DEVELOPMENT PLAN PANEL – 26TH JUNE 2015

LATE ITEM

TO CONSIDER A REPORT OF THE CHIEF PLANNING OFFICER ON THE SITE ALLOCATION PLAN – LEEDS BRADFORD INTERNATIONAL AIRPORT – EMPLOYMENT LAND

(REPORT AND APPENDICES ATTACHED)
Report of the Chief Planning Officer

Report to Development Plan Panel

Date: 26th June 2015

Subject: Site Allocations Plan – Leeds Bradford International Airport Employment Proposals

Are specific electoral Wards affected? Yes ☒ No ☐
If relevant, name(s) of Ward(s): All

Are there implications for equality and diversity and cohesion and integration? Yes ☒ No ☐

Is the decision eligible for Call-In? Yes ☐ No ☒

Does the report contain confidential or exempt information? Yes ☐ No ☒
If relevant, Access to Information Procedure Rule number:
Appendix number:

Summary of main issues

1. Following consideration by the Development Plan Panel 16th June, this report provides further explanation and background information for proposing the allocation of 36.23 Green Belt land for General Employment use at Leeds Bradford International Airport (LBIA).

2. LBIA has supplied material making the case for growth at the airport, including the following:
   - Report of the DTZ study (attached) which examined the potential benefits of providing a commercial hub at LBIA
   - The emerging Airport Masterplan (attached) which comprises of the DTZ study and a powerpoint presentation setting out strategic priorities for airport growth
   - A Surface Access strategy (attached) which aims to achieve improved road access in the medium term (to 2025) and a rail link in the long term (2025+)

3. The material makes the case that Green Belt land to the north of the airport is needed as an economic benefit for the city and region. It would be an attraction for inward investment, particularly for innovative business sectors. The City Council commissioned BE Group to undertake a study (attached) in
the north-west community area of Leeds which concluded a need for 12-14ha of general employment land and that Airport growth could justify further land.

4. The 36.23ha of General Employment land in the employment hub is necessary to meet the district wide need of 493ha. It is considered that the City Council should be supportive of the employment hub in order to boost the economic offer of the city and region, attracting new inward investment. But this is providing that the land release is carefully managed and controlled to ensure that the employment hub is brought forward for the intended purpose of General Employment land as part of a comprehensive strategy for airport growth. Therefore, Members are urged to support the allocation of 36.23ha of land with Policy EG3 which sets a requirement for a Supplementary Planning Document (SPD) to be prepared which will control the delivery and phased release of employment land in tandem with Airport growth and provision of transport and other infrastructure. The SPD preparation will seek involvement of LBIA, landowners and other relevant interests. The SPD will safeguard the employment land for general employment and ancillary uses rather than commercial airport services such as car parking, hotels and food and drink outlets.

Recommendation

5. Development Plan Panel is recommended to advise Executive Board that proposed Policy EG3 and allocation of 36.23ha of land as an employment hub as shown on the attached map should be supported for inclusion in the Site Allocations Plan Publication Draft.
1. **Purpose of this Report**

1.1. Following consideration by the Development Plan Panel 16th June, to provide further explanation and background information for proposing the allocation of Green Belt land for General Employment use at Leeds Bradford International Airport (LBIA).

2. **Background Information**

2.1. At Development Plan Panel 16th June 2015 Members considered a report on the Site Allocations Plan concerning proposals for employment, retail and greenspace. Regarding employment, sites were identified and proposed as allocations to meet the 493ha of General Employment land and 1m sqm of office floorspace. This included a proposal for 36.23ha of Green Belt land to be allocated for General Employment on the northern side of the Airport to contribute towards general employment provision within the Outer North West Housing Market Characteristic Area (HMCA) and to help stimulate economic development at LBIA. Members felt that the background evidence to provide the case for this was not sufficiently comprehensive, and asked for a further report.

3. **Main Issues**

**Airport growth**

3.1. Proposals for an expansion of employment land provision at LBIA were formally made by LBIA to the Site Allocations Plan Issues and Options public consultation in July 2013. LBIA submitted a statement (attached) setting out the economic case for growth.

3.2. The case for growth at LBIA draws upon the independent study for the Department for Transport in 2013 which looked at regional UK airports and concluded that LBIA had more potential than any other regional airport to grow, citing that LBIA could grow by 114% to 2030 with passenger numbers rising to 7.1mppa. The case for growth has also been examined by consultants DTZ (see attached report which is labelled “private and confidential” but that LBIA have authorised its circulation for this Panel) who concluded that employment growth at the airport would provide a unique “offer” over and above what is available elsewhere in Leeds that would attract a certain category of business, and has potential to significantly boost the economies of Leeds and the City Region.

3.3. LBIA’s submission included a summary of research into economic hubs at other international airports and proposed an economic hub at LBIA. The economic hub would complement the passenger growth and would strengthen the case for improved transport infrastructure. The hub is expected to attract business investment including high order functions such as HQs, R&D, sales & marketing, science and innovation, high profile consumer brands, airport logistics operations and would appeal to businesses associated with international trade.
3.4. LBIA are developing a “masterplan”. Currently it takes the form of the DTZ report and a short presentation (attached). It concludes with a four part strategy:

i. seeking City Region support for delivery mechanisms to help attract inward investment to the airport
ii. establishing a delivery plan for improved road and rail access
iii. City Region support for flight routes to penetrate the mainland European Market
iv. Agree a planning strategy for expanding the airport as an economic hub in the Leeds Site Allocations DPD—providing the gateway facilities and commercial development opportunities to retain and attract investment to the region, generate new jobs and play a key role in supporting proposals for improved surface access

3.5. It includes a schematic map illustrating the area of Green Belt land to the north of the airport as an “Air Innovation Park”. It describes the growth plan as having improved airport facilities, having a hub for commercial development and inward investment and having new road and rail connections. It also notes the intentions of the hub – as set out in LBIA’s submission to the Site Allocations Plan Issues and Options consultation (see para 3.3 above).

3.6. The City Council commissioned its own assessment of need for employment land in the outer north west community area (commensurate with Aireborough and Outer North West HMCAs) from consultant BE Group. Their final report (attached) published 23/6/15 concludes that the area has a need for quality modern business premises that are not sufficiently available locally. The local workforce – being highly qualified and skilled – is regarded as an asset for business, and a need of around 14ha of General Employment land is identified, over and above the land proposed in the Site Allocations Plan. In addition, BE Group has reviewed the evidence for an increase in employment land at the airport and recognises that there is a good case for attracting aviation related business, although the need is not quantifiable. It believes the airport provides the most logical location for General Employment growth in the study area. The report concludes, “Expanding the node surrounding the airport represents a logical, efficient and attractive solution to supplying further land in the area from a market perspective”.

Transport infrastructure

3.7. In parallel, LBIA has been developing a Surface Access Strategy (attached) which looks at short, medium (to 2025) and long (2025+) measures to improve access to the airport. The main medium term measure is a new road link between the A65 at Rawdon and the A658 north of the Airport, which now has agreed funding through the Combined Authority for completion by 2021. For the long term, the strategy presses for a rail connection which is currently the subject of a feasibility study by the West Yorkshire Combined Authority.

3.8. The proposal for the employment hub to the north of the airport not only reinforces the case for improved transport infrastructure but the ability of the employment land to attract high order occupiers would be enhanced by
improved accessibility. The proposed new road link would loop through the proposed employment hub providing excellent accessibility and high visibility for business marketing.

Mix of uses

3.9. One concern is that the City Council has a specific need for General Employment land at the Airport. This is needed to contribute to the achievement of the district-wide requirement for 493ha of General Employment land. With the employment hub of 36.23ha, the Site Allocations Plan supply will have a small surplus of 4ha. General Employment land is specifically needed to boost Leeds’ portfolio of sites with a unique offer toward innovative high value business that builds of the local attractions of a highly skilled workforce and on the benefits of proximity to airport connections to the major cities of Europe. The concern is that, if the Council unless an appropriate policy framework is in place the potential exists for the land to be promoted for non-employment uses such as car parking, food and drink and retail.

3.10. To avoid this, Policy EG3 that allocates the land also requires that the land release will be managed through a Supplementary Planning Document (SPD). As all relevant landowners and other interests around the airport will be engaged in the preparation of the SPD, this will enable the General Employment land to be protected, as a specific offer for Leeds. In line with Core Strategy policy EC3, such land will not be able to be “…offset...by the availability of existing general employment land and premises in the surrounding area…". Alternative land simply will not be available.

Existing Employment

3.11. There are a number of UDP employment allocations at the airport as well as significant existing employment land that is not allocated. There has been little take-up of this land for employment use; most remains under-occupied and permissions have been given for some non-employment uses including a lot of car parking. The experience of this employment land raises the question of why lots more employment land should be proposed for allocation.

3.12. In response to this concern it is considered that the scale of land proposed, and the commitment of LBIA to seek the City Council’s and Combined Authority’s support for the growth of the airport means that the land allocation will be accompanied by appropriate promotion and marketing on a national and international scale to generate an attractive location for general employment, with a particular attraction for innovative research related use. To strengthen the case, Policy EG3’s requirement for an SPD to manage airport growth will provide an appropriate policy framework to deliver and retail General Employment land.

Green Belt

3.13. The land to the north of the airport would not have unacceptable impacts on the purposes of Green Belt. The land is well related to the airport and would not constitute sprawl, neither would the land contribute to coalescence of settlement. The existing land is in use for agriculture and does not provide
any particular recreation or leisure uses. The extent of the land will be well defined by the new link road.

4. Corporate Considerations

Consultation and Engagement

4.1. The Site Allocations Plan is being prepared according to national regulations which proscribe a number of stages of consultation. A period of informal consultation took place on the Issues and Options stage in 2013 with a series of events and drop-in-sessions around the district. Over 7000 representations were received. More formal consultation will take place on the Publication Draft of the plan proposed later this year.

4.2. The new Policy for the airport in the Site Allocations Plan expects the land to be developed in a controlled way according to a Supplementary Planning Document (SPD). SPDs have to be drawn up in consultation with interested parties.

Equality and Diversity / Cohesion and Integration

4.3. The significant allocation of employment land in addition to the airport is likely to have a positive impact on jobs/employment in the Leeds area. The level of jobs likely to be created by associated development will improve the economic opportunities for all communities in Leeds and allow for a higher degree of social mobility. Any more discrete forms of Equal Opportunities (based around the protected characteristics of the equality Act 2010) are addressed through the general Site Allocation process where appropriate. As this is a report regarding the allocation of employment land adjacent to an airport there are no specific areas of concern.

Council Policies and City Priorities

4.4. The Leeds Growth Strategy identifies a number of business growth sectors including medical research and development and digital industries which would be suited to location in the proposed employment hub. The strategy notes LBIA’s potential to grow the City Region’s economy, with airport development in a sustainable way in consultation with local people. Executive Board (15th October 2014) was supportive of the case for airport growth and committed the Council to consider the future land-use strategy surrounding the Airport in the context of existing planning policies and future growth, demand, sustainable development considerations and environmental constraints in the context of the Airport Masterplan.

Resources and value for money

4.5. The cost of preparing the Site Allocations Plan is being met out of the agreed Council budget.
Legal Implications, Access to Information and Call In

4.6. The SAP will follow the statutory Development Plan process (Local Development Framework). The report is not eligible for call in as no decision is being taken.

Risk Management

4.7. The risk that LBIA will bring the employment hub forward for non-employment uses will be mitigated by requiring a Supplementary Planning Document to guide the future land use development of the airport.

5. Conclusion

5.1. The 36.23ha of General Employment land in the employment hub is necessary to meet the district wide need of 493ha. It is considered that the City Council should be supportive of the employment hub in order to boost the economic offer of the city and region, attracting new inward investment. But this is providing that the land release is carefully controlled to ensure that the employment hub is brought forward for the intended purpose of general employment land as part of a comprehensive strategy for airport growth. Therefore, Members are urged to support the allocation of 36.23ha of land with Policy EG3 which sets a requirement for a Supplementary Planning Document (SPD) to be prepared which will control the delivery and phased release of employment land in tandem with Airport growth and provision of transport and other infrastructure. The SPD preparation will seek involvement of LBIA, landowners and other relevant interests. The SPD will safeguard the employment land for general employment and ancillary uses rather than commercial airport services such as car parking, hotels and food and drink outlets.

6. Recommendation

6.1. Development Plan Panel is recommended to advise Executive Board that proposed Policy EG3 and allocation of 36.23ha of land as an employment hub as shown on the attached map should be supported for inclusion in the Site Allocations Plan Publication Draft.
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Leeds Bradford International Airport - commercial hub assessment

Prepared on behalf of
Leeds Bradford International Airport
26 November 2014
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Executive Summary

Creating a commercial growth hub at Leeds Bradford International Airport is important to the future development and expansion of the Leeds City Region economy. Specifically, it will:

- Support the growth of the airport as a key piece of strategic infrastructure in the local economy
- Enhance the portfolio of land and premises available to prospective occupiers and investors
- Enable the creation of substantial net additional jobs, investment and tax revenues to Leeds City Region

The growth of Leeds Bradford International Airport is recognised and supported as a key policy objective at the regional level as reflected in the One North proposition, the LEP’s Strategic Economic Plan, the City Region Transport Strategy and Leeds Council’s recent Executive Board meeting (15th October 2014). The development of a commercial hub is regarded an integral component of the growth strategy.

DTZ has been instructed to examine and develop the case for the commercial growth hub in light of the proposed surface access improvements and provide advice on the land development strategy. The case for the commercial hub is summarised as follows:

The Airport needs space to grow

Leeds is one of the largest city region economies in the UK, but has only the 16th largest airport (in terms of passenger numbers). LBIA is forecast to double its passenger numbers by 2030 and it requires space to grow in order to realise this growth.

The growth of Leeds Bradford International Airport is recognised and supported nationally, regionally and locally, as reflected in the Chancellor’s Autumn 2014 statement, the One North proposition, the LEP Strategic Economic Plan, the City Transport Strategy and Leeds Council’s recent Executive Board meeting (15th October 2014).

The development of a commercial hub is regarded by LBIA as an integral component of the growth strategy for the Airport. The hub will support the Airport’s growth by:

- Providing space for the expansion of core operational and supply chain activities
- Enhancing its profile and ‘investability’ particularly to flight operating companies for route development
- Strengthening the case for improved connections and accessibility.

The Airport’s expansion is a key element of Leeds’ economic growth requirement and the Site Allocations DPD is the opportunity to create the right environment for growth over the next 10-15 years.
Leeds needs a compelling airport land and property offer to compete nationally/internationally for commercial investment

All core regional cities are bringing forward strategic employment sites at their airports marketed as distinct airport business parks. Some have designated EZs at Airports to incentivise and target footloose inward investment (Manchester, Cardiff, Newquay, Sheffield). Leeds needs to enhance the scale and quality of land available at its airport to compete for national and international investment and retain existing growing businesses, responding to the opportunities presented by improving surface access.

The commercial hub will complement, not compete with, Leeds’ emerging employment land supply – it is a ‘special case’ and unique opportunity in the City Region

Leeds is one of the largest regional city economies and is anticipated to grow substantially in the future. Its growth is forecast to focus on a number of key sectors, most of which rely heavily on international connectivity:

- Financial, professional and business services
- Advanced manufacturing
- Health and bio-science
- Creative and digital industries
- Food and drink
- Low carbon industries

The economy’s growth will drive demand for a considerable quantity of commercial land and premises, and it will be important that Leeds can offer the right mix of types, locations and segments to meet these requirements.

There is a recognised quantitative need for new sites and premises to meet Leeds’ long term requirements. The Council’s employment land evidence indicates the need for new allocations of approximately 180 hectares (444 acres) for the next Local Plan period. Evidence of take up in the out of town office market (which has experienced a take up of approximately 400,000 sq ft of floor space per annum over the last 10 years) suggests that Leeds Council needs to plan for the next generation of business parks to complement the city centre offer and provide the ‘margin of choice’ to match occupiers’ and investors’ location decisions.

Irrespective of the quantitative need, there is considered to be a ‘special case’ for the Airport Commercial Hub due to the distinctive, differentiated offer that it will bring to Leeds’ commercial property portfolio. The site will target the following overlapping occupier types:

- Airport linked /supply chain occupiers, such as flight operating and travel companies, air freight logistics and freight forwarders, catering and repairs, hotel and leisure;
• Occupiers seeking / requiring an airport location, due to the profile and connectivity of such locations and associated accessibility to clients, suppliers, parent companies;

• R&D and general innovation, meeting local demand and addressing the recognised gap in the supply of dedicated business parks for such activities; and

• SMEs based in the inner and outer North Leeds area who require premises close to where their leaders live.

Because of the differentiated focus and attributes of the commercial hub the effect will be to complement, rather than compete with, other strategic sites in Leeds such as the City Centre (financial and professional service focus), Leeds Enterprise Zone (large scale motorway orientated manufacturing and logistics focus) and Kirkstall Forge (general business activities). The site’s main competition will be airport business parks in other City Regions such as Manchester (Airport City) and Sheffield Doncaster Robin Hood Airport for those occupiers seeking an airport location.

**Employment land at LBIA is worth 1½ times more economic benefit than elsewhere**

Because the Commercial Hub will address a gap in the supply of land and premises in Leeds and appeal to a distinct occupier mix, it will attract occupiers and activities that might otherwise not be attracted/retained in Leeds. As a result it can generate a greater level of economic benefit than a typical employment site, where there is likely to be higher displacement of local occupiers from within the administrative area of Leeds.

An assessment has been provided to demonstrate this benefit. The assessment calculates the net additional economic benefit of 1 ha of employment land at Leeds Bradford International Airport versus the 1 ha of employment land at a typical employment site in the Leeds area. It indicates that 1 ha at LBIA generates a potential net Gross Value Added (GVA) benefit of £140m to the Leeds economy, compared to a GVA £90million for a typical employment site. This is a 1½ times greater economic benefit. Put another way, there is an opportunity cost of £50million (i.e. £50m lost) to the Leeds economy of not promoting the Airport Commercial Hub.

NB

• 1 ha of employment land based on 50/50 office/industrial

• GVA (Gross Value Added) is a measure of economic output derived from net additional job estimates over a fixed period of 10 years

• Net additional jobs based on assumptions about displacement, leakage and multiplier effects

• LBIA GVA predicated on a lower level of displacement (40% office, 50% industrial) than elsewhere (60% office, 70% industrial) due to differentiation factor of airport
The development and expansion of the commercial hub at the airport as a whole will generate substantial net additional jobs, investment and tax revenues for Leeds City Region, estimated as follows:

- Net additional job hosting capacity of development 5,500 jobs
- NPV of GVA contribution to the local economy £2.6bn-£3.3bn based on job hosting capacity over 25 year period

There is a risk of the further loss of occupiers from Leeds

Because of gaps in the City’s land and property portfolio there have been a number of well publicised losses of businesses to neighbouring districts/city regions. Recent examples include:

- Produmax – an advanced manufacturing firm specialising in the R&D of parts for aircraft (clients include Boeing). The firm has recently committed to move from Otley to a 25,000 sq ft R&D building at Buck Lane in Baildon (Bradford District).
- University of Leeds – the University generates a number of business spin outs each year from its R&D activity which often leak to other areas because of the lack of suitable accommodation for ‘move on’. An example is Tissue Regenerix, a bio science engineering firm which grew out of one of the University’s on site bio science labs, relocated to York Bio Centre, and have now got their own premises and employ 50-60 people.
- Elbee – the manufacturing firm relocated from Leeds to Ashroyd Business Park in Barnsley due to the lack of suitable premises in Leeds.

Therefore if the City does not provide the right type of land and premises to meet its economic needs there is a very real risk that it will not only miss opportunities for inward investment and growth of firms, but may also lose existing businesses.

Public private collaboration can ensure the delivery of maximum benefits

The commercial potential of the proposed hub is predicated on improvements to surface access and collaboration between public and private sector partners will provide the best prospect of delivering the development vision. The following measures that could aid delivery are proposed for consideration:

- Creation of ‘Mini Enterprise Zone’ status – many competing cities across the UK have designated Enterprise Zones on land adjacent to airports to enable the EZ incentive package to be used to attract occupiers and facilitate enabling infrastructure investment. There is an opportunity for Leeds City Region to offer the business rate to the de minimus level to occupiers within the Airport Growth Hub, funded by business rate additionality accumulated in Leeds Enterprise Zone. This would help to both brand the Growth Hub in a positive way and attract occupiers.
- ‘Land value for infrastructure’ funding – where the value of the land is deployed to pay for the infrastructure works required to unlock / enable delivery. This is an approach that has been used to enable the delivery of public sector sites that have significant enabling/infrastructure costs or abnormals and the public sector wishes to help facilitate/enable delivery.
• Tax increment financing (TIF) – under the current arrangements that came into effect from 1st April 2013, local authorities are entitled to retain up to 50% of business rate income generated within their areas, with the potential for additional rates retention under Growth Deals. Therefore, the potential exists to establish a TIF zone around the Growth Hub site that would enable finance to be raised against the anticipated additional business rate receipts that the Council retains.

• Direct public investment – innovation and R&D parks tend to exist because of public sector and HE investment. The possibility of utilising existing and emerging funding streams such as the Local Growth Fund to invest in property projects should be examined in view of the clear alignment of the Growth Hub masterplan and the Strategic Economic Plan for Leeds City Region.
1 Introduction

Purpose

DTZ has been appointed by Leeds Bradford International Airport (LBIA) to assess and develop its proposals for a commercial ‘hub’ comprising a mix of predominantly office and industrial uses on land to the north of the Airport.

Passenger forecasts indicate that LBIA is projected to grow significantly over the next 15 years and it aims to become a top 10 UK airport in terms of its passenger traffic. Alongside this, a significant opportunity exists for the Airport to develop a complementary commercial hub of economic activity. LBIA have control of approximately 60 ha of land immediately to the north of the Airport under an option agreement with Leeds and Bradford councils which could accommodate the delivery of the hub.

The Airport’s current landside offer does not match the potential growth opportunity. Given its growth projections and proposed improvements to surface access, there is a distinct opportunity to capitalise upon the Airport ‘asset’ and the attractiveness to businesses that an airport location would provide. This could provide a unique employment location within the Leeds City Region that could increase its attractiveness to inward investors and address the current lack of available large strategic commercial development sites across the City Region.

This report has been prepared to examine the potential and develop the case for the commercial ‘hub’ at Leeds Bradford International Airport to inform discussions with Leeds Council and other prospective partners.

Methodology and structure of report

Our approach to this commission has involved an assessment of the various drivers that influence the potential for a commercial growth hub at LBIA:

- Policy
- Economic
- Aviation
- Commercial

We have then worked alongside WYG and Fiveplus Architects to devise an indicative land development strategy, development schedule and phasing plan.

An evidenced-based approach has been adopted to ensure robust assessment of the potential for the hub, drawing on documented evidence of the market for commercial land and floor space within the Leeds area and also reviewing lessons from other comparable airports across the country. We have also consulted senior representatives from the following organisations in the preparation of this report:

- Leeds Bradford International Airport
- Leeds City Council
• Leeds City Region Local Enterprise Partnership
• University of Leeds
• Leeds Beckett University
• Leeds Trinity University
• Craven College (Aviation Academy)
• Freight providers

This report first outlines the LBIA baseline and growth context before assessing the various growth drivers. It then outlines the development potential and makes recommendations on the quantum and mix of development and means of delivery. It concludes by providing an assessment of the economic benefits of the commercial hub.
2 LBIA Growth Context

History

LBIA is located approximately seven miles to the North West of Leeds City Centre. It opened in 1931 as Yeadon Aerodrome. Domestic schedule flights commenced in 1935 and it served an important role during World War II, with the development of an adjacent military aircraft factory. By the 1950s the airport was running commercial flights to the Isle of Man, Liverpool, Belfast, Jersey, Ostend, Southend, the Isle of Wight and Dusseldorf. In 1953 Yeadon Aviation Ltd was set up to run the flying school and commercial airfield operation but the ownership was transferred to five local councils in 1987 through a limited company with Leeds and Bradford councils each owning 40% and Wakefield, Calderdale and Kirklees sharing the remaining 20%.

Scheduled domestic and European flights re-commenced after the war and these expanded rapidly during the later 1970s/80s as the popularity of package holidays boomed. It was owned jointly by the five neighbouring local authority areas of Leeds, Bradford, Calderdale, Kirklees and Wakefield until 2007, when it was announced that Bridgepoint Capital was the preferred bidder, acquiring the asset for approximately £145 million.

Bridgepoint Capital owns the airport outright but the 5 councils hold a 'special share' interest in the airport, to protect the name and continued operation as the major air transport gateway for Yorkshire. The Airport has had a masterplan in place since 2004/05, and Bridgepoint submitted a planning application for a £28m investment programme in late 2008 which was approved in 2009, although the focus of this has principally upon the airside operations to date. The airport had already seen significant improvements made prior to the Bridgepoint acquisition including a significantly enlarged terminal building, a £5m food court refurbishment in 2006 and an £8m development on the south end of the airport with two new hangars, maintenance facilities and executive aviation terminal.

Current flight operators

There are 11 regular scheduled airlines operating from LBIA, as listed below:

- Aer Lingus Regional
- British Airways
- KLM
- Thomson
- Easyjet
- Flybe
- Jet2
- Monarch
• Eastern Airways
• Ryanair
• SAS

Jet2 has the largest presence at the airport, with its national HQ and 13 aircraft on site. The most recent additional airline is Aer Lingus which was announced in September this year with up to two daily flights to Dublin. Passengers flying to Dublin can connect to Aer Lingus’ mainline transatlantic services to New York, Boston, Chicago, Orlando, San Francisco and Toronto. Earlier in the year in March, the Airport also secured Scandinavian Airlines (SAS) with a twice weekly service to Copenhagen. Flybe is also about to operate a new ‘FlyShuttle’ service that enables travel all the way from Jersey to Aberdeen on one flight, with brief stops at Southampton and Leeds. It is a ‘hop-on, hop off’ service that will operate three times a day both northbound and southbound.

Monarch also recently announced a number of new destinations for this summer following its decision to locate at the Airport in 2013. The Airport is committed to both working with its existing airlines to expand the available routes and also to exploring opportunities to secure new flight operating companies.

Flight routes/destinations

The airport offers direct flights to over 75 destinations across the UK and around the world, with connections on to significantly more through the hub airports of London Heathrow, Amsterdam and also Dublin (for flights to the USA). The direct British Airways flight to Heathrow is key to providing onward flights to the rest of the world, to over 150 destinations. Direct flights are largely European-based, although Jet2 does offer direct flights to New York around Christmas. Current destinations include France, Germany, Italy, Austria, Switzerland and Spain, amongst others. It serves both holiday and business destinations with varying summer and winter timetables.

Ownership and management of LBIA

The Airport is 100% owned by Bridgepoint Capital, an international private equity group, which acquired the Airport for €214m (£145m) in 2007. Bridgepoint invested £27m to acquire a 24% stake in Birmingham Airport in 1997, disposing of its interest four years later for £84m. It therefore has experience in the aviation sector. As stated, the 5 councils hold a ‘special share’ interest in the airport to ensure that it remains as an operational airport for the Yorkshire region. The Airport is operated by Leeds Bradford International Airport Limited.
Numbers of flights and passengers

In 2013, 3.3m passengers travelled through LBIA, representing 1.4% of all air passenger traffic across the UK. This placed LBIA as the 16th largest airport nationally in terms of passenger numbers, closely behind London City and Aberdeen (see table below). Heathrow, Gatwick and Manchester were the three largest airports in terms of passenger traffic, home to 56% of all passenger traffic nationally. LBIA experienced a 16% increase in passenger numbers between 2008 and 2013, representing the largest increase of all major national and regional airports across the UK, based on Civil Aviation Authority (CAA) data.

There were a total of 45,627 aircraft movements at LBIA in 2013, ranking it 21st across UK airports (see Table 2.1 below). 31,000 of these related to commercial air transport movements and the remainder largely aero club/private/training/testing related uses. Of the 31,000 air transport movements, 20,000 related to UK based operators, 9,000 to other EU based operators and 200 to other overseas operators (balance related to charter flights).

