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Guidance note on Self and Custom Build Housing

1.0. Introduction

To support the Government's objective of increasing housing supply, local planning authorities must keep a register of individuals and associations of individuals, who want to acquire serviced plots of land for self or custom housebuilding. This is known as the Self-Build and Custom Housebuilding Register.

There are many different projects that fall under the category of custom and self build. The practice allows individuals or associations the opportunity to choose the design and layout of their home rather than buy a home which has been designed and built by a developer.

We anticipate that the majority of new homes built in North Hertfordshire will be located on sites identified in the new Local Plan for development. Larger sites allocated in the Local Plan will be required to provide some self/custom build plots. There may also be opportunities for self and custom housebuilding when land becomes available in our towns or villages.

The Council will support individuals and associations who are wanting to commission or build their own home by providing information on our website and contacting people on our Register when plots become available.

2.0. What is Self-Build and Custom Housebuilding?

The National Planning Policy Framework (NPPF, 2021) refers to Self and Custom Build. Paragraph 62 states (emphasis added):

"the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies (including, but not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and **people wishing to commission or build their own homes**)."

For the purposes of planning policy, custom and self-build dwellings share the same definition and the terms can be used interchangeably. In practical terms, the difference is that custom build is where a person appoints a specialist developer to help build their own home; self-build is where a person is more directly involved in organising and constructing their own home.

Self and Custom housebuilding does not include the purchase of a house built by a developer or building a home to then sell.



3.0. What is the Self-Build and Custom Housebuilding Register?

By signing up to the Self and Custom Housingbuilding Register individuals and groups can inform the Council that they are interested in commissioning or building their own home in North Hertfordshire.

The Register helps us to understand the level of demand for this practice which we will take into consideration when carrying out planning, housing, land disposal and regeneration functions.

Please note that there is no guarantee if you join our Register that we will be able to provide you with a serviced plot to build on or that any land will be sold at a discounted rate for self-builders to build on.

4.0 What is the Council required to do?

The Government requires all local planning authorities to monitor and report on the demand for self and custom housebuilding in their Districts.

The demand for self and custom housebuilding is measured over a 12 month base period which ends on 31 October each year. The first base period ran from the inception of the Register to 31 October 2016. Each following 12-month period forms the next base period.

Within three years of the end of each base period the Council should grant an equivalent number of development permissions for self-build as there are for entries in each base period. The Compliance and Fee Regulations confirm that the time allowed to comply with the duty is 3 years beginning immediately after the end of the base period.

'Development permission' means planning permission or permission in principle, and a permission is "suitable" if it is in respect of development that *could* include self-build and custom housebuilding. There is no requirement that the permission be implemented. Equally there is no requirement that the permission is granted to or for the benefit of an individual on the register.

A serviced plot is a plot of land which either has access to a public highway and connections for electricity, water and waste water; or where in the opinion of the Local Planning Authority (LPA) highways access and utilities connections can be provided before the granted planning permission expires.

We will publish the following data in our Authority Monitoring Report (AMR):

- The number of individuals and associations on the Register;
- The number of plots secured through planning permissions;
- The number of people who have chosen each location as a preference.

You can access this information here: Monitoring | North Herts Council (north-herts.gov.uk)

Our monitoring of self and custom build demand will help inform the delivery of serviced plots across the District. Anonymised, collated data from the Register may be published by the Council in reports or other publicly accessible material.



5.0 Can I join the Self-Build and Custom Housebuilding Register?

It is currently free to join our Register. However, applicants must satisfy the following criteria:

- Aged 18 or over;
- A British citizen, a national of an EEA State other than the United Kingdom, or a national of Switzerland; and
- Seeking (either alone or with others) to acquire a serviced plot of land in North Hertfordshire to build a house to occupy as your sole or main residence.

In order to better understand the need for serviced plots, information relating to location preferences in North Hertfordshire is also requested.

