

Appendix 6 – Stakeholder Consultation Presentation and Feedback



Wigan Borough Council – Local Plan Viability Stakeholder Workshop

Tuesday 14th October 2025

10:30am – 12pm

1. Introduction
2. Local Plan Viability Context
3. Methodology
4. Research and Emerging Assumptions
5. Feedback and Next Steps

About AspinallVerdi



- Specialist Property Development Consultants
- RICS GP and P&D Surveyors / RTPI
- Local Plan / Affordable Housing Viability
- CIL Viability Studies
- RTPI England Policy Panel / RICS FVIP Panel
- Homes England Property Panel
- Financial Viability Appraisals for S106
- Market Studies to support change of use
- Heritage - Conservation Deficit / Enabling Dev. Appraisals
- London | Leeds | Liverpool | Newcastle | Birmingham | Manchester



Objectives of the Study

Viability Assessment of Wigan Borough Council's new Local Plan:

- To undertake a Local Plan Viability Assessment in accordance with national policy and guidance, and to investigate the context for establishing a local viability level and the mechanisms to deliver development
- The Viability Study will provide evidence that the policies are realistic and do not undermine the delivery of the plan, in accordance with the guidance in the National Planning Policy Framework (NPPF).

Purpose of the Workshop

- To explain our methodology and emerging assumptions
- To engage and receive feedback
- We will then refine and revise the assumptions
- Run viability appraisals
- Make recommendations to Wigan Borough Council

1. Introduction
2. Local Plan Viability Context
3. Methodology
4. Research and Emerging Assumptions
5. Feedback and Next Steps

NPPF (Dec 2024)

2024 Para 35. Plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure (such as that needed for education, health, transport, flood and water management, green and digital infrastructure). Such policies should not undermine the deliverability of the plan.

2024 Para 59. Where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable.....

.... All viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in national planning practice guidance, including standardised inputs, and should be made publicly available.

How should plan makers and site promoters ensure that policy requirements for contributions from development are deliverable?

Includes sections on:

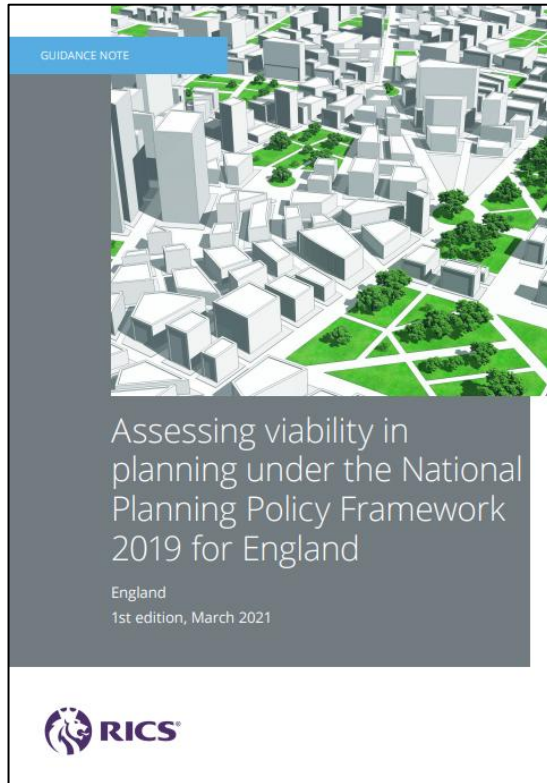
- Viability and plan making
- Viability and decision taking
- Standardised inputs to viability assessment

- Policy requirements should be informed by evidence of infrastructure and affordable housing need, and a proportionate assessment of viability that takes into account all relevant policies, and local and national standards, ***including the cost implications of the Community Infrastructure Levy (CIL)*** and section 106
- Policy requirements should be ***clear so that they can be accurately accounted for in the price paid for land***. To provide this certainty, affordable housing requirements should be expressed as a single figure rather than a range
- ***Different requirements*** may be set for ***different types*** or location of site or types of development

- Paragraph 010 - What are the principles for carrying out a viability assessment? - *strike a balance*
- Paragraph 011 - How should gross development value be defined for the purpose of viability assessment? - *Sales values evidence; rents and yields*
- Paragraph 012 - How should costs be defined for the purpose of viability assessment? - *All costs; including abnormals*
- Paragraph 013 - How should land value be defined for the purpose of viability assessment? - *‘existing use value plus’ (EUV+).*
- Paragraph 018 -How should a return to developers be defined for the purpose of viability assessment? - *15-20% of gross development value (GDV)*

