

**HOUSING STANDARDS REVIEW**

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Towards More  
Sustainable  
Homes



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## A Report from The Housing Standards Review Challenge Panel:

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*This report was commissioned by the Secretary of State on behalf of the Department. The findings and recommendations in this report are those of the authors and do not necessarily represent the views or proposed policies of the Department for Communities and Local Government.*

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August 2013

ISBN: 978-1-4098-3943-9



## Foreword

We need more homes for a growing population and to boost national and local economies. We need more sustainable homes that are fit for purpose now and in the future, that are a delight to live in and benefit local communities. The Challenge Panel hopes that this report makes a positive contribution to achieving these aspirations.



## About the Challenge Panel

1. The Challenge Panel are four independent advisers from across the construction sector who were commissioned by Government to review the current system of building regulations and standards for housing in England and to advise on how the regulatory system can be improved to work more efficiently.
2. They were tasked with critically examining the complex system of voluntary and other standards that Local Authorities are currently able to apply in local plan policies and through planning conditions and to comment on and, if appropriate, challenge the outcomes of the Housing Standards Review Group during the review process. They were given freedom to comment more widely on the regulatory process outside of the HSRG Terms of Reference.
3. The Housing Standards review was a fundamental review of the building regulations framework and voluntary housing standards. It aimed to significantly rationalise the large number of codes, standards, rules, regulations and guidance that add unnecessary cost and complexity to the house-building process.
4. This report sets out the Challenge Panel views on the current system of Building Regulations and Housing Standards, their aspirations for the review and their response to the outcomes of the Housing Standards Review process and working group proposals.

# 1. EXECUTIVE SUMMARY

## 1.1 Introduction

1.1.1 There is a proper and effective role for national and local Government in driving better performance in housing development and quality and in the use of standards and regulation in delivery of national policy. However, the case for rationalising and reducing the regulatory burden on new housing is overwhelming.

1.1.2 Therefore we welcome the Housing Standards Review (HSR) and the good progress it has made towards untangling the untenable forest of Codes, standards, rules and regulation. HSR shows that action in this respect is both possible and necessary and, in our view, measures should be implemented immediately to secure benefits in the short term and to lay the foundations required for essential future work.

1.1.3 We look beyond HSR because our brief goes beyond its terms of reference. It looks for 'blue sky thinking' and a more holistic approach with a new vision for a more efficient and logical regulatory and compliance framework for housing development.

## 1.2 Our Vision and Proposition

1.2.1 Our approach is set out in full at Appendix B. In summary our view is that we need a unified set of single minimum standards for housing entitled 'Sustainable Housing Standards' under the headings of Place, Space, Access, Performance and Well-being. They should be embedded into Building Regulations where necessary and practicable, with labelling, product controls, warranties and insurance also used to drive improved performance.

1.2.2 Consumer labelling should be introduced for Space, Environmental Performance and Accessibility which we believe would provide a mechanism for driving improved performance and quality above baseline requirements.

1.2.3 Control of building standards, including assessment of the need for better performance standards going forward, should be restricted through the Building Regulations or the national Sustainable Housing Standards with Government and a pan-industry panel acting together as gatekeeper of a more open and speedier process. This was recognised by the Review.

1.2.4 Compliance processes under planning and Building Control should be better co-ordinated as a first step towards fuller integration and there should be an examination of wider opportunities for regulations and standards to be exercised by responsible bodies other than local authorities, including self-certification by competent persons.

1.2.5 Further consideration should be given to standards that have fallen out of the scope of the Review and to systematic co-ordination with other Reviews. Significant potential savings can be made by rationalising highways, utilities and other infrastructure codes into a single national standard and this should be a focus of the next steps in the process.

1.2.6 HSR should continue its work to streamline further standards and regulation with an external review by the Challenge Panel or other appropriate body and HSR should be extended to cover all regulation which impacts on the housing industry.

1.2.7 The review of Building Regulations and standards for housing should be used as a model and extended to a review in the non-domestic sector.

## 1.3 Specific Response to the Housing Standards Review

We agree with proposals to limit standards to a simplified set of baseline requirements and believe these should be applied nationally through Building Regulations. Where additional local requirements are necessary because of extraordinary circumstances, say for reducing risks against flooding, these should be drawn up nationally and made available as regulated options, rather than left to Local Authorities to apply their own individual requirements.

We would expect that there will be measures put in place to prevent Local Authorities and others from superimposing their own additional performance requirements on to those of Building Regulations or national standards. We see this as a risk to rationalisation and simplification.

Actions that stem from HSR following consultation should be implemented as soon as possible and a clear timetable set out.

We acknowledge that significant progress was made by HSR Working Groups in simplifying and rationalising the standards. However at this stage we would make the following comments on the proposals of the Working Groups:

1. **Process and Compliance** – There was a lack of strategic cohesion between the HSR and Taylor Reviews and more could be done to bring together all regulations and standards for housing that straddles both the Planning and Building Regulations, into a single document or portal. A process for consolidation of building performance standards into Building Regulations including timescales, milestones and transition arrangements is required. A review of Approved Documents is also necessary so they may effectively provide direction and comfort to the industry without going into unnecessary detail and stifling innovation. Further, more learning is necessary from international comparators where simpler and alternative regulatory frameworks operate more cost effectively e.g. through self-certification and competent person's schemes.
2. **Energy** - Minimum standards within the zero carbon definition, including the levels of carbon compliance on-site and the levels of residual carbon abatement delivered off-site through Allowable Solutions is needed urgently. Government must confirm requirements for 2013 and 2016 Building Regulations to provide certainty and stimulate the supply chain to respond accordingly.
3. **Water** - The 120 litres per person per day (l/p/d) performance target for water usage in new homes has been set too low as the 'lowest common denominator' level and is simply reflective of the current requirement in Part G of the Building Regulations. A higher target of 105l/p/d is achievable without compromising quality or functionality of potable water utility and should be applied as a national standard to all homes with no differentiation between different parts of the country. Further, it may be more cost effective and equitable to regulate fixtures and fittings rather than building performance but the terms of reference of HSR precluded consideration of such options.

4. **Space** - The blurring of tenures between owner occupation and private rental sectors, and change in the way Social Housing is funded is a 'game changer' and requires a new national baseline standard that is tenure neutral to create a level playing field. We would also like to see the 'Labelling' of homes at the point of sale. This could make a positive difference to space and other quality standards for private sale housing and drive improved performance through customer demand.
5. **Security** - Options for increasing standards above the baseline for security should be matters for product standards, insurance companies or warranty industry to consider rather than through developing regulated options in Building Regulations.
6. **Code for Sustainable Homes** - There are a number of requirements in the Code for Sustainable Homes that fall outside the performance of buildings, such as ecological requirements, and which may not be picked up by other reviews such as the Taylor Review. Other requirements are likely to be picked up in other regulation (e.g. SuDs through the Flood and Water Management Act), whilst others may only ever be levied through voluntary requirements (i.e. site waste management plans now dropped from regulation).

We are concerned that the Code has not been properly deconstructed to ensure key elements that should be retained are subject to the same rigorous review process, and either included in Standards, absorbed into badged guidance or explicitly taken out of any regulatory regime. Given many of the requirements levied through the Code may now exist elsewhere, we are concerned that there will be a lack of co-ordination between the relevant regulatory and non-regulatory regimes and potentially lead to increased confusion as opposed to rationalisation and simplification.

Overall we remain apprehensive that:

- In an effort to achieve consensus, some of the Working Groups have opted for the lowest common denominator approach which could undermine quality and sustainability.
- Not all the housing standards have been fully considered and this is acknowledged by the Review. For example, those governing daylight, sunlight, overheating and materials require further investigation, and it is not clear how these various requirements will be accommodated in the new framework, or referred to in other regimes such as planning or deleted altogether. Other sustainability requirements within the Code for Sustainable Homes should be swept up in the HSR or Taylor Review and fully addressed.
- The rationale and process for assessing cost impacts for setting standards embedded in regulations is limited. The 'one in two out' rule is an artificially constrained mechanism for determining a sensible national framework, for example it precludes cross departmental benefit/cost analysis and ignores important but indirect impacts: and substantial cost savings to the industry for simplifying the process of compliance have not been adequately evaluated.
- Options for delivering standards outside of building regulation should be further explored including product controls, warranties and insurance. This should include labelling for building performance including space, energy and accessibility for example, in a consistent way to encourage performance levels above the baseline requirements, introduced by industry and encouraged by Government.

Work towards further streamlining of standards and regulation and a wider review taking a cross departmental approach to cover the totality of burden on development is therefore essential and should be commissioned without delay.

# 2. REPORT IN FULL

## 2.1 Introduction

2.1.1 This paper summarises the position of the Challenge Panel which has been charged with scrutinising the work of the Housing Standards Review as well as considering a wider brief for rationalising, streamlining and reducing all regulatory burdens on housing development.

2.1.2 The Challenge Panel recognises the proper and effective role that national and local policy and regulation can play in driving better performance in the delivery of new housing. However it also recognises the need to rationalise and simplify the regulatory framework for housing in the UK and welcomes the opportunity to contribute to this work.

2.1.3 To this end, we are pleased with the general thrust of the Review - namely that the untenable forest of standards can be substantially cleared and reduced to a simple set of requirements bedded into Building Regulations or national Housing Standards. We note there was common agreement on the Review Panel for reforms to be carried out urgently and that there needs to be a clear timetable of changes put in place to give certainty to industry. We wholeheartedly agree with this approach. We are pleased with the outcome of the Working Groups in agreeing a wide-ranging reduction in overlapping and compliance requirements.

