

Little boxes, fewer homes

Setting housing space standards will get more homes built

Summary

Opposition to local house building can block the development of much needed new homes. But by building the more spacious homes that existing locals prefer to have on their doorstep, we can help to overcome local concerns and increase the numbers of new homes delivered.

- Polling shows that while most people agree there is a housing crisis, nearly half do not believe that new homes are needed in their local area. When opposition blocks local development, this **limits the numbers of homes available for young people and families starting out**, and holds back our economy.
- But by **listening and responding to people's concerns about new developments**, it is possible to overcome local opposition and build the homes we need.
- For example, research shows that **73% of people** would support housing developments if homes were better designed and in keeping with the local area.
- Shelter looked into this and our new evidence reveals that the size of new homes is a major factor in local concerns about design. **Nearly half (44%) of the public told us they were more likely to support new housing developments if the homes were larger**, even if this means they take up more land. Only 23% said the same about developments with smaller homes on smaller sites.
- Even those who do not see the need for more homes in their local area are **more likely to support a development with larger homes**, compared to one with smaller homes (40% versus 24%).
- Not only are our small homes unpopular, they are **out of step with international trends**. Shamefully, we build the smallest homes in Western Europe. In 2011, average new homes in Denmark were 80% bigger than those in the UK. Even new homes in Japan were 21% bigger.

- **The Government now has the chance to help the UK catch up by establishing clear standards on space for all new homes as part of the Housing Standards Review. We urge ministers to make the most of this opportunity. Better space standards would help to increase local support for new developments and ensure we build more of the homes we desperately need**

We recommend that there should be an improved set of Building Regulations for all tenures and all builders. These should include clear housing quality measures such as adequate inside and outside space and storage, which apply to all new homes. This would ensure more certainty and consistency than leaving such standards to negotiation via the planning system. This would be good for the homes' residents and great for getting local support for development.

Introduction

When it comes to the quality and design of new homes, the concerns people have tend to fall into three main categories:



This briefing is concerned with the first category: design standards of new homes. The Government is currently reviewing national housing standards in order to rationalise the array of Building Regulations, national and local standards and guidance that can apply to new housing developments. This moment should be seized, not only to make the regulations more efficient, but also to make it more likely that new homes will get built.

England is one of the few countries in Western Europe without universally applicable space standardsⁱ. Space standards are not a cure-all for local opposition. Much still depends on the aesthetics of the new homes, as well as whether they are seen to be in keeping with – or enhancing – the local area. But space is easily quantified and, if incorporated into national regulations, more easily deliverable for developers. If space requirements are standard, developers' margins should be unaffected because land prices should adjust to reflect the additional costⁱⁱ.

Why do better standards lead to homes being built?

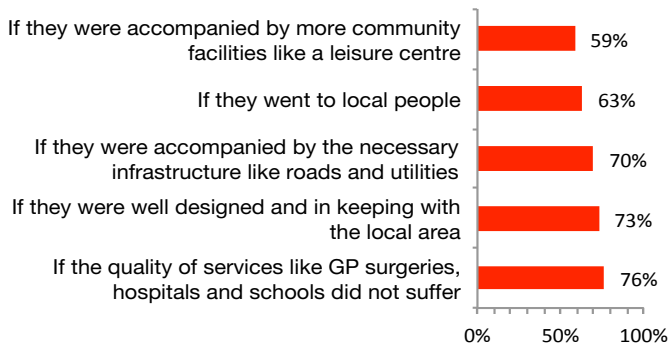
The building of new homes is at its lowest peace-time rate since 1924ⁱⁱⁱ, and Britain is experiencing both economic difficulty and an on-going housing crisis. Levels of unmet housing need are becoming more acute, especially for affordable, flexible family homes.

Politicians from all sides see this and agree that we need to build more. Just recently in the 2013 Budget, the Government reiterated the need to build new homes in order to create jobs, stimulate the economy and meet people's housing aspirations. At a national level, the general public get this too. Ipsos MORI^{iv} have shown that 80% of people think that the UK has a housing crisis.