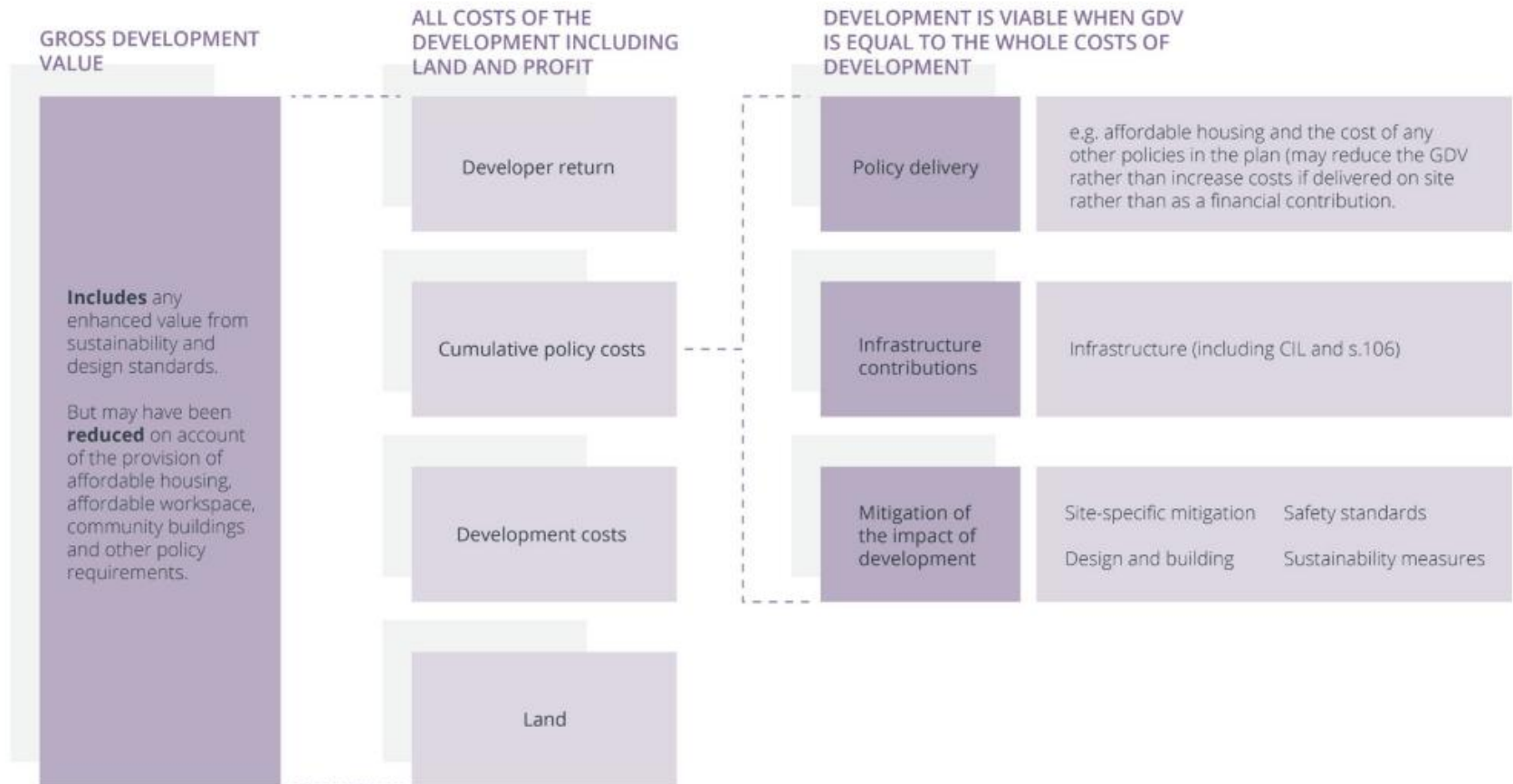
1. Introduction
2. Local Plan Viability Context
3. Methodology
4. Research and Emerging Assumptions
5. Feedback and Next Steps

RICS AVIP from 1 July 2021



- Was reissued in April 2023 as a Professional Standard. It was previously published in March 2021 as a Guidance Note. The regulatory requirements remain the same and no material changes have been made to the document.
- Best Practice for RICS Members
- Includes viability testing CIL
- Differential rates: Geographical zones; Types of development; Scale of development, Uplift in land value where, e.g. the site typologies are *greenfield or brownfield*
- Differential rates can be set for strategic sites - higher or lower - taking into account the requirement to deliver specific elements of infrastructure
- The impact of the CIL should be considered alongside the impact of other policy requirements.

