

## Episode 148

# How do you know you're properly prepared for a self build? – with Dean Scott

The show notes: [www.houseplanninghelp.com/148](http://www.houseplanninghelp.com/148)

**Intro:** At the time of recording Dean didn't have land secured, but we're hoping that is going to change in the very near future. This is a case study that will be of interest if you're wondering about whether you have the funds and confidence to go through with your own project.

I started by asking Dean when he first decided he wanted to build his own house.

**Dean:** I think it's something that has been on my mind for as long as I can remember really. So Hannah and I got together ten years ago and we've always watched Grand Designs. We've always watched Building the Dream, whatever, but we've never bought a house, simply because we've never been able to find somewhere that we were both really excited about. And so I suppose the logical conclusion from that is if you can't find something you want to buy, you're going to have to build it yourself. So that's always been the case.

And we're engineers and it's like the ultimate project for an engineer is to design and build your own house. So I don't think it's anything that sort of like just switched and we suddenly thought you know let's try self build. I think it's just something we've always tended towards.

**Ben:** It's amazing how many self build projects have people with engineering experience or, I think you're right it's just something that you're maybe tuned into.

So how did you start to make this a reality? What were the practical steps to just get moving?

**Dean:** Well I think the biggest thing for me has always been looking at the finances because you watch Grand Designs and they've always got

a pot of money somewhere and there's always an extra pot and an extra pot and they keep going. But I think the key thing for us is we have a finite budget and if we go over it there is no more. And so that has always been the starting point. Is can we realistically afford to do this. So that has been the start.

But in a way sort of designing the house has kind of been the easy bit because that's the bit you can sit and daydream about but if you get the numbers wrong and the finances then it's sort of all for nothing really. So that has been for me the starting point.

Ben: And as well I know quite a bit about your story. I've also been to a presentation that you gave and was really impressed of how deep you went, because I have found on the whole that my project has drifted in terms of numbers because of what I feel we should be building. So whereas it started quite low it's gone higher and higher. So what sort of checks did you do, how did you start to put that budget together and to really stress test it?

Dean: Yeah, it's a really tricky one putting the budget together, because in the presentation actually I went through a bit which I called the self builder's loop where you kind of say well what sort of house do we want to build. Well it sort of depends on first of all where we're going to build it. But that sort of depends on how much you're going to spend. But that depends on what sort of house you want, which depends on where you're going to build it and you sort of go round and round in circles.

For us it was really a case of, I suppose in some ways for us it's quite simple because we're relying on our cash savings so we know how much money we've actually got in the bank. We're renting at the moment and we always have so we don't have any assets to consider so we're just looking at our cash.

And then it was a case of discussing with BuildStore mortgage broker to look at what we would realistically be able to borrow. And so that really came down to what our earnings were and our outgoings at the moment. And that sort of built a picture of what the total pot would look like.

And so that was the basis really for the budget. And then from there we looked at okay, so what size of house would we realistically want to build, and then work back from that to see does that then fit in with the pot of money that we potentially have. And I have to say actually it's kind of fortuitous that they did kind of line up and the money that we think we've got available sort of matches the size

and type of house that we think we'd be able to build, but it will be really tight.

And all that is sort of saying and that's what we've got now, how's that going to change over the course of the build and all the rest of it. So that's been a big part of it, is planning sort of cash flow and things like that.

Ben: And all of these numbers, they hinge on things like jobs and circumstances...

Dean: Children!

Ben: Yes, circumstances that you think you've predicted!

What about land then? You've got your overall pot of cash and I know where you ended up with. Maybe you can take us on that, but could you really have afforded land in Oxfordshire, which is a very expensive area?

Dean: Yeah I don't think so at all. What you're alluding to is that we've ended up sort of looking at Graven Hill, which I don't really believe in fate as such, I'm an engineer, I look at things very logically, but then I sort of think this thing has sort of arrived almost on our doorstep, and pretty much at the right time when we're realistically looking to self build.

And it probably is, because I remember looking at all the options, or looking at the plot finding websites and seeing what was around and around here, as you say, everything is effectively way out of budget. And then sort of thinking well okay if we moved to a different area maybe we could start being able to afford something but the only option really came down to then realistically for this area was Graven Hill. And so that's where we've focussed everything.

