Duncan Hayes Custom and Self Build

Welcome to Communities Building Homes, a new podcast brought to you by Community Led Homes, North Yorkshire and East Riding.

In this podcast, we're going to meet people who are at the forefront of doing, supporting and enabling communities to make great housing. Building new homes or refurbishing old buildings. People who are truly making homes to live in a meeting, local housing needs. I'm journalist and presenter Peg Alexander.

And my guest today is Duncan Hayes. Duncan is from NAXPRA, the National Custom and Self Build Association. They want to make custom and self build a mainstream choice for everyone seeking a home of their own, which they do through lobbying, research and spearheading partnership working groups. NAXPRA also set up sister organization, the Right to Build Task [00:01:00] Force. Now the task force provides advice and information to support those who want to build and enable custom and self built homes.

They also work closely with local authorities, but also with others such as community groups, and they want to make sure that the right to build legislation that exists lives up to its potential and actually leads to more homes. Duncan, welcome to the podcast.

Thank you for having us.

Oh, well, thank you so much for joining us now, let's start with that that first question if you like, you know, what exactly is custom and self build and who's doing it and how much of it is there?

Well simply put custom and self build operates on a spectrum like community housing. So, there's whole different ways of achieving it, whole different ways of delivering it. There are two definitions really are concerned with it. Self build and custom build. Self build tends to be on single plots, but it doesn't have to be.

And it is just the process of someone commissioning a home to be [00:02:00] built to their own preferences. Custom build tends to be on multi plot sites, where you've got several home opportunities together. And it's distinct in that it's delivered by an enabling developer. That can be a local authority, a community group or a housing association.

But normally the site is put together, infrastructure, roads, planning is put in, in place. However, there's also something called multi plots, which custom build is always, but self build can also happen on multi plots. So it may be that on a custom build site, you could have a single plot coming forward.

Someone could buy that and then actually go on to self build on that plot. Custom building often comes with designs that you can choose from or pallets of material that the pallets have specified. So it's done by individuals for themselves. That's the crucial element.

Yeah is it people who are going to live in these homes that are doing this?

That's absolutely the crucial element. So most community housing falls into that bracket of custom and self building because of it However, for example, if you had a parish that was built [00:03:00] bringing forward community led housing and they were nominating the people that wouldn't be custom and self built because those original people didn't have that input.

So literally people are saying I want two bedrooms. I want three bedrooms. I want a bigger hallway, whatever it is that's important to them.

Exactly so and with self build you can do that process. You find your land, you find your designer, you, a package company to do it. Custom build, that's often part of the way through. And some custom build products come through and they're just customisable.

So you just have got like a choice of houses. There might be three or four houses types. And on that, you can specify where you are. Some of the modular ones, you could, you know, choose for your kitchen to be on the top floor or your kitchen to be on the bottom floor. So it allows you to change things like layouts as well as materials and finish.

In terms of the size of it, tere are roughly 13, 900 self built homes self and custom built homes, but it's hard to split that down into one of the other routes They're not really tracked in that way. But of course then there's also a whole [00:04:00] lot of community led housing projects going on. I think there's collectively about 23, 000 houses coming through the pipeline in community led housing if the fund is renewed.

And a lot of those would fall into the custom and self build bracket. In terms of who can do it? Well, absolutely anybody really. It depends on how much time and energy you've got. If you're custom building, a lot of the issues about finding land and securing planning, they're taking a taking into account early on in the process, so when you come along for a custom build all of that is already in place, you know, something can be built that normally comes with sort of either design codes or plot passports which set out what you can build on each plot, so it's a simpler process really in terms of engagement.

We will talk about the whole planning question a bit more through this podcast when you were talking about the self build it reminded me of when I was in Canada and we went to a brand new housing development and they would say is when you buy the [00:05:00] plot of land, you don't go to look for the house, you buy the land and then you choose what house you're going to put on the land yourself, you know, very, very different way of doing it.

But am I right in thinking if we're talking self build, we are actually talking about people getting down with hammers and nails and screws and whatever those things are called, where you put the concrete, you know, on and putting the actual brick laying, we are talking that, aren't we?