AVIP – Residual Valuation Framework



Best Practice Model

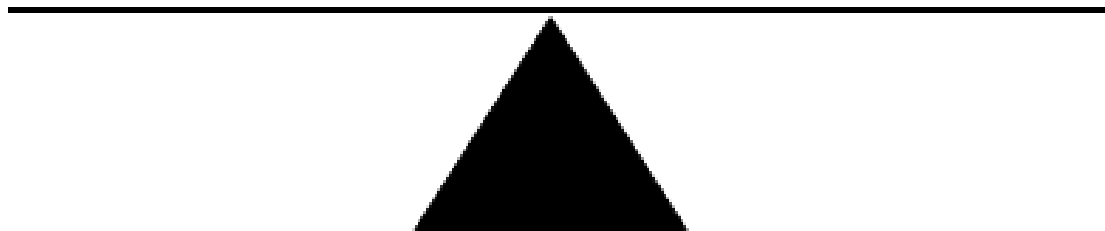
GDV (inc. AH)

Less

- Fees
- S106/CIL
- Build costs
- Profit
- Interest etc.

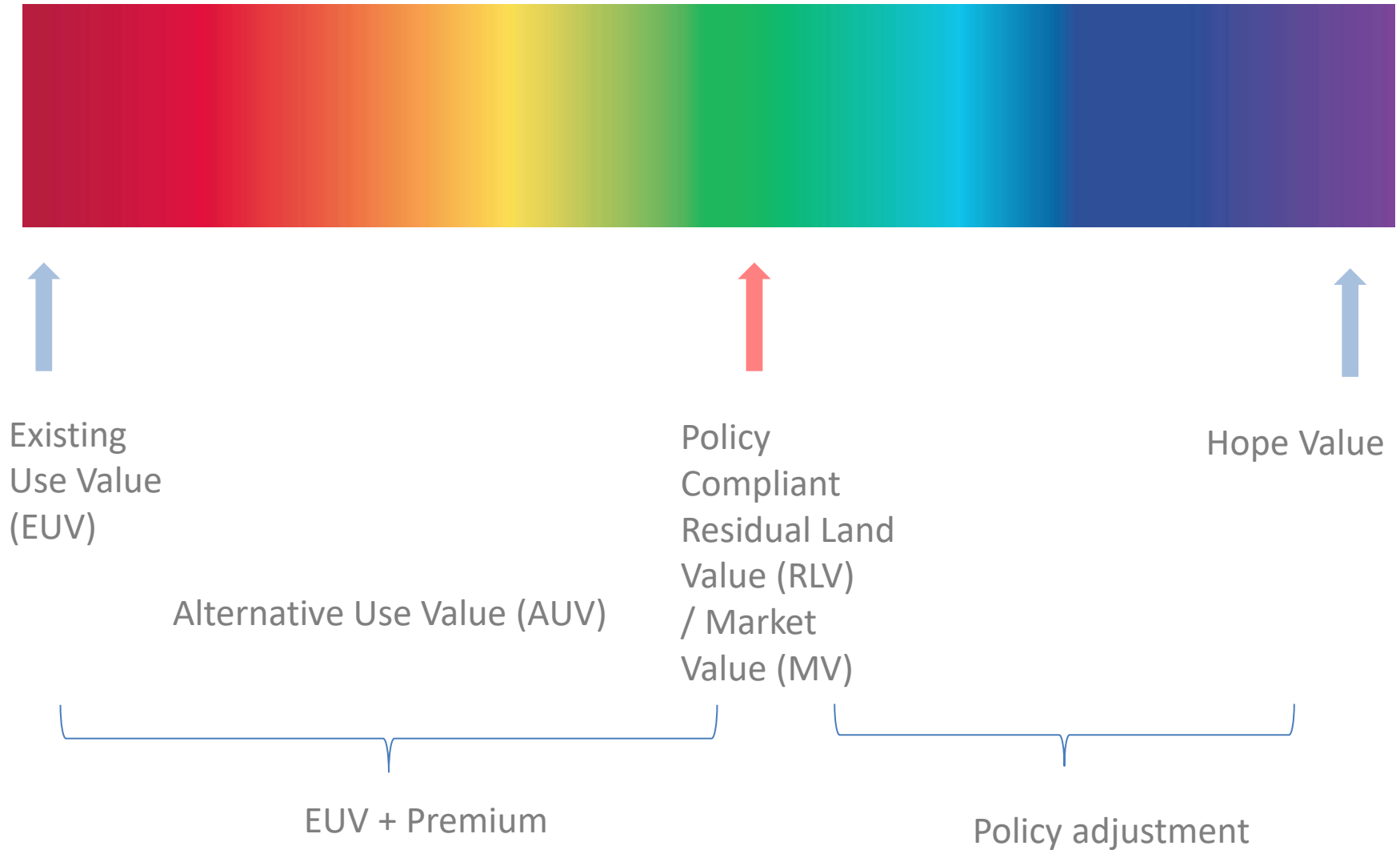
= RLV

No. Units / Size
x Density
