

Financial Viability Assessment

Land off Boroughbridge Road, York_Karbon Homes



Introduction

AspinallVerdi appointed by Karbon Homes to prepare a financial viability assessment in connection with a section 78 appeal against the decision of the City of York Council to refuse planning permission for the erection of 60 affordable housing homes and associated infrastructure. The scheme comprises 100% affordable housing.

Our assessment formed part of the Statement of Case, providing evidence to demonstrate that the scheme cannot meet the costs of the full S106 requirements.

Background

The site is located within the York Green Belt and in 2014 was allocated for residential development in the Draft Publication Plan. This was subsequently withdrawn. The site remains unallocated.

The planning application was refused on two grounds; the first reason related to the site's location within the general extent of the Green Belt (see figure). The second reason related to an education financial contribution.



We undertook detailed market analysis to inform our value assumptions for the three affordable housing tenures and the benchmark land value (which was based on the Existing Use Value + premium approach). Identity Consult prepared a detailed cost plan.

Outcome

AspinallVerdi prepared a Financial Viability Assessment for the proposed scheme in accordance with the requirements of the NPPF/PPG Viability and RICS Financial Viability in Planning Conduct and Reporting Professional Statement (May 2019).

Through our detailed analysis including the preparation of financial appraisals we concluded the scheme could not sustain the education contribution whilst delivering 60 much needed affordable units on the outskirts of York.

We are currently preparing for the Appeal hearing.

