Optimum Viable Use Assessment

Supporting Applications for Planning Permission and Listed Building Consent

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Proposed Removal of the Holiday Occupancy Restriction
Creation of Private Residential Amenity Space
Alterations to the Grade II Listed Barn Approximately 20 Metres North of The Hermitage
Historic England List Entry No. 1189123



The Hermitage, Ipstones Bank
Froghall
Staffordshire
ST10 2HQ

Prepared on behalf of the Applicants July 2026

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The Heritage Asset

The subject of this assessment is the former agricultural barn located approximately 20 metres north of The Hermitage, Hermitage Farm, Ipstones Bank, Froghall, Staffordshire Moorlands.

The building is designated as a Grade II Listed Building, reflecting its special architectural and historic interest.

Listing Details

Heritage Category: Listed Building

Grade: II

List Entry Number: 1189123

Date First Listed: 15 December 1986

List Entry Name: Barn Approximately 20 Metres North of The Hermitage

Statutory Address: Barn Approximately 20 Metres North of The Hermitage, Far Lane, Ipstones Bank, Froghall

Description of the Listed Building

The building dates from the early eighteenth century and is constructed of coursed dressed and squared red sandstone beneath a tiled roof with chamfered eaves and verge parapets. It was originally built as a traditional agricultural barn comprising a two-level arrangement with a hay loft above cattle sheds and retains a long principal elevation measuring approximately 25 metres in length.

The Historic England list description records a single hay loft opening to the upper level together with three original ground floor openings beneath heavy stone lintels. Although the building has undergone later alterations, including twentieth-century interventions and its subsequent conversion, it continues to retain its historic agricultural character and makes an important contribution to the significance of the wider Hermitage Farm complex.

The building is included on the National Heritage List for England not only for its individual architectural interest but also for its group value as part of the historic farmstead.

National Grid Reference: SK0214847941

Purpose of this Assessment

This assessment has been prepared to consider whether there are realistic, and economically sustainable alternative uses for the converted barn accommodation at The Hermitage Farm and to determine whether permanent residential occupation represents the optimum viable use of the building.

The report has been produced in response to observations made during the previous planning appeal, where it was noted that insufficient evidence had been provided to demonstrate that alternative uses had been fully explored before concluding that permanent residential occupation was the most appropriate long-term use.

The purpose of this assessment is therefore to provide an objective and evidence-based appraisal of the principal alternative uses that could reasonably be expected to apply to a converted rural Grade II listed agricultural building of this type. Each potential use is considered against a consistent set of criteria, including:

- Planning policy and planning constraints.
- Heritage considerations and the impact on the significance of the listed building.
- Physical suitability of the building.
- Local market demand.
- Operational practicality.
- Financial viability.
- Long-term sustainability.
- The ability of the proposed use to secure the continued conservation and maintenance of the heritage asset.

The assessment draws upon the building's trading history, financial performance, occupancy data, investment undertaken by the current owners, site characteristics, planning history and wider market considerations.

The objective is not simply to identify uses that may be physically possible, but to determine which use is capable of providing a realistic, sustainable and economically viable future for the building while preserving its special architectural and historic interest. The report concludes by comparing each realistic alternative and explaining why the proposed permanent residential occupation represents the optimum viable use in the particular circumstances of this site.

1. Introduction

The Hermitage Barn forms part of the Grade II listed Hermitage Farm complex and has been sympathetically converted to provide four self-contained units. The building occupies a prominent position within the historic farmstead and represents an important component of the significance and character of the wider heritage asset.

The long-term conservation of any listed building relies upon securing a use that is both economically viable and compatible with its historic significance. Whilst a number of different uses may be theoretically possible, not all uses are capable of providing a realistic, sustainable or deliverable future for the building.

This assessment has therefore been prepared to examine the principal alternative uses that could reasonably be considered for the building and to determine which represents its optimum viable use. The assessment considers each realistic option against a consistent range of criteria, including planning policy, heritage impact, physical suitability, operational requirements, market demand, financial viability and long-term sustainability.

The report draws upon the building's planning history, four years of operational experience, trading and occupancy data, investment undertaken by the current owners, and the physical characteristics of both the building and its rural location. Where appropriate, wider market conditions and practical operational considerations are also taken into account.

The purpose of this report is not simply to identify uses that are theoretically possible, but to establish which use is capable of securing the long-term preservation, maintenance and beneficial occupation of the listed building while remaining realistic, economically sustainable and compatible with the objectives of national and local planning policy.

2. Site Characteristics and Constraints

The building forms part of a Grade II listed historic farmstead in a rural location. Its heritage significance, courtyard layout, limited scope for alteration, reliance on private vehicles, absence of significant passing trade, and existing subdivision into four self-contained units are fundamental characteristics that influence every potential use assessed within this report. These constraints are common to all options and should be read as applying throughout the assessment.

3. Assessment Methodology

This assessment adopts a structured and consistent methodology to ensure that each potential use is evaluated against the same criteria. The objective is to provide an impartial comparison of the realistic alternatives before determining which use represents the optimum viable use of the building.

The assessment recognises that the existence of a theoretically possible use does not necessarily mean that it is practically achievable or economically sustainable. A use will therefore only be regarded as a realistic alternative where it can satisfy planning, heritage, operational and financial considerations over the long term.

Each potential use is assessed against the following criteria:

3.1 Planning Considerations

The extent to which the proposed use is consistent with national and local planning policy, together with the likelihood of obtaining any necessary planning permissions or listed building consent.

3.2 Heritage Impact

The effect of the proposed use on the special architectural and historic interest of the Grade II listed building, including whether additional alterations would be required and whether the use would preserve or enhance the significance of the heritage asset.

