

Episode 19

How Does Self Build in the UK Compare to Germany?

The show notes: www.houseplanninghelp.com/19

Ben: I'm with Mark Brinkley, author of the Housebuilder's Bible, but today we've got quite an interesting topic that we want to talk about, looking at the UK's system and the German system and comparing and contrasting the two, and seeing what we can take from that, but let's say hello to Mark. Hello Mark.

Mark: Hello Ben.

Ben: Maybe we can start by just getting a bit of background on your career and how you came to write the Housebuilder's Bible?

Mark: Well, it's a long time now. I've been involved in construction since 1980, so well over 30 years. The first half of that was as a builder, starting as a site carpenter and then gradually moving into being a developer of barns and new builds. Then more latterly, since the 90s I've been writing about the process.

I started a book called the Housebuilder's Bible, started writing it in the early 90s, not too sure what the reception would be but it's gone on to sell very well and every two years I update it and bring out a new edition and I'm about to launch the 10th edition which will be on sale later in 2013.

Ben: How have things changed? You mentioned that every two years you update it. What do you need to update?

Mark: It's very interesting. When I first started the project I looked around for a major publisher and I thought that they might be interested in a book on self build. At that time – this is pre Grand Designs – it was still a bit fringe. Not that it wasn't quite as aspirational and well known as it is now.

The two publishers that I approached both said the same thing. You're going to put prices in it – it'll date immediately, we don't want anything to do with it. In fact they're quite wrong. The price is the

one thing that hasn't changed enormously. In fact what has changed tends to be, two things, the regulations and the background planning, and the fashions. The regulations come on every year. Incrementally we get more codes and changes in the building regulations and planning changes. It gets more and more complicated to navigate one's way through it.

The fashions have changed enormously. It was a very simple business, building a house in the 80s and 90s. You either went timber frame or you went brick and block, and the choices that you had to make were pretty straightforward. And we've seen this huge development, partly driven by the self build industry. Almost every aspect of it now you're faced with a whole panoply of choices and difficult things to navigate and much of it comes down to . . . Thinking of windows. We used to stick Boulton and Paul windows in every house. Occasionally after Boulton and Paul you went to Magnet. Now there are dozens of people out there from all kinds of countries and windows performing to different standards and it's much more complicated to navigate one's way through the maze.

The book itself has become bigger and bigger and bigger, unfortunately, and my understanding of it has gone from being hands-on from having done everything in the book to being much more like a journalist who sits there, watches the stuff coming in and tries to make sense of it like everybody else. I'm lucky if I'm staying one step ahead of the game but it's a struggle because it's much, much more complicated now.

Ben: What does that mean then for the self builder? If you can't grasp it. . . Well, not that you can't grasp it, but if it's taking you a lot of time to get your head around it?

Mark: Well, a self builder essentially wants to work out what's the best way is to build a house, what should I be doing? I gather you're going through this process yourself, asking all these questions and asking all these people. It can get very, very confusing, very, very quickly because you can get completely snowed down with information and what you think is a great idea one week, the next week someone comes along and trashes it, and you're suddenly back to square one.

I don't envy self builders because it really is very difficult. The average self builder comes into the business knowing nothing. They're a complete rookie at it and yet they tend to be well educated and well motivated, a huge thirst for knowledge and they pick up stuff that typical guys that have been involved in the

building trade for 20, 30 years just closed their mind to. They've got their way of doing it. They do it this way. They've always done it like that. Why would they bother with anything new? So it's like a clash of cultures.

The trouble with self builders is, they'll try lots of new things. They're like a sponge but they're also out there, going to make mistakes and they'll take on ideas that they think looks good on paper and turn out to be very difficult in practice. Our job as guides, if you like, is to try and help get through this jungle, I call it the construction jungle, but it's not easy and I'm not actually sometimes clear that I'm any good at all. Sometimes it feels that I'm guiding people round in even more circles.

Sometimes people get hold of my book and think I never knew that before, oh, that's interesting. Really opened my eyes to that. Where I'm hoping to bring simplicity I'm maybe adding extra layers of complexity. That's the paradox I'm dealing with.

