

Self Build & Custom Build Housing

Definitions

Self build and custom build housing

The Housing and Planning Bill defines it as:

“Building or completion by individuals, association of individuals or persons working with or for individuals or associations of individuals, of houses to be occupied as homes by those individuals”

Self Build

“Where someone directly organises the design and construction of their own home. Includes DIY homes, contractor built homes, kit houses, community projects.”

Custom Build

“Where a specialist developer builds the home, to customers specifications. They find the site, prepare it, help to arrange the finance. Design may be bespoke or chosen from a range of standard options.”



Facts & Figures

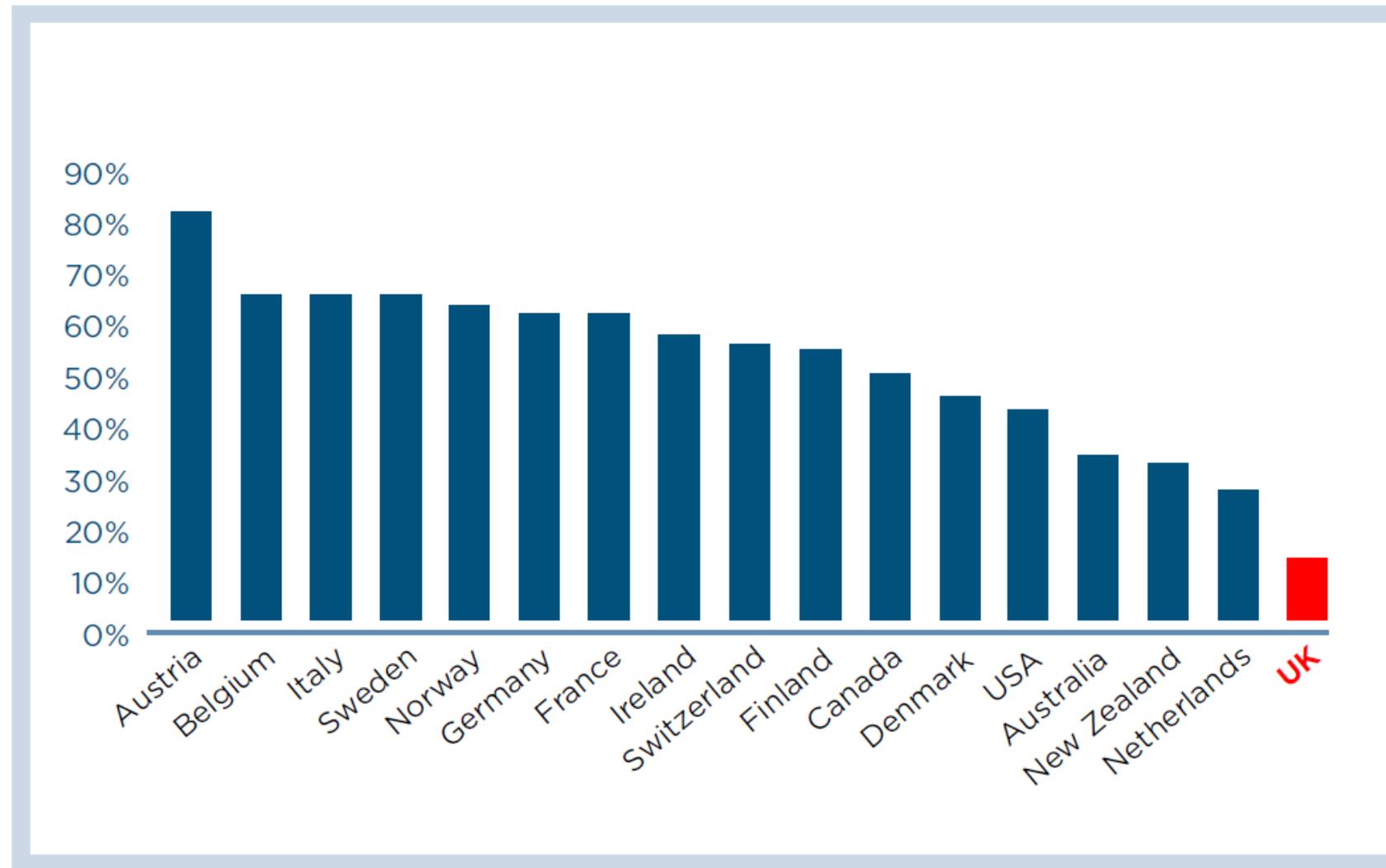
- 53% of people in the UK would build their own home if given the opportunity (YouGov Oct 2011).
- 41% of aspiring self builders earn less than £40,000 pa.
- 13,000 manage to do it each year at the moment.
- 7% to 10% of the total new homes built are self built.
- The total market is worth around £3.5 billion.
- Typically self build homes are 25% cheaper than buying a new home from a developer.



