

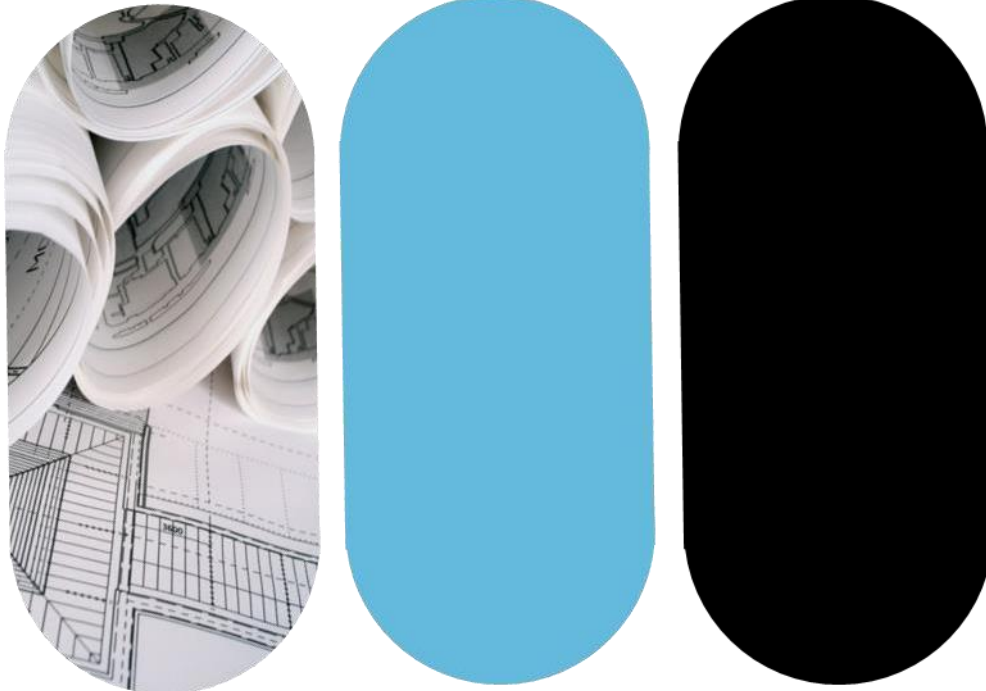


 Part of Shakespeare Martineau

SELF-BUILD & CUSTOM HOUSEBUILDING ASSESSMENT – HINCKLEY & BOSWORTH

PREPARED ON BEHALF OF MR WARD

JANUARY 2022





CONTENTS

	Page No
1. Introduction	3
2. National Planning Policy Context	4
3. Local Planning Policy Evidence Relating To Self-Build And Custom Build Housing	8
4. Self-Build And Custom Housebuilding Demand In Hinckley & Bosworth	111
5. Self-Build And Custom Housebuilding Supply In Hinckley & Bosworth	15
6. Summary And Conclusion	17

APPENDICES

Appendix 1 Freedom of Information Response



1. INTRODUCTION

- 1.1 This Report has been prepared by Marrons Planning on behalf of Mr Ward, and provides an assessment of self-build and custom build Housing need within Hinckley & Bosworth.
- 1.2 Our client is interested in pursuing a self-build home within Hinckley & Bosworth and has duly been added to the Council's Right to Build Register.
- 1.3 The Report is structured in the following way. Section 2 summarises Government Planning Policy relating to self-build and custom build house building, whilst Section 3 summarises the Council's most recent housing need evidence.
- 1.4 Section 4 of the Report analyses the demand for self-build and custom housebuilding plots within Hinckley & Bosworth, whilst Section 5 examines the Council's self-build supply position.



2. NATIONAL PLANNING POLICY CONTEXT

- 2.1 The National Planning Policy Framework (July 2021) is very clear in requiring local authorities to support the Government's objective of significantly boosting the supply of homes, and in doing so considers it important that the needs of groups with specific housing requirements are addressed.
- 2.2 To this end Paragraph 62 of the NPPF confirms that the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies. These are said to include those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes.

