calculating Blackpool’s requirement ensures that sufficient land and premises will be provided in the right location to support the Borough’s economic and housing objectives, which are based on achieving a stronger, more resilient and diversified local economy. Rolling forward past trends over a sustained period, which includes the recent economic downturn.

3.4 What certainty is there that the forecast shortfall of around 14ha of employment land in Blackpool will be provided for in Fylde Borough?

- 3.4.1 The commitment by Fylde Council to provide an additional 14 hectares of has been confirmed through the Duty to Co-operate and within the Fylde Local Plan Part One: Preferred Options (June 2013)¹. This commitment was reiterated in the response from Fylde to the Statement of Compliance with the Duty to Co-operate (DC001) in which Fylde Council re-stated their commitment to accommodate around 14ha of Blackpool’s unmet employment land requirement through strategic land allocations in the emerging Fylde Local Plan (Part 1).

¹ <http://www.fylde.gov.uk/council/planning-policy--local-plan-/local-development-framework/local-plan-to-2030-consultations/fylde-local-plan-2030-part-1-preferred-options/>

3.5 Does policy CS3 provide sufficient flexibility in respect of safeguarded employment sites where it can be demonstrated that there is no reasonable prospect of the site being used for employment purposes? Is the policy consistent with paragraphs 22 and 51 of the NPPF?

3.5.1 The Council considers that policy CS3 provides adequate flexibility in respect of safeguarded employment sites where it can be demonstrated that there is no reasonable prospect of the site being used for employment purposes.

3.5.2 The policy and supporting text provides flexibility to allow mixed use development through redevelopment opportunities which introduce a sustainable mixed-use development, including housing, in exceptional circumstances where this would secure the future business/industrial use of the site. This is also recognised in the 2013 Employment Land Study (EB012). Section 4 reviews the characteristics of Blackpool's existing employment land portfolio and analyses their suitability for employment development and the likelihood of development coming forward. The Study recommends for the case of some employment areas, enabling development (including housing) is acceptable to support the long term future of the wider site for employment uses.

3.5.3 Policy CS3 is consistent with paragraphs 22 and 51 of NPPF which require planning policies to take a flexible approach to sites that have no reasonable prospect of being used for employment purposes.3.5.4 The Core Strategy Monitoring and Implementation Plan (Appendix C of SD001) includes an indicator to monitor take-up of allocated sites for non-employment uses. If employment land is not being developed for employment uses this would trigger the contingency to monitor employment land against demand to ensure it meets market requirements and to consider a review of existing employment allocations or policy if necessary.

3.6 Is the safeguarding through policy CS3/CS24 of the NS&I site at Mythop Road as a location for employment use soundly based? Is there evidence of likely demand for the site for employment use during the plan period? Would the site be more appropriately designated for a mix of residential (policy CS25) and employment use? (see also Matter 8)

3.6.1 The response to Question 3.5 provides justification that policy CS3 is sufficiently flexible in respect of safeguarded employment sites where it can be demonstrated that there is no reasonable prospect of the site being used for employment purposes. This includes the NS&I Site.

3.6.2 The 2013 Employment Land Study (EB012) specifically recognises the situation regarding the NS&I Site.

3.6.3 The available employment land at Preston New Road (NS&I Site) is surplus to NS&I requirements and the landowner has also confirmed the wider site is much larger than needed for current/future operations. The whole site, owned by HM Treasury, is being

considered as part of the Government's wider programme to dispose of surplus public sector lands. NS&I have confirmed that in order to secure future employment uses on the site, it will be necessary to redevelop the site with modern, fit-for purpose employment premises suitable for NS&I as well as new end-users. They have also confirmed that constraints to redeveloping the site mean that enabling development with a higher land value will be necessary to make a proposal viable.

- 3.6.4 To this end, there have been discussions between the Council, landowner and a house builder regarding aspirations for housing on the 3.8ha of available land in order to facilitate enabling development on the remainder of the site. Whilst a planning application is yet to be forthcoming, and the merits of a proposal have yet to be formally assessed, it is considered that this land is unlikely to be developed for employment when considering the economic viability of the wider site. All scenarios are presented for Blackpool's available employment land supply, considering the initial baseline supply and then adjusting it in line with the assumption made above.
- 3.6.5 This evidence is reflected in paragraph 5.35 of the Core Strategy (supporting text to policy CS3) which allows redevelopment opportunities which introduce a sustainable mixed-use development, including housing, in exceptional circumstances where this would secure the future business/industrial use of the site. It is also repeated in paragraph 8.15 (supporting text to policy CS24) which also specifically refers to the Preston New Road site (NS&I site) stating that redevelopment will provide further scope for new employment development to support a modern business/industrial offer. In order to facilitate the regeneration on the site, some enabling development will be accepted where this will secure the future industrial/business use of the site, be robustly justified and would not conflict with the wider plan objectives.