However, the same research shows that 45% disagree that new homes are needed locally. A ComRes survey^v also highlighted that a notable majority of local politicians are resistant to any new homes being built in their area.

But, research^{vi} also shows that people would support housing development if homes were better designed: **73 per cent of people would support more homes being built locally if they were well-designed and in keeping with the local area.**

I would support more houses in my local area if... % agree, or agree strongly



Source: Poll by YouGov Plc on behalf of NHPAU. Total sample size was 2090 adults. Fieldwork was undertaken between 23rd - 25th March 2010. The survey was carried out online. The figures have been weighted and are representative of all English adults.

And there is plenty of scope for new homes to be better. A 2007 survey by the Commission for Architecture and the Built Environment (CABE)^{vii}, found that only one in five developments were of a 'good' standard, and almost three in ten were so bad that the local planning authority should have rejected the planning permission in the first place.

People feel that if new homes are going to be built in their local area, the development should be worthwhile and of a decent design. This includes having enough inside, outside and storage space.

New YouGov polling for Shelter^{viii} shows:

- 46% of the public agree that more homes need to be built in their local area, with 23% disagreeing.
- 44% of the public were more likely to support additional land being used for housing development if the homes were larger, meeting minimum space standards. This compares with 23% who were more likely to support a development with smaller homes on a smaller site.
- Even those that do not see the need for more homes in their local area are more likely to support a development with larger homes, with minimum space standards, compared to one with smaller homes (40% versus 24%).

There is a variety of reasons why people are more likely to support the development of larger homes:

- By far the biggest reason amongst those who were more likely to support a development of larger homes (a total of 62%) was 'it would be better for people who move in'. This was cited by 65% of those who agree more homes are needed locally and 57% who disagreed that more homes were needed.
- The second biggest reason (a total of 31%) was that 'it would be more in keeping with the area and attractive to look at'. This was cited by 47% of those who didn't support local house building and 25% of those in support.
- The third reason (a total of 29%) was that 'people from this area who want their own place need larger homes'. This was cited by 35% of those supporting house building and 19% of those who against.
- Another reason (a total of 28%) was 'the homes would be more likely to be taken by people like me'. This was cited by 30% of those in favour of local development and 24% of those against.

Respondents' comments included:

- *I think smaller housing with no outside space is unhealthy and creates a "ghetto" environment*
- *People need space. We can't keep cramming more people into less space & expect [them] to be a good & peaceful environment*
- *Too many new builds are tiny and cramped and look awful*
- *A small development with hardly any storage space and little outside space is not conducive to the type of families wanting smaller homes. First time buyers these days already have children*

People want homes built today that are designed to last. Housing professionals regularly conclude that new homes should comfortably accommodate current and future lifestyles and new technologies. If not, they can become functionally obsolete and need rapid alteration, future redevelopment or even demolition. Less functional or adaptable properties have a much shorter life – maybe 50 years instead of 100 years or more, which wastes both money and carbon^{ix}.

Why minimum standards would lead to more homes being built

There are two main ways that standards for new housing are set and enforced:

The Building Regulations. These set minimum standards on a wide range of measures, such as structural soundness, health and safety and sound-proofing. The Building Regulations are non-negotiable: compliance with the regulations is required for most building work. If Building Regulations required mandatory space standards, the additional development cost would become a non-negotiable factor in land purchases, making it possible for developers to build the sort of homes that people want to see without threatening the viability of the development or reducing the affordability of the homes.

National and local planning policy. The National Planning Policy Framework^x and associated national planning guidance (currently being reviewed) cover some design standards but there is no national guidance on space standards. The national guidance is interpreted by local planning authorities in their Local Plans. Local planners can demand higher standards than the minimum set out in the Building Regulations. For example, they can require new housing developments meet various voluntary codes, such as 'Lifetime Homes' standards. However, because it is a matter of local policy, developers can argue that local space standards make the development unviable and land owners can price their land more expensively as build costs can be lower.

