Analysis of Representations Received following the Rossendale Stakeholder Consultation Event on 27 November 2014

Respondent	Date	Unit Mix	Unit Sizes	Tenures	Densities	Land Values	Revenues	Costs	Developers Profit	Sales Rates	Miscellaneous
Pegasus Planning (on behalf of Taylor Wimpey UK Ltd)	24/12/2014	Suggests larger schemes in excess of 100 units are considered. Also suggests that the development of 5 dwellings is considered due to the volume of smaller developments within the Borough. States that TW developments at Weavers Dene and Dale Moor View largely align with KM assumptions, although suggest that TW currently building lower proportions of 3 bed units and higher proportions of 4 bed units.	Consider unit sizes to be slightly high. 2 bed units built to approx 600 sq.ft, 3 bed units built to approx 870 sq.ft, and 4 bed units to around 1,200 sq.ft. TW commented that they are currently not building out any five bed dwellings. Pegasus comment that whilst TW are currently not developing apartments in Rossendale, in the NW sizes range between 600-645 sq.ft.		Recommended that densities lower than 30dph are tested to "ensure that a true picture of the development likely to come forward within Rossendale is captured". Pegasus states that densities of less than 20dph are likely on Greenfield sites with topographical constraints. Notwithstanding this, Pegasus notes that both Weavers Dene and Dale Moor View have been built out at 34dph. State that it is rare for smaller sites to achieve 100% site coverage, and state that a 90% deduction for site of between 0.4 and 2 hectares should be reviewed. Pegasus acknowledges that 70-75% gross to net deduction for larger sites is considered appropriate.	Pegasus states that the issue of Land Value is the principal concern and the methodology's main flaw. Pegasus states that threshold land values of between £200,000 and £300,000 are below the values adopted in recent studies, which include Lancaster, Bolton, South Ribble, Chorley, Preston and Trafford. Pegasus state that there should be no differences in land values for Greenfield and Brownfield Sites.	TW confirmed values that have recently received on their two developments within the Borough.	Pegasus states that opening up costs need to be accounted for, which the Harman Guidance suggests can range between £17,000 and £23,000 per plot in respect of Greenfield Sites. Suggests that deductions for contractors profit is not normal, and state that this should be explained along with a provision of evidence to support the construction costs.	20% of GDV considered reasonable for larger developments. Pegasus state that on the basis that the presentation does not identify the differentiation between larger and smaller schemes it is therefore considered inappropriate.	Average Sales rates of between 2 and 3 dwellings per month considered reasonable, although Pegasus recommends the use of variable rates.	Acquisition costs considered reasonable, although Pegasus states that they are towards the lower end of the scale identified in respect of Harman Guidance. Sales and marketing costs at 3.5% too low, and should be to the order of 4.5%. Finance costs considered reasonable.
Turley (on behalf of Peel Holdings)	22/12/2014	Recommends testing larger units in excess of 100 units. States that whilst the development mix is realistic for larger sites, this may not be for smaller sites of below 40-50 units.				Turley state that the land values put forward are unrealistically low.	Advocate the use of net sales prices (exclusive of developers incentives). Suggests that the social rented property values at 45% appears to be high.		Recommend 20% of GDV across all sites.	State that the adopted sales rates unclear from the evidence provided, and requests to see local market evidence based on current and recent development activity to support the rates adopted.	NG states that planning fees:- "*should be calculated based on the development yield (units) rather than as a proportion of development cost. This would represent a more accurate approach. The present approach is unclear and substantiated*" Suggests that fianance costs of 7% should be adopted.
House Builders Federation	11/12/2014	Recommended that further typologies in excess of 100 dwellings and below 10 dwellings are tested, reflecting the unit sizes that are likely to come forward.			HBF states that a more cautious approach should be adopted relative to the SHLAA methodology, as for example HBF cites that it is rare that smaller sites achieve 100% site coverage.	HBF states that whilst:- The HBF has not undertaken an assessment of base land inputs… it is recommended that inputs are 'sense checked' against recent transactions. Furthermore, HBF also states that the residential value zones should be mirrored by expectations within the base land inputs.	Recommend use of net sales values accounting for incentives.	Recommended that build cost components separated for greater transparency. Noted that costs may increase as a result of improvements to Building Regulations and increased sustainability.	HBF states that whilst 20% of GDV is acceptable for larger developments, 15% for smaller developments is considered low. Recommends a blended 20% figure across all forms of development.	Average Sales rates of between 2 and 3 dwellings per month considered optimistic, although HBF recommends the use of variable rates.	Acquisition costs considered reasonable, although HBF states that they are towards the lower end of the scale identified in respect of Harman Guidance.
Lea Hough Chartered Surveyors	11/12/2014	Lea Hough states that the unit mix adopted is considered reasonable.	Lea Hough state these are reasonable, although state that on an individual site basis- particularly for example, in scenarios where small brownfield sites are being brought forward the mix and dwelling size is more likely to be smaller, whereas on better areas the opposite would be true.		Lea Hough suggest that the densities that KM propose to test are considered reasonable, although that they expect delivery typically towards the higher end of the prescribed range. In respect of the net site areas, Lea Hough advises that 80% as opposed to 75% should be used as a gross to net ratio.	Lea Hough reasons that the Harmon Guidance comments on the use of threshold land values and does not reflect market actualities. Lea Hough therefore states that "in our view the use of comparable evidence should form the basis of any assessment of the 'release' value of land, rather than a reliance on threshold value."	Lea Hough state that Market Housing Revenues of £200 per sq.ft are considered high and the Affordable Revenues are similarly high based on the percentages put forward in the presentation.	Lea Hough state that headline build cost considered reasonable, although notes that:- - In certain points of the Borough the LPA may require non-standard construction materials including stone and slate. In such instances, Lea Hough suggests a £5-10 per sq.ft premium may need to be added. - Comments on the clarity of the application of Abnormal Costs, which may include foundation treatments, service infrastructure, earthworks, and surface water drainage and attenuation.	Lea Hough consider that a variance of 5% between smaller and larger schemes is potentially too high.		Suggests that Marketing and Sales fees of between 4% and 4.5% would be more robust (relative to the 3.5% adopted by KM).
Barnfield Construction	27/12/2014										Suggested that there are current industrial requirements within the immediate area for units of up to 100,000 sq.ft. Noted from presentation that KM only propose to test units of up to 50,000 sq.ft., and suggest that on the basis of the above that larger industrial units should be tested.