



Commission for
Rural Communities
Tackling rural disadvantage

Rural Housing -
A place in the
countryside?

Acknowledgements

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Rural Housing - A place in the countryside?

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Case Studies (available separately)

Brancaster - a popular seaside village on the Norfolk coast

Easington Colliery - an economically depressed ex-mining town in Durham

Great Limber - an agricultural estate village in North Lincolnshire

Keswick - a market town in the Lake District National Park

Kingsbridge - a popular holiday town on the Devon coast

Romney Marsh - sparse villages on the Kent Marsh

Spofforth - a commuter village in Yorkshire's Golden Triangle

Vale of Evesham - villages and hamlets in the heart of England's market garden, Worcestershire

National submissions - on-line and postal submissions

Foreword

Rural areas are where many people want to live, but, increasingly, for many people, this is no longer an option, even for those with jobs and reasonable incomes.

The pressure and demands on rural housing markets are well documented: demand for rural homes is high, attracting more affluent residents, commuters and people looking to retire or to purchase second and holiday homes. New developments are limited and the right to buy has severely depleted the social housing stock. The competition for available homes, to buy or rent, is very strong. This is no longer just a problem for the poorest in rural society. A lack of housing affordability in some areas now extends to those on average incomes, not just people on lower incomes.

In Autumn 2005, in response to the Government's decision to establish the Affordable Rural Housing Commission, under the chairmanship of Elinor Goodman, we set out to gather the views and experiences of people living in rural England about rural housing. We wanted to understand the difficulties people faced in trying to secure a home and to hear how it affected their lives. We also wanted to know how they felt the provision of housing in rural areas could be changed for the better.

The response was tremendous. Over 800 people came forward to speak to us through open events, focus groups, one-to-one interviews and our on-line questionnaire. We heard from young people and young families in housing need, elderly people keen to move on from their larger family home, people in temporary accommodation and businesses finding it hard to recruit to local rural jobs. We held meetings in each region, in village halls, pubs and schools and were impressed by the willingness of people to give up their time to talk to us about the issues.

People spoke eloquently and passionately about their housing concerns, often illustrating their contributions with their own personal experiences. I was heartened to see that, despite the difficulties, people had thought positively about the solutions they wanted central, regional and local government and the housing and planning professionals to consider. They also recognised the need for rural communities themselves to make changes to enable more development to happen.

This report records and acknowledges the voices we heard. It also sets out our recommendations for addressing rural people's concerns and aspirations for the future. We have already fed these in to the Affordable Rural Housing Commission. More generally, I hope this report will be read and acted upon by our partner organisations, including policy makers at central, regional and local levels, those who are involved in developing and providing housing, both directly and indirectly, and all those who work with parish and town councils and local communities. This is a challenging agenda, but, with clear leadership from Government and concerted action by all, I believe the time is right to seize the initiative and to make a real difference to the lives of many people in rural areas both now and in the future.

Finally, I should like to thank the many hundreds of people who contributed their views to our inquiry, many of whom face difficult situations in finding a home that is affordable and appropriate to their needs.

Stuart Burgess

Chairman of the Countryside Agency and Rural Advocate

Executive Summary

The availability and affordability of houses for people living and working in rural areas has been a growing problem for many years and is a priority issue for the Commission for Rural Communities¹.

In Autumn 2005, in response to the establishment by Government of its Affordable Rural Housing Commission², the CRC undertook an inquiry into rural housing to find out directly from people living and working in rural areas about the housing issues that concerned them, what impact these issues were having on individual lives and on rural communities more widely and what action people wanted to see to address their concerns. The main purpose of the inquiry was to give voice to people's concerns and aspirations and to convey these to government.

As part of the inquiry, visits were made to eight case study areas, one in each English region, apart from London, and written submissions were invited nationwide. Over 800 people volunteered their experiences and ideas. This document reports their views. It highlights the overwhelming concern about the lack of affordable housing in most rural areas and the frustration within rural communities at the apparent lack of effective action to address housing problems. It reveals the human cost for some people and the fears amongst many of the impact this issue is having on the future sustainability of rural communities.

