



Commission for  
Rural Communities  
Tackling rural disadvantage

**Rural affordable housing: evidence to the Affordable Rural Housing  
Commission  
January 2006**

**Introduction**

Pending legislation, currently being debated in Parliament, which will establish the Commission for Rural Communities as an independent statutory body, the Commission has been set up as an operating division of the Countryside Agency. It has three main roles: rural advocate – giving voice to the concerns of rural people, businesses and communities; expert adviser – providing evidence-based objective advice to government and others; and independent watchdog – monitoring and reporting on the delivery of policies nationally, regionally and locally. Across its work the Commission has a particular focus on tackling rural disadvantage.

The lack of affordable housing for people living and working in rural areas has been a serious problem for many years and is a priority issue for the Commission. This submission briefly sets out our views on the nature and extent of the problem and puts forward recommendations on solutions. It is based on our extensive experience of this issue over many decades of research, analysis, testing solutions and support for local action (including the work of the Countryside Agency, since it was established and our predecessor organisation, the Rural Development Commission) and draws on the results of our recent Rural Housing Inquiry which we undertook in the Autumn of 2005 throughout the 8 regions of England (excluding London) to hear the views of local people and their experiences of housing in their areas. We are still collating the detailed evidence from each of these visits, but a summary of the results of this Inquiry is attached at Annex 1.

The issues affecting the supply of and demand for rural housing are well documented and well rehearsed. We do not repeat all the evidence here (we would be happy to supply more detail if required), but outline briefly the key issues.

## **What is the problem?**

Our recent inquiry, which has gathered views from some 800 rural residents and those with an interest in housing in England's rural areas across the country, has confirmed strongly many of the key messages which we have drawn from years of research and demonstration, in particular:-

- there is a chronic shortage of affordable housing in most rural communities throughout the country
- this shortage has severe personal consequences for many rural people, particularly young people, many elderly people and people on average and below-average incomes, who have no opportunity for purchasing accommodation on the open market
- this shortage also has serious consequences for the social and economic sustainability of many rural communities, to the extent that many of them have, or will, become no more than exclusive residential enclaves for the affluent, rather than thriving, living and working environments with an economic and social heart

## **What are the reasons?**

The problem, primarily, results from very high house prices in rural areas, fuelled by the desirability of living in the country and strict planning constraints, which limit the supply of housing; the purchase of properties as second or holiday homes of, sometimes, Buy-to-Let, has also contributed to the shortage of housing both to rent and buy, especially in attractive 'hot-spots', such as National Parks, Areas of Outstanding Natural Beauty and coastal areas. At the same time, the opportunities for finding cheaper accommodation are severely limited by low rural wages (even in apparently affluent areas, where average incomes may be high) and the lack of social housing stock in rural areas, which has also been severely affected by the Right-to-Buy.

Meanwhile, measures to address the problem have not been sufficiently robust or extensive to match the scale of the needs, due to policies, which have rarely been directed at addressing rural needs, limited resources, over-restrictive planning and insufficient support for local rural communities concerned about the problem. Tackling the problem has also been hampered by a lack of precise information and data on the scale of the need and problem.

This analysis of the problems is not new and has been well rehearsed (see Annex 2 for a more detailed account). However, we believe that the problems are getting worse rather than better, as rural house prices have continued to spiral, planning policies remain very restrictive and social housing resources overall have reduced. Despite

increased funding by the Housing Corporation in recent years, it has not been sufficient to make up for the abolition of Local Authority Social Housing Grant in 2003. Local `nimby` resistance also continues to be fuelled by misguided fears of `concreting over the countryside`.

Although recognition and the political profile of the issue have been raised, actions to resolve the problem are still insufficient to make a real difference. There is a risk that an intractable problem has reached crisis proportions.

## **Does it matter?**

It might be argued that these problems are simply the unfortunate consequences of market forces, to which adjustments will be made over time by individual economic decisions. However, given that the problems are at least partly the result of public intervention, notably through the operation of the planning system, we believe that government has a responsibility to assess the impacts and take action to mitigate them.

We believe that there are six main reasons why government, at all levels, needs to be involved in action to increase the supply of affordable housing in rural areas:-

- 1) To meet the Government's principal objectives: (a) **"to ensure that everyone has the opportunity of living in a decent home, which they can afford, in a community where they want to live"** (*ODPM Consultation Paper on PPS3, December 2005*). It is clear that the basic needs of the rural population for satisfactory shelter and accommodation are not being met and that policies and delivery mechanisms need to be improved accordingly. In the end, this is a matter of securing social justice and inclusion for many rural social groups; (b) to ensure that **"a wide choice of housing types is available, for both affordable and market housing, to meet the needs of all members of the community"** (*ODPM op cit*); and (c) to help **"create sustainable, inclusive, mixed communities in all areas"** (*ODPM op cit*)
- 2) To provide homes for people working in the **local economy**, which, in much of England, is rapidly changing and growing and thereby helping to support more sustainable local economic activity
- 3) To safeguard and sustain local **family and friendship networks**, thereby supporting the social sustainability of local communities.
- 4) To help support local **services**, such as schools, shops and health facilities

We believe very strongly that providing affordable housing is not simply a matter of meeting basic needs for satisfactory accommodation, but also is essential to **support and maintain thriving, sustainable rural communities**. This has been reinforced by our Inquiry where it was clear that rural people themselves are keenly aware of the links

between affordable housing, jobs and services and very concerned about the impact on their communities of the loss of local people, particularly younger households.

These links are complex and important. Yet all too often they have been addressed simplistically by planning and housing policies, on the assumption that more development in most rural communities (especially smaller villages) was less *environmentally* sustainable, because it would generate more car traffic (and therefore CO2) and encroaches on the countryside (which should be protected “for its own sake”). In addition, it is assumed that villages are less able to support the viability of local services and the presence of a certain number of basic services is used as a proxy for sustainability. However, recent research indicates that, although rural settlements may indeed generate long and complex journeys to work, shops and recreation etc and there is no simple relationship between development and support for services, these issues are not easily resolved by locating development in *urban* areas. Nor does the land-take from modest rural housing schemes, in or on the edge of small rural towns and villages, need to impact detrimentally on the countryside as a whole. Moreover, planning policies have arguably not taken sufficient account of the changing nature and growth of rural economic activities and their implications for the accommodation of key workers and services.

Yet, the social impact of restrictive rural development is clear: people on average and below-average incomes are forced away to seek more affordable housing, often having to commute back to the village to work, to visit relatives and friends or take part in social and recreational activities.

In our view we need a more rounded understanding of what sustainable development means in *social and economic* terms, as well as environmental, and the implications for the future of rural communities. These arguments are explored in more detail in Annex 2, and further research highlighted in Annex 3.

Our overall conclusions, and what rural people are telling us, are clear. The severe lack of affordable housing in many rural areas across the country is causing distress and reduced life-chances for rural individuals and households and is threatening the very future of rural communities in England. The clear message from our Inquiry and what local people told us is that **this matters to rural people and urgent action is needed to resolve the problem, before it is too late to reverse.**

## **What action is needed?**

Below we set out in more detail recommendations on action needed to address the problems, but our overall message is that:

- This is a complex policy arena, covering planning, housing, financial resources and fiscal policies, community action, in which a number of issues interact. Experience over the years has shown that there **is no single solution or ‘quick**

**fix**'. What is required is long-term, concerted action across a range of policy and programme areas. Some of the actions required are new, but many of them are existing policies which need to operate more effectively.