Why the Government can now make sure we build more and better homes

The Government's Housing Standards Review^{xi}, due to report this Spring, aims to **'significantly rationalise the untenable forest of Codes, Standards, rules, regulations and guidance that add unnecessary cost and complexity to the housebuilding process'**.

Ministers argue that red tape and over-prescription by council planners make it more difficult for house-builders to construct viable developments: 'the aim is to achieve tangible deregulation, to enable quality and sustainable housing developments to be brought forward more easily'.

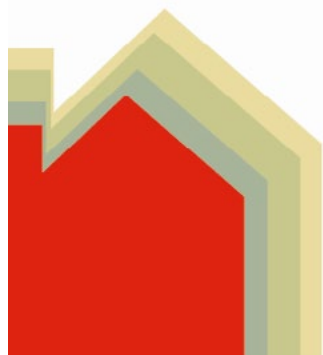
We agree it is timely to review how housing standards can be used more efficiently and effectively to help the construction industry. But the Standards Review also provides a rare opportunity to ensure that certain minimum standards become non-negotiable.

The Standards Review gives Ministers the chance to send a clear message to the public, local politicians and house builders: the homes we must build to address the housing crisis and stimulate the economy will be spacious, well-built and designed for the future. In short, they are the types of homes that people can support. Ministers have the opportunity to ensure that 21st century house building leaves a legacy that we can be proud of, rather than producing unpopular and dysfunctional developments which risk becoming a liability for future generations – and which will only reinforce people's opposition to house building.

Are new homes smaller than older homes?

- A Joseph Rowntree Foundation study in 2004^{xii} found that bedrooms were shrinking: over the preceding ten years, the size of homes, and the number of people who could comfortably live in them, had decreased. In 1994, 92% of one bedroom homes had two bedspaces (a bedroom that measures more than 9 square metres), whereas in 2004 only 80% of one bedroom homes had two bedspaces. This same study found that 59% of new three-bedroom homes had only four bedspaces – meaning that only one of the bedrooms was a double.
- CABE reported in 2009^{xiii} that lower-income households are more likely to be living in homes with insufficient space. Families who can't afford to buy or move to larger homes have to live with the impact of constrained space, such as lack of privacy and space for their children to study .
- The Royal Institute of British Architects (RIBA)^{xiv} reported in 2011 that new homes in the UK are the smallest in Western Europe. The average new home in the UK was 76m² and had 4.8 rooms, with an average area of 15.8m² per room. This compared to Ireland, where new homes were 15% bigger (87.7m²), the Netherlands, where they were 53% bigger (115.5m²) and Denmark, where they were 80% bigger (137m²). Even new homes in Japan were 21% bigger than those in the UK, at 92m² .

Average size of new homes



Source: The RIBA (2011) based on work by Policy Exchange and Localis (2005)

- UK 76m²
- Japan (21% bigger) 92m²
- Netherlands (53% bigger) 115.5m²
- Denmark (80% bigger) 137m²

Why do people buy homes with small rooms?

Surely there is a market for smaller homes – otherwise, why would people buy them? A 2004 study showed that, although there is significant dissatisfaction about room sizes among buyers of new homes, the number of bedrooms is the primary concern. This is chiefly because buyers want to maximise the future investment value of their purchase – and we tend to market homes by room number, not space^{xv}.

Only UK home buyers are expected to think in terms of the number of rooms. Buyers of office, retail and industrial space pay per square foot. Home buyers in much of Europe invariably assess their prospective home in terms of cost per square metre. Even UK house builders and their agents discuss sales income in terms of £ per square foot^{xvi}.

Prospective home buyers are often poorly-equipped to judge how much space they are buying and will need, and only latterly become aware of clever marketing techniques. The 2004 study showed that many participants, especially those who had purchased homes in lower-priced developments, pointed out that the show home used smaller-sized furniture (such as three-quarter-sized beds) to give the impression of more spacious rooms.

What do people want in a new home?