Several common themes emerged from the inquiry: the growing shortage of appropriate and affordable private and social housing to buy or to rent; resentment and concern about the impact of rising numbers of second and holiday homes; people's apparent disconnection from decision making, including how social housing is allocated amongst those in need; and, what are seen as, inflexible planning and housing policies and strategies that do not accommodate local circumstances. People attach great importance to meeting their local communities' needs and are willing to see and support organic growth to meet these needs.

The inquiry findings reinforce previous work that has identified a number of blockages to the delivery of affordable rural housing, including planning and housing policy barriers. As a result, we have called for Government to give clear leadership to address rural communities' concerns and to bring about real improvements to the current rural housing crisis. We have recommended concerted action across four areas:

1. More effective rural proofing of housing policies at all levels.
2. A real increase in, and targeting of, resources to meet rural needs for affordable housing.
3. Planning policies, which enable villages to grow and adapt to meet their changing economic and social circumstances.
4. Empowering local communities to be involved in shaping their own solutions and having a real stake in their futures.

800+

Over 800 people volunteered their experiences and ideas.

¹ The Commission for Rural Communities has been set up initially as an operating division of the Countryside Agency, pending legislation to establish it as an independent body - www.ruralcommunities.gov.uk

² The Affordable Rural Housing Commission was jointly established by Defra and the Office of the Deputy Prime Minister in July 2005, with the task of identifying ways of improving access to affordable housing for people in rural areas. It is chaired by Elinor Goodman.

Chapter One of the report describes the context for the inquiry and sets out the inquiry process.

Chapter Two records the dominant issues and solutions raised by rural communities, across all the case studies and national submissions. It has been compiled by the independent research company, Ipsos MORI, who supported the qualitative research programme in the case study areas.

Chapter Three gives the Commission for Rural Communities' perspective on the inquiry findings. It sets out the actions that we would like to see taken to address rural communities' concerns and to bring about the effective and long-term change so urgently required.

1

The rural housing inquiry

The availability of suitable and affordable homes for people living and working in rural areas has been a serious problem for many years. Rural housing markets continue to experience significant pressures and demands: average house prices in some smaller rural settlements can now be around ten times local average household incomes; second or holiday homes make up almost one in every ten households in many sparse villages; and the number of rural households accepted as homeless and in priority need has increased by almost a third since 1999/2000³.

Rural housing is a priority issue for the Commission for Rural Communities. The Commission was established (initially as an operating division of the Countryside Agency) in April 2005, following Defra's Rural Strategy 2004. 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.

In July 2005, the Commission announced an inquiry into rural housing to find out directly from rural communities about their experiences and perceptions of rural housing issues, to add to our research and expertise. It aimed to give voice to their concerns and aspirations, and to make sure that their views are conveyed to government. In particular, the inquiry was intended to inform the Commission's evidence to the Affordable Rural Housing Commission (ARHC), jointly established by Defra and the Office of the Deputy Prime Minister (ODPM) in July 2005, with the task of identifying ways of improving access to affordable housing for people in rural areas⁴.

The inquiry set out to explore what rural housing problems were of most concern to rural communities. It examined the impact housing issues were having on individual lives and the wider rural community and looked at what actions rural communities would like to see, and by whom, to address their concerns.

The inquiry research was conducted during Autumn 2005. The Commission and Ipsos MORI visited eight case study areas, one in each English region (excluding London), with areas selected to reflect different types of rural housing market, such as levels of second home ownership, presence of landscape designations, levels of income and the quality of housing stock. The areas visited were:

³ Commission for Rural Communities (2005) *The State of the Countryside 2005*. Cheltenham: Commission for Rural Communities

⁴ The Affordable Rural Housing Commission is due to report in Spring 2006.

- Brancaster, Norfolk, East of England
- Easington Colliery, Durham, North East
- Great Limber, North Lincolnshire, East Midlands
- Keswick, Lake District National Park, Cumbria, North West
- Kingsbridge, Devon, South West
- Romney Marsh, Kent, South East
- Spofforth, North Yorkshire, Yorkshire and Humber
- Vale of Evesham, Worcestershire, West Midlands
- National submissions

The inquiry focused on hearing from people living and working in rural areas, rural businesses and community representatives. It was open to all to contribute, but targeted to ensure that a wide range of voices and experiences were heard, particularly, people in or at risk of housing need. The research was conducted with the independent research company Ipsos MORI.

