

**STRATEGIC PLANNING,  
SUSTAINABILITY &  
TRANSPORTATION COMMITTEE**

**10 April 2018**

**Self-Build and Custom Housebuilding Update**

<b>Final Decision-Maker</b>	Strategic Planning, Sustainability and Transportation Committee
<b>Lead Head of Service/Lead Director</b>	Rob Jarman, Head of Planning and Development
<b>Lead Officer and Report Author</b>	Stuart Watson, Planning Officer, Strategic Planning
<b>Classification</b>	Public
<b>Wards affected</b>	All wards

**Executive Summary**

This report provides Councillors with an update on the requirements to keep a self-build and custom housebuilding register, the number of entries on Maidstone's register and the number of plots for self-build custom house building granted planning permission by the Council in the last two years.

**This report makes the following recommendations to this Committee:**

That the statutory requirement for the Council to keep a self-build and custom housebuilding register and the duties required for increasing the availability of land for self-build and custom housebuilding be noted.

**Timetable**

<b>Meeting</b>	<b>Date</b>
Strategic Planning, Sustainability & Transportation Committee	10 April 2018

# Self-Build and Custom Housebuilding Update

## 1. INTRODUCTION AND BACKGROUND

- 1.1 National planning policy and practice guidance states that local planning authorities should identify local demand for people wishing to build their own homes, in their areas and make provision for it in their local plans<sup>1</sup>.
- 1.2 The Self-build and Custom Housebuilding Act 2015 (as amended by the Housing and Planning Act 2016) provides a legislative frame work for the Right to Build and provides a legal definition of self-build and custom housebuilding (SBCH). The Act does not distinguish between SB and CH and provides that both are where an individual, an association of individuals, or persons working with or for individuals or associations of individuals, build or complete houses to be occupied as homes by those individuals.
- 1.3 Responsibility for keeping a SBCH register falls to “relevant authorities”, including districts as set out in section 1 of the Self-build and Custom Housebuilding Act 2015 (as amended by the Housing and Planning Act 2016), and includes:
- 1.4 The information that relevant authorities must include on their register differs for individuals and associations of individuals. For entries on the register for individuals, relevant authorities must record the name and address of the individual on the register. For entries on the register for associations of individuals, relevant authorities must record the name and address of the association; the name and address (if different from that of the association) of the lead contact; and the number of serviced plots of land in the relevant authority’s area the members of the association are seeking to acquire. In all cases the date on which an entry was made and any dates on which it has been amended must be recorded on the register.
- 1.5 Applicants must meet all of the eligibility criteria for entry on the register. Each individual applicant and every member of an association of individuals that applies for entry on the register must include *inter alia*:
  - Satisfy any local eligibility conditions set by the relevant authority;
  - Be seeking (either alone or with others) to acquire a serviced plot of land in the relevant authority’s area for their own self-build and custom housebuilding project.
- 1.6 For the purpose of calculating demand, associations of individuals count as a single entry on the register. The rationale for joining a register as a member of an association will be for the SBCH project to be in close proximity to other members of the association. Therefore associations will be interested in a single site that is large enough to encompass their needs rather than separate plots of land.

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<sup>1</sup> Paragraphs 50 and 159 of the National Planning Policy Framework; paragraph 21 of National Planning Practice Guidance: housing and economic development needs assessments.

- 1.7 Local planning authorities should use the demand data from the registers in their area, supported as necessary by additional data from secondary sources (as outlined in the housing and economic development needs guidance), when preparing their Strategic Housing Market Assessment to understand and deduce future need for this type of housing in their area. Plan-makers will need to make reasonable assumptions using the data on their register to avoid double-counting households.
- 1.8 Section 1(2) of the Self-build and Custom Housebuilding Act 2015 requires each relevant authority to publicize its register. As a minimum, relevant authorities are recommended to hold a page on their website that is dedicated to SBCH. Further, authorities are encouraged to publish, in their Authority Monitoring Report, headline data on the demand for SBCH revealed by their register and other sources.
- 1.9 Relevant authorities should consider what additional optional information (for example, general location within the authority's area, plot size preferences and type of housing intended to be built) could be requested of applicants and made available to increase opportunities for SBCH in their area. The types of information relevant authorities are encouraged to publish include:
- the number of individuals and associations on their register;
  - the number of serviced plots of land sought; and
  - the preferences people on their register have indicated, such as general location within the authority's area, plot sizes and type of housing intended to be built, where this information has been requested by the authority and provided by an applicant.
- 1.10 SBCH development or part development, is exempt from the liability to pay a community infrastructure levy (CIL). However, this exemption is disqualified if, either the SBCH development or part development is let out or sold. If a developer submits a planning permission for 10 SBCH units, then they need to ensure that the development is phased in order for every SBCH builder to build their own home and be CIL exempt.