More spacious homes work for future as well as current residents. The top three things people look for when moving home are outside space (49%), the size of the rooms (42%) and proximity to local services (42%)^{xvii}.

However, people believe that newly built homes fail to provide two of these priorities: adequate space inside and outside the home.

- 31% of people would not consider buying a home built in the last ten years, or would only consider it as a last resort. Of these, 60% said it was because the rooms are too small, 46% said they lack style, and 45% were concerned about the lack of outside space.
- There is a clear preference (49%) for homes from earlier periods. However, nearly a quarter of people would like to move into a home built within the last 10 years but are concerned that rooms are too small and they lack outside space.

Why do developers build homes that are too small?

This is a result of a combination of marketing and how the land market works. As homes are marketed on the number of bedrooms, it makes sense to developers to increase the number of bedrooms without enlarging the overall property size. This is achieved by reducing the space taken up by living areas, dining rooms, kitchens, bathrooms, storage and external space. The resulting small and open-plan dwellings are then marketed as contemporary living. Including more bedrooms within the same floor area means more income for the same costs.

Land owners are also aware that this is possible and it allows them to demand a higher price for the site. As Policy Exchange^{xviii} has argued, high land prices squeeze out quality design and force smaller homes

and gardens to be built, with developers trying to cram in as many homes as possible. Market prices for development sites are based on the sale price of the maximum number of homes that can be built on the site, minus build costs and the developer's margin. As developers compete for sites in the market, land prices rise, squeezing the available money for build costs. The developer who seeks to build the highest number of smaller homes for the cheapest build cost can offer the highest land price and will therefore be able to secure the site. This makes it difficult for those developers who do want to build better quality homes at reasonable prices to obtain land.

The functioning of the market creates a vicious circle:



This can be exacerbated by local planners. Mindful of securing as many homes as possible on each site and keen to ensure the homes are affordable, they encourage higher density development. But density without space standards inevitably results in homes with less space, to which local residents are resistant. This can mean fewer homes in the longer term.

A final factor is that most house-builders do not have a long-term business interest in the homes they build. Therefore, they only need to build homes that they know they can easily sell, rather than homes that are of good enough design and quality to remain attractive, liveable, manageable, and popular in the longer-term.

This often leads to the 'conservatory solution', whereby young families in newly-built homes find they quickly outgrow the space and seek affordable solutions to increase their space to avoid an unaffordable move or change of locality.

What should be done to avoid 'rabbit hutch' homes?

We fully support the recommendation of the Future Homes Commission that:

Measures important to consumers, such as inside and outside space, storage, noise insulation and natural light should be included in Building Regulations so they apply to all housing, of all tenures across the UK^{xix}.

These measures should be addressed through Building Regulations, rather than local planning policy. This is because it would provide clarity for developers and push the cost of improved space standards back onto the value of the land, rather than add costs to the development. Minimum standards would provide prospective buyers and existing residents with clarity about the quality of design they can expect, reducing the likelihood of opposition to new developments on the basis of design and increasing the demand from prospective owner-occupiers for new homes. The vicious circle would be broken.

The Government can use the Housing Standards Review to simplify the standards required of house builders, and deliver more homes, by including clear space standards in the Building Regulations. England is one of the only countries in Western Europe without universally applicable minimum space standards^{xx}.

These universal quality indicators should initially use the space standards in the London Plan and the storage standards in the London Housing Design Guide^{xxi}. London is leading the way on space standards. London Mayor, Boris Johnson, when announcing the new standards in 2008 said it was 'shameful that new buildings in London now have among the smallest rooms in Europe'. He said: 'We need to build for the long term – buildings that people will want to keep for 100 years and not tear down after 30.'^{xii xiii}

However, the London minimum space standards should only be used as a stop-gap until more up-to-date standards have been developed. This is because they are based on the 1960s Parker Morris Space Standards, which are still a commonly cited benchmark for space standards in England. However, these were based on research on how people used space in the home in the 1960s. Domestic life has changed a great deal since then, in terms of how families prefer to use space, the items they use and need to store, and the size of people and furniture.

