

Early Tips and emerging Good Practice to help Local Authorities support private homebuilders

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Introduction

The **National Custom and Self Build Association** (NaCSBA) is currently undertaking a year-long research and development programme designed to **help boost housing supply** by making it much easier for people on modest incomes to build their own homes.

A key part of the programme involves identifying how other countries manage to facilitate much higher proportions of private homebuilding compared to the UK. The programme will also help provide UK local authorities with **practical advice on how they can bring forward initiatives** to respond to local demand, Government planning policies¹ and the new Self-build and Custom Housebuilding Act 2015². The advice should also be helpful in responding to the Government’s new ‘Right to Build’ policy³.

The programme focuses on **two main ways of supporting more private homebuilding**:

- The delivery of shovel ready, modestly priced, serviced building plots as a tool to scale-up the availability of land for private homebuilders;
- How communities and groups of private homebuilders can be supported to work together to jointly commission their own homes.

The work involves extensive visits throughout the UK and Europe, alongside working with local authorities and housing providers across England. This briefing note is an early outline of some of the preliminary conclusions we have identified for local authorities. It is a ‘living’ document – an introductory guide – that will expand during the year. Eventually it will form the basis of an **extensive online Toolkit** that will be available towards the end of 2015.

What are private homebuilders?

For purposes of this programme we consider 'private homebuilders' to be **private individuals or groups of people who commission the construction of their home** from a builder, contractor or package company (this is known as 'custom build' housing), **or** in a limited number of cases, **physically build the home on their own** with or without the help of sub-contractors (this is known as 'self build' housing).

Why bother to support private homebuilders?

There are several good reasons:

- There is **significant demand** for this form of home building - two successive IPSOS Mori polls commissioned by NaCSBA found that at any one time around 14% of the population across the UK is researching how they might build their own home, and 2% have done all their research and want to start building within the next 12 months. This means there are more than a million people in the UK who want to build in the next year;
- It can help more people access **affordable, better designed housing and increase local choice**. Private homebuilders can make significant cost savings if they build their own homes and there are options available to deliver new forms of social housing as well;
- It helps to **get Britain building**, diversifies our housing market, promoting more competition and, crucially, can speed up supply;
- It is **important to the national economy**;
- It protects and creates **local jobs**, strengthens local construction supply chains and supports smaller builders;
- It can be a **more acceptable** form of house building for local communities;
- It can help Councils **stimulate their regeneration initiatives and meet local housing policy objectives** such as providing bespoke executive homes to help encourage in-migration or meeting local affordable housing needs in rural areas.

First things first – get the horse in front of the cart!

Without a good knowledge of the type of people that want to build and the sort of homes they want, you will be shooting in the dark. A **local demand assessment** should therefore be your first priority.

A local **Register** is the best tool for this purpose. Other sources of information, such as the results from Strategic Housing Market Assessments and secondary data sources like the information available from websites like PlotFinder, can also help build local intelligence.



Fig.1 – Get the horse in front of the cart! A local demand assessment should be your first priority.

Setting up a Register

We have identified three stages to setting up an effective Register of demand.

1. Preparation

Here are some Top Tips we have identified for this stage so far:

- **Look at the other registers** that have already been established (see the list below). Don't try to reinvent the wheel. **But don't copy blindly** - select the sections or questions that you think will be best for your situation;
- **Consider each question you ask**, and whether it is really needed. Too many questions will lead to people not completing a Register; too few and you may miss key data to inform what land is brought forward and how;
- Ensure the Register has a **clear and succinct introduction** so people understand what its purpose is. This introduction should also manage people's expectations – so don't promise quick results. Be clear how the information people provide will be used to inform local action;
- Ensure the Register has a clear **data protection and usage section**. This can be in the small print but is very important. It should explain how people can remove themselves from the Register if their needs change and should state whether you will use any data for other purposes. For example, if you plan to invite people to events and/or pass the details to developers/builders then you must advise them in advance. You may also want to consult your in-house legal team to check compliance with the Data Protection Act.
- Critical questions need to include:
 - **address and contact details** of people registering (including an email address);
 - their **age** (this can be useful as it helps build a better profile of local demand);
 - whether people live locally and/or have a **local connection**. You will need to think carefully about how you want to define 'local'. For example, whether this might simply mean living in your borough or whether the local housing market area is a better description;
 - **where they want to build** in the local area (ward or district);
 - **what type of project** they want to undertake (eg. build a home on a serviced building plot, buy a 'shell' from a builder to fit out, buy a custom built home etc.);
 - whether they want to **commission a home** from a developer/builder/contractor/package company, or work on their own;
 - whether they are willing/or want to **work with a group**. You should also provide a facility for a group of people to register together (eg. as a community self-build group or co-operative);
 - **size of home** they want to build (number of bedrooms and/or square metres);
 - **type of property** they want to build (detached, terraced, flats etc.);
 - **when they hope to start building** (eg. immediately, within a year, in next two years, or longer);
 - **household income** and whether they have **finance in place** (to enable affordability checks later if needed);
 - whether they are willing to be **kept informed about opportunities** in the area and for the Council to disclose some basic details to builders and landowners who are selling plots (a