Ben: I suppose then that what we're doing is we end up building something at that specific time. It's the best we can do. We've made the decisions. It's to do with building up that knowledge and then at some point you have to go and as I can see now, I know, from a lot of these podcast episodes, what I learn in theory, probably is going to pale into insignificance compared to the experience.

Mark: It's very true and you have to make compromises. Eventually you have to jump one way. I always compare it with going on a holiday. So, you've got a week to go to Italy and you can't do the whole of Italy in a week so you've got to decide which bits you're going to do and so eventually you say I'll do Venice and Rome and Florence but you'll miss Sienna and Bologna and Naples, and all the other good things. You'll end up thinking at the end of the holiday, I've just scraped the surface. There's much more of Italy that I want to go and see.

It must be like that with self building. You can't do everything. You've got to make some choices. You've got to jump one way. An awful lot of it comes down to people. You meet people you like, you get on with them, they make sense, you click and you're guided by them. Whether that is actually the best thing to do or not is impossible to know, really, but like all businesses, it's a people business. Very often connections are made at shows or you meet people or friends that have done it. This sort of subtle thing that's going on that decides what people use and don't use.

One of the really interesting examples is green oak. We've seen a huge growth in green oak building in the last 10 years. In the 1990s border oak was around and carpenter open woodland were around. It was a tiny little level and now it's exploded to a big proportion of, I don't know what the percentage is, 10-15% of self buildings using green oak, which isn't cheap. There's no functional point in it at all. It's just good looking and people love it because it's both rooted in history of building oak-framed houses as the Tudors did, but it also gives you a modern open plan structure which people like because they've got big glass and open plan living.

So it ticks lots of boxes and it comes from nowhere to become a really dominant thread in the self build scene and quite why, it's hard to put your finger on it. It's just people visiting these houses and thinking that it looks good. It's filtered through to a level where it's a major component of self build. Things like that, really it's to do with fashion. Other things that people have tried have never caught on and you think, why didn't it?

Ben: Let's move on now to the main topic of today's podcast and I always like asking people what they would like to focus on because I feel that we'll get a better interview that way. You mentioned this, that you'd really like to compare what we're doing in the UK with what's going on in Germany.

Perhaps first you could say why you've chosen to compare these two countries and their building attitudes?

Mark: Behind the scenes I've been quite keen in trying to promote self build as a sector, working with Ted Stevens and NaSBA, to help promote the cause of self build and our previous housing minister Grant Shapps has been very supportive of it and has been working on getting self build accepted in the planning documents so that local authorities have to at least acknowledge it, whereas at least up until now it just bypassed them.

You can't really get involved with self build for long without looking at what goes on in other countries and it becomes very apparent very quickly that Britain has a very unusual housing market. We have tiny levels of self build, something like 10-15% whereas a lot of our neighbours on the continent over half the housing is self build, so common in fact that they don't refer to it as being self build. It's just how they build houses. In Germany it's just something like 60% of the new housing is what we would call self build. They would call it custom building. And the German house building

model just is far superior to what we do. For a start they build over twice as many houses as we do, so there are actually more self builds in Germany every year than we manage in our entire housing output. There we are being exhorted by ministers and various lobby groups – we're in a housing crisis, we've got to build more housing. In Germany it just happens and it all happens by custom building and you then think, why has it happened that way?

What's different about their building culture that's developed down a completely different route? I've been doing some research on that, talking to various people, been to Germany 2 or 3 times to look at it and there's a very interesting guy in Cambridge who's an academic here who's also helping me out on looking at the reasons behind it. It seems to come down almost to a cultural thing. We've sort of looked at the planning systems and how they develop, and how land in Germany gets bought for self build, whereas in Britain it gets snapped up by big developers.

What it seems to me that we're facing in Britain is that we have the same issues that people want land to build on but in Britain we have a system where the land owner and their agent, which is usually a house builder promotes schemes and comes forward to the council and say, can we build on this land? The council sits there and arbitrates about it, says yay or nay. If they do then they try and claw back as much as they can in tax from the deals. You get this huge uplift in value between agricultural land, which is worth a few thousand pounds an acre. Suddenly you draw a line on the map and it's housebuilding and it's worth a million pounds an acre.