- Although much of the action will need to take place at regional and local level, **there is a need for government to give a lead centrally** and a strong message to those responsible that action is required and will be supported and that they will be assessed on the outcomes.
- Many of the mechanisms exist already but are not suited in their present form to rural needs and circumstances or are not being implemented in a rurally sensitive way. We are encouraged by recent announcements on the follow up to the Barker review of housing and the framework is increasingly in place to enable action to happen. However, **it is essential that policies and delivery are properly rural proofed at all levels** to ensure that rural areas and people benefit.

More specifically, there are four main areas where action is required:-

### **1) Housing policies**

National and regional programmes and targets for rural social housing are either non-existent or inadequately researched, in many cases. Rural housing needs should be more thoroughly addressed and targeted, including the needs of specific groups (see below). At the same time, housing delivery mechanisms need further improvements to facilitate the development of small rural schemes in perpetuity

### **2) Resources**

Current levels of Social Housing Grant, together with cross-subsidies from planning agreements with developers of private market housing, are not sufficient to meet rural needs for affordable housing. We believe that there needs to be a significant increase in the funds available for rural affordable housing. Whilst much of this will need to come from the public sector in some way, we also consider that mechanisms to increase the potential contribution from private financial sources need to be thoroughly explored.

### **3) Spatial planning policies**

Current planning policies are focused on the 'brownfield' regeneration of urban areas. Rural locations are typically viewed as inherently 'unsustainable' on the grounds of traffic generation, countryside conservation and lack of services. Such highly restrictive planning policies are not fully justified by the evidence base and a more comprehensive and sophisticated analysis needs to be made of the criteria for assessing sustainable development in rural communities. Planning policies in regional and local plans will need to be modified radically, if the growing social and economic needs of rural communities are to be met. At the same time, more effective planning implementation measures are needed to deliver affordable housing in villages, for example through allocated sites and developer agreements, as well established exceptions site policies.

#### **4.) Rural community involvement**

The will and desire to solve rural housing problems must also come from the 'bottom up'. Hearts and minds must be won to influence political thinking and decisions. Local rural communities need strong support and encouragement to become actively involved in identifying their housing needs now and in the future and the ways and means to meet them. Rural Housing Enablers can play a crucial role in helping rural communities to identify the issue and to share responsibility for the problems and the solutions, in partnership with local and regional government. Communities want to be more involved and community ownership, through such mechanisms as Community Land Trusts, should be encouraged.

This multi-faceted approach to tackling the affordable housing problems in rural areas will call for not only a high degree of integration of policy-making and delivery at all levels and sectors, but also for strong political commitment and determination to achieve results. Government must take the lead by highlighting this issue as a national priority, introducing and modifying policies to tackle the problem effectively and demonstrating how national, regional and local partners should work together to resolve the problem. The draft PPS3 offers a good start in setting out supportive and relevant policies. Now is the time to show how such policies can be successfully delivered.

### **Implementing the Solutions**

How can these proposed changes in policy be implemented? The following section explains in more detail our suggestions for actions and the policy instruments which should be changed or modified.

#### **1) Housing policies**

##### **Prepare a clear and comprehensive understanding of rural housing needs and demand**

We are currently undertaking work to produce revised calculations of rural housing needs at national and regional levels, which will be available in early 2006.

Preliminary results indicate that the levels of need for affordable housing in small villages (below 1,500 population) are even greater than the Countryside Agency's previous working estimates of 5,000 homes per year for small villages below 3000 population (see Annex 3). However, to support and justify investment in rural social housing will require assessments to be made at a more local level, in particular within the context of *sub-regional housing market assessments* and local *parish housing needs surveys*. Further advice will be needed on assessing rural needs within these local studies.

1: Detailed advice should be provided to regional and local housing authorities on how they assess rural housing needs, in relation to and within the context of:-

- The CRCs forthcoming national and regional calculations,
- Sub-regional housing market assessments, and
- Local parish housing needs surveys

### **Ensuring that social housing in rural areas is kept affordable in perpetuity**

It is essential that local landowners and communities are confident that social housing provided at low land cost, typically through exceptions sites, is retained in perpetuity to meet affordable housing needs in the future, rather than providing a one-off capital gain for the first occupier or through some later form of right to purchase. Currently, there is some confusion surrounding the application of the Leasehold Reform Act 2002 on shared ownership leases, which may qualify the latter for 100% ownership (possibly retrospectively). Such an interpretation would create enormous difficulties for RSLs, attempting to introduce shared equity housing in rural areas, and for the communities and landowners who have provided land at less than market value for such housing.

2. The legal provisions for ensuring that the freehold ownership of shared equity housing in rural areas is retained in perpetuity must be clarified and confirmed in order to give confidence to RSLs, local communities and landowners that such housing is not 'lost' to the open market in the future.

### **Right-to-Buy / Acquire**

Whilst in broad terms we welcome the help and opportunities which HomeBuy could provide for rural people to purchase accommodation within their financial capabilities, we are concerned that this does not result in a loss of scarce affordable housing stock. We suggest the following actions:

3. Exemption from 100% purchase for social housing in small 'high demand' villages (less than 3000 population)

4. In larger villages and market towns (population 3,000 to 10,000) we would strongly recommend that staircasing up to 100% ownership be restricted to an equity ceiling of 80% for all new build and Social HomeBuy properties, to restrict market value and ensure the properties are still affordable on resale. However, this must also be subject to the ability of social housing providers to be able to re-purchase such properties viably for re-letting.

We would welcome an opportunity to discuss whether different choice mechanisms for Social HomeBuy could be delivered in high value, high demand rural communities under 3,000 (e.g. those attractive to commuters, the retired, second and holiday home purchasers), and low value, low demand rural communities (e.g. former mining and ex industrial).

### **Mitigating the impact of second home ownership**

The purchase of second homes, forecast to grow substantially over the next 10 years, exacerbates the problem of affordability in many rural communities, especially those located on the coast or in areas of high scenic quality. A recent study by the CRC (see Annex 3) shows that, although most local authorities with significant numbers of second homes collect a reduced discount on Council Tax for the second homes in their areas, the use to which they put the money varies considerably and is not always clear. We believe that more transparent arrangements should be standardised to ensure that this income is used to help mitigate the impact of second homes on the local area, for example by funding housing developments locally or supporting the funding of a local rural housing enabler or contributing to local community facilities.

5: Local authorities should clarify whether and how they deploy funds collected from the reduced discount on Council Tax on second homes and should be required to use the additional funds to help mitigate the impact of second homes in their area. Parish councils should be fully consulted and encouraged to contribute suggestions and proposals for such mitigation via parish plans.

### **Making better use of existing stock, including empty properties**

Empty properties, such as rooms over shops and disused agricultural buildings, offer opportunities for providing low-cost accommodation and should be explored in local housing strategies and parish surveys. Research undertaken by the Housing Corporation and the CRC (see Annex 3) highlights some of these opportunities. Mechanisms, such as Council Tax records, can identify suitable properties in locations where need is greatest. Empty property strategies should include effective links with housing benefit departments and landlords. The Government has identified the scope to make greater use of rent deposits and rent guarantees, private sector leasing and choice based lettings. Initiatives, such as 'Living Over The Shop' schemes, can make an important contribution and merit continued funding. Rural Housing Enablers can also help to identify empty properties. We also support the work Business in the Community has done through The Prince of Wales Affordable Rural Housing Initiative (which the Countryside Agency helped to establish) to encourage private sector companies to review their property stock and to release empty and redundant properties for housing. This should be extended.

6: Empty property strategies, private sector leasing and rent deposit schemes should be explored more fully, as they can play a useful part in meeting housing need in rural areas.