3.3 Physical Suitability

Whether the existing layout, scale, location and construction of the building are suitable for the proposed use without requiring substantial alteration or compromising its historic character.

3.4 Market Demand

The level of realistic market demand for the proposed use within the local area, taking account of the rural location, accessibility and prevailing market conditions.

3.5 Financial Viability

Whether the proposed use is capable of generating sufficient income to justify occupation, management and ongoing investment in the building while providing a sustainable long-term future.

3.6 Operational Practicality

The practical considerations associated with operating the proposed use, including access, servicing, parking, management requirements, neighbouring land uses and day-to-day functionality.

3.7 Long-Term Conservation

The extent to which the proposed use would secure the continued occupation, maintenance and conservation of the listed building and reduce the risk of future deterioration.

3.8 Overall Sustainability

An overall assessment of whether the proposed use represents a realistic, deliverable and sustainable long-term solution when all of the above factors are considered collectively.

Each alternative use is considered individually before being compared against the other options. The final section of this report draws together the findings to determine which use

best secures the long-term future of the listed building while respecting its heritage significance and meeting the objectives of national and local planning policy.

4. Alternative Use Assessments

4.1 Continued Holiday Accommodation

The building is currently configured as four self-contained holiday accommodation units and has operated in this capacity throughout the ownership of the current applicants. Unlike many viability assessments that rely upon projected business plans or theoretical assumptions, the suitability of this use can be assessed using four years of actual operational and financial evidence.

Current Position

Following the acquisition of the property in 2021, substantial investment has been made to improve the quality and competitiveness of the holiday accommodation. In excess of £100,000 has been invested in refurbishing the cottages and improving the wider site, including replacement kitchens, bathrooms, flooring, furnishings, lighting, heating systems, decoration and external works. The accommodation has also been actively marketed through established booking platforms, a dedicated website and direct marketing channels.

The current owners have therefore taken reasonable and proactive steps to maximise the success of the business rather than relying solely upon the existing operation inherited at the time of purchase.

Operational Performance

Operating four holiday accommodation units requires a significant level of day-to-day management. In addition to marketing and booking administration, the business involves guest communications, regular changeovers, cleaning, laundry, maintenance, emergency call-outs, compliance requirements, routine inspections and continual investment to maintain a competitive standard.

Whilst these activities are common within the holiday accommodation sector, they require a considerable commitment of time throughout the year. The operational demands extend well beyond those associated with long-term residential occupation and require ongoing owner involvement to maintain the standard expected by visitors.

Occupancy, Trading History and Financial Performance

The existing holiday accommodation business has now operated under the current ownership for more than four years, providing a substantial period over which its commercial performance can be objectively assessed.

A comprehensive Financial Performance Assessment accompanies this application and should be read alongside this report. It provides a detailed review of the business's operational history, statutory financial accounts, trading performance, capital investment, management arrangements and marketing activity throughout the applicants' ownership.

The accompanying **Financial Performance Assessment** provides the detailed factual evidence upon which this assessment relies and should be read alongside this report. It presents more than four years of operational experience, statutory financial accounts, trading history, occupancy performance, capital investment, management arrangements and marketing activity following the applicants' acquisition of the property in 2021.

The assessment demonstrates that the applicants acquired a business which had not operated as holiday accommodation for more than five years and therefore required substantial preparation before trading could recommence. Approximately six months were spent refurbishing, upgrading and preparing the accommodation before the first guests were welcomed in August 2021. Since then, the applicants have invested in excess of **£100,000** in improving the quality, presentation and competitiveness of the accommodation, including replacement kitchens, heating systems, flooring, furnishings, lighting, decoration, visitor facilities and ongoing maintenance.

The business was actively and professionally managed throughout the assessment period. It was marketed through the applicants' own website together with major online booking platforms, including Airbnb, Booking.com, VRBO and TripAdvisor, supported by Google advertising, Facebook advertising, tourism websites, repeat customer marketing, dynamic pricing, seasonal pricing and continual review of booking strategies. The accommodation achieved consistently high guest satisfaction, including a **5-star TripAdvisor rating** and numerous positive guest reviews, demonstrating that the quality of the accommodation and its management were not factors limiting its performance.

The Financial Performance Assessment also demonstrates the exceptional level of personal commitment made by the applicants in attempting to establish a successful holiday accommodation business. Initially, their daughter and son-in-law were employed to manage and maintain the business on a day-to-day basis. However, the income generated proved insufficient to sustain those roles over the longer term. Following their departure, Nancy Cooke retired from her established full-time career and assumed responsibility for the day-to-day operation of the business. As the operational demands continued, Chris Cooke subsequently also retired so that both applicants could jointly undertake every aspect of the business, including bookings, guest communications, pricing, marketing, cleaning, laundry, maintenance, grounds maintenance and administration without remuneration.

The Financial Performance Assessment demonstrates that the business successfully generated consistent trading activity, annual turnover approaching **£80,000** and periods of accounting profit. However, it also demonstrates that these results were achieved only through substantial continuing capital investment, intensive owner involvement and significant unpaid owner labour. When considered in the context of the management

commitment required, the ongoing maintenance obligations associated with a Grade II listed building and the level of investment made, the existing authorised use has not demonstrated the level of commercial performance necessary to provide a commercially sustainable long-term future.

Accordingly, this Optimum Viable Use Assessment relies upon the Financial Performance Assessment as the principal source of factual financial and operational evidence. The purpose of this report is not to repeat that detailed analysis but to consider what those findings demonstrate when assessing the optimum viable use of the listed building.