Each visit to a case study area comprised three elements:

1. In-depth interviews with those experiencing, or at risk of, housing need;
2. Focus group discussions with cross sections of the local community and “seldom heard”⁵ individuals; and,
3. An evening public forum, open to anyone who wished to take part.

In addition, people within and outside the case study areas were invited to contribute written comments or to complete an on-line questionnaire.

Over 800 people across England participated in the inquiry, a level of response that is indicative of the importance rural communities attach to rural housing.

⁵ “Seldom heard” - describes those groups/individuals who tend to be missed in conventional survey methods, such as telephone surveys or questionnaires, or who are marginalised from mainstream society.

2

Ipsos MORI analysis of inquiry findings

This chapter summarises the views and aspirations of individuals, captured throughout the inquiry. It has been produced by the independent research organisation Ipsos MORI, which was contracted to develop and support the delivery of the inquiry research.

The analysis highlights the overwhelming importance of housing issues to rural communities, with people in all areas arguing that local rural housing is too expensive, often well beyond the reach of local⁶ people, and too limited in number, type and choice of tenure. While different locations emphasised different causes for this, the strength of concern and people's need for action was evident everywhere. There was a clear perception that, if things continued as they were, villages and towns would suffer. Most people were concerned that young people and young families would continue to be driven out to urban areas to find housing, leaving an important gap in the community structure. Worries were also linked to these gaps being filled by commuters and second home owners. People described the 'killing off' of local communities and villages turning into 'dormitory' or 'retirement' villages. Young and/or single people, young families, seasonal workers and the elderly were felt to be particularly disadvantaged by the lack of affordable housing, with associated serious impacts on the quality of individuals' lives. Annex 1 provides a summary of the main issues and solutions raised in each area.

Ipsos MORI analysis : causes of rural housing problems

While there are a number of causes which are seen to be driving the lack of affordable housing, people pointed to three main drivers which, when combined, made for a tough housing situation. These were: low wages in rural communities; increasing numbers of in-migrants; and a deficit in social and affordable housing stock. Inflexible planning policies and general societal trends across England (such as an ageing population) were seen to exacerbate the problems further.

i) low wages

It seemed an accepted fact that wages in rural areas were no match for those in urban areas, with the seasonality of much of the work exacerbating this difference. Residents on local incomes - not necessarily low incomes - often said that they found it difficult to compete for available housing and spoke of a large gap between house prices and local wages. This engendered a real sense of despair and resignation on this issue. Residents in Brancaster, Kingsbridge, Keswick and Easington, in particular, saw low local wages as a serious issue that prevented people from being able to afford mortgages or private rents. Expensive or irregular/unreliable transport was believed to make these problems worse in many areas. People described needing to live near to their job, due to transport difficulties, putting more pressure on the local housing market, while others described the difficulties of travelling long distances to find better paid work.

The strength of concern and people's need for action was evident everywhere.

⁶ The definition of 'local' varied, but residents generally understood this to be people who were born and raised in the area, or who lived and worked locally.

“Our whole economy’s based on tourism and it’s notoriously bad pay, tourism. And it’s seasonal work, so, come winter, you might be put down to a three day week because there’s no work for you. How can you take a mortgage on if you don’t even know you’re definitely going to have steady income?”

Seldom heard group

There was also a strong view, particularly expressed in Brancaster, Evesham and Romney Marsh, that local people earning what they considered to be a decent wage were equally disadvantaged, as they earned too much to qualify for social housing, but too little to afford private housing. For instance, house prices are more than 12 times higher than the mean household income in Brancaster⁷, eight times higher than that in Evesham⁸ and more than seven times higher than the mean income in the Romney Marsh area⁹. During this research, we noted a sense of sheer frustration that very few or no options existed to help this intermediate group of people. They felt left to find their own solutions, ineligible to receive the support available to others.

ii) a rural idyll attracting in-migrants

Local residents were aware that the beauty of rural areas could be a double-edged sword: while they enjoyed the scenery and tranquillity in which they lived, this was an attraction to more affluent in-migrants. It was possible to identify different reasons for the increasing demand. For instance, in Areas of Outstanding Natural Beauty (e.g. Kingsbridge and Brancaster) and National Parks (e.g. Keswick), high numbers of holiday makers and second home owners were attracted, resulting in sharp rises in second-home ownership and short term, highly priced holiday lets. Areas with good transport links, near cities and towns with ample employment opportunities (e.g., Spofforth and Vale of Evesham), noticed growing numbers of commuters moving to the area.