7: Consideration should be given to harmonising the level of VAT on new build and refurbished housing to facilitate greater use of the existing stock for affordable housing

8.: Planning policies should be eased to encourage and enable the conversion or replacement of commercial property to residential use for affordable housing purposes, including disused agricultural and horticultural buildings.

### **More flexible choice based local lettings policies targeted at local needs**

We are currently undertaking a major thematic study on the Government's Choice agenda, one of the strands of which will look specifically at the operation of Choice Based Lettings (CBL) in rural areas. Despite the current lack of supply of social housing in rural areas, CBL has the potential to provide more choice, particularly in areas where local authorities are working in partnership to extend the scope of the choice offered, for example by operating sub regional CBL schemes. CBL schemes in rural areas should be broad in scope to extend the level of choice offered and should, for example, be encouraged to include private as well as social sector lettings.

Choice Based Lettings should also help to provide greater transparency of decision-making concerning nominations of tenants for social housing in villages (other than exceptions sites where a local connection policy would normally operate). Concerns over this issue were raised by many people during our Housing Inquiry. It should also help to avoid situations where people in housing need were assigned to rural communities in which they had no connection or motivation to locate.

9. Rural local authorities should consider the potential of working in partnership to deliver sub- regional CBL schemes that can maximise choice for applicants and tenants of social sector housing in rural areas.

### **Meeting the needs of the `intermediate` market**

House price inflation in recent years has placed open market property well beyond the reach of many rural households, as Steve Wilcox's recent study clearly shows (2). These `intermediate` households often comprise key workers in rural areas, for example teachers, health and social workers, local tradespeople, and so on. Housing needs assessments must include these households, within the wider context of future needs and plans for individual rural communities (typically expressed through parish plans, for example). The Government's HomeBuy proposals to assist people with home purchase through loans and shared equity schemes may help, although this cannot be the only route. Mixed developments of housing for sale/shared equity/rent should also to be encouraged to meet the needs of this `in-between` market. (For more detailed comments on HomeBuy see Annex 3.)

10: The housing needs of the `intermediate market` (those unable to qualify for social housing or afford market housing) should be assessed and addressed at sub-regional and local community level through a range of housing solutions, including:-

- Private development shared equity schemes

- Government HomeBuy schemes
- Community ownership schemes

## **Meeting the needs of specific rural groups**

There are particular social groups within rural areas who face specific problems which deserve more focused attention. They include:

### **Young people**

Provision for young people in rural areas needs to be looked at under two separate headings: first, there is the need to ensure adequate provision for young people in the general needs housing stock and, second, as in urban areas, there needs to be adequate appropriate levels of various types of supported housing provision.

New housing in villages tends to be for families. Although the Housing Corporation's rural strategy is committed to developing more single units, there is a reluctance in some areas to fund rural schemes that include flats or small units. Many young, single people and childless households have to leave rural areas, in order to access accommodation, which can mean that some vulnerable young people are separated from important support networks.

Accessing privately rented accommodation can be particularly problematic, especially in view of Housing Benefit restrictions on young people under 25 years old. Rent Deposit schemes have been shown to help in some areas.

There is also a dearth of specialist and supported accommodation in rural areas for young people with housing related support needs, despite their having the same support needs as their urban counterparts. Meeting these needs in rural areas can present particular challenges, in respect of the additional costs associated with rural service delivery and lack of capacity within the voluntary sector (which often fills the gap left by statutory providers). It is particularly important that Supporting People strategies are adequately rural proofed to ensure the necessary level of funding and strategic development are targeted in rural areas.

Independent accommodation needs are often coupled with a requirement for access to employment, training and other services. Research commissioned by the Foyer Federation, with funding from the CRC, the Housing Corporation and the Diageo Foundation, has demonstrated the important contribution that Foyers can make in providing a stable supportive environment to young people developing independent living skills and developing the self confidence to pursue their education, training or employment skills (see also Annex 3).

11: The particular housing and related support needs of young people should receive specific consideration in the development of local and Regional Housing Strategies

12: Where there is an identified need, rural housing schemes should include smaller units, such as flats, appropriate to the needs of young people and childless couples.

13: Local authority homelessness strategies should make provision for rent deposit schemes, either administered by the local authority concerned or by providing funding to an appropriate voluntary agency.

14: Young people in rural areas face particular problems accessing suitable housing and support services. Foyers have an important role to play in meeting these needs, particularly in the larger villages and market towns. Supporting People (SP) strategies in rural areas should incorporate an assessment of local housing/skills/training requirements.

## **Older people**

Research, commissioned by the CRC, indicates that older people wish to stay in their own homes for as long as they are able. This emphasises the importance of ensuring that existing accommodation arrangements can be sustained as far as is practicable through renovation, maintenance and improvements and the installation of facilities, such as downstairs toilets, etc. Home Improvement Agencies and housing options services for older people, such as the Care and Repair England model '*Should I Stay or Should I Go?*' (piloted successfully in rural areas), have a vital role to play and require further development support.

Models of extra care housing that specifically address rural needs through services, such as outreach, links with community transport etc, should be evaluated and promoted. In addition, new thinking is needed about flexible service models that cross housing support, primary care, social care and other community support services, which can support older people in living in ordinary housing in rural communities. The Housing and Older People's Development Group could provide a forum for promoting housing models that respond to the needs of older people in rural areas.

The contribution that older people make to ensure the sustainability of rural communities needs to be recognised and more attention is needed in housing market planning, both at regional and local authority levels, to account for the needs of older people.

15: The potential of existing stock should be maximised by greater investment in improving non-decent housing and the further development of Home Improvement Agencies and housing options services for older people, such as the Care and Repair England model '*Should I Stay or Should I Go?*'

16: Models of extra care housing, that specifically address rural needs through services such as outreach, links with community transport etc, should be evaluated and promoted. The Housing and Older People's Development Group could provide a forum for promoting housing models that respond to the needs of older people in rural areas

17: A stock profile should be developed, through strategic planning at local and regional level, that is, and must be, responsive to the needs of older people.

### **Rural homelessness**

In absolute terms, homelessness in rural areas is by no means as extensive as in urban areas, it is nevertheless a growing problem. Our State of the Countryside report 2005 showed that the number of households accepted as eligible homeless and in priority need in 2003-4 was 20,258, which represented a 32.7% increase since 1999-2000.

There are significant numbers of people in rural areas who can be classified as 'hidden homeless' and do not appear on any official measure of homelessness. Living with family and friends in insecure and often unsafe circumstances (sometimes referred to as 'sofa surfing') is a common homeless situation generally, but research commissioned by Crisis and the Countryside Agency indicated that it was more common in rural areas ('Your Place, Not Mine, The experiences of homeless people staying with family and friends' Crisis, London 2003).

18: The lack of temporary and permanent move on accommodation in some rural areas needs to be addressed by both Regional Housing Boards and the Housing Corporation. This is likely to result in an increase in the amount of social housing to rent.

19: Local and national programmes aimed at tackling homelessness should be extended to those people not in traditional homeless 'spaces', such as those staying with family and friends. Particular attention needs to be paid to the availability of advice and assistance to homeless people.

### **Gypsies and travellers**

Although the housing needs and aspirations of gypsies and travellers may be different from those of the wider community, being characterised very often by preference for caravan dwelling and extended family living, planning to meet these needs should be integral to mainstream local authority housing and land use planning strategies. Although the majority of gypsy and traveller caravans are on authorised sites, unauthorised sites disproportionately fall in rural local authorities, and it is, therefore, likely that the need for new sites likewise will be greater in rural areas. Existing sites, in particular unauthorised sites, often offer poor facilities and location, and, as a result, gypsies and travellers can be disadvantaged in respect to indicators of health, education and social care.

