CONSULTATION RESPONSE



HBF response to HCA Core Standards Consultation

15th June 2010

- 1. HBF is the voice of the home building industry in England and Wales. Our members deliver around 80% of the new homes built each year.
- 2. We represent member interests on a national and regional level to create the best possible climate in which they can deliver the homes this country needs.
- 3. HBF members range from household multinational names to smaller local businesses, and include RSL's, suppliers and companies who provide professional services to the home building industry.
- 4. We welcome the opportunity to comment on the HCA's proposals for core standards for the provision of housing that receives financial support from the Agency.

Introductory Comments

- 5. The consultation is timely. It also raises a number of profound issues. It is helpful therefore that the consultation sets out various options and makes clear the choices that need to be made between particular standards, costs, deliverability and the numbers of homes that can be funded.
- 6. The Federation believes that the issues are in fact even more wide-ranging and is setting out in this note its analysis and thoughts on the best way ahead. The note sets in full context our response to the individual consultation questions. The two documents need to be read together and jointly form the Federation's response to the consultation.

High Level Issues

i) Rationale for Standards

- 7. The first high level consideration is whether there is a robust case for uniform national standards and, if so, the basis on which they should be determined.
- 8. The HBF recognises that there is a good case for appropriate minimum standards to apply to the design and provision of socially rented homes. Those living in socially rented homes lack the means to express their preferences for accommodation in the market. It is therefore appropriate that minimum standards should apply. They should, however be clearly derived from a robust evidence base of what the households seeking social accommodation require and what can be afforded.
- 9. The case for standards for market homes and intermediate market homes is less clear cut. Those able to afford to buy or rent in the open market can exercise choice in terms of the balance between standards, space, affordability and location. Even in the intermediate market there will be an element of choice.
- 10. In this respect, the HBF believes the HCA's proposals do not take full account of the exercise of choice by those buying in the open and intermediate markets in determining what best suits their requirements. In particular, the consultation does not reflect the subtle interaction between peoples' wishes and the affordability of possible homes. Such judgements are in turn connected with occupancy patterns where the experience of HBF member companies is generally that occupancy levels in the open and intermediate markets are lower per individual dwelling type than in socially rented accommodation and indeed, whilst the dwelling sizes are smaller, the average occupancy level of new housing within the UK is amongst the lowest in Europe.
- 11. It is noteworthy in this respect that companies' customer care survey returns show high levels of satisfaction with new homes, including with development layout, internal configuration and space standards. The HBF's own latest annual customer satisfaction survey published in April showed that 88% of those surveyed (a sample from over 16,000 returns from purchasers of homes from 15 larger home building companies) were both satisfied with the overall quality of their home and would recommend their home builder to a friend.
- 12. Drawing out the implications of this analysis, we believe that:
 - There is a clear case for minimum standards, including on space, for socially rented homes;
 - There is an insufficient case for such standards for open market homes;
 - The position for the intermediate market may depend on the particular product involved: there is little case for core standards for a near open market scheme like HomeBuy Direct, but some case perhaps for sub-market rent homes;

- In any event, any standards should differentiate between social and market homes in recognition of the different levels of choice and the different requirements and occupancy levels that prospective occupants have;
- Any standards must be based on a rigorous assessment of what the prospective occupants require and the value they place on different aspects of a home.
- It is simply not the case that all dwellings can or should be constrained by the same minimum standard. Dwellings in London used as homes during the week for young professional employees for example would have very different space needs to those of accommodation used as the principal family home on a permanent basis.
- There is a serious risk that universal minimum standards, if set too high, will simply stifle delivery and innovation.
- 13. In relation to those conclusions, we would note that a sufficient evidence base for the need and nature of standards for open and intermediate market homes is lacking in the consultation. We would also question the basis for the proposed levels of the standards for social homes and return to this issue later.

ii) Affordability

- 14. The issue of affordability is closely related to our conclusions on the basis for any standards. Again our comments relate both to market and social homes.
- 15. For market homes the experience of our members is that the high minimum space standards sought on existing (former EP) sites have in practice over-provided for market requirements, increasing the open market value of the relevant dwellings to a point where they are no longer accessible to the local market.
- 16. The value of a dwelling takes its reference from the existing built stock and comparable new dwellings. It follows that if sizes rise, then the relevant properties move up the value chain and that 2 and 3 bed properties in particular built to the new larger space standards quickly fall outside the affordability levels of first and second time buyers.
- 17. Similarly, the Federation's members are struck by the significant increase in the space standards now proposed for social housing compared to the homes they have successfully provided over recent years under the HQI requirements of the National Affordable Housing Programme.

