

APPENDIX C

Policy H7 – Self-build and Custom Housebuilding

What has happened so far? We consulted on a potential self-build and custom housebuilding policy as part of the [Development Strategy and Policy Options Consultation](#) (January to March 2022). We reported on the consultation responses at our [Local Plan Committee on 16 March 2023](#).

Is this subject covered in the adopted Local Plan? No. This is a new policy.

Which Local Plan objective(s) does this help to address? Objective 2- Ensuring the delivery of new homes.

- 1.1. The National Planning Policy Framework (2023) aim is to significantly boost the supply of homes. It requires that the needs of groups with specific housing requirements are addressed, including amongst others, those who wish to self-build.
- 1.2. The Self-Build and Custom Housebuilding Act 2015 (as amended by the Housing and Planning Act 2016) ('the Act') provides a legal definition of a self-build and custom housebuilding¹. This term is used where individuals or groups are involved in creating their own home, although the amount of personal involvement will vary. For example, self-build projects are defined as those where someone directly organises the design and construction of their own home. Custom build homes are where an individual or group works with a developer to deliver customised or bespoke homes.
- 1.3. The Act requires local authorities to keep and have a self-build and custom housebuilding register ("the register") which is a record of individuals and association of individuals seeking serviced plots of land in the area to self-build or custom build their own homes. A further duty requires councils to grant suitable permission for enough suitable plots of land to meet the demand in the area. The level of demand is established by the number of entries on the register although there is no requirement to match permissioned land to those on the register.
- 1.4. The Planning Practice Guidance (PPG) on '[Self-build and custom housebuilding](#)' identifies the need to take into account the register when preparing planning policies and the number on the register is also likely to be a material consideration when determining planning applications for self-build and custom housebuilding. Local authorities are to engage with developers and landowners and encourage them to consider self-build and custom housebuilding plots.

Self-build and custom housebuilding in North West Leicestershire

¹ The building or completion by individuals, associations of individuals, or persons working with or for individuals or associations of individuals, of houses to be occupied as homes by those individuals.

- 1.5. The Council's register has been growing steadily since its launch in April 2016, with 129 people having registered their interest in self-build and custom housebuild homes. The last few years have seen a noticeable increase in the number of individuals requesting they be added to the register. The Act requires the register to be split into base periods and this is used to calculate future demand. The level of demand in the District and the corresponding date this demand needs to be met by (granting of suitable permissions) is detailed in the table below.

Table 1: North West Leicestershire Register (April 2016 – 30 October 2023)

Base Period	Number of new registrations	Date the demand is to be met
April 2016 – 30 October 2016 (7 months)	6	October 2019
31 October 2016 – 30 October 2017	10	October 2020
31 October 2017 – 30 October 2018	8	October 2021
31 October 2018 – 30 October 2019	14	October 2022
31 October 2019 – 30 October 2020	20	October 2023
31 October 2020 – 30 October 2021	14	October 2024
31 October 2021 – 30 October 2022	20	October 2025
31 October 2022 – 30 October 2023	37	October 2026

Proposed policy approach

- 1.6. Previous consultation on self-build and custom housebuild policy suggested a requirement for some plots to be reserved for self-build and custom housebuild plots on general market developments of 50 or more dwellings. However, concerns have been raised over the use of this figure and whether it is suitably justified.
- 1.7. We have since been in discussions with the government's Right to Build Task Force to identify how we can increase the supply of plots for self and custom build. There are also now an increasing number of examples where Planning Inspectors are referring to the register as justification for granting planning permission at appeal.
- 1.8. In light of the above, we have updated our evidence base to consider in more detail the level of demand in the district and also to identify the future likely requirements over the plan period. This detail is provided in the Self-build and Custom Housebuilding Topic Paper and justifies the proposed policy approach, including the percentage requirement and the thresholds to be applied.
- 1.9. The proposed policy seeks to address the shortage of plots whilst not undermining other aspects of the Local Plan. The Council will support the delivery of serviced plots in our most sustainable locations on sites suitable for residential development within the defined Limits to Development. A serviced plot is required to have, or have been

provided, within a specified period, access to a public highway and connection to electricity, water and wastewater, and gas where there is a gas network present in the area and a connection is viable.