The Parker Morris Committee was the last major study of space in the home. We need up-to-date evidence about how much space is needed in homes now and over future decades. New space standards in the Building Regulations should be based on this new evidence base.

London Plan and London Housing Design Guide

The London standards were developed in 2010 and cover minimum standards for the size of bedrooms and combined living areas, as well as storage and private outside space. All housing built on London Development Agency land is expected to meet these standards. They also started to be applied to housing schemes applying for funding from the London Homes and Communities Agency from April 2011. The standards are intended to encourage provision of enough space in dwellings to ensure homes can be flexibly used by a range of residents. They aim to ensure that space can be sensibly allocated to different functions, with adequate room sizes and storage integrated into the planning. The London space standards compare well to historic and local standards in regard to flats, and are higher for dwellings over more than one storey.

Conclusion

Minimum space standards are not completely sufficient to address people's concerns about the design and quality of new homes. Much would still also depend on the aesthetics of the new homes, as well as whether they are seen to be in keeping with – or enhancing – the local area. But continuing without them will only make a bad situation worse.

With the Housing Standards Review, the Government has an opportunity not just to reduce the complexity of the house building process, but also to introduce a minimum standard that would improve things for people throughout the housing chain. With binding minimum standards in place, developers would have a stronger case when it comes to negotiating down the value of land. They could then build larger homes at an affordable price – without losing their profit margin. Local people would see new homes being built that were of higher quality: larger, more flexible and built to last. The next time a new development was proposed, they might be less inclined to oppose it. In time, the vicious circle of house building could become virtuous.

Further reading

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- ii. Beaman, M. (December 2012) [Development, Viability and Planning](#)
- iii. Holmans, A. (2005) [Historical Statistics of Housing in Britain](#), University of Cambridge
- iv. Ipsos Mori (February 2013) [80 per cent agree UK has a housing crisis: 45 per cent disagree that new local homes are needed](#)
- v. The Guardian (22 March 2013) [Housebuilding sets David Cameron and George Osborne against 'nimby' Tories](#)
- vi. YouGov survey for NHPAU (March 2010) 2090 adults, GB representative
- vii. CABE (2007) [Regional Housing Audits](#)
- viii. Survey carried out by YouGov plc for Shelter. Total sample size was 4005 adults. Fieldwork was undertaken between 25th - 28th March 2013. The survey was carried out online. The figures have been weighted and are representative of all GB adults (aged 18+).
- ix. HATC (2008) Parker Morris – [Holy Grail or wholly misguided?](#)
- x. DCLG (March 2012) [National Planning Policy Framework](#)
- xi. GOV.UK (31 October 2012) [Independent Panel to help Government cut housebuilding red tape and boost growth](#)
- xii. Leishman, C., Aspinall, P., Munro, M. And Warren, F. (2004) [Preferences, quality and choice in new-build housing](#). Joseph Rowntree Foundation
- xiii. CABE (2009) [Space in new homes: what residents think](#)
- xiv. Roberts-Hughes, R. (2011) [The Case for Space: the size of England's new homes](#). RIBA
- xv. Leishman, C., Aspinall, P., Munro, M. And Warren, F. (2004), *ibid*, page 27
- xvi. HATC (2008) *ibid*
- xvii. [YouGov poll](#) commissioned by the RIBA (December 2010)
- xviii. Moreton, A. (September 2012) [Why Aren't We Building Enough Attractive Homes? Myths, misunderstandings and solutions](#). Policy Exchange, page 4
- xix. The Future Homes Commission (November 2012) [Building the Homes and Communities Britain Needs](#), page 39, recommendation 5
- xx. HATC for Greater London Authority (2006), *ibid*
- xxi. Mayor of London (2010) [London Housing Design Guide: Interim Edition](#). London Development Agency
- xxii. Inside Housing (2008) [Mayor targets rabbit hutches](#)
- xxiii. London Evening Standard (May 2009) [Boris the Bold has put paid to capital's rabbit hutches](#)

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Shelter
88 Old Street
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