18. For example, members have indicated that in the case of a 3 bedroom, 5 person house they currently have successful 78m2 to 85m² accredited homes under the HQI standards whereas the new proposed space standard for a comparable 2 storey house would be 96m². It is unclear why such an increase is necessary as we are not aware of universal dissatisfaction with the existing dwelling sizes. Clearly such an increase in size would add significantly to the cost and hence affordability of providing social homes – both in terms of how far available Social Housing Grant will stretch and in terms of the knock-on effect on the viability of particular development sites.

iii) Application of Standards and Deliverability

- 19. This last point raises a further issue in respect of the applicability of the proposed core standards.
- 20. Leaving aside our case (under (i) above) for such standards not to apply to open and intermediate market homes, the application of standards that over-provide for the requirements of the social rented sector will nevertheless have a wider adverse impact on the deliverability of intermediate and open market homes.
- 21. This adverse impact will be prospectively greater in the current circumstances where both public funding is squeezed and available land value is reduced. This indirect impact will equally affect private sector home builders and Registered Providers (RSLs). Indeed the latter may find the impact of standards that over-provide more difficult to manage given their greater overall reliance on intermediate and low cost market options as a means of helping to subsidise the provision of social homes.
- 22. In sum, therefore, the Federation believes that both so far as the social and the market sectors are concerned over-providing standards will particularly squeeze those in the intermediate and lower cost open markets as well as providing fewer social homes for the available public funding. This analysis in itself is a strong argument for not applying the proposed core standards to intermediate market products.
- 23. It is of concern that within the supporting Housing Forum study into the viability impacts of the proposed Core Standards only one of the case study sites remained viable and even that (Site A) would have delivered less affordable housing units (and, arguably, the land value had fallen well below the existing use value of the site in any event leaving its viability open to question). Neither sites B nor D would be deliverable and site C would require more NAHP grant if it were to proceed. The scale of these impacts is not immediately apparent from a reading of the Consultation paper.
- 24. Twin themes emerge here. Firstly, the majority of sites cannot accommodate the new space and environmental standards and retain any level of viability. Secondly, given regional variances in house price values, the proposed standards appear to prejudice delivery of sites in the South West, Midlands and North before impacting on prime South East sites.

- iv) Role of the standards in relation to the rest of the housing market
- 25. Given the potential impact upon deliverability there are two further key issues to consider here:
 - Are the proposed standards intended to lead the market?
 - Will they be perceived as a national standard?
- 26. In the past the HCA and its predecessor bodies have seen their standards and requirements as a means of demonstrating best practice and seeking to pull through innovation and improvement more generally. Given the issues we have raised above, however, we consider that this rationale should now be reconsidered.
- 27. The standards being achieved under related existing HCA requirements are already high and increasing requirements as proposed will be likely to over-provide. It would therefore be unjustified to seek to lead the market to a position of over-provision more generally. Such a policy could only serve to reduce housing supply across the board, so worsening the overall problem of affordability.
- 28. The importance of getting the approach right is reinforced by the likelihood that any adopted new core standards will be seen as a national reference point by local authorities and others in their own policies. This is not a question of whether reference by others to any future standards is right or wrong, but simply a practical recognition that standards can attain wider currency than may be intended or envisaged. This is especially the case given the desire to align the HCA's standards with the emerging London Design Guide.
- 29. Given this dimension, the importance of ensuring that standards are properly evidence-based, targeted at the requirements of the prospective residents, affordable and practical to deliver is vital. We will otherwise be compounding our national housing crisis, albeit with the best of intentions.
- 30. In this regard we would welcome the opportunity to work further with the HCA in the coming months to derive a more robust and regionally sensitive evidence base before key decisions which may radically affect viability and deliverability are taken.

v) Cost

31. The Federation's concerns about over-provision and affordability necessarily also express themselves in terms of cost. As the consultation document itself points out, the core standards proposals would add significantly to the costs of building new homes. Available public money would therefore stretch less far than it might otherwise do and so support the delivery of fewer new homes for any given funding allocation.

- 32. While the Federation understands the HCA's wish to deliver quality as well as volume through the use of public money, we do feel that any reduction in the number of homes built as a result of higher cost specification needs to be robustly justified based on evidence of peoples' actual requirements. As we have set out above, we do not believe this evidence base has been demonstrated so that the standards proposals would in consequence reduce output unnecessarily and unjustifiably.
- 33. Our concern in this respect is the greater because our members' assessment is that the HCA's analysis underestimates the additional costs the core standards would entail, particularly for open market units. Although the analysis is necessarily case-specific, our members' modeling of the proposed standards against the case studies provided to the HCA in preparing the consultation indicates that additional costs may be up to £30,000 a unit and indeed this can be verified when looking at the various case studies undertaken by the Housing Forum where, for example, the cumulative cost impact of the proposed standards upon the Open market housing on Site A was over £34k/dwelling (almost the equivalent of £1m/acre considerably more than the land value of many sites in the current economic climate).
- 34. The consultation document also underestimates costs because it takes no account of the fees that are generally payable to accredited assessors to demonstrate compliance with particular elements of the proposed standards. Our members find that the assessment costs just for the code for Sustainable homes can be up to £1,000 per unit and to this must be added fees for SAP/EPC assessments, Lifetime Homes assessments and potentially a Building for Life assessment.