= size of site (ha)
x BLV (£/ha)
= BLV



© Copyright AspinallVerdi

BLV Summary

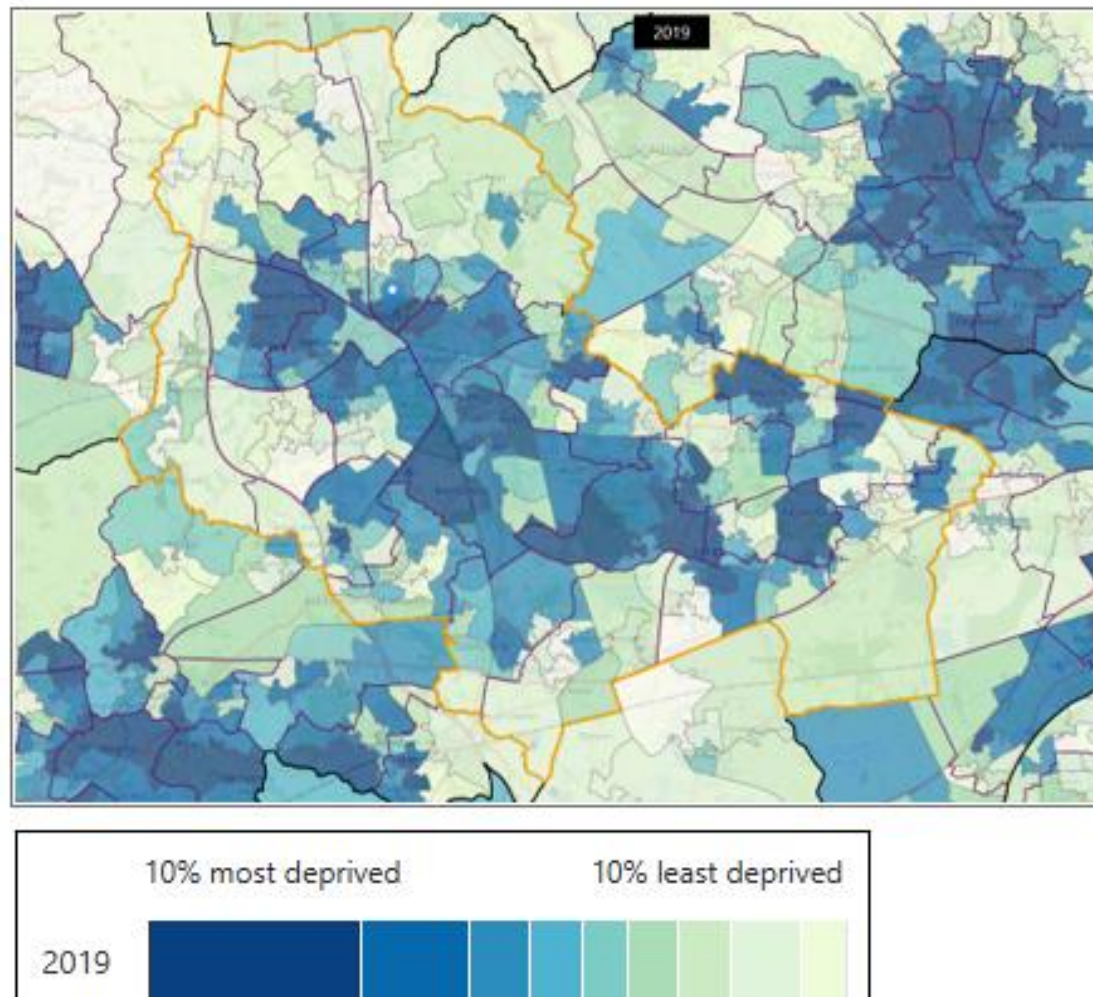


1. Introduction
2. Local Plan Viability Context
3. Methodology
4. Research and Emerging Assumptions
5. Feedback and Next Steps

