



Independent Viability Experts

FAO Ms Jessica Duffield
Senior Planning Officer
Barnsley Council

David Newham MRICS
Director
CP Viability Ltd
Our ref: DN-1293
Your ref: 2022/0016
Date: 9th April 2026

Sent by email only

Dear Ms Duffield

PROPERTY ADDRESS: Land north of Keresford Road Dodworth Barnsley S75 3QY
INSTRUCTING BODY: Barnsley Council
APPLICANT: Keepmoat Homes

Further to our initial viability report dated 22nd October 2025. This addendum should be read alongside that original report.

The site is comprised of previously agricultural land and areas of woodland. We understand that this extends to 7.73 Ha (19.10 acres) on a gross basis. The current planning application for the subject site is as follows: **2022/0016** - *“Residential development of up to 126 dwellings and associated works (Outline application with matters reserved apart from means of access)”*

Acting for the applicant, HEB undertook a viability review of the scheme in Sept 2025. HEB concluded that *“...the scheme for the purpose of assessing viability is deemed to be unviable...”*.

Acting as an independent assessor on the instruction of the Council, we undertook a viability review of the scheme on 22nd October 2025. We concluded that the scheme was viable with 30% onsite affordable housing and S106 contributions of £1,398,866. There were a number of appraisal assumption difference between our review and that submitted by HEB.



Please note, the abnormal costs allowance adopted in our model was based on 3rd party independent quantity surveyor advice, undertaken by Thornton Firkin on 16th October 2025. For context, HEB's viability appraisal included abnormal costs, Future Homes and EV Charging totalling £6,777,071. In our review, we accepted the EV Charging costs, however we removed the Future Homes allowance (for the reasons set out in para 4.20 of our Oct 25 report). Furthermore, we used Thornton Firkin's suggested abnormal costs of £2,007,806.

HEB submitted a rebuttal to our appraisal dated 5th January 2026 and furthermore the applicant provided additional evidence / detail regarding abnormal costs, which was forwarded to Thornton Firkin for review.

We subsequently submitted a rebuttal response to the Council, dated 16th Jan 2026. We made adjustments to the development programme and abnormal costs (which had increased significantly, on the advice of Thornton Firkin, from £2,007,806 to £4,815,665 (offset partially through a reduction in the benchmark land value from £2,865,000 to £1,910,083). With these adjustments, we found that the scheme was viable with 15.87% onsite affordable, plus S106 contributions totalling £1,398,866.

The applicant then provided further challenges to our findings, via an email to the Council on 23rd Jan 2026. This specifically raised queries about whether costs for garages had appropriately been allowed for and also Future Homes Standard.

We responded to the Council, via email, on 5th Feb 2026. We accepted an adjustment to cover garages, which resulted in a reduced affordable housing provision of 11.90%, plus S106 costs of £1,398,866.

Following our email, the applicant continued to raise concerns about viability, including issues such as the Building Safety Levy and the allowance in our appraisal for Buildings Regulations. However, they did forward an offer based on a S106 payment of £500,000 (but nil affordable housing). The Council asked us to consider this offer and provide our advice.

We subsequently revisited our assumptions and accepted that there was potential for compromise in these assumptions, together with finance. We submitted an updated appraisal to the Council, dated 19th Feb 2026, which showed a viable outcome on the basis of nil affordable housing, but S106 costs totalling £1,398,866.

The applicant has since forwarded an improved offer of £900,000. We have been asked to provide our comments on this level of offer and whether this can be accepted.

The difference between our last appraisal on 19th Feb 26 (S106 £1,398,866) and the applicant's offer (£900,000) is therefore £498,866.

We have subsequently revisited our appraisal, to establish what key differences remain between the applicant's position. This includes:

- Contingency (difference £326,182)
- Abnormal costs (difference £1,098,306)
- Finance (difference £578,843)

The above 3 elements of the appraisal show a difference of £2,003,331. Despite this, the applicant has looked to forward an improved offer and therefore have compromised on these elements (although we would stress we have not seen an appraisal per se to justify their offer of £900,000).

If, for example, we were to accept the applicant's finance costs (but retain our contingency and abnormal costs) this would mean an increase of £578,843 of costs in our appraisal. In our model, this would serve to reduce what could be viably provided as S106 costs down from £1,398,866 to £820,023 (i.e. below the applicant's offer).

Equally, if we were to make relatively small compromises on the contingency, abnormals and finance, this would push the outcome of our appraisal closer to the £900,000 offer currently forwarded by the applicant.

We would stress that if the Council were to reject the offer and the applicant was unable / unwilling to adjust their position, this could result in a refusal and in turn a planning appeal. At appeal, it is likely that the applicant would revert to their previous position of nil S106 contributions. As there can be no guarantees of success at appeal there is a risk that the applicant's current offer of £900,000 will fall away and the outcome would be zero contributions for the Council.

We would also make the point that, in our experience, at appeal an Inspector typically requests an updated viability appraisal in order to reach a decision. Owing to current macro-economic factors, the market is going through a period of high uncertainty and there is a real risk of market conditions deteriorating in the current months. As indicated above, there is no guarantees that, through an appeals process, the Council would secure a better outcome than the current offer.

Whilst we consider our most recent viability appraisal in Feb 2026 to be a reasonable position, we accept that the market is volatile at the current time and faces uncertainty going forward. We also accept that if further compromises were agreed in our appraisal assumptions, the outcome of our modelling would push closer to S106 contributions of £900,000 (or even lower).

On balance, with no guarantees that an appeals process would secure a better outcome, it is our professional opinion that the current offer of £900,000 is at an acceptable level (in the context of avoiding the time, cost and risks associated with an appeal). However, we would stress that this is the minimum acceptable level, any figure below this should be, in our view, rejected.