

## POLICY REVIEW & DEVELOPMENT REPORT

Type of Report: Policy Development	Portfolio(s): Development, Housing and Community
Will be subject to a future Cabinet Report:	YES
Will be need to be recommended to Council:	YES
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OPEN	

### Regeneration and Development Panel

Date: 1<sup>st</sup> June 2016

Subject: CUSTOM BUILD AND SELF BUILD POLICY DEVELOPMENT TASK GROUP/INFORMAL WORKING GROUP

#### Summary

The Self-build and Custom Housebuilding Act 2015 places a new duty from April 2016 on council's to identify, and assess demand from individuals or groups of individuals who want to undertake self-build or custom build projects. Further, a duty exists to give regard to the identified need in planning and other functions. The key aim of the new legislation is to facilitate the provision of plots and increase the numbers of new homes delivered in this way (currently far below rates achieved in other European countries). There are a number of options for the type of approach to take from in-direct planning policy mechanisms to direct delivery of services plots.

This report briefly sets out the implications of the Act for the Council and proposes that a Policy Development Task Group or Informal Working Group is established to consider alternative approaches, and make recommendations to Cabinet/ Council.

#### Recommendations

- Establish a Policy Development Task Group or Informal Working Group to include the portfolio holders' for Planning and Housing
- Agree that the Policy Development Task Group or Informal Working Group also considers approaches to Starter Homes, and measures to increase the housing supply locally.

#### Background

The definitions of terms are understood as: Self-build as projects where someone directly organises the design and construction of their new home. Custom build

homes as those where someone works with a specialist developer to help deliver a new home.

The Self-build and Custom Housebuilding Act 2015 act creates is a duty to maintain a register of those individual s or groups wishing to build in a local area. There is also a duty on councils to give regard to the register and identified demand when carrying out their planning; housing; public land disposal; and, regeneration functions. The Act is a material planning consideration when councils prepare their Local Plans. There is already evidence that Plans could be found unsound if they don't give regard to Custom-build demand/ identified need.

The case for legislation was made to address low levels of self and custom build compared to other countries, and there is evidence that creating opportunities can increase the speed of delivery of new housing supply. The duty effectively requires a minimum level of promotion and some direction on the information to capture. There have been relevant changes to the National Planning Policy Framework (NPPF) to reflect the new legislation -*“Council’s need to plan for a mix of housing .... This should take account of current / future demographic and market trends and the needs of different groups in the community including people wishing to build their own homes (NPPF para 50)”*

### **Requirements on identifying and assessing need/demand**

1. Minimum levels of activity are set out in n the Act and include:

- Need for a strong presence on council websites
- Press releases
- Annual contact with register applicants
  
- Register should capture what, where, type of plot, budget, and tenure
- Use secondary sources of data including building plot search website, 'need a plot' information from the government endorsed self-build portal
- Use of local – even site specific surveys of demand/ expressions of interest.

### **Self-build and Custom-build register**

The Council has developed an on-line register that went live on the 1<sup>st</sup> April 2016. The register will operate in conjunction with Breckland Council, South Norfolk Council (Vanguard authority), and The Broads Authority. Plans will be prepared to promote the register and its purpose in line with the requirements of The Act.

The objective of the Act and its requirements is that the local council 'facilitates' service plots in response to objectively assessed need. This can be undertaken through various planning policy routes including direct allocation for Custom build use.

### **Policy and Strategy approaches**

The National Custom and Self-Build association have identified a number of different approaches being used by councils across the country and include:-

- Policies promoting housing mix - a popular approach to date have been to encourage or, in some cases, require private homebuilding (self-build or custom housebuilding) alongside other market housing on windfall sites and allocations. The proportion is typically assessed on a case by case basis and takes into account the level of local demand

- Land allocations, disposals and acquisitions - a growing number of councils are identifying suitable sites or locations where private homebuilding is specifically encouraged, promoted or required. In some cases land is made available by disposing of public land or by buying land

