



Development Management Plan (Regulation 18) Housing Standards Justification

June 2016

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1. Introduction

- 1.1 This evidence summary has been prepared to support preparation of the Development Management Plan (DMP) Regulation 18 consultation document.
- 1.2 The overall purpose of the paper is to assess the need and justification for applying the optional national housing technical standards to new developments within the borough. The evidence will therefore inform the policy approach to housing standards within the DMP.

Policy Context

Reigate and Banstead Local Plan Core Strategy (adopted July 2014)

- 1.3 The Core Strategy¹ forms the principal spatial planning document for the Council, covering a wide range of planning issues. It sets out the scale and broad location of new development over the period to 2027, and contains high-level cross-cutting policies to guide development.
- 1.4 Policy CS10 sets out an expectation that development will be delivered in a sustainable way, and criteria to inform the assessment of this expectation. Of particular relevance, the policy sets out that development should minimise the use of natural resources – including by maximising energy efficiency and minimising water use. CS10 also requires development to be designed to reflect the need to adapt to climate change, including responding to increased pressure on water resources.
- 1.5 Policy CS11 includes a specific requirement for new housing development to achieve a minimum of Code for Sustainable Homes (CfSH) Level 4 or future nationally described standards (in recognition of the Government's intention to wind down the CfSH at the time of drafting the Core Strategy).
- 1.6 In addition to sustainability standards, the Core Strategy Policy CS14 also seeks to secure a range of types of housing, including provision suited to the elderly and those with special mobility, accessibility and support needs.

National Technical Standards

- 1.7 In March 2015, the Secretary of State for Communities and Local Government announced the closure of the Code for Sustainable Homes (except for legacy

¹ Available at: www.reigate-banstead.gov.uk/corestrategy

cases) and introduction of a new system of national technical standards on water efficiency, access and internal space.²

1.8 These standards include a combination of mandatory and optional elements as follows³:

- Water efficiency: a mandatory standard of 125 litres/person/day and an optional tighter standard of 110 litres/person/day which can be required where justified
- Accessibility: optional standards to provide homes which are “accessible and adaptable” for those with lower mobility as well as a higher standard for homes which meet, or are able to be adapted to meet, the needs of wheelchair users.
- Internal space: optional requirements for new dwellings to provide a minimum amount of internal floorspace depending upon the number of bedrooms/potential occupants.⁴

1.9 The announcement confirmed that local planning authorities should only refer to the national standards in their Local Plans, and only seek the optional standards where this is justified by evidence of need and assessment of viability. It makes clear that local authorities should not seek to set any additional local standards relating to the construction, internal layout or performance of new dwellings within their Local Plans or supplementary planning documents.

1.10 On the issue of energy efficiency, the announcement set out the Government’s intention to revise Building Regulations to include energy efficiency requirements equivalent to the outgoing Code for Sustainable Homes Level 4; however, it included transitional arrangements to enable local planning authorities to continue to secure energy performance equivalent to Code Level 4 until such time as the amendments are in place.

² See Planning Update Written Statement (March 2015) – the Rt Hon Sir Eric Pickles MP:

<https://www.gov.uk/government/speeches/planning-update-march-2015>

³ Set out in the Planning Practice Guidance: Housing – Optional Technical Standards Section (ID: 56):

<http://planningguidance.communities.gov.uk/blog/guidance/housing-optional-technical-standards/>

⁴ Full details of the internal space standard are available on the following link:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/421515/150324_-_Nationally_Described_Space_Standard_Final_Web_version.pdf

2. Internal Space Standard

Introduction

- 2.1 The National Planning Policy Framework⁵ (paragraph 50) says that local planning authorities should identify the size, type, tenure and range of housing that is required in particular locations, reflecting local demand.
- 2.2 The Planning Practice Guidance⁶ (ID 56: paragraph 20) allows for local planning authorities – through their Local Plans – to require new homes to meet the nationally described internal space standard.
- 2.3 In order to justify imposing the standard locally, the Planning Practice Guidance suggests local planning authorities should consider:
- Need – including evidence on the size and type of dwellings currently being built in the borough
 - Viability – including evidence of the impact on viability of development, land supply and the affordability of new homes
 - Timing – including the need for a transitional period to enable developers to factor the costs into land acquisition
- 2.4 The discussion below covers the need, viability and affordability aspects required by the Planning Practice Guidance.

Understanding the need for a standard

- 2.5 In order to understand need for, and impact of, imposing an internal space standard on development in the borough, the first step is to understand what amount and type of development is likely to be captured by its application. For this, the Planning Practice Guidance advises that evidence should be provided on the size and type of dwellings currently being built in the area.
- 2.6 Analysis has been carried out on the size and floorspace of new housing units built throughout different parts of the borough, based on a sample of 875 units completed during the last 5 years.
- 2.7 Table 1 below profiles recent housing completions in the borough by type and internal space against the standard proposed by the Government. The data, drawn from monitoring information, is based on a sample of 875 units completed throughout different parts of the borough over the past 5 years.

⁵ <http://planningguidance.communities.gov.uk/blog/policy/achieving-sustainable-development/delivering-sustainable-development/6-delivering-a-wide-choice-of-high-quality-homes/>

⁶ <http://planningguidance.communities.gov.uk/blog/guidance/housing-optional-technical-standards/internal-space-standards/>

Table 1: Profile of internal floorspace on recent housing completions

Number of bedrooms	Number of bed spaces (persons)	1 storey dwellings		2 & 3 storey dwellings	
		National standard	Completions	National standard	Completions
1b	1p	37-50	Range: 33-67 Avg: 49	-	No relevant completions
	2p			58	
2b	3p	61-70	Range: 45-115 Avg: 74	70-79	Range: 60-118 Avg: 75
	4p				
3b	4p	74-95	No relevant completions	84-108	Range: 71-187 Avg: 98
	5p				
	6p				
4b	5p	90-117	No relevant completions	97-130	Range: 107-218 Avg: 148
	6p				
	7p				
	8p				
5b	6p	103-121	No relevant completions	110-134	Range: 146-327 Avg: 215
	7p				
	8p				
6b	7p	116-125	No relevant completions	123-138	Range: 303-752 Avg: 445

2.8 The data indicates that new homes in the borough, taken as an average, comply with the proposed standard. Across all property types, the average internal floorspace of new units built is comfortably within, and often above, the floorspace requirements in the new standard.

2.9 However, the ranges in Table 1 indicate that some new homes built in the borough – particularly amongst the smaller dwelling types – would not have met the nationally described standard, in some cases are quite significantly these standards. Table 2 below explores this further and summarises the number of homes (out of the sample) which would have failed to meet the national standard in each case.

Table 2: Proportion of completions failing to meet the proposed standard

Number of bedrooms	1 storey dwellings		2 & 3 storey dwellings	
	National standard	Completions	National standard	Completions
1b	37-50	6 (7.1%)	-	No relevant completions
			58	
2b	61-70	20 (8.4%)	70-79	12 (30.0%)
3b	74-95	No relevant completions	84-108	41 (19.0%)
4b	90-117	No relevant completions	97-130	0 (0.0%)
5b	103-121	No relevant completions	110-134	0 (0.0%)
6b	116-125	No relevant	123-138	0 (0.0%)

		completions		
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- 2.10 As Table 2 shows, the overall picture is one of the majority of new homes in the borough meeting the proposed standard (over 90% of the sample of completions). However, whilst those failing to meet the standard represents a small proportion of overall housing completions (less than 10% combined), the fact that these non-compliant units are particular concentrated amongst smaller property types is indicative of some degree of inequality and market failure.
- 2.11 Therefore, whilst in practice a standard would only affect a small number of developments, introduction of a standard is considered to be justified to address this inequality and to ensure that moving forward all new units provide suitable and adequate space for day-to-day living, irrespective of type and number of bedrooms.

Understanding the impact of imposing a standard

- 2.12 The Planning Practice Guidance advises that two main impacts could arise from adopting a space standard:
- Viability of development (and as a consequence land supply)
 - Affordability
- 2.13 Each of the units identified as falling below the relevant threshold in Section 2 has been assessed against the viability and affordability criteria and considerations discussed below to come to an overall view of the extent to which they are likely to be affected by imposition of a standard. The detailed findings are set out in Appendix 2.