“The main barriers to custom build homes are access to land and finance.”

Government White Paper 2017

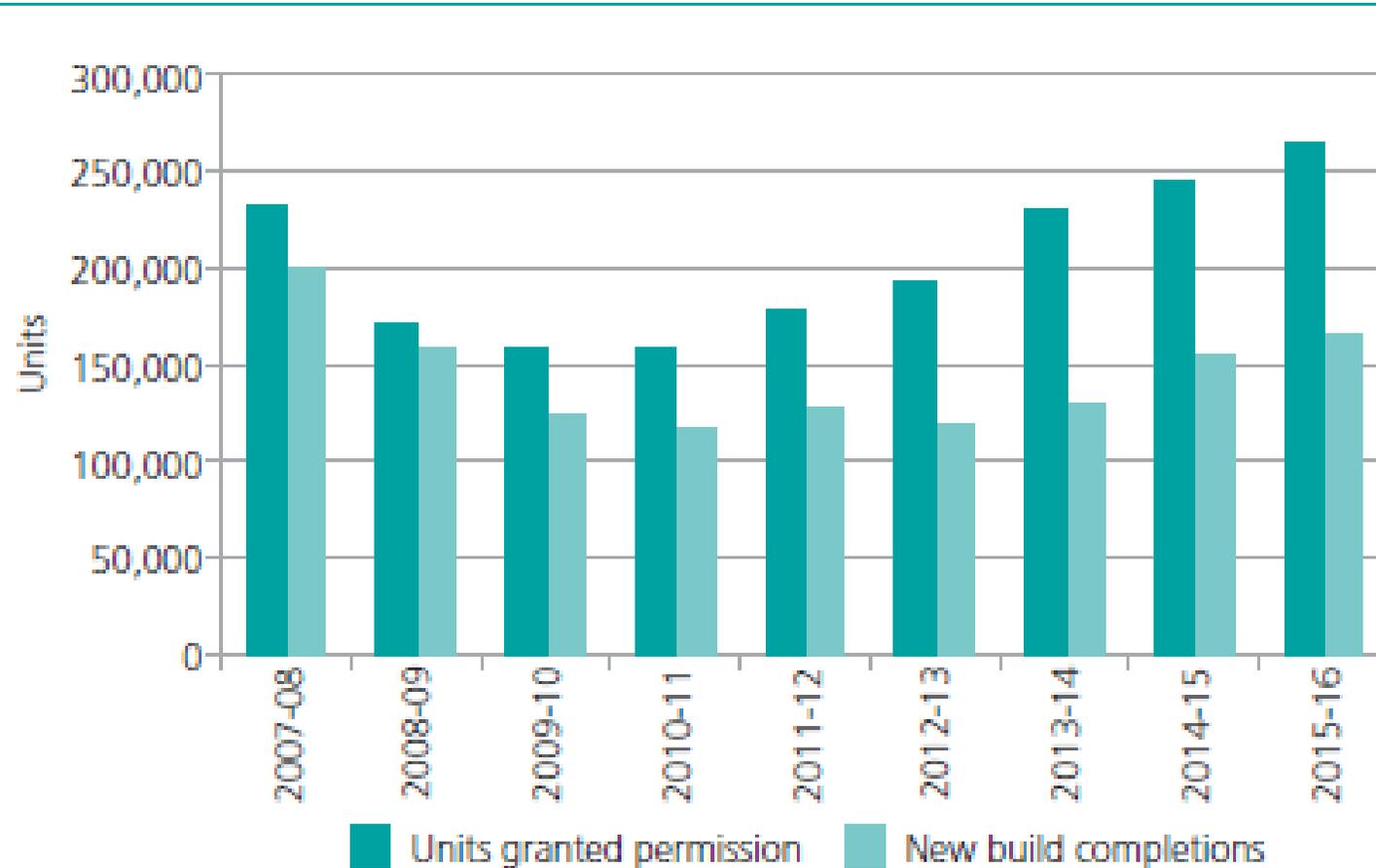
Facts & Figures



The proportion of all homes delivered by self build is very low in the UK

Not Enough Quality Housing Is Being Built

Figure 4: Annual completions versus permissions



Source: Glenigan planning permissions data; DCLG Live Table 120

5 DCLG data collected on local plans; DCLG Live tables on household projections, 2016 to 2026.

5 Glenigan planning permissions data; DCLG Live Table 120 (new build completions).

Half a million homes have planning permission but have yet to be built.

38% of buyers are shunning new homes because of their poor quality

National Government

