

## POLICY REVIEW AND DEVELOPMENT PANEL REPORT

REPORT TO:	<i>Regeneration and Development</i>		
DATE:	7 <sup>th</sup> December 2021		
TITLE:	Custom and Self Build Proposals for Council owned site		
TYPE OF REPORT:	Task Group report		
PORTFOLIO(S):	Richard Blunt, Adrian Lawrence		
REPORT AUTHOR:	Karl Patterson & James Grant		
OPEN/EXEMPT	Open	WILL BE SUBJECT TO A FUTURE CABINET REPORT:	Yes

### **REPORT SUMMARY/COVER PAGE**

PURPOSE OF REPORT/SUMMARY:
The report sets out a proposal to deliver a custom and self-build development on council owned land at Bradfield Place, Stoke Ferry.
KEY ISSUES:
<p>The Custom and Self Build Action Plan includes an action to “Identify Council owned site to provide a pilot scheme to directly deliver custom build units.” A suitable site has been identified at Bradfield Place, Stoke Ferry, part of which is allocated for housing.</p> <p>In order to deliver a high-quality exemplar scheme, expertise and experience of this type of development is require. Therefore, it is recommended that a Custom and Self Build enabler is procured to project manage delivery of the site.</p>
OPTIONS CONSIDERED:
<p>In order to deliver the site for Custom and self-build housing, the following options have been considered</p> <p><b>Delivery of site project managed by a Custom Build Enabler (Recommended)</b> A custom build enabler would bring expertise and experience of delivering this type of development and help to ensure a high-quality scheme. The enabler would be an additional cost, but their expertise should enable the development to be delivered in the most cost-effective way.</p> <p><b>Project Management carried out by the Council</b> Whilst this may have the potential to be the cheapest option, the council does not have experience of delivering custom and self-build housing. Therefore, it is unlikely that this would result in the delivery of a high-quality exemplar scheme. This option would also take up significant officer capacity.</p> <p><b>Sale of site to a Custom Build Developer</b> It may be possible to sell the site to a developer to deliver as a custom and self-build development. This would result in loss of control of the site, and it would be difficult to ensure that the site was delivered as custom and self-build.</p> <p><b>Do not deliver the site as custom and self-build housing</b> This would result in a missed opportunity to meet an objective set out in the adopted Custom and Self Build Action Plan and deliver much needed housing on an allocated site.</p>

**RECOMMENDATIONS:**

It is recommended that the panel supports a report to cabinet seeking delegated authority to procure the services of a Custom Build Enabler to project manage the delivery of the site as custom and self-build housing.

The project will be reviewed at a certain point prior to any construction work being carried out to ensure that delivery of the site is viable.

**REASONS FOR RECOMMENDATIONS:**

To enable delivery of custom and self-build housing on an allocated site

To fulfil Action 9 of the Custom and Self Build Action Plan

To generate a land receipt for the site

## **REPORT DETAIL**

### **1. Introduction**

In recent years, custom and self-build housing has gained increasing focus from Government and in 2016 the Council set up the Custom and Self Build Task Group to explore how the Council should respond to this agenda.

In November 2018 the Council adopted a Custom and Self Build Action Plan which set out its ambitions in respect to self-build and custom house building in the Borough. This includes an action to identify council owned land to deliver an exemplar custom/self-build site in order to demonstrate to private landowners the potential for this type of development.

Various sites owned by the Council were explored and Land at Bradfield Place, Stoke Ferry was identified as being the most suitable with the potential to deliver up to 20 custom/self-build plots.

Various options regarding how to bring the site forward have been explored and the preferred option is to commission a specialist Custom Build Enabler to project manage delivery of the site and sale of plots.

### **2. Proposal**

The site is partially allocated with 0.7ha allocated for at least 10 dwellings (Policy G88.2 Stoke Ferry - Site Allocations and Development Management Policies Plan 2016) and a similar sized area unallocated but with the potential to deliver a further 10 dwellings. 20% Affordable Housing would be delivered on site although the method of delivery is to be determined.

The unallocated section of the site was previously a preferred allocation within the Local Plan Review. However, any future allocations within the village will now be made within the parishes Neighbourhood Plan. Opportunities to obtain planning permission for custom and self-build housing on this land will continue to be explored.