Table 2.1: passenger and aircraft movements

<table>
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<tr>
<th>Airport (Geographic reference)</th>
<th>Total Passengers (CAA, 2013)</th>
<th>Aircraft Movements (CAA, 2013)</th>
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<tr>
<td>Heathrow</td>
<td>72,967,654</td>
<td>471,936</td>
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<tr>
<td>Gatwick</td>
<td>35,444,226</td>
<td>250,528</td>
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<td>Manchester</td>
<td>20,751,681</td>
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<td>Stansted</td>
<td>17,652,393</td>
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<td>Edinburgh</td>
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<td>Luton</td>
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<td>Belfast International</td>
<td>4,023,336</td>
<td>65,299</td>
</tr>
<tr>
<td>Aberdeen</td>
<td>3,440,765</td>
<td>59,962</td>
</tr>
<tr>
<td>London City</td>
<td>3,379,753</td>
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<tr>
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<tr>
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<tr>
<td>Prestwick</td>
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<td>45,627</td>
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<tr>
<td>Cardiff Wales</td>
<td>1,072,662</td>
<td>41,629</td>
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<tr>
<td>Southend</td>
<td>959,121</td>
<td>41,493</td>
</tr>
<tr>
<td>Guernsey</td>
<td>695,396</td>
<td>41,406</td>
</tr>
<tr>
<td>Exeter</td>
<td>741,465</td>
<td>40,702</td>
</tr>
<tr>
<td>Isle of Man</td>
<td>739,683</td>
<td>40,581</td>
</tr>
<tr>
<td>Doncaster Sheffield</td>
<td>690,351</td>
<td>40,427</td>
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<tr>
<td>Bournemouth</td>
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<td>Inverness</td>
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<tr>
<td>Norwich</td>
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<td></td>
</tr>
<tr>
<td>City of Derry (Eglinton)</td>
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<td></td>
</tr>
<tr>
<td>Scatsta</td>
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<tr>
<td>Blackpool</td>
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<tr>
<td>Humberstone</td>
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<tr>
<td>Summerville</td>
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<tr>
<td>Newquay</td>
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<tr>
<td>Durham Tees Valley</td>
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</tr>
<tr>
<td>Kirkwall</td>
<td>158,325</td>
<td></td>
</tr>
<tr>
<td>Stornoway</td>
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<td></td>
</tr>
<tr>
<td>Isles of Scilly (St Marys)</td>
<td>89,170</td>
<td></td>
</tr>
<tr>
<td>Alderney</td>
<td>62,655</td>
<td></td>
</tr>
</tbody>
</table>
Quantum of freight

Data from the CAA identifies that in 2013, 324 tonnes of freight moved through LBIA, the vast majority by non-EU based freight operators. This represented a 15% increase on the previous year but a decline on the 2009 position of 359 tonnes, the largest amount in the past 10 years. All of this freight was carried on passenger aircraft rather than cargo aircraft. There has been no mail based freight since 2008 and very little prior to then. LBIA ranks 24th in the UK in terms of the tonnage of cargo it handled in 2013. Heathrow handled by far the most cargo (1.4m tonnes), followed by East Midlands (266,968 tonnes) and Stansted (211,952 tonnes). The chart below highlights where LBIA ranks compared with the next 25 largest cargo handling airports in the UK after these top three. It ranks someway behind comparable airports such as Newcastle which transported an additional 3,400 tonnes of cargo in 2013.

Figure 2.2: Freight movements

Since 2003, LBIA has increased the amount of cargo it has handled, with the tonnage up 15% in 2013 compared with 2003. Figure 2.3 below identifies the fluctuations in annual cargo handling over this period. Nationally, the picture is mixed in terms of changes in cargo handling by airport between 2003-13. Airports such as Newcastle, Glasgow and Doncaster all experienced approximately 25-28% increases in cargo tonnage being handled and the top 5 largest cargo handling airports all saw little change in tonnage over this period.

Figure 2.3: LBIA cargo tonnage by year
The Airport currently contributes in excess of £100m of direct GVA per annum to the Leeds City Region economy and employs over 2,700 people, making it one of the largest employers in the City Region. Over 40 businesses are based within the airport site and it supports local employment with over 80% of its employees residing within a 10 mile radius (based on information provided by LBIA). It is a major economic asset which provides significant direct and indirect economic benefits to the City Region and beyond.

**Current commercial accommodation within the airport boundary**

There is currently 29,000 sq m (GIA) of operational built floorspace within the Airport boundary (based on 2010 LBIA Rating Schedule). Approximately 22,000 sq m (GIA) of this relates to the main terminal building, which was constructed in 1993 and then extended since. Other key buildings on the site include:
Table 2.1: Accommodation on site

<table>
<thead>
<tr>
<th>Building</th>
<th>Floorspace (sqm) (GIA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fire-station</td>
<td>979</td>
</tr>
<tr>
<td>Control Tower/Centres</td>
<td>401</td>
</tr>
<tr>
<td>Engineering Offices</td>
<td>752</td>
</tr>
<tr>
<td>Catering Centre</td>
<td>1,179</td>
</tr>
<tr>
<td>Freight Offices</td>
<td>308</td>
</tr>
<tr>
<td>Repair Garages</td>
<td>678</td>
</tr>
<tr>
<td>Airedale House</td>
<td>376</td>
</tr>
<tr>
<td>Electricians Store</td>
<td>137</td>
</tr>
<tr>
<td>Transit Sheds</td>
<td>1,081</td>
</tr>
<tr>
<td>Fuel Store Offices/Maintenance</td>
<td>166</td>
</tr>
<tr>
<td>Boiler House/Substation</td>
<td>137</td>
</tr>
<tr>
<td>Aero House Rooms</td>
<td>90</td>
</tr>
</tbody>
</table>

Source: 2010 rating list

A large proportion of the site is occupied, as one would expect, by runways, aprons and taxiways as well as access roads and car parking. The main terminal itself includes the following facilities/uses in addition to standard waiting areas, check-in desks and LBIA's offices:

- World Duty Free
- WH Smith
- Superdrug
- Travelex
- Burger King
- Saltaire Bar/Eatery
- Camden Food Company
- Sports Bar
- Cafe Ritazza
- Car hire desks – Avis, Enterprise, Europcar, Hertz
- Yorkshire Premier Lounge

A plan illustrating the spatial extent of the current airport operational area is presented below (shaded in turquoise):
Growth Plans

The Airport has grown significantly over recent years and this growth scenario is set to continue. By 2030, the DfT is projecting 7.1m passengers per annum, a 115% increase on current (2013) numbers. It has the potential to become the largest airport (in terms of passenger numbers) east of the Pennines from Newcastle in the north to East Midlands in the south and to become a top 10 airport nationally. It is seeking to target route development to support priority economic sectors and to reduce the current levels of passenger movement leakage. Its aim is to ‘develop a business environment for growth and delivering international connectivity’. Its objective is to develop a successful airport that fully serves the business and leisure needs of the Yorkshire region and acts as a catalyst for economic growth by:

- Developing a focused route development programme
- Developing high quality airside and landside facilities
- Developing high quality surface access connectivity

The Airport is seeking to capitalise upon the growth opportunity that it has and to create a sense of place/destination in its own right at the airport. If it is to achieve this and realise its growth ambitions, there is a distinct need for additional operational and non-operational land and premises.
3 LBIA Growth Drivers: Policy

Aviation Policy Framework (2013)

The 2013 Aviation Policy Framework replaced the 2003 Air Transport White Paper as Government’s policy on the aviation sector. This acknowledges that the sector contributes around £18 billion per annum of economic output to the UK economy and employs around 220,000 employees directly.

The Government’s primary objective as defined within this policy framework is to achieve long-term economic growth. It recognises that airports are in some ways cities in themselves, creating local jobs and generating opportunities for economic rebalancing in their wider area and fully recognises the vital contribution they can make to the growth of regional economies. The document suggests that many airports act as focal points for business development and employment. The focus is on London’s airports as the largest carriers of passengers, however it identifies that the number of passengers using non-London airports has increased by over a third since 2000.

The framework identifies that LBIA is a “vital contributor to the economy of the Yorkshire and Humber region, and in particular the Leeds City region”. It states that the airport supports up to 2,800 direct jobs and generates £102m of direct GVA. In addition, it acts as a catalyst to a further 320 jobs and £10.8 million of GVA. It suggests that the services of the airport and international connectivity will continue to contribute towards improved export activity, performance and business competitiveness. Based on forecast passenger growth at the airport, it is estimated that this will grow to around 8,000 jobs and £290 million GVA by 2030.

The Policy Framework recognises that the scope exists for LEPs to develop local strategies to maximise the catalytic effects of airports to attract business and support growth. It suggests that LEPs, in partnership with local authorities, have a range of tools at their disposal to help support businesses in the vicinity of airports and that the Government encourages airport operators to engage actively with their LEPs to ensure that they are fully integrated into their LEP’s overall economic strategy for the area, and to maximise the benefits to local economies.

The Policy Framework also underlines that nationally a number of Enterprise Zones have been designated around regional airports to support their growth. Examples include Manchester’s Airport City (£600m, 150-acre development which will transform the airport into an international business destination) and the Newquay ‘Aerohub’ (55ha, including aviation related space and more generic commercial employment land). The Enterprise Zone in Cardiff has also been expanded to incorporate the airport.
Leeds City Region Strategic Economic Plan

The Leeds City Region Strategic Economic Plan (SEP) was submitted to Government in March 2014 by the Leeds City Region Local Enterprise Partnership (LEP), as part of its Growth Deal negotiations to secure devolved funding and responsibilities. This acknowledges that the Leeds City Region is the largest City Region outside of London and that despite its economic strengths and assets, it is not realising its full potential. Its vision is “to unlock the potential of the City Region, developing an economic powerhouse that will create jobs and prosperity”. The SEP sets out a vision to “dramatically accelerate growth, creating a further £5.2bn in economic output and an additional 62,000 jobs so that by 2021, the City Region economy will be almost a quarter bigger with almost 10% more jobs”.

The SEP identifies 4 strategic investment priorities:

1) Supporting growing businesses
2) Developing a skilled and flexible workforce
3) Building a resource smart City Region
4) Delivering the infrastructure for growth.

Over the long term under Priority 1, the LEP’s ambition is to “enable vibrant private sector growth, based on innovation and exports”. It recognises that SMEs drive economic growth through innovation, competition and job creation and that the City Region offers significant opportunities to support a growing enterprise base that can help to drive productivity gains, including leading global businesses and centres of research, innovation and knowledge creation. Under Priority 4, the LEP recognises that there is a distinct opportunity to “develop a pipeline of delivery ready employment sites to cater for the growing economy”. This is in response to the identified challenge facing many areas “to provide the right commercial and residential sites in the right locations supported by appropriate transport, digital and energy connections”.

The SEP identifies a number of key growth sectors where it recognises existing clusters of particular expertise and opportunity:

- Innovative manufacturing
- Financial & professional services
- Health & life sciences
- Low carbon & environmental industries
- Digital & creative industries
- Food & drink.

The SEP recognises that the “transformation of the City Region’s local, national and international transport connectivity is central to its plans for growth”. It acknowledges that good international connectivity plays an increasingly important part in promoting trade and attracting inward
investment. The SEP identifies that “the City Region benefits from a growing regional airport, which is one of the fastest growing nationally”. It recognises that it has “the potential to deliver much improved international connectivity, benefitting existing businesses and attracting inward investment in our key priority sectors”. The SEP also makes reference to the fact that improved surface connectivity is a priority and that a better connected airport will help to support the LEP’s key sectors and attract more inward investment.

Leeds Local Plan

The Core Strategy Development Plan Document for the Leeds Metropolitan District was formally adopted on 12th November 2014. This document defines the spatial vision for the District to 2028 and sets out a number of objectives and policies to achieve this. The Core Strategy recognises that LBIA is a “major part of the strategic infrastructure for the City Region and that it is also an economic resource for employment, business development and tourism”. It acknowledges that the airport’s economic benefits stem beyond just the airport site across the wider City Region and that there is potential for growth in terms of passenger numbers and freight. The Core Strategy also acknowledges that there is ongoing work currently being undertaken by the airport to define its longer term aspirations, as part of the Airport’s Masterplan.

The Core Strategy recognises that the Airport provide key components of strategic infrastructure, for businesses, residents and visitors and that it provides a ‘gateway’ to the City Region as a whole. Spatial Policy 12 within the Core Strategy is entitled ‘Managing the growth of Leeds Bradford International Airport’ and suggests that the continued development of Leeds Bradford International Airport will be supported to enable it to fulfil its role as an important regional airport subject to a number of points, particularly relating to the much needed surface access improvements.

The Leeds City Council Employment Land Review 2010 Update, which represents the most up to date published Council employment land document supporting the emerging Local Plan, provides an assessment of the requirements and availability for land for office use over the period 2010-2028. It concludes that there is a requirement for 880,000 sq m of office floor space, against a committed pipeline (i.e. permissions with planning consent) of 706,250 sq m, leaving a residual need for new land allocations to accommodate 173,750 sq m. It also concludes that there is a need for 536 ha of employment land for industrial purposes over the period 2010-2028, set against a portfolio of 350 ha to be rolled forward (these being comprised of sites which the review considers are suitable for continued employment use), leaving a residual requirement of 186 ha of new allocations. A key part of the Local Plan making process will involve the allocation of new sites for employment use and the Airport represents a key opportunity that can help meet the Local Plan’s needs.
One North – A Proposition for an Interconnected North

The ‘One North – a proposition for an Interconnected North’ is a policy statement produced in July 2014 by the five City Regions of Leeds, Liverpool, Manchester, Newcastle and Sheffield to lobby Government for enhanced investment in transport infrastructure in the north of the country to drive economic growth and competitiveness. It sets out a vision for a well connected northern zone predicated on multi-modal transport networks for logistics and personal travel.

Airports represent a key element of the statement, underlining the importance of airports’ growth in helping deliver the multi-modal well connected vision. Specifically, it states that achieving a suitable rail/light rail connection to Leeds Bradford International Airport “remains an ambition that, under this proposition, needs to be turned into a fully realised project”.

Growth implications for LBIA

LBIA’s growth is embedded in national aviation policy which also recognises the importance of growing the mix of commercial operations around airports to reinforce their growth potential. It is important that local policies – through both planning and economic development – respond to accommodate the needs of the airport’s expansion.

The Local Enterprise Partnership’s vision to accelerate economic growth of the Leeds City Region requires a strong airport with international routes. It also requires a diverse, high quality range of commercial land and property to accommodate its growth needs, including premises and sites for high value operations that are innovation and technology related – an area of property in which Leeds punches well below its weight. LBIA Commercial Hub can play a key role in this regard by offering a unique selling point that will appeal to occupiers seeking high profile and well connected locations.

The additional powers and resources being committed to LEPs provides public and private sector partners with the ability to be innovative in the way that it can support and facilitate the delivery of economic development projects such as the commercial hub. Therefore there is an opportunity for the LBIA to work collaboratively with the LEP and other partners to deliver the vision for a commercial hub.
4 LBIA Growth Drivers: Economic

This section presents an analysis of the current economic position and performance of the Leeds City Region economy. It draws upon a number of published secondary data sources to provide an overview of the local economy as context for the growth ambitions of the Airport, located at the geographic heart of the City Region. Data has been used to show how the Leeds City Region performs against GB benchmarks and also its nearest competitor Manchester City Region.

The Leeds City Region (LCR) comprises ten local authority areas including Leeds, Bradford, York, Kirklees, Barnsley, Wakefield, Selby, Calderdale, Harrogate and Craven. The City Region’s economy is worth £54bn per annum (5% of the national Gross Domestic Product), the LCR is widely regarded as the largest financial and legal centre outside of London and the City Region claims to have more company HQ’s than any other LEP area in the north of England. The City Region markets itself on the fact that it is home to world leading companies and universities, as well as some of the most beautiful physical landscapes in the country – it comprises a diverse mix of urban and rural land uses.

Population and demographic trends

The most recent Office of National Statistics (ONS) Mid Year Population Estimates indicate that 2.97 million people were resident within the Leeds City Region in 2012. The population of the Leeds City Region represents over half (55.9%) of the Yorkshire and Humber Region’s total resident population (5.32 million people).

Between 1995 and 2012, the population of the Leeds City Region increased by 8.7%, a higher rate of growth than the wider regional Yorkshire and Humber rate of 7.2% and also that of the Manchester City Region (6.4%).

Working Age Population and Projected Growth

The 2012 Mid Year Population Estimates indicate that 1.91 million people of working age reside within the Leeds City Region, representing 64.3% of the respective total resident populations. Positively, these figures represent a higher proportion of the population than the wider regional average of Yorkshire and the Humber and Great Britain as a whole (64.2%).

At the national level, working age population growth of 3.7% is anticipated over the decade to 2021. A growth rate of 4.4% is projected at the Leeds City Region level, which exceeds the 2.4% anticipated across the wider Yorkshire and Humber region (2011 based ONS sub-national population projections.)
Economic Activity

It is not just the size of the working age population that determines the scale of the local labour market, but the extent to which the working age population is economically active. Economic activity is defined as those in employment (or self-employment) or those that are unemployed but available for work. The economic activity rate represents the extent to which the working-age population is engaged with the labour market and indicates the absolute scale of the labour force from which organisations can source employment. Limits to the size of the resident labour force result in in-commuting and/or inhibit economic growth.

Economic activity rates within the Leeds City Region broadly tracked the national rate at around 76.5% of the working age population and exceeded the wider Yorkshire and Humber rate of 75.7% until the onslaught of the recession in 2008. Economic activity rates then fell dramatically to 74.8% in 2010 and 2011, just below the regional rate of 75% at this time, before tracking the regional rate of recovery back to around 77% in 2013 (Annual Population Survey, 2013).

Occupation

The occupational structure and characteristics of a City Region’s resident labour market is central to its overall competitiveness and shapes the economic opportunities that residents are able to access. In turn, the type of skills implied by an area’s occupational structure can shape the economy’s ability to attract and support higher-value economic activity and attract higher skilled non-resident workers into the economy.

Figure 4.1 illustrates the resident occupational structure of the Leeds City Region, compared with Manchester City Region and wider regional and national benchmarks. 40.8% of employees within the Leeds City Region are employed in the top three occupational groups (those classified 1-3 within the Annual Population Survey). This is higher than the Yorkshire & Humber (39.5%) and North West (40.4%) averages but lower than the 41.3% rate across the Manchester City Region and the Great Britain average of 43.8%.
Figure 4.1: Occupational structure of those in Employment 2013

![Occupational Structure Chart]

Source: Annual Population Survey 2013

Qualifications

Central to the long-term growth capacity and productivity of any economy and the ability of the City Region to improve its occupational structure are the skill levels and educational attainment of the resident labour market.

The chart below indicates that at 11.3% of the working age population, the Leeds City Region has a higher than average proportion of people with no formal qualifications compared to the national average of 9.7% and is roughly in line with the regional average (11.5%).

At 30.9%, the Leeds City Region has a higher proportion of its working age population qualified to NVQ 4 level or above (degree level or above) than that of the Yorkshire and the Humber (29.7%) and North West (30.3%) regions, but remain below the national average of 34.4%.
Figure 4.2: Skills Profile of the Working Age Population

![Skills Profile Chart]

Source: Annual Population Survey (2012)

Business Births and Survival Rates

The volume of business start-ups (births) and survival rates are commonly used as proxies for levels of entrepreneurship. The Leeds City Region experienced a growth in business stocks (0.9% in 2011 and 0.3% in 2012) above that of the regional Yorkshire and Humber rates (0.4% in 2011 and -0.1% in 2012). This growth was, however, below the national growth rates of 1.4% and 0.7% respectively.

The below table indicates that there were 11,570 new business births within the Leeds City Region in 2007 (this was broadly in line with the Manchester City Region). In terms of business survival rates between 2007-12, the year 1 survival rate of businesses within the Leeds City Region was 95.6% in year 1, which was higher than regional and national averages. At year 5, it was 42.8%, which was higher than the regional average but lower than the national average.

Table 4.1: Five Year Business Survival Rates (2007-2012)

<table>
<thead>
<tr>
<th></th>
<th>Business Births (2007)</th>
<th>Survival Rates</th>
<th>1 Year</th>
<th>2 Years</th>
<th>3 Years</th>
<th>4 Years</th>
<th>5 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leeds City Region</td>
<td>11,570</td>
<td></td>
<td>95.6</td>
<td>78.8</td>
<td>60.9</td>
<td>50.0</td>
<td>42.8</td>
</tr>
<tr>
<td>Yorkshire and Humber</td>
<td>20,385</td>
<td></td>
<td>94.4</td>
<td>78.2</td>
<td>60.1</td>
<td>49.1</td>
<td>41.9</td>
</tr>
<tr>
<td>Great Britain</td>
<td>274,770</td>
<td></td>
<td>95.4</td>
<td>81.2</td>
<td>63.0</td>
<td>52.0</td>
<td>44.6</td>
</tr>
</tbody>
</table>

Source: ONS Business Demographics 2012
Employment Sectors

An analysis has been undertaken of the key employment sectors within the Leeds City Region, compared with the national picture. This identifies that there are a higher proportion of the workforce employed in the following sectors in the Leeds City Region compared with England as a whole:

- Manufacturing (10.5% compared with 8.4% nationally)
- Education (10.7% compared with 9.6% nationally)
- Health (13.5% compared with 13.1% nationally)
- Business administration (9% compared with 8.6% nationally)
- Transport/storage (5.2% compared with 4.5% nationally)

A report recently produced for the Leeds City Region Secretariat by Ekosgen (February 2014) has examined the sector strengths of the local economy. It reviewed the level of specialisation and growth across all standard economic sectors to identify recommended priorities for the Leeds City Region to invest in. The report concludes that the following sectors should be prioritised by the Leeds City Region for development and investment:

- Financial, professional and business services
- Advanced manufacturing
- Health and bio-science
- Creative and digital industries
- Food and drink
- Low carbon industries

Table 4.2 below illustrates the various sector strengths which include significant strengths in a number of sectors which have international markets and a research and development focus.
Table 4.2: Leeds City Region Sector Strengths

<table>
<thead>
<tr>
<th>Leeds City Region Sector Performance</th>
<th>Employment (numbers)</th>
<th>Employment (specialism)</th>
<th>Gross Value Added</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td></td>
<td>Manufacture of textiles</td>
<td>Wholesale</td>
</tr>
<tr>
<td>Retail</td>
<td></td>
<td>Manufacture of beverages</td>
<td>Retail</td>
</tr>
<tr>
<td>Health</td>
<td></td>
<td>Water collection, treatment and supply</td>
<td>Electricity, gas etc</td>
</tr>
<tr>
<td>Public administration</td>
<td></td>
<td>Manufacture of furniture</td>
<td>Specialised construction</td>
</tr>
<tr>
<td>Food and beverage service</td>
<td></td>
<td>Printing / recorded media</td>
<td>Manufacture of food</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employment Growth (%)</th>
<th>Productivity</th>
<th>GVA Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional services</td>
<td>Electricity, gas etc</td>
<td>Finance</td>
</tr>
<tr>
<td>Computing and information</td>
<td>Air transport</td>
<td>Real estate</td>
</tr>
<tr>
<td>Administrative and support services</td>
<td>Rental and leasing</td>
<td>Retail</td>
</tr>
<tr>
<td>Land transport</td>
<td>Telecommunications</td>
<td>Wholesale</td>
</tr>
<tr>
<td>Media activities</td>
<td>Manufacture of basic pharmaceuticals</td>
<td>Professional services</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Exporting Potential</th>
<th>Inward investment potential</th>
<th>Research Strengths</th>
<th>National Innovation Priorities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial services</td>
<td>Financial services intelligence</td>
<td>Agri-science</td>
<td>Bio-science</td>
</tr>
<tr>
<td>High-tech goods</td>
<td>Health innovation</td>
<td>Advanced materials</td>
<td>Advanced materials</td>
</tr>
<tr>
<td>Communication</td>
<td>Advanced digital technologies</td>
<td>Big Data</td>
<td>ICT</td>
</tr>
<tr>
<td>Construction services</td>
<td>Powertrain &amp; precision engineering</td>
<td>Regenerative medicine</td>
<td>Healthcare</td>
</tr>
<tr>
<td>Education</td>
<td>De-carbonised energy and renewables</td>
<td>Robotics</td>
<td>Energy</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Satellites</td>
<td>High value manufacturing</td>
</tr>
</tbody>
</table>

Source: Key Sectors Policy for Leeds City Region Draft report by Ekosgen February 2014

Education

The LCR is home to 7 Higher Education institutions (universities) and 14 Further Education Colleges, accommodating a total student population of around 230,000. Universities include the University of Leeds, University of York, Leeds Metropolitan University, University of Huddersfield, Leeds Trinity University, University of Bradford and University of York St John. In total, these produce in the region of 36,000 graduates every year. The Universities of Leeds and York are members of the White Rose University Consortium, which together rank alongside Oxford and Cambridge in terms of research capabilities.
The below table presents the rankings of each of the universities based on 3 recent nationally recognised assessments – there are 120 universities nationally and the lower the ranking the better. The assessments are based upon a wide range of criteria from academic and research and research performance through to student experience. As can be seen from this, both the University of York and the University of Leeds are ranked within the top 25% nationally.

**Table 4.3: University rankings**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>University of York</td>
<td>11</td>
<td>16</td>
<td>12</td>
</tr>
<tr>
<td>University of Leeds</td>
<td>29</td>
<td>34</td>
<td>32</td>
</tr>
<tr>
<td>University of Huddersfield</td>
<td>66</td>
<td>42</td>
<td>63</td>
</tr>
<tr>
<td>York St John’s University</td>
<td>64</td>
<td>94</td>
<td>99</td>
</tr>
<tr>
<td>University of Bradford</td>
<td>84</td>
<td>90</td>
<td>82</td>
</tr>
<tr>
<td>Leeds Metropolitan University</td>
<td>103</td>
<td>107</td>
<td>101</td>
</tr>
<tr>
<td>Leeds Trinity University</td>
<td>104</td>
<td>111</td>
<td>108</td>
</tr>
</tbody>
</table>

Leeds University has for some years been ranked second nationally in terms of the number of student applications it receives. It was also ranked in the top 10 nationally in the 2008 Research Assessment Exercise in terms of the quality of its research.

It operates 9 faculties including Arts, Biological Sciences, Business, Education, Social Sciences and Law, Engineering, Environment, Mathematics and Physical Sciences, Medicine and Health and Performance, Visual Arts and Communications. Its Biological Science Faculty is home to over 2,400 students and has a £53m research portfolio. In the last government Research Assessment Exercise (RAE) 2008, the University was ranked 4th for biological sciences in the UK. Its Faculty of Medicine and Health also hosts the Biomedical and Health Research Centre (BHRC) - a strategic partnership between the four science Faculties of the University of Leeds and the Leeds Teaching Hospital NHS Trust and Collaborative Research Centres in Epidemiology and Biostats, Cardiovascular Disease, Musculoskeletal Disease and Obesity, Nutrition and Heath.

Leeds Teaching Hospitals NHS Trust is the largest in the UK, treating over a million patients a year with a budget of £789 million and a workforce of over 14,000. St James’s University Hospital, part of the Trust, is the largest teaching hospital in Europe. It houses the landmark £220 million Yorkshire Cancer Centre, opened in 2008, the largest of its kind in Europe. The City Region also comprises the York Biocentre, the Bioincubator at Leeds Innovation Centre and Bradford Bioincubator, which together provide 9% of all dedicated bioincubator space in the UK.

The University of York was ranked as the 8th best research institution in the UK (RAE, 2008) and is home to 16,000 students.

We have engaged with all 3 Leeds-based universities as part of this work to understand more about their academic and research strengths. The University of Leeds has strengths in several key sectors which are being targeted in respect of innovation:
The University has expressed the view that there is an inadequate supply of sites and premises in Leeds to accommodate research and development businesses emerging from its campus, and that as a result there has been a leakage of occupiers to other cities/city regions. The University is developing plans for creating a new innovation centre on its campus off Woodhouse Lane in Leeds but has identified the importance of large, multi-scale, dedicated R&D parks to accommodate move on and facilitate greater level of interaction with supply chains in these sectors.

Leeds Beckett University has a number of sector strengths in sport, business, law, finance, music and the arts. The Universities are keen to develop their respective innovation capacities and capabilities and are exploring opportunities to do this both on and off campus at present.

Leeds Trinity University is currently growing and has an expressed an interest in occupying space for work based training within an Airport Hub. They regard the proposed hub as an opportunity to show-case the University on the national and international stage.

