## Proposals to help people build their own homes welcomed by Housing Secretary Robert Jenrick

- Richard Bacon MP's report, commissioned by the Prime Minister, addresses some of the barriers to building your own home.
- Housing Secretary 'warmly welcomes' report as government considers options to make building your own home easier and more affordable, including the 'Help to Build' scheme.
- Potential to deliver 30-40,000 custom and self-build homes a year, supporting thousands of jobs.

Proposals to help more people build their own homes have been 'warmly welcomed' by the Housing Secretary Rt Hon Robert Jenrick MP (21 August 2021).

Richard Bacon MP's <u>review of Custom and Self Build</u>, commissioned by the Prime Minister, finds huge potential in the sector which could deliver 30-40,000 more homes every year, and recommends a major-scaling up of self-built homes to boost the overall housing supply. This will see homes that can be built in weeks that are better designed, built to the highest environmental standards and with cheaper household bills.

The report was commissioned to improve the housebuilding industry by giving customers more choice, and to make home building a mainstream, realistic and affordable option for people across the country.

The government has already committed £150 million for the Help to Build scheme which will allow home builders to borrow money with lower deposits.

The government is also providing funding for local councils to create high quality serviced plots that are ready to go, stepping up self and custom build housing projects across the UK.

Housing Secretary Rt Hon Robert Jenrick MP said:

As we build back better we want to help more people build their own home, making it an option for thousands who've not considered it or ruled it out before. This will help get more people on to the housing ladder, ensure homes suit people's needs whilst providing an important boost to small builders and businesses too.

I warmly welcome Richard Bacon's report which matches our ambitions for the custom and self-build sector. We will consider it fully and respond to the recommendations in due course.

The launch of the Help to Build equity loan scheme will be a gamechanger to the self and custom build market and will allow individuals to borrow with lower deposit mortgages which will go towards the design and build of their new home.

The Bacon Review puts forward 6 recommendations:

- A greater role for Homes England, with the creation of a new Custom and Self Build Housing Delivery Unit supporting the creation of serviced plots on small and large sites and delivery at scale.
- Raise awareness and show by 'doing', including with a custom and self build 'Show Park' and a more robust approach to legislation.
- Support community, diversity and levelling up and crucially by reigniting the Community Housing Fund and creating more opportunities for communities to build.
- Promote greener homes and increased use of Modern Methods of Manufacturing (MMC) custom and self build is a leading innovator in these areas, and could be used to signpost the future for government's MMC and Net Zero Housing ambitions.
- Align custom and self build changes with planning reforms in particular through maximising opportunities for permissioned land for custom and self build, across all tenures.
- Iron out tax issues to create a level playing field between this type of homes and speculatively built homes.

Richard Bacon MP said:

We need to build more and better new homes. Custom and self-build can help achieve this, by putting customers and their choices back at the heart of the process. When customers come first, we will see more homes built — that are better designed, better built, greener and which cost less to run — and which are warmly welcomed by their communities. This review sets out a route map for how we can achieve this much needed change.

The Ministry of Housing, Communities and Local Government will publish more detail on Help to Build shortly followed by its official response to the Bacon Review in the Autumn, including reviewing options on how best to support Custom and Self-build (CSB) housebuilding.

The government's reforms to the planning system will help support the CSB industry by streamlining and modernising the planning process, bringing a new focus to design and sustainability and ensuring more land is available for development where it is needed.

## Help to Build

The 'Help to Build' scheme will ensure that self and custom home building can become a realistic option to get onto the housing ladder through lower deposit mortgages.

Lowering the required deposit will free up capital, so people can build the

home that they want and need whether it's a commissioned, made to order home, or a new design from scratch. The scheme will provide an equity loan on the completed home, similar to the Help to Buy scheme.

Made to order homes allow people to customise the home they want based on existing designs. This could include more office space, or a particular design to support a family's requirements including for disabled or older people.

The scheme is part of the government's wider <u>Plan for Jobs</u> as the new plans will also benefit small building firms. SME builders account for 1 in 10 new homes and the scheme will help scale up the number of self and custom build homes built every year.

## Right to Build taskforce

The Right To Build Task Force provides support to local authorities on how to take forward self and custom build and deliver their duties under the Selfbuild and Custom Housebuilding legislation, e.g. through advising how self and custom homes can be included in local plans and strategic sites.

The Task Force is a not-for-profit organisation and was previously funded through the Nationwide Foundation. The government has provided £320,000 of funding for the Task Force since 2019/20.