If a group or an association apply to the Register, then each member must fulfil the eligibility criteria. The Council will assess applications to ensure that applicants meet the eligibility requirements.

If you would like to be added to the Register please complete the registration form on the Council's website: https://www.north-herts.gov.uk/home/planning/planning-policy/self-build-and-custom-build-register.

The Council will seek to determine applications within 28 days from when the application was received. Please note that entry onto the register does not guarantee that a suitable plot will be identified or become available.

The Council will only accept direct applications from relevant individuals or groups. Entries provided or suggested by third-party data aggregators or commercial services will not be included. We will process any data that you submit in accordance with our Privacy Statement and General Data Protection Reglations 2018.

To keep the Register up to date and accurate, the Council will periodically contact registered individuals and associations to reconfirm your interest. Similarly, if your interests or details change, please let us know and we can update your details by contacting us at: planning.policy@north-herts.gov.uk.

The Register can be divided into two parts. Part 1 of the Register includes people who meet all criteria including an additional 'local eligibility test'. People who meet all the criteria except the local connection test, will be entered in Part 2.

The Council does not currently use local eligibility criteria to separate the Register into Part 1 and Part 2. If such criteria are introduced in the future they may include:

- a local connection test whereby individuals would need to provide evidence that they work, live or have family ties to the authority's area.
- a test where individuals would need to demonstrate that they will have sufficient funds to support a self-build project.

Due to the administrative costs of maintaining the Register, the Council will undertake regular reviews of whether to set a fee (and at what level) to join and remain on the Register.

6.0 How will the Council deliver serviced plots?

We aim to provide serviced plots of land for self and custom housebuilding on our larger strategic sites allocated in the new Local Plan. Policy SP8 of the new Plan, proposes that on sites which have the capacity for more than 600 homes must provide at least 1% of dwellings



plots for sale for self or custom builders. These plots will be sold with an outline planning permission, services to the boundary and access to the highway.

Sites with multiple self-build/custom build plots will usually come with a design code to ensure that the development complies with our policies and self and custom build homes integrate with the surrounding area, creating attractive and well-designed neighbourhoods. This will ensure there is a high standard of urban design in the area and will assist with the marketing of self-build plots.

The Council will normally require appropriate conditions be put in place where a serviced plot is provided by a site developer. On schemes providing a range of housing types and tenures, development proposals will normally be divided into phases for the delivery of site infrastructure, development and serviced plots. This ensures that the delivery of self-build and custom housebuilding is not stalled and that any Section 106 obligations are triggered correctly. Note; a Section 106 Agreement can restrict the availability of finance from banks and this should be considered at an early stage by any persons or associations interested in self-build and custom housebuilding.

The Council's Draft Developer Contributions SPD provides further guidance on the delivery of serviced plots for self and custom builders. The document can be accessed here: Planning Obligations SPD and Proposed Developer Contributions SPD | North Herts Council (northherts.gov.uk)

Alternatively, we may also identify council owned serviced plots that are suitable to market for self-build purposes when disposing of land. It is recognised that not all sites and locations will meet the specific requirements of local demand, however, the Council will encourage serviced plots within residential schemes that are in accordance with the Local Plan.

We will also support Neighbourhood planning groups who wish to encourage self and custom housebuilding in their neighbourhood areas by creating neighbourhood plan policies or allocated new development sites for self and custom build. Further guidance on neighbourhood planning can be found here: Neighbourhood Planning | North Herts Council (north-herts.gov.uk)

Please note that, members of the Self-Build and Custom Housebuilding Register are encouraged to continue looking for potential serviced plots while on the Register as the Council cannot guarantee that applicants to the Register will be provided with a self-build plot.

7.0 How can I get a serviced plot?

We will contact people on the Register to give notice that there will be a plot becoming available in the location that they are specified as a 'location of interest' on their application form. We will also promote plots that will be coming available on our website.