Planning Practice Guidance

- 2.3 The Government has published separate self-build and custom housebuilding planning guidance to local authorities. It confirms that self-build and custom housebuilding cover a wide spectrum, from projects where individuals are involved in building or managing the construction of their home from beginning to end, to projects where individuals commission their home, making key design and layout decisions, but the home is built ready for occupation.
- 2.4 The Self-build and Custom Housebuilding Act 2015 provides for individuals, an association of individuals, or persons working with or for individuals or associations of individuals, to build or complete houses to be occupied as homes by those individuals. Paragraph 57-016 also states that in considering whether a home is self-build or custom build home, relevant authorities must be satisfied that the initial owner of the home will have primary input into its final design and layout. Off-plan housing, homes purchased at the plan stage prior to construction and without input into the design and layout from the buyer, are not considered to meet the definition of self-build and custom housing. Paragraph 57-016 also confirms that the Community Infrastructure Levy Regulations (2010) allows for certain development such as self-build and custom build housing to apply for an exemption from the levy.
- 2.5 In assessing housing needs, local authorities should use the demand data from the register in its area, supported as necessary by additional data from secondary sources. This is used to understand and consider future need for this type of housing in their area. The PPG confirms that secondary sources can include data from building plot search websites, enquiries for building plots recorded by local estate agents and surveys of local residents.
- 2.6 Paragraph 57-023 goes on to confirm that local authorities must give suitable development permissions to enough suitable serviced plots of land to meet the demand for self-build and custom housebuilding in their area.



- 2.7 It also confirms that the level of demand is established by reference to the number of entries added to an authority's register during a base period. It clarifies that:

"The first base period begins on the day on which the register (which meets the requirement of the 2015 Act) is established and ends on 30 October 2016. Each subsequent base period is the period of 12 months beginning immediately after the end of the previous base period. Subsequent base periods will therefore run from 31 October to 30 October each year.

At the end of each base period, relevant authorities have 3 years in which to permission an equivalent number of plots of land, which are suitable for self-build and custom housebuilding, as there are entries for that base period."

- 2.8 Paragraph 57-014 sets out that the local authority's self-build and custom housebuilding register needs to be taken into account in preparing planning policies, and is a material consideration in decisions involving such proposals.

Laying the Foundations: A Housing Strategy for England (2011)

- 2.9 The Housing Strategy confirms the importance of the custom build industry to the national economy, and that there is huge untapped potential. Paragraph 68 confirms that there are over 100,000 people looking for building plots across the Country. The paragraph also references market research which indicates that one in two people would consider building their own home if they could.
- 2.10 The Government considers in paragraph 69 that by making it easier for ordinary people to build their own homes, there is the potential to deliver wider benefits of affordable, greener and innovatively designed homes to make a significant contribution to the number of new homes built in this Country.
- 2.11 The Government confirms in paragraph 71 that it wants to make building your own home a mainstream housing option, and an affordable way of building a place people are proud to call home.

The Self-Build and Custom Housebuilding Act (2015)

- 2.12 As summarised in the Planning Practice Guidance, the Self-Build and Custom Housebuilding Act 2015 (as amended by the Housing and Planning Act 2016) placed a legal duty on local authorities 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.



The Housing and Planning Act (2016)

- 2.13 Section 10 of the Act confirms that an authority must give suitable development permission in respect of enough serviced plots of land to meet the demand for self-build and custom housebuilding in the authority's area arising in each base period.
- 2.14 It also confirms that the demand for self-build and custom housebuilding arising in an authority's area in a base period is the demand as evidenced by the number of entries added during that period to the register (under section 1) kept by the authority.

The Self-Build and Custom Housebuilding (Time for Compliance and Fees) Regulations (2016)

- 2.15 Section 2 confirms that the time allowed for an authority to comply with the duty to grant planning permissions in relation to any base period, is the period of 3 years beginning immediately after the end of that base period.