simple opt-in tick box will enable a Council to keep applicants informed and make basic information available to third parties who are bringing forward development opportunities).

- Registers can also ask if an applicant is already **eligible for social housing**, the size of their current 'household' and **whether they are prepared to spend time** doing some of the construction themselves, outside of working hours;
- Registers **don't need** to ask why someone wants to build, their level of construction skills or whether they have built their home before. Questions about the need for gardens or parking spaces can over-complicate a Register and are best dealt with during design and planning process;
- **Avoid jargon** and keep the language simple and clear. Recognise that many lay people don't know what the words 'custom build' mean and can get put off by 'self build', so **explain what key terms mean by adding definitions**;
- **Construct the Register so you can assess the data across different categories** of responses. For example, it may be helpful to assess the type of homes and affordability preferred by those who want to build as a group, or to look at the types of people who want to build large detached homes, and whether they are looking for serviced building plots;
- Do a **'test run'** with some potential applicants, councillors or a group of local people beforehand to check that they understand the questions and to identify if there are any missing 'options'.
- Consider whether **more detailed, complementary surveys** are needed when planning for larger sites and settlements to get a more focused understanding of demand.

2. Promotion

Here are some Top Tips we have identified for this stage so far:

- A well-managed **marketing and promotional campaign** is essential to draw local people's attention to the Register;
- Marketing does not need to be expensive - **involve your in-house PR team**; prepare a strong press release and brief the local media, radio and TV; use social media and any available local contact databases; proactively use simple flyers, posters, leaflet drops (for example council newsletters and other publicity material). Send the details to NaCSBA for inclusion on the Self Build Portal;
- Brief **local estate agents, developers and small builders** when they visit your planning offices;
- Consider engaging with supermarkets, DIY stores and builders' merchants, local banks and local building societies to **promote the Register** (for example advertise with a poster and leaflets);
- Consider promoting the Register through **your local community forums and parishes**, and at **regional self build exhibitions** or similar events (these events are held regularly across the country and attract many thousands of visitors);
- Consider appointing a **local champion** or ambassador to encourage people to Register (such as a local councillor or celebrity);
- Keep the Register **open for a reasonable period of time** and consider re-launching it periodically – it is a live record of demand and will take a few months to get a sustained level of interest, and a good number of people on it. The more effective the promotion, the better the response rate you will get;
- Ensure your Register automatically **sends a confirmation** to people who have registered. Also consider sending out regular updates or newsletters to people who are on it – it is important to keep them informed;

- At least once a year ensure your Register sends an email inviting people to **confirm they are still interested** so that you know the demand is current and they haven't, for instance, bought a home or moved to another area. People should opt in to stay on the Register, otherwise it will be out of date quickly and fail to be a robust assessment of demand;
- It is also possible to **acquire a list of people** who have registered elsewhere – for example, those registered as looking for a plot on the Self Build Portal, or those that visit local self-build shows. However, this can potentially be onerous if not carefully managed and is at best complementary to the Register.

3. Analysis

Once you know the level of demand and the approximate type, size and location of homes people want to build, **you can then work out how best to deliver them.**

Here are two Top Tips we have identified for this stage so far:

- Remember to **assess the data across different categories** of responses so you have a good understanding of the demand that is building up;
- Actively **use the data** to inform your local strategic housing market and land availability assessments (SHMA and SHLAA), site disposal programmes and negotiations with landowners and developers who are bringing forward proposals. We will be looking in more detail at the relationship of the Register to the SHMA/SHLAA as we prepare our toolkit.

