

Winchester District Local Plan Part 2 – Development Man- agement and Site Allocations

Examination – July 2016

Winchester City Council

Response to Inspector's Questions:

**Matter 3: Development Management Policies
Active Communities DM1 - 5**

Library Reference: WCC FS 03



Matter3 : Development Management Policies DM1 – DM5

Inspector's Questions:

- i) Are policies DM1 – 5 reasonable and realistic, clear and consistent with national policies/guidance and do they establish suitable and appropriate criteria?

Introduction and background:

1. LPP2 contains a suite of Development Management policies that provide detailed guidance for the assessment of development proposals in the Winchester District outside of the National Park.
2. The LPP1 (Joint Core Strategy) outlines the key principles and strategic policies of the Plan, together with a number of Core Policies. The development management policies proposed for LPP2 provide further details and interpretation of the Core Policies and development strategy where needed. Not all of the Core Policies require further development management policies in LPP2. The table at 1.15 of the LPP1 shows the main relationships between the LPP1 and LPP2 policies and proposals. Although the development management policies are grouped by the Strategic Objective themes of Active Communities, Prosperous Economy and High Quality Environment, there are overlaps between the policies at both the LPP1 and LPP2 levels, so policies should be read in conjunction with each other and the Local Plan should be taken as a whole.
3. The development management policies were developed by officer working groups, which took account of the advice on development management officers and technical advice where required, particularly in regard to the establishment of suitable and appropriate criteria. Consultation was undertaken as part of the Draft LPP2 including with statutory consultees and bodies.
4. The evidence base for the Development Management policies consists largely of the evidence behind the parent Core Policies of LPP1, updated as necessary. Additional work was undertaken on specific areas where new/updated evidence was required. The Soundness Self-Assessment (SUB10) indicates how the Development Management policies relate to specific sections of the NPPF on a topic by topic basis. Those in relation to Active Communities policies are:
 - 4 Delivering a wide choice of high quality housing
 - 8 Promoting healthy communities
5. The Council's summary of the representations made on the Draft LPP2 in respect of the Development Management section of the Draft LPP2 were presented at the Cabinet meeting of 30th March 2015 and are shown at Appx 5 of CAB2676 (LP) (WCC2). The representations were

considered in full during the following months and the results presented in CAB2721 (LP) (WCC4).

6. Appendix O of Cabinet Report CAB2721(LP) October 2015 analyses the draft Development Management section of LPP2. It includes an assessment of the proposed policies, the findings of the Sustainability Appraisal (SA) and consideration of representations made on the Draft LPP2. The policies were amended where appropriate to improve their soundness. Appendix O recommended a final strategy for LPP2, which was subsequently approved by the Council and comprises the Development Management Chapter of LPP2.

Key Issues Raised

7. Cabinet report CAB2721(LP) contains an analysis of the key issues relating to the Development Management Chapter of LPP2. The issues related to the Active Communities?? Section are at paras 8-68. The Council's response to these issues is generally given in CAB2721(LP) and therefore is not repeated in this note. It should be noted that due to the removal of the policy in relation to Gypsies and Travellers (DM4 in Draft LPP2) following the Draft stage, all DM policies following DM3 have been renumbered (ie DM5 in Draft LPP2 is now DM4 etc).
8. However, further representations have generally been received to these policies at publication stage and in a limited number of cases further submissions have also been made as a result of the Inspector's questions. These are summarised below and where new issues have been raised a response is provided on behalf of the Council.
9. Any resulting Minor Modifications proposed to policies and text are attached as Appendix 1. However any changes required due to editing or updating required are not shown.

DM1 – Location of new development

10. DM1 states that development will generally be permitted within the settlement policy boundaries of various settlements, which are then listed, and also under the particular circumstance outlined in MTRA3 for particular settlements as described in that policy. A number of representations have been received to DS1 at the publication stage. These are all from persons who have made representations at the Draft Plan stage and they generally expand and/or repeat these objections. No new issues have been raised. In summary the objections relate to three issues:
 - 11.1 Housing land supply. Some representations contend that the Council does not have a 5 yr land supply or is unlikely to meet the annual requirements. Consequently they argue that the development of particular sites should be allowed for by altering the policy boundaries to include particular sites, or by making specific allocations of sites.