House – Independent Review into Scaling up Self-Build and Custom Housebuilding (August 2021)

- 2.16 The independent review (the Bacon Review) commissioned by the Prime Minister was led by Richard Bacon MP. In the review's report Richard Bacon makes recommendations to Government, on how to support growth in all parts of the custom and self-build market, helping to boost capacity and overall housing supply in the housing market. The opening letter by the Prime Minister outlines that self-build and custom housebuilding can play a crucial role in increasing choice for consumers and ensuring people can live in the homes that they want, and that are designed to meet their needs. The Prime Minister confirms the intention of the review is to increase the availability of serviced plots of land across England, boosting capacity and overall supply.
- 2.17 In its response to the Independent Review, the Government confirmed that¹:

"While some local authorities are pro-active in their response to the legislation, others are not and have not permissioned sufficient plots to meet their statutory duties. Lack of suitable land is a key barrier to allowing individuals and families to build their own homes and we need local authorities to play their part in both planning for and permissioning suitable land to ensure self-commissioned homes can become a mainstream housing option for people moving home."

¹ Independent review into scaling up self-build and custom housebuilding: government response, June 2022



Self-build and custom housebuilding in the UK: An Evidence Review (January 2022)

- 2.18 The Review prepared on behalf of the Cambridge Centre for Housing and Planning Research and Places for People was published in January 2022. The Review makes a number of recommendations necessary to boost the development of the sector, this includes addressing the lack of clarity in the assessment of the share of self-build and custom housebuilding in the UK; the scaling up of Government interventions; and the constraints associated with self-build.
- 2.19 In relation to the lack of a commonly agreed approach to estimating the size of the self-build and custom housebuilding market in the UK, the review recommends that the Department for Levelling Up, Housing and Communities (DLUHC) partner with organisations who hold data associated with self-build and custom housebuilding to bring together and consolidate the available evidence on the size of the market.
- 2.20 The Review presents a number of methods for calculating demand. Evidence presented in the Review based on VAT refunds shows that the sector constitutes between 7% and 10% of all new housing completions per year across the UK (1996 – 2011). However, this calculation potentially underestimates this proportion given that it excludes people who were either unsuccessful in their application or were unaware of the refund process. The Bacon Review (2021) notes that between 83% and 87% of the general public were unaware of the availability of VAT refunds.
- 2.21 The Review also refers to a second data based approach drawing upon completions data from a range of sources, from which the (National Custom and Self Build Association) NaCSBA arrives at an estimate of 13,210 self-build and custom housebuilding completions in 2018-19. The Review goes on to refer to a 7 year forecast by the NaCSBA, which assesses 3 growth scenarios (based upon the level of Government support). The forecasts suggest that, with the Government's full support, the cumulative impact to the sector could reach 91,000 self-build and custom housebuilding completions by 2025 (an almost 700% increase against current completions), but if current trends persist (without Government intervention) the market will add 21,500 new homes per annum by 2025 (a 162% increase against current completions) – the higher of these figures broadly reflecting the demand expressed in the Bacon Review of 100,000 per annum, significantly in excess of local authority right to build registers.



3. LOCAL PLANNING POLICY EVIDENCE RELATING TO SELF-BUILD AND CUSTOM BUILD HOUSING

Hinckley & Bosworth Core Strategy (2006 - 2026)

- 3.1 The Hinckley and Bosworth Core Strategy was adopted in December 2009, pre-dating the Government's National Planning Policy Framework and associated Practice Guidance.
- 3.2 The Adopted Core Strategy makes no reference to self-build or custom house building.

