



Blackpool, Fylde and Wyre Economic Prosperity Board Agenda

Wyre Borough Council
Date of Publication: 26 November 2018
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**Blackpool, Fylde and Wyre Economic Prosperity Board meeting on
Tuesday, 4 December 2018 at 10.00 am
in Conference Room 417, International Business Centre, West Road,
Hillhouse International Business Park**

- 1. Apologies**
- 2. Election of Chairman**
- 3. Declarations of interest**

Members will disclose any pecuniary and any other significant interests they may have in relation to the matters to be considered at this meeting.

- 4. Confirmation of minutes** (Pages 1 - 4)

To confirm as a correct record the minutes of the previous meeting

- 5. Marketing Lancashire**

Presentation by Rachel McQueen

- 6. Local Industrial Strategy** (Pages 5 - 8)

Report of the Growth and Prosperity Programme Director, Blackpool Council

- 7. Exclusion of public and press during items 8 and 9**

If the discussion during items 8 and 9 of this agenda involves the disclosure of "exempt information", as defined in Schedule 12A of the Local Government Act 1972 and the board wishes to move to confidential session, it may at any point pass the following resolution:
"That the public and press be excluded from the meeting whilst the

agenda item(s) is/are considered, on the grounds that their presence would involve the disclosure of exempt information as defined in category 3 (Information relating to the financial or business affairs of any particular person, including the authority holding that information) of Part 1 of Schedule 12(a) of the Local Government Act, 1972, as amended by the Local Government (Access to Information) Variation Order 2006 and, that the public interest in maintaining the exemption outweighs the public interest in disclosing the information".

8. Blackpool Airport EZ Progress report (standing item) (Pages 9 - 60)

Report of the Head of Enterprise Zones, Blackpool Council

9. Hillhouse Technology EZ Progress report (standing item) (Pages 61 - 148)

Report of the Senior Economic Development Officer, Wyre Council

10. Exclusion of public and press for item 11

The report submitted under item 11 of this agenda is "Not for Publication" because it contains "exempt information", as defined in Schedule 12A of the Local Government Act 1972.

If the Board agrees that the public and press should be excluded for this item and has not already done so, it will need to pass the following resolution: "That the public and press be excluded from the meeting whilst agenda item 10 is considered, on the grounds that their presence would involve the disclosure of exempt information as defined in category 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part 1 of Schedule 12(a) of the Local Government Act, 1972, as amended by the Local Government (Access to Information) Variation Order 2006 and, that the public interest in maintaining the exemption outweighs the public interest in disclosing the information".

11. Economic Impact Assessment (Pages 149 - 178)

Report of the Growth and Prosperity Programme Director, Blackpool Council



Blackpool, Fylde and Wyre Economic Prosperity Board Minutes

The minutes of the Blackpool, Fylde and Wyre Economic Prosperity Board meeting held on Tuesday, 17 July 2018 at the Lancashire Energy HQ.

EPB members present:

Councillors:

David Henderson, Leader Wyre Council

Susan Fazackerley MBE, Leader Fylde Council

Chief Executive Officers:

Neil Jack, Blackpool Council

Allan Oldfield, Fylde Council

Garry Payne, Wyre Council

Co-opted private sector representatives:

Neil Farley (Fylde)

Peter Worthington (Wyre)

Apologies:

Councillor Simon Blackburn, Leader Blackpool Council

Other councillors present:

Councillor Mark Smith, Blackpool Council (substitute for Councillor Simon Blackburn)

Others present:

Peter Foulsham, Scrutiny Officer, Wyre Council

Nick Gerrard, Growth and Prosperity Programme Director, Blackpool Council

Rob Green, Head of Enterprise Zones, Blackpool Council

Angela Kershaw, Senior Economic Development Officer, Wyre Council

Steve Smith, Blackpool Airport Enterprise Zone Delivery Manager, Blackpool Council

Nigel Wilcock, Managing Director, Mickledore

One member of the public and one press officer attended the meeting.

EPB 11 Declarations of interest

None.

EPB 12 Confirmation of minutes

The minutes of the EPB meeting held on 2 May 2018 were agreed as a

correct record, subject to the inclusion of the following under EPB 2:

“It was agreed that, for all future meetings, in the absence of the Chairman the Vice Chairman would chair the meeting.”

EPB 13 Business Investment Marketing Perceptions Study

Blackpool Council’s Growth and Prosperity Programme Director submitted a report informing the Board of the work undertaken by Mickledore on behalf of Blackpool Council to assess the business investment perceptions of Blackpool (and the Fylde Coast) to inform the development of a Business Investment Marketing Strategy to support economic growth in Blackpool and the Fylde Coast.

Nigel Wilcock, Managing Director of Mickledore gave a presentation about the findings. He focused on the approach taken, the baseline economic data and the consultation findings, each of which was covered in detail in the presentation. Recommendations were made against the following outcomes outlined in the brief:

1. Priority investments, actions and support that will be most effective in enhancing the offer
2. Sector prioritisation
3. Harnessing the private sector
4. Harnessing the power of visitor marketing campaigns
5. Harnessing & complementing Marketing Lancashire’s activities

It was acknowledged that *Next Step Blackpool* was already looking at the wider impact on the Fylde Coast, with Blackpool as the known brand. Mr Wilcock confirmed that Blackpool had excellent brand recognition, unlike anywhere else with a comparable population.

EPB 14 Economic Prosperity Board Priorities

Garry Payne proposed the following three priorities for discussion by the Board:

Housing Growth and Quality of Life – Improving the quality of rented housing through new potential flexibilities from Government via the ability to vary HB / LHA rates. Include housing growth in the urban areas and on difficult sites, incorporating affordable energy costs, full fibre networks, access to health and community provision to establish a destination with a ‘sense of place’.

Connectivity – Physical infrastructure and transport improvements to support growth within and around the ‘destination’. Connectivity on a wider Lancashire and North West geographical footprint by promoting the skills, accessibility and provision of the area in comparison to the offering of others. Strengthening partnerships at a Lancashire level driving forward the opportunities to develop higher skills within particular sectors not necessarily covered within the footprint.

Accelerated Growth focussing on Enterprise Zones - Identifying the skills needs to support meaningful growth for businesses and individuals. Identify and develop supply chain networks via partnerships and educational institutions. With particular focus on Research and Development opportunities across Lancashire and the North West. Development to establish best practice, accessibility and promotion of continuing business support initiatives to provide longevity to harness businesses growth aspirations.

Decision taken

Following discussion, it was agreed

- (i) That the three priorities proposed be adopted, subject to some amendments to the connectivity priority to include digital infrastructure, and
- (ii) That a fourth priority be articulated in relation to marketing the leisure and tourism economy.

EPB 15 Exclusion of public and press

The EPB agreed that the reports submitted under items 7 and 8 of this agenda may involve the disclosure of “exempt information”, as defined in Schedule 12A of the Local Government Act 1972, and the following resolution was passed:

“That the public and press be excluded from the meeting whilst the remaining agenda items are considered, on the grounds that their presence would involve the disclosure of exempt information as defined in category 3 (Information relating to the financial or business affairs of any particular person, including the authority holding that information) of Part 1 of Schedule 12(a) of the Local Government Act, 1972, as amended by the Local Government (Access to Information) Variation Order 2006 and, that the public interest in maintaining the exemption outweighs the public interest in disclosing the information”.

The meeting moved to confidential session.

EPB 16 Blackpool Airport Enterprise Zone: progress report (standing item)

Blackpool Council’s Head of Enterprise Zones, Rob Green, submitted a report to update the EPB on the Blackpool Airport EZ.

Decisions taken

1. The Board considered and noted the progress report.
2. The Board agreed to invite a representative from Marketing Lancashire to the next meeting.

EPB 17 Hillhouse Technology Enterprise Zone: progress report (standing item)

Wyre Council's Senior Economic Development Officer, Angela Kershaw, submitted a report to update the EPB on the Hillhouse Technology EZ.

Decision taken

The Board considered and noted the progress report.

The meeting started at 2.00 pm and finished at 3.56 pm.

Date of Publication: 24 July 2018

Agenda Item x

Report to:	Blackpool, Fylde and Wyre Economic Prosperity Board
Report Author:	Nick Gerrard, Growth and Prosperity Programme Director, Blackpool Council
Date of Meeting:	4th December 2018

ECONOMIC POLICY UPDATE: LOCAL INDUSTRIAL STRATEGY

1.0 Purpose of the report:

1.1 To inform the Board of the Government requirement for Local Enterprise Partnerships (LEPs) to develop a Local Industrial Strategy (LIS).

2.0 Background

2.1 In November 2017 the “**Industrial Strategy: Building a Britain fit for the Future**” was launched. It set out the Government’s ambition to increase productivity and earning power across the country.

The Government stated it would do this by:

- 1. Strengthening the foundations of productivity** – the fundamentals that support a skilled, innovative, geographically-balanced economy. The five foundations are:
 - Ideas: encouraging the UK to be the world’s most innovative economy
 - People: ensuring good jobs and greater earning power for all
 - Infrastructure: driving a major upgrade to the UK’s infrastructure
 - Business environment: guaranteeing the best place to start and grow a business
 - Places: creating prosperous communities across the UK
- 2. Building long-term strategic partnerships with businesses** through Sector Deals between government and industry.
- 3. Taking on Grand Challenges** – the society-changing opportunities and industries of the future. The first four Grand Challenges are focused on global trends to transform our future:
 - AI and data: putting the UK at the forefront of the AI and data revolution,
 - Ageing society: harnessing the power of innovation to meet the needs of an ageing society,
 - Clean growth: maximising the advantages for UK industry from the global shift to clean growth,
 - Future of mobility: becoming a world leader in shaping the future of mobility

The recently published “Strengthened Local Enterprise Partnerships” set out how LEPs will adopt a single mission to promote productivity by delivering Local Industrial Strategies.

Local Industrial Strategies will build on existing Strategic Economic Plans (SEP) in each LEP area and specifically will need to -

- Be developed locally and agreed with Government and aligned to the national Industrial Strategy.
- Look long term, based on clear evidence noting distinctive strengths and addressing weaknesses and market opportunities.
- Set out clearly defined priorities/objectives for how an area will maximise their contribution to UK productivity, better co-ordinating economic policy at the local level.
- Address the 5 Industrial Strategy foundations (noted above).
- Inform local choices, prioritise local action and help to inform decisions at the national level
- Provide a strategic overview which will inform LEP approaches to any form of future funding deployed through them. This will include providing a local approach to maximising the long term impact of the new UK Shared Prosperity Fund (once details of its operation and priorities are announced).
- Set out the spatial impacts of national and local policy across Lancashire cities, towns and rural areas.
- Be the product of extensive consultation with a broad range of public bodies, private business and the civil society sectors.

2.2 Indicative Timetable

The first LIS's will be agreed with Government by March 19. These are the so called 3 “Trailblazer” areas which include the Greater Manchester and West Midlands Combined Authorities and Oxford-Milton Keynes-Cambridge Growth Corridor area.

Some Wave 2 LEP areas (e.g. Leicester & Leicestershire LEP) were announced in July 2018 and are actively working up their strategies now with Government officer support (Cities and Local Growth Unit).

Lancashire LEP has not been formally approached by Government as yet, although all areas are being encouraged to commence initial scoping and evidence creation ahead of extensive consultation activity. It is understood a series of regional workshops will be announced soon, at which further guidance and direction will be provided to LEPs and key stakeholders.

All LEP areas are targeted to have a LIS in place by **early 2020**.

The Lancashire Leaders Group** has established an Economic Development Theme Group (EDTG). This group has subsequently re-established the LEDOG (Lancashire Economic

Development Officers Group including all 13 local authorities) with the proposed aim to support the on-the-ground delivery of its work and programmes. It is anticipated that this LEDOG group will be tasked with leading on the development and co-ordination of the Lancashire LIS with the LEP.

3.0 Recommendation(s):

3.1. To note the report for information at this time.

**** The current Lancashire Leaders Group membership includes:-**

Blackpool – Cllr Simon Blackburn	Rossendale – Cllr Alyson Barnes
Fylde – Cllr Susan Fazackerley	Chorley – Cllr Alistair Bradley
Wyre – Cllr David Henderson	Blackburn – Cllr Mohammed Khan
Preston – Cllr Matthew Brown	West Lancs – Cllr Ian Moran
LCC – County Cllr Geoff Driver	Lancaster – Cllr Eileen Blamire
Hyndburn – Cllr Miles Parkinson	Ribble Valley – Cllr Ken Hind
Burnley – Cllr Mark Townsend	Pendle – Cllr Paul White
South Ribble – Cllr Mary Green	

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Report to: Blackpool, Fylde and Wyre Economic Prosperity Board

Report Author: Rob Green, Head of Enterprise Zones, Blackpool Council

Date of Meeting: 4th December 2018

1. Blackpool Airport Enterprise Zone: Progress Report

a) Masterplan

The Enterprise Zone masterplan has now been submitted to MHCLG, together with the EZ Marketing Strategy and the approved Delivery Plan. Feedback is now awaited from MHCLG who are expected to request a familiarisation site visit in the near future following a change of responsible personnel within the Ministry. The submitted plan included the seven substantive changes approved by Blackpool and Fylde Councils in February, and was also amended to incorporate the revised airport layout proposed by York Aviation, together with updates to reflect the latest as built position for the six new developments within the EZ since its inception. A copy of the updated plan is appended as Annexe 1.

A summary version of the masterplan has also been produced to assist marketing and engagement with prospective developers. Copies will be available on request.

Marketing Lancashire have been requested to upload the masterplan and summary onto the LAMEC web site.

The masterplan will be subject to a full review at five yearly intervals to reflect progress and changes to the economic and operating environment, and plans will be amended on a regular basis to reflect actual changes - with the detailed Eastern Access road design and the Sports Village likely to provide the next significant amendments.

b) Delivery (Implementation) Plan

The EZ Delivery plan prepared in conjunction with GENECON LLP was approved by Blackpool Council as the Enterprise Zone's accountable body on the 18th July 2018 and was also approved by the Leadership Board of Fylde Council on the 12th July. The Delivery Plan, which is a commercially confidential and commercially sensitive document, has been approved by the LEP and submitted to MHCLG and feedback is awaited.

c) Enterprise Zone Outputs and Phase One Funding

The Delivery Plan identifies the prospect of significant outputs from the Enterprise Zone including 4,989 additional jobs, 270,002m² of floor space and the potential to generate a cumulative £73.31m of retained business rates (net of baseline voids and reflecting deductions for optimism bias) as illustrated in Table 1 below:

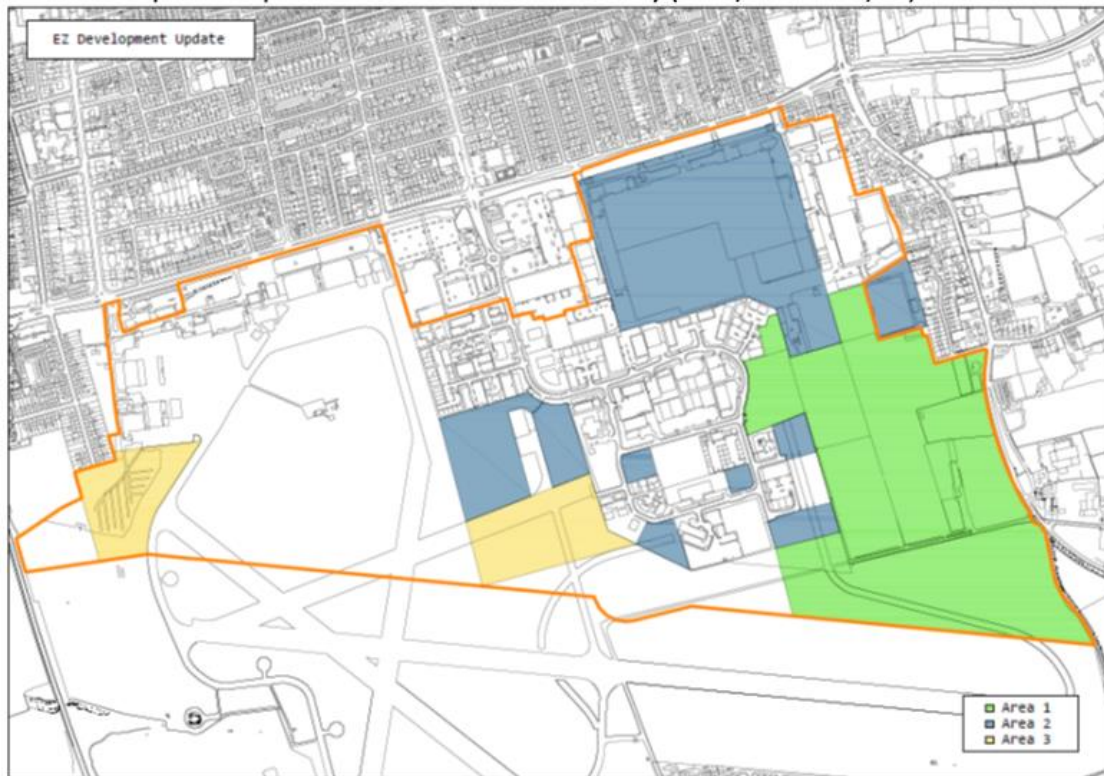
Enterprise Zone Outputs	Approved Masterplan	
	2018-22 1 st 5 years	Lifetime Total
Numbers of occupying businesses	133	284
Floorspace take-up (sqm)	95,518	270,002
Net Jobs profile	1,513	4,989
Generated annual business rates	£1.75m by 2022	£5.19m by 2038
Cumulative business rates generated	£3.60m	£73.31m
Cumulative Gross Value Added	£231.94m	£2.08bn

The Delivery Plan also identified that £72.2m of expenditure may be required to provide enabling infrastructure and related operational activity to deliver the Enterprise Zone over its 25 year life, including costs of strategic acquisitions to enable delivery of key operational infrastructure and facilities, particularly within the reconfigured Blackpool Airport to release land for economically beneficial development:

ALL PHASES SUMMARY	Total	2018- 2020	2021- 2022	2023- 2027	2028- 2036
Infrastructure	£36,922,293	£6,550,609	£9,264,397	£14,808,454	£6,298,832
Direct Development	£6,400,000	£3,450,000	£2,350,000	£600,000	£0
Consultancy / Fees	£1,430,000	£670,000	£260,000	£500,000	£0
EZ Delivery	£5,995,000	£1,055,000	£765,000	£1,750,000	£2,425,000
Other Costs	£7,055,000	£3,785,000	£650,000	£1,520,000	£1,100,000
Land Acquisition Costs	£14,210,000	£13,310,000	£550,000	£350,000	£0
GRAND TOTAL COSTS	£ 72,012,293	£ 28,820,609	£ 13,839,397	£ 19,528,454	£ 9,823,832

As illustrated in the table above the bulk of this expenditure will need to be incurred in the early years of the project between 2018 and 2020, when the projected income from business rates relief, short term rental income and associated land sales will be insufficient to cover costs. Blackpool Council has therefore committed to undertake prudential borrowing of up to £28.8M over the initial three years of activity to meet the costs of delivering the Enterprise Zone, with the cost of borrowing at the Council's pooled borrowing rate.

This funding will be focussed upon delivery of the first phase of the Enterprise Zone, but will also extend to include elements of the airport phase 2 relocations. In summary this phase one of development (illustrated in the plan below) will include the relocation of existing playing fields and associated changing rooms and facilities from the Common Edge Playing Fields, to adjacent greenbelt land within the Council's airport estate, releasing the Common Edge site for provision of new serviced development plots and the construction of a new Eastern Gateway access, on the areas shaded green. An outline planning application is in preparation for this area which is targeting submission to Fylde and Blackpool Councils in early 2019. Full design work and thereafter planning applications for both the Sports Village and the Eastern Gateway access road will be progressed in the first quarter of 2019.



d) Retained Business Rates (NNDR)

The primary source of revenue funding for the Enterprise Zone which will be used to fund prudential borrowing is derived from the retention of any new business rates generated, with each authority able to retain any such growth above an agreed baseline for the life of the Enterprise Zone. The anticipated lifetime gross income retained business rates income for Blackpool EZ is in excess of £70m.

The business rates baselines for the EZ were calculated and agreed by MHCLG in December 2016 and will remain fixed for the duration of the EZ (unless amended at a future date by primary legislation). The baselines are set out below and in their calculation, allowance was made to cover matters such as removal of existing premises from the rating list, (e.g. the Former Wellington Bomber factory), voids which would have a maximum impact of six months and successful appeals against rateable values, thus ensuring that there is a reasonable cushion against such "lost" income as the assumption is that any annual shortfall in business rates income against the established baseline would need to be met in the first instance from the business rates growth before the such income could be utilised in respect of EZ investment. If the level of business rates income for the EZ falls below the baseline in any one year there is no payment due to the accountable body for the Airport EZ.

Where it is likely that existing property within the agreed baseline – will need to be demolished or otherwise removed from the rating list this has been fully reflected in the Delivery Plan assumptions and appropriate allowance made when determining anticipated income and cash flow.

Billing Authority	EZ Collectable Rates	EZ Transitional Protection	2017/18 EZ Baseline	Retained EZ Rates	Compensated EZ Relief	Total EZ Retained Rates
Blackpool Council (E2302)	£2,051,364	-£164,175	-£1,503,000	£384,189	£207,604	£591,793
Fylde Borough Council (E2335)	£1,029,923	-£119,230	-£ 870,000	£ 40,693	£137,330	£178,023
Total	£3,081,287	-£283,405	-£2,373,000	£424,882	£344,934	£769,816

This information has been extracted from the 2017/18 NNDR3 return.

The amount of retained business rates is calculated in May each year as part of the annual NNDR3 process. With six new developments joining the rating list in 2017/2018 and since the commencement of the EZ, this has amounted to **£591k** in Blackpool and **£178k** in Fylde, a total of **£0.769m**, which if maintained over the remaining lifetime of the EZ (i.e. with no voids etc) could generate a lifetime income in excess of £17m. The figure of retained business rates growth will inevitably vary from year to year.

The Memorandum of Understanding signed on the 9th November 2016, which covers the governance and operation of the Enterprise Zone, provided that all business rates growth is made available to the Accountable body (Blackpool Council) to enable the delivery of the Enterprise Zone. The £0.178m business rates growth raised by Fylde Borough Council in FY 17/18 will be paid across to Blackpool Council as the accountable body following completion of the NNDR3 process. The NNDR reconciliation process is normally completed by June and was completed by June and it is recommended that a formal agreement is now put in place between Fylde and Blackpool Councils which enables the transfer of any confirmed annual business rates growth to the accountable body within one month of the NNDR settlements – i.e. usually by June for each of the next 22 remaining years of the EZ.

In some instances additional income in the form of S106 and S278 (Highway) agreements will be generated from planning consents granted within the EZ. Where appropriate these funds will be retained by the collecting authority until such time as they are required by the accountable body to support appropriate specific qualifying investment/ physical development within the EZ, when they will be drawn down upon request of the accountable body.

e) Marketing Strategy

In compliance with the requirements of the MoU, a marketing strategy for Blackpool Airport Enterprise Zone has been prepared and submitted to MHCLG (Annexe 2). This strategy embraces and incorporates the overarching LAMEC branding and marketing approach adopted for Lancashire's four Enterprise Zones and is focussed on the detailed marketing activity for the Blackpool Airport EZ, particularly localised audiences and target sector engagement, with international and key sector marketing to be led via Marketing Lancashire and DIT.

The intention is to work closely with Marketing Lancashire to develop and implement the Marketing Strategy and to ensure full cooperation and sharing of enquiries and generated leads.

f) Marketing activity

Blackpool Council has recruited a specialist marketing officer to focus on promotion marketing and enquiry handling activity across both Blackpool Airport and Hillhouse Enterprise Zones and she has produced a range of new literature to assist in the promotion of the Enterprise Zone, including a summary of the EZ Masterplan. A significant number of press releases have been issued gaining widespread coverage in local and trade media and active Twitter, Facebook and LinkedIn social media accounts have been established.

The Enterprise Zone was also showcased at MiPiM UK in October 2018 as part of the Marketing Lancashire presence at the national property and development event held at London's Olympia. The primary objective for attending was engagement with potential investors and developers and a number of good contacts were established.

New site signage has been installed at four locations around the EZ boundary, promoting the central LAMEC Enterprise Zones web sites which went live at the beginning of May. The existing EZ domain of www.blackpoollez.com has been retained and patches seamlessly through to the LAMEC site.

Additional development work is urgently required to the web sites to add content and functionality. A newsfeed page has now been included but key personnel and administration rights need to be agreed to ensure immediate upload of information. Timely posting of news is critical for a credible and informative website. Key documents including brochures and EZ rates relief information fact sheets are now available for download. There is a functional enquiry handling process although this still requires all enquiries to be forwarded by Lancashire County Council and we are continuing to work for direct enquiries feeds for both Blackpool and Hillhouse EZ's.

It is intended to appoint joint local agents to assist in the marketing of the site, proposals have been invited for a joint agency from the main agents currently active on the EZ. Lancashire County Council/LEP will lead on the appointment of a single agent to lead international marketing activity for all four LAMEC EZ's.

g) PIN Notice

A process to identify potential investment and development partners has commenced with the issuing of a PIN notice inviting expression of interest from developers, consultants, investors and design and build contractors. The non-binding PIN closes on the 30th November and will better enable a decision on the nature of partnership best suited to each of the elements of the EZ. The responses will be evaluated and a formal procurement process launched in the New Year.

h) Risk Register

The Risk Register for EZ Project will be circulated at the meeting – it is a commercially confidential document and is continuing to be evolved. This is utilised to identify critical issues to be monitored and also to assist in devising appropriate mitigation strategies.

i) Blackpool Airport

York Aviation has now produced its report outlining recommendations for the future development of the Airport, this was approved by Blackpool Council on 5th November and the summary of the report is appended as Annexe 3. The report confirms there is no immediate prospect of a sustainable return of international charter traffic, identifies that future business focus should be on executive/corporate aviation and general aviation and pilot training activities, with retention of the current Spirit Contract to support off shore gas production crucial to the long term sustainable future of the airport.

York has proposed revised layout options for the operational airfield facilities to enable the release of land along Squires Gate frontage for EZ related development and these have been incorporated in the revised version of the Masterplan issued to MHCLG.

SGAOL is now developing a detailed operational business plan on the basis of the York recommendations and commitment has already been made to renew the Instrument Landing System (ILS) which will act as a positive signal to the aviation industry.

j) Enquiries and Development

The level of enquiries and applications for business rates relief has declined slightly in recent months reflecting both the reduction in the availability of premises for business and general uncertainty prior to BREXIT. Work is ongoing to deliver several confidential bespoke development proposals including two international enquiries which remain under discussion. However the ability to respond to interest is restricted in the short term until enabling infrastructure opens up new development plots, with only a few smaller serviced development plots in third party control remaining at Blackpool Business Park.

The majority of recent new entrants to the EZ have been accommodated within existing third party owned premises having been drawn from growing local companies. Five new build developments have been completed since the commencement of the EZ, the most recent being the 20,000 sq ft Dakota Court on Amy Johnson Way, which in part is occupied by its developer AC Electrical who located 50 jobs to the EZ in March. One new 20,000 sq ft unit for ARC is due for completion by the end of the year and a new Electricity Generation facility will be completed in the first quarter of 2019.

To date:

- A total of 220 enquiries have been received since commencement of the EZ.
- Some 53 businesses have located to the Enterprise Zone since April 2016 with two additional businesses scheduled to take occupation of premises within the next two months, the most significant recent arrival being TMLS who have relocated 70 jobs to Viscount house and are looking to recruit another 90 staff – 60 of whom are now in place.
- A total of 693 jobs have located to the Enterprise Zone of which some 160 are considered to be completely new jobs.

2. Forthcoming Activity

a) Phase One Development

A comprehensive piece of work has been completed by BWB Consulting examining Highway issues on, and in the region of the EZ and the information this has generated is now being utilised to assist a team led by consultants Cassidy and Ashton in preparing an outline planning application for phase one of the EZ. The outline planning application is centred on the Common Edge Playing Fields which will be submitted to Fylde and Blackpool. A public consultation event in respect of the proposed outline planning application will be held at South Shore Cricket Club on the 6th December, giving local residents and businesses an opportunity to comment on the proposals and engage with the EZ delivery team on a wide range of issues and concerns. Subject to the outcome of the consultation, the outline planning application will be submitted in the first quarter of 2019.

b) Project Team

The second meeting of the reconstituted Blackpool Airport EZ Project Team was held on the 9th November at Lancashire Energy HQ, receiving a progress update and considering the Risk Register. The next meeting will take place in January 2019 when inter-alia it will review the phase one outline planning application prior to formal submission.



**BLACKPOOL AIRPORT
ENTERPRISE ZONE
LANCASHIRE**
PART OF THE LANCASHIRE ADVANCED
MANUFACTURING & ENERGY CLUSTER

Annexe 1

Updated Enterprise Zone Masterplan

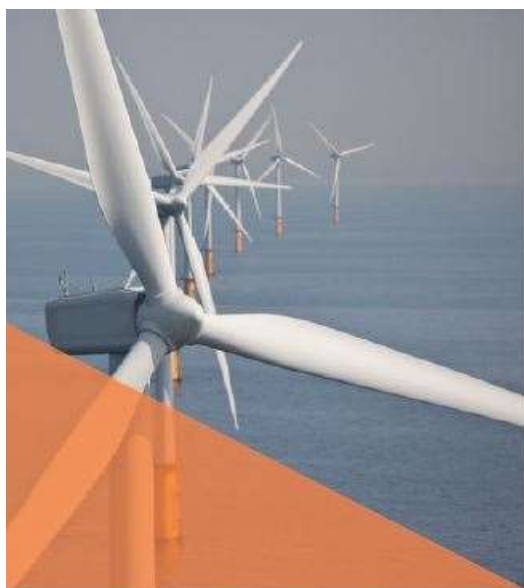


Annexe 2

Blackpool Airport Enterprise Zone Marketing Strategy

BLACKPOOL AIRPORT ENTERPRISE ZONE

MARKETING STRATEGY



October 2018

BLACKPOOL AIRPORT ENTERPRISE ZONE MARKETING STRATEGY

OVERVIEW

Submission of the Delivery plan to MHCLG is to be accompanied by a brief marketing strategy proposal identifying how the Enterprise Zone is to be promoted.





Marketing and promotional activity for the Enterprise Zone will be undertaken by Accountable body Blackpool Council working in partnership with Marketing Lancashire, who on behalf of Lancashire LEP will be undertaking international marketing of Lancashire's four Enterprise Zones under the Lancashire Advanced Manufacturing and Energy Cluster (LAMEC) branding which encompasses Blackpool's sister site at Hillhouse Technology EZ and the two British Aerospace /Lancashire County EZs at Samlesbury and Warton:

The LAMEC branding and it's common logo style will be adopted for the Blackpool Airport Enterprise Zone – utilising a tangerine accent colour for all marketing and promotional material to maintain a common thread in promoting opportunities to a predominantly international audience where there would likely be little recognition for any of the four locations –although Blackpool would have a slightly greater international resonance given its association with its international tourism offer.

1.1 – LAMEC Brand



1.2 – The Four Enterprise Zone Brands

			
SAMLESBURY AEROSPACE ENTERPRISE ZONE LANCASHIRE <small>PART OF THE LANCASHIRE ADVANCED MANUFACTURING & ENERGY CLUSTER</small>	HILLHOUSE TECHNOLOGY ENTERPRISE ZONE LANCASHIRE <small>PART OF THE LANCASHIRE ADVANCED MANUFACTURING & ENERGY CLUSTER</small>	BLACKPOOL AIRPORT ENTERPRISE ZONE LANCASHIRE <small>PART OF THE LANCASHIRE ADVANCED MANUFACTURING & ENERGY CLUSTER</small>	WARTON AVIATION ENTERPRISE ZONE LANCASHIRE <small>PART OF THE LANCASHIRE ADVANCED MANUFACTURING & ENERGY CLUSTER</small>
Sector focus: Advanced Manufacturing & Engineering <i>The UK's newest Advanced Engineering and Manufacturing site immediately adjacent to a manufacturing centre for BAE Systems, one of the world's most advanced, technology-led defence, aerospace and security solutions companies.</i>	Sector focus: Energy, Chemicals & Polymers <i>Hillhouse Technology Enterprise Zone offers full COMAH status and provides facilities for the chemical sector on an existing, internationally recognised business park.</i>	Sector focus: Aviation, Energy & Advanced Manufacturing <i>Blackpool Airport offers bespoke aviation solutions and other commercial airside activities including helicopter and private flights, and the flagship Lancashire Energy HQ will act as a training base for the national energy sector.</i>	Sector focus: Advanced Manufacturing & Engineering <i>The site offers opportunities for companies to locate alongside BAE Systems' Military Air and Information Division, which has developed some of the most advanced engineering and manufacturing capability anywhere in the world.</i>

All international marketing and promotion including attendance at international events such as MiPiM, Farnborough and Paris Airshow's will be undertaken under the LAMEC banner as part of the Invest in Lancashire initiative run by Marketing Lancashire working in close collaboration with the Department of International Trade (DIT) www.investinlancashire.com

LAMEC activity will encompass the overarching host LAMEC web site, providing extensive background on the broader Lancashire /North West England offer, as well as providing direct links to individual sites for the four individual Enterprise Zones and a centralised enquiry receiving service.