Assessing the effect on value

- 2.14 The main driver of both the impact of a space standard on viability and affordability is the effect which increased unit sizes will have on value. This is because for viability, value increase will determine the extent to which the additional costs associated with meeting the space standard will be offset or “recovered” by the developer and for affordability, the increase in value will determine the extent to which the larger, standards compliant units would remain within the financial reach of buyers.
- 2.15 Before assessing specific impact upon viability, it is therefore necessary to determine the effect of increasing unit sizes on the value of properties.
- 2.16 For viability purposes, the value of a property is commonly calculated on a £/sqm basis. As such, in simple terms, for every 1sqm increase in the size of

the property would be met by a commensurate increase in value. However, as the Cost Assessment⁷ for the national standard prepared by EC Harris identified, there a number of factors which can affect the extent to which sales values can increase in line with space standards including:

- The extent to which buyers are able to afford to pay an additional purchase price
- Proximity of current sales values to market price caps driven by perceptions (e.g. unwillingness to pay over a certain price for a certain number of bedrooms or type of unit) or stamp duty thresholds
- The type and quantity of dwellings available in the existing market

2.17 The first of those considerations relates to affordability and will therefore be discussed specifically later in the paper. The other two issues are discussed below.

Sales value caps

2.18 Historically, the Stamp Duty system created a number of “brackets” within the property market as buyers sought to avoid the significant additional costs associated with buying a property in the threshold above.

2.19 However, changes to the Stamp Duty regime in 2015 (i.e. adjustments to the thresholds and switching from an “entire price” to “increasing rate” approach – see table 3) have removed the significant artificial “steps” in the additional costs which a purchaser might experience over an above a certain price bracket and therefore reduced the effect of the Stamp Duty regime in terms of creating price perceptions and price ceilings.

Table 3: Changes in Stamp Duty regime

Pre December 2014	Post December 2014
0% up to £125,000	0% on first £125,000
1% over £125,000 up to £250,000	2% on the portion from £125,001 to £250,000
3% over £250,000 up to £500,000	5% on the portion from £250,001 to £925,000
4% over £500,000 up to £1 million	10% on the portion from £925,001 to £1.5 million
5% over £1 million up to £2 million	12% on the portion above £1.5 million
7% over £2million	

2.20 It is also evident from the wide size range of new homes and the breadth of sales values achieved in different areas of the borough for particular property types that there is no strong perception that a particular property type should not exceed a certain value in any particular location (i.e. there is no strong evidence of ceiling values). This is demonstrated further by the sale price data in Appendix 1 which illustrates that across all property types, there are numerous examples of units smaller than the standard achieving values

⁷https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/353387/021c_Cost_Report_11th_Sept_2014_FINAL.pdf

consistent with, or often in excess of, units of the same type and location which meet the floorspace standard.

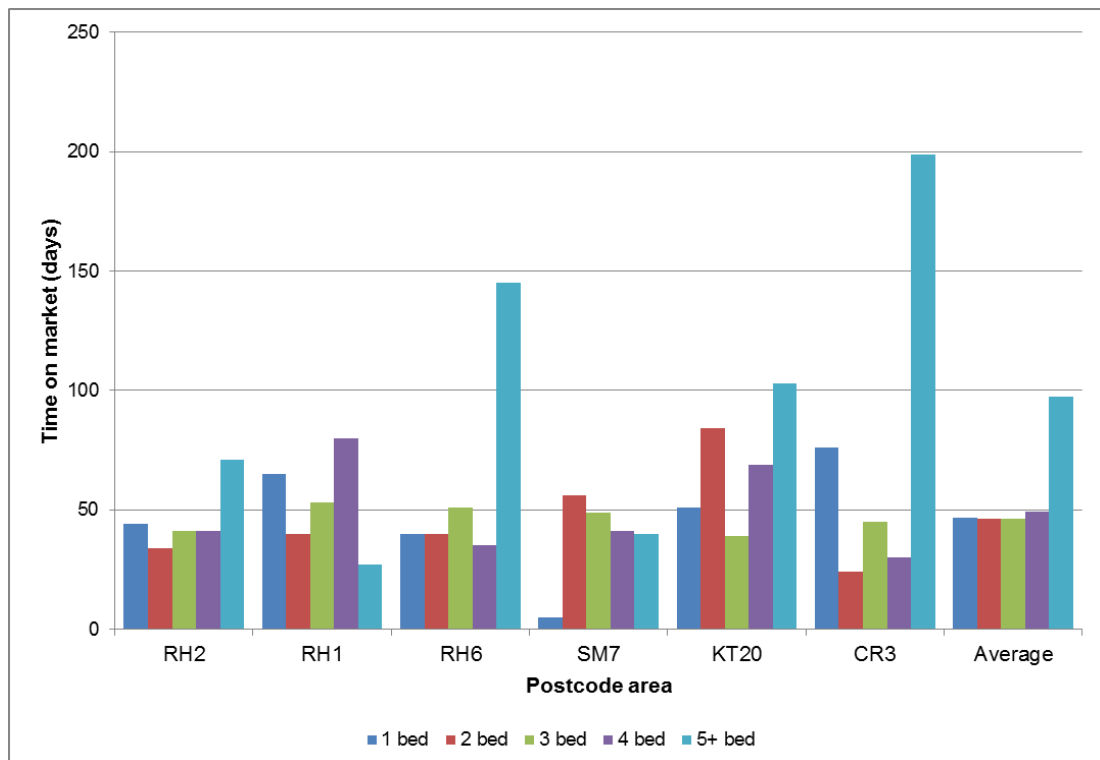
2.21 Given the above, it is considered generally unlikely that “willingness to pay” or price ceilings will prohibit higher values being achieved if unit sizes have to be increased to meet imposed standards. This is important, as it means that there is a significantly greater likelihood that developers in the borough will be able to recover the full costs associated with proving larger units and therefore the impact on economic viability from that perspective is considered limited.

Market availability

2.22 It is widely recognised, including through the Council’s Strategic Housing Market Assessment⁸, that the housing market in the borough and across Surrey more generally is very strong. As a result, demand significantly outstrips supply across all market sectors and types of homes.

2.23 This is clearly indicated in the chart below which shows that homes sell very quickly across the borough – on average in less than 50 days – across the majority of sizes. The one exception is homes of 5 bedrooms and over, however, this can be skewed by the luxury, super-prime market.

Figure 1: Time taken to sell homes in Reigate & Banstead



Source: home.co.uk, data for April 2015

⁸ Available at: http://www.reigate-banstead.gov.uk/info/20088/planning_policy/22/evidence_and_research_for_planning_policies/2

- 2.24 Given this level of demand, it is considered unlikely, in the current market, that the availability of any particularly property is such that it would suppress or restrict the extent to which sales values could increase in light of meeting the floorspace standard.

Assessing the impact on viability

Economic viability

- 2.25 The impact of imposing a standard on economic viability can be determined by reference to whether the additional revenue achieved would outweigh the additional costs.
- 2.26 For the purposes of this high level assessment, the cost associated with providing a larger unit has been calculated by multiplying the increase in floorspace required to meet standard by the relevant per sqm basic build cost from BCIS with an uplift to take account of additional development costs (such as additional finance, professional fees, external works, etc.). This leads to cost allowances of £1,700 per sqm for houses and £1,770 sqm for flats.
- 2.27 Increasing the size of a unit may also result in a developer having to bear additional financial contributions to meet local policies. This includes both affordable housing and CIL. For the purposes of this assessment, this is factored in at the upper levels for each (i.e. £155/sqm for affordable housing contributions as per the SPD and £140/sqm for CIL as per the highest urban charge) to ensure that the “worst case scenario” has been considered.
- 2.28 **How has this impact been assessed:** For each property, the costs associated with providing larger units has been compared with the expected additional revenue which could be generated. The normal return expected by developers and house builders for a development to be viable is 20% of gross development value. Mindful of this, the following criteria have been used:
- Value increase exceeds the combined costs by more than 20% - it is considered highly likely that developers will be able to recover their costs and as such, the impact on financial viability is considered to be limited or nil.
 - Excess is between 15-20%: the standard would be viable – albeit marginally - and therefore considered to be medium.
 - Excess under 15%: it is considered that the standard would have a high adverse impact on viability.