The housing needs of gypsies and travellers vary from group to group. Different groups have different patterns of travelling, both how far they travel, when they travel and for how long they stay at a permanent or semi-permanent location and are not bound by local authority boundaries. Planning to meet the needs of gypsy and traveller groups over time should, therefore, be led strategically at the regional level.

20: It is important that suitable authorised sites are found that will meet the existing housing needs of gypsies and travellers; that are well located to services and facilities; and do not detract from the quality and character of the landscape.

21: Regional Spatial Strategies should set out a clear policy approach to meeting gypsy and traveller needs, based on the up to date assessments of their housing needs.

### **Migrant workers**

Migrant workers are significant contributors to rural economies and range from the highly educated and skilled to those with no formal education and from seasonal workers to those who move with their families with intention of settling permanently. They are often particularly involved in the agriculture, construction, tourism, health, food processing and manufacturing sectors. Housing for some migrant workers, often in the agriculture and food processing sectors, is provided by the employer and can be overcrowded, of poor quality, without proper tenancy agreements and overpriced. Accommodation can be in temporary, such as caravans, particularly for seasonal workers. The issue of migrant workers is causing concern in some areas and appears to be a growing problem. We plan to look in depth at the range of issues facing disadvantaged gypsy and travellers and migrant worker as part of the second phase of our thematic study into rural disadvantage during 2006/07 (see Annex 3).

22: The housing needs of local groups of migrant workers in rural areas should be properly assessed as part of the local housing market assessments.

## **2) Housing resources**

### **Providing more social housing grant resources targeted to meet rural housing needs**

With rural housing needs established in more detail at national, regional and local level, Housing Corporation Social Housing Grant should be allocated more realistically to meet these needs. This should be done through the re-instatement of an indicative national rural housing target and a review of regional targets within Regional Housing Strategies. These targets should differentiate between different sizes and functions of rural communities (eg small villages, market towns etc) and should be backed up by targets for regions to reduce inequalities in affordability ratios within each region.

23: Re-instate an indicative national rural housing target differentiated by size and function of rural communities, as appropriate

24: Regional Housing Strategies should be reviewed to re-assess their rural housing targets in the light of:

- national calculations of need and national targets,
- regional calculations of need,
- regional spatial strategies,
- PSA and LAA targets,
- sub-regional housing market studies,
- parish housing needs surveys.

25: Regional Housing Strategies should incorporate explicitly rural programmes setting out annual and longer term targets, appropriate bidding mechanisms, and monitoring procedures.

### **Encouraging ways of increasing private sector sources of funding for affordable housing**

The potential for securing private investment in affordable housing, for example through PFIs at a local authority scale (eg West Wiltshire), private investment bonds at a local scale or fiscal incentives, should be explored in greater depth. This would provide a much-needed supplement to limited public funds. Regional Development Agencies should also be more involved in supporting the provision of housing (not necessarily direct capital investment) in view of its connection with growing local economies.

26: A detailed assessment of the feasibility of increasing funding for affordable housing in rural areas through private sector investment sources should be undertaken, to include:-

- Private investment schemes (‘secure’ portfolios)
- Community investment schemes (eg Community Land Trusts)

- PFIs
- Fiscal incentives
- Economic development (employers, RDAs etc)

### **3) Planning policies and strategies**

#### **Develop rural planning policies which are more positive, flexible and sensitive to the social, economic and environmental needs of rural communities**

The Government's response to the Barker Report, together with draft PPS3, point to a more positive approach to allocating housing in rural areas to meet both the growth needs of these areas and the need for affordable housing. This approach must be 'rural proofed' to meet the needs of rural communities and adopted and expressed through Regional Spatial Strategies and Local Development Frameworks, which should incorporate the following-

#### **A better understanding of the meaning of 'sustainable rural communities'.**

This approach should go **beyond** the simplistic checklist of village facilities and the protection of all countryside 'for its own sake' and take account of many other sustainability criteria, such as family and social networks, community life, neighbourliness and economic changes. We are currently exploring how to define better the meaning of sustainable development in a rural context and its implications for rural planning and housing policies (see Annex 3).

27: Regional Spatial Strategies, Local Development Frameworks and parish plans should include a wide range of criteria for assessing sustainable communities, in preparing and evaluating development plans for the future. Guidance on good practice should be made available

**More positive approaches to allocating land for affordable housing in villages,** building on good practice being piloted in some areas, such as the Wealden HOPE project (Annex 3), including safeguards against the 'hyping' of land values on the basis that such land will be used only for affordable housing (as with exception sites)

28: Local Development Frameworks should explore the potential for allocating land for affordable housing to meet rural housing needs, as provided for by PPS3, in addition to the use of windfall exception sites

**Better use of disused agricultural /horticultural buildings, sites and housing.** Such sites should be classified as 'brownfield' in character.

29: The for affordable housing, where appropriate, for example on sites within or near villages. Many designation of disused agricultural and horticultural buildings and sites as 'brownfield land' should be re-examined; Local Development

Frameworks and parish plans should identify opportunities to allocate such sites for affordable housing, where appropriate, rather than for holiday use

**Stronger agreements with developers to provide affordable housing** within mixed packages of market and social housing, in order to meet a wider range of housing needs and demands. Such agreements will need to be made within the context of improved sub-regional and local housing market assessments, the application of more sophisticated social, economic and environmental sustainability criteria within LDFs and parish plans and the outcomes of the current Government's consultations on Planning Gain Supplements.

30: More affordable housing should be provided in rural areas through planning agreements with developers. Such agreements will need to respond to the results of sub-regional housing market studies, local development frameworks, parish plans and housing needs studies. Further guidance should be published to assist local planning authorities with this task in the context of revised procedures for Section 106 and Planning Gain Supplements.

**Positive support for affordable housing in National Parks, AONBs and other areas of planning restraint.**

Conservation and recreation are the priorities for such areas. However, they also have a duty to meet social and economic needs of local communities, wherever possible, and an integrated approach to environmental, social and economic planning should be adopted. There is a danger that restrictive planning policies fuel high house price and the creation of exclusive residential enclaves or holiday homes for the very well off. Recent research by the CRC and Housing Corporation (Annex 3) points to a need for better cooperation between National Park Authorities and local housing authorities. Rural Housing Enablers may be able to offer specific advice and support.

31: National Parks and Areas of Outstanding Beauty should assess their needs for affordable housing, in partnership with local planning and housing authorities and parish councils. Such needs should be met through appropriate schemes designed within the planning context of such areas.

**Encouraging good quality sustainable design of affordable rural housing.**

High quality design is essential to meet not only the demanding planning standards in rural areas, but also the need to protect the character of the settlements and adjoining countryside and to overcome criticisms and fears of local residents. RSLs have a good track record of producing attractive, well-designed housing in rural areas. The quality of design could be further improved though the use of Village Design Statements and/or local design codes, which also include high standards of sustainable construction and servicing. We welcome the good practice to be published shortly as part of The Prince of Wales's Affordable rural Housing Initiative.

32: High quality design of affordable housing in rural areas must be assured through rigorous planning controls, in particular to meet and enhance:

- Local distinctiveness and character
- Local community aspirations
- Sustainable constructions and servicing standards

#### **4.) Local community-led planning**

**Support and encourage local rural communities to take a positive role in both identifying their local housing needs and in developing solutions to meet them.**

This is essential for persuading and activating local democratic representatives to back affordable housing schemes and for overcoming 'nimbyism' and meeting genuine local concerns. Hearts and minds are more likely to be moved if the message comes from the grass-roots. We suggest the following approaches should be considered:-

33: Local rural communities should be encouraged and supported to undertake robust and comprehensive parish plans, backed by rigorous local surveys, which identify and plan for local housing needs. The latter should be a key part of the community's proposals for working towards a for a thriving socially and economically sustainable future, linked to and supported by the wider Community Plan and LDF. Further work is needed to ensure that these 'bridges' between parish plans and wider Community Plans and LDFs are put in place effectively (see Annex 3).