Marketing Lancashire will employ an international practice of commercial property agents (awaiting appointment) to assist in overseas promotion of the locations, to secure and negotiate occupier leads.

Marketing Lancashire will also work closely with Lancashire County Council to respond to Inward Investment enquiries presented via DIT and UK embassy staff overseas, articulating the Lancashire offer and directing enquiries to the most suitable of the four EZ locations.

The bulk of the marketing activity will be managed at a local level within the Blackpool Council Growth and Prosperity Team, with a dedicated marketing officer appointed 1st May, working solely to support the Marketing of Blackpool Airport and Hillhouse Enterprise Zones and providing the day to day liaison with Marketing Lancashire.

A critical early task is taking the commercial proposition and refine the EZ offer to suit target sectors and occupiers, creating a set of unique selling propositions around which the marketing strategy has been developed (recognising that the initial offer in terms of accommodation choice is limited).

Building on existing activities the marketing strategy will:

- ☐ set out clear marketing objectives linked to target outcomes
- ☐ define key messages and benefits to target occupiers with particular emphasis on bottom line cost and profitability advantages for locating at Blackpool Airport EZ
- ☐ establish the appropriate marketing channels, mechanisms and materials (web site, brochures, direct marketing, events and networks etc.) which will be utilised to generate leads and enquiries.

It is accepted that as part of this process, Blackpool Council and key stakeholder will need to determine their specific roles in marketing and communications, particularly the relationship between place marketing at a local authority/LEP level and interaction/engagement with Department for International Trade (formerly UKTI) and other strategic marketing partners - including retained commercial agents and intermediaries such as sector/employer organisations and potential ambassadors for the EZ.

PROPOSED EZ MARKETING PROGRAMME

This action relates to the delivery of the agreed marketing and communications plan, recognising that existing arrangements with Blackpool Council handling enquiries will remain in place. Key actions (that require further in depth strategic planning) will include:

Media Relations

Identifying topical and tactical opportunities for the local press, regional business media and national property press to promote good news stories within the EZ including planning milestones and key developments within the site. Individual case studies and feature articles will also be placed where appropriate, and where the relevant opportunities arise, in target sector journals and publications communicating good news stories from occupiers on the site e.g. industry awards, expansion plans, new facilities, job creation etc.

Trade media publications will be key in delivering a targeted messages relating to the needs and requirements of each specific industry and helping to identify and target priority key audiences.

Protocol will be agreed between brands and marketing facilities for PR related activities to ensure no duplication or contradiction occurs and messages are clear and defined from all departments.

Developing stock phrases and stakeholder soundbites to be used across all marketing literature and platforms.

A comprehensive resource library for each target sector would be highly beneficial to help identify business leads in specific industries that may require new sites, locations or design & build opportunities.

Branding

Implementing the LAMEC and MHCLG Enterprise Zone branding maintaining a cohesive, strong brand across all literature.

All local marketing will be co-ordinated and provide a complement to the national and international branding and messages of the Department for International Trade and Marketing Lancashire.

Investment Market Research

Marketing research has been commissioned by Mickledore into the business investment perceptions of Blackpool as a place to invest, the current investment offer, perceived barriers to investment and identification of priorities and recommendations for the development of an in depth Blackpool Investment Marketing Strategy. The Enterprise Zone will be a key element in this business focused strategy.

An external marketing agency has now been appointed to implement an overarching business investment strategy and communications campaign, the new contract due to commence January 2019 and will be co-ordinated by the Enterprise Zones Marketing Officer at Blackpool Council.

Photography & Audio Visual Media Library

Commissioning photography to portray a high quality and professional image for the zone and exploring the opportunities surrounding videos, time-lapse footage and aerial footage of the site. Compilation of a comprehensive library of professional visual aids is being built and will be maintained to use across multi-media platforms over the lifespan of the development.

This currently includes:

- a selection of professional photography
- fly through video showing the realised visualisation of the Enterprise Zone Masterplan www.blackpoolez.com/flythrough
- supporting We Are Lancashire promotion video www.investinlancashire.com

Where opportunities arise, photocall opportunities will be arranged for the local media on site to promote key development stages of the site for example ground breaking ceremonies, new occupiers on site, occupier news, open days, property agent networking events and launches etc.

New EZ Website

Phase 1 - A website has been developed to promote the Blackpool Airport EZ www.blackpoollez.com as part of the LAMEC collection. The website is fully branded with the LAMEC theme and reinforces the strength of the brand throughout the site. An enquiry contact page has been added and enquiry handling is being co-ordinated at County Council and Blackpool enquiries forwarded to the local Blackpool team.

Phase 2 – Further to website workshop on 10th September, development plans are in place to introduce more interactive elements and dynamic content to position the new websites as the central hub for all information relating to the EZs and which will help to push up the website through the Google search ranks and improve the EZ's SEO ratings. This is being co-ordinated by Marketing Lancashire on behalf of the LEP and Richard Barbers is implementing the changes according to their brief.

Proposed features include:

- owner/occupier directory on the site
- interactive property search – using the live feed from Evolvable
- visual map of all property and land availability
- downloadable information brochures e.g. Masterplan Summary - supplied to Barbers for inclusion
- fiscal incentives and information – a downloadable pdf brochure on business rates relief and links to information on Enhanced Capital Allowances - this has been supplied to Barbers for inclusion on the download tab of the website
- joint agency contact details
- live news feed – this has now been implemented with administrator rights currently with Barbers.
- links to a dedicated EZ Twitter account @blackpoollez
- video fly through imagery – this has now been added <http://blackpoollez.com/flythrough/>

Enquiry contact points and a dedicated freephone telephone number will be easily found and accessed throughout the site, enabling quick replies to customer enquiries.

The website will also provide links to LAMEC, Invest in Lancashire and DIT and other supporting partner websites such as universities and government economic strategies.

Social Media

Utilising social media platforms enables a daily, informal, news feed and provide an invaluable way to connect, chat and communicate developments with various EZ stakeholders including the general public, business leaders and key business influencers, the commercial property network and various networking groups. Each account is fully branded and in line with the LAMEC and Enterprise Zone brands.

Twitter - @blackpoollez

Facebook - facebook.com/Blackpool-Airport-Enterprise-Zone

Linked In - linkedin.com/company/28656296/admin/updates/

Each platform has its own individual merits:

- Twitter encourages open dialogue and small digestible newsbytes
- LinkedIn provides a business platform that is tailored to making professional connections
- Facebook is a platform that can work as an extension of a public consultation and is a vehicle for the local community people and stakeholders to voice opinions, ideas and promote feedback from the general public

All social media accounts were created from new in May 2018 and are updated regularly with relevant news and local interest information. Followers/connections are growing organically as awareness of the sites as a source of EZ information increases.

3rd party property forums

Where appropriate and after consideration of costs, other third party forums, property databases and blog posts will be considered to add value to the promotion of the EZs for example Zoopla Pro, Rightmove Commercial, Costar, Novaloca and EGi. However, joint commercial property agents will already advertise their properties on several of these third party websites and it will be the EZ marketing team's job to make sure the marketing particulars are branded Enterprise Zone property and have the relevant financial benefits and contact details included.

Field Study of the Enterprise Zone & Database of Occupiers

Surveying the Blackpool EZ site, identifying existing occupiers and creating a database of owner/occupiers. This will be updated regularly and will be used to build relationships with the EZ existing users and providing an open dialogue and opportunities to disseminate future EZ marketing literature such as e-newsletters or project updates. Once implemented this could be managed through liaison with the appointed third party estate management team for Blackpool Enterprise Zone.

A list of newsletter recipients is being developed with a view to the first newsletter being issued Jan 2019.

Survey of Current Vacancies

Similarly to identifying existing occupiers, a full survey of the site would be undertaken to identify property voids and land availability within the site, identify commercial property agents marketing each empty unit, and feed this information back through the website. This will become a central point of reference for all availability for property and land within the site.

Evolutive CRM – Enquiry Database Management

Developing a comprehensive, regularly updated enquiry database, exploring existing leads and tracking live property requirements, will be key to the future development of the EZ sites. This will be done by utilising fully the existing Evolutive CRM system which will feed the EZ property database through to the new website so that enquirers can access the information, download the brochures and access agent's contact details to arrange viewings etc. New features and associated costs are being explored and discussed with LCC.

Appointment of joint commercial property agents

Commercial property agencies have been appointed to market all vacant space and available plots of land to the local, regional, national and international markets. The joint agents, Duxburys Commercial, Robert Pinkus & Co LLP and other key development partners will help to identify potential owner/occupiers and to speed the development of the zone/make available design and build packages.

Creative literature and promotional materials

All promotional literature will be made as flexible as possible so that it can be used across multi-media platforms. All literature and promotional material will include all the relevant branding and key messages. Promotional literature currently includes:

- Marketing brochure
- Masterplan Summary
- A5 double sided flyer
- Fact sheets for business rates and ECAs
- 2 x pop up exhibition stands
- EZ branded Blackpool rock

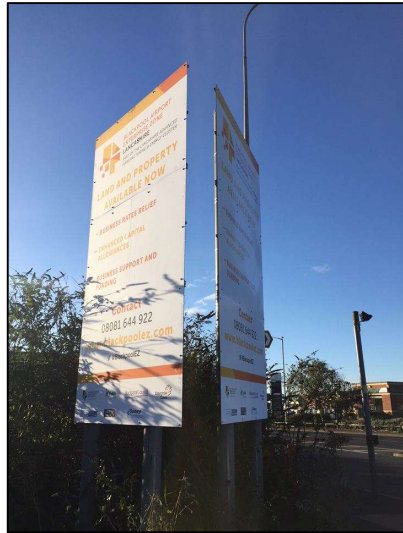
Other options surrounding i-brochures and infographic-led marketing material will be explored on its merits to communicate and promote the wider benefits surrounding the Enterprise Zone e.g. investment in housing and infrastructure, creation of new highways to increase accessibility to the site, investment in education, creation of new, landscaped public spaces. i.e. complex infrastructure development presented visually and simply.

Case studies and human interest stories that promote the wider benefits of conducting business from this location could also be presented in a flexible design that can be adapted to suit different sectors and updated on a regular basis.

Marketing Boards

Marketing boards at strategic locations around the site are in situ. The boards are clearly branded and include the website address and a telephone number for all enquiries. They also carry Council branding and logos of joint agents.





Consideration will also be given to internal signage i.e. 'way finder' signs within the zone to direct interested parties to new developments and areas of interest.

Direct Marketing

Where appropriate, the EZ enquiry database will be used to contact applicants with a live requirement to new property and land availability. Direct marketing i-brochures, marketing particulars and e-flyers will also be issued to the commercial property agents both regionally and nationally, mainly through joint commercial property agent networks.

For key plots or significant properties specific sectors or postcodes could be targeted using third parties services such as mailing houses to buy in targeted lists based on sector, postcode, number of employees, turnover etc depending on criteria and level of activity planned.

Advertising

Advertising would be considered on a case to case basis. It can be costly with not much value added return on investment and each opportunity would be considered on its own merits.

An advertising package was recently placed in Estates Gazette, the leading commercial property publication to reinforce Blackpool EZ's presence at MIPIM UK and the message that Blackpool Council are searching for developers, joint venture and construction partners to bring forward the first phase of development. The advert was placed in the edition that was circulated at MIPIM UK, thus providing great targeted reader numbers. The advert included online banner advertising on egi.co.uk and a developer e-flyer was issued to the EG subscriber mailing list. A good response to the advert was received and leads are being followed up.

Events

Events specific to key target sectors and audiences will be considered for their value, reach and return on investment, on an ad hoc basis. Participation in some events have already taken place targeting specific audiences and delivering key EZ messages:

- Meet & Greet the EZ Team – local relationship building exercise on the EZ, making connections with local stakeholders, owner occupiers and local businesses
- MIPIM UK – national commercial property audience, part of the We Are Lancashire/Invest In Lancashire delegation to promote the EZ and to launch a search for developer/JV partners to bring forward the delivery of the EZ.

Sponsorship Opportunities

Sponsorship opportunities will be considered on a case by case basis as events arise, as with advertising, these opportunities can be costly with little return. Events to consider may include regional business delegation or sponsorship of a conference, tradeshow or event within a priority target industry. The suitability and relevance of the audience will be taken into consideration alongside overall exposure of the brand and against the cost of the activity.

Sponsorship has been secured for the Lancashire Business View Nov/Dec Launch Event – Regional Focus – Fylde Coast. The event is being held at Energy HQ, Blackpool Airport and will attract up to 80-90 Lancashire businessmen and women. There will be a panel discussion, Q&A's with a key member of the Growth & Prosperity Team, branding in print, online and at the event.

Aero.com URL

The Aero.com is a domain name exclusively reserved for the aviation industry. The url has been purchase on an initial 12 month contract to help promote the Blackpool Airport Enterprise Zone within the aviation sectors and to exploit any database information and existing relationships within the industry in order to generate more business leads for the airport site.

Connections with Local Educational Facilities

Local marketing would focus on relationship building with Blackpool & Fylde College and other local educational institutions to build a catalogue of case studies to use to promote the site and the local investment in a future skilled workforce. This will in turn help to generate interest in the Fylde Coast as a place to do business in the future due to a skilled, highly trained, local workforce.

Business to Business Networking

Establish contacts with specialist business developers and relocations experts to generate leads for expansion and relocations requirements to the Fylde coast.

Identify and explore business lead opportunities through networking with CIPR and other local marketing networking events and established business groups such as the Chamber of Commerce.

Conclusion

All the activities discussed in the above marketing strategy will be subject to further scrutiny depending on the relevance of each activity, perceived added value and the cost of each activity considered against budgetary restraints.

Each activity delivered will aim to:

- promote the Enterprise Zones and support the Economic Prosperity Board
- raise the profile and awareness of the economic opportunities at the Enterprise Zones
- attract new and sustainable long terms business to the Fylde coats

- support new development and diversity of businesses on the Fylde coast
- advance vocational training and skills for the future local workforce

Annexe 3

York Aviation Report Summary on Blackpool Airport



York Aviation

BLACKPOOL COUNCIL

BLACKPOOL AIRPORT STRATEGY AND BUSINESS PLAN

SUMMARY REPORT

September 2018



Originated by: Richard Connelly

Dated: 27th June 2018

Updated: 29th August 2018

Summary Revised: 11th October 2018

Reviewed by: Louise Congdon

Dated: 7th September 2018

Summary: 12th September 2018

BLACKPOOL COUNCIL

BLACKPOOL AIRPORT STRATEGY AND BUSINESS PLAN

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EXECUTIVE SUMMARY

Background

1. Blackpool Council (BC) re-acquired Blackpool Airport, through acquisition of Squires Gate Airport Operations Ltd (SGAOL), Blackpool Airport Property Ltd (BAPL) and the holding company Regional and City Airports (Blackpool) Ltd from Balfour Beatty in September 2017. The acquisition was primarily in order to secure the Airport's long term future as part of the Blackpool Airport Enterprise Zone (EZ). The Master Plan for the EZ¹ identifies, in broad terms, the facilities that would need to be relocated to facilitate development of the non-aviation component of the EZ and the zone safeguarded for the airport uses. Nonetheless, the EZ Master Plan makes clear the specific need for a more detailed Master Plan and Business Plan for the Airport area to enable BC to secure the growth and expansion of the Airport now that it is under its direct ownership and control².
2. Accordingly York Aviation LLP (YAL) was appointed in late February 2018 to undertake an independent review with the aim of developing a strategy for delivering a sustainable long-term future for Blackpool Airport within the context of the EZ. We were asked to report on the following matters:
 - Review the findings and outline proposals included within the Blackpool Airport EZ Master Plan in so far as they relate to Airport operations and future potential infrastructure;
 - Examine the market potential of aviation-related development opportunities;
 - Review the existing operating model and recommend any improvements to the current management approach, including future custodians for Aerodrome operational licenses and employment of key personnel to minimise the Council's exposure to risk and create an incentivised culture for the operator to maximise growth, drive income and provide an economically stable future;
 - A high-level overview of requirements for renewal and upgrading of operational infrastructure, including control tower, navigation aids, hangar accommodation, apron and aircraft stands, terminal and security facilities, taxiways and the needs costs and benefits of maintaining a paved cross-wind runway;
 - Provide a high level estimate of capital and annual revenue expenditure likely to be needed to support implementation of all recommendations;

¹ Mott MacDonald, Blackpool Airport Enterprise Zone Master Plan, Draft for Consultation, November 2017

² Ibid, Section 9.

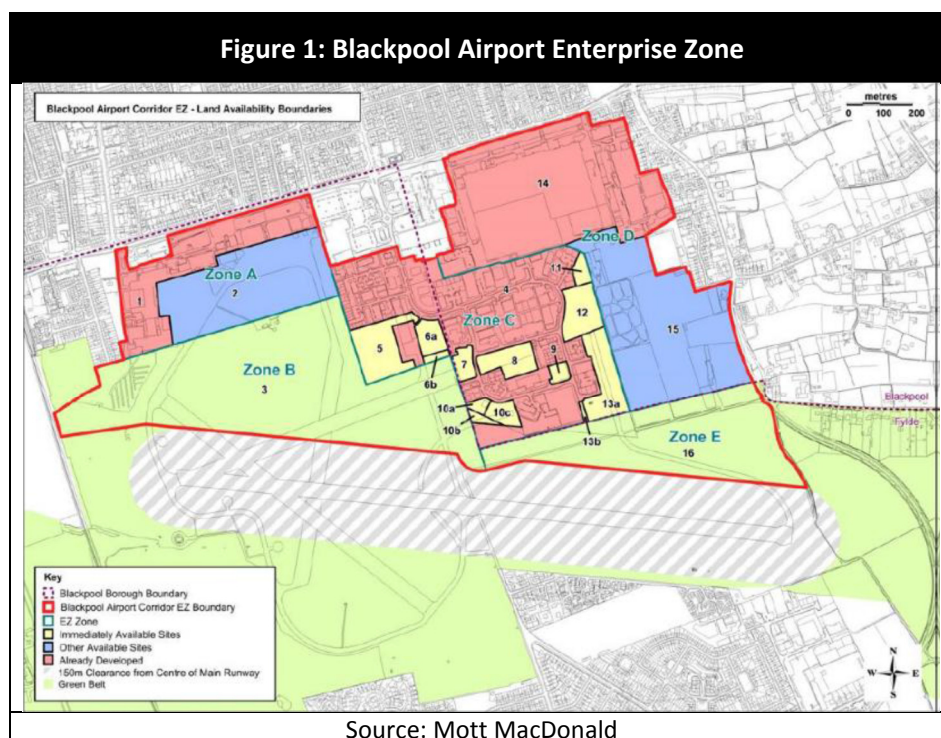
- ➔ Provide recommendations to resolve immediate issues with availability of hangar space for aircraft maintenance and storage and, thereafter, provision to meet anticipated medium and long term requirements;
 - ➔ Propose a forward strategy, setting out recommendations for investment and an indicative implementation timetable.
3. In essence, this study has been required to:
- ➔ establish the market for the Airport;
 - ➔ identify the infrastructure requirements to support the identified market and enable growth opportunities to be brought forward as they arise;
 - ➔ set out how best to deliver the strategy, including ongoing management of the Airport, to minimise risks to the Council and to facilitate growth.
4. Our work has comprised the development of a strategic Business Plan and land use Master Plan for the Airport operational area within the EZ. We recognise that a phased approach to delivering this Master Plan will be required, in large part driven by the broader requirement to develop the EZ. This report sets out the strategic potential for the Airport and what would be required to optimise the potential over the medium to long term. We do not seek to determine the optimum sequence for development as this will, in large part, be driven by the requirement, including timescales, for the implementation of the EZ and the specific needs of users as they come forward.

Contextual Review

5. At the outset, we set out a number of key contextual aspects which have framed our work. These comprise both the relationship to delivering the EZ Master Plan and a number of shorter term issues which have the potential to impact on delivery of any growth plan. Our work has focused on identifying the strategic options for the medium to long term rather than short term operational issues. However, we have necessarily had to take these shorter term issues into account as the delivery of the long term strategy will be affected, to some degree, by the outcome of these shorter term considerations.

EZ

6. The Enterprise Zone, designated in 2016, comprises the entire site of Blackpool Airport to the north of the runway strip³, which is within Fylde District, along with neighbouring brownfield land within Blackpool. Much of the Airport site, south of the developed strip along Squires Gate Lane that is already designated as an employment site, is contained within the Fylde Green Belt. The EZ area can be seen in **Figure 1**.



7. The Master Plan for the EZ sets out the framework within which development of the EZ area will be carried out. Otherwise, proposals for development within the Green Belt area, including areas to the south of the Airport runway, would be required to demonstrate that there are special circumstances which justify an exception to strict policies restricting development within the Green Belt.
8. Within the current Airport area, the EZ Master Plan proposes the following zonings:
 - Zone A – EZ development zone in accordance with defined sector targets and/or for the purpose of enabling development to support the continued operation of the Airport.

³ The safeguarded strip of land either side of the runway to enable safe operation of aircraft. The runway is a Code 4 instrument runway requiring a 150m strip either side of the runway to be kept clear and with transitional surfaces limiting the heights of buildings either side of the runway.

- ➔ Zone B – Airport operational zone, including relocated facilities essential to the operation of the Airport.
- ➔ Zone E – sports and recreational activities.

A key consideration is that facilitating the development, in particular, of Zone A of the EZ will require a number of existing airport facilities to be relocated into Zone B and, possibly part of Zone C (currently outside of the Airport). These zones can be seen in **Figure 2**, the original EZ master Plan, and **Figure 3**, the more recently revised version based on airport layouts developed as part of this study.



Figure 3: Blackpool Airport Updated Enterprise Zone Master Plan



Source: IBI Group

Lessons from Other Airport EZs

9. We considered if there were lessons to be learnt from the implementation of other EZs associated with airports. None of these required the relocation of core airport facilities. Overall, we do not believe that there is compelling evidence that there are synergies between the various airport-related enterprise zones nor significant direct competition between EZs for the location of specific aviation related opportunities. By and large, the uses attracted appear to be location specific rather than fully mobile investments. Other than at Manchester, it would appear that the rate of take-up of sites has been relatively slow across the EZs, notwithstanding the financial incentives but this may, in part, relate to residual planning issues.

Contractual Legacy from Balfour Beatty

10. When the Airport re-opened in late 2014, the company was split by Balfour Beatty into Squires Gate Airport Operations Ltd (SGAOL) and Blackpool Airport Properties Ltd (BAPL), with the latter owning all of the estate. Both companies operated under a holding company, named Regional and City Airports (Blackpool) Ltd. An operating contract was put in place with Regional and City Airports Management Ltd (RCAM), which has formerly been owned by Balfour Beatty but had, itself, been sold in 2013. This management contract was due to expire at the end of June 2018 but has now been extended to allow time for the optimum future management arrangements to be put in place.

11. The management contract expressly provides for both the CAA Aerodrome Licence⁴ and Air Navigation Service Provider (ANSP) Certificate to be held by the Operator, i.e. RCAM, and for all staff to be employed by SGAOL except for the Accountable Airport Manager and SATCO⁵, who are to be provided from the Operator's personnel. The split in employment of staff is unusual as are the absence of provisions in the original management contract to transfer key staff and licences at the end of the contract period, albeit this has been rectified in the agreed contract extension. We consider it essential that a new contractual arrangement can be put in place with clear accountabilities, responsibilities and liabilities. This would probably require a formal tender process if a new contract is to be let.

Operational Land and the EZ

12. It will be important for the future that there is a clear definition between airport operational land and non-operational development land. We recognise that the land considered operational will vary over time as existing airport facilities are relocated closer to the runway and land released for other uses. Whatever the future operating arrangements, there need to be clear protocols covering the transfer of land from the airport operation area to the non-operational part of the EZ.

Short Term Issues

13. Whilst BAPL is the freehold owner of this land, there are outstanding tenancy related issues covering a number of properties within the Airport operational zone. It will be important to the realisation of the release of land for the broader EZ development that these issues are resolved otherwise the rational reconfiguration of the airfield could be impeded.
14. A key issue is the number of hangars on very long term leases, which is significant compared to other airports with a high level of general and business aviation activity. Moreover, rental levels paid by occupants is low and this will create challenges to viably replacing these older hangars by relocated new build hangars to facilitate the development of the EZ given the cost of hangar construction.

⁴ The Airport should have transitioned to an EASA (European Aviation Safety Agency) Certificate in 2016 but this was not completed. The transition would be required if commercial services were to be re-introduced.

⁵ Senior Air Traffic Control Officer

Spirit Energy Contract

15. Currently, the offshore helicopter activities at Blackpool are operated by Babcock under contract to Spirit Energy (Spirit). Spirit are now in the process of letting a single contract for all of their UK offshore operations and the outcome will not be known until later this year. The Babcock contract has been being extended to November 2019 as an interim measure. These operations are critical to the current financial position of the Airport, without which the Airport would be fundamentally loss making. Although there would be some scope to reduce operating costs if the Spirit operations were to relocate elsewhere, any savings would not be sufficient to prevent the Airport from falling into losses.
16. Whilst Spirit appear to be proceeding on the basis that the operation will remain at Blackpool, this is not an absolute given until the contract is let and there remains some risk that it could be located elsewhere. There are, nonetheless, relatively limited viable alternative options available to the helicopter operator. We understand that Spirit has requested an audit of Airport facilities and the renewal of the contract has to be considered under threat until this is resolved. This would have major implications for the ongoing viability of the Airport.
17. In summary, there are a number of complications regarding the occupancy of land within the overall Blackpool Airport site and in the management arrangements inherited from Balfour Beatty. These need to be resolved as a pre-cursor to enabling the rationalisation of the Airport operation and so that the development of EZ can proceed effectively. Resolving these issues is outside the scope of our assignment, the purpose of which is to set out a medium to long term Strategic Business Plan for exploiting the Airport asset within the context of the Master Plan for the development of the EZ.

Market Potential

18. We considered the market potential for the Airport to identify the facilities that need to be safeguarded for the long term. We have found a largely mixed picture in relation to the scope for growth, with some operators believing that opportunities are restricted by the overall local market, whilst others, particularly those focused on the wider aviation market in the UK, are optimistic about the scope for growth in their businesses or more generally for Blackpool Airport.

Light Aircraft and Need for Hangarage

19. Generally, we see some scope for growth in light aircraft activity, including flying training. We would expect this to be driven principally by attracting more aircraft to be based at the Airport, which would, in turn, require more hangarage. Hence, our Master Plan layout proposals provide space for more hangarage, over and above simply replacing that displaced by the EZ. It would be expected that at least some of this hangarage would be constructed by third parties and not at the expense of the Airport.

Business Aviation and FBO

20. This market sector has not been showing particular growth at Blackpool and the market in the UK as a whole is heavily dominated by London. Business aviation activity is fundamentally driven by the local economy and the presence of local ‘high net worth’ individuals. Those on site, particularly Hangar 3, see some scope for growth if more and better hangarage was available.
21. Within this sector, the key issue is the lack of a formally designated ‘fixed base operator’ (FBO) or handling agent for such flights. Hangar 3 fulfils this role and is currently being issued with a formal license which will see an income from this passed to the Airport. RCAM had also suggested it could bring its XLR business aviation handling product to Blackpool. At present, the scale of activity, suggests that having two FBOs is not likely to be commercially viable but the current situation of the Airport earning no revenue, other than landing fees, from such operations is unsatisfactory. We recommend that in future, a competitive process should be put in place for the awarding of the license for FBO activities at the Airport either on a sole or dual operator basis to maximise the commercial benefits to SGAOL.

Offshore Helicopter Support Activities

22. As set out earlier, the continuation of these activities is critical to the commercial viability of the Airport operation. The contractual position for the next 5-10 years should be known shortly. However, in the medium to long term, it is expected that off-shore activities will decline, with only limited scope to replace the activity with windfarm related activity. It is vital, then, that other sources of profitable activity are pursued.

Commercial Air Services

23. We analysed the market for commercial air services to assess how likely it is that commercial services might be reintroduced and form part of a viable Business Plan for the Airport. We assessed the maximum scale of the potential market as being of a similar scale (c.250,000 passengers a year) as operated prior to the Airport closing in 2014 and when the Airport was not commercially viable. Given some evidence of consolidation of the aviation market back to more major airports, such as Manchester, in recent years, it is far from certain that Blackpool could achieve a market of the scale it previously attracted in the near future but we have used this high estimate to indicate the long term upside potential in order to scale the facilities that might be required and safeguarded within the Master Plan.

24. It is probably more realistic that the niche route to the Isle of Man and related Irish Sea operations with small aircraft (similar to those used previously by Citywing), might be attracted to recommence. Even these services would require additional facilities and increase airport operating costs so any decision to reintroduce such services would likely need to be made as part of a broader strategic objective by the Council to provide local access to commercial services. We go onto consider the potential impact on costs and revenues for the Airport but, prima facie, it is not clear that such operations would be commercially viable for the Airport given the cost of reinstating the infrastructure and operating a dedicated passenger facility. In many cases commercial passenger operations at airports are only profitable from around 2 million passengers per annum.

Other Opportunities

25. We are aware of a number of potential opportunities to attract substantial aircraft maintenance activity to the Airport, related to smaller executive jet type aircraft in the main. The most significant of these is 'Project Midfield'. During our study, we have not been able to firm up the seriousness of these opportunities but, given the potential to generate substantial rental and flying related income for the Airport, we consider it essential to safeguard a site for a MRO hangar within the Master Plan and for realistic opportunities to be pursued.
26. It was suggested by some consultees that more could be done to attract BAE System's corporate and cargo flights from Warton and we are aware that some discussions are ongoing. Of themselves, however, these are unlikely to be 'game changers' for the Airport.
27. Other suggestions included a training academy and activities such as aircraft recycling but the market for these is very competitive across a number of the UK's smaller airports.

Business Plan Scenarios

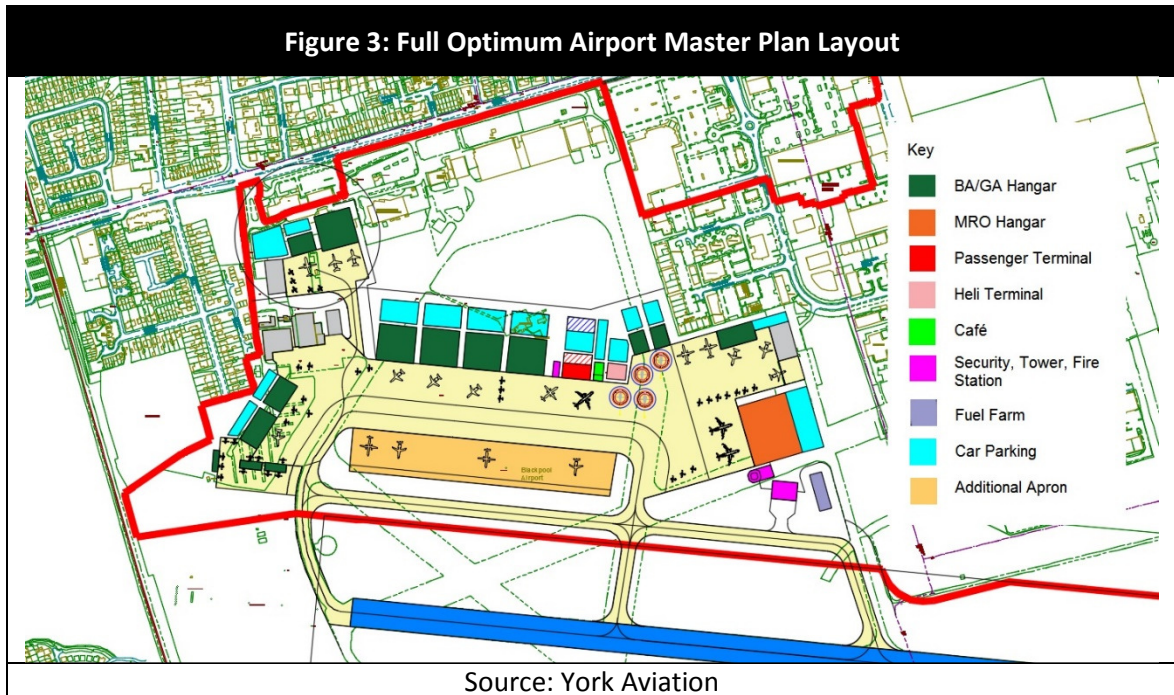
28. We used this analysis of the market to set out a number of business plan scenarios for the Airport. Given the uncertainty around most of the opportunities, it is not possible to set out a definitive Business Plan for the Airport at this stage. Hence, we have considered a Core Scenario comprising the following components:
- ➔ Continuation of the Spirit Contract – which is assumed for the time being to generate similar incomes as previously;
 - ➔ Incremental growth in Business/General Aviation back to 2013 levels (pre-closure);
 - ➔ No scheduled passenger services;
 - ➔ Project Midfield/MRO opportunity delivered, bringing rent and movement/fuel income;
 - ➔ Increases in hangarage/lease income from replacement hangars and expansion;

- ➔ Revenue from a single FBO/business aviation handler;
 - ➔ Provision of café with airside views.
29. We then tested some key sensitivities in terms of the implications on revenue and cost:
- ➔ Low level commercial services across the Irish Sea (60,000 annual passengers);
 - ➔ Move from management contract to in-house management;
 - ➔ Loss of the Spirit contract with limited windfarm related activity (as currently⁶);
 - ➔ Larger scale commercial services delivering a total of 250,000 passengers (including 60,000 Irish Sea) to replicate previous Jet2 operations; and
 - ➔ No Project Midfield/MRO opportunity delivered.

