

EXAMINATION OF THE EXETER LOCAL PLAN

HEARING STATEMENT

MATTER 5 HOUSING LAND SUPPLY

PREPARED FOR
WADDETON PARK LIMITED

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Introduction

This Hearing Statement is submitted by PCL Planning Ltd on behalf of Waddeton Park Limited and relates to **Matter 5** (Housing Land Supply) as identified in the Inspectors' Matters, Issues and Questions (MIQs).

Waddeton Park Limited is a highly experienced land promoter, operating for over 2 decades, who has secured permission for over 3,000 new homes on sites across the South West. Working closely with landowners, local authorities, stakeholders, and local people, Waddeton Park Limited secure planning permissions for high quality, sustainable developments which benefit the wider community.

Responses to the specific Issues and Questions in relation to Matter 5 as presented in the Inspectors' MIQs are set out below under the relevant headings.

Issue 1 – Total Housing Land Supply

Question 1 - Is there convincing evidence to demonstrate that the Plan's housing requirement to the end of the plan period will be met?

No.

To date, the Council have consistently failed to meet their planned housing requirements. Under the current Core Strategy (2006-2026), which sought to deliver a reduced number of 12,000 houses (compared to an initial requirement of 15,000), only 9,243 dwellings have been delivered over the period 2006-2025 (ie. over 19 years in the 20-year plan period). Clearly, the Council will fall substantially short of delivering their current (reduced) housing requirement.

It is our view that in the emerging plan, which places heavy emphasis on brownfield sites (with 65% of the housing requirement being delivered on just 5 brownfield sites), it is highly likely that a similar plan failure will occur in regard to delivering the rolled forward housing requirement.

For example, the largest allocation in the emerging plan, Water Lane, (1,861 dwellings), has formed part of the DP for the Council for over 20 years (having first been introduced in the Exeter Local Plan First Review 1995-2011). Despite a long-term supportive policy context, a planning application has only been submitted for *part* of the site (ref. 23/1007/OUT), and the resolution to grant in January 2025 was over a year ago, with the S106 negotiation still ongoing and permission yet to be granted.

This (over) reliance on the 5 strategic brownfield sites increases the risk of a plan failure, with any delays in delivery on one of these sites (or material delays across multiple sites) having fatal consequences for meeting the housing requirement across the plan period. The plan has failed to build in sufficient flexibility to its housing supply by an over reliance on a limited number of brownfield allocations.

To provide greater certainty that Exeter will meet its housing needs, a broader variety of site allocations is required. This includes supporting the delivery of appropriate urban extension sites, which the current plan has not sufficiently embraced. Through the overly broad-brush approach to protective landscape setting policies, opportunities have been missed to release appropriate sites at the edges of the city for residential development. Allocation of these urban extension sites will directly support the strategy of the plan by providing a longer 'window' to seek to 'unlock' the release of the constraint laden brownfield sites whilst ensuring the city can meet its housing requirements in the shorter term.

In our Matter 3 (Spatial Strategy and Distribution of Development) Paper we have identified the benefits of a policy release mechanism that could provide contingency to the Plan by supporting greenfield release in landscape setting areas where the Plan is not delivering as anticipated. Such a 'safety valve' policy could be applied where the Council are unable to identify a 5-year housing land supply or where it scores less than 85% on the Housing Delivery Test. In those circumstances development options in landscape setting areas could be considered in principle subject to considerations of landscape and visual harm demonstrating any impacts would be contained and localised and there would be no significant landscape and visual effects.

We have set out in detail our concerns regarding the Plan's strategy and distribution of development in our Matter 3 paper.

Question 2 - Is there convincing evidence to demonstrate that there is a reasonable prospect of a five-year supply of deliverable land for housing being maintained throughout the plan period?

No.

Five strategic brownfield sites account for 65% of all proposed allocations within the Plan. To deliver at the density identified in the emerging plan, flatted development will be required. This cannot be occupied in the same way as conventional houses, requiring entire blocks to be completed at a time (see EVB-H-05, p.24). Therefore, it appears inappropriate to apply the typical 50 dwellings per annum deliver rate to these sites (see EVB-H-03, e.g. Ref MSO06(S) – Water Lane). This does not reflect the reality of delivering these sites.