12. Bovis Homes/Heron Land (Adams Hendry) request the allocation of land north of Well House Lane for development, either for current development or as a reserve site. Bargate Homes suggest reviewing the policy boundary of Winchester in respect of land at Salters Lane. Weatherstone Properties (Magneta Planning) refer to land at Oliver's battery as having sustainability credentials. Linden Home (Boyer) refer to 5yr land supply and also criticise the method of site selection. Drew Smith (Quayside Architects) refer to significant under delivery in the first 4 yrs of the Plan and suggest that amendments are likely to be required to DM1 as a consequence.
13. Although some of these representations may provide more detail on the objectors' case, none raise new issues and the sites have all been discussed at previous stages of the Plan. These representations are related to housing delivery and the 5yr land supply and are therefore considered under Matter 2 and in relation to the settlements concerned. The effects on DM1 are a by-product of the housing delivery / site allocation argument.
14. **2** Sustainable/brownfield sites. The second issue raised by publication representations is that policy DM1 should allow for the development of sustainable sites outside of settlement boundaries, including brownfield sites adjacent to settlements, or that the policy should be amended to allow for development on allocated sites outside the DM1 boundaries.
15. Adrian Dodds suggests that DM1 should be amended to include for other development proposals to reinforce a settlement's role and function and to meet a community need or realise local community aspirations, taking account of the setting in the countryside. This takes wording from policy MTRA3. Finally he proposes that DM1 should encourage development of previously development land inside and outside the settlement boundaries. He proposes a site at South Drive, Littleton. It is not considered necessary to include those criteria in DM1 as they would already apply in the case of MTRA3 settlements such as Littleton. The Council considers that the settlement boundaries and the criteria set out in MTRA3 generally set the areas that WCC consider development to be generally sustainable.
16. Tesco Stores (RPS) state that land should be set aside for development of a leisure centre at Bar End Winchester and that DM1 should be amended to include sites that have been reserved or safeguarded for future development and remove their countryside designation. The Plan provides for identified development needs and the Council does not accept a need to set aside further sites for future development. Development of a leisure centre in a countryside location could be considered under policy DM9 – Essential Facilities and Services in the Countryside, although no decision has yet been made by the Council on the preferred location for this. There is therefore no need to alter LPP2 in respect of possible future development of the site at Bar End.
17. **3** The other issues raised by publication representations propose that settlement boundaries should be revised to include particular sites.

Winchester College (Adams Hendry) content that the various areas of land around College Walk at Winchester Town should not be considered as part of the countryside. Another representation suggests that land at Chilcomb Lane should form part of Winchester Town due to its character.

18. The Settlement Boundary Review sets out the Council's approach to the review of boundaries in LPP2 and that it is only necessary to consider reviewing the boundaries of settlements in order to accommodate development requirements, if greenfield land is needed. No sites outside the settlement boundary are considered necessary around Winchester Town and so there is no need to review the settlement boundary. This issue is addressed in the Council's Further Statement on Matter 2, and in relation to the particular settlements concerned.
19. If the representations by particular objectors are accepted by the Inspector, and further site allocations are needed, these can be included within settlement boundaries. However, the arguments made in favour of particular sites do not justify weakening the principle that development should take place within settlement boundaries and that countryside policies should be applied outside. This is a key policy approach which should not be weakened and reflects the requirements of LPP1 policy MTRA4.

DM2 – Dwelling Sizes

20. This Policy sets out requirements in respect of maximum dwelling sizes, internal minimal space standards and accessibility for a variety of dwellings. The Draft Plan policy set out a range of maximum dwelling sizes in gross external area (gea) for two and three-bedroomed dwellings and did not include the requirements in respect of internal space standards and accessible dwellings. A number of objections were received to the Draft Plan policy in respect of the gea requirements and these have been addressed in paragraphs 17-20 of CAB2721(LP) Appendix O (WCC4).
21. CAB2721 (LP) then outlined the proposed changes in respect of DM2 and provided justification. As a result of this, the additional issues of internal space standards and accessibility were added to DM2 and form part of the version as published and submitted for Examination.
22. A number of representations have been received to the Publication version of DM2. Some raise issues related to the maximum dwelling sizes that have already been covered in CAB2721(LP), however a number raise concerns in relation to the new aspects of the policy. As a result of these concerns, a Viability Report into the Impact of Policy DM2 was commissioned. A copy of this report is attached as Appendix 2 of this Response Note. The issues raised by the Publication Representations are discussed below:

23. Viability concerns. Several respondents are concerned about the additional costs of accessibility and adaptability standards and also that these have not been costed by the Council.
24. The Viability Report now addresses these concerns. The additional costs for adaptability M4(2) and accessibility M4(3) are assessed for a range of dwelling types and in respect of affordable and general market provision. The cumulative impacts of these costs are also considered. The Report concludes that the standards required by Policy DM2 would not have an unacceptable impact on viability in the vast majority of cases.
25. It is accepted that the provision of wheelchair accessible housing under M4(3) has greater costs associated with it, however this is only an aspiration, to be sought in a limited number of situations. DM2 itself does not require the provision of M4(3) dwellings.
26. Uncertainty over the requirement for adaptable housing M4 (2). It is now considered that it would not be possible to require the provision of this on 20% of all market housing. Such units will therefore be sought in relation to a limited number of general market housing sites, in relation to identified needs and as negotiated with developers. A similar approach will be taken in respect of wheelchair accessible dwellings under M4 (3) on market housing, with no specific requirement in policy DM2. This approach has provided a number of units on the West of Waterlooville MDA. Modifications are proposed to the text to clarify the approach to the provision of M4 (2) and M4 (3) dwellings.
27. Space Standards. Representations were received that the NDSS only sets minimum, not maximum standards and that the Council should use the full NDSS standards, not just the minimum level. Standards should be in policy and not text.
28. There are also comments suggesting there is confusion between Gross Internal Area (GIA) and Gross External Area (GEA). The Council have only used the minimum requirement in the NDSS as it is unnecessary and too onerous to require all of the standards be achieved, other than in respect of affordable housing, which should be constructed to the national standards. In any case, the Viability Report shows that the standards are generally being exceeded and will not, therefore, cause viability issues.
29. The internal space standards follow the national guidelines which use GIA for calculation. Policy DM2 uses GEA in terms of providing a range of overall dwelling sizes and this is best measured by the use of GEA. The supporting text explains this at 6.2.9.
30. It is agreed that the requirement for M4 (2) in respect of affordable housing should be in Policy DM2 and a Minor Modification is proposed to achieve this.