- Promotion as part of affordable housing - a growing number of councils are bringing forward private homebuilding opportunities through their affordable housing policies and, in some cases, they facilitate development through exception sites

- Percentage policy asking for private homebuilding plots to be provided on larger housing sites (typically 5-10% on sites of more than 20 homes) - a growing number of councils are introducing policies that ask for a proportion of allocated or windfall sites over a certain size to make provision for private homebuilding. The most common approach is to require developers to provide serviced building plots, with a Design Code. This simplifies the planning process for individuals and reduces the need for the council to determine a large number of planning applications

- Financial help (mortgages/development finance) - a small number of councils are helping people get access to mortgage finance or are offering mortgages. An example is Capita Asset Services' Custom and Self-Build Finance Scheme supported by Lloyds Banking Group

## **Proposal**

It is proposed that Task Group is established as detailed in the summary box, and that members are updated with progress on plans to promote the register. The Task Group may undertake some consultation subject to any necessary approval and communicate recommendations back to Cabinet/ Council.

## **Options Considered**

Do nothing – not an option as Local Plans can be found unsound if they are silent on Self-build/ Custom-build. A range of policy and strategy options will be considered by the Task Group that will reflect local circumstances and Council priorities.

## **Equality Impact Assessment (EIA)**

Pre-screening report template attached

## **Policy Implications**

The purpose of establishing the Task Group will be to consider appropriate policy and strategy approaches and make recommendations to Cabinet/ Council.

## **Financial Implications**

There are no financial implications in respect of the policy / strategy development work described.

**Personnel Implications**

There are no Personnel implications in respect of the policy / strategy development work described.

**Statutory Considerations**

The Act places new duties on the Council as detailed above.

**Risk Management Implications**

The Local Plan could be compromised without appropriate responses to identified need for those wishing to secure plots for self-build / custom-build.

**Declarations of Interest / Dispensations Granted**

None

**Background Papers**

National Custom and Self-Build Association website:



## Pre-Screening Equality Impact Assessment

Name of policy/service/function	Custom Build and Self-build policy development task group				
Is this a new or existing policy/ service/function?	New				
Brief summary/description of the main aims of the policy/service/function being screened. Please state if this policy/service rigidly constrained by statutory obligations	The aim of establishing the Task Group will be to explore and evaluate policy and strategy options to respond to the new duties arising from the Self-build and Custom housebuilding Act 2015				
<b>Question</b>	<b>Answer</b>				
<p>1. Is there any reason to believe that the policy/service/function could have a specific impact on people from one or more of the following groups <b>according to their different protected characteristic</b>, for example, because they have particular needs, experiences, issues or priorities or in terms of ability to access the service?</p> <p>Please tick the relevant box for each group.</p> <p>NB. Equality neutral means no negative impact on any group.</p>		Positive	Negative	Neutral	Unsure
	Age			√	
	Disability			√	
	Gender			√	
	Gender Re-assignment			√	
	Marriage/civil partnership			√	
	Pregnancy & maternity			√	
	Race			√	
	Religion or belief			√	
	Sexual orientation			√	
	Other (eg low income)			√	
<b>Question</b>	<b>Answer</b>	<b>Comments</b>			
2. Is the proposed policy/service likely to affect relations between certain equality communities or to damage relations between the equality communities and the Council, for example because it is seen as favouring a particular community or denying opportunities to another?	No	The aim of the group is to consider policy/ strategy approaches.			
3. Could this policy/service be perceived as impacting on communities differently?	No				
4. Is the policy/service specifically designed to tackle evidence of disadvantage or potential discrimination?	No				
5. Are any impacts identified above minor and if so, can these be eliminated or reduced by minor actions? If yes, please agree actions with a member of the Corporate Equalities Working Group and list agreed actions in the comments section	No	<b>Actions:</b>			
		<b>Actions agreed by EWG member:</b> .....			
<b>Assessment completed by:</b> Name <b>Duncan Hall</b>					
<b>Job title</b> Housing services Manager	<b>Date</b> 1 st April 2016				