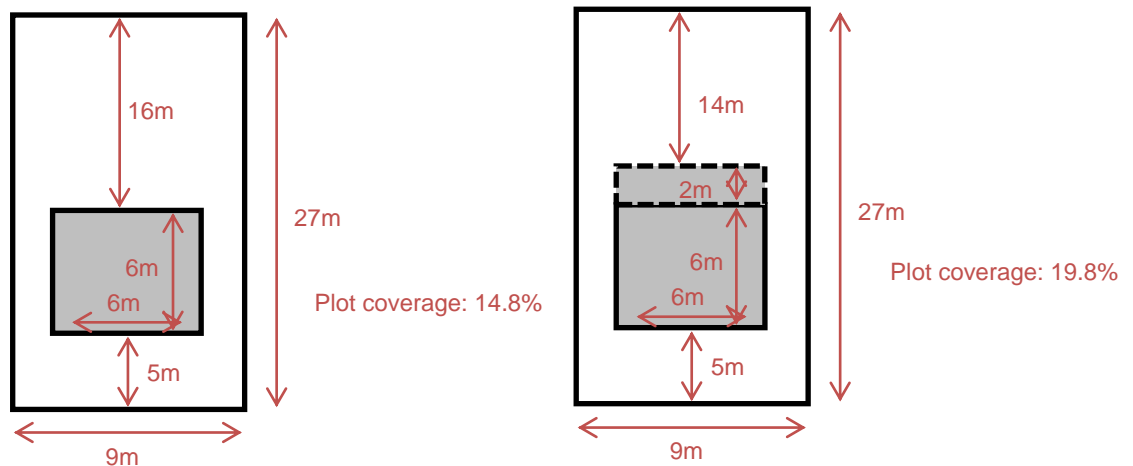
Technical feasibility

- 2.29 Whilst providing larger units may prove to be economically viable and profitable for house builders, a separate but related issue is whether the larger units could reasonably be accommodated on site without rendering the

scheme technically unfeasible (i.e. requiring the number of units to be reduced or making the unacceptable in other planning terms).

- 2.30 The sensitivity of schemes to feasibility issues will be particularly driven by the density of development, the types of units, and the nature of the scheme (i.e. new build or conversion). Individual site specific issues may also impact upon the feasibility of providing larger units.
- 2.31 In general, where a scheme comprises low to medium density houses (i.e. up to 40dph) it is considered unlikely that relatively modest changes in space standards would render schemes technically unfeasible. This is because, in many cases, the additional floorspace requirements could be absorbed through small-scale extensions resulting in only a minor reduction in the amount of garden/external space or even through creating habitable accommodation in roofspace.
- 2.32 The example overleaf illustrates how a 72sqm, 2 storey property (built at approximately 40dph – i.e. a plot of 240sqm), could be increased to an 84sqm property (i.e. meeting the standard through a 16% increase in floorspace) through a modest single storey rear addition (within permitted development allowances) and with relatively limited impact on separation distances and plot coverage. Unless there are exceptional site specific issues, it is therefore likely that floorspace increases of up to 20% could be accommodated without making schemes unfeasible.

Figure 2: Illustration of the feasibility of small scale floorspace increases on medium density house developments



- 2.33 However, higher density schemes such as apartments are more sensitive to floorspace changes and it is more challenging to accommodate increases in the size of units. This is because residual space within the site to increase the width/depth of a block is often more limited due to the density of development. Also, if several individual units within a block need to be enlarged in order to meet standard, the issue is magnified. As such, comparatively small increases in floorspace resulting from the imposition of standard can be more difficult to accommodate and, as such, require a change in the overall number or mix of units (i.e. between 1 and 2 beds). Such changes are in turn likely to impact upon financial viability.
- 2.34 Additionally it is common for flats to be brought forward through conversion schemes – both in existing dwellings or commercial premises. In these cases, because units must be fitted within the constraints of the existing building envelope, even small increases in individual unit sizes may not be feasible simply by re-engineering layouts. Increases in the required size of units may therefore mean extensions to the building or a reduction in the number of units is necessary, both of which could affect the viability of such schemes.
- 2.35 **How has this impact been assessed:** For each property, the percentage increase in floorspace required to bring it up to the proposed standard has been calculated. This percentage has been used to assess the likely impact on feasibility, based on the following criteria:
- For houses: floorspace increases of up to 20% are not considered to be prohibitive in terms of technical feasibility, and the impact is therefore low.
 - For flat schemes: floorspace increases of more than 10% are generally considered to be prohibitive in terms of feasibility and therefore assessed as having high impact. Increases of between 5% and 10% on flat schemes are assessed as having medium impact on feasibility.

Assessing the impact on affordability

- 2.36 As discussed above, local market evidence indicates that – given the level and strength of demand – relatively modest increases in the size of homes to meet a floorspace standard is unlikely to conflict with purchasers price perceptions or willingness to buy.
- 2.37 However, this being the case, it is still possible that price increases associated with providing larger units may make properties unaffordable, particularly for those on lower incomes or first time buyers.
- 2.38 The affordability of a property to particularly households is predominantly driven by two factors:
- The affordability of the on-going mortgage payments
 - The amount of up front costs including deposit requirements and other purchase costs)
- 2.39 The key determinant of the affordability of a mortgage is how it compares to income. since 2014, new rules within the mortgage lending sector require most providers to ensure that 15% or less of loans made are at a multiple of less than 4.5, thereby restricting their ability to lend at higher multiples.
- 2.40 Any increase in the size and value of a property which results in the income multiplier for a particular household moving above the 4.5 multiplier could therefore risk affordability as the availability of, and their ability to access, mortgages is reduced.
- 2.41 Secondly, the effect on the amount of deposit required will also affect affordability. In most cases, a minimum 10% deposit is required to access the majority of mortgages at reasonable interest rates (save for through specialist schemes such as Help to Buy). Any increase in the value of a property will therefore increase the amount of deposit needed and therefore require the purchaser to have additional savings/capital, particularly when additional purchase costs (such as stamp duty) are factored in.
- 2.42 **How has this impact been assessed:** For each property, the mortgage income multiplier has been calculated at lower quartile and median incomes (£23,747 and £36,513 respectively in 2014 for R&B) for single person and two person households. This analysis has been carried out at both pre and post-standard prices/sizes, with the outputs for each compared to understand the extent to the multiplier might be pushed over (or even further above), the 4.5 times multiplier.
- 2.43 Deposit requirements have also been calculated at both pre and post-standard prices based on a 10% deposit. The increase between the two has then been assessed using the following criteria:

- Increases in deposit requirements of over 10% are considered to be likely to be challenging in the majority of cases, and likely to require additional capital which cannot easily or quickly be obtained.
- Increases of 5-10% (i.e. £2,500 on a £25,000 deposit) are considered likely to be achievable in most cases.
- Increases of less than 5% are assessed as having minimal impact on overall affordability (i.e. £1,250 on a £25,000 deposit).

2.44 The findings for both income multiplier and deposit are then combined to come to an overall view on the likely impact on affordability.

Overall conclusions

2.45 Each of the homes identified as falling below the relevant threshold in Table 2 has been assessed against the viability and affordability criteria and considerations to come to an overall view of the extent to which they are likely to be adversely affected by imposition of a standard. The detailed findings are set out in the table in Appendix 2.

2.46 As identified above – based on recent completions – the imposition of a space standard locally is only likely to affect at most 10% of new homes. As the analysis in Appendix 2 demonstrates, even within this 10%, the standard will have varying degrees of impact. This can be summarised as follows:

Table 4: Summary of impact of imposing a standard on viability and affordability

Unit type	Not affected	Viability			Affordability		
		High	Medium	Low	High	Medium	Low
1 bed flat	92.9%	0.0%	0.0%	7.1%	2.4%	1.2%	3.6%
2 bed flat	91.6%	3.8%	4.2%	0.4%	4.2%	3.8%	0.4%
2 bed house	70.0%	0.0%	0.0%	30.0%	2.5%	25.0%	2.5%
3 bed house	81.0%	0.0%	0.0%	19.0%	0.5%	5.1%	13.4%
4 bed house	100.0%	0.0%					
5 bed house	100.0%	0.0%					
6 bed house	100.0%	0.0%					
All units	91.0%	1.0%	1.1%	6.9%	1.6%	3.5%	3.9%

2.47 This shows that, across the new build market in the borough, imposing a standard is expected to have a high adverse impact on only 1% of units in terms of viability and 1.6% of units in terms of affordability, with a further 1.1% and 3.5% of units experiencing a medium impact on viability and affordability respectively. Based on planned housing supply, this could equate to between 5 and 17 units per year (based on High and Medium).

2.48 Whilst there is some variation across housing types – with 2 bed flats and 2 bed houses experiencing a greater impact – it is not considered that imposing

a space standard locally will have any discernible impact on housing delivery or the local housing market as a whole.

- 2.49 As such, imposing a standard locally is considered to strike an appropriate balance between achieving high quality homes and a good standard of living accommodation but also ensuring that new homes remain viable and affordable.

3. Accessibility Standards

Introduction

- 3.1 The National Planning Policy Framework⁹ (Paragraph 50) makes clear that, as part of delivering a wide choice of high quality homes, local planning authorities should seek to address the needs of different groups in their communities, including specifically older people and those with disabilities.
- 3.2 Basic accessibility requirements are enshrined in Building Regulations (Part M 2015). However, the Planning Practice Guidance includes provisions for local planning authorities to consider requiring enhanced levels of accessibility, adaptability and wheelchair standards in new homes to help address the needs of specific groups. The categories – as set out in Building Regulations Part M¹⁰ are:
- **M4(2): Accessible and adaptable dwellings** must be designed to enable most people to access and use the dwelling and incorporate features which:
 - make it potentially suitable for a wide range of occupants, including older people and those with reduced mobility; and
 - allow adaptation of the dwelling to meet the changing needs of occupants over time.
 - **M4(3): Wheelchair user dwellings** includes two different levels:
 - a) *Wheelchair adaptable* dwellings which must be designed to allow simple adaptation of the dwelling to meet the needs of occupants who use wheelchairs
 - b) *Wheelchair accessible* dwellings which must be designed and built with the necessary features/adaptations included to enable it meets the needs of occupants who use wheelchairs
- 3.3 To demonstrate need for enhanced accessibility standards, the Planning Practice Guidance¹¹ (ID56: Paragraph 007) directs local planning authorities to consider:
- The likely future need for housing for older and disabled people, including from housing needs assessments
 - How needs vary across different tenures
 - Consideration of the impact on viability of housing development

⁹ <http://planningguidance.communities.gov.uk/blog/policy/achieving-sustainable-development/delivering-sustainable-development/6-delivering-a-wide-choice-of-high-quality-homes/>

¹⁰ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/506503/BR_PDF_AD_M1_2015_with_2016_amendments_V3.pdf

¹¹ <http://planningguidance.communities.gov.uk/blog/guidance/housing-optional-technical-standards/accessibility-and-wheelchair-housing-standards/>

Establishing the need for a standard

Current situation

- 3.4 In order to understand the need for accessibility standard, the first step is to understand the characteristics of the borough's population, both now and into the future, in terms of mobility and disability.
- 3.5 Data from the 2011 Census provides information about the number of households in the borough comprising residents whose ability to carry out day-to-day activities is affected by a long-term health problem or disability. This shows that approximately 14,200 (25%) of households in the borough has one or more person with a long-term health problem or disability. These figures focus purely on those in conventional housing and exclude institutional population (e.g. those in care homes).
- 3.6 Particularly high instances of long term health problems / disability are seen in one person households and households with all residents over 65, reflecting the relationship between health, disability and age.

Table 4: Households with residents experiencing long term health problem/disability

Household composition	Total households	Households with one person with a long-term health problem or disability	Households with two or more persons with a long-term health problem or disability
One person household	15,163	4,938 (43%)	0 (0%)
One family: all aged over 65	4,673	1,293 (11%)	1,114 (42%)
One family: married, civil partnership or cohabiting	27,617	3,588 (31%)	1,002 (37%)
One family: lone parent	4,550	1,009 (9%)	220 (9%)
Other household types	3,420	744 (5%)	330 (12%)
Total	55,423	11,572	2,666

Source: ONS Census 2011

- 3.7 In addition, the Census data provides an indication of the extent to which those with health problems or disabilities are limited in their day to day activities. Of the 17,200 people (household population) in the borough who report having a long term health problem or disability, 40% (6,900 people - equivalent to 6% of the total household population) report that their health problem limits their ability to carry out day-to-day activities a lot.
- 3.8 Applying this ratio to households suggests that around 5,700 households (10%) may currently comprise a resident whose day to day activities are limited a lot. Prevalence of those reporting being "limited a lot" does however vary significantly by age, ranging from 18% in the over 65 category to just over 1% for under 15's.

- 3.9 Separately, Census data also shows that the borough's over 65 population in institutional accommodation (such as care homes) stood at 1,382 in 2011, equivalent to around 6% of the total borough population in this age group. Of these, 71% (985 people) report that their day to day activities are limited a lot.
- 3.10 It should however be noted that the Census is self-reported and not all those whose day to day activities are limited will necessarily be restricted in terms of mobility. Nonetheless, it provides an indication of the number of residents and households for whom accessible/adaptable properties may be beneficial and allow for a more comfortable life over the longer term, even if they are not immediately necessary.
- 3.11 Claimant levels for disability living allowance (DLA) perhaps provide a clearer indication of the extent to which the local population experience mobility challenges or restriction and are likely to need accessibility/adaptability features immediately. The table below shows number of local residents receiving the mobility award through the DLA. For some groups, DLA changed in 2014, as such, for consistent data across all ages information from 2012 is used. The mobility award takes two rates described as follows:
- Low rate: can walk but need help and or supervision when outdoors
 - High rate: can't walk, can only walk a short distance without severe discomfort, could become very ill if they try to walk or they're blind, severely sight impaired¹²
- 3.12 Prevalence of higher rate claimants is particularly high in the over 50s categories.

Table 5: Disability living allowance mobility award claimants by age and level

Age	Mobility: High Rate	Rate per 1,000 pop (high)	Mobility: Low Rate	Rate per 1,000 pop (high and low)
Under 16	110	4.1	400	19.0
Age 16-49	540	8.8	890	23.3
Age 50-64	700	27.9	390	43.4
Age 65 and over	600	28.3	200	37.7

Source: DWP

- 3.13 The total number mobility award claimants (3,830) equates to approximately 3% of the borough's total population. Assuming the same ratio of persons to household as the self-reported Census health/disability statistic (i.e. 1.2 claimants per household), suggests around 3,180 households in the borough may contain a resident eligible for the mobility award and is considered to be a reasonable representation of the households which may require some form of adaptation to their property.

¹² <https://www.gov.uk/disability-living-allowance-children/eligibility>

- 3.14 Within this, some will require more significant adaptation, specifically to support wheelchair use. Specific information on the levels of wheelchair use is not available at the local level. However, data from the English Housing Survey 2011 (published in the *DCLG Guide to available disability data*¹³) finds that, nationally, approximately 3% of households have a resident who is a wheelchair user. Applying this locally suggests that currently there could be up to 1,660 households in the borough with a wheelchair user. This is broadly consistent with the DLA higher rate mobility award recipients, and suggests around 1.1 wheelchair using residents per wheelchair household.
- 3.15 Other national research indicates that less than 8% of disabled people nationally use a wheelchair – applying this percentage to the total number of the borough’s residents identified through the Census as having a long term health problem or disability (18,582 inc. institutional residents) suggests around 1,490 wheelchair users.

Looking forward

- 3.16 In order to understand future need for adapted/adaptable accommodation, the age-specific prevalence rates indicated by DLA claims can be applied to population projections. For this, both ONS and local projections constrained to planned housing growth are used. Table 6 summarises this analysis.

Table 6: Future projections of residents experiencing specific mobility challenges

Age	2027 population (ONS)	2027 population (dwelling constrained)	Residents with limited mobility		Residents with severely limited mobility/ wheelchair use	
			2012	2027	2012	2027
Under 16	31,700	29,440	400	440-470	110	120-130
Age 16-49	69,400	58,482	890	850-1,010	540	515-610
Age 50-64	32,500	30,584	390	475-505	700	850-910
Age 65 and over	34,200	37,960	200	320-360	600	970-1,075
Total			1,880	2,085-2,345	1,950	2,455-2,725

Source: ONS/PopGroup/RBBC analysis

- 3.17 The ageing local population and higher prevalence rates amongst older cohorts particularly drives these figures. Compared to 2012 levels, this represents the following growth:
- 205-465 residents with limited mobility
 - 495-765 residents with severely restricted mobility/wheelchair use
- 3.18 Based on the residents per household figures set out above (i.e. 1.2 for limited mobility and 1.1. for wheelchair use), the corresponding increase in

¹³https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/416475/150323_Guide_to_disability_data_final_web_version.pdf

households and need for varying degrees of accessible/adaptable dwelling is estimated to be in the region of:

- 170-390 households with a resident of limited mobility
- 450-695 households with a resident with severely restricted mobility/wheelchair user

3.19 As set out above, whilst the Census self-reported characteristic of day-to-day activities being limited a lot is not necessarily an indicator of need, it provides an indication of the amount of the population who may benefit from, or feel more comfortable in, a home which can adapt to their needs in the longer term. It therefore can be used as an indication of potential level of “demand” for providing accessible/adaptable dwellings within the housing stock.

Table 7: Future projections of residents limited a lot in day-to-day activities

Age	2027 population (ONS)	2027 population (dwelling constrained)	Day-to-day activities limited a lot (residents)
Under 16	31,700	29,440	370-395
Age 16-49	69,400	58,482	1,270-1,510
Age 50-64	32,500	30,584	1,640-1,740
Age 65 and over	34,200	37,960	6,260-6,950
Total			9,540-10,595

Source: ONS/PopGroup/RBBC analysis

3.20 Using the household composition in Table 4, this suggests that there will be around 7,900 and 8,780 households containing a resident who considers their day to day activities to be limited a lot by 2027, an increase of around 2,200 to 3,080 households over the plan period.

3.21 This figure will include those specifically identified above as being of limited or severely restricted mobility, and therefore the extra “demand” over the plan period is for 1,580-1,995 households. As set out above, this represents demand as opposed to need and will help widen housing choice and options, particularly in the face of an ageing population.

Approach to meeting need

3.22 In order to meet the needs of the groups identified above, it is considered that the following standards would need to be achieved:

- Residents with limited mobility/day to day activities limited a lot – Category 2 – accessible and adaptable dwellings (1,785-2,460 units)
- Residents with severely restricted mobility/wheelchair users – Category 3a – wheelchair adaptable dwellings (450-695 units)

3.23 Meeting the full anticipated need/demand through new stock would require approximately 30%-40% of the remaining housing to be delivered over the plan period (5,600 units) to meet the accessible/adaptable standard (M4(2)) and 8-12% to be delivered as easily adaptable for wheelchair user (M4(3a)).

3.24 However, delivering suitable accommodation for those with lower mobility is not solely about what can be achieved through new housing stock but also through adaptations to existing stock. The housing stock delivered over the plan period (6,900 homes) will represent only 11% of the borough's total stock by 2027 and in addition, some of the need is likely to be generated by existing residents growing older and experiencing increase mobility restriction and therefore, in many cases, it is likely that adaptation of existing properties may be preferable to enable them to remain within their own homes.

Assessing the impact on viability

3.25 Requiring new homes to meet the optional accessibility standards will have cost implications for new development.

3.26 Analysis carried out by EC Harris for the DCLG as part of the introduction of the national standards¹⁴ provided an assessment of the 'extra-over' cost associated with meeting the relevant standard. This is comprised two key elements:

- Design/process costs – the additional professional costs incurred in designing, surveys and approvals to ensure dwelling meet the standard
- Space costs – the additional construction costs associated with meeting any size/specification requirements associated with the standard less any additional revenue which might be able to be recovered by providing larger units

Table 8: Cost of compliance with accessibility standards

	1B apartment	2B apartment	2B terrace	3B semi-detached	4B detached
Category 2					
Process/design cost	£940	£907	£523	£521	£520
Space cost	£289	£289	£578	£866	£866
<i>Total additional cost</i>	<i>£1,229</i>	<i>£1,196</i>	<i>£1,101</i>	<i>£1,387</i>	<i>£1,386</i>
Category 3					
Process/design cost	£7,607	£7,891	£9,745	£10,307	£10,568
Space cost	£2,310	£4,043	£6,065	£6,931	£6,931
<i>Total additional cost</i>	<i>£9,917</i>	<i>£11,934</i>	<i>£15,810</i>	<i>£17,238</i>	<i>£17,499</i>

Source: EC Harris, September 2014

3.27 **How has this impact been assessed:** To understand the likely impact of imposing the standard on development viability, the additional costs identified

¹⁴https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/353387/021c_Cost_Report_11th_Sept_2014_FINAL.pdf

by EC Harris have been compared to the overall development cost of a standard development.

3.28 This analysis has been carried for different types and sizes of development using scenarios and outputs from the Council’s CIL evidence for consistency. The assessment has also been made at different levels of provision (i.e. the proportion of units required to meet a particular standard).

3.29 Where the total costs associated with complying with the standard represents less than 0.5% of total development costs, it is considered that the viability impact would be negligible. The detailed outputs are set out in Appendix 3.

3.30 The tables below shows the main viability outputs and impacts of varying requirements and highlight the following key points:

- The cost impact of requiring 10% of units to meet the Category 3 standard exceeds the 0.5% threshold in all cases
- On schemes of less than 20 units, even at 5% of units, the cost impact of Category 3 exceeds the 0.5% threshold.
- Meeting identified needs in full purely through new stock would therefore be unviable.
- The cost impact of the Category 2 standard is significantly more modest: even at 30% of units the impact is less than half of the threshold level of 0.5% in all cases.
- Generally, the cost impact is proportionately higher for flatted schemes than house schemes.

Table 9: Cost impact of Category 2 at different levels of provision

	Proportion of units – Category 2					
	5%	10%	15%	20%	25%	30%
7 unit scheme (houses)	0.00%	0.11%	0.11%	0.11%	0.23%	0.23%
10 unit scheme (flats)	0.07%	0.07%	0.13%	0.13%	0.20%	0.20%
10 unit scheme (houses)	0.04%	0.04%	0.09%	0.09%	0.13%	0.13%
20 unit scheme (flats)	0.04%	0.07%	0.11%	0.15%	0.18%	0.22%
25 unit scheme (houses)	0.02%	0.06%	0.09%	0.11%	0.13%	0.17%
100 unit scheme (flats)	0.04%	0.07%	0.11%	0.14%	0.18%	0.21%
150 unit scheme (houses)	0.03%	0.05%	0.08%	0.10%	0.13%	0.15%

Table 10: Cost impact of Category 3 at different levels of provision

	Proportion of units – Category 3		
	5%	10%	15%
7 unit scheme (houses)	0.00%	1.48%	1.48%
10 unit scheme (flats)	0.60%	0.60%	1.19%
10 unit scheme (houses)	0.56%	0.56%	1.11%
20 unit scheme (flats)	0.33%	0.66%	0.99%
25 unit scheme (houses)	0.28%	0.84%	1.12%
100 unit scheme (flats)	0.32%	0.63%	0.94%

150 unit scheme (houses)	0.35%	0.65%	0.99%
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Overall conclusions

- 3.31 As identified above, the number of residents and households in the borough experiencing mobility challenges is likely to grow over the plan period, driven in part by an ageing population. As a result, there will be an increasing need for accommodation which is accessible and adaptable.
- 3.32 Delivering suitable accommodation for those with lower mobility is not solely about what can be achieved through new housing stock: adaptations to existing stock will have a role to play, particularly seeing as some of the demand will come from existing residents as they become more elderly.
- 3.33 In setting an appropriate requirement in the Development Management Plan, a balance therefore needs to be struck between need, achievability and viability in determining the role which new development should play. On this basis, the following requirements are proposed:
- On all new housing developments, 20% of units should be designed to meet the Category 2 (Accessible and Adaptable) standard
 - On schemes of 20 new homes or more, 5% of units should be designed to meet the Category 3 (Wheelchair Adaptable) standard
- 3.34 This combination of requirements would ensure that, in all of the scenarios tested, the cost impact would remain below the 0.5% threshold.
- 3.35 In addition, based on the scale, nature and type of housing growth which is planned to come forward over the remainder of the plan period, it is anticipated that these requirements could deliver around 50% of the additional need arising, with the remainder to be met through adaptations to existing stock. This would comprise:
- Up to 1,250 units of Category 2 accommodation against a total possible need/demand for 1,785-2,460 units
 - Up to 210 units of Category 3 accommodation against a total identified need of 450-695 units

4. Optional Water Efficiency Standard

Introduction

- 4.1 The National Planning Policy Framework (Section 10)¹⁵ makes clear that, as part of achieving sustainable development, planning has a role to play in encouraging the prudent use of resources and in minimising waste. In particular, as part of positive strategies for addressing climate change, local planning authorities are directed to take full account of water supply and demand issues.
- 4.2 To help deliver this, the Planning Practice Guidance (ID 56: Paragraph 13/14)¹⁶ includes provisions for local planning authorities to consider imposing a tighter water efficiency requirement (of 110 litres/person/day) to new homes to help managed demand. This compares to the standard requirement of 125 litres/person/day.
- 4.3 To establish need, the Planning Practice Guidance directs local planning authorities to consider:
- Existing sources of evidence
 - Consultations with the local water and sewerage company, the Environment Agency and catchment partnerships
 - Consideration of the impact on viability of housing

Establishing the need for a standard

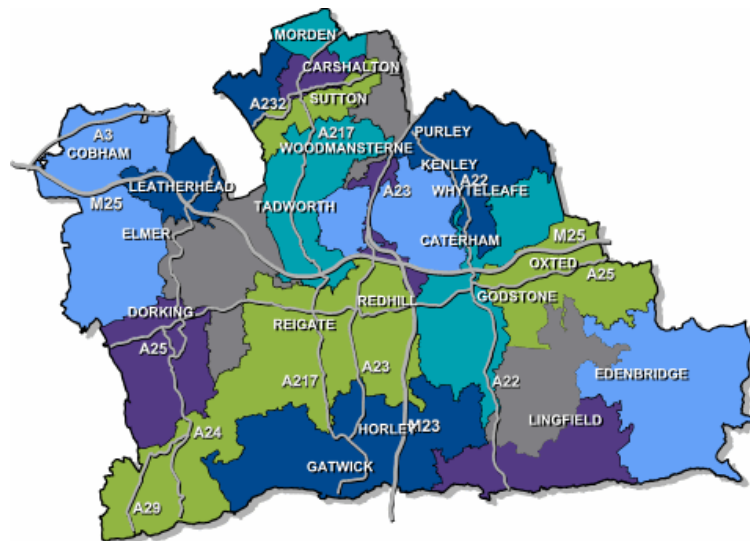
Supply characteristics

- 4.4 Water supply throughout the Borough of Reigate & Banstead is provided by Sutton & East Surrey Water (SESW) as shown in the map overleaf. The company's area covers the majority of east Surrey (including Tandridge, Mole Valley and parts of Elmbridge) as well as small areas in Sussex, Kent and outer London.