Summary Trading Performance can be found in the accompanying Financial Performance Assessment.

4.2 Long-Term Residential Occupation

Permanent residential occupation has been identified as a realistic alternative use for the building and is considered within this assessment against the same criteria applied to all other potential uses.

Unlike short-term visitor accommodation, permanent residential occupation provides continuous occupation throughout the year and offers a fundamentally different management and operational model. It removes the intensive operational demands associated with frequent guest changeovers, booking management, marketing, cleaning, laundry, servicing and ongoing visitor management whilst continuing to secure the occupation, maintenance and long-term conservation of the listed building.

The accompanying Financial Performance Assessment demonstrates that the existing holiday accommodation business has been afforded every reasonable opportunity to succeed through sustained investment, professional management and active operation. The assessment contained within this report therefore builds upon that evidence in considering whether permanent residential occupation now represents the optimum viable use of the heritage asset**.**

Benefits

Permanent residential occupation provides a number of advantages that are directly relevant to the long-term future of the building.

Continuous occupation ensures that the building remains actively used throughout the year, allowing maintenance issues to be identified and addressed promptly. Regular occupation also reduces the likelihood of deterioration associated with periods of vacancy and provides greater day-to-day stewardship of the historic fabric.

From an operational perspective, permanent residential occupation significantly reduces the management demands associated with guest accommodation. The continual cycle of

bookings, guest changeovers, cleaning, marketing and administration is replaced by stable long-term occupation, allowing resources to be directed towards the maintenance and conservation of the building itself.

The creation of appropriate private amenity space, as proposed within the current application, would further improve the suitability of the building for long-term residential occupation and address concerns previously identified regarding residential living conditions.

Financial Sustainability

Permanent residential occupation provides a more predictable and stable income stream than short-term holiday accommodation.

Rental income is generally less susceptible to seasonal fluctuations, changes in tourism demand and wider economic conditions affecting discretionary leisure spending. The management requirements are also substantially reduced, resulting in lower ongoing operational costs and reduced owner involvement.

The reduced operational burden enables a greater proportion of available resources to be directed towards planned maintenance, cyclical repairs and the long-term conservation of the listed building.

Whilst the precise financial return will depend upon prevailing market conditions, permanent residential occupation represents a financially sustainable use capable of supporting the continued occupation and maintenance of the property over the long term.

Maintenance of the Listed Building

The conservation of historic buildings is closely linked to their continued occupation.

Permanent residents typically develop a long-term interest in the condition of their homes and are therefore well placed to identify maintenance issues at an early stage before they develop into more significant defects.

Unlike holiday accommodation, where occupation changes frequently and responsibility for maintenance remains solely with the owners, permanent residential occupation encourages continuous stewardship and provides greater certainty that the building will remain occupied, cared for and maintained throughout the year.

This approach is consistent with the long-established conservation principle that the most effective means of preserving a historic building is through securing an appropriate and sustainable beneficial use.

Heritage Considerations

The proposed residential occupation would utilise the existing building with minimal alteration to its historic fabric.

The associated physical works are limited in scope and have been designed to preserve the architectural and historic significance of the Grade II listed building. The proposed reopening of existing historic openings and the removal of later, less significant additions further enhance the appreciation of the original building without introducing harmful new interventions.

Continuous occupation also assists in safeguarding the long-term condition of the heritage asset by ensuring regular oversight, timely maintenance and ongoing investment in its conservation.

Planning Considerations

The principle of permanent residential occupation has previously been considered through the planning appeal process. Whilst the appeal was dismissed, the Inspector's decision provides important guidance regarding the matters that required further evidence rather than identifying any fundamental objection to permanent residential occupation itself.

The Inspector accepted that the removal of the holiday occupancy condition would not conflict with the description of the original planning permission and confirmed that the proposal should instead be determined on its planning merits.

With regard to the impact upon tourism, the Inspector concluded:

"Although the loss of the units would inevitably reduce the supply of tourist accommodation in the area, I am not persuaded, in the context of the site's location and the mixed-use nature of the development, that the removal of the condition would be contrary to the development plan strategy for sustainable tourism."

The Inspector went on to conclude:

"The removal of the condition would not harm the supply of visitor accommodation in the area."

In considering the impact upon the listed building, the Inspector also concluded:

"I am therefore satisfied that the proposed removal of the condition would preserve the special interest of the heritage asset. Securing a long-term viable use for the listed building would also help to ensure that the building is managed and maintained appropriately also."

The Inspector's principal concerns did not therefore relate to the acceptability of permanent residential occupation in principle, nor to any unacceptable impact upon tourism or the significance of the listed building. Instead, the appeal was dismissed because insufficient evidence had been provided to demonstrate that permanent residential occupation represented the optimum viable use of the heritage asset, together with concerns regarding the adequacy of private outdoor amenity space and the sustainability of the site's location.

Of particular relevance to this assessment, the Inspector stated:

"There is a lack of robust evidence to demonstrate that all efforts have been made to improve the viability of the holiday let accommodation or to explore alternative schemes or uses for the building."

This assessment has therefore been prepared specifically to address that evidential gap. It examines the realistic alternative uses that could reasonably be considered for the building, drawing upon three years of trading history, financial information, occupancy records, investment undertaken by the current owners and practical operational experience. Unlike the previous appeal, this report provides a structured and evidence-based comparison of each realistic alternative before reaching a conclusion on the optimum viable use.

Furthermore, the current planning application has been amended to address the Inspector's concerns regarding residential amenity through the provision of appropriate private garden areas for each dwelling. These proposals are considered separately within the accompanying planning and heritage documents.

