



Custom and Self Build housing developments

**Mid
Devon**
DISTRICT COUNCIL

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First Edition



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COVER IMAGE: STILL IMAGING

What is Custom and Self Build?

Just about everybody would like to move into a new home, designed and built to their own requirements. Currently, only 8% of new homes are built this way in the UK, but this form of Custom and Self Build housing is growing in popularity.

The main issue is often finding suitable sites. Community groups can use Neighbourhood Plans to allocate sites specifically for this type of housing, thus enabling local people to build the houses they want often at a far lower cost than the equivalent market housing.

This type of housing is typically of a high quality and draws upon local resources during the construction process – so everybody wins.

Even if you're not preparing a full Neighbourhood Plan, a community group can use various other routes to enable Custom and Self Build housing.

Several developers will now offer homes this way and specialist mortgages are available to help people buy a home using this method.

1. Pick your plot



2. Agree a design



3. Get building



What are the benefits of Custom and Self Build housing?

Affordability

This type of housing can be considerably cheaper as there is no overarching developer requiring a profit margin. Depending on the way in which the land is sourced and the type of project, these homes can be significantly cheaper than equivalent market housing. **According to industry information, Self Builders enjoy an average of 29% gain in the value of their completed home.**



Quality

People who build their own home will create high quality, well-designed buildings bespoke to their own needs.



Diversity

A development of Custom and Self-build homes can see a rich diversity of architectural design styles and materials.



Community

Custom and Self Build housing is likely to draw upon local tradespeople and suppliers, supporting the local economy. In addition, this type of housing results in a strong sense of community with residents having a genuine vested interest in their neighbourhood.



Sustainability

Custom and Self Builders often build highly energy efficient and sustainable homes with renewable technologies such as solar panels and heat pumps. Good for them and good for the environment.



What about the risks?

As this is still a relatively new way of building new homes in the United Kingdom, there are some potential pitfalls along the way. However, banks, developers and the construction sector as a whole are rapidly gearing up to help.

Finance

Many mortgage lenders now offer self-build mortgages linked to the build process so you don't need to find all the money up-front.



Warranties

As long as you use a recognised construction method, all the major warranty providers will provide cover, thus ensuring the building's re-sale value is maintained.



Extended Build Periods

Nobody wants to live in a building site forever, so developments can be staged and caveats placed on the planning permission to ensure builds are completed within a certain time period.



Inappropriate Design

Giving people total design freedom might not be appropriate for your area. Design can be constrained using Design Codes which provide a palette of suitable materials and design principles.



The wrong type of housing

Your area may need more two bedroom houses than five bedroom mansions. Custom and Self Build can deliver any type of housing and the housing mix can be set out in your Neighbourhood or Local Plan.



Why do this?

Whilst Custom and Self Build projects are still relatively unusual in the UK, this method of building is the norm in countries such as Austria. In the Netherlands, the sector is growing rapidly with a number of large Custom and Self Build schemes in progress.