And then there was the big wait to see what will the plot prices actually be. Will they be affordable for us and I think they sort of are. But again we still need to go through more detail.

Ben: Just aligning where you are now and the lifestyle that you have. You're in a very oldy worldy country village compared to where you will be. Are you happy with that? I know that you don't really have a choice!

Dean: Well that is true actually! I think I am happy. I think Hannah is too. I think that's one of the things with Graven Hill is it's not going to be your typical housing estate. It's going to be a housing estate but for self builders. And so I'm really comfortable with that.

That's one of the big draws for me, it's one of the exciting things is it's not just us building a house in the middle of nowhere. We are potentially going to be part of building a community and that is really exciting I think. I

think if we were building in a village like this or in the countryside it wouldn't have the same kind of excitement to it maybe. I'm sort of looking forward, if we do this, it's a big leap because we might not be able to do it yet, but if we do it I'm really quite excited about the community aspect of it.

Ben: This is going to be an experience. In a way I like the idea of just building on that, a little plot with a beautiful view with nothing else around it. But in some ways I'm slightly jealous of what you will be going through and I think you're right that it will be an experience one way or another.

Dean: Yeah, absolutely. Any self build project is going to have highs and lows but to be able to share those with other people I think is going to be quite exciting. And I'm really, really excited to see the variation in houses. No two houses really are going to be the same. I mean there might be, there's going to be a lot of sort of the turnkey houses I expect from Potton and places like that. So there may be a sort of, you may be able to spot some styles which are quite similar, but no two are going to be identical. I think that's really exciting.

Ben: Have you had to approach this in a different way than if you just did have that plot that you were going to develop?

Dean: Well I mean clearly you don't have a lot of the headaches so when it comes to getting services, planning permission and all those sort of preparations that you would have to normally do, are not really going to be a part of it. So yeah, from that point of view it's different and you can sort of concentrate on the house and on the budget side of actually building, rather than worrying about the ground conditions.

But apart from that I suppose then actually the design of the house and the build and all the rest of it would be the same. It's just the planning preparation's all been done for you ahead of time.

Ben: Before we just go back to finances and also look at the design that you're thinking might work or what groundwork has gone into that, Graven Hill itself, you're not guaranteed this plot. I think in time you are, but how has the ride been for you in terms of getting this piece of land? It's an odd one. It's not the same land worry but it's a different worry.

Dean: Yeah, so at the moment as things stand we don't have a plot. We have spoken to the sales team at Graven Hill and we've expressed interest in a specific plot. In actual fact we expressed interest in a couple of plots and we didn't get our first choice, we got our second choice.

When I say got, what they've done is they've put it on hold for us and we've got a meeting with them this week actually on Friday to hopefully look at actually reserving the plot officially.

But to get to this point so far it has been quite a long process because we seriously looked at it I think probably summer last year, so it's been a year of sort of waiting, waiting and waiting. And there's been a couple of sort of false starts from Graven Hill where they've promised prices would be available and then they've not been. But they have now become available so they got there in the end.

Ben: So what did you have to put up front for this? I know that they were quite clever in a way about some of the things that would stop people coming in and exploiting the community.

Dean: Well part of the requirements from Graven Hill is that you have looked at the design, you have looked at the budget, and so you're not just sort of turning up and saying yeah we fancy buying that plot, you know here's our deposit. They want to see that you've actually got a house concept at least and some drawings, and you've got a realistic budget together, and that you've thought about finances. So you can't just sort of I think turn up and buy a plot, you've got to have thought about it and so that's really been the bulk of the work that we've been doing over the last six months is putting that together.

Ben: What about this house then? What have you decided you would like?

Dean: Well, thanks to your podcast, we are committed I think at this stage to a Passivhaus design! Which all makes perfect sense. We want

something that is contemporary because we're living in quite an old house now but it's never really been our sort of aim to live in an old house. We're in the old part of the house now and there is sort of damp and it is quite chilly. We want to basically eliminate that and live in a very comfortable environment.

And we want something that is a bit different. We don't want a standard red brick pointy roof kind of house. We can talk about some of the designs that we've come up with with our architect so far, but yes it won't be a pointy roof type of house.

