

REPORT FROM: DEPUTY CHIEF EXECUTIVE
PLANNING AND BUILDING CONTROL MANAGER

TO: EXECUTIVE

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DEVELOPMENT OF BROWNFIELD LAND

PURPOSE OF REPORT

To inform the Executive of the state of Viability on Previously Developed Land in Pendle

RECOMMENDATION

That the report be noted.

REASON FOR RECOMMENDATION

To keep the Executive informed of issues of viability affecting sites in Pendle

ISSUE

- 1** The development of Previously Developed Land (brownfield sites) has been a thrust of planning policy for Pendle throughout the life of the current adopted Local Plan. It was supported through regional and national planning policy which required sequential approaches to site development to be followed when developing both employment and housing sites.
- 2** Regional Strategies have however been abolished and national planning policy replaced with a single document - the National Planning Policy Framework ("the Framework"). The sequential approach to site development was specifically omitted from the Framework despite many calling for it to be included within it. As part of the development of our Core Strategy we have had objections from developers in the approach we adopted of applying a sequential test. That has now been omitted as a requirement.
- 3** The Framework requires planning policy to be much more market facing and to ensure that Plans are both viable and deliverable. In order to assess this we commissioned and

had adopted a viability assessment. This was produced jointly by Colliers International and Aspinall Verdi.

- 4 The study involved acquiring evidence from developers as well as official sources such as on transactions for the sale of land. It assessed the viability of developing sites for industry, housing, retail and offices. Previously developed land, as well as green field sites, were considered. Development of different scales were also evaluated and there was a focus on assessing whether development was viable in different locations. We looked at urban development in the M65 corridor, development in the north of areas of Barrowford and Colne, the market towns of West Craven alongside rural development.
- 5 The outputs from the study reflected what we were seeing on the ground and re-enforced much of what developers were telling us. The table below sets out the findings of the viability study the Council has adopted. It shows that there is no viability in the M65 corridor. This changes when sites in the north of the M65 corridor on the north side of Barrowford and Colne are assessed which are predominantly green field sites. There is also viability in rural areas and in West Craven.

M65		M65 North	
Number of Units	Development Viability	Number of Units	Development Viability
1	-117,521	1	-86,142
5	-38,484	5	6,695
15	-104,523	15	38,317
50	-343,667	50	161,059
100	-566,073	100	188,214

West Craven Towns		Rural	
Number of Units	Development Viability	Number of Units	Development Viability
1	-62,609	1	-7,992
5	25,438	5	42,952
15	102,437	15	160,623
50	161,059	50	210,597
100	451,064	100	401,669

- 6 The table at Appendix 1 below shows all brownfield sites that are assessed as not being viable or that are at the margins of viability. The list is taken from the SHLAA. The number of units they could provide is 1770. This is equal to 5.9 years' worth of supply set against the annual target of 298. Taking out the schemes that are being developed there are an additional 1,468 units able to come forward.
- 7 The table points to two significant issues. First the cost of remediating these sites is high. Whilst different sites will have different specific costs the average total costs for the sites of remediating them is £9.5m. Remediation includes demolition, removal of waste and dealing with and contamination present. The average cost is estimated at being £100,000 per acre for demolition and remediation. Our experience is that some sites will cost more than that to remediate whilst others less.

- 8 Second is that remediation on its own is not the sole reason why the sites are not viable. The total viability gap for these sites is £14.12m. There is an additional gap of £4.6m over and above the remediation costs. This means that each house built would need a value uplift of £9,618 to reach a breakeven point.
- 9 National funding sources that have been made available to assist the housing market, such as Get Britain Building or Builders Finance Fund, are based on unlocking sites that are basically financially viable. They do not provide subsidy that would be needed for these brownfield sites.
- 10 In order for these sites to become viable there would need to be an uplift in house prices as well as stability in building costs. House prices are beginning to rise but there is an unequal distribution of the increases across Pendle. However the national statistics published on the cost of building material shows that commodity prices are also rising. Clearly there needs to be an uplift of values that outstrip the cost of building materials in order to reach a position of brownfield viability.

