

# Self-Build and Custom Housebuilding Corporate Policy

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#### 1: Introduction

The government considers that self-build and custom housebuilding can play a crucial role in increasing housing supply and housing choice, as part of a wider package of measures to secure greater diversity in the housing market as well as helping deliver the homes people want. As a result, the Council is keen to support the delivery of self-build and custom build plots in suitable locations across the District.

The <u>National Planning Policy Framework</u> (NPPF, 2019) makes it clear that as part of boosting the supply of homes, it is important that the needs of groups with specific housing requirements are addressed. One of these groups is people wishing to commission or build their own homes.

This Corporate Policy sets out the Council's strategy in relation to self-build and custom housebuilding. It explains how the Council will meet its obligations to give suitable development permission for self-build and custom housebuilding plots and to consider the Register when carrying its planning, housing, landowning and regeneration functions with the aim of assisting to meet the needs of those wishing to build their own homes.

## 2: What is self-build and custom housebuilding?

The legislation framework and regulations in relation to self-build and custom housebuilding are set out in:

- <u>Self-build and Custom Housebuilding Act 2015</u> (as amended by the <u>Housing and Planning Act 2016</u>)
- Self-build and Custom Housebuilding Regulations 2016
- Self-build and Custom Housebuilding (Time for Compliance and Fees) Regulations 2016

Section 9 of the Housing and Planning Act 2016 defines self-build and custom housebuilding as:

the building or completion by— (a)individuals, (b)associations of individuals, or (c)persons working with or for individuals or associations of individuals, of houses to be occupied as homes by those individuals. But it does not include the building of a house on a plot acquired from a person who builds the house wholly or mainly to plans or specifications decided or offered by that person.

While the legislation does not differentiate between self-build and custom housebuilding, there are differences between the two. Self-build is where an individual (or an association of individuals) purchases land and builds their own house on a single plot. The individual or association of individuals may build the house themselves or employ a builder, architect and potentially a project manager to oversee the building project.

Custom housebuilding is similar to self-build but facilitated in some way by the developer. The developer may help find a plot, manage the construction, and arrange the finance for the new home. This is more of a hands-off approach than self-build but provides the opportunity to have a home tailored to match individual requirements.

# 3: The Self-Build and Custom Housebuilding Register

The Council has a legal duty to keep a register of individuals and associations of individuals who wish to acquire serviced plots of land within the District to bring forward self-build and custom housebuilding projects.

To be eligible for entry on the Register individual applicants and all members of an association must meet the following three criteria:

- (i) be aged 18 or over;
- (ii) be a British citizen, a national of an EEA State other than the United Kingdom, or a national of Switzerland; and
- (iii) be seeking (either alone or with others) to acquire a serviced plot of land in Harborough District for their own self-build and custom housebuilding.

The legislation enables the use of a further 2 optional eligibility tests as follows:

- a local connection test (must include provision that any person in the service of the regular armed forces is deemed to satisfy the test): and/or
- a financial solvency test which involves setting criteria whereby only individuals who
  demonstrate that they will have sufficient resources to purchase land for their own
  self build/custom housebuilding are eligible.

<u>Planning Practice Guidance</u> makes it clear that authorities should only apply one or both tests where they have strong justification for doing so. The tests should be proportionate and, in the case of the local connections test, it should only be introduced in response to a recognised local issue. In light of this the Council has not applied either of these additional eligibility tests.

The application form for entry on the Council's Self-Build and Custom Housebuilding Register is available on the Council's website at <a href="www.harborough.gov.uk/self-build">www.harborough.gov.uk/self-build</a>. There is also a <a href="frequently-asked questions">frequently-asked questions</a> webpage to help prospective applicants. The application form was redesigned at the beginning of November 2019 to improve the Council's understanding of the need for self-build plots. A full update of the Register took place in early 2020 when all those registered (as of 30th October 2019) were asked to reapply using this updated form (N.B. the original date of entry on the Register was retained). This update was completed by the end of February 2020.

In line with legislation, the Council's Self-build and Custom Housebuilding Register has been in operation since early 2016. The Register is split into base periods, for the purposes of monitoring, with each base period running from 31<sup>st</sup> October to 30<sup>th</sup> October of the following year.

Table 1 below shows that, as of the end of April 2020, there were 65 individuals on Harborough's Self-build and Custom Housebuilding Register. It is important to note that these totals are not static and can change as people request to put on the Register, taken off the Register, or as updates are carried out.