No, you're not actually strangely enough. Just to come back to your first point about going abroad. The UK produces about 7 percent of its housing through custom and self build. Now that's tiny in comparison to a lot of other developed countries, but by that we mean, European countries and Australia, and America. In those countries, it's a normal way to go forward, is to find a plot and then build on it.

And a lot of European countries, roughly 40 percent of their housing output is produced by it. So in England especially, but also in the UK [00:06:00] in generally, we've got this mindset that actually housing has to be delivered to us by a large company. We don't get any say in it. In terms of your, uh, note about, people getting stuck in, you can get stuck in and people do get stuck in but the idea of self build being a grand designs on a large plot miles from anywhere where someone's busy hammering through the night while someone's having babies somewhere else, it's a tiny, tiny part of the market. Most self builders do not ever pick up a hammer, most of them it's a commissioning process.

So you're getting involved with contractors or a whole house manufacturing company. Where people do tend to do that get involved with the work is it tends to be things more in the planning or finance or project managing especially. It's not to say that you won't get people building. Some people really want that process, there's also a term called sweat equity sweat equity does mean that exactly getting stuck in and doing it, and that's a way to save money.

So often on community led projects, you'll find there's a lot of sweat equity, people getting stuck in building roofs, lifting [00:07:00] walls and things, but there's a real balance that you need to clear in your mind in terms of how much it will cost you to put all your time into hammering nails into a wall, how much you can earn in your day job and pay someone to nail your hammers in your wall.

So it's about what people want. And what people are able to do and deliver financially or, you know, where it can save corners. So, but most people are just armchair builders.

Yeah, I mean, as you were talking there as well, I was thinking about some of those things we often see, say, in American films, of the past. where whole communities will come together to build the timber frame houses, you know, and over a weekend or two, the house, would appear, all the men of the village would be there to build them.

I mean, obviously we have a very, very different housing market, as you were saying here, and very different construction methods, but you did mention early on at the start about the idea of people kind of having, not quite plan houses to choose from, but how much of these are now these kind of a flat pack houses, you know [00:08:00] where they're sort of made somewhere else in the factory and then assembled on site.

Yeah, so one of the interesting things about self build in general is that it's an innovator. So in terms of a whole range of benefits, self build leads the way and often is miles ahead of the mass market. Mass market housing is built to tight economies of scale. There's many, many accountants sitting in offices, working out how to do everything to the very cheapest, lowest common denominator and still produce housing.

Self build is, flips that on its head. Because of that, self build has always been an embracer of modern methods of MMC, modern methods of construction, which is a big plus point for government. So we've been an early adopter of alternative ways of building that could be things like insulated concrete formwork where you've got a polystyrene lego effect and then that's pumped full of concrete.

But the package houses like you said, they are a hugely dominant factor in self building. Often you'll have either sips where it's like a sort of [00:09:00] imagine an ice cream sandwich and it's board on the outside and then foam on the inside and that forms the structure of the house. Or it can be an entire build that's done in a factory where factory building has its advantages is that exactly in your seven brothers reference, all of those houses are factory built.

So they are built with massive high, high, high levels of insulation, air tightness. So they're very sustainable houses in terms of the build. They then are erected on site in a matter of days. I know it's amazing, isn't it? Once the foundations are down, they can go up so quickly, can't they?

Exactly. If you're using that package system, they really do work on site. Now that's great for neighbours because it's minimising disruption. You're not having wet trades like brick and block, uh, going on for ages. But it also means that you're boosting kind of local economies. Cause there's a lot of the houses are built in the UK, not all of them, but a lot of them built in the UK.

So there's real advantages for doing it through a package manufacturer. And then just [00:10:00] finally, the great thing about package manufacturers is they've been doing this for years. So normally they have a suite of designs. You can either go and look at some show homes that they've done, for example, Potton has five show homes in Cambridgeshire.

Or you can sit with them and look on the internet, or sit in their workshops and go through design books. And then you can customise what you want from what they've built before. They might have a set of designs that they can build, but they're often able to sort of customise those further on. So you know, it can be almost a pattern book approach in some cases.