Infrastructure Requirements

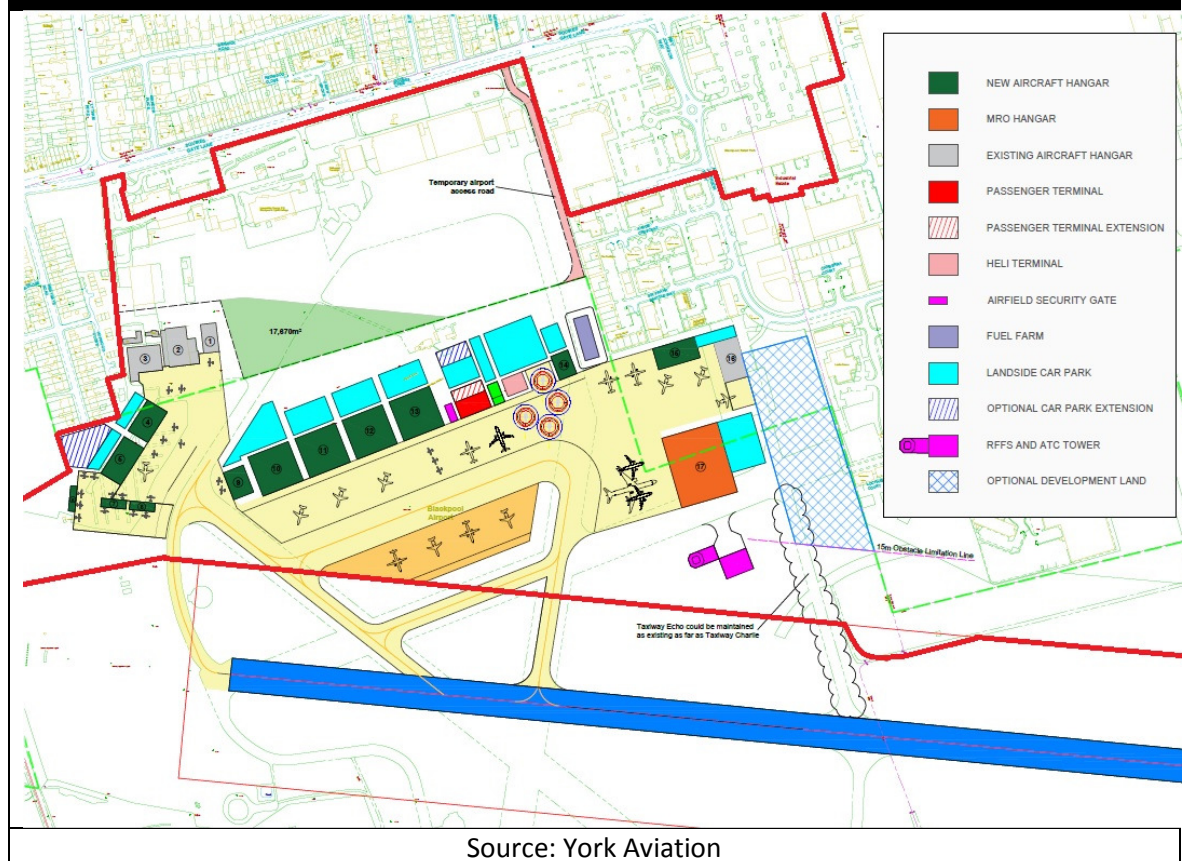
30. Drawing on our analysis of the market, we have set out two potential land use Master Plans for the Airport. The first identifies an Optimum Airport layout, which releases land for EZ development but preserves maximum flexibility to enable the Airport to exploit the full range of potential opportunities over the medium to long term. The second layout, EZ Optimized, releases the maximum amount of land for EZ development whilst still enabling the Airport to be able to exploit most of the identified opportunities.
31. Our proposed layouts are both focused on a key requirement of releasing land for the EZ, and if this was not needed then the best solution would likely be to retain the airport facilities in their current location. However, even retention of the current airport layout would still require expenditure to update the facility, including hangar refurbishments and improvements to the control tower among other aspects.
32. In our Optimum Airport Master Plan layout, shown in **Figure 3** overleaf, we have identified an appropriate layout, which we believe provides for all realistic growth opportunities at the Airport that could be realised over the medium to long term. This scheme provides the greatest level of flexibility for the future of the Airport under circumstances where the industry could change in ways which cannot yet be anticipated. The number of opportunities which have emerged throughout this study, coupled with the uncertainty over how many of these will be delivered and over what timescale, highlight the importance of safeguarding sufficient land for flexible development within the Airport Master Plan.

⁶ The relocation of the activity back to Walney may make this less likely but effectively this sensitivity test replicates a situation where there is a major decline in off-shore gas related flying down to a minimal de-commissioning type level.



33. Nonetheless, we recognise the importance of maximizing the land available for EZ development as well as minimising the cost of replacement/new infrastructure. Hence, we have developed an alternative EZ Optimised Master Plan layout. This is illustrated in **Figure 4** overleaf. This layout delivers fewer hangars and will provide less room to flexibly develop the Airport site if future operators come forward with differing requirements from those we are aware of at this time.

Figure 4: EZ Optimised Master Plan



34. In setting out these alternative Master Plan layouts, we have considered plans put forward for the development of hangars by other parties. On an individual basis, these developments could be beneficial and lead to additional activity at the Airport. However, as currently proposed, these developments are not consistent with an overall land use plan to optimise the Airport and its relationship to the EZ.
35. We recognise that redevelopment will need to be phased so that facilities are only relocated when they need to be to free up parcels of land for EZ development and/or that new facilities will only be provided when there is a clear requirement and business case. We have identified the minimum build requirements to enable the land adjacent to Squires Gate Lane to be made available at an early stage for EZ development. This triggers a number of consequential relocations to ensure that all users have the required access to the operational airfield.

36. We also considered a number of other potential infrastructure requirements:

- Cross runway and grass runway – although we understand there were concerns with closing the cross runway in the Master Plan Consultation, this may not be commercially viable given the implications of retaining this and based on our discussions with operators we do not consider there is a need to maintain the cross runway nor to provide a grass runway given the likely levels of usage;
- Instrument Landing System – this is currently an essential requirement at the Airport for the Spirit contract and the existing equipment is in need of replacement. In the medium term, the need for an ILS may be replaced by GNSS equipment at a lower cost so we recommend that discussions take place with Spirit before a commitment to a full replacement of the ILS. In the meantime, it is essential that the existing system be maintained in use;
- Radar – having a radar feed would enable the Airport to attract more business so we recommend that the option to obtain a feed from St Annes Radar, or elsewhere, is explored.

Costs and Benefits

37. We considered the costs of implementing the Master Plan layouts and how this might be phased to minimise the initial cost for opening up the EZ. We then considered the financial position of the Airport operation under our Core Business Plan Scenario and a number of variants. In so doing, we did not factor in the capital costs associated with the scenario as it is assumed that, in the first instance, relocation costs of existing airport facilities will be contributed to by the EZ. More specific business cases will need to be drawn up for other investments to secure growth, not all of which will need to be funded directly by the Airport.

Capital Costs

38. Overall, with a small passenger terminal and without the optional additional apron and the new hangar development shown in the north west corner of the Airport, the total capital cost⁷ could be of the order of £52-55 million to realise the Optimum Airport Master Plan along with the release of sites for the EZ. It should be noted that this does exclude a number of additional cost items, such as for the ILS, radar or other ongoing maintenance work and day to day maintenance capex.

⁷ This excludes the cost of buying out the existing hangar owners to facilitate EZ development. Costs were provided by Linesight.

39. Under the EZ Optimised scheme, the £52 million potential cost could be reduced to £47 million with the small terminal and no apron extension, and could be reduced further to £43 million if no passenger terminal were provided at all (i.e. no scheduled passenger services could be handled). This lower figure would be the cost for the minimum level of infrastructure required (over two phases) to support the Core Scenario for potential growth.
40. Some operators have indicated a willingness to fund their own hangar development. We have assumed for the Core Scenario, therefore, that 50% of non-MRO hangarage may be independently funded (excluding associated apron), reducing the redevelopment cost from £43 million to £38 million. The costs could be further reduced, for example if the MRO hangar were independently funded.
41. A very small commercial scheduled passenger operation, with aircraft of no greater than 19 seats similar to the recent Isle of Man services by Citywing, could be operated through a more modest facility than the terminal proposed due to differing security requirements, and it might even be possible to reach a commercial agreement to co-locate such services within the Spirit Heli-terminal. The small terminal illustrated could handle aircraft up to around 70-75 seats on a wider range of domestic services but jet operations would require a substantially larger building at an additional cost.
42. A summary of all of the option costs is set out in **Table 1** overleaf.

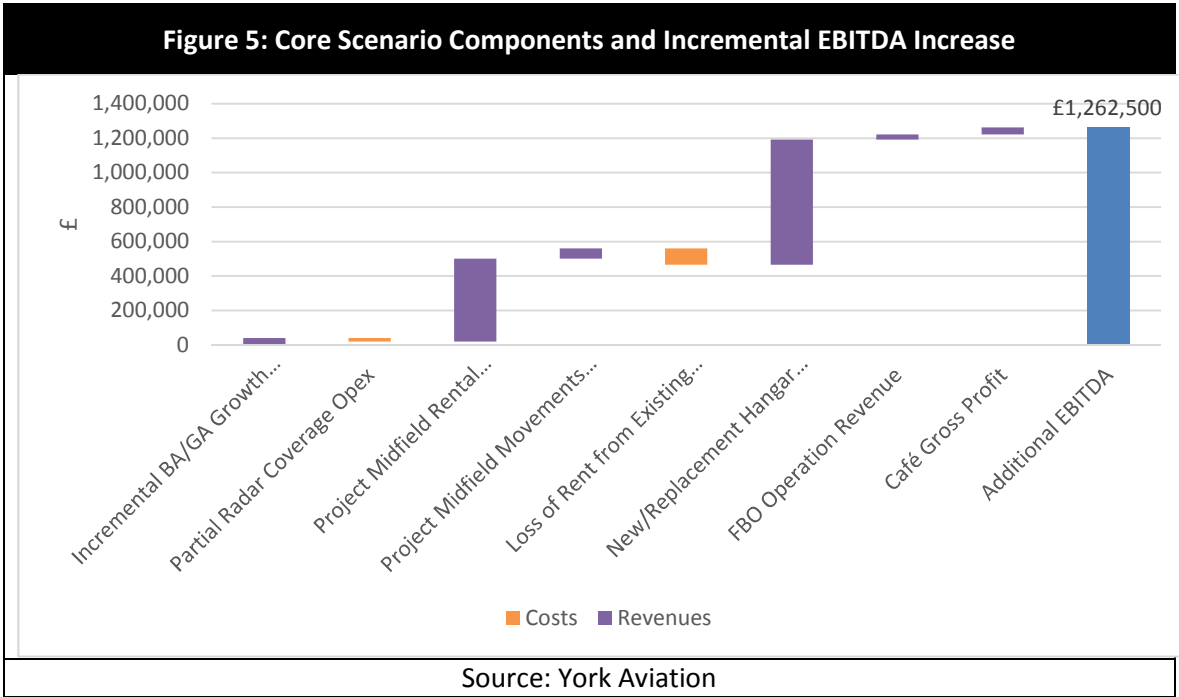
Table 1: Scenario Development Cost Comparison to Core Scenario Capex

		Airport Optimised		EZ Optimised		Other	
Description		Cost*	50% Hangar Cost*	Cost*	50% Hangar Cost*	Cost*	50% Hangar Cost*
Small Terminal Only - Core Capex Scenario	As 'Full Development' above, but with only the smaller passenger terminal and car parking	£52-55 million	£47-52 million	£47-52 million	£42-47 million	n/a	n/a
Full Development	All proposed Optimum Master Plan, including large passenger terminal, but excluding the optional development to the north west corner, and excluding the additional optional apron to the south of the main hangar development	+£5 million	+£2 million	+£3 million	+£2 million	n/a	n/a
No Terminal	All proposed Optimum Master Plan, but excluding all passenger terminal options, the optional development to the north west corner, and excluding the additional optional apron to the south of the main hangar development	-£4 million	-£4 million	-£4 million	-£4 million	n/a	n/a
No Terminal, No Midfield	As 'No Terminal' above, but with no MRO hangar provided	+/- £0	+/- £0	£39 million	£35 million	n/a	n/a
Airport Optimum Additional Area	As 'Full Development' above, but with the optional area to the north west added	£58-63 million	£53-58 million	n/a	n/a	n/a	n/a
Minimum Relocation Cost, 50% Hangar Cost	The minimum development of hangarage and facilities required to directly replace existing operational facilities.	n/a	n/a	n/a	n/a	£32 million	£32 million
* Range indicates risk of MRO hangar costs being higher							
Source: York Aviation							

43. Whilst the estimates presented above represent the cost to accommodate reasonable prospective growth, there would be a minimum level of cost that would need to be incurred just to release the land required for non-aviation related development within the EZ. This is also set out in Table 1. Based on the EZ Optimised scheme, we estimate that this would be around £19 million for Phase 1 (excludes the terminal, associated car parking, MRO hangar and two hangars at 50% build cost) and £13 million for Phase 2 (excludes the additional optional apron area and assumes no development to the north west corner), all assuming that 50% of hangarage was independently funded. Therefore, the total cost to release the EZ land and replace the existing facilities on site would be around £32 million assuming 50% of replacement hangars are built by third parties and excluding the cost of the MRO hangar. Without releasing the land for the EZ, then the capex costs could be significantly less.

Business Planning Scenarios

44. Whilst, at the outset of the project, we set out to develop a specific Business Plan, with associated revenues and costs alongside the capital cost estimates, we have been unable to do so at the present time due to the high levels of uncertainty around the potential opportunities available to the Airport and the timescales over which they may be delivered.
45. Rather, we have set out to present a broad brush indication of which opportunities would add (or destroy) value to the Airport. We consider each element or opportunity separately as variants to the Core Business Plan Scenario. These are not designed to represent alternatives as different permutations of the opportunities could emerge over time. A more detailed Business Plan would need to be produced once the achievability of the various opportunities is confirmed and each opportunity would need to be subject to its own business case assessment in more detail as further information becomes available. We set out this analysis in order to allow BC to be informed in their strategic thinking in terms of which options to pursue and which not.
46. We have developed our financial analysis taking the current 2018/19 budget as a baseline, onto which we have layered additional costs and revenues associated with different opportunities. The impact of each of these elements compared to the baseline can be seen in **Figure 5**. This shows that, in total, if all of the Core Business Plan Scenario elements are delivered, this has the potential to significantly increase the baseline EBITDA and add around £1.26 million per year.

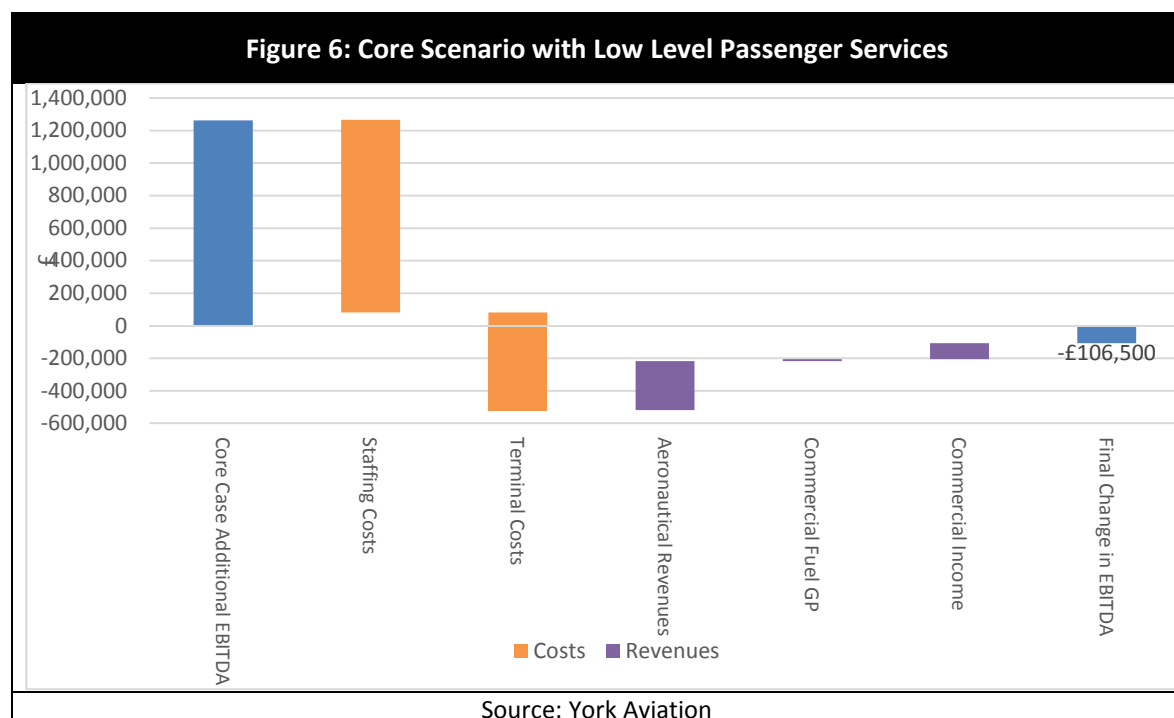


47. Achieving this scenario in full would require capital expenditure of at least £38 million (plus fuel farm and hydrants) and any additional interest payments and depreciation effects are not accounted for in our analysis as presented. Dependent on how the costs of relocating facilities to enable the development of the EZ is to be accounted for, either as a cost to the EZ or as a cost to the Airport, this could impact on the business case for this level of expenditure and each of the individual components contained therein. Until the allocation of cost is determined, it is not possible to assess whether the income earned from each component would justify the level of capital expenditure involved.
48. We estimate that some further improvement to financial performance could be made if SGAOL operated the Airport directly, increasing long term profitability by around £1.35 million over today.
49. We also considered the Airport’s vulnerability to the possible loss of the Spirit contract. By comparison with the Core Business Plan Scenario, illustrated in Figure 5, this would have a catastrophic impact on the EBITDA, which would see the Airport become loss making, and drop the EBITDA by nearly £360,000 from current. This clearly has implications for the business case for incurring the cost of relocating the facilities from the EZ if there is such a low income from the rest of the Airport operation.

50. Similarly if no MRO was delivered, this would have a negative impact on profitability compared to the Core Scenario, though would still see a positive EBIDTA change of around £720,000 from current, albeit the capex costs associated with the hangar would be saved. If all other opportunities could be delivered, then this does not push the Airport into a loss-making situation.
51. If the full Optimum Airport Master Plan layout was adopted and the full extent of hangar development delivered over time, this would further increase profitability by around £70,000 a year but we recognise that the increase in profitability is unlikely to justify the costs (real and EZ opportunity costs) of delivering the full Airport potential.

Commercial Passenger Services

52. We recognise that there may be strategic reasons why the Council may wish to see the reinstatement of scheduled passenger services (employment opportunities, business connectivity, potential for inbound visitors, commitments to improved wellbeing though improved local services etc.). In factoring in some of this activity, we have, in the first instance, allowed for reinstatement of low volume commercial services across the Irish Sea (60,000 annual passengers). Allowing for the likely revenues and the additional staff required to handle such services, this could see the EBITDA of the business fall by just over £100,000 per year, as can be seen in **Figure 6**, which shows the impact from the current EBITDA assuming all other initiatives are delivered. This would still leave the Airport profitable, but on a much reduced scale from both the Core Case and current position. Including the passenger terminal and car park would increase the capital costs in this scenario to around £42 million (excluding fuel system and hydrants). In other words, re-introducing small scale commercial passenger services is value destructive given the increased in costs that would be incurred without a substantial boost to revenue.
53. We also considered the implications of the reintroduction of commercial jet operations on a similar scale to those previously operated by Jet2. This builds on the analysis above and assumes a further 190,000 annual passengers could be carried with a low fares airline and with appropriate assumptions as to the revenue that might be earned based on UK regional airport averages. Allowing for further increases in staffing and other costs, the reintroduction of commercial jet services would result in a loss of around £590,000 per annum even with all other initiatives delivered. This is less than the losses historically incurred whilst operating wide scale passenger flights, but this is the result of the increased Spirit income now factored in as well as the MRO rental income, which would compensate past levels of loss to some extent. Developing a larger commercial passenger terminal would also incur a further £2.3m of capex over and above the cost for a terminal for smaller aircraft operations.



54. **Table 2** provides an overall summary of the scenarios outlined above. Retaining the status-quo would cost around £32 million in replacement facilities to free up the land for the EZ on the basis of the EZ Optimised layout. Beyond this, the Core Growth scenario would see EBITDA increase by over £1.2 million driven largely by the value of hangar rental including the MRO facility. This would also see capital costs increase by up to £6 million.

	Baseline	Core Scenario	Core Scenario - Optimum Layout	In-House Management	Loss of Spirit Contract	Low Level Passengers	Larger Scale Passenger Ops	No Project Midfield
Change to EBITDA	£0	£1,263,000	£1,332,000	£1,350,000	-£359,000	-£110,000	-£702,000	£-722,000
Cost to Achieve	£32 million	£38-43 million	£42-47 million	£38-43 million	£36-41 million	£42-47 million	£44-49 million	£33-38 million

Source: York Aviation

55. The potential medium to long term value destructive properties of passenger services is clear and increases significantly if a low fares airline, such as Jet2, were to be attracted back, driven both by the cost of operations, but also by the much lower level of income that carriers such as this would be willing to pay. However, we recognise that there may be broader economic and strategic reasons why re-establishing scheduled services would be attractive (employment opportunities, potential for inbound visitors, commitment to improved wellbeing through improved local services etc.).
56. In many cases, the returns are relatively weak and, on this basis, it would be difficult to justify any reconfiguration of the site on a standalone basis. Clearly, however, the benefits which could be attained from the development of the EZ need to be factored into the justification for redesigning the site as, without this, it would not be possible to realise the benefits of the EZ for wider development.
57. Given the significant uncertainties around growth opportunities, the most appropriate scenario for growth over and above the baseline can only be determined over time. This highlights the desirability, therefore, of safeguarding as much as possible of the site to give the greatest level of development flexibility possible, so long as this is without detriment to the EZ, and allowing businesses cases to be developed to consider specific growth opportunities on a case by case basis. It is for this reason that we have continued to present both the Airport Optimum and EZ Optimised layouts.

Governance Options

Relationship to the EZ

58. Developing out the EZ, in line with the approved plan, will require the relocation of a number of activities closer to the runway, as shown in our Master Plan layouts. Our analysis of the costs and benefits would suggest that the revenue to be earned from the Airport operation is highly unlikely to justify the cost of the relocations on purely airport operational grounds. There are two alternative approaches to these relocations:
- retain the full land ownership of BAPL as a single integrated property business⁸ with revenues from EZ developments covering the cost of the necessary reconfiguration of the airfield and relocation of businesses (principally those housed in hangars along Squires Gate Lane) and with EZ related revenues providing for an ongoing operating subsidy to the Airport for as long as necessary;
 - carve out the land which forms the operational Airport into a separate company, potentially merged into SGAOL, with the relocated buildings effectively 'gifted' to the Airport when the relocation takes place.

⁸ This could also incorporate other land within the EZ owned by the Council.

59. We understand that the majority cost of the required relocations is likely to be borne by the proposed EZ development. We estimate that, initially, this will cost £19 million to achieve a minimum opening up of the EZ site and then a further £13 million to release the maximum land for EZ development without jeopardizing the longer term potential of the Airport. We recognise also that each relocation decision will need to be subject to a business case at the time when a specific development is proposed. Consequently, this may require several readjustments of the area devoted to Airport operational uses over time as the operation transitions from the existing to a new configuration.

Options for Operation and Management

60. We considered a number of models for the future operation and management of the Airport, including:
- ➔ Direct operation by BC/SGAOL
 - ➔ Management Contract
 - ➔ Concession
 - ➔ Partnership
 - ➔ Privatisation/sale
61. In reviewing the options for the future operation and management of the Airport, we considered a number of approaches (including meeting with some of the parties) received by BC over the last year from partners wishing to develop/operate the Airport. None of these approaches was mature enough in terms of its Business Plan for us to be able to evaluate properly the risk and reward for BC nor the implications for the future of the Airport operation. Based on what we were told, we do not believe that any of the potential private sector partners have an interest in investing in the Airport as a free-standing operation, without at least some share in the proceeds of the broader development of the EZ. This may well be an acceptable option for BC but consideration of any of these proposals would require substantially more worked up Business Plans to be in place that would be properly scrutinised as part of a formal due diligence process, including a specific demonstration that there was a plan in place to secure the future of the Airport operation.
62. There would, as we have identified, need to be clear safeguards in place to prevent a partner extracting the benefits of EZ related development and leaving the operation of the Airport stranded as loss making. This would appear to us to be a high risk and, as such, we are not persuaded that there is a credible private sector partner for the development and operation of the Airport at the present time. This could, of course, change should any of these proposals be developed further and clearly demonstrate how a viable future for the Airport is to be attained. Any emerging Business Plan would need to be carefully scrutinised if brought forward.

63. In the short to medium term, there are, in essence, only two viable options for the operation and management of the Airport:
- Direct operation by BC; or
 - A Management Contract.
64. There is a relatively fine balance between these two options, assuming a full risk and reward approach to a management contract, as both would require BC to put in place resources to act as an informed shareholder to provide appropriate challenge to the Board and Management, which should operate at arms' length from the Council, (in the former option) and/or to the Contractor in the second. Nor do we believe there would be a substantial difference in overall financial liability to BC when all costs and revenues are taken into account, although on paper a direct operation could be delivered at lower cost. There are factors which favour both approaches, set out below.

Direct Operation

Enables BC to directly control the operation of the Airport to deliver broader strategic objectives
May better facilitate the transition of facilities across to the EZ
May be delivered for lower operating costs

Management Contract

Provides access to broader airport management expertise

Allows for some of the risk inherent in operating the Airport to be shared
Possible small reduction in level of management oversight required by BC

65. At the present time, we tend to favour the direct operation and management route. Once the decision on the Spirit Contract is known, a final decision as to whether to tender a management contract or to confirm direct operation could be taken. We estimate that the procurement process would take of the order of 6 months.

Recommendations and Next Steps

66. At the present time, it is not possible to set out a definitive Business Plan for the Airport due to the high levels of uncertainty surrounding the market opportunities, including the risk (however minimal) that the contract for helicopter flying for Spirit Energy will not be renewed.

Core Scenario

67. We have identified a 'Core Scenario' that sets out what we believe are the key components of growth that BC should aspire to for the Airport. This comprises:
- ➔ Continuation of the Spirit Contract – which is assumed for the time being to generate similar incomes as previously;
 - ➔ Incremental growth in Business/General Aviation back to 2013 levels;
 - ➔ Project Midfield delivered for MRO;
 - ➔ Increases in hangarage/lease income from replacement hangars and expansion of hangarage to increase based aircraft, with half of the hangarage funded directly and half by third parties;
 - ➔ Revenue from a single FBO/business aviation handler established;
 - ➔ Provision of café.
68. We believe that these elements should be attainable but there is currently insufficient clarity as to when each element might be delivered to feed into a Business Plan as such at the present time.

Impact on Profitability

69. We have identified that delivery of these opportunities would increase operational EBITDA by around £1.26 million a year from current. This excludes the impact on depreciation and borrowing of the cost of constructing a terminal and other new facilities necessary to deliver the relocation of existing airfield facilities as an intrinsic part of delivering the aspirations for the EZ as set out in the overall EZ Master Plan.
70. Should low level commercial services be attracted, then the 'Core Scenario' would continue to be profitable, but EBITDA would be reduced by around £110,000 per year, assuming all other elements are delivered, mainly as a result of increased staff costs and the costs of operating a dedicated terminal. However, should the decision be taken that there are wider social and economic benefits to Blackpool and neighbouring areas from seeking to attract a broader range of commercial air services, including potentially services to London in the longer term, the costs associated with handling such operations would push the Airport into losses, and reduce the current EBITDA by around £720,000 per annum because of the costs associated with handling larger aircraft operations and the relatively low income that would be earned from such flights. This excludes the capital costs of re-providing the facilities necessary for commercial services to be handled.

Capital Costs

71. We have also examined the capital costs of delivering each of these elements within the context of a framework plan to optimise the potential of the Airport within the context of the overall EZ Master Plan. A large part of the capital cost relates to the relocation works necessary to facilitate the delivery of the EZ and to ensure a functional airfield in the new configuration. Assuming the EZ Optimised scheme is pursued, then the costs associated with these relocations amount to some £19 million at a first phase and £13million to complete a second phase of the necessary relocations (approximately £32 million in total to facilitate the EZ Master Plan). Even these costs assume that some of the replacement hangarage will be funded by third parties and does not include any compensation costs associated with the relocations. The timing and business case for these relocation works will need to be worked through as part of the EZ implementation plan as this will drive the timescales to a large extent but this represents the cost to maximise the extent to which the EZ can be opened up for other development opportunities.
72. We would expect that some or all of the relocation works would see upgrading of facilities and, in so doing, help to secure delivery of some of the uplift in revenue expected under the 'Core Scenario'. The additional cost for delivering the entirety of the 'Core Scenario', by comparison to the minimum relocation cost of £32 million, might only amount to £6-11 million dependent on precise build costs for hangarage or £10-15 million with provision for a passenger terminal. Enlarging the passenger terminal to accommodate the operation of larger aircraft would only cost around £2 million.

Implementation Programme

73. The pace of delivery of these opportunities is, in large part, indistinguishable from the overall timescale for implementing the EZ as the proposed new developments need to be delivered in locations that fit within the overall Master Plan, which will drive the need to relocate existing airfield facilities. We have set out a land use framework for delivery of the 'Core Scenario' on a phased basis and identified where there are options to go beyond this core. However, the business case for incurring these costs has to be as much driven by the potential value of any site released for other uses as part of the EZ implementation as by the prospects for increased revenues from the Airport operation.
74. We are, hence, unable to set out a fully worked up phased implementation plan as there is currently a lack of clarity as to when any relocations would need to take place to facilitate the EZ and, indeed, the timing when enhanced facilities would be required to be delivered for the Airport is not clear pending firmer commercial proposals for each of our identified opportunities.
75. What we have set out is a coherent land use framework which would allow for opportunities to be optimally located within the airfield as they come forward, accepting that realising these opportunities may need the early building of new apron, taxiway or other infrastructure.