Examples of some early Registers

We have identified some early examples of Registers in use, although we have not evaluated their robustness:

- **Cherwell District Council:** <http://localselfbuildregister.co.uk/localauthorities/cherwell-district-council/>
- **Chelmsford City Council:** <https://chelmsfordgov.firmstep.com/default.aspx/RenderForm/?F.Name=KnxfFCHXvFy&HideToolbar=1>
- **Dartmoor National Park Authority:** <http://www.dartmoor.gov.uk/planning/pl-forwardplanning/self-build-project/self-build-survey>
- **Exmoor National Park Authority:** <http://www.surveymonkey.com/s/BVN9J3Z>
- **Oldham Council:** https://www.oldham.gov.uk/forms/form/366/en/custom_build_register
- **Pendle Borough Council:** <https://www.snapsurveys.com/wh/s.asp?k=141828726672>
- **Rotherham Metropolitan Borough Council:** http://www.rotherham.gov.uk/info/200074/planning_and_regeneration/954/register_your_interest_in_custom_or_self_build_properties/2
- **Sheffield City Council:** <http://surveys.lasos.org.uk/TakeSurvey.aspx?SurveyID=74017p2>
- **Shropshire Council:** <https://www.surveymonkey.com/s/shropshire-self-builds>
- **South Cambridgeshire District Council:** <https://www.scambs.gov.uk/content/application-registering-interest-custom-self-build-propertyproject>
- **South Norfolk Council:** <http://www.south-norfolk.gov.uk/planning/7215.asp>
- **Stoke-on-Trent City Council:** <http://www.stoke.gov.uk/ccm/content/housing/private-housing/custom-self-build-interest-register-form.en>
- **Teignbridge District Council:** <https://eforms.teignbridge.gov.uk/doitonline/selfbuildinterest2/>
- **West Lindsey District Council:** <https://livewestlindseyas.firmstep.com/popup.aspx/RenderForm/?F.Name=afNXc3umFjU&HideToolbar=1>

Off-the-Shelf Registers

Registers do not need to be undertaken in-house. They could be commissioned by agreement with another party. We are aware of **two off-the-self solutions** that are **currently available**:

- **The Local Self Build Register:** <http://localselfbuildregister.co.uk/>
- **The Custom Build Register:** <http://www.buildstore.co.uk/custombuildregister/>

Although these may give an insight into local demand, **both have shortcomings** and are unlikely to give you the robust assessment you may need. For example the standard questions in the Local Self Build Register don't enquire about any 'local connection', and ask several questions which could be omitted or simplified. On the other hand the Custom Build Register has only a few, high level, questions and is unlikely to provide enough information to help you make informed decisions about what development opportunities to bring forward. In addition the data collected for the Custom Build Register can be used for other purposes by its operator so this would need careful explanation as part of any promotion. We are aware that other off-the-shelf Registers are being considered so it is worth monitoring the News and Right to Build sections of the Self Build Portal.

There are several different ways people can build their own homes

Opportunities to encourage private homebuilding can be brought forward in a variety of different ways and we are currently identifying a **range of delivery 'models'**. Some will be much better suited to meeting your local demand, while others will not be appropriate at all. For example, some solutions work well in a rural area, but are completely unrealistic in an urban situation.

The **Toolkit** will help you work out which approaches may be better suited to your local circumstances⁴. It will be identifying the sort of private homebuilding you might wish to prioritise and help you decide how suitable this is in rural, suburban and urban situations. For example, the provision of low cost serviced building plots is unlikely to be viable in an urban area. The Toolkit may therefore point towards 'collective' projects or higher density custom build solutions, two approaches that tend to work well in urban areas.

In addition to highlighting different delivery models the Toolkit will also provide **practical advice and information** across a series of topics, as outlined below:

GOOD PRACTICE TOOLS TO INITIATE CUSTOM AND SELF BUILD HOUSING LOCALLY			
Local leadership, vision and supporting culture change		Assessing Demand	
Resources and Organisational Structure			
Proactive land management and use of planning system		Finance	
Promotion and land sales		Consumer support	
		Technical considerations	
CASE STUDIES OF DIFFERENT DEVELOPMENT MODELS			
Location	Affordable/low cost homes	Intermediate homes	High cost homes
Urban			
Suburban			
Rural			

Fig.2 – Toolkit – Draft Toolkit framework currently in development.