31. Lifetime Homes standards. Concerns were raised that imposition of M4(2) will require level access to all units – including internally – and that this is not always possible or may have unacceptable viability implications. The Council will provide, or make provision for M4 (2) within its own affordable housing. It is accepted that there may be instances where it is not practical or viable to achieve M4 (2). Cases will be determined on their merits and this will include viability and other feasibility issues.
32. Sizes too restrictive. It is argued that there is a demand for large housing and that policies should provide for a range of housing and that the maximum and minimum specifications will result in a very narrow range of housing being provided.
33. DM2 clarifies a range of sizes in order to assist the delivery of a variety of housing sizes and types as sought by LPP1 Policy CP2 Housing Mix. The Council considers that the size ranges are quite generous and the Viability Report illustrates that most 2 and 3 bed houses fall within the parameters of DM2. This is considered acceptable as the policy refers to ‘generally’ and there is always an allowance for viability concerns. A modification is proposed so that garages that cannot be used as part of the dwelling are not included in GEA calculations.

DM3 – Small Dwellings in the Countryside

34. Southern Planning Practice content that the policy unnecessarily restricts the amount of living space available to occupants of smaller houses, and does not help make smaller houses in the countryside more affordable.
35. The issue of affordability has previously been discussed at the Draft Plan stage in relation to Draft LPP2 Policy DM2 – Dwelling Sizes. Paragraphs 18 – 19 of CAB2721(LP) Appendix O refer. The Council considers that this policy is necessary to assist in achieving a suitable mix of housing to meet the housing needs of the District. The size limit is not considered unreasonable and permitted dwelling rights will not generally be restricted.
36. Upham Parish Council consider that the policy should extend to the smaller villages within the District. This is not considered necessary as housing can be provided in the smaller areas that are listed in MTRA3 under the criteria outlined in that policy.

DM4 – Protecting Open Areas

37. Open space issues have been discussed in detail at the Draft Plan stage in paragraphs 31-68 of CAB2721(LP) Appendix O.
38. Sport England have concerns relating to the Open Space Strategy and these have previously been addressed at the Draft Plan stage (paragraphs 33-37 of CAB2721(LP) Appendix O refer). They suggest that

the policy does not reflect paragraph 74 of the NPPF as that protects all open space. The Council considers that the Local Plan complies with NPPF. It is reasonable to protect open space where it has value under DM4. LPP1 Policy CP7 – Open Space also protects and provides for open space and indoor recreation. Taken together the Council considers that these policies provide a good level of protection for valuable open space and provide a balance between recreation needs and the consideration of wider community benefits.

39. Other representations are mainly concerned that the removal of designation of spaces outside of settlements. It is considered that countryside policies generally provide adequate protection in these areas and the Council's reasoning for this is outlined in paragraph 51 of CAB2721 (LP) Appendix O. This applies to the representations in respect of The Garrison Ground, King Edward V Sports Ground and Winchester Football Club at Winchester Town.
40. Winchester College (Adams Hendry) object to the classification of some of their land within Winchester under DM4. These objections have already been addressed at the Draft Plan stage and are covered under CAB2721(LP) Appendix O paragraph 50.

DM5 – Open Space Provision for New Developments

41. Sports England does not support the first part of this policy as it refers to the standards in LPP1 Policy CP7. This repeats objection at the Draft Plan and has been covered at paragraphs 38- 58 of CAB2721. One other objection has been received referring to a conflict with NA3 at Alresford. This relates to Matter 9 – Alresford.

Further Statements June 2016

42. A number of Further Statements have been submitted in respect of policies DM1-5. Most of these are in respect of concerns over DM2. However none of the statements raise new issues, so no further response is required.

Conclusion

43. The Council considers that the development management policies in relation to Active Communities in LPP2 (DM1 – DM5) are sound, subject to the Minor Modifications proposed and attached. The policies are reasonable and realistic, providing detailed guidance on how the policies of the LPP1 Core Strategy will be interpreted in the consideration of applications for development. The policies are clear and consistent with national policies/guidance in the NPPF/NPG, as evidenced, and they establish suitable and appropriate criteria for assessing development proposals.

Appendix 1 –

Proposed Modifications

DM2

Housing

- 6.2.1 The Council's Strategic Housing Market Assessment (SHMA) has identified that most new demand across the District will be for 2 and 3 bed homes. The Council's key housing priorities include maintaining a supply of housing to meet a wide range of community needs and to maximise the provision of new affordable housing throughout the District, including rural areas. Local Plan Part 1 Policy CP2 Housing Provision and Mix – which is aimed at proposals that provide more than single dwellings - requires that the majority of homes on a development should be in the form of 2 and 3 bed houses.
- 6.2.2 Since Local Plan Part 1 was adopted the Government has revised technical housing standards in a number of respects, including the introduction of optional Building Regulation requirements for access. In order to maintain the encouragement given in LPP1 to achieving adaptable accommodation to help meet a range of needs, all affordable housing should be constructed to Part M4 Category 2 of the Building Regulations standards (Accessible and Adaptable dwellings) which are similar to the previous 'Lifetime Homes' standard. The aim will be to secure Part M4 (2) dwellings as part of ~~achieve this standard in 20% of market housing development, together with particularly on larger sites.~~ A a small number of wheelchair user dwellings as specified under Part M4 (3) ~~may also be needed, depending on tenants' / buyers' local needs, and considered~~ determined as part of planning applications as appropriate.
- 6.2.3 The national technical housing standards also include optional 'nationally described space standards', For affordable housing these are consistent with the standards already applied by the Homes and Communities Agency. It is important that affordable housing provision continues to meet the nationally described space standards for the particular size and type of dwelling being proposed, as these homes are generally fully occupied (see 'Standards in New Homes in Winchester District' 2015 and Affordable Housing SPD). In market housing there is more scope for buyer choice or, in most cases, for properties to be extended or modified. However, this is not so in the case of the smallest dwellings, particularly flats, so it is appropriate to apply the minimum nationally described space standard of 39 sq.m. of gross internal floor area (GIA) to market dwellings, to ensure that this level is at least provided. Policy DM2 sets out this requirement and also seeks to ensure that new 2 and 3 bedroomed dwellings, which are required by Policy CP2 in order to provide flexible accommodation for small families, downsizing and newly-forming households, are not overly large.
- 6.2.4 Overly large dwellings are unlikely to meet the majority of housing needs and may lead to internal subdivision to create additional bedrooms, meaning that the dwelling is not assisting in fulfilling the identified need as required under the housing mix Policy CP2. In addition, smaller houses are likely to prove more affordable to greater numbers of people than larger houses with an identical number of bedrooms. The Winchester District is characterised by higher than average house prices and so this difference in price caused by size alone, in addition

to the differences caused by number of bedrooms, is important in terms of providing greater access to a range of housing for a larger number of people.

- 6.2.5 It is recognised that houses may change following construction and this policy is not intended to prevent the normal use of permitted development rights, which may involve the construction of additional bedrooms in due course. The policy does aim, however, to ensure the greatest number of dwellings are initially built in accordance with the housing mix required by Policy CP2 and this policy. On larger developments this policy will help ensure that a wide range of dwelling types and sizes are available upon construction (see also paragraphs 6.2.5 - 6.2.6 above).
- 6.2.6 The maximum sizes specified reflect the general size of housing in the Winchester District and are not overly restrictive, being in the upper range for housing of the particular bedspaces provided. The maximum levels specified are generous enough to allow for flexibility in layout and are intended to apply to a wide variety of dwellings including flats and 3 storey houses. The use of external dwelling sizes is intended to make measurement as simple as possible and to provide transparency for developers and future occupiers. Where integral garages cannot be used as part of the dwelling they will not count towards the calculation of gross internal area.
- 6.2.7 Policy CP2 identifies the provision of 2 and 3 bedroomed family housing as a particular need for the District, this policy therefore limits the imposition of size maximums to these dwellings only, in order to achieve appropriate housing mix for new developments. There is generally less of an issue with overly small dwellings but the policy sets minimum standards as necessary, as explained at paragraph 6.2.6 above.

Policy DM2 – Dwelling Sizes and Accessibility

In order to provide for a suitable mix of housing, in accordance with Policy CP2, all new dwellings constructed in the District should exceed a minimum gross internal floor area of 39 sq.m and affordable dwellings should meet the relevant 'nationally described space standards' in full and be constructed to Part M4 Category 2 of the Building Regulations standards.

In addition, two-bedroomed housing should not generally exceed 100 sq.m. when first constructed, and three-bedroomed housing 150 sq.m. when first constructed. Proposals that provide for dwellings bigger than the maximum sizes above will be expected to justify the excess in relation to the requirements of Policy CP2. Maximum dwelling sizes relate to the gross external floor area of the dwelling as permitted, including attached buildings (conservatories, porches, garages, etc). Detached garages and other outbuildings are not counted.