There's a huge windfall profit so any farmer out there who can turn a field into a building plot effectively wins the lottery! That has a couple of effects. One is it sets neighbour against neighbour. If you're in a village where you're trying to – and I know this from personal experience – the farmer's always trying to get permission on a field. All the rest of the village becomes terribly antagonised by it and sets themselves against this greedy guy. "He's already got 5 Range Rovers. What's he want with that field?" and all that sort of thing.

This is where the NIMBY thing comes from. It's as much about the politics of envy. You know, why should this guy benefit from this? It's the village land. What happens in Germany is completely different.

The land is identified for building and the council comes forward and says, before planning permission has even been applied for, says: "We've identified this as a potential building plot. We'd like to buy it off you." It's almost like a system of compulsory purchase. The landowners are persuaded because they get a small premium for losing the field. And the council goes in and just decides to build serviced plots and decides we're going to sell it to locals. Anyone with a local connection can come along and buy this. If they haven't then we'll sell it.

The whole emphasis has changed. Somehow the land speculation just goes out of it. So they've built up an industry where people will come along . . . Say if you wanted to move to a small town in England. For instance, say you got a job in Bury St Edmunds. You'd go there and you'd either buy on the second hand market or you'd go . . . All the new housing would be built in estates around the edge of town and there'd be a flagpole and you'd go and see the show house and maybe go down and try and negotiate a deal with the developer.

In Germany, the equivalent move, you'd go to the town and there'd be serviced plots sitting there, ready waiting for you. Instead of going through a developer you go off to a show house village and I think you can visit, I think there's a 150 custom home builders in Germany, something like that, family businesses turning over a few hundred homes a year each and they'll all have show houses. You go to the show house and decide which house you want. There'll have a range of plots or maybe you'll have the plot already lined up and you negotiate the deal.

So you end up with basically with the customer in control. They're going in there. Rather than having the choice of maybe two building plots that have been done by maybe spec builders around Bury St Edmunds, you've got a choice of 100, 150 house builders – much more like buying a kitchen or a car. You can go in and decide what you want and the house is built for you over a period of 3 or 4 months.

You go in and you end up with a housing system that not only works with the consumer, whereas ours works against it, but it's a much higher standard because instead of, if you've only got one site around a town, it doesn't really matter what the building standards are – you either buy it or you don't.

They're not actually competing on building standards, so German building standards are inherently higher than ours, just because the

factory builders are competing with one another. And you get more choice because you can go in and choose what you want. Typically the contract is signed on the dotted line before you even start building, so you even know what tiles are going on the walls, what the door handles are going to look like.

So the whole system is turned around on its head. Now the question I was asking really is why has it developed so differently? It's like chalk and cheese, two different ways of doing house building. How have we got to the situation where we have a product that's built by spec builders that no one particularly likes. Most people in Britain would not choose to build a house from a spec builder, you know, if they could get something else.

The houses are mean, they're the smallest houses in Europe. They've got less and less garden. An awful lot of new housing has no garden at all and generally that it's also done over the dead bodies of the community around you. They think we hate this estate, we hate this whole process.

In Germany they don't have this NIMBY factor going on. They're working with the grain of the community. It's a big ask but it's an interesting observation, isn't it?

Ben: Quite interesting. As you were saying that I was thinking of my own particular situation, maybe 500 metres down the road where they have done exactly that in our local town. I've only lived in Hertford for 8 or 9 years and I have noticed a change in how it feels. This I find fascinating, how it can feel different in that time but a lot of it I put down to 2000 new homes coming in in quite a short space of time and not having any input. As you say, we feel we're powerless, we've just got to accept that.

Quite often I think to myself, I wouldn't want to live in these homes, so if I don't want to live in these homes, I'm sure the people who were in this lovely historic town, we all have certain standards. I understand we need affordable housing but you can see the conflict here.