Enabling private homebuilding locally - some emerging pointers

The following are some pointers which we are developing for the Toolkit:

1. The need for strong political leadership, a clear vision and a willingness to create a new culture within your organisation

There are **three important ingredients** to the success of most initiatives aimed at delivering more private homebuilding:

- Strong **political support**, and robust leadership;
- A very clear, simple-to-understand **vision**;
- A **willingness to change the culture** of an organisation, treating would-be private homebuilders as valued customers or ‘investors’ in their community.



Fig.3 – Strong political support and leadership is important – (Left) Parliamentary visit to Berlin to learn about collective custom build private homebuilding. (Right) Barry Wood, Leader of Cherwell District Council meeting with Brandon Lewis, Minister for Housing and Planning

2. Getting the resources and organisational structure right

Almost every initiative will have resource implications. However, there are ways you can organise your approach to minimise the impact. **Most projects will generate an income** that should more than cover any additional costs incurred. Remember to:

- Recognise that you need a **range of skills** to successfully deliver your local initiatives;
- Consider **teaming up** or **sharing resources** with other organisations so that you can create a cost-effective multi-disciplinary team (or you may be able to outsource the work);
- Factor your **operational costs** into the **sale** of building plots;
- **Maximise the availability of internal resources** by re-prioritising roles and responsibilities and re-aligning skill sets of existing staff, and promoting the development of new skills and specialisms.

3. Proactive land management and the use of the planning system

The **land-use planning system** plays a **fundamental role** in facilitating private homebuilding opportunities. Remember:

- The demand **Register should inform** the preparation and implementation of your local **policies and initiatives**.

- The **Local Plan** is a critical tool and we will be setting out how it can help to facilitate more private homebuilding. So far we have identified **four ways** Councils are creating local opportunities for private homebuilding:
 - **Allocating** suitable housing sites in their local plan where private homebuilding is encouraged or preferred; **selling** Council-owned land **or buying land**;
 - Adopting policies which ask for a **mix of different types of housing** on larger sites, with private homebuilding listed as suitable development Councils want to see coming forward;
 - Promotion of private homebuilding as part of **affordable housing** policies (eg. through Rural Exception Sites or affordable housing policies);
 - Adopting policies which ask for a **percentage of private homebuilding plots** to be provided when larger housing projects come forward (typically 5-10% for sites over 20 homes).

There are however other actions you may want to consider:

- Introduce a **presumption in favour of 'infilling'** and encourage windfall opportunities by introducing **area-wide planning designations** which establish the principle of development. Avoid 'washing over' existing settlements with countryside designations which discourages development;
- Use **settlement boundaries** as a tool to 'shake out' development opportunities and identify **modest extensions to settlements** where the impact of new private homebuilding is limited and would deliver homes for local people;
- Consider using a **'call for sites'** as part of the site allocations process to identify potential sites on land in private ownership;
- Prepare **Supplementary Planning Documents** to set out what the Council's expectations would be for private homebuilding development in certain circumstances (eg. extensions to settlements; on Rural Exception Sites; when plots come forward as part of larger housing sites);
- Ask for and be open to the use of **Design Codes** linked to planning applications. **Local Development Orders** and **design briefs** can also provide greater certainty to applicants and ensure the development meets the Council's objectives. Over-prescriptive design considerations are unnecessary, too restrictive and will prove costly to prepare;
- The proactive use of **'plot passports'** is strongly recommended and we will be setting out how these can be prepared and used;
- **Light touch** but effective planning conditions are critical - for example you can require building work to commence within two years; limit (or prohibit) living on site during construction; control work on weekends; and, how site traffic is managed;
- **Use pre-application discussions** to provide certainty and manage expectations, particularly for private homebuilders who are not knowledgeable about the planning process (this is common practice for householder consent applications);
- Take a more balanced approach when selling land - **best value** should be considered against 'best consideration'. Councils can and often do dispose of their land at a marginally lower value to meet their wider objectives; this often happens when dealing with building groups. For example Plymouth City Council factors in a **'local residents weighting'** when disposing of land;
- **Work with larger housebuilders and housing associations** to bring forward opportunities for private homebuilding. Many are open to working with smaller builders or enablers to bring forward opportunities. Some housing associations such as the Accord Group have a good track record of delivering private homebuilding opportunities. Provision should be informed by local demand assessments and be aware that plot location is critical to secure take-up;

4. Availability of suitable finance

Although there are currently **almost 30 lenders** offering specialist mortgages for private homebuilders, finance remains constrained and the products that are available don't adequately respond to the new building models that are emerging. This is in stark contrast with other countries where finance is readily available. We will be working with lenders and Government to consider this issue further, including the potential role of Government to support further lending.

