

Episode 49

Collective Custom Build

The show notes: www.houseplanninghelp.com/49

Intro: Today's podcast was inspired by a question Sam Brown sent in a little while ago and the topic was collective custom build. To be honest I've struggled to answer this question. However I was at Ecobuild a month or so back having a coffee with Paul Testa and he said: "Well, why don't you try speaking to David Rudlin from Urbed." So I thought, why not! He's experienced, he's a big supporter of collective custom build and he's also been out to Almere - it's a development that we've talked about a couple of times and you'll hear more on it in this interview as well.

I started by asking David to tell me a little bit about himself.

David: Okay, well I'm an urban planner. I have spent the last 25 years - longer than I'd care to think about - working on urban housing. It started off setting up my own housing cooperative with a group of friends and that's what got me into this. So, ways in which communities can be empowered to get involved in their own housing and neighbourhoods is what really drives us forward really.

Ben: You've actually said the word housing 'cooperative' which is definitely another thing on my hit-list there, but I think we're going to skirt that for today because there's an interesting topic of collective custom build and I'm not sure how long this will take to go through. Maybe we'll end up coming back round to cooperative housing. In terms of collective custom build, where do things start? What is it? You might need to start with custom build before you move on.

David: Okay, well let's start with custom build. Custom build is the process by which people can choose their own home before it's built. So self build, you buy a plot and you engage an architect and you get a design or you design it yourself and then you build it yourself out of your own materials.

Custom build is different in that you choose a plot, you find a plot and then you go and find a manufacturer who creates those houses, you buy one of those houses and they build it for you on the plot.

Collective custom build, which is a hybrid of the two really, is where a group of people come together and they buy a plot of land. They either buy existing houses which are manufactured to build them that house or more often they engage an architect and they create a design collectively for the site which they then jointly fund, jointly build, and it's created for them. So it's people coming together to choose an architect and to build their own . . .

Collective custom build is normally a group of flats. It's not normally individual houses. It's normally an apartment block.

Ben: But it can be houses in certain situations, so I suppose when?

David: It can be. I mean these things all start to merge into one so the custom build movement comes from Holland. If you go to Almere new town in Holland there's a whole section which has been put over to custom build. When you go round Almere there's plots which people have put their individual houses on and there are apartment blocks which have been done by groups of people. In Germany it's called baugrappen which is the same sort of thing. So the crossover between this and self build becomes very blurred.

I was at a site in Bristol a few weeks ago where a group of people had come together and bought an old scaffolding depot, separated out the plots and then they'd essentially done self build, although some of them had bought kit houses to go onto it. So that's sort of group custom build with individual houses. In other cases you get people who just have an architect and it's entirely bespoke for that site designed by that architect. In a sense it's the community being the client for it.

Ben: We're talking about a collective so how do we get into this collective?

David: Well, I mentioned at the beginning a housing cooperative, which I did back in . . . whenever it was. We started in 1986 and it was finally opened in 1996. That essentially was group custom build. It was a scheme in Hulme, an acre of land in the middle of Hulme. It's now called the Yellow Bricks. If anyone knows Manchester they will know the Yellow Bricks.

A group of about 40 people came together, formed a housing cooperative, managed to get land allocated - it's actually incredibly difficult to get the land allocated from the council - got planning

permission, engaged an architect. The architect worked with the housing cooperative to design what eventually turned out to be 75 flats along with a theatre and a cafe and a workspace, and various other things. They occupied it in '96. That really was group custom build but it was for rent. A housing cooperative means it's for rent. Now most modern group custom build is exactly the same process but it's for sale. So people are getting a mortgage and they're putting their mortgage into the group and they're getting in return for it, they're getting ownership of the apartment which comes out of it.

Ben: What are the benefits and what are the downsides? Why would we be going into this over just doing it ourselves?

David: Well, the benefits of doing it as a group as opposed to an individual is the one side of things. The benefits of doing this as a custom build as opposed to just going and buying a flat that someone else has built already. The thing about doing it as a group, as I found with a housing cooperative is that you make very good friends, that you become . . . You end up with an instant community when you move in so you get to know these people really well. You work with them over a number of years and you either hate them or they're really good friends. One or the other. It can go both ways. So it's a very fulfilling collective process to build something with a group of people.