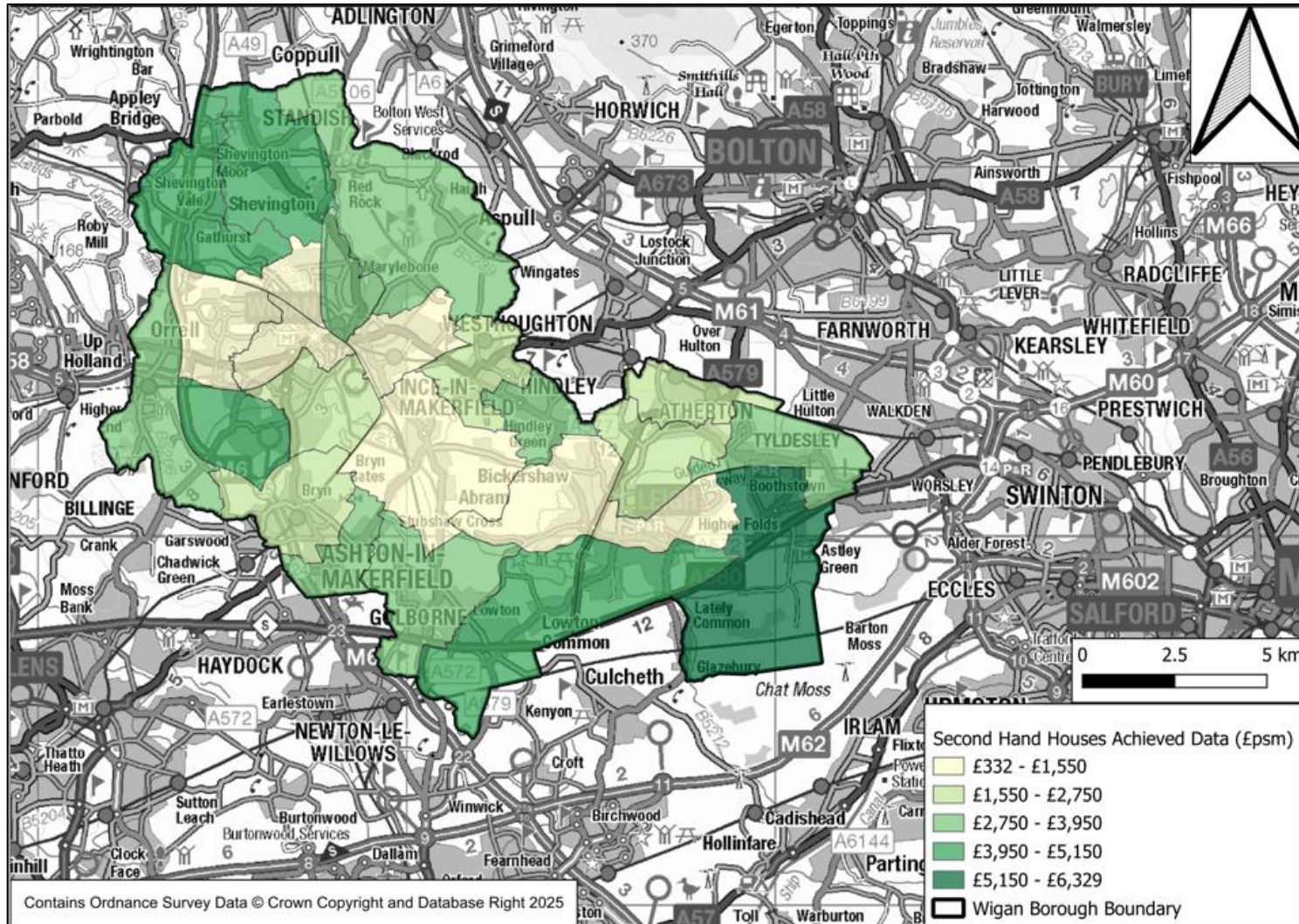
Residential Values Market Research Paper

- UK and Regional Market Overview
- Existing Evidence Base on Residential Sales Values
- AspinallVerdi Research
 - New Build Achieved Values
 - New Build Asking Prices
 - Second-Hand Achieved Values
 - Site-specific viability assessments
- Conclusions
 - Market Housing Value Assumptions
 - Value Zones