## 2.2 Successes

2.2.1 The efforts of the Working Groups to rationalise and reduce the sheer quantity of standards, rules and codes is recognised as significant progress from the foundations laid by the Harman Review.

2.2.2 The Energy Group has rationalised a long list of energy related requirements to two fundamental requirements that support the Government's national policy imperative to conserve energy use and abate CO<sub>2</sub> emissions. This simplification of what has become increasingly complex is very welcomed and should be wholeheartedly supported by industry.

2.2.3 The Accessibility Group has possibly been faced with the hardest task of rationalising numerous highly technical standards into a more streamlined and accessible set of standards, including considerations for setting standards for space. Whilst the Challenge Panel does not agree that accessibility requirements should be integrated with standards for space, we remain hopeful that a simplified two tier system of accessibility requirements will be implemented through Building Regulations with separate space standards driven both through Building Regulations and consumer labelling.

2.2.4 Analysis of the costs of delivering the existing suite of standards compared with the recommendation of the Review has shown within the limits of its required methodology that significant process as well as development costs can be saved by industry. However, it remains to be seen exactly how much saving can be attributed to this rationalisation until responses to the Review of Standards consultation have been assimilated and recommended actions implemented.

2.2.5 Above all, the general acceptance from all stakeholders concerned, is that Building Regulations is the preferred depository for as many standards as practicable is a welcome sign that industry and the vested stakeholders have confidence in the Building Regulations as a tool for implementing some elements of national policy.

2.2.6 The Challenge Panel supports this overview and generally concurs with this viewpoint following its own discussions with a wide ranging group of stakeholders where regulation is required. We would wish to see as many national housing standards delivered through the Building Regulations as possible, since it provides a common denominator for all development that applies nationally. In this way it should support leaner industry practice, a less volatile speculative land market, and provide greater certainty of outcome and therefore investment opportunity or development capital to come forward.

## 2.3 Concerns

The Challenge Panel considers that the Terms of Reference for the Housing Standards Review could have gone much further by taking a strategic view of the required outcome and by greater co-ordination with other Reviews. Restricting the remit of the Review to building standards, rather than those in the wider built environment could lead to unintended consequences and inconsistencies.

Whilst we understand the constraints presented by the Terms of Reference for the Working and Steering Groups, we consider that the Review achieved its objectives for 'easy wins' but did not explore options for standards or set long term aspirations for a single document or portal that covers a national set of Sustainable Housing Standards for housing.

We are also concerned that the scope and methodology used to evaluate the cost benefits on changing regulations are inadequate.

Our concerns are raised by the following omissions from the Review:

### 2.3.1 Further Consolidation

1. We acknowledge that much has been achieved in reducing overlapping standards; however this could have gone further. The opportunity to apply one set of national standards, thus unifying demands under the National Planning Policy Framework and the domestic requirements in Building Regulations should be reviewed in the final report to Ministers. We had hoped that the Review Panel would recommend all domestic standards be brought within a single simple document, entitled Sustainable Housing Standards. Whilst their Terms of Reference have been met, more could have been achieved through better co-ordination of the Taylor Review for Planning Practice Guidance and the Housing Standards Review.
2. Local planning policy and regulation has a vital role to play in promoting and delivering the development that communities want and need. However it is our view that planning requirements can be properly restricted to the urban fabric, such as layout, car parking, appearance and use of a building and not be concerned with building performance. Options for levels of performance should be limited to compelling cases and bedded in Building Regulations as regulated options. Local Authorities should not be able to superimpose their own additional performance requirements on to those of national Building Regulations or standards applied nationally. This can quickly and easily be achieved via a Written Ministerial Statement.

### 2.3.2 Addressing all the issues

1. There is concern that not all the standards have been fully considered and this is acknowledged by the Review. For example, those governing daylight, sunlight, overheating and materials require further investigation, and it is not clear how these various requirements will be accommodated in the new framework, or referred to other regimes such as planning, or deleted altogether. Other sustainability requirements within the Code for Sustainable Homes should be swept up in the review and fully addressed.
2. We are also disappointed by the absence of rigour in comparing the system of development management in England with best practice in countries where simpler and alternative regulatory frameworks operate successfully. Although we recognise this was not included in the Review Terms of Reference, it was discussed and we acknowledge that a fundamental review of the regulatory framework in the UK would be unsettling for the industry at this time. However we remain unconvinced that the existing system of separate Planning and Building Control functions is optimised and believe improvements can be made by learning the lessons from international comparators.
3. We are also concerned that the scope and methodology of the costing exercise has been limited and does not take into account consequential additional burdens on other parties. Further, dogmatic adherence to the 'one in two out' measure may get in the way of sensible and speedy rationalisation.

### 2.3.3 Too much reliance on regulation

We do not believe that all the standards reviewed have been rigorously tested against the fundamental criteria for their inclusion and that there has been a presumption that a standard requires associated regulation. For example, no evidence was provided for an enhanced standard above the baseline requirement for security, a requirement that could be met outside of the regulatory framework, through, say, insurance premiums.

## 2.4 Panel Proposition: Our Vision

2.4.1 Our view is that the work of the Review has made good progress but should go further down the path of simplification and reform to ensure barriers to growth and innovation are lifted. We urge a less tactical and more strategic approach to regulations and standards relating to the built environment in their entirety.

Our view is that:

1. All building performance related standards should be removed from planning policy and control.
2. Instead, all domestic standards should be brought within a single simple document or on-line portal, entitled Sustainable Housing Standards. These unified set of single minimum standards would be split under headings of Place, Space, Access, Performance and Well-being to ensure they strike a chord with the consumer as well as capture all necessary standards expected of the developer, regulator and policy makers. This would include new minimum performance criteria for space, such as minimum floor areas and bedroom sizes based on functionality to create a level playing field in housing which increasingly will be tenure neutral. These performance standards should be embedded into Building Regulations wherever practicable.
3. Standards are only necessary where there is a national policy imperative and evidence of market failure and there is no reasonable alternative means of securing compliance. Standards should only be regulated where other forms of deployment have been fully explored and dismissed.
4. Where additional localised standards are required (e.g. for flooding, water supply and accessibility) they should be defined nationally and expressed in Building Regulations wherever practicable as Regulated Options to avoid individual interpretation of requirements and inconsistencies between Local Authority areas. Such local application should adhere to nationally set criteria and should not be arbitrarily imposed by Local Authorities.
5. Greater reliance should be placed on Trading Standards, product standards, warranties and insurance requirements to drive performance improvements; this would be in place of regulation and regulated options where market dynamics allow.
6. Consumer labelling should be introduced by industry with Government encouragement for Space, Environmental Performance and Accessibility which we believe would provide a mechanism for driving improved performance and quality above baseline requirements.
7. Some sections of the Building Regulations (for example, Parts L and M) must be reviewed so that they become less prescriptive and allow for greater flexibility in application through use of performance standards. In other areas, the flexibility offered by existing legislation should be more widely used.
8. Although not part of the Terms of Reference, infrastructure standards should be reviewed to provide national standards for roads and highways, flood mitigation and land remediation. This would significantly reduce costs and avoid potential clashes and inconsistencies and allow the industry to adopt more efficient practices.
9. Compliance processes should be streamlined and amalgamated to create a single linear process for managing development. We should learn more from European regulatory regimes and processes for the best ways of doing this. This could include looking at options for delivering more of the process through private and competitive markets and employ greater degrees of self-certification where this does not compromise quality and sustainability or the democratic consent of applications for planning permission. A review of Approved Documents should also be undertaken so they may effectively provide direction and comfort to the industry without going into unnecessary detail or stifling innovation.
10. The 'one in two out rule' is the wrong driver for consolidation of standards and is at the risk of impairing a sensible approach to consolidation. Cost benefit analysis should instead encompass the wider impact of all burdens on development. For example, the positive benefits to UK PLC of driving higher energy standards in housing through regulation have not been taken account of.



## 2.5 Next Steps

2.5.1 The opportunity to rationalise the regulatory framework and streamline compliance should not be wasted. Our view is that the Review of Housing Standards to date should be the first stage of an on-going process to lift the regulatory burden on the development process and better co-ordinate currently separate regulatory regimes as part of efforts to encourage more sustainable homes to be built. It would be disappointing if completion of this Review was seen as the end of the process.

2.5.2 This work should continue to be co-ordinated with the work of other Reviews such as Taylor Review on Planning Guidance, the Farrell Review (of architecture and the built environment) and encompass the continuing implementation of the recommendations of the Penfold Review. We urge the Government to adopt a more radical agenda for reform.

2.5.3 To drive forward this change we suggest the following next steps:

1. That this Review is regarded as the first step in an on-going progress of rationalising all regulations and burdens on development. There must be a wide ranging review of structure and composition of the Building Regulations and Approved Documents for the long term.
2. A clear process for consolidation of standards into nationally applied Sustainable Housing Standards bedded in Building Regulations where possible including timescales, milestones and transition arrangements needs to be set.
3. Potential savings and rationalisation of highways, utilities and other infrastructure codes into a single national standard must be explored.
4. Extend the review of standards and their consolidation into Building Regulation to the non-domestic sector.
5. Assess savings to the industry in the transaction costs of compliance using existing practice within voluntary standards as evidence to inform future compliance regimes.