Governance and Management

76. We have examined the various models available for management and operation of the Airport and have concluded that, currently, the viable options are direct operation or a management contract. Both of these will require strong governance arrangements to be put in place by way of a defined ‘shareholder’ function to agree and monitor performance against a Business Plan. We believe that the direct operation model would give BC greater control over the operation and management of the Airport and could deliver some cost savings, even allowing for additional commercial expertise to be brought in to cover for that currently provided by RCAM. It may also provide greater flexibility in terms of delivering the changes required to facilitate the EZ more generally. However, this would require SGAOL to become the licence/certificate holder and would result in BC effectively absorbing all risk of non-compliance. If this route is followed, it will be important ensure that SGAOL operates as an arms’ length company, separate from the activities of the Council in terms of delivering the EZ (not least to comply with the basic requirements of the Airports Act 1986⁹) and that the role of the Board and shareholder are clearly distinguished.
77. In the alternative, a more effective management contract could be put in place, with elements of risk and reward clearly defined. This would require a formal tendering exercise so as to ensure that ‘best value’ is obtained. Such an arrangement would allow the Airport to continue to benefit from broader airport operational expertise and synergies across a group of airports. It would still, however, leave the Council with full accountability for any losses and for the capital costs of replacement and enhancement of facilities.
78. We do not believe the any of the private sector partner expressions of interest are mature enough at the current time to provide confidence that partnering with any of the organisations to operate the Airport would be a prudent decision, unless there are overriding reasons connected to the delivery of the EZ or regeneration in Blackpool more generally would suggest otherwise. If any of these opportunities are to be pursued, more formal due diligence will need to be undertaken on the specific operating proposals for the Airport and appropriate safeguards put in place to ensure that the ongoing operation of the Airport is secured for the long term.

⁹ Requiring publically owned airports to be operated as arms-length companies.

Next Steps

79. A critical next step is to secure confirmation regarding the ongoing Spirit contract. As we have identified, the implication for the ongoing viability of the Airport from the loss of this contract would be severe and would necessitate a more ‘root and branch’ review of what it would be sensible to retain. What we have demonstrated is that, over the medium to longer term, as Irish Sea gas related activities decline, realisation of other opportunities, other than commercial passenger services, could compensate for lost gas related helicopter revenues if all of our other identified opportunities in terms of hangar and MRO related activity can be attracted and delivered.
80. Over and above this, is the requirement to resolve the ongoing management and operation of the Airport. We tend to the view that BC operating the Airport directly could have some advantages, both in terms of overall cost and in terms of the ability to control the important property related decisions associated with delivering the EZ overall. However, this is dependent on achieving transfer of the necessary operating licence/certificates and the relevant managers to the employ of SGAOL. This is now allowed for in the extended interim contract with RCAM. In order to put robust long term management in place, we recommend that a decision is taken in November as to the preferred operating model – direct operations or a management contract. That would leave sufficient time to procure a new management contract through a competitive tender process if it is concluded that the direct operating model is not preferred.
81. In terms of the next steps to implement the plan more generally, we would suggest that the following are key requirements:
- ➔ resolve the outstanding lease disputes and attain clarity as to the status of all properties that would need to be acquired to facilitate the development of the EZ;
 - ➔ clarify the land to be defined as operational Airport for the longer term;
 - ➔ identify the timing when relocation of existing airfield facilities will be required to as to facilitate the establishment of a phased programme of infrastructure development to allow the relocations to take place;
 - ➔ continue to activity pursue – directly or via RCAM in the short to medium term – all realistic business development opportunities within the Airport;
 - ➔ continue negotiations with Project Midfield and other MRO providers to secure a facility located at Blackpool; and
 - ➔ develop detailed development scenarios including order of land release and development phasing to match this.

82. Once greater clarity of timing is attained, our work provides a framework for a Strategic Business Plan for delivery to be put in place.

Report to: Blackpool, Fylde and Wyre Economic Prosperity Board
Report Author: Angela Kershaw, Senior Economic Development Officer, Wyre Council
Date of Meeting: 4 December 2018

Hillhouse Enterprise Zone: Progress Report

Masterplan and Baseline Report

The Mott MacDonald led master planning consultancy team, with IBI Group and How Planning have completed the Hillhouse Technology Enterprise Zone Masterplan (*see Appendix 1 Hillhouse Technology EZ Masterplan November 2018*) and the Baseline Report.

Following Portfolio Holder approval in April 2018, Public and Statutory Consultation finished on 1 November 2018. On 12 October a 'Drop in Event' at Thornton FC was held from 1pm – 6pm, which was well attended.

In total, 33 responses from individuals and organisations were received during the three week consultation period. All responses received have been fully reviewed and considered and this has led to a number of proposed modifications to the masterplan

The consultation comments received have been analysed and considered to enable the Masterplan to be finalised. (*see Appendix 2 Consultation Report 2018*)

The Masterplan will be considered at the Cabinet meeting on November 28th.

Marketing

A Marketing Strategy for Hillhouse Enterprise Zone will be prepared in house and will complement the Delivery (Implementation) Plan and the Masterplan. The Strategy will complement the overarching Lancashire Advanced Manufacturing Energy Cluster (LAMEC) branding and marketing approach adopted for the four Lancashire EZ's.

New site signage will be installed at three locations around the EZ boundary. Ground surveys have now been undertaken and installation can commence once advertisement consent has been granted.

www.hillhouseeez.com is now live. There is some development work to add context to the site including an enquiry handling form, news feed page and some interactive layers which describe in detail the different EZ sites in Lancashire.

Implementation / Delivery Plan

Work commenced on the detailed EZ Delivery Plan earlier this year. Now that the Masterplan is completed work to complete the Delivery Plan has recommenced in conjunction with consultants Genecon, utilising initial data from the Masterplan and Baseline Report. The delivery plan will be prepared in line with the Masterplan. The delivery plan will account for capital and revenue expenditure required to deliver the EZ. Main issues that need to be addressed are:

- State Aid in terms of major land owners NPL Group
- To consider the recommendations made in the Masterplan regarding undertaking specific surveys and assessments of the whole site
- Produce a 5 year forecast with a detailed plan for the 1st Phase (3 years) including a cost plan
- Costings for detailed site surveys, including Flood Risk Assessment and highway assessment

We will continue to work with Genecon and NPL Group to develop the plan and envisage a first draft be completed by January 2019.

Forthcoming Activity

- i) Draft Delivery Plan by January 2019
- ii) A flood risk assessment to be commissioned for the entire site
- iii) A transport assessment is advised to be commissioned for the entire site
- iv) An Environmental and Ecology study to be commissioned for the entire site
- v) The planning application process for the gas fired power station, will be monitored and support offered as appropriate
- vi) Advice will be obtained on potential State Aid implications of public funding of enabling infrastructure – within this designated EU assisted area
- vii) Completing draft Marketing Strategy



Hillhouse Technology Enterprise Zone Masterplan

Masterplan Report

November 2018

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Hillhouse Technology Enterprise Zone Masterplan

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November 2018

Issue and Revision Record

Revision	Date	Originator	Checker	Approver	Description
V4	March 2018	HJ	DC	KR	Fourth issue
V5	October 2018	HJ	KB	DC	Final
V6	Nov 2018	HJ	KB	DC	Update following consultation

Document reference: 372107 | 3 | a

Information class: Standard

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1 Introduction

Hillhouse International became an Enterprise Zone (EZ) in 2016, designated by Central Government, with the ambition of growing employment on the site from the current 1,650 jobs to over 3,000 by 2035. Historically, the site was an Imperial Chemical Industries (ICI) production plant, and has been a leading site for chemical production in the UK since World War 2. The Enterprise Zone is composed of two parts – a large secure access area, and an open access area.

The annotated aerial photograph below illustrates the location of Hillhouse International within Thornton, located to the south east of the town of Fleetwood and on the western banks of the River Wyre Estuary.



Source: Hillhouse Technology Enterprise Zone Marketing Brochure, 2018

Government financial incentives, in the form of Business Rates Relief and Enhanced Capital Allowances, are available at the site for businesses which invest in expanding their business. The secure access area is home to three large occupiers plus approximately 35 smaller and medium enterprises, part of this area also has full COMAH status. The chemical and energy production uses of the Hillhouse International Enterprise Zone are its defining characteristic and will be the core activity of the site in coming years, and consequently will be key sectors for employment growth.

The Lancashire Advanced Manufacturing and Energy Cluster (LAMEC) includes Samlesbury, Warton, Blackpool Airport and Hillhouse International Enterprise Zone sites, which combine to provide a compelling offer to investors and occupiers in globally competitive sectors critical to

the economic success of the North of England and the Country as a whole. The Cluster has the potential to generate 10,000 new high value jobs over its lifetime and ensure Lancashire builds on its position as one of the UK's leading centres of excellence in advanced manufacturing and energy.

1.1 Masterplan Process

Blackpool, Fylde and Wyre Economic Development Company and NPL Group, as the primary owner of the site, jointly commissioned Mott MacDonald, in partnership with multi-disciplinary partners, to develop a masterplan covering the 25-year lifespan of the Enterprise Zone. Wyre Council will undertake updates to the masterplan in-house every 5 years to ensure the masterplan remains 'live' and reflects the needs of the stakeholders.

The masterplan presented in this document has been through numerous iterations and subject to a three week public consultation. Consultation comments received during this consultation have informed the preparation of this final masterplan. The masterplan will serve as the visionary document and framework which guides development in the Hillhouse International Enterprise Zone. However, the masterplan will continue to evolve through periodic reviews at approximately five-year intervals to ensure the masterplan remains an applicable framework for development in the Enterprise Zone.

The new Local Plan will give the masterplan the flexibility to guide the type and timing of development of individual plots within the Enterprise Zone. The overall planning strategy will therefore be for individual planning applications to bring forward development on specific plots in accordance with the framework set out in the Masterplan and in accordance with relevant development management policies in the adopted Development Plan.

The proposed phasing and uses for individual plots in the masterplan are indicative and any development proposals approved between the masterplan being adopted and subsequent reviews will be reflected in subsequent iterations of the masterplan.

1.2 Planning Policy Context

The current Development Plan for the Hillhouse International Enterprise Zone comprises:

- Saved policies of the Wyre Borough Local Plan (1999);
- Fleetwood - Thornton Area Action Plan (AAP) (2009);
- Joint Lancashire Minerals and Waste Development Framework Core Strategy DPD (2009); and
- Joint Lancashire Minerals and Waste Local Plan Site Allocation and Development Management Policies (2013).

Where specific allocations made in the Local Plan are in conflict with proposals in the AAP, allocations in the AAP will take precedence. The AAP allocates the Hillhouse secure site for industry and business purposes under Policy 3 and Wyre Borough Council is currently preparing a new Local Plan which will replace the AAP and the saved policies of the Local Plan. The new Local Plan is at an advanced stage of preparation having been submitted to the Secretary of State in January 2018. Hearing sessions as part of an Examination in Public (EiP) took place between 15 May and 5 June 2018. The Council has now published its schedule of proposed Main Modifications following receipt of the Inspectors Post Hearing Advice and these are being consulted on between 12 September and 24 October 2018. It is anticipated that the new Local Plan will be adopted in early 2019.

The new Local Plan allocates the entire Hillhouse International Enterprise Zone for mixed-use development under Policy SA4 which requires the site to deliver:

- 250 dwellings; and
- At least 13 hectares of employment development within use classes B1, B2 and B8.

Other complementary commercial uses including an element of small convenience (A1 retail store) of not more than 400m² to support the residential and employment development would also be acceptable.

Policy SA4 requires the entire Enterprise Zone to be brought forward in line with a masterplan covering the whole of the designated area and the masterplan must be agreed by the Council prior to the granting of planning permission for any part of the Enterprise Zone.

At its Cabinet meeting on 5th September 2018, Wyre Council adopted its 'Guidance on the Preparation of Masterplans' to assist landowners/developers and stakeholders in preparing masterplans where this is required by the Wyre Local Plan.

Given that the preparation of the masterplan for the Hillhouse Enterprise Zone commenced some time ago and prior to the adoption of this guidance, it has been agreed in discussions with the Council that the masterplan should be progressed in its current form. However, future iterations of the masterplan will need to accord with the masterplan guidance.

1.3 Masterplan Report Structure

Following the baseline assessment, consultation with relevant stakeholders and further feasibility assessments, the initial layouts and land use options presented in the baseline report have been through an iterative process of concept and framework design to culminate in a proposed masterplan.

The masterplan is framed around the existing energy and chemical related industries, with the development and creation of a place that is focused around industry and business.

This report contains the following sections:

- Section 2: a recap of the main findings of the baseline report
- Section 3: the visions and objectives for Hillhouse
- Section 4: principles of the masterplan
- Section 5: development areas and land uses
- Section 6: access and movement strategy
- Section 7: form, space and design principles
- Section 8: character areas
- Section 9: utilities considerations
- Section 10: phasing
- Section 11: further work and next steps

1.4 Key Masterplan Planning Issues

Third party funding needs to be sourced to enable the following:

- A landscape and green infrastructure framework incorporating structured tree planting, and pedestrian and cycle connectivity within and where possible outside the site

- A project level Habitat Regulation Assessment (HRA) for the entire Enterprise Zone (having regard to the mitigation measures in the Habitats Regulations Assessment of the Local Plan)
- A Flood Risk Assessment (FRA) for the entire Enterprise Zone must be carried out as planning applications begin to come forward, and the results used to take a sequential approach to overall site layout
- Residual surface water run-off should drain direct to the river Wyre via Springfield in the north and Royles Brook in the south. This will require a masterplan-wide drainage strategy
- Springfield and Royles Brook are both designated Main Rivers. The prior written consent of the Environment Agency is required for any proposed works or structures in, under, over or within 8 metres of the top of the bank of the watercourse and 16 metres of the estuary flood defences. An open space buffer should be provided to protect the watercourse from detrimental impacts.
- A ground and water contamination desk study will be required and followed, if necessary, by more detailed site investigation.

If such third party funding cannot be secured, the above will be sourced on a development led basis.

2 Baseline

2.1 Introduction

The first stage in developing the Hillhouse International Enterprise Zone masterplan was to conduct an assessment of the baseline conditions at the site. Assessment was conducted in relation to the following disciplines:

- Urban realm
- Access and movement
- Property Market
- Utilities
- Flood Risk and Drainage
- Environmental and Ecology
- Planning policy

The full baseline report is available from Wyre Council. Whilst a range of assessments were undertaken across the disciplines listed above, it has not been possible to gather all information at this stage, meaning further work and assessments remain outstanding. Details of this further work are set out in the next steps sections of the baseline report and this masterplan report.

Three indicative layout and land use zoning options were developed as part of the baseline to provide an initial idea of how the Enterprise Zone masterplan will look. The options were broadly similar with a range of access arrangements and an emphasis on the integration of land use and transportation to generate efficiency in land utilisation and promote good linkages between people and place.

An initial baseline report was produced covering the findings; the main findings from each discipline are summarised here:

2.2 Summaries of Baseline Topics

Urban Realm

Hillhouse International has a large number of industrial buildings owing to the chemical testing and production nature of the site. The southern part of the site contains large structures, while the northern part of the site is more open with undeveloped land. The industrial site is bounded by fencing to create a secure environment, which is a selling feature of the site for the businesses located on it. To the northern part of the Enterprise Zone is an open access area. Immediately outside the Enterprise Zone, land usage is predominantly residential.

Access and Movement

Due to the secure nature of the site, access into it is limited to two points – the main gate on the western boundary, and an employee only gate on the southern boundary. The main gate is relatively inefficient meaning delays can occur, and is the only access point for HGVs and

visitors. There is potential for conflicts along Bourne Road, between residents and increasing HGV volumes. In the local vicinity, key routes such as the A585 Amounderness Way experience congestion.

Pedestrian and cycling access is generally limited with few safe or appealing routes in to the site, particularly the northern areas. Bus services in the area are reasonably frequent, but the closest bus stop is a 10-15 minute walk from the site entrance. Consequently vehicle movements in and out of the site are high. Within the Hillhouse site, paths for walking and cycling are inconsistent and this, combined with the layout of the site, does not encourage active movement around the site.

Property Market

Although the Wyre commercial property market is generally a small-volume, small-unit market, dominated by local small and medium size enterprises (SMEs) serving a relatively local market, Hillhouse International Enterprise Zone has a range of larger operators – Victrex, AGC Chemicals, Vinnolit – having a more international profile and larger than typical Wyre businesses. This is an ongoing legacy of the long-term chemical production use of the Hillhouse site. These key businesses and the gated nature of the Hillhouse International Enterprise Zone are the key differentials of the Enterprise Zone from other employment areas in Wyre.

Over half of the available employment land in Wyre set against the current Development Plan is located within the Hillhouse International Enterprise Zone, highlighting the importance of the Enterprise Zone to Wyre in providing future employment growth for the borough. A number of known proposals are already in planning stages and therefore not all employment land currently available in the Local Plan will be available for B class usage. Key markets for the Enterprise Zone will be building on its existing strengths, providing a secure location with Enterprise Zone benefits and offering an alternative location to local, at-capacity industrial estates.

Utilities

Distribution of utilities at Hillhouse has been achieved through using open shared trenches, although these are now mainly redundant. Hillhouse is serviced by electricity, gas, water and telecoms. A primary substation has been built on the site, and some producers on the site sell their power internally. Water apparatus at the site has been upgraded and replacement is continuing where needed. Some unknowns relating to the utilities, such as the condition of the infrastructure, require further investigations including underground visual surveys, are required.

There may be some reinforcement needed to wastewater and water network that would supply the Enterprise Zone. It will be necessary to ensure that the delivery of development is guided by strategies for infrastructure which ensure coordination between phases of development over lengthy time periods and by numerous developers.

Environment and Ecology

Previous usage of the site means contamination of land exists across the site. The hardcover which exists on much of the site acts as a barrier between potentially contaminated ground and land users. The land to the south and west of the site is predominantly residential, although the presence of trees acts as a shield between the site and properties.

The site is located near to the River Wyre estuary which is a European designated site: Morecambe Bay and Duddon Estuary Special Protection Area (SPA) and Morecambe Bay Ramsar site. The estuary is also a Site of Special Scientific Interest. There is the potential for land in the EZ to be functionally linked to the SPA.

The site includes land connected with ecological mitigation and compensation that was provided to offset ecological impacts associated with a previous residential development at Bourne Road (planning permission 10/00215). The ecological mitigation and compensation land requires further consideration and review if the land is to be brought forward for development as part of the masterplan.

Flood Risk and Drainage

Hillhouse International is located 20m west of Wyre Estuary, and the northern and southern extent of the site are located in Flood Zone 3, with a 1 in 100 probability of river flooding or 1 in 200 probability of sea flooding. However, the land benefits from flood defences on its eastern perimeter against 1 in 200-year events. Some works may need to be carried out to further protect new developments against climate change which could breach the existing flood defences.

Two main rivers, Springfield and Royles Brook are located within the site. Surface water and trade effluent discharge in to the River Wyre; the system for foul water drainage is unclear. The condition of the drainage network is not known; underground investigations need to be conducted to ascertain their state.

The expectation will be for only foul flows to communicate with the public sewer. Approved surface water drainage schemes will be expected to be supplemented by appropriate maintenance and management regimes for the schemes lifetime.

2.2.1 Summary

The main constraints which are present at Hillhouse and which need to be addressed to ensure that the masterplan proposals can be delivered are:

- The safeguarded rail line route
- River Wyre Estuary and surrounding land
- Flood risk
- Possible ground and water contamination
- Land ownership
- Utilities, including the gas line on the eastern side of Enterprise Zone

However, as per the baseline report, some further assessments are required, for example to ascertain the condition of the below-ground utilities infrastructure. The remaining queries which need further work are outlined in the next steps section at the end of this report.

3 Vision and Objectives

3.1 Introduction

This section draws on the work carried out as part of the baseline report. Constraints and opportunities identified within each discipline's assessment of Hillhouse are set out and included in the masterplan's vision and objectives. The vision is intended to be a high-level view of the redevelopment opportunities at the Hillhouse site; the masterplan is a living document that will need to be reviewed at regular intervals as development of the site evolves.

3.2 Key Considerations

The masterplan has been designed with a vision that is achievable with the ultimate goal being to meet local employment demands, whilst developing on a local and regional scale to compete nationally and internationally. The masterplan offers a premier riverside location for energy and chemical related industries, along with opportunities for the development of high quality business, industry and residential within an active mixed-use setting. The high quality public realm and optimised highway network will deliver an enhanced and well-connected place to do business and work, as well as providing efficient movement for the range of vehicles which will service the Enterprise Zone.

Development within the Enterprise Zone will be responsive to the industrial and business needs of the new tenants and the surrounding retail, education, leisure and residential context, making the most of what Thornton-Cleveleys and the wider Fylde Coast region has to offer. The mixture of land uses will help to support the existing community, alongside new residents with increased employment opportunities thus allowing for economic growth, enhanced green infrastructure, housing growth and open space networks.

The masterplan reflects the integration of land-use and transportation, with the proposed masterplan highways, access and movement being fundamentally linked with the land uses of the site and vice-versa. Such integration has resulted in the efficient land utilisation and the promotion of networks between people, places and spaces.

Key characteristics of the Enterprise Zone which have influenced the masterplan are:

- its location within one of Europe's leading regions and within the Lancashire Advanced Manufacturing and Energy Cluster – a key part of the Northern Powerhouse;
- the region's expertise of advanced manufacturing, engineering, aerospace, automotive and energy related industries;
- its legacy, as a chemical and energy production facility;



- its proximity to an internationally significant energy and chemical industries cluster (the Energy Coast);
- its proximity to Blackpool and links to skills, knowledge and services;
- its accessibility from the Amounderness Way (A585) and improving public transport connectivity; and
- its riverside setting and links to the surrounding areas of Cleveleys, Blackpool and Fleetwood.

3.3 Vision

Our masterplan has been formed with the aim of realising the following vision:

“A high quality riverside residential and employment site, offering well connected premises for world leading chemical and energy production, logistics and manufacturing.”

3.4 Objectives

The following objectives have been set out to help deliver the Vision. These are:

- **Objective 1: Meet the Demand from a Diverse Range of Sectors** – To deliver an adaptable and flexible masterplan which can be phased in a logical 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: Provide Improving Accessibility** - To provide a fully connected business, logistic and industrial areas which provides enhanced vehicular and sustainable transport infrastructure, which increases accessibility to and navigation within the Hillhouse International Enterprise Zone;
- **Objective 3: Deliver Critical Infrastructure** - To ensure that highways, utilities and other business critical infrastructure is commensurate with other 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 Wyre through strong branding and marketing which promotes the International Enterprise Zone and the surrounding Fylde Coast Region as a leading location for inward investment;
- **Objective 5: Support Competitive Businesses, Knowledge and Innovation** - To provide supporting actions which help existing and new companies to improve their competitiveness and create an environment which allows for the exchange of ideas and knowledge, contributing to sustainable growth within the region;
- **Objective 6: Deliver Efficient and Functional Employment Plots** – Establish efficient plot layouts which maximise ability to develop the sites for industrial operation with large plots, well orientated buildings which address the street and logical access arrangements;
- **Objective 7: Create an Active, Productive and Liveable Environment** – Deliver a high quality and sustainable urban environment where cutting edge architecture is complimented with healthy, safe and connected spaces to create an interesting, active and engaged place to work and do business whilst protecting and enhancing the natural environment; and

- **Objective 8: Build a high quality neighbourhood** – Construct a new residential neighbourhood comprising a range of well-designed attractive homes, with green spaces and amenities, to satisfy the demands of the residential property market in Thornton-Cleveleys.

4 Masterplan Principles

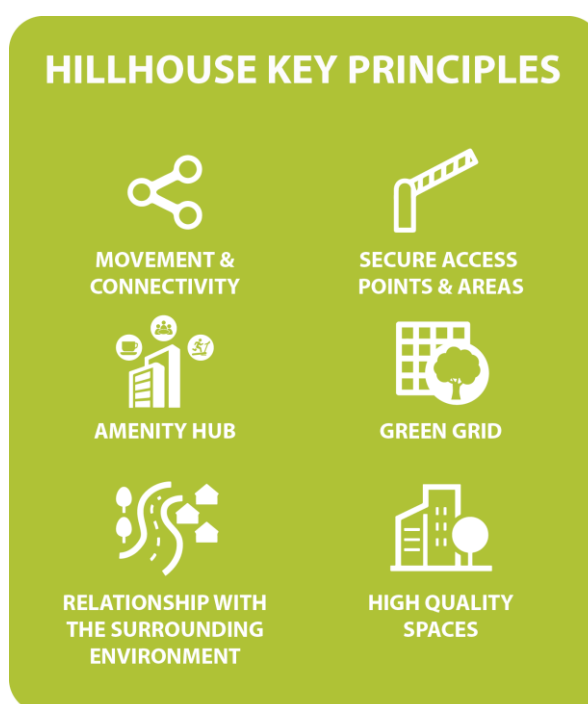
4.1 Introduction

A series of principles for the masterplan have been prepared to provide some overarching guidelines which will help to deliver the vision and objectives of Hillhouse EZ. They provide a high level steer on what the masterplan aims to achieve, and how it will go about doing this.

4.2 Key Principles

The key overall principles of the masterplan are:

- Prioritise the creation of a new access road off the roundabout on Fleetwood Road North (B5268) to improve connectivity into and through the site;
- Deliver a new clearly defined gateway entrance off Fleetwood Road North (B5268) to create a sense of arrival and define the site's operation as an Enterprise Zone;
- Develop a green grid landscape approach, allowing for the creation of a network of multifunctional green spaces that provide opportunities for sustainable drainage systems, ecological enhancements and sustainable access into and throughout the Enterprise Zone, along with access to the adjacent Wyre Way and Wyre Estuary Country Park;
- Define a clear primary access route running north-south through the centre of the site to be utilised for access, amenity and an axis for green routes towards the Wyre Estuary;
- Create secure edges to the Enterprise Zone and plots within the site as required for controlled pedestrian and vehicular access to ensure the safe operation of its sensitive businesses;
- Deliver a secure and non-secure site within the masterplan, to attract and cater for different business needs;
- Deliver active movement through the site via connected pedestrian and cycle networks which link employees and visitors through the site and encourage activity, potentially through the creation of a recreational loop and activity parks;
- Work with existing employees and the local community to explore ways of strengthening relationships with local leisure providers for e.g. YMCA to encourage activity, networking and engagement within the Enterprise Zone;
- Deliver improvements to the frontages, highways and street infrastructure with regards to the existing Enterprise Zone, allowing for a more attractive and welcoming gateway;



- Enhance connections to the wider transport network to unlock the potential of the sites logistic and industrial capability;
- Deliver a common theme of quality in buildings, landscape, public realm and highway design alongside protecting and enhancing the natural environment;
- Achieve high levels of sustainability and wellbeing through increased active travel, sustainable energy production and active uses – as well as considering the environmental impact on the surrounding area; and
- Deliver a mix of land uses, including residential and associated commercial developments.

5 Development Areas and Land Uses

5.1 Introduction

This section sets out the development areas of the site. It forms one 'layer' of the masterplan and should be viewed in conjunction with Sections 6 to 9, which contain the other layers. Each layer of the masterplan serves as a set of parameters for the site; all development proposals coming forward on the site will need to be in agreement with these parameters.

5.2 Land Use Characteristics

The market review carried out as part of the baseline assessment identified the potential market sectors for the Hillhouse International site. Table 1 summarises the land use opportunities for the Enterprise Zone, with commentary on the location characteristics, unit sizes and potential timings of the uses.

Table 1: Possible land uses at Hillhouse International Enterprise Zone

Land Use	Market Opportunities	Location Characteristics	Potential Unit Sizes	Timing
Energy or Chemical Production	Large energy production schemes, including innovative energy sources Expansion of existing chemical operations Laboratory, research and support enterprises (B1b)	Secure site 24/7 operations Capacity for oversized vehicles. Large sites required	Bespoke build to scheme – operators would be requiring sites Agglomerated laboratory or research space with individual units 30-250 sqm	Current proposals are advanced in preparation Long term opportunities for laboratory or research spaces
Industrial/Warehouse	B1c and B2 industrial Open air/storage areas for large plant and equipment Limited activity in warehousing/storage Local trades, servicing and workshops	Throughout EZ – secure and unsecure sites 24/7 operations Capacity for oversized vehicles.	<500 sqm units available for lease Growth units c. 1,000 sqm for lease Design and build opportunities for larger industrial units 2,000 – 5,000 sqm 0.5-1.5 ha open storage plots	Immediate small unit growth Medium term demand for mid-size units, though will continue to be a lower volume market Medium term for open storage
Office	Complements EZ target sectors. Small office premises Business centre/serviced offices Longer term opportunities for mid-size corporate occupiers. Corporate office space for core chemical, energy operations elsewhere in EZ. Risky speculative opportunity in the current market, but may benefit from momentum in the EZ.	High amenity sites Close to services/public transport Green space desirable Mostly unsecure sites	Business centre with small office space <50 sqm and desk-spaces available Office buildings: 1,000 - 2,500 sqm with individual units at 50-200 sqm.	Medium to longer term.
Business Services, conference/meeting space	Spaces for off-site meetings, conferences, functions for the EZ businesses	High amenity location Views preferable Unsecure site	Meeting rooms/boardrooms about 30 sqm	Medium to longer term. Would benefit from increased business activity in the EZ,

Land Use	Market Opportunities	Location Characteristics	Potential Unit Sizes	Timing
	<p>Opportunity to provide space to meet outside of the secure boundary</p> <p>Alternative space in northern Fylde Coast area, with potential outlook on River Wyre</p>	<p>Visitor parking requirements</p>	<p>Conference facility, including amenities 200 sqm</p>	<p>though consideration should be given to earlier development to act as a catalyst to attract businesses</p>
Hotel	<p>Positioned for the business market in the area.</p>	<p>Major road frontage if possible, gateway location</p> <p>Car parking</p> <p>Connectivity to core EZ areas</p> <p>Unsecure site</p>	<p>50-80 rooms, about 0.8 ha site.</p>	<p>Appears to be a market gap at present, with visitors to current EZ businesses using accommodation further afield</p>
Retail	<p>Targeting worker population.</p> <p>Take away, fast food, café and convenience retail provision serving the EZ.</p> <p>Long retail opening hours</p> <p>No comparison goods retailing requirements.</p>	<p>High visibility and accessibility.</p> <p>Gateway sites</p> <p>Car parking</p> <p>Unsecure site</p>	<p>Takeaway: <100 sqm</p> <p>Fast food/ coffee: 200-300 sqm</p>	<p>Medium Term</p>
Gym/ Other Leisure	<p>Budget gym, serving staff and residential populations.</p>	<p>Unsecure site</p> <p>High profile site, available to worker and residential populations.</p> <p>24 hour operation</p> <p>Collocation with complementary uses.</p>	<p>200-300 sqm</p>	<p>Medium term opportunity, would require a higher worker population</p> <p>Timing should be in line with other facilities it would be located with.</p>
Residential	<p>First home buyers</p> <p>Mid-market</p> <p>Young families</p>	<p>Protected from core EZ uses, particularly chemicals and 24 hr operations</p>	<p>Detached</p> <p>Semi-detached</p> <p>Terraced</p>	<p>Short to medium term</p>

Source: BE Group

5.3 Land Uses in the masterplan

It is envisaged that industrial uses will largely makeup the site, followed by plots designated for business uses. A smaller percentage of land designations will relate to logistics and hotel related uses. Another significant land use within the masterplan will be energy, the masterplan identifies areas being designated for a power plant and energy recovery centre, both of which are located within the secure area of the site. Aside from the main land designations of industrial and energy uses, residential areas have also been designated towards the western and southern areas of the masterplan.