In all areas, residents perceived competition from in-migrants as depleting the housing stock available to local people and pushing up prices beyond their reach. The supply of available housing was not felt to be sufficient to cope with the demands placed on it by both in-migrants and permanent residents. Local people, who often had strong familial, social and emotional ties to the area, felt increasingly threatened by this situation, believing that they lost out to those who had more money to spend. Furthermore, they felt that there was nothing that protected local people by helping them to stay in their locality, close to support networks of family and friends.

“There are too many holiday homes... it’s bumping up prices... so it’s making it worse for us. As a result of that, there’s not enough affordable housing available.”

Seldom heard group

People throughout the inquiry believed that in-migrants were also affecting the dynamics of local communities, both in terms of the sense of community spirit and by changing local economies. Long-term residents often asserted that their village identity was eroding as new residents moved in, who, they believed, lacked the same emotional attachment to the community that they had. Furthermore, many people believed in-migrants had a tendency to NIMBY attitudes, as they had bought or

⁷ The mean price paid for a property in local areas classified by the Office of National Statistics as ‘rural’ in the Brancaster area is £351,438, while the mean income in the same area is only £28,008. (HM Land Registry, 2004. House prices., CACI Ltd, 2004. Paycheck. Analysis by the Commission for Rural Communities, 2005).

⁸ The mean price paid for a property in local areas classified by the Office of National Statistics as ‘hamlets or isolated villages’ in the Evesham area is £261,868, while the median income in the same areas is only £29,393. (HM Land Registry, 2004. House prices., CACI Ltd, 2004. Paycheck. Analysis by the Commission for Rural Communities, 2005).

⁹ The mean price paid for a property in local areas classified by the Office of National Statistics as ‘villages, hamlets and isolated dwellings’ in the Romney Marsh area is £225,215, while the median income in the same areas is only £29,608. (HM Land Registry, 2004. House prices., CACI Ltd, 2004. Paycheck. Analysis by the Commission for Rural Communities, 2005).

“When they do build new properties they build the wrong kind of properties. ...They built a load of two and three bed houses that are supposed to be starter homes. They went on the market at £250,000. What we need is flats and bedsits and things that, actually, people can afford.”

Seldom heard group

invested into a rural idyll and, therefore, did not want to see it changed (the 'drawbridge effect'). In this way, in-migrants were seen as both lacking an understanding about community needs, as well as obstructing possible solutions centring around new developments.

"I suppose the people that come in to the village from away don't take an active part in village life a lot of them. They just live there and they go to work and they come back. Whereas before, for example, if we have a harvest festival... most of the residents in the village would attend that, but now probably you only get maybe half of them. ...[New residents] don't mix in with us quite as much."

Male, mid 60s

That said, deprived rural areas with weak economies - often due to the closure of local industry(s) that the villages were dependent on (e.g. Easington Colliery and Great Limber) - welcomed the prospect of more affluent in-migrants to help inject money and enthusiasm into their local infrastructure and to connect this revitalisation to solutions that would help local people regain a pride in their locality.

The issue of in-migrants leads into one of the most contentious issues for local residents: second home ownership. This was a key issue in all case study areas, particularly in Keswick, Kingsbridge and Brancaster. As previously noted, many residents passionately argued that too many homes had been purchased by people who used them for holidays or for short-term lets, which reduced the housing stock available and pushed up house and rental prices well beyond the reach of residents. Indeed, several residents in Keswick asserted that there were so many second homes, used as holiday accommodation in the area, that the council needed to let them to homeless families as temporary accommodation.

"[The local holiday cottages companies] basically buy all the properties around and use them as holiday lets, so obviously that's where half of your rented accommodation that you used to get has gone."

Male, 36, living in temporary accommodation

This also has a perceived impact on the type of housing being developed. Many developers were seen as building large, executive homes to attract top-end prices only affordable by in-migrants, rather than smaller, more affordable properties that local people could buy. Where smaller, more affordable properties were available, they were seen as attracting private investors, who let the properties out on a short-term basis or at high 'tourist' prices beyond the reach of many local people.