vi) Environmental standards

- 35. A significant issue requiring further consideration is whether it is appropriate to provide for Code Level 4 for energy at present in any core standards.
- 36. Our view is that this would be inappropriate since the home building industry does not yet have a sufficient understanding of how best to achieve such a performance standard requiring a 44% improvement on the emissions levels permitted under Part L 2006 of the building regulations and, whilst our members are engaged in research to identify the best fabric first approaches, it will be a good 18 months before this work is complete and the relevant post occupancy evaluation available to inform future investment decisions.
- 37. There are a number of reasons why this is the case:
 - The industry is currently still unable to determine designs and specifications meeting the
 equivalent of Code Level 3 Energy requirements under Part L 2010 due to the lack of a finally
 approved version of the revised SAP software necessary. HBF has written to Ministers setting
 out its concern in this regard;

- The critical issue of whether Code Level 4 Energy requirements could be successfully met solely through fabric efficiency measures is currently still subject to industry research. An important Technology Strategy Board research project (AIMC4) on this which involves home builders is in progress, but the results are not yet known.
- The best technical and most cost-effective trajectory to Code Level 4 Energy standards is not therefore known;
- In the absence of this knowledge, however, we do know that companies would currently need to use elements of micro or small-scale renewable-energy generation to achieve Code 4 Energy. Such technology would bring with it a range of design, maintenance, use, service and replacement issues that are not yet proven in the open market.
- 38. Putting these factors together, our conclusion is that it would subject residents to both undue risks and unnecessarily high costs to require Code Level 4 Energy standards as part of any new core standards at this stage. Rather and given the arguments for not seeking to lead the market we consider Code Level 4 Energy standards should not be introduced in advance of the equivalent planned change in Part L of the building regulations in 2013.
- 39. There is also a wider set of issues about the relationship between the proposed core standards and the Code for Sustainable Homes and building regulations.
- 40. In a number of respects the proposed core standards seek to add to, qualify or even conflict with the provisions of the Code and building regulations. The result is in practice to create unnecessary confusion and complication in delivering quality new developments efficiently. Indeed in some respects the proposed standards would make it more difficult to achieve sustainable outcomes. For example, it is estimated that the proposed increases in both dwelling footprint and floor to ceiling heights would in themselves increase CO2 emissions by more than 15% for most dwellings.
- 41. Another area of concern is the expected requirements of the Flood and Water Management Act 2010. Space for water management and drainage requirements will assume greater importance at the layout design stage and the regulations to implement the Act which are due to be finalised over the next year will probably have a major impact on what may and may not be practicable in terms of any future HCA standards. These legislative requirements will certainly have a significant impact on housing layout and densities with profound implications for the proposed core standards.
- 42. Allied to this concern, there remain also a number of current difficulties that are preventing SUR1 of the Code being implemented sensibly and effectively. In this respect, adherence to the Code as part of the proposed core standards is not therefore currently a practical basis for the HCA to pursue higher standards.

43. In conclusion we would encourage the HCA to work with the industry in seeking one set of regulations, delivered through the building regulations, and only one unified set of additional standards through the Code for Sustainable homes. HCA standards which seek to mandate all or part of the differing sections of the code inevitably add a further layer of complexity and verification which does not assist in our mutual quest for simplicity and flexibility.

(vii) Lifetime Homes

- 44. We consider that there is a major objection of principle to seeking to apply all Lifetime Homes standards to all dwellings in a development. A general application of this standard would ignore the wishes of purchasers and residents most of whom do not buy on the basis of wishing to remain in the same property for the rest of their lives and their willingness to pay the additional costs involved. Furthermore, the application of the Lifetime Homes standard often allocates additional space into parts of the dwelling not relevant to most occupiers.
- 45. Practical experience also shows that the costs of implementing the current Lifetime Homes standard are in fact greater than Government has generally recognised. We estimate a cost of at least £2,000 a unit before the loss of density is taken into account on steeper sites where the layout has to be significantly amended and dwellings lost..
- 46. Given that in its recent consultation on revisions to the Code for Sustainable Homes the Government did not propose introducing a requirement for Lifetime Homes standards at Code Level 4, we believe it would be equally inappropriate to introduce such a requirement in the proposed core standards from April 2011. A further reason for not doing so at this time is that the Lifetime Homes standard itself is currently under review.