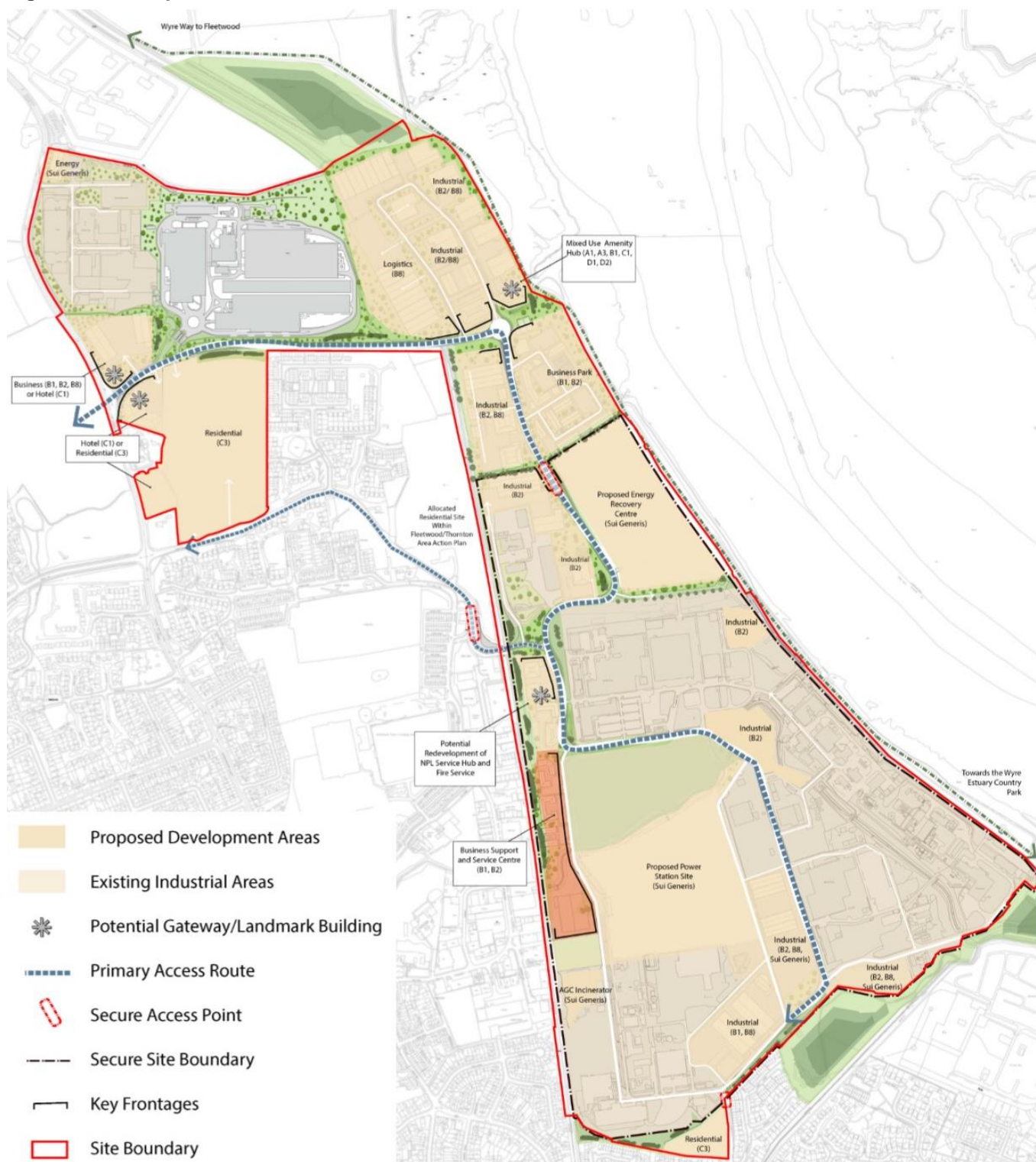
The new primary access road, will unlock developable areas of the site and create new opportunities for growth and development. Review of the property market has demonstrated there are a variety of short to long term opportunities which could be exploited by the Hillhouse International Enterprise Zone to expand uses, employment types and market sectors. The overall growth and development of the Enterprise Zone will occur at different rates in different areas of the Enterprise Zone, due to the readiness of sites, infrastructure available, ground constraints and access varying throughout the site. Therefore, longer term market opportunities may be aligned with longer term development sites, where possible, with immediate market opportunities to be delivered on sites readily developable.

As noted in the table above, some uses would have a preference for secure sites, with others a preference for sites outside of the security perimeter. Therefore, in order to optimise the attractiveness of the Enterprise Zone for the market, there should be provision of sites within a secure perimeter and outside a secure perimeter. Maintaining the current position of the secure fence (i.e. fully secure) is likely to result in a slower development and take-up of sites in the Enterprise Zone as the market available to the Enterprise Zone would be narrower. Furthermore, higher value uses, such as commercial office, retail or hub uses, would not be developed to the same extent (or at all) within the secure area.

5.4 Masterplan development areas

Figure 1 identifies the intents for the different broad areas of the masterplan based on land use; commentary on each of the areas is provided beneath.

Figure 1: Development Areas



Source: IBI Group

5.4.1 Secure Area (South)

The southern secure area is the core of the Enterprise Zone area at the moment comprising of high profile, important businesses for the Wyre economy. The masterplan supports the on-going, large-scale chemical production within this area. The masterplan is consistent with plans and opportunities identified by existing chemicals operators (e.g. Victrex, AGC) with regard to site requirements and expansion.

The current energy projects (including Proposed Power Station) are also accommodated within the masterplan. With the establishment of a range of energy production and storage schemes, the energy sector's profile will match that of the chemicals production sector at present. The masterplan's layout and land uses in this area support the chemicals and energy sector as the principal functions, through preserving land uses, maintaining appropriate security, providing improved road layouts, etc.

Other land uses envisaged for this area should not impede these principal functions and where possible are complementary or supportive of them. There should be capacity within the secure area for businesses or facilities that service the energy or chemicals sector (engineering, maintenance, expertise, emergency services) and that would require sites/premises in close proximity to such uses. Unrelated businesses with a preference for secure sites can be accommodated within this area, although the priority should be for energy and chemicals sector and supporting businesses. It is expected that some lower order, unrelated businesses in the southern secure area will be relocated from this area as it grows, to accommodate priority sectors.

In the medium term, it is expected that the small units in the west of the site would be redeveloped, with opportunities to accommodate a mix of traditional offices, serviced offices and ancillary services in a contemporary node within the secure area.

5.4.2 Open Access Area (north)

The masterplan envisages that the northern perimeter of the secure boundary will be to the north of the existing secured land-uses on the site. This will enable areas to the north of this perimeter to target different markets from that within the secure area. This land is currently undeveloped, unserved by utilities, requires highways access and will need some level of remediation. Therefore, it will be delivered in the second and third phases.

This area will be opened up through the creation of the northern access road and associated new north-south road, which will form the spine of this area. The new access point will enable the northern area to have a separate identity from the secured area to the south. The northern area will appeal to a broader array of businesses, including those that serve a more localised function.

The masterplan in this area envisages an ambitious range of employment uses, including industrial, light industrial, offices, warehousing and research/laboratory facilities. Furthermore, this area is planned to comprise the central hub for the Enterprise Zone, to provide support facilities such as meeting rooms, conference facilities, café, takeaway, gym, etc for the use of staff and businesses of the Enterprise Zone.

The market for such uses, particularly a considerable quantum of office and research space, is not yet established in the Enterprise Zone, as identified in the baseline report. Therefore, this area within the Enterprise Zone will take many years to reach maturity. Opening up of the area through the development of the spine road and the momentum established by the development of the key projects in the southern area (energy production, Victrex expansion), will help drive

interest for sites in the northern area. Furthermore, a lack of sites elsewhere in Thornton-Cleveleys will provide interest in the northern area to cater for local businesses wanting to expand or upgrade premises. Therefore, firstly driven by demand for industrial and light industrial sites this area will be opened up. Once further momentum is established, there is likely to be a gradual increase in demand for office and research/laboratory spaces. Office space would include traditional offices, as well as serviced offices. Even so, it is likely that considerable marketing effort would be required to identify and attract office and research/laboratory uses to the site. The marketing should highlight:

- The Enterprise Zone designation and its benefits;
- The growth of the Enterprise Zone over several years;
- The opportunities for support services to the established uses in the Enterprise Zone;
- The knowledge base within the Enterprise Zone; and
- Lifestyle benefits of living and working in Wyre.

The central hub can act as a catalyst to attract office and research/laboratory uses to the Enterprise Zone. The introduction of a high-quality facility providing a range of support services for staff and businesses will be a key attractor for additional firms looking to locate to the Enterprise Zone, particularly for office or research based enterprises. Therefore, the central hub should be developed as a first stage in this area after the spine road is established to help drive interest in the site.

5.4.3 Sites Near B5268 – Gateway Sites

There are sites within the Enterprise Zone area somewhat removed from the core Enterprise Zone area and proximate to the B5268. These are outside of the existing security perimeter and the development of these sites would be independent of the core functions and growth of the Enterprise Zone. Commercial uses could be established on these sites within a short timeframe and the masterplan identifies these plots as an early stage opportunity for growth.

The masterplan envisages a hotel for a site proximate to the junction of the B5268 and the new spine road for the Enterprise Zone. This hotel would be to primarily serve the business market associated with the Enterprise Zone. While there appears to be sufficient demand for a hotel to support the Enterprise Zone already, a hotel at this location would be greatly benefited by the new spine road and thus the timing of the development of the hotel would be dependent on this road development.

5.4.4 Residential

Residential sites have been identified in the masterplan, as shown in Figure 1 above. The main residential site is approximately 7.7ha, comprising the former Sainsbury's site and adjacent playing fields in the west of the Enterprise Zone area. It is considered that development on this site can commence within a short timeframe. It is sufficiently removed from the core employment areas of the Enterprise Zone, particularly the chemicals production uses, for development for residential uses. A key consideration in the development of this site for residential would be the management and mitigation of impacts due to the site being alongside the new, main access road for the Enterprise Zone. However, it is considered that such impacts are manageable.

The second residential site is a smaller plot in the south of the Enterprise Zone. This would be a redevelopment scheme, with the site currently being used as AGC offices. These offices are underused and it is understood that AGC are interested in consolidating their office functions elsewhere in the Enterprise Zone (secure area), which would enable this site to be redeveloped.

The site is close to chemicals production uses and careful design and planning would be required in order to accommodate residential on this site, removing it from the secure boundary.

5.5 Land Use by Plot

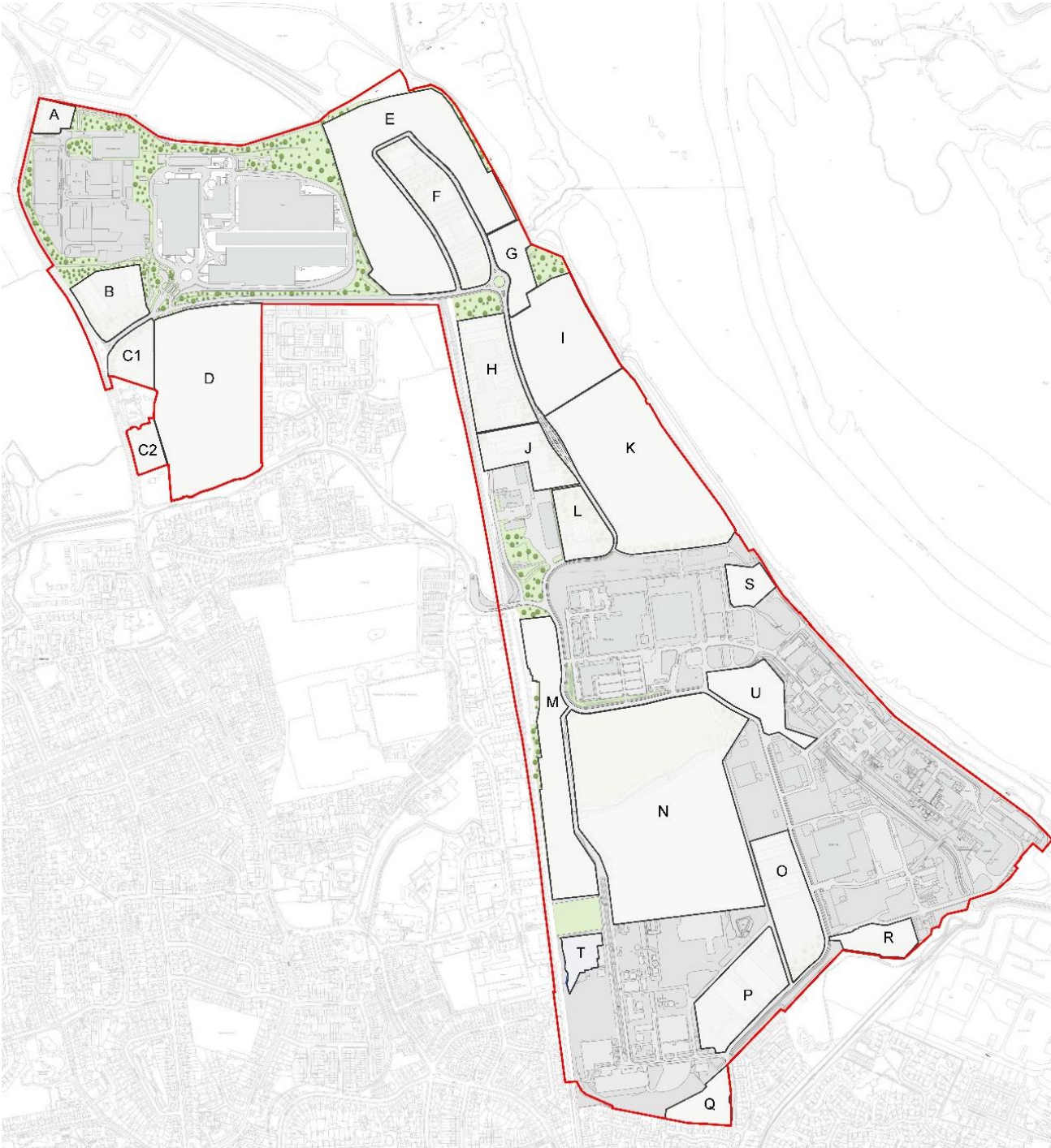
Figure 2 and Table 2 set out the use class and floorspace yields, as well as the likely phasing of the commencement of operations on each plot within the enterprise zone. Floorspace yields are estimated from average development densities and storeys and thus should be seen as indicative only. Actual floorspace yields for plots may vary significantly, depending on the landholders' end needs, any plot-specific constraints, car parking requirements and open storage.

The land use classes referred to in Table 2 are set by the [Town and Country Planning \(Use Classes\) Order 1987](#) (as amended), and are as follows:

- Shops (A1)
- Restaurants and cafes (A3)
- Business (B1)
- General Industrial (B2)
- Storage or Distribution (B8)
- Hotel (C1)
- Dwellinghouse (Residential) (C3)
- Non-residential Institutions (including public services) (D1)
- Assembly and leisure (D2)
- Other (Sui generis)

Proposals for land use classes A and D will be complimentary and support the delivery and operation of the Enterprise Zone.

Figure 2: Masterplan plots



Source: IBI Group

Table 2: Indicative floorspace yield by plot and use class and by phase

Plot	Site Area (sqm)	Uses	Potential Storeys	Potential Floorspace (sqm)	Potential Unit Ranges (sqm)	Comments	Phase
A	4492	Sui Generis (energy Generation)				Extant planning permission for energy generation scheme on part of the site, has not yet come forward	1
B	16860	B1, B2, B8, C1	3	6740	500-2000	Business or budget hotel	1
C1	8600	C1/ C3	3	TBC	50-80 rooms or 24 dwellings	budget hotel or residential	1
C2	8500	C1/ C3	3	TBC	50-80 rooms or 24 dwellings	budget hotel or residential	1
D	76680	C3			200-250 dwellings		1
E	72342	B2	1	17360	1000-10000	larger manufacturing units	3
		B8	1	11570	2000-8000	warehousing or open storage	3
F	24050	B2, B8	1	9620	200-2000		2
G	10214	B1	2	4090	50-500		2
		A1, A3, D1, D2, C1	2	1500	50-200	Central Hub: mix of uses in integrated Hub, not necessarily distinct units	2
H	27740	B2	1	6660	500-3000		2
		B8	1	4440	1000-4440		2
I	36251	B1	2	4350	50-1000	some may be other B class	3
		B1	2	4350	50-1000	laboratory/tech spaces	3
		B1	1	2900	50-1000	light industrial units	2
		B2	1	7250	200-2000		2
J	17412	B2	1	6960	200-2000		1
K	66790	Sui generis	1			Proposed Hillhouse Thermal Plant	1
L	11618	B2	1	4650	200-2000		1
M	33627	B1	2	2690	50-1000		1
		B2	1	4040	200-2000		1
		B8	1	2690	500-2690		2
		D2	2	1080	50-200		2
		Sui generis (Emergency Services)				assume approximately 30% of site area for emergency services	2
N	129980	Power station				Wyre Power	1
O	24467	Power storage					1
		B2, B8	1	4000	200-1000	remainder of site, not power storage area	2
P	24644	B1, B8	2	2960	50-500		2

Plot	Site Area (sqm)	Uses	Potential Storeys	Potential Floorspace (sqm)	Potential Unit Ranges (sqm)	Comments	Phase
Q	8161	B8	1	8380	1000-2000		2
		C3			15-20 dwellings		2
R		Power storage					1
	8995	B2, B8	1	1800	200-1800	remainder of site, not storage area	1
S	6000	B2					1
T	5434	Power generation				AGC Thermal Oxidation Plant	1
U	9000	B2				Victrex research and development	2

Source: BE Group

Note: To provide flexibility, plots B, C1, C2 and G are identified as a location for a hotel. It is the intention that only one hotel will be provided within the Enterprise Zone.

This development yield represents an ambitious growth scenario for the Enterprise Zone, significantly increasing its profile and breadth of uses. It will require significant effort in terms of promoting the site to attract investment and occupiers in order to achieve this ambition. Furthermore, significant infrastructure delivery would be required to open up the site for development, with the phasing outlined above assuming that such infrastructure can be provided in a timely manner.

Figure 11 shows the phasing of the delivery of the masterplan for the Enterprise Zone by plot. Delays to the roll-out of the early stages, changes in market demand or delays in the delivery of requisite infrastructure will have impacts on the overall phasing of the project. However, it is considered that the overall ordering of the Enterprise Zone development will remain the same.

5.5.1 Residential development

Local Plan Policy SA4 requires 250 dwellings to be provided within the Enterprise Zone. Plots D, Q and either C1 or C2, are allocated for these residential uses by the masterplan (at Figure 2); with an indicative number of dwellings shown in Table 2. A planning application is currently being prepared by NPL for residential development on the southern portion of plot D. The indicative dwelling numbers in Table 2 are based on the planning application being prepared on the southern portion of Plot D, including identified constraints; typical surrounding residential densities; an anticipated future demand for higher density residential development (e.g. when the various employment uses are developed at the Enterprise Zone creating jobs, a higher proportion of younger workers and an increased demand for a higher number of smaller dwellings – e.g. apartments and 1-2 bed houses).

The delivery of dwellings within the Enterprise Zone will be closely monitored and if delivery falls short of the levels anticipated, further plots will need to be identified for residential development. In this context, Figure 2 and Table 2 identify Plot Q for residential development with an area of 8,161 sq.m. This area of the masterplan site is under the ownership of AGC and during consultation aspirations were expressed to rationalise their land to better reflect their current operations. The re-masterplanning of this area could free up land to expand plot Q to accommodate additional dwellings at a future date.

6 Access and Movement

6.1 Introduction

Section 6 sets out the access and movement upgrades which are recommended to enable the full implementation of the masterplan. It forms one of the set of layers which together constitute the masterplan. In order to achieve the levels of development envisaged by policy SA4 of the new Local Plan and to achieve the overall masterplan vision, improved access and movement to and within the Enterprise Zone is essential. As well as the requirement for pedestrian and cycle connectivity within a landscape and green infrastructure framework (new Local Plan Policy SA4), a new site access and site spine road through the Enterprise Zone will be critical to achieving the masterplan vision and planning permission will need to be secured as early as possible.

The baseline report identified that access into and around Hillhouse International is a weakness and a threat to potential future development. Access in to the secure site is limited to two points – a staff entrance at the south end of the site on to Hillylaid Road, and the main access from Bourne Road for all other vehicles, including visitors and deliveries. Public transport does not adequately service the site. Walking and cycling routes to and within the site are poor and do not provide attractive and safe routes for usage.

6.2 Key access and movement concepts

The proposed masterplan has been developed to facilitate efficient movement of employees, visitors and goods through the site. Figure 3 shows the primary access corridor which will be established through the site, which will service secondary roads along with providing each plot with its own dedicated access. A secure access point is located along each of the primary access corridors, as well as along the southern boundary of the site, providing access to the secure area of the Enterprise Zone. These secure access points will promote vehicle movement efficiency and aid the secureness of the Enterprise Zone.

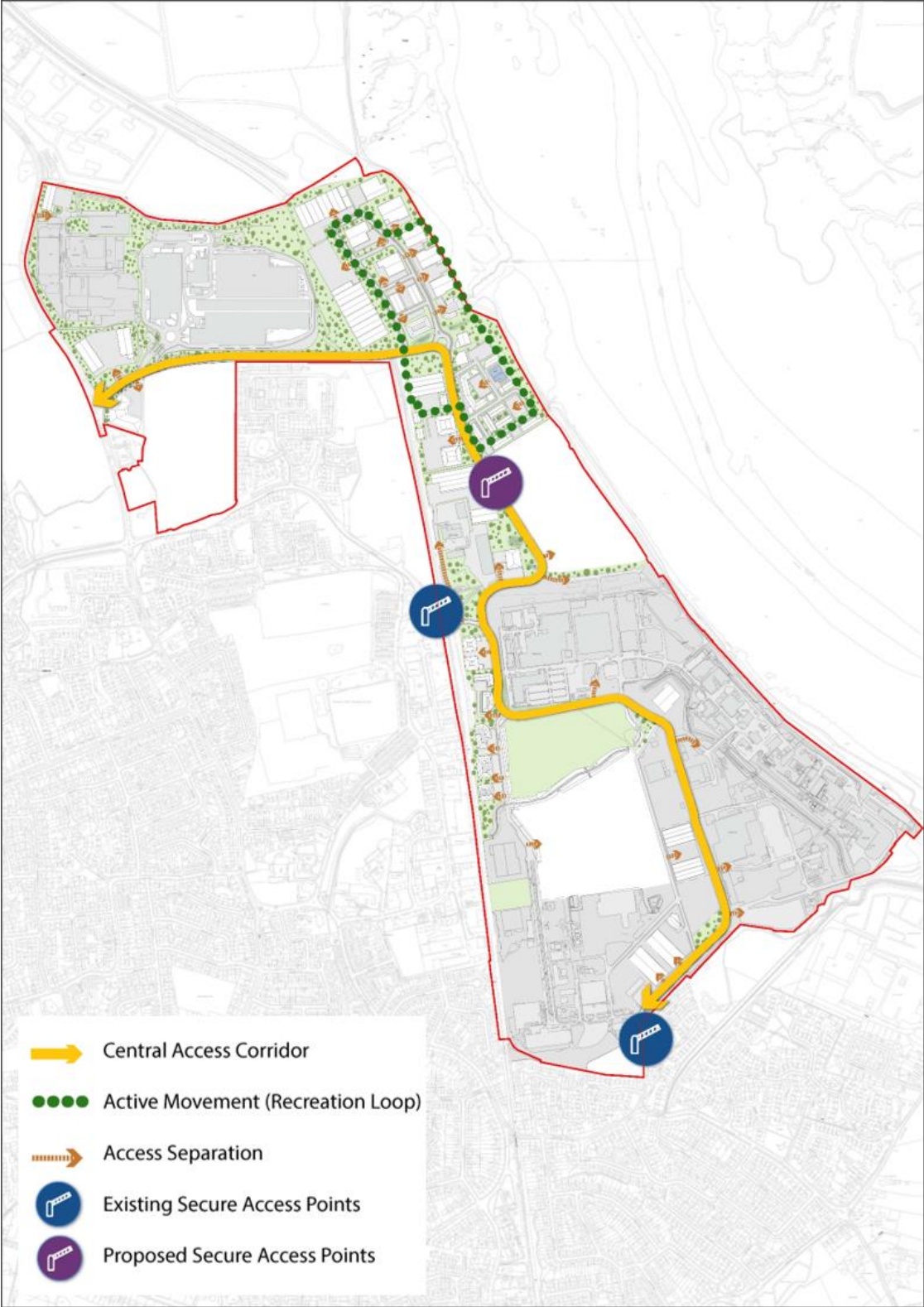
The layout has sought to encourage active movement through multi-modal streets and pedestrian and cycle networks, which are punctuated by attractive and strategically located public spaces and green corridors. This is delivered through a green grid concept which seeks to define edges, frame views and provide amenity for users of the site.

Networks such as the proposed recreational loop located within the non-secure areas promote permeability and active movement within the site. On a broader site scale, these networks link into the wider concept of the masterplans green grid approach, providing further access to the adjacent Wyre Way and the Wyre Estuary Country Park.

Figure 4 shows the interventions which are proposed as part of the masterplan; these are:

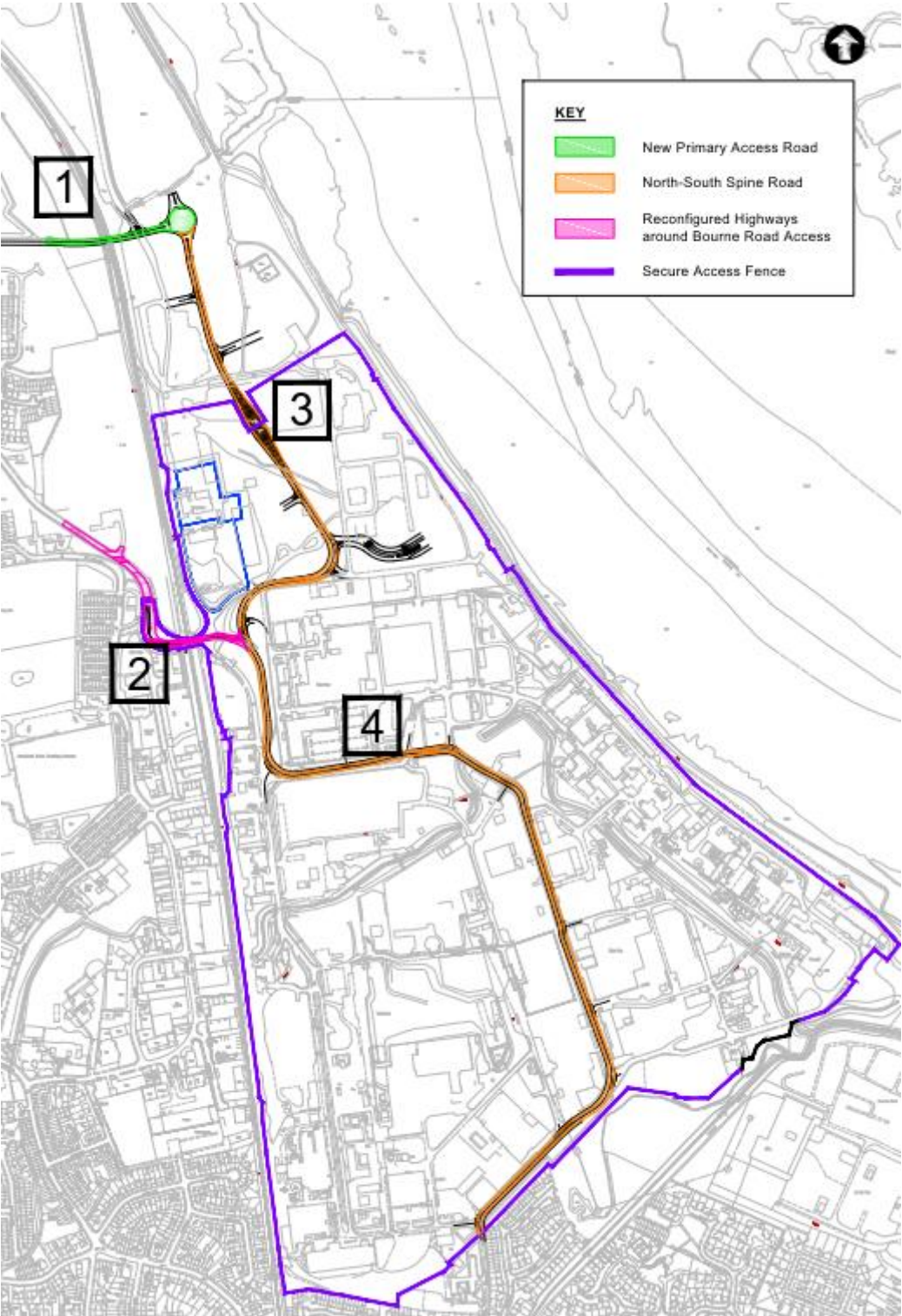
1. New primary access road from roundabout on B5268 into the northern part of site;
2. Reconfiguration of Bourne Road access gatehouse: in short term, additional lane for HGVs, in medium term staff only entrance;
3. Relocation of the manned gatehouse in line with repositioning of secure fence line; and
4. North-south spine corridor through entire site.

Figure 3: Access and Movement



Source: IBI Group

Figure 4: Access and Movement Interventions

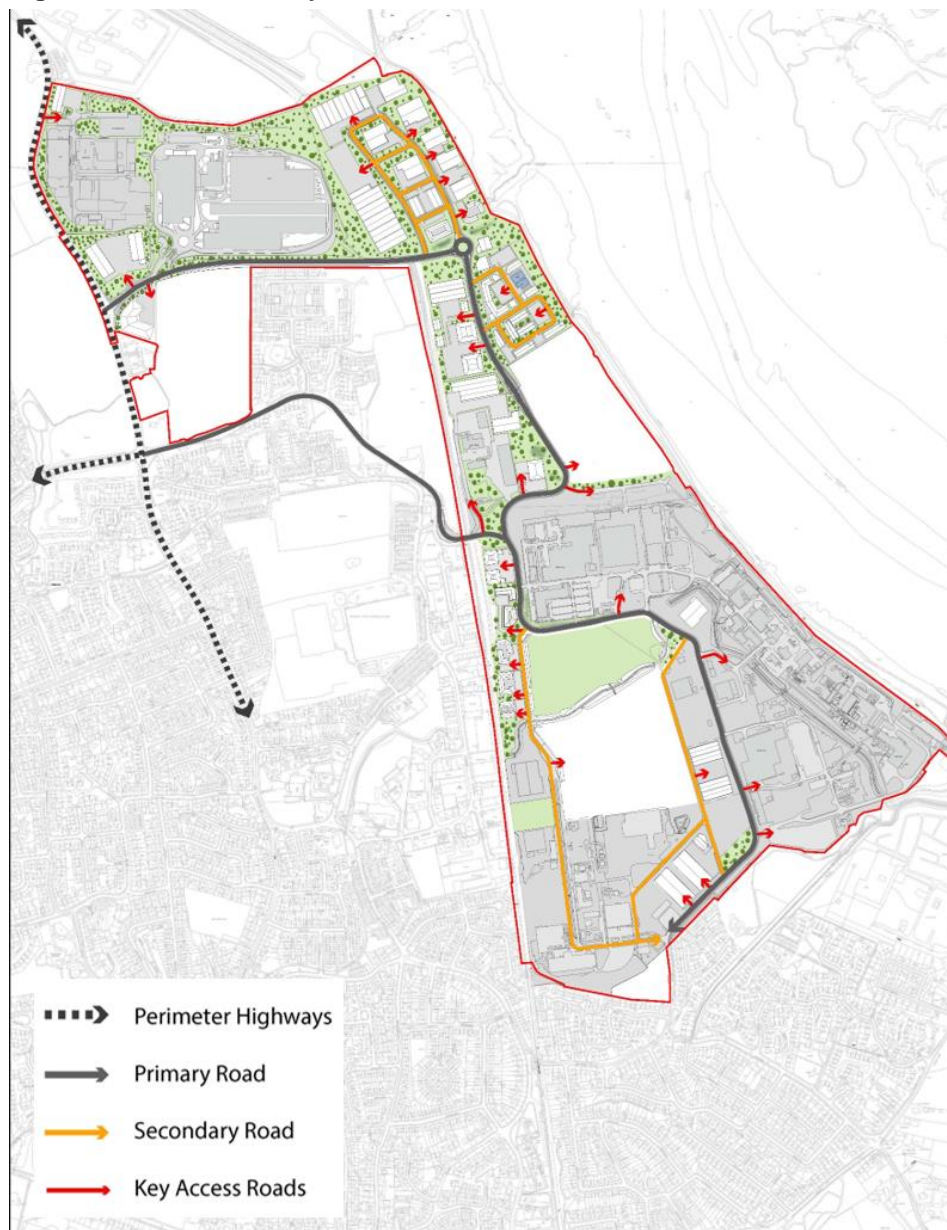


6.3 Highways

The road hierarchy of Hillhouse International Enterprise Zone will clearly define vehicular and active movement through the site. The road hierarchy diagram below reflects the masterplans perimeter highways, primary roads, secondary roads and key access roads.

All highways within the open access area of Hillhouse will need to be designed and built to adoptable standards, which will help simplify the installation of utilities apparatus and negate the need for easements and wayleaves. The highways will meet the needs of the heavy-duty vehicle and related uses of the site, with any landscape treatment and material selection will be used to provide appropriate scale, character and size and facilitate connection through the site.