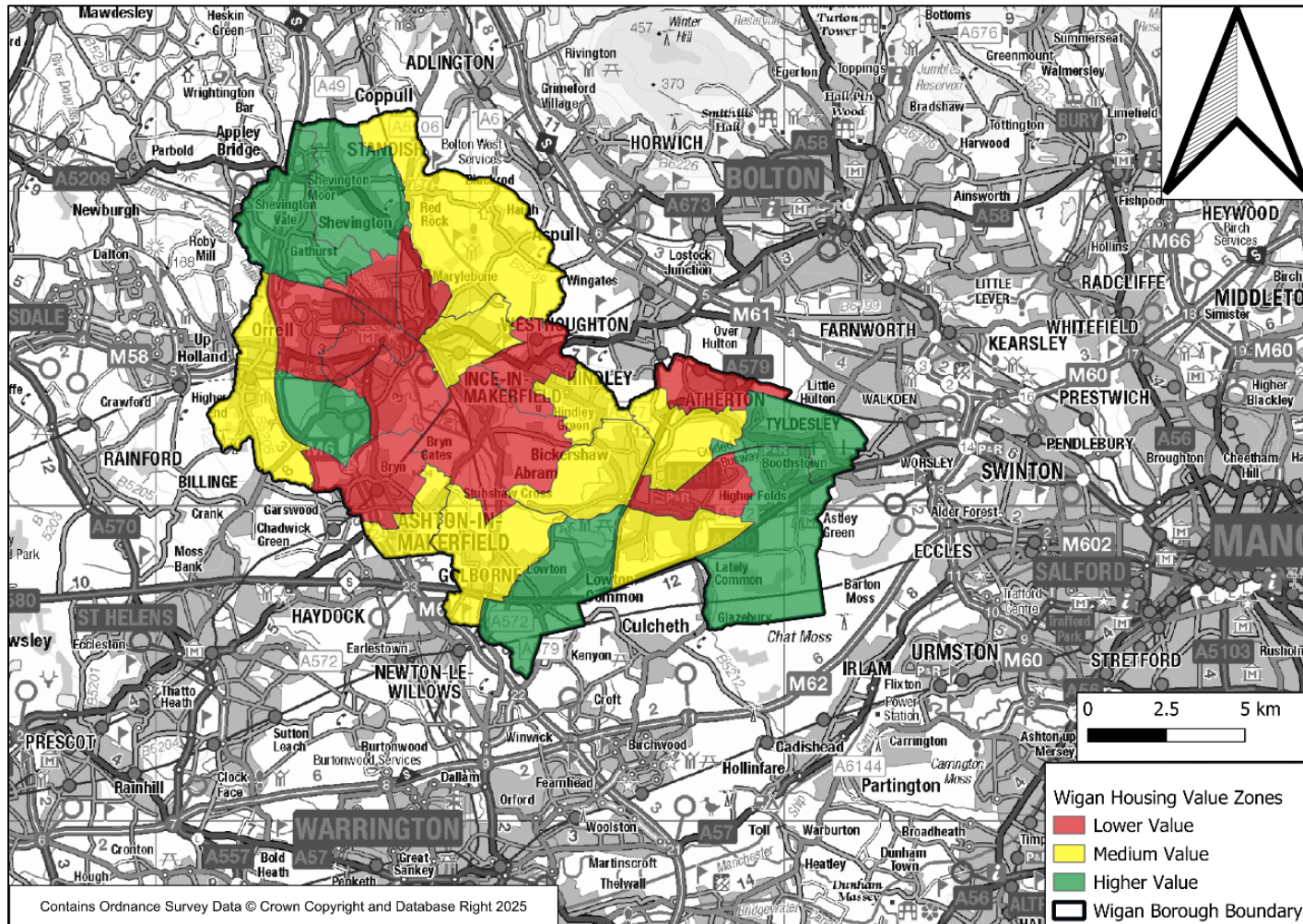
Index of Multiple Deprivation



Second Hand Achieved Values 2023 - 2025



Value Zones by Ward



Residential Value Assumptions 2025

Unit Type	Floor Area sqm	Lower Value	Median Value	Higher Value
1 Bed Apartment	50	£125,000	£130,000	£145,000
2 Bed Apartment	62	£140,000	£150,000	£160,000
2 Bed House	70	£220,000	£245,000	£285,000
3 Bed House	102	£310,000	£330,000	£365,000
4+ Bed House	130	£395,000	£425,000	£480,000

Residential Value Assumptions, £ psm 2025

Unit Type	Floor Area sqm	Lower Value	Median Value	Higher Value
1 Bed Apartment	50	£2,500	£2,600	£2,900
2 Bed Apartment	62	£2,258	£2,419	£2,581
2 Bed House	70	£3,143	£2,970	£4,071
3 Bed House	102	£3,039	£3,045	£3,578
4+ Bed House	130	£3,038	£3,076	£3,692

Garage Assumptions

- 3 bed houses - 50% have garages;
- 4 bed houses - 100% have garages;

- £11,754 cost per garage space

*cost not included for core and flatted typologies.

Affordable Housing Targets

25% across Greenfield and Brownfield typologies
50% for Green Belt

Affordable Housing Assumptions

Tenure	AH Tenure Mix	AH Value (% of MV)
Affordable Rent	30%	70%
Social Rent	45%	50%
Shared Ownership	25%	70%

Cost Assumptions – Initial Payments

Item	Assumption	Comments
Planning Application Professional Fees and reports	Allowance for typology	Generally x 3 Stat Planning fees
Statutory Planning Fees	Based on national formula	
Site Specific S106	Total: £5,500 unit:	Provided by Council including open space, sport provisions, education and healthcare Please note further 106 costs will be analysed at a <u>site-specific</u> basis.