Ben: And is this just something intuitively you know that you like or how have you gathered together a mood board or know the area that you're aiming at, or is this something that the architect has suggested to you?

Dean: We have, yeah, top tip go on to Pinterest and lose a few days on there! So that's something we have been doing. I think instinctively, certainly from my perspective, because I'm an engineer, I'm really interested in efficiency. And I sort of thought well if you're going to build a house then you want to maximise the living space and to keep it as efficient as possible from a thermal point of view.

And so that's the sort of brief when we went to Tom Gresford, the architect we've been speaking to. And that was the sort of brief that we went to him with and the concept he came back to us was a cube, basically. So maximise all the space, so there's no sort of lost space that you're not able to use. And from a thermal point of view, short of having a sphere, it's pretty much the most efficient shape for a single detached house I think. I'm not an expert on Passivhaus but I think it's one of the most efficient shapes.

And so the concept he came up with was a cube and we'll try and follow that through in all the design elements. I think it's quite nice, so the windows will be square for example and maybe some of the room layouts will have a square element to them, so that's the concept he's come up with. And yeah, we're quite excited about that.

Ben: How have you budgeted all of these different things? Have you had a serious chat with Tom or what has nailed down all of these costs?

Dean: Yeah, so we've obviously been speaking to Tom and also Trunk Low Energy Design. And they are quite keen to work together with a new venture that they're running to build Passivhauses.

So we've done a sort of quick run through if you like of the costings and just looking at the square meterage, the size of the house we're looking at, putting some basic costs in. But again because we didn't want to spend a lot of money at this stage, that's been quite a limited process but it's given us some ballpark figures.

And then we've compared that with what we think would be a reasonable budget. To sort of build our breakdown we've been using like a typical cost per square metre which I think we were using something around £1400 / £1500 per m<sup>2</sup> to sort of give us a ballpark, and that's what we've been using to sort of see if it fits in with our overall budget. And compared with the numbers that we got back from the analysis, we would probably be over budget, so when it comes to the final details we are going to have to be very careful about how we put that together. When you start adding all the bits up you realise just how easy it is to get to your, whatever it is, I think we had £180,000 put aside for our build budget, and just how quickly you can get to that.

But the trouble is at this stage until you've got that final plot and you've gone through the full process you don't know, or you don't want to spend too much time on it because time is money if you're paying someone to do a cost analysis on something that's a bit sketchy and it's sort of money down the drain really. So we paused it at that point until we got the plot, and then we will go through that process again.

Ben: Do you think this is a more affordable way for you to buy a house, if you had put aside this self build dream. I know there's a lot more involved in this so there's effort and there's consideration. But is it actually allowing you to buy something better than perhaps you might do on the market at the moment?

Dean: Yeah I'm totally convinced that's the case. To buy something on the open market we would be spending probably the same sort of money but we wouldn't be buying anything, we wouldn't be buying a Passivhaus, we'd be buying a bog standard pointy roof house, red brick! Nothing against that, it's not what we sort of want.

So yeah, I'm absolutely convinced. By going to Passivhaus we will obviously spend a little bit more than you could get away with, but we're really committed to the long term vision for the house. So we want to get the structure right and then build it up from there.

Ben: What else have you learned along the way? There's a lot of research that goes into a house build. Everything sounds like it's

under control, but what's really helped you? What would you recommend to others just starting out?

Dean: The one thing that's really struck me, by looking at the numbers was realising how the cash flow worked. Particularly if like us you're going to be relying heavily on a mortgage and particularly a self build mortgage where if you're going for an arrears based mortgage which is what we would probably be looking at, you have to allow for the fact that you've got to build to the next stage before the funds are released to you. Which obviously sounds a bit backwards when you're completely new to all of this. But obviously that means that you've got to have enough cash up front to get to each stage.

So yeah, that was a real eye opener for us, and there were times when we were looking at them and thinking crikey we can't possibly do this because we were sort of thinking well we've got this money so we're fine. But then you think no, hang on, that money's got to get us to say the water or weathertight structure before we get a release to get to the next stage. So crikey, how much money do we need. We've got to buy the foundations, we've got to buy the plot, we've got to have spent money on fees and we've got to have built the timber frame. So that's the cash we actually need. It's not just getting the plot or whatever else.