Apartments in particular may also be more susceptible to market downturns, with the high capital risk associated with developing them (see EVB-H-05, p.24). Capital is tied up until the entire block has been completed, increasing the associated risk compared to houses that can be released upon completion once the initial infrastructure is in place. This report goes on to identify these sites are 'less predictable' forms of supply (p.28). They are typically subject to elongated planning and delivery periods compared to conventional houses on sites of similar scale. Furthermore, there can be protracted periods of redesign and site sale resulting in implementation taking longer.

Alternatively, by supplementing the larger, strategic brownfield allocations with a higher number of smaller urban extension sites, there is greater prospect of a 5YHLS being maintained throughout the plan period. Smaller sites, between 50 and 99 dwellings, have an average timeframe from the validation of the application through the delivery of the first dwelling of 3.8 years, whilst larger sites are, at a minimum, 1.1 years longer (see EVB-H-05, p.8). Larger brownfield sites take

substantially longer, with sites delivering 500+ apartments on brownfield sites taking an average of 7.8 years (see EVb-H-05, p.22).

Question 3 - What are the implications of the proposed revision of the plan period on overall housing supply?

Not relevant to our representations.

Question 4 - What proportion of the total housing supply is derived from purpose-built student accommodation? Is the Plan over-reliant on the provision of this type of accommodation to meet the housing requirement?

Yes, the plan is over reliant.

The role PBSA delivery makes to meeting the housing requirements for Exeter has been a long running issue and any reliance on PBSA in terms of housing supply has been successfully challenged in the past. The Emerging Local Plan is progressing under transitional arrangements and therefore under the previous version of the NPPF and standard method. PBSA is not built into the housing requirement under that standard method as its baseline derives from household projections which does not include students.

Instead, the PPG emphasises that any contribution to supply should be based on the amount of accommodation released into the wider housing market and able to remain in non-student use. Over relying on PBSA delivery will therefore have significant implications for the Plan's ability to meet its identified housing needs, including limiting opportunities for affordable housing delivery.

A brief review of the Exeter Plan Housing Trajectory (see EVB-H-03) identifies the following sites as bringing forward Purpose Built Student Accommodation (PBSA):

Reference	Site & context	Quantity of PBSA
Appendix B – Permissions (EVB-H-03)		

MSD44(S) 25/0318/FUL p.38	The King Billy and 26-28 Longbrook Street Solely PBSA	108 dwellings, as follows: - 108 in 2027/28 All in Yr 1- 5 (Not started)
MSD45 24/0184/VOC p.39	West Park, University of Exeter, Stocker Road Solely PBSA	538 dwellings, as follows: • 178 in 2027/28 • 360 in 2028/29 All in Yrs 1 – 5 (Not started)
MSD46 21/0757/FUL p.40	36, 37 & 39 High Street Solely PBSA	11 dwellings, as follows: • 11 in 2025/26 Pre-Yrs 1 – 5 (Started)
MSD47 23/0232/FUL p.41	Apparelmaster, Cowley Bridge Road Solely PBSA	236 dwellings, as follows: • 236 in 2027/28 All in Yrs 1 – 5 (Not started)
Appendix D – Allocations trajectory (EVB-H-03)		
145/103 p.62 (as supplemented by EVB-H-04a September 2025 5YHLS, p. 63) 25/1082/FUL	East Gate – Clarendon House Student accommodation, 134 PBSA studio flats, 163 cluster flats – 202 PBSA total	202 dwellings, as follows: • 202 in 2028/29 All in Yrs 1 – 5 (not currently permitted)
104 p. 63 (as supplemented by EVB-H-04a September 2025 5YHLSS, p.64) 25/0676/FUL	Heavitree Road Police Station 414 co-living studio flats, 399 PBSA Studio flats	399 dwellings, as follows: • 399 in 2028/29 All in Yrs 1 – 5 (Not currently permitted)
IN TOTAL:		Within Yr 1 – 5 = 1,483 dwellings ALL = 1,494 dwellings

There has been a total of 1, 483 'dwellings' worth of PBSA being delivered within the first five years of the plan period. The Council currently claim to be able to demonstrate a supply of 3,812 dwellings in this first five years (albeit we challenge this in Issue 2), meaning PBSA represents 38.9% of the Council's claimed supply. Clearly, this is not sustainable when seeking to respond to a variety of identified housing needs.

