

**Viability assessment for removal of conditions 14 & 15 on planning consent
2013/1098 – erection of a block of 18 no. apartments on site known formerly as
Sunnymede, Huddersfield Road, Penistone**

Background

Planning permission was originally granted on this site in December 2005 for 2 dormer bungalows and 16 apartments. The applicant purchased the site in October 2006. A subsequent planning approval ref. 2007/0591 was secured by the applicant on 15th June 2007 and a legal start made on site. Due to the economic downturn this consent was never built out. In order to assist in the scheme's viability the applicant has received a further consent ref. 2013/1098 (dated 24th December 2013) for the erection of 18 no. apartments and consent ref 2010/1072 for the erection of a single bungalow (dated 19th October 2010) . A legal start on the bungalow consent has also been made.

Scheme Proposal

The applicant is seeking to remove conditions 14 & 15 attached to consent ref. 2013/1098 on viability grounds.

Financial Viability Assessments

In line with the NPPF and other guidance, site specific financial viabilities are a material consideration in determining planning applications. As such, viability appraisals should be used to analyse and justify planning applications and ensure requirements do not make schemes unviable.

Residential Land Value

The financial viability of development proposals is determined using the residential land valuation method. A summary of this valuation process can be seen below:

GDV – (build costs, finance costs, sales fees, developers profit etc.) = residual land value

Economic Model Used

The financial analysis has been undertaken using the HCA's Development Appraisal Toolkit.

Economic Modelling Assumptions

The following assumptions have been adopted in assessing the value of the proposed scheme many of which are informed following similar discussions with the District Valuer and Leeds City Council on another scheme of the developer's within that Authority:

Basic site information	As per the planning approval
Unit areas	A schedule of unit floor areas has been calculated from the approved drawings
Private residential market values	Residential unit market values have been used in line with market research undertaken by the applicant

Build costs	As recently agreed with Leeds City Council and the District Valuer on another scheme of the applicant's, we have used build costs in line with the Royal Institute of Chartered Surveyors building cost information service database
Professional fees	We have made allowances in line with typical market assumptions
Contingencies	We have made allowances in line with typical market assumptions
Interest rates	We have made allowances in line with typical market assumptions
Timescales	We have made appropriate allowances for the timing of the construction period and subsequent sales period
Developer's return	We have made allowances in line with typical market assumptions

Conclusion

It is clear from the output of the toolkit that the proposed site cannot support any further costs associated with conditions 14 & 15 which were not requirements on previous consents for the site.