White Paper Feb 2017

The Government have promised to:

1. Promote the Right to Build requiring local authorities to find land for those interested in self build and custom build.
2. Continue to exempt self build from the Community Infrastructure Levy.
3. Support custom build through the Accelerated Construction Programme.
4. Work with lenders to ensure that they have plans in place to support demand for custom build and self build.



Legislation 1

National Planning Policy Framework *March 2012*

The first official recognition of the potentially benign effect of self build.

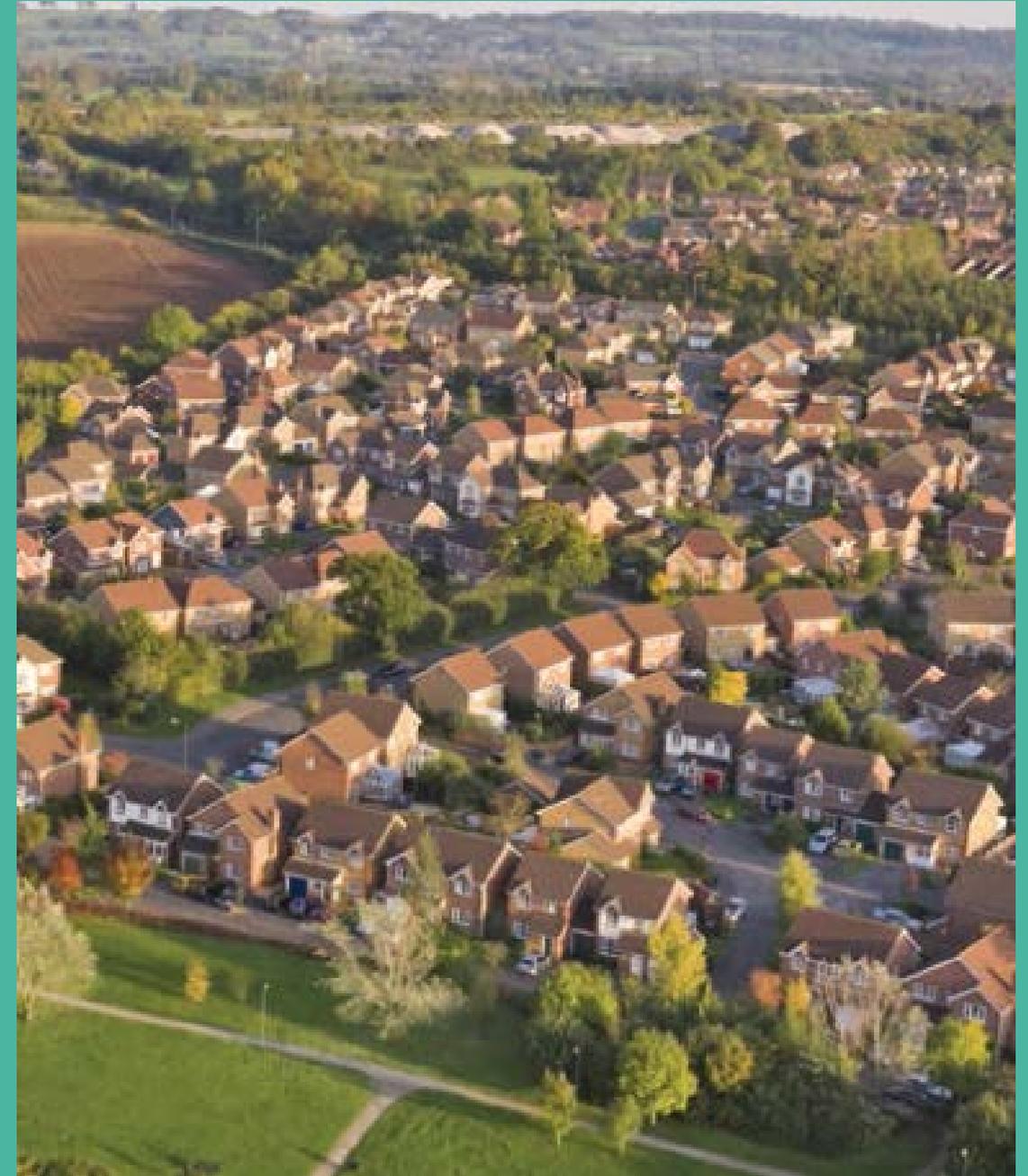
It calls for local authorities to identify for people who wished to build their own homes and allow for this in their local plans.

