

Land south of Cowm Top, Rochdale
Viability Assessment
December 2022



RogerHannah

I. Executive Summary

Site	The site is located in Castleton, a suburb of Rochdale, Greater Manchester. It is situated c.1.8 miles to the south west of Rochdale town centre and approximately 10 miles to the north east of Manchester city centre. The site comprises an irregularly shaped greenfield site extending to approximately 47 acres (19.02 ha). It is accessed via Cowm Top Lane to the north and Trows Lane to the south.											
Scheme	The proposed development comprises 495 no. residential dwellings. These range from 2 bedroom terraced properties to 5 bedroom detached properties, with 10x 2 bedroom terraced properties, 125x 3 bedroom semi/mews properties, 19x 3 bedroom semi-detached/detached properties, 15x 3 bedroom detached properties, 12x 3 bedroom 3 storey townhouses, 87x 4 bedroom 2.5 storey townhouses, 70x 4 bedroom detached houses and 18x 5 bedroom detached houses included in the scheme. The proposed development totals 524,418 sq ft. Two appraisals have been provided herein, firstly on the basis of 100% market sale housing and an off-site affordable housing contribution equating to 7.5% of the total GDV, in line with Rochdale Council policy (Appendix 5) and the second with 100% market and no affordable housing contribution (Appendix 6).											
GDV	100% market housing: £137,403,000											
Affordable housing contribution	£ 10,305,225											
Construction Costs	£64,818,065 inclusive of 3% contingency											
Profit	19% on market sale GDV											
Other Costs	Other costs have been applied in respect of professional fees, finance, and sales and agent's fees.											
Benchmark Land Value	£7,050,000											
Policy Compliant Appraisal	<table><tr><td></td><td>Policy Compliant</td></tr><tr><td>Residual Value</td><td>-£4,174,839</td></tr><tr><td>Benchmark Land Value</td><td>£7,050,000</td></tr><tr><td>Deficit/Surplus</td><td>-£11,224,839</td></tr><tr><td>Viability Concern</td><td>Yes</td></tr></table>			Policy Compliant	Residual Value	-£4,174,839	Benchmark Land Value	£7,050,000	Deficit/Surplus	-£11,224,839	Viability Concern	Yes
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Conclusions

Policy compliant provision of an off-site affordable housing contribution equating to 7.5% of total units is severely unviable, generating a deficit of -£11,041,140.

Despite the viability constraints, we understand that the applicant is willing to progress with the scheme on the basis of 100% market sale housing and no affordable housing contribution with the inclusion of £2,469,705 education S106 contributions.

We are therefore of the opinion that planning policy requirements in respect of affordable housing and other S106 requirements should be relaxed on viability grounds for the proposed development.



RogerHannah

0161 817 3399 | www.roger-hannah.co.uk