In addition to the fact that the housing supply is already over-reliant on PBSA, we are concerned that there is no protection from PBSA becoming the dominant form of housing on the allocated sites (a concern that is well founded as this is already occurring on the applications for East Gate – Clarendon House, and Heavitree Road Police Station, LP ref. 104, planning application ref. 25/0676/FUL).

Policy H10 prescribes a range of criteria for PBSA, with the geographical restrictions identifying that it is supported on the University of Exeter campus, in the city centre, or in areas within controlled parking zone well connected to the campus and facilities. This effectively supports the delivery of PBSA on all 5 of the Strategic Mixed-Use allocations, as well as other non strategic development opportunities in Exeter.

Effectively, without modification to clarify that these site allocations are for market and affordable housing, not PBSA, there is the risk that Exeter's future housing delivery becomes even more focussed on PBSA by stealth. This would be at the expense of meeting Exeter's general housing need (as has happened to date) resulting in inflationary pressure in the housing market and a lack of delivery of affordable housing.

It is also noteworthy that, alongside the significant reliance on PBSA in the first 5 years (and continued potential reliance on this due to site allocations not being restricted to 'market' residential dwellings), there is also a significant reliance on Co-living delivery through the emerging local plan. Such accommodation meets a similar demographic (i.e. often students who stay in Exeter to work after completing their studies).

Question 5 - Does the total housing land supply include an allowance for windfall sites? If so, what is this based on and is it justified?

Land supply comes from a finite resource base. More identification of urban capacity sites means that they cannot come forward as windfalls (they come forward as allocations if they come forward at all). Significant care therefore must be taken not to 'double count' if historic windfall sites have, hitherto, been comprised of a high proportion of urban capacity sites.

Recently in Exeter, due to a paucity of delivery from urban capacity sites then a large number of windfall sites have been urban extension sites. It would seem strange to plan for plan failure by basing the plan upon an evidence base that factors in a windfall rate that includes a significant number of urban extension sites that have been brought forward contrary to the provisions of the plan (i.e. the restrictive/protective Landscape Setting policy) but if a significant windfall rate is relied upon that is exactly what is occurring.

Paragraphs 4.16 to 4.23 and Appendix H of the September 2025 5YHLSS discuss the windfall sites (EVB-H-04a).

We do not seek to dispute the delivery of minor windfall sites, nor the inclusion of zero dwellings on major windfall sites during the first 5 years of the plan period (2027/28 to 2031/32, as explained at paragraph 4.22 of the September 5YHLS). However, we do have concerns with the inclusion of the major windfall allowance in the future trajectory beyond the first 5 years of the plan, which quickly accounts for 140 dwellings per annum throughout the remaining plan period.

This figure is based on average delivery in the previous 10 years (2015/16 to 2024/25). This would have been based on the previous planning policy context, where the Council have been consistently unable to demonstrate a 5YHLS almost consistently since the Core Strategy was adopted in 2012, with sites delivered on appeal under the tilted balance, including frequent release from the 'Landscape Setting Areas'.

The 2023 NPPF para 72 is clear that *"Any allowance should be realistic having regard to the strategic housing land availability assessment, historic windfall delivery rates and expected future trends."*. Given that historic windfall delivery rates are directly linked to plan failure, relying on the average delivery over this period to identify windfall rates appears to be pre-empting plan failure. 140 dpa represents 21.8% of the annual requirement of 642 dwellings per annum, a substantial contribution to the housing requirement.

The Council should instead be positively planning for the delivery of these homes, in particular identifying urban extension sites, including appropriate parts of the 'Landscape Setting Areas', for housing delivery.