Figure 5: Road hierarchy and movement



Source: IBI Group

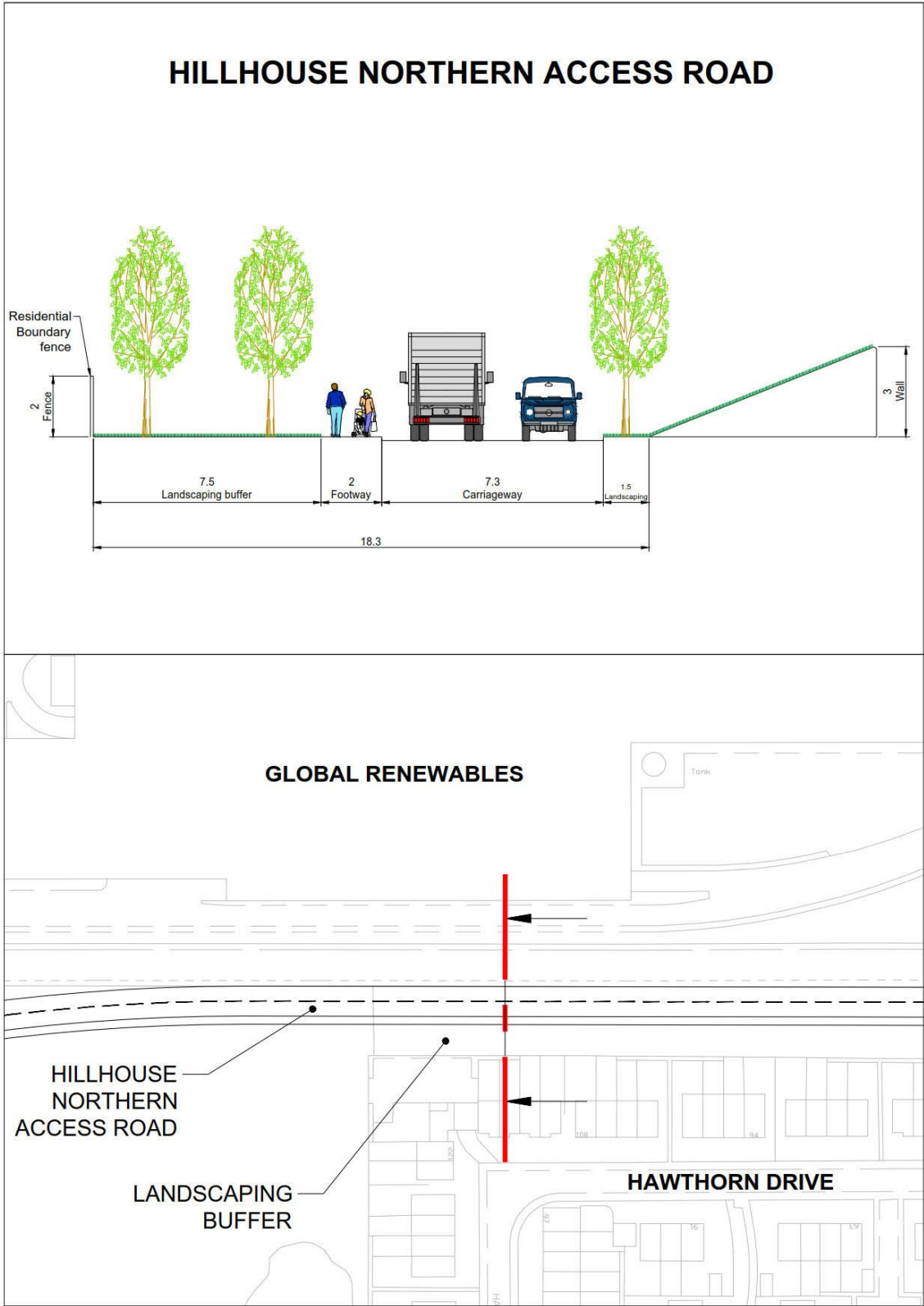
The most significant access and movement interventions will revolve around the highways network, due to the dominance of cars and HGVs at the site. The entrance via Bourne Road has been identified as a key constraint to access for Hillhouse and a place of likely conflict between increased HGV movements and local residents, with Bourne Road being a mainly residential road. As shown on figure 4, to address this in the short term, the layout of the gatehouse will be slightly remodelled (2) to create an additional entry lane to allow HGVs for some occupiers on site to bypass the gatehouse and use a swipe pass or other security system to gain access to the site. This will prevent queues building up at the gatehouse and back along Bourne Road.

In the short to medium term, a new access road will be built in to the northern part of the site (1), from the short section of road coming off the roundabout on the B5268, and then form a north-south spine road running down through the central part of the northern site and through to the southern part. This is shown in Figure 4.

6.3.1 Access road buffer zone

The new northern access road will be built as far away from the residential properties around Hawthorn Drive as possible and a buffer will be created between the road and the properties. The buffer zone is needed due to the expected considerable volumes of HGV and other traffic travelling along the new access road, which will generate noise and air pollution. The buffer will act to block the view and sound of large vehicles on the road, and capture some of the emissions and particulates produced by the vehicles. A width of approximately 18.3m has been allowed for the new access road and the associated buffer. This allows plenty of space for a highway 7.5m wide plus the buffer zone. The required dimensions of the buffer will be determined following a noise impact assessment; the buffer may be in the form of vegetation, a noise reduction fence, or a bund. An indicative plan of the highway and buffer are shown in Figure 6. The noise attenuation buffer is expected to be part of the design of the new northern access road.

Figure 6: Buffer zone plan



Source: Mott MacDonald

6.3.2 Security gatehouse

Following the construction of the new northern access road and the north-south spine road, the security gatehouse currently at the Bourne Road entrance will be moved to this new north-south spine road (3), in line with the repositioning of the secure fence line, as shown in Figure 4. The existing gatehouse at Bourne Road entrance will then become automated for staff access only, like the southern entrance from Hillylaid Road. HGVs will only be able to access the site via the new northern access road.

The spine road through the site will be upgraded (4) in order to demarcate it as the primary through route for vehicles, in part to divert vehicles away from passing through operational areas, as currently happens in some parts of the site. No off-site highways improvements are proposed as part of the masterplan, with all investment going on internal infrastructure. Issues of congestion and journey time reliability already exist on the A585; improvements to this are under discussion by Wyre Council, but it is outside the scope of the Enterprise Zone masterplan.

Where the Thornton Cleveleys Sports Club is currently positioned, a housing development will be built. Access to this will be possible from both the north and south.

6.3.3 Railway crossing

The initial urgent requirement to create a new northern access road serving Hillhouse International Enterprise Zone that is capable of accepting exceptional oversize and heavy deliveries of plant and equipment to facilitate the construction of the proposed multi million pound energy generation facilities on Hillhouse, can only be achieved by way of a crossing of the closed but safeguarded Poulton to Fleetwood railway. The essential early construction of this road will require it to cross the safeguarded route of the railway. The method of traversing the railway is not yet decided; it could be a bridge, tunnel or at-grade crossing. Discussions are required with Network Rail as the owner of the track, to ascertain the possibilities, which will be examined further in the forthcoming implementation plan.

The existing railway track is safeguarded from development by AAP Policy 5 (Transport Network Improvements) and Policy SA1 (Safeguarded Rail Sidings) in the Joint Lancashire Minerals and Waste Local Plan Site Allocation and Development Management Policies (2013) until 2031. The track could be brought back into use. The rail line is also a Biological Heritage Site. Policy CDMP6 of the new Local Plan states that development will be permitted provided it meets the requirement of the Core Development Management Policies and it has been demonstrated that corridors which could be developed as future transport routes (e.g. disused railway lines) are not prejudiced.

6.4 Public transport

The creation of the new northern access road will facilitate the operation of bus services in to the northern part of the site. Bus stops will be installed in the open access part of the Enterprise Zone to support bus services but they will not be able to run into the secure access area of the site for security reasons. The provision of bus stops close to the roundabout in the northern part of the site will provide sustainable transport options for workers on the site, and also visitors to the business/community hub and the Wyre Way, which will be accessible from the Hillhouse site. This will help to raise the profile of both Hillhouse and the Wyre Way. Bus services will be able to serve the new residential development and hotel as well.

6.5 Pedestrian and cyclists

Members of the public and workers on the site will be able to walk and cycle through the northern part of the Hillhouse site and on to the Wyre Way, thus opening up the legibility of this route, and making the most of the scenic views offered by the Wyre Estuary.

7 Form, Space and Massing Principles

7.1 Form

The form of the masterplan is focused around creating useable, active economic and industrial plots for development. The proposed form of the Enterprise Zone has been designed in order to meet the various needs of the different uses and business users. The proposed form of the Enterprise Zone has taken the existing built environment and the adjacent River Wyre into consideration. Residential plots within the masterplan offer the opportunity for residential developers to bring them forward in-line with best practice and local standards.

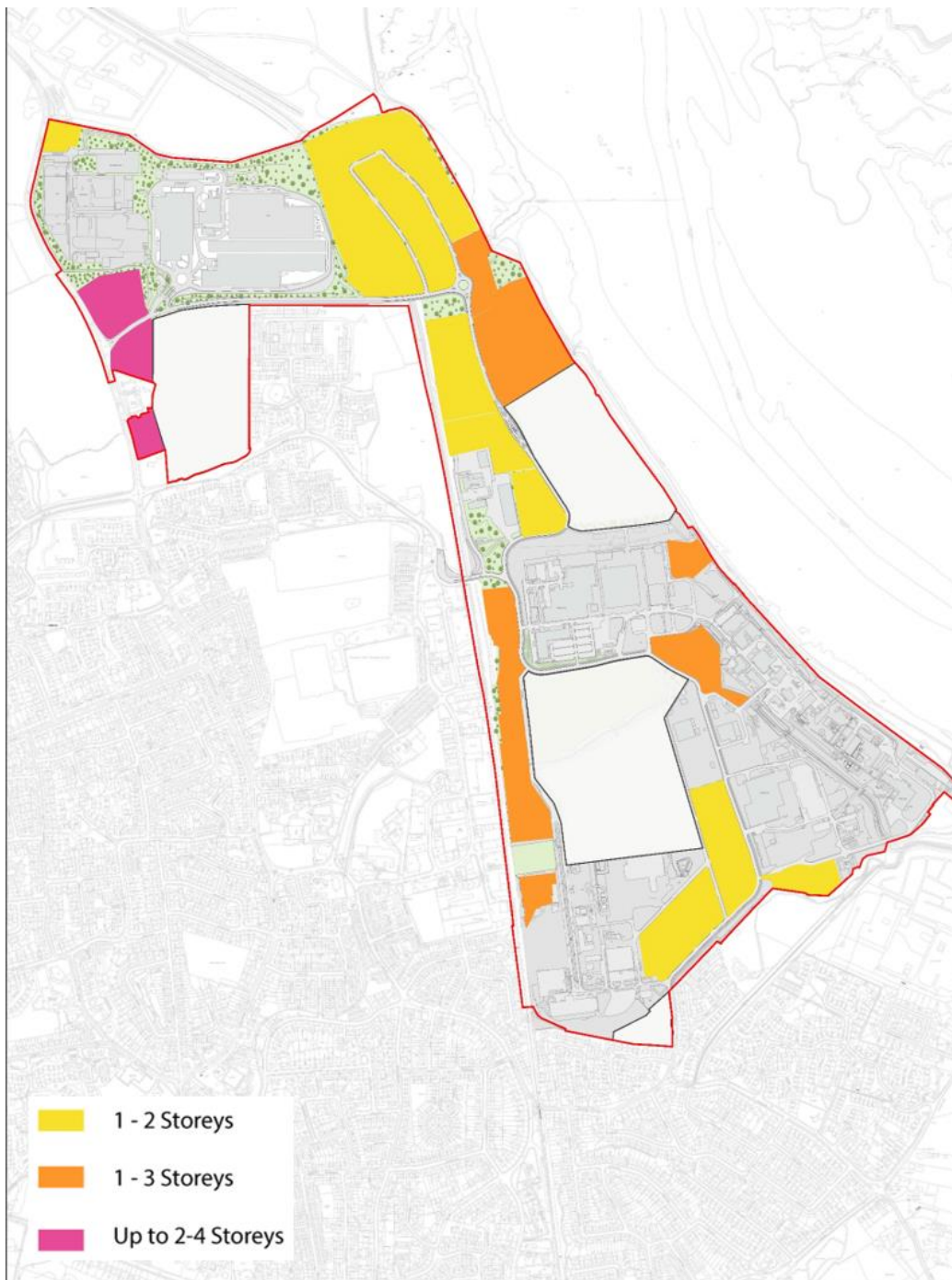
The urban grain of the masterplan reflects that the buildings fronting on to Fleetwood Road contribute to creating a strong frontage, along with defining the new primary access corridor into the site. The larger units and associated working space to the north of the masterplan are needed to facilitate the industrial and logistical uses of this area of the masterplan, with such forms being able to be achieved through the removal of part of the existing railway (see Section 6.3.3 for more details). The business park, north of the secure line consists of a series of smaller units with increased density to create activity and integration with the surrounding urban and natural landscapes. The grain within the secure area largely reflects existing operation. Overall the grain of the site should respect the natural frontage to the east and residential frontage to the west, whilst framing views towards the Wyre Estuary and defining a new gateway into the Enterprise Zone off Fleetwood Old Road.

7.1.1 Scale and Massing

The scale and massing of the development proposed within the masterplan further defines the sites operations as an industrial and business zone, distinguishing it from the surrounding residential context. With regards to the scale and massing the masterplan emphasises the following key design principles:

- Ensuring that development within the masterplan is in scale with its surrounding context, character, public realm and use;
- A largely constant building height is emphasised throughout the masterplan whilst promoting an interesting scale around/along key gateways, highways and junctions
- Follow a broad principle of lower scale adjacent to the Wyre Way and adjacent residential units with higher scale and increased massing to the centre of the site, along the proposed access corridor;
- Restricting the height of buildings located adjacent to the River Wyre, promoting a natural visual frontage. This is emphasised through buildings which will step down in height and form as they approach the River Wyre and Wyre Way;
- Promoting a scale and massing that contributes positively to the surrounding views and vistas into the site, including from adjacent residential areas, the Wyre Way and other viewpoints from across the estuary; and
- Building design should consider clean, simple, geometric forms and coordinated massing to produce overall unity, scale and interest.

Figure 7: Industrial and Business Building Height Plan



Source: IBI Group

Other industrial buildings, such as power stations and thermal energy plants, which could be brought forward at Hillhouse do not have suggested height restrictions and would be subject to detailed design discussions with the Council. Similarly, residential could be dependent on the future need for higher density dwellings, rather than the lower density housing which is currently prevalent in the area.

7.1.2 Built form

The proposed built form is to create a modern and efficient industrial and business premises within the Enterprise Zone. The building's design, materials and scale will be sensitive to the surrounding industrial, business, residential related uses, along with the adjacent River Wyre and surrounding natural environment.

Consideration of the built form has resulted in the design of the buildings to vary in form, with buildings next to the River Wyre more open in their form with the massing increasing at key nodes at the roundabout for example. The key approach of the masterplan, however, is to create a consistent and understandable form which provides logical industrial and business plots to achieve maximum efficiency within the site. Furthermore, green spaces will help define key corridors and active spaces, contributing to the functional and open nature of the site in key defined areas.

7.2 Spaces

Figure 8 below outlines generous provision of green space within the masterplan. The green approach to the sites design has been shaped on the principles of creating green spaces and corridors, and an attractive sustainable working environment. The baseline report identified that the large areas of vacant and poorly maintained space creates a negative environment for users and visitors, detracting from perception of the site. Images (not maps) in this section are indicative and are not intended to be portray how the site will look.

7.2.1 The Green Grid Concept

It is proposed that a green grid (Figure 8) is set up within the masterplan as a key driver to the form, movement and use of the Enterprise Zone. The grid is formulated using the Wyre Estuary, the proposed primary access route and the secure edges of the site as its axis. The resultant green corridors will provide a variety of movement corridors, amenity zones and landscape buffers for the site, as well as frame key views in and out of the site.

Critically, the green grid will soften the edges of the site and filter natural spaces through the site to knit into the surrounding natural and urban contexts. The green grid has also been used to establish a recreational loop for active movement within the site and will also provide opportunities for sustainable drainage systems (SuDS) and ecological enhancements.

Also, importantly, the development plots themselves will offer significant opportunity for the provision landscaping as part of the overall design which should complement and enhance the green grid.

Figure 8: Hillhouse Green Grid



Source: IBI Group

7.2.2 Key Spatial Concepts

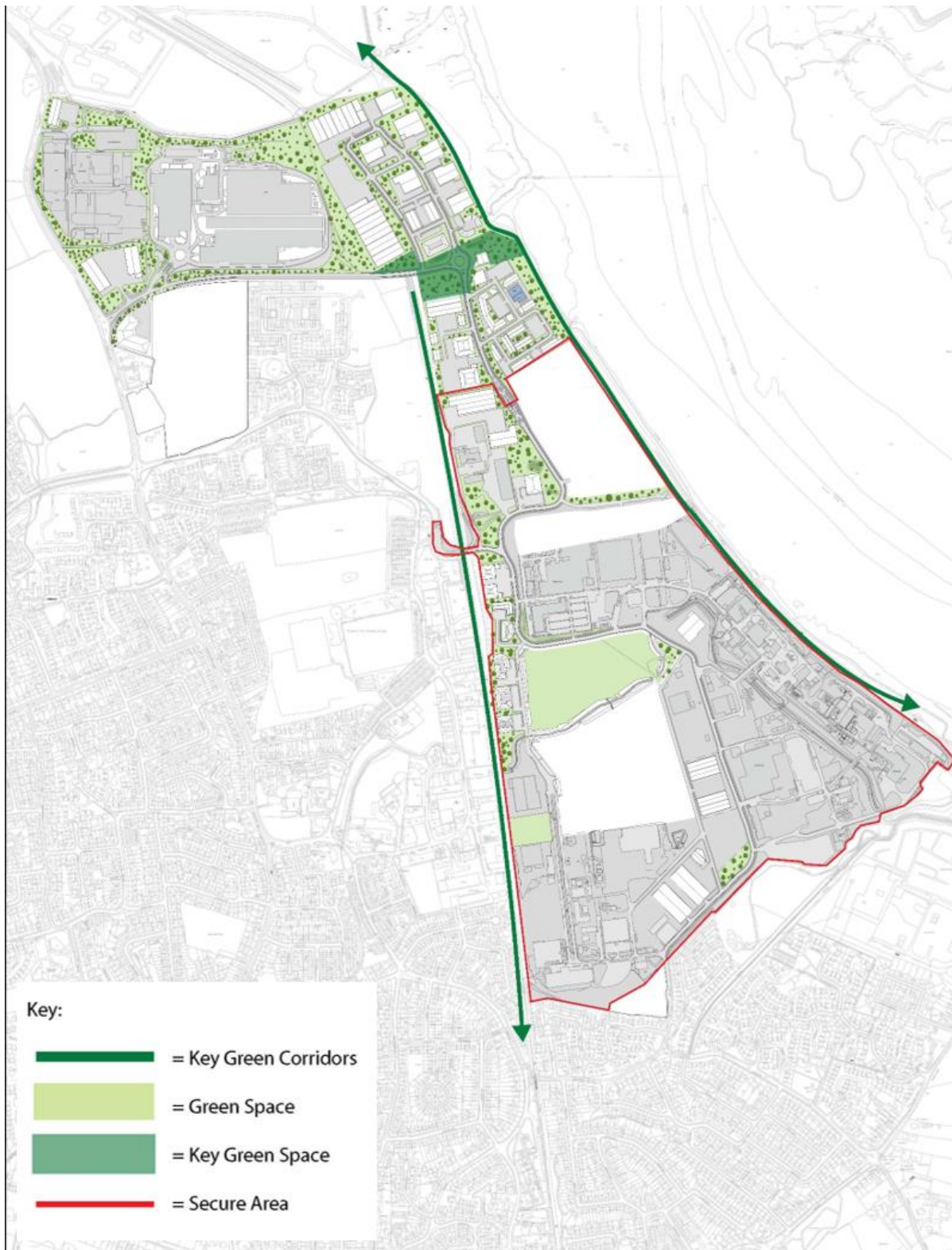
Such provisions in green space has resulted in the development of a green grid approach, described in previous sections, within the masterplan. The green grid reflects a network of multifunctional green spaces and corridors providing access and links within the Enterprise Zone, the adjacent Wyre Way, Wyre Estuary Country Park and the surrounding environment. The green corridors and spaces are not prescriptive of exact size, but instead act as parameters within which development proposals will need to conform. They are one set of parameters within a series of parameters within this masterplan, which when layered together constitute the masterplan.

The establishment of an 'arrival space' to the north of the masterplan, is made up of a landscaped area with several surrounding buildings, a key nodal roundabout and a feature pond. The proposed arrival space enhances the arrival experience for users of the Enterprise Zone, providing for a natural sense of orientation and promoting legibility within the site.

For those working within the secure area of the site, a green space, known as the 'secure green amenity' has been proposed. This central landscaped space will contribute to a high-quality environment, promote social activity and provide opportunities for development of flora and fauna.

Both the concept of the 'arrival space' and 'secure green amenity' are highlighted on Figure 9 with further descriptions below.

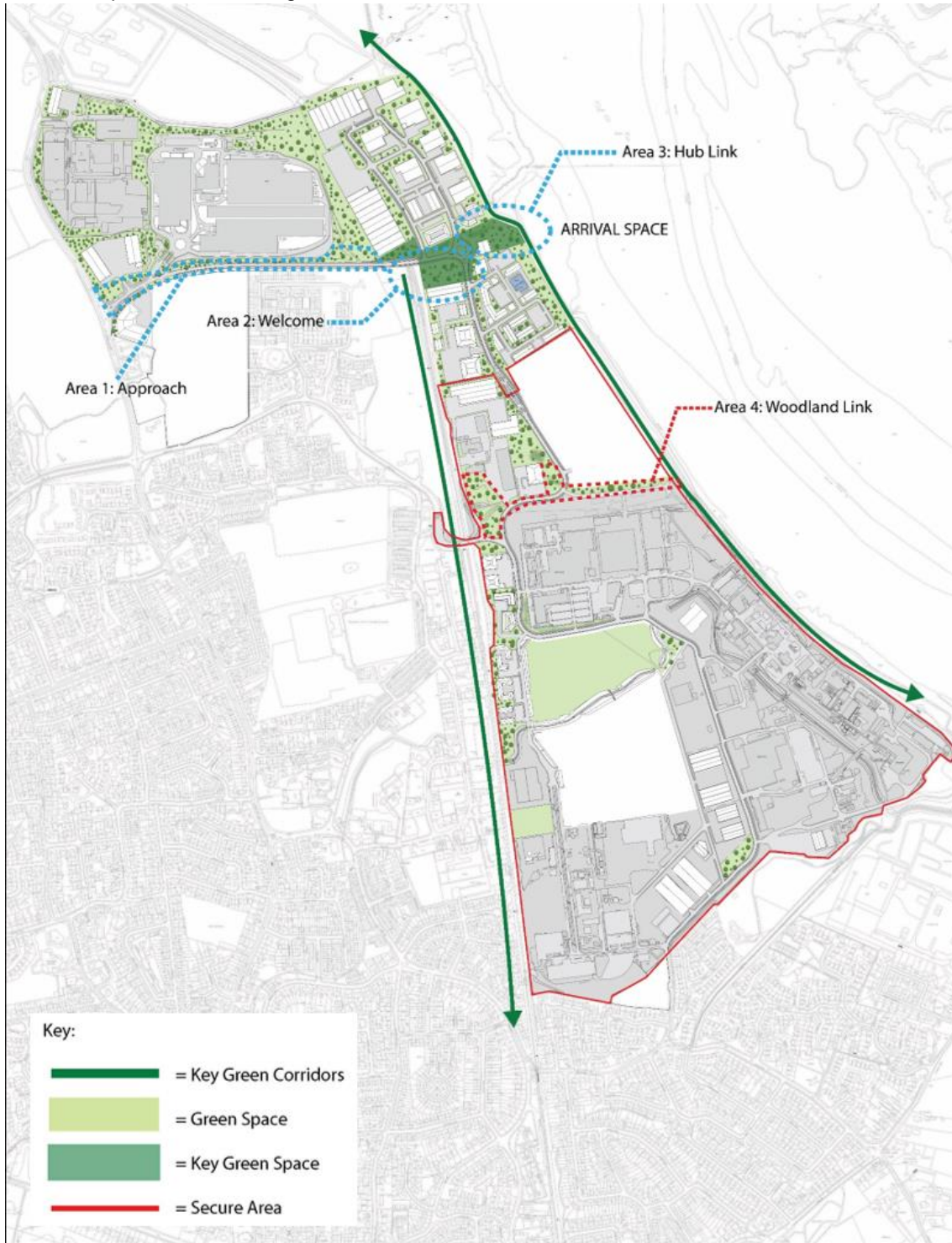
Figure 9: Green corridors and spaces



Source: IBI Group

7.2.3 Landscape Character Areas

The masterplan proposes four landscape character areas through the site which will help define key areas, soften edges, delineate the proposed primary corridor and improve amenity through the masterplan. The following character areas are defined.



7.2.3.1 Area 1: Approach

The approach from the B5268 roundabout sets the tone for the area. With the recycling centre to the north and housing to the south, we intend on drawing the focus to the arrival space and the green approach. The road will accommodate a high number of HGVs and smaller vehicles but will also encourage pedestrians and cyclists on a separate path. An avenue of trees and mounding with meadow seeding will further advance the green grid within the site, linking the water species with opportunities beyond, and providing noise attenuation to residential areas as part of the access road buffer (see 6.3.1).



1. Tree lined avenue



2. Shared cycle and pedestrian path



3. Meadow on roadside

7.2.3.2 Area 2: Welcome

Following the approach avenue, the welcome area allows views through to the Wyre Estuary, frame a new pond which will front the proposed industrial and business quarters (as well as providing SUDs opportunities) and wayfinding. It signals the entrance to a different zone with smaller units of retail and light industrial to the north with larger units and secure areas to the south.

The landscape proposal has clusters of trees to help filter winds and shelter the units but still allow some views through. Within the clusters of trees, it is proposed to have some simple trim trail pieces and some seating. The trail equipment can provide a challenge to passing joggers or it can be a reason for site users to get out and get active during lunch break.



1. Vertical welcome beacon



2. Trim trail - sit up station



3. Trim trail - parallel bars



4. Water fountain



5. Trim trail - stride jumps

7.2.3.3 Area 3: Hub Link

The hub link is an important interface between the public space along the waterfront and the semi-public space within the site. It invites users to experience the waterfront.

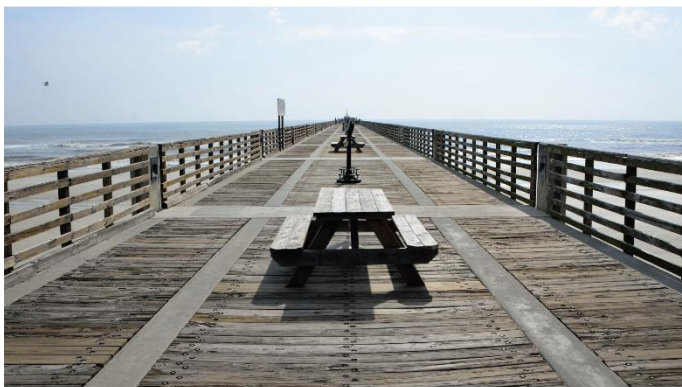
This space is intended to be an outdoor eating area with benches and tables and focused shelter, but still allowing for view southwards to the water and the nature that inhabits it.



1. Cycle route pitstop



2. Tree selection to tolerate harsh winds



3. Tables for outdoor eating



4. Water fountain



5. binoculars for bird watching

7.2.3.4 Area 4: Woodland Link

This wooded area is within the secure boundary and as such will only be accessible by authorised users. The wooded area links the grid of green routes throughout the site but greatly reinforces the east-west link. Dense groups of trees and understory planting enhance the ecology and provide a varied habitat. It visually separates the site and breaks down the large scale, obscuring views to some of the buildings. Some areas will be more open with mown grass edges and paths but around the groups of trees will be less formal and less managed with a wild appearance.



1. Wild forest path



2. Increased wildlife



3. Edge of woods, maintained edge

8 Masterplan Character Areas

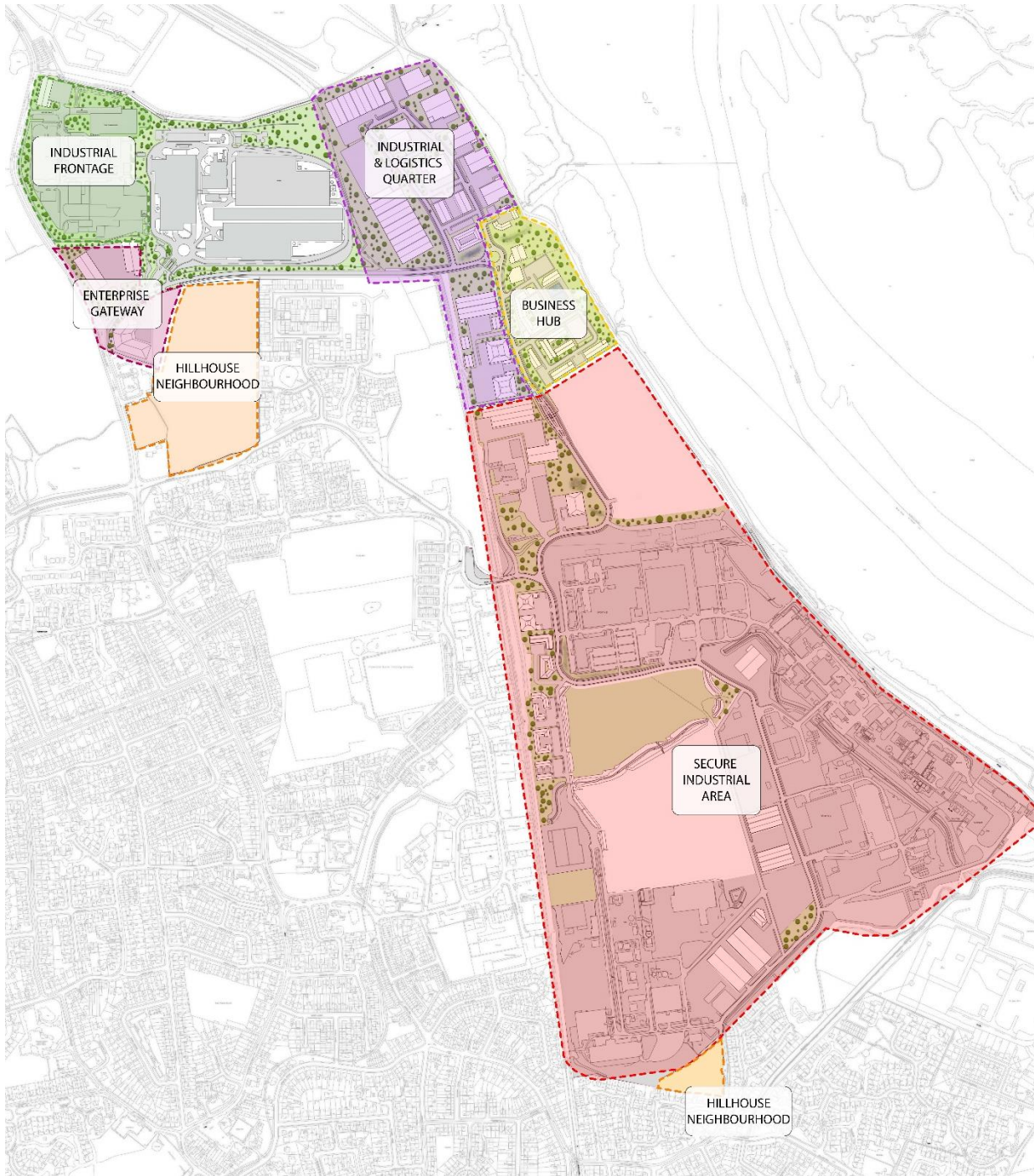
8.1 Introduction

The masterplan defines the Enterprise Zone into 6 distinctive but interconnecting character areas which define the future of the Enterprise Zone – these are shown in Figure 10 below.

To support the perception of distinct character areas in different areas of Hillhouse International Enterprise Zone, the design of buildings and space around the buildings will vary. The design principles to achieve the intended character of each area, along with images of styles of buildings, are presented here. Green landscaping may be included within character areas where appropriate and space allows, this will also provide opportunities for the incorporation of Sustainable Drainage Systems (SuDS) and ecological enhancements. The details of these character areas will be further refined as development proposals come forward, however the below is a guiding framework as a reference point.