When the Inspector's findings are considered alongside the additional evidence now available, it is clear that the previous appeal did not establish that permanent residential occupation was unacceptable in principle. Rather, it identified areas where further evidence and revised proposals were required. This report seeks to provide that evidence through a comprehensive assessment of the building's realistic long-term use options.

Overall Assessment

When assessed against the criteria adopted within this report, permanent residential occupation performs strongly across all areas of consideration.

It provides continuous occupation, significantly reduces operational demands, offers greater long-term financial stability, encourages ongoing investment in the building and supports the continued conservation of the Grade II listed heritage asset.

Importantly, the proposed use can be accommodated with minimal intervention to the historic fabric while addressing the residential amenity concerns identified through previous planning decisions.

Having considered the available evidence, permanent residential occupation is considered to represent the optimum viable use of the building. It provides a realistic, sustainable and economically resilient long-term future that secures the continued conservation of the listed building whilst remaining compatible with its historic significance and planning context.

4.3 Commercial Offices

The potential conversion of the building to commercial office accommodation has been considered as a possible alternative use. Whilst office accommodation is theoretically capable of occupying existing buildings, its suitability must be assessed against the physical characteristics of the building, its rural location, operational requirements and likely market demand.

Market Demand

Demand for traditional office accommodation has changed significantly in recent years, with many businesses adopting hybrid or remote working practices and reducing their requirement for permanent office space.

Where demand for office accommodation remains strong, it is generally concentrated within established commercial centres offering good access to transport networks, services and supporting infrastructure. The appeal site occupies a rural location within the Churnet Valley, some distance from larger settlements and commercial centres.

Whilst there may be occasional demand for small rural office units national trends over recent years have seen a significant reduction in demand for traditional office accommodation as many businesses have adopted hybrid and remote working practices, with stronger demand generally focused on modern premises within established commercial centres. The appeal site occupies an isolated rural location, some distance from larger settlements and employment hubs, and is not readily accessible by sustainable modes of transport. These factors are likely to limit the pool of potential occupiers and reduce the long-term attractiveness of the site for commercial office use.. Any potential market would likely be limited to a relatively small number of specialist rural businesses.

Building Suitability

The existing building has been converted to provide self-contained residential accommodation and is configured around domestic living spaces rather than commercial working environments.

The layout, room sizes and servicing arrangements are well suited to residential occupation but are less suited to modern office requirements, which typically demand flexible open-plan space, meeting facilities, dedicated reception areas, accessible storage, staff welfare facilities and appropriate servicing arrangements.

Furthermore, the rural location limits accessibility for employees, visitors and service providers. The Inspector previously concluded that the site is not readily accessible by sustainable modes of transport and that occupiers are likely to be heavily reliant upon private vehicles. Those considerations would apply equally to a commercial office use.

Required Alterations

Although some office accommodation could potentially be accommodated within the existing structure, conversion to a commercially attractive office environment would likely

require alterations to the internal layout, servicing arrangements, telecommunications infrastructure and welfare facilities.

Such alterations may reduce the flexibility of the existing residential accommodation and could require interventions that provide little heritage benefit whilst introducing additional pressure for alterations to the listed building.

The current residential layout already represents an effective use of the available accommodation with minimal intervention to the historic fabric.

Financial Viability

The financial viability of commercial office accommodation would depend upon achieving sufficient occupancy levels and rental values to justify conversion costs, ongoing management and maintenance of the listed building.

Given the rural location, relatively limited local office market and the operational costs associated with maintaining multiple office units, there is limited evidence that commercial office accommodation would provide a more sustainable or economically resilient long-term use than residential occupation.

In addition, commercial office accommodation would remain susceptible to wider changes in working practices, economic conditions and fluctuations in demand for traditional office space.

Overall Assessment

Commercial office accommodation represents a theoretical alternative use for the building but is not considered to be the optimum viable use.

Whilst the building could potentially accommodate a limited office use, its rural location, domestic layout, accessibility constraints and uncertain market demand significantly reduce its attractiveness as a commercial office development.

The likely requirement for further alterations, together with uncertainty regarding long-term demand and financial performance, means that commercial office accommodation is unlikely to provide a more sustainable or beneficial long-term future for the building than permanent residential occupation.

4.4 Workshops / Artisan Studios

he use of the building as workshops or artisan studios has been considered as a potential alternative use. Rural workshop accommodation can provide opportunities for small businesses, craftspeople, artists and specialist trades, and such uses can contribute positively to the rural economy. The suitability of this option has therefore been assessed in relation to the characteristics of the building, its location and the practical requirements of such occupiers.

Potential Occupiers

Potential occupiers could include artists, craftspeople, designers, photographers, makers, small-scale manufacturers or other independent businesses seeking workshop or studio accommodation in a rural setting.

Such occupiers generally require flexible workspace with reliable utilities, storage, loading facilities and convenient access for deliveries, customers and suppliers. Some businesses may also require external storage areas, signage, additional parking or alterations to accommodate specialist equipment.

Whilst there may be limited demand for individual rural workshop units, the range of potential occupiers is relatively narrow and dependent upon local market conditions.

Suitability

The building has been converted to provide self-contained residential accommodation and is arranged around domestic layouts rather than open commercial workspace.

The existing room configurations, internal divisions, kitchens and bathrooms are well suited to residential occupation but are less suited to flexible workshop or studio use. Adapting the building for commercial workspace could reduce the efficiency of the existing layout whilst offering only limited flexibility for future occupiers.

In addition, certain commercial activities may generate noise, vehicle movements or deliveries that would be less compatible with the surrounding residential environment and historic farmstead setting.

