



Self or custom build?

Gus Zogolovitch explains the difference between self and custom build and how the two concepts offer different routes to realising a dream home.

Gus Zogolovitch

runs a custom-build development company in London, chairs the UK's custom-build committee and sits on the executive committee of NaCSBA and the Right to Build Policy commission. He lives in his own self-built house which he built in London in 2009.

Self build

While most of us have heard of self build, not many know about custom build and how it differs to the former. Put simply, a self build is when you're completely in charge and in control. You take all the risks, you have the final say and the buck stops with you. If things get delayed, you pay the interest on the loan.

If things go over-budget, you will generally pay the extra (unless you have passed that risk on to someone else). If you want to live in an inflatable pink elephant, then (provided you convince the planners and Building Control) you can. It doesn't, however, mean that you have to dig the trenches for the foundations or learn to lay bricks.

Research by the National Custom and Self Build Association (NaCSBA) suggests that out of roughly 10,000 self builds, about 1,500 are built by the owners themselves. Around 5,500 are project managed in packages by owners, 2,500 are delivered through main contractors and about 500 are delivered through a kit house design and build package.

When I did my own self build I took the most popular route and project managed the build via packages. I broke those down into groundworks, structural frame, windows, cladding, roofing and fit-out, which seemed easier to manage for me – but lots of selfbuilders will break it down into smaller (or larger) packages. There's no one solution that fits all as it will depend on how much time, experience and money you have.

Whichever route you take, a self build tends to best suit those who are not risk averse and have lots of time, or are happy to pay someone else to spend their time on the project. It is a good fit for property professionals who know what they are doing, people who want total control



Above: The entrance to Wynyard Park – where a number of woodland clearings are reserved exclusively for self build.

Below: Graven Hill near Bicester is the UK's largest self- and custom-build site with around 1,900 plots.



or explorers who love the idea of the journey. It's also the best route for people who want to maximise savings on their new home – providing they don't have any time constraints, of course. My home took exactly five years to build – from the day I bought the site at auction to the day we moved in. This may seem a long time – and it is. I bought the site when I wasn't married and moved in with one child and my wife expecting another. However, it's not unusual for a self build to take 10 years or more.

Custom build

Custom build is a relatively new term, introduced by the government around five years ago, so it's understandable that not many people know what it is. There is no legal definition of custom build nor is there a standard industry definition. What's more, custom build is on a spectrum and means different things to different people. No wonder it's confusing. All custom builds have one thing in common, though – at least some part of the development has been done already. 'Some' can mean very little or a lot, depending on the route, the location and the plot provider or developer.

Serviced plots

This is where a developer has bought a large site, got planning permission and divided it up into smaller plots. The main infrastructure such as drains and other services will have been provided, along with access roads. Plots are sold at the 'golden brick' stage which is when the foundations are laid. Golden brick is a technical tax term which means that VAT is not payable on the land. The buyer is obliged to build it out and take it on from there. If it is an outline permission, buyers can use their own architect to design the rest of the home. They will probably have to adhere to a design code, usually relating to size, height and appearance.

I'm not aware of any reputable custom-build providers that sell land without planning permission, but make sure you don't get caught out. If you are considering a custom-build home without approved planning, take professional advice before taking the plunge. I met someone at a show recently who bought his dream plot 20 years ago from a disreputable company and has not been able to build a thing on it. He is unlikely ever to get his money back. Many people have lost thousands of pounds thinking that a plot of land in



Above & left Great Gransden is Potton's proposed site of 38 serviced plots near Cambridge.

agricultural Green Belt can become a home. It rarely can.

I recommend using a custom-build developer who is a member of NaCSBA, which offers certain protections in case things don't go to plan. NaCSBA members have to adhere to a code of practice and selling a plot with hope value is at best highly unethical and at worst illegal.

Serviced plots are a good option for people looking to build their own home from scratch but can't find the land and don't want the pain or risk of getting planning permission.

Keep an eye out for serviced plots coming up for sale near you. Self- and custom-build specialist Potton has around seven serviced plot schemes in the pipeline in the south of the UK. The number of plots on each site ranges from just three to 38. My own company, Unboxed Homes, is currently selling 12 serviced plots in Laindon, Essex, while Igloo, another custom-build provider, is selling 54 serviced plots in Cornwall. Having sold 71 serviced plots over the past year or so, Joseph Homes has a further 30 serviced plots for sale in the Tees Valley. Lived In is selling 10 serviced plots (with a few under offer already) in Norfolk, and, of course, Graven Hill, the UK's largest self- and custom-build development, aims to build around 1,900 new homes on a site near Bicester. All of these companies are reputable members of NaCSBA.

Shells

In popular towns and villages, serviced plots are hard to find. Instead, you will more often find shells for sale. This is where the developer has built a watertight and airtight structure which can be fitted out by the buyer. Externally,

the house will look finished. It's only when you go inside that you will discover that all of the inside is missing. Similar to undertaking a major renovation where the interior is ripped out to start again, a shell has the advantage of a new build but with the flexibility to design the floorplan and specification yourself. This approach is common in many parts of the world but is relatively new in the UK.

For obvious reasons, serviced plots can't be sold for flats. And in the UK, we haven't yet managed to sell serviced plots within a terrace (although they do this in Almere and other parts of Holland). So for sites more suited to terraced housing or flats, custom build will be more likely to offer shells. The upside is that it won't take long to complete the home (three to six months) with a lot of the financial risk of blowing the budget on groundworks, windows, structure and roofing eliminated. The downside is that you have less opportunity to change it to suit your taste. A good example of this is our Blenheim Grove project in London which consists of terraced shell houses. Buyers can do the fit-out themselves or work with the developer or an interior designer to fit it out for them.

Turnkey

The final custom-build option is a customisable turnkey build. Here, you order what you want (within a menu of choices) and the developer delivers it. It's very similar to ordering a new car. You choose colours, layouts, types of kitchen, and so on. This is a convenient way to self build but it will cost more than any of the other routes and your choices may be limited. An example of this type of turnkey development is offered by Swan Housing/ Nu-Living which is building 251 homes in Basildon, Essex.

Choice

So what's the right route for you – self build, serviced plot, shell or turnkey? This is a very personal choice and will depend on many factors – but the key things to consider are: time, money, location and quality. Time-poor buyers are probably best advised to consider a shell or a turnkey as these will be the quickest to complete. For those who don't have a tight deadline, but don't have much time day-to-day, hiring a builder or an independent project manager to deliver a self or custom build on a serviced plot is a good option, but this will cost more. Personally, I would be nervous about handing over so much control – you really need to trust your project manager (and your architect).

For those on a tight budget, a serviced plot is probably the best option. Of course, there is always the option to buy a plot without planning permission and then adding significant value by getting planning permission. This is not a route for the inexperienced. Rather, it's for the desperate, with no other way to get on the housing ladder; the knowledgeable, who can put their knowledge to good use; or those who have contacts and know what they're doing!

If you are constrained by location then you will have the fewest options. Self and custom build is not yet mainstream so you may have to wait years to find a plot, especially in the catchment areas of good schools in a city. If you care about quality, then you should do as much as you can yourself so that you don't have to compromise on anything. You can instruct the builders and the architect to do what you want.

Below: Beechwood, a pioneering development of 251 customisable new homes, in Basildon.



Contacts

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