Question 6 - Paragraph 70 of the Framework sets out that small and medium sized sites can make an important contribution to meeting the housing requirement of an area, are essential for Small and Medium Enterprise (SME) housebuilders to deliver new homes and are often built out relatively quickly. How are SME housebuilders supported in the plan?

The proposed plan fails to adequately enable SME housebuilders to deliver housing in the city.

The Spatial Strategy is highly focused on complex and dense brownfield sites. Whilst SME housebuilders are not precluded from either form of site, they are resource intensive and risky to deliver (given remediation costs, longer lead-in times etc. Furthermore, these sites focus on 'flatted' development to reach the densities identified in policy, which increase the length of time and cost of development before money can be recouped through the sale of properties, as flats are only sold to conventional market buyers once the block has been completed. SME's, who have lower financial resources may be unable to risk, or access, appropriate funding to deliver this form of development.

The plan does not release enough urban extension sites to support SME's through conventional housing delivery. The appropriate way to address this is to increase the number of urban extension sites allocated within the plan and/or through the introduction of a policy release mechanism that could provide contingency to the

Plan by supporting greenfield release in landscape setting areas where the Plan is not delivering as anticipated (as referenced above and within our Matter 3 paper). This will also provide a range of other benefits, such as enabling a wider range of developers to deliver housing in the city, providing market competition benefits, as well as wider resilience benefits through the delivery of a wider mix of housing through a broader range of sites.

Question 7 - How has the limited capacity of the existing power grid network in Exeter been considered? Does this have any impact on the total housing supply?

Not relevant to our representations.

Question 8 - In terms of this issue, are any of the other suggested modifications in the Schedule of Suggested Modifications necessary for soundness?

No.

The proposed amendments alter the quantity of housing on some of the allocated sites, and make a few minor amendments to other housing policies, however they do not respond to the concerns raised through this Hearing Paper regarding the ineffectiveness of the Plan in meeting its housing requirements. These alterations do not address this fundamental concern. As we have set out above and in previous representations there are clear risks the Plan raises in respect of not being positively prepared, justified, effective and being inconsistent with national policy. It is simply not the case that Exeter does not still have some capacity for genuinely suitable urban extension sites that can significantly contribute to the Plan's objectives and provide much needed contingency to the over reliance on complex strategic brownfield sites with clear delivery uncertainties.

In our Matter 3 (Spatial Strategy and Distribution of Development) Paper we have identified the benefits of a policy release mechanism that could provide

contingency to the Plan by supporting urban extension release in landscape setting areas where the Plan is not delivering as anticipated.

In our view, a revised approach to Housing Supply, including providing more flexibility through the introduction of additional urban extension sites and/or a policy release mechanism is essential is demonstrating that the Plan will be sound.

Issue 2 – Five-Year Housing Land Supply

Question 1 - What is the five-year housing land requirement?

Not relevant to our representations.

Question 2 - Based on the housing trajectory, how many dwellings are expected to be delivered in the first five years following adoption of the Plan?

There are concerns regarding the proposed trajectory in the first 5 years identified in the Exeter Plan Housing Trajectory September 2025 (ref. EVB-H-03).

For example, the Exeter Plan Housing Trajectory (EVB-H-03, Appendix A, p.5) identifies the delivery of 1,209 dwellings in 2027/28 and 2,081 dwellings in 2028/29. This is unprecedented in Exeter, with the highest number of dwellings delivered in Exeter since 2006 comprising 891 dwellings in 2006/07 (EXM-02j, p.8) – with no delivery in any single year since 2006 getting close to this figure (with the second highest being 753 dwellings [EXM-02j, p.9]).

There are a number of concerns regarding how sites have been assessed as 'deliverable' and the identified timeframes for delivery within the trajectory. Appeal decisions have defined how sites should be assessed in terms of deliverability for inclusion in the 5-year HLS. Key points include the need for clear evidence which:

- should be cogent and not just based on assertions;
- is more than being informed by landowners, agents or developers;

- should be a realistic assessment of delivery factors, not just planning matters but also technical, legal and commercial/financial aspects of delivery;
- securing an email or completed pro-forma would not itself be sufficient.