Plots provided on private development sites may be transferred fully to North Hertfordshire District Council or retained by the developer. In cases where the control of the plot is retained by the developer, we will provide contact details for individuals or associations to contact the developer. In this instance, we will not be directly involved in disposing of the plots.

For self-build plots that arise through the Council's land disposal function, or that are transferred to the Council from the developer, there will be an appropriate marketing and advertising process. At this stage, there might be a requirement to demonstrate proof of funds to support the purchasing of land, and associated construction costs.



Following this filtering process a sealed bidding process (or similar) will take place to determine the purchaser of the serviced plot(s), criteria for which will be defined at an appropriate time. If at this stage the sale of the plot(s) falters it is likely that the site will be advertised again and the process repeated.

8.0 How can you get a self-build permission?

Where an area of land has been identified to provide multiple plots to be individually sold for self-build and custom housebuilding, the Council will normally seek to grant outline planning permission. This is where the principle for housing has been agreed, but without detail of scale, design and appearance etc.

The detailed design of houses on these sites will be guided by relevant local and national policies, design guidance from the developer and / or any design code. The detailed design can be contained in either a 'reserved matters' application (in association with the outline application) or a 'full planning' application (either a 'reserved matters' or a 'full' application which would include all of the scheme's detailed design).

If an individual plot for self-build is identified by a person on the register or a site including multiple self-build plots is identified by an 'association of persons' on the register, there is likely no need for an outline (in principle) application, and full details of the proposed design(s) and layout(s) could be provided as part of a 'full application'.

Individual serviced plots for self-build units may offer the opportunity for homes to be more bespoke in their design; however a planning application for development will be subject to the relevant Local Plan and national policies. Prospective self-builders are encouraged to engage in pre-application consultation with the Council.

9.0 What legislation is relevant to self-build and custom housebuilders?

The <u>Self-build and Custom Housebuilding Act 2015</u> requires each relevant authority to keep a register of individuals and associations of individuals who are seeking to acquire serviced plots of land in the authority's area in order to build houses for those individuals to occupy as homes.

The <u>Self-build and Custom Housebuilding (Register) Regulations 2016</u> made under the Act provides guidance on designing and administration of the Register.

The <u>Housing and Planning Act 2016</u> sets out the duties local planning authorities are required to meet regarding self-build and custom housebuilding.

10.0 Where can I find more information?

There are a range of resources and organisations that can help support individuals or groups throughout the self and custom build process.

The Self Build Portal (www.selfbuildportal.org.uk/) provides a wide range of information on selfbuild and custom housebuilding. It is produced by the National Custom and Self Build Association (NaCSBA).

NaCSBA has also assembled an online toolkit to provide further information on and highlight examples of self build and custom housebuilding from the UK and Europe. The toolkit can be found at www.customandselfbuildtoolkit.org.uk.



There is a range of information including self-build finance providers and insurers set out on the Build Store website: Self Build | Self Build Mortgages UK | BuildStore

The Government has also prepared a Planning Practice Guidance on Self-build and Custom Housebuilding which can be accessed here: <u>Self-build and custom housebuilding - GOV.UK</u> (www.gov.uk)

The Council offers a pre-application advice service and applicants are encouraged to use this service at an early stage of the development process. Further information on the Council's pre-application advice service can be found here: Do I need planning permission? | North Herts Council (north-herts.gov.uk). This service may be particularly helpful for sites with significant development constraints such as flooding or land contamination.

Once planning permission has been secured any self-build or custom housebuilding project will be required to be designed and built in accordance with Building Regulations and associated legislation. Hertfordshire Building Control Team can provide more information on what is required at each stage of the design and construction process. You can find more information on their website: Home | Hbc (hertfordshirebc.co.uk)

The construction of new build dwellings is not subject to VAT, so self builders can reclaim their VAT within 3 months of completing the work. Further information should be sought from HMRC on this matter. You can access further information here: <u>Building a new home and VAT - GOV.UK (www.gov.uk)</u>

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