HBF Response to the Durham Local Plan Inspector's Matters, Issues and Questions

M12. Environment

b) Sustainable design and standards

Is policy 30 relating to sustainable design justified and consistent with national policy? In particular, the requirements:

- For all developments to be "in accordance with local guidance documents".
- Seeking to achieve zero carbon buildings.
- For all residential development to comply with the nationally described space standards.
- Relating to the Building for Life Supplementary Planning Document [SPD1].
- For all major residential development to achieve emissions of 10% below the Dwelling Emission Rate against the Target Emission Rate based on current Building Regulations.
- For all major residential development to be built to at least 30 dwellings per hectare other than in certain locations and circumstances.
- For all new non-residential development to achieve a BREEAM minimum rating of "very good".
- The requirement for advertisements to not be sited in "inappropriate locations".

The HBF does not consider that Policy 30 is justified and consistent with national policy. PPG (ID 56-020) identifies the type of evidence required to introduce a policy in relation to the nationally described space standards (NDSS). It states that 'where a need for internal space standards is identified, local planning authorities should provide justification for requiring internal space policies. Local planning authorities should take account of the following areas:

- Need evidence should be provided on the size and type of dwellings currently being built in the area, to ensure the impacts of adopting space standards can be properly assessed, for example, to consider any potential impact on meeting demand for starter homes.
- Viability the impact of adopting the space standard should be considered as part of a plan's viability assessment with account taken of the impact of potentially larger dwellings on land supply. Local planning authorities will also need to consider impacts on affordability where a space standard is to be adopted.
- **Timing** there may need to be a reasonable transitional period following adoption of a new policy on space standards to enable developers to factor the cost of space standards into future land acquisitions'.

The Council will need robust justifiable evidence to introduce any of the optional housing standards, based on the criteria set out above. The HBF consider that if the Government had expected all properties to be built to NDSS that they would have made these standards mandatory not optional.

The Residential Internal Space Standards 2019 document appears to provide the evidence for this policy. In relation to need it states that a sample of recent housing schemes have been reviewed to analyse the internal space standards, it does not state how many sites or dwellings were sampled or over what time period. Therefore, it is not possible to confirm if

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the sample is statistically viable or a reliable source of evidence. In relation to gross internal area (GIA) Table 2 of the document shows that the average 3 and 4 bedroom dwellings had an average GIA of more than the NDSS. The document then goes on to consider bedroom sizes and suggests that only around 34% of properties provided the minimum bedroom floor area. However, the evidence provided is limited it is not evident from the information provided what 'need' there actually is for properties built to the standards, there is no evidence that the properties included within the sample are not selling, there is no evidence provided that customers are not satisfied with these properties or that these properties are not comparable to other properties available in the market area. The HBF consider that if the Government had just expected all properties to be built to NDSS that they would have made these standards mandatory not optional.

The HBF would be interested to know if the Council has considered how the policy may impact on the house price of the properties, as dwellings increase in size, and whether they have considered whether this house price is realistic given similar properties on the market or whether the market is able to accommodate any price increases.

The HBF consider that standards can, in some instances, have a negative impact upon viability, increase affordability issues and reduce customer choice. In terms of choice some developers will provide entry level two, three and four-bedroom properties which may not meet the optional nationally described space standards but are required to ensure that those on lower incomes can afford a property which has their required number of bedrooms. The industry knows its customers and what they want, our members would not sell homes below the enhanced standard size if they did not appeal to the market.

It should be noted that the HBF Annual Industry Customer Satisfaction Survey published March 2019 and completed by 60,955 new homeowners highlights that 90% of people who have bought a new home would do so again. It also highlights that 93% of homeowners are satisfied with the internal design and layout of their new home. This does not suggest that new homeowners have issues with the size of rooms provided or that there is a need for the NDSS to be introduced.

The Viability Report has included consideration of NDSS, and whilst it suggests that national cost estimates equate to an average of £2,500 it has included a cost of £2,000 per dwelling based on costs from work by North Tyneside Council. The Report states that if taken in isolation the impact of the NDSS has only a marginal impact on overall viability, however, it does recognise that on a cumulative basis this requirement applied together with other policy asks could have a significant impact on viability (para 5.17.19). The HBF continues to have concerns in relation to the viability of development as set out in previous responses, and would continue to stress the policy burden has potential to lead to the non-delivery of homes.

The HBF are also interested in how the NDSS requirement could impact on the density of development and whether this has been taken into consideration in relation to both the viability of development and other policy requirements in relation to housing mix, density and efficient use of land.

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In relation to timing paragraph 3.22 of the Residential Internal Space Standards 2019 document states that 'in order to allow for an appropriate transition period the standards will only be applied to outline or full applications approved after 1 August 2021, which gives at least 12 months from adoption of the County Plan. This would represent a reasonable transition period with the moderate benefit of allowing for a defined initial half-year's data for annual monitoring of the policy. The standards will not be applied retrospectively to those applications for reserved matters where the outline permission was determined or is subject to a resolution to grant permission (including subject to planning obligations) before 1 August 2021'. This does not appear to have been included within the Policy or the Plan justification.