At this stage we think two areas are worth considering locally:

- **Build Now, Pay Later** is one way in which you could offer land for sale for an agreed price, but defer payment until completion, when a home can be remortgaged. This model is already used widely by Government and some Councils in land disposals;
- **Local mortgages or revolving funds** can provide a helpful source of finance for private homebuilders. Some Councils are already part of the Local Authority Mortgage Scheme and we are aware that a new mortgage scheme has been launched where Councils can work in partnership with lenders to help more people build their own homes. Funds which are recycled locally to create serviced building plots is also a model being considered by some Councils.

Remember that some **Government support** is also available, such as the £150 million Custom Build Serviced Plots Loan Fund⁵ which provides repayable development finance for projects involving 5 or more serviced plots. A new £22.5 million support package for neighbourhood planning for 2015-2018 provides grant funding for community groups to access expert advice, grant funding and technical assistance to bring forward plans and projects. This is in addition to larger programmes such as the £525 million Builders Finance Fund and the £1bn Large Sites Infrastructure Fund which are also open to projects involving private homebuilding.

5. Promotion and land sales

- **Consider leasehold and shared equity land solutions** – land could be sold on a shared equity basis, for example by retaining a 25% share in the ownership. Land can also be offered on a leasehold basis to help with private homebuilder cashflow, with an option to buy being available at a specified date;
- **Be aware of VAT implications** – some Councils have raised questions as to whether VAT is chargeable when they create serviced building plots for sale and how much they can recover, particularly on larger sites. HMRC have considered the rules that apply in these circumstances and have taken the in-principle view that Councils will not be liable for VAT and that such development will not contribute to their 'partial exemption'. VAT is however still an issue for developers as the sale of serviced plots currently incurs a 20% VAT charge, unlike the sale of completed homes (which are zero rated). This can affect the viability of a development. As a result custom build developers/enablers are using the "golden brick" method employed by registered providers which means that a serviced plot is not technically sold until foundations are in place. This affects the legal conveyancing, can delay mortgage finance and complicates the sale process. It can also affect the way Stamp Duty is calculated. NaCSBA is currently in discussion with the Government about this and we will be developing advice on this issue later in the year;
- **Offer choice and create modest sized plots to keep costs affordable** – many first-time private homebuilders are prepared to purchase very small plots as long as the price of the land is within their budget. Smaller plots can be effectively mixed with larger ones to ensure that there is choice. Plot prices can also be cross-subsidised, with the bigger plots being sold at a higher price, to help make the smaller plots more affordable. Collective projects, where a group of people get together to build a terrace or a block of apartments, can also help to keep the average cost of the land down;

- **Explore community-owned land opportunities** and perhaps set up a Community Land Trust, as Bristol City Council has done for example. Churches and charities have donated land in the past, and many parish councils are good at identifying local land that can be acquired at a low initial price. Some Councils proactively work with community groups to enable them to access sites;
- **Facilitate disposals of suitable sites to building groups** by enabling them to bid for a site 6-12 months in advance of proceeding with a conventional disposals. This approach is used widely as it is recognised that groups need time to form and raise the required finance;
- There are **many ways to dispose of plots** to private homebuilders - for example by auction, lottery or on a first come first served basis. International experience suggests that fixed price plot sales on a first come first served basis is preferred as it is transparent and provides certainty. Non-refundable deposits deter non-serious buyers.

6. Supporting private homebuilders

Our work in Europe has identified the emergence of three new types of ‘professional advisor’ that play an important role in supporting private homebuilders:

- **Buyer coaches** – are usually people based in council-run ‘Plot Shops’ and they function a little like an estate agent. They carefully explain the opportunities that may be available, talk people through the land buying process, signpost them to finance (if needed) and put them in contact with builders, designers and other suppliers. They also administrate the ‘reservation’ of plots, and chase people to ensure they pay their deposit. They also assist with planning and building control permissions and ensure that a project proceeds at the required pace. Most buyer coaches have excellent customer interfacing skills, and many have a property sales/marketing background;
- **Technical coaches** – tend to take over after the homebuilder has bought a plot, and at the point when they need help working out what to build and how to do it. They also play a key role in refurbishment or self-finish projects. They often help co-ordinate party wall issues when people are building alongside each other in a terrace and assist with getting all the statutory approvals in place. In the Netherlands technical coaches typically charge about £3,000 and they have a great deal of practical building experience;
- **Process coaches** – advise ‘groups’ that want to build collectively. They help them work out the best way to legally constitute themselves, work out what they can afford to build together, and then steer them through the site acquisition, design and construction phase. In some countries architects have taken on this role. In other countries the view is that architects are not ideally suited to be process advisors (as they may get too pre-occupied with design issues). People with developer or main contractor experience sometimes step into this role.