**Growth implications for LBIA**

The LCR is one of the highest performing regional economies in terms of labour market performance and growth. Its position as the largest city regional economy outside of London contrasts markedly with the airport’s status as 16th largest; the growth of the economy in the future will drive the potential for growth of the airport, and vice versa.

Of particular significance to the Airport commercial hub vision is the fact that the city region has strengths in a number of economic sectors which will drive demand for commercial land and floor space and present opportunities for the hub. Key growth sectors include professional/financial services, advanced manufacturing, health and bio-science, creative and digital industries, food and drink and low carbon industries. Many of these sectors will benefit from high profile well connected locations such as the Airport where being at the ‘front door’ to the city region assists connections with suppliers, parent companies, and clients. Evidence from UK and abroad demonstrates there to be a healthy appetite from occupiers to locate close to airports.

Our analysis of the R&D sector reveals a particular opportunity for more land and premises to meet demand. The University of Leeds has confirmed the leakage of many of the businesses that emerge from campus as a result of a lack of suitable premises. LBIA can offer a unique location for accommodating this potential demand.
5 LBIA Growth Drivers: Aviation

Demand for commercial land and premises

The DfT is projecting an increase in its passenger numbers from 3.3m passengers per annum at present to 7.1m passengers per annum by 2030. This significant growth in passenger numbers will require the airport to expand its footprint and will drive demand for additional land and premises across three key areas:

- **Core operational requirements** – to meet the growth ambitions, there will be a need to increase the capacity of the passenger terminal and other associated operational facilities such as aprons, taxiways, hangars, baggage handling, fuel stores and maintenance facilities. We have been advised by the Airport that it will require the expanse of land to the west of the existing terminal building currently comprising office and ancillary accommodation. This area is approximately 3.2 ha, and therefore additional land outside the main airport boundary will be required to accommodate the relocation of existing uses on the site.

- **Non-operational ancillary commercial land/floorspace requirements** – there will be a need for additional land and floorspace for additional/expanded flight operating companies (crew facilities/office space/maintenance facilities), catering organisations, ground handling facilities (e.g. Swissport) and others such as flight training/skills development facilities (i.e. the Aviation Academy/Multiflight etc). There is an opportunity for the Airport to develop its freight/cargo operations. It is currently ranked 24th nationally in terms of its cargo tonnage in 2013 (324 tonnes) and the airport considers there to be an opportunity to increase this perhaps ten-fold over the medium term to around 3,000-4,000 tonnes per annum, in line with the current tonnage at Newcastle Airport. This would have implications for the need for additional cargo/freight handling facilities, transit sheds and distribution facilities.

- **Supply chain related requirements (aviation businesses / occupiers)** – as the airport expands there is the potential for it to attract occupiers in the aviation sector which have a preference to be located in close proximity to the airport. These may include for example, aircraft component manufacturing/supply businesses, freight forwarders, which typically seek to locate adjacent to airports.

**Benchmarking comparable airports**

We have undertaken a review of a number of comparable regional airports elsewhere across the UK to understand more about the extent of their spatial footprint and the extent to which they have either current or planned commercial floorspace either within or in close proximity to the airport boundary. We have undertaken a review of the following as part of this, with a summary below and a more detailed analysis is presented within Appendix I:
• **Newcastle Airport** – accommodates 7,000 sq m Freight Village (with expansion land) and the Airport Industrial Estate is located 3 miles from the Airport, comprising 18,000 sq m of light industrial floorspace (only c.460 sq m is vacant). The Newcastle International Airport Business Park is currently being marketed and comprises 50 hectares owned by the Airport which could accommodate up to 1m sq ft of commercial development (allocated in emerging Local Plan). There are 7 hotels within a 2.5 mile radius of the airport.

• **Liverpool John Lennon Airport** - TNT distribution facility on a 1.6 ha (4 acre) site to the east of terminal. An expanded cargo and maintenance facility is planned adjacent to the airport of around 7 ha. Liverpool International Business Park is a 157 acre (62 hectare) site situated adjacent to Liverpool John Lennon Airport. Planning consent has been granted for B1/B2/B8 uses on the site and buildings ranging from 50,000 sq. ft. (4,645 sq. m.) to 500,000 sq. ft. (46,452 sq. m.) can be accommodated. 14 ha (35 acres) of development land is currently being marketed. Estimated to be circa 340,000 sq m (3.5 million sq ft) of mixed office, industrial, warehousing and commercial leisure accommodation within 2 km (1.2 miles) of JLA when these sites are fully built out (including existing local employment sites). 4 hotels immediately adjacent to airport.

• **Bournemouth Airport** - the Aviation Park is adjacent to the Airport, comprising a mix of technology, industry and freight uses across 80 hectares (200 acres) of land and buildings allocated for employment use. It provides approximately 150,000 sq m of business space being developed by the owners of the airport. There are plans to develop a further 50,000 sq m of employment space on this site (outline consent secured).

• **East Midlands Airport** – home to 17,000 sq m of cargo floorspace and a further 66,000 sq m of commercial floorspace owned by the Airport on site. The Pegasus Business Park is located adjacent to the Airport and comprises 26 ha of land (10 ha remain undeveloped) and a total of 20,000 sq m of B1 floor space. Plans to bring forward the remaining 10ha at Pegasus for office, logistics, general warehousing and hotel uses. Land to the south of the Pegasus Business Park, has been identified as potential employment land. Land has also been reserved for the further development of the DHL Hub building at Cargo West and land will also be safeguarded for a second major integrator hub in Cargo East. Plans are also being developed to deliver a rail freight terminal capable of providing up to 600,000 sq m of B8 floorspace. 4 hotels immediately adjacent to airport

• **Aberdeen Airport** - Existing cargo facilities on the airport site occupy 2,400 sq m of floorspace. Adjacent to the Airport are two well established industrial estates with a number of large oil/gas company occupiers. Also adjacent to the Airport is the 54 acre ABZ Business Park, with outline planning consent for a mix of office, industrial and hotel uses. Also in close proximity to the Airport is the D2 Business Park with outline planning consent for 100,000 sq m of
office/industrial/ancillary employment uses. Adjacent to this is additional land allocated for employment or HE/research use. 6 hotels within close proximity of the airport.

In summary, it is evident that all 5 of these comparator airports have either an established or pipeline supply of employment land adjacent to their operational boundaries as well as cargo/freight handling facilities within the airport boundaries. In terms of adjacent commercial employment land, Bournemouth has an 80 ha employment site, Liverpool a 62 ha site, Newcastle a 60 ha site, East Midlands a 26 ha site and Aberdeen a 22 ha site. These are all dedicated business parks that are being developed and marketed on the back of their proximity to the airport assets.

Potential for growth at LBIA

Estimates of the likely future land and premises requirements of the Airport are set out below based upon the assumed passenger and cargo growth projections and using benchmarks from comparator airports elsewhere.

**Core operational requirements** – as above and advised by LBIA, it is assumed that there is a requirement for an additional 3.2ha of land to accommodate the existing office/ancillary functions to the west of the main terminal building. This would enable the airport to expand its core operational floorspace on this vacated land to meet its growth projections.

**Non-operational ancillary commercial land/floorspace requirements** – an estimate of the likely non operational floorspace required within the airport boundary has been made through applying the current non operational floorspace at the airport and the current passenger numbers, to the projected increase in passenger numbers, assuming a linear growth trajectory. The results of this are presented below and demonstrate the need for an additional 5,000 sq m of office and industrial floorspace to be located in close proximity to the core operational functions of the airport.

**Table 5.1: Linear growth in non operational floor space**

<table>
<thead>
<tr>
<th>Non operational floor space in airport boundary</th>
<th>Baseline</th>
<th>Projected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offices (sq m)</td>
<td>2470</td>
<td>5315</td>
</tr>
<tr>
<td>Industrial (sq m)</td>
<td>2179</td>
<td>4687</td>
</tr>
<tr>
<td>Total</td>
<td>4649</td>
<td>10002</td>
</tr>
</tbody>
</table>

In addition to the above, if the Airport exploits the opportunity to develop and expand its cargo/freight handling capacity, this would result in the need for further floorspace to be
developed to provide cargo handling/freight forwarding/distribution facilities. If it is assumed that LBIA develops a similar scale cargo handling level as currently at Newcastle Airport (c.3,000 – 4,000 tonnes per annum), it could be assumed that it may require a similar scale of cargo/freight floorspace to support this. This would equate to the need for a minimum of 7,000 sq m of cargo-related floorspace within/immediately adjacent to the airport site to enable this.

If the provision of skills-based facilities increases (i.e. growth in the Aviation Academy/Multiflight facilities), this could support the need for further on site floorspace given the need for these facilities to be airside. The Aviation Academy has recently leased additional space from Multiflight as is expanding and so this could be a realistic possibility over the medium term.

In addition to this, there would also be the likely need for a consolidation centre at the airport if it is to realise its growth ambitions and again this would require further land.

Supply chain related requirements – it is difficult to quantify the likely spatial requirements of aviation related businesses that may be attracted to the airport location over the medium term. By way of example, Bournemouth’s Aviation Park has just secured a deal with Aim Aviation which manufactures aviation interiors, to develop a 16,000 sq m advanced manufacturing and R&D facility.
### Summary of benchmark airports across the UK

<table>
<thead>
<tr>
<th>Airport</th>
<th>Passenger Numbers (million)</th>
<th>Cargo Movements (tonnes)</th>
<th>Airport Operational Area</th>
<th>Direct number of FTE jobs on Airport site</th>
<th>Existing employment uses within/adjacent to Airport</th>
<th>Planned/pipeline employment uses within/adjacent to Airport</th>
</tr>
</thead>
<tbody>
<tr>
<td>Newcastle</td>
<td>4.42</td>
<td>3,701 (plus 6,512 tonnes of mail)</td>
<td>Growth planned</td>
<td>374 ha</td>
<td>3,200</td>
<td>- 7 hotels within 2.5 mile radius</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>- Freight Village – 7,000 sqm</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>- Airport Industrial Estate (3 miles from the Airport). 91 light industrial units totalling 202,766 sq ft (18,838 sqm). Only 5,000 sq ft vacant.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>- Newcastle International Airport Business Park – 50 hectares owned by the Airport – up to 1m sq ft of commercial development (allocated in emerging Local Plan). Phase 1 for 175,000 sq ft of B1 Grade A floorspace has outline planning consent. Additional land that can accommodate 450,000 sq ft of freight/distribution space (planning application being developed). Third plot for major HQ. Sites currently being marketed by agents. UK Land Estates on board as developer.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>- Freight Village expansion land</td>
</tr>
<tr>
<td>East Midlands</td>
<td>4.33</td>
<td>266,968 (plus 30,000 tonnes of mail)</td>
<td>618,000 tonnes (2035) and 700,000</td>
<td>445 ha</td>
<td>6,500</td>
<td>- 17,094sqm (184,000sqft) cargo floorspace including 728sqft freight handling units to 67,918 sq ft transit sheds.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>- East Midlands Gateway Strategic Rail Freight Interchange - plans are being developed to deliver a rail freight terminal capable of providing up to 6m sq ft of B8 floorspace</td>
</tr>
<tr>
<td>Airport</td>
<td>Yr.</td>
<td>Forecast</td>
<td>Current</td>
<td>Land Use Details</td>
<td></td>
<td></td>
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<td>-------------</td>
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<td>----------</td>
<td>---------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
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</tr>
</tbody>
</table>
| Liverpool   | 4.19| 12.3 (2030) | 278 tonnes (2040) plus 30,000 tonnes of mail                                                                                                                     | • Further 66,000 sqm of commercial floorspace owned by airport let on ground leases. Over 100 tenants in total at Airport  
• Pegasus Business Park - in the south west corner of the airport site. 26 hectares, of which 10 remain undeveloped. Total of c.200,00 sqft of B1 floorspace, including 25,000 sqft Regus building, PWC Office, National Grid  
• 4 hotels including 3 at Pegasus Business Park including  
• Land has been reserved for the further development of the DHL Hub building at Cargo West and land will also be safeguarded for a second major integrator hub in Cargo East.  
• Pegasus Business Park has an extant planning consent for business park development including hotels and conference centres – 10 hectares to be developed. Commercial development proposals associated with the airport will be brought forward for sites within the Pegasus Business Park. These uses will include offices, logistics, general warehousing and hotels.  
• Land to the south of the Pegasus Business Park, has been identified as potential employment land in the North West Leicestershire Employment Land Availability Assessment (2013).  
• An expanded cargo and maintenance facility is planned adjacent to the airport of around 7 ha to handle forecast growth of cargo to around 40,000 tonnes pa  
• Liverpool International Business Park is a 157 acre (62 hectare) site situated adjacent to Liverpool John Lennon Airport. Planning consent has been granted for B1/B2/B8 uses on the site and buildings ranging from 50,000 sq. ft. (4,645 sq. m.) to 500,000 sq. ft. |

*Liverpool*
withdrawing ft. (46,452 sq. m.) can be accommodated. Current occupiers include B&M and Prinovis. 35 acres of development land is currently being marketed.

- Including the above plus the Wings Leisure and Entertainment Park and Blue Lands Business Park, when fully developed out these will provide over 340,000m² (3.5 million ft²) of mixed office, industrial, warehousing and commercial leisure accommodation within 2 km (1.2 miles) of JLA.

<table>
<thead>
<tr>
<th>Aberdeen</th>
<th>3.44</th>
<th>5.1 (2040)</th>
<th>7,102 (plus 362 tonnes of mail)</th>
<th>9,200 (2040)</th>
<th>215</th>
<th>c.2,000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

- Existing cargo facilities occupy approximately 0.8 hectares of land, including 1,600 sqm of warehousing.
- DHL also have an 800 sqm cargo facility to the south of the main terminal.
- Existing hotels include a Thistle Hotel, Premier Inn, Courtyard by Marriott and Speedbird Inn, all on the airport site. Adjacent to it is the Menzies Dyce Hotel (209 rooms) and the Aberdeen Air Hotel.
- Adjacent to the Airport is the Kirkhill Industrial Estate to the west and Wellheads Industrial Estate to the east. These are both well established industrial estates with a number of major oil/gas company occupiers.
- Additional developments at ABZ Business Park as opposite.
- D2 Business Park – outline planning consent for 1.2m sqft of office/industrial/ancillary employment uses adjacent to the Airport.
- Additional land allocated for employment or HE/research use from 2024.
Also adjacent to the Airport is the 54 acre ABZ Business Park. It has outline planning consent for a mix of office, industrial and hotel uses and some speculative office development is already underway, with a number of occupiers having already taken space on the site. Development is also underway to construct a 200 bedroom 4-star Holiday Inn and a 130 bedroom 3-star Holiday Inn Express, expected to open in late 2015. Regus is also due to open a business centre on the site in 2015.

<table>
<thead>
<tr>
<th>Bournemouth</th>
<th>0.66</th>
<th>4.5 (2030)</th>
<th>1,818 (plus 7,600 tonnes of mail)</th>
<th>Assumes current level maintained</th>
<th>366 ha</th>
<th>2,700 (2005 data)</th>
</tr>
</thead>
</table>

- The Aviation Park is adjacent to the Airport, comprising a mix of technology, industry and freight uses across 80 hectares (200 acres) of land and buildings allocated for employment use. It provides c.1.6m sq ft of business space, supports over 200 businesses and around 2,500 jobs. It comprises offices, industrial units, distribution, hangars and workshop sites, with a mix of both aviation and non-aviation related.

- In 2012, MAG Developments unveiled a ten-year masterplan vision for the development of 540,000 sqft of new business space – including offices, industrial units, warehousing and distribution facilities, and aviation uses such as hangars. MAG Developments has already secured outline planning permission for the project – granted December 2011 – to deliver a range of quality new business premises and commercial space, split.
occupiers, which are generally attracted by the prestige of being based at the airport. It is owned and operated by the Manchester Airport Group, the owners of the Airport. It includes a Basepoint Business Centre across five separate plots, totalling around 35 acres.
6  **LBIA Growth Drivers: Commercial**

In this section we examine the commercial potential of the Airport hub through providing an assessment of the mainstream office and industrial commercial markets operating in Leeds. We have examined the market for land and premises across each sector at both the local LBIA (within a 2 mile radius) and wider Leeds levels.

**The Leeds office market**

Leeds is one of the UK’s largest regional office centres with particular strengths in the financial and professional service sector. It is home to a number of major banks and accountancy firms and is becoming one of the most important legal centres outside of London. The size and strength of the labour market drives demand for office floor space from a wide range of sectors and occupier types and the City has healthy Out-of-Town, as well as City Centre, office markets.

Recent market conditions have been characterised by increasing take up and falling supply which has put pressure on rents and yields with many predicting a tipping point on the horizon and a return to more widespread development activity than has so far been observed. A number of development starts are underway and occupier and investor sentiment is now beginning to improve for the out of town market as well as the City Centre.

2013 saw a record-breaking volume of lettings in Leeds with approximately 120,000 sq m (1.3m sq ft) transacted in the City Centre and out of town markets combined, significantly above the long term average of 85,000 sq m (920,000 sq ft). Although this year has so far indicated a return to average levels, there remains strong pent up interest driven by a number of pre let requirements with lease events in 2015/16.

As Figure 6.1 below shows, there has been a gradual increase in take up in the City Centre office market from 2010 onwards with a peak in 2013. The long term 10 year average is 47,500 sq m (500,000 sq ft). Figure 6.2 shows a similar pattern for the out of town market in the last three years with a long term 10 year average of 38,300 sq m (400,000 sq ft).

Availability has been in a period of decline as a result of the lack of development activity with the level of Grade A premises on the market falling to circa 20,000 sq m (215,000 sq ft), less than half a year’s supply. Figure 6.3 below illustrates the long term trends in availability showing the dramatic fall in total availability from peak in 2010.

The development pipeline has responded. For example, No. 6 Wellington Place (105,000 sq ft) is under construction and due for delivery in December 2015. Similarly, Wellington Street (220,000 sq ft) is due to be delivered in Q1 2016. Sovereign Square, Sovereign Street (95,000 sq ft) has detailed planning consent and construction is due to start in December 2014 for delivery in Q2 2016.
Figure 6.1: Leeds City Centre Take up

Leeds City Centre Take Up

Figure 6.2: Leeds Out of Town Take Up

Leeds Out of Town Take-Up (Sq m)
Looking at the future supply of land for office development in the City, there are a number of major office schemes proposed as illustrated in Table 6.1 below. Within the City Centre, the remaining development parcels at Wellington Place represent the most significant scheme in the pipeline with approximately 110,000 sq m still to be built out. In the out of town market, there are only two major sites, with Thorpe Park offering land for over 110,000 sq m of office floor space and Leeds Valley Park almost 10ha.

Table 6.1: Proposed office developments

<table>
<thead>
<tr>
<th>Office sites</th>
<th>Acres</th>
<th>Ha</th>
<th>Sq ft</th>
<th>Sq m</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Centre</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wellington Place</td>
<td>0.00</td>
<td>0.00</td>
<td>1,200,000</td>
<td>111,480</td>
</tr>
<tr>
<td>Yorkshire Post Site</td>
<td>5.00</td>
<td>2.02</td>
<td>300,000</td>
<td>27,870</td>
</tr>
<tr>
<td>Latitude</td>
<td>2.00</td>
<td>0.81</td>
<td>375,000</td>
<td>34,838</td>
</tr>
<tr>
<td>City Square House</td>
<td></td>
<td></td>
<td>175,000</td>
<td>16,258</td>
</tr>
<tr>
<td>Sovereign Square</td>
<td></td>
<td></td>
<td>83,000</td>
<td>7,711</td>
</tr>
<tr>
<td>Central Square</td>
<td></td>
<td></td>
<td>225,000</td>
<td>20,903</td>
</tr>
<tr>
<td>Whitehall Riverside</td>
<td></td>
<td></td>
<td>500,000</td>
<td>46,450</td>
</tr>
<tr>
<td>Out of town</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thorpe Park</td>
<td></td>
<td></td>
<td>1,200,000</td>
<td>111,480</td>
</tr>
<tr>
<td>Leeds Valley Park</td>
<td>24</td>
<td>9.71</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
However whilst these schemes may appear on the surface to give Leeds a substantial quantum of years’ supply, given the scale of annual take up, they may be exhausted within the next plan period. In strategic planning the future market there is a need to consider the next wave of office schemes to ensure there is enough of the right quantity and quality to meet market requirements.

In summary, office market conditions are improving and as occupier and investor sentiment continue to strengthen there is likely to be a resurgence of demand for developing new schemes. The scale of demand year on year is such that Leeds needs to bring forward new development opportunities in both in and out of town locations to meet long term market requirements, underlining the potential of Leeds Bradford International Airport.

**LBIA office market**

There is an established local office market operating in close proximity to Leeds Bradford Airport, with a small number of well occupied office buildings/parks:

- **Airport West, Lancaster Way** – modern purpose built business park located off A658 Harrogate Road opposite the White House Lane entrance to the airport
- **Moorfield Business Estate** located immediately to the south of the Airport on the west side of A658 Harrogate Road, comprising a mix of office and industrial accommodation
- **Aireview Court** on the A65, period renovation multi occupancy premises
- **Rawdon Park, Green Lane**, purpose built offices

Airport West is the most significant of these, a scheme delivered close to the peak of last property cycle. The scheme was developed by Rushbond with the first two phases of the scheme completed in 2006/07 comprising 8,770 sq m (94,000 sq ft) across seven buildings. A further 2,480 sq m is proposed as part of Phase 3 with Phase 4 being promoted for a pub/restaurant.

These office premises cater for a wide range of occupiers including professional services, IT / media, airport related. Occupiers at Airport West include Leeds Bradford International Airport, Nunwood Consulting (a management consultancy), Towergate Risk Solutions (insurance brokers), WLP (digital media company), Westgate Properties (property consultancy).

There has been a regular churn of occupiers and new lettings in recent years resulting from the relocations both within and from outside the local area. The Estates Gazette Interactive database (EGi) recorded a number of building lettings and sales in the last 30 months, as illustrated in Table 6.2 below, indicating a healthy demand for property on a leasehold and freehold basis. Transactions have been predominantly at the smaller end of the size spectrum with lettings typically 500 sq m (5,400 sq ft) and under.

According to EGi, over the period 2008-2013, there has been an average of 2881 sq m (31,000 sq ft) of floor space transacted per annum.
In respect of availability, according to EGI there is currently approximately 3,195 sq m (34,000 sq ft) of office floor space available on the market in the local area, with a pipeline of a further 2,480 sq m comprising the outstanding phase of development at Airport West (see Table 6.3 below). The existing properties are generally small in size and second hand.

Table 6.3: Existing Availability of office property within 2 mile radius of LGIA (EBG)

<table>
<thead>
<tr>
<th>Address</th>
<th>Unit description</th>
<th>Unit size (sq m)</th>
<th>Unit size (sq ft)</th>
<th>Type of Property</th>
<th>Grade of space</th>
</tr>
</thead>
<tbody>
<tr>
<td>Realtex House, 2 Leeds Road, Leeds, LS19 6AX</td>
<td>1st (part)</td>
<td>44</td>
<td>461</td>
<td>Leasehold</td>
<td>Second-hand grade</td>
</tr>
<tr>
<td>2nd (part)</td>
<td>84</td>
<td>909</td>
<td></td>
<td>Leasehold</td>
<td>Second-hand grade</td>
</tr>
<tr>
<td>Aire View Court, Low Green, Leeds, LS19 7RQ</td>
<td>Ground (part)</td>
<td>121</td>
<td>1,300</td>
<td>Leasehold</td>
<td>Second-hand grade</td>
</tr>
<tr>
<td>In Harrogate Road, Leeds, LS19 6FW</td>
<td>1st</td>
<td>46</td>
<td>479</td>
<td>Leasehold</td>
<td>New - Refurb</td>
</tr>
<tr>
<td>Moorfield Road Estate, Leeds, LS19 7BN</td>
<td>Unit 2</td>
<td>500</td>
<td>5380</td>
<td>Leasehold</td>
<td>Second-hand grade</td>
</tr>
<tr>
<td>Parklands Business Centre, Park Lane, Leeds, LS19 7ET</td>
<td>Entire Building</td>
<td>204</td>
<td>2,174</td>
<td>Leasehold</td>
<td>New - Refurb</td>
</tr>
<tr>
<td>High Street, 2 High Street, Leeds, LS19 7PR</td>
<td>Suite 7</td>
<td>17</td>
<td>180</td>
<td>Leasehold</td>
<td>Second-hand grade</td>
</tr>
<tr>
<td>High Street, 2 High Street, Leeds, LS19 7PR</td>
<td>Suite 4</td>
<td>19</td>
<td>205</td>
<td>Leasehold</td>
<td>Second-hand grade</td>
</tr>
<tr>
<td>High Street, 2 High Street, Leeds, LS19 7PR</td>
<td>Suite 5</td>
<td>26</td>
<td>285</td>
<td>Leasehold</td>
<td>Second-hand grade</td>
</tr>
<tr>
<td>High Street, 2 High Street, Leeds, LS19 7PR</td>
<td>Suite 9</td>
<td>38</td>
<td>410</td>
<td>Leasehold</td>
<td>Second-hand grade</td>
</tr>
<tr>
<td>High Street, 2 High Street, Leeds, LS19 7PR</td>
<td>Suite 1</td>
<td>58</td>
<td>630</td>
<td>Leasehold</td>
<td>Second-hand grade</td>
</tr>
<tr>
<td>High Street, High Street, Leeds, LS19 7PR</td>
<td>Ground (part)</td>
<td>44</td>
<td>473</td>
<td>Leasehold</td>
<td>Second-hand grade</td>
</tr>
<tr>
<td>High Street, High Street, Leeds, LS19 7PR</td>
<td>1st and 2nd</td>
<td>62</td>
<td>670</td>
<td>Leasehold</td>
<td>Second-hand grade</td>
</tr>
<tr>
<td>High Street, High Street, Leeds, LS19 7PR</td>
<td>3rd</td>
<td>100</td>
<td>1090</td>
<td>Leasehold</td>
<td>Second-hand grade</td>
</tr>
<tr>
<td>Springfield House, High Street, Leeds, LS19 7UE</td>
<td>Springfield Cottage Ground Floor</td>
<td>84</td>
<td>903</td>
<td>Leasehold</td>
<td>Second-hand grade</td>
</tr>
<tr>
<td>1st</td>
<td>16</td>
<td>176</td>
<td>Leasehold</td>
<td>Second-hand Grade</td>
<td></td>
</tr>
<tr>
<td>2nd</td>
<td>100</td>
<td>1,080</td>
<td>Leasehold</td>
<td>Second-hand Grade</td>
<td></td>
</tr>
<tr>
<td>Moorfield Business Park, Moorfield Close, Leeds, LS19 7YA</td>
<td>Apartment House, Unit A</td>
<td>40</td>
<td>440</td>
<td>Leasehold</td>
<td>Second-hand grade</td>
</tr>
<tr>
<td>Airport West, Lancaster Way, Leeds, LS19 7ZA</td>
<td>Unit 7</td>
<td>48</td>
<td>520</td>
<td>Leasehold</td>
<td>Second-hand grade</td>
</tr>
<tr>
<td>Building One, Lancaster Way, Leeds, LS19 7ZA</td>
<td>Ground and 1st</td>
<td>331</td>
<td>3561</td>
<td>Leasehold</td>
<td>Second-hand grade</td>
</tr>
<tr>
<td>Lancaster House, Lancaster Way, Leeds, LS19 7ZA</td>
<td>Entire Building</td>
<td>2490</td>
<td>26760</td>
<td>Leasehold or New - New Build</td>
<td></td>
</tr>
</tbody>
</table>

The existing office market at Leeds Bradford International Airport therefore shows potential for growth in the future. With an average take up of 2881 sq m per annum (31,000 sq ft), there is a healthy demand for new floor space which, allowing for the take up of outstanding/projected availability (5,675 sq m), could generate demand for new floor space in approximately 2 years' time.
Regional industrial market

Market conditions have been gradually improving in the industrial sector across the UK. Gross Domestic Product grew by 1.9% in 2013, the fastest since 2007 and business surveys have reported an improvement in export demand in the last 12 months together with increasing investment intentions.