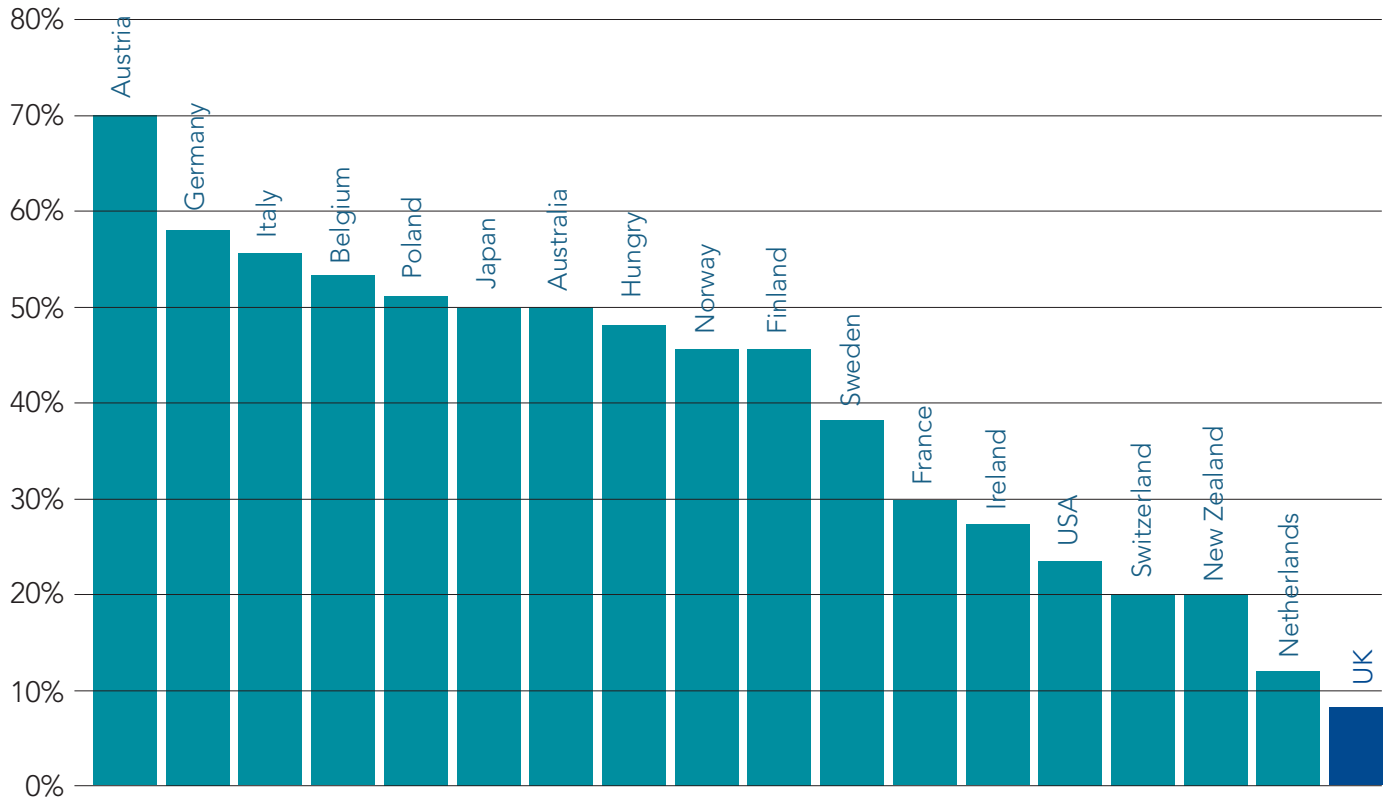
Around 13,000 new homes were built this way in the UK in 2017, that's 8% of all the new residential housing in the UK. However, this is growing rapidly supported through national planning policy with many local and neighbourhood plans now including Custom and Self Build elements. Surveys suggest that **around half the adult population would like to commission their own home at some point**, seven million

people are actively researching how to do this and about 700,000 people are keen to start building in the next year.

Custom and Self Build is good for individuals and for the community. The UK government therefore sees the growth of this sector as a key part of the UK's future homebuilding strategy. It is therefore strongly supporting this sector with legislation such as the Right to Build, as well as financial incentives such as the £3 million Home Building Fund. As the sector develops, it will become much easier for people to build or specify their own home.



International comparison of Self-build and Custom Housebuilding



An example: Broadhempston Community Land Trust



The project is community led using a Community Land Trust (CLT) structure. Residents own 75 per cent of the home to retain affordability, with the CLT land holder owning the remaining 25 per cent.



The scheme provides 6 detached self-build affordable homes for local people.



This is a true community project with much of the work undertaken by the families who now live in the homes, all of whom have a strong local connection to the area.



The land was acquired at agricultural values which kept project costs low at around £170,000 per home, roughly one third the cost of equivalent sized homes in the adjoining village. The 3 or 4 bedroom homes are based on similar footprints which helps achieve cost savings.



The project is in a rural location, on the edge of Broadhempston village, Devon, where exceptions can be made to the normal restrictions on housing development in order to encourage the delivery of affordable and low cost housing in rural areas.



Residents have good sized gardens and access to a community orchard and play-space. Parking is located away from the homes at the site entrance, making the area around the homes a quiet and safe place.



Credit: Broadhempston CLT



Credit: Broadhempston CLT

An example: Graven Hill, Bicester



This is the largest Custom and Self Build project in the UK and is the initiative of Cherwell District Council who have formed the Graven Hill Development Company to undertake the project.



The scheme is currently being built on 188 hectares of former MOD land and will provide a mix over 1900 different homes with a large percentage of these being Custom and Self Build.



There is support on hand to help people choose their plot with a 'plot shop' in Bicester town centre, Plot Passports (details of what you can build on your plot) and fast-track planning permission.



There are a wide range of plot sizes and types with specialist financing available. You can either buy a plot and design a home from scratch or buy a plot, and choose a house from a catalogue which you customise.



The project is within walking distance of Bicester Village train station and 2.5 miles from Bicester town centre.