Hinckley & Bosworth Consultation Draft Local Plan (2020 – 2039)

- 3.3 The Regulation 19 Consultation Draft Local Plan was published in February 2022. The Local Development Framework (December 2022) has since extended the Draft Plan to 2041.
- 3.4 Policy HO06 relates to Self-build and Custom Housing. It confirms that self-build and custom housing will be supported to provide a mix of house types and meet self-build and custom housing needs. It further identifies that sites providing 100 or more dwellings must include the provision of 5% of plots for self-build and custom housing.
- 3.5 It goes on to explain that there is demand from people to build or commission their own homes and that this could help boost the supply of new housing, and that these schemes may involve the development of individual homes on a single plot or a number of homes as part of a community housing project.
- 3.6 Paragraph 7.21 acknowledges that local planning authorities are required to maintain a register of those people who have expressed an interest in a serviced plot of land for self-build and custom housebuilding, and that the Council is required to grant sufficient development permissions in respect of serviced plots to meet the demand.
- 3.7 It goes onto confirm that as of October 2021, 17 expressions of interest had been registered, of which none were registered prior to October 2018. In contrast it states that permission has been granted for 5 self-build plots up to October 2021. The Council consider that this means the self-build delivery requirement for the Borough has been met to date, but there is a requirement to provide at least 12 self-build plots by October 2024 to meet the residual requirement.
- 3.8 We review the Council's self-build register in further detail later within the Report, as we note that it retrospectively removed individuals from its Register in Summer 2021.

Housing and Economic Development Needs Assessment (HEDNA) January 2017

- 3.9 The 2017 HEDNA formed part of the Local Plan Review evidence base. Paragraphs 9.55 to 9.59 of the HEDNA provide detail of Self and Custom Build demand, with evidence provided



by Buildstore confirming that some 157 people had registered as looking to build in Hinckley and Bosworth, with a further 673 subscribers to the Plotsearch service.

- 3.10 Paragraph 9.59 confirms that the Report's authors would expect more new delivery to be on small windfall sites, although it considers that there is some potential through policy to encourage developers of large schemes to designate parts of these as plots available for custom-build.

Hinckley & Bosworth Housing Need Study, November 2019

- 3.11 The Housing Need Assessment is understood to provide an update to the previously prepared HEDNA (summarised above), as well as providing analysis at a smaller area level.
- 3.12 Paragraph 8.15 confirms that the Hinckley & Bosworth self-build register assessed over the 3 year period to October 2019 shows that there has been a total of 60 registered expressions of interest in a serviced plot of land in the Borough.
- 3.13 Of those 60 registrants, the following registered in each respective base period:
- Base period 1 (ending October 2016) = 11
 - Base period 2 (ending October 2017) = 26
 - Base period 3 (ending October 2018) = 12
 - Base period 4 (October 2018 – March 2019) = 11
- 3.14 This would appear to contradict the statement within the Draft Local Plan which considered that there were only 17 registrations by October 2021, with none apparently recorded prior to October 2018. It would therefore appear that the Council has rationalised its register since the preparation of this Housing Needs Study, retrospectively removing individuals on its Register.
- 3.15 Nonetheless, the figures reported in the Housing Need Study provide an indication of likely demand based upon those individuals who have registered interest with the Council.
- 3.16 Importantly, paragraph 8.17 of the Housing Needs Study also notes that only one in eight people interested in self-build were aware of the introduction of Right to Build Registers in England. As a result it considers that the number of expressions of interest on a local authority's self-build register may underestimate demand.
- 3.17 As a result, the Housing Need Study also obtained data from Buildstore, who own and manage the largest national database relating to the demand and supply for self and customer build properties in the UK. Paragraph 8.20 confirms that 284 people were registered with Buildstore as looking to build in Hinckley and Bosworth, with a further 865 subscribers to their Plotsearch service which tracks self-build land opportunities. It is interesting to note that this is the same exercise as undertaken in the 2017 HEDNA (above), with the number of people registering



with Buildstore substantially increasing from a figure of 157 in January 2017 to 284 in November 2019.

- 3.18 The Housing Need Study also considers, in paragraph 8.21, that this suggests there is a sizeable level of demand for serviced plots for self-build and custom housebuilding which hasn't yet been reflected in the Council's own self-build register – with an additional 224 registrants on the Buildstore register beyond the 60 expressed on the Council's register (in March 2019).
- 3.19 Furthermore, paragraph 8.22 goes on to reference separate research by the National Customer and Self-Build Association (NaCSBA), which confirmed a potential need for 1,873 plots within Hinckley and Bosworth.
- 3.20 Separately, the Housing Need Study helpfully summarises the demand for self-build as expressed by local agents. Across the Borough, agents were said to have stressed a notably high level of demand from individuals looking to build their own home.
- 3.21 It would therefore appear, based upon evidence presented within the Council's Housing Need Study that demand for self and custom build housing within the Borough is far greater than that considered within the Council's Draft Local Plan, and set out in its self-build register.