Improvement in the general economic environment has transmitted itself unevenly to the industrial sector. Total take up over 2013 actually fell nationally, although the quantity of ‘prime’ deals increased, driven by an upturn in built-to-suit activity. However, Yorkshire bucked the general trend where a record level of take up was observed and a significant drop in prime space in the market.

Take-up for industrial / warehouse premises in Yorkshire (buildings over 10,000 sq m) reached a record 5 year high of over 400,000 sq m in 2013. For the larger space occupiers, total availability in the region is reported to be approximately 350,000 sq m and includes 3 buildings that returned to the market at Wakefield Europort and Bretton Park in Dewsbury. Average take up of large buildings over the past 5 years has been approximately 325,000 sq m per annum and therefore predictions are that the region will run out of available buildings in the next 18 months.

Whilst development activity remains largely restricted to build to suit deals, there is a generally held view among industrial agents that a return to development is now on the horizon in the short to medium term as a result of rental pressure and growing occupier sentiment. DTZ Research predicts rental growth of an average of 2% per annum over the period 2014-2018 in the Leeds industrial market.
Leeds employment land market

The above charts provide details of the take up and availability of land for the region as a whole which disguise the shortage of readily available land and premises in the Leeds area. The lack of readily available sites and premises in Leeds has meant that many occupiers have failed to find suitable accommodation and as a result have sought property in other regions. An example of this
is Elbee, a manufacturing firm who moved their operations from Leeds to Barnsley in 2012. Anecdotal feedback from inward investment agents and economic development specialists active in the Leeds market has also indicated the difficulties in being able to match inward investment opportunities to accommodation, particularly in the R&D sector.

DTZ has mapped all the industrial sites over 4 ha (10 acres) that we are aware are currently on the market in the Leeds area. The plan below also includes office sites. It illustrates that there is an uneven distribution with limitations to the supply of sites to the north of Leeds. It also shows the limited range of property segments catered for with no dedicated innovation facilities or science parks, in sharp contrast to other competing city regions such as Manchester (Airport Medi Park), Sheffield (Advanced Manufacturing Park), Newcastle (Science Central) and Liverpool (Liverpool Innovation Park).

The limitations to Leeds’ land and premises portfolio underlines the potential role that a growing LBIA hub employment zone could have in enhancing the city’s offer to the investor and occupier markets.

The Council’s Employment Land Review 2010 update confirms the quantitative need for new site allocations across the administrative area. The document provides an assessment of the requirements for and supply of employment land in Leeds over the course of the next Local Plan. It concludes that there is a need for 536 ha of employment land for industrial purposes over the period 2010-2028, set against a portfolio of 350 ha to be rolled forward (these being comprised of sites which the review considers are suitable for continued employment use), leaving a residual requirement of 186 ha of new allocations.

The Employment Land Review also provides a sub area analysis of need and supply to inform the process of new allocations. The analysis is based on socio-demographic as opposed to market factors. It shows that there is a marginal requirement for new allocation in the ‘Outer North West’ zone (the zone in which LBIA is located), but that when aggregated for all north Leeds zones, there is actually a significant shortage and a need for new allocations, as illustrated by Figure 6.8 below. This further demonstrates the role that LBIA can play as an extended employment zone in helping meet the future employment land requirements of Leeds.
Figure 6.6: Supply of employment sites in Leeds (sites over 4 ha/10 acres)
Figure 6.7: Leeds employment land requirements (ha)

![Bar chart showing land equivalent, sites to be retained and carried forward, and shortfall in Leeds.]

Figure 6.8: North Leeds employment land requirements (ha)

![Bar chart showing land requirement to 2028 and existing portfolio for Inner North East, Inner North West, Outer North East, Outer North West, and Total North Leeds.]

LBIA Industrial market

At the local level there is a significant amount of industrial accommodation in the immediate surroundings of the airport, concentrated on the following estates

- Leeds Bradford International Airport Industrial Building, A658 Harrogate Road
- Moorfield Business Estate, A658 Harrogate Road
- Carlton Industrial Estate, Cemetery Road
- Westfield Industrial Estate, Kirk Lane, Yeadon
- South View Business Park, off A65

These parks are well occupied and accommodate a range of light industrial and manufacturing occupiers.

There has been a regular churn of occupiers and new lettings in recent years resulting from the relocations both within and from outside the local area. The Estates Gazette Interactive database (EGi) recorded a number of building lettings and sales in the last 30 months, as illustrated in Table 6.4 below, indicating a healthy demand for property on a leasehold and freehold basis. Over the last six years (2008-2013) there has been an average of 11,602 sq m per annum (125,000 sqft).

Table 6.4: Industrial transactions 2012-2014 within a 2 mile radius of LBIA (source EGi)

<table>
<thead>
<tr>
<th>Address</th>
<th>Date</th>
<th>Size (sq m)</th>
<th>Size (sq ft)</th>
<th>Purchaser/Lessee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit 3, Moorfield Industrial Estate, Moorfield Road Estate, Yeadon, Leeds, LS19 7BN</td>
<td>01/08/2014</td>
<td>283</td>
<td>3,042</td>
<td>Private</td>
</tr>
<tr>
<td>Unit 3, Leeds Bradford Airport Industrial Estate, Harrogate Road, Leeds, LS19 7WP</td>
<td>31/10/2013</td>
<td>8,331</td>
<td>89,669</td>
<td>Fuzzwire</td>
</tr>
<tr>
<td>Unit 1B, Leeds Bradford Airport Industrial Estate, Harrogate Road, Leeds, LS19 7WP</td>
<td>01/07/2013</td>
<td>8,191</td>
<td>88,162</td>
<td>Fuzzwire</td>
</tr>
<tr>
<td>Unit 1, South View Business Park, Ghyll Royd, Guiseley, Leeds, LS20 9LT</td>
<td>01/03/2013</td>
<td>534</td>
<td>5,750</td>
<td>Private</td>
</tr>
<tr>
<td>Unit 3, Leeds Bradford Airport Industrial Estate, Harrogate Road, Leeds, LS19 7ZA</td>
<td>01/08/2012</td>
<td>883</td>
<td>9,500</td>
<td>Loxa Limited</td>
</tr>
<tr>
<td>Unit 1A, Leeds Bradford Airport Industrial Estate, Harrogate Road, Leeds, LS19 7WP</td>
<td>01/07/2012</td>
<td>14,246</td>
<td>153,339</td>
<td>Private</td>
</tr>
<tr>
<td>Unit 3, Leeds Bradford Airport Industrial Estate, Harrogate Road, Leeds, LS19 7WB</td>
<td>01/08/2012</td>
<td>465</td>
<td>5,000</td>
<td>Loxa Limited</td>
</tr>
</tbody>
</table>

Existing availability is limited to three buildings, two of which at Leeds Bradford Airport Industrial Estate, together totalling 12,414 sq m (134,000 sqft):

Table 6.5: Existing Availability of office property within 2 mile radius of LBIA (EGi)

<table>
<thead>
<tr>
<th>Address</th>
<th>Unit description</th>
<th>Unit size (sq m)</th>
<th>Unit size (sq ft)</th>
<th>Tenure</th>
<th>Grade of space</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carlton Industrial Estate, Cemetery Road, Leeds, LS19 7BD</td>
<td>Unit E</td>
<td>1359</td>
<td>14633</td>
<td>Leasehold</td>
<td>Second-hand Grade B</td>
</tr>
<tr>
<td>Leeds Bradford Airport Industrial Estate, Harrogate Road, Leeds, LS19 7BP</td>
<td>Unit 10b</td>
<td>3787</td>
<td>30000</td>
<td>Leasehold</td>
<td>Second-hand Grade B</td>
</tr>
<tr>
<td>Leeds Bradford Airport Industrial Estate, Harrogate Road, Leeds, LS19 7BP</td>
<td>Unit 3</td>
<td>6868</td>
<td>73999</td>
<td>Leasehold</td>
<td>Second-hand Grade B</td>
</tr>
</tbody>
</table>

As with the local office market, the level of occupier activity and transactions on the estates surrounding Leeds Bradford International Airport underlines the potential for further occupancy in the future. On the basis of the prevailing average take up levels (11,602 sq m), the existing supply of 11,602 sq m will be exhausted in little more than one year.
Summary

Commercial market conditions are improving with the office and industrial sectors emerging strongly from the downturn. Increasing take-up and falling supply are evident and a return to more widespread development is anticipated in the near future.

Looking at the long term, there is a projected need for new high quality serviced employment land to meet market requirements. The dynamics of the office market in Leeds are such that there is a strong in and out of town market and a real opportunity for LBIA to help fulfil the future requirements of the out of the town market whilst offering an alternative, differentiated product. There is a shortage of industrial sites – both quantitative and qualitative – to meet the long term market requirements of Leeds. Allied to the potential for surface access enhancements and airport related growth, there is considerable potential for commercial pressures to drive the delivery of major hub and employment zone at the Airport.
7 Airport Land Development Strategy

Demand for a commercial hub at LBIA

There is a major opportunity to enhance Leeds’ commercial portfolio of land and premises through the creation of a commercial hub at the airport. The hub will reinforce the growth of the Airport and will help drive forward the economic ambitions set out in the LEP’s Strategic Economic Plan, in particular plugging gaps in the city’s commercial property offer.

There is an established demand for new commercial land and floor space at Leeds Bradford International Airport that arises from the concentration of occupiers locally and the growth of the Leeds economy and its associated accommodation requirements. The collated evidence set out in Section 6 shows that there is a healthy churn of new lettings year on year in respect of both industrial and office accommodation and, over time, there have been new development schemes such as Airport West and Moorfield Industrial Estate which have been built to respond to these occupier requirements.

Looking forward, we consider there to be a major opportunity to expand the commercial offer alongside the growth of the airport and surface connections to create a hub that exploits the potential of the aviation sector and the attributes of the location for office and industrial occupiers seeking an international ‘front door’. There are a number of sources of demand that can be targeted:

- Occupiers expanding/downsizing or moving from local business estates – as demonstrated by the collated evidence in Section 6
- New occupiers seeking airport or north Leeds location – DTZ is aware of recent requirements from occupiers seeking airport location in respect of both office and industrial accommodation
- Footloose national/international occupiers seeking high quality/differentiated and branded location
- Occupiers linked to the airport – operational and non operational activities linked to the growth of the airport, as dealt with in Section 5 of this report.

The hub can reinforce the economy of Leeds City Region providing a differentiated commercial real estate opportunity to attract new investment and growing firms, particularly focused on knowledge based businesses with international networks.

In respect of the office sector there is potential to attract aviation occupiers including flight operating businesses with requirements for national/regional HQ and call centre activities. For example, Jet2 have potential substantial accommodation requirements in Leeds that could potentially be relocated to LBIA. Other flight operators could be targeted in conjunction with the projected growth of the airport.
Offices will be a combination of multi occupancy buildings let to SMEs (potential for a Regus type managed workspace), and; larger single occupier firms such as flight operator regional HQs and travel companies.

In terms of the Industrial sector, there are two sub markets: aviation related (e.g. caterers, freight forwarding / general logistics, repair services); light industrial, R&D, hybrid. The potential for growth exists as a result of the anticipated growth of air freight, the capacity of existing airside facilities and supplier chain arrangements. The latter will absorb existing pent up demand and investment from new firms particularly for occupiers with international networks (client/parent companies).

In order to support the strategy for the commercial hub there will need to be a mix of uses to create a place and identity (not just a business park) – sectors to include hotel/leisure, retail as well as office and industrial development. Surface access improvements will also be necessary.
Quantitative assessment

A quantitative assessment has been produced to determine the potential land requirements of a commercial hub at Leeds Bradford International Airport. The assessment is based on a projection of occupier demand, estimated aviation operational requirements and additional growth space for the impact of surface access improvements. The land requirements have also been ‘sense-checked’ through comparison with commercial hubs being promoted at similar sized UK airports.

A) Projection of local demand

Based on the above market analysis an assessment of the potential quantity of demand has been produced drawing on data of lettings within the local area. The approach taken has involved projecting forward the annual average quantity of floor space lettings (the level of take up of floor space) recorded from the period 2008-2013 over fifteen years to align with the Local Plan period. Existing vacant floor space on the market in the local area has been subtracted from the 15 year figure which has then been iterated into a land area by the application of standard plot ratios (35% for industrial accommodation, 80% for office accommodation).

The data used to derive the annual average take up figures is sourced from Estates Gazette Interactive (EGi), and where necessary DTZ has made adjustments to remove repeat lettings of the same property that have occurred within the 2008-2013 period.

The results indicate that there is potential occupier demand within the local area to accommodate some 52 ha (128 acres) of land over the fifteen year period.

Table 7.1: Local occupier projection

<table>
<thead>
<tr>
<th></th>
<th>Industrial</th>
<th>Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>Floor area take up per annum 2008-2013 (Sq m)</td>
<td>11,602</td>
<td>2,881</td>
</tr>
<tr>
<td>15 year's demand of floor space take up (sq m)</td>
<td>174,030</td>
<td>43,215</td>
</tr>
<tr>
<td>Less existing availability (Sq m)</td>
<td>161,616</td>
<td>37,540</td>
</tr>
<tr>
<td>Implied land demand potential ha*</td>
<td>46.2</td>
<td>5.87</td>
</tr>
</tbody>
</table>

*Land based on cover assumptions of 35% (industrial) and 80% (office)

B) Impact of airport expansion

The growth of the airport will drive demand for commercial land and floor space within and outside the existing airport boundary. There are two components to this growth: operational and non-operational.

In respect of the operational requirements, LBIA has identified the need for expansion space of 3.2 ha at the western end of the existing operational area. To facilitate this expansion the existing accommodation (comprised of Jet2 office accommodation and ancillary premises) need to be relocated off airport, thus generating a requirement for 3.2 ha of additional commercial land.
In respect of non operational activities, occupiers and uses directly and intrinsically linked to the airport are included such as flight operating companies, support services, engineers. To determine the growth requirements for this category a simple linear growth projection has been made based on the projected growth in passenger numbers. This results in an additional requirement for 5,000 sq m or 1.1 ha of land.

Table 7.2: Airport related growth

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Projected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operational</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expansion space required (ha)</td>
<td></td>
<td>3.20</td>
</tr>
<tr>
<td>Non operational floor space in airport boundary</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Offices (sq m)</td>
<td>2470</td>
<td>5315</td>
</tr>
<tr>
<td>Industrial (sq m)</td>
<td>2179</td>
<td>4687</td>
</tr>
</tbody>
</table>

C) Step change factor

The final component of the quantitative assessment is to determine the potential for achieving a step change in the delivery of commercial development as a result of the growth of the airport, the delivery of rail related surface access improvements and other investments.

It is very difficult to predict with any certainty what effects the mooted infrastructure investments will have but in planning for the commercial hub it is considered beneficial to allow for the upper potential for such growth.

An assumption has been made that the level of annual office take up could be doubled from 2881 sq m to 5762. This increased level of take up still only represents 15% of the long term average out of town average take up level and is therefore not considered unrealistic given the potential impact of enhanced surface access and its related appeal to office occupiers. Allowing for the likelihood that a new station and rail link would not be installed until approximately 10 years into the programme, only 5 years’ of take up at this level has been allowed for, which generates a potential demand for an additional 14,405 sq m and 2.25 ha (net land area).

In respect of industrial demand, an additional 7,000 sq m / 2 ha overall has been allowed which is representative of the potential increase in cargo and consequent freight related activities at the airport based on benchmarking evidence of comparable airports.
Table 7.3: Step Change Factor

<table>
<thead>
<tr>
<th></th>
<th>Industrial</th>
<th>Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional floor area (sq m)</td>
<td>7,000</td>
<td>14,405</td>
</tr>
<tr>
<td>Implied land requirement (ha)</td>
<td>2</td>
<td>2.25</td>
</tr>
</tbody>
</table>

Aggregate quantitative assessment

Table 7.4 below provides a summary of the total potential based on the above analysis. Taking into account the existing employment site allocations at Coney Park and Whitehouse Lane (representing 21 ha in total), this leaves a residual quantitative potential for 40 ha (119 acres) for the local area. This represents a net land potential for industrial and office uses only, therefore additional land for other commercial uses (hotels, retail etc) will also need to be allowed for. This land requirement is broadly within the range of comparable regional airports that are also promoting the development of commercial hubs, and provides the requisite critical mass to give the hub the best chance of success.

Table 7.4: Aggregate gross and net employment land requirement

<table>
<thead>
<tr>
<th></th>
<th>Office (B1a)</th>
<th>Industrial (B1b, B1c, B2, B8)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local demand (projected floor space take up from local business/industrial estates at annual rate over 15 years)</td>
<td>37540</td>
<td>5.87</td>
</tr>
<tr>
<td>Airport growth (linear growth in demand for non operational commercial floor space linked to passenger growth)</td>
<td>2845</td>
<td>0.44</td>
</tr>
<tr>
<td>Non operational area displaced by expansion of operations</td>
<td>3.2 ha</td>
<td></td>
</tr>
<tr>
<td>Step Change (surface access enhancements, growth of air freight)</td>
<td>14405</td>
<td>2.25</td>
</tr>
<tr>
<td>Total potential over 15 years</td>
<td>54790</td>
<td>8.57</td>
</tr>
</tbody>
</table>

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total gross employment land requirement (ha)</td>
<td>61</td>
<td></td>
</tr>
<tr>
<td>Less existing employment land (ha)</td>
<td>21</td>
<td></td>
</tr>
<tr>
<td>Coney Park, Harrogate Road</td>
<td>17</td>
<td></td>
</tr>
<tr>
<td>White House Lane</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Total net employment land requirement (ha)</td>
<td>40</td>
<td></td>
</tr>
</tbody>
</table>

Indicative Masterplan

A conceptual masterplan has been prepared for the area to the north of Leeds Bradford International Airport to illustrate the potential of the growth hub. The masterplan has been produced by Five Plus architects in collaboration with WYG and DTZ. The masterplan incorporates
LBIA’s existing land holdings together with the parcel of Greenfield land to the north which is under their control via option agreement with Leeds and Bradford Councils.

The total of the net developable areas is estimated at approximately 37 ha, which is less than the residual total indicated in the above quantitative analysis. However, it is considered broadly to be in accordance with commercial hub land areas at comparable airports.

The masterplan illustrates the route of road and rail surface access improvements together with three principal land use zones for the following development:

**Air Innovation Park**

A Business Park providing accommodation for occupiers in identified LCR growth sectors. A high quality environment with a focus on innovation and incubation facilities with strong linkages to University based R&D. The Air Innovation Park would incorporate a range of accommodation types to meet the variety of business functions benefiting from the airport location including offices, R&D hybrid units, light industry and logistics. The business park would respond to an identified gap in the supply of quality land and property options for inward investors and high value growth businesses seeking well connected and high profile locations.

**Airport Village**

A new mixed use commercial centre providing vital services and accommodation to support the growth of the airport. This zone would provide accommodation for activities directly and intrinsically related to the economy of the airport, such as flight operating company (/regional) head quarters and support functions, hospitality and general amenities (comprising new hotels, conference and meeting facilities and restaurants and retail).

**Air Freight Park**

New Industrial accommodation to serve the growth in demand anticipated from the increase in air freight cargos. Direct access to the airside boundary required to facilitate the transfer on and off aircraft. Freight transfer, caterers, repair and support functions. Logistics operators.

Figures 7.2 and 7.3 on the following pages illustrate the concept plan and development plots.
Figure 7.2: Indicative Masterplan
Figure 7.3 Indicative Masterplan – developable areas
Based on the above concept plan, an indicative development schedule has been produced corresponding to the plot references on Figure 7.3. The accommodation mix is based broadly on the quantitative analysis outlined earlier in this section, with offices and industrial, and then R&D and logistics representing sub-sectors of these main property classes. Two hotels, restaurant and convenience retail development have also been allowed for consistent with the vision of creating an ‘airport village’.

The accommodation listed is indicative only, and it should be noted that in practice we see the delivery of the scheme being highly flexible to the requirements of the market and the investment requirements of public sector partners.

Table 7.5: Indicative development schedule

<table>
<thead>
<tr>
<th>Plot reference</th>
<th>Proposed use</th>
<th>Zone</th>
<th>Net site area (sq m)</th>
<th>Plot ratio assumed</th>
<th>GIA floor area (sq m)</th>
<th>NIA</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Hotel (60 bed)</td>
<td>Airport Village</td>
<td>4,822 n/a</td>
<td>n/a</td>
<td>n/a</td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>Retail</td>
<td>Airport Village</td>
<td>5,546 35%</td>
<td>1,941</td>
<td>1,553</td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>Hotel (100 bed)</td>
<td>Airport Village</td>
<td>18,619 n/a</td>
<td>n/a</td>
<td>n/a</td>
<td></td>
</tr>
<tr>
<td>D</td>
<td>Retail</td>
<td>Airport Village</td>
<td>4,982 35%</td>
<td>1,744</td>
<td>1,395</td>
<td></td>
</tr>
<tr>
<td>E</td>
<td>Office</td>
<td>Airport Village</td>
<td>52,056 80%</td>
<td>41,645</td>
<td>33,316</td>
<td></td>
</tr>
<tr>
<td>F</td>
<td>R&amp;D</td>
<td>Air Innovation Park</td>
<td>18,341 35%</td>
<td>6,419</td>
<td>5,135</td>
<td></td>
</tr>
<tr>
<td>G</td>
<td>Industrial</td>
<td>Air Innovation Park</td>
<td>23,200 35%</td>
<td>8,120</td>
<td></td>
<td></td>
</tr>
<tr>
<td>H</td>
<td>Logistics</td>
<td>Air Innovation Park</td>
<td>37,413 35%</td>
<td>13,095</td>
<td></td>
<td></td>
</tr>
<tr>
<td>J</td>
<td>Industrial</td>
<td>Air Innovation Park</td>
<td>47,519 35%</td>
<td>16,632</td>
<td></td>
<td></td>
</tr>
<tr>
<td>K</td>
<td>Industrial</td>
<td>Air Innovation Park</td>
<td>65,948 35%</td>
<td>23,082</td>
<td></td>
<td></td>
</tr>
<tr>
<td>L</td>
<td>R&amp;D</td>
<td>Air Innovation Park</td>
<td>20,685 35%</td>
<td>7,240</td>
<td>5,792</td>
<td></td>
</tr>
<tr>
<td>M</td>
<td>Office</td>
<td>Airport Village</td>
<td>8,448 80%</td>
<td>6,758</td>
<td>5,407</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>Office</td>
<td>Airport Village</td>
<td>17,822 80%</td>
<td>14,258</td>
<td>11,406</td>
<td></td>
</tr>
<tr>
<td>P</td>
<td>R&amp;D</td>
<td>Air Innovation Park</td>
<td>27,361 35%</td>
<td>9,576</td>
<td>7,661</td>
<td></td>
</tr>
<tr>
<td>Q</td>
<td>Logistics</td>
<td>Air Freight</td>
<td>8,898 35%</td>
<td>3,114</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R</td>
<td>Logistics</td>
<td>Air Freight</td>
<td>8,898 35%</td>
<td>3,114</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>370,558</td>
<td>156,738</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 7.6 below provides details of a possible phasing plan, with the development divided into three tranches. The phasing plan prioritises development parcels that can be accessed directly from the existing road infrastructure and is slightly back-loaded to reflect the step change impact brought about by surface access improvements in later years.
Table 7.6: Indicative phasing schedule

<table>
<thead>
<tr>
<th></th>
<th>Phase 1 (GIA sq m)</th>
<th>Phase 2 (GIA sq m)</th>
<th>Phase 3 (GIA sq m)</th>
<th>Total GIA (sq m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office</td>
<td>14,258</td>
<td>20,822</td>
<td>27,581</td>
<td>62,661</td>
</tr>
<tr>
<td>Industrial</td>
<td>16,632</td>
<td>8,120</td>
<td>23,082</td>
<td>47,833</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>0</td>
<td>9,576</td>
<td>13,659</td>
<td>23,235</td>
</tr>
<tr>
<td>Logistics</td>
<td>6,229</td>
<td>13094.55</td>
<td>0</td>
<td>19,323</td>
</tr>
<tr>
<td>Retail</td>
<td></td>
<td></td>
<td>3,685</td>
<td>3,685</td>
</tr>
<tr>
<td>Hotels</td>
<td></td>
<td>60 bed</td>
<td>100 bed</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>37,118</td>
<td>51,613</td>
<td>68,007</td>
<td>156,738</td>
</tr>
</tbody>
</table>

Delivery mechanisms

DTZ understands that the majority of the land that is proposed for the commercial hub is the subject of an option agreement between LBIA and Leeds and Bradford Councils. DTZ has not reviewed the terms of the option agreement nor the title documents and therefore a full review will be required to determine the existence and nature of any encumbrances which could affect the developability of the land. In broad terms, it is understood that the option agreement allows LBIA to draw down and purchase the freehold title of the land.

The delivery structure for building out the masterplan has not yet been determined. LBIA may either seek to work in collaboration with a third party developer/investor in a joint venture capacity or look to sell on plots of land on the basis of an agreed masterplan.

The funding and installation of surface access infrastructure improvements are a key consideration in the delivery programme. It is anticipated that public sector funding will be confirmed for the new link road shortly that will enable the road to be constructed in 2018/19. In respect of the rail line and station, it is understood that options for both public and private sector funding are being explored.

Collaboration between public and private sector partners will provide the best prospect of delivering the vision for a commercial growth hub at Leeds Bradford Airport. The following measures are proposed for consideration:

- **Creation of ‘Mini Enterprise Zone’ status** – many competing cities across the UK have designated Enterprise Zones on land adjacent to airports to enable the EZ incentive package to be used to attract occupiers and facilitate enabling infrastructure investment. There is an opportunity for Leeds City Region to offer the business rate discounts at the de-minimus level to occupiers within the Airport Growth Hub, funded by business rate additionality accumulated in Leeds Enterprise Zone. This would help to both brand the Growth Hub in a positive way and attract occupiers.
- **Land value for infrastructure funding** – where the value of the land is deployed to pay for the infrastructure works required to unlock/enable delivery. This is an approach that has been used to enable the delivery of public sector sites that have significant enabling/infrastructure costs or abnormals and the public sector wishes to help facilitate/enable delivery.

- **Tax increment financing (TIF)** – under the current arrangements that came into effect from 1st April 2013, local authorities are entitled to retain 50% of business rate income generated within their areas. There may be potential given the ongoing devolution of powers for an Accelerated Development Zone in which 100% of business rate additionality could be retained. Therefore, the potential exists to establish a TIF zone around the Growth Hub site that would enable finance to be raised against the anticipated additional business rate receipts that the Council retains.

- **Direct public investment** – innovation and R&D parks tend to exist because of public sector and HE investment. The possibility of utilising existing and emerging funding streams such as the Local Growth Fund to invest in property projects should be examined in view of the clear alignment of the Growth Hub masterplan and the Strategic Economic Plan for Leeds City Region.
8 Economic Impact Assessment

Development programme assumptions

The timing of delivery of the proposed development will depend on a range of factors including:

- Occupier demand
- Planning process, specifically the timescales for adoption of the Council’s allocations document
- Timing of expansion in operational land and property requirements of the Airport
- Strength of the development market and the timing and length of the development cycle
- Timing of infrastructure installation
- Appetite of partners to invest and nature of investments
- Broader macro economic conditions.

An indicative development programme has been devised in accordance with the phasing strategy set out in Section 7 based on the following broad assumptions:

- Office development is delivered at an average rate of 2900 sq m (31,000 sq ft) per annum, stepping up to 4,900 sq m (53,000 sq ft) from year 10 onwards reflecting the potential impact of rail/road access improvements and the growth of the Airport.

- Industrial and logistics is assumed to be delivered at an average level of 4,500 sq m per annum (48,000 sq ft) throughout the period

- R&D is the most difficult of the uses to predict and it depends on the willingness of partners such as Leeds Council, the LEP and the HE sectors to invest. For the purposes of the assessment, R&D is assumed to be split 50/50 in terms of office and manufacturing and delivered at an average rate of 1240 sq m (13,000 sq ft) per annum

- Retail and leisure – one hotel is assumed in the mid part of the programme and the other hotel alongside the retail uses are assumed towards the back end of the programme reflecting the impact of the growth of the airport.