Table 1: Number on Register as of end April 2020

Base Period	Entries or	No of plots	
	Individuals	Associations	required
1 (launch to 30/10/16)	6	0	6
2 (31/10/16 – 30/10/17)	14	0	14
3 (31/10/17 – 30/10/18)	10	0	10
4 (31/10/18 – 30/10/19)	17	0	17
5* (31/10/19 to 30/04/20)	18	0	18
Total as of end April 2020	65	0	65

<sup>\*</sup> Base Period 5 runs until the 30th October 2020

# 4: The Council's duties in respect of self-build and custom housebuilding

In addition to maintaining the Register, the Council has two duties under the Self-build and Custom Housebuilding Act 2015 (as amended by the Housing and Planning Act 2016) as follows:

## Section 2A duty: 'Duty to grant planning permission etc'

The Council as local planning authority must give suitable¹ development permission in respect of enough serviced plots² of land to meet the demand for self-build and custom housebuilding in its area arising in each base period. At the end of each base period, the Council has 3 years in which to permission an equivalent number of plots of land, which are suitable for self-build and custom housebuilding, as there are entries for that base period (see Section 3 above for details of applicants in each base period). Planning Practice Guidance suggests that local authorities should consider using their own land if available and suitable for self-build/custom housebuilding and marketing it to those on the Register. The Council's progress in meeting this duty is set out in Section 5 below.

### Section 2(1) duty: 'Duty as regards registers'

The Council has a duty to have regard to the Register when carrying out its planning, housing, land disposal and regeneration functions. Planning Practice Guidance sets out ways in which the duty may be demonstrated as follows:

- Planning: Through both plan-making and decision-taking. The Register may be a material consideration in decision-taking. The Register should be used as evidence of demand for this form of housing in developing their Local Plan and associated documents. This duty is looked at in more detail in Section 7;
- Housing: Evidence of demand for self-build/custom housebuilding should be used in carrying out their housing functions (e.g. in preparation of local

<sup>&</sup>lt;sup>1</sup> Section 2A(6)(a) sets out that development permission is "suitable" if it is permission in respect of development that could include self-build and custom housebuilding.

<sup>&</sup>lt;sup>2</sup> A serviced plot of land is a plot of land that either has access to a public highway and has connections for electricity, water and waste water, or, in the opinion of a relevant authority, can be provided with access to those things within the duration of a development permission granted in relation to that land.

- housing strategies and in developing plans for new housing on land owned by the local housing authority);
- Land disposal: Demand evidence from the Register should be used when developing plans to dispose of land within the Council's ownership; and
- Regeneration: Demand evidence from the Register should be used in developing plans to regenerate their area.

## 5: Duty to grant planning permission etc.

As of 30 April 2020, the Council had approved planning permission for 27 homes at Shangton of which 17 have been brought forward as self-build plots (16/00034/OUT: Shangton: Decision 7 April 2017). These plots helped meet an historic demand for sites which predated the updated Register.

A further 5 self-build plots have been permitted at Great Glen (18/01006/OUT: Land Corner of Station Road, London Road, Great Glen: Decision 31 August 2018). These 5 self-build plots (yet to be developed) contribute towards meeting the updated Base Period 1 figure of 6 plots which needed to be met by 31 October 2019.

Outline applications for both the East of Lutterworth Strategic Development Area and the Scraptoft North SDA have been submitted and at the time of writing are under consideration. The Local Plan SDA allocation policies for these Strategic Development Areas (L1 and SC1 respectively) seek a mix of housing mix, including provision of self-build and custom housebuilding plots (see Section 6 for further details of Local Plan policies).

Planning Practice Guidance (PPG) advises local authorities to consider the following measures to increase the number of planning permissions for self-build and custom housebuilding in their area:

- developing policies in their Local Plan for self-build and custom housebuilding;
- using their own land if available and suitable for self-build and custom housebuilding and marketing it to those on the register;
- engaging with landowners who own sites that are suitable for housing and encouraging them to consider self-build and custom housebuilding and facilitating access to those on the register where the landowner is interested; and
- working with custom build developers to maximise opportunities for self-build and custom housebuilding.

# 6: Duty as regards the Register

This section looks at how the Council is seeking to fulfil its duties in respect of the Self-build and Custom Housebuilding Register when carrying out its planning, housing, land disposal and regeneration functions. It takes each function in turn and sets out what the Council has done to date and what it proposes to do going forward to fulfil its duty.

