



Northumberland County Council

Delivering Affordable Housing via Self-Build and Custom Housebuilding

July 2024

Policy HOU 5 of the [Northumberland Local Plan](#) supports self-build and custom housebuilding. Policy HOU 7 supports such housing on affordable housing exception sites. This guidance note sets out further information about delivering these as affordable housing.

Affordable housing via self-build and custom housebuilding

1. Self and custom-build housing are homes built to the plans or specifications decided by the first occupant. Custom-build homes are facilitated by a third-party enabler. Self and custom housebuilding can provide a means of getting a new home much cheaper than it may take to buy a similar home.
2. To be regarded as an affordable home for planning purposes, a self or custom-build home must meet the Government's definition of affordable housing. This is set out in the glossary of the [National Planning Policy Framework](#) (NPPF). There are several tenure categories. It will also depend on the amount of involvement of the first occupier of each home (whether home owners or renters). This should be primary input into the design and layout, or involved in the construction of their home.
3. The Right to Build Task Force's [Affordable Housing Advice Note](#) and [Custom and Self-Build Planning Guidance](#) (PG2.2) give more information.
4. Below is a summary of the various ways in which affordable housing can be delivered through self and custom-build housing.

Routes to delivering affordable housing via self and custom-build housing

- Local authorities and Registered Providers constructing custom-build shells. These are then sold on a shared ownership basis. The first purchasers can complete the internal fit-out of the home as self-finish to their own design and specification.
- Community-led housing groups constructing custom-build shells, through new build and refurbishment. These are then sold on a shared ownership basis or rented at an affordable rent. The first purchasers or tenants can complete the internal fit-out of the home as self-finish to their own design and specification.
- Registered Providers constructing custom-build 'turnkey' completed homes. These are then sold on a shared ownership basis, with some element of customisation.
- Community-led housing groups undertaking group self-build developments. These may have varying degrees of direct involvement. The homes are then sold on a shared ownership basis or rented at an affordable rent.
- Local authorities supporting rural exception sites for a 'build your own' self or custom-build scheme. These are only for local people whose housing needs are not met by the market. They can build modestly-sized homes on sites that would not usually get planning permission for housing. The household building the home must be in housing need, have a strong local connection, and need to live locally. The end value of the property is restricted in perpetuity to 60-80% of the prevailing market value of the completed property at the time of sale.
- Discounted market sale, provided through serviced building plots, custom-build shells, or custom-build 'turnkey' homes. The value of the completed homes must be at least 20% below market value. So the plots may need to be sold at a nil or much reduced land value.
- First Homes, also provided through serviced building plots, custom-build shells, or custom-build turnkey properties. The value of the completed homes must be at least 30% below market value.

5. People can register their interest in finding a plot for building their own home on our [Self and Custom-Build Register](#). It helps us to understand the level of demand for plots.