6. Set out a vision of the future of development management that supports the transition to a low carbon economy and sustainable development as defined in the NPPF. This vision needs to be sufficiently articulated such that national standards can evolve and stimulate the desired outcomes for delivering more sustainable homes and buildings.
7. Investigate the adequacy of enforcement powers for both planning and Building Control to ensure compliance with agreed standards and confidence in the ongoing performance of homes and buildings at design, post-construction and post-occupancy.
8. Maintain the Challenge Panel and Review Panel to continue in their roles after the consultation period and integrate them as part of the decision making process.

## 2.6 Challenge Panel Role

2.6.1 The Challenge Panel see merit in their involvement in the review process and urge Government to adopt this approach on other such reviews. It has been a positive engagement although requires some fine tuning. Consideration should be given to:

1. Alignment of Terms of Reference between Challenge Panel and the Review Panel, or acceptance that 'blue sky thinking' by the Challenge Panel will lead to different outcomes for each.
2. Acknowledgement of the resource commitment entailed and greater provision of financial and other resources to support the Challenge Panel.
3. Greater rigour in addressing challenges and giving account for why challenges have not been addressed. We have recorded the challenges made as accurately as possible and this is available for reference.

# 3. RESPONSE TO WORKING GROUPS

## 3.1 Tests for Working Groups

In assessing our response to the proposals put forward by working groups, we applied these criteria, which were also adopted by the working groups themselves:

There must be a national policy imperative to justify a national standard or regulation.

There should be no presumption that a standard necessitates an associated regulation. Application of the standard by other means should be fully explored e.g. by trade, product, warranties, insurances or other authoritative bodies.

It should be clear how the standard will be applied and verified.

## 3.2 Working Group on Process & Compliance

3.2.1 The outcome of this group presented the greatest difficulty for the Challenge Panel. Our Terms of Reference referred to 'blue sky thinking' and it appeared that this was not shared by the Working Group. For example European comparators were given little consideration and the need for a slicker compliance process was only partly addressed and not concluded. The Panel had expected a more rigorous examination of the options and a more radical approach to this element of the Review.

3.2.1 It was recognised that a more streamlined approach to process and compliance with greater collaboration between Planning and Building Control was required. A linear process map was set out and pre-application meetings at design stage with Building Control and Planning was welcomed. We support the proposal to use BIM technology to aid compliance and improve efficiency of approvals process and support proven as-built performance requirements.

3.2.3 However the Working Group focused on 'easy wins' without setting long term aspirations for a slicker process.

3.2.4 We urge a less tactical and more strategic approach to regulations and standards relating to the built environment in their entirety. In particular:

1. More could be done to learn from European examples of regulatory regimes and processes, such as public/private roles and responsibilities, self-certification, a single linear development management process and how best we might amalgamate compliance procedures.
2. More consideration should be given to simplifying Building Regulations and supporting guidance to make them less prescriptive, to set more performance standards and more self-certification.
3. A review of Approved Documents should also be undertaken so they may effectively provide direction and comfort to the industry without going into unnecessary detail or stifling innovation.
4. A process for consolidation of standards into Building Regulations including timescales, milestones and transition arrangements is required.
5. The process for reviewing national standards and Building Regulations should be more open and expeditious.
6. The means of demonstrating compliance should be fully tested including demonstration of actual performance of buildings.
7. A review of the effectiveness of current Competent Persons schemes should be carried out to assess their ability to ensure compliance.
8. Extension of the principle of functional requirements embodied within the Building Regulations to encourage and promote innovation should be used when setting any new standards.
9. Credible measures to improve the performance above the baseline standard can be produced by industry but should not be imposed by Local Authorities. LAs should be constrained in their use of additional building standards to include in their Local Plans through the issue of a Ministerial Statement.
10. All regulatory and monopoly controlled approval processes should be reviewed, not just planning and building regulation.



### 3.3 Energy Working Group

3.3.1 We broadly agree with the outcome of the Working Group and its findings. It is a national policy objective to achieve zero carbon in new dwellings by 2016 and for new buildings by 2019. A national standard bedded in Building Regulations is required to achieve this objective. We agree with the metrics which will be more consumer-friendly.

3.3.2 However there are some points of concern:

1. The trajectory and pathway for zero carbon homes should be maintained for 2013 and 2016 and suitable metrics and methodologies agreed as a matter of urgency so the industry can plan and invest, otherwise the planned trajectory is at risk.
2. There is insufficient information to know whether the metrics will be set at an appropriate level and whether they are fit for purpose when complying with EU requirements for 'near zero energy' buildings in 2020.
3. There is inadequate detail on minimum standards within the zero carbon definition, including the levels of carbon compliance on-site and the levels of residual carbon abatement delivered off-site through Allowable Solutions or Carbon Offsetting.
4. Government must urgently confirm requirements for 2013 and 2016 Building Regulations to provide certainty and stimulate the supply chain to respond accordingly.
5. Local Planning Authorities should not dictate use of low carbon technologies on buildings and developers should be offered options to offset the requirements where evidence demonstrates that it is not technically feasible or commercially viable to meet minimum requirements on-site.

3.3.3 Further detailed comments on the Working Group outcomes are:

1. Any requirements that go beyond the zero energy/zero carbon target should only be subject to agreed voluntary standards, albeit common methodologies utilised in national standards should continue to be applied.
2. Government approved energy models should be modified in-line with the trajectory for the planned zero carbon targets and EPBD (near zero energy) requirements as well as be fit for purpose; i.e. they must be suitable for very low energy dwellings/buildings; simple for industry to use; support the design of buildings using Building Information Management (BIM) systems; and provide confidence in the performance of buildings and compliance with minimum standards.
3. Off-site or on-site renewable requirements and off-setting should be determined in a combined compliance process with Local Authority planning departments and Building Control. Compliance with these requirements should be monitored and approved by Building Control who are best placed to assess performance credentials during and post-construction (i.e. Building Control should be responsible for verifying compliance with kWh/CO<sub>2</sub> targets using agreed national methodologies).
4. Agreement of the Allowable Solutions or Carbon Off-setting mechanism is urgently required and must ensure offset CO<sub>2</sub> savings are additional and cost-effective for industry. That means the capped price for CO<sub>2</sub> off-sets must be fair, transparently derived and stimulate appropriate investment in credible CO<sub>2</sub> saving projects.
5. It was not evident if a full cost/benefit analysis of the energy requirements on new development has been accounted for in the Review; e.g. would a higher level of on-site or local low carbon energy generation derive quantifiable benefits for UK plc as well as support its Carbon reduction commitments? If so, Government should review and consider alternative funding mechanisms that support this endeavour but reduce the burden on development capital. Local Authorities could be allowed to underwrite some of these development risks to encourage more innovation and therefore stimulate investment in more sustainable development through better public/private collaboration.

### 3.4 Water

3.4.1 In the absence of regulation directed at Water Fixtures and Fittings to secure conservation of potable water, we broadly agree with the outcome of the Working Group to set a baseline performance standard for conservation of potable water use in new dwellings and an enhanced standard for water-stressed areas. We agree that application of standards should be through Building Regulations (part H).

3.4.2 However, our preference would be to see standards applied unilaterally through regulation of water fixtures and fittings such that efforts to conserve potable water are equitably applied to all buildings using potable water.

3.4.3 Our points of concern are:

1. Alternative mechanisms for conserving potable water consumption have not been fully explored and reliance on amending the current provision in Part H is a missed opportunity to consider a more equitable mechanism that applies to all buildings, not just new build.
2. Regulation or national standards for water fixtures and fittings could be more cost-effectively applied to ensure new build customers are not overly penalised for subsidising any lack of water conservation in existing buildings.
3. The 120l/p/d performance target has been set too low at a 'lowest common denominator' and that a higher target of 105l/p/d is achievable without compromising the quality or functionality of potable water utility.
4. A single national standard for all homes is an appropriate and better alternative to the two tier system proposed and should enable sensible consumer behaviour that supports conservation of this precious resource.
5. It should be stressed that regulation can enable, but cannot ensure responsible behaviour.

3.4.4 Other detailed observations are:

1. If a two tier standard is progressed, the test for a water stressed area must be validated by a nationally representative body (e.g. the EA) and any dataset that informs the water stress map should be kept up to date accordingly; alternatively national criteria should be set to justify the need for a higher potable water standard.
2. Site or district scale solutions that (cost-effectively) recycle waste water should be recognised within the compliance methodologies; i.e. centralised or communal rainwater harvesting and/or site-based foul sewage treatment should be recognised for its water conservation attributes (where proven).
3. Targets should neither promote nor dis-incentivise use of grey water or rainwater harvesting systems where these support agreed objectives and derive positive cost/benefits for consumers.
4. Industry (incl. Water Companies and Authorities) should be encouraged to report water use (e.g. though consumer labelling) and therefore promote responsible potable water use by occupants.

### 3.5 Accessibility

3.5.1 The Working Group succeeded in agreeing to consolidate the myriad of requirements into a sensible and simple framework. We agree that wheelchair requirements and wheelchair adaptability criteria should be agreed as a national standard with no regional or local variation.

3.5.2 There is a compelling case to incorporate more Lifetime Homes criteria within the Building Regulations so they are consistently applied in general housing.