(viii) Building for Life

- 47. Building for Life is a reference tool for assisting discussions about the achievement of urban design quality, not a means of scoring development for the purpose of standards assessment.
- 48. The judgements made in applying Building for Life criteria are necessarily subjective and the ability to achieve particular criteria often depends on the policy and decisions of third parties, including local planning authorities, the Highways Agency, the Environment Agency and other bodies with responsibilities that affect the means by which housing can be delivered. The proposal for a blanket application of a requirement for a "score" of 14 out of the 20 Building for Life criteria is therefore very wide of the mark in terms of what is readily achievable on some sites and takes no account of the additional costs that might be entailed in reaching such a "score" due to the constraints arising from the policies and decisions of parties other than the developer.

- 49. The proposals for core standards are, therefore, flawed in this regard and we would not support the application of any particular "score" under Building for Life as a generic requirement under any core standards. It is noticeable that many of the case studies show cased by CABE in recent presentations achieved only 12 out of 20 after a redesign which improved scores form a lower "score" still. It was not easily within the gift of these sites, given their scale and nature, to achieve a higher score.
- 50. The ongoing use of Building for Life as a tool to assist Councils, developers and their teams to consider some of the subjective urban design issues is welcomed, but creating a mandatory baseline score which some sites simply can't achieve appears to be counter-productive.

(ix) Prescription

- 51. In general the core standards proposals contain too much prescription.
- 52. This prescription appears to be driven by a wish to ensure that any future standards should seek to cater for any possible requirement or eventuality that any resident might have. While laudable in its intent, such prescription necessarily means that in reality the Agency would be universally over-providing since residents will not have all these requirements in every case and will not therefore value a property that has all of them accordingly. The outcome will thus be to make housing less affordable for people than their actual requirements suggest it should be.

Conclusion

- 53. We hope this note has set out clearly the key considerations we think should apply to the Agency's policies for improving the quality of future homes which it assists financially.
- 54. We believe a much finer grained, less prescriptive and flexible approach based on real evidence of what people require is called for. The Federation and its members would be happy to work constructively with the Agency to identify the right way forward in order that we can ensure as far as possible that efforts to improve standards are achieved at minimal additional cost having regard to the potentially significant impact upon future housing delivery and for such standards to be are attainable in all regions taking into account regional variances in house prices and aspirations.

John Slaughter HBF Director of External Affairs

HCA Proposed Core Housing Design and Sustainability Standards Consultation March 2010 – Consultation Questions

This following consultation questions should be answered following consideration of the <u>HCA consultation web pages</u>.

When completing your feedback, please be aware that your responses are not saved until you select 'submit' at the end of the form. Should you close the form or lose internet connection before this point, your responses will be lost. If you wish to print a copy of the consultation form in order to prepare you answers and comments beforehand, a PDF of the questions is available.

The consultation will close to allow responses to be compiled and for analysis to begin at the close of 17 June 2010. A report will be published later in the year.

Links to the relevant sections of the proposed standards' evidence base are provided within the form should you wish to review them.

View the <u>ERS Research Privacy Policy Statement for Online Surveys</u>. View the HCA website legal policy.

About you

Before leaving your feedback, please complete the section below about yourself and your organisation. We need this information in order to ensure that this consultation is fair and transparent; it will be treated confidentially and used solely for the purpose of analysis, for example to see how opinions vary across sectors or geographically. Your responses will not be attributed to you or your organisation unless you state otherwise (see below).

- Your name: John Slaughter
- Your job title (if applicable): Director of External Affairs
- Your employer: The Home Builders Federation
- Which of the following descriptions best applies to your responses:

Private individual / Tenant / Resident House builder Developer Contractor Architect Engineer Employer's agent

Professional body / trade organisation – representing home builders

Interest Group Local Authority Registered Social Landlord (RSL) Other public body – please specify Other – please specify

Please select the appropriate region from the list:

- East of England
- East Midlands
- London
- North West
- North East
- South West
- South East

(Milton Keynes / Other)

- West Midlands
- Yorkshire & the Humber

If you would like your responses to be attributable to you, please indicate below;

I would like my responses to be attributable to my organisation. Our response relates to the whole country.

Section 1 – Applicability and implementation of proposed HCA core standards

At least as important as the content of the standards are the issues of applicability, implementation and phasing. Currently the mandatory elements of the design and quality standards associated with the HCA's National Affordable Housing Programme are mostly applicable to social rent homes, whereas the mandatory quality standards associated with HCA's Property and Regeneration projects are applicable to all types of development on HCA owned land.

We wish to use this consultation to gain industry wide views on the approach which consultees would prefer the HCA to adopt.

Overall

1 Given the balance to be struck between available resources and delivering high quality housing, and that spending more on higher standards could result in reduced delivery; do you agree with increasing standards?