HOUSING ZONES

- 11 Across Pennine Lancashire a proposal was recently submitted to the Homes and Communities Agency (HCA) under the Housing Zones programme which seeks to bring forward a number of brownfield sites for housing development. The requirement was that sites needed to be viable, in line with the other funding sources mentioned above in paragraph 9. It was also a requirement that at least 750 homes could be developed within the Housing Zone. Pennine Lancashire Housing Zone is one of 29 which has been shortlisted. HCA will now look at all the proposed zones in more detail and eventually select 10 for approval.

IMPLICATIONS

Policy:	The report outlines the position in terms of viability on previously developed land. The information in this report does not alter the policy approach to how development in Pendle should be provided.
Financial:	None
Legal:	None
Risk Management:	None
Health and Safety:	None
Sustainability:	None
Community Safety:	None
Equality and Diversity:	None

Appendix 1

Site Ref	Site Name	Town	Brownfield / Greenfield Typology	Site size (gross) (ha)	Total No. of dwellings	DVS benchmark site reference	Viable?	Cost of remediation	Overall Viability	Deficit without any Remediation
BK076 / 862	Land at corner of Sussex Street / back Essex Street	Barnoldswick	Brownfield	0.02	1	Scheme 3	Not Viable	4694.995	-62609	-57914.005
BK086	Former Chapel to rear of 22-26 Walmsgate	Barnoldswick	Brownfield	0.05	1	Scheme 3	Not Viable	11613.94	-62609	-50995.065
BK091	Land to rear of 245-253 Gisburn Road	Barnoldswick	Brownfield	0.25	1	Scheme 3	Not Viable	61776.25	-62609	-832.75
BK092	Land bounded by Queen Street, Westgate and Malham View Close	Barnoldswick	Brownfield	0.09	1	Scheme 3	Not Viable	22980.77	-62609	-39628.235
BD056/1051	Civic Hall Car Park	Barrowford	Brownfield	0.07	0	Scheme 6	Marginal	0	0	Scheme developed
BD047	Land adjacent to 32 Garnett Street	Barrowford	Brownfield	0.02	4	Scheme 6	Marginal	5930.52	6695	
BD053	19-21 Bankhouse Street	Barrowford	Brownfield	0.04	3	Scheme 6	Marginal	9884.2	6695	
BD057/S235	Civic Hall, Maud Street	Barrowford	Brownfield	0.06	0	Scheme 6	Marginal	0	0	Scheme developed
BD048	Land to rear of 38 Church Street	Barrowford	Brownfield	0.01	1	Scheme 2	Not Viable	1482.63	-86142	-84659.37
BD054	Barn to rear of 231 Gisburn Road	Barrowford	Brownfield	0.03	1	Scheme 2	Not Viable	7413.15	-86142	-78728.85
BD055	Power Pipes Pendle	Barrowford	Brownfield	0.01	1	Scheme	Not	1729.735	-86142	-84412.265

						2	Viable			
BR039	Land between Veevers Street and Canal Side	Brierfield	Brownfield	1.29	0	Scheme 17	Not Viable	318024.1	-566073	HMR site. Land cleared.
BR029	Lob Lane Mill	Brierfield	Brownfield	0.99	0	Site Specific Viability Work	Not Viable	0	0	Developed. Public gap funding needed for remediation
BR037	Four Oaks	Brierfield	Brownfield	0.39	9	Scheme 9	Not Viable	97186.4	-104352	-7165.6035
BR046	Former LCC Depot, Halifax Road	Brierfield	Brownfield	0.25	9	Scheme 9	Not Viable	61553.86	-104352	-42798.1445
BR053	Marsden Cross, 30 Higher Reedley Road	Brierfield	Brownfield	0.26	4	Scheme 5	Not Viable	64247.3	-38484	25763.3
BR054	13 Burnley Road	Brierfield	Brownfield	0.04	4	Scheme 5	Not Viable	9884.2	-38484	-28599.8
BR049	Lane Ends Inn, Higher Reedley Road	Brierfield	Brownfield	0.14	2	Scheme 1	Not Viable	35583.12	-117521	-81937.88
RY017	40 Reedley Road	Brierfield	Brownfield	0.13	2	Scheme 1	Not Viable	32123.65	-117521	-85397.35
BR052	28a Bird Street	Brierfield	Brownfield	0.04	1	Scheme 1	Not Viable	9884.2	-117521	-107636.8
BR055	19 Weatherhill Crescent	Brierfield	Brownfield	0.04	1	Scheme 1	Not Viable	9389.99	-117521	-108131.01
RY015	Land adjacent to 534 Colne Road	Brierfield	Brownfield	0.07	1	Scheme 1	Not Viable	16061.83	-117521	-101459.175
CE071	Nelson and Colne College, Barrowford Road	Colne	Brownfield	2.84	55	Scheme 14	Marginal	700542.7	17761	
CE088	Simpsons Garage Site, Knotts Lane	Colne	Brownfield	0.50	0	Scheme 13	Not Viable	0	0	Affordable housing scheme after company insolvency
CE127	Bunkers Hill off Hargreaves Street	Colne	Brownfield	1.50	0	Site Specific Viability Work	Not Viable	0	0	Developed as part of Pearl
CE142/1032	Haverholt Day Nursery	Colne	Brownfield	0.24	0	Scheme 5	Not Viable	0	0	Being developed

CE137	4A Keighley Road	Colne	Brownfield	0.03	6	Scheme 5	Not Viable	7413.15	-38484	-31070.85
CE069	Land at North Street	Colne	Brownfield	0.06	4	Scheme 5	Not Viable	14579.2	-38484	-23904.805
CE126	2-4 Walton Street	Colne	Brownfield	0.03	4	Scheme 5	Not Viable	6918.94	-38484	-31565.06
CE141	4 Lord Street	Colne	Brownfield	0.01	4	Scheme 5	Not Viable	1976.84	-38484	-36507.16
CE143/486	Former Cement Works	Colne	Brownfield	0.29	3	Scheme 9	Not Viable	71067.4	-104352	-33284.602
CE129	64 Brown Street West	Colne	Brownfield	0.01	2	Scheme 1	Not Viable	2223.945	-117521	-115297.055
CE132	Cotton Tree Methodist Church, Cotton Tree Lane	Colne	Brownfield	0.09	1	Scheme 1	Not Viable	22239.45	-117521	-95281.55
CE139	4b Keighley Road	Colne	Brownfield	0.04	1	Scheme 1	Not Viable	9389.99	-117521	-108131.01
CE140	Providence Independent Methodist Church, Albert Road	Colne	Brownfield	0.08	1	Scheme 1	Not Viable	19521.3	-117521	-97999.705
CE145	18 Dockray Street	Colne	Brownfield	0.01	1	Scheme 1	Not Viable	3459.47	-117521	-114061.53
CE146	55 Albert Road	Colne	Brownfield	0.02	1	Scheme 1	Not Viable	3706.575	-117521	-113814.425
EY063	Waddington Street	Earby	Brownfield	0.05	1	Scheme 3	Not Viable	11613.94	-62609	-50995.065
NN102	Former Pendle View School, Walton Lane	Nelson	Brownfield	0.30	0	Scheme 9	Not Viable	0	0	Being developed
NN122	14-18 Scotland Road, 13-17 Leeds Road	Nelson	Brownfield	0.09	0	Scheme 9	Not Viable	0	0	Being developed
NN103	Marsden Hall Farm, Walton Lane	Nelson	Brownfield	0.30	0	Scheme 9	Not Viable	0	0	Being developed
NN062	45-47 Scotland Road	Nelson	Brownfield	0.02	4	Scheme 5	Not Viable	5930.52	-38484	-32553.48
NN070	33 Scotland Road	Nelson	Brownfield	0.01	2	Scheme 1	Not Viable	2718.155	-117521	-114802.845
NN097 / 350	Car park to the side of 3 Midland Street	Nelson	Brownfield	0.02	2	Scheme 1	Not Viable	4146.422	-117521	-113374.5781
NN104	1 Netherfield Road	Nelson	Brownfield	0.01	2	Scheme 1	Not Viable	1482.63	-117521	-116038.37

