

Runnymede 2030

Local Plan

Runnymede Self-build and Custom Housebuilding Guidance Note

June 2021

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1. Introduction

- 1.1 The government is committed to increasing the supply of housing. The [Self-build and Custom Housebuilding Act 2015](#) and the [Housing and Planning Act 2016](#) place a duty on local planning authorities to keep a register of individuals and associations of individuals, who are seeking to acquire serviced plots of land for self-build and custom housebuilding in their area, as well as have regard to the register when they are carrying out their planning, housing, regeneration and disposal of land functions.
- 1.2 The Runnymede 2030 Local Plan (Local Plan) (2020) states that 'Proposals for custom and self-build housing in the Borough are encouraged and will be approved in suitable, sustainable locations' (Policy SL24: Self & Custom Build Housing). The Council believes that self-build and custom housebuilding has the ability to contribute to the overall supply of housing in the area and consequently to the delivery of the Local Plan's aims and objectives. Self-build or custom build can also help to diversify the housing market and increase consumer choice. This guidance note provides the detail and further clarification on the self-build and custom housebuilding process, how the Council will support the delivery of serviced plots, and signposts sources of further information and advice.

2. What is self-build and custom build?

- 2.1 Self-build and custom build housing is housing built by individuals or groups for their own use, either by building the home on their own or by working with builders. Self-build and custom housing could provide homes to meet individual requirements that are not available in the current market. There are various types of self-build and custom build projects including:
 - Individual self / custom build - an individual purchases a plot of land and builds a house to live in. They may do some or all of the build themselves (self-build), or employ a builder, architect and in some cases, a project manager to oversee the build (custom housebuilding).
 - Group self / custom build - a group of people come together to design and develop a custom build housing development which they then live in. They may build this themselves or with help from a developer to manage the project.
 - Developer-led custom build - a developer divides a larger site into individual plots and provides a design and build service to purchasers. This gives people a chance to tailor existing house designs to suit their own preference and needs.
- 2.2 To clarify, self-build and custom homes do not include speculative housing delivered by a developer. This also includes when a developer delivers speculative units and the purchaser chooses the final specification of for example the kitchen or bathroom, as this is outside the definition¹.
- 2.3 Self-build and custom housebuilding require practical experience in a number of construction trades. Individuals and associations will need to consider how they could get training or make sure that they can afford to pay for tradesmen to do the work. There are books, courses, and self-build companies and organisations that provide access to a range of publications, courses and resources.

¹ The Housing and Planning Act defines self-build and custom housebuilding as 'the building or completion by (a) individuals, (b) associations of individuals, or (c) persons working with or for individuals or associations of individuals of houses to be occupied as homes by those individuals.'

3. What is the purpose of self-build and custom housebuilding registers?

- 3.1 The [Self-build and Custom Housebuilding Act 2015](#) places a duty on Runnymede Borough Council to keep a register of individuals, and associations of individuals, who are seeking to acquire serviced plots of land in the Runnymede Borough for their own self-build and custom housebuilding. The register provides valuable information on demand for self-build and custom housebuilding in Runnymede Borough and forms a key part of the Council's evidence base of demand for this type of housing. The Council must have regard to the self-build and custom house building register that relates to their area when carrying out their planning, housing, land disposal and regeneration functions. It is also a material consideration in the determination of planning applications.

4. How to register for self-build and custom build?

- 4.1 Government regulations state that to be eligible for entry on to a Local Authority's register, an individual must be:
- Aged 18 or over;
 - A British citizen, a national of an EEA State other than the United Kingdom, or a national of Switzerland; and
 - Seeking (either alone or with others) to acquire a serviced plot of land in the relevant authorities area to build a house to occupy as that individuals sole or main residence.
- 4.2 If the applicant is a group or an association, then each member must fulfil the eligibility criteria. The Council will verify to make sure that applicants meet the eligibility requirements.
- 4.3 The Council has already opened a register in accordance with the Act. In order to better understand an individual's/group's preferences in terms of the serviced plots being sought, information relating to locational preferences within the Borough, the size of the plot(s) required and the type(s) of house a person/group would like to build are required.
- 4.4 If any persons or associations would like to be added to the register, they are required to complete the registration form on the Council's website ([Runnymede Self-Build and Custom Housebuilding Register - Runnymede Borough Council](#)). The Council will determine any application within 28 days from when the application is received. Entry onto the register does not however guarantee that a suitable plot will be identified by the Council or become available.
- 4.5 To keep the register up to date and accurately reflect local demand, the Council will contact registered individuals and associations at least twice a year to reconfirm their interest. Similarly, if the interests expressed by individuals or their registered information also changes, they should inform the Council by contacting planningpolicy@runnymede.gov.uk.
- 4.6 Due to the administrative responsibilities involved in maintaining the register, the Council will undertake regular reviews of whether to set a fee to join and/or remain on the register. If a fee(s) is felt to be justified, careful consideration would also be given as to what an appropriate fee(s) would be.