Not on the basis proposed – or at this time. Home builders are already delivering high quality affordable housing and even higher standards will add further to costs. This in turn will mean a reduction in the number of homes built due to the impact on site viability and achievable densities. With public expenditure under pressure in order to reduce the fiscal deficit, the adverse

impact of the proposed standards on the output of HCA-funded homes is very likely to be exacerbated – a double whammy.

We think there is also a chance of increased costs for the occupiers of these homes (e.g. possible increase in council tax, higher standards in energy efficiency more than wiped out by larger volume of home to heat.)

The proposed standards have not been supported by a sufficient evidence base for social, intermediate or open market homes. We believe they overprovide for actual requirements and do not distinguish sufficiently between the different requirements that may arise for different types of home.

Nor do the proposals allow sufficiently for regional variations – for example, in respect of affordability levels and the ability of site viability to carry the costs involved. We are concerned that the proposed standards risk being too London-centric given the aspiration to align with the proposed London Design Guide. The London market is not typical of that of other regions which have often significantly less ability to carry such costs.

See also our analysis of the issues relating to the applicability and level of the proposed standards in paragraphs 7 to 34 of our covering note.

Please use the space provided to add brief comments as explanation or comment on your response.

Applicability

Further detail regarding the scope of the proposed standards and their **applicability** is provided within the consultation supporting evidence base.

2a Having read the proposals for the application of the HCA's core minimum standards do you think they should apply to:

Affordable Rent

a) Social Rent	No
Intermediate Market	
b) Shared ownership	No
c) Intermediate market rent	No
d) Shared equity	No
Private Market	
e) Private market sale	No

The strongest case for core minimum standards is for socially rented homes, but as stated above, we do not believe the proposed core standards as they stand are appropriate for any type of home at present.

Implementation and phasing

Further detail regarding <u>potential implementation scenarios</u> and <u>associated cost</u> <u>impacts</u> are provided within the consultation supporting evidence base.

2b Should the core minimum standards be introduced at the same time in all of the types of development in which they will apply?

No. It is not the right time to introduce the core standards for any type of development. There are also more fundamental issues about whether the right standards and approach to standard-setting has been proposed.

2c If you think the core minimum standards should be phased in, please indicate which year you think they should be phased below. Please use

If core minimum standards are to be phased in the earliest date should be 2013. Any core minimum standards coming in must align with the planned changes in the Building Regulations due in 2013 and 2016.

See also paragraphs 35 to 38 of our covering note.

	From April >	2011	2012	2013	2014	2015	2016>
а	Social Rent						
b	Shared ownership						
С	Intermediate market rent						
d	Shared equity						
е	Private market sale						

Section 2 - Space and functionality

Space

Currently the mandatory standards of both HCA predecessor organisations contain requirements regarding the minimum size of homes.

Further detail regarding proposed <u>dwelling space criteria</u> is provided within the consultation supporting evidence base.

3a Do you agree that internal space standards should remain part of the HCA's minimum core standards?

Not as proposed – and in any event not for open market and shared equity homes.

3b If Yes, do you consider that the minimum internal dwelling sizes set out in the consultation are pitched:

N/A

- a) At a reasonable level
- b) Too low
- c) Too high

Occupancy	2 person	3 person	4 person	5 person	6 person
Reference					
a) , b) , c) as					

above			
(see web			
version)			

The standards are pitched at too high a level – including for socially rented homes, where in some cases there would be significant additional space provision compared to currently acceptable HQI accredited homes. While we understand the proposed higher space standards for socially rented homes may be close to best practice provision, the key point is that such provision is not currently mandatory. We believe that should remain the case.

See also paragraphs 14 to 18 of our covering note.

3c If No, why?

Due to the adverse impact this will have on densities, residual land values and construction costs. The proposed space standards would result in fewer homes being built for the public money available and make them less affordable for first-time buyers.

Functionality

It can be argued that simply meeting a minimum size requirement, does not necessarily guarantee that a well designed successful and efficient internal layout will result. Additional space can be wasted due to inefficient circulation and unusable space. It may therefore be beneficial to include functionality requirements in conjunction with minimum space standards, enhancing the liveability of homes. Further detail regarding proposed <u>dwelling functionality and storage</u> is provided within the consultation supporting evidence base.

4a Do you agree that space standards, should be supported by internal layout criteria?

No

4b If Yes, should the criteria be demonstrated by:

- i. The extent to which specified benchmark room sizes are met? or
- ii. Stipulation of minimum room sizes? or
- iii. Provision of internal layouts showing furniture and circulation?

Note that the Housing Quality Calculator accompanying this consultation is based upon option 4b (i) above.

4c If No, why?