Parking and Access

The site benefits from existing parking and vehicle access suitable for residential and holiday accommodation.

However, workshop or studio uses may require more frequent deliveries, customer visits and commercial vehicle movements than residential occupation. Depending upon the nature of the business, additional servicing arrangements or operational restrictions may also be necessary.

The Inspector previously concluded that the site is not readily accessible by sustainable modes of transport and that occupiers would be largely dependent upon private vehicles. These accessibility considerations would also apply to commercial workshop occupiers, their employees and visitors.

Financial Viability

The financial viability of workshop or studio accommodation would depend upon achieving sufficient rental demand to justify the costs of adapting, managing and maintaining the building.

Whilst individual workshop or artisan studio units may attract interest from time to time, the available evidence suggests that demand for multiple commercial units in isolated rural locations is relatively limited and highly dependent upon the requirements of a niche market. Such premises typically appeal to a relatively small number of specialist occupiers, with demand influenced by wider economic conditions, the level of local business activity and the availability of alternative commercial accommodation within more accessible employment locations. Consequently, occupancy levels are likely to fluctuate over time, creating uncertainty regarding long-term income generation.

Furthermore, commercial workshop accommodation would continue to require ongoing management, maintenance and periodic adaptation to meet the differing operational requirements of successive tenants. Individual occupiers often require alterations to layouts, servicing arrangements, storage facilities or external areas, resulting in additional management commitments and potential costs over the lifetime of the building.

Overall Assessment

Workshops or artisan studios represent a realistic alternative use that has been considered as part of this assessment.

The use could make a positive contribution to the rural economy and may attract a limited number of specialist occupiers. However, the building's existing residential layout, accessibility constraints, operational requirements and uncertainty regarding long-term demand reduce its suitability for this purpose.

On balance, whilst workshop or studio accommodation remains a possible use, the available evidence does not demonstrate that it would represent the optimum viable use of the building. Permanent residential occupation is considered to provide a more sustainable, practical and economically resilient long-term solution whilst requiring minimal alteration to the historic fabric and continuing to secure the ongoing conservation of the listed building.

4.5 Retail / Café Use

The potential use of the building as a retail outlet or café has been considered as part of this assessment. Such uses can contribute positively to rural tourism and the local economy where they are supported by an appropriate customer base, suitable infrastructure and a sustainable trading environment.

The suitability of this option has therefore been assessed against the characteristics of the building, its location and the practical requirements associated with operating a retail or hospitality business.

Customer Base

The appeal site occupies a rural location within the Churnet Valley and is not situated within a village centre, established retail location or principal tourist destination. Consequently, any retail or café business would be largely dependent upon destination visits rather than passing trade.

Although the surrounding area benefits from tourism and outdoor recreation, customer numbers are likely to fluctuate significantly throughout the year, with demand concentrated during holiday periods and favourable weather conditions. This seasonal pattern would create uncertainty regarding long-term trading performance.

The relatively limited local resident population and absence of significant passing traffic further restrict the potential customer base when compared with more accessible village or town centre locations.

Highway Considerations

A retail or café use would be expected to generate a greater number of vehicle movements than permanent residential occupation through customer visits, staff travel, supplier deliveries and servicing.

The Inspector previously concluded that the site is not readily accessible by sustainable modes of transport and that users are likely to rely heavily upon private vehicles. These accessibility constraints would apply equally to customers, staff and suppliers using a retail or café business.

Additional commercial activity could also increase pressure on parking, servicing arrangements and vehicle movements within the courtyard, altering the character and operation of the site.

Building Suitability

The existing building has been converted to provide self-contained residential accommodation and is configured around domestic living spaces.

A retail or café use would likely require significant internal alterations to provide commercial kitchen facilities, food preparation areas, customer seating, accessible toilets, staff accommodation, storage, waste management facilities and servicing arrangements. Depending upon the nature of the business, additional external works, signage and extraction equipment may also be required.

Such alterations would offer limited heritage benefit and could introduce additional pressure for changes to the listed building that would not otherwise be necessary.

The existing residential layout is therefore considerably better suited to residential occupation than to a commercial retail or hospitality use.

Financial Viability

The financial success of a retail or café business would depend upon achieving a consistent customer base capable of supporting the ongoing costs of staffing, utilities, stock, maintenance, insurance and regulatory compliance.

Given the rural location, seasonal visitor patterns and relatively limited catchment, there is insufficient evidence to demonstrate that such a business would provide a sustainable long-term income capable of supporting the continued maintenance and conservation of the listed building.

Furthermore, retail and hospitality businesses are particularly sensitive to wider economic conditions, seasonal fluctuations and changing consumer spending patterns, creating additional uncertainty regarding their long-term viability.

Overall Assessment

Retail or café use represents a possible alternative use for the building but is not considered to represent the optimum viable use.

Whilst such a use could contribute positively to the local economy, the rural location, limited customer base, increased traffic generation, operational requirements and likely need for additional alterations significantly reduce its suitability.

When assessed against the planning, heritage, operational and financial criteria adopted within this assessment, the available evidence indicates that retail or café use would face significant challenges arising from the site's isolated rural location, limited resident catchment, dependence upon destination visitors, seasonal fluctuations in customer demand and increased operational and servicing requirements. The likely need for substantial alterations to accommodate commercial hospitality uses, together with the uncertainty of achieving a consistent year-round customer base capable of supporting ongoing maintenance of a Grade II listed building, means that there is no compelling evidence that such a use would provide a more sustainable, practical or economically resilient long-term future than permanent residential occupation. Accordingly, retail or café use is not considered to represent the optimum viable use of this Grade II listed building.

