

**Warwick District Council** 

## CUSTOM & SELF-BUILD

PROGRESS REPORT 2019



### Background

The Self-build and Custom Housebuilding Act 2015 (as amended by the Housing and Planning Act 2016) 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 for their own self-build and custom housebuilding.

To understand the demand for custom and self-build plots, the Council has produced a 'Self-build Interest Form' that needs to be completed in order for people to be placed on the Custom and Self-Build Register. The data is then split into 'base periods' that run from 31 October to 30 October each year.

#### 1.1 Duty to grant planning permission

Section 10 of the Housing and Planning Act 2016 places a duty on Local Authorities to give suitable development permissions for enough serviced plots of land for self-build and custom housebuilding arising in each base period. A permission is regarded as "suitable if it is a permission in respect of development that could include self-build and custom housing" as set out in section 10, paragraph 6C of the Housing and Planning Act. At the end of each base period, relevant authorities have 3 years in which to grant permission on an equivalent amount of suitable plots as evidenced in the register, in accordance with The Self-Build and Custom Housebuilding (time for compliance and fees) Regulations 2016.

For the purposes of assessing the supply to meet this duty it is considered that any site granted planning permission for housing during the base period that did not previously have permission could be developed in whole or in part as a custom or self-build plot, and would therefore be considered suitable under the legislation.

However, it is recognised that plots are more likely to come forward on applications that have been granted for 10 or less dwellings, as these will be more suitable for self or custom builders. Equally, developer-led self and custom build opportunities are more likely to come forward on larger sites where the variety of opportunity is welcomed.

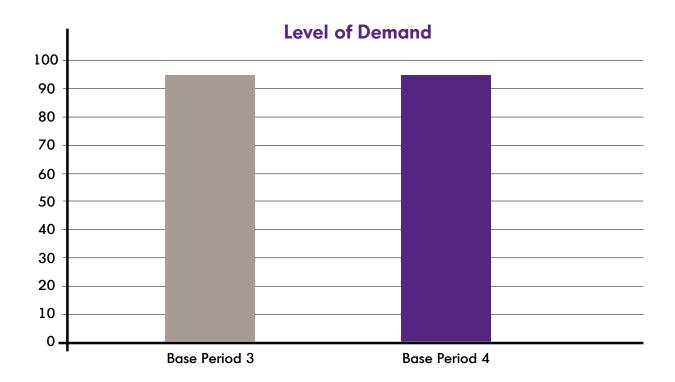
This report presents the information collected in the most recent base period (4), in contrast to the information held in the previous base period, 3. Later sections of the report shows whether the authority has met the demand in compliance with the statutory duty.

## Demand in Base Period 4

(31 Oct 2018 - 30 Oct 2019)

#### In base period 4, (31 Oct 2018 – 30 Oct 2019), there were a total of 95 entries on the register from individuals seeking plots for self-build projects.

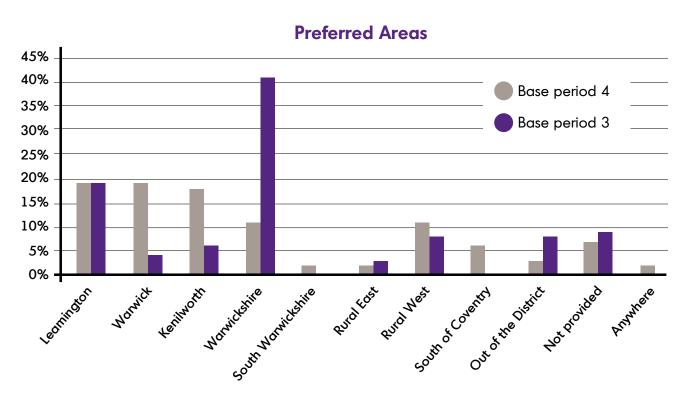
The same number of entries were also registered in base period 3 (31 Oct 2017 - 30 Oct 2018). The graph below represents this consistent level of interest which reflects the demand for self-build in base period 3 and 4).