We have summarised our concerns on two specific sites below to illustrate our point, but please note that this is not an exhaustive list:

Heavitree Road Police Station (see EVB-H-03, p.63, HELAA Ref. 104)

This site is currently identified for 813 dwellings, all to be delivered in 2028/29, 'based on landowner advice'. The September 2025 5YHLS (ref. EVB-H-04a) provides the following justification:

- "• The site agent completed the Council's five-year housing supply form in July 2025, on behalf of the developer.*
- On the form, the site agent advises that development is expected to commence in September 2026, following demolition works.*
- The five-year supply accords with the site agent's advice about lead-in time and build rate."*

Whilst there is now a resolution to grant planning permission subject to S106 (ref. 25/0676/FUL), this agreement has not yet been completed and permission has not yet been granted. The delivery rate of 813 dwellings in a single year in 3 years' time does not reflect reality (or the HELAA methodology). It does not acknowledge the sheer amount of work required to deliver the proposal. Before construction can begin, all the existing, substantial structures on the site (comprising a former police station and court) which range between 1 and 5 storeys will have to be demolished. Furthermore, the proposed development will range between 4 and 6 storeys and will be made up of 7 buildings. Therefore, they will take longer to develop than a conventional dwelling, and would need to be delivered in distinct phases, with each building not being able to be occupied until completion of the whole building.

As appeal decisions have determined, a response from the developer alone is insufficient to demonstrate deliverability. There remain clear planning constraints, given the lack of a permission, there will be numerous pre-commencement conditions, development will need to be phased and substantial demolition and building works are required. We therefore do not agree with the site being with the 5YHLS and it should be removed.

Harlequin Centre (see EVB-H-03 Trajectory, p.23, ref. 21/1104/FUL, MSD21)

The site is currently identified for the delivery of 332 dwellings in 2028/29. As with Heavitree Police Station, this also does not acknowledge the sheer amount of work to deliver the proposal. The Council's position is that the permission has been implemented. However it is important to emphasise that substantive work of demolition has not occurred, with only limited demolition (of a single access ramp) solely to technically implement the planning permission (ref. 25/0082/DIS). Before any further construction can begin, all the existing, substantial structures on the site (comprising a former shopping centre) must be demolished which is work only likely to be carried out by an end user developer.

The proposal is in the form of 2 blocks, which will need to be delivered in phases, with each building being occupied upon completion. On the basis of the above, it is not realistic that the entire site will be delivered by 2028/29.

From an initial review, similar concerns are raised with the following sites within EVB-H-03:

- MSD39 – Land at Summerland Street (p.34)
- MSD44(S) – The King Billy (p. 38)
- MSD45 – West Park, University of Exeter (p. 39)
- MSD47 – Apparelmaster (p. 41)

Given the range of sites where this is a concern, we consider it highly likely there are similar issues with the trajectory regarding other sites.

Question 3 - What evidence has the Council used to determine which sites will come forward for development and when? Is it robust?

In particular regarding the delivery of Purpose Built Student Accommodation and Co-Living, the Council do not appear to be using accurate data to support the trajectory. There appears to be an over-reliance on proformas , and a lack of "*clear evidence*" to justify these trajectories (as explained in response to Issue 2, Q2). Factoring in that these buildings cannot be partially occupied, as well as that schemes delivering multiple blocks will likely be delivered in phases, it is more realistic that these schemes will be delivered in staggered groupings (rather than directly aligning with the HELAA methodology), and a number of these blocks will be delivered beyond the first 5 years of the plan period.

We also consider it likely that these comments will apply to brownfield sites seeking to deliver apartments.

Question 4 - Where sites have been identified in the Plan, but do not yet have planning permission, is there clear evidence that housing completions will begin within five years as required by the Framework?

No.

As discussed above, Water Lane (Issue 1, Q1) and Heavitree Police Station (Issue 2, Q2) both do not currently have planning permission. Water Lane has been subject to S106 negotiations for over a year, whilst Heavitree Police Station has been subject to S106 negotiations for approximately 2 months and counting. There are likely other sites within the Local Plan that are in a similar position, however, have not been listed here for brevity.