4.6 Events / Function Venue

The potential use of the building as an events or function venue has been considered as part of this assessment. Rural event venues can make a valuable contribution to the local economy by attracting visitors and supporting associated businesses. However, such uses require suitable buildings, adequate infrastructure and a location capable of accommodating increased visitor numbers and associated activity.

The suitability of this option has therefore been assessed against the operational requirements of an events venue together with the physical characteristics of the building and its setting.

Operational Requirements

Successful event venues typically require flexible internal spaces capable of accommodating larger numbers of people together with supporting facilities such as commercial catering areas, accessible toilets, storage, staff accommodation and servicing areas.

The building has been converted into four separate self-contained units arranged around domestic-scale accommodation. Its existing layout is therefore fundamentally different from that normally associated with a successful events venue.

The operation of weddings, private functions, corporate events or similar activities would also require event management, staffing, catering, cleaning, maintenance and extensive booking administration. These operational requirements would significantly exceed those associated with permanent residential occupation.

Neighbour Impact

An events venue would inevitably increase activity within the site through higher visitor numbers, vehicle movements, deliveries and servicing.

Depending upon the nature of the events, evening activity, amplified music, outdoor gatherings and increased traffic could also affect the quiet rural character of the courtyard and surrounding area.

Whilst such impacts could potentially be managed through planning conditions, they would nevertheless represent a materially different form of activity from either permanent residential occupation or the existing holiday accommodation.

Planning Constraints

The building forms part of a Grade II listed historic farmstead where preserving the character and significance of the heritage asset is an important consideration.

The creation of a commercially successful events venue would likely require additional alterations to the building together with supporting infrastructure, signage, servicing arrangements and potentially further parking provision.

Furthermore, the Inspector previously concluded that the site is not readily accessible by sustainable modes of transport and that users are likely to rely heavily upon private vehicles. These accessibility considerations would apply equally to an events venue and its visitors. The increased frequency and concentration of vehicle movements associated with organised events would be likely to exceed those associated with permanent residential occupation.

Financial Viability

The financial success of an events venue would depend upon securing a consistent programme of bookings throughout the year capable of supporting the substantial costs

associated with staffing, catering, maintenance, insurance, licensing, marketing and ongoing management.

In addition to these operating costs, significant capital investment would likely be required to adapt the existing building and provide the facilities expected by customers.

The available evidence indicates that an events venue would be reliant upon securing a consistent level of commercial bookings throughout the year whilst accommodating the additional operational, servicing and infrastructure requirements associated with such a use. Given the site's rural location, accessibility constraints, reliance on private vehicle travel, and the absence of any demonstrable market evidence indicating sustained demand for an events venue at this location, it has not been demonstrated that this use would provide a more financially sustainable, operationally practical or resilient long-term future than permanent residential occupation.

Overall Assessment

An events or function venue represents a theoretical alternative use that has been carefully considered within this assessment.

Whilst such a use could provide economic benefits and support rural tourism, the existing layout of the building, the operational demands of an events business, the likely requirement for additional alterations and infrastructure, and the potential impacts upon the character of the site significantly reduce its suitability.

When considered against the planning, heritage, operational and financial assessment criteria adopted within this report, the evidence concludes that an events or function venue would not represent the optimum viable use of the building. Permanent residential occupation remains the option that best secures the long-term conservation, sustainable occupation and appropriate use of this Grade II listed heritage asset.

4.7 Storage / Ancillary Commercial Use

The use of the building for storage or ancillary commercial purposes has been considered as part of this assessment. Such uses generally require relatively limited alteration to existing buildings and can, in some circumstances, provide a practical means of securing the continued occupation of redundant rural buildings.

The suitability of this option has therefore been assessed in relation to the characteristics of the building, its heritage significance and its ability to provide a sustainable long-term future.

Income Potential

Storage uses typically generate comparatively low rental values when compared with residential or other commercial uses. Whilst demand for secure storage accommodation can

exist, particularly within rural areas, the income generated is generally modest and often insufficient to justify significant capital investment or the ongoing maintenance requirements associated with a Grade II listed building.

Ancillary commercial storage associated with small businesses may attract a limited number of occupiers. However, demand is likely to be relatively restricted and dependent upon local market conditions.

The available evidence suggests that storage use would not provide a stronger or more sustainable financial return than permanent residential occupation or that it would better secure the long-term future of the building.

Building Suitability

The building could physically accommodate certain forms of storage with relatively limited alteration.

However, the existing accommodation has already been comprehensively converted and refurbished to provide high-quality residential units. The current layout includes kitchens, bathrooms, living accommodation and associated domestic services that would be largely redundant if the building were converted to storage use.

Consequently, storage would represent a significant underutilisation of the investment already made and would fail to make effective use of the existing accommodation.

Heritage Implications

Storage use would generally require relatively few physical alterations and would therefore be capable of preserving the existing historic fabric of the building.

However, the long-term conservation of listed buildings is not achieved solely through avoiding physical alteration. The most effective means of preserving historic buildings is to secure an appropriate and beneficial use that provides sufficient income to support ongoing maintenance and investment.

A low-value storage use may result in fewer alterations, but it is unlikely to generate the level of financial return necessary to sustain the long-term conservation of a heritage asset of this nature.

Furthermore, the building has already been successfully adapted to provide high-quality accommodation whilst respecting its historic significance. Reverting such accommodation to a relatively passive storage use would fail to make effective or beneficial use of the building's existing conversion.

Overall Assessment

Storage or ancillary commercial use represents a physically possible alternative for the building.

However, whilst requiring relatively little alteration, such uses would generate comparatively modest income, make limited use of the existing accommodation and would not maximise the benefit of the substantial investment already made in converting and refurbishing the building.