The advantage of doing it over just going to buy a flat somewhere else is that you get to design your own house and normally you have to be pretty rich to be able to design your own house. To be in a situation where you can work with a group of people, design a flat to suit your needs, put all those quirky things in that you'd never find in a major house-builder house and you've got somewhere that is tailored to what you want. So you can have something much more interesting and bespoke and quirky than you might do if you bought it from Barratt's or whoever.

Ben: Is this really about unlocking the land potential?

David: Well in the UK in particular the land is always the difficult bit because land's really expensive. I mean it's twice as expensive in the UK as it would be in Holland to buy the same piece of land. That's because of all sorts of complicated reasons to do with our planning process as to why that is, but yeah if you can get hold of the land then getting planning permission for housing on land makes it incredibly valuable. So an acre of land can go from a few

thousand pounds if it's got a farming consent on it to as much as a £1 million with a consent. So if you can get hold of the land and we're working with a couple of groups at the moment who have got access to land through various means then you can generate value by getting a consent on it for housing. If you're doing so collectively then you can do interesting things with that. You can actually create something interesting with the value as opposed to someone running off with it as profit.

Ben: Well, that's what I was thinking that for one person finding a plot you are limited in certain ways so coming together has an advantage. Are there any other things that we should think about?

David: Other things that we should think about? I think one thing you need to think about is how you want to live together as a community.

Ben: So this has long ranging impacts? It's not just about the build?

David: It is because I think it's about how you live. I mean, if you've got kids, how you want your kids to live, where you want your kids to play, how you want them to grow up, how do you want them to relate to other people and so on?

Certainly the housing cooperative that I was involved in we put a lot of focus on the middle courtyard, a garden courtyard. It now opened almost 20 years ago so there are kids who are now young adults who spent their childhood playing in this courtyard and you talk to these people and they say their childhood was different because of it. So the way that you want to live . . .

You can go further than this. There are various versions of this, for example, cohousing. Now cohousing is a number of things and one of them is a tenure, which we might talk about in a second but another part of that is a way of living. For example, in a big scheme once a month you have to spend the day cooking for all your fellow community members. The advantage of that is all the other days of the month you don't have to cook at all. You have a meal cooked for you by someone else. And you have common rooms. You have like a shared flat and so on, which you can have relations to stay. So cohousing is an interesting extension of what people do with custom build.

Ben: Now that's interesting to me, too, having been to Lancaster Cohousing so I've got an overview of what this is but I had no idea that there were any links in.

Collective custom build . . . Would that then be a case of collective custom build? I'm perhaps confusing my terms here but is that an example of it as well or has it then become cohousing?

David: Well cohousing is a way of living in a tenure. So if you get involved in a collective custom build group and you have to have a special mortgage that you can draw down as the thing is built. Cohousing, in the Danish sense - or what's in America is called a condominium which is a similar sort of thing - you actually own a share in the company that owns the building. It's almost the same thing. It's got the same value but as the building's value goes up your share goes up but actually what you do is you own a share in the building and therefore the building is owned collectively even though you have a stake in it which is equivalent to your apartment. That is a particular type of tenure which actually suits very well custom build. These things, to be honest, you can't really draw lines between them. The process of building, the process of design, the process of tenure which comes from that they're all linked together and when you're doing this you need to make choices about each of those things that you're going to do.

Ben: Is this a lengthy process, then? If we're talking about one person it would take two, three years sometimes, but when we've got a collective custom build we have to be prepared that this is going to take a while or are we talking about mass amounts of people on site?

David: Well, from my perspective it took ages and that was because we were doing it on our own, looking for land on our own. You know, 10 years it took us, from the initial meeting in my flat where we said: "Wouldn't this be a brilliant idea," to actually the thing being open was 10 years. It was an enjoyable 10 years but it was also an exhausting 10 years. Now, if you find a developer and there are a couple in the UK who are starting to think about this who are interested in promoting custom build, that cuts out a lot of the complication. The developer will have sites already allocated for this and are looking for groups of people to come together to take those sites forward.

So we're working for a developer at the moment called Igloo who are looking at a number of sites across the country which would include both normal custom build and collective custom build. So, talking to Igloo, if they're developing an area where you're interested in living then that might be a way of short-cutting the process because they can provide a site and they can provide a framework into which . . . for example, they will be getting planning permission for the whole site so that makes it easier for you to get planning permission for your bit of it because you're part of a bigger scheme.

Ben: And, does that mean then that we're set up and ready to go for that? I sometimes get confused by this term . . . because you're building things as a package and then tweaking it, aren't you? I know in parts of Germany they have these villages that show you all the different variations that you can have!