Appendix 2 –

DM2 Viability Report

**Viability Report into the Potential
Impact of Proposed Policy DM2 and its
Accompanying Text**

For



**Winchester District
Local Plan Part 2**

Final Report

June 2016



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1. Introduction

- 1.1 Adams Integra has been instructed to advise the Council in respect of potential viability issues, arising from proposed policy DM2 and accompanying text, as set out in the Local Plan Part 2 submission version.
- 1.2 The Council's position starts with the identified need for 2 and 3 bedroom homes, as evidenced by the Strategic Housing Market Assessment. This was brought into policy as CP2 Housing Provision and Mix in the Local Plan Part 1. Since the adoption of Local Plan Part 1, the Government has revised a number of technical housing standards.
- 1.3 The recently published Local Plan Part 2 includes policies that reflect these new housing standards.
- 1.4 Objections have been received from the development industry and these relate in particular to policy DM2 and the accompanying text. The specific issues are the viability of applying the optional Building Regulations Part M4(2), the adoption of Nationally Described Space Standards (NDSS) for affordable housing and the imposition of lower and upper floor area limits for market housing.
- 1.5 The wording of Policy DM2 is set out below:

"In order to provide for a suitable mix of housing, in accordance with Policy CP2, all new dwellings constructed in the District should exceed a minimum gross internal floor area of 39 sqm and affordable dwellings should meet the relevant 'nationally described space standards' in full.

In addition, two-bedroomed housing should not generally exceed 100 sqm when first constructed, and three-bedroomed housing 150 sqm when first constructed. Proposals that provide for dwellings bigger than the maximum sizes above will be expected to justify the excess in relation to the requirements of Policy CP2. Maximum dwelling sizes

relate to the gross external floor area of the dwelling as permitted, including attached buildings (conservatories, porches, garages, etc). Detached garages and other outbuildings are not counted.”

- 1.6 It should be noted that the need for affordable housing to meet NDSS standards is a requirement of policy DM2, while it is an aspiration to have affordable housing built to Part M4 category 2 standards.
- 1.7 In order to comment upon viability issues, we will set out the requirements of NDSS and Part M4 (2). We will then consider the comments of the objectors to policy DM2 before considering the evidence which points towards a viability conclusion.
- 1.8 We have been asked to provide a high level assessment of the impact of building regulations changes, given that these are aspirations. We will then give more detailed consideration to the policy-based requirements relating to NDSS and maximum space standards. It has been agreed with the Council, however, that this viability assessment is not expected to require viability modelling.
- 1.9 We are attaching, as Appendix 1, a series of tables that set out the gross external floor areas of both new build and nearly new homes across Winchester District, measured in accordance with DM2. For the smaller units, we also show the gross internal area, being the measure for the minimum size unit. We will refer to this data in the context of the maximum space standards required by DM2.
- 1.10 The units shown in Appendix 1 are as evidenced by Rightmove during May and June 2016. Whilst the lists may not be exhaustive, we believe that they do represent a broad cross section of unit types within Winchester, such that reasonable conclusions might be drawn.

2. The Council’s Current Standards

- 2.1 The Council’s current space standards for affordable housing are set out in the Affordable Housing SPD adopted February 2008, specifically at paragraph 2.8:
- 1 bed properties should have 2 bed spaces

- 2 bed properties should have 4 bed spaces (other than those provided at the expense of 1 bed properties which may be permitted to have 3 bed spaces)
- 3 bed properties 5 bed spaces
- 4 bed properties a minimum of 6 bed spaces

2.2 The more particular internal space requirements are (measured in Gross Internal Area GIA):

- 1 bed 2 bed space property: minimum 45 sqm
- 2 bed 3 bed space property: minimum 57 sqm
- 2 bed 4 bed space property: minimum 67 sqm
- 3 bed 5 bed space property: minimum 82 sqm
- 4 bed 6 bed space property: minimum 95 sqm

2.3 All new affordable homes should be built to Lifetime Homes standards, which predated and is similar to the new Building Regulations Category 2, Accessible and Adaptable Dwellings.

3. The Council's aspirations regarding Building Regulations and space standards

3.1 In September 2015 a report was produced for the Council by the Health and Housing Partnership, entitled Standards in New Homes in Winchester District. This report sought to provide evidence as to whether Building Regulations categories 2 and 3 should be applied to new homes and also whether the application of NDSS standards to new homes could be supported.

3.2 The report concluded that affordable housing should be built to category 2 standards, being broadly equivalent to Lifetime Homes and, therefore, already familiar to developers. In addition, this requirement could be applied to 20% of market housing.

3.3 Furthermore, the report suggested that all new homes should comply with NDSS.

3.4 The Nationally Described Space Standards were introduced by Government in March 2015. The table below is taken from those standards and sets out the gross internal floor areas that would apply.