The deliverability of Heavitree Police Station has been fully explored in the response to Issue 2, Q2 where it is clear that the site should not be considered deliverable at this current time. Similar logic as set out in that section can be applied to other sites that do not have planning permission and considered deliverable by the Council.

Question 5 - Is there convincing evidence to demonstrate that there will be a five-year supply of deliverable land for housing following adoption of the plan with an appropriate buffer applied?

No.

As discussed in response to Issue 2, Q2 the current 5YHLS anticipates the delivery of an unprecedented quantity of housing, in excess of 1,000 units more than has historically been delivered in Exeter since 2006 (the start of the current Core Strategy period). Further in this section, we raise a number of concerns regarding how sites have been identified as deliverable, which once rectified, will remove a significant number of dwellings from the 5YHLS.

Brownfield sites have a longer lead-in time for development to commence, which this plan is highly reliant on. To provide the necessary flexibility to ensure there is a 5YHLS at the start of the plan period, a greater number of smaller urban extension sites should be allocated, where planning applications can be pursued promptly, and quickly implemented (as discussed at Issue 1, Q1).

Question 6 - What allowance has been made for windfall sites as part of the anticipated five-year housing land supply? Is there compelling evidence to suggest that windfall sites will come forward over the plan period, as required by paragraph 72 of the Framework?

We do not seek to comment on the windfall sites within the 5YHLS, noting (and agreeing) that no provision is made for major dwellings in this period.

Our comments on windfall sites coming forward over the plan period are set out in response to Issue 1, Q5 where we conclude that the major windfall allowance should be removed from the plan.

Question 7 - Having regard to the questions above, will there be a five-year supply of deliverable housing sites on adoption of the Plan?

No.

Subject to the changes identified above, including rectifying the housing trajectory in the 5YHLS by supporting it with 'clear evidence' (Issue 2, Q2), we consider it unlikely that the Council will be able to demonstrate a 5YHLS.

To rectify this, the Council should seek to allocate a greater number of small (i.e. sub-100 unit) urban extension sites that can be delivered promptly (see p.8, EVB-H-05).

Question 8 - What flexibility does the Plan provide if some of the larger sites, such as Water Lane, do not come forward in the timescales envisaged?

On the basis that the Local Plan seeks to focus on a brownfield strategy, limited urban extension opportunities are provided. Five strategic brownfield sites account for 65% of all proposed allocations within the Plan, whilst urban extension sites account for less than 15% of all site allocations. The Plan is therefore substantially reliant on the delivery of the most complex and difficult sites (the strategic allocations), underpinned by other brownfield sites which face their own delivery challenges.

This (over) reliance on the 5 strategic brownfield sites increases the risk of a plan failure, with the potential failure for one of these sites (or material delays across multiple sites) directly leading to a failure to meet the housing requirement across the plan period. The plan has failed to build in sufficient flexibility to its housing supply through the site allocations, and therefore there are inappropriate safeguards to ensure the housing requirement can be met.

To rectify this, further urban extension release can be enabled through greenfield site allocations, which will provide greater flexibility. This has been discussed in greater depth above.

We have also in our Matter 3 (Spatial Strategy and Distribution of Development) Paper identified the benefits of a policy release mechanism that could provide

contingency to the Plan by supporting urban extension release in landscape setting areas where the Plan is not delivering as anticipated.

Question 9 - What are the implications of the proposed revision of the plan period on the five-year housing land supply?

Not relevant to our representations.

Question 10 - In terms of this issue, are any of the other suggested modifications in the Schedule of Suggested Modifications necessary for soundness?

No.

The proposed amendments alter the quantity of housing on some of the allocated sites, and make a few minor tweaks to other housing policies, however, do not respond to the concerns raised through this Hearing Paper regarding the 5YHLS. These alterations do not address the fundamental concerns.

In our view, a revised approach to the 5YHLS, including providing more flexibility through the introduction of additional urban extension sites and/or the suggested policy release mechanism above sites is essential in demonstrating that the Plan will be sound.