David: So custom build as a process in Holland, you go into your plot shop, it's called a plot shop, like a sales office and you've got a big map on the wall with all the plots, all the sites where the housing can be built. Some of them will have stickers on which means they've already been bought or reserved or whatever. So you find one that's not been reserved which is where you want to live, size you want, relationship to the housing and schools. You say: "I'd like that, that and that one." So you put your name down for that, you pay a deposit on that plot and then you go to another part of the office and you've got this big book full of house types and that will give you 10 or so manufacturers who are producing houses which are suitable for the plot that you've put a deposit on. You choose the one you like, you choose the house type you like, the builder. You then go and work with that builder and customise your house - it's where the custom build bit comes in. So "I'd like three bedrooms, I'd like it to be super energy efficient, I'd like it to have a grass roof," or whatever! And whatever that manufacturer is able to do.

The manufacturer then says that's the house you want, that'll cost you this much, you sign a deal and then the manufacturer builds it on the site for you and then a year later it's ready to move in. Now some group custom build can use the same process because you'll have manufacturers who can build blocks of apartments so they've got stuff. Your group does the same thing. You choose your plot. You know, I want this plot for 12 apartments, there's 12 families or whatever involved in the group. You collectively choose your

manufacturer. The manufacturer designs it, customises all the flats for you. You argue who's living in the penthouse and all that sort of stuff, agree it, get the price, they build it for you and so on. That is very similar but actually what tends to happen is most group custom build people end up not being able to make the model fit their needs. So they end up either customising it so much that you'd hardly recognise it from the original version or they'd get in an architect to design it from scratch.

Ben: Are you saying people are getting picky about what . . . We're not almost trained into this way of doing it. [Ben laughs.] Is that a good way of explaining it or not?

David: I'm not sure that's quite true. I think the individual house market is much more developed. There's much more choice in the individual house market than there is in the apartment market. Certainly in Holland it appeared that most of the apartments had been built and designed from scratch with an architect, albeit with a system. You can buy systems so a steel system or a prefabricated system to build it out of so you're not designing every window and every wall and so on. You've got kits of bits that you can use but it seemed to us that most of it then were being bespoke designed, which of course means they're not really custom build because custom build implies that you're using a pre-designed set of modules. And a lot of group custom build actually ends up not really being custom build.

Ben: I do love the way that I feel we're floating through some terms here. So let me bring it back to collective custom build for a moment. What would be the biggest challenge if you go down this route and you want to build this way?

David: Well, you imagine the challenge that you have when you want to buy your own house. You've got to get a mortgage, you've got to get a deposit together, you've got to . . . Okay, that's already difficult. You then want to build your own house and you've got to get a mortgage for something that doesn't yet exist, so you have to get a special mortgage which allows you to draw down money before the thing's complete. If you're doing that with 12 other families, then you're multiplying that complication. You know, can every family get their deposit together? Of all the groups I've known over the years, that's the difficult bit. Halfway through somebody loses their job, or whatever, and that mortgage can't happen. What

happens to the half finished house that somebody's already put a deposit down on? And so on.

So these things are what become complicated. Also, I've had other situations where people have sold the flat before it's finished and made a large profit on it because the property market is going up. How do people feel about that and people profiting from it? You sort of need to think all this stuff through before you start because it'll trip you up otherwise.

Using architects is always complicated and is always risky. Something can go wrong and they can dig into the ground and find a gas pipe that you didn't know about or foundations that don't work or whatever, and that can cause the cost to go up. So halfway through you end up with an extra £20,000 that you weren't expecting and then how do you share that out between people? And is there a contingency? All that sort of thing.

Building anything, as any developer will tell you, is risky business. It's rewarding but don't think it's not going to be risky as well. You need to be prepared for that.

Ben: Any tips for how to avoid those sorts of tensions that you mentioned or situations that might develop?

David: Well I think it's always worth talking through with your group beforehand, the process, and actually talking to people who have done it and then going to find other groups which have done the same sort of thing. There is also a National Self Build Association, which even though it's called 'self build' association covers custom build as well. They have a very good website. They have lots of advice and stuff like that which you can look and link to.

Find yourself a good architect. Go and see other stuff they've done, talk to other clients that they've had. The architect . . . I hate to 'big up' the architects too much because they get very big-headed when you do that but nevertheless the architect is crucial in this process. When you're building something they are the link between the construction process and yourself as clients. So that link is crucial, the trust with the architect is crucial. I think unless you're very self-assured and self confident, linking it in a larger development, with a developer doing something is probably a safer way. It's a way of minimising the risks rather than taking all the risks yourself in terms of finding a site, getting planning permission which is always in this

country a difficult process to go through and you won't understand why the planners don't like what you want to do but that will always be difficult.