Table 1 - Minimum gross internal floor areas and storage (m²)

Number of bedrooms(b)	Number of bed spaces (persons)	1 storey dwellings	2 storey dwellings	3 storey dwellings	Built-in storage
1b	1p	39 (37) ²			1.0
	2p	50	58		1.5
2b	3p	61	70		2.0
	4p	70	79		
3b	4p	74	84	90	2.5
	5p	86	93	99	
	6p	95	102	108	
4b	5p	90	97	103	3.0
	6p	99	106	112	
	7p	108	115	121	
	8p	117	124	130	
5b	6p	103	110	116	3.5
	7p	112	119	125	
	8p	121	128	134	
6b	7p	116	123	129	4.0
	8p	125	132	138	

² Where a one person flat has a shower room rather than a bathroom, the floor area may be reduced from 39m² to 37m².

3.5 In connection with space standards, the Council is looking to ensure that all new dwellings meet the minimum standard of 39 square metres, as shown in the table for a 1 bed 1 person unit (assuming a bathroom as opposed to a shower room). In addition, we have seen in policy DM2 that maximum gross external areas are being sought for 2 and 3 bedroom units, being 100 square metres and 150 square metres respectively. It should be noted that the Council's gross external figures would include, in particular, attached garages, whereas the NDSS areas would be taken within the dwelling itself, excluding garages.

4. What the objectors say

4.1 The Council has provided us with the comments of objectors, particularly in connection with proposed policy DM2. These objections can broadly be summarised as follows:

- It is overly prescriptive to artificially restrict dwelling sizes. Market requirements should prevail.
- The imposition of maximum sizes is inconsistent with national policy.
- The cost to comply with Part M4 (2) is broadly consistent with Lifetime Homes costs, at approximately £682 per dwelling. The cost to comply with category 3 is £16,000 to £20,000 per unit.

5. Likely impact on viability from Part M4 (2) & (3)

- 5.1 Part M4 of the building regulations is divided into three parts, of which we are concerned with categories 2 and 3.
- 5.2 Category 2 relates to the accessibility and adaptability of dwellings. Category 2A is concerned with the approach to the dwelling and covers such issues as step-free approaches and car parking. Category 2B deals with private entrances and spaces within the dwelling.
- 5.3 Category 3 relates to wheelchair user dwellings and requires reasonable provision for people to be able to gain access to and use a dwelling. This category must at least allow simple adaptation of a dwelling for wheelchair users.
- 5.4 We have seen above that the Council would be aiming to achieve category 2 on all affordable housing, with an aim to also achieve this standard on 20% of market housing, particularly on larger sites. The main objector on this issue quoted a broad cost of £682 per dwelling to achieve this. We have compared this cost with the overall superstructure costs, as taken from BCIS for Winchester, as at 30th April 2016. The median cost per square metre, excluding externals, is approximately £1,400, blended between houses and flats. If we apply this to an average size property of, say, 100 square metres, the total build cost would be £140,000. On this basis, an extra-over cost to comply with category 2 would equate to approximately 0.5%.
- 5.5 We do not consider that this would have any significant impact upon viability, especially as this cost is already being incurred on affordable housing as the Lifetime Homes standard and will only apply on 20% of the market housing, so the extra cost can be spread across a development site. On this basis we see no need for more detailed viability modelling.
- 5.6 With regard to Part M4 (3), the Council is not being prescriptive on numbers, saying that 'a small number' of units may be required to meet this standard. If we were to make a broad assessment of the unit numbers with category 3 provision that might be viable, we might adopt the following rationale:
1. Assume a site of 100 units with an average size of 100 sqm and an average superstructure build cost of £140,000. The total superstructure cost would, therefore, be £14,000,000.

2. Assume an average cost per unit to comply with category 3 of £18,000, based upon a mid-range figure from the costs proposed by objectors, as above.
 3. Assume that a developer could absorb additional superstructure costs of 2%, before claiming that these costs were making the development unviable. This additional cost would therefore equate to £280,000 across the whole development.
 4. This would allow the category 3 costs to be applied to some 15 units, being £280,000 divided by £18,000, or 15% of the total number of units.
- 5.7 It should be noted that this only assesses impact on the costs, assuming the same mix and number of units. The viability position might be different if numbers change to accommodate the design requirements of category 3.

6. Likely impact on viability from the Nationally Described Space Standards

- 6.1 Policy DM2 takes the lower standard of 39 sqm from NDSS and requires that all new dwellings should exceed this gross internal floor area. In addition, the policy states that all affordable housing should meet NDSS standards in full.
- 6.2 With regard to the lower floor area, the table at Appendix 1 shows the gross internal floor area of a number of flats and studios. It will be seen that the majority of these exceed the minimum floor area. There is, however, a single one bedroom flat that is below this floor area, as are the two studios.
- 6.3 The evidence indicates that most one bedroom flats would satisfy this minimum requirement and we would not, therefore, anticipate any viability problems arising from it. It would appear, however, that a studio flat would currently be built to a smaller area; we would expect this to apply particularly to student accommodation. Policy DM2 relates to 'all new dwellings', so would only apply to student accommodation if it consisted of self-contained 'dwellings', which is not usually the case.
- 6.4 In terms of the house types that the Council might expect to contribute most to its housing supply, we do not expect this minimum requirement to prevent such units being built. The Council's Annual Monitoring Report (2015) indicates that 1 bedroom dwellings constituted only 10% of completions in 2014/15 and the average over the last 9 years has been 16.4%. Appendix 1 suggests that studio flats comprised less than 5% of the dwellings assessed, with student

accommodation not featuring at all.

