

S106 Financial Viability Report - Queens Drive, Rochdale, OL11 2NP –

Planning reference PL/2026/0141

Description of Proposal:

This proposed development will provide 28 homes:

Type	Number	Metre/2	Social Rent (ex service charge)
Flat – 1 bed/ 2 person	23	50.3	£104.73 per/wk
House – 4 bed/ 7 person	5	128	£128.00 per/wk

All of the homes will be built to very high standards of sustainability to deliver EPC A, energy use ratings. This will include an off gas heating solution and a fabric first approach. In addition, all of the houses will include disabled adapted accommodation (M4(3) standards) on the ground floor.

Summary of the development appraisal:

Element	Cost	Comments
Land	nil	The site is currently owned by Rochdale BC and we have appraised the site on the basis of the purchase of the site at nil value.
Works	£6,022,152	£2,884 p/m2. Based on QS/RICs cost plan
Fees, Other & Interest	£850,921	
Total Scheme Cost	£6,873,074	
Subsidy	£3,500,000	Homes England & GMCA
Internal borrowing	£3,373,074	MSV's opening loan – based on repayment over 35 years.

NPV	£359,227	
Cost to value	£137.23%	

Conclusion:

This proposed development will be built to provide 100% homes to be let on social rents.

It will therefore provide a valuable asset to enable Rochdale BC to fulfil their statutory housing needs.

The scheme is not being built for profit and depends on a significant level of state subsidy to enable its construction at a cost to value ratio which is in excess of 100%.

Therefore on the basis of these considerations it is proposed that this development will not be viable if a s106 contribution is demanded through the planning process.

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