One of the most contentious issues for local residents is second home ownership.

"When they do build new properties they build the wrong kind of properties. ...They built a load of two and three bed houses that are supposed to be starter homes. They went on the market at £250,000. What we need is flats and bedsits and things that, actually, people can afford."

Seldom heard group

Additionally, some residents pointed out that the financial incentive for second home owners to redevelop their properties (e.g. adding extensions) to maximise their profit at re-sale permanently removed the properties from being within reach of local incomes, taking them from, for example, one-bedroom properties to two- or three-bedroom homes.

The reduced level of council tax paid on second homes was also considered unjust by many people, especially where the impact of second homes on the local community was considered to be particularly negative.

iii) deficit in social and affordable housing stock

The chronic shortage of social and affordable housing was clear in all case study areas. In discussions, people described the growing disparity between strong demand and limited supply within the wider community and gave very personal accounts of the impact of this had on the specific circumstances of many individuals interviewed.

Residents repeatedly pointed to the right to buy/right to acquire¹⁰ programmes as having significantly reduced the amount of social housing available, with new builds rare to non-existent. Even residents who did not personally rely on social housing noted, with a high degree of frustration, that much of the social housing stock available locally had been sold off, with little or no efforts made to replace it, or to reinvest the money made from sales into the local area's social housing provision. High prices in the private housing market had resulted in more people turning to social housing as a secure, affordable option, placing additional strain on the limited resources available locally. In areas such as Easington and Great Limber, a decline in industries that traditionally supplied low-cost housing tied to employment in some way (for example, colliery or agricultural housing) had also created a greater demand for social housing. Without exception, demand and competition for social housing in all areas was thought to have increased dramatically.

“When was the last time you heard of a new council house being built? Never. It just don't happen any more, does it? They haven't built any.”

Seldom heard group

Understandably, the resulting competition for social housing that was available had a particularly strong impact on people in housing need. Residents frequently asserted that waiting lists for social housing were extremely long. Indeed, many of the residents interviewed had been waiting for several years for a council house. Many had been placed in temporary accommodation that was unsuitable for their needs, for example, young families living in one bedroom accommodation or single parents moved to nearby towns away from their support networks of friends and family. We observed the considerable emotional strain that this could have on people living in these circumstances. There was perceived inequality in the allocation of social housing, with many people across the different areas pointing out examples of what they thought to be unfair precedence given to others. Examples included people living in overcrowded situations given precedence over the homeless, precedence given to people with children and no support given to those with no dependants and in low-paid employment.

“When was the last time you heard of a new council house being built? Never. It just don't happen any more, does it?”

¹⁰ In all case study areas, local people rarely distinguish between these two programmes (RTB/RTA). There is awareness that opportunities to purchase council or housing association properties are more limited than they used to be, but many still feel that the sale of social housing is taking away this kind of housing and pushing it into the unaffordable local market.

"Well it is a bit stressful; it's awful. I don't get to see [my friends and family]; I haven't really got to see anybody. ...[I'm just] stuck there in that horrible house. Just waiting and waiting."

Female, 20s, in temporary accommodation

"We're [in temporary accommodation] until tomorrow and then we move out, then we move somewhere else in town for a week and then we move somewhere else. ...I know they can't give you an exact time, it could be two or three years, it could be longer. ...I don't think we could manage to be moving around every three or four weeks for two years, what with children growing up, trying to keep them at school, work, things like that... Stability, that's what's needed for my children to grow up and for us to be happy."

Male, 30s in temporary accommodation

The personal, emotional cost of the lack of affordable and appropriate housing was demonstrated time and again throughout the inquiry interviews.

There were strong demands for greater transparency and less bureaucracy in the way that social housing was allocated. Indeed, the current confusion in many areas over allocation processes contributed to widespread anxiety and a sense of unfairness about who was housed. Residents - particularly those currently in housing need - felt that allocation had to be made clearer and also revised to ensure that local people were given priority now and in the future. In practice, this view was again based on a definition of 'local' that related to areas much smaller than local authority boundaries. As such, there was a strong view that priority should be given to those who were local to the immediate area, in order to curb the sense that residents of a particular village or area were losing out to those moving in from other areas within the local authority area.

