

## **Appendix D: Self-Build and Custom Housebuilding Register**

### **1. Background**

- 1.1 The Self-Build and Custom Housebuilding Act 2015 and subsequent Self-Build and Custom Housebuilding Regulations 2016 requires Local Authorities to have established and publicised a Self-Build and Custom Housebuilding Register by 1 April 2016. The register is intended to identify the demand for self-build and custom housebuilding within each Local Authority's area. To meet this requirement, planning policy officers created Spelthorne's register which took effect from 1 April 2016.
- 1.2 The Council is required to have regard to the register in its planning, housing, regeneration and land disposal functions. Further details regarding these requirements, including the duty to provide 'suitable development permission' to meet the demand for self-build and custom housebuilding are set out in the Housing and Planning Act 2016.

### **2. Eligibility**

- 2.1 Eligibility criteria for entry onto the Council's register are set out in the 2016 Regulations. These state that applicant would be eligible to be placed onto the Council's register if they are:
  - Aged 18 or over; and
  - A British citizen, a national of an EEA state other than the UK or a national of Switzerland; and
  - Seeking (either alone or with others) to acquire a serviced plot of land in the relevant authority's area to occupy as that individual's sole or main residence.
- 2.2 Applications from associations of individuals will only be successful if each individual meets all of the criteria
- 2.3 The 2016 Regulations were updated in October 2016 and now specify that in addition to complying with the eligibility criteria set out above, Local Authorities can introduce eligibility criteria for entry onto their register in the form of a local connection test and a financial solvency test (an assessment of an applicant's ability to purchase land for their own self-build project). Authorities are also able to introduce an entry fee and an annual charge for applicants wanting to remain on the register.
- 2.4 The updated 2016 Regulations specify that applicants whom meet all of the eligibility criteria (including a local connection test, financial solvency test and payment of the required entry fee) should be placed onto Part 1 of the register. Those applications that fail a local connection test but otherwise meet the eligibility criteria must be entered onto Part 2 of the register.

### **3. Progress on Register**

- 3.1 The Council is required to provide sufficient development permissions to meet the demand for self-build and custom housebuilding as evidenced on its register within three years of the conclusion of each base period. The first base period commenced on the date the Council first established its register (1<sup>st</sup> April 2016) and concluded on 30 October 2016. The second base period

commenced on 31 October 2016 and lasted for a period of one year, ending 30 October 2017. Subsequent base periods will begin the day immediately following the ending of the previous base period and will last for a duration of one year.

- 3.2 The 2015 Act and 2016 Regulations provide little incentive for developers to provide self-build or custom building plots. Officers will consider the most appropriate approach for ensuring that the demand for self-build and custom housebuilding is met through the new Spelthorne Local Plan which is currently being prepared. In the context of housing delivery within Spelthorne and the challenges associated with this, it is considered appropriate to seek to meet demand for self and custom build homes from individuals and associations who are able to demonstrate a satisfactory connection to the Borough and have the financial capability to purchase land and fund the self-build project.
- 3.3 In order to demonstrate compliance with the local connection test applicants must be able to show that:
- They have been living in the Borough for three consecutive years; or
  - They have previously lived in the Borough for a period of three consecutive years within the past 10 years; or
  - They are currently employed in the Borough and have been for the past twelve consecutive months
- 3.4 The updated 2016 Regulations also specify that current or former personnel of the armed forces will automatically satisfy any local connection test set.
- 3.5 Given the duty placed on the Council to provide sufficient suitable development permissions to meet the demand for self-build and custom housebuilding plots as evidenced on the register, it is considered important to assess whether applicants have the financial ability to purchase land and to fund the construction of their self-build project within three years of being granted consent for development. There is currently no guidance available in regards to how such an assessment should be made and the price of a plot of land is likely to vary due to its location and size. Other external factors are also likely to influence the price of land. In this instance, the most pragmatic approach is to ask applicants if they are required to sell their current property to fund the self-build project and, if not, to provide evidence of a bank loan or sufficient personal savings so as to show access to required funds.

#### **4. Fees**

- 4.1 The updated 2016 Regulations enable authorities to charge a fee for entry onto, and a separate annual fee for remaining on, the register. Based on an approximation of time required to determine applications, maintain the register, correspond with applicants and handle any arising disputes it is considered that it would be appropriate to charge £65 for entry onto the register and an annual fee of £60 for remaining on it. Individuals who are currently on the Spelthorne Self Build Register will be contacted to inform them of the new tests that are applicable and the fees. It is considered that those who are presently on the Register should not be charged to be entered onto the new register however the annual fee of £60 for remaining on it will be applied.

## **5. Summary**

- 5.1 There are currently 36 individuals on the Spelthorne Self-Build and Custom Housebuilding Register. There have been no applications for inclusion on the Register from associations (i.e groups of people seeking to build homes together). The Register is not made publicly available due to sensitive information about applicants being held on it.