



BRIEFING PAPER

Number 06998, 15 June 2015

The Self-build and Custom Housebuilding Act 2015

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Summary

On 12 June 2014 Richard Bacon secured fourth place in the Private Members' Bill ballot. He presented the [Self-build and Custom Housebuilding Bill](#) on 2 July. The Bill secured Government and cross-party support; after completing its parliamentary stages it obtained Royal Assent on 26 March 2015.

The [Act](#) builds on existing Government initiatives, particularly the proposed 'Right to Build,' with the aim of increasing the number of self/custom built properties in England and Wales. The Act's provisions will improve the data held on the demand for self/custom build and place a requirement on authorities to have regard to individuals/bodies who have expressed an interest in acquiring land for self-build purposes when carrying out their housing and planning functions. A Money Resolution and a Ways and Means Resolution in respect of the Bill were agreed on 25 November 2014.

During the Bill's progress through Parliament clauses 1-6 were agreed without substantive amendment. Technical amendments to the long title were agreed so it is now: "An Act to place a duty on certain public authorities to keep a register of individuals and associations of individuals who wish to acquire serviced plots of land to bring forward self-build and custom housebuilding projects and to place a duty on certain public authorities to have regard to those registers in carrying out planning and other functions." This reflects the narrower scope of the Act than that presented on First Reading.

A consultation paper, the [Right to Build: supporting custom and self build](#), was published in October 2014 to coincide with the Bill's Second Reading. The outcome of the consultation process was announced in March 2015: [Right to Build: supporting custom and self build: government response to consultation](#). The then Government said it would build on the legislative framework provided by the *Self-build and Custom Housebuilding Act 2015* to introduce a Right to Build under which local authorities would be required to bring forward plots of land for registered custom builders in a reasonable time. There is an ongoing pilot of the Right to Build in 11 local authority/National Park Authority areas.

The [Conservative Party's 2015 Manifesto](#) contained a commitment to introduce a Right to Build with the aim of doubling the number of self and custom build homes by 2020. Measures to take forward the Right to Build will be included in a forthcoming *Housing Bill*.

Detailed background on the self/custom housebuilding sector in England can be found in Library Briefing Paper 06784, [Self-build and custom build housing \(England\)](#).

1. The Act

1.1 Register of persons seeking to acquire land (Section 1)

Section 1 of the Act places a duty on 'relevant authorities'¹ to keep and publicise a register of individuals and associations "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." A serviced plot of land means 'a plot of land which satisfies such requirements about utilities and other matters as may be specified.'² Existing planning guidance suggests that authorities should survey local residents to identify demand for self-build and 'compile a local list or register of people who want to build their own homes.'³ Thus the keeping of a register of prospective self-builders would move, under section 1, from a discretionary to a mandatory requirement.

Regulations made under section 1 may make provision for various matters set out in the Schedule to the Act. These regulations may provide for the form of the register; entries to and removals from the register; eligibility to be included; information to be supplied by applicants; the right to a review of a decision (e.g. a refusal to enter or renew an application); and for the payment of fees by applicants. Regulations made under section 1 or in relation to paragraph 6 of the Schedule (fees) are subject to the affirmative procedure.⁴

At Committee Stage, Richard Bacon said the section had been drafted to allow flexibility "so that the final statutory framework for local registers can take on board views from consultation and practical experience from the vanguard councils."⁵ It was (and is) recognised that the potential opportunities for custom build will vary in different areas, such as those with high demand and limited land supply. In regard to fees, the Minister, Brandon Lewis, said that in the early years of the establishment of the register the Government expected registration to be free. In the future, authorities will be able to charge fees on a "cost-recovery or cost-contribution basis." He also confirmed that the Government would "meet any new burden pressures on local government as a result of the Bill."⁶

¹ Defined in the section and to include district councils, county councils in England.

² Clause 5 of the Bill (Interpretation).

³ DCLG, National Planning Practice Guidance, [Housing and economic development needs assessments](#), section 3, [online - accessed on 20 October 2014]

⁴ Section 4(1) of the Act. This means they will have to be approved by both Houses of Parliament before they can come into force.

⁵ [PCB 17 December 2014 c4](#)

⁶ [PCB 17 December 2014 c11](#)

1.2 Duty as regards registers (Section 2)

Section 2 will require authorities⁷ to 'have regard' to the register when carrying out functions relating to:

- planning
- housing;
- disposal of land; and
- regeneration.

The section stops short of placing a duty on authorities to make plots of land available to those on the register – the Government has said it intends to legislate for a Right to Build in a forthcoming *Housing Bill*.⁸

At Committee Stage the Minister described what was then clause 2 as building on the National Planning Policy Framework "which requires that local planning authorities should plan for housing based need, including for those people wishing to build their own homes." He said that the duty will not "trump" other statutory considerations such as the green belt or areas of outstanding natural beauty" but "all authorities will need to give more consideration to the merits of custom build."⁹

1.3 Guidance (Section 3)

Relevant authorities (as defined in section 1) will be required, under **section 3**, to 'have regard' to guidance issued by the Secretary of State when exercising any function conferred or imposed by section 1 or the Schedule to the Act.

Authorities mentioned in section 2 will also have a duty to have regard to guidance issued by the Secretary of State when exercising duties imposed by section 2.

Brandon Lewis explained that the guidance will be informed by the outcome of the October 2014 consultation process on the Right to Build and the work of the 11 vanguard authorities. He said the guidance would deal with the method of publication of the register.¹⁰

1.4 Extent (Section 6)

Section 6 provides for the Act's provisions to extend to England and Wales but they will only apply in relation to England. The detailed provisions will be brought into force by regulation(s) on a date or dates appointed by the Secretary of State.

⁷ These are listed in subsection 2(2) and include; for example, county councils (England), district councils, and London borough councils. Regulations made under paragraph 2(2)(j) to include other public authorities in this list would also specify the areas in England that these bodies would cover. Regulations made under section 2 will be subject to the affirmative procedure (under section 4(1) of the Act – see footnote 6 for an explanation.

⁸ For more information see Library Briefing 06784, Self-build and Custom build housing (England).

⁹ [PCB 17 December 2014 c11](#)

¹⁰ [PCB 17 December 2014 c12](#)

2. Comment

There is cross-party support for measures aimed at increasing the self/custom build sector. The October 2014 consultation paper described the Government as:

...a proud supporter of the custom and self-build sector. We want to increase the capacity and diversity of the house building industry and build more high quality homes faster. We recognise that custom build can be an affordable way to home ownership that provides an opportunity to own a bespoke, sustainably designed and high quality home." ¹¹

At the Bill's Committee Stage, the then Shadow Minister for Housing, Emma Reynolds, supported the creation of a register but said she would like to see local authorities given more power to be proactive in assembling land, in addition to a more efficient planning process for small sites.¹² She also emphasised the need to work with the banking industry to improve mortgage accessibility for self-builders.¹³

Measures taken to promote the self/custom build sector are detailed in Library Briefing 06784, [Self-build and custom build housing \(England\)](#).

¹¹ DCLG, [Right to Build: supporting custom and self build](#) consultation paper, October 2014

¹² [PBC 17 December 2014 c7](#)

¹³ [PBC 17 December 2014 c8](#)

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