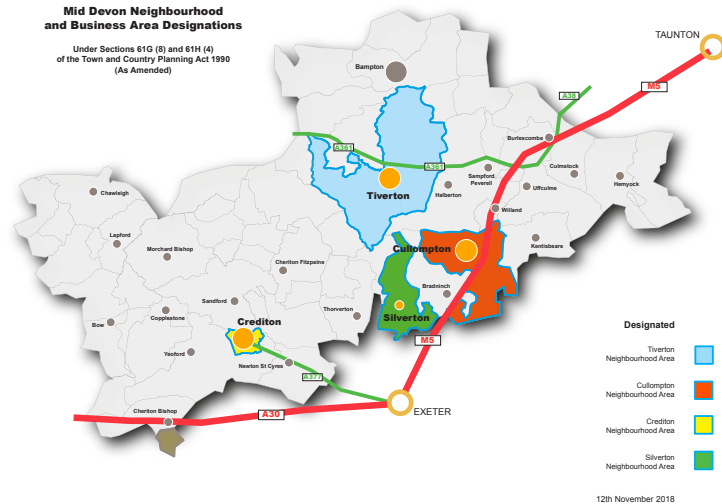


The project will include a primary school, a pre-school nursery and a community centre as well as shops, cafes and a pub.



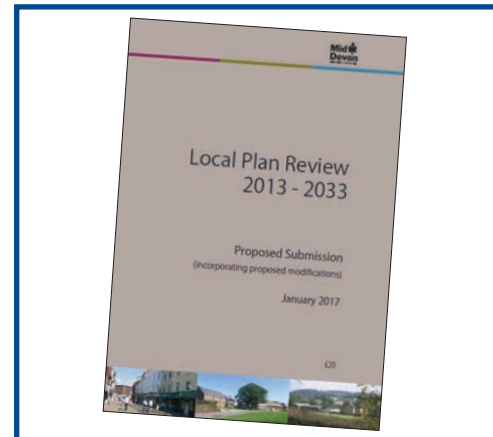
How can local communities enable Custom and Self-Build?

If you are interested in getting a Custom and Self-Build project going in your area, there are several options for you and your community. There's also lots of help available and Mid Devon District Council is ready to support you. The first step is to gather some support and form a community group. You will also need the support of your parish or town council. You then need to decide which approach you think would be best for you:



| | |
|---|---|
| <p>Neighbourhood Plan</p> | <ul style="list-style-type: none"> • Led by parish/town councils or community group • Can allocate sites for Custom and Self Build • Also do a lot more, so need a committed team • Takes time to prepare a comprehensive plan • Subject to local referendum and need to conform to the local plan |
| <p>Neighbourhood Development Order (NDO)</p> | <ul style="list-style-type: none"> • Led by parish/town council • Less comprehensive than a Neighbourhood Plan • Can be used just to allocate sites for Custom and Self Build • Subject to a local referendum |

| | |
|--|--|
| <p>Community Right to Build Order (CRTBO)</p> | <ul style="list-style-type: none"> • Special form of NDO • Can be submitted by any community organisation • Subject to local referendum |
| <p>Community Led Project</p> | <ul style="list-style-type: none"> • Any legally constituted community body can potentially undertake a Custom and Self Build Project • Groups can form a Community Land Trust, a co-housing group or even a limited company |
| <p>Local Plans</p> | <ul style="list-style-type: none"> • Led by the Planning Authority • Community groups, town and parish councils can lobby to have Custom and Self Build Sites included |



How is Custom and Self-Build actually delivered?

Getting Custom and Self Build sites allocated in a Neighbourhood or Local Plan is only the first step in the process. After this, there are several ways in which the housing can be delivered.

Commercial Partners

There are several development companies who now specialise in this type of housing. They will put in the enabling infrastructure and then offer a range of house types and styles.

Local Authority Partners

Your Parish, Town or District Council may be interested in working with you and could even have land or funding that could help.

Community Land Trusts

You could also form your own community group - perhaps a Community Land Trust which could raise funding and manage the development.

Co-housing groups

Another form of community group is co-housing where a group of residents come together to plan, create and run their own communities.

Housing Associations

A Housing Association may also be willing to partner with a community group to deliver some genuinely affordable housing. They can provide expertise in building and operating housing developments.

Key Success Factors

Planning and enabling Custom and Self Build projects can be incredibly rewarding. But it can also be quite complicated and involved, working with a range of stakeholders and local authorities. There are some critical success factors which will help make your project a success.



Start with an enthusiastic and committed group of people with a shared vision.



Get as much support as you can from your Parish, Town and District Council, landowners and other community groups.