Fig.4 – Communications and marketing – Internationally, the enabling of private homebuilding is always supported by strong marketing material and information packs.

What are the main delivery models?

The list below is a simplified first 'sift' of some of the basic models that are available to local authorities – we expect to split these into many more detailed approaches over the coming months, and there will be fuller descriptions and advice on each as part of the Toolkit.

1. Providing 'serviced' building plots

The provision of 'shovel ready' plots or parcels of land with planning permission, where access is provided and each plot or parcel has utilities/services provided to the plot/parcel boundary, is a key way to respond to local demand for private homebuilding. It is a popular approach used internationally and is being advocated by the UK Government. There are different ways plots can be provided by Councils:

- Disposal of surplus Council owned land or by buying land;
- Land allocations in local plans where specific sites are identified for release as serviced plots;
- Promoting the provision of building plots by local landowners or asking developers to provide plots as part of a larger development when they apply for planning permission.



Fig.5 – Land re-allocation, Bonn – 186 Municipally-enabled serviced plots under construction.

Plots can be provided at a modest scale (say five to ten plots, as Stoke-on-Trent City Council have done at Penkhull), or at a much larger scale (for example Cherwell District Council is planning to release plots for nearly 2,000 homes on the edge of Bicester). Here are some Tips we have identified for this stage so far:

- Councils that have done this have confirmed that it **costs roughly £10,000-20,000 per plot** to service a site. However, be careful when doing your estimates, as unforeseen issues (particularly hidden issues below ground) can be very costly and impact enormously on viability;
- **You need a range of skills** to organise the parcelling up of a site into plots (particularly if you are bringing plots forward on your own land) – property development, valuation, procurement, construction management, admin, marketing, legal and finance. If you are looking at a relatively modest development, outsourcing all or part of this work to a local custom build developer may be beneficial. Alternatively you could partner with other local councils to resource a central team to co-ordinate the work across a number of sites in a wider area;
- Provide a **range of plot sizes**, and ensure there are smaller/ low cost plots available – providing smaller plots will help with affordability;
- **Consider timelines carefully** – smaller sites can take **2-3 years** to prepare for sale as plots, depending on local circumstances (on larger ones 4-5 years or more), then **another 2-3 years** to sell and build out, depending on the type of build and local demand.
- A **'top coat'** of tarmac or finish should not be applied on servicing roads until all private homebuilders have built out the site. A **'bond'** from each private homebuilder can usefully cover the cost of repairs;

2. Using private homebuilding to help with regeneration, attracting in-migration or meeting specific home-ownership needs



Fig.6 – De Flat, Amsterdam – The City of Amsterdam is enabling 500 private homebuilders to invest in a large refurbished ‘shell’ block of apartments

Depending on a Council’s local objectives and vision, initiatives to support private homebuilding can be targeted to assist with area-wide regeneration or building refurbishment. It can also help to attract people into an area and diversify the types of homes available, as well as provide housing for certain groups of people (eg. younger middle to lower income families with children who do not qualify for social housing).

We have identified a wide range of examples of this happening in Scotland, the North of England, in the Netherlands and Germany and we will be visiting several more projects before preparing advice on these models as part of our Toolkit later in the year.

3. Working with a custom build developer to provide plots or ‘whole-house’ solutions

Custom build developers can play an important role in helping to bring forward local private homebuilding opportunities. There are now a range of specialist companies active in the UK and numbers are growing as the sector is expanding. They range from large national companies that are bringing forward larger scale projects, through to smaller local firms delivering just a handful of new homes for their clients each year.



Fig.7 – Trevenson Park, Cornwall – The HCA has disposed of a large site in Pool for 54 serviced plots for private homebuilders, which is being developed by a Custom Build Developer.