In order to commence development without a significant delay, it is likely that the site would need to be brought forward in 2 phases. This would enable the success of the first phase to be reviewed prior to committing to any development of the second phase.

Initial viability appraisals suggest that delivering serviced plots for custom and self-build will provide a greater return to the Council than disposing to a speculative developer.

A demand assessment for custom and self-build in Stoke Ferry was commissioned in 2020 and this identified 86 individuals interested in building their own home in Stoke Ferry. Whilst this is encouraging, it is anticipated that interest from a wider range of potential buyers will grow when the site has planning permission and the plots can be actively marketed locally.

Following advice received from the National Custom and Self Build Association (NaCSBA), it was clear that to successfully deliver a high-quality custom and self-build development, expertise and experience of this type of development would be required. Therefore, officers met with a number of Custom and Self Build Enablers in order to understand how they operate and how they could assist with the delivery of Bradfield Place.

Whilst there are different types of Enablers, it was previously agreed by the Custom and Self Build Task Group that an agent/consultant enabler would be most appropriate to assist with Bradfield Place, Stoke Ferry. This would enable the council to retain control of the development and give plot purchasers sufficient choice regarding how their home is delivered.

It is envisaged that the enablers' role would include the following

- Feasibility, Viability, Strategy, and Concept Designs,
- Design / Management of Site Infrastructure works,
- Design of Affordable Housing Units (depending on delivery model),
- Submitting outline planning application
- Development of design code and plot passports/strategy for Custom / Self Build building plots,
- Development of legal pack for sale of plots
- Marketing strategy / Marketing of plots,
- Management of plot reservations,
- Engagement with Mortgage services providers/development of lender panel for plot purchasers,
- Assisting/signposting plot purchasers through the process of engaging professionals and contractors,
- Overseeing of plot construction and support self-builders through build

Whilst it is inevitable that the enabler would use sub-contractors for some of this work, they would act as the overall project managers. This will ensure that all aspects of the project are tailored for custom and self-build development as well as the draw on officer's capacity being kept to a minimum.

### **3. Issues for the Panel to Consider**

No relevant issues

### **4. Corporate Priorities**

The development will help to increase the supply of suitable housing in appropriate locations by delivering housing on an allocated site

It will also meet action 9 of the council's Custom and Self Build Action Plan - Identify Council owned site to provide a pilot scheme to directly deliver custom build units.

### **5. Financial Implications**

The development will generate a land value for the site and initial viability appraisals suggest that this would exceed the amount that could be generated by selling the site to a speculative developer. There will be upfront costs for design work and the provision of infrastructure such as roads and utilities to service the plots. However, the costs of development will be significantly less than a traditional development as the costs of building the homes will be taken on by the plot purchasers

### **6. Any other Implications/Risks**

The project will take up some officer resource, but this should be minimised by passing project management to a custom and self-build enabler

## **7. Equal Opportunity Considerations**

None

## **8. Environmental Considerations**

The development of housing has an inevitable environmental impact, from habitat loss, the consumption of materials, and the use of carbon created during the properties manufacture and use. Custom and Self Build Homes offer an opportunity to minimise the environmental impact of development.

In 2008, The National Custom & Self Build Association (NaCSBA) estimated that 25,000 self-built homes would save perhaps 100,000 tonnes of CO2 a year compared to conventional alternatives.

Feedback from the council's demand assessment identified two key figures in relation to environmental sustainability:

- Of those surveyed 24% of people, when asked about their preference on the features they with their home to possess, stated that an Eco Development was important to them.
- 14% of those survey noted that their main reason for Custom Building was to create an energy efficient home with low monthly bills

## **9. Consultation**

Consultation with the local community will commence once an enabler has been identified.

## **10. Conclusion**

The delivery of an exemplar custom and self-build development at Bradfield Place would provide the opportunity for individuals to design and commission their own home and demonstrate to other landowners the potential of this type of development.

Working with a custom build enabler will ensure that the council has the necessary experience and expertise to deliver such a scheme

## **11. Background Papers**

Custom and Self-Build Action Plan