3.5.3 However:

1. It would be preferable to have a two tier system of national accessibility standards - Tier 1 in Part M of the Building Regulations; and Tier 2 nationally defined wheelchair standards which are applied locally according to an assessment of need established through local planning processes.
2. The inclusion of essential Lifetime Homes requirements should be commercially tested for their cost/benefits. The multiplicity of wheelchair standards applied by Local Authorities should be consolidated into a single national standard.
3. Consideration should be given to changing the wheelchair requirements to be 'wheelchair adaptable' rather than 'wheelchair standards'.

3.5.4 Other detailed points are:

1. The proportion of units developed to each tier should be determined locally and the standards set nationally. Local Authorities should maintain a database of wheelchair adapted dwellings to inform the evidence base and changing wheelchair requirements over time.
2. There is concern that fully fitting out homes to wheelchair standards before an end user is identified as required by many Local Planning Authorities can be a considerable unnecessary capital cost as many such homes have to be later customised to specific user needs. An alternative could be to define 'wheelchair adaptable' standards which are less capital intensive but easily enable the national wheelchair standards to be applied.
3. A system that sets out where wheelchair housing is located in an area is required so that wheelchair housing needs can be better matched to supply.



## 3.6 Space

3.6.1 We recognise the difficulties faced by the Working Group on this subject and it was a challenge to achieve a consensus between all parties. After hearing all the debates we believe there is a national policy imperative for baseline standards in regulation in order to create a level playing field across all tenures. We agree with the majority view that space standards in new homes should be improved and homes should be robust for changing tenure requirements over their lifetime, particularly in view of a low or no grant environment for social housing. The needs of an increasing older population should be reflected in baseline standards as a national imperative.

3.6.2 We believe minimum baseline performance criteria in the form of bedroom sizes or floor areas based on functionality should be set nationally in Building Regulations. We do not believe that an option should be put forward for Planning Authorities to choose to implement a local standard.

3.6.3 We are pleased that there is a majority view in favour of labelling of homes at the point of sale. This could make a difference to the provision of space in private sale housing with customer demand driving better performance. This should be industry led and not mandated, yet supported and encouraged by Government.

3.6.4 We agree that here is no case for minimum external amenity areas, storage or bicycle storage to be set at the national level as needs vary from area to area and indeed from site to site. These matters are best left to LAs with generic advice included in Government badged planning guidance.

3.6.5 Other key points are:

1. Improvements in standards above the baseline requirements in the private housing market is best achieved through a labelling system at point of sale to drive up quality through consumer demand and benchmarking against recognised criteria. The housing industry should agree and introduce a Labelling system that sets out key metrics for Gross Internal Area (GIA), bedroom and living room sizes and storage in a consistent way that allows for comparisons to be made at point of sale.



2. Consumer protection is required so that if bedroom areas, for example fall below recognised minimum area for functionality they could deem to be misrepresented under Trading Standards.
3. Social and private rented housing should have minimum housing standards appropriate for the sector imposed preferably by funders' requirements, self-regulation by the industry or by licensing bodies.
4. In the absence of minimum performance standards imposed by Trading Standards, funders, licensing or other authoritative bodies such as NHF, HCA or others there is considerable risk that substandard social, affordable and private rented housing will be delivered by private sector operators. In these circumstances a minimum baseline performance criteria for space standard could be justified to be included in regulation for cross tenure application.

## 3.7 Security

3.7.1 We agree with the Working Group that security requirements dealt with under Secured by Design should be disaggregated between the planning system as Badged Guidance or Best Practice, and the Building Regulation regime. Any matters relating to building performance should be incorporated in the Building Regulation as a baseline requirement.

3.7.2 However we disagree with the approach to setting enhanced standards. Options for increasing standards above the baseline should be matters for product standards, insurance companies or the warranty industry to dictate rather than through regulated options in Building Regulations.

3.7.3 Finally:

There is excessive construction detailing requirements in the proposed Standards option.



## 4. OTHER THEMES

### 4.1 Daylight, Sunlight, Ventilation, Health and Wellbeing, Materials

4.1.1 We are concerned that not all the issues have been adequately covered by the Review although we recognise that this is not part of the Terms of Reference and that the Review acknowledged that more work needs to be done. For example, some of the requirements in the Code for Sustainable Homes are not covered by the Review and may not consequently be covered by the Building Regulations or by Planning regimes. This could be interpreted as a reduction in quality and sustainability of new homes where key elements are not covered by any regulatory or non-regulatory process.

4.1.2 Whilst there was a cursory investigation into standards for these issues, daylight and sunlight, ventilation, health and well-being and materials should be more thoroughly investigated. The Working Groups did acknowledge that some of these issues are better dealt with under the planning regime, whilst others were already the subject of specific technical research studies.

4.1.3 Insufficient evidence has been presented in the review to rule in or out the need for new standards to deal with these issues and a commitment to review these issues must be made beyond the current scope of the review process.

4.1.4 Other detailed points are:

1. Overheating and poor ventilation of highly insulated homes is a widespread concern in dwellings constructed to the current regulations. New minimum requirements for energy use to be introduced in revisions to the Building Regulations in 2013 and 2016 are likely to exacerbate this.
2. The use of BRE sunlight and daylight calculators varies in its application across Local Authorities and therefore leads to inconsistent industry practice.
3. Materials that result in off-gassing may need to be covered somewhere in regulation, particularly where this occurs in very air-tight dwellings and affects occupants health. Collation of existing evidence and collection of new evidence is a priority to inform the potential cost/benefits.
4. Consideration should be given to setting standards which cover the overall well-being of individuals in dwellings and buildings given the potential risks to health where unforeseen and/or unintended consequences are found. This might include for example, indoor air quality and overheating risks which are present today, and can or have led to known respiratory problems in elderly people (a growing proportion of the UK population) with increases in excess summertime deaths as a result.



## 4.2 Infrastructure Utilities Highways

4.2.1 Considerable savings could be achieved through rationalising Local Authorities' approach to setting standards for Highways, Flooding, Utilities, and Land remediation issues. The Penfold Review provides a useful foundation for further action through e.g. the Taylor and Technical Housing Standards Review processes.

## 4.3 Connectivity

4.3.1 The Challenge Panel were asked to consider the requirements for Broadband Connectivity as part of its Terms of Reference.

4.3.2 The view of the Challenge Panel is that the Housing Standards Review going forward should consider the requirement for minimum standards of connectivity (e.g. super-fast broadband) given society's growing reliance on telecommunication systems. The role of new development as a catalyst to creating better connected communities through the investment in appropriate infrastructure should be explored.

4.3.3 The review process should consider whether or not standards for minimum connectivity requirements should be imposed on new development or whether the current market mechanisms are adequate and if standards are required, what form should these standards take and how can they best be implemented to deliver the preferred outcomes.

4.3.4 For example, in the same way that district heating networks can support the national carbon targets, better connectivity or super-fast broadband can support both the requirements to reduce unsustainable levels of mass-commuting particularly for rural communities (thereby reducing transport emissions) but also support the delivery of 'Smart' and distributed energy infrastructure.

4.3.5 A 'Smart' infrastructure can only evolve where connectivity of buildings is transposed across telecoms/energy/transport vectors to make much more efficient use of available resources. For example what connectivity requirements would a large urban extension of several thousand new homes and non-domestic buildings need, to be fit for the future, given the likely timescales of delivery?

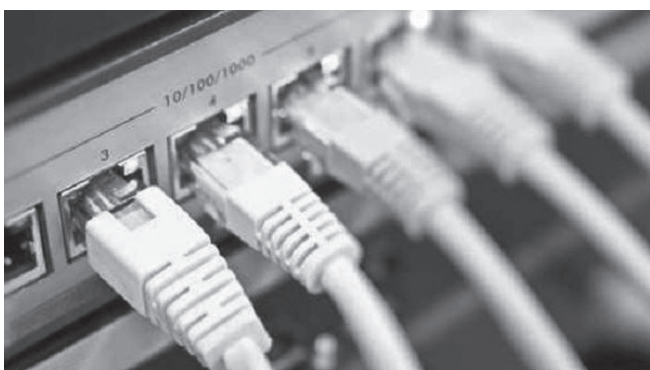
4.3.6 For instance, communities that generate their own energy may wish to trade that energy over the local network or transfer stored energy in the built environment into useful energy for electric transportation. This convergence of energy, transportation, buildings and ICT technology will be the building blocks of a sustainable future, particularly in towns and cities. It should form part of the ongoing review of development management and inform badged planning guidance intended to support the relevant national policy imperatives.

## 4.4 Reducing Costs

4.4.1 The lack of information on the cost impact of proposals is a disappointing feature of the process to date. We have been provided with insufficient information to determine a view on the cost impact of the proposals coming forward.

4.4.2 Considerable savings would be made in process costs for compliance with voluntary standards through consolidation into simple regulation and in rationalising the compliance process. Insufficient work has been done to demonstrate the potential savings in development budgets by consolidating requirements in Building Regulations.

4.4.3 Less regulation is equated with lower costs however the monetised 'one in two out' rule overlooks the hidden saving in consolidating components from the plethora of standards into Building Regulations. It also overlooks indirect cost impact on other budgets arising from the consequences of revised regulation.