- 1.10. The policy also requires the provision of self-build and custom housebuilding plots on general market housing sites, and based on our evidence, sites of 30 dwellings or more will be expected to deliver 5% of the planned dwellings as serviced plots for self and custom builders. This requirement will also apply to allocated sites, in the Local Plan, of 30 or more dwellings. The NPPF recognises the contribution that small and medium sites can make to housing delivery and a threshold of 30 dwellings is proposed to avoid burden being placed on small and medium sites and not to undermine their delivery.
- 1.11. On these development sites, developers will be required to enter into a legal agreement that will cover issues addressing the timescale and phasing of serviced plots, as well identifying the marketing of the plots to be undertaken. The Council will expect marketing to be proactive and will provide support to facilitate this approach, particularly with respect to plots being offered to those on the Council's Self-build register. Where there is insufficient interest in the purchase of an allocated service plot, rather than the plot remaining vacant indefinitely, it is preferable for a plot to be made available on the open market. Therefore, the policy provides the flexibility to facilitate the open market development of serviced plots that remain unsold for a specific period of time.
- 1.12. There may however be circumstances when self-build and custom housebuilding will be supported in the countryside, where there is evidence of demand and subject to other planning considerations. Demand is primarily established by the number of entries on the Council's register, although, when necessary, this can be supported by additional data from secondary sources. A reasonable walking or cycling distance to a range of local services and facilities is also necessary. Regard will be had to the distance to each facility, in line with the Chartered Institute of Highways and Transportation (CIHT) acceptable and preferred maximum walking distance for the type of service or facility. Consideration will also be given to the nature and convenience of the route such as safety, the provision of a footpath and street lighting and terrain. This approach represents a departure from existing policy however we are of the view that it is necessary to ensure that we meet our legal obligations with respect to self-build and custom housebuilding.
- 1.13. To ensure any planning permission for self-build and custom house build plot is used for the purpose it is intended, we will secure the initial occupancy of the new home through a legal agreement with a requirement for the first occupant of the self-build or custom house build home to meet the legal definition of this type of dwelling. It will also seek to ensure that the property cannot be sold to anyone other than the owner or their family, for a limited period (usually three years), to reflect the fact that people's personal circumstances change over time.

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1) The Council will support proposals for self-build and custom housebuild homes where the site is located within the Limits to Development, as defined on the

Policies Map, for the Principal Town, Key Service Centres, Local Service Centres or Sustainable Villages.

2) On general market housing sites of 30 or more:

(a) We will require the delivery of a minimum of 5% of the site's capacity as serviced plots for self-build and custom housebuilding. On these sites, developers will be required to enter into a legal agreement to facilitate the delivery of serviced plots with access to a public highway and utility services. A lower proportion of self-build and custom house build plots will only be accepted where a viability assessment clearly demonstrates that the full policy requirement cannot be achieved.

(b) Where a plot has been made available and appropriately marketed for a period of at least 12 months (or an alternative timescale agreed with the Council subject to specific site delivery timescales), and has not been sold, then the plots may either remain available for purchase on the open market or be built out by the developer for sale on the open market.

3) The Council will only support proposals for self-build and custom house build homes in the countryside, where:

(a) The application is supported by clear evidence of demand for self-build and custom house build plots, as evidenced by the most up to date Self and Custom Build Register; and

(b) The site adjoins the Limits to Development, as defined on the Policies Map, for the Principal Town, Key Service Centres, Local Service Centres or Sustainable Villages; and

(c) The size of the development is reflective of its location and setting and is of a scale and character that is proportionate to the settlement at which it is located; and

(d) The site is within a reasonable walking distance to a good bus service route; and

(e) The site is within a reasonable walking or cycling distance to a range of local services and facilities.

4) All planning permissions for a self-build and custom house build plot will be subject to a legal agreement to ensure that the initial occupier(s) of the dwelling(s) fall within the legal definition of self-build and custom housebuilding as defined by the Self-Build and Custom Housebuilding Act 2015 (or any subsequent government update).