

**Report of the Chief Planning Officer**

**Report to Development Plan Panel**

**Date: 26<sup>th</sup> June 2015**

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

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| Are specific electoral Wards affected?<br>If relevant, name(s) of Ward(s): All<br>.  | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No            |
| Are there implications for equality and diversity and cohesion and integration?  | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No            |
| Is the decision eligible for Call-In?  | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
| Does the report contain confidential or exempt information?<br>If relevant, Access to Information Procedure Rule number:<br>Appendix number: | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |

**Summary of main issues**

1. Following consideration by the Development Plan Panel 16<sup>th</sup> 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 16<sup>th</sup> 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 16<sup>th</sup> 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 on 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 (15<sup>th</sup> 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.