#### **Preferred Locations**

Respondents were given an option to specify their preferred areas of interest to self-build to which some expressed more than one location. The table below shows peoples preferred choices in base period 4 (BP4) in comparison to base period 3 (BP3). In BP3, significant demand was expressed to self-build in non-specific areas in Warwickshire (41% of 95 responses). The remainder of responses were given for particular areas within and on the outskirts of the district. In BP4, 124 responses were received from 95 entrants. Only 11% was shown for Warwickshire and it appears more people have been specific in their choice of location in BP4.

Preferred Areas to Self-Build	Base Period 4	Base Period 3
Leamington	19%	19%
Warwick	19%	4%
Kenilworth	18%	6%
Warwickshire	11%	41%
South Warwickshire	2%	0%
Rural East	2%	3%
Rural West	11%	8%
South of Coventry	6%	0%
Out of District	3%	8%
Not Provided	7%	9%
Anywhere	2%	0%



Base Period 4		
Rural East	Bishops Tachbrook	
	Radford Semele	1
	Rowington	7
Rural West	Barford	3
	Hatton	2
	Lapworth	2
	Balsall Common	1
Out of the District	Solihull	2
	Stratford	1

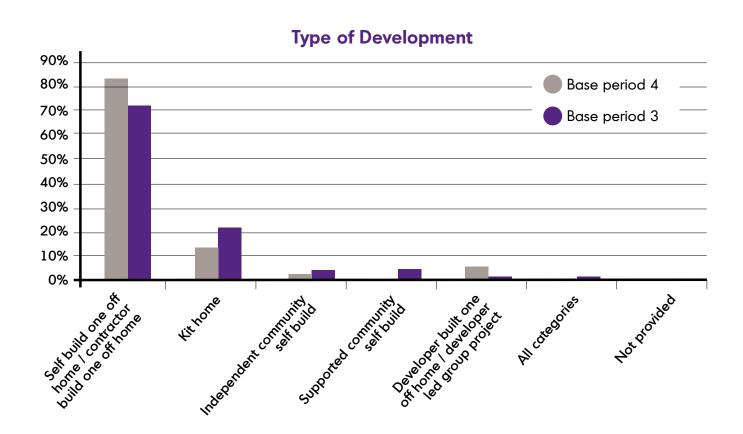
The table shows a breakdown of respondents preferred location in rural east, rural west and out of the district in BP4.

#### **Type of Development**

Below is a representation of the type of development that respondents are interested in, some specified more than one category. The table below shows this data for BP3 and BP4.

In BP3, 72% of 95 respondents have expressed an interest in an individual self or custom build. The least interest was given for projects which are developer led (1%). A similar preference is shown in BP4, where the majority of respondents (83%) specified self-build one off home but very limited interest was expressed for independent community self-build and supported community self-build.

Type of Development	Base Period 4	All Base Periods 3	
Self build one off home/ contractor build one off home	83%	72%	
Kit home	12%	20%	
Independent community self build	2%	3%	
Supported community self build	0%	3%	
Developer built one off home! developer led group project	5%	1%	
All categories	0%	1%	
Not provided	0%	0%	

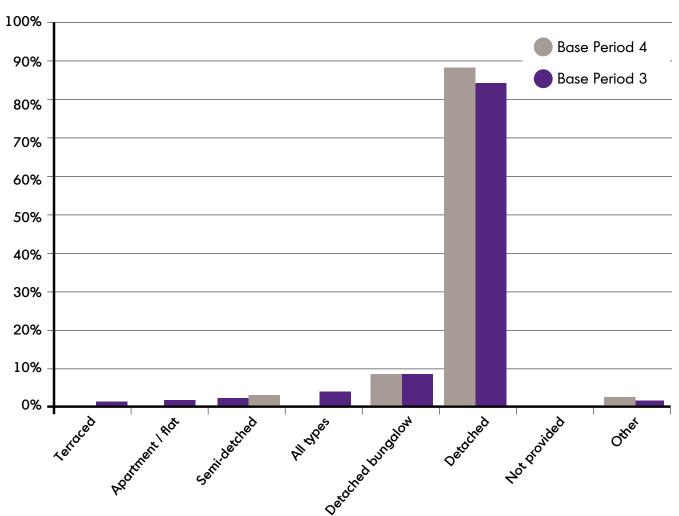


#### **House Typology**

The most common preference for the type of house expressed by respondents in BP3 was for detached houses (84%) which is largely in line with the responses received in BP4 (89%), with just a 5 percentage point increase.

House Typology	Base Period 4	Base Period 3
Terraced	0%	1%
Apartment/ flat	0%	1%
Semi-detached	1%	2%
All types	0%	3%
Detached bungalow	7%	7%
Detached	89%	84%
Not provided	0%	0%
Other	2%	1%

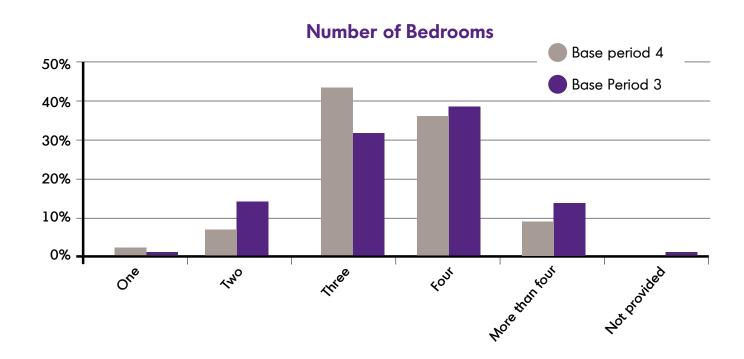
#### **House Typology**



#### **Number of Bedrooms**

In BP4, 44% of total respondents expressed an interest for a plot that can accommodate three bedrooms, which is a 12 percentage point increase from the 32% that selected three bedrooms in BP3. The least preference was given for one bedrooms in base period 3 and 4.

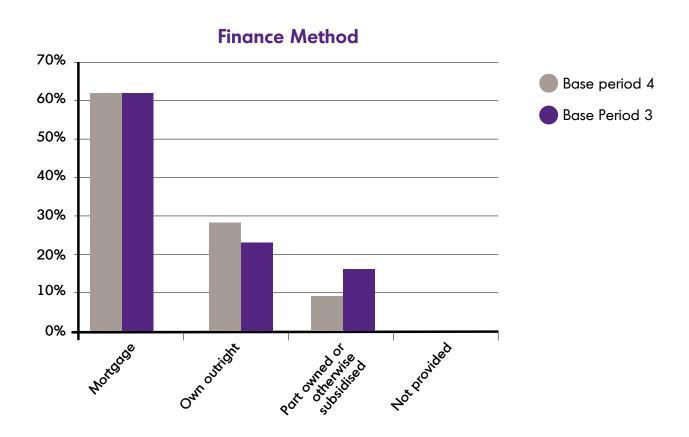
Number of Bedrooms	Base Period 4 (%)	Base Period 3 (%)
One	2%	1%
Two	7%	14%
Three	44%	32%
Four	37%	39%
More than four	9%	14%
Not provided	0%	1%



#### **Method of Financing Project**

Over half of the overall number of respondents (62%) in both BP3 and BP4 have expressed mortgage as their preferred financing method. This consistent level of interest is shown in the table below.

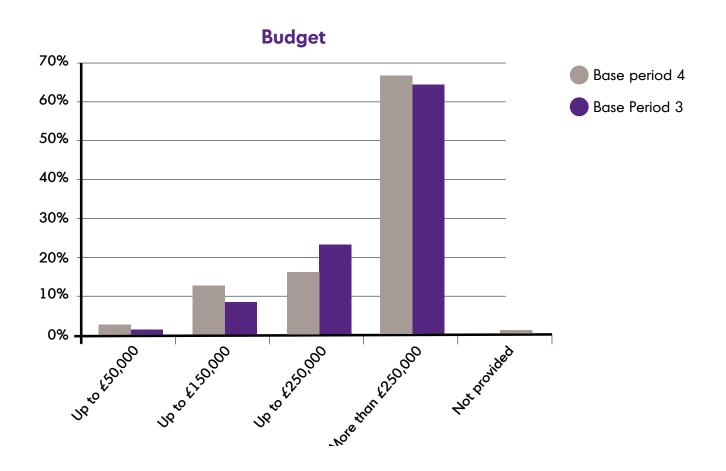
Method of Financing Project	Base Period 4	Base Period 3	
Mortgage	62%	62%	
Own outright	28%	23%	
Part-owned or otherwise subsidised	9%	15%	
Not provided	0%	0%	



#### **Budget**

Entrants are asked to express their level of budget on a self-build development ranging from  $\angle 50,000$  to over  $\angle 250,000$ . As represented in the table below, 67% of the total respondents in BP4 are willing to invest more than  $\angle 250,000$ . This is largely in line with the responses received in BP3.

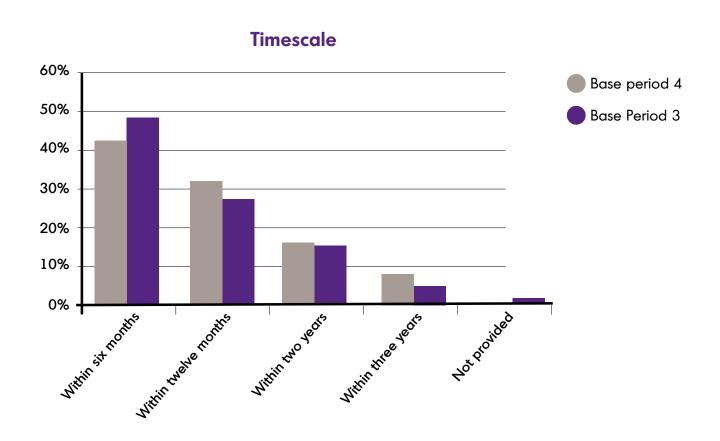
Budget	Base Period 4	Base Period 3
Up to £50,000	3%	2%
Up to £150,000	13%	9%
Up to £250,000	16%	23%
More than ∠250,000	67%	65%
Not provided	1%	0%



#### **Timescale**

The self-build interest form asks entrants how quickly they would want to move forward with the development after site purchase (considering other necessary processes e.g. obtaining planning permission, site preparation etc.). The table below shows that almost half of the overall entrants expressed an interest to bring forward their self-build development within six months in both BP3 and BP4.

Timescale	Base Period 4	Base Period 3
Within six months	43%	49%
Within twelve months	33%	28%
Within two years	16%	15%
Within three years	8%	5%
Not provided	0%	2%



### **Plot Delivery**

This section sets out the level of demand recorded on the authority's register and the number of plots permissioned by the Council to meet the duty set out in section 10 of the Housing and Planning Act 2016.

#### 3.1 Meeting Demand

Base Period	Demand	Supply	Outstanding BP1 (due by BP4)	Outstanding BP2 (due by BP5)	Outstanding BP3 (due by BP6)	Outstanding BP4 (due by BP7)
<b>BP1</b> (2015/2016)	97		97			
<b>BP2</b> (2016/2017)	111	93	-4	111		
<b>BP3</b> (2017/2018)	95	67	0	-48	95	
<b>BP4</b> (2018/2019)	95	77	-	0	-66	95
<b>BP5</b> (2019/2020)						
<b>BP6</b> (2020/2021)						
<b>BP7</b> (2021/2022)						

Demand

Subsequent Base Period

Local Authorities have 3 years to meet the demand arising in each base period. It can be seen from the table that demand for base period 1 and 2 has been met within the timeframe introduced in The Self-Build and Custom Housebuilding (time for compliance and fees) Regulations 2016. The demand for base period 3 and 4 remains outstanding and is to be met in the subsequent base periods in order to meet the duty. A detailed summary is provided below.

#### **Formula**

(Supply - demand)

#### BP1

93 - 97 = -4 outstanding demand and is to be met in the following base periods..

#### BP2

(Supply – outstanding BP1 demand) – BP2 demand (67 - 4) - 111 = -48 outstanding demand and is to be met in the following base periods. The demand for BP1 is met.

#### BP3

(Supply – outstanding BP2 demand) – BP3 demand (77 - 48) - 95 = -66

Demand is met for BP2 and some of BP3 with 66 outstanding demand which is to be met in the following base periods.

# Use of the CIL Exemption

In December 2017, Warwick District Council adopted the Community Infrastructure Levy (CIL). As part of this tariff an exemption is provided to those declaring that the property is self-build. This form became a planning application validation requirement in May 2018. The supply presented in 3.1 are a combination of the number of serviced plots for which the CIL self-build exemption has been applied for and other approvals of serviced plots.



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