# APPENDICES

## APPENDIX A: Challenge Panel Terms of Reference

### **RATIONALISING THE ENTIRE FRAMEWORK OF BUILDING REGULATIONS, AND NATIONAL AND LOCAL HOUSING STANDARDS**

#### **Terms of reference for the review to rationalise the framework of building regulations, standards and guidance that apply during the house building process**

##### **1.0 Overall goal**

1.1 To significantly rationalise the untenable forest of Codes, Standards, rules, regulations and guidance that add unnecessary cost and complexity to the house-building process, to report by Spring 2013. In doing so, the aim is to achieve tangible deregulation, to enable quality and sustainable housing developments to be brought forward more easily. The Review will not compromise essential safety and accessibility protections.

##### **2.0 Scope**

- all standards that can be applied in local planning policies or through planning conditions
- the Building Regulations themselves and the Approved Documents (Statutory guidance) that sit underneath them
- other regimes that may continue, and that may also place burdens on businesses during the house building process eg sustainable drainage and Energy Performance Certificate requirements.

##### **3.0 Focus of the review**

- Conduct a radical and fundamental review of the entire framework of Building Regulations and voluntary housing standards
- Consider opportunities for rationalisation, simplification and improvement of the Building Regulations themselves
- Look at how the requirements stemming from Building Regulations and/or local and national standards interact, overlap or conflict with other significant regulatory regimes applied through the planning system
- Deliver a mechanism, legislative or otherwise to ensure that additional rules and standards are not added on, beyond those left at the end of the review.

##### **4.0 Structure of the review**

4.1 The whole review process has two distinct but inter-related parts, each with a different scope, function, and list of participants. This document sets out the over arching objectives of the whole review, including key objectives for the Government alone, and appends the specific terms of reference for the two review groups.

The two groups making up the review are:

**4.2 A local housing standards review group** - This will be established and run by DCLG to build on the initial work on local housing standards conducted by the



Harman Group review of housing standards The purpose of the Group will be to:

- critically examine and rationalise all of the standards housing that Local Authorities can currently apply in local plan policies and through planning conditions, regardless of their ownership (for example, Lifetime Homes, Code for Sustainable Homes, London Housing Design Guide, Secured by Design, etc), as well as standards that are applied nationally via the affordable housing programme, such as the Housing Quality Indicators.

**4.3 A “Contestable Policymaking Challenge Panel”** (“the Panel”) – This small, independent group will also be assembled by DCLG. The purpose of the Panel will be to:

- Guarantee the level of ambition of the review, by taking on the role of a ‘critical friend’ with full opportunity to feed their views into the Housing Standards Review Group;
- Be given free rein, unconstrained, to consider and suggest innovative methods to deliver demonstrable deregulation to make home building easier.

4.4 The panel scope will be very wide ranging and will encompass reviewing the Building Regulations themselves and the Approved Documents (Statutory guidance) that sit underneath them, and the fit of these with any new standards set developed by the Housing Standards Review Group. The Challenge Panel will also consider any related rules and standards applied through the planning system, and how these fit together, and whether they are fit for purpose.

4.5 The Challenge Panel will not be constrained by previous or existing policy, the forthcoming proposed changes to the Building Regulations or the recommendations of the Review Group.

4.6 The Challenge Panel will be set up by the DCLG, in collaboration with the RTC team, but will comprise of genuinely independent external experts to guarantee the level of ambition of the whole review process.

4.7 Both Groups may draw on the Harman Standards Working Group test for formulating good standards.

4.8 In addition to the Panel and the Housing Standards Review Group, a **cross-Whitehall “contact group”** of other Government Departments will be established to track the work of both, and to act as a Governmental sounding board. This group will also ensure that the Review is suitably engaged with other related work streams, such as the separate review on Planning Guidance, that is to undertake a rationalisation of Government badged practice guidance documents.

## **5.0 Timing**

5.1 The review was first announced as part of the Government’s housing and growth strategy on 6 September 2012. The Challenge Panel and Housing Standards Review Group will be formally launched in October.

5.2 The Review Group and Panel will submit their findings to Ministers by April 2013.

5.3 Ministers will consider both sets of the findings and will publish a clear plan of action and a consultation, about the policy framework by the late Spring.

## **ANNEX A**

### **CLG-led Local Housing Standards Review Group**

#### **1.0 Overall objective**

1.1 The Standards Review Group is one of two closely related groups making up the Review. The common overarching objective of both groups is to significantly rationalise the untenable forest of Codes, Standards, rules, regulations and guidance that add unnecessary cost and complexity to the house-building process by Spring 2013. The aim is to achieve tangible deregulation, to enable quality and sustainable housing developments to be brought forward more easily.

#### **2.0 Task of the Standards Review Group**

2.1 The Standards Review Group will be tasked with:

- Considering how local and national standards can be streamlined to significantly reduce the burden on the house building process, so that new development is viable, while ensuring that it is sustainable, of a high standard, and the consumer is protected.
- producing a clear and simple framework of how the rationalised set of standards fit and interact with the Building Regulations and other regulatory requirements e.g. those on sustainable drainage;
- producing a rationalised and coherent 'menu' of costed, justified and internally consistent standards that local authorities may choose to apply locally according to their local needs, priorities and evidence;
- producing guidance for builders, local authorities and the consumer to navigate the new system. This will set out needs and evidence criteria for the application of each standard, including costings, and impact information that will inform Plan Inspectors at Examination. This should enable authorities to understand the implications and impact of deploying each standard, and the types of evidence authorities will need to provide to deploy particular standards;
- proposing who should "own" the standard set. This could be Government or sector-led, or a fusion of both;
- proposing a compliance regime to enable the discharge (and enforcement) of the standards that fits with the new system, prevents multiple inspections and reduces the overall burden;
- considering any proposals for future regulatory changes necessary (if any - eg minor changes to the Building Regulations) to help the effective implementation of the new framework.

#### **3.0 Structure of the Standards Review Group:**

3.1 The Standards Review Group will be Government led insofar as a senior DCLG official (Director level) will chair the group and DCLG will provide secretariat and analytical support and also make available technical support (where needed)

using existing DCLG technical support contracts. The group will comprise standards owners and members of key partner organisations listed at para 4.1.

3.2 The Standards Review Group will be responsible for delivering the tasks set out in para 2.1. In doing so it will commission, as appropriate, specific working groups to analyse and rationalise standards by thematic area, and review and sign off the output of these groups. The Standards Review Group will also act as a programme management board to ensure that the outputs are delivered in line with the agreed timetable.

3.3 The thematic working groups are likely to cover: energy; water; security; and accessibility, although others could be established as necessary (eg space). The steering group will decide the objectives for and membership of the working groups. The working groups will be supported by DCLG policy officials, together with DCLG technical support and costing information as necessary. Members of the working groups will be drawn from standards' owners and key representative organisations. Where appropriate, participants can be drawn from the existing working groups used for the 2013 Building Regulations review, but the group should have a wider representation than that alone.

3.4 The working groups will set out work plans which will enable outputs to be reviewed by the Standards Review Group and the Challenge Panel, to ensure the overall fit of all requirements in line with the overall timetable.

3.5 One of the roles of the Challenge Panel is to critique the outputs of the working groups and Standards Review Group. To enable this to happen, the Challenge Panel will have access to papers going to the Standards Review Group and the minutes of Standards Review Group meetings. The DCLG secretariat will seek to ensure timely distribution of papers so that the Challenge Panel can make inputs in advance of Standards Review Group meetings if it wishes and in all cases ensure that Challenge Panel views are fed into the Standards Review Group.

3.6 DCLG will ensure that both the Challenge Panel and the Housing Standards Review Group liaise with the separate review of additional planning guidance, which will be taking place simultaneously by providing updates and papers to the groups. The Planning Review is considering the rationalisation of a range of "Government badged" practice guidance documents. It is crucial that all this review work closely with the planning review to ensure effective cross links are established between their respective workstreams, to avoid duplication or contradiction.

3.7 In establishing a new set of standards, the Standards Review Group may utilise the Harman Standards Working Group test for formulating good standards (appended at C).

3.8 The outputs of the Standards Review Group will be addressed to DCLG Ministers.

#### **4.0 Membership:**

4.1 The Standards Review Group will be chaired by DCLG Director Jon Bright and will have the following members:

Association of Chief Police Officers  
Building Control Alliance

Building Regulations Advisory Council  
Building Research Establishment  
Construction Products Association  
Greater London Authority  
Habinteg Housing Association  
Home Builders Federation  
Homes & Communities Agency  
House Builders Association  
Local Government Association  
National House Builders Council  
National Housing Federation  
Planning Officers Society  
Royal Institute for British Architects  
UKGBC

**5.0 Secretariat and analytical support:**

5.1 DCLG will provide secretariat support for the Standards Review Group and supporting working groups. DCLG will also provide analytical support to cost each of the standards and enable an impact assessment to be undertaken of the outputs of the review, to assess the overall deregulatory saving. DCLG will also make use of existing technical support contracts to provide appropriate technical support if necessary.

## **ANNEX B**

### **Contestable Policymaking Challenge Panel (“Challenge Panel”)**

#### **1.0 Overall objective**

1.1 The Challenge Panel is one of two closely related groups making up the Review. The common overarching objective of both groups is to significantly rationalise the untenable forest of Codes, Standards, rules, regulations and guidance that add unnecessary cost and complexity to the house-building process by Spring 2013. The aim is to achieve tangible deregulation, to enable quality and sustainable housing developments to be brought forward more easily.