Wow. And as you say, a lot of them really, really well insulated, pretty eco-friendly. Let's talk about the affordability side of this though, because I know affordability is really important to, to yourselves at the taskforce and at NAXPA. How affordable is this? I mean, I'm always, um, I'm always amazed whenever you go for your house insurance, that the rebuild costs always seem to be kind of quite, low [00:11:00] once you've got your land.

I mean, is this is this a dead cheap way of doing it and getting affordable housing? Getting people in particularly into their first homes, it depends on what you mean by affordable, the custom and the home building renovation self and custom build market report which came out in 2017. They estimated that self builders can on average save 30 percent, if you were doing it alone as a self builder or as a custom builder, you can you can make savings. Principally, where they come from is, is the fact that it's VAT exempt for materials and labour, and also it's exempt from the CIL.

So the CIL is a levy that local authorities place, Community Infrastructure Levy.

What does the CIL stand for?

Community Infrastructure Levy. So basically when you're building, to make it more palatable and acceptable to the local community, all building has that CIL levied against them. Not all councils have CILs, so some of them might do it from section 106s.

But that's a fee, and then that goes to supporting [00:12:00] local activities, maybe improving roads or trees or playgrounds. But custom and self builds, if the council has CIL, they're exempt from CIL as a strict process, but that can often be a sort of an attaining of 000 pounds in itself, in terms of how affordable it is. The one thing about self builders is they tend to over spec, they build better quality better designed homes with more sustainable features So it's not just overspend because people get carried away with marble, but that if you're self building, most people think I'm going to be living in his house for a long time.

A lot of older people do it and future proof and they want to know security of how much their bills are going to be, that the house will adapt and they won't have to move out if their needs change. So because of that, they will often put features in that are more expensive. So it can be affordable, you can use sweat equity to build it and that definitely is a saving, although you might drive your neighbours mad with a sound of hammering, but there are routes into a saving.

I would just put out, point out though as well, and this is especially true [00:13:00] for communities, housing. That in terms of definitions of custom and self build from local plan perspectives, it can be used to deliver affordable housing, social housing. You occasionally see some registered providers working with custom and self build as a way to sort of broaden and diversify their market.

Where that can really be beneficial is if sometimes you will find that councils will obviously have a spec for how many homes they need, how many bedrooms they need in those homes. But often things like system and self help will allow people to cater to their needs, and that can be true of say, for example, for black and ethnic minorities, where the open market is just not providing that.

So an example with that is extended families. If you've got parents living with you, which many people do, but it's more dominant in certain cultures, you can then build the house that reflects that, that's adequate, that's got bathrooms and living rooms and spare bedrooms downstairs.

The house, as you say, the house that actually meets the needs. In this series as well, I'm going to be chatting with an organization called [00:14:00] LATCH, who work with volunteers and other people who are homeless to help them do up their own housing. So who's financing this then? Because this all sounds wonderful. Are you able to get a mortgage on customer self build? Could it get money for the affordable homes program from Homes England? How does all that work in terms?

Yeah in terms of groups and larger councils authorities stakeholders like that often have it on their websites. A series of notes about finance and affordability and different elements, benefits, and they're always worth having a look at, even though they're professional tools. The self build portal, which is NETSPA's website for consumers also has lots of information about this.

Let's talk about the whole issue of planning, because planning is such a massive, massive issue for everybody involved in any forms of housing at the moment. In other conversations, I've talked with people about how schemes that are community led can sometimes help the planning process get through more reasonably because it's come [00:15:00] from the community that want these homes.

Is that the case with custom and self build or, or is it still pretty difficult to get planning permission?

The situation is changing and it's changing for the better. So the customer self build in England because of the legislation is statutory. So councils have a duty to maintain a register of people wanting to custom self build and that can include groups for community led people.

And then they have to, within three years of people signing up, they have to show how many plots they've delivered to support that demand. So there's a process of demand and we're seeing appeals going through planning now where wider elements of demand are set up by the planning guidance. Are now being considered and required as well.

That's sort of other surveys or the housing needs surveys. But for planners as well, one of the things the task force does is a lot of work with local authorities it's got a lot of guidance. It's freely available on this website for planning. The message to get through it's an education message in terms of both consumers and for stakeholders and professionals. And [00:16:00] that's actually people working, whether they're house builders sma builders or local authorities, so it's a little by little approach however just like you said with community led housing, customer self build has some real wins.