Use the Right to Build Register, local housing needs assessments, and any other available data to demonstrate demand for this type of housing in your area.



Make sure the way you identify a site is rigorous, fair and transparent.



Undertake community engagement events and listen to feedback.

Help and Support

Here are some sources of help and support if you are thinking about enabling a Custom and Self Build Project.



An example: The Petersfield Neighbourhood Development Plan



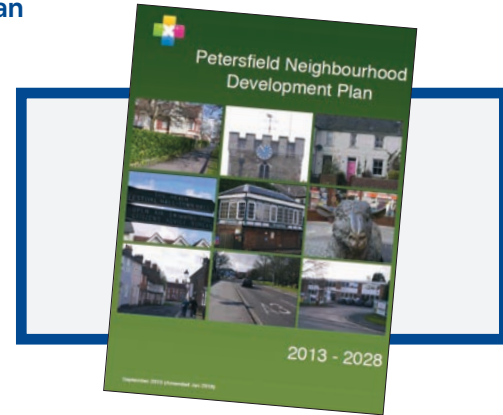
The Petersfield Neighbourhood Development Plan allocates two sites for around 120 homes which are restricted to Custom and Self Builders.



Proposals can only be submitted by individuals, community groups or a developer acting on behalf of an individual and must conform to the design brief set out in the Plan.



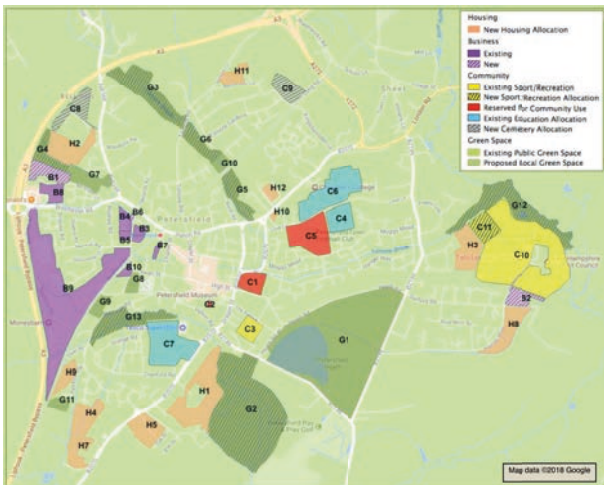
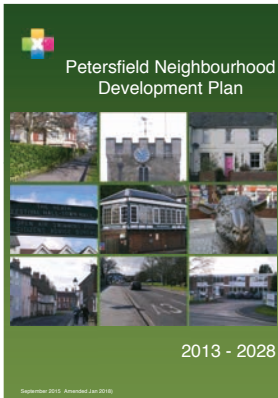
Landowners, developers or community groups are permitted to provide roads and services to deliver serviced plots.



Occupancy of the individual homes is restricted in perpetuity to people with a local connection. Homes must be completed within two years of development commencing and individuals are required to live in the property once it is complete.



The town council has now formed a Community Land Trust which intends to bring forward these sites as set out in the Plan.



Housing Policy 7 (HP7)

Custom and self-build dwellings

Sites H2 and H11, as shown in Table 1, are allocated wholly as self-build sites.

Subject to the application conforming with the appropriate site design brief in section 12 of this Plan and meeting the requirements set out in other appropriate policies of this Plan as well as those within the East Hampshire District Local Plan: Joint Core Strategy, then:

- a) Planning permission to 'set out' sites H2 and H11 as individual or collections of serviced plots together with the associated supporting infrastructure, will be granted.
- b) Planning permission for either individual self-build or custom-build dwellings on plots within sites H2 and H11 submitted by an individual, by a builder or a developer acting on behalf of an individual, or by a community group of individuals such as a Community Land Trust, will be considered favourably.
- c) Planning permission for a self-build dwelling will only be granted for applicants who:
 - i. Demonstrate that they have a Local Connection (see below) and
 - ii. Undertake in a section 106 agreement that the occupancy of the property will be restricted to people with a local connection in perpetuity and
 - iii. Undertake in a section 106 agreement that they will live in the property as their main residence once it is complete and
 - iv. Undertake in a section 106 agreement that once the development has commenced, they will complete the building of the dwelling within 2 years
- d) Petersfield Town Council will review this policy at 5 year intervals following the adoption of the Petersfield Neighbourhood Development Plan to determine whether it is delivering new dwellings as intended. If the allocated sites have:
 - i. been properly prepared
 - ii. robustly marketed at a fair market rate as individual serviced plots,
 but are not being developed at the rate required to deliver the 112 dwellings within the lifetime of the plan, then the Council will consider reallocating these sites, or parts of these sites, as conventional residential developments. The review will also consider the success or otherwise of the related local connections policy.