"[High prices will] force people to live where they don't want to live. You should be entitled to live where you grew up at least. You shouldn't be forced out of an area."

Seldom heard group

Yet, many believed that priority should not just be given to 'locals', but that certain groups required particular support depending on the circumstances within the community. In particular, there should be a focus on trying to retain young people in the area and to provide more assistance and supported housing for older residents.

There was widespread recognition from rural communities that more investment in social housing was necessary to cope with the level of demand. However, some believed that social housing carried a stigma that might make it difficult to find an acceptable location for this kind of development. There was a view that some residents might object to social housing, if it was felt to be bringing 'less desirable' elements into the community.

You should be entitled to live where you grew up at least. You shouldn't be forced out of an area.

iv) inflexible planning policy

Planning policy was regularly highlighted as an issue, both by residents and people working in the housing arena. Residents felt a certain amount of confusion about what could and could not be done, where policies came from and the disparity of decisions. There was also a sense of people's 'hands being tied', as many felt that they understood and knew what the solutions to housing issues should be, but felt powerless to take action.

"They always say that so many [houses] will be at the lower price range... They never are."

Seldom heard group

Planning policies were frequently viewed as too restrictive and disconnected from rural needs.

Residents and housing professionals alike often said the problems of inappropriate housing development stemmed largely from a perceived lack of local involvement in decision making at the planning stage. There was a recurring theme amongst residents in all areas that 'blanket' legislation or policy, developed at a national to district level, was often unsuited to the circumstances at a village level. They described these policies as too broad to take into account possible solutions developed locally. To many, this existing approach to policy could be difficult to reconcile against micro-level local need. Additionally, residents in Brancaster, Evesham and Romney Marsh argued enthusiastically that national policy, in particular, was disconnected from rural needs and did not allow enough room for flexible, local decision making.

Approval for housing development was thought to be difficult to obtain, particularly in designated areas (such as Keswick, Brancaster, Kingsbridge). Approval for new development was also seen as problematic in areas where large swathes of land were privately owned, for example, in Great Limber (where land banking¹¹ was also seen as a barrier to affordable housing development). Housing development was often restricted to village envelopes that only permitted infilling rather than peripheral development. This restrictiveness appeared to be geared towards protecting the look and feel of a village, but possibly at the risk of increasing density to the point that the character of the village was significantly altered. People also felt this might leave infrastructure unable to cope if it was not invested in equally.

In some cases, residents also felt that government strategies directed development and resources to urban areas or larger towns rather than rural areas, often on the grounds of sustainability or regeneration. Residents in, for instance, Evesham, Easington, Brancaster and Kingsbridge noted that Regional Spatial Strategies and/or local authority plans generally indicated a greater threshold for development in urban areas, often at the expense of rural development. Rather than looking at social elements of sustainability, this approach was thought to take a more 'checklist' approach based on the availability of services, facilities and transport. This was seen widely as restricting local rural development, making it even harder for rural residents to obtain planning permission.

¹¹ This is where sites for potential housing development are bought up by developers in the hope of obtaining planning permission in the future. There is a concern that this practice of 'land banking' reduces the potential for exception sites or other initiatives that could widen the scope for affordable housing developments in the future.

“In view of the present regional spatial strategy, the rural housing needs would not appear to be properly catered for. Such strategy, as many other instituted by central government, favour solutions in more urban areas.”

Local Councillor, Midlands

There was also a clear lack of understanding about how planning processes worked. Residents often cited anecdotal evidence of where some developments appeared to get planning permission much more easily than others. This led to a degree of mistrust about how decisions were made and a view that it was easier to obtain permission for private development rather than for affordable housing schemes or housing to meet specific local need.

Some participants in the inquiry challenged the cultural emphasis on home ownership and viewing property as an investment.

v) societal influences

The discussions of housing problems and solutions reveal some important attitudes towards home ownership that impact on housing demand and supply. Essentially, the view held by many people was that renting was much less preferable to buying; people often wanted to ‘get a foot on the ladder’ and saw renting as a ‘dead money’ option. Renting was often thought to be insecure, expensive and ultimately a waste of money, while buying tended to be regarded as a long-term investment, providing security for the future. However, some residents challenged this perceived cultural emphasis on home ownership, most notably in Great Limber, Easington and the Vale of Evesham, where it was suggested that more could be done to encