

**Maple House, Nos 8-16 (even) & 30-32 High Street and
nos 1-7 Princes Parade, Potters Bar, EN6 5BA**



Statement of Common Ground

Between:

Chase (Canada) Ltd

and

Hertsmere Borough Council

Reference – S62a/2026/0159

9 October 2026 (Version 2)

1.0 **Background**

1.1 This Statement of Common Ground ('SOCG') in respect of the viability aspects of application S62A/2026/0159 has been prepared between the Chase (Canada) Ltd ('the Applicant') and Hertsmere Borough Council ('the LPA') in relation to the site comprising Maple House, Nos 8-16 (even) & 30-32 High Street and nos 1-7 Princes Parade, Potters Bar, EN6 5BA ('the site').

1.2 A planning application was submitted via Section 62a and validated on 6 August 2026 under application reference S62A/2026/0159 and has the following description of development:

Partial demolition of existing buildings (with retention of existing two-storey car park and substation) and redevelopment of the site to provide a mixed-use development comprising residential apartments (class C3) and flexible commercial floorspace (class E) across 4 blocks and associated internal roads, parking, drainage, landscaping, amenity space and associated works.

1.3 The planning application was accompanied by a Viability Study prepared by Turner Morum LLP ('TM') (dated July 2026). This assessment showed that the delivery of a private scheme without any affordable housing contributions to be unviable, generating a deficit of -£14,096,750 against a Benchmark Land Value of £16,662,075. The application was submitted on this basis with no affordable housing contributions proposed.

1.4 The Applicant's Viability Assessment was also updated to include a reduced s106 figure of £183.67 per unit and submitted on 25 September 2026. This continued to show a viability deficit of £12.51m

1.5 The LPA subsequently instructed Aspinall Verdi ('AV') to undertake a Financial Viability Assessment of the proposed development which was published on

2 October 2026. The AV report disagrees with the findings of the TV Viability Study, instead concluding that a fully private scheme is viable and would generate a surplus of c. £1.72m above the target return.

- 1.6 The AV report also tested a scheme with a policy-compliant level of affordable housing, which showed a deficit of -£10.39m against the target return.
- 1.7 The Applicant has prepared a response which sets out more detail on their position. This was submitted to the Planning Inspectorate on 7 October 2026.
- 1.8 This SOCG has been prepared between the parties to set out the viability matters which are agreed and not agreed.

2.0 **Matters of Agreement and Disagreement**

2.1 The following table provides a summary of the agreed and not agreed matters between the Parties.

Input	TM	AV	Position
Revenue			
Residential GDV	£125,490,381	£125,490,381	Agreed
Social Rent %OMV	40%	40%	Agreed
Affordable Rent %OMV	-	50%	N/A
Shared Ownership %OMV	60%	60%	Agreed
Discounted Market Sale %OMV	70%	70%	Agreed
Non-Residential Rent	£20.00 per ft2	£25.00 per ft2	Not agreed
Non-Residential Yield	7.50%	7.00%	Not agreed
Car Park Revenue	Embedded in GDV	£1,725,000	Not agreed
Net Development Value	£129,607,153	£132,724,240	Not agreed
Costs			
Construction Costs	£80,007,074	£80,007,074	Agreed
Contingency	Inc. above	Inc. above	Agreed
Professional Fees	4.0%	4.0%	Agreed
CIL Contributions	£3,882,267	£3,882,267	Agreed
S106 Contributions	£53,815	£1,465,000	Not agreed
Building Safety Levy	£611,415	£611,415	Agreed
Finance	7.5%	7.5%	Agreed

Marketing, Sales Agent & Legal	3.0%	3%	Agreed
AH Transfer Fees	0.5%	0.5%	Agreed
Non-residential Disposal	2.5%	2.5%	Agreed
Purchaser's Costs	6.8%	6.8%	Agreed
Profit (Market Units)	20.0% on GDV	17.50% on GDV	Not agreed
Affordable Profit	6.0% on GDV	6.0% on GDV	Agreed
Commercial Profit	15.0% on GDV	15.0% on GDV	Agreed
Existing Use Value ("EUV")	£16,662,075	£9,958,000	Not agreed
EUV Premium	-	-	Not agreed
Finance Costs	£8,352,569	£3,048,974	Not agreed

Non-Residential Rent & Yield

2.2 AV have adopted a stronger yield of 7.0% for the proposals and a higher rent of 25 per square foot. This equates to an additional £1.4m of revenue for the scheme.

2.3 The Applicant's position is that a yield of 7.5% and £20 per square foot of assumed rent is correct and appropriate given the nature of the location, the likely future occupiers (smaller operator tenants) and current market conditions.

Car Park Revenue

2.4 AV have included a separate line item for revenue for the car parking spaces on the assumption that these are typically sold separate to the dwellings. AV

has assumed a rate of £15,000 per space, which amounts to a further £1,725,000 in revenue.

- 2.5 The Applicant's position is that AV appraisal double counts the revenue from the car parking spaces and that any value of the car parking spaces is already factored into the average revenue of £600 per square foot for the residential floorspace.

S106 Contributions

- 2.6 The original Viability Assessment was based on a S106 figure of £5,000 per unit, taken from the Hertsmere Borough Council Whole-Borough Viability Assessment (March 2026). This equates to a total of £1,465,000.
- 2.7 The AV assessment is based on this figure.
- 2.8 The Applicant has received feedback as part of the consultation process on the application, with the total S106 contributions requested by all parties totalling £4,478,050 (£15,283.45 per unit). This significantly exceeds what was assumed in the original viability assessment. If the AV assessment adds the full s106 contributions sought, with no other amendments, a deficit would result.
- 2.9 The Applicant does not consider that contributions sought towards Healthcare (NHS), Secondary Education, SEND, Sustainable Travel and Waste meet the relevant tests. The Applicant's position is that contributions towards these should not be sought as financial contributions in a legal agreement and rather are to be covered by CIL funding. A Unilateral Undertaking has been prepared on this basis (albeit with these contributions included as blue pencil clauses).

- 2.10 The Council's position is that these contributions do meet the CIL tests.
- 2.11 The contributions the Applicant does consider meets the test and which should be included as financial contributions in the UU are the BNG Monitoring Fee, Travel Plan Monitoring Fee, Sustainable Travel Vouchers and Council & County Council Monitoring Fees. These contributions total £53,814 which equates to £183.67 per unit.
- 2.12 The Applicant submitted an updated Viability Assessment including the s106 figure of £183.67 per unit and submitted this to AV, the LPA and PINS on 25 September 2026. This continued to show a viability deficit of £12.51m.

Profit Allowance for Market Apartments

- 2.13 AV have included a profit return of 17.5% for the market unit GDV.
- 2.14 The Applicant maintains that a 20% profit return is appropriate given the current market conditions and the characteristics of this (entirely flattened) development.

Benchmark Land Value (Existing Use Value – "EUV")

- 2.15 AV have significantly reduced the BLV by excluding the existing Canada Life Building given this falls outside the red line boundary for the application.
- 2.16 The Applicant considers it incorrect to exclude the Canada Life building from the calculation of the EUV. Whilst the building is outside the planning application boundary, at the very least some form of Development

Agreement would be needed to purchase the access / service rights to enable this development to proceed.

2.17 Secondly, if one was to accept AV's approach to calculating the Benchmark land Value for Maple House (which is based on the value of the building under it's prior approval – rather than the EUV), then considerable value should also be included for the 355 car parking spaces that exist. Given that AV anticipate car parking spaces in this location are worth £15,000 each, this would generate an Existing Use Value of £5.325m before the application of a landowner EUV premium. The Applicant considers that not requiring an additional payment is incorrect, given that Canada Life would effectively become unusable without the parking provision.

2.18 The Applicant therefore maintains the BLV adopted in the original appraisal considers the BLV adopted by AV is understated by £6.175m.

Lack of EUV Premium

2.19 The Applicant did not apply an EUV Premium in the TM Viability Appraisal which was a wholly conservative position to adopt. AV acknowledge this at paragraph 7.20 of their report and comment that it would not be unreasonable to expect that certain parts / components of the site would justify an EUV premium, which would increase the BLV.

2.20 AV have sought to argue that the Existing Use Value should be significantly reduced. They have not applied an EUV premium as stated at paragraph 6.41 of their report..

2.21 The Applicant does not agree with this approach as it does not align with Paragraph 014 of the Viability PPG.

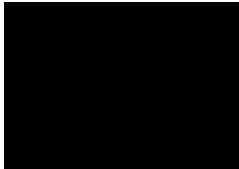
Finance Costs

- 2.22 AV finance costs are approximately £6m lower than the TM finance costs. This is explained by the difference in the GDV and BLV between the Parties, but also, fundamentally, because of how the construction costs have been modelled.
- 2.23 AV have reflected the construction costs on an S-Curved Basis, where the costs are incurred at a lesser extent at the start of the development, peaking in the middle and then tailing-off again towards the end.
- 2.24 The Applicant disagrees with this approach as it does not reflect the specifics of the proposed scheme and the significant amount of development costs that will be 'front loaded' (i.e. upfront demolition, ground remodelling, foundation works etc.). It is instead necessary to reflect the front-loaded nature of the development costs.

Declaration

This Statement of Common Ground is agreed.

Signed on behalf of the Applicant:

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 **MA (Cantab) MA MRTPI**

Position: Associate at Barker Parry Town Planning (on behalf of Chase
(Canada) Ltd)

Signed on behalf of the Council:

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 **MRTPI**

Position: Development Management Service & Performance Manager (on
behalf of Hertsmere Borough Council)