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**ON BEHALF OF WAIN HOMES (NORTHWEST) LIMITED**

**REBUTTAL TO VIABILITY MATTERS IN THE PROOF OF  
EVIDENCE OF MR. B. O'BRIEN**

**PROPOSED RESIDENTIAL DEVELOPMENT ON LAND AT A57 DINTING VALE,  
GLOSSOP.**

**PINS REF: APP/H1033/W/24/3339815**

**JUNE 2024**

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## **1.0 Introduction**

- 1.1 This rebuttal seeks to address matters raised by Mr O'Brien in respect of viability issues.

## **2.0 Evidence in Relation to Viability Matters**

- 2.1 Section 5 of Mr O'Brien's evidence deals in part with viability matters. Whilst at paragraph 5.29 he acknowledges that Policy H4 provides for the testing of financial viability, he goes on to suggest in paragraphs 5.31 to 5.33 that this was on the basis that a Community Infrastructure Levy (CIL) was being considered at the time of preparation of the Local Plan. This has not occurred and therefore he suggests the weight given to financial viability testing within the policy is questioned.
- 2.2 I would point out that there remains, within national policy (NPPF paragraph 58) and prevailing guidance, (PPG-Viability paragraphs 007 and 008) the provision for viability testing of all individual sites at the application stage, regardless of any local decision not to proceed with CIL charging. Viability assessment of development schemes is not limited in the way that has been implied to the whole of a site allocation. The preparation of the area wide high-level viability assessment was a requirement to inform the Local Plan process, and the output has since been used in all other application stage assessments, although it is now considered to be out of date.
- 2.3 Since the completion of the Local Plan Viability Test Report (VTR) in 2014 there has been significant changes in the levels of many of the cost and value inputs that were adopted, as already highlighted in paragraph 3.13 of my Proof of Evidence (PoE).
- 2.4 At the time the VTR was completed the viability assessment of the Dinting Vale allocation was found to be marginal, and therefore a relatively small increase in overall costs (or fall in values) would have negatively impacted this conclusion. This is acknowledged at paragraph 5.38 of Mr O'Brien's evidence and is also referred to in 3.14 of my PoE.

- 2.5 In addition to the many changes in the levels of appraisal inputs since the completion of the VTR, there have also been a number of national policy changes and world events, unforeseeable at the time that it was prepared, that have also adversely impacted upon development costs. These are set out in paragraphs 3.15 and 3.16 of my PoE and include the costs associated with Biodiversity Net Gain, recent changes to Parts L and F of the Building Regulations, Future Homes costs, (that are now likely to impact a number of dwellings on this site), finance costs and the high level of build cost inflation in recent years due to Brexit, Covid 19 and most recently the ongoing war in Ukraine impacting energy prices.
- 2.6 The scope and level of additional abnormal costs considered in the VTR in 2014 for the Dinting Vale site allocation is also significantly less than that ultimately assessed and costed as part of the agreed site specific assessment of the appellants detailed scheme. Again, national policy and guidance makes provision for these additional site-specific costs to be considered at the application stage, (PPG - Viability Paragraphs 007 and 008).
- 2.7 At 5.40 of his evidence Mr O'Brien states that:  
*"The appellant has not provided evidence as to whether the development of the whole of the allocated site for its full housing allocation of 130 dwellings would produce an adequate financial uplift to provide the required affordable housing contributions."*
- 2.8 Notwithstanding my firm view that it is not required by policy at national or local level this "criticism" has already been addressed in my own evidence where I have now completed a wider assessment of the full site allocation based on a series of reasonable assumptions. This is set out in detail in my PoE at paragraphs 4.1 to 4.25. The results of this assessment is detailed in Appendix A of my POE and summarised in paragraphs 5.1 to 5.3 of the PoE. I would however stress that at no point does Mr O'Brien produce any evidence to support the view that viability assessments must be for an allocation in its entirety when an application is made for only a part of that allocation. Importantly, nor does he provide any viability assessment to support his assertion. I would also point out that there is nothing in the Inspector's report that required an applicant to make such an assessment and it is therefore unjustified to now, belatedly, seek such an assessment.

- 2.9 Whilst it is clear that Mr O'Brien does not challenge the viability assessment made within the application, he fails to acknowledge that the viability assessment of a specific planning application requires a much more detailed knowledge of the site. It is therefore specific to the site, and also the development proposals of the applicant for the site. This is not the case at the plan making stage where a typology-based approach is adopted and a series of "broad brush" assumption are made across a range of sites.
- 2.10 Finally, I would also point out that HPBC adopted a new SPD in October 2023, (very shortly after the committee decision for the site) that considered Developer Contributions. Within this SPD at paras 3.15 to 3.17 there remains provision for a detailed viability assessment at the application stage to determine the appropriate level of affordable housing and other s106 contributions. The SPD does not in any way suggest that viability can no longer be considered given the non-implementation of CIL charging.

### 3.0 Conclusions

- 3.1 It is reasonable to conclude that the approach adopted and the agreed position on viability that has resulted from this approach has conformed with current national policy and guidance. Notwithstanding this, it is also demonstrated in my evidence that a somewhat over-optimistic viability assessment of the total allocation does not result in an improved position as has been asserted by Mr O'Brien in his evidence. The concerns expressed by Mr O'Brien in his conclusions are therefore unfounded.



Dated: 30<sup>th</sup> May 2024

R. Heathcote BSc(Hons)