## Planning function

The District's development plan policies are at the heart of the Council's self-build and custom housebuilding strategy. As the development plan, the Local Plan and Neighbourhood Plans (where made) set out the policy context for the consideration of planning applications for self-build and custom build plots.

Harborough Local Plan (2019): Reflecting national planning policy (as set out in the National Planning Policy Framework) and supporting advice in Planning Practice Guidance, Part 4 of *Policy H5 Housing density, mix and standards* sets out the Council's general approach to self-build and custom housebuilding as follows:

4. Proposals for self-build and custom build housing will be supported in any location suitable for housing, including allocated sites, committed sites, windfall sites and sites which are in accordance with Policy GD2. Where there is clear evidence of demand, and where servicing and site arrangements can be made suitable and attractive for such homes, the Council will seek the provision of land for custom and self-build housing on housing allocations capable of providing 250 or more dwellings, as part of an appropriate mix of dwellings.

This enabling policy allows for the delivery of self-build plots in any location providing it is suitable for housing, thus supporting plots on sites that are appropriate and helping to prevent speculative self-build/custom housebuilding on sites in inappropriate locations for housing. It encourages delivery on allocated sites, committed sites and windfall sites. In addition, it supports delivery on sites which are in accordance with *Policy GD2 Settlement development*. Subject to specified criteria, this allows for plots to come forward on sites within or adjoining the built up or committed area of Harborough's most sustainable towns and villages, namely:

- Market Harborough;
- Lutterworth, Broughton Astley;
- The Leicester Principal Urban Area;
- Rural Centres<sup>3</sup>; and
- Selected Rural Villages<sup>4</sup>.

Furthermore, the policy seeks to ensure that self/custom build plots are delivered on sites of 250 dwellings or more as part of a suitable mix of homes. There also needs to be evidence of demand for such plots. As the Council's Register will be a key element in this evidence, it is important that it is kept up to date and collects relevant information in terms of demand.

In addition to H5, Local Plan policies relating to the 2 Strategic Development Area allocations at East of Lutterworth and Scraptoft North (Policies L1 and SC1 respectively) each have a criterion to ensure a suitable mix of housing including specific reference to serviced plots for self-build and custom housebuilding. Outline applications for both these SDAs have been submitted and are currently under consideration. The provision of self-build

<sup>&</sup>lt;sup>3</sup> Billesdon, Fleckney, Great Glen, Houghton on the Hill, Husbands Bosworth, The Kibworths and Ullesthorpe

<sup>&</sup>lt;sup>4</sup> Bitteswell, Church Langton/East Langton, Claybrooke Magna/Claybrooke Parva, Dunton Bassett, Foxton, Gilmorton, Great Bowden, Great Easton (with Bringhurst), Hallaton, Lubenham, Medbourne, North Kilworth, South Kilworth, Swinford, Tilton on the Hill, Tugby.

and custom housebuilding plots is likely to form part of the S106 agreement and/or the conditions of any outline approval.

**Neighbourhood Planning:** Policies in the Local Plan relating to self-build and custom housebuilding are identified as strategic policies and neighbourhood plans should be in general conformity with such policies. In its advisory/supporting role, the Council will seek to proactively promote the consideration policies relating to self-build and custom housebuilding as a way of meeting specific local housing needs. The following 'made' Neighbourhood Plans refer to support for self-build and/or custom housebuilding in policy:

- East Langton NP: Policy H4 Affordable Housing;
- Great Bowden NP: Policy H4 Housing Mix; and
- The Kibworths NP: Policy H2 Promoting Self-build.

**Development Management:** The Register may be a material consideration in the consideration in the determination of applications for permission for sites for self-build and custom housebuilding whether on small sites or as part of a suitable mix of housing on large sites.

In order to encourage applications and delivery, the Council is considering the preparation of supplementary guidance in respect of self-build and custom housebuilding as part of the proposed Development Management Supplementary Planning Document (SPD).

**Local Plan Review/Update:** The Council is required to monitor the number of serviced plots granted planning permission and this is considered at Section 7.

Local Plan policies must be reviewed within 5 years of adoption. The effectiveness of the Local Plan policies in terms of number of serviced plots given planning permission will feed into the Local Plan review process. If the policy approach means that the Council is not meeting its duty to grant planning permission, this may indicate that the policy needs to be amended or some enabling action taken to bring forward appropriately located sites.