Table 8.1: Potential Development Programme (sq m)

<table>
<thead>
<tr>
<th></th>
<th>Total all</th>
<th>Years 1-5</th>
<th></th>
<th>Years 6-10</th>
<th></th>
<th>Years 11-15</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Per annum</td>
<td></td>
<td>Total</td>
<td>Per annum</td>
<td>Total</td>
<td>Per annum</td>
</tr>
<tr>
<td>Office</td>
<td>50,129</td>
<td>2,305</td>
<td></td>
<td>14,405</td>
<td>2,881</td>
<td>24,405</td>
<td>4,881</td>
</tr>
<tr>
<td>Industrial</td>
<td>47,833</td>
<td>3,300</td>
<td></td>
<td>8,120</td>
<td>1,624</td>
<td>23,080</td>
<td>4,616</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>18,588</td>
<td>0</td>
<td></td>
<td>7,660</td>
<td>1,532</td>
<td>10,925</td>
<td>2,185</td>
</tr>
<tr>
<td>Logistics</td>
<td>19,323</td>
<td>1,246</td>
<td></td>
<td>13,095</td>
<td>2,619</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
A further scenario has been developed to illustrate the impact of a less optimistic, longer programme of delivery. The development programme has been extended from 15 to 25 years, with office delivery averaging 2,000 sq m (21,500 sq ft), industrial and logistics 2,500 sq m (27,000 sq ft), and R&D, 900 sq m (10,000 sq ft).

The following sections examine the economic benefits of both scenarios. It has been assumed for the purposes of this analysis that the area of impact is at the Leeds City Region level. All economic benefits have been modelled over a 25 year timeframe.

**Job hosting capacity (gross and net additional)**

Employment benefits have been estimated through the application of standard worker floor area ratios which are presented as gross and net. Gross jobs are estimates of the job hosting capacity of the development based on the scale of development anticipated. Net jobs take account of factors such as displacement, leakage and multiplier effects. The figures quoted are based on the full job hosting capacity of the scheme and make no allowance for voids and therefore should be interpreted as the maximum job hosting capacity of the scheme.

The quantum of gross and net employment capacity is the same under both scenarios as the same level of floorspace is delivered under both (only the timescale for delivery is different).

**Table 8.2: Job hosting capacity**

<table>
<thead>
<tr>
<th></th>
<th>15 year delivery</th>
<th>25 year delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Jobs</td>
<td>8,040</td>
<td>8,040</td>
</tr>
<tr>
<td>Net Additional Jobs</td>
<td>5,547</td>
<td>5,547</td>
</tr>
</tbody>
</table>

A breakdown of the gross/net additional jobs by use type is set out below:

**Table 8.3: Gross and net jobs by land use**

<table>
<thead>
<tr>
<th>Use Type</th>
<th>Gross Jobs</th>
<th>Net Additional Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office</td>
<td>5,013</td>
<td>3,503</td>
</tr>
<tr>
<td>Industrial</td>
<td>1,329</td>
<td>846</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>1,188</td>
<td>968</td>
</tr>
<tr>
<td>Logistics</td>
<td>276</td>
<td>141</td>
</tr>
<tr>
<td>Hotel</td>
<td>80</td>
<td>33</td>
</tr>
<tr>
<td>Retail</td>
<td>155</td>
<td>56</td>
</tr>
</tbody>
</table>
Assumptions

Gross jobs have been estimated through applying the following employment densities to the floorspace in accordance with the 2010 HCA Employment Density Guide (2nd Edition):

Table 8.4: Job density assumptions

<table>
<thead>
<tr>
<th>Use Type</th>
<th>Sqm per FTE (GIA/GEA unless specified)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office</td>
<td>10 (NIA)</td>
</tr>
<tr>
<td>Industrial</td>
<td>36</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>Assumed 50% office, 50% industrial as above</td>
</tr>
<tr>
<td>Logistics</td>
<td>70</td>
</tr>
<tr>
<td>Hotel</td>
<td>1 employee per 2 bedrooms</td>
</tr>
<tr>
<td>Retail</td>
<td>19</td>
</tr>
</tbody>
</table>

To estimate the net additional employment capacity, consideration has been given to factors of additionality by use type as below:

Table 8.5: Additionality assumptions

<table>
<thead>
<tr>
<th>Use Type</th>
<th>Leakage</th>
<th>Displacement</th>
<th>Multiplier</th>
<th>Deadweight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office</td>
<td>15%</td>
<td>40%</td>
<td>1.37</td>
<td>Nil</td>
</tr>
<tr>
<td>Industrial</td>
<td>7%</td>
<td>50%</td>
<td>1.37</td>
<td>Nil</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>15%</td>
<td>30%</td>
<td>1.37</td>
<td>Nil</td>
</tr>
<tr>
<td>Logistics</td>
<td>7%</td>
<td>60%</td>
<td>1.37</td>
<td>Nil</td>
</tr>
<tr>
<td>Hotel</td>
<td>7%</td>
<td>70%</td>
<td>1.47</td>
<td>Nil</td>
</tr>
<tr>
<td>Retail</td>
<td>7%</td>
<td>70%</td>
<td>1.30</td>
<td>Nil</td>
</tr>
</tbody>
</table>

Further explanation is provided below and all assumptions have been ‘sense checked’ against the 2014 HCA Additionality Guide.

Leakage – analysis of the 2001 Census travel to work data identifies that at the LCR level, there is a leakage rate of 7% and this has therefore been used for all of the use types apart from office and R&D. A higher rate of 15% has been prudently applied to these higher value uses to reflect the increased likelihood of these attracting employees residing outside of the LCR.

Displacement – assumptions range from 30% for R&D uses through to 70% for leisure/retail. This reflects the fact that higher value R&D and office activity is likely to result in a lower level of displacement of existing economic activity within the City Region. A proportion of the R&D space may also be occupied by new businesses and spin-outs from HE establishments which would further reduce the propensity for displacement. Lower value logistics/leisure/retail uses by their very nature have a propensity for high rates of displacement. The HCA guidance refers to 25% as being low and 75% as being high and these therefore correlate with this.
Multiplier – as per the HCA Additionality Guidance Paper. An average of the local and regional multiplier was applied to reflect the City Region scale of assumed impact for this assessment.

Deadweight – a nil deadweight position has been assumed throughout (i.e. in the absence of the LBIA proposals, no other economic outputs would be delivered on this site).

Gross Value Added (GVA)

GVA is used as an indicator of economic output and measures the contribution to the economy of individual producers, industries or sectors. It is estimated through the application of typical annual GVA per worker data to the net job capacity estimates outlined above.

Impacts

Cumulative undiscounted and discounted GVA impacts over a 25 year timeframe are presented below under each of the scenarios:

Table 8.6: GVA

<table>
<thead>
<tr>
<th></th>
<th>15 year delivery</th>
<th>25 year delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cumulative Undiscounted GVA</td>
<td>£5.6bn</td>
<td>£4.6bn</td>
</tr>
<tr>
<td>Cumulative NPV GVA</td>
<td>£3.3bn</td>
<td>£2.6bn</td>
</tr>
</tbody>
</table>

Assumptions

Average GVA per worker figures by sector at the Leeds Local Authority level have been estimated based upon the total annual GVA output for a number of relevant sectors (ONS, NUTS 3 data, 2010) divided by the total number of workers in the sector (Business Register and Employment Survey, ONS, 2010). This has then been multiplied by the net additional job outputs associated with each of the commercial components of the scheme. In some instances, informed SIC related assumptions were made to align the GVA data with the employment data. R&D based GVA has been based upon the office use type average with an assumed GVA uplift of 10% to reflect the higher value nature of R&D activity. The following GVA per worker figures were applied based upon this:

Table 8.7: Assumptions

<table>
<thead>
<tr>
<th>Use Type</th>
<th>Annual GVA per Worker (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office</td>
<td>63,560</td>
</tr>
<tr>
<td>Industrial</td>
<td>53,066</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>69,916</td>
</tr>
<tr>
<td>Logistics</td>
<td>30,798</td>
</tr>
<tr>
<td>Hotel</td>
<td>30,798</td>
</tr>
<tr>
<td>Retail</td>
<td>30,798</td>
</tr>
</tbody>
</table>
GVA data is not published at a detailed SIC level at the LA scale which explains why a generic GVA per worker of £30,798 has been applied to logistics/hotel/retail uses based upon the GVA and employment data for the ‘distribution, transport accommodation and food’ classification. The HM Treasury discount rate of 3.5% was applied to calculate the Net Present Value of the cumulative GVA impacts over the 25 year period.

**Business rate income**

Under the arrangements that came into effect from the 1st April 2013, local authorities can retain up to 50% of business rate income generated locally. Commercial development sites such as the Airport Hub that attract new occupiers into the area therefore offer the potential for generating additional business rate receipts for the local authority.

**Wider benefits**

The proposals will deliver a number of additional economic impacts which have not been quantified at this stage, as below:

- **Supporting additional Airport operational growth** – the proposals will enable existing non-operational airport uses to relocate to free up land for core airport operational growth. This would enable the airport to enhance the scale and quality of its offer and operations, both in terms of passenger and freight numbers, resulting in significant economic benefits to the City Region.

- **Creating construction jobs** – the delivery of the proposed new commercial floor space will support a significant number of construction jobs over a 15-25 year period, a large proportion of which could be sourced locally. The supply chain expenditure relating to this construction activity could also be significant.

- **Leveraging private sector investment** – the delivery of the scheme will be private sector led and will therefore leverage a significant level of private sector investment to the City Region given the scale of the proposals.

- **Providing skills development and training opportunities** – the proposals will attract high value uses and occupiers which will provide high quality and accredited skills and training development opportunities. There is the potential for the existing FE presence at the Airport to expand and for it to attract additional FE/HE activity, particularly though the proposals for innovation-based activity on part of the site. There is also the opportunity for additional aviation related skills and learning providers to be based at the Airport as it expands.

- **Providing local employment opportunities** – the proposals will create a significant number of and range of employment opportunities to meet the demographic needs of the LCR economy. It is envisaged that a high proportion of the jobs will be taken by local people given the low rates of leakage across the City Region as a whole.
Driving City Region competitiveness – the proposals have the potential to attract significant inward investment and to enhance the overall offer of the City Region economy as a business destination to ensure that it can compete with locations such as Manchester and Birmingham on an international level.

Summary

A summary of the core quantitative economic impacts modelled over a 25 year period is presented below:

<table>
<thead>
<tr>
<th></th>
<th>15 year delivery</th>
<th>25 year delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total New Floorspace (GIA, excl 160 hotel beds)</td>
<td>156,738 sq m</td>
<td>156,738 sq m</td>
</tr>
<tr>
<td>Gross Jobs hosting capacity</td>
<td>8,040</td>
<td>8,040</td>
</tr>
<tr>
<td>Net Additional Job hosting capacity</td>
<td>5,547</td>
<td>5,547</td>
</tr>
<tr>
<td>Gross cumulative GVA</td>
<td>£5.6bn</td>
<td>£4.6bn</td>
</tr>
<tr>
<td>NPV cumulative GVA</td>
<td>£3.3bn</td>
<td>£2.6bn</td>
</tr>
</tbody>
</table>
Appendix 1: benchmarking other regional airports

Newcastle Airport

Newcastle International Airport is run as a Public Private Partnership between seven local authorities in the North East region and AMP Capital which each have a 51% and 49% shareholding respectively of the company. It is located 6 miles to the North West of Newcastle City Centre and the land surrounding it is largely within the Green Belt. It currently has c.4.4m passengers per annum, making it the 11th busiest airport in the UK. It expects this to increase to 8.5m passengers by 2030 according to its latest masterplan. It also expects aircraft movements to increase from c.60,000 to 87,500 by 2030.

The Airport currently serves 75 destinations, providing over 3,200 direct jobs on site and catering for a catchment area with over 3.7m people. The Airport Masterplan suggests that its overall contribution to the regional economy is £646m annually, projected to increase to £1.3bn by 2030.

The Airport is set within 374 hectares of land and as well as the main runway are aircraft taxiways, apron and stands, a terminal building and pier (44,000 sqm), approximately 7,500 parking spaces, bus and metro stations, 3 hotels, a petrol filling station, car hire facilities and a private jet facility. There is also a £3.3m Newcastle College aviation training academy to the south of the terminal building.

A summary of the Airport terminal building retail/leisure offer is set out below:

<table>
<thead>
<tr>
<th>Retail</th>
<th>Food and drink</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boots</td>
<td>Burger King</td>
</tr>
<tr>
<td>WH Smith</td>
<td>Greggs</td>
</tr>
<tr>
<td>Aerospa</td>
<td>Starbucks</td>
</tr>
<tr>
<td>DIXons</td>
<td>Upper Crust</td>
</tr>
<tr>
<td>Accessorize</td>
<td>The Beer House</td>
</tr>
<tr>
<td>Biza Duty Free</td>
<td>Cafe Ritazza</td>
</tr>
<tr>
<td>JD Sports</td>
<td>Flying Hippo</td>
</tr>
<tr>
<td>Traveller</td>
<td>Eagle Bar &amp; Diner</td>
</tr>
<tr>
<td>Whistlestop</td>
<td>The Wine &amp; Deli Bar</td>
</tr>
<tr>
<td></td>
<td>Condeco Bar</td>
</tr>
</tbody>
</table>

Newcastle International Airport is served by a number of hotels within a radius of 2.5 miles from the terminal:

- Newcastle Airport Hotel (NE13 8BZ) - 0.45 miles from Newcastle Airport
- Premier Inn (NE13 8DF) - 0.74 miles from Newcastle Airport
- DoubleTree by Hilton Hotel (NE13 8BZ) - 0.81 miles from Newcastle Airport
- Premier Inn (NE20 9DB) - 0.86 miles from Newcastle Airport
- Britannia Hotel (NE13 8DJ) - 0.89 miles from Newcastle Airport
- Novotel (NE3 3HZ) - 2.26 miles from Newcastle Airport
- Metro Inns (NE3 3TY) - 2.32 miles from Newcastle Airport
With the anticipated increase in passenger numbers, there is projected to be demand for additional hotel provision.

**Freight/Cargo Operations**

In 2013, the Airport handled 3,700 tonnes of freight, ranking it as the 14th largest nationally in terms of tonnage handled. A chart illustrating its freight handled between 2002 and 2012 is presented below. In 2007, it secured a deal with Emirates which opened up new long haul markets and freight opportunities, hence the growth from 2007. The Airport is seeking to continue to grow its freight operations to 2030. The Masterplan suggests that the Southside Development will provide bespoke transit and storage facilities, ensuring that the Airport is well placed to attract potential new freight operators. It has not made any specific forecasts given the market dependent nature of freight services.

![NIAL Freight Volume](chart)

The Airport has a dedicated ‘Freight Village’ located to the south of the runway. Following a 2,200 sqm extension in 1999, the total freight floorspace is now estimated to be c.7,000 sqm (75,000 sqft), with additional expansion land available. Freight Village offers specialist freight facilities, including transit sheds, warehousing, office and loading facilities. Given that there is a projected growth in the freight market across the masterplan period, it states that provision for additional freight warehousing facilities will be made within the Southside Development Area and that the market will dictate the scale of facilities required. The ‘Freight Village’ accommodates the below:

<table>
<thead>
<tr>
<th>Cargo Handling Agents</th>
<th>Freight Forwarding Agents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emirates Sky Cargo</td>
<td>Camair</td>
</tr>
<tr>
<td>FedEx (daily flight Mon-Thurs to Paris hub)</td>
<td>DHL</td>
</tr>
<tr>
<td>Worldwide Flight Services</td>
<td>Kintetsu World Express</td>
</tr>
<tr>
<td>Servisair Cargo</td>
<td>Kuehne &amp; Nagel</td>
</tr>
<tr>
<td></td>
<td>Nippon Express</td>
</tr>
<tr>
<td></td>
<td>Universal Forwarding</td>
</tr>
<tr>
<td></td>
<td>Davis Tuner Air Cargo</td>
</tr>
<tr>
<td></td>
<td>Pentagon Freight Services</td>
</tr>
</tbody>
</table>
The masterplan recognises that as the airport grows, there will be a need to provide increased commercial space both for airlines and handling agents (likely to require space close to the terminal) as well as more generic occupiers attracted by the airport location. The Southside Development to the south of the runway has been earmarked for the latter. It has provisionally identified Southside A for aircraft engineering, maintenance and freight and Southside B for airport related and more generic office and light industrial development. It also refers to sites C and D for longer term employment uses, not necessarily related to aviation uses, as illustrated below:

Off Airport Commercial Floorspace

**Airport Industrial Estate** is a well established industrial estate, located 3 miles from the Airport. It comprises 91 units totalling 202,766 sq ft (18,838 sqm) ranging in size from 527 sq ft (49 sq m) to 18,834 sq ft (1,749 sq m). Small workshops are available on ‘easy in, easy out’ tenancy agreements and larger warehouses / factory units on flexible leases. Premises are suitable for B1/B2 or B8 use although this largely comprises light industrial units with occupiers that are non-aviation related and without requirements to access the airport facilities. There are currently 6 units available totalling c.5,000 sqft and so it is largely let.
Newcastle International Airport Business Park is being marketed as one of the North East’s premier business locations. In total it could accommodate up to 1m sqft of employment floorspace, including existing freight accommodation at the ‘Freight Village’. The Business Park is located directly to the south of the airport and is currently being marketed for a range of B1/B2/B8 uses. It is envisaged that it will incorporate a range of high quality industrial/warehouse, office and hanger accommodation, with the potential for a phase 1 development of 175,000 sqft of Grade A office space (already has outline planning consent), over 450,000 sqft of air freight, hanger and warehouse/distribution space (planning application being developed) and a third 14 ha plot for a major single occupier. The latest version of the Newcastle Core Strategy Local Plan document (Examination Version, Feb 2014) identifies supports the development of these sites and a further site to the east as below:

i. 4 hectares (net) of land for small business units/industrial
ii. 32 hectares (net) of land for predominately air freight and warehousing
iii. 14 hectares (net) of land to be promoted for a single user
East Midlands Airport

East Midlands Airport is located in the heart of England and is easily accessible to the M1/M42, resulting in it having a significant catchment area. It is estimated that there are over 11 million people that live within a 90 minute drive of East Midlands Airport. It is the UK’s leading express freight airport, with three of the major global integrated freight airlines based at the airport. In 2013, East Midlands Airport connected over 4.2m passengers with more than 90 destinations, making it the 11th busiest passenger airport in the UK. It is owned by Manchester Airport Group (MAG) and the existing operational area of the airport extends to some 445 hectares of land, directly employing c.6,500 people on site. As the UK’s number one provider of ‘pure’ freight, it transported 267,000 tonnes of freight in 2013. A review of the airport’s traffic forecasts show that East Midlands could achieve a passenger throughput of 10 million passengers a year in the period 2030 – 2040.

Details of the airport’s terminal-based commercial offer are set out below:

<table>
<thead>
<tr>
<th>Retail</th>
<th>Food and drink</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dixons</td>
<td>Leon Fast Food</td>
</tr>
<tr>
<td>WH Smith</td>
<td>Burger King</td>
</tr>
<tr>
<td>Boots</td>
<td>Castle Rock Tap Room</td>
</tr>
<tr>
<td>Superdrug</td>
<td>Flat White Coffee Club</td>
</tr>
<tr>
<td>World Duty Free</td>
<td>Frankie &amp; Bennys</td>
</tr>
<tr>
<td>Aviation Gift Centre</td>
<td>Grab &amp; Fly</td>
</tr>
<tr>
<td>Pork &amp; Pickle</td>
<td></td>
</tr>
</tbody>
</table>

There are six main functional zones on the airport site:

1. **Airfield** - the airport’s runway and taxiways take up almost half of the total area of the airport site.

2. **Central Passenger Zone** - the passenger terminal, an aircraft apron, car parking, petrol-filling station, flight catering, two fuelfarms, and vehicle maintenance. The Thistle Hotel is also within the Central Passenger Zone at the airport’s main entrance.

3. **Cargo West** - the DHL hub facility and its associated aircraft parking apron is the principal activity in the Cargo West zone. At the western end of the DHL facility are two of the airport’s long-stay car parks. There is land available for a major extension to the DHL hub.

4. **Cargo East** - UPS, TNT and Royal Mail have their operations at Cargo East and share the existing aircraft parking apron area. Also at Cargo East there are landside facilities that include the Air Cargo Village and a range of cargo office and warehouse units. There is land available for significant cargo development within Cargo East.

5. **Aircraft Maintenance Zone** - this is a large area of land between the Central Passenger Zone and Cargo West. It contains a number of aircraft maintenance hangars that are of various sizes, along with aircraft apron. There is also some operational office accommodation and a flying school in this area.
6. **Pegasus Business Park** - this area is located in the south-east corner of the airport site and it contains a number of modern office buildings and three hotels (Radisson Blu, Premier Travel Inn and Holiday Inn Express). There is land available for the further development of the Business Park.

**Freight/Cargo Operations**

The Airport comprises a 17,094sqm (184,000sqft) cargo portfolio, in addition to the 66,424sqm let on ground lease arrangements. The units are diverse ranging from 76.6sqm (728sqft) freight handling units to 6,310sqm (67,918sqft) transit sheds. It is home to leading air freight operators, such as DHL, TNT and UPS, as well as being a major national air-hub for the Royal Mail.

All the following airlines operate regular scheduled services through the Airport

![Airline Logos]

It is also home to the following Freight Forwarding Agents

![Freight Forwarding Agents Logos]
In 2013, it transported 267,000 tonnes of cargo freight and 30,000 tonnes of mail. The forecast for future cargo tonnage is for some 618,000 tonnes in 2035 and some 700,000 tonnes in 2040. The airport’s forecasts assume that the mail flight network and overall mail volumes will remain relatively unchanged from the current 35,000 tonnes as a result of structural changes to the mail market. This is as a result of the shift from letters to parcels. Air cargo movements are expected to grow. In 2013 the airport handled 23,805 cargo movements (freight and mail), and by 2040 the number of movements could grow to around 42,600. This reflects the growth of the integrated carriers and that the average freight load per cargo aircraft movement is predicted to increase from 14.4 tonnes in 2012 to 17.9 tonnes at 2040. The area to the north east of the airport, between Castle Donington and the M1 has been identified as the East Midlands Gateway Strategic Rail Freight Interchange. Plans are being developed to deliver a rail freight terminal that is capable of providing up to 6million square feet of large-scale warehousing. Land has been reserved for the further development of the DHL Hub building at Cargo West and land will also be safeguarded for a second major integrator hub in Cargo East. Land is also reserved for the development of an integrator hub at Cargo East.

Off Airport Commercial Floorspace

The airport site itself is home to around 100 commercial tenants involved in aviation related activity. In addition to this is the Pegasus Business Park, in the south west corner of the airport site. Owned by MAG, the Pegasus site covers some 26 hectares with around 10 hectares still available for development. In accordance with the emerging Core Strategy policy the further development of the Business Park should provide for activities and uses that derive a greater benefit from an airport location. Commercial development proposals associated with the airport will be brought forward for sites within the Pegasus Business Park. These uses will include offices, logistics, general warehousing and hotels. PWC are located at the Business Park and there is also a Regus Business Centre.

Land to the west of the Moto Service Area has been identified as potential employment land in the North West Leicestershire Employment Land Availability Assessment (2013).

There are 4 airports within proximity of the Airport, 3 of which are located within the Pegasus Business Park including the Holiday Inn Express (90 rooms), Premier Travel Inn (80 rooms) and the Radisson Blu (218 rooms). There is also a Thistle Hotel at the airport’s main entrance.

Bournemouth Airport

Bournemouth Airport was incorporated under the Airports Act in 1986 and was owned by Bournemouth Borough Council (BBC) and Dorset County Council (DCC). It passed into private ownership in April 1995 and in 2001 was acquired by the Manchester Airports Group. Bournemouth Airport is a key national and international
gateway to Southern England, serving around 36 destinations across Europe. The airport’s passenger throughput increased from 271,000 in 2000 to 495,000 in 2004 to 660,000 in 2013. Locations including Southampton, Portsmouth, Winchester, Salisbury, Dorchester and Weymouth are all within an hour’s drive of the airport. Its passenger throughput is expected to increase to 4.5m by 2030 according to its masterplan. The total area of the airport site (i.e. north & south sectors) is approximately 366 hectares. Sixty seven hectares are designated as areas of nature conservation interest.

Details of the airport’s terminal-based commercial offer are set out below:

<table>
<thead>
<tr>
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<td>Joes Kitchen &amp; Coffee House</td>
</tr>
<tr>
<td></td>
<td>Olive Tree Cafe</td>
</tr>
</tbody>
</table>

**Freight/Cargo Operations**

Bournemouth Airport is a fast-developing cargo hub. It is the UK gateway for cargo to and from the Channel Islands and a major spoke for UK Royal Mail and newspaper operations. It has expansion space and is able to offer the following benefits from a cargo perspective:

- 2271m / 7451ft runway
- Excellent good weather record
- Congestion free, with no slot restrictions
- Experienced in handling many cargo aircraft including the AN-124 Ruslan
- ‘Freighter friendly’ airport management

Cargo operations are located in the southern sector and handled 11,600 tonnes of cargo in 2005, principally mail, newspapers and magazines. This reduced to 9,418 tonnes in 2013 and the Airport Masterplan does not contain any specific proposals for the growth of cargo traffic, although it is anticipated that the current levels will be maintained.
Off Airport Commercial Floorspace

Adjacent to Bournemouth Airport, is the Aviation Park. This is a key strategic employment site within Dorset for technology, industry and freight related activity. As the largest brownfield employment site in Dorset, it has 80 hectares (200 acres) of land and buildings allocated for employment uses, it is home to in excess of 180 businesses across a mix of offices and workshops. It is owned and managed by Manchester Airport Group, the owners of the Airport. A number of the business occupiers are directly linked to the aviation/aerospace sector and it home to a Basepoint Business Centre. Current occupancy levels are around 96%. It offers serviced sites as well as existing buildings and is marketing opportunities for a wide range of aviation-related and other non-airvation businesses. Outline planning consent has been granted for c.540,000 sqft of additional space comprising B1 offices, B1c light industrial, B2 industrial, B8 storage, as well as distribution and aviation uses in accordance with the masterplan. It has recently been announced that the site has secured an £11m investment from a specialist aerospace interiors company to develop a 160,000 sq ft unit.

Aberdeen Airport

Aberdeen airport is located approximately seven miles north west of Aberdeen city centre. It is bounded to the north and south by open farmland, to the west by Kirkhill Industrial Estate and to the east by the village of Dyce. Aberdeen airport is an important gateway to the north of Scotland with 20 airlines providing links to over 40 destinations. Passenger numbers were 3.44m in 2013 and are forecast to grow to 4 million in 2020 and to 5.09 million in 2040. Based on current levels of employment and the predicted passenger growth forecasts, an additional 1,110 jobs are expected to be created by 2030, generating an additional £42 million GVA for the Scottish economy.

There is a Thistle Hotel, Premier Inn, Courtyard by Marriott and Speedbird Inn on the airport site. Development is also underway to construct a 200 bedroom 4-star Holiday Inn and a 130 bedroom 3-star Holiday Inn Express, expected to open in late 2015. Aircraft maintenance facilities occupy approximately 17 hectares across 12 aircraft hangers providing 27,000m2 of floor space.

Freight/Cargo Operations

Cargo facilities occupy approximately 0.8 hectares of land at the airport. Facilities here include 1,600m2 of warehousing served by a dedicated cargo apron. DHL also have an 800m2 cargo facility to the south of the main terminal. Aberdeen’s cargo business includes cargo flown on passenger services (belly hold), dedicated cargo flights and cargo transported by road to other major freight airports such as Heathrow. In the 12 months to the end of 2011, 6,191 tonnes of cargo were handled through Aberdeen airport and this represents an increase of 20% over the previous year. In 2013, this increased to 7,100 tonnes and this is expected to increase to 9,200 tonnes by 2040.

The Masterplan states that new cargo developments will be undertaken only as a result of specific requests from cargo operators and that detailed plans would be prepared and brought forward should demand arise. As a general development principle, the airport is seeking to consolidate cargo and maintenance facilities away from the existing terminal area.

Off Airport Commercial Floorspace
There are a number of established industrial estates surrounding the airport including Kirkhill Industrial Estate, Raiths Industrial Estate and Pitmedden Industrial Estate.