When considered against the planning, heritage, operational and financial criteria adopted within this assessment, storage or ancillary commercial use cannot reasonably be regarded as the optimum viable use of the building. Permanent residential occupation would provide a significantly more sustainable, beneficial and economically resilient long-term future whilst continuing to secure the conservation of this Grade II listed heritage asset.

4.8 Specialist Residential Care / Care Home Use

The potential use of the building for specialist residential care has been considered as an alternative use. The existing self-contained accommodation, rural setting and wider characteristics of The Hermitage mean that residential care represents a potentially viable use in principle and therefore warrants specific consideration within this assessment.

Suitability

The four existing dwellings within the listed barn could potentially form part of a specialist residential care operation. Their domestic scale and existing residential configuration may be suitable for certain forms of small-scale supported or residential care without requiring substantial alteration to the historic fabric.

However, the practical viability of such a use is fundamentally dependent upon the wider estate rather than the listed barn in isolation.

A commercially and operationally viable care operation would be likely to require supporting accommodation and facilities for management, staff, administration, therapy, education or other ancillary functions, together with appropriate external amenity space, parking and operational infrastructure.

The wider Hermitage estate potentially provides these characteristics through its combination of residential buildings, ancillary buildings and substantial grounds. The four units within the listed barn alone do not provide the same operational proposition.

Operational and Ownership Considerations

For this reason, specialist residential care is realistically an estate-wide alternative use, rather than an independent alternative use for the listed barn.

Implementation would require the wider Hermitage estate to be made available to a specialist operator, most realistically through the sale of the property as a whole. Retaining the remainder of the estate whilst converting only the four barn units to specialist care use would create significant practical difficulties associated with management, safeguarding, shared access, amenity space, parking and the interaction between different occupiers.

Accordingly, although specialist residential care may represent a viable use for The Hermitage estate as a whole, it does not provide a realistic independent alternative use for the four dwellings within the listed barn that are the subject of this assessment.

Planning and Regulatory Considerations

Any specialist residential care proposal would also be subject to the appropriate planning permissions and regulatory approvals, the precise requirements depending upon the nature and scale of the proposed operation.

Those requirements do not make such a use inherently unviable, but they reinforce the fact that it would represent a substantially different estate-wide operational model rather than a straightforward alternative occupation of the existing four units.

Overall Assessment

Specialist residential care is acknowledged as a potentially viable future use of the wider Hermitage estate and is therefore not dismissed on grounds of market or financial viability.

However, the purpose of this assessment is to determine the optimum viable use of the listed barn itself. In that context, specialist residential care cannot reasonably be regarded as a directly comparable alternative because its practical and commercial viability would depend upon the acquisition and operation of the wider estate.

It would therefore require the current owners effectively to dispose of the whole property in order to facilitate an alternative use for the listed building, rather than providing a viable means by which the barn itself could be independently occupied and sustainably maintained.

Accordingly, whilst specialist residential care represents a credible potential use of The Hermitage as a whole, it does not displace permanent residential occupation as the optimum viable use of the four existing dwellings within the Grade II listed barn.

4.9 Mixed-Use Options

A range of mixed-use options have also been considered as part of this assessment. Mixed-use developments can, in certain circumstances, provide flexibility by combining

complementary activities within the same building, potentially diversifying income streams whilst maintaining active occupation.

In the case of the appeal building, this assessment is informed not only by theoretical consideration but also by practical experience, as the building has operated under a mixed-use occupancy model since its conversion.

Potential Combinations

Potential mixed-use arrangements considered include:

Continued holiday accommodation combined with longer-term residential occupation.

Holiday accommodation combined with commercial office space.

Holiday accommodation combined with workshops or artisan studios.

Residential accommodation combined with small-scale commercial premises.

Residential accommodation combined with ancillary storage or business use.

The current planning permission already provides a form of mixed-use occupation by allowing holiday accommodation alongside limited periods of residential occupation. Consequently, the practical advantages and limitations of this approach have been demonstrated through several years of operation.

Advantages

Mixed-use development has the potential to diversify income streams and reduce reliance upon a single source of revenue.

The combination of different uses can also provide greater flexibility in responding to changing market conditions and may broaden the range of potential occupiers.

In principle, mixed-use occupation can contribute positively to the continued use of historic buildings where the individual uses are compatible and capable of operating successfully alongside one another.

Disadvantages

Experience gained through the operation of the current mixed-use occupancy arrangement has demonstrated that combining different forms of occupation introduces additional management complexity and operational challenges.

Different occupiers often have differing expectations regarding privacy, security, parking, external amenity space and the overall character of the site. The coexistence of short-term visitors and longer-term residents can also create practical management issues that would not normally arise within a single-use development.

In addition, the current mixed-use occupancy restriction has proven difficult to administer in practice and has introduced uncertainty regarding tenancy arrangements and the long-term management of the accommodation. These operational difficulties were identified by the owners during the previous appeal and form part of the practical experience gained from operating the building under the existing consent.

The introduction of additional commercial activities alongside residential or holiday accommodation would further increase management requirements, operational complexity and the potential for conflicting uses within the confined setting of the historic courtyard.

Overall Assessment

Mixed-use development has been carefully considered and, unlike many of the alternative options assessed within this report, aspects of this approach have already been implemented through the existing planning permission.

The experience gained over several years demonstrates that, whilst mixed-use occupation is capable of functioning, it introduces additional operational complexity without resolving the underlying issues relating to long-term financial sustainability and the optimum use of the building.

No evidence has been identified to demonstrate that an alternative mixed-use arrangement would provide a more practical, economically sustainable or heritage-compatible solution than permanent residential occupation.

