

Dear Councillor

I have received requests from Cowling residents to clarify the position and assumption in relation to the costs per site of any development, particularly in relation to the highways element of costs, which is set out below:

Site	Estimated Cost of Development	Estimated Value	Opportunity	Total
1. Cowling Farm	£560,000 or up to £1,060,000	£300,000		£860,000 or up to £1,360,000
2. Yarrow Bridge	£590,000	£150,000 (commercial use) £6,000 (Green Belt land)		Up to £740,000
3. Cabbage Hall Fields	£520,000	£230,000 (low cost housing)		£750,000
4. Westhoughton Road	£480,000	£96,000 (commercial use) £6,000 (Green Belt land)		Up to £576,000
5. Ackhurst Road	£480,000	£500,000		£980,000
6. Northgate Drive	£480,000	£200,000 (low cost housing)		£680,000
7. Haworth Road (previously named Crosse Hall Lane)	£380,000	£160,000 (residential)		£540,000
8. Harrison's Farm	£600,000	£10,000 (Safeguarded land)		£610,000
9. Hut Lane	£300,000	£3,000 (Green Belt land)		£303,000

#### **Explanatory Note**

The costs for Cowling now include a minimum cost of highways provision up to 25m of road. This is, of course, based on a predetermination of the location of the development within the site. In addition, if the car park was used as access, the spaces would need to be replaced at a cost of circa £30k. The total cost could of course be increased if the length of road required is much longer. However, the analysis now offers members more of a comparison against other sites of the potential cost on as a like for like basis as can be determined at this stage.

In respect of Yarrow Bridge, the assumption is that a road would be required through the site as due to the nature of the site, any development could only take place at the rear of the site and the as so a sum of £60k has been allocated for this together with a further £50k for river contamination protection works.

I have again, for comparison purposes, added in an approximate cost for Ackhurst Road. I have amortised the current rental value as the Council would be required to buy out the current landowner and using this methodology I would anticipate the Council having to pay circa £500k.

The amended analysis shows that the cost differential including the opportunity cost do start to converge for many of the sites, but this is of course based on a number of assumptions, particularly in relation to the potential road layout at Cowling. The figures are shown gross of any grant assistance the Council may get from the Government as until a final proposition is determined it is not possible to estimate any assistance that may be forthcoming. In my comments in the main report I make the point that the site determination should be made on planning grounds. Therefore the financial aspects, whilst important, should not be the overriding factor determining the site to be allocated.

Gary Hall  
Chief Executive  
4 September 2014