

MN2.4 Land at Moss Lane, Churchtown – Supplementary Statement

- 1.1 The Council has prepared this statement in response to the representations submitted by E Landor Associates and Allan Watson during December 2015 and January 2016. It seeks to provide clarification on a limited number of new points raised in these representations.

Site Capacity

- 1.2 The Council remain of the view that 450 dwellings is an appropriate capacity for site MN2.4. This capacity is not based on a standard approach, but is based on a figure provided by the developer (Redrow). Had the Council's standard approach of a 75% net developable area and 35 dwelling per hectare been used, then the capacity for the site would have been 501.
- 1.3 The reason for the reduced site area is the introduction of an area of 'Proposed Open Space' at the site's north eastern corner. The purpose of this designation is to specify where within the development open space will be provided. This will not result in a loss of capacity, as any site of this size would be required to provide open space on a proportion of the site.

Viability

- 1.4 A specific viability assessment relating to this site was undertaken by Keppie Massie in accordance with the PPG requirement. Site specific assessments were carried out for all of the larger sites on which the delivery of the plan relies. The assessment was based on a capacity of 450 dwellings (at 30 dwellings per ha) and a gross site area of 19.67 hectare.
- 1.5 The gross site area (including the area of 'Proposed Open Space') has now been reduced to slightly to 19.1 hectares, and the capacity remains at 450 dwellings. Based on the revised net site area this capacity equates to 31.41 dwellings per hectare. This is below the 35 dwelling per hectare that has been used to assess the capacity for other proposed allocated sites in the plan. The slight adjustment to the site area and increase in density will lead to a more efficient development of the site in construction cost terms. The reduced site area means that there are fewer external areas, hence the cost of external works is generally less. In addition the reduction in site area means that the cost of land for the development is also less.
- 1.6 In terms of sales revenues the slight adjustment to density is not sufficient to have any material impact on values. (It is noted that Keppie Massie have adopted the same sales values for this site in the testing undertaken at both 35 and latterly 30 dwellings per hectare). Taking these aspects together means that if total sales revenues remain unaltered whilst construction costs and land value reduce then the development of the site based on the current allocation at 19.1 hectares will in fact be more viable than as outlined in the Keppie Massie assessment at (EX.40).
- 1.7 With specific reference to EX.40, Keppie Massie consider the site to be viable at 30% affordable provision. As outlined at 3.3 of the briefing note dated 25 November and Section 2 of the briefing note dated 16 December (MI.2a), the development of this site incorporating 30% affordable housing provision would generate a significant surplus of £1,947,472 which is equivalent to 3% of GDV. This means that in total the profit return for this site is approximately 23% of GDV compared with the required developers profit return of 20% of GDV. Keppie Massie has explained their approach and definition of "marginal" in previous notes to the Inspector.
- 1.8 In addition, the appraisal for Moss Lane includes a robust developers contingency sum equivalent to 5% of all costs for unknown items and cost risk. In this case the contingency is a

further £1,933,064. Mr Landor outlines at para 2.8 the possible requirements of West Lancashire Council in terms of highway works but these will not be known until an application is submitted. As a result at this stage we do not know whether they are going to require any works at all. If they do then there is obviously a significant contingent amount included in the cost assessment to meet any additional highways requirements.

- 1.9 Keppie Massie followed the methodology adopted in the original Local Plan Viability Study where all sites were tested at different thresholds of affordable provision. It is not, as has been suggested, because there was any doubt concerning viability of delivery at 30%.

Flood Risk

- 1.10 The site was not flooded during the recent heavy rainfall. Whilst part of the site is within Flood Zones 2 and 3, this relates to tidal and not fluvial risk. The Council's approach to tidal flood risk in northern Southport is set out in TP2 Flood Risk Technical Paper. The Environment Agency does not object to the allocation of this site for housing development.

Access

- 1.11 The verge in front of the golf course is within the adopted public highway (highway maintainable at public expense). The Council therefore has powers to widen the highway in this area regardless of land ownerships. It is not uncommon for the land/sub-soil on which public roads are situated to be in private ownership.