NN107	6 Rhoda Street	Nelson	Brownfield	0.01	1	Scheme 1	Not Viable	1482.63	-117521	-116038.37
NN115	9 Napier Street	Nelson	Brownfield	0.01	1	Scheme 1	Not Viable	1729.735	-117521	-115791.265
NN116	14a Cumberland Street	Nelson	Brownfield	0.01	1	Scheme 1	Not Viable	1976.84	-117521	-115544.16
NN118	132 Hallam Road	Nelson	Brownfield	0.04	1	Scheme 1	Not Viable	9142.885	-117521	-108378.115
NN119	Prince of Wales Hotel, Leeds Road	Nelson	Brownfield	0.05	1	Scheme 1	Not Viable	13343.67	-117521	-104177.33
NN120	22A Forest Street	Nelson	Brownfield	0.01	1	Scheme 1	Not Viable	1235.525	-117521	-116285.475
NN121	2 Cross Street	Nelson	Brownfield	0.01	1	Scheme 1	Not Viable	1482.63	-117521	-116038.37
S232	Brierfield Mills, Glen Way	Brierfield	Brownfield	3.04	0	Scheme 13	Not Viable	0	0	Listed building with specific issues
1045	Fort Vale Engineering Ltd, Parkfield Works	Nelson	Brownfield	1.34	49	Scheme 13	Not Viable	330132.3	-343667	-13534.72
1049	Giles Street	Nelson	Brownfield	0.95	35	Scheme 13	Not Viable	233934.3	-343667	-109732.6965
1021	Mansfield High School	Brierfield	Brownfield	1.54	43	Scheme 13	Not Viable	379553.3	-343667	35886.28
BR028	Land adjacent to 170 Colne Road	Brierfield	Brownfield	0.11	6	Scheme 5	Not Viable	26934.45	-38484	-11549.555
CE078	Oak Mill, Skipton Road	Colne	Brownfield	0.78	58	Scheme 13	Not Viable	193236.1	-343667	-150430.89
CE080	Standroyd Mill, Cotton Tree Lane	Colne	Brownfield	1.09	45	Scheme 13	Not Viable	270332.9	-343667	-73334.13
CE120	J Blackburn, Clarence Street	Colne	Brownfield	0.24	8	Scheme 5	Not Viable	58810.99	-38484	20326.99
1065	Bright Street	Colne	Brownfield	0.29	6	Scheme 5	Not Viable	71289.79	-38484	32805.7925
527	Land to side of 2 Hawley Street	Colne	Brownfield	0.04	4	Scheme 5	Not Viable	9288.677	-38484	-29195.32305
1012	Glenroy Offices, Glenroy Avenue	Colne	Brownfield	0.06	2	Scheme 1	Not Viable	15229.08	-117521	-102291.9189
1003	Riverside Mill	Nelson	Brownfield	2.56	91	Scheme 17	Not Viable	632761.8	-566073	66688.7735