Different families use their homes differently and there are often different occupancy levels from case to case – particularly for market homes. There is no one right solution for internal layout and the proposed standards would

risk undermining flexibility of approach to match layout to customer or tenant requirements.

Storage

Inadequate provision for storage within the home is an important issue that is regularly considered by residents, particularly those in social rented accommodation where spare rooms or garages are not provided. To ensure proper consideration of this issue within the design process the HCA is proposing to mandate storage provision, however we need to measure this in a simple and non burdensome way.

5a Do you agree that storage provision should be mandated in HCA core standards? **No.**

If No, why?

Storage is an issue which needs considering, but our view is that it should not be mandated in the proposed core standards since the requirements of residents will again vary and there will potentially be implications for building footprint, density and affordability in any attempt to set a universal minimum standard.

5b In dealing with the way in which minimum **general** storage requirements are expressed; which of the options set out below are preferred:

- i. Expressed as a **percentage** (5%) of internal dwelling space (deemed included within the dwelling gross floor area)
- ii. Expressed as a **percentage** (5%) of internal dwelling space as above, with stipulations that storage should be adjacent to the function that it serves

If any standards are adopted in this regard, option (i) would be preferable as it is the less prescriptive of the two.

5c In dealing with the way in which minimum **kitchen** storage requirements are expressed;

iii. Do you agree that dedicated kitchen storage should be provided over and above general storage requirements?

No. Kitchen storage provision should again be a matter of flexibility to meet the requirements of the residents of a particular home.

If Yes, which of the options set out below are preferred:

iv. Expressed as an additional percentage of the recommended internal dwelling space for kitchen provision (deemed included within the dwelling gross floor area) and as a result, linked to dwelling occupancy? v. Expressed as a **volume** with minimum requirements in terms of shelving, drawer and worktop provision in relation to dwelling occupancy?

5d External storage is for items such as bicycles, lawn mowers, gardening tools, barbecues and fuel, DIY equipment and garden furniture. **Please indicate below whether you agree or disagree with how standards should deal** with the way external storage requirements are expressed.

vi. Dedicated external storage should be provided over and above general storage requirements?

No

vii. Guidance should be provided as to location and provision requirements to take account of the specific storage requirements of houses and flats?

No

In complying with Code for Sustainable Homes Level 3 one could provide a shed for cycle storage. Clearly in such a case there would be additional storage which could be used for the items mentioned above. To maintain compatibility with the Code, this sort of external storage provision should not, however, be a matter for a mandatory standard. It is important not to add new standards that bring another layer of complexity to those that already exist in the Code or elsewhere.

See also paragraphs 40 and 43 of our covering note.

Open Space

The provision of private open space is seen as an important criterion in the achievement of housing quality and has been built into the Housing Quality Calculator. As a result, we are proposing a strong expectation that balconies will be provided in all cases where there is no other private external space, but projects will not be ruled out on this basis alone. For instance, there may be high quality communal space nearby, the planning consent may have identified overlooking issues or the design may be such that balconies can only be provided at disproportionate cost.

Further detail regarding proposed open space approach is provided within the consultation supporting evidence base.

6a We propose that the new Housing Quality Calculator will trigger the need for additional HCA technical scrutiny for homes that do not have that access to a garden, balcony or terrace. Do you agree with this non-mandatory approach?

No. Residential schemes will generally have access to amenity space within or very close to the development.

6b If No, do you think that every flat, apartment or maisonette, which is without access to a garden, should have a private balcony or terrace?

No. There are a number of other considerations with the provision of balconies. Significant balcony spaces are expensive. Balconies can also create difficulties in achieving compliance with the requirements of Part E and Part L of the building regulations. They can create structural issues with some forms of construction.

6c The Housing Quality Calculator is predicated upon the size of private balcony or terrace provision being in a range of 5–9 m2. In the case of ground floor flats, apartments or maisonettes with private access to a garden, the garden must be at least 8m2 to meet the benchmark.

Do you think that these private open space ranges are pitched:

i. At a reasonable level?	No
ii. Too low?	No
iii. Too high?	Yes

7 If necessary, please provide brief comments as to the key reasons for your responses using question number references.

- 6a Better to provide a combined larger area accessible by all.
- 6b Balcony construction is expensive & due to the complexities surrounding construction has been the subject of discussion with warranty providers in the past.

Section 3 - Environmental sustainability (including standards included within the code for sustainable homes):

The Code for Sustainable Homes

Launched by the Government in December 2006, the Code for Sustainable Homes (CSH) called for a step change in the way new homes are designed and constructed, and introduced a 1 to 6 star rating system to communicate the overall sustainability performance. It is an environmental assessment method for rating and certifying the performance of new build homes, designed to replace the Eco-Homes standard in driving continuous improvement in the house building industry. The Code was adopted as a standard by the HCA predecessor bodies and the NAHP and Property & Regeneration programmes all currently work to a minimum standard of Code level 3.

