

The Exeter Development Fund – Update

This project was originally funded and commissioned as part of the City Council's One Public Estate programme. This element is complete and resulted in the publication by Exeter City Futures of an Outline Business Case (OBC) for the Exeter Development Fund ('The Fund'), in May 2022.

The OBC established the concept of the Fund - as a public sector owned, replicable and fundable model that enables delivery of Liveable Exeter and the eight strategic brownfield sites identified in the emerging Exeter Plan. The key principles which underpin the Fund concept are that it would: utilise public sector land assets to finance housing led mixed use development at pace and at scale; take the role of funder and developer and recycle the uplift in land values into its future pipeline of housing development, innovative transport infrastructure and energy transition away from fossil fuel reliance; Control will rest with public sector land owners, rather than private developers; schemes can be designed for place-making rather than profit and; Land will be retained rather than sold, and income will be generated from rentals.

These key principles had the full support of the project partners, including Exeter City Council. However as the OBC is focused on all eight Liveable Exeter sites, the funding required for the whole portfolio was assumed to be unrealistic. Focusing the work on a single 'flagship' site, to test the concept further, greatly reduces complexity and risk and makes the funding 'ask' more affordable - whilst still fitting in with the Fund principles. This is the most practical and deliverable approach.

Exeter City Council has secured further government funding to progress the exploration of the Fund to full business case. New governance arrangements have been put in place, and the Director of City Development is leading the work, reporting directly to a Strategic Scrutiny Committee 'Task and Finish Group'.

An assessment matrix has been used to select Southgate site as the flagship site which includes the existing Magdalene Street car park. A stage 2 Feasibility Study is underway to test strategic highway solutions and design development of the former car park site.

When considering the Fund option, whilst focus will be on appraising the flagship site, the other Liveable Exeter sites will be considered at a high level.

The expected outputs from this work will be a Full Business Case for the Exeter Development Fund and a proposed development capable of delivering circa 170 new homes. The work will be completed towards the end of next year.