34: Encourage and support local rural communities to become actively engaged in developing community-based initiatives for developing affordable housing, such as Community Land Trusts, whereby the value and interest in land is owned and managed by the community itself, which retains a key controlling stake in the scheme. Further research should be undertaken on the feasibility and cost-benefits of such schemes

35: Provide more secure, long-term funding for a national network of independent, locally-based Rural Housing Enablers, who can provide the essential know-how and co-ordination between many partners to help implement the complex and time-consuming procedures necessary to assess local housing needs within rural communities and achieve solutions on the ground, as well as providing information and feedback nationally.

## **Conclusions**

We believe that, taken as a whole, our recommendations would make a real impact on the rural affordable housing problem, resulting in the 'step-change' which we are convinced is needed to resolve this crisis. There is no single

solution and a comprehensive approach is needed, rather than 'cherry-picking'. But we do believe that a positive combination of more focused housing resources and powers, more positive planning flexed to address local circumstances and more support for local community involvement and action would together make a real and lasting difference.

The Government's recent response to the Barker report acknowledges that *"where rural affordability is an issue, regions and local authorities should consider the need to secure growth, in both the affordable and market housing sectors, in rural areas as well as in urban areas"*(3). Similarly, the current consultation paper on a new PPS3 Housing requires that Regional Spatial Strategies should set out their *"approach to meeting rural affordable housing needs"* and that *"local planning authorities should make sufficient land available either within or adjoining market towns or villages, for both affordable and market housing, in order to sustain rural communities. Although the focus for significant development "should be market towns or local service centres", development may be provided for "in villages and other small rural communities where needed to contribute to their sustainability"* (4).

These provide good starts for the kind of positive policy framework needed for meeting rural housing needs in England. Our submission, albeit only skating over the surface of a complex and often complicated issue, aims to set out the ways and means for implementing such policies effectively.

## **Further Work**

Whatever the outcome, more work will be needed on the details of the policy instruments required. We will be developing these details and other recommendations in the coming months, informed by our current research and development activities set out in Annex 3. We would welcome further discussion on these policy details, in particular:-

- Calculating rural housing needs at national and regional levels
- Meeting the housing needs of particular rural groups, including young people, older people and those in need of support
- Meeting the needs of key workers and the 'intermediate market'
- Ensuring affordability 'in perpetuity' of shared equity housing, as well as social rented housing
- Promoting national and regional rural housing strategies and targets
- Accessing private funding sources
- Identifying the relevant criteria for developing 'sustainable' rural communities
- Allocating sites for affordable housing
- Maximising planning gain for affordable housing
- Mitigating the effects of second homes in rural areas most affected

- Meeting affordable housing needs in National Parks and AONBs
- Strengthening local community involvement
- Exploring the potential of Community Land Trusts
- Supporting independent Rural Housing Enablers

#### Notes

1) The Countryside Agency and its predecessor, the Rural Development Commission, have been actively addressing the problem for many years and in 1999 the CA produced a policy statement entitled “*A Housing Policy for Tomorrow’s Countryside*”, which encapsulates many, if not most, of the key issues still prevailing.

(2) *Working Households that can’t buy; Affordability and the intermediate housing market*; Steve Wilcox; Joseph Rowntree Foundation, October 2005

(3) *The Government’s Response to Kate Barker’s Review of Housing Supply*; HM Treasury & ODPM; December 2005; para 2.24

(4) *ODPM Consultation Paper on PPS3* :December 2005; paragraphs 30 and 31

## **Annex 1**

### **The CRC Rural Housing Inquiry**

The Commission's for Rural Communities' Rural Housing Inquiry sought information about the perceptions, experiences and aspirations of individuals, rural communities and local businesses for rural housing. It examined what rural housing problems concern them most, what impact housing issues are having on their lives and the futures of their rural communities, and what action they would like to see, by whom, to address their concerns.

The Inquiry research was conducted from September to November 2005. We visited eight case study areas, one in each English region. Case studies were selected in consultation with Government Offices, using a purposive sampling approach to reflect different characteristics of housing markets. Each case study visit comprised three elements:

1. in-depth interviews with those experiencing, or at risk of, housing need (46 interviews)
2. focus group discussions with cross sections of the local community and "seldom heard" individuals (16 groups of 8 residents each)
3. evening public fora open to anyone who wished to take part (8 fora)

In addition, people were able to submit written comments and complete a questionnaire on our website. A total of 837 people provided evidence to the Inquiry.

We are currently working with MORI to complete an analysis of the Inquiry findings, which we will publish in March. The following summary provides an interim record of the dominant views and experiences perceived to be most important by Inquiry participants. Their perceptions are recorded without comment, and do not necessarily represent the views of the CRC.

### **Rural Housing Issues**

- An acute and growing shortage of affordable properties to buy or rent, in both the social and private sectors, seen to directly affect younger people, local employees, new families and older people in particular.
- Scarce, and inadequate, availability of supported housing.
- The poor condition of available older housing stock (both public and private) in some areas, with its associated health and cost implications.
- Long waiting lists for social housing, putting significant strain on health, wellbeing and quality of life of individuals affected, including wider families and friends. At the extreme end this is resulting rough sleeping, and frequently a range of inappropriate living conditions including overcrowding, frequent moving, isolation a loss of social support networks.

- Perceived lack of finance for Local Authorities and Housing Authorities to invest in housing to meet recognised needs.
- A sense of injustice that council tax revenue from second homes is not re-invested back into the local area, coupled with a wider sense that rural areas are losing out on the income they generate, with resource investment prioritised to urban areas.
- Overly restrictive planning approaches that are seen to be directing development to urban areas and larger rural settlements on the basis of narrow interpretations of and checklist approaches to sustainability, and which ignore the social sustainability needs of smaller rural communities.
- An apparent wide acceptance and demand for more new affordable houses to be built in rural areas, provided this done in locally appropriate styles. Concern over the lack of flexibility and inappropriateness of ODPM design guidance when applied to rural areas.
- Where new development is permitted, it is overwhelmingly seen as delivering executive homes, rather than affordable or low cost housing. This is seen as being driven by the high cost of development land, with no financial incentive for developers to provide affordable housing, coupled with limited powers of local authorities and parishes to negotiate affordable housing.
- Loss of affordable homes and social housing to the open market – right to buy/acquire schemes were widely criticised for their detrimental impact, both for reducing the available affordable housing stock and for undermining confidence in permitting new affordable development schemes, if these cannot be retained in perpetuity.
- Low wage economies limiting locals' purchasing power, with people who see themselves on "decent incomes" unable to compete in the open market, not just low income earners. This was considered to be increasingly impacting on recruitment for seasonal employees and local service businesses such as hairdressers, shop managers and teachers, exacerbated by expensive or poor quality public transport.
- Locals' inability to compete on price is being weakened in some areas by intense competition in the market from second homes, high-income holiday lets and commuters/in-migration from poor quality urban areas. The proposal to include second home and buy to let investment in SIPPs was spontaneously raised as a significant further threat in several areas.
- A high degree of confusion, uncertainty and frustration over the allocation of social housing expressed by individuals on waiting lists, those allocated housing and the wider communities. A sense that allocating people on a district wide basis is too broad, and that people who either work locally, live locally, or who have strong local connections should receive greater weighting than at present.