The Government has set a clear policy objective of zero net emissions of carbon dioxide from all energy use in new homes from 2016. The HCA's predecessor bodies required higher CSH standards than were required by regulation. A key consideration of this approach was that this would lead to learning which would in return reduce costs when standards were applied across the sector as a whole. The proposal to move to Code 4 from April 2011 continues this process. Although any firm proposal would be the subject of future consultation, a further move to Code level 6 in April 2014 would be the logical next step in continuing this approach.

Further detail regarding proposed <u>Sustainability criteria</u> is provided within the consultation supporting evidence base.

8a Do you agree that new build dwellings securing funding / approval under new programmes commencing April 2011 should be required to achieve Code for Sustainable Homes (CSH) level 4?

No.

If not, why not?

Any application of Code Level 4 should be delayed until building regulations for Parts F and L reach this standard.

At present the industry has not researched and proven the best means for achieving Code Level 4 for Energy requirements – which is also the most costly single element of Code Level 4. It is essential that there is a robust understanding of how to do so before any core standards adopt this requirement. This would offer consistency throughout the industry and avoid the risk of possible legacy problems for HCA-funded homes in moving ahead of the necessary industry knowledge base.

In addition, SUR1 of the Code does not work at all well with the current method of pepper potting and more research into and understanding of how to manage such issues effectively is required before Code Level 4 requirements should be applied.

See also paragraphs 35 to 43 of our covering note.

8b Are there any measures which would assist the industry in progressing from CSH level 3 to higher Code levels?

Research with bodies like Zero Carbon Hub to find solutions to reaching Code Level 4 for energy without using renewable through a fabric first approach. Serious research (quickly) into SUR1 of the code for sustainable homes. The Environmental Agency has stated that rainwater harvesting is not an acceptable means of control/reduction and so more work is needed on this issue too.

Lifetime Homes

Government is committed to the principle of ensuring that homes are accessible to people throughout their lives. This commitment was expressed in a policy of requiring all publicly funded housing to meet the Lifetime Homes standard from 2011.

In the current consultation on The Code for Sustainable Homes, Government has announced plans to delay making the Lifetime Homes Standard mandatory at Code level 4 in 2010, and will be undertaking a review of policy on Lifetime Homes in 2010.

The HCA is supportive of the principles contained within Lifetime Homes, Lifetime Neighbourhoods and is committed to actively participate in the forthcoming review of Lifetime Homes policy announced as part of the Government's Pre-Budget Statement as well as CLG's consultation on the Code for Sustainable Homes.

Further details on consultations and reviews relevant to Lifetime Homes:

Paragraphs 21, 119-137 and Question 24 are relevant to Lifetime Homes considerations.

Further detail regarding proposed Lifetime Homes criteria is provided within the consultation supporting evidence base

8c Do you believe that Lifetime Homes should be made mandatory for all HCA funded housing from April 2011?

No.

If you would you favour an alternative approach, which of the following alternatives would you prefer the HCA to adopt?

- i. Incorporation of Lifetime Homes as a Core standard from April 2011? (subject to current consultation on Code changes)
- ii. HCA recommends and incentivises the achievement of maximum Lifetime Home credits within the Code but does not include them within core standards?
- iii. HCA recommends and incentivises the achievement of at least THREE of the four available Lifetime Home credits within the Code but does not include them within core standards?
- iv. Other (please state)

We should avoid cutting across the requirements of the Code for Sustainable Homes. There are some Lifetime Homes requirements in the Code for Sustainable Homes. In addition, the Lifetime Homes standard itself is being reviewed. We do not think there is a case for a universal minimum standard to apply the whole of the Lifetime Homes standard to all HCA-funded homes. This is certainly not a requirement for many market purchasers and could add significantly to costs – for example, because of the implications for density and costs on sites with gradients. Given the prospect of changes to the Lifetime Homes standard and the need for these to be reflected where appropriate in the Code, it would be better to leave any HCA requirements in line with the Code.

See also paragraphs 44 to 46 of our covering note.

Security

Further detail regarding proposed Security criteria is provided within the consultation supporting evidence base.

9a Do you agree that the HCA should continue to support security through the provision of requiring the maximum additional credits for internal physical security of the home within the Code for Sustainable Homes?

Yes - because it ties in with the Code and would provide consistency.

9b If No, do you consider that:

- i. Full Secured by Design Certification should be an additional HCA requirement? or
- ii. Certification should be recommended only?

10 If necessary, please provide brief comments as to the key reasons for your responses using question number references.

This consultation should take the opportunity wherever possible to tie in with existing and future legislation and avoid duplication and maintain consistency with relevant provisions of the Code for Sustainable Homes. It is important to avoid creating another – to some extent conflicting – set of minimum standards covering similar issues to the Code to avoid confusion and complexity in planning developments.