Custom Build Investment Fund *July 2012*

£30 million short term finance made available for land acquisition and early development costs ended in March 2015.

Debate in the House of Commons *May 2014*

Richard Bacon MP secured an adjournment debate in on Self Build and Custom build.



Legislation 2

Self Build and Custom Housebuilding Act 2015

The first step in creating right to build requiring a Right to Build Register to be kept.

Self Build and Custom Housebuilding (Registers) Regulations 1st April 2016

Became mandatory for relevant authorities in England to maintain registers of individuals and groups in their area who are seeking serviced plots on which to create new homes.

Housing and Planning Act July 2016

Each authority to "have regard" for the demand measured in their Right to Build Registers in relation to planning, housing, regeneration and the disposal of any land they own. Legal duty to grant suitable development permissions to meet the demand. "Suitable" means planning permission, planning permission in principle and could be part of a much larger site.

Legislation 3

- **Self Build and Custom (Time for Compliance and Fees) Regulations**

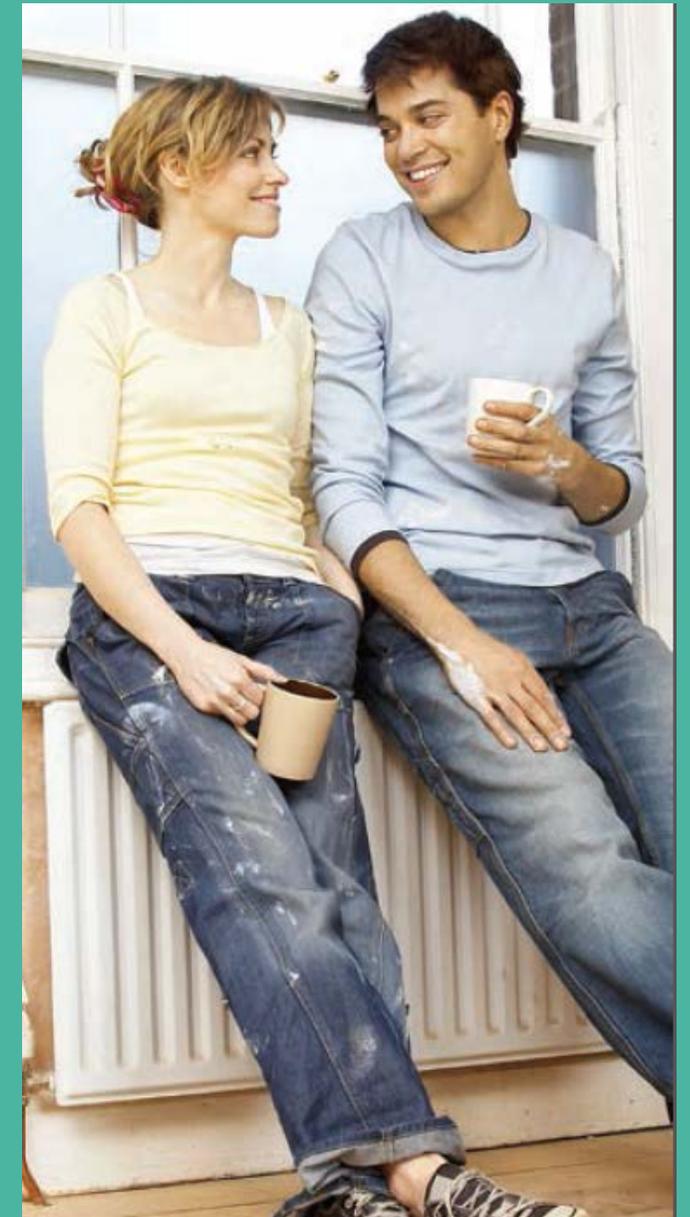
Came into force 31st October 2016 at which point the Housing and Planning Act and therefore the Right to Build was fully enacted.