Also adjacent to the Airport is the 54 acre ABZ Business Park. It has outline planning consent for a mix of office, industrial and hotel uses and some speculative office development is already underway, with a number of occupiers having already taken space on the site. Development is also underway to construct a 200 bedroom 4-star Holiday Inn and a 130 bedroom 3-star Holiday Inn Express, expected to open in late 2015. Regus is also due to open a business centre on the site in 2015.

Adjacent to this is the D2 Business Park, being marketed and developed by Miller Developments. This has planning permission granted for 1.4m sq ft of office, industrial and ancillary accommodation and an initial 300,000 sq ft Office HQ has already been committed for Aker A.S.A. The new Aberdeen Western Peripheral Route (AWPR), due for completion in 2015, will provide a direct link between this site and the Airport. Adjacent to the D2 Business Park is a large plot of land allocated for employment or education/research uses from 2024 in planning policy.
Liverpool John Lennon Airport

The Airport was officially opened on 1st July 1933 and is located 7 miles South East of Liverpool City Centre, adjacent to the River Mersey. After various ownership structures, it is now 100% owned by the Peel Group and has been since April 2014. LJLA is one of the UK’s busiest airports and handled 4.2 million passengers in 2013. Passenger numbers have increased almost ten-fold since the mid-1990’s, with the Airport moving from 20th to the 12th busiest airport in the UK with flights to approximately 60 destinations in the UK and across Europe. Passengers are projected to increase to 12.3m by 2030 according to the Airport Masterplan. Airlines at JLA include two of Europe’s largest low cost airlines, EasyJet and Ryanair, both of whom have large bases at JLA. Other airlines include Blue Air, Wizz Air and Flybe. Significant investments in recent years include £130 million in a range of infrastructure works including a new and subsequently expanded terminal building, air traffic control centre, hangars, apron extensions, runway refurbishing and upgrading, multi-storey car park and on site hotel.

Freight/Cargo Operations

The Airport transported 278 tonnes of cargo in 2013, down from 9,000 tonnes in 2004. This was due to a number of contract withdrawals during this period. However, the Airport has undertaken an analysis of the potential to expand and diversify the current UK and European cargo activities which include facilities for TNT and a number of smaller operators. TNT has recently invested £6m in the provision of a new large distribution facility on a 1.6 ha (4 acre) site to the east of terminal. TNT has a well established operation at JLA having been based there since 1988. TNT offers key parcel delivery services between business customers in the UK and global markets, including a nightly service linking into its European hub at Liege in Belgium. There are two bonded transit sheds at JLA; i.e. buildings with both land-side and air-side access, which are approved by HM Customs and Excise for the control and distribution of import and export cargo. TNT manages its own shed, but the main shed is managed by Servisair.

Business and general aviation facilities are situated to the east of the terminal complex. Ravenair operates two purpose built hangars having a combined footprint of 4,750sqm with a third facility planned. Ravenair offers maintenance and storage of aircraft, flight training, and business charter services. Keenair operates a CAA approved maintenance facility from a 1,670 sqm (18,000ft2) hangar.

Total office floor space at the airport is in the region of 3,500 sqm and much of this relates to administration and airline offices housed in accommodation to the east of the terminal. The Airport Masterplan recognises that these modest facilities do not meet airline and other user expectations and restrict the ability of the Airport to attract further airport related business activity to JLA.

Off Airport Commercial Floorspace

An expanded cargo and maintenance facility is planned adjacent to the airport of around 7 ha to handle forecast growth in cargo tonnage. In addition to this there are plans for further development at the Peel Holdings owned Liverpool International Business Park is a 157 acre (62 hectare) site situated adjacent to
Liverpool John Lennon Airport. Planning consent has been granted for B1/B2/B8 uses on the site and buildings ranging from 50,000 sq. ft. (4,645 sq. m.) to 500,000 sq. ft. (46,452 sq. m.) can be accommodated. Current occupiers include B&M and Prinovis and 35 acres of development land is currently being marketed. The Hampton by Hilton hotel and Holiday Inn Express at Liverpool John Lennon Airport are both in close proximity to the Business Park, as is the New Mersey Shopping Park and David Lloyd Fitness Club. Including the above business park and other adjacent employment sites, when fully developed out these will provide over 340,000 sqm (3.5 million ft2) of mixed office, industrial, warehousing and commercial leisure accommodation within 2 km (1.2 miles) of the Airport.
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Leeds Bradford Airport Today

At a Glance...

- The standout Regional Airport in the UK. Voted Best Airport in the UK under 6mppa in 2013
- Direct Flights from LBIA to 78 Destinations, including world-wide links via BA and KLM
- 3.3mppa in 2013 – 11% increase in 1 year
- Employing over 2,700 people and generating GVA in excess of £100m
- £40m Invested by Bridgepoint since Privatisation including £11m Terminal Investment

Routes and Destinations

- LBIA serves 60 international scheduled, 7 domestic scheduled and 12 charter destinations
- LBIA has introduced 5 new airlines and 25 new routes in the last 3 years
- British Airways reintroduced flights to London in 2012 providing worldwide connectivity to over 150 destinations flying via Heathrow, supporting regional businesses and raising the profile of Yorkshire on the world’s stage
- In 2013 Monarch Airlines has introduced a new base at the airport generating 200 jobs, operating to 13 European destinations

Economic Boost to the Region

- LBIA annually provides over £100m GVA to the City Region. The introduction of British Airways services is delivering a further £10m GVA annually
- LBIA provides over 2,700 jobs on site and is one of the largest employers in West Yorkshire
- 44 businesses are based at LBIA and the airport supports local employment with 83% of its staff living within a 10 mile radius (Leeds 58% and Bradford 25%)
- LBIA is helping to support the City Region’s key economic growth objectives, alongside creating and delivering new jobs in the community
- LBIA’s terminal development will now allow LBIA to grow passengers numbers further with a potential to deliver over £130m GVA to the Leeds City Region and boost employment to over 3,000 jobs
Growing The Airport & City Region Together - A Strategic Approach

Aim

Developing a business environment for growth & delivering international connectivity.

Objective

Develop a successful airport that fully serves the business and leisure needs of the Yorkshire region and acts as a catalyst for economic growth by:

- Developing a focused route development programme.
- Developing high quality airside and landside facilities.
- Developing high quality surface access connectivity.

International Connectivity

Bringing people, business, education, cultural and leisure assets together

Priority Growth Sectors

- Innovative manufacturing
- Financial and professional services
- Health and life sciences low carbon and environmental Industries
- Digital and creative industries food and drink

Foreign Direct Investment & Exports

- Accelerates job creation
- Raises profile
- Promotes inward investment and trade
- Enhances access to markets & new business opportunities
- Supports business & leisure travel

Growing The Airport & City Region Together - A Strategic Approach

3
Growth & Route Development

Grow passenger throughput to 7.1 million by 2030

1. Target Route Development To Support Priority Economic Sectors

- **Frankfurt - Paris**
- **Zurich - Madrid**
- **Copenhagen - Oslo**
- **New York - Toronto**
- **Mumbai**
- **Dubai to Far East & Australia**

Supporting

- **Financial & Business Services**
- **Advanced Manufacturing & Life Services**
- **Business/Leisure Exports**
  *Including high value and perishable small packaged freight*

2. Halt Leakage

- 9.15 million passengers originated from the Yorkshire region in 2010. This represents an overwhelming opportunity for incumbent and new carriers to deliver new routes and capacity at LBIA
- LBIA captured only 32% short haul traffic and only 4% of long haul traffic generated by the Yorkshire region.
- This represents a huge untapped potential and suggests an imperative need for greater hub connectivity and more direct services

Yorkshire has the highest leakage rate of any region in the UK at 4.5 million passengers per annum (MPPA)
- 3.5 MPPA travelled from Yorkshire to fly from Manchester, this equates to 54% of the flights made in Yorkshire
- 9% of Yorkshire residents fly from London
Growth & Route Development

**LBIA Today**

- 9 major airline brands offering scheduled and charter services from the airport.
- Serving in excess of 75 destinations.

**LBIA Potential**

Department for Transport (Jan 2013) forecast:

- LBIA to grow up to 7.1 MPPA by 2030.
- LBIA has the potential to be the largest airport (passenger numbers) east of the Pennines from Newcastle in the North to East Midlands in the South.
- Highest demand for air travel outside the South-East in a concentration around Leeds and Sheffield city regions, Hull and the Humber along the A1 to Nottinghamshire.

LBIA is the 16th largest airport in the UK with potential to be in the Top 10.
Improving Surface Access

Between the city region’s primary settlements through LBIA

High Quality and reliable surface access is a key driver for any growing airport without investment in surface access the growth of LBIA and its city region will be constrained.

Leeds City Region Surface Access
There are short term opportunities to improve road access through the WYTF and deliver rail access with a tram operator.

Local Surface Access
LBIA sits at the heart of the Leeds city region and needs to serve all that is has to offer.

City Region Access Strategy
Public transport accessibility from West Yorkshire districts is poor, but can be improved through investment.
Accelerating Growth

LBIA Are Developing A Business Friendly Airport Through A Targeted Route Development Campaign To Support Delivery Of...

- High Quality Facilities
- Sense of Arrival and Place
- Transport connectivity

+ New airside and landside facilities.
+ Creating a hub.
+ Opportunities for inward investment.
+ New road and rail connections.
+ Connecting the city region through the airport.
The Priorities Now...

- City Region support for securing and improving the British Airways route to Heathrow. An action plan to be agreed and jointly implemented.

- Establish a delivery plan for Rail and Road access. There is a short term opportunity to deliver both. It requires a partnership between the LEP, Local Authorities in the City Region and LBIA now.

- Agree a planning strategy for delivering an Economic Hub –providing the gateway facilities to retain and attract investment to the region, which will generate a significant level of new jobs and will play a key role in supporting proposals for improved surface access.

- City Region support for securing a new airline which will bring a new base and significantly improved penetration of the mainland European Market, consistent with LBIA's route targets and the City region's economic objectives. An action plan to be agreed and jointly implemented.
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Add Drawing Titles Here

Appendices

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1 Introduction

Good transport connections are vital to the effective functioning of any airport. All air transport trips will start and end with a connection to the point of departure and arrival, whatever their purpose. Similarly, all airport and associated business employees require access to the site. So the provision of surface access infrastructure that supports the connections necessary for travellers and employees is a fundamental part of any growth strategy.

Leeds Bradford International Airport (LBIA) is the international gateway for the Leeds City Region, and much of neighbouring North Yorkshire. It has a crucial role to play in supporting the economic growth potential of the City Region, as well as satisfying the increasing demand for leisure trips from City Region residents, and those who are drawn to the Airport due to its range of destinations.

The Airport currently serves in the region of 3.3 million passengers per annum (mppa), of which approximately 75% are from within the Leeds City Region. The Airport has performed well over the last five years with passenger growth of 3.8%, compared to a reduction at other adjacent airports, such as Doncaster Sheffield and East Midlands. However, LBIA captured only 32% of the short haul and 4% of the long haul demand generated by Yorkshire and the Humber area. Adding business growth potential, this represents a huge opportunity for local growth, if the right routes and appropriate infrastructure are offered.

The Airport is continuing to grow, and the Government’s own UK Aviation Forecasts (January 2013) state that by 2030, passenger numbers could increase by 114% to 7.1 mppa. This supports the positioning of the Airport as an economic ‘hub’ as well as an international gateway, and has led to the agreed position that LBIA has great potential to support the stated economic objectives of the City Region if individual development plans are integrated.

One such plan will be the Airport Surface Access Strategy (ASAS). There is no doubt that surface access infrastructure improvements will be necessary to support an airport of the size forecast by the Department for Transport (DfT). As part of the new integrated planning approach, defining the necessary surface access improvements, in line with other transport improvements being taken forward in the City Region, is a critical part of ensuring that the Airport can play its full role in the growth of the Leeds City Region.

This ASAS forms part of the LBIA Masterplan for TBC, ensuring there is a joined up approach to airport operations, land use planning and transport. The Masterplan and the ASAS together provide a clear statement of intent to enable future development of the Airport to be given due consideration in local planning processes. Together they also provide transparency and aid long term planning for other businesses within the Leeds City Region.
Since 1998, the government has required most airports within the UK to prepare an ASAS. The first ASAS for LBIA was produced in 2000, and was compliant with the local and national government objectives at the time. An update of the ASAS was published in 2006 and this took on board the objectives of the 2003 Aviation White Paper, particularly the requirement to increase the proportion of passengers who travel to and from airports by public transport. This version of the ASAS also recognised the link between surface access infrastructure and airport and economic development.

There is now a need to produce a further revised ASAS to feed into a new Masterplan for LBIA. This will take on board the requirements of the Government’s Aviation Policy Framework (March 2013) that fully replaces the 2003 Air Transport White Paper. Furthermore, it will reflect the changes to the planning system introduced by the National Planning Policy Framework and the Planning Act 2008.

The Aviation Policy Framework sets out what the Government expects to see covered in surface access strategies. Accordingly, this ASAS will:

- Review the current surface access infrastructure and a snapshot of its usage;
- Identify the drivers of change for airport surface access over the coming years and discuss what impact these drivers may have on demand and behaviour;
- Present a new vision for surface access for the Airport and the development of surface access measures and infrastructure over the short, medium and long term;
- Identify committed/planned and possible surface access improvements both for the Airport and also those that offer the opportunity to provide much improved connectivity between the main settlements in the Leeds City Region;
- Set out challenging and ambitious targets for increasing the proportion of journeys made to the Airport by public transport for both employees and passengers, in order to reduce the carbon and air quality impacts of the Airport;
- Outline the arrangements to oversee implementation of the strategy and how its performance will be measured against the targets in a clear and transparent way;

The ASAS will also seek to coordinate with, and influence, local planning and economic strategies so that a collaborative approach is taken to the development of a successful and vibrant airport for the Leeds City Region.

It is intended that this ASAS should be read in conjunction with the Airport Masterplan, as well as the City Region Aviation Strategy, published by the Local Enterprise Partnership (LEP) in Autumn 2013.
2 Surface Access Infrastructure and Services

2.1 Rail

There are currently no direct rail services to LBIA. The two nearest railway stations to LBIA are Guiseley and Horsforth, as shown in Figure 1.

Figure 1: Nearest Rail Stations to LBIA

Horsforth rail station is 3.0km to the south east of the Airport on the Harrogate Line. A half hourly service is provided between Leeds and Harrogate with alternate trains travelling to York. Car parking and taxi facilities at Horsforth are limited and no public transport services link the station to the Airport. Bus service 757 from Leeds to the Airport provides a service between the Airport and New Road Side in Horsforth where further changes can be made with service(s) 31 and 32 to connect with Horsforth railway station (Monday to Saturday, daytime).

Guiseley rail station is 3.7km west of the Airport on the Wharfedale Line. This station is served by services between Leeds and Ilkley and Bradford and Ilkley, both of which operate
half hourly. Again, car parking and taxi facilities are constrained, but there is a direct bus link via the 737 Bradford-Airport bus from the Airport to Guiseley.

A new rail station is to open at Apperley Bridge, 4.1km south west of the Airport on the Airedale Line, in Autumn 2015, again shown in Figure 1. The station will be served by services between Leeds and Bradford which operate half hourly. Car parking facilities will be provided at the station for 300 cars, and there is a direct bus link via the 747 Bradford-Airport bus from the A658 at the end of the station access road.

The nearest mainline rail stations to the Airport are Leeds and Bradford Interchange, both of which are connected to the Airport by direct bus services described in the following section. One of the Bradford services also links to Harrogate, providing an onward link to the mainline rail station at York.

There is also a local bus connection between the Airport and Menston rail station, the next stop to Guiseley on the Wharfedale Line, also shown in Figure 1.

2.2 Bus

LBIA is served by direct, frequent bus services from Leeds, Bradford, Harrogate and Otley. Services to Bradford and Leeds link the Airport with the national rail network via Bradford Interchange, Leeds and Harrogate rail stations, and connect with long distance coach services at Bradford Interchange and Leeds City bus station. A summary of current bus services serving LBIA is set out in Table 1.

<table>
<thead>
<tr>
<th>Service Number</th>
<th>Operator</th>
<th>Frequency</th>
<th>Route</th>
</tr>
</thead>
<tbody>
<tr>
<td>737</td>
<td>Yorkshire Tiger</td>
<td>Daytime: hourly</td>
<td>Bradford - Shipley - Guiseley - Yeadon - Airport - Harrogate</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Evenings &amp; Sundays: hourly</td>
<td></td>
</tr>
<tr>
<td>747</td>
<td>Yorkshire Tiger</td>
<td>Daytime: hourly</td>
<td>Bradford - Apperley Bridge - Yeadon - Airport</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Evenings &amp; Sundays: hourly</td>
<td></td>
</tr>
<tr>
<td>757</td>
<td>Yorkshire Tiger</td>
<td>Daytime: every 20 minutes</td>
<td>Leeds - Kirkstall - Horsforth - Airport</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Evenings: hourly</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sundays: every 30 minutes</td>
<td></td>
</tr>
<tr>
<td>967</td>
<td>TLC Travel</td>
<td>Daytime: every 30 minutes</td>
<td>Menston Rail Station - Otley - Pool - Airport</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Evenings &amp; Sundays: hourly</td>
<td></td>
</tr>
</tbody>
</table>
The 737, 747 and 757 services were rebranded in April 2014 as the Flying Tiger services. The 757 service now operates on an increased frequency offering three rather than two buses per hour between Leeds City Centre, rail and bus stations to the Airport. This service is operated using five new high specification buses that offer seats trimmed in leather, charging points beneath eleven seat pairs, specially designed racks for luggage, free wi-fi and audio/visual next stop announcement facilities. Other ‘Flying Tiger’ buses operated by Yorkshire Tiger (737/747) have been refurbished - these buses are usually low floor, easily accessible vehicles with additional space for luggage.

All of the buses serving the Airport drop-off and pick-up passengers outside the terminal building (four stands with real time information provided). Table 2 presents a summary of typical bus fares for the Flying Tiger services.

**Table 2: Flying Tiger Bus Service Fares**

<table>
<thead>
<tr>
<th>Journey</th>
<th>Ticket Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leeds - Airport</td>
<td>£3.60</td>
</tr>
<tr>
<td>Bradford - Airport</td>
<td>£3.60</td>
</tr>
<tr>
<td>Harrogate - Airport</td>
<td>£5.00</td>
</tr>
</tbody>
</table>

2.3 Coach

There are no direct coach services to the Airport at present. Connections with long distance coach services can be made at Bradford Interchange and Leeds City bus station.

2.4 Walk/Cycle

There are very few walk trips to the Airport, and there is limited footway provision along Whitehouse Lane, the main access road. There are numerous signed walking routes from the Airport’s car parks to the terminal building.

Cycle connectivity to LBIA is available via Leeds City Council ‘advisory routes’. Bicycles may be left chained-up in any of the Airport’s public car parks. However, local topography represents a major barrier to encouraging both walking and cycling from some directions.

Motorcyclists are permitted to take up a car parking bay in the most appropriate car park for their visit.
2.5 Taxi

Arrow Cars is the official private hire company at LBIA. The company has an office just outside the main terminal building, where passengers can book and pay for their taxi in advance. A selection of single taxi fares for journeys to the Airport is presented in Table 3.

Table 3: Selected Arrow Cars Taxi Fares

<table>
<thead>
<tr>
<th>Origin</th>
<th>Typical Single Fare</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bradford</td>
<td>£22.00</td>
</tr>
<tr>
<td>Harrogate</td>
<td>£27.00</td>
</tr>
<tr>
<td>Halifax</td>
<td>£35.30</td>
</tr>
<tr>
<td>Huddersfield</td>
<td>£43.60</td>
</tr>
<tr>
<td>Leeds</td>
<td>£21.50</td>
</tr>
<tr>
<td>Wakefield</td>
<td>£41.80</td>
</tr>
<tr>
<td>York</td>
<td>£61.40</td>
</tr>
</tbody>
</table>

Other taxi companies can also use the Airport, dropping off and picking up passengers at the terminal front, but these companies cannot actively seek business at the Airport.

2.6 Car

Highway access to the Airport can be gained from the national motorway network (M62, the M1, or the A1(M)) by using either the Leeds Outer Ring Road (A6120), and the local road network surrounding the Airport (A658, A6177 and the A65) as shown in Figure 2 overleaf.

The Airport is primarily accessed via Whitehouse Lane, from a roundabout on the A658, to the west of the Airport. The access road comprises a lit single carriageway. It is also possible to access the Airport via Scotland Lane to the east. On average, 82% use the A658 to access the Airport, with the remaining 18% using Scotland Lane.

Many of the routes that provide access to the Airport are congested, particularly during the peak periods and especially the AM peak period between 0730-0930. Average speeds on some of the routes are less than 10mph, specifically the radial corridors towards Leeds and Bradford City Centres. Parts of the M62 and M1 motorways are also congested, even though speeds are generally higher.
2.7 Car Parking

There are numerous on-site car parking facilities at the Airport, as shown in Figure 3 overleaf. The existing on-site car parking provision at the Airport is summarised in Table 4.

Table 4: Existing On-Site Car Parking Provision at LBIA

<table>
<thead>
<tr>
<th>Type</th>
<th>Total Spaces</th>
<th>Number of Disabled Spaces</th>
<th>Number of Staff Spaces</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short Stay/Mid Stay</td>
<td>660</td>
<td>48</td>
<td>370</td>
</tr>
<tr>
<td>Short Stay</td>
<td>335</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>1 Hour Free Zone and DOPU</td>
<td>156</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>Yorkshire Premier Club</td>
<td>79</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Long Stay</td>
<td>3,817</td>
<td>49</td>
<td>0</td>
</tr>
<tr>
<td>Long Stay Extension</td>
<td>500</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>5,547</td>
<td>102</td>
<td>370</td>
</tr>
</tbody>
</table>
Not all car parks are used throughout the year - the more remote long stay car parks tend to be opened up as demand requires in the peak summer period.

A parking fee is charged for cars dropping-off and picking-up passengers at the terminal front. Free drop-off and pick-up provision is available for up to an hour in the short/mid-stay car park, with a free shuttle bus to the terminal.

Short, mid and long stay parking charges fluctuate during the year, and also depend on the advanced nature of any booking.
The majority of staff parking is accommodated in dedicated staff parking areas to the west of the terminal building. When these areas become full, an area adjacent to the car hire parking area is available as an overflow car park.

There are also a number of off-site car parks offering parking for the Airport, with shuttle buses provided to the terminal building. Parking provision at Sentinel, Leeds Car Parks Ltd and LBA Car Watch suggests that a further 2,958 spaces may be provided off-site, although a recent Planning Inquiry decision will increase the volume of off-site parking available by a further 275 spaces in 2014. LBIA has objected to applications to increase the volume of off-site car parking available as this undermines attempts to encourage public transport use and is contrary to the Airport’s assessment of long term need.

Evidence presented to the Planning Inquiry suggests that these car parks are generally less expensive than on-site Airport car parks. None of the revenue generated by off-site car parks is returned to enhance passenger infrastructure at the Airport save for some Section 106 contributions towards public transport services, which are of a significantly lower value than the contributions routinely made by LBIA.
3 Surface Access Trends and Usage

3.1 Airport Passengers

The Airport currently serves in the region of 3.2mppa. Figure 4 illustrates how passenger numbers have changed over time and how they are forecast to grow in the future.

Figure 4: LBIA Passenger Numbers – Historic Trends and Future Forecasts (CAA data)

3.1.1 Passenger Origins

Approximately 75% of passengers come from within the Leeds City Region, with approximately 87% from the wider Yorkshire and the Humber area.

At a district level, Table 5 overleaf indicates that nearly half (approximately 46%) of passengers using the Airport are from Leeds or Bradford. Harrogate and York are more significant passenger origins than the other West Yorkshire districts of Wakefield, Kirklees and Calderdale, providing between them around 13% of passengers.
### Table 5: LBIA Catchment by District

<table>
<thead>
<tr>
<th>District</th>
<th>2010 Passenger Numbers (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leeds District</td>
<td>31.6</td>
</tr>
<tr>
<td>Bradford District</td>
<td>14.9</td>
</tr>
<tr>
<td>Harrogate District</td>
<td>7.5</td>
</tr>
<tr>
<td>City of York</td>
<td>5.4</td>
</tr>
<tr>
<td>Wakefield District</td>
<td>5.0</td>
</tr>
<tr>
<td>Kirklees District</td>
<td>3.4</td>
</tr>
<tr>
<td>Calderdale District</td>
<td>2.9</td>
</tr>
<tr>
<td>Sheffield District</td>
<td>2.2</td>
</tr>
<tr>
<td>East Riding of Yorkshire</td>
<td>2.2</td>
</tr>
<tr>
<td>City of Kingston upon Hull</td>
<td>2.1</td>
</tr>
</tbody>
</table>

### 3.1.2 Passenger Mode Share

Passenger mode share has been monitored on an annual basis through terminal frontage forecourt surveys which record the number of passengers and mode used to travel to the Airport within a one week period each August.

The percentage of air passengers using each mode of surface transport between 2005 and 2013 is shown in Table 6 overleaf.

The table illustrates that the private car has remained the dominant mode for accessing the Airport with generally only small fluctuations in mode share over time, until the last two years, when there has been a shift to off-site car parks as the number of spaces available has increased. Public service bus mode share increased from a lower base in 2005 and 2006 to above 6%, although in the most recent surveys it appears bus use has dropped in favour of minibus and off-site car parks. Taxis remain a popular choice for accessing the Airport, and the most recent surveys indicate their usage has increased recently after a reduction in the past few years.
Table 6: Passenger Mode Share Breakdown

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Private Car</td>
<td>63.1%</td>
<td>61.7%</td>
<td>56.5%</td>
<td>55.5%</td>
<td>60.0%</td>
<td>62.4%</td>
<td>65.3%</td>
<td>63.9%</td>
<td>60.5%</td>
<td>56.3%</td>
</tr>
<tr>
<td>Taxi</td>
<td>16.0%</td>
<td>16.1%</td>
<td>19.2%</td>
<td>19.7%</td>
<td>17.5%</td>
<td>15.4%</td>
<td>12.4%</td>
<td>11.8%</td>
<td>11.7%</td>
<td>14.5%</td>
</tr>
<tr>
<td>Minibus/Coach</td>
<td>7.0%</td>
<td>7.8%</td>
<td>9.1%</td>
<td>8.3%</td>
<td>8.5%</td>
<td>8.8%</td>
<td>8.0%</td>
<td>8.5%</td>
<td>10.0%</td>
<td>10.6%</td>
</tr>
<tr>
<td>Public Service Bus</td>
<td>4.4%</td>
<td>4.7%</td>
<td>6.3%</td>
<td>6.2%</td>
<td>5.5%</td>
<td>6.4%</td>
<td>6.6%</td>
<td>6.9%</td>
<td>5.8%</td>
<td>5.1%</td>
</tr>
<tr>
<td>Off-site Car Park</td>
<td>9.5%</td>
<td>9.7%</td>
<td>9.0%</td>
<td>10.3%</td>
<td>8.5%</td>
<td>7.0%</td>
<td>7.8%</td>
<td>8.9%</td>
<td>12.0%</td>
<td>13.4%</td>
</tr>
</tbody>
</table>

According to CAA 2010 survey data, Liverpool, Manchester and Birmingham airports have a higher percentage of trips made by public transport modes than LBIA. LBIA performs similarly to East Midlands and Doncaster Sheffield airports, with between 6% and 8% of passengers travelling to the Airport by public transport modes. For Liverpool Airport, the opening of Liverpool South Parkway rail station in 2006 and regular bus services to and from the airport have boosted public transport mode share, whilst Manchester and Birmingham (being significantly larger airports) benefit from direct rail links and multi-modal transport interchanges. These results suggest that LBIA needs to continue to make improvements to surface access in order to reduce the private transport mode share in line with the principles of the previous ASAS.

3.1.3 Mode Share by Passenger Origin

Passenger mode share varies by catchment area, reflecting both the nature of the passengers and the transport options available in each area.

Figure 5 overleaf shows the mode share data at district level for the top 20 districts. Taxi use is unsurprisingly strong in Leeds and Bradford districts given that the proximity of the Airport that makes this a more affordable option. The strength of taxi use has meant that less car trips (that park on or off-site) are made to the Airport.