- Anxiety about the social changes arising in rural areas as a result of lack of affordable housing and/or the level of tourist and second homes in some areas. There is a strong intergenerational concern over the loss of young people from rural areas, and a perception that communities are “dying” and becoming increasingly polarised. There is also a perception that commuters and second homeowners contribute little to economic and social infrastructure, with an associated loss of local services and community facilities.
- A sense of stigma associated with building new social housing, with some fears that this could bring “undesirable” elements into community life.
- A perceived lack of flexibility in planning and housing policies that prevent the development of locally tailored and locally appropriate solutions. This was frequently coupled with the lack of influence and local control people felt they had, limiting their influence on decisions that affected their community.
- An apparent lack of information and understanding about how the planning system works and how planning decisions are reached, leading to confusion and a loss of confidence in the system.
- Too strong a political emphasis on home ownership rather than a rental culture, coupled with a concern over promoting houses as investments, rather than homes.
- Huge frustration at the perceived lack of action, but lots of talk, to address affordable rural housing issues, coupled with the long timescales involved in achieving any new development or change. Above all, a demand for action now.

## **Possible Solutions**

- Significant additional resources required to expand the amount and range of social and low cost housing - increase resources to housing authorities and/or local authorities to support new builds; provide financial incentives for developers to provide affordable housing; ring fence council tax revenue from second homes for affordable housing in the local (sub district) area it is raised in; expand shared ownership schemes; set up a fund to purchase housing back into social/low cost housing from the open market.
- Increase supply of land for new builds – relax planning restrictions on protected land where it is used for affordable housing only; make greater use of LA compulsory purchase powers for affordable housing sites; restrict/discount price of land sold for affordable housing; provide local landowners with a financial incentive to release land for affordable housing.
- Make better use of existing assets – relax planning restriction on use of redundant farm buildings and empty properties and convert them for affordable housing.
- Retain the affordable housing stock with range of tenure options - end Right to Buy/Acquire schemes in small settlements and do not extend Homebuy scheme; require Registered

Social Landlords to keep a “golden share” in their properties, preventing 100% ownership; reintroduce rent controls/rent capping; explore methods to index house prices to local wages; restrict extensions on homes to keep a range of property sizes in a locality.

- Stricter enforcement of local occupancy clauses – potential role for solicitors and estate agents; look to learn lessons from enforcement of agricultural occupancy clauses.
- Greater local involvement and transparency in determining local occupancy criteria and priorities – end district wide allocation lists, clearer information for people on waiting lists and local communities on the allocation process.
- Promotion and information campaign - to change attitudes to affordable social housing; promote good practice; increase confidence to use existing planning framework to best effect.
- Require new social housing to be of high quality design - fitted to local circumstances, to reduce stigma; increase flexibility and interpretation of ODPM design guidance.
- Reduce government emphasis on home ownership.
- Set housing plans within longer-term economic strategies and visions for the areas. Introduce positive planning and financial support to foster high value economic diversification. Introduce tax breaks/reduced business rates for rural businesses, potentially linked to wage increases for transparency.
- Adapt and locally tailor the key worker concept for rural areas e.g. key workers could be farm workers, village shopkeeper, hairdressers etc, according to local circumstances.
- Financial support packages to increase individuals' renting/purchasing power – help for first time buyers in particular.
- Financial disincentives and restrictions for second homes - increase council tax to 200%, local tax on second home where levels of second home ownership have a negative impact on the local economy; introduce punitive tax on sale; apply business rates to second homes; ban new/ place a limit on the number of second homes; remove second homes and buy to lets out of SIPP proposals.
- Focus resource and investment in housing on larger villages, accepting that some of the smaller villages and hamlets, which have now lost all their services and have no range of smaller affordable houses left, are beyond hope.
- Change emphasis in government policy away from directing development to large service centres - prioritise social sustainability of rural communities in planning permissions.

- Establish an independent monitoring and enforcement body - to take planning authorities that do not meet affordable housing needs to task; to ensure greater consistency in application of planning rules and regulations, to promote good practice.
- Create a body to represent local interests in planning - to support fast-tracking of local affordable housing; provide advice local communities; act as honest broker.
- Allow greater devolution and accountability of planning decisions to the local parish level – enable greater flexibility to tailor planning policies to local circumstances; allow more innovation and experimentation to meet local needs; quicker planning turn around times to meet immediate needs.

## **Annex 2**

### **Current policy barriers and blockages, and their impact on sustainable communities**

We believe that there are a number of key blockages to the delivery of affordable housing in rural areas, and in the planning and housing policies which prevent or undermine attempts to meet rural housing needs. These include:-

- 1) **Key blockages to the delivery** of rural affordable housing, viz:-

- Lack of clarity or assurance with regard to retaining rural social housing affordable in **perpetuity** – a vital pre-condition for local communities and landowners to make suitable sites available at low cost
- The **time-consuming process and complexity** of developing small schemes in villages
- The limited support and encouragement for **local community involvement** in initiating and implementing affordable housing schemes in rural areas – for example, the ambivalent status and variable quality of parish plans, and the lack of long-term funding for independent rural housing enablers

## 2) **Planning policies** which seek to:-

- Concentrate as much new development as possible in `brownfield` urban areas, or failing that, green field extensions to urban areas, in the belief (or hope) that this will maximise access to services and employment and thereby reduce car travel with its associated pollution and congestion.
- Focus development on urban regeneration, and prevent counter-urbanisation with its associated `hollowing out` of urban conurbations – for example in the West Midlands (West Midlands Regional Spatial Strategy)
- Protect the countryside `for its own sake` and in mitigation for the large areas of housing development planned in Growth Areas in other urban locations– as expressed in ODPM`s Sustainable Communities Plan, for example .
- Define sustainability in the narrow terms of maximising service provision, protecting countryside, and reducing car traffic; these policies are based on limited evidence, and exclude other sustainability factors such as community life, neighbourliness, and quality of life (see also below)

## 3) **Housing policies** which seek to:-

- Promote and incentivise home ownership to a level which may pre-empt other more appropriate tenures (eg renting for short-term employment) or encourages additional investment by the better off at the expense of those unable to afford market prices (eg 2<sup>nd</sup> homes)
- Maximise the production of homes per finance invested. Thus large schemes more appropriate to urban locations are favoured, including affordable housing cross-subsidised by market housing developers;
- Encourage bids from large RSLs and Partnerships which are more geared to urban than rural development

In principle the blockages to delivery should be resolved by improvements to the appropriate mechanisms – improved funding, revised regulations, better practice etc. (see our recommendations in the text). However, the housing and planning policies underpinning rural housing are more fundamental. Nor are they necessarily wrong per se. On the contrary we support urban renaissance policies, the need to constrain car traffic, and prevent ‘concreting over the countryside’. And we acknowledge the need for efficient and effective planning and construction of social housing. But we argue that many of these policies have been applied *in extremis*, to the extent that they have *disproportionately* prevented rural housing development or growth. Again our own local Inquiries stressed the need for more flexible and sensitive planning policies which address local circumstances.

In particular, our research on sustainable development in rural communities indicates strongly that simply allocating new development to urban areas does not necessarily improve sustainability in a world where cheap motoring undermines public transport, thereby increasing CO2 emissions and encouraging the dispersal of journeys to work, services and entertainment *in and between towns* as well as villages. Nor does it recognise that rural areas themselves are growing and changing in response to economic diversification, home working and high levels of mobility, and have much to offer in terms of other sustainability criteria such as neighbourliness, safety, and amenity. Simply trying to prevent development in rural areas will not solve this complex problem, but does have very negative impacts for the future of the ‘living and working’ village.