Mark: Yeah, it's very interesting. I don't think there's anything actually in our planning rules that prohibit us from doing what the Germans do. It's hard to put your finger on it. This guy Marcus who I'm working with in Cambridge, was saying the house he bought is a 1930s house, not far from here actually. He was looking at the assessment on how it was built and who the first owners were and he worked out that actually in the 1930s the street was actually laid

out by the council, the plots were divided by the council. A lot of it was self built or done by very small local developers, not so different from what happens in Germany today. So somehow we've gone from that system that wasn't very different to one that's globlets of land being released in big blocks and deals done before, in deals between farmers, builders and planners about what will happen about this. The little people never even get a look in on it.

The whole thing is decided at a level which is completely undemocratic and isn't accountable to the local community. Not surprising, it's not popular. Neither the product, nor the process is popular and as I say I can't really put my finger on it but somehow something's happened in our house building industry in the last 30, 40 years that's just pushed it down that way. The council's become a box ticker, tax collector but they're not actually going in. They're not interested at all in the development process. They're just interested in how many units are going to be there. Are there enough roads, are there enough schools and that sort of thing? They don't go and enable the process and take any active part in it.

Ben: How damaging do you feel this is? Or is it just a difference?

Mark: Well, there are some plusses to it. What we do have in the UK is much denser housing, which ticks some sustainability boxes. If you go to Germany, you don't even need to go to Germany, you can do it from Google Earth. You can hone in on a suburb of a German town or village and immediately see the different layout patterns. It's much looser, more organic. The houses are bigger for a start. They have much bigger gardens. So it eats up more land. That's an issue in the South East of England because people want to keep density and they want to build on brown fields sites. And they want to cram it all in.

There's two sides to this coin, aren't there? You'll probably find in your town, most of that new development is crammed in on tiny bits of land and you get very very poky houses with tiny gardens, nowhere to park the car. It's all done in how many minutes it is from the station.

Ben: I'm noticing something else, that because we have this limit on land or we can't access it at the moment, we're swallowing up gardens. Quite often you'll find, oh we'll build at the end of your garden and then move into that and sell the other property. I feel this loss of vegetation or space, it's counter productive.

Mark: It is and we've become, because of the NIMBY factor, we've become as a nation very anti development. You know, we don't like to see our green fields go. We don't like to see our gardens go. There's a lot of evidence that a house with a big garden has a lot more biodiversity in it than a field that it might have replaced, but we don't think of it positively like that. We just think of the whole thing going under concrete. The whole thing we just think of negatively.

The same thing goes on with the big wind farm debates. The typical English countryside, all the villages, almost 99% of them against wind farms on their patch.

Germany again has a completely different system. A lot of the wind farm, the profits from it will go to the village or will be shared with the village and the people putting the scheme forward. Consequently they're keen to have wind farms because they can actually see there's money coming in and all this comes down to one's attitude to land. We've always had this paradox, the fact that, land is nominally privately owned but what you can do on it is controlled by the council, sometimes by the state and affected by your neighbours. Your neighbour has a say so of what you can and can't do with your land so you've got this sort of funny position where it sort of sits. It's not quite a free market and it's not quite state controlled.

In Britain we seem to have developed a line because we're more driven by free market solutions. We are less likely to interfere in the land. Paradoxically we've ended up with all the deals being done with big landowners and developers, and the little guys getting cut out of the system. Whereas the Germans have been far more interventionist and have ended up with a freer market and a much better functioning market. They don't have the huge boom and bust that we've had in our housing market. They build better homes, bigger homes. They seem to satisfy what people want and there's not this big debate that oh my God we haven't got enough self build.

The only spec building that goes on in Germany goes on in flats in cities where obviously you need an enabling developer to build a block of flats, but almost everything out in the small towns and the countryside is just done by individuals working with all these house building companies.

Ben: Is there a difference in community? Is that an aspect that you've looked at?

Mark: Well, that's a very interesting point. Again Marcus said to me. He comes from Bavaria and his parents have self built and his sister has self built. He'd love to do it around Cambridge but there's no land around Cambridge. You either move out, 10 miles out of town or you try and negotiate something on one of the sites that's coming. There's a huge amount of building in this town, as you can imagine but almost nothing has been set aside for self build.