In order to have an up to date picture of potential housing land across the District, the Council will be preparing a Strategic Housing and Economic Land Availability Assessment (SHELAA). The first stage of this is a 'Call for Sites' where both public and private landowners and developers are asked to submit sites able to accommodate development for assessment through the SHELAA. As part of this process, the submission of potential sites specifically for self-build and custom housebuilding plots will be requested. The SHELAA will then identify whether these sites are deliverable or developable giving the Council a 'pool' of potential sites.

#### Facilitating

Where appropriate, taking into account data protection regulations, the Council will seek to:

- inform those on the Register of permitted serviced plots; and
- use the Register to help applicants interested in bringing forward self/custom housebuilding plots understand local demand.

# Housing function

As a Housing Authority the Council has a housing enabling function. The Council will consider the potential opportunities for custom and self-build when helping to enable development. The Local Plan provides a basis for where custom and self-build plots may be acceptable in planning terms. The Council is open to working with developers, Housing Association, community groups and other partners to support innovations in custom and self-build housing delivery.

# Land disposal function

As well as clarifying the Council's policy approach to the delivery of self-build and custom housebuilding and legal duties in relation to the Register for communities, development interests and other interested parties, this Corporate Policy reflects the raised awareness within other Council teams (Corporate Assets, Legal and Economic Development). This is particularly important when the Council is looking to develop or sell any land it owns as the delivery of self-build and custom housebuilding plots must be a consideration in decisions on the disposal of land.

PPG makes it clear that, in order to support self-build and custom housebuilding in their area, Councils should consider using their own land if available and suitable for self-build and custom housebuilding and marketing it to those on the Register. Early discussion between the Council's Assets Team and the Strategic and Local Planning Team is now a recognised process and is important in establishing whether a site is policy compliant in locational terms (i.e. a suitable location for housing) and to allow consideration of the up to date Register.

As with other landowners/developers, the Council's Assets Team will be encouraged to submit sites with potential for housing, including self-build and custom housebuilding through the 'Call for Sites' process for consideration as part of the SHELAA.

#### Regeneration function

Regeneration proposals may present the opportunity to incorporate serviced plots. Given the raised awareness of the Council's duty to consider the Register, teams involved in enabling or commenting on such proposals will consider the site's potential for provision of serviced plots and promote their inclusion where appropriate. These teams include Strategic and Local Planning, Economic Development and Assets.

#### 7: Monitoring self-build and custom housebuilding

The Council is aiming to improve the key information from the Register which is included in the Authority Monitoring Report (AMR). With this in mind, the Council has included a self and custom build Key Performance Indicator (KPI) within the Local Plan monitoring framework. From 2019/2020, the AMR will report for each completed Base Period (31st October to 30th October):

• The number of individuals and associations of individuals on the Register (taking into account any requests for removal from the Register and updates undertaken);

- The total number of serviced plots required by those on the Register; and
- The number of self-build or custom build plots approved.

In addition, where appropriate, the following will be reported (as percentages):

- The preferred size of plot;
- The type of housing required; and
- Preferred location for serviced plots (where specified).

As the Council has up to 3 years to grant planning permission for serviced plots equivalent to entries on the Register for a Base Period, it is important that all such permissions able to accommodate self-build/custom housebuilding are recognised.

As of 31 March 2019, there were 341 dwellings with planning permissions on small sites (less than 10 dwellings) yet to commence. Some of these come forward as self-build or custom housebuilding projects but are not currently captured in the monitoring of such development. Working with the Development Management Team, the potential of small sites to contribute to the provision of serviced plots will be explored and, where appropriately evidenced, some of these plots could be included in the overall serviced plots total.

# 8: Where to get help

The Council is keen to raise the profile and understanding of self-build and custom housebuilding and to encourage and share innovations in the delivery of self-build and custom housebuilding plots including available funding, delivery vehicles and investment. Table 2 below sets out points of contact at the Council where further information can be obtained.

**Table 2: Council contacts** 

Contact:	About:	Email
Strategic and Local Planning	Self-build and Custom Housebuilding Register	Selfbuild@harborough.gov.uk
	Planning Policy	planningpolicy@harborough.gov.uk
	Innovations in delivery	planningpolicy@harborough.gov.uk
	Neighbourhood planning	m.bills@harborough.gov.uk
Development Management	Pre-application advice	Planning@harborough.gov.uk
	Planning applications	
Assets	Council owned land/property	assetprojects@harborough.gov.uk
Housing enabling	Housing Strategy	r.patel@harborough.gov.uk
	Affordable housing	
Economic Development Team	Regeneration	customer.services@harborough.gov.uk please mark for attention of Economic Development

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