¹⁵ <http://planningguidance.communities.gov.uk/blog/policy/achieving-sustainable-development/delivering-sustainable-development/10-meeting-the-challenge-of-climate-change-flooding-and-coastal-change/>

¹⁶ <http://planningguidance.communities.gov.uk/blog/guidance/housing-optional-technical-standards/water-efficiency-standards/>

Figure 3: Sutton & East Surrey Water Supply Area and Supply Zones



Source: Sutton & East Surrey Water

4.5 A number of factors contribute to, and justify, the need to introduce enhanced water efficiency standards for new housing developments in the borough through the Development Management Plan. These are:

- Evidence of water stress
- Impact of water supply on the local water environment
- Water company resource management plans

Water stress

4.6 A key justification for introducing a higher standard of water efficiency in the borough is evidence of local water stress and pressures on supply.

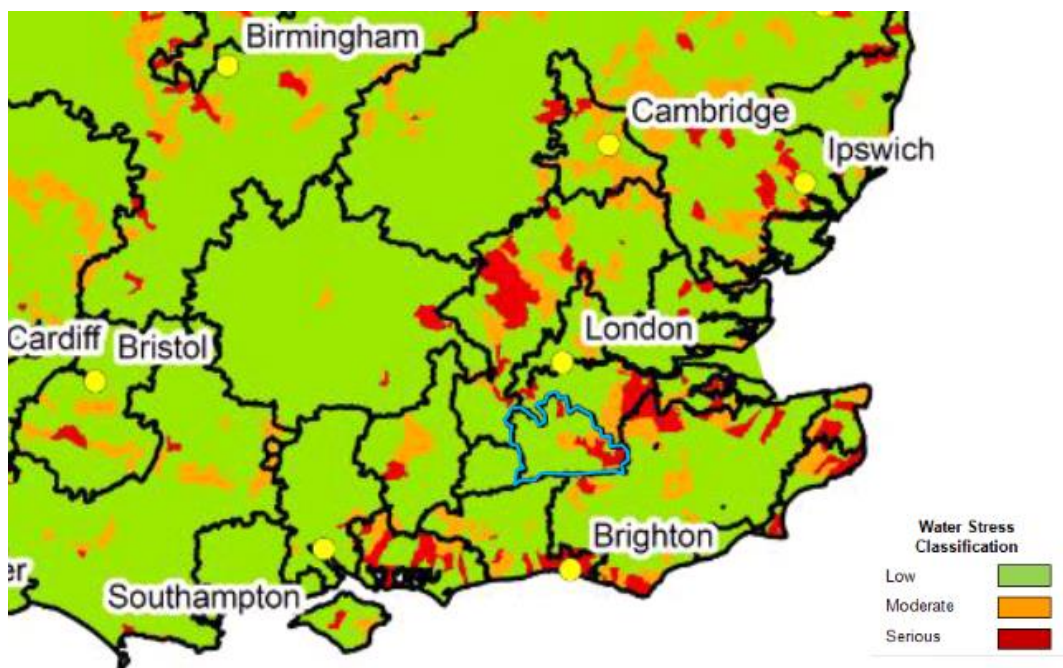
4.7 In July 2013, the Environment Agency published a final classification of areas deemed to be in water stress¹⁷, based at water body scale but also summarised by water company area. It is relevant to note that the purpose of the classification process is to inform potential designation of areas to be universally metered by the Secretary of State (under the Water Industry (Prescribed Conditions) Regulations 1999). Water stress is identified as areas where:

- Current household demand for water is a high proportion of the current effective rainfall which is available to meet that demand; or
- Future household demand for water is likely to be a high proportion of the effective rainfall available to meet that demand

¹⁷ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/244333/water-stressed-classification-2013.pdf

- 4.8 The study classifies the stress situation in the SESW area as “serious” and recommends that the area should be designated as an ‘Area of Serious Water Stress’ as per the Water Industry Regulations. It is also notable that almost all of the water supply areas adjoining the SESW area are similarly classified as being under serious stress (South East Water, Thames Water, Southern Water, Affinity Water (South East)).
- 4.9 The map extract below illustrates water stress at water body level. This highlights areas of high and moderate water stress affecting the eastern part of the SESW supply area, particularly corresponding with the central urban parts of the borough (e.g. Redhill and Reigate)

Figure 4: Water body stress classification



Source: Environment Agency: Water Stressed Areas final classification (2013)

Impact of water supply on the water environment

- 4.10 The borough of Reigate & Banstead falls within the Thames River Basin District and its supply is affected by three main catchments: the Medway Management Catchment, Mole Management Catchment and London Management Catchment.
- 4.11 In late 2015, the Environment Agency has recently published an updated River Basin Management Plan covering the Thames area¹⁸. These plans assess the quality and health of the water bodies in the catchment, identify primary challenges to quality and set out possible management actions to ensure

¹⁸

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/500548/Thames_RBD_Part_1_river_basin_management_plan.pdf

sustainable use of water and protect and improve the quality of the water environment into the future.

- 4.12 The Medway Management Catchment, in particularly the Eden Operational Catchment, is particularly relevant in terms of potential impacts of local water supply on the health of water bodies as the Bough Beech Reservoir (which is the source of 15% of water in the SESW area), is filled from the River Eden in Kent.
- 4.13 Information supporting consultation on the Management Plan¹⁹ identified that the status of the water environment in the Eden Operational Catchment has dropped since 2009 with 80% of water bodies within the catchment now classified as being in moderate or poor condition and only 20% meeting the target of “good” status. Water Industry (including waste water) impacts are identified as one of the main reasons why bodies in this catchment are not achieving good status and the need for water demand management is identified as a specific management measure for the catchment. The supporting report also recognises that “many of the streams in the upper reaches of the Eden operational catchment have naturally low flows in the summer and are prone to drying out. However, whilst the cause of low flows may be natural, the impact is compounded by man-made issues.”
- 4.14 The remainder of supply in the SESW supply area (85%) is sourced from groundwater from a number of key abstraction areas in Reigate, Leatherhead, Kenley, Woodmansterne, Godstone, Oxted and Cheam. The Mole Management Catchment identifies two key groundwater operational catchments: the Reigate Lower Greensand and Dorking North Downs Chalk and the London Management Catchment identified a further groundwater catchment (Epsom North Downs Chalk).
- 4.15 Within the summary information for the Mole catchment²⁰, the Reigate Lower Greensand catchment groundwater body is assessed as having poor quantitative status, having failed two tests relating to impact on wetlands and impact on dependent surface waters. The Dorking North Downs Chalk catchment groundwater body is also failing quantitatively: meaning that the total amount of water licensed for abstraction is greater than the replenishment rate and thus groundwater levels would gradually reduce unsustainably. The Management Plan concludes that the only action in this catchment is to “*maintain current abstraction strategy and work towards modifying permits to sustainable quantities*” (page 38). For the Epsom North Downs Chalk groundwater catchment, the London Catchment Plan again highlights that the

¹⁹ A summary of information about the water environment in the Medway Management Catchment, Available at: https://consult.environment-agency.gov.uk/portal/ho/wfd/draft_plans/consult?pointId=s1406201448406#section-s1406201448406

²⁰ A summary of information about the water environment in the Mole Management Catchment, available at: https://consult.environment-agency.gov.uk/portal/ho/wfd/draft_plans/consult?pointId=s1406201448406#section-s1406201448406

quantitative status of the body is poor, particularly because investigations indicated that the total volume of water licensed to be abstracted exceeds natural replenishment. Investigations also observed impacts of abstraction on the Wandle and the plan concludes that changes to the licenses for at least four major groundwater abstractions were being considered to reduce the volumes of water pumped.