### **Self-build and custom housebuilding land duties**

- 1.11 The 2015 Act (as amended by the Housing and Planning Act 2016) has two duties; 'duty to grant planning permission etc.' and the 'duty as regards registers' which are concerned with increasing the availability of land for SBCH.
- 1.12 'Duty to grant planning permission etc.' means that relevant authorities must give suitable development permission to enough serviced plots of land to meet the demand for SBCH in their area. The level of demand is established by reference to the number of entries added to an authority's register during a base period.
- 1.13 The first base period began on the day on which the register was established and ended on 31 October 2016. Each subsequent base period is the period of 12 months beginning immediately after the end of the previous base period. At the end of each base period, relevant authorities

have 3 years in which to give permission for an equivalent number of plots of land, which are suitable for SBCH, as there are entries for that base period.

1.14 A relevant authority may make an application for an exemption for any base period if the demand for SBCH is greater than 20% of the land identified by that relevant authority as being available<sup>2</sup> for future housing. As relevant authorities have 3 years in which to give permission for sufficient land to match demand, demand should be assessed over 3 base periods. For this purpose demand is the aggregate number of new entries.

1.15 The authority is assumed not to be exempt until the Secretary of State has considered and written to the authority informing them of the outcome of their application. At the end of subsequent and concurrent base periods relevant authorities must continue to calculate demand on their register as a percentage of the deliverability of housing over the next 3 years. Where this continues to be over 20% that authority is deemed to still be exempt. However, if at the end of any given base period if the demand falls below 20%, the authority is deemed to no longer be exempt. If future demand increases again to over 20% then an authority must again re-apply for an exemption.

1.16 'Duty as regards registers' means that relevant local authorities have regard to the SBCH register that relates to their area when carrying out the following functions:

- **Planning:** registers may be a material consideration in decision taking and should be used as evidence when developing a local plan or associated documents;
- **Housing:** registers should be used as evidence when carrying out housing functions, including preparing local housing strategies and in developing plans for new housing on land owned by the local housing authority.
- **Land disposal:** registers should provide evidence when relevant authorities develop plans to dispose of land within their ownership.
- **Regeneration:** when developing plans to regenerate areas, relevant authorities should consider the demand identified within their register.

### **Cost recovery**

1.17 Relevant authorities can only set fees on a cost recovery basis. Any fees charged must therefore be proportionate, reflect genuine costs incurred and should not act as a deterrent for people to be entered on or remain on the register.

1.18 Relevant authorities can charge a different fee to associations than to individuals where they incur a different cost for processing an application from an association of individuals.

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<sup>2</sup> Land availability is the total number of new houses on land in the area of the relevant authority, assessed by that authority as being deliverable in that base period, the 2 preceding base periods, and the 2 subsequent base periods.

1.19 To recover the costs incurred when complying with the 'duty to grant planning permission etc.', relevant authorities can charge a higher entry fee to those whose entry onto the register counts towards the number of plots of permissioned land required. Relevant authorities that are not exempt from the 'duty to grant planning permissions etc.' can charge an additional annual fee in following years to those who are entered on their register and wish to remain on it.

### Implications for Maidstone

1.20 Whilst the Strategic Housing Market Assessment 2014 has not identified a need for SBCH within Maidstone, the Council has identified that the sector can play a key role in helping achieve a higher level of home ownership. The Maidstone Local Plan 2017 makes provision for SBCH within policy SP19 which states:

*"In considering proposals for new housing development, the council will seek a sustainable range of house sizes, types and tenures (including plots for custom and self-build) that reflect the needs of those living in Maidstone Borough now and in years to come."*

1.21 Maidstone's SBCH register is hosted externally from the Council website at: <http://localselfbuildregister.co.uk/localauthorities/maidstone-borough-council/>. The Council's register has been kept since April 2016, and table 1 shows the identified need at the 2016 and 2017 30 October base dates.

Base period	Individuals	Associations
1 April 2016 to 30 October 2016	134	3
31 October 2016 to 30 October 2017	127	2

Table 1. Maidstone base dated SBCH need

1.22 At 30 October 2017 base date, out of the 127 people, 31 individuals live within the borough, 114 showed an interest in more than one authority and 23 out of 97 ranked Maidstone as their first preference in a questionnaire attached to the register. Further, 71 respondents to the questionnaire gave their preference for the type of area they would like to build in - 62 stated rural (87.3%), 50 stated suburban (70.4%) and 31 stated urban (43.7%). Of those respondents, 67 stated they would like to build a single home (94.4%), 49 stated a small development (2-15 homes) (69.0%), 24 stated a medium (16-40 homes) (33.8%) and 17 stated a large development (40+ homes) (25.0%)<sup>3</sup>.

1.23 From the 71 respondents to the SBCH questionnaire 25 said they would like to start their project immediately (35.2%), 31 said in 6 months (43.7%), 11 said in the year 12 months (15.5%), and 4 said in 12 months or more (5.6%).