Self-build and Custom Housebuilding Register

- 3.22 The Council has a webpage dedicated to self-build and custom build housing with details of how to register. We have requested further information from the Council, through a Freedom of Information Request, on how it alerts those on its Register to suitable permissions. The Council has confirmed (Appendix 1) that:

"We would alert them via email if they~~re~~ are available self-build plots however most are self-build for the applicant themselves."

- 3.23 The Council has also confirmed that there is no local connection test.



4. SELF-BUILD AND CUSTOM HOUSEBUILDING DEMAND IN HINCKLEY AND BOSWORTH

- 4.1 There are a number of means by which demand for self-build and custom housebuilding can be calculated. The Planning Practice Guidance confirms that in assessing housing needs, local authorities should use the demand data from the register in their area, supported as necessary by additional data from secondary sources. This is used to understand and consider future need for this type of housing. The PPG confirms that secondary sources can include data from building plot search websites, enquiries for building plots recorded by local estate agents and surveys of local residents.
- 4.2 The Bacon Review (House) provides a helpful summary of the indicators of demand. It confirms that there are two broad custom and self-build demand indicators: survey-based and Right to Build Registers. Noting that the terms right to build and self-build are used interchangeably.
- 4.3 In respect of the Right to Build Register the Bacon Review considers that the consolidated figures show a demand of just over 16,000 registrations per year. However, it also confirms that there are several reasons why the Register may not reflect the full extent of demand for Custom Self-Build. The Bacon Review explains that a number of local authorities impose some restrictions on joining the Register, which may present a barrier to individuals wishing to register. In the case of Hinckley and Bosworth, as we have detailed above, there are now no such restrictions.
- 4.4 However, the Report also goes on to confirm that not all of those wishing to custom self-build are aware of the Register. It quotes from the NaCSBA VAT Recovery Survey which suggested only 42% of respondent custom self-builders were aware of the Register, whilst between 83% and 87% of the general public were unaware according to YouGov polling for NaCSBA². For these reasons the Bacon Review suggests that it is very likely that the annual demand for custom self-build is significantly higher than that reported through the Right to Build Registers.
- 4.5 The Bacon Review also outlines the survey-based approach confirming that a long time-series of general population surveys have shown a significant level of public interest in custom self-build. It confirms that studies have consistently shown that around a third of the general population are 'interested' in self-build, whilst YouGov polling for NaCSBA³ shows 12% being 'very interested'.
- 4.6 The Bacon Review considers that given that these were representative surveys, 'aspirational demand' can be gauged by assuming 12% to 33% of all households would like to custom self-