Demand in each 12 month base period has to be met within a three year cycle by a correlating number of planning consents. The registers refresh every 31st October each year.

- Councils have a duty to grant planning permission to meet demand measured by the Right to Build Registers with a three year period and on an ongoing basis.
- The latest rules allows authorities to set local connection tests and request details about finances which may affect which part of the register applicants qualify for. Can also charge annual fees that are proportionate to the work involved discharging their duties. (refundable if the application fails).

Who Can Register?

- Must be over 18
- Must be British citizen or a national of a European Economic Area state (i.e. in the EU)
- Must be living in the local authority area.
- **Part 1** of the register is for those with local connection and influences the provision that is supposed to be made.
- **Part 2** is for those with no local connection and is not counted towards provision required, although in theory it should affect local policy in connection with self build.
- Council should inform applicants if successful within 28 days and say why – but there's no appeal process.



Councils Can Set Some of Their Own Rules

- Local provision is defined by the local authority, typically live or work in the area or have family in the area for at least 5 years.
- Residency rules can be waived for members of the armed forces.
- May require a passport is produced.
- Some registers force applicant to state one preferred self build route e.g. kit, contractor, community scheme etc. (East Stafford)
- Some ask for a timescale (Maldon)
- Some ask for proof of financial resources (Islington)
- One council at least is charging £350 to go on the register (Islington).
- One has a form but no information on where to send it.

Vanguard Local Councils

2014 half a million pounds of government funding was shared amongst vanguard councils.

Cherwell District Council
South Cambridgeshire District Council
Teignbridge District Council
Shropshire Council
Oldham Metropolitan Borough Council
West Lindsey District Council
Exmoor and Dartmoor National Park Authorities
Pendle Borough Council
Sheffield City Council
South Norfolk District Council
Stoke-on-Trent City Council



*At least 50 councils are currently bringing forward sites
and offering assistance to self builders*

What Some Councils Are Doing

Stoke on Trent City Council

6 self build plots completed as a pilot and two more sites of 21 and 10 plots.

Council provided access, drainage and utility connections.

Demand was higher than expected and raised £591,000 at auction.

Obtained £72,000 under the Right to Build scheme to identify more self build plots.

Teignbridge District Council

July 2016 First council to adopt policy on self build homes.

5% quota of self/custom build houses on all developments of 20 or more houses for a period of 12 months. Must be completed within 3 years.

Custom and Self Build Supplementary Planning Document (SPD)