Accordingly, whilst mixed-use development remains a possible alternative, it is not considered to represent the optimum viable use of the building. Permanent residential occupation provides a simpler, more sustainable and more effective long-term use, securing continuous occupation whilst reducing operational complexity and supporting the ongoing conservation of the Grade II listed heritage asset.

5. Comparative Assessment

The following table provides a summary of the assessment undertaken within this report. Each potential use has been evaluated against the same planning, heritage, operational and financial criteria. The ratings represent the overall conclusions reached within each assessment section and are intended to provide a comparative overview rather than a mathematical scoring exercise.

COMPARATIVE ASSESSMENT OF ALTERNATIVE USES

Traffic Light Matrix

Potential Use	Planning Compatibility	Heritage Impact	Physical Suitability	Market Demand	Financial Sustainability	Operational Practicality	Long-Term Conservation	Overall Assessment
Permanent Residential Occupation	🟢	🟢	🟢	🟢	🟢	🟢	🟢	🟢
Continued Holiday Accommodation	🟢	🟢	🟢	🟡	🔴	🟡	🟢	🟡
Commercial Offices	🟡	🟡	🟡	🔴	🔴	🟡	🟡	🔴
Workshops / Artisan Studios	🟡	🟢	🟡	🟡	🟡	🟡	🟢	🟡
Retail / Café	🟡	🟡	🔴	🔴	🔴	🔴	🟡	🔴
Events / Function Venue	🔴	🔴	🔴	🟡	🟡	🔴	🔴	🔴
Storage / Ancillary Commercial Use	🟢	🟢	🟡	🟡	🔴	🟢	🟡	🟡
Mixed-Use Options	🟡	🟢	🟢	🟡	🟡	🔴	🟢	🟡

🟢 **GREEN** – High suitability / positive
Performs well against the criterion

🟡 **AMBER** – Moderate suitability / acceptable
Acceptable in principle but subject to notable constraints or limitations

🔴 **RED** – Low suitability / negative
Significant constraints reduce the suitability of the use for this building

Summary

The comparative assessment demonstrates that a number of the alternative uses considered are physically possible and, in some cases, capable of operating successfully. However, the assessment also shows that each alternative is subject to significant planning, operational, financial or practical limitations.

Holiday accommodation and mixed-use occupation have both been tested through practical operation over a number of years and have provided valuable evidence regarding their strengths and limitations. The remaining alternative uses have been assessed objectively against consistent criteria, taking account of the building's listed status, rural location, physical characteristics and operational requirements.

Having considered all realistic alternatives, permanent residential occupation performs consistently well across all assessment criteria. It provides the strongest balance between

planning compatibility, heritage conservation, physical suitability, financial sustainability, operational practicality and the long-term preservation of the Grade II listed building.

Accordingly, this assessment concludes that permanent residential occupation represents the optimum viable use of the building.

6. Conclusion

This assessment has considered the principal realistic alternative uses for the converted Grade II listed barn at The Hermitage Farm in order to determine whether permanent residential occupation represents its optimum viable use.

The assessment has been undertaken using a consistent methodology, with each alternative evaluated against the same planning, heritage, physical, operational and financial criteria. Particular regard has been given to the building's listed status, its rural location, its existing configuration, three years of operational experience, financial performance, investment undertaken by the current owners and the long-term objective of securing the continued conservation of the heritage asset.

Unlike many viability assessments that rely largely upon theoretical assumptions, this report benefits from extensive practical evidence. Continued holiday accommodation and mixed-use occupation have both been implemented and operated over a sustained period, providing valuable evidence of their operational performance, financial sustainability and long-term practicality. The remaining realistic alternatives have been assessed objectively using the same assessment methodology.

The assessment demonstrates that whilst a number of alternative uses are physically possible, each is subject to significant constraints. Continued holiday accommodation has been shown to require substantial ongoing management, continual investment and significant owner involvement whilst producing only a modest financial return. Commercial offices, workshops, retail uses, event venues and storage have each been assessed and found to be constrained by a combination of market demand, operational practicality, accessibility, financial sustainability or compatibility with the existing building.

The assessment also demonstrates that permanent residential occupation performs consistently well across all of the criteria considered. It provides continuous occupation of the building, reduces operational complexity, offers a more stable and sustainable long-term use, requires minimal intervention to the historic fabric and supports the ongoing maintenance and conservation of the listed building.

Importantly, this assessment directly addresses the evidential shortcomings identified by the Planning Inspector in the previous appeal. In particular, the report provides a comprehensive examination of the realistic alternative schemes and uses available for the building, supported by operational experience, trading information and a structured comparative assessment. It therefore provides the robust evidence that was previously

absent when considering whether permanent residential occupation represents the optimum viable use of the heritage asset.

This report should not be interpreted as suggesting that the alternative uses considered are impossible or incapable of operating. Several of those uses remain realistic possibilities and, in some cases, have already been successfully implemented. However, the purpose of this assessment has been to determine not whether an alternative use is merely possible, but whether it represents the optimum viable use of this particular Grade II listed building.

Having carefully considered all of the available evidence, it is concluded that permanent residential occupation provides the strongest balance between planning objectives, heritage conservation, physical suitability, operational practicality and long-term financial sustainability. It represents the use most likely to secure the continued occupation, maintenance and preservation of the building whilst respecting its historic significance and ensuring its long-term future.

Accordingly, it is concluded that permanent residential occupation represents the optimum viable use of the building and that the evidence contained within this assessment demonstrates that all realistic alternative schemes and uses have now been fully considered before reaching that conclusion.