1.2 In line with the Civil Service Reform Plan, the Government will be making use of a non-Civil Service “external Challenge Panel” to operate as a “critical friend” of the Housing Standards Review Group. The Challenge Panel will be asked to think freely, to probe and suggest innovative approaches to achieve significant deregulatory outcomes. The Challenge Panel should not feel constrained by previous or existing policy or the forthcoming proposed changes to the Building Regulations.

#### **2.0 The Challenge Panel will have these main tasks:**

- To consider opportunities for rationalisation, simplification and improvement of the Building Regulations themselves (including considering whether to add into Building Regulations, or related standards, requirements on broadband connectivity and on environmental protection, if this would improve these key policy outcomes);
- To consider how the requirements stemming from the Building Regulations and / or national or local standards interact, overlap, or conflict with other significant regulatory regimes that apply through the planning system (eg SUDS);
- To critique the outputs of the Standards Review Group and to give Ministers an independent view of those outputs;
- To propose a mechanism, legislative or otherwise to ensure that additional rules and standards are not added on, beyond those left at the end of the review.
- To consider whether there are opportunities for further deregulation for the house-building process which the Challenge Panel would recommend to Ministers.

2.1 To enable it to fulfil this role, the Challenge Panel will have access to Standards Review Group papers. The Challenge Panel can, if it chooses, submit its own papers to the Standards Review Group and/or Ministers at any stage.

2.2 Both the Challenge Panel and the Housing Standards Review Group will also need to liaise with a separate review of additional planning guidance, which will be taking place simultaneously. DCLG will ensure that the Challenge panel groups is kept aware of developments in the Planning Review. The review is considering the rationalisation of a range of “Government badged” practice guidance documents. It

is crucial that all three reviews work together and that effective cross links are established between their respective workstreams, to avoid duplication or contradiction.

### **3. Outputs of the Challenge Panel:**

3.1 As well as commenting on the Standards Review Group papers, the Challenge Panel will be asked to submit a report to Ministers at the end of the process, in parallel with the Standards Review Group outputs. It is for the Panel to decide on the structure of the report they produce for early Spring 2013 but they may wish to:

- outline their findings including where they are different from the Standards Review Group and suggest innovative ideas to change the framework to deliver the overall aim of the review, if the Challenge Panel considers this necessary;
- highlight how quickly they think the changes should be made.

3.2 The Challenge Panel can also provide comments on the Standards Group draft report and suggest additional options for consultation in early Spring 2013 – if they consider that necessary.

3.3 The report will be addressed directly to DCLG and RTC Ministers and will not be for the Standards Review Group to consider first. Ministers will consider the Challenge Panel's report alongside the Standards Review Group outputs. It will be for Ministers to decide whether to accept the Challenge Panel's recommendations. Subject to Ministers' views, it is expected that the Challenge Panel's report will be published.

### **4.0 Membership:**

4.1 The Challenge Panel will be made up of four experienced and innovative individuals from across the sector:

Kirk Archibald – developer  
Andy von Bradsky – architect  
David Clements – building control  
Paul Watson - planner

### **5.0 Secretariat support**

5.1 The Challenge Panel will agree their workplan at the outset of the work. Separate secretariat support for the Panel will be made available by DCLG. The Panel are not obliged to use the secretariat support and may prefer to use alternatives such as their own administrative support. In particular, as the review unfolds, if the Challenge Panel considers that significant areas are not being addressed, which require resources beyond those available from the DCLG secretariat, then it is open for the Challenge Panel to raise whether other support can be bought in.

5.2 The Challenge Panel can also call on the resource of the Red Tape Challenge team if required.

### **6.0 Additional support**

6.1 Before commencing work the Challenge Panel will meet with the relevant DCLG and RTC Ministers to outline the aims of the Government's new contestable policy making approach and the remit of the Challenge Panel. During the review period the Challenge Panel can request additional meetings with DCLG and/or RTC Ministers or officials to discuss any concerns or questions on the progress of their work.

## **7.0 Funding**

7.1 The Challenge Panel will not receive remuneration for their work but will be reimbursed for travel and subsistence.



## **Annex C - The Harman group test for formulating “good standards”**

The following list represents the key attributes of credible standards established by the Harman Standards Working Group:

1. The need for the standard to exist must be clear and supported by robust evidence.
2. The standard should deliver value for money, ie. longer term costs should be proportionate to benefits (the assessment of which should include the consideration of all issues such as economic, social and environmental issues, as well as the consequences of not having a standard). However, there was a view that unless there is a selling price benefit, only the immediate capital cost impact is relevant since it is the immediate cost that impacts on the viability of development.
3. The standard should be aimed at achieving clear outcomes.
4. It should not conflict with or duplicate other standards.
5. The standard should be clear and easy to use.
6. Careful consideration should be given to setting the minimum level at which the standard should apply.
7. It should be easy to measure/quantify (this will assist in minimising subjectivity).
8. It is essential that a broad range of interests and organisations involved should have confidence in the standard.
9. Where an accreditation process is required, it is important that this be cost effective, proportionate and delivers benefit.

### **DCLG benchmark requirements**

- Guidance and standards must not breach the terms of the Construction Products Directive and resultant Construction Product Regulations.
- Guidance and standards should be performance based in order to ensure that they do not fall foul of European Competition law.
- Guidance and standards should align wherever possible with existing baseline building regulations.

## APPENDIX B: Our Approach and Aspirations for the Review

### Our Approach

The Challenge Panel approached its role by:

- Seeking to represent a cross section of industry and professional views. We were open to approaches from the entire industry spectrum including house builders, developers, professionals, planners, approved inspectors and their representative bodies.
- Challenging policy makers as well as vested interests. We met with politicians, civil servants and representatives of the standards owners in order to maintain our independence of view irrespective of political imperative or commercial interests.
- Ensuring we remained guardians of quality and sustainability by making sure that the quality of outcomes is not put at risk and there is no lowering of performance or a 'race to the bottom'.

We have sought to contribute ideas and critiques throughout the review with the aim of endorsing the final report, rather than contesting its findings and recommendations.

The panel has been impressed with the constructive and collaborative nature of the review process and with the determination all have shown to reach a consensual position. There has been broad agreement in many areas but as with all Reviews with multiple parties it is inevitable that tensions will exist and consensus becomes strained. The Panel has endeavoured to be an independent voice during these debates and is intent on retaining its challenge role to the end of the review process.

The Panel also set out at the outset key principles to govern its work and against which success should be measured.

It wants to bring about a regulatory regime that is:

- Clearer
- Simpler
- More certain
- Proportionate
- Fair
- Transparent
- Tenure blind

The Panel also wants changes to the regulatory system that:

- Avoid duplication with or shift the burden to other regulatory regimes
- Avoid a knee jerk reaction to current conditions
- Stand the test of time
- Do not put at risk the quality and sustainability of new homes and places
- Provide a model for the regulation of non-domestic building

And the Panel also wants to produce a regulatory system that leads to:

- Improved deliverability
- Innovation in a traditional industry
- Affordable quality across England
- Reduced house building costs
- Greater focus on the consumer

Diagrams demonstrating the Challenge Panel's objectives for the Review and preferred outcomes are included in the Appendix.

Our specific aspirations for the Review are to achieve the four key targets areas below.

## Key aim one: to rationalise and simplify the regulations

One of our key specific aims of the Review was to ensure that the regulations were considerably simplified and rationalised. In our view this immediately throws up a few key issues that are creating confusion and need clarification. In addition, there is an urgent need to draw up a common vocabulary to facilitate debate (See Appendix E). Terminology is used differently by different people and confuses the debate. To ensure that optimum solutions, we felt it paramount that this Review should be co-ordinated with others, such as the Taylor Review looking at planning. Otherwise the situation one could end up with a clash of requirements if Review bodies came up with different standards.

The extensive list of current standards is broken down into national requirements, local requirements, other statutory requirements and other non-statutory requirements. The cost and complexity of the requirements is set out graphically. The outcome of the review should lead to a consolidation of these many requirements, as shown on the adjacent 'After Rationalisation' diagram.

Our expectation of the Review is for a fresh vision for the shape and content of a new national standards framework bedded in regulation. This may be encapsulated under the title 'Sustainable Homes Standards'. This would encompass:

- Clear distinction between regulations, standards and guidance for ease of understanding and to liberate designers and stimulate innovation.
- Establishing national standards only where there is a national policy imperative and evidence of market failure.
- Removing all building performance related standards from planning policy and control.
- Establishing at the national level options for increased performance above baseline requirements as regulated options in Building Regulations where they are essential to deliver national policy imperatives. This would be cases such as flooding, water supply and accessibility and where a compelling local case can be made either through the local planning process or through the local application of nationally set criteria.

- Reducing regulation to simple and clear requirements supported by performance standards for industry to interpret as it deems appropriate within the parameters of acknowledged guidance, good practice and accepted science.
- Reviewing some sections of the Building Regulations (for example, Part L) in order that they become less prescriptive and allow for greater flexibility in application through use of performance standards.
- Consolidating guidance and Approved Documents in respect of simple low rise buildings and to support the SME house building sector.
- Consolidating multiple versions of highways, utilities and other infrastructure standards into single nationally applied standards and clarify the relationships between the regulatory burden of planning processes and other statutory (Utilities, EA, FWMA) and non-planning consent requirements (e.g. highways, heritage, environmental).
- Placing greater reliance on trading standards, product standards, warranties and insurance requirements to drive performance improvements; this would be in place of regulation and regulated options where possible.