But he said, for instance, if you apply for planning permission in Germany . . . Well in the UK, the council sends something in the post to all your neighbours that allows you to object to the council. In Germany you're expected to go around and meet your neighbours and knock on their door and show them your plans. "Hello, I'm Heinrich. I've just bought this plot. This is the house I intend to build. Hope you don't mind?" And you go and you sit, and you have a schnapps with your neighbour. So you know them all with your planning permission.

It's a completely different attitude to land ownership, isn't it?

Ben: Okay, here's something that I've just thought of. Is it just inherent in their nature? They're efficient in their lifestyle, really aren't they?

Mark: Well, the Germans do have, a well-earned reputation for being efficient and being wonderful engineers, and that goes in their building trade. It goes without saying. They're building standards are just generally higher than ours, but I don't think this is to do with it. It's actually to do with on the grain of how they operate as a society.

I suspect this goes on in Holland and Scandinavia, and maybe not so much in France but a lot of the other countries, they're just more geared into working with the community, with the neighbours, rather than our system which we've set up. It's just become adversarial. We're used to adversarial battles and planning battles and this sort of battle. It's just the way British culture works.

It would also be very difficult for us to suddenly say, well let's be like Germany, because we've got huge vested interests in our development community and all the big house builders live and breathe these deals. We don't have a big factory house building industry in this country. We've got a few timber frame builders who do very well, the oak framers being a good example.

They don't do the whole house. They just really do the superstructure. They leave you to finish it off yourself. And you couldn't . . . It would be like turning around a super tanker. I reckon the difference has been growing over the decades.

We couldn't suddenly say, right we'll be like Germany, we'll have much more self build like this model. The industry doesn't exist. It would take years of much more conciliatory planning for the confidence to build up for these businesses. There's no reason in theory why we couldn't do it but in practice it would take a long time to turn it around to have a more continental style house building business in this country.

Ben: Are there any lessons to conclude on here?

Mark: Well, for a lot of us in the UK building industry there's a lot of envy. The fact that if you go right back to the 90s, you get people like Egan talking about how we should introduce factory building and it's much more efficient and it's better, and it's hard to argue with them but what we've lacked is this ability to translate that to buildings on the ground. In the UK it's fringe. There's more of it in self build than there is in mainstream building. Even so, it's difficult because for instance if you do a timber frame factory, it's a huge capital investment that you're putting into it. You want to be confident that you're going to have output going on year after year.

Well in our boom and bust business, the way our housing market operates, you can't really be reliant on that. You've had five good years and your orders dry up and you're out of business and we see that time and again.

The German model is much more stable and they know that if they build a factory house business that they're going to have business in 20 or 30 years. Then they can think about exporting, so a much much stronger base to work from.

If there's a lesson for us. Basically the councils have to stop being frightened of the way the system is at the moment and become much more interventionist. We do have some councils that are taking on board the idea that land should be retained for self builders. We like what's happening in Shropshire, where they're even including self build in their affordable housing quota so they can actually bring forward schemes that they know developers aren't going to get into, but it's going to be a long slow process. It's going to be many years.

I do worry that when the government sees this chart of how little self build there is in the UK, they don't see the reverse of it, which is how much spec build there is. In order to increase the amount of self build we've got to decrease the amount of spec build and the spec builders have long arms in deep pockets and they're very effective lobbyists and it's hard to see them giving up their grip on the system as it now exists.

I think we will see a growing market for self build but it's going to be a long, slow haul. It's not going to happen overnight.

Ben: Well Mark, thank you very much for introducing this discussion and telling us a little bit about it. For everyone else, the Housebuilder's Bible is up to the 10th edition, is that right?

Mark: Coming out shortly. It'll be a red cover for the first time. I've always had an orange cover up until now because I originally thought it was going to be like the yellow pages but we've gone red this year. So do watch out for it and hopefully I'll be keeping on top of events and changes in years to come.

Ben: And we'll also link to you blog in the show notes. Thanks, Mark.

Mark: Thank you.