² <https://nacsba.org.uk/news/1-in-3-adults-interested-in-self-building/>

³ <https://nacsba.org.uk/news/1-in-3-adults-interested-in-self-building/>



- build. However, the Report considers there to be a distinction between aspirational demand and effective demand – effective demand takes account of budget constraints (and availability of finance). The Report considers that the number of transactions in the housing market is a reflection of effective demand – confirming there to have been 1.1 million housing transactions a year in England (according to HMRC stamp duty data).
- 4.7 In calculating effective demand for custom self-build across England the Report applies a range of between 12% and 33% to the transactions data of 1.1 million to arrive at a demand figure of between 132,000 and 363,000 households per annum who wish to custom self-build, and have a means of doing so.
- 4.8 In concluding on demand, the Report takes account of both Right to Build Registration data, as well as survey findings, and considers that true demand for custom self-build in England is at least 30,000 a year, as a minimum, and could conceivably be as high as 100,000 homes a year.
- 4.9 It is possible, using the same approach as the Bacon Review to estimate demand for custom self-build in Hinckley and Bosworth. HMRC confirm that the number of Stamp Duty Land Transactions within Hinckley and Bosworth totalled 2,300 in 2020/21, a figure which has remained broadly consistent (if not slightly higher) in prior years. Applying the same range of between 12% and 33% of households who would like to custom self-build to this figure results in an effective demand within Hinckley and Bosworth for custom self-build of between 276 and 759 homes per annum. These figures are not dissimilar to the level of demand recorded by Buildstore as summarised in the Council's Housing Need Study.
- 4.10 Research undertaken in the House of Commons Library Briefing Paper – Self-build and custom build housing (March 2017)⁴, considered that whilst there was no conclusive figure for the number of self/custom build properties completed each year, the generally accepted estimate is that self-build accounts for between 7-10% of new housing across the UK, equating to 12,000 per annum at the time of the analysis⁵. A range broadly consistent with that calculation based upon VAT refunds undertaken by Cambridge Centre for Housing and Planning Research.
- 4.11 The Briefing Paper also references AMA Market Research⁶, which predicts that the self-build market is expected to grow steadily by around 7-10% per annum to 2020 (the end of the period

⁴ House of Commons Library Briefing Paper, Self-build and custom build housing, Number 06784, March 2017

⁵ Ibid, original source – Build-it-yourself? Understanding the changing landscape of the UK self-build market, Centre for Housing Policy, 2013

⁶ Ibid, page 5 (source Self-build Housing Market Report-UK 2016-2020 Analysis (Summary), AMA Market Research



of analysis). The research also suggests that demand is suppressed, with a significant level of unmet demand.

- 4.12 Applying the rate of self/ custom build completions referred to above (7-10%) to Hinckley and Bosworth's overall housing need (under Standard Method totalling 472 dwellings per annum), would suggest that the level of self/ custom build within Hinckley and Bosworth, should according to national averages, total some 33 – 47 plots per annum, growing by 7 – 10% per annum.
- 4.13 Separately, the Council has confirmed through a Freedom of Information request (Appendix 1) that as of October 2022, there were a total of 33 individuals (and nil associations) on its Right to Build Register. However, this figure is the result of substantial reductions made to the Register by the Council, following a consultation exercise in the summer of 2021. It is not clear what the consultation entailed, or how and why it was undertaken but it appears to have resulted in the retrospective removal of most individuals in Base Periods 1 – 5, as we summarise in the table below.

Table 4.1 Hinckley & Bosworth's Right to Buy Register

	RTB Register (pre Summer 2021)	RTB Register (post Summer 2021)
Period 1 (up to 30/10/2016)	11	0
Period 2 (up to 30/10/2017)	26	1
Period 3 (up to 30/10/2018)	12	0
Period 4 (up to 30/10/2019)	12	1
Period 5 (up to 30/10/2020)	11	1
Period 6 (up to 30/10/2021)	22	16
Period 7 (up to 3/10/2022)	-	14
Total	94	33
Average per annum	16	5

- 4.14 Notwithstanding, a comparison of both registers (before and after the summer 2021 consultation) demonstrates that there would appear to be on average 16 new individuals to the Council register each year, which broadly tallies with the latest figures for Base Period 6 and 7.

Summary of Self-Build Demand

- 4.15 In summary, the Council's Right to Build Register currently totals 33 individual registrants who have largely registered over the two most recent base periods, increasing to 108 if fully accounting for those that had registered in earlier base periods. The Register appears to be growing at a rate of approximately 16 registrants per annum.



- 4.16 Survey based methods of establishing demand indicate a need of between 276 and 759 plots per annum based upon a proportion of Stamp Duty Land Tax transactions within Hinckley and Bosworth, reflecting what is considered to be effective demand for Self-Build homes within the housing market.
- 4.17 Separately, national indicators of self-build completions applied to the Standard Method based housing need within Hinckley and Bosworth would suggest a need for between 33 and 47 self-build plots per annum.
- 4.18 Whilst there is significant variation in the estimates of demand it is clear that based upon the Council's Right to Build Register alone there exists a need to provide for at least 16 self-build plots per annum to meet the needs of those on the Right to Build Register, true demand could however be far greater than this figure.