- **Enterprise Gateway** – The Enterprise Gateway will act as the primary access point into the site, defined through a new access road along with several landmark buildings, catered towards industrial, business and commercial related uses.
- **Hillhouse Neighbourhood** – The Hillhouse Neighbourhood will be the home of a new residential development within Thornton-Cleveleys with scope for 250 accessible, high quality, well designed homes for the local community.
- **Industrial and Logistics Quarter** – The Industrial and Logistics Quarter will deliver a diverse typology of light industry, manufacturing and logistics property with a mix of building and plot sizes and scales. Large floor plates will be located to the north of the new access road, making the most of the space available, whilst smaller industrial plots will be located adjacent to the proposed business hub to make the most of key business connections.
- **Business Hub** – The Business Hub will consist of the development of a new business park featuring new landmark buildings and an active amenity hub, offering services for businesses and the working community. The hub will create an environment that promotes the delivery of architectural quality and high quality business operation.
- **Secure Industrial Area** – The masterplan will preserve and enhance the existing secured industrial area within the Enterprise Zone offering industrial, manufacturing, commercial and logistics related uses along with related services. This is supported by secondary secure access points into the site from Bourne Road and Hillylaid Road, to create a secure, safe and efficient space for businesses and employees. The secure area will be enhanced through building stock improvement, better designed highway and landscaping (including an internal recreational loop), as well as the potential for a dedicated amenity space within the secure area.
- **Industrial Frontage** – The Industrial Frontage will consist of the development and optimisation of the existing Burn Hall Industrial Estate, contributing in creating an accessible and high quality employment area that defines the quality of the Enterprise Zone.

Figure 10: Hillhouse Character Areas



Source: IBI Group

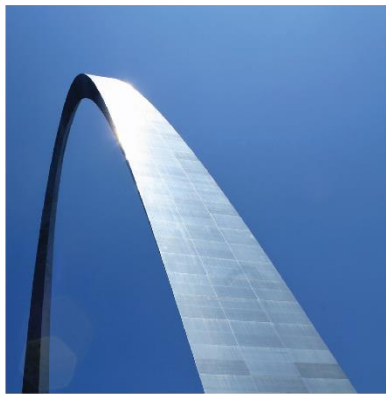
8.2 Character Areas

8.2.1 Enterprise Gateway

The Enterprise Gateway will act as the primary access point into the site, defined through a new access road, along with several landmark buildings, catered towards industrial, business and commercial related uses.

Key design principles include:

- Buildings of high quality contemporary design, set within a landscape setting and utilising high quality materials;
- Landmark buildings to be located at the entrance of the site, offering contemporary architectural styles and visual contributing to the environment;
- Variant building height ranging from 2 to 4 storeys with 4 storeys focussed at the gateway location;
- Buildings should contribute in creating active frontages and positive relationship with key access road into the site and the associated roundabout; and
- Secure car parking should be provided for each plot and conveniently located.



8.2.2 Hillhouse Neighbourhood

The Hillhouse Neighbourhood will be the home of a new residential development within the Thornton-Cleveleys community, offering accessible, high quality and well-designed homes.

Key design principles include:

- A range of high quality contemporary designed homes, with the use of brickwork and materials being appropriate and in keeping with the surrounding context of Thornton-Cleveleys;
- A range of unit types being provided including semi-detached and terrace housing;
- Well considered mix of building heights ranging from 2 to 3 storeys with responsive gable and frontage detailing, particularly for corner plots;
- Provide limited on street car parking by providing parking within plot where possible;
- Ensure access to high quality public and green spaces within the character area; and
- A buffer between housing and new northern access road to minimise noise impact.



8.2.3 Industrial and Logistics Quarter

The Industrial and Logistics Quarter will deliver a premier business, industrial and logistics area.

Key design principles include:

- High quality, well designed contemporary buildings, set within landscape surrounding;
- Delivery of a varied sized units catering for the needs of businesses, industry and logistics;
- Varying building height, between 1 and 3 storeys, with 3 storey properties focussed around the proposed primary access corridor and roundabout;
- Buildings should create an active frontage and positive relationship with the surrounding highways;
- The delivery of a high quality public realm, promoting pedestrian and cycle movements;
- Adequate secure car parking should be provided for each plot and conveniently located; and
- Units to cater for the parking and movement of HGV and service vehicles.



8.2.4 Business Hub

The Business Hub will consist of the development of a new business park featuring new landmarks buildings and an active amenity hub, offering services for businesses and the working community. The hub will create an environment that promotes the delivery of architectural quality and high quality business operation.

Key design principles include:

- High quality, well designed contemporary buildings, set within a high quality landscape setting;
- Varying building height, with the buildings stepping down in height from 3 storey to 1 storey next to the River Wyre;
- A dense urban fabric, allowing for the cluster of knowledge and business, with green corridors infiltrating the east of the area to create a natural frontage;
- The delivery of an amenity hub as a landmark building, creating visual interest and guiding users through the site;
- Buildings should create an active frontage and positive relationship with the surrounding highways;
- Landscaping elements between the River Wyre and the business hub, promoting visual and physical connection between these areas;
- The delivery of a high quality public realm, promoting pedestrian and cycle movements; and
- Secure car parking should be provided for each plot and conveniently located.



8.2.5 Secure Industrial Area

The masterplan will maintain the secured industrial area within the Enterprise Zone offering industrial, business, manufacturing and logistics related uses and services. This is supported by a secondary access into the site along Bourne Road and secure access points, creating a secure, safe and efficient space for businesses and employees.

Key design principles include:

- High quality, well designed contemporary buildings, set within landscape surrounding;
- Varying building height, reflected between the proposed power plants and other related uses, creating visual interest in the skyline of the secure area;
- Delivery of a varied sized units catering for the needs of businesses, industry and logistics;
- The delivery of a high quality public realm, promoting pedestrian and cycle movements;
- Enhance the environment and highway design to guide vehicles, cyclists and pedestrians through an attractive industrial setting;
- Secure car parking should be provided for each plot and conveniently located; and
- Units to cater for the parking and movement of HGV vehicles.

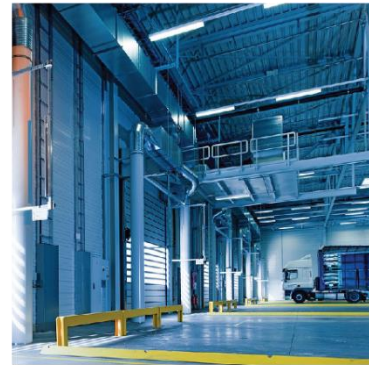


8.2.6 Industrial Frontage

The Industrial Frontage will consist of the development and optimisation of the existing Burn Hall Industrial Estate, contributing in creating an accessible and high quality employment area that define the quality of the Enterprise Zone.

Key design principles include:

- High quality, well designed contemporary buildings, set within landscape surrounding.
- Delivery of a varied sized units catering for the needs of the existing Industrial Estate.
- Future development will integrate within the existing form and highways of the existing Industrial Estate.
- Buildings should create an active frontage and positive relationship with the surrounding highways, especially those located along Fleetwood Road North. Such frontages must be designed to provide visual interest and activity.
- Adequate secure car parking should be provided for each plot and conveniently located.
- Units to cater for the parking and movement of HGV and service vehicles.



9 Utilities

Following the baseline assessment and considering the planned development of the site, this section sets out the utilities infrastructure requirements which have been identified as likely to be required to meet the needs of site occupiers. The utilities apparatus plans are to be viewed in conjunction with the other layers of the masterplan, such as the character areas and transport and access strategy. The utilities infrastructure requirements will be addressed in phases as developments come forward, as explained in the phasing section of this report. Initial surveys were carried out as part of the baseline study, but detailed utilities surveys, including ground investigations, will be required as part of the detailed design of site.

9.1 Utilities

9.1.1 Electricity

Hillhouse is currently well-served with electricity providers with more which are due to come on-line within the site. Electricity supply within the new development should be transmitted as high voltage to reduce voltage drop and sufficiently supply the developers. A spur will be required to each plot to permit the developer to manage the electricity supply appropriately. Should the on-site energy generation plants come on line, they will also require a means by which they are able to export excess electricity to sell back to the grid. The infrastructure for this will need to be considered as well. Due to the potential on-site generation of electricity from waste, the development is ideally suited to potential heavy power users to take residence. This will provide a highly efficient self-sufficient development allowing the revenue created on site to remain more within the local economy.

The onsite generation may also promote the possibility of Private Wire agreements between generator and offtaker. This will need to be agreed between both parties and the offtaker may still need a connection to the grid in the event of a power outage and it will be necessary to allow for the installation and maintenance of the private apparatus, however savings in cost per unit should help towards this. Private Wire agreements need to be carefully considered to make sure the generator and supplier are both able to honour their obligations.

Design of buildings and utility infrastructure at Hillhouse has the potential to be done in such a way as to promote and facilitate the development of the site. For example, the waste to energy plants not only address the regional waste issue, but can provide low cost energy within the site for other users via a private network, thus offering an attractive proposition to investors for locating at the site.

9.1.2 Water

The capacity of the potable and foul water networks are the main constraints to the expansion of Hillhouse International. The main potable water supply has experienced a number of bursts over the years and the secondary supply pipe has insufficient capacity. It is proposed to replace this main in the near future. The existing United Utilities (UU) gravity sewer is at capacity, to such an extent Victrex have to pump their trade effluent to the UU sewerage treatment plant. Upgrades to the on-site foul water treatment plant are recommended to increase the capacity it can process. Surface water is collected by an existing network, the majority of which is believed to discharge into the River Wyre.

Potable water demand may be achieved by the use of a borehole or connection onto UU potable water transmission main. The surface water infrastructure will need to be brought up to current regulations and be sized according to surface water run-off for the whole of the highway infrastructure, climate change and potential outfall from each of the plots. The provision of Sustainable Drainage Systems (SuDS) would provide sustainable management of surface water and perform other benefits including contributions to green infrastructure and ecological enhancements. Appropriate maintenance and management regime will be required for the lifetime of the SuDS.

Whilst a connection off site to a UU potable water transmission main has been considered, it would be worthwhile also exploring funding to reinstate the former ICI private potable water supply from the consented and live boreholes at Pilling, although this is 7km away, which is under the control of NPL group and therefore the Enterprise Zone. The former pipe easement corridor is in place and abstraction licences are current for a supply which would exceed that currently required on the Enterprise Zone and the site could therefore be self-sufficient in terms of potable water.

A private water supply would add further cache to the offer at Hillhouse International Enterprise Zone. Management of the foul water needs to be undertaken on a plot by plot basis with each developer. This can potentially be achieved by using a package water treatment plant, however, size would be dependent upon the demands of the developer. To increase water supply, whilst a local borehole may provide a saline supply, it is suggested that this is tested to see if it would be possible to extract water well below the water table. However, using the offer available at Pilling may be more appropriate than installing a borehole in a saline area.

9.1.3 Gas

The development will need to be served by a medium pressure gas ring main; to facilitate this, it will be necessary to provide a pressure reducing station.

The high-pressure gas main which follows the boundary of the site on three faces may have sufficient capacity, however this would need to be approved by Cadnet.

Demand calculations for the potential uses would need to be carried out, high usage industry for example smelting or heavy fabrication may not be feasible should the capacity of the local infrastructure not be sufficient. Demand calculations, together with the appropriate level of diversity applied, would need to be discussed with the relevant stakeholder to ascertain network capacity. Should there be a shortfall in capacity it would be necessary for the stakeholder to carry out of-site reinforcement.

Should faults occur on the gas pipeline, this would usually be carried out by the stakeholder. Due to the sensitive nature of the escaping gas, repairs are usually carried out very swiftly.

The lifespan of the apparatus is dependent upon the conditions the apparatus is in and whether there is a risk of third party intervention. Experience has shown that gas pipelines typically have a lifespan in excess of 50 years.

9.2 Summary

In conclusion, there will need to be utilities installations, particularly at the northern end of the site where there are currently no functioning utilities infrastructure. However, until the exact nature and location of developments are agreed, it is not possible to know exactly what will be required; each individual development and/or occupier will need to calculate the utilities requirements for their development. Consequently, although the phasing of the utilities

investments is outlined in the phasing section 10.3, to a large extent utilities infrastructure will be responsive, according to the needs of and order in which development proposals come forward.

10 Phasing

10.1 Overall Phasing

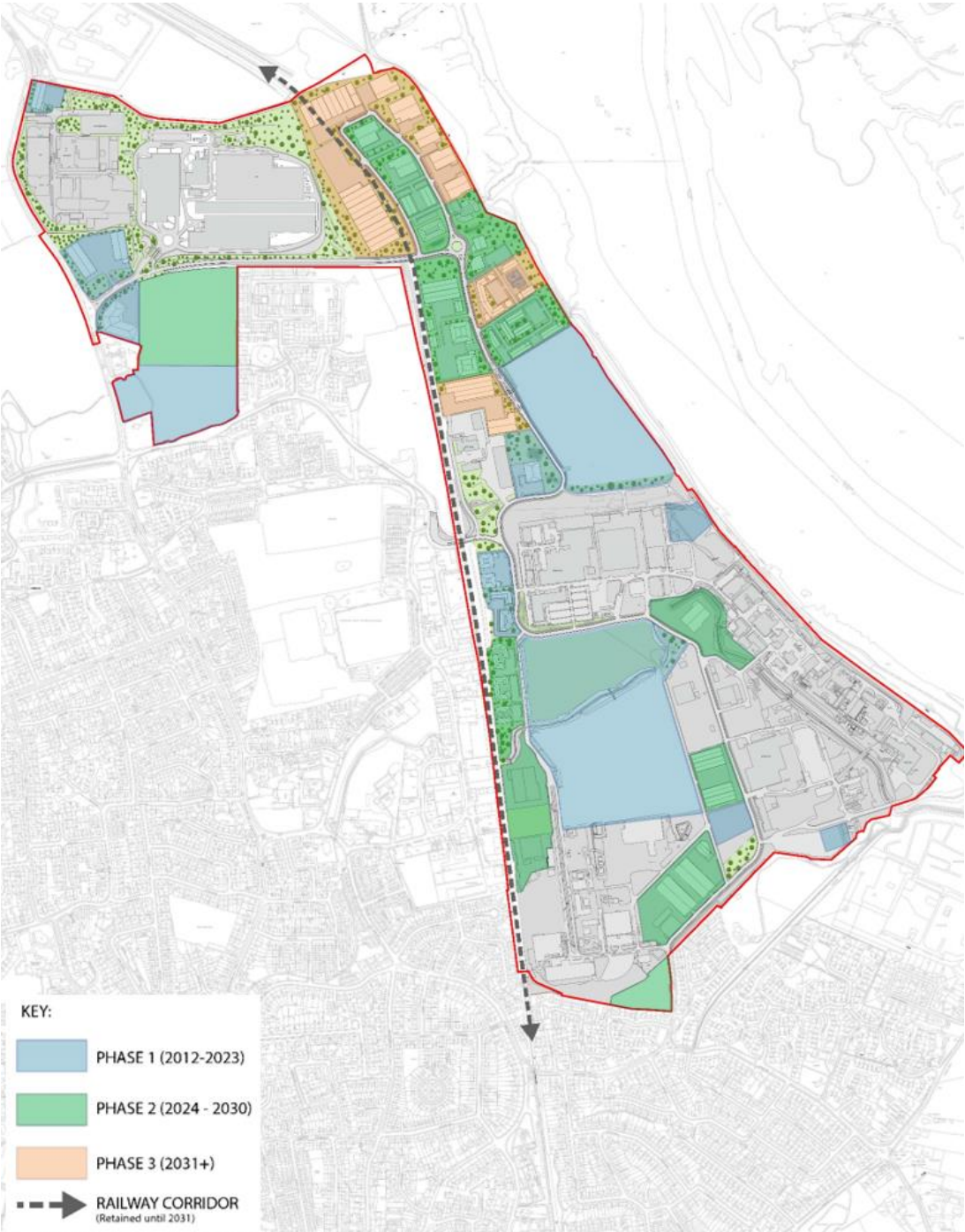
Hillhouse's designation as an Enterprise Zone applies from 2016 to 2041, and the delivery of the masterplan will be spread across a significant part of this period, with the proposed masterplan shown in Section 8 of this report being the end result to be achieved post 2031. The delivery of the enabling infrastructure works will be front loaded towards the earlier phases of the masterplan, to support the delivery of plots. Three main phases for delivery of this masterplan have been established:

- Phase 1: 2019 – 2023
- Phase 2: 2023 – 2030
- Phase 3: 2031 onwards

Figure 11 identifies the areas of the Enterprise Zone to be delivered within each phase. However, in reality there will be some overlap between phases. A number of plots within the Enterprise Zone are ready for development in terms of access and utility connections; these are included in Phase 1. Other plots need access and utilities to be in place before they are ready for further development. Therefore, these enabling works will need to be completed first, before buildings can be constructed and businesses move on site.

In Phase 1, sites which already benefit from planning permission or are at an advance stage of preparing a planning application, such as the residential site (Plot D) adjacent to the Burn Hall Industrial Estate and Waste Technology Park, can be brought forward quickly. Apart from that, the philosophy of Phase 1 is to begin work which will enable other parts of the Enterprise Zone to be brought forward. This mainly involves beginning the new northern access road in to the northern part of the site, and the spine road from that down into the secure access area. It is vital this is done sooner rather than later because development of the northern part of the site will be severely impeded without it.

Figure 11: Phasing plan

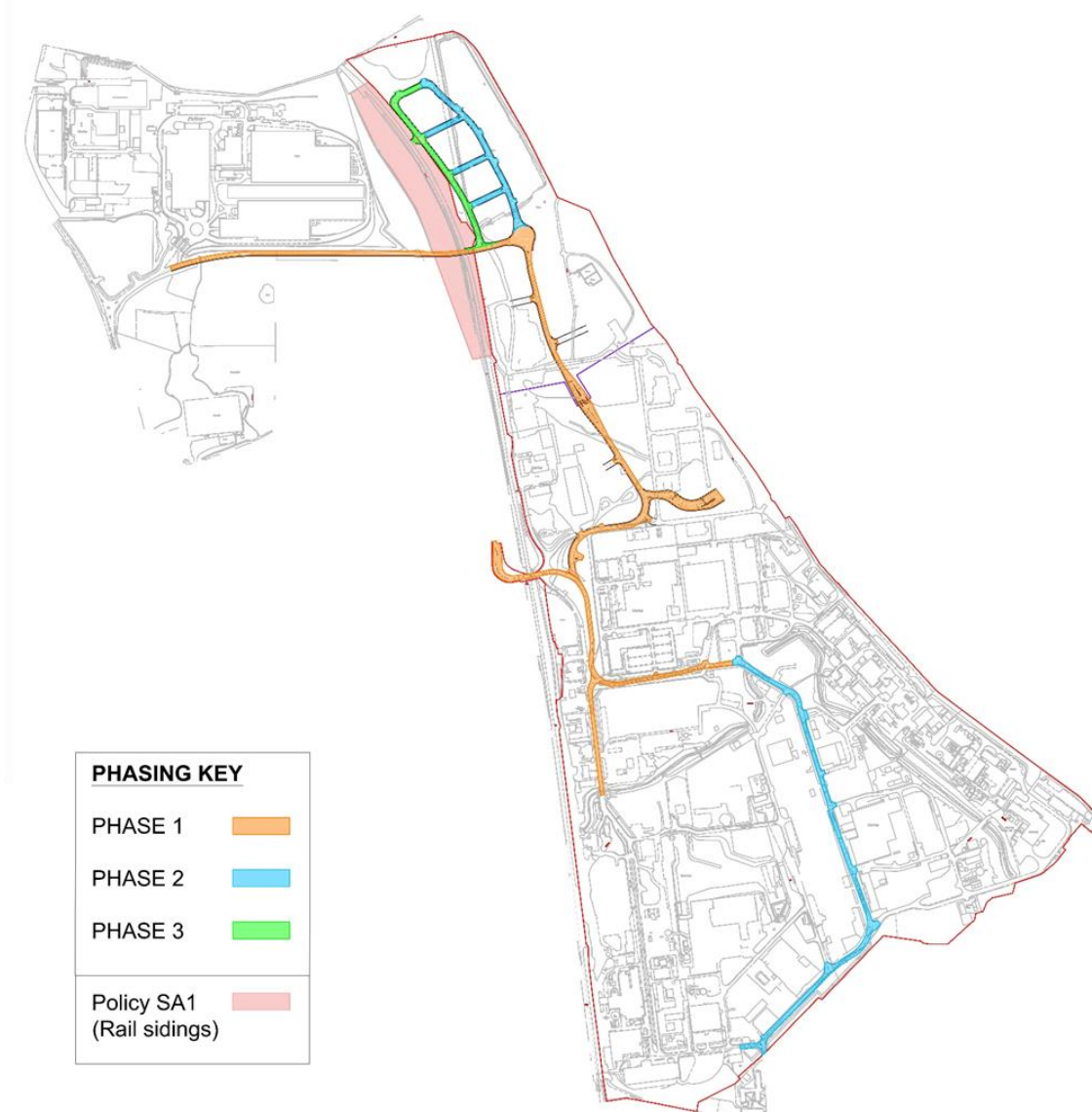


Source: IBI

10.2 Highways Phasing

As indicated in the plan below, it is currently envisaged that highway and access improvements will be implemented in three broad phases. Phase 1 establishing the new northern access route and secure site access controls; Phase 2, half of the northern loop, but leaving the rail corridor unaffected; and Phase 3, the completion of the northern loop. Within these phases is the opportunity to upgrade and rationalise the existing estate roads in the southern portion of Hillhouse.

Figure 15 Highways Phasing



10.3 Utilities Phasing

The principal behind the utility infrastructure installation is based upon early installation of ring main apparatus. The apparatus installed will need to be sized based upon predicted demand for each of the units. A degree of diversity will be applied to the demand calculations to ensure that to each of the plots available, utility capacity will not constrain potential developers. New highways in the open access area will be designed and built to adoptable standards.

Electricity sub-stations and gas governors will be sited based upon predicted demand, they will need to be accessible to carry out maintenance. Surface water will outfall into the River Wyre, infrastructure will need to be designed to retain sufficient volume of water during a storm event and high tide. Foul water treatment capacity is limited in the development. As the actual uses for each plot are unknown it is recommended that foul water treatment is managed on each of the plots. We have been advised that potable water capacity is limited on site, however a 24" United Utilities water transmission is located along Gamble Road, subject to capacity availability this may prove to be a suitable source.

10.3.1 Phase 1 (2019 – 2023)

Access road from the north to be constructed, providing access to the 'power from waste' development in the south and the northerly spine road from the roundabout. Sewers are traditionally installed within the carriageway, therefore the sewers installed in this phase will need to take into account future requirements. It may also be worth considering installing the civils infrastructure for other services within the footway and verges. This will permit the landscape to be completed thereby improving the area, which may in turn result in increased demand. Potable water design will need to ensure that 'dead legs' are avoided which would cause a health hazard.

Service demand for the new developments on and off site are believed to be achievable based upon existing capacity in the surrounding networks. Therefore, no utility reinforcement is currently believed to be required until the developments come on line.

10.3.2 Phase 2 (2023 – 2031)

As the various units are released, they will need to connect with the existing infrastructure within the highway, this will permit minimal disruption to the completed landscaped areas and reduced lead-in time. Offsite re-enforcement may need to be carried out in this phase depending upon demand requirements for the units.

10.3.3 Phase 3 (2031 onwards)

During this phase, the western road will be constructed which will provide access to the units placed on the disused railway line. Following a similar methodology as Phase 1 the sewers will be installed within the carriageway and the other services within the footway and verge.

11 Further Work and Next Steps

11.1 Northern Access Road

Planning permission will be required for the new northern access road which will radically improve access in to the site. This will require engagement with Lancashire County Council as the local highways authority and Highways England in relation to the strategic road network. The new access road will require planning permission; as part of this application, a number of detailed assessments will be required, for example transport impact assessment and environment assessment. The scope of the planning application assessments will need to be agreed with Wyre Council, Lancashire County Council and Highways England.

The immediate building of the new northern access road to alleviate Bourne Road is strongly recommended. Without this being prioritised for early implementation of the masterplan, the following implications on the delivery of the rest of the masterplan will be created:

- All vehicles, including HGVs, on site workers and contractors, will have to use the Bourne Road access and entrance;
- It will not be possible to have differentiated secure and non-secure boundaries as all vehicles and people will need to enter the site via the secure access at Bourne Road; this will reduce the viability of the site to meet the requirements of the local industrial property market;
- Congestion delays at Bourne Road owing to the lack of increased capacity as entrance will need to be retained in the current location. This will lead to congestion delays and occupier discontent;
- The junctions of Bourne Road / Fleetwood Road North and Bourne Way / Amounderness Way (A585) will experience heavy concentrations of traffic and delays;
- Public transport penetration of the site will not be possible;
- The benefits to surrounding residential communities will be limited by the lack of public access to the community hub and Wyre Way; and
- Reduced flexibility of Hillhouse to meet the changing market demands.

11.1.1 Engagement with Network Rail

The proposed new northern access route will need to cross the safeguarded Poulton-Fleetwood rail branch. Discussions will be required with Network Rail to facilitate this and to understand the status of the railway line beyond 2031, to when it is currently safeguarded, and to agree the most suitable method for the new road to cross the railway.

11.2 Utilities

The majority of the service trenches within the development are abandoned, however in isolated sections, for example within the AGC Chemicals site, the service trench is used to carry connecting infrastructure from one location to the next. In some respects, these service trenches form a barrier to development. If they were rationalised it would permit the footprints of the individual plots to reflect developer requirements which may result in a higher level of demand.

In addition to the above, to progress the development further it would be useful to close out the items below which will reduce risk to the project:

- Capacity of existing infrastructure;
- Demand of proposed land uses;
- Accurate location and identification of existing apparatus;
- Contact Cadent to obtain the width of easement / wayleave for the High-Pressure Gas main;
- Contact surrounding utility companies to request network capacity against projected demand;
- Feasibility study into the re-introduction of off-site potable water supply;
- Should excessive off-site re-enforcement of surrounding utility company's networks be required – refine the diversity calculations of the demand requirements to see if the costs can be reduced; and

11.3 Detailed Surveys

Each development proposal brought forward at Hillhouse will need planning permission. As with the new northern access road, a range of detailed assessments will likely be needed to support the planning application. Again, the scope of these will be agreed with Wyre Council as appropriate. It is to be decided whether the outstanding detailed ground and environmental surveys will be carried out for the site as a whole, or on an individual basis for each development.

Detailed ground and environmental/ecological surveys need to be carried out at the site, and should be carried out on a development led basis in the absence of third party funding availability. A ground penetrating radar survey should be undertaken to identify all utilities infrastructure, and assessment of the conditions of the existing infrastructure should be undertaken so as to gain a fully accurate picture of the utilities network at Hillhouse. More detailed surveys relating to contamination and waste disposal within the site are also required, particularly in relation to the reservoir at the northern extent of the site, which is to be filled in as part of the development of the site. Consideration and review of land connected with existing ecological mitigation and compensation within the site that is associated with previous residential development will also require further consideration.

Table 3 below provides a summary of further work and next steps that will be required to deliver the masterplan

Table 3: Further work and outstanding queries to be addressed

Issue	What to be done
Development demand	Assessment of demand for proposed land use
Utilities infrastructure condition	Intrusive site investigation
Utility demand	Utility demand assessment
Utility capacity	Discussions with providers
Infrastructure demand and capacity	Discussion with infrastructure providers
Pipelines	Establish width of easement/ wayleave for High-Pressure Gas main
Ecological constraints	Phase 1 Ecology assessment Project Level Habitat Regulation Assessment Review of ecological mitigation and compensation land
Landscape and green infrastructure	Landscape and green infrastructure framework Funding mechanism for provision and long term maintenance of green infrastructure
Contaminated land and water	Intrusive site investigation
Flood risk and drainage	Flood risk assessment

Issue	What to be done
Hazardous waste	Intrusive site investigation
Off-site traffic impact	Traffic impact assessment
On-site sustainable transport	Sustainable transport study including pedestrian and cycle connectivity Travel Plan
Environmental Health	Noise impact assessment Air quality assessment

11.4 Five-year review

Hillhouse International Enterprise Zone's masterplan is intended to be a framework for the development of the site, and for this reason it is a live document. Inevitably the Hillhouse site will evolve over the 25-year period of the enterprise zone status. Therefore, to ensure the masterplan remains effective in guiding the delivery of the site, it should be reviewed and updated every five years.

11.5 Funding

Indicative costs for the identified required infrastructure at Hillhouse International Enterprise Zone to enable the full realisation of the masterplan have been prepared. These fall in to three main areas: highways; utilities; and the lagoon. At this stage the costs are indicative only and are based upon approximate rates and a 2D highways concept design. The forthcoming implementation and funding plan will involve further work to add certainty to the estimates as the planning process progresses, including: preparing the designs on a 3D topographic survey; ground investigation; utility investigation; and structural investigation.

The funding and implementation plan will also identify the order and method of fully implementing the masterplan. As part of this, funding methods will be outlined. Third party funding needs to be sourced to enable the following:

- A landscape and green infrastructure framework incorporating structured tree planting, and pedestrian and cycle connectivity within and where possible outside the site
- A Project Level Habitat Regulation Assessment (HRA) for the entire Enterprise Zone (having regard to the mitigation measures in the Habitats Regulations Assessment of the Local Plan)
- A Flood Risk Assessment (FRA) for the entire Enterprise Zone must be carried out as planning applications begin to come forward, and the results used to take a sequential approach to overall site layout
- Residual surface water run-off should drain direct to the river Wyre via Springfield in the north and Royles Brook in the south. This will require a masterplan-wide drainage strategy
- Springfield and Royles Brook are both designated Main Rivers. The prior written consent of the Environment Agency is required for any proposed works or structures in, under, over or within 8 metres of the top of the bank of the watercourse and 16 metres of the estuary flood defences. An open space buffer should be provided to protect the watercourse from detrimental impacts.
- A ground and water contamination desk study will be required and followed, if necessary, by more detailed site investigation.

If such third party funding cannot be secured, the above will be sourced on a development led basis.

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Wyre Council

**Hillhouse Technology Enterprise
Zone Masterplan
Public Consultation Report
November 2018**

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1. Introduction – scope and purpose

- 1.1 Hillhouse International Business Park was designated as having Enterprise Zone (EZ) status in November 2015. This came into existence with effect from 1 April 2016 with a programmed 25 year lifespan, with aspirations to increase job numbers and secure inward investment.
- 1.2 There is a requirement from the Ministry of Housing, Communities and Local Government (MHCLG) previously Department for Communities and Local Government, to deliver a masterplan for the Enterprise Zone for the next 25 years. It is not the final or only version but rather it is meant to be a 'living' document that evolves over time. One of the requirements of the plan is that it is reviewed every five years to reflect the needs of the stakeholders as the various projects develop and to maintain its relevance.
- 1.3 The majority of Hillhouse is controlled by NPL Group, and in partnership with Wyre Council, the Lancashire Economic Partnership (LEP) and Blackpool, Fylde and Wyre Economic Prosperity Board, have jointly commissioned consultants Mott MacDonald to undertake the preparation of a masterplan that will cover the entire Enterprise Zone (EZ) until 2041. Due to contract commitments, work on the masterplan commenced in August 2017.
- 1.4 The draft masterplan has been the subject of engagement with stakeholders over many months and has been structured to ensure it aligns with policies in the emerging Wyre Local Plan (2011-2031). The masterplan is also supported by a baseline report that provides supporting evidence and background information.
- 1.5 Before finalising and adopting the masterplan, Wyre Council have undertaken a three week public consultation on the draft masterplan. This report sets out the details of that public consultation, including who was consulted and the method used. The report also provides a summary of the consultation comments received, provides a response to the issues raised, and identifies proposed modifications to be made to masterplan that result from the public consultation.
- 1.6 The public consultation focused on the draft masterplan, however the baseline report that underpins the masterplan was also available as part of the supporting evidence.
- 1.7 It is proposed that the draft masterplan will be amended in accordance with the findings of this report and the final masterplan will be formally adopted by Wyre Council. The masterplan will then guide the development of the site, facilitate delivery of the EZ and inform the preparation of the Implementation Plan whilst still aligning with the policies within the emerging Wyre Local Plan (2011-2031).
- 1.8 The adopted masterplan will also be submitted to the Lancashire Economic Partnership and the Ministry of Housing, Communities and Local Government (MHCLG) in line with the governance requirements.

2. Public consultation – who and how we consulted

- 2.1 The three week public consultation on the draft masterplan commenced on 11 October until 5pm on 1 November 2018.