Common Questions

Can a Neighbourhood Plan allocate land for Custom and Self Build (C&SB) inside and/or outside the settlement boundary?

Yes. A Neighbourhood Development Plan can allocate sites specifically for Custom and Self Build. These sites can be outside the settlement boundary, as, once successfully adopted a Neighbourhood Plan re-defines the boundary.

Can C&SB housing be affordable housing?

Yes. Intermediate housing is included in the Government's definition of affordable housing and this is now specifically recognised in the revised National Planning Policy Framework. Thus, providing serviced building plots at below market value (typically up to 80%) where the future resale value of the resultant property is similarly restricted in perpetuity, would be considered as affordable.

How many C&SB houses should a community plan for?

This will really depend on your demonstration of demand and the housing density within your area. You can get additional targeted questions added to your local housing need surveys to help demonstrate demand. If you have shown that there is very strong demand, then it would be logical to include a significant number of C&SB dwellings. If these are intended to be affordable, then this could also be linked to any analysis of the demand for affordable homes. Talk to Mid Devon District Council who will be able to give you an idea of demand.

Can C&SB housing be for local people only?

Yes. Plans can restrict C&SB to people with a local connection such as residency, work or close family members. There are established definitions of what it means to be 'local' based on residency, family members and employment, and includes those who are serving in the regular armed forces (currently or at any time in the last five years preceding their application for an allocation of social housing).

Can a community require high levels of sustainability in construction?

Yes – to some extent. Government and the local authority set minimum standards for sustainability. A group can deliver a scheme of higher sustainability credentials (e.g. more energy efficient) providing the project remains viable and other planning considerations are satisfied. If a Neighbourhood Plan sets higher standards than the local plan, the group will need to prove that these standards are realistic.

How does a community ensure that a C&SB site or project is actually built?

Planning policies can include caveats such as a maximum build period of 2 years once construction has started and also include options for reviews where progress is assessed. Once planning permission is granted, there is normally a maximum time for the development to commence.

What is the average cost of C&SB housing compared to market housing?

This is difficult to compare like for like as C&SB homes tend to be of a higher quality with more sustainable technologies than typical market housing. It also depends on the method of delivery – for example, building using exception sites is considerably cheaper as the land value is low. However, based on recent projects, you can expect C&SB to be significantly cheaper than the market equivalent.

Who can help with funding and delivery?

There are grants available from community organisations such as Locality which can be used to help community groups. For delivery, there are now several custom-build developers who specialise in this sort of housing. They can help with feasibility work and offer a number of different models for how projects can be delivered.

How can C&SB encourage high standards of design?

C&SB schemes can include guidelines regarding the design and layout of the proposed housing. Often these are called Design Codes and can include rules about materials, size, layout, heights and appearance. Only designs that conform to the Design Code will be approved. This is often a difficult subject and groups will need to work with the District Council local planning authority to make sure everyone agrees what 'good' looks like.

What's Next?

If you're excited about the possibility of enabling some Custom or Self Built Homes in your local community, then here are a few next steps:



Talk to other people in your community to see if there is general support. Get a few people interested.



Talk to your local Parish or Town Council to see if they can help. They may already be working on a Neighbourhood Plan which could be used to support Custom and Self Build Housing.



Contact Mid Devon District Council to discuss your plans and see if we can help.



Have a look around your local area to see if there are any obvious sites which could be used. See if any local landowners are willing to get involved.



See if there is any evidence that there is a demand for community-led housing in your area.

Help and Information

For more help, please get in touch with:

Forward Planning

Mid Devon District Council
selfbuild@middevon.gov.uk
01884 255255



National CLT Network: <http://www.communitylandtrusts.org.uk/>



Community-Led Housing Toolkit: <https://clhtoolkit.org/>



NaCSBA: <http://www.nacsba.org.uk/>



Right to Build Toolkit: <http://righttobuildtoolkit.org.uk/#>



Neighbourhood Plans Roadmap: A step-by-step guide 2018 edition -
https://neighbourhoodplanning.org/wp-content/uploads/NP_Roadmap_online_full.pdf



Gov.uk: <https://www.gov.uk/guidance/self-build-and-custom-housebuilding>



Homes England: <https://www.gov.uk/government/organisations/homes-england>



UK Cohousing NETWORK: <https://cohousing.org.uk/>



locality: <https://locality.org.uk/>



Self Building Easterways: Ideas, Reflections, Suggestions and Advice from a Community Land Trust.



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