

Consultee Response: Councillor Vijaiya Poopalasingham
North Herts District Councillor for Great Ashby

Re **Application** 2402889FP: Land at Roundwood, Back Lane, 281 dwellings

Objections to Viability and Affordable Housing Reduction

I wish to register my **strong objection to the proposed reduction in affordable housing from 40% to 20%** as part of this application and reiterate my call that planning permission for this proposed site should not be granted for the reasons set out below and in conjunction with the known material issues re the accessibility and highways impact of the proposals outlined in my objections of 3rd July 2025.

The proposal is for 281 homes, of which the adopted North Herts policy position would require 112 affordable homes (40%). I would highlight that the *current national guidance* requires affordable housing for sites of this size to comprise 50%.

The applicant is seeking to reduce this to just 56 affordable homes, a loss of 56 affordable homes compared with the policy-compliant position.

I do not consider that this reduction has been adequately justified by the viability evidence and I would urge the Planning Committee to give serious consideration to the independent report from Dixon Serle Partnership who also concur that the viability position advanced by the applicant raises significant question marks and do not concur with the 20% affordable housing reduction as required / necessary.

It is particularly important that the planning committee gives adequate and full consideration of this independent assessment rather than simply accepting the commercial assumptions advanced by the developer out of fear of planning appeals. Each planning application must be considered on its own merits and not influenced by outcomes from prior planning applications.

The main point which will be reiterated further below is the following: The Council and the Planning **Committee's responsibility is not to protect a developer's preferred return at the expense of affordable** housing provision. Its responsibility is to secure the best planning outcome for the community and to defend the adopted policy requirement for affordable housing where the evidence allows it.

As alluded to above, DSP does not concur with the applicant's conclusion that 20% represents the maximum affordable housing provision that the scheme can support and that the 20% affordable housing appraisal indicates further scope for supporting affordable housing and/or other S.106 contributions (DSP report, p.25).

Indeed, DSP identifies a number of significant concerns with the applicant's appraisal.

- **The applicant's claimed deterioration in viability**

The applicant's case is based heavily on an alleged substantial deterioration in the financial position of the scheme since the planning application was submitted.

However, DSP expressly questions this presentation.

DSP notes that the applicant's market values appear cautious and that the evidence available to DSP indicates that property values in the area had actually increased. DSP's review of Land Registry evidence showed an increase of approximately 2.5% between April 2025 and April 2026, contrary to the falling-value position suggested by the applicant. (DSP report, pp.12–13)

DSP also undertook its own assessment of local sales evidence and found that the applicant's assumed values were lower than the available Land Registry evidence for both new-build and resale properties. DSP therefore considered the applicant's approach potentially cautious and applied a 2% uplift to the market housing GDV increasing it by approximately £1.706m (DSP report, p.18). Most significantly, DSP concludes that the applicant's presentation of the change in viability is “not representative” and appears to have “overstated the negative swing in supportable outcomes.” DSP report, p.26, para 4.1.8)

That finding should be given considerable weight.

The Council should not accept a reduction of 56 affordable homes on the basis of a deterioration in viability which its own independent consultant considers to have been overstated given the accepted and known need for affordable homes.

- **Great Ashby is not a low-value housing market**

There is also a wider local context which I believe the Planning Committee must properly recognize and give significant weight.

This is not a marginal or low-value housing market where the provision of affordable housing can easily be dismissed as commercially unrealistic.

Great Ashby is a particularly valuable housing market.

The evidence cited by DSP includes local new-build and resale values which demonstrate the strength of the market. DSP's evidence includes new-build semi-detached properties averaging approximately £501 per square foot, with resale semi-detached properties averaging approximately £484 per square foot in its relevant datasets (DSP report, p.15)

The local market evidence is also reflected in the actual pricing of homes in Great Ashby. A three-bedroom semi-detached property can command a base sale price of around £400,000. 4 and 5 bedroom detached homes are currently (August 2026) selling in the region of £650, 000. (See: https://www.geoffreymatthew.co.uk/buying/?fwp_branch=stevenage&fwp_price=0,1009999998.99&fwp_beds=0,99&fwp_contract_type=sale)

That is precisely why I believe the Council must be particularly robust in defending the affordable housing requirement on this site. If the conclusion is that 40% (or substantially greater than 20%) is not viable in an area like Great Ashby, then conceivably it is not viable anywhere and the affordable housing threshold is meaningless.

The fact that land and homes in Great Ashby have substantial commercial value cannot simply become an argument for reducing the proportion of homes that ordinary local residents can afford.

The Council **and the Planning Committee's** responsibility is not to protect a developer's preferred return at the expense of affordable housing provision. Its responsibility is to secure the best planning outcome for the community and to defend the adopted policy requirement for affordable housing where the evidence allows it.

- The 20% proposal is not demonstrated to be the viability ceiling

The applicant's proposed solution is to reduce affordable housing to 56 homes and reduce S.106 contributions to approximately £20,000 per dwelling.

The applicant has effectively calibrated this scenario so that the residual land value returns to its stated benchmark land value of approximately £4.039m.

However, DSP's independent modelling produces a materially different result.

After applying its adjustments, DSP calculates that the 20% affordable housing/reduced S.106 scenario produces a residual land value of approximately £5.689m against the applicant's benchmark of £4.039m.

That is a surplus of approximately £1.65m. (DSP report, p.25)

DSP's conclusion is therefore particularly important:

"the 20% AH appraisal indicates further scope for supporting AH and/or other S106 contributions." (DSP report, p.25)

In other words, 20% has not been demonstrated to be the maximum affordable housing that this development can support.

There is therefore no reasonable basis for simply accepting the applicant's proposed 20% figure as the end point of negotiations except for a material indifference by the Council and the planning committee as to whether affordable housing provision is defended or not.

- The Council must defend **affordable** housing, not placate commercial interests

I am concerned that there is a danger in treating the applicant's viability case as though the developer's preferred commercial position should be the starting point for determining how much affordable housing the community receives.

It should not.

Given the known prior concerns with this site, re access and detriment to the existing Great Ashby community and the lack of solutions to the issues re Mendip Way, the idea that the Council would now placate purely commercial interest without the corresponding social benefit of affordable homes, would in practice be a step too far.

The Council has an important responsibility to ensure that development delivers the affordable housing required by its planning policies wherever the evidence demonstrates that it is reasonably achievable. The purpose of viability assessment is not to guarantee a particular level of land value or developer return.

DSP itself refers to the PPG position that development risk is a matter for the developer to manage and that the cost of complying with planning policy should be reflected in the development economics. DSP also notes that normal market cyclicalities are ordinarily embedded within the developer's return rather than being a reason automatically to reduce policy requirements.

This is especially important here.

The Council should not be asked to sacrifice 56 affordable homes in order to preserve the commercial expectations associated with a highly valuable development site.

If the land has substantial development value, that is precisely the circumstance in which the Council and crucially the planning committee should be seeking to secure a proper share of the resulting planning benefits for the community. If it does not, then in whose interest is the decision being made?

- Benchmark land value

There is a further issue which reinforces the need for caution.

DSP has tested the applicant's benchmark land value of £4.039m against its own established approach of £250,000 per hectare, resulting in a benchmark of approximately £2.7m. (DSP report, pp.11–12)

DSP explains that the applicant's £4.039m benchmark derives from older Local Plan viability work and that its own £2.7m benchmark reflects its established approach in the context of current national policy and guidance.

On that basis, DSP's adjusted 20% appraisal produces a surplus of approximately £2.99m above the DSP benchmark land value. (DSP report, p.25)

This makes it even more difficult to accept that 20% affordable housing should be treated as the appropriate achievable level.

- **Planning position**

I recognise that DSP has concluded that, on its reviewed assumptions, the full 40% affordable housing requirement cannot currently be achieved alongside the applicant's full S.106 package.

However, that is not the same thing as saying that 20% affordable housing is justified.

The independent evidence instead points to a need for further negotiation.

DSP itself recommends that the Council explores further scope for additional affordable housing and/or S.106 contributions.

I therefore consider that the applicant should be required to continue negotiations with the Council to establish the maximum reasonable level of affordable housing, rather than proceeding on the assumption that 56 units is acceptable.

The starting point must remain the adopted 40% affordable housing requirement, not the developer's preferred 20% outcome and on that basis, based on the numbers presently put forward by the applicant, permission for the site should not be granted.

- **Conclusion**

I therefore object to the proposed reduction in affordable housing from 40% to 20% and to planning permission for this site.

The applicant has not demonstrated, on the basis of the independent viability evidence, that 20% represents the appropriate level of affordable housing that this development can reasonably support.

The DSP review identifies:

- potentially cautious market value assumptions;
- an applicant appraisal which appears to overstate the deterioration in viability;
- significant residual value remaining within the proposed 20% scenario;
- a £1.65m surplus against the applicant's own benchmark land value under DSP's adjusted appraisal; and
- **further scope for additional affordable housing and/or S.106 contributions.**

In my view, it would be wrong for the Council to accept a loss of 56 affordable homes on the basis of a viability position which its own independent consultant has identified as overstating the negative movement in the scheme's finances.

The Council has a responsibility to defend the provision of affordable housing and to secure the best **possible planning outcome for existing and future residents. That responsibility should take precedence over accommodating the commercial interests or preferred return of the developer.** It is also not the responsibility of the Council to bear the commercial risks inherent in property

development which is what the applicant is attempting to do here by reducing the provision of affordable housing.

This is particularly important in a high-value housing market such as Great Ashby, where a three-bedroom semi-detached home can have a base sale price of around £400,000. The benefits of development must be shared with the community, and the Council should not allow the affordability crisis facing local residents to be compounded by unnecessarily reducing affordable housing on a valuable development site.

I therefore recommend refusal of planning permission unless and until the applicant can demonstrate, through robust and independently verified viability evidence, that an appropriate level of affordable housing and the necessary S.106 contributions can be secured.

At the very least, I would expect the Council to continue negotiations with the applicant with the clear objective of securing **substantially more than the proposed 20% affordable housing provision.**

Faithfully,

Councillor Vijaiya Poopalasingham
Great Ashby Ward