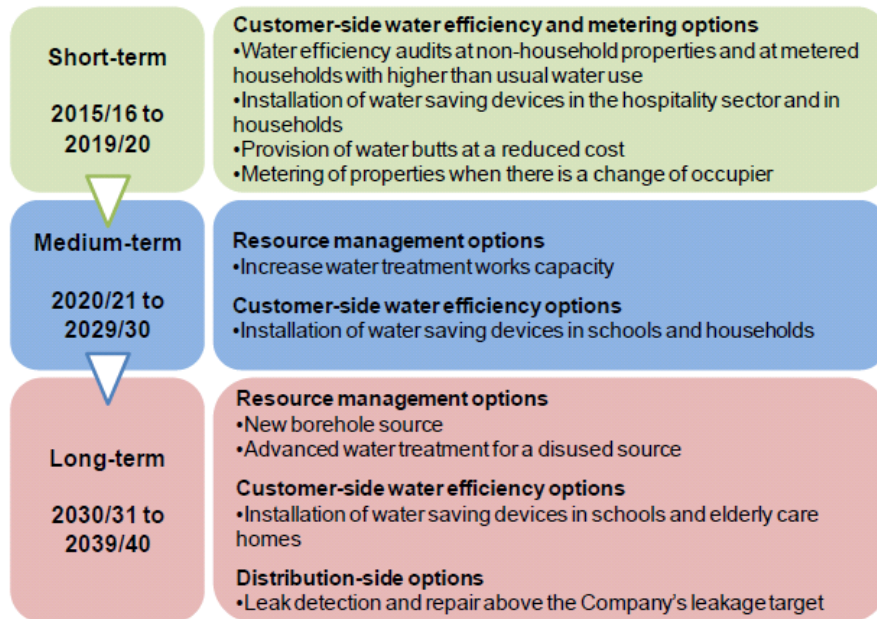
- 4.16 The conclusions for all four operational catchment illustrate the supply pressure being experienced locally and the impact of supply on the local water environment. In all cases, they point to a need to manage demand and abstraction to sustainable levels in order to avoid further deterioration in quality.

Water Company Resource Management Plans

- 4.17 As set out above, SESW supplies the entire of Reigate & Banstead borough. The company's own plan for managing supply and demand across its network is therefore an important consideration to determining whether introduction of a higher efficiency standard locally is justified.
- 4.18 First and foremost, SESW's latest Water Resource Management Plan²¹ recognises that the supply area faces a number of challenges over the next 25 years including pressure on water availability due to increased demand. Forecasts within the Management Plan indicate that there will be a supply-demand deficit during the next 25 years, with the company's existing water sources insufficient to meet expected demand. To address this issue, the preferred plan focusses on the following three strategies:
- Customer-side water efficiency and metering
 - Resource management
 - Distribution-side options

²¹ http://www.waterplc.com/userfiles/file/WRMP_Final_MainReport.pdf

Figure 5: SESW Water Resource Management Plan 2014: Summary of Preferred Plan



Source: SESW

- 4.19 As illustrated in the figure above, customer-side water efficiency options feature heavily throughout the plan but particularly in the short to medium term in light of timescales for delivering the resource and distribution options identified.
- 4.20 SESW's plan includes increased voluntary and change of occupancy metering; however, it should be noted that compulsory monitoring in the medium to long term was considered and originally formed part of SESW's draft strategy in recognition of the serious water stress in the area. Additionally, the plan to meet demand also relies upon expanded installation of water saving devices in schools, care homes and household properties across the supply area (particularly in the medium term) to improve water efficiency and reduce demand across the network. In this respect, a local policy requiring the higher standard of water efficiency to be achieved on new homes would be consistent with, and support delivery of, SESW's own Management Plan.
- 4.21 In the medium to longer term, distribution-side measures (leakage reduction) and resource management measures (including additional treatment capacity on SESW's only river source, a new borehole source and advanced water treatment for an existing borehole) come into play along the customer side actions to ensure sufficiency of supply.

Assessing the impact on viability

- 4.22 The Council's Core Strategy Policy CS11 already contains within it a requirement for new homes to meet Code for Sustainable Homes Level 4. Although the Code for Sustainable Homes has now been withdrawn, the cost implications of meeting Code 4 in full were fully viability tested alongside other policy requirements as part of preparing the Core Strategy. No viability issues were identified.
- 4.23 The 110 litres/person/day requirement now proposed is less stringent than that which would have been necessary under Code for Sustainable Homes Level 4 (which was 105 litres/person/day).
- 4.24 Given it was previously found that complying with the full code was economically viable for new development, the water efficiency standard now proposed will actually be less costly and have a lesser impact on viability than previously assessed.

Overall conclusions

- 4.25 As identified above – water efficiency is a key issue locally. Parts of the borough fall within an area of high water stress and there is evidence that supply is having an impact on water quality within local catchment basins.
- 4.26 Introduction of the higher water efficiency standard would be consistent with the Core Strategy – which required the now revoked Code for Sustainable Homes Level 4 to be met on new homes. It will also support the actions of local water supply companies which focus heavily on customer side efficiency as a part of managing demand.
- 4.27 Given the existing Core Strategy requirement for Code for Sustainable Homes has already been assessed and concluded not to have an adverse impact on development viability, it is clear that imposing a lesser water efficiency standard as now proposed will similarly not give rise to any viability concerns.

Appendix 1: Sale price points achieved on properties below and at standards levels

1 bed flat (standard 37sqm)			2 bed flat (standard 61 sqm)			2 bed house (standard 70sqm)			3 bed house (standard 84sqm)		
Location	Sale Price	Sqm	Location	Sale Price	Sqm	Location	Sale Price	Sqm	Location	Sale Price	Sqm
Redhill	£125,000	33	Redhill	£172,500	45	South	£238,995	60	Redhill	£235,000	69
Redhill	£125,000	33	Reigate	£230,000	47	Reigate	£368,000	62	North	£358,000	71
Redhill	£140,000	34	Redhill	£175,000	50	South	£240,000	63	Redhill	£245,625	76
Redhill	£147,000	35	Redhill	£149,000	52	South	£249,950	63	South	£265,000	77
Redhill	£149,000	35	Redhill	£150,000	52	South	£254,950	63	South	£277,000	77
Redhill	£150,000	35	Redhill	£182,000	53	South	£259,950	63	South	£278,495	77
Reigate	£127,500	37	Redhill	£187,000	53	Redhill	£220,000	65	South	£281,995	77
Redhill	£122,500	37	Reigate	£231,750	54	Redhill	£224,950	65	South	£282,995	77
Redhill	£140,000	37	Reigate	£230,000	55	South	£234,995	66	South	£284,995	77
			Reigate	£230,000	57	South	£239,995	66	South	£286,995	77
			Reigate	£250,000	57	North	£282,500	68	South	£287,995	77
			Redhill	£182,000	57	South	£230,000	70	South	£289,995	78
			Redhill	£185,000	57	South	£235,000	70	South	£290,000	78
			Redhill	£187,000	57	North	£265,000	70	South	£294,000	78
			Redhill	£199,950	57	North	£265,000	70	South	£299,995	78
			South	£227,995	58	North	£270,000	70	South	£305,995	78
			South	£228,476	58	North	£295,000	70	South	£308,995	78
			North	£265,000	58	Reigate	£299,950	70	South	£259,950	79
			Reigate	£227,500	58				South	£264,950	79
			Reigate	£230,000	58				South	£274,500	79
			Reigate	£240,000	58				South	£299,950	79
			Reigate	£249,950	58				North	£290,000	80
			Redhill	£189,000	60				Redhill	£305,000	81
			South	£212,500	61				Redhill	£306,000	81
			Reigate	£232,000	61				South	£314,995	82
									South	£317,995	82
									South	£329,995	82
									Redhill	£285,000	82
									Redhill	£289,950	82
									Redhill	£301,000	82
									North	£340,000	83
									North	£345,000	83
									North	£350,000	83
									North	£353,000	83
									North	£360,000	83
									North	£380,000	83
									North	£390,000	83
									South	£289,995	84
									South	£294,995	84
									Redhill	£245,000	84
									Redhill	£260,000	84
									Redhill	£287,000	84

Appendix 2: Detailed analysis of the impact of internal space standard on affordability and viability