All standards must have clear costs and benefits to ensure they are measurable and accounted for in property valuation practices. The Council for Mortgage Lenders, RICS, etc. must endorse the criteria for the way standards are valued including any impact assessments. Information on performance should be easily understood and digested by the buying public and investors. A process that is driven by artificial arithmetic such as the 'one in two out rule', '50 pages of Building Regulations' and '80% reduction in paper' should not stand in the way of a sensible consolidation of voluntary standards into regulation. Savings are being made in process rather than building performance and these costs are less quantifiable.

The process of consolidation of standards into Building Regulations should lead to a review of its shape, language, structure as well as content. We have not witnessed a 'vision' for how they might be different, more user friendly, and with all domestic matters consolidated into a single manual.

## **Key aim two: consolidate all guidance in one framework**

We think it is absolutely vital to review, reduce and consolidate the plethora of standards such as Code for Sustainable Homes, Lifetime Homes, Secured by Design, HQL's etc. into a single national and minimum regulatory regime. Ideas to make this practical include the following:

- New Standards could be re-titled Sustainable Housing Standards applied through the Building Regulations to reflect the NPPF reference to sustainable development.
- Consolidate guidance and Approved Documents with simple 'deemed to satisfy' solutions into easy guide for Domestic property.
- Establish a separately identified section in the Building Regulations for all regulation and standards related to Domestic property.
- Create a single IT platform managed by a single agency with a subscription based web site for access to Planning and Building Regulation guidance and other relevant legislation and advice.
- Establish resources and leadership with Government and cross industry representation to act as national standards 'manager', 'gatekeeper' and a 'clearing house' for all new market led standards.
- Information on national planning requirements and national building regulations should be accessed through a single web based portal. Information should be 'Smart' such that inter-connections between regulations, standards, badged guidance etc are obvious and highlighted for the user.

## **Key aim three: streamline the process**

What the industry needs in terms of regulatory change is certainty and a system that is as efficient and simple as possible. One of the things that make it unnecessarily complicated currently is the non-linearity of the compliance process from Planning to Building Regulations to Completion and Monitoring for Compliance.

It should also be noted that radical change to Building Regulations in the short term can undermine rather than facilitate growth: and so there is a need for effective transitional arrangements to manage change. Generally we would expect a more efficient regime could be drawn up by implementing the following:

- Learn lessons from international best practice that would produce a streamlined, slicker process.
- Categorising standards in user-friendly terms or themes, such as: - Place – immediate external environment, public realm, proximity to amenities.
- Space – internal and external private space, minimum functional requirements.
- Accessibility - sustainable transport, connectivity, security.
- Performance – environmental performance, quality.
- Well-being – social capital, health, equality, and local community Encouraging and promoting innovation. Suitable discretionary compliance routes should be available to those pioneering new solutions, subject to pragmatic tests of evidence/demonstration of performance.
- Compliance with standards should reflect the development process (e.g. RIBA stages), where information requirements should be reflective of the project status to avoid unnecessary cost, duplication, repetition and overlap over the development cycle. Common metrics and compliance regimes should be applied throughout the planning, development control and Building Control procedures.
- Constrain the ability of Local Authorities to develop and apply local building standards through the planning system.
- Simplify the process for compliance for Planning and Building Regulations.
- Ensuring procedural requirements are consistent irrespective of the agency charged with ensuring compliance thereby providing clarity in the expectations of professionally qualified persons and their role in satisfying responsible bodies.
- Wider self-certification under verified 3rd party schemes should be encouraged.

#### **Key aim four: explore and promote alternatives to regulation to drive performance where possible**

The Challenge Panel's expectation was that the Review process address would explore fully the potential to drive customer demands and quality through market mechanisms wherever possible, rather than through regulation. Establishing a national standard should not lead automatically to its application by regulation, but should be a guiding principle.

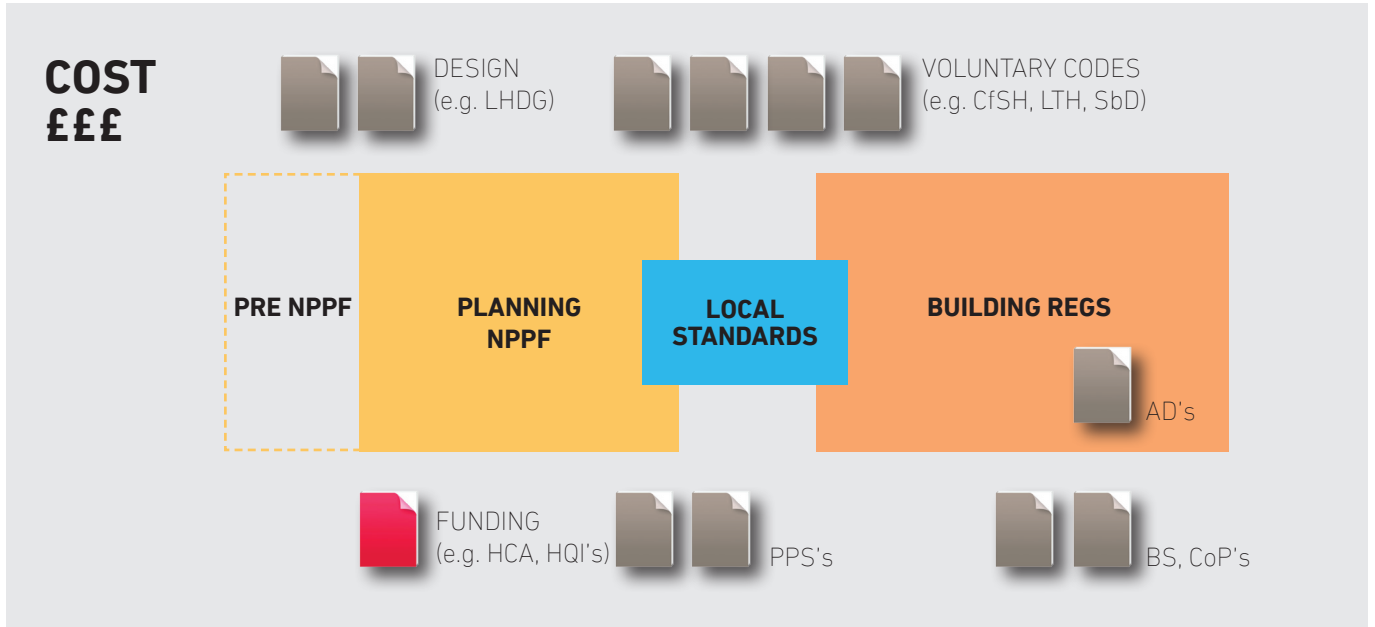
Potential other mechanisms are Trading Standards, Warranties, Insurances and Product Standards. But this inevitably requires consumers being furnished with better information about the home they are renting or buying. This could be facilitated by:

- Labelling and an effective system of consumer protection (e.g. through trading standards).
- 'Nudging' consumers by providing better information on building performance with simple and clear metrics. This would enable consumers to benchmark products against existing measures and to make market comparisons, particularly where related to cost impacts of purchasing or running the home. The minimum key performance measures to be included are: Space GIA (m<sup>2</sup>); fabric energy efficiency (KWh/m<sup>2</sup>/year) or absolute energy demand target/unit type (kWh/m<sup>2</sup>/yr); accessibility (General & Wheelchair standard); water efficiency (l/pd).

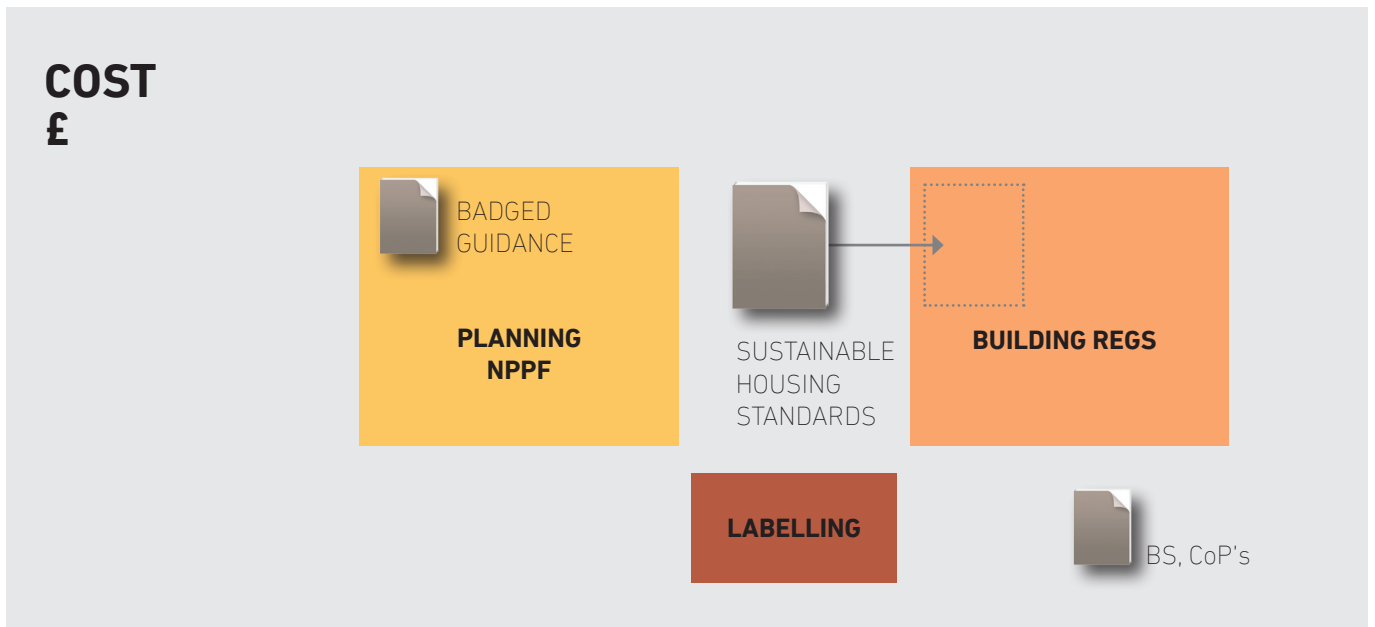
*Customer pull encourages competition and innovation, and reduces cost*