See also paragraph 43 of our covering note.

Section 4 - Building for life:

The 20 point "Building for Life" standard was developed by the housebuilding industry in conjunction with CABE and other experts and is now administered by CABE. The standard places homes in their wider placemaking context. It was designed to focus attention on the quality of a development's integration with its surroundings in a manner that does not add cost, if it is incorporated sufficiently early in the design process.

Further detail regarding the proposed Building for Life approach is provided with the current version of the Code of Conduct for accredited assessors.

11a Do you agree that the Building for Life criteria should form part of the HCA's minimum core standards?

No

11b If Yes, do you agree that the achievement of at least 14 out of the 20 Building for Life criteria should be a minimum requirement for all new build schemes? **Y/N**

11c If No, why?

The Building for Life criteria were designed as a tool to inform discussions between home builders, local authorities and others about how to achieve good levels of urban design.

The criteria were never envisaged as a scoring mechanism that could be used with the necessary scientific accuracy to provide a robust and consistent minimum regulatory standard. The criteria are simply not that precise and experience shows that there is necessarily always an element of subjectivity in any rating of a development under the criteria.

Of equal concern is that there are many instances where it is difficult to achieve a specified score – certainly of 14 out of 20 – due to factors outside the home builder's control. Such external factors include the decisions made by highways authorities, local authority planning committees and other public

agencies as well as the natural limitations of particular sites in terms of potential amenity.

We do not therefore think that a Building for Life "score" of 14 out of 20 should in principle be a minimum mandatory requirement.

See also paragraphs 47 to 50 of our covering note.

To support local authorities in assessing the design quality of new housing, CABE is facilitating the development of a network of accredited assessors who will be responsible for carrying out Building for Life (BfL) assessments of schemes in their areas. To create and maintain consistency and quality in approach Local authority staff who wish to be BfL accredited assessors are required to:

- Have a graduate or postgraduate qualification in urban design, landscape design, architecture or planning
- Successfully complete a CABE training and assessment programme
- Operate in accordance with a code of conduct to be administered by CABE

11d HCA and CABE are discussing the feasibility of developing a similar programme for staff in HCA development partner organisations to support them, saving time and costs, in carrying out comprehensive BfL assessments of the schemes for which HCA support is being sought.

Do you, or your organisation, have sufficient in-house staff with the relevant qualifications that could be trained as accredited assessors to enable you to carry out and provide BfL assessments of schemes for which you are seeking HCA support?

This option may be of interest to some companies for their own commercial purposes. As indicated above, however, we do not agree that Building for Life ratings should be used as a minimum regulatory standard by the HCA given the real limitations of the criteria for this purpose.

11e If not, what would be your preferred approach to carrying out and providing HCA with a thorough Building for Life assessment for schemes for which you are seeking HCA support?

No further comment in the light of our answers immediately above.

12 If necessary, please provide brief comments as to the key reasons for your responses using question number references.

See above comments.

A more rounded appreciation is needed of all the requirements home builders have to contend with. Very often some of the important legislation or regulation the industry has to comply with can contradict other pieces of legislation or regulation and may also undermine the ability to achieve urban design objectives under initiatives such as Building for Life. For example, the currently unsatisfactory requirements of SUR1 under the Code for Sustainable Homes make the achievement of Building for Life

criteria more difficult. There are also major design issues that may shortly arise from the implementation of the requirements of the Flood and Water Management Act 2010.

In addition, it should be noted that the resolution of such issues is likely to involve additional costs in order to improve outcomes. Such additional costs and risks have not been allowed for in the HCA's assessment of its proposals.

Section 5 – Equality and diversity

The HCA values diversity and is committed to ensuring that it considers equality and diversity in everything that it does. As a public body we have a legal responsibility uphold our statutory duties for race, gender and disability. We recognise that design and quality have an impact on equality outcomes based on the diversity of our neighbourhoods and communities now and in the future. Given that the HCA will develop specialist design and quality standards in the future:

Further detail regarding the <u>HCA Equality Impact Assessment – Stage 1</u> is provided as part of the consultation supporting evidence base.

13a Do you agree that the proposed general needs housing core standards set out in this consultation document reasonably take due regard for the need to:

Work towards the elimination of discrimination?

Yes

Promote equality of opportunity?

Yes

13b Do you believe that the proposed core standards need to take into account any other issues relating to equality and diversity?

No Please state below your reasons for stating this.

The HCA website contains further information regarding the HCA's approach to Equality and Diversity.

To continue to review the HCA proposed core housing design and sustainability standards consultation web site.

To return to start of the HCA proposed core housing design and sustainability standards consultation web site.