Unit type	Total units delivered	Of which below standard				Value				Affordability impact				
		Number of units	%	Size	Difference to standard	Estimated base value (£)	Estimated standards value (£)	Result in change in SDLT band	Market perception/ Willingness to pay issues	Value increase (£)	Value increase (%)	Income multiplier impact	Deposit impact	Affordability impact
1 bed (single storey flat)	84	2	2.4%	33	-4	£112,200	£125,000	No	Low	£12,800	11.4%	No adverse effect on single person, median income household. Single person on lower quartile income would be over 4.5 times multiplier at increased price.	Challenging	High
		1	1.2%	34	-3	£115,600		No		£9,400	8.1%		No adverse effect on single person, median income household. Single person LQ household would already be over 4.5 multiplier at original price	Achievable
		3	3.6%	35	-2	£119,000		No		£6,000	5.0%	No adverse effect on two person median or LQ income households which remain below 4.5 times. Significant impact on single person median income household which would significantly over 4.5 multiplier at increased price. Significant increase in deposit requirement.		Challenging
2 bed (single storey)	238	1	0.4%	45	-16	£153,000	No	£54,500		35.6%	No adverse effect on two person median or LQ income households which remain below 4.5 times. Significant impact on single person median income household which would significantly over 4.5 multiplier at increased price. Significant increase in deposit requirement.		Challenging	
		2	0.8%	48	-13	£163,200	No	£44,300		27.1%				
		1	0.4%	50	-11	£170,000	No	£37,500		22.1%	No adverse effect on two person median or LQ income households which remain below 4.5 times. Some impact on single person median income household - with households moved even further beyond the 4.5 multiplier to in excess of 5.1.	Achievable	Medium	
		2	0.8%	52	-9	£176,800	No	£30,700		17.4%				
		2	0.8%	53	-8	£180,200	No	£27,300		15.1%	No adverse effect on two person median or LQ income households which remain below 4.5 times. Multiplier already over 5.0 for single person median income household at original price so differential limited.	Minimal	Low	
		1	0.4%	54	-7	£183,600	No	£23,900		13.0%				
		1	0.4%	55	-6	£187,000	No	£20,500		11.0%	No impact on two person median income households. Two person household on LQ income would be pushed right up to the 4.5 multiplier threshold. Multiplier already over 5.0 for single person median income household at original price so differential limited.	Challenging	High	
		6	2.5%	57	-4	£193,800	No	£13,700	7.1%					
		3	1.3%	58	-3	£197,200	No	£10,300	5.2%	No impact on two person median income households which remain below the multiplier at increased price. Marked impact on two person LQ income household which only just above 4.5 multiplier at original price and 5.4 at increased price.	Challenging	High		
1	0.4%	60	-1	£204,000	No	£3,500	1.7%							
2 bed (2 & 3 storey)	40	1	2.5%	60	-10	£204,000	No	£33,500	16.4%	No impact on two person median income households which remain below the multiplier at increased price. Marked impact on two person LQ income household which only just above 4.5 multiplier at original price and 5.4 at increased price.	Challenging	High		
		1	2.5%	62	-8	£210,800	No	£26,700	12.7%					
		5	12.5%	63	-7	£214,200	No	£23,300	10.9%	No impact on two person median income households which remain below the multiplier at increased price. Some impact on two person LQ income household which are under 5.0 multiplier at original price and 5.4 at increased price.	Achievable	Medium		
		2	5.0%	65	-5	£221,000	No	£16,500	7.5%					
		2	5.0%	66	-4	£224,400	No	£13,100	5.8%	No impact on two person median income households which remain below the multiplier at increased price. Multiplier already over 5.0 for single person median income household at original price so differential limited.	Minimal	Low		
		1	2.5%	68	-2	£231,200	No	£6,300	2.7%					
3 bed (2 & 3 storey)	216	1	0.5%	71	-13	£241,400	Yes	£43,600	18.1%	No impact on two person median income households which remain below the multiplier at increased price. Some impact on two person LQ income household which are under 5.0 multiplier at original price and 5.4 at increased price.	Challenging	High		
		1	0.5%	76	-8	£258,400	No	£26,600	10.3%					
		10	4.6%	77	-7	£261,800	No	£23,200	8.9%	No impact on two person median income households which remain below the multiplier at increased price. Multiplier already over 5.0 for single person median income household at original price so differential limited.	Achievable	Medium		
		11	5.1%	78	-6	£265,200	No	£19,800	7.5%					
		5	2.3%	79	-5	£268,600	No	£16,400	6.1%	No impact on two person median income households which remain below the multiplier at increased price. Multiplier already over 5.0 for single person median income household at original price so differential limited.	Minimal	Low		
		1	0.5%	80	-4	£272,000	No	£13,000	4.8%					
		2	0.9%	81	-3	£275,400	No	£9,600	3.5%	No impact on two person median income households which remain below the multiplier at increased price. Multiplier already over 5.0 for single person median income household at original price so differential limited.	Minimal	Low		
		10	4.6%	82	-2	£278,800	No	£6,200	2.2%					

Unit type	Total units delivered	Of which below standard				Value				Viability/Feasibility							
		Number of units	%	Size	Difference to standard	Estimated base value (£)	Estimated standards value (£)	Result in change in SDLT band	Market perception/ Willingness to pay issues	Estimated construction costs/fees increase per unit – all in (£)	Estimated policy cost increase	Total cost increase	Cost as % of value increase	Financial viability impact	Feasibility/ deliverability impact		
1 bed (single storey flat)	84	2	2.4%	33	-4	£112,200	£125,000	No	Low	£7,088	£940	£8,028	63%	Low	Adverse impact likely to be limited to only very large schemes or conversions.	Low	
		1	1.2%	34	-3	£115,600		No		£5,316	£705	£6,021	64%			Low	
		3	3.6%	35	-2	£119,000		No		£3,544	£470	£4,014	67%			Low	
2 bed (single storey)	238	1	0.4%	45	-16	£153,000	£207,500	No		£28,352	£3,760	£32,112	59%		Low	Adverse impact on all schemes - even smaller scale.	High
		2	0.8%	48	-13	£163,200		No		£23,036	£3,055	£26,091	59%				High
		1	0.4%	50	-11	£170,000		No		£19,492	£2,585	£22,077	59%				High
		2	0.8%	52	-9	£176,800		No		£15,948	£2,115	£18,063	59%				High
		2	0.8%	53	-8	£180,200		No		£14,176	£1,880	£16,056	59%				High
		1	0.4%	54	-7	£183,600		No		£12,404	£1,645	£14,049	59%				High
		1	0.4%	55	-6	£187,000		No		£10,632	£1,410	£12,042	59%			Medium	
		6	2.5%	57	-4	£193,800		No	£7,088	£940	£8,028	59%	Medium				
		3	1.3%	58	-3	£197,200		No	£5,316	£705	£6,021	58%	Medium				
		1	0.4%	60	-1	£204,000		No	£1,772	£235	£2,007	57%	Low				
2 bed (2 & 3 storey)	40	1	2.5%	60	-10	£204,000	£237,500	No	£17,000	£2,350	£19,350	58%	Low	Adverse impact likely to be limited to only the most constrained sites.	Low		
		1	2.5%	62	-8	£210,800		No	£13,600	£1,880	£15,480	58%			Low		
		5	12.5%	63	-7	£214,200		No	£11,900	£1,645	£13,545	58%			Low		
		2	5.0%	65	-5	£221,000		No	£8,500	£1,175	£9,675	59%			Low		
		2	5.0%	66	-4	£224,400		No	£6,800	£940	£7,740	59%			Low		
		1	2.5%	68	-2	£231,200		No	£3,400	£470	£3,870	61%			Low		
		1	0.5%	71	-13	£241,400		Yes	£22,100	£3,055	£25,155	58%			Low		
3 bed (2 & 3 storey)	216	1	0.5%	76	-8	£258,400	£285,000	No	£13,600	£1,880	£15,480	58%	Low				
		10	4.6%	77	-7	£261,800		No	£11,900	£1,645	£13,545	58%	Low				
		11	5.1%	78	-6	£265,200		No	£10,200	£1,410	£11,610	59%	Low				
		5	2.3%	79	-5	£268,600		No	£8,500	£1,175	£9,675	59%	Low				
		1	0.5%	80	-4	£272,000		No	£6,800	£940	£7,740	60%	Low				
		2	0.9%	81	-3	£275,400		No	£5,100	£705	£5,805	60%	Low				
		10	4.6%	82	-2	£278,800		No	£3,400	£470	£3,870	62%	Low				