- 6.5 With regard to affordable housing, the Council's requirement is that it should meet NDSS standards in full. The Council's current affordable housing standards are set out above but, for the ease of reference, we repeat them below and compare them to the current NDSS standard.

Table 2: comparing affordable housing minimum floor areas (GIA)

Unit type	No. of persons	Affordable Housing SPD Min. floor area sqm	NDSS Floor area Sqm flats	NDSS Floor area Sqm houses
1 bed	2	45	50	58
2 bed	3	57	61	70
2 bed	4	67	70	79
3 bed	5	82	86	93
4 bed	6	95	99	106

- 6.6 From this it will be seen that the Council's minimum requirements for affordable housing are below the NDSS levels. In order to understand, however, whether the larger units would, in practice, have an adverse viability implication, we need to consider the affordable unit sizes that are actually being built in Winchester.

- 6.7 We have looked at the proposed affordable provision for three recent planning applications. In some instances there is a limited level of information that omits, for example, the number of persons that a particular house type would assume. We do believe, however, that the information provides a good indication of floor areas compared to NDSS standards. The three sites and their affordable accommodation are:

1. Hill Pound, Swanmore, planning reference 15/01693

Information from the Affordable Housing Statement:

1 bed house	53 sqm NDSS would be 50-58 sqm.
2 bed house	78 sqm NDSS would be 70-79 sqm.
3 bed house	86 sqm NDSS would be 84 sqm.
3 bed house	98 sqm NDSS would be 93 sqm.

2. Police HQ Winchester, planning reference 15/01217

Information from the Accommodation schedule

1 bed flat 2p	45 sqm to 49 sqm NDSS would be 50 sqm.
2 bed flat 3p	58 sqm to 68 sqm NDSS would be 61 sqm.

In this instance, the majority of 1 bed flats are over 47 sqm and the majority of 2 bed flats are over 61 sqm.

3. Forest Road, Waltham Chase. Planning reference 15/01106

From the Affordable Housing Statement

1 bed flat	45 sqm NDSS 2 person would be 50 sqm.
2 bed flat	72 sqm NDSS 4 person would be 70 sqm.
2 bed house	72 sqm NDSS 3 person would be 70 sqm. NDSS 4 person would be 79 sqm.
3 bed house	82 sqm NDSS 4 person would be 84 sqm.

6.8 Whilst the information is not complete for all the sites, we believe it does indicate that current affordable housing units are being proposed broadly in line with

NDSS, with a couple of exceptions. These would include the 1 bed, and some of the 2 bed, units at the Police HQ, along with the 1 bed flats and 3 bed houses at Walthan Chase.

- 6.9 In addition, we are aware of affordable unit sizes being built in other authorities, as follows:

Wealden DC (East Sussex) 2015

1bx2p flats (1 storey) @ 50 sqm (affordable rent)

2bx4p house (2 storey) @ 72 sqm (shared ownership)

3bx5p house (2 storey) @ 94 sqm (affordable rent)

Ramsgate (Thanet DC) 2014

1bx2p flats (1 storey) @ 50 sqm

2bx3p flats (1 storey) @ 62 sqm

3bx5p house (2 storey) @ 105 sqm

4bx6/7p house (2 storey) @ 123 sqm

Stanford Le Hope (Thurrock BC) - shared ownership, 2016

1bx2p flats (1 storey) @ 50 sqm

2bx3p flat (ditto) @ 65 sqm

- 6.10 From this it will be seen that the NDSS requirements are being either matched or exceeded, with the exception of the shared ownership, 2 bedroom house in Wealden, which is 72 sqm, as opposed to the NDSS figure of 79sqm.
- 6.11 From the above we would conclude that, whilst there might be an extra cost in complying with NDSS in some instances, it is possible that the larger units would command a higher rental, such that the impact on viability would be minimised. This would become more apparent on a site by site basis, being dependent upon both location and affordability criteria.

7. Likely impact on viability from the maximum space standards

7.1 The table attached at Appendix 1 shows gross external floor areas for a number of 2 and 3 bedroom properties, both new and nearly new. In accordance with policy DM2, the floor areas include garages, where they are either attached or integral, as well as conservatories and enclosed porches. We are also showing the gross internal areas of studios and 1 bedroom flats, to test the supply of homes that might be less than 39 square metres.

7.2 With regard to the proposed application of maximum space standards on 2 and 3 bedroom properties, a number of points need to be raised.