5. SELF-BUILD AND CUSTOM HOUSEBUILDING SUPPLY IN HINCKLEY AND BOSWORTH

- 5.1 As detailed earlier within this Report, the Council has a legal duty to permission an equivalent number of plots of land, which are suitable for self-build and custom housebuilding, as there are entries for that base period over the following three years.
- 5.2 The Council, through a Freedom of Information request (Appendix 1), has confirmed that the number of permissions for self/ custom build plots it considers have been issued within each base period. This is summarised in the first second column of the table below, and totals 7 (to the end of Base Period 7), equating to an annual average of 1 permission per annum (over Base Period 1 – 7). We note that at the time of the Freedom of Information Request the Council were yet to finalise its monitoring for Base Period 7.
- 5.3 As detailed in Section 2 of '*The Self-Build and Custom Housebuilding (Time for Compliance and Fees) Regulations (2016)*' the time allowed for an authority to comply with the duty to grant planning permissions in relation to any base period, is the period of 3 years beginning immediately after the end of that base period. As such only permissions issued since the end of Base Period 1 (ending 30 October 2016) can be counted.

Table 5.1 Self-build and Custom Housebuilding Register – Hinckley and Bosworth

	RTB Register (pre Summer 2021)	RTB Register (post Summer 2021)	Permissions Issued During Base Period
Period 1 (up to 30/10/2016)	11	0	0
Period 2 (up to 30/10/2017)	26	1	0
Period 3 (up to 30/10/2018)	12	0	0
Period 4 (up to 30/10/2019)	12	1	5
Period 5 (up to 30/10/2020)	11	1	1
Period 6 (up to 30/10/2021)	22	16	0
Period 7 (up to 3/10/2022)	-	14	1
Total	94	33	7
Average per annum	16	5	1

Source: Hinckley and Bosworth Council, Appendix 1

- 5.4 It is clear that whilst the Council sought to rationalise its Right to Build register in the Summer of 2021, prior to that it had failed to meet its statutory obligations in permissioning a sufficient number of plots to meet the requirements of those on its Register in Base Periods 1, 2 and 3 (i.e. allowing for a 3 year period in which to meet its obligations).
- 5.5 The Council's approach to retrospectively remove entries from its Right to Build Register during Summer 2021 must be considered against the legislative framework set out in the 2015 Self-Build and Custom Housebuilding Act as amended by the 2016 Housing and Planning Act. Of particular importance is Section 2a(2) and 2a(6)(a).



- 5.6 At Section 2a(2) the amendments to the Act state that “*an authority to which this section applies must give suitable development permissions in respect of enough serviced plots of land to meet the demand for self-build and custom housebuilding in the authority’s area arising in each base period*” (our emphasis).
- 5.7 It goes on to state at Section 2a(6)(a) that “*the demand for self-build and custom housebuilding arising in an authority’s area in a base period is the demand as evidenced by the number of entries added during that period to the register*” (our emphasis).
- 5.8 The primary legislation is clear that the Statutory Duty applies to the need arising within a Base Period and relates to the number of entries that were added during that Base Period.
- 5.9 The Council has retrospectively removed 75 entries from Base Periods 1 – 6, and it is quite clear that the Council has not permissioned a sufficient number of plots within a 3 year period to meet the number of individuals who registered throughout Base Period 4. We accept that the Council has until the end of October 2023 to permission the 11 plots necessary to balance with the number of individuals who registered during Base Period 5.
- 5.10 Notwithstanding, it is also clear that the Council continues to experience a similar number of new registrants each year (c.16 per annum), and in permissioning on average 1 plot per annum is falling woefully short of the number of plots required to meet demand.
- 5.11 As a consequence, and given the above analysis, the Council does not appear to have a pipeline of self-build plots. On this basis there would appear to be a significant self/ custom build supply issue in Hinckley and Bosworth