So working with a developer is probably a good way of minimising your risk but don't go into it if you want a risk-free life because it will never be as easy as buying flats off the shelf that someone else has built.

Ben: What is the uptake of this like? Is it something that we'll see more in the coming years in your opinion?

David: In the UK, where we're speaking, we're very much hopeful that it will become something quite significant. I mean it is miniscule at the moment in the UK. If you look onto the rest of Europe, France something like half all housing are built other than by developers . . . custom build, there's a whole different way of doing it. Switzerland it's actually something like 60%. Germany, you know, it's significant numbers. In the UK I think it's 10% at the moment. So 10% of houses are not built by developers - that's people buying a plot and commissioning their own house on it and so on. Some of them grand design, beautiful things. Some of them much more mundane in terms of what they are but 10% in the UK is a very low number compared to the rest of Europe. Most of our housing is built by 10 major house-builders. Most of them build exactly the same thing - a simple brick box with a roof on it, mentioning no names! Not to get myself in trouble but there's not a lot of variety and so if you want to build a house that is slightly to what the big house-builders will provide there's a real opportunity in the UK.

Certainly the people that we're talking to are seeing maybe 50, 60 homes built this way this year rising to 3000 - 4000 within two or three years and then starting to build up to a level which is comparable to one of the house-builders. So the biggest house-builder in the country builds 10,000 homes a year so if custom build could get up to something around that level then it would be creating as many homes as our biggest house-builder it starts to become a significant part of the market and I think an option that a lot more people will choose if it's available. At the moment you have to be a bit of a pioneer to do this but as this becomes more commonplace it will become a much more normal way of getting your own house.

Ben: Does this have a knock-on effect for more sustainable housing, too?

David: That's a really good question and the answer is we don't know. Yes, I was thinking about myself and if I was doing it and when I did it with the housing cooperative we saw it as a way of getting something much more energy efficient but then when I talked to friends in a similar situation who said: "Would I go for more insulation or would I take a slightly bigger floor area?" Actually these have become very real trade-offs. Do I want a bigger place or a more sustainable place or do I want a better kitchen or do I want to live in a slightly better area? Where do I want to spend my money? It becomes something which becomes a very real set of discussions, I think, between the people about what you want to spend your money on because money will always be limited so you can't have everything that you want.

One of the first large custom build schemes in the UK is going to take place in Cornwall and at the moment the site is being laid out and marketed and so on. We're hoping to get some research to work with Sheffield University to follow this through, to find out what people do actually choose, to see whether they choose the green option or whether they go for the larger space standard and so on, and to talk to the custom builders who sign up for that and understand what their motivations are and what drives them and what they find interesting about the process. So, yeah, we don't know yet. One would hope, I think, that this is a way of creating more green, sustainable housing but the point about it, the custom bit, is that it's entirely up to the people who initiate the process as to how it is developed.

Ben: At least they've got a say in it! [Ben laughs.] In terms of resources, if people want to find out more about collective custom build - websites, books, any suggestions?

David: Well the National Self Build Association is your starting point really. They have a very good website which has lots of links to all the schemes happening in the country so you can talk to other people doing this. As I say there is also a website which has been produced as part of a research project with Sheffield University by Ash Sakula Architects which is also linked to the National Self Build Association website. Again that's specifically looking at custom build and group custom build, and looking at examples and

manufacturers. It has a very good video which explains the process, which is worth checking out as well.

Ben: Is there any other aspect of this that we should bring in or is that a fairly good overview?

David: I think that's a fairly good overview. It's something that people should do. I spent a long time working through . . . it wasn't called group custom build then but it probably would be now. It set me on my course for my career because I realised that it was the bit of planning that I really enjoyed and thought was really important so it set me going forwards. It's worth doing, it's very fulfilling. It's hard work but I would definitely encourage people to get involved.

Ben: And just one final question. You mentioned right at the beginning of the interview the German, is it 'baugruppen' or something like that? Is this the same as that?

David: Baugruppen is very similar. Yeah, I mean, obviously as we've discussed there are variations on all of this process but the baugruppen process in Germany is essentially the same as group custom build.

Ben: David, thank you very much.

David: Good. Thank you very much.