

## INDIVIDUAL EXECUTIVE DECISION MAKING MEETING

**EXECUTIVE MEMBER FOR REGENERATION**

## RECORD OF DECISION

An Individual Executive Decision Making meeting was held on 30 October 2019.

**PRESENT:** Councillors A Waters and J Thompson(Also in attendance)

**ALSO IN ATTENDANCE:** A Metcalfe, local democracy reporter (Gazette)

**OFFICIALS:** S Blood, P Clarke and R Horniman

19/1 **SELF-BUILD AND CUSTOM HOUSEBUILDING REGISTER (CHARGING AND LOCAL ELIGIBILITY CRITERIA)**

The Director of Regeneration submitted a report that sought approval for the introduction of a charge and local eligibility criteria to the Middlesbrough Self-build and Custom Housebuilding Register.

The report requires Executive member approval as whilst not part of the policy framework this report was seeking approval for changes to a register that must be considered when carrying out their planning, housing, land disposal and regeneration functions. Such decisions fall within the remit of the Executive.

The Self-build and Custom Housebuilding Act (2015) (as Amended) (thereafter referred to as 'the Act') places a requirement on local authorities to keep a register of individuals and associations of individuals who are interested in self-build or custom housebuilding projects in their area. The Act defines 'Self-build and custom housebuilding' as the building or completion of houses by individuals or associations of individuals to be occupied as homes by those individuals. It places three key duties upon local authorities:

- the keeping and publication of a register that allows persons to register their interest in acquiring a plot for self-build purposes.
- that this register was taken into account by the local authority when carrying out its functions with regards to planning, housing, regeneration and land disposal.
- a requirement to grant permission of serviced plots<sup>1</sup> to meet the identified need on the self-build register for each base year. The Act confirms that the local authority has three years from the end of the base period to comply with the duty.

Further information on the Middlesbrough Self-build and Custom Housebuilding Register were outlined in the report. It was outlined that Middlesbrough Council introduced its Self-build Register in April 2016. The register currently had eight individual entrants, who had provided details in relation to their circumstances and ambitions for a self-build plot within particular wards of the Borough. Of these, four did not currently reside in Middlesbrough, two require funding, and the majority hoped to start building their homes within 12 months of entry onto the register.

To support a greater understanding of the nature of demand for self-build and custom house building, the Act enables local authorities to include eligibility criteria that can be used to determine who can be entered onto the register. The criteria can include:

- a local connection test whereby a person can be requested to demonstrate a sufficient connection with the authority area; and/or
- whether a person who wishes to be entered onto the register has sufficient resources

to purchase land for their own self-build.

In addition, the Self-build and Custom Housebuilding (Time for Compliance and Fees) Regulations 2016 allow authorities to charge a fee for entry onto the register and a separate annual fee for remaining on the register.

In order to minimise the risks associated with over-estimating demand under the Act, and to help ensure that a genuine need is being met, it is recommended that eligibility criteria and fees be introduced for people wishing to be added to the register, and for remaining on it. The introduction of local based criteria would minimise the risk of 'double counting' with other local authorities, with applicants required to demonstrate a local connection to the Middlesbrough area. The Register would be split into two parts: Part 1 would be for those meeting the eligibility criteria; and Part 2 would be for any other entrants.

It was also recommended that the Council introduce modest fees to recover reasonable costs incurred as a result of determining applications, maintaining the register and corresponding with entrants of the register during their search for a plot. Such fees would have the added benefit of helping to identify genuine need for plots, as it is unlikely that purely speculative entrants would be willing to incur such costs.

Appendix 1 of this report provided specific details on proposed eligibility criteria and charges.

## **OPTIONS**

### **Other potential decisions and why these have not been recommended**

To continue to maintain the register as it is - Should the decision be made to continue to manage the register as it is, the Council would need to have three serviced plots of land available before the 31st October 2019 to meet the demand of the first base period of 15/16, and a further five plots for the consequent years at the end of each base period (subject to increase following any further entries to the register.)

It was considered wholly reasonable that the Council should ensure their efforts to provide serviced plots is aimed towards genuine local need. However, without the criteria proposed in this report the Council could put significant efforts, monetary and otherwise, into providing serviced plots that won't actually be delivered as the applicant could be 'hedging their bets' within a number of local authority areas.

To include a requirement to demonstrate entrants have the resources to purchase land – A solvency test that requires an applicant to demonstrate that they have the financial ability to purchase and construct a self-build project was also considered as a means of eligibility onto the register. However, given the time and expertise required this was considered much too onerous for Officers to determine as part of an application.

## **ORDERED**

**That the introduction of a local connection test and fees for entrants to the Middlesbrough Self-build and Custom Housebuilding Register be approved.**

## **REASON**

**To support a greater understanding of the nature of demand for self-build and custom housebuilding in Middlesbrough, ensuring the Council provides serviced plots, as per the Act, that are aimed towards meeting a genuine need and to enable the Council to meet its statutory obligations.**

The decision will come into force after five working days following the day the decision was published unless the decision becomes subject to the call in procedures.