6. SUMMARY AND CONCLUSION

- 6.1 This Report has been prepared by Marrons Planning on behalf of Mr Ward, and provides an assessment of self-build and custom build Housing need within Hinckley and Bosworth.
- 6.2 Our client is interested in pursuing a self-build home within Hinckley and Bosworth and has duly been added to the Council's Right to Build Register.
- 6.3 Government and National Planning Policy is clear in its requirement to significantly boost the supply of new homes – and the Government continues to pursue new housing delivery of 300,000 homes per annum. In doing so it considers it important that the needs of groups with specific housing requirements are addressed, including people wishing to commission or build their own homes. Local authorities also have a statutory requirement to permission a sufficient number of plots to meet demand in their area, based upon the number of entries added to an authority's register during a base period – the local authority has 3 years in which to permission an equivalent number of plots. The Government's Right to Build Register Monitoring reports that across England there were 12,263 new registrants in 2020/21, a 31% increase on the previous year.
- 6.4 The Council has confirmed through a Freedom of Information request (Appendix 1) that as of October 2022, there were a total of 33 individuals on its Right to Build Register within Hinckley and Bosworth, a figure which increases to 108 before the rationalisation of the Register in the Summer of 2021. Over the course of the base periods which have passed, this would suggest that an average of 16 individuals were added to the Register each year, a figure which mirrors the level of recent registrations.
- 6.5 However, there is general consensus within Government research and other evidence that local authority self and custom build registers' are not representative of the full demand, and as such the need for more self and custom build plots. This is largely due to a lack of awareness in the general public. Government guidance recommends that when assessing the need for self/ custom build plots, in addition to assessing numbers on a local authority's Right to Build Register that they also draw from secondary data sources.
- 6.6 The Council's 2017 HEDNA confirmed a demand (at the time of the HEDNA's preparation) totalling 157 people (registered on the Buildstore's Custom Build Register), with a further 673 subscribers to the Plotsearch service, interested in purchasing a plot in Hinckley and Bosworth. These figures increased to 284 and 865 respectively when assessed as part of the Council's Housing Need Study in 2019.
- 6.7 Evidence presented with the Bacon Review considers effective demand (taking account of constraints including availability of finance) to account for between 12% - 33% of housing



transactions, equating to demand in England of between 132,000 and 363,000 households per annum. The equivalent calculation within Hinckley and Bosworth totals an effective demand of between 276 and 759 households per annum.

- 6.8 Research undertaken in the House of Commons Library Briefing Paper – Self-build and custom build housing (March 2017)⁷ considered that whilst there was no conclusive figure for the number of self/custom build properties completed each year, the generally accepted estimate is that self-build accounts for between 7-10% of new housing across the UK. Based upon Hinckley and Bosworth's Standard Method based housing requirement, this would equate to some 331 – 47 self-build and custom build plots per annum.
- 6.9 This would suggest that current demand for self-build plots within Hinckley and Bosworth is significantly in excess of that which can be derived from the Council's Register (averaging 16 individuals per annum), and that demand continues to grow.
- 6.10 In respect of supply, the Council has confirmed through a Freedom of Information request (Appendix 1) a total of 7 planning permissions (to Base Period 7 – October 2022). It is clear that on average 1 self / custom build planning permissions are issued annually, which compares with an average of 16 registrations to the Council's self / custom build register per annum.
- 6.11 Based upon the Council's own data it did not meet its statutory obligations in permissioning a sufficient number of plots to meet the demand in the Base Periods prior to rationalising its Right to Build Register in Summer 2021, and it continues to face significant issue in needing to permission a sufficient number of plots to meet the requirements of those on its Register.
- 6.12 The evidence presented within this Report demonstrates a clear and significant demand for self-build and custom build plots within Hinckley and Bosworth. The Proposed Development will make a contribution towards the Borough's housing supply, meeting a local need for self-build and custom building plots, which should be afforded significant weight, particularly in the absence of any identifiable supply of self/ custom build plots.

⁷ House of Commons Library Briefing Paper, Self-build and custom build housing, Number 06784, March 2017