**Supporting Diagrams**

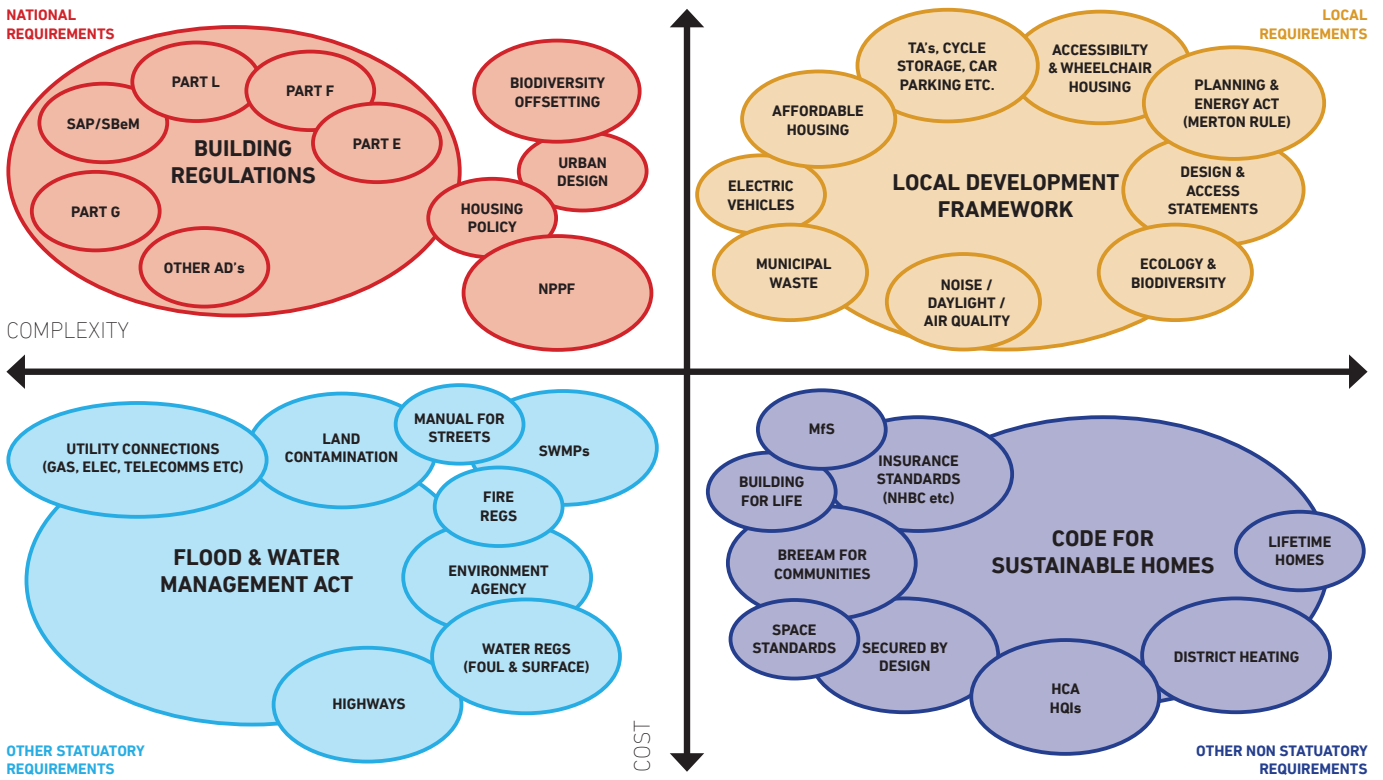
**Existing Regime**



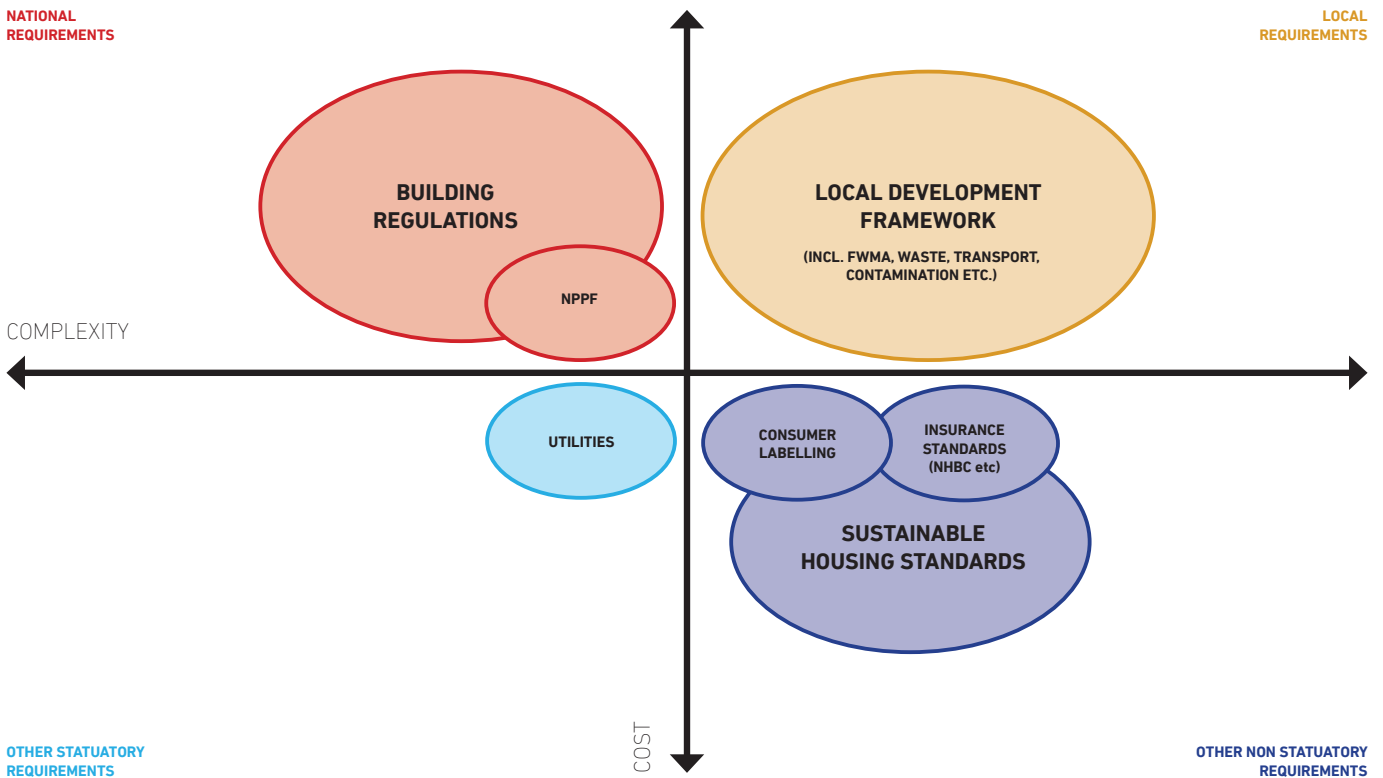
**Consolidation, Rationalisation & Simplification**



## BEFORE RATIONALISATION



## AFTER RATIONALISATION



## APPENDIX C: A Common Vocabulary

There needs to be a shared understanding of what often used terms mean, for example:

**Policy** – Government's stated high level aspirations for and approach to design, construction and delivery of new homes and places, interpreted through regulations, standards and guidance.

**Regulation** – statutory instrument setting out the minimum, non-negotiable performance objectives set down in statute to deliver national policy and enforceable through a regulatory regime. They are met through a range of technical performance standards and guidance on meeting performance in the form of Deemed to Satisfy criteria.

**Nationally described standards** – an optional/voluntary performance specification intended to achieve specific housing performance objectives, exceeding the Building Regulations. Defined by Government and required by authorities through the planning system.

**Voluntary market led or advisory standards** – performance standards produced by advisory bodies, other expert authorities and market bodies which are not enforceable by law (as distinct from regulation), and can often be open to a degree of negotiation.

**Guidance** – Practical advice drawn up by Government or other authoritative bodies about how to define or meet policy, regulation, standards or other requirements and approaches to achieving compliance.

**Procedures** – processes which govern and facilitate the application of policy and standards.

**Measures** – performance parameters established by industry to inform the customer: certified by industry but not the subject of regulation.

Other terminology relevant to the process;

**Regulated options** - Optional higher performance objectives defined by government and included within the Building Regulations, which go above and beyond the baseline regulation.

**Endorsed standards** - Optional performance specifications designed to achieve performance objectives that exceed Building Regulations minima approved by Government for discretionary use by Local Authorities.







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