1.24 At present there are 2 associations on the Council's SBCH register, 1 is located within Maidstone borough and the other in Tonbridge and Malling. Both associations wish to build in more than one authority and 1 stated

<sup>3</sup> Respondents where give the choice of more than one answer.

Maidstone as their number one preference on their questionnaire. There is an average of 3 households for both associations and both said they would like to start their project in the year 2017.

1.25 Currently, individuals or associations are not charged for entry or maintenance on the Council's SBCH register. A government grant was issued to the Council to cover the initial set up costs of SBCH register, and at present the remainder of the grant is being used to cover the register's costs.

1.26 At 21 March 2017, there's been one planning application approved for SBCH totalling 1 plot; and there's been two applications refused, one of which has an appeal outstanding (table 2).

Application number	Address	Description	Decision	Date	Appeal
17/503487/ FULL	Wickham Field Pattenden Lane Marden Kent TN12 9QU	Construction of 2 bedroom self-build detached bungalow	Approved	01 November 2017	
16/508522/ HYBRID	Land Adjacent To Westholme, Maidstone Road, Sutton Valence, Kent, ME17 3LR	Hybrid application for outline application for 14 self/custom build detached dwellings (Access being sought) and full detailed application for associated road infrastructure, access and landscaping.	Refused	16 May 2017	Informal hearing 20 March 2018, decision pending
16/503772/ OUT	Land North Of, Kenward Road, Yalding, Kent	Outline planning application for the construction of up to 60 no. bungalows, houses and starter home apartments, inclusive of self-build plots for sale, with 40% affordable housing and new vehicular access from Kenward Road with all matters reserved.	Refused	2 August 2016	

Table 2. Applications submitted for SBCH in last two years

1.27 In summary at 30 October 2017 the aggregate SBCH need over the two base dates is 261 individuals and 5 associations. The SBCH need has a negligible impact on the available housing land supply at 1 April 2017. However, so far no SBCH plots have been secured on sites allocated within the Maidstone Local Plan 2017.

1.28 The 30 October 2016 base date identified SBCH need of 134 plots and 3 associations plots, and the 31 October 2017 base date identified SBCH need of 127 plots and 2 associations, and there's approximately 1 year 7 months and 2 years 7 months remaining respectively in which the 'duty to grant planning permission' applies.

1.29 The Council are currently in the early stages of scoping future ways in which to maintain the SBCH register. Considerations include the introduction of a

charging cost for entry and maintenance on the register, and this may deter individuals and associations who state that Maidstone is not their first area of interest. Also the exemption of SBCH from Maidstone's community infrastructure levy may lead builders identifying their schemes as SBCH where previously there had been no advantage to this.

- 1.30 The Council's requirement to publish its SBCH need, and the monitoring of planning permissions for SBCH will be updated at a yearly base date of 30 October and reported in the Council's Authority Monitoring Report.

## 2. RISK

- 2.1 No risk management implications.

## 3. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 3.1 Applications for SBCH and the granting of plots will be measured against 30 October 2017 base date and subsequent base dates, and the results will be reported in the Council's Authority Monitoring Reports.

## 4. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<b>Impact on Corporate Priorities</b>	The SBCH register, contributes to a sustainable range of house sizes, types and tenures that reflect the needs of those living in Maidstone Borough.	Rob Jarman, Head of Planning and Development
<b>Risk Management</b>	The Council may be subject to appeal on applications refused for self-build and custom housebuilding plots if the 31 October 2017 base requirement is not met by 30 October 2020	Rob Jarman, Head of Planning and Development
<b>Financial</b>	There are administrative and maintenance costs incurred in hosting, maintaining and reporting on a self-build custom housebuilding register. The balance of the government grant for set-up costs will cover costs in the short term and amendments to the register, prior to the introduction of fees.	Section 151 Officer & Finance Team
<b>Staffing</b>	The reporting on the self-build	Rob Jarman,

	and custom housebuilding register can be accommodated within the existing staff structure.	Head of Planning and Development
<b>Legal</b>	The maintenance and publication of a SBCH register fulfils the Council's duties under Self-build and Custom Housebuilding Act 2015 (as amended by the Housing and Planning Act 2016)	Cheryl Parks Lawyer (Planning) Mid Kent Legal Services
<b>Privacy and Data Protection</b>	Data held by the Council relating to personal details, and other sensitive information will need to be managed very carefully and in line with the Council's agreed policies and procedures	Cheryl Parks Lawyer (Planning) Mid Kent Legal Services
<b>Equalities</b>	<p>The SBCH register, contributes to a sustainable range of house sizes, types and tenures that reflect the needs of those living in Maidstone Borough.</p> <p>The recommendations do not propose a change in service therefore will not require an equalities impact assessment</p>	[Policy & Information Manager]
<b>Crime and Disorder</b>	N/A	Rob Jarman, Head of Planning and Development
<b>Procurement</b>	N/A	Rob Jarman, Head of Planning and Development & Section 151 Officer