- 2.2 To publicise the consultation, Wyre Council sent consultation letters to 1,644 properties that are located within a 200 metre buffer of the EZ boundary, this also included businesses located within the EZ. A map illustrating the properties located within the buffer is available in [appendix A](#). Email notifications were also sent to appropriate consultation bodies, as identified in [appendix B](#). A press release was also issued (8 October 2018) and a prominent notice on the councils website and consultation portal were also used to publicise the consultation.
- 2.3 The council also held a public ‘drop in’ event between 1 – 6pm on Friday 12 October at Thornton Football Club, which is a venue located within the EZ boundary. This ‘drop in’ event was open to the public and was well attended by residents and businesses alike.
- 2.4 During the consultation, the draft masterplan and supporting baseline report were available to view on the council’s website at www.wyre.gov.uk/masterplans and hard copies were also available for inspection at Thornton Library and Wyre Council Civic Centre Reception, Poulton-le-Fylde during normal office hours.
- 2.5 During the consultation, comments could be submitted by completing the formal comment form that was available to collect from Thornton Library and Wyre Council Civic Centre, download from the council’s masterplan website or by completing the online interactive form. Consultation comments received via email or letter have also been accepted.

3. Summary of Consultation Responses

- 3.1 In total, 33 responses from individuals and organisations were received during the three week consultation period. All responses received have been fully reviewed and considered and this has led to a number of proposed modifications to the masterplan.
- 3.2 A summary of all consultation comments received is provided in [table 1](#) below. This table also includes a council’s response and identifies proposed modifications to the draft masterplan resulting from the consultation comments.
- 3.3 The key themes raised as part of the consultation that have resulted in proposed updates to the masterplan include:
- One key landowner highlighted discrepancies in the land ownership, with some plots being inaccurately labelled. New maps and amendments to the text are proposed to be made;
 - Comments from statutory bodies have requested that further work be undertaken. These issues are proposed to be addressed within the Implementation Plan and commentary added within the ‘Further Work and Next Steps’ section of the Masterplan; and
 - Other minor anomalies and updates are proposed in line with consultation comments as appropriate. These issues will be addressed within the Implementation Plan and commentary is proposed to be added within the ‘Further Work and Next Steps’ section of the Masterplan.

Table 1: Summary of Consultation Comments and Council Response

Name / Organisations	Summary of Consultation Comments	Council Response	Proposed Modification to Masterplan
Residents	<p>Comments received from 21 individuals, that include the following areas of concern:</p> <ul style="list-style-type: none"> • Existing highway congestion on B5268/A585/M55; • Highway safety and increased traffic, including HGV traffic accessing Bourne Road and Hillylaid Road access point; • Provide new access road prior to new development in the Enterprise Zone (EZ); • Concern regarding new road behind existing residential area - privacy, noise, light pollution, views, security, health risk, highway safety; • Insufficient infrastructure and facilities; • Object to new Energy Recovery Centre: concerns over air quality, water and smell; • Impact on house prices and ability to sell property; • Impact on residential amenity - noise, smells, views, light; • Development adjacent to existing residential areas and children's play area; • No benefits for local residents; • Loss of railway line/potential to re-open rail line is gone; • Loss of reservoir / impact on wildlife / infill reservoir by landfill 	<ul style="list-style-type: none"> • Delivery of the Northern Access Road is a priority to unlock the EZ and will provide the main access into the site. Detailed transport, environmental and infrastructure assessments to deliver the northern access road and wider development proposals are acknowledge in section 11 in the masterplan. Wider transport considerations and opportunities for sustainable travel are also considered throughout the masterplan. • The masterplan will be a material consideration in the planning process. All detailed matters, such as potential impact on residential amenity will be considered as part of any future planning application, in consultation with appropriate consultees e.g. Environmental Health. • Any positive or negative impact on house prices arising from any proposal is not a planning matter. • The EZ has an ambition of growing employment on the site to over 3,000 by 2035 and this could provide local job opportunities which could reduce commuter traffic. • Following discussion with Network Rail, there is currently no business case for the reopening of a commercial rail line on the former 'Burn Naze' branch line. This rail line is safeguarded in the emerging Wyre Local Plan to 2031 and this is reflected in the masterplan. The masterplan will be periodically reviewed and any change in this position can be reflected in subsequent updates. • Infilling the reservoir is an option for the area identified in phase 3 (2031+). Appropriate ecological and technical assessment would be required to deliver this parcel. • A commitment to undertake technical assessments, including funding mechanism and timescales will be identified within the emerging EZ Implementation Plan. 	n/a

Name / Organisations	Summary of Consultation Comments	Council Response	Proposed Modification to Masterplan
Thornton FLAG and TAG	<ul style="list-style-type: none"> • Para 1.4 - Agree with requirement for water going direct to the river. Any development which adds volume to the Stanah Pumping Station must have an attenuation system. Direct drain to the river a preferable solution. If a by-pass could be created in Stanah Pumping Station, so that natural drainage and pumped drainage could work in conjunction, this could increase flow rate. • Para 6.3.1 - Reality is high volumes of HGVs access the EZ via the village which creates highway safety concerns through Thornton where key facilities are located. This creates air pollution and structural damage to properties. • Para 9.5 - Support new road buffer between road and residents however this mitigation measure cannot be provided along Fleetwood Road North. Better signage at Norcross roundabout to encourage traffic to enter EZ via Eros Roundabout and require HGV Travel Plan. Support potential job increase, providing jobs for residents and reducing commuter traffic. 	<ul style="list-style-type: none"> • A Flood Risk Assessment (FRA) and Drainage Strategy for the entire EZ is a requirement identified within section 11 of the masterplan. Both technical assessments will consider measures that will be required to deliver the EZ. A commitment to undertake such assessments, including funding mechanism and timescales will be identified within the emerging EZ Implementation Plan. • Detailed transport and environmental assessments to deliver the northern access road is acknowledge at paragraph 11.1 in the masterplan. Further transport assessments to deliver the wider development proposals in the masterplan, including on and off site would also be required. The scope and outcome of such technical assessments would be agreed with the highway authority and any other appropriate bodies. 	n/a
Cllr Rob Fail, Labour Group of Councillors	<ul style="list-style-type: none"> • Para 1.4 - ground and water contamination desk study should be a full audit to include contamination locations, nature, historical action undertaken and current assessment of actions undertaken, current risk to users, additional remedial action to be undertaken. Results of audit should be public. • Para 2.2.1 - the re-opening of the rail line provides an opportunity for EZ not a constraint. • Para 3.3 - vision of "well connected premises" cannot be achieved with sub-standard road network. • Para 3.4 - objective 2 & 3 should refer to re-opening the rail line. Masterplan does not positively encourage re-opening of rail line, this would be beneficial for Travel Plan and business would benefit. Objective 8 - refers to new residential, this should be dependent upon improvements to the A585 and re-opening of the rail line. • Para 4.2, 2nd bullet and 8.2.1 - new gateway should be future proofed to allow for rail/tram stop for EZ at gateway. 	<ul style="list-style-type: none"> • A ground and water contamination study will be undertaken in accordance with necessary guidance and legislation, and where necessary, followed by more detailed site investigation. • Following discussion with Network Rail, there is currently no business case for the reopening of a commercial rail line on the former 'Burn Naze' branch line. This rail line is safeguarded in the emerging Wyre Local Plan to 2031 and this is reflected in the masterplan. The masterplan will be periodically reviewed and any change in this position can be reflected in subsequent updates. • The northern access road will be developed and supported by a suite of technical assessments, which will determine the eventual design of the road, the method by which the road will cross the existing safeguarded rail line and any associated infrastructure. The scope and outcome of the technical assessments will be produced in association with relevant consultees e.g. highway 	n/a

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	<p>Increase in workers will impact on already congested road network.</p> <ul style="list-style-type: none"> • Para 6.3.3 - rail line should be protected and road crossing should not result in additional cost to re-open the whole line. Without this vision from Network Rail, the EZ should ensure its activities do no hinder rail restoration. • Section 8.2 - design principles do not consider sound and smell issues, problems already experienced from residents. Existing issues should be reduced or stopped. New EZ businesses should not adversely affect nearby residents. • Climate change should be at heart of EZ strategy and masterplan. 	<p>authority. A commitment to undertake appropriate technical assessments, including funding mechanisms and timescales will be identified in the emerging EZ Implementation Plan.</p> <ul style="list-style-type: none"> • The design principles set out in section 8.2 provide specific principles for individual character areas. Issues associated with noise and smells are applicable across the whole EZ and not specific to an individual character area. Such matters would be considered as part of any subsequent planning application with necessary supporting technical assessments and consultation with appropriate consultees e.g. Environmental Health. • Sustainability has been considered throughout the masterplan. 	
Cadent	<p>Response refers to Cadent Infrastructure within or in close proximity of the site that includes both High pressure (above 2 bar) Gas Pipeline and Low or Medium pressure (below 2 bar) and associated equipment. It is likely there are also gas services and associated apparatus in the vicinity, these are not shown on plans but their presence should be anticipated. Cadent provided further details on considerations regarding pipeline easements; Health and Safety Executive guidance on pipeline safety; excavation; pipeline crossings. Plans for the high pressure and medium pressure pipelines were provided.</p>	<p>Noted. Information to be provided to masterplan team. Guidance to be fed into future update to the baseline report.</p>	n/a
Environment Agency	<p>In general satisfied with the proposals, but further work will be needed to show how these issues can be satisfactorily addressed to ensure no environmental impacts and flood risk is appropriately managed. EA are keen to be involved in preparation of the EZ Masterplan.</p> <ul style="list-style-type: none"> • Support reference to FRA for entire site and sequential site layout. Guidance is provided on considerations for FRA. Redevelopment of the EZ provides opportunities to enable works to Springfield Pumping Station. Climate change for lifetime of development to be considered. 	<ul style="list-style-type: none"> • Welcome the opportunity for continued liaison with Environment Agency as the masterplan and EZ develops. • A commitment for masterplan-wide drainage strategy and a landscape and green infrastructure framework are set out in paragraph 11.5, this would include consideration of Sustainable Drainage Systems (SuDS). A ground and water contamination desk study and ecological assessments will also be required. Reference to such technical assessments are identified within section 11. 	<ul style="list-style-type: none"> • Add Local Plan key development consideration in reference to Environment Agency approval for work within 8 metres of main river and 16 metres of estuary flood defences into paragraph 1.4 and 11.5.

Name / Organisations	Summary of Consultation Comments	Council Response	Proposed Modification to Masterplan
	<ul style="list-style-type: none"> • Appears development is indicated over the culverted Springfield watercourse but some figures indicate green space. Environmental Permit to develop over culvert unlikely, options to remove culvert and restore to open channel should be taken where practicable, could explore with GI. • Masterplan should highlight that developers should incorporate pollution prevention measures to protect ground and surface. Where appropriate, Construction Environmental Management Plan (CEMPs), including Pollution Prevention Plans. • Section 2.2.1 - refer to all Main Rivers within and adjoining the site. Masterplan should mention 8 metre and 16 metre margins in relation to Main Rivers, culverts and flood defences and need to obtain an Environmental Permit for Flood Risk Activities. The 8/16 metre margin should be identified throughout the site long with actions that will be taken and/or considered. • As foul sewer at capacity, surface water run-off should not discharge to sewer. Drainage strategy for the whole EZ recommend. Advocate SUDS. Harm to surface water and groundwater during construction and operation, including maintenance arrangements should be considered. • Natural buffer should be implemented between working area and channel of Wyre Estuary. Buffer required for other Main Rivers within the site. • Ecology assessment required, water vole records in area. Refers to Government's 25 Year Environment Plan and ambition to enhance the environment, include objective on this. • Expand GI to include reference to 'blue' infrastructure. Figure 6 does not include on-site Main Rivers as constraints. All watercourses should be identified as key constraints. Wetlands should be explored to be incorporated into GI around Royles Brook. 	<ul style="list-style-type: none"> • The development plots in figure 2 illustrates gross development areas and any onsite constraints would be considered as part of any future planning application. Local Plan site allocation policy for the EZ identifies the main rivers and appropriate buffers as a key development consideration, it is proposed to include this Local Plan wording within the masterplan and refer to the main rivers within section 2 'flood risk and drainage' baseline section of the masterplan. Reference to figure 6 constraints map is in relation to the baseline report and not the masterplan, there will be a commitments in the emerging Implementation Plan to update the baseline report following the adoption of the masterplan. • It is proposed to expand objective 7 to refer to protecting and enhancing the natural environment. • Reference to Green Infrastructure is inclusive and 'blue' infrastructure is one of the GI typologies. 	<ul style="list-style-type: none"> • Add reference to the main rivers within the site into paragraph 2.2 - 'flood risk and drainage' • Expand objective 7 to include reference to protecting and enhancing the natural environment.

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Highways England	<ul style="list-style-type: none"> From Highways England (HE) perspective, the A585 junctions of most importance to the EZ development are: West Drive; Bourne Way; and Amounderness Way/ B5268 Fleetwood Road 'Eros roundabout'. Local Plan highway modelling was strategic, trip distribution used in the assessment may not reflect the current masterplan proposals and further modelling is recommended to be undertaken by the masterplan team. Scope of highway assessment in support of access road should be agreed with HE, to include as a minimum suitable junction modelling of the A585/B5268 roundabout to assess safety and operation of this Strategic Road network junction. This junction was not assessed for the Local Plan by the CH2M model produced for Highway England. Section 11.1 - Northern Access Road, LCC as local highway authority will have view on the potential impacts on local network. Suggest future work should provide details on access strategy to the site for all trips (residents/employees/HGVs) and how these will be managed. Robust Travel Plan required with consideration of appropriate measures to limit traffic impact in residential areas. Further analysis on likely usage of southern gate recommended, this could impact on A585 West Drive signal junction and A585 Victoria roundabout. 	<ul style="list-style-type: none"> Delivery of the Northern Access Road is a priority to unlock the EZ and will provide the main access into the site. Detailed transport and environmental assessments to deliver the northern access road is acknowledge at paragraph 11.1 in the masterplan. The scope and outcome of such technical assessments would be agreed with the highway authority. Section 11.1 will be expanded to include specific reference to engagement with Highways England in relation to the strategic road network. Wider transport considerations and opportunities for sustainable travel are also considered throughout the masterplan. 	<ul style="list-style-type: none"> Update 11.1 to include reference to Highways England and impact on strategic road network. Insert summary table 8 from baseline report into section 11 of the masterplan and update to include specific reference to travel plan.
Historic England	No comment at this stage	Noted.	n/a
Lancashire Public Health	<ul style="list-style-type: none"> Masterplan should strengthen its focus on sustainable connectivity with the wider community, to maximise positive impact for community to access jobs, training and education, travel plan to reduce private car reliance, landscape and GI, with particular considerations to wards that sit within the 20% most deprived nationally. Support 4.2, 7th bullet on sustainable travel through the site. Active movement through the site should include design considerations that promote safe and active travel 	<ul style="list-style-type: none"> The masterplan refers to multifunctional green spaces at paragraph 4.2 and it is proposed to expand this text to refer to Sustainable Drainage Systems (SuDS). Wider transport considerations and opportunities for sustainable travel are also considered throughout the masterplan. A commitment to produce a Travel Plan will be identified within section 11 of the masterplan. The masterplan will facilitate job creation and training, education and access to 	<ul style="list-style-type: none"> Add commentary regarding multifunctional benefits of Sustainable Drainage Systems as part of multifunctional green spaces in paragraph 4.2. Insert summary table 8 from baseline report into section 11 of the

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	<p>for all, including disabilities, the young and elderly. It would be beneficial to represent this pictorially to show movement around the entire site and beyond.</p> <ul style="list-style-type: none"> • Para 6.3.1 - recommend air quality assessment undertaken for new road, with particular consideration to impact on neighbouring houses and pedestrian and cyclists accessing road. Recommend specialist input obtained to advice on what plants are most effective at capturing particular matter pollution generated by the road and GI opportunities for cyclist and pedestrians. • Figure 6 - Buffer Plan should be amended to incorporate adequate space for safe cycling and walking • Request commitment to electric vehicle recharging throughout the site, including commercial and residential parking areas. • Request specific reference to provision of dwellings suitable or adaptable for older people and people with restricted movement in the masterplan, along with definition of standards e.g. Lifetime Homes. 	<p>jobs are being explored as part of the wider masterplan commitments, including working with local colleges.</p> <ul style="list-style-type: none"> • The new access road and movement throughout the site will be developed and supported by a suite of technical assessments, for example, a sustainable transport study will consider pedestrian and cycle connectivity and environmental assessments will consider noise and air quality. The highway buffer set out in figure 6 is indicative, as described in para 6.3.1. A commitment to undertake appropriate technical assessments, including funding mechanisms and timescales will be identified in the emerging EZ Implementation Plan. • Development proposals within the EZ will have to accord with the emerging Local Plan policies, this includes provision for electric vehicle recharging and housing mix, it is therefore considered unnecessary duplication to be included within the masterplan. 	<p>masterplan and update to include specific reference to travel plan.</p>
Natural England	<ul style="list-style-type: none"> • The development has potential to impact on a European site and the environment which has not been considered in the masterplan. Masterplan is lacking in promoting the importance of the designated sites and the development considerations which arise from these constraints. No mention of potential for parts of the site to be functionally linked land and mitigation may be required. Local Plan mitigation measures should be carried through into the masterplan. Some reference to Morecambe Bay being SPA and SSSI but no mention of the actual names of the designation which include a Ramsar site and no further follow up within the document. • Mitigation and compensation land for adjoining housing development not considered. Need to be clear if land for mitigation or compensation as proposing to replace land elsewhere will have different requirements. Useful if the 	<ul style="list-style-type: none"> • A project level Habitat Regulation Assessment (HRA) for the entire EZ that considers the Local Plan HRA mitigation measures is a requirement identified within section 11 of the masterplan. A project level HRA will be a work commitment identified within the emerging EZ Implementation Plan. This will also set out funding mechanisms and timescales for undertaking such assessment. • Incorrect reference to Morecambe Bay SPA and SSSI will be updated to reflect designation. • A review of ecological mitigation and compensation land is identified as an outstanding matter within section 11 of the masterplan. A commitment to undertake further investigation, including its location and potential implications for development will be a work commitment identified within the emerging EZ Implementation Plan. 	<ul style="list-style-type: none"> • Para 2.2 - update reference to European designation in masterplan and include reference to land being potentially functionally linked to SPA. • Expand objective 7 to include reference to improving the natural environment and provide appropriate references within the masterplan to multifunctional benefits of landscaping, SuDs and the natural environment. • Include plan showing the site boundary in the

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	<p>existing land can be identified on a plan in the document to guide further thought about its possible replacement.</p> <ul style="list-style-type: none"> • Para 3.4 - add objective which makes reference to the development improving the natural environment through biodiversity net gain, inclusion of SuDs, new habitat creation and linking of existing habitats through green corridors/wildlife networks. • Include plan in masterplan showing the site boundary in the context to its surroundings. 	<ul style="list-style-type: none"> • It is proposed to expand objective 7 to refer to protecting and enhancing the natural environment. • It is proposed to include a plan showing the EZ boundary in the context of the surrounding area 	<p>context of the surrounding area.</p>
National Grid	<p>No comment on consultation. National Grid can provide advice and guidance concerning our networks and provide informal comments in confidence during policy development.</p>	<p>Noted.</p>	<p>n/a</p>
Victrex Manufacturing Ltd	<ul style="list-style-type: none"> • Section 1 - The secure areas does not have full COMAH Status. Who are the “four large occupiers” – the property market section in the baseline report only lists three? • Para 1.4 - Completion of the assessments are crucial to successful development and strongly urge this work to be funded. Where is the third party funding to be sourced from? Which specific areas will be covered by the ground and water contamination desk study? • Can Victrex be provided with the full baseline report • Environment and Ecology: What is the “ecological mitigation and compensation” and its impact? • Section 5.4.1/figure 4 - Victrex desire contiguous plot in the Secure Area which would mean that the Primary Access Route (East Road) does not dissecting Victrex property and existing businesses unrelated to energy and chemical sector are relocated. • Figure 2 - Plot S is identified in the masterplan for development, this plot is an existing Victrex research and development building. • Figure 3 - Recreational loop goes through land owned by Victrex - not appropriate, should go round. 	<ul style="list-style-type: none"> • Incorrect reference to COMAH status and four large occupiers to be updated. • The emerging EZ Implementation Plan will identify the necessary further technical assessments, including funding mechanism and timescales. • The ground and water contamination desk study will be required for individual development plots, and further detailed site investigation may be required. • The full baseline report, dated October 2018 was provided as part of the public consultation. The emerging EZ Implementation Plan will include a commitment to update the baseline report to reflect latest information provided as part of the public consultation. • A review of ecological mitigation and compensation land is identified as an outstanding matter within section 11 of the masterplan. A commitment to undertake further investigation, including the location of such measures and its implications for development will be a work commitment identified within the emerging EZ Implementation Plan. • The Council and the EZ masterplan team are aware of the aspirations of Victrex's for a contiguous plot located 	<ul style="list-style-type: none"> • Section 1 - update text regarding COMAH status and reference to three large occupiers. • Update the location of plot S displayed within figures and commentary in table 2. • Remove Victrex land from the woodland link and delete recreational loop in secure green area. Identify secure green amenity area as additional development plot for Industrial B2. • Update 9.1.2 to refer to trade effluent.

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	<ul style="list-style-type: none"> • Section 7.2.1 - area of green space south of Solway Road and secure green amenity are located on Victrex owned land. This land is for future industrial development. If could secure contiguous plot to develop, may be able to commit to landscaping. • Para 9.1.2 - Victrex does not pump foul water discharge to the United Utilities sewerage treatment plant. We only pump trade effluent. "Management of the foul water needs to be undertaken on the plot by plot basis" - this may not be practical • Section 11.1 - will the council adopt Bourne Road? • Section 11.2 - Victrex has rights to use some of the Landlord's service trenches and does (eg power cables in the trench alongside and under East road) 	<p>within the Secure Area. The council will where possible, assist in facilitating and supporting business development.</p> <ul style="list-style-type: none"> • The graphical location of plot S in figure 2 is an omission. • The recreational loop, woodland link and secure green amenity area located on Victrex owned land is an omission that will be updated to reflect Victrex's potential future aspirations for their land. • Reference to pumped foul water discharge in para 9.1.2 is an omission. A masterplan-wide drainage strategy is required, as set out in section 11. • The adoption of Bourne Road by Lancashire County Council is currently being advanced. • Noted - information to be provided to masterplan team as part of any future baseline update. 	
Sainsbury's Supermarkets Ltd, c/o White Young Green	<ul style="list-style-type: none"> • Figure 1/7 - Plot B is identified for B8, this is an important gateway location from B5268. B8 is not the most appropriate use for this prominent plot in respect of built form and amenity near residential. To maximise gateway and provide appropriate frontage and building height, the site should be for hotel. Plot C1 and C2 could be for residential and maximise residential capacity. Support para 5.4.3 that development near B5268 present opportunity for early growth. Figure 7 - plot B should be 2-4 Storey for northern side of gateway rather than 1-3. • Section 6.3.1 - Accept strategic importance of new northern access road. Road and landscape buffer of 18.3 metres is excessive and requires land within Plot D and C1 which is in third party ownership. Council should maintain flexible approach to buffer, noise impact assessment will inform buffer. 	<ul style="list-style-type: none"> • The importance of plot B as a potential gateway site for the EZ is acknowledged. The proposed use for plot B has been established by market and property information provided by BE Group and information underpinning the masterplan as set out in the baseline report. To provide further flexibility, it is proposed to expand the uses for plot B to include B1, B2 and C1 (hotel), in addition to B8. It should be noted it is the intention that only one hotel will be provided within the EZ, and reference to hotel being identified on numerous plots is to provide flexibility. Subsequently, for plot B, it is proposed to update the potential storey height in figure 7 to 2-4 storey. • The highway buffer set out in figure 6 is indicative, as described in paragraph 6.3.1. The new access road will be developed and supported by a suite of technical assessments, including noise impact assessment, which will determine the eventual design of the road and any necessary buffer. 	<ul style="list-style-type: none"> • Updated plot B uses classes to B1, B2, B8 and C1 (hotel). • Update figure 7 potential storey height for plot B to 2-4 storey. • Amend caveat in table 2 regarding location of hotel and various plots identified for flexibility.
United Utilities	<ul style="list-style-type: none"> • United Utilities are keen to continue working in partnership with Wyre Council to ensure growth can be delivered. 	<ul style="list-style-type: none"> • Welcome the opportunity for continued liaison with United Utilities as the masterplan and EZ develops. 	<ul style="list-style-type: none"> • Add commentary regarding benefits of Sustainable Drainage

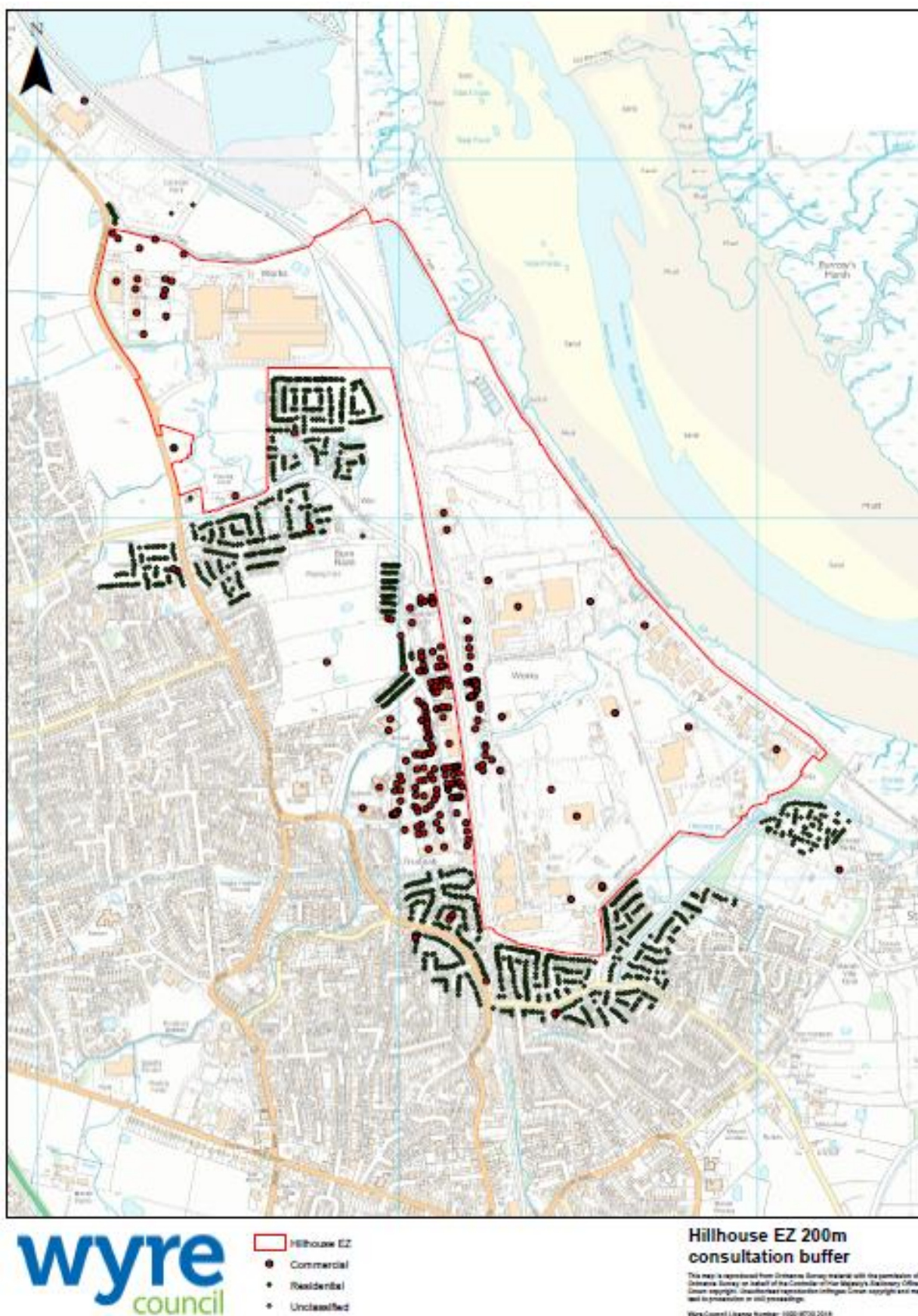
Name / Organisations	Summary of Consultation Comments	Council Response	Proposed Modification to Masterplan
	<ul style="list-style-type: none"> • Section 4 - Would like to see further linkages to surface water management for each principal and possible links between public realm, landscaping and exemplary sustainable surface water management. • Section 5/8/10 - Consider allocating land for potential SuDs and other required infrastructure within each parcel to ensure unfettered access and avoid piecemeal approach to infrastructure. This is concern where site is in multiple ownerships, how do landowners intend to work together. Consider land value equalisation approach for landowners. • Section 6 - Sustainable surface water management should also be incorporated by innovative landscaping alongside new roads. • Section 8 - Support large amount of landscaping/green space, chapter should elaborate on how new development can use the landscape layout and link it to drainage design/biodiversity. • Para 9.1.2 - current UU assets have limited capacity for growth, need to plan for infrastructure improvements. Consider producing sustainable drainage strategy to identify preferred body for surface water to discharge from each development. • Section 9 - request that the following inserted into 'Utilities' section: "There may be some reinforcement needed to wastewater and water network that would supply the Enterprise Zone. It will be necessary to ensure that the delivery of development is guided by strategies for infrastructure which ensure coordination between phases of development over lengthy time periods and by numerous developers". Insert into 'Flood Risk and Drainage' section: "The expectation will be for only foul flows to communicate with the public sewer. Approved surface water drainage schemes will be expected to be supplemented by appropriate maintenance and management regimes for the schemes lifetime". • Para 9.1.2 - suggest the following text inserted, which can be amended to reflect any local circumstances: 'The 	<ul style="list-style-type: none"> • The masterplan should be read as a whole and reference to Sustainable Drainage Systems (SuDS) as a benefit of multifunctional green spaces is proposed to be added to paragraph 4.2, 7.2.1 and 9.1.2 and section 8. • A commitment for masterplan-wide drainage strategy and a landscape and green infrastructure framework are set out in paragraph 11.5, this could consider of identifying land for SuDs and other required infrastructure. Regular stakeholder meetings that include existing EZ businesses and landowners will be held to aid in the coordinated delivery of the masterplan. • It is proposed to include additional wording in section 2 of the masterplan regarding 'utilities' and 'flood risk and drainage' • Development proposals within the EZ will have to accord with the emerging Local Plan policies, this includes a policy on surface water management hierarchy. 	<p>Systems as part of multifunctional green spaces in paragraph 4.2, 7.2.1 and 9.1.2 and in section 8.</p> <ul style="list-style-type: none"> • Incorporate additional wording into section 2 'utilities' and 'flood risk and drainage' baseline summary section.

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	development of the site will be expected to incorporate Sustainable Drainage methods, following the surface water hierarchy. The expectation will be for only foul flows to communicate with the public sewer. Applicants wishing to discharge to surface water to a combined sewer will need to submit clear evidence demonstrating why alternative options are not available as part of the determination of their application. Approved schemes will be expected to be supplemented by appropriate maintenance and management regimes for the lifetime of any surface water drainage schemes.'		

4. Conclusion and Next Steps / Recommendations

- 4.1 The masterplan has been developed through engagement with stakeholders and subject to a wide-ranging public consultation. The masterplan is proposed to be amended and finalised in accordance with the recommendations in this report. The final masterplan will be presented to Wyre Council Cabinet to be formally adopted and will be used to guide development of the site, facilitate delivery of the EZ and inform the preparation of an Implementation Plan.
- 4.2 The Implementation Plan must be development in line with the masterplan as part of the former DCLG requirements for allocated funding. The Implementation Plan will also align with the emerging Wyre Local Plan (2011-2031). It will outline timescales and costs for development on the site to allow the site to be brought forward and maximise the amount of jobs and investment into the EZ.
- 4.3 A Marketing Strategy will also be produced which will sit alongside the masterplan and the Implementation Plan.
- 4.4 The masterplan will continue to evolve over its 25 year lifetime. The council will undertake in-house reviews of the masterplan every five years to ensure the masterplan remains 'live' and reflects the needs of the stakeholders.

Appendix A: Hillhouse Enterprise Zone 200 metre Consultation Buffer



Appendix B: Consultation Bodies Consulted

- British Telecoms
- Coal Authority
- Electricity North West
- Environment Agency
- Fylde and Wyre Clinical Commissioning Group
- Health and Safety Executive
- Highway England
- Historic England
- Homes England
- Lancashire County Council – Education Authority
- Lancashire County Council – Highway Authority
- Lancashire County Council – Lead Local Flood Authority
- Lancashire Public Health
- Marine Management Organisations
- Ministry of Defence
- Natural England
- Network Rail
- Open Reach
- United Utilities

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