NN033	Land at Former Garage Site, Marsden Hall Road	Nelson	Brownfield	0.49	30	Scheme 13	Not Viable	122069.9	-343667	-221597.13
1030	Land off Hibson Road / Cobden Street	Nelson	Brownfield	0.20	11	Scheme 5	Not Viable	48852.66	-38484	10368.6585
NN095	Site of Former Riverside Mill, Reedyford Road, Charles Street	Nelson	Brownfield	0.35	9	Scheme 9	Not Viable	85251.23	-104352	-19100.775
1050	Barkerhouse Road Family Support Centre	Nelson	Brownfield	0.32	9	Scheme 9	Not Viable	78480.55	-104352	-25871.452
1048	Cooper Street	Nelson	Brownfield	0.09	8	Scheme 5	Not Viable	23079.61	-38484	-15404.393
1046	Russell Bros Ltd	Nelson	Brownfield	0.27	8	Scheme 5	Not Viable	67212.56	-38484	28728.56
167	Land at High Street	Nelson	Brownfield	0.09	7	Scheme 5	Not Viable	22199.91	-38484	-16284.0868
1031	Former playground off Rakeshouse Road	Nelson	Brownfield	0.07	6	Scheme 5	Not Viable	18278.36	-38484	-20205.64315
413	Land at the end of Bevan Place	Nelson	Brownfield	0.16	5	Scheme 5	Not Viable	39586.22	-38484	1102.221
414	Land to rear of 75 Reedyford Road	Nelson	Brownfield	0.08	4	Scheme 5	Not Viable	19684.38	-38484	-18799.6157
NN046	Former Garage Site, Bradley Road East	Nelson	Brownfield	0.04	1	Scheme 1	Not Viable	10625.52	-117521	-106895.485
1035	Land adjacent to 14 York Street	Barnoldswick	Brownfield	0.02	2	Scheme 3	Not Viable	4111.827	-62609	-58497.1728
1034	Works behind the former Seven Stars Public House	Barnoldswick	Brownfield	0.02	2	Scheme 3	Not Viable	5396.773	-62609	-57212.2268
38	Former Stone Yard	Brierfield	Brownfield	1.59	60	Scheme 13	Not Viable	393638.3	-343667	49971.265
127	Land off Glen Way	Brierfield	Brownfield	1.60	54	Scheme 13	Not Viable	396109.3	-343667	52442.315
1037	Richard Street Nurseries	Brierfield	Brownfield	0.98	35	Scheme 13	Not Viable	243052.5	-343667	-100614.522
66	Former School and Presbytery, Richard Street	Brierfield	Brownfield	0.42	17	Scheme 9	Not Viable	103512.3	-104352	-839.7155
57	Land off Wood Street	Brierfield	Brownfield	0.09	10	Scheme 9	Not Viable	21841.61	-104352	-82510.38905
1023	Car park off Junction Street	Brierfield	Brownfield	0.13	5	Scheme 5	Not Viable	30962.26	-38484	-7521.7435

131	Land between 84 and 94 Colne Road	Brierfield	Brownfield	0.02	4	Scheme 5	Not Viable	5031.058	-38484	-33452.9422
54	Land at Hartington Street	Brierfield	Brownfield	0.06	3	Scheme 5	Not Viable	14764.52	-38484	-23719.47625
35	Land off Thomas Street and Pendle Road	Brierfield	Brownfield	0.06	3	Scheme 5	Not Viable	14991.86	-38484	-23492.13965
146	Land to side of 190 Colne Road	Brierfield	Brownfield	0.05	2	Scheme 1	Not Viable	11500.27	-343667	-332166.7333
49	Land at Pickering Street	Brierfield	Brownfield	0.01	1	Scheme 1	Not Viable	3620.088	-117521	-113900.9118
1053	Spring Gardens Mill, Green Road	Colne	Brownfield	3.11	207	Scheme 17	Not Viable	768496.6	-566073	202423.55
1052	Walk Mill, Green Road / Spring Gardens Road	Colne	Brownfield	2.99	101	Scheme 17	Not Viable	738844	-566073	172770.95
1059	Green Works, Knotts Lane	Colne	Brownfield	0.29	29	Scheme 13	Not Viable	70424.93	-343667	-273242.075
1054	Northern Polytunnels, Mill Green, Waterside Road	Colne	Brownfield	0.43	25	Scheme 9	Not Viable	106255.2	-104352	1903.15
612	Land at Carry Lane	Colne	Brownfield	0.09	4	Scheme 5	Not Viable	21186.78	-38484	-17297.2173
645	Land to rear of Langroyd Road	Colne	Brownfield	0.01	1	Scheme 1	Not Viable	3471.825	-117521	-114049.1748
619	Land to side of 1 Sagar Fold	Colne	Brownfield	0.02	1	Scheme 1	Not Viable	4057.464	-117521	-113463.5359
1044	Former Joinery Works	Nelson	Brownfield	0.88	47	Scheme 13	Not Viable	216637	-343667	-127030.0465
217	Land opposite 1 and 3 Fry Street	Nelson	Brownfield	0.42	15	Scheme 9	Not Viable	104772.5	-104352	420.52
90	Land to rear of Pilgrim Street	Nelson	Brownfield	0.22	14	Scheme 9	Not Viable	53473.52	-104352	-50878.478
213	Land to rear of 12 Marsden Hall Road	Nelson	Brownfield	0.14	9	Scheme 9	Not Viable	33482.73	-104352	-70869.2725
94	Garages behind 270-286 Railway Street	Nelson	Brownfield	0.25	9	Scheme 9	Not Viable	60540.73	-104352	-43811.275
1014	Robert Street Garage Site	Nelson	Brownfield	0.22	7	Scheme 5	Not Viable	54486.65	-38484	16002.6525
1062	Nelson Discount Furniture, Cooper Street	Nelson	Brownfield	0.04	5	Scheme 5	Not Viable	8648.675	-38484	-29835.325