It tends to involve local labour, it's built by SMEs who tend to be local companies, SMEs have a higher, far higher apprentice rates. So it starts to feed into wider council ambitions of local economy, education, benefits of the community. We know that anecdotally, custom and self build, just like community led housing, by the time people move into developments where, where there's more than one house, they have a strong sense of community where that can take years to come about from a sort of a wide, large open market development.

And then they tend to build better quality, better designed houses more sustainable houses, and because they're smaller developments normally on multi plot sites. They tend to sort of have a bit more appeal. So while you might not always get a enthusiasm in the council once you start explaining these factors and [00:17:00] how it's quite a small organic approach, it often is quite well received by local people because of that because of all of those factors. It starts to sort of win the battle of hearts and minds. Often as well, you might find that for planners, they're very busy.

They're under resourced, occasionally they might be, think it's in the too hard to do box, but you'll often get elected members, council support, might be very supportive of the route as with community housing. So again, once councils, once planners or housing teams can start to understand how it can be delivered and the benefits, they start to come around.

So, the situation is definitely getting better. And helped by the fact that it's statutory.

Yeah, absolutely. And that's the kind of work that you do do with local authorities as well, is helping them see. I guess how this can be a win win situation, help them, because every local authority is facing a challenge around housing availability and housing and enough housing stock, aren't they?

Exactly so, and if you look at what government's ambitions for what they want out of housing in terms of [00:18:00] planning for the future or the building beautiful agenda, all of the things they say that they want to see construction and development deliver, customer self build delivers as a by product effectively.

So it's, it really has an important role in diversifying local housing supply. Communities do not want a bolt on a 400 home red brick extension to their little village that's sitting in the middle of the countryside. It looks awful. People don't like it. So this is a different way of doing that. It will never replace that development.

We need development on that scale, but this is about rounding out. A housing supply and giving more people choice.

I mean, just to finish off on that. I mean, you are broadly supportive of the current proposals that the government got out to change the planning system, aren't you? Yeah, we are because I think the zoning system will offer clarity.

We're aware of the concerns about it and the way the concerns of communities have about it, but for custom and self build being able to know, what you can do and how [00:19:00] offers real surety going forwards. Aa lot of the boundaries for planning have been in place for decades now in terms of villages and how, how those expansions.

So a lot of custom and self build has come through either people building on gardens, people knocking down and rebuilding such things as bungalows, infills being taken up and sort of, you know, whether it be a small industrial space in a village, all of those things are running out because that's how we've been building for the last 20 years.

So you've got to think how all communities expand and it be manageable and organic and at the moment, the system is not really delivering that.

We'll wait to see whether that still kind of goes ahead as a government proposal after the recent by election result I know it’s just causing a lot of discussion.

We've come to the end of our time Duncan, but I hate this phrase the elevator pitch because it just it sounds so transatlantic to me, but come on just you know in a few minutes, give us that pitch on why custom and self build is absolutely blooming brilliant.[00:20:00]

Well, I would have to say, I'm sure the shoes you're wearing or the car you're driving, you've, you've chosen, you've decided what you want, what colour you want, how it, how you want it. You've decided how to paint your house. Why should we not have that ability to choose the biggest, the same things, about the biggest purchase we're ever going to make in our lives?

So it can contribute to communities, it's a better way of building, and it's great. So we would urge anyone to sort of really research it, there's loads of places to get started. And especially, depending on whether you feel it's okay with the costs, but sign up to the Right to Build register locally if you are interested.

It's a really important way to get this on the council's agenda, that people are interested in the route. And you can find that via our own website, which is the self build portal. And just have a look what's going on locally. It's a massively exciting, different way of doing housing, and it just, it offers so much scope for doing housing better.

Thanks for joining us this morning. At the start of recording this session, we weren't sure if there was going to be deliveries, dogs barking. There was someone [00:21:00] cutting the grass outside my window, but I think we've gone through fairly unscathed.

Duncan Hayes, thank you so much for joining us on the podcast. It's been a pleasure talking to you.

Thank you very much.

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