(1) New build 2 bedroom flats appear to fall below the maximum floor area in policy DM2 (100sq m). We did, however, see one second hand 2 bedroom flat at Holly Meadows, Winchester, which exceeded the maximum area.

(2) With regard to houses, the number of floors would appear to have a significant bearing on whether the maximum floor areas are exceeded. New build 2 bedroom houses on 2 floors are mostly within 100 sqm, with the exception of examples at Winchester Village and Stiles Yard, Alresford. Amongst the nearly new, 2 bedroom houses on 2 floors, most are below 100sqm, with the exception of an example at Bakeland Gardens, Alresford.

(3) Three bedroom properties can be on either 2 or 3 floors. In general, those houses on 2 floors all fall below the maximum area of 150 sqm. There is an exception at Rosewarne Court, Hyde, Winchester. This is a 3 bed house on two floors with an integral garage, which is included in the area. The garage has an area of 15 square metres, so if this were to be excluded, the area would fall to 147 square metres.

(4) Three bedroom properties on more than 2 floors generally exceed the Council's maximum floor area. Appendix 1 shows ten 3 bedroom houses on more than 2 floors. Of these, 6 exceed the maximum area. In only two of these there is an integral garage, which is contributing to the larger floor area.

(5) The 3 storey houses are mainly located in Winchester, with a further example at Whiteley. We would expect to see 3 storey houses being built in either existing urban areas, where surrounding properties might be to a similar height, or on large Greenfield sites, where there are no existing design criteria.

8. Considerations

- (1) We are solely concerned with the potential viability implications, arising from the imposition of policy DM2 and its accompanying text.
- (2) By agreement with the Council, we have not considered it necessary to undertake any viability modelling; this is, therefore, a high level assessment, using available evidence of floor areas that are being built, from which to assess whether the proposed standards will have adverse viability impacts. In this regard, we are considering whether developers are building 2 and 3 bedroom units that are significantly larger than the proposed sizes, with the result that smaller sizes could impact on viability.
- (3) With regard to the Council's aspirations for Building Regulations Part M4, category 2, to apply to all affordable housing and to 20% of market housing, we do not believe that this would have a significant adverse impact on viability. We have seen that the typical extra cost would be around 0.5% of the build cost. We would expect this to be absorbed by both registered providers and developers, such that the provision of affordable homes was not affected.
- (4) The imposition of category 3 would have a greater cost per unit, but would only apply to 'a small number' of properties. We are informed by the Council that that this would apply primarily to very large sites and we have concluded above that a small number of wheelchair homes could be created on a larger site, within a tolerable extra build cost.
- (5) With regard to the viability impact of requiring all affordable homes to achieve NDSS floor areas; we have seen that the current Council standards from the Affordable Housing SPD of 2008 are smaller than those now sought by NDSS standards. We have demonstrated above, however, that the development industry has already adopted floor areas for affordable housing that are close to NDSS requirements.
- (6) We have concluded that the provision of either market or affordable housing should not be adversely impacted by the imposition of a lower unit size limit of 39 square metres.
- (7) Regarding the imposition of a maximum area on 2 and 3 bedroom properties, we would conclude that this could have a viability impact on three storey development in higher value urban locations, where a higher existing use value can necessitate a greater floor area to make a development viable.
- (8) On strategic, Greenfield sites, however, the existing use value will be lower, such that viability should be maintained with units of the Council's proposed maximum size.
- (9) The Council should be aware of the potential for niche markets, such as self-build and retirement, to provide units that might be larger than the proposed maximum. The self-build requirement for a particular floor area will relate to personal choice and budget, as opposed to a more speculative market. In the retirement sector there are companies providing for the upper end of the market, where pur-

chasers will be buying down from a larger property and will expect to see a smaller number of larger rooms, typically with two or three bedrooms. This could result in gross external floor areas that exceed the Council's proposed maximums.

9. Conclusions

- (1) We would conclude that the imposition of the Building Regulations Part M4 standards would not have a significant bearing upon viability. This assumes that the category 3 standard would only be applied to a small proportion of dwellings on larger sites.
- (2) We would conclude that the imposition of NDSS standards on affordable housing should not have a significant impact upon viability, on the basis that units being provided by developers are either close to or exceed NDSS requirements. In instances where specific units fall below the standard, for example some 1 bedroom flats, viability need not be affected if rents and values can increase with the larger floor area.
- (3) We would conclude that the cumulative impact of Part M4 (2) and the imposition of NDSS standards should not have a significant impact upon viability.
- (4) We would conclude that the imposition of the gross internal floor area of 39sqm should not have an adverse impact upon viability.
- (5) We would conclude that the imposition of the maximum floor areas in policy DM2 should not have a significant impact on Greenfield sites or on two storey development. It could, however, have an adverse viability impact upon the provision of 3 storey units in urban areas. The Council should also be aware of potential adverse impacts on niche markets, such as upmarket retirement developments.

Attachment: Appendix 1 Table of floor areas.

End of Report

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