239	Land to rear of 9 and 10 Malvern Court	Nelson	Brownfield	0.05	4	Scheme 5	Not Viable	13155.87	-38484	-25328.1298
216	Land to rear of The Vicarage, Coleman Street	Nelson	Brownfield	0.10	4	Scheme 5	Not Viable	24834.05	-38484	-13649.9475
1061	Land to rear of 213 Hibson Road and side of 19 Delph Mount	Nelson	Brownfield	0.12	3	Scheme 5	Not Viable	30122.1	-38484	-8361.9005
288	Land to side of 46 Park Avenue	Nelson	Brownfield	0.06	3	Scheme 5	Not Viable	15849.31	-38484	-22634.6853
287	Land to rear of 1 Carr Hall Road	Nelson	Brownfield	0.03	1	Scheme 1	Not Viable	8201.415	-117521	-109319.5851
S205	Garage site, off Nora Street / Bolton Grove	Barrowford	Brownfield	0.16	5	Scheme 6	Marginal	39101.62	6695	
S204	Land at end of May Street	Barrowford	Brownfield	0.11	3	Scheme 6	Marginal	28352.33	6695	
S203	Garage Site, Pendle Street	Barrowford	Brownfield	0.09	3	Scheme 6	Marginal	22513.73	6695	
S233	Railway Street Shops	Brierfield	Brownfield	0.03	2	Scheme 1	Not Viable	7413.15	-117521	-110107.85
S086	Bridge Street Stoneyard	Colne	Brownfield	1.22	37	Scheme 13	Not Viable	301073.4	-343667	-42593.55467
S184	Land off Bridge Street	Colne	Brownfield	0.53	16	Scheme 9	Not Viable	130399.8	-104352	26047.77027
S185	Duckworth Mill, Skipton Road	Colne	Brownfield	0.48	14	Scheme 9	Not Viable	119054.5	-104352	14702.54328
S051	Land at corner of Colne Lane & Bold Street	Colne	Brownfield	0.24	7	Scheme 5	Not Viable	58718.94	-38484	20234.94195
S230	White Grove Garage Site	Colne	Brownfield	0.20	6	Scheme 5	Not Viable	49421	-38484	10937
S228	Thomas Street Car Park	Colne	Brownfield	0.04	2	Scheme 1	Not Viable	9884.2	-117521	-107636.8
S220	Dale Mill, Hallam Road	Nelson	Brownfield	1.62	49	Scheme 13	Not Viable	399703.7	-343667	56036.69124
S005	Manor Mill	Nelson	Brownfield	1.47	44	Scheme 13	Not Viable	363424.7	-343667	19757.70861
Totals					1468			9572129	-14120096	-5164174.484