5. Delivering serviced plots

- 5.1 Policy SL24 of the Local Plan gives in-principle support for self and custom housebuilding where such development would comply with all other relevant policies of the Local Plan. Nevertheless, it is recognised by the Council that land is a finite resource in the borough and land values are high, making it difficult for self and custom builders to acquire suitable plots of land for development.
- 5.2 Whilst it is recognised that not all sites and locations will meet the specific requirements of local demand, the Council will, in line with Policy SL24, expect the developers of residential schemes of 50 or more homes to demonstrate that consideration has been given to custom and self-build plots as part of housing mix. It will be expected that a serviced plot(s)² will be provided where there is an identified need and it is viable and feasible to do so in accordance with Policy SL24. This includes considering self-build opportunities as part of the regeneration or redevelopment of Council owned land.
- 5.3 A significant proportion of residential developments of 50 homes or more in the borough's town and local centres are likely to be flatted schemes, where serviced plots may not be feasible. In this instance, the Council may consider the provision of 'complete shell' or 'self-finish' units where the Council's register demonstrates demand for such units. In such instances, the purchaser can then define internal layouts, finishes and fixings as well as any exterior landscaping for flats with private gardens.
- 5.4 The [Localism Act 2011](#) empowers communities to create Neighbourhood Plans for their areas. Through Neighbourhood Planning, communities have opportunities to encourage self-build and custom housebuilding by creating new planning policies or allocating new development sites in their neighbourhood areas to meet local demand. More information on Neighbourhood Planning is available on the Runnymede Borough Council website ([Neighbourhood Planning - Runnymede Borough Council](#)).
- 5.5 The range of plots provided on development schemes should be informed by evidence including the Strategic Housing Market Assessment, the self-build and custom housebuilding register as well as information from the Council's Planning and Housing teams.
- 5.6 The Council will publish its SLAA (Strategic Land Availability Assessment) and Brownfield Register sites as a source of potential serviced plots.
- 5.7 Proposals for self-build and custom housebuilding should be in accordance with the Development Plan including adopted Neighbourhood Plans. The Council's Supplementary Planning Documents are also a material consideration in the determination of self-build and custom housebuilding proposals.

6. CIL Exemption

- 6.1 The [CIL Regulations 2010](#) (as amended) defines self-build housing for CIL exemption purposes as follows:

² A serviced plot is defined as a parcel of land with legal access to a public highway, and at least waste foul drainage and electricity supply available at the plot boundary or can be provided with those things in specified circumstances or within a specified period.

Housing built or commissioned by a person and occupied by that person as their sole or main residence for the duration of the clawback period (3 years).

- 6.2 Qualifying self-build developments will still be required to accept liability for the CIL and declare that their development is intended to be self-build, prior to the commencement of development. The self-builder must remain as the occupant of the dwelling for a minimum of 3 years after completion. If the dwelling is sold or let within 3 years of completion, the Council will claw back the CIL liability, meaning the owner will have to pay the full CIL charge for the dwelling. Since the CIL is a land charge, this will appear on any 'search' a potential buyer carries out regarding the property. Occupancy will be monitored through Council tax and electoral roll records.
- 6.3 Exemption for self-build dwellings will only be permitted where there is a convincing case that the development is genuinely self-build development and in the spirit of the CIL self-build exemption regulations. The Council will not consider development to be self-build where there is insufficient evidence provided, including the information provided on the form referred to in Regulation 54B. Where a speculative developer is considered to be seeking to avoid CIL, for example by selling off-plan dwellings with customised features via a full or reserved matters planning application, the Council will not consider this to be true self-build for the purposes of gaining exemption from CIL.
- 6.4 It is also important to note that for developers reverting self-build plots back to speculative or regular open market plots, the CIL exemption will no longer apply and the dwellings will be liable for the full CIL levy.

7. Securing self-build and custom housebuilding

- 7.1 To ensure that serviced plots identified for self-build and custom housebuilding are delivered, the Council may require appropriate conditions to be put in place on any outline planning permission. On schemes providing a range of housing types and tenures, it is recommended that development proposals are divided into separate phases for site infrastructure, speculative development, and each serviced plot. This should ensure that the delivery of self-build and custom housebuilding is not stalled and that CIL and any Section 106 obligations are triggered correctly.
- 7.2 A Section 106 Agreement can restrict the availability of finance from banks or building societies and this should be considered at an early stage by any persons or associations interested in self-build and custom housebuilding.

8. Design Requirements

- 8.1 To ensure that self-build and custom housebuilding is of high-quality design, sites with multiple serviced plots may be required to be supported by a Design Code³ especially at outline planning stage. A Design Code would provide the Council as well as potential self and custom housebuilders with a clear set of design rules and parameters that future development will have to comply with. Design Codes vary depending on the amount of development proposed and the context of the site. Nevertheless, a Design Code may include some or all the following:
- Building height, massing and bulk.
 - Plot size and width.