And so that has been the bulk of my work really is looking at how do we manage the cash flow and how do we plot a way through this that makes sense.

So yeah, don't just think that because you've got a lump of cash and you can borrow a certain amount of money and therefore you're fine. You need the money at the right time. Which I know is fairly obvious but until you start looking at the details...

Ben: Some of these things aren't though. I feel that no matter how much money you have as well that you can still get into a dangerous position because particularly if you're in areas that can swallow up the cash even with just a piece of land, you can get yourself carried away because you don't get much for your money in some of these places. So I think that anyone on any budget can get into dangerous territory.

Let's just bring in family side here, that Hugo your son born a month or a couple of months ago now.

Dean: Ten weeks ago, yes.

Ben: So has that changed anything? You're putting a lot of cash effort into this. You're a busy dad, you told me you just got back from work at 7pm, so what does this mean for him, or is he in part of the journey here on Graven Hill?

Dean: I think it's, when I really think about it he's probably like one of the biggest parts in all of this. Because a few years ago I sort of thought we want to build a house, so maybe a bit like yourself you thought maybe I'll research it for a few years and then we can start looking into it.

And so it got to the point where we starting a family and I thought I don't want to be doing this when he's like ten, I want him to be living in the house and for us to live as a family in the house. So that's been a bit of an impetus really to get on with it. That's why again Graven Hill is so appealing, because I know you've spent quite a long time looking for a plot and I don't really want to go through three or four years of plot finding and then looking at planning permission and then it's seven years down the line that we actually get to the start. I want to get on with it now so that when he's sort of really growing up, he's going to be in the house and we can live as a family. That's the push for me, and that's why I'm so keen that we sort of get involved as early as possible at Graven Hill.

Ben: Well I think you've done a lot of research and you certainly deserve for this to go well. Maybe just finally we can talk about how have you and Hannah worked together? Any tips that you have there as working as a couple, because there have been times where I've found it tough in a couple with, Kay's very good and she's brilliant at organising and all of this, but sometimes there are challenging moments. So what tips do you have?

Dean: Pinterest is a good one!

Ben: I love that, the first tip!

Dean: Yeah, set up a Pinterest board that you can share and you can both put things on there and you can see what the other's doing.

I mean sharing information I suppose is key and so with modern technology the way it is there's so many tools for you to be able to share stuff. We use Google Docs a lot so we can share spreadsheets, we can share documents. So I think sort of setting that sort of stuff up, getting yourself a project folder on Google Drive or something where you can collaborate if you like. I think

that's really key, is just you need to understand what each of you really want.

We've been quite fortunate. We sort of want the same things. I'm not sure how it would work if Hannah wanted like a quaint thatch cottage and I wanted like ultra modern, I'm not sure how we would work that to be honest. I really don't know. We've been really fortunate we want the same thing. So yeah, I don't know what sort of tip to give on that, but at some point you've obviously got to bring all that together.

Ben: You see there's a side of me that would actually build anything now. I think to begin with I would have had very rigid views, so if Kay does want a particular type of house, even if it's the red brick stuff, I'd be quite happy with that. I just want to experience the build process, what it's like to live in a Passivhaus, just to really understand it from that perspective, so who knows on that one.

Dean: Yeah I think something like a Passivhaus is quite an easy thing to sort of agree on isn't it? I mean who wouldn't want to live in a Passivhaus given the choice? We've not had to convince each other on that.

But then you're right, you can say as long as it's Passivhaus, I don't really care what it looks like on the outside as long as it's warm, comfortable on the inside and sort of makes sense for us to live as a family.

Which is the other big thing, you can design by self building, you can lay it out exactly as you like and as long as you've got a combined vision on that then you're right. Maybe it doesn't matter what it looks like on the outside.

Ben: Well good luck on this plot. Keep me updated. It would be great to check in with you again, perhaps next time with Hannah and we'll sort out a babysitter or grandparents.

Dean: Yeah, we've got grandparents not too far away so we can I'm sure organise that.

Ben: Dean, thank you very much.

Dean: Okay, thank you Ben.