Off-site car parking appears to be utilised more by those passengers travelling from districts further away from the Airport and, as to be expected, taxi use declines for those travelling from districts located further away from the Airport.
The districts with lower public transport shares tend to be those which are more rural in nature and consequently are less well connected by bus and coach services, such as East Riding of Yorkshire and districts within North Yorkshire. Public transport mode share is stronger for trips from Hull and Greater Manchester. This may be related to the direct and good quality train links between Hull and Greater Manchester to Leeds, with passengers transferring to local service buses for the last part of their journey to the Airport.

3.1.4 Mode Share by Journey Purpose

Mode choice also varies by journey purpose. For example, the CAA data in Figure 6 overleaf shows that the majority of business passengers using LBIA access the Airport by taxi (34%) although car drop-offs and on-site car parks are also important modes for business passengers (56% combined).

Figure 7 overleaf indicates that the majority of leisure passengers using LBIA tend to be dropped off by car (40%) although taxis and on-site parking are also important (43% combined). Off-site parking is less important for business passengers than leisure passengers although interestingly the levels of bus/coach travel are not dissimilar between leisure and business passengers.
3.2 Airport Employees

The Airport is a seasonal operation and as such the numbers of employees varies throughout the year. There are approximately 1,500 (winter) to 2,700 (summer) people currently employed at the Airport, with jobs being spread across a wide variety of companies, including the Airport Company, the airlines and the service providers within the Airport. The Airport Company itself currently employees approximately 210 staff.
3.2.1 Employee Origins

Figures 8 and 9 illustrate the location of employee residence based upon a sample of data from staff surveys undertaken by LBIA. Figure 8 shows that employees come from a wide catchment area, although most live within West and North Yorkshire. A small number of employees live as far afield as Southport, Hull, and Stockton-on-Tees. These tend to be specialist professional staff or flight crew. The majority of Airport employees live in Leeds, Bradford, Harrogate and York as shown in more detail in Figure 9 overleaf.

Figure 8: LBIA Employee Catchment
3.2.2 Employee Mode Share

Since the introduction of the LBIA Travel Plan in 2009, which has recently been updated, employee travel by single occupancy vehicle has been measured on an annual basis through the West Yorkshire Annual Travel to Work snapshot survey undertaken by Leeds City Council and staff surveys undertaken by LBIA.

The percentage of employees travelling to work by means other than a single occupancy car over time is shown in Table 7 overleaf.

As can be seen from the table, the percentage of employees travelling to work by means other than a single occupancy car has significantly increased over the past three years. The increase is related to the measures that have been introduced to encourage staff to make more sustainable travel choices.
### Table 7: Proportion of Multiple Occupancy Car Journeys over Time

<table>
<thead>
<tr>
<th>Employee Type</th>
<th>Year</th>
<th>Mode share of staff travelling to work by means other than single occupancy vehicles (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airport Company Staff</td>
<td>2010</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>2011</td>
<td>22</td>
</tr>
<tr>
<td></td>
<td>2012</td>
<td>26</td>
</tr>
<tr>
<td>Non Airport Company Staff</td>
<td>2010</td>
<td>32</td>
</tr>
<tr>
<td></td>
<td>2011</td>
<td>17.4</td>
</tr>
<tr>
<td></td>
<td>2012</td>
<td>26</td>
</tr>
</tbody>
</table>

#### 3.3 Traffic Flows

Figures 10 and 11 illustrate the profile and level of two-way vehicle trips accessing the Airport for August 2011 and December 2011. These graphs indicate that there are significant seasonal variations in traffic demand accessing the Airport.

*Figure 9: Average Two-Way Traffic at LBIA in August 2011*
Over the day, traffic levels fluctuate in response to flight schedules, particularly during the summer months with an early morning peak between 0500-0700 prior to the traditional highway peak hour of 0800-0900. There is also an afternoon peak between 1300-1500.

Figure 10: Average Two-Way Traffic at LBIA in December 2011

In December traffic demand is lower and the profile is much flatter as demand is more consistent over the day.
4 Drivers of Change

In looking forward to enable the development of the required surface access infrastructure, the primary driver of change will be the nature of the Airport itself - hence the importance of the revised Masterplan.

The City Region Aviation Strategy explores the key role that the Airport has to play in supporting the existing and new economy of the Leeds City Region and asks a number of questions about what sort of airport, and consequently what type of surface access infrastructure, is needed to fulfil this potential.

Globalisation and growing demand for air travel mean that 21st Century airports have evolved from transport gateways to much wider economic hubs. The evolution of airports complement their surrounding city regions, by not only offering a gateway for travel, connecting city regions together and internationally, but also by providing modern facilities and services that raise the profile of city regions and create positive first impressions, critical when seeking to attract new inward investment.

Working with Leeds City Region partners, LBIA started to put forward the concept of the Airport as an economic ‘hub’ for the City Region in 2013, and this is a theme that runs through the revised Masterplan. It is based on viewing the future development of the Airport in the context of its surroundings and what it has to offer, rather than just the confines of its operational boundary. The economic ‘hub’ concept is shown in Figure 11.

Figure 11: Outline Economic ‘Hub’ Concept for LBIA
In terms of surface access, the economic ‘hub’ concept suggests a number of aspects that will be important for the future infrastructure and services to support this ambition, including:

- A wider range of surface access mode opportunities will need to be developed;
- Connections to other key drivers of the Leeds City Region economy will be crucial;
• Reliability and resilience of surface access connections will be vital for businesses.

The need to improve surface access to the Airport has been recognised by Government, through its commitment to fund feasibility work to identify short and long term surface access improvements. It has also been recognised by the Leeds City Region with the inclusion of both a new road link and a new rail link within its programme of schemes within the recently established West Yorkshire Plus Transport Fund.

Taking note of these commitments will be important, but the timing and phasing of their implementation needs to be complementary to the Airport’s growth if the economic opportunities are to be maximised.

The future development of the global aviation sector and how this impacts on surface access requirements remains difficult to predict. In recent years market liberalisation and technological change have together fundamentally changed the structure of the industry. However, there are a number of other drivers of change that can be identified and will impact on surface access need and provision, such as:

• Political – EU and Government regulations, national and local planning policy, the role of regional airports within a national strategy;

• Environmental – desire to reduce carbon emissions from car-borne and air travel;

• Social – population changes, travel behaviour, increased demand for air travel;

• Technological – smart ticketing, online check-ins.

The first category is somewhat outside the control of the Airport, but as capacity at UK airports becomes more scares in the immediate future, the role or regional airports within a national strategy will become more important, and hence demand will continue to increase, possibly widening the existing catchment area.

Environmental constraints will lead LBIA and the aviation industry as a whole to look at new ways of reducing emissions, primarily through new aircraft technology, but also in terms of building materials and how the Airport operates. Increasing the proportion of passengers using public transport, as well as considering car parking pricing and provision as a fundamental part of an integrated strategy, will help minimise the environmental impacts of car traffic.

There have been considerable social changes over the period since the previous ASAS was prepared, with the advent of low-cost airlines and a growth in city breaks driving an overall growth in demand. Whilst this may not increase at the same pace over the next 5-10 years, the UK Aviation Forecasts suggest that population and economic growth in the Yorkshire and Humber area will see a continued growth in air travel at LBIA at a faster
pace than at other airports in the North of England. Price sensitivity is likely to continue to be important to the majority of passengers, however, awareness of environmental factors may well allow greater opportunity to influence travel behaviour to/from airports.

Technological advances in web bookings and smart ticketing may also help with behavioural change and mode shift. Other lifestyle areas such as health and leisure facilities are starting to link appointments with travel opportunities so as to provide customers detailed travel option information at the point of booking, and the airline industry could do something similar, assisted by airports. The increase in online check-ins may mean that passengers will arrive much closer to the flight time than before, meaning that they will be much more reliant on surface access infrastructure that is both reliable and resilient.

From these drivers of change, it is clear that there are a number of themes emerging, some of which are similar to the themes arising from the economic ‘hub’ concept being promoted through the revised Masterplan. These themes include:

- Increased demand for greater mode choice;
- Reliability of journey times;
- Opportunity to influence travel behaviour; and
- Price sensitivity.

This collection of themes, mindful of the existing and committed situation, gives the Airport the chance to set out its new vision for surface access and the means by which this vision will be achieved.
5 A New Surface Access Strategy

5.1 Vision

The Airport’s vision for taking forward its surface access infrastructure is:

“To improve surface access to the Airport by sustainable transport modes so it can better perform its function as a key gateway and thereby raise the profile of the Leeds City Region as a location for business and tourism.”

In support of this vision, the Airport has identified a number of high level objectives for this ASAS and a set of related principles for future investment, both set out below.

5.2 Objectives

The objectives for this ASAS, and in particular for examining and addressing future surface access needs, are as follows:

- To enhance the economic and social development of the Leeds City Region by planning for growth collaboratively with local partners;
- To ensure that, as a gateway, the first impression of the Leeds City Region is of a well-connected, positive, thriving, and sustainable centre for business and culture;
- To target investment in surface access to support the Airport’s defined role as a sustainable economic hub for the growth sectors of the Leeds City Region, as well as a tourist destination;
- To provide a significant contribution to a package of investment to address the leakage of passengers to competitor airports;
- To function as an attractive and sustainable local employment centre;
- To build the Airport’s role as a potential regional interchange centre to further improve public transport services in the area.

5.3 Principles

The principles to be used to guide any investment in surface access infrastructure at the Airport are that any infrastructure measures must:
• Align with local and national policy including transport, economic and planning policy;

• Prioritise investment in measures in accordance with a hierarchy of transport choices to maximise the use of non-car modes;

• Support the Airport’s corporate values and objectives;

• Offer good value for money and as wide a distribution of benefits as possible.

It is also the Airport’s intention to inform and consult local stakeholders, employees and passengers as any surface access infrastructure measures are developed and implemented.
6 Short Term Measures

For the purpose of this ASAS, “short term” is defined as up to 2018, which takes in current committed funding and schemes, as well as planning horizons. These will also be the measures that will make best use of the existing infrastructure to encourage greater use of sustainable modes in this time period.

The following outlines the opportunities and threats over this time period, and sets out the range of measures proposed by LBIA.

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening of Apperley Bridge and Kirkstall Forge rail stations in Autumn 2015</td>
<td>Increasing traffic congestion affecting journey time reliability, particularly for bus services</td>
</tr>
<tr>
<td>The main airport traffic flows occur outside the main traffic peaks on the local highway network</td>
<td>Increase in number of off-site car parks not within Airport control - uncertainty and lack of control of car parking supply</td>
</tr>
<tr>
<td>West Yorkshire Bus Partnership/Quality Contracts can help enhance bus services to the Airport</td>
<td>Airport services often depend on public transport operators’ wider networks</td>
</tr>
<tr>
<td>Smartcard ticketing rollout underway (anticipated completion in 2015)</td>
<td>Staff shift patterns undermine attractiveness of public transport for trips to work</td>
</tr>
<tr>
<td>DfT Feasibility Study on Surface Access Improvements to report to Ministers in Autumn 2014</td>
<td></td>
</tr>
<tr>
<td>West Yorkshire Plus Transport Fund - funding confirmed for next 20 years via Local Growth Deal for Leeds City Region</td>
<td></td>
</tr>
<tr>
<td>Possible local junction improvements to reduce congestion and improve network reliability</td>
<td></td>
</tr>
<tr>
<td>Consider funding bids for future rounds of LSTF and Local Pinch Point Fund</td>
<td></td>
</tr>
<tr>
<td>Areas for new car parking identified</td>
<td></td>
</tr>
</tbody>
</table>

Strategy Measures

Passengers

Support bus and rail operators to deliver an improved offer for passengers to travel via rail to a local station and then by bus to the Airport (eg through ticketing) in line with opening of Apperley Bridge and Kirkstall Forge rail stations
<table>
<thead>
<tr>
<th>Improve wayfinding and onward travel facilities for passengers inside and outside the terminal building</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree and initiate a sustained marketing campaign to raise the profile of public transport to/from the Airport, to include promotions aimed at target passenger groups</td>
</tr>
<tr>
<td>Provide a journey planning page/link on Airport website to give passengers point to point journey plan, focusing on sustainable travel options</td>
</tr>
<tr>
<td>Consider how new media channels and technologies can assist with journey planning, with a particular link to airline ticket websites</td>
</tr>
<tr>
<td>Work with public transport operators and the airlines to deliver improvements in the cross selling of public transport tickets</td>
</tr>
<tr>
<td>Provision of new on-site long stay car parking areas to satisfy anticipated demand, but as part of a balanced approach to promoting public transport</td>
</tr>
<tr>
<td><strong>Staff</strong></td>
</tr>
<tr>
<td>Provide sustainable travel information for new members of staff as well as a “taster” ticket for local public transport services</td>
</tr>
<tr>
<td>Update the Airport Staff Travel Plan and ensure at least TBC of Airport Corporate Partners are committed to delivering the measures identified</td>
</tr>
<tr>
<td>Introduce incentives for staff to make more sustainable travel choices, eg priority car sharing spaces, discounted tickets and products, prize-draws</td>
</tr>
<tr>
<td>Develop a specific plan for employee car parking provision that supports the objective of reducing single occupancy vehicle trips to the Airport</td>
</tr>
<tr>
<td><strong>All</strong></td>
</tr>
<tr>
<td>Develop a standalone strategy for improving walking and cycling access to the Airport - this should, as a minimum, include undertaking an audit of existing facilities to identify areas for improvement and the production of a cycle map for the area around the Airport</td>
</tr>
<tr>
<td>Assist bus operators and the Combined Authority in delivering smartcards and bespoke airport ticketing products that can be supported by such a platform</td>
</tr>
<tr>
<td>Strengthen partnerships with bus operators and the Combined Authority to identify any further improvements to bus services, eg frequency and reliability improvements</td>
</tr>
<tr>
<td>Look to introduce additional bus services to areas not currently served based upon analysis of Airport passenger and employee origins - this should include identifying and promoting alternatives to conventional buses for times or areas of low demand</td>
</tr>
<tr>
<td>Pursue further improvements in real time passenger information, providing door-to-door information for passengers</td>
</tr>
</tbody>
</table>
Continue further feasibility and design work into the new road and rail links within the West Yorkshire Plus Transport Fund

Continue to closely monitor the balance between public transport usage and car parking demand in order to adjust the focus of the strategy measures as appropriate

The first principal short term improvement will be to on-site car parking to reflect future demand, and Figure 12 shows the areas identified by the Airport for future car parking.

Figure 12: Possible Future Off-Site Car Parking Areas
TBC

The continued growth in off-site car parking will pose a threat to a balanced car parking strategy, and the mode split trends suggest that these are already having an adverse impact on public transport use. Without specific policies in place to restrict the level of off-site car parking provided, public transport mode split will be under increasing pressure, and the ongoing ability of LBIA to support public transport services will be compromised.

A second concentration of the short term measures will be the attempt to influence travel behaviour by passengers, building on the lessons learnt elsewhere in the City Region from travel behaviour programmes and using new technologies.
7 Medium Term Measures

For the purpose of this ASAS, “medium term” is defined as up to 2025, which takes in first 10 year period of the West Yorkshire Plus Transport Fund. It also reflects the fact that some elements will require longer planning and delivery timescales than the short term measures and will also necessitate working with a range of partners and funding bodies to drive them forward.

The following outlines the opportunities and threats over this time period, and sets out the range of measures proposed by LBIA.

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funding identified for a new road link to the Airport through the West Yorkshire Plus Transport Fund</td>
<td>Cost, time and risk of delivering new infrastructure schemes</td>
</tr>
<tr>
<td>Funding identified for the A6120/A65 and A658 New Line junction improvements through the West Yorkshire Plus Transport Fund</td>
<td>Continued capacity restraints on the rail network (eg Leeds Rail Station)</td>
</tr>
<tr>
<td>Potential to develop a Transport Hub to provide for Airport and other local services opportunities</td>
<td></td>
</tr>
<tr>
<td>Largely untapped coach market and potential to extend bus services to areas not currently served</td>
<td></td>
</tr>
<tr>
<td>Medium term rail developments, such as Northern Hub (2018), trans-Pennine electrification (2018), tram-train trial (operating from 2016)</td>
<td></td>
</tr>
<tr>
<td>New technological product development will assist with promotion of sustainable modes</td>
<td></td>
</tr>
<tr>
<td>Areas for new car parking identified</td>
<td></td>
</tr>
</tbody>
</table>

Strategy Measures

**Passengers**

- Work with airlines, transport operators and tour operators to develop and promote integrated ticketing, particularly through online channels
- Consider opportunity to develop links to the Airport from Park and Ride sites, eg Elland Road, Aire Valley, East Leeds Parkway
- Provision of new on-site long stay car parking areas to satisfy anticipated demand, but as part of a balanced approach to promoting public transport
<table>
<thead>
<tr>
<th>All</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deliver the first phase(s) of a new highway link to the Airport in line with economic growth opportunities identified in the Masterplan</td>
</tr>
<tr>
<td>Work with the new Northern Rail franchisee, Network Rail and the Combined Authority to undertake detailed design and costing work on a new rail link to the Airport as part of the new Northern Rail franchise</td>
</tr>
<tr>
<td>Support bus operators to promote journey opportunities involving bus to bus transfers at the Airport as part of the developing Transport Hub</td>
</tr>
<tr>
<td>Work with the Combined Authority to ensure bus service subsidies complement investment in other airport related transport schemes to ensure a coherent and effective bus network is delivered for the Airport</td>
</tr>
<tr>
<td>Provide an e-commerce sales route for Airport public transport travel tickets</td>
</tr>
<tr>
<td>Liaise with coach and taxi operators to develop innovative, bespoke and smaller scale services to underserved public transport markets, eg shared minibus taxi services</td>
</tr>
<tr>
<td>Develop an Airport Cycle Centre for use by both passengers and staff as part of the developing transport hub</td>
</tr>
</tbody>
</table>

Central to the package of medium term measures is the completion of a new link road to the Airport between the A65 and the A658, as shown in Figure 13.

*Figure 13: Indicative Alignment of New LBIA Road Link*  
TBC
The new link road will connect the A65, south of Layton Lane and Gill Beck, with the A658 at the existing junction with Otley Old Road, and provide traffic relief to local residents as well as better access to LBIA. It will be of single carriageway standard, with a new roundabout on Layton Road and additional junctions providing access to Airport facilities as required. Initial business case work suggests that the scheme has a positive benefit: cost ratio and would represent good value for money.
8 Long Term Measures

For the purpose of this ASAS, “long term” is defined as beyond 2025, which will coincide with the second 10 year period of the West Yorkshire Plus Transport Fund. Although there is much more uncertainty at this stage about this time period and the surface access infrastructure required, it needs to be considered as the delivery timescales for some elements will involve development work much earlier than this time period.

The following outlines the opportunities and threats over this time period, and sets out the range of measures proposed by LBIA.

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funding identified for a new rail link to the Airport through the West Yorkshire Plus Transport Fund</td>
<td>Managing balance between car parking and public transport usage</td>
</tr>
<tr>
<td>Long term rail developments, such as HS2 (2033)</td>
<td></td>
</tr>
<tr>
<td>Areas for new car parking identified</td>
<td></td>
</tr>
<tr>
<td>Could use new rail station to provide park and ride facilities for surrounding residential areas and this part of the City Region</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Strategy Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deliver any further phases of the new highway link to the Airport</td>
</tr>
<tr>
<td>Deliver the first phase(s) of a new rail link to the Airport</td>
</tr>
<tr>
<td>Provision of new on-site long stay car parking areas to satisfy anticipated demand, but as part of a balanced approach to promoting public transport</td>
</tr>
</tbody>
</table>

If the Airport is to fulfil its role as an economic hub, provision of a rail link to Leeds and Bradford is crucial. Some initial development work has already been undertaken, with an indicative alignment prepared suggesting that a new link could be developed in phases, with a possible first phase providing connectivity to Leeds via Horsforth, a second to Harrogate, and a third link, via Guiseley, direct to Bradford. This is shown in Figure 14 overleaf.
Figure 14: Indicative Alignment of New LBIA Rail Link
TBC

The new rail link will provide a significantly enhanced public transport link to both Leeds and Bradford (as well as other locations within the LBIA catchment area), and will be used by local residents, employees and potentially park and ride users as well as airport passengers. Initial business case work suggests that the scheme has a positive benefit: cost ratio and would represent value for money.
9 Monitoring the Strategy

The overall vision, as outlined in Chapter 5, sets out the need to improve surface access by sustainable modes whilst supporting the Airport in developing its function as a key gateway for the Leeds City Region for both business and tourism. It is crucial that progress towards the achievement of this vision is monitored throughout the life of the ASAS.

LBIA will therefore produce an annual performance report. This document will track progress against a number of targets described in more detail below. The report will also identify what actions and measures have been implemented, their success and any lessons that have been learned with respect to the implementation of future elements of the ASAS.

The performance report will be presented to stakeholders and local partners whose contribution to the ASAS will be key to its success. Furthermore, to ensure transparency and accountability, the report will be placed on the Airport’s website.

LBIA is also committed to reviewing the ASAS should local and national strategies and policies fundamentally alter the context of it, and within five years of its publication at the very least. When the document requires alteration, this will done in an open and transparent manner by LBIA.

9.1 Indicators and Targets

A set of indicators and targets has been developed in order to monitor progress towards delivering the vision. These targets are summarised in Table 8 and discussed in greater detail below. The targets will be reviewed regularly during the life of the ASAS as part of the performance monitoring regime.

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Passenger Public Transport Mode Share</td>
<td>TBC</td>
</tr>
<tr>
<td>Staff Vehicle Occupancy</td>
<td>TBC</td>
</tr>
<tr>
<td>Vehicle Trips per Passenger</td>
<td>TBC</td>
</tr>
<tr>
<td>Long Stay Parking Spaces per Passenger</td>
<td>TBC</td>
</tr>
</tbody>
</table>
9.1.1 Passenger Public Transport Mode Share

Modal share targets for public transport are a robust method to monitor the success of the ASAS, given the emphasis on promoting sustainable modes.

The previous ASAS included the following targets:

- To achieve a public transport mode share of 40% (under the DfT definitions which include taxis) by 2011 - this would have necessitated achieving a public service bus mode share of 10% by 2011;
- To achieve a public transport mode share of 50% by 2016.

The first of these targets has unfortunately not been met given that bus services from Leeds City Centre to the Airport have only recently been improved, the A65 Quality Bus Initiative only opened in 2012 (three years later than envisaged at the time of the previous ASAS) and there remains no public transport fixed link to Airport. Furthermore, additional off-site car parks have opened in the intervening period, and these appear to have attracted some passengers away from public transport modes.

Therefore, whilst the measures set out within the previous ASAS have improved surface transport connectivity, they have not managed to have the level of impact required to deliver the first of these targets.

The 2014 baseline figure for Passenger Public Transport Mode Share is 30.2%, based on the most recent terminal frontage forecourt survey in August. Through the measures and opportunities set out within this revised ASAS, the Airport has a long term ambition, in view of the likely delivery timescales for certain measures, that TBC of passengers will use public transport to access the Airport by 2025.

In the intervening period, LBIA’s ambition is that TBC of passengers will use public transport to access the Airport by 2020. This represents a challenging but achievable target, and will require inputs from all partners to help achieve it.

LBIA will monitor its progress towards meeting this target through the continued use of the annual terminal frontage forecourt survey.

9.1.2 Staff Vehicle Occupancy

LBIA is keen to take the lead in promoting the increased use of public transport and other sustainable modes, but there needs to be a recognition that the shift patterns and times of some employees do not readily lend themselves to use of public transport. In such cases, greater use of car sharing would achieve a similar objective, and so it is considered that
vehicle occupancy is a more suitable measure for Airport staff than public transport mode share.

LBIA will seek to reduce single occupancy staff vehicle movements to and from the Airport, thereby reducing the impact of the Airport's staff on the local road network. The 2014 baseline figure for Staff Vehicle Occupancy is TBC of staff travelling to work in single occupancy vehicles. The target for such a reduction is to achieve no more than TBC of Airport staff coming in single occupancy vehicles by end of 2020.

LBIA will monitor its progress towards meeting this target through the use of annual employee surveys, which measure and analyse travel to work data.

9.1.3 Vehicle Trips per Passenger

The total number of vehicles entering and leaving the Airport site (including passengers, employees, visitors and goods deliveries) can be accurately measured using existing automatic traffic counters and car park entry data. As such, a measure of the number of vehicle trips per passenger (excluding air to air transfers) can be calculated. This high level measure is a useful indicator of monitoring trends in the overall volume of road traffic, mindful of the predicted growth in passenger numbers to place it in context.

Over time, it would be desirable that as the number of passengers rises, road traffic should increase at a slower rate. Monitoring of this measure will encourage the development of both public transport and non-public transport measures to improve sustainable access to the Airport including, car share schemes, car parking strategies, walking and cycling measures and other incentives.

The 2014 baseline figure for Vehicle Trips per Passenger is TBC. In line with proposed Passenger Public Transport Mode Share targets set out above, the long term ambition is for this figure to be TBC by 2025. In the intervening period, LBIA will seek a figure of TBC by 2020.

9.1.4 Long Stay Parking Spaces per Passenger

As part of a balanced approach to surface access infrastructure, LBIA is aware that it needs to provide sufficient long stay car parking to meet demand whilst continuing to encourage the use of public transport. Therefore, monitoring the number of long stay parking spaces provided on-site as a ratio against passenger numbers will provide an indication of how this balance is maintained.

The 2014 baseline figure for Long Stay Parking Spaces per Passenger is TBC. In line with proposed passenger growth forecasts and the availability of parking spaces, the long term ambition is for this figure to be TBC by 2025. In the intervening period, LBIA will seek a figure of TBC by 2020.
10 Delivering the Strategy

The UK Aviation Framework emphasises the importance of collaboration, noting that local stakeholders have the experience and expertise to identify solutions to a wide range of issues tailored to their specific circumstances. LBIA recognises that the policies and actions of other partners will impact upon the success of this strategy, especially as for some elements, partners’ assistance will be required to deliver and fund the proposed measures.

From planning to funding bids, from delivery to monitoring and review, there needs to be a new, improved partnership between the Airport, the LEP, local authorities, the businesses that drive the City Region, service providers and the local community.

The following sections outline the key partnerships, potential sources of funding, proposed delivery programme and potential risks.

10.1 Partnerships

10.1.1 Airport Consultative Committee/Surface Access Forum

The Leeds Bradford Airport Consultative Committee Meeting (ACC) is held quarterly and acts as a formal link between LBIA and its neighbouring communities. The Committee is made up of representatives from the Airport, the local community and local trade and industry bodies.

The Airport Surface Access Forum meets around twice each year to consider surface access issues.

10.1.2 LEP

The LEP promotes the Leeds City Region’s interests on a national and international scale, helping business and enterprise to thrive by unlocking potential through partnership. The LEP’s vision is to unlock the potential of the City Region, developing an economic powerhouse that will create jobs and prosperity. The UK Aviation Framework states that scope exists for LEPs to develop local strategies to maximise the catalytic effects of airports to attract business and support growth, and that there could also be scope for LEPs to take a more active role in feeding into airports’ plans for surface access.

The Leeds City Region LEP has already endorsed the key role that the Airport has to play in its growth strategy as well as producing an Aviation Strategy in 2013, and so relationships with the LEP will be fundamental to taking forward the economic ‘hub’ concept and the required surface access improvements.
Given the current and widened catchment area for LBIA, the Airport will also use the revised Masterplan and ASAS to establish links with the neighbouring LEPs of North Yorkshire and East Riding, Hull and The Humber and South Yorkshire.

10.1.3 Combined Authority

The West Yorkshire Combined Authority (CA) is the driving force for economic growth across the Bradford, Calderdale, Kirklees, Leeds and Wakefield districts and the City of York Council area. The CA brings together key decision-making powers into a single body, putting West Yorkshire and the wider Leeds City Region, including the City of York, in a much stronger position to tackle its shared economic challenges - including improving transport - by boosting jobs and growth. The CA Board is made up of the leaders of each of the five West Yorkshire Councils, plus the chair of the Leeds City Region LEP, and the leader of York City Council.

The CA is responsible for the £1 billion West Yorkshire Plus Transport Fund, and will work closely with business through the Leeds City Region LEP to ensure that business and the regional economy is at the heart of the decisions taken. Given the inclusion of the proposed new road and rail links within the West Yorkshire Plus Transport Fund, the CA will be a critical partner in delivering the required surface access improvements.