These companies understand the sector and the needs of the private homebuilder. They can offer a complete service, from securing sites, providing services, through to design and build and managing the construction work. They are also well placed to work in partnership with volume home builders to bring forward custom homebuilding opportunities on larger housing sites. One or two provide a menu of custom build options – for example, they may prepare a site and sell serviced building plots with a choice of house designs to choose from or they might offer to build homes to a watertight ‘shell’ stage for self-finish and fit-out to suit a client’s requirements. They can also assist with arranging finance for private homebuilders.

We have identified a range of such projects in several locations in the UK and would encourage Councils to partner with such organisations where opportunities arise and there is established demand. They can provide valuable advice and expertise and work with landowners to bring sites forward. We will be preparing advice on these models as part of our Toolkit later in the year. NaCSBA is also available to advise on suitable partners in particular locations.

4. Working with a housing association



Housing associations often play key roles in enabling private homebuilding internationally. There are also a number of providers in the UK who have successfully undertaken projects in the private homebuilding sector and there is considerable interest across the housing association sector in this form of housing. We will therefore be providing advice in this area as part of our Toolkit later in the year.

Fig.8 – Homes for Heroes, Bristol – Knightstone housing association worked with 10 unemployed ex-servicemen to build 14 sustainable homes in Bristol.

5. Supporting collective private homebuilding projects

Collective projects involve groups of people working together to build their homes, either in a self build capacity or by working with an architect and developer. The form and tenure of such projects varies widely, although most build higher density, sustainable well-designed homes. This form of private homebuilding is often low cost – typically saving around 40% on plot costs and 10% on building costs. It is a sociable form of homebuilding as individual group members get to know their neighbours throughout the build. It also develops skills, offers training and apprenticeship opportunities and fosters community cohesion as many developments include communal play areas for children, allotments and other public realm features within the overall scheme.



Fig.9 – LILAC, Leeds – Projects like this thrive if supported by their local Council but can struggle if they are not.

There are many ways **groups can establish themselves**, and there are pros and cons of each approach. For example, a group can set themselves up as an independent community group such as a cohousing organisation or housing co-op, or opt for a Community Land Trust-led solution, perhaps in partnership with a local housing provider. Usually the people in these groups **benefit from some expert support** from a facilitator or enabler. Aside from assessing demand through a Register and assisting through the planning and land disposal process, you could:

- **Offer to help** people who want to form a group by facilitating a **workshop or network of interested people** and offer advice on the formation of a group. You could also signpost people to the National Community Land Trust Network, Self-help-housing and the UK Cohousing Network who can offer more detailed advice in this area;
- **Identify or arrange a facilitator** who can advise on the different options and assist them to work out what they want to do;
- Offer support by **joining them on visits** to similar successful projects, so they (and you) can learn from successful examples.

Next Steps

This Briefing Note will inform a Toolkit of practical advice and information for publication in late 2015. If you wish to stay informed, please refer to www.nacsba.org.uk/researchdevelopment or follow @NaCSBA_RnD on twitter.

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References

¹ Paragraphs 50 and 159 of the National Planning Policy Framework (March 2012) and related planning practice guidance make it clear that local planning authorities need to identify local demand for people who want to build their own homes and make provision for it in their local plans. Failure to do this may lead to plans being found unsound, as highlighted in the letter from the Minister for Housing and Planning to all English Local Authorities on 5 March 2015.

² The new Self-Build and Custom Housebuilding Act 2015 received Royal Assent on 26 March 2015. When commenced in the next Parliament it will place a duty on all local authorities in England to keep a Register of individuals and community groups who have expressed an interest in acquiring land to bring forward self-build and custom-build projects and to have regard to the demand on their local Register when exercising their planning and other relevant functions.

³ In October 2014 the Government published proposals on a 'Right to Build' to give private homebuilders a right to a plot of land from their local council. It also appointed 11 vanguard councils to test the practicalities of operating the Right across the country in advance of finalising the policy in the next Parliament. On 27 March 2015 the Government published its response to the 2014 consultation which said that Government intends to take forward the Right early in the next Parliament by preparing regulations and guidance setting out the detailed operation of the local Registers.

⁴ You can keep up to date about progress of the Toolkit by following @NaCSBA_RnD on twitter, or by visiting www.nacsba.org.uk/researchdevelopment.

⁵ Details are available at: <https://www.gov.uk/government/publications/custom-build-serviced-plots-loan-fund>

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END.