Exeter Plan: Secondary care contributions statement – Viability

Exeter City Council

Introduction

One of the discussions at the Matter 13 hearing of the Exeter Plan Examination which covered health and wellbeing, was relating to the potential to secure secondary healthcare contributions from development as advocated by the Royal Devon University Healthcare NHS Foundation Trust (the Trust).

The City Council and Trust are in discussion regarding a modification to policy HW1 which would enable Section 106 contributions to be sought for secondary healthcare infrastructure as appropriate.

At the hearing, the Home Builders Federation queried what impact secondary healthcare contributions could have on development viability. This note briefly investigates this issue.

Viability assessment

The viability evidence for the Exeter Plan includes the 2024 Local Plan Viability Assessment (EVB-IF-01a), the Assessment Addendum (EVB-IF-01b) and the Water Lane delivery and viability position statement (EXM-02aa). The viability assessment explains that viability has been tested through a review of Section 106 agreements from developments in the city. These have been used to inform testing assumptions regarding the level of contributions likely to be required for developments in Exeter.

A series of 25 Section 106 agreements for developments in Exeter were used to inform the viability assessment. Although secondary healthcare contributions have not been collected routinely, there are instances where such contributions have been secured in the last five years.

A review of the Section 106 agreements which informed the viability assessment shows that 5 of the 25 agreements included contributions for secondary healthcare. The contributions secured in the agreements were either contributions per dwelling or total aggregated sums for each development. The level of contribution varied but ranged from approximately £600 to £1,230 per dwelling. The references for the applications which included contributions to secondary healthcare are listed below.

- 22/0770/FUL
- 21/1940/OUT
- 20/0538/OUT
- 21/0020/OUT
- 22/0236/FUL

This demonstrates that secondary healthcare contributions at various levels have been acknowledged in the viability testing.

Discussion

The testing results in the viability assessment relating to typologies (EVB-IF-01a, Table 5.4 page 42), the viability assessment addendum relating to the strategic brownfield sites (EVB-IF-01b Appendix A page 40) and Isca House at Water Lane (EXM-02aa) show that there is

some headroom for additional contributions although this is often limited and it may be required for market changes.

There will be some opportunities to support additional contributions including secondary healthcare where additional values can be achieved and where more valuable forms of development can be brought forward (e.g. higher value flatted development or higher density mixed houses and flats – see EVB-IF-01a tables 5.6 and 5.7, pages 44-45), and in circumstances where other mitigation is not required (e.g. where there is already school capacity and contributions are not required).

More detailed assessment consideration of viability would need to be take place at application stage.