We are currently exploring the meaning of sustainable development for rural communities (see Annex 3) which takes full account of the social and economic aspects of sustainability as well as environmental factors which tend to dominate planning policy. For example, homes are needed to accommodate local workers, many of whom will not be able to afford open market house prices; many people want to live close to their family and friends to enjoy their companionship and support, but may be forced to move away if they cannot afford local house prices or rents. In addition the case has been made (although not proven conclusively) that more affordable housing is important to help support local services such as schools, shops and health facilities, and help maintain or improve the social mix and diversity of the community (and of course, vice versa). Finally, in an age when the concept of *choice* is upheld as a universal good, and actively pursued by government in the fields of health and education, for example, should this not also be applied to the location of one’s home ?

Clearly, the affordable housing debate touches on these important issues of *sustainability, sustainable development and sustainable communities*. These arguments cannot be ignored - the need for affordable housing must be assessed within this wider context. Similarly, affordability relates to a wide cross-section of the community: not just those qualifying for social housing support, but also those who do not but are also unable to afford market prices and rents (the ‘intermediate’ housing needs). The CRC’s own Inquiry confirmed the importance of these wider issues, especially the impact on social networks and local economies.

In conclusion, we take the view that rural affordable housing policy issues cannot be addressed in isolation from the wider context of what and who the countryside is for, and what we mean by sustainable rural communities.

### **Annex 3**

#### **Current and recent CRC Research**

Currently, the CRC is engaged on a number of research investigations and evaluations, which illuminate many of the issues outlined above. These include:-

- 1) Calculating rural housing needs
- 2) Evaluating the collection and use of Council Tax on 2<sup>nd</sup> homes
- 3) Meeting affordable housing needs in national parks
- 4) Piloting the allocation of rural affordable housing sites
- 5) Older people
- 6) Younger people
- 7) Use of existing stock

- 8) Living with physical impairment
- 9) Travellers and migrant workers
- 10) Choice –based lettings
- 11) Investigating the meaning and definition of `sustainable rural communities
- 12) Scanning the rural dimension of Regional Strategies

## **1) Calculating Housing Requirements Phase 2:**

### Background

In 2004/05 the Countryside Agency commissioned Roger Tym and Partners to undertake a critical assessment of methodologies to calculate the housing requirements of rural England. The research identified and tested an adaptation of a method proposed by Glen Bramley, and the CRC has subsequently commissioned Roger Tym and Partners, and Professor Stephen Walker at University of West of England to role out the methodology across rural England (Phase 2).

### Interim results:

Phase 2 of the research project will produce regional and national figures of both the backlog of housing need and projections of newly arising need rural areas. Using Defra and the Countryside Agency's rural definitions the analysis will produce figures of need for three different groupings of settlements (all villages and hamlets (below 1500 pop; all villages and hamlets, and sparse town and fringe; and all villages and hamlets and all town and fringe). Very early findings of household projections show that within the 6 regions so far analysed over 8,650

rural households will be unable to access the housing market annually for the next five years. Figures for all 8 regions, plus assessment of backlog of absorption within current housing stock will follow in the full report.

Future work:

The CRC will use the full phase 2 report to support its work to review regional housing and spatial strategies, as well as wider influencing and watchdog work. The methodology also has potential for further development to make it more robust at the local level.

## **2) Evaluation of the use of extra resources from the reduced council tax discount from second homes by rural authorities**

This evaluation has sought to discover the early impacts in rural areas into the use of the extra resources from the reduced council tax discounts for owners of second homes in England 2004/2005.

Results indicate that the discount has been applied by nearly all rural authorities with significant proportions of second homes. On a positive note the funding has helped to fund extra services and lever funds from other bodies, support affordable housing, and provide funding for LSPs. On a negative note in some areas significant problems and issues have arisen that have limited the impact of the reduced discount in supporting local communities, for example:-

- short term nature of projects funded,
- resources not being seen as separate to the base budget of district and county authorities, ie the extra income from the reduced discount has put into the general pot (and in some cases used to reduce or offset Council Tax charges)
- financial administrative arrangements seen as cumbersome and over-bureaucratic.

A final report will be published in the Spring and good practice disseminated via regional workshops and on-line expert advice.

## **3) Affordable Housing in National Parks:**

Background:

The Countryside Agency and Housing Corporation commissioned Oxford Brookes University to examine the need for affordable and supported housing in the context of National Parks' housing markets and establish the key obstacles and opportunities for provision of affordable housing in them. The CRC and the Housing Corporation have now produced a short joint report for publication.

Findings:

The research showed that a number of barriers exist to the delivery of affordable housing in National Parks including access to funding and the limited number of suitable sites. Opportunities for supported housing in National Parks are also limited. However National Park Authorities are taking seriously the housing difficulties faced by many local people and have made significant attempts to frame policies to meet both their statutory purposes around landscape conservation and their duties for the socio-economic well-being of their local communities.

Future work:

The CRC, Housing Corporation and Association of National Park Officers are discussing the possibility of organising a national seminar to launch and discuss the findings with national park stakeholders.

#### **4) Piloting the allocation of rural affordable housing sites The HOPE project**

Background:

Wealden District Council (WDC), with support formerly from the Countryside Agency and now the Commission for Rural Communities, has developed an innovative project – Housing Our People or HOPE – based on the ability given in PPG3 to allocate sites solely for affordable housing for local people in its rural villages. The project is now in its third full year of operation. WDC have worked in partnership with their parish councils throughout the project from the initial identification of housing need through to the identification of potential sites to meet the need and during the development phase.

Current position:

The first phases of the project involved identification of housing need and appropriate sites for allocation in the Local Development Framework. During the current project year WDC have now moved into a phased development programme on a number of sites that have been allocated for development, and are working with their partner RSLs on bids to the Housing Corporation. In those parishes where the first phase of developments will take place, there is continuing consultation on matters such as design.

CRC involvement:

The CRC aims to learn from and evaluate the HOPE project which has been one of the first such plan led local authority approaches in the country. A short CRC report is planned for publication following the end of the current project year to evaluate progress and share emerging good practice.

## **5) The housing and support needs of older people in rural areas.**

*(Funded by the CRC/Countryside Agency and the Housing Corporation, publication due February 2006).*

This research was commissioned by the Countryside Agency and the Housing Corporation to examine the housing and support needs of older people in rural areas. There were three elements to the study: consultations with older people living in rural areas; a review of national policy and analysis of data from the 2001 Census and Survey of English Housing; and an exploration of the housing and support needs of older people and local service responses in five rural districts in England (Scarborough, Bromsgrove, Waveney, Pendle, and North Dorset).

### **Conclusions/recommendations:**

Meeting the needs and aspirations of older people in the variety of circumstances found in different rural areas requires specific and tailored approaches which are often more difficult and costly than in urban areas. However, the starting point for addressing these needs is one of recognising the aspiration of equity and diversity in the way that policy responds to older people in rural areas.

- The potential of existing stock should be maximised by investment in eradicating non decent housing and the development of Home improvement agencies
- Housing market planning, at both regional and local authority levels, should place older people as a key group in housing. It essential in rural areas to develop a stock profile responsive to the needs of older people.
- Models of extra care housing that specifically address rural needs through services such as outreach, should be evaluated and promoted
- Low-level support and preventative services are of particular importance in the rural context. To ensure that low level support and preventative services are seen to be part of the mainstream, the National Service Framework for Older People, Supporting People Strategies and local Joint Strategies for Older People should place greater emphasis on preventative services.

### **Next steps**

Publication is due in the next few weeks. The main report will be targeted at local authorities, RSLs and other service providers and commissioning bodies. There is also an accompanying fact sheet, both of which will be posted on the CRC website. The report could form the basis of further, wider work on disadvantage amongst older people in rural areas.

