

**MEDIA INFORMATION**

For Immediate Release

26th October 2018

**REPORT SETS OUT FUTURE BUSINESS PLAN FOR BLACKPOOL AIRPORT**

Aviation industry experts have produced a comprehensive report setting out the best opportunities to revive and secure the future of Blackpool Airport.

The report, produced by leading airport and aviation consultant, York Aviation, makes a number of recommendations for investment in infrastructure, operations and management of the airport to ensure it remains a key transport asset for the North West.

A summary of the report will be considered on Monday 5 November by Blackpool Council, which purchased the airport from Balfour Beatty in 2017 to ensure the Squires Gate operation remained open for business.

Based on York’s recommendations, two wholly-owned Council companies, Squires Gate Operations Ltd (SGAOL), which looks after airport operations, and Blackpool Airport Properties Ltd (BAPL), which looks after the airport’s land and property on the 400-acre site, will be responsible for preparing and implementing a detailed business plan that will help to map out the long-term future for the airport. It is intended that the plan will:

* Safeguard jobs and create new job opportunities
* Identify improvements in infrastructure
* Establish the airport’s market, areas of business growth and new revenue streams
* Identify and develop new business aviation opportunities
* Support the release of development land for the wider Blackpool Airport Enterprise Zone

York Aviation identifies the main opportunities for future growth potential as:

* Growth of existing areas of core business, particularly general aviation activity and flying tuition
* Continuation of the contract for helicopter offshore operations
* Creation of further opportunities for corporate and executive aviation activity, providing additional revenue for the airport
* Opportunities to attract substantial aircraft maintenance repair and operational activity, with the main focus on smaller executive jet-type aircraft, bringing rent, movement and fuel income
* Replacing old hangars with new build hangars located closer to the runway to increase capacity and income
* Opening up attractive development land fronting Squires Gate Lane
* Development of an on-site café with airside views

York Aviation has also analysed the market to assess how likely it is that commercial air services might be reintroduced at the airport. They looked at a number of holiday routes operating on an annual or seasonal basis that could theoretically sustain passenger levels to justify a service to rival competition from the likes of Manchester, Liverpool and Leeds/Bradford.

The report suggests that the total anticipated market for passengers from the region is estimated at 250,000. These volumes would, however, require high levels of investment in new terminal facilities, security, operational equipment and staffing, the cost of which would far outweigh the income generated and could see an annual seven figure financial loss.

It is estimated that around 1.5m passengers would be needed each year to justify the level of investment required to support a full-scale return of mainstream passenger services. Historically, the maximum passenger numbers at Blackpool Airport peaked at 700,000 per annum and the report summarises that on that basis commercial passenger services have been deemed unviable, although this could be revisited in future subject to any changes in market conditions.

York explored the potential for a resumption of local regional air services to the Isle of Man, Dublin and Belfast which operated from the airport until 2016. The opportunity for re-introduction of such services will continue to be reviewed, but the report advises that careful consideration and financial scrutiny would need to be given to the increased costs of staffing and operational requirements.

Cllr Mark Smith, Cabinet Member for Regeneration, Enterprise and Economic Development, for Blackpool Council said: “The York Aviation report provides clear guidance for future marketing opportunities and identifies priorities for investment. It gives an invaluable steer on management roles and responsibilities to enable a long term, sustainable, operational airport and the successful delivery of the overall Enterprise Zone.

“At this stage, it is clear that the reintroduction of commercial flights is not financially viable. Similarly, the operation of smaller services such as flights to the Isle of Man, Dublin and Belfast, would break even at best. If we are to maintain an operational airport in Blackpool it is critical that we take heed of the financial reality.

“The airport is an integral part of the future development of the Enterprise Zone and a much loved and valued transport asset for Lancashire. Our focus and dedication is to support the business sectors already operating and to promote opportunities for new growth for the airport.”

As a key element of the wider Blackpool Airport Enterprise Zone strategy and development, £28.8m has already been allocated for the next three years which includes £3.45m towards the initial activity of relocating and replacing older aircraft hangars, providing new apron and a new offshore helicopter terminal.

The approved Enterprise Zone Delivery Plan estimates that the land released by the relocation of the airport operational facilities, together with the new airport facilities, could generate investment to support:

* 2,156 new jobs
* £34m retained business rates growth to support further investment
* £374m net cumulative GVA over the life of the Enterprise Zone

**-ENDS-**

**Notes to Editors:**

For further information please contact Nicole Billington, Enterprise Zones Marketing Officer at Blackpool Council on 01253 478725, nicole.billington@blackpool.gov.uk

**Background Information - Blackpool Airport Enterprise Zone**

* Enterprise Zones are part of the Government’s wider Industrial Strategy to support businesses and enable local economic growth. Blackpool Airport was awarded enterprise status in 2016 until 2041.
* The Enterprise Zone is a 144 hectare site that includes Blackpool Airport, Blackpool Retail Park, Blackpool Business Park and surrounding land up to the border of Common Edge Road.
* The 144 hectare site is much larger than many of the other UK enterprise zones and straddles the boundary between the Borough of Fylde (55%) and Blackpool (45%). Much of the site sits within designated greenbelt and has multiple stakeholders, up to 20 freehold and long leasehold property interests and over 200 occupiers.
* Easy to get to from Jct 4 of the M55 motorway (10 minute drive), Blackpool South train station (5 minute walk)
* The purpose of the Enterprise Zone status is to:
	+ create jobs and long term sustainable growth
	+ unlock development sites
	+ build new roads, utilities and supporting housing and schools
	+ attract new business to the area
* The Enterprise Zone offers local businesses financial help to get started. By moving to the Enterprise Zone businesses can benefit from:
	+ 5 years business rates relief (up to £275,000)

Or

* + Enhanced Capital Allowances if a company decides to design and build their own building
* All the money collected through the new business rates generated on the EZ, over the 25 year lifespan, is kept by Blackpool Council as the accountable body (no cut given back to government) to re-invest in local economic growth. In addition, the Government is working actively with Enterprise Zones to help to unblock any barriers to delivery, such as support with transport infrastructure, environmental issues and providing advice on marketing zones to international investors.
* In order to provide the essential infrastructure i.e. roads, water, gas and electricity to the site, up front to create the opportunities for growth, Blackpool Council has made a significant decision to allocate £28.8m against future growth over the first three years and kick start plans to develop the EZ making the opportunities available for new buildings and investment for the future.

Official Partner of the Northern Powerhouse