

Exeter Local Plan: Examination in Public

Hearing Statement – Matter 6 (Energy, Climate Change and Flooding)

Prepared by Savills on behalf of Morgan Real Estate (respondent reference number: C-25)



Issue 1 – Net Zero, Low Carbon Energy, Renewable Energy and Local Energy Networks – Policies CC1, CC2, CC3, CC4, CC5 and CC6

Q1 Is it sufficiently clear what is meant by ‘net zero’ for the purposes of Policy CC1? How will the policy be implemented and how will it be effective?

1. As stated previously in the Regulation 19 representations, Morgan Real Estate broadly supports the principle of addressing climate change and moving towards net zero. However, the wording of this policy is currently too vague to operate effectively as a development management policy. Although the policy outlines several "requirements," these are not specific enough for applicants to understand how they can show that their development will help achieve net zero., or indeed whether that is the aim of the policy. Significant concerns persist about whether the policy is justified, effective, and aligned with the Framework; these points are discussed further below.

Q2 The Does Policy CC1 apply to all development? Are the requirements set out in Policy CC1 justified, effective and consistent with national planning policy? Have these requirements been adequately tested to ensure that they are viable and deliverable?

2. The policy, as currently drafted, appears to encompass all development. However, the requirement to submit a Net Zero Statement is specifically limited to major development. To avoid ambiguity, the wording of the policy should be clarified to specify how and when each requirement applies. More generally, it is not pa
3. Regarding the substance of the requirements, we have concerns about the approach taken, as it does not appear to align with national policy and therefore may not be considered sound. The Written Ministerial Statement (WMS) issued on 13 December 2023 addresses the issue of soundness for policies such as CC1. It states: *“the Government does not expect plan-makers to set local energy efficiency standards for buildings that go beyond current or planned building regulations,”* and further, *“any planning policies that propose local energy efficiency standards for buildings that go beyond current or planned building regulation should be rejected at examination if they do not have a well-reasoned and robustly costed rationale.”*

Exeter Local Plan: Examination in Public

Hearing Statement – Matter 6 (Energy, Climate Change and Flooding)

Prepared by Savills on behalf of Morgan Real Estate (respondent reference number: C-25)



-
4. Following an unsuccessful legal challenge in 2024, the Court of Appeal in 2025 reaffirmed that the 2023 WMS provides a sound interpretation of legislation, establishing parameters for government expectations regarding its application. Specifically, local planning authorities are permitted to set standards up to those outlined in the draft Future Homes Standard.
 5. It is evident from the WMS that the Government regards Building Regulations, and the forthcoming Future Homes Standard, as the primary mechanisms for enhancing energy efficiency and reducing carbon emissions in new development.
 6. In light of this, we have significant concerns about the continued relevance of Policy CC1, given that it is effectively superseded by Building Regulations. Additionally, several components of Policy CC1, such as requirements related to Biodiversity Net Gain (BNG) and Sustainable Drainage Systems (SuDS), are already addressed elsewhere within the Local Plan, resulting in unnecessary duplication.
 7. Lastly, while the viability of the policy appears to have been tested through the Local Plan Viability Assessment (2024), this assessment assumes compliance with current Building Standards, which further underscores the redundancy of maintaining CC1 as a separate policy.

Q3 Should Policy CC1 acknowledge that targets will be dictated by national policy and up to date building regulations, rather than local policy?

8. Should Policy CC1 be retained in some form, it is vital that its targets defer to national policy and up to date building regulations.

Q6 Policy CC3 requires all new development with a floorspace of at least 1,000 square metres or comprising ten or more homes and located in certain areas, to have heating system that are compatible with either a proposed or existing local energy network. What is the justification for this approach? Is the policy sufficiently flexible in this regard to be effective? Has this requirement been adequately tested to ensure that it is viable and deliverable?