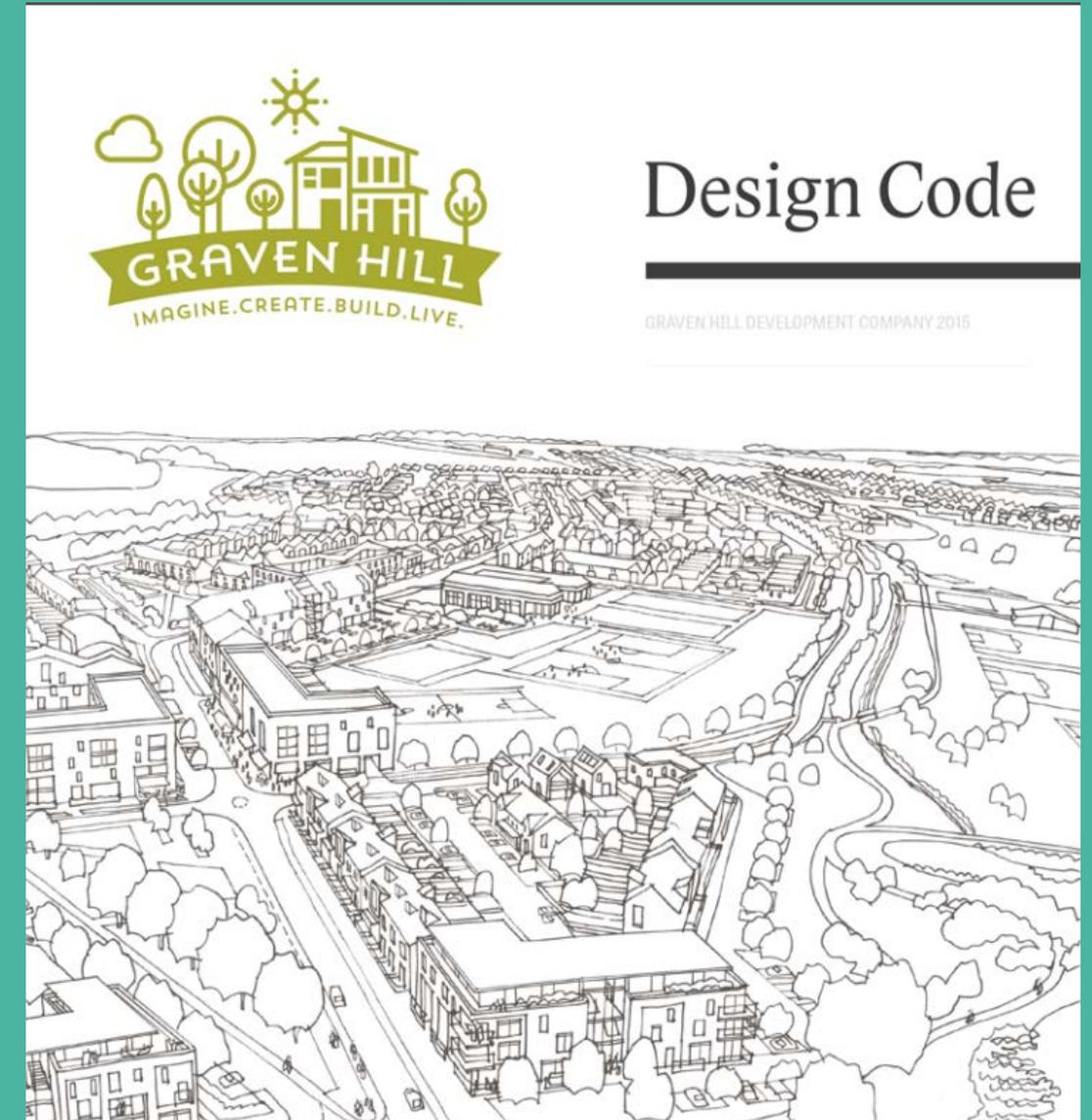
Cherwell District Council Graven Hill

The first large scale Local Development Order for custom-built housing development.

1,900 homes self or custom to be built

LDO removes need for individual planning applications, using a Masterplan and a Design Code instead.

Julian Owen MBE RIBA Architect



What Can Councils Do?

- Comply with the new legislation enthusiastically.
- Engage with community groups and affordable housing providers to unlock real projects.
- Allow small windfall sites to be brought forward outside of the local plan for housebuilding in particular for custom and self build homes.
- Greater use of Local Development Orders and area-wide design codes so small sites can be developed more quickly.
- Make self build plots available on council and public sector owned land.
- Planning policy that understands and assists self builders and custom build schemes.
- Provide short term finance and seed corn funding for community groups.
- Provide information on local resources and disseminate information.
- Political support and leadership.
- Consider partnerships with self build groups and custom build providers.
- Appoint an committed self build champion within the council.

Why Bother with Self Build & Custom Build?

- Increased training in construction skills
- Better quality construction
- Better design
- More diversity in housing design
- More responsive to community's needs
- More employment for SME builders & trades
- Shake up the market



Up to half your council tax payers would like to do it.