As the CA also owns the Local Transport Plan and has responsibility for public transport across the Leeds City Region, LBIA will also work closely with the CA to bring forward continued improvements in bus services in the shorter term, and on wider initiatives such as smart ticketing.

10.1.4 Local Authorities

LBIA is the principal airport serving the Leeds City Region. As such the Local Authorities within the Leeds City Region (Barnsley, Bradford, Calderdale, Craven, Harrogate, Kirklees, Leeds, Selby, Wakefield and York) will be involved as Partners in taking forward the Airport’s economic ‘hub’ concept.

Leeds and Bradford in particular will be important partners in developing a highway network that provides the required resilient and reliable surface access connections, as as the Local Planning Authority, Leeds City Council is fundamental to supporting the growth plans of the Airport and realising the economic potential for the City and the wider City Region.
10.2 Funding Sources

10.2.1 West Yorkshire Plus Transport Fund

As part of the package of investments, the Government has confirmed a Local Growth Deal with Leeds City Region that will provide £180 million over six years (2015/16 to 2020/21) to support the West Yorkshire Plus Transport Fund. This agreement could be worth up to £600 million over 20 years, dependent on the economic impact of local investments. This agreement, when combined with local commitments, could deliver a £1 billion Transport Fund in the Leeds City Region.

As indicated previously, the Transport Fund has already identified both a new road link and a new rail link to LBIA, with the former included as a named scheme within the initial 10 year programme, and the latter identified within the “Development Pool” of schemes. More detailed business case development work on the road link will commence in late 2014, with the current Transport Fund programme showing a delivery date for the new road of 2019/20.

Funding is identified within the initial Transport Fund programme for further feasibility work on “Development Pool” schemes, and LBIA will be working with the City Region partners to establish what funding will be required to take forward the design work on the new rail link over the next few years.

In addition, there are other schemes within the Transport Fund programme that will help improve surface access to the Airport, including the A6120/A65 junction and A658 New Line junction improvements, both of which are identified as early priorities for delivery.

10.2.2 West Yorkshire/North Yorkshire Local Transport Plan

The Government currently provides funding to local transport authorities in England to help them develop their local transport services and improve and maintain their infrastructure following strategies set out in the relevant Local Transport Plan.

Much of this funding is for the provision and maintenance of infrastructure such as road improvements, although some funding is provided for ongoing services, including buses. The integrated transport (IT) block provides funding support for transport capital improvement schemes costing less than £5 million.

In the short term, LBIA will work with the CA in particular (but also North Yorkshire County Council) to examine the opportunities to fund improvements to bus services and the local highway network through the IT block, for so long as this funding source is available.
10.2.3 Rail Franchise/Network Rail

The main committed expenditure in the local rail network are the new rail stations at Apperley Bridge and Kirkstall Forge. In both cases, the existing Airport bus services run close to the location of the new stations, and so there are opportunities to promote rail/bus interchange to access the Airport in the shorter term.

Major investment by Network Rail coupled with the re-franchising of Northern Rail and TransPennine Express networks means that this is a period of significant opportunity for the North of England's rail network, with the potential help transform rail travel for the increasing number of passengers in the North of England. The local authorities across these rail networks, working together as Rail North, are exploring with the DfT options for further devolution of specification and control over future rail franchises.

The new franchises are due to commence in February 2016 and a consultation has recently closed that sought the views of stakeholders on certain specification matters affecting the public that will be provided to shortlisted bidders for the franchises. LBIA made representation to this consultation process, setting out the work done to date on a new rail link, with the aim of it being included as a costed option within the new Northern Rail franchise specification.

In any event, LBIA will work with the new franchisee, the Government and Rail North throughout the next franchise period to enhance the rail offer to the Airport and seek to use available rail industry funding where possible.

10.2.4 Central Government Grants

Over the last few years, the Government has attempted to reduce the large number of funding streams for transport improvements, with the result that, aside from the Local Growth Fund and the Local Transport Fund, much of the remaining funding is allocated on the basis of competitive bidding rounds. Two of the most prominent are the Local Sustainable Transport Fund (LSTF) and the Local Pinch Points Fund.

LSTF schemes are aimed at promoting sustainable modes of travel and contributing to economic and environmental objectives, and it may be possible to develop a specific LBIA package of measures to be put forward by the CA if there are any future bidding rounds. An early scheme could be the one described previously to better link the online ticket booking of passengers to travel opportunities.

Similarly, future bidding rounds for the Local Pinch Point Fund, aimed at small scale traffic improvements to support economic development, may be suitable for some of the junctions on the local highway network that could constrain growth at the Airport in the future.
10.2.5 Private Sector

Private sector funding will be essential to complement almost all of the other funding sources described, and it would expected that CA, the LEP and Leeds City Council would seek to use Section 106 Agreements and Section 278 Agreements to gather contributions to transport improvements where these facilitate development.

The CA is currently considering alternative options to deliver its bus strategy - Quality Bus Partnerships and Quality Contracts. Under either circumstance, there is the potential to embed enhanced bus services to LBIA as part of the future bus network needs across the City Region.

Finally, there are the contributions from the Airport itself, which already underwrites a number of the existing surface access opportunities and is committed to significant investment in internal transport improvements and car parking as part of the revised Masterplan.

There is an implicit assumption within the appraisal process for West Yorkshire Plus Transport Fund schemes that third party contributions will be maximised for all schemes that come forward for funding, and both the new road and rail link will be no exception to this. Therefore, it is expected that there will be some element of third party funding for these schemes, as well as some of the others suggested, but it is not possible for the level of any contribution to be confirmed at this stage.

10.3 Outline Programme

An outline delivery programme has been produced which sets out the phasing of individual elements of the strategy in greater detail. This programme clearly identifies where there are scheme linkages and dependencies. It is included here as Figure 15 overleaf.

The programme has been developed so that elements which are within the control of the Airport are to be delivered early on, with others programmed for later in Masterplan period to allow for the appropriate planning and scheme development processes to take place. The measures have also been programmed in such a way as to meet the targets set out in Chapter 9. LBIA will monitor the delivery programme as the ASAS is implemented, and revise as necessary in consultation with the delivery partners.
10.4 Delivery Risks

Risk can be defined as the effect of uncertainty on objectives. The following delivery risks have been identified by partners and stakeholders during the development of this strategy:

- Failure to secure the necessary statutory approvals;
- Gaps in available funding;
- Statutory undertakers’ equipment diversions;
- Delays during construction due to unforeseen circumstances;
- Cost increases;
- Project management failures.

In order to manage these and any other risks that are identified by delivery partners, LBIA will compile a risk register alongside the ASAS and update this on a regular basis. This risk register will quantify the likelihood and impact of each risk and identify how the risk will be managed and by who. For larger schemes within the ASAS, a Quantified Risk Analysis (QRA) will be conducted at the appropriate time to provide further clarity on the risks involved and how these should be managed.
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Dear Sir or Madam,

SITE REPRESENTATION TO LEEDS CITY COUNCIL FOR THE ISSUES AND OPTIONS DRAFT OF THE SITE ALLOCATIONS PLAN DPD

Please find enclosed a copy of our site representation on behalf of Leeds Bradford Airport Limited, in response to the Site and Allocations Plan DPD (Issues and Options) public consultation period.

The indicative layout of the site has been separately attached and is 'Appendix B' in the representation.

Please can you acknowledge receipt of this representation?

Yours faithfully,

Nolan Tucker
Regional Director
For and on behalf of WYG

Encs.
Economic Hub

Leeds Bradford International Airport
Introduction

We have been instructed to make this representation on behalf of Leeds Bradford International Airport (LBIA) in response to the Site Allocations Development Plan Document (DPD), Issues and Options paper. The representation has been structured, as follows:

- National Airport Context
- LBIA and its Role in the City Region
- LBIA Growth Potential
- Airports – Economic Hubs
- LBIA – Economic Hub
- Surface Access
- Site Allocations Policy

National Airport Context

Until the recent recession, demand for air travel in the UK grew by around 5% per year. The growth in demand for future air travel is forecast to be between 1% and 3% per annum, with a central forecast of UK passenger numbers, taking into account known capacity constraints at UK airports, of 315 million passenger per annum (mppa) in 2030 and 445mppa by 2050.

The Government, through the Aviation Policy Framework (March 2013), recognises the role of airports of different sizes and types, and the need for competition to meet demand for a range of air travel choices and destinations. It suggests that there remains considerable scope for airports other than Heathrow to develop long-haul services to a broader range of destinations to support the UK’s international connectivity – through growing point-to-point services or connections to overseas hubs.
Region

Value Added

Jobs

Destinations

Passengers per annum
LBIA and Role in the City Region

LBIA makes a contribution of over £1.15bn gross value added (GVA) to the Leeds City Region (LCR) economy and generates 2,800 direct jobs.

It currently provides connections to over 75 destinations including the hubs of Amsterdam Schiphol and London Heathrow, which provide onward connectivity to a wide range of worldwide destinations.

Whilst LBIA is an important economic hub for the City in its own right and important local employment base for Aireborough and the surrounding areas, it also has a much wider strategic role to play in supporting the City Region’s key economic sectors, such as business and professional services, bio-medical, digital and advanced manufacturing and delivering improved levels of inward investment and exports.

The growth of these sectors in a highly competitive market are heavily reliant on international connectivity, and LBIA’s role in targeted route development to support these sectors will become increasingly important in the future.
LBIA Growth Potential

LBIA is a relatively small airport — serving around 3mppa.

Compared with other City Regions in the UK (and Europe), LBIA, and therefore the wider economic benefits it can lever, is lagging well behind. LBIA is just the 16th largest airport in the UK, much smaller, offering much less connectivity than airports serving comparator cities such as Newcastle, Birmingham, Liverpool, Edinburgh, Glasgow, Belfast, Manchester, Bristol and so on.

Yet LBIA sits within a very large catchment (greater than 3 million people) in a diverse and strong economic City Region. Its small size is in part explained by Yorkshire suffering from the largest passenger leakage of any region in the UK — 4.5 million passengers each year source their air travel from airports outside the region, 3.5 million of which fly from Manchester.

Additional people could be directly employed by the airport, if LBIA grew to 5.6mppa, this growth alone would generate a GVA of £191.6m.
LBIA Growth Potential

LBIA has performed well over the last five years with a passenger growth of 3.8% compared with other core UK cities and in the local market (Doncaster Sheffield has reduced by 35.5% and East Midlands has reduced by 24.4%). LBIA is continuing to grow and £12 million has been invested in improved terminal facilities in the last year.

The potential for further growth at LBIA is clear and has recently been analysed through a DfT Report, Aviation Forecasts (Jan 13), which considered the growth potential of all the UK’s main airports to inform the Aviation Policy Framework and the Davies Commission. It forecasts that LBIA could grow by 114% by 2030, in percentage terms greater than other core city region airports, handling up to 7.1mppa by 2030. The DfT forecasts indicate that LBIA has the potential to be the largest airport in terms of passenger numbers east of the Pennines from Newcastle Airport in the north to East Midlands Airport in the south.

This correlates with the DfT’s forecasts in the same report which identifies the highest demand for air travel outside the south east in a concentration around the Leeds and Sheffield City Regions, Hull and the Humber corridor along the A1 through Lincolnshire and Nottinghamshire.

With growth, LBIA’s direct and indirect contribution to the City Region would also develop quickly. As a benchmark, a broadly accepted equation is that for every 1mppa:

- + 1,000 direct jobs are created
- + 2,100 indirect/induced jobs supported nationally
- + 1,100 indirect/induced jobs supported regionally
- + 500 indirect/induced jobs supported sub-regionally

If LBIA grew to 5.6mppa, this alone would lead to an additional 2,430 people being directly employed by the airport, generating £191.6m GVA. The wider benefits to the economy in terms of increase in the competitiveness of the City Region, tourist growth, increase in inward investment, and greater export potential, for example, would be very considerable.

The basing of two monarch aircraft at LBIA in 2013 alone generated 200 jobs and securing a link from LBIA to London Heathrow, in addition to the Amsterdam Schiphol route, connects the City Region to a wide choice of world-wide destinations, a competitive advantage that it hasn’t previously enjoyed.
Globalisation and growing demand for air travel mean that 21st Century airports have evolved from transport gateways to much wider economic hubs. The evolution of airports complement city centres, by not only offering a gateway for travel, connecting City Regions together and internationally, but also by providing modern facilities and services that raise the profile of City Regions and create positive first impressions, critical when seeking to attract new inward investment.

A variety of well established airport economic hubs are already functioning across Western Europe, notably in Amsterdam, Frankfurt, Dusseldorf, Copenhagen and more latterly, Manchester. There are a number of common features that distinguish these developments including:

+ The ability to leverage from the Airport core business
+ Significant land assets to provide an “all service” offer including logistics, business space, hotels and ancillary leisure / retail
+ An environment which supports the role of the airport as an economic and transport hub
+ The most successful cities, such as Schiphol, present the management and design of the airport area as a strategically planned whole

Examples of successful and growing airport economic hubs include:

**Amsterdam**
+ The airport is home to significant industrial and commercial clusters (including aerospace headquarters) and marketing and education centres, including two major science centres
+ 596 businesses are active in the area boasting over 60,000 jobs
+ Home to Citigroup’s European HQ
Airports - Economic Hubs

**Frankfurt**
+ 2,152,000 sq ft (200,000m²) of office space and two integrated upper scale hotels of 680 bedrooms
+ Further office development of 290,000 sq ft (27,000m²) is proposed
+ The Airport supports 500 companies and 75,000 jobs

**Düsseldorf**
+ Conferencing and events are key elements of the airport hub
+ 230 businesses located in the immediate vicinity of the Airport

**Munich**
+ Built in the early 1990s, Munich Airport Centre provides shopping, dining, and business services to both air travellers and the local community
+ A substantial office development is proposed and under construction of 226,000 sq ft (21,000 m²)
+ At the heart of the development is the S-Bahn electric rail system connecting the airport to Munich city centre and beyond

**Copenhagen**
+ Copenhagen has invested strongly in infrastructure and transport facilities to ensure the cargo strategy can be implemented
+ Proposal to develop 750,000 sq ft (70,000m²) of offices and up to 2,370,000 sq ft (220,000 m²) of distribution and production space to create “Cargo City”

**Manchester**
+ Manchester Airport City seeks to be a world class sustainable location for global businesses
+ It will comprise 4 – 5 million sq ft of quality business space over a 10-15 year period including: manufacturing and logistics accommodation, Grade A offices, hotels, retail and leisure facilities across 138 acres (56 hectares) of land adjacent to Manchester Airport

There are also many examples of airport economic hubs on a much smaller scale, such as Exeter Airport, which is seeking to attract high quality, skilled employment through the provision of key infrastructure and development opportunities, including a new business park, “Exeter Sky Park”

Whilst there are some common features of airport hubs, they do all operate at different scales, and have different focuses of activity. Those that have been most successful have planned their level and range of facilities and services to support and complement the City and City Regions in which they sit, in order to maximise their impact and opportunities for economic growth well beyond the airport’s boundaries.
LBIA - Economic Hub

The potential exists for LBIA to grow significantly over the next 10-15 years, how that growth is delivered and whether the opportunities that it will present are taken, will influence the scale of the contribution LBIA will make to the local area, and the wider City and City Region.

To accommodate significant levels of passenger growth in the order forecast by DfT in their report, Aviation Forecasts (2013), will require a considerable investment in airside infrastructure. This will include new stands, reconfigured taxiways, baggage facilities, utilities etc. The timing and scale of new facilities will be influenced not just by the scale of growth but the pattern of growth i.e. whether demand continues to increase in peak periods or spreads out through an average day. An ambitious route development strategy will not however require an extension to the airport’s runway and it’s anticipated that all airside needs will be accommodated within current airport boundaries. The assessment work and delivery plan is contained in the airport’s new masterplan, which will be subject to consultation in the autumn.

To match this investment in airside facilities, there is an opportunity for the airport to raise the profile and perception of the City and City Region through the creation of a much improved ‘offer’ – new airport facilities landside together with a wider hub of economic activity serviced by an efficient and modern surface access system. This would create opportunities for employment and attract inward investment that is currently leaking to other City Regions, but critically would also create a positive first impression to any visitor coming to the City – creating a profile and image of a key worldwide gateway that you would expect to see in a successful and vibrant City and City Region.

LBIA has been engaging with the local authorities in the LCR and a range of other stakeholders on the future role of the airport to support the City and City Region’s ambitions. This includes the preparation of an aviation strategy paper to generate a discussion on the potential of the airport, the key considerations moving forward, and the options for growth that it presents. Key issues raised to date have included ensuring that the airport’s route development plan focusses on destinations that support the LCR’s key economic sectors, including traditional markets in the key capital cities of Europe and North America, and provide access to growing markets, for example South America through Madrid and the Far East and China through Dubai.

In addition, there is support for improving facilities and services at the airport, including surface access so that the airport can better perform its function as a key gateway. This work is being fed directly into the development of the airport masterplan and surface access strategy and is subject to ongoing discussion with Leeds City Council and other partners.

From the analysis undertaken by LBIA, it is considered that the creation of a wider economic hub well established at airports of all scales across the UK and abroad, represents the most effective way of developing the airport and maximising its potential for the City Region. This requires co-ordinated efforts across all partners to define the strategy, deliver the land, attract the investment, and secure significant improvements in surface access infrastructure.
Developing the Hub

The development of LBIA as a wider economic hub of activity, combined with much improved surface access, has the potential to be a key driver for the Yorkshire economy; increasing investment, jobs, productivity and accessibility.

The key objectives of developing LBIA as a wider economic hub would be to:

+ Raise the profile of the City and City Region through a modern high quality development, but one that also responds positively to the distinctiveness of its location
+ Support airport growth and improved international connectivity for the City Region to meet its economic objectives, including growing exports
+ Maximise opportunities for attracting inward investment into the City Region and retain and attract highly skilled individuals
+ Support future growth plans and the economic and social prosperity of the City Region, including local growth initiatives in North Leeds
+ Deliver improved surface access, not only to the airport, but crucially the opportunity the airport’s location presents to provide much improved connectivity between the City Region’s main settlements.

As the airport grows and surface access improves, there will be opportunities for directly supporting the growth of businesses indigenous to the Leeds City Region and attracting businesses to the airport that are highly dependent on international connectivity which would not otherwise locate in the City Region, including:

+ Higher order corporate functions such as R&D, headquarters, sales and marketing, training and development
+ High growth or high technology industries
+ High profile consumer and business supply brands
+ Airport logistics service providers
+ Operators whose activities grow in parallel with passenger and cargo volumes, including accommodation for airlines

Business services growth in the UK between 2011 and 2020 is forecast to be 3.68% per annum (source: Oxford Economics) - the highest of any country in Western Europe. This will drive major growth with the key market drivers of demand including:

+ Demographics – highly accessible locations which can maximise capture rates, improving staff retention, key hires and widen the recruitment catchment area
+ Sustainability – with an increasing focus on reducing energy costs and hitting carbon reduction targets
+ Operationally – the flexibility of buildings and floorplate is essential to maximise occupancy levels and improve the interaction of staff
+ Financial – more efficient and effective staff lowers occupational costs, which in the current economic climate, is essential for occupiers
+ Technology – development of infrastructure and increasing connectivity is essential for occupiers

Developing LBIA as a wider economic hub provides an opportunity that does not exist in the City or Region at present designed to appeal to occupiers such as those:

+ Undertaking higher order corporate functions such as international, national or regional HQs, sales and marketing, which value high levels of accessibility and brand
+ Users that have a preference for non-city centre locations but are increasingly demanding additional services, amenity and profile which enable them to successfully compete for and retain quality staff
+ Multi-national organisations, including new inward investors, particularly those in the high growth industry sectors that perceive benefit from physical prominence to the high volumes of airport traffic
Developing the Hub

There is already evidence that these key locational drivers place airports in a unique position when major corporates are deciding upon their investment location. The most successful Airport developments within Europe, e.g., Amsterdam and Frankfurt, have already attracted over 500 companies including the likes of L'Oréal, Sony, Dell, AstraZeneca, Oracle, Coca Cola and Proctor & Gamble.

There is also a role for the development of logistics space at LBIA focused on small, high value goods. This will be divided into three categories: Tier 1 cargo handlers requiring transit sheds within the airport perimeter; Tier 2 operators such as freight forwarders who will require space within the airport perimeter or very close to the operational facilities and Tier 3 operators such as logistic service providers.

The provision of additional logistics space will be vital to LBIA's ability to meet evolving demand for space from:

+ Operators whose activities grow in parallel with cargo volumes
+ Integrators who require locations on the airport apron
+ Freight forwarders who require close connectivity to operators;
+ Airport logistics service providers
+ International freight and logistics companies combining different activities in one location
Developing the Hub

Yorkshire has benefited from an expanding conference and events industry in recent years, which has had a positive impact on international arrivals and bed nights. New hotel accommodation at LBIA will:

+ Support the needs of new and existing business occupiers
+ Should complement rather than compete with city centres. It should service business occupiers as well as customers from the region, focused on single day or shorter events where there is less compulsion to choose the city centre environment

Furthermore, LBIA operates not just on a strategic scale, but as a large employer of local people. Through its wider development, there would also be an opportunity to provide flexible space to meet the needs of start up and developing companies in the local area. The potential exists for LBIA to provide the right environment for a hub of activity that not only serves national and international businesses but provides an opportunity for supporting and fostering a cluster of dynamic new businesses.

The development of LBIA as an economic hub requires co-ordination of strategies across planning, transport and economic spheres and significant airport and landside investment, including surface access. Collaboration between the airport and key partners in the City Region is critical and will determine its success. The impact of developing a successful and vibrant airport in the City Region would be of transformational significance, generating significant local and regional growth and prosperity. The proposals would be a game-changer for the City Region.

They will be developed through the airport's masterplan and surface access strategy and in parallel with the City's emerging Site Allocations DPD.
Surface Access

Effective surface access is an important element in the development of airports as wider economic hubs.

However, there is no direct relationship between surface access infrastructure and airport size.

The type and level of infrastructure provided is more related to the role of airports as gateways rather than linked to passenger numbers or a specific output.

Unlike other transport modes, the air transport industry pays for its own infrastructure costs (predominantly runways, airport terminals, and air traffic control), rather than these being financed through taxation and public investment or subsidy (as is typically the case for road and railways). But the supporting infrastructure needs to be delivered through a collaborative effort, understanding the critical role that an airport plays in ‘selling’ its City Region.

Surface access is a particularly important element of creating a new and broader economic hub at LBIA. The airport is currently serviced by regular bus connections from Bradford, Leeds and Harrogate. LBIA continues to invest in supporting and promoting these services, which overall have seen increases in patronage every year for the last three years, which is a significant achievement, particularly in light of reductions in bus patronage across the city as a whole. The airport’s public bus modal share is at approximately 7% (measured annually and most recently in August 2012).

Short term opportunities exist to improve the bus service offer, promote the services more effectively, and increase frequencies. Improved connectivity to local railway stations and better promotion of through ticketing is also necessary. However, in order to more effectively connect the airport to the cities that it serves, significant investment is required through a new road and in particular a new rail link.
Surface Access

The West Yorkshire Transport Fund has committed to delivering a new road link, connecting the Outer Leeds Ring Road at Horsforth with the A668, a short distance to the west of Bramhope. This is very much welcomed and will provide an important improvement in surface access and define well the northern extent of wider commercial operations that may be attracted to the airport on the opposite side of Whitehouse Lane. Recent route development announcements in particular the BA connection to Heathrow and subsequent increases in passenger numbers illustrate that the airport can and is growing quickly. Early investment in surface access would complement and drive this growth forward and the development of a new road link should be considered, and is deliverable, in a relatively short time frame. The Site Allocations DPD should safeguard the route and reflect the opportunity it presents.

Following Danny Alexander's MP speech on 8th July, the Government is committed to supporting the development of improved surface access at LBIA. A wide range of options for creating a new rail link from Bradford and Leeds have already been considered at a high level through the West Yorkshire Transport Fund, and this provides an opportunity for further refinement of these options and the development of a business case. Delivering a rail link to the airport, through which better connecting the city region's key cities, would make a very considerable difference to the economic vitality of the LCR. Its potential should be planned for through the Site Allocations DPD.
Site Allocations Policy

We welcome the council’s initial thoughts on the potential for developing a wider hub of economic activities at the airport, and there is the opportunity to be ambitious and set out a clear framework to capitalise on the benefits the growth of the airport could bring to help the City and City Region deliver its key economic objectives.

The vast majority of the land identified in the Site Allocations Issues and Options draft as locations for employment development is already in use, some for airport related development, or employment use. It is therefore difficult to see how much of this land will assist in creating the high quality mixed use gateway to the airport that is required if it’s to meet modern expectations, raise the profile of the City, and attract new inward investment.

The largest area identified for employment use is the Sentinel site, however it accommodates 2,000 airport car parking spaces and whilst there remains an extant permission for other development, there appears not to be any intent to redevelop the site and there is no reason to expect that position to change in the future. Furthermore, it is some distance from the airport, and there are other locations closer to the airport where commercial development should take place first, much better related to the existing airport operations and current and proposed surface access connections.

The Avro site is also identified for employment use, but the site is covered by one building and associated space used primarily for storage and distribution purposes. There will no doubt continue to be a market for the building, but it won’t satisfy the range of business needs, such as offices and hotels that you would expect to be attracted to a growing airport.

Whilst not dismissing the role that existing employment sites may play, the opportunity to develop a new airport hub requires a much broader review of the land assets around the airport, in order to provide the right planning environment to secure new development that is integrated with the airport and future surface access improvements and supports the objective of creating a successful and vibrant airport hub.

The architectural drawings included in the representations set out some thoughts on how this could come forward.

LBIA welcome the opportunity to continue to work closely with the City Council and key stakeholders in the region and local communities in developing that opportunity and in doing so ensuring that planning, economic, and transport policy and strategy is fully aligned and supportive.
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Leeds Bradford International Airport (LBIA) – Employment Hub

2.85 It should be noted that provision already exists for development of a variety of airport related facilities within the Airport Operational Land Boundary (AOLB), which is designated under UDP Saved Policy T30A of the UDP. Policy T30A lists the uses which may be developed in principle within the AOLB, subject also to Core Strategy Spatial Policy 12. In reflecting the opportunity to contribute to local general employment land requirements and to recognise the strategic economic role of Leeds Bradford International Airport (LBIA) for Leeds and the City Region, 40 36.23ha of land at LBIA is allocated as an Employment Hub, subject to Spatial Policy 12 of the Core Strategy and the following Policy requirements.

POLICY EG3 – LEEDS BRADFORD INTERNATIONAL AIRPORT (LBIA) – EMPLOYMENT HUB

40 36.23HA OF LAND TO THE NORTH OF LBIA WILL BE ALLOCATED AS AN ‘EMPLOYMENT HUB’ FOR GENERAL EMPLOYMENT LAND INCLUDING A BUSINESS PARK AND LOGISTICS AND FREIGHT AND PASSENGER-RELATED USES. DETAILED REQUIREMENTS WILL BE SET OUT IN THE LBIA AND EMPLOYMENT HUB SUPPLEMENTARY PLANNING DOCUMENT (SPD), SUBJECT TO THE FOLLOWING CRITERIA AND WILL REQUIRE A SIGNIFICANT CONTRIBUTION FROM LBIA TO FUNDING INFRASTRUCTURE REQUIREMENTS

i) THE PREPARATION OF AN OVERALL LAYOUT, LAND USE AND PHASING PLAN, LINKED TO THE PROVISION OF NECESSARY INFRASTRUCTURE INCLUDING LAND TO ACCOMMODATE THE PROPOSED A65-A658 LINK ROAD WITHIN THE AREA,

ii) THE PROVISION OF A SURFACE ACCESS AND CAR PARKING STRATEGY – INCORPORATING MAJOR HIGHWAY AND PUBLIC TRANSPORT IMPROVEMENTS, WITH IDENTIFIED FUNDING AND TRIGGER POINTS,

iii) THE PROVISION OF AN OVERALL DESIGN AND LANDSCAPE FRAMEWORK,

iv) THE USE OF PLANNING OBLIGATIONS, TO SECURE LOCAL EMPLOYMENT AGREEMENTS, RELATING TO DEVELOPMENT PROPOSALS IN TERMS OF CONSTRUCTION AND END USER JOBS
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