## **6) 2003-6 What Happened Next? A national follow-up study of young people leaving ten foyers.**

*(Funded by the Housing Corporation, Diageo and the Countryside Agency, final publication due January 2006).*

This research focuses on the 110 designated Foyers which were in existence in 2003 and which, at that time, provided 4,630 bed spaces for young people between the ages of 16 and 21. The objectives of the research were to provide evidence on how Foyers are operating in order to assess whether they are fit for purpose and whether they offer good value for money.

The research focused on the key issues of: Foyer size, organization and geographic distribution; aims and objectives; client groups; services provided; client turnover and management; financing; costs; and the measurement of outputs and outcomes. The approach involved a review of earlier evidence; and analysis of secondary data; a postal survey of all Foyers in Britain; a telephone survey of selected Foyers; 9 detailed case-studies (three of which were rural foyers) and, interviews with relevant stakeholders.

### **Interim conclusions**

Specific recommendation in respect of rural foyers will not be available until February. However, overall, the vast majority of Foyers are clearly fit for purpose. Foyers fulfil real needs within a wide range of supported housing provision, often specific to their localities, including rural areas. On average, in terms of current costs, they offer value for money as supported housing providers. There are however important issues linked to management responsibilities, accounting mechanisms, residency agreements and particularly measurement of outputs and outcomes that must be addressed. The shift in emphasis towards basic life skills and training for independent living rather than long-term employment opportunities also has important implications for their longer-term role.

### **Next Steps**

Publication due February 28, 2006. A Rural Foyer seminar is planned for the spring, which will partly disseminate the findings of the Tracking study.

## **7) The use of existing stock in rural areas**

*(Funded by the Housing Corporation, CRC/Countryside Agency. Publication due February 2006).*

This research was commissioned to examine the use that is currently being made of the affordable housing stock in rural areas; an analysis of the success or failures of initiatives to use existing stock more effectively; and assessment of the potential for more effective use. The study was undertaken in various stages. A literature and policy review which encompassed an analysis of regional housing strategies and rural housing market classifications; scoping interviews with key stake holders; analysis of data on the rural housing stock and eight case studies selected to reflect different types of rural housing markets. The case studies were used to examine the success and failure of existing initiatives and to contribute to the identification of good and bad practice. In-depth fieldwork was carried out involving qualitative interviews with key respondents in each area.

### **Interim conclusions**

Compared to building more affordable housing in rural areas, there was a widely held view in the case studies that other approaches were generally more expensive and represented less value for money. A review of the existing research and the case studies confirms that in terms of value for money, building new affordable housing is the best way to solve the lack of affordable housing in rural areas. However, where suitable sites are in short supply and there is scope, other approaches aimed at maximising the use of existing stock are worthwhile. Longer-term trends in the rural housing stock need to be factored into resource decisions at the regional level.

### **Next steps**

Publication is due in February. This publication will provide evidence to support the future work of the CRC as expert adviser on rural affairs, as well as informing the work of Regional Housing Boards, local authorities and others responsible for meeting housing need in rural areas.

## **8. Gypsies, travellers and migrant workers**

The CRC is undertaking a series of thematic studies to look in-depth at emerging issues of particular concern to rural communities. The first of these studies that took place during 2005/06 looked broadly at rural disadvantage inviting comments on how it should focus the study.

As a second phase to the study, during 2006/07 the CRC plans to look in particular at the priority groups which respondents highlighted, including an in depth examination of the range of issues facing disadvantaged Gypsies, Travellers and migrant workers.

## **9) Living with physical impairment in rural areas: Challenges and responses**

John Palmer, Salma Ahmed, Caitriona Carroll, Madeline Drake and Steve Holloway  
**North Harbour Consulting Limited** (Housing Corporation, June 2005)

In late 2003, the Housing Corporation commissioned Caitriona Carroll in association with North Harbour Consulting Limited to carry out research into the experiences of people living with a physical impairment in rural areas. The research set out to identify the specific challenges and barriers that people living with physical impairments in the countryside face, the ways in which they overcome these challenges, and the need for changes in the way that services are delivered with examples of innovation and good practice from around the country.<sup>1</sup> It addressed two key questions:

- If disabled people living in a rural area experience difficulties and challenges, is this because they are disabled, or because they live in a rural area, or a combination of the two?

- Are there qualitative differences between the difficulties and challenges faced by disabled and non-disabled people living in rural areas, or are any differences that exist matters of degree only?

The report concludes that disabled people living in rural areas face multiple disadvantages arising both from their disability and the fact that they live in a rural area. “It follows from the findings and conclusions of this research that public policies, plans and systems affecting rural areas should be disability proofed as part of the duty placed on public bodies to promote equality for disabled people.”

### **10) Choice and Voice: Thematic Study**

As part of a wider study of the Choice and Voice agenda in its application to rural areas, currently being undertaken by the CRC, we will be commissioning research to assess how Choice Based Lettings (CBL) is operating in the rural context. It will seek principally to determine the extent to which CBL contributes to the government's objectives for Choice in rural areas. In particular to consider how CBL improves the quality of provision, reduces disadvantage and meets other social needs.

Publication of the results will be available in the autumn.

### **11) What do we mean by “sustainable rural communities” and how might we achieve them?**

How we define and achieve sustainable rural communities is a key question that the Commission for Rural Communities is addressing in order to find a coherent and convincing answer to the problems rural people face. It is also a key issue underpinning the debate about rural housing needs and how those can be addressed. In 2005 the CRC commissioned several ‘thinkpieces’ on this subject, which will form the basis for further detailed discussions.

A preliminary synopsis of this work indicates that sustainable development has been placed firmly at the centre of government policy in a way that includes social justice and economic wellbeing as well as environmental limits. The Department for Environment, Food and Rural Affairs' Sustainable Development Framework and Rural Strategy provide a good foundation for developing sustainable rural objectives. However, translating these principles of sustainable development into policies that support and sustain rural communities is more challenging, for several reasons:- Firstly, because of the uncertainties surrounding the impact and timing of global warming, and the feasibility of technological solutions, such as less polluting fuel which might make ‘business as usual’ sustainable, for example. Secondly, because we need to develop less simplistic understandings of the impact of policy interventions on rural communities, in particular land-use planning, housing, transport, economic development, and service delivery.

Thirdly, because we need to be clear about our long-term vision for rural communities: is it business as usual or going for a much greener, more connected and more equitable future? Can we ask ourselves is there a mixed approach somewhere in between?

Underpinning these challenges is the question of who governs and the extent to which communities themselves can formulate and deliver a sustainable quality of life in negotiation or partnership with appropriate agencies.

Although social inclusion and disadvantage are firmly embedded within the government's sustainable development framework, more analysis is needed on the policies required to achieve them, in particular for planning; housing; transport; employment and services. The Commission for Rural Communities, as part of our remit, will work to ensure that government policies will not conflict with sustainable development and to deliver a future of sustainable rural communities.

Our intention is to publish our conclusions from this debate later in the year.

## **12) Scanning Regional Strategies**

Regional strategies are becoming the key vehicles for housing and planning policy in England, and we consider that it is important to evaluate the rural content of such strategies in order to assess the ways in which rural issues are being addressed and the relative priority attached to them. CRC is undertaking a brief scan of regional spatial and housing strategies to assess their rural content in terms of the approach to rural issues, their interpretation of sustainability, and their overall housing targets. In this way we hope to attain a broad `state of the nation` with regard to the planning and delivery of affordable housing across England.

A preliminary report is due in early Spring.

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