-
9. As stated in the Regulation 19 representations, we have strong concerns regarding the robustness of the policy mandating that new developments of a certain size within specified areas be compatible with either proposed or existing local energy networks. Although a report from the University of Exeter Centre for Energy and the Environment appears to demonstrate the feasibility of the emerging heat network, considerable uncertainty remains surrounding its delivery. Consequently, making future connections obligatory is considered onerous.
 10. In addition, there is insufficient evidence to establish that a heat network inherently offers greater sustainability compared to on-site alternatives. Given that most heat networks are 'heat agnostic,' developers would lack control over the heat source at the connection point, potentially resulting in reliance on less sustainable sources despite the availability of more viable options.
 11. While the policy incorporates provisions for flexibility through considerations of 'feasibility' and 'viability,' further clarification is needed regarding the process for demonstrating when connection is impracticable. Furthermore, as previously noted, the policy has not undergone viability testing, and thus, there is no supporting evidence assessing the potential impact of the draft Policy on overall viability.
 12. On this basis, we strongly advise that the policy be reviewed.

Q7 Is it clear to users of the Plan what measures all development proposals (excluding householder developments) need to include to allow for future connection to 'local energy networks' under Policy CC3? Will this be possible for all development types and locations?

13. While the measures set out in the policy are broadly clear, what is not clear per the previous response is how applicants should demonstrate that the measures are not feasible, and how this determination will be made by the local authority. Connection into heat networks will not be possible for all development types and locations for a variety of reasons which may not become clear until detailed design stage, and applicants should be given sufficient comfort that the assessment of feasibility will be sufficiently robust and fair as to not delay detailed proposals.

Exeter Local Plan: Examination in Public

Hearing Statement – Matter 6 (Energy, Climate Change and Flooding)

Prepared by Savills on behalf of Morgan Real Estate (respondent reference number: C-25)



Q12 Is Policy CC5 consistent with the national policy position towards achieving net zero and the expectations of the Government's Written Statement "Planning - Local Energy Efficiency Standards Update" made on 13 December 2023?

14. See response to Question 2 above.

Q15 Is it sufficiently clear what Policies CC1, CC2, CC3, CC4, CC5 and CC6 require from decision-makers and developers? Have the requirements been adequately tested to ensure that they are viable and deliverable?

15. Morgan Real Estate has identified concerns regarding several of the proposed policies. Specifically, Policies CC1, CC5, and CC6 are viewed as neither necessary nor justified in light of the Government's established approach to setting standards at the national level. Additionally, Policy CC3 lacks sufficient evidence related to supply feasibility, and no supporting viability analysis has been provided. There are no specific comments in relation to Policies CC2 and CC4.

Q16 In terms of this issue, are any of the suggested modifications in the Schedule of Suggested Modifications necessary for soundness?

16. There is nothing in the Schedule of Suggested Modifications deemed relevant to our representations, however we would strongly recommend the policies are amended to reflect the above answers.

Issue 2 – Climate Resilience, Flood Risk and Drainage – Policies CC7, CC8 and CC9
--

Q1 Will Policy CC7 provide an effective framework for climate change resilience in new development? Is it sufficiently clear how plan users should respond to the policy requirements?

17. As noted in our previous representations, Morgan Real Estate support the general principle of what this policy is seeking to achieve, however, it is still far too unspecific to function effectively as a development management tool.

Exeter Local Plan: Examination in Public

Hearing Statement – Matter 6 (Energy, Climate Change and Flooding)

Prepared by Savills on behalf of Morgan Real Estate (respondent reference number: C-25)



Q5 Is it sufficiently clear what Policies CC7, CC8 and CC9 require from decision-makers and developers? Have the requirements been adequately tested to ensure that they are viable and deliverable?

18. As per the above, Policy CC7 is too unspecific to be an effective development management policy. Furthermore, Policy CC8 should make clear that the sequential test is not a requirement in cases where one has already been undertaken at plan-making stage. While Policy CC8 has been viability tested, Policy CC7 has not. We have no specific comments about Policy CC9.

Q6 In terms of this issue, are any of the suggested modifications in the Schedule of Suggested Modifications necessary for soundness?

19. We strongly support modification SMM6 for Policy CC8 which exempts the requirement of the sequential test and exception test where this is set out in national guidance.