



Cost Clarity

A clear and honest conversation about build costs.

HebHomes

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Introduction

The fear that everyone starts with

The biggest anxiety when beginning any building project is cost. Horror stories abound of projects going catastrophically over budget. It is the stuff of nightmares.

Indeed, many of the enquiries HebHomes receives are from people who have already experienced their own project “bad dream”. An architect’s vision and a client’s dream have run ahead of reality, and the brutal truth about cost has only emerged after many tens of thousands of pounds have already been spent.

At HebHomes, we are upfront about costs so this situation can be avoided.

It is impossible to have full certainty on the cost of a building project until a fully detailed and engineered house has been priced and a fixed-price contract signed. However, it is absolutely possible to reduce uncertainty as much as possible at the very beginning — and that is what this guide is about.

A warning sign to take seriously

If you are told by a contractor or kit house company that your house will cost a specific amount when you only have a sketch design or outline plans, alarm bells should ring. You are not being told the truth.

This is not because people are necessarily dishonest — it is because there is so much about building a house that is unknown at that stage. A house is not like buying a car. Every house is unique, because every site is unique.

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Primary Factors

What really determines the cost of a house

It is not just size and specification that determine cost, as it would with a car.

The cost of building a house is driven by:

 The procurement method

 The location

 Most importantly, the site itself

If you have bought a site on a remote island, or a restricted urban plot with complex access, the cost of building can vary hugely.

If your site is in an area with few local contractors, and outside contractors are required, then **Preliminaries** — accommodation, travel, and subsistence — can have a significant impact on cost.

If a location is so remote that contractors would prefer not to build there (because there is plenty of work closer to home), expect to pay a premium.

Likewise, in parts of the country where there is a shortage of skilled trades and high wages — for example the South East of England or the Channel Islands — expect labour rates to be higher and overall costs to rise accordingly.

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Labour Costs

Why labour costs matter so much

A simple way to understand build cost is to think about labour. Imagine, for ease of understanding, that a house takes one year to build. On average, three skilled tradespeople are on site throughout that year. If each earns £80,000 per year, that is £240,000 in labour alone.

That figure includes no materials, no overheads, and no contractor profit.

This is a simplified example, but it illustrates an important point: building a house is expensive because skilled labour is expensive.

There is a significant shortage of skilled labour in the UK. This is partly due to Brexit, but also because younger people have not entered the trades in sufficient numbers. Older, highly skilled tradespeople are in great demand, which drives wage inflation.

In rural areas, tradespeople are often among the best-paid members of the local community – and if they have valuable skills that are in demand, that is entirely understandable.

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Building Regulations

The impact of modern building regulations

Building regulations have also had a major impact on the cost of construction.

This is not because tradespeople were previously underpaid, but because the fabric and technology required in a modern home is vastly greater than in previous decades.

In the early 2000s, a house could be built with a 100mm timber stud, basic mineral wool insulation, and electric storage heating.

Today, the equivalent house typically requires:

- 300–400mm of insulation
- Airtight construction
- Air-source heat pumps
- Mechanical ventilation with heat recovery (MVHR)
- (Often) Solar panels

These measures deliver far better comfort and energy performance – but they are expensive.

A modern house cannot cheat the building regulations. You get what you pay for, and what you should get is a home that is night-and-day better than much of the existing housing stock.

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How we can Help

Accepting the reality
— and making it
worthwhile

If you are going to build a new house today, you must accept that it will cost a considerable amount of money.

However, in HebHomes' view, there is little point spending that money unless you also get a great piece of architecture.

A home should not be chosen solely on square footage and room numbers. Architectural quality matters — volume, space, light, delight, and joy. It should be a pleasure simply to be in your home.

With HebHomes, you will pay for double-height spaces, generous glazing, and excellent building performance. But you need to know — as early as possible — what that is likely to cost.

How the HebHomes
pricing tool helps

This brings us back to cost clarity.

Our Estimate Full Build Cost tool is designed to give the most realistic early-stage guidance possible. It allows you to select a house design and see an estimate for the supply and erection of the kit.

From there, you can explore different procurement options.

Most people initially look at a full turnkey build, delivered by one of our affiliated contractors or a trusted local contractor. This is the easiest route, but if the figure is already well beyond your budget, it is important to reassess early.

HebHomes is not telling you what you want to hear — which many companies unfortunately do at this stage — but what is realistic. Being realistic early is essential if you want to avoid stress and disappointment later.

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Alternative Ways to Save

Other ways to reduce
cost

There are other options. Organising trades yourself can reduce total construction costs by around 25%. Undertaking extensive DIY can reduce costs by up to 50% compared to using a main contractor.

HebHomes provides guidance and support for these routes. This approach has traditionally helped young people, families, and those with support from friends and relatives to build their own homes. It is also well suited to people with industry experience or strong organisational and project-management skills.

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Location & Site

The biggest reality check

Location brings its own reality check. If you own land in a remote location, on an island, or in an expensive part of the country, expect to pay more — sometimes a lot more. If you are buying land on an island off the west coast of Scotland, costs can rise dramatically. It is essential to understand this before committing to the site.

The plot itself is equally critical. Long access roads, steep ground, soft peat, hard rock, lack of water or electricity — all of these can quickly sink budgets.

Specification choices do affect cost, and you can save money on finishes such as flooring, kitchens, and bathrooms. However, these savings are often insignificant compared to the impact of site conditions and location.

Exploring the site properly before purchase is one of the most important cost-control decisions you can make. HebHomes can help you do this.

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Do it Yourself

Building with confidence

Building your own home can be one of the best things you will ever do. It should be an enjoyable experience.

The nightmare scenarios that dominate industry folklore usually arise from unrealistic expectations formed too early. Being informed, realistic, and prepared about potential costs prevents those outcomes.

HebHomes is here to guide you through these challenges — including introductions to lenders, brokers, quantity surveyors, and contractors. There is only so much anyone can do in construction, but we will do our best to prepare you properly and support you through the journey.

Listen to advice. Accept that costs are never fully certain. Manage risk early.

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Summary

The prize at the end

The reward is a stunning home of remarkable architectural and built quality — a house that will only become more valuable as existing housing stock continues to age and fall behind modern standards.

It is worth spending the money.

Just make sure you have enough.