Cost Assumptions – Construction

Item	Build Cost	Comments
Site Clearance, Demolition & Remediation	£123,550 per hectare if brownfield	If brownfield site clearance / remediation allowance (as for Local Plan viability)
Site Infrastructure Costs	Inc. in External Works for generic typologies	
Estate Housing (General)	£1,710 psm	Median BCIS, Wigan (last 5 years) We have used median BCIS cost in our baseline assumptions.
Flats – Supported housing (generally)	£2,260 psm	Median BCIS. Supported housing generally is used for specialist accommodation appraisals.
Flats (apartments) 6+ storeys	£2,522 psm	Median BCIS. Flats (apartments) is used for Build to Rent appraisals.
Garages	£11,754 per garage	
External Works	15%	
External Works – Build to Rent and specialist accommodation only	10%	

Cost Assumptions – Design Policies

Item	Cost	Comments
Biodiversity Net Gain Costs (BNG)	£1,137 per unit for greenfield sites £242 per unit for brownfield sites	DEFRA Biodiversity net gain and local nature recovery strategies Impact Assessment (15/10/2019) (Reference No: RPC-4277(1)-DEFRA-EA).
M4(2) Category 2 – Accessible and Adaptable housing	+£1,400 per unit 100% of all units	(DCLG housing Standards Review, Final Implementation Impact Assessment, March 2015, paragraphs 153 and 157)
M4(3) Category 3 - Wheelchair Adaptable dwellings	+£15,691 per unit (Flats) +£26,816 per unit (Houses) 5% of units on major development sites	Housing Standards Review EC Harris Wheelchair Housing Design Guide

Cost Assumptions – Design Policies (cont.)

Item	Assumption	Comments
Net Zero Carbon (2025 Standard)	£6,500 per unit £2,260 per unit for Part F&L	From Jacobs Net Zero Report 2023 (Commissioned by BCC)
EV Charging	£1,000 per unit house £2,500 per 4 flats	From HM Government (Department for Transport), Electric Vehicle Charging in Residential and Non-Residential Building, July 2019

Cost Assumptions - Other

Item	Assumption	Comments
Contingency	Greenfield 3% Brownfield 5%	Greenfield / brownfield
Professional Fees	7%	Based on recent EVA evidence.
OMS Marketing and Promotion	3%	% of OMS GDV Note that the marketing and promotion costs have to be considered 'in-the-round' with the sales values and gross profit (where developers have internal sales functions).
Sales Agent	1%	As above
Sales Legal	0.25%	As above
AH Legal	£10,000	

Residential Cost Assumptions – Finance, OH&P

Item	Assumption	Comments
Debit Interest	7%	Applies to 100% of cashflow to include Finance Fees etc.
Profit on Market Sales	20%	With sensitivities between 15% and 20%
Profit on Affordable Housing	6%	

- Based on allocations and likely development in Plan period – sites provided by WBC
- Typologies are sites with shared characteristics such as location/value zone, brownfield, greenfield or green belt, size of site and current and proposed use or type of development.
- The characteristics used to group sites should reflect the nature of typical sites that may be developed within the plan area and the type of development proposed for allocation in the plan.
- Unit sizes based on Nationally Described Space Standards – and Market Evidence.

Unit Sizes

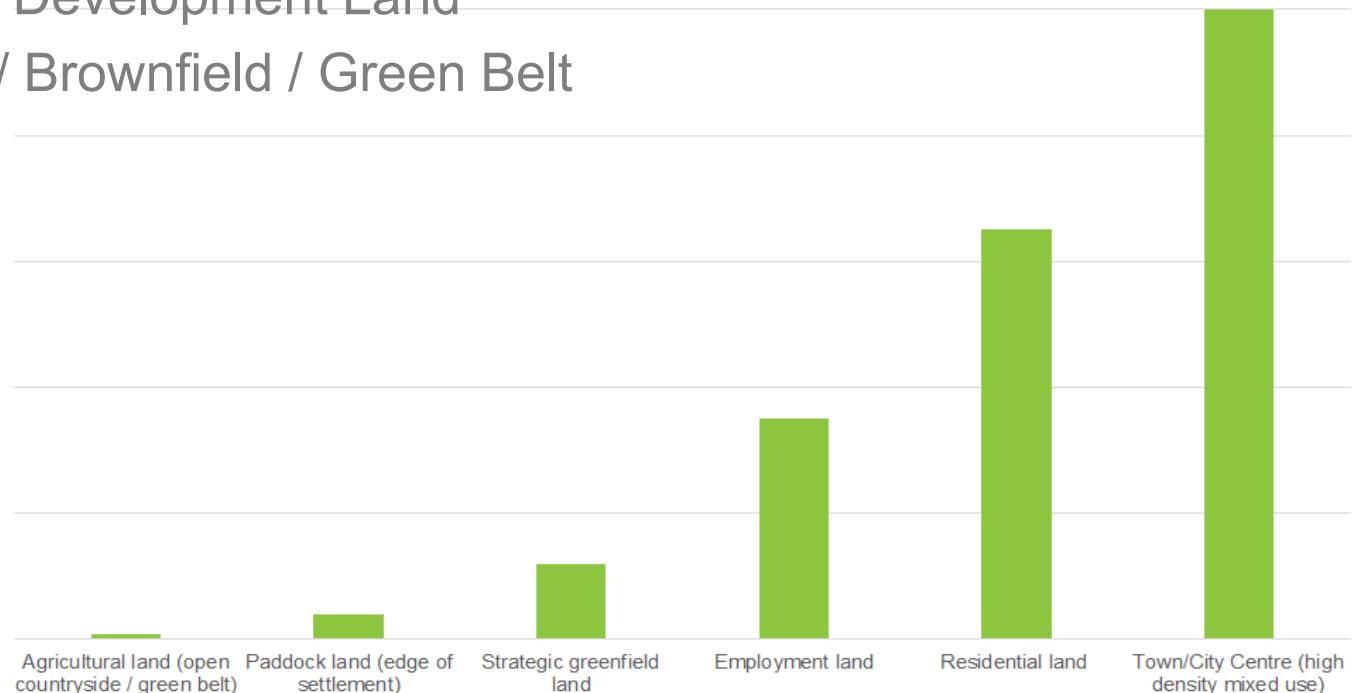
We have assumed the floor areas as follows:

- 1 Bedroom Flat — 50 sqm
- 2 Bedroom Flat — 62 sqm
- 2 Bedroom House — 70 sqm
- 3 Bedroom House — 102 sqm
- 4 +Bedroom House — 130 sqm

Benchmark Land Value (BLV)

Approach:

- Existing Evidence Base Review
- UK Land Context
- Agricultural / Paddock Land
- Residential Development Land
- Greenfield / Brownfield / Green Belt



BLV – Working Assumptions

Typology	Location	Greenfield /Brownfield	EUV -					Uplift Multiplier	BLV -	
			(per acre) (gross)	(per ha) (gross)	Net: Gross (%)	(per acre) (net)	(per ha) (net)		(per acre) (net developable) (rounded)	(per ha) (net developable) (rounded)
Residential	Low Value Area	Greenfield	£12,000	£29,652	80%	£15,000	£37,065	10.0	£150,000	£370,650
Residential	Medium Value Area	Greenfield	£12,000	£29,652	80%	£15,000	£37,065	12.5	£187,500	£463,313
Residential	High Value Area	Greenfield	£12,000	£29,652	80%	£15,000	£37,065	15.0	£225,000	£555,975
Residential	Low Value Area	Brownfield	£250,000	£617,750	100%	£250,000	£617,750	5.00%	£262,500	£648,638
Residential	Medium Value Area	Brownfield	£250,000	£617,750	100%	£250,000	£617,750	7.50%	£268,750	£664,081
Residential	High Value Area	Brownfield	£250,000	£617,750	100%	£250,000	£617,750	10.00%	£275,000	£679,525
Commercial	All Areas	Brownfield	£325,000	£803,075	100%	£325,000	£803,075	5.0%	£341,250	£843,229
Residential	All Areas	Green Belt	£12,000	£29,652	80%	£15,000	£37,065	5.0	£75,000	£185,325

- We would welcome more comparable land value evidence for all land uses (including any minimum land value clauses within agreed option agreements).
- We need specific details of:
 - the existing use (greenfield / brownfield);
 - transaction date;
 - net and gross site area;
 - price paid;
 - planning consent (including affordable housing % and S106 details)
 - abnormal costs
- ***Any confidential information will be treated as such***

1. Introduction
2. Local Plan Viability Context
3. Methodology
4. Research and Emerging Assumptions
5. Feedback and Next Steps

Wigan Borough Council Feedback

Send written observations/evidence to –

By email to: Wigan email address

Deadline for evidence – 21st October 2025 (1 week from workshop)

Next Steps

1. Review workshop feedback
2. Refine assumptions
3. Run appraisals
4. Prepare recommendations / report to members
5. Publication of Viability Report – for public consultation
6. Examination

Any final questions?

Please participate / provide feedback

Stakeholder Responses

Good Morning Planning Policy Team and David Kearsley,

Thank you for the invite to this morning's *Local Plan Viability Assessment – Consultation Event*. I found the session insightful and informative.

However, I'm concerned that the assessment appears too broad, covering residential values across the whole borough rather than at ward level. Could the analysis presented on page 21 be replicated for each ward individually?

Additionally, it would be very useful to cross-reference each ward's residential values with the average accommodation sizes for that ward to provide a clearer and more accurate picture of viability across the borough.

-

PWA worked with the council on 'Arcade House & Wallpaper Supplies' planning application (across the road from the town hall), of which gained planning in April 2025.

The council appointed the services of Keppie Massey of whom assessed the viability of the project and surrounding area with a study radius of 1.5km, they found the residential values were vastly different.

I support the values of the Aspinall Verdi assessment, but attracting residential developers to the area is unfortunately and increasingly difficult.

Kind Regards

Patrick

PATRICK WILSON | DIRECTOR