³ PPG: Design Codes http://planningguidance.communities.gov.uk/blog/guidance/design/which-planning-processes-and-tools-can-we-use-to-help-achieve-good-design/#paragraph_036

- Plot ratios, site coverage and density.
 - Urban grain – street and building pattern and connectivity.
 - Building lines and boundary treatments.
 - Building orientation.
 - Landscaping and the public realm.
 - Building frontage and townscape features.
 - Car parking and cycle provision and access.
 - Provision of waste and recycling storage.
- 8.2 A Plot Passport can provide potential plot purchasers with a simple and concise summary of the design parameters for a specific plot. It should clearly show the plot location, permissible building lines, heights and footprints as well as separation distances to adjacent plots. A Plot Passport should also be clear about the number of dwellings that can be built on a single plot as well as specify car parking provision and access arrangements.
- 8.3 The Council recognises that modular housing, which is built off-site, can help deliver custom housebuilding that is more cost effective than traditional housing building methods. To promote design innovation and originality, the Council will support modular housing where it would accord with the relevant policies in the Local Plan including policies EE1: Townscape and Landscape Character, policy SD7: Sustainable Design and the advice contained in the Runnymede Design Supplementary Planning Document.
- 8.4 Proposals for renewable energy installations, such as ground source heat pumps or photovoltaic cells, will be supported provided the policy requirements of Local Plan Policy SD8: Renewable & Low Carbon Energy and the other relevant policies of the Local Plan have been addressed. In these cases, the Council will consider each proposal on their individual merits with regards to scale, location, technology type and cumulative impact on the surrounding area.

9. Monitoring

- 9.1 The Council will publish in the Annual Monitoring Report (AMR) the number of individuals and associations on its self-build and custom housebuilding register as well as the number of plots secured through planning permissions. The number of serviced plots delivered during the reporting year will be monitored through CIL exemption certificates.

10. Further advice and information

- 10.1 The Self Build Portal (www.selfbuildportal.org.uk) provides a wide range of information on self-build and custom housebuilding. It is produced by the [National Custom and Self Build Association \(NaCSBA\)](http://www.nacsb.org.uk).
- 10.2 NaCSBA has also assembled an online toolkit to provide further information on and highlight examples of self-build and custom housebuilding from the UK and Europe. The toolkit can be found at www.customandselfbuildtoolkit.org.uk.
- 10.3 There is a range of information including self-build finance providers and insurers set out on the [Build Store website](http://www.buildstore.co.uk) (please note that this is a commercial website and the Council is not responsible for its content).

- 10.4 The Government has also prepared Planning Practice Guidance on Self-build and Custom Housebuilding ([Self-build and custom housebuilding - GOV.UK \(www.gov.uk\)](https://www.gov.uk)).
- 10.5 The Council offers a pre-application advice service and applicants are encouraged to use this service at an early stage of the development process ([Pre-application advice - Runnymede Borough Council](#)). This service may be particularly helpful for sites with significant development constraints such as flooding or land contamination.
- 10.6 Once planning permission has been secured any self-build or custom housebuilding project will be required to be designed and built in accordance with Building Regulations and associated legislation. The Council's Building Control Team ([Building Control - Runnymede Borough Council](#)) can provide more information on what is required at each stage of the design and construction process.
- 10.7 The construction of new build dwellings is not subject to VAT, so self-builders can reclaim their VAT within 3 months of completing the work. Further information should be sought from HMRC.
- 10.8 When seeking to estimate what the total costs for a self-build or custom housebuilding project in the borough may be, the Government publishes land value estimates for each borough and district in England on an annual/biennial basis⁴. The estimate for the cost of land in Runnymede Borough in 2019⁵ was £7,780,000 per hectare. This would equate to a plot price of £259,333 based on a notional site with development proposed at 30 dwellings per hectare.
- 10.9 In addition to the costs involved in acquiring a plot of land, there are a range of other costs associated with the design and construction of a new home. Information published by www.homebuilding.co.uk suggests that the average self-builder spends £270,000 on building their own home (excluding the purchase of the plot itself) but it can range from between £190,000 and £350,00, depending on a number of factors such as location in the country, whether the LPA requires s.106 contributions to be paid etc⁶. Therefore, those seeking to build their own home are advised to carefully consider the whole project cost, not just the price of acquiring a plot of land.

11. Legislation

- 11.1 The [Self-build and Custom Housebuilding Act 2015](#) 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 in order to build houses for those individuals to occupy as homes.
- 11.2 The [Self-build and Custom Housebuilding \(Register\) Regulations 2016](#) made under the Act provides guidance on designing and administration of the Register.
- 11.3 The [Housing and Planning Act 2016](#) sets out the duties local planning authorities are required to meet regarding self-build and custom housebuilding.

⁴ [Land value estimates - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

⁵

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/923759/VOA_land_values_2019.xlsx

⁶ <https://www.homebuilding.co.uk/news/average-self-builder-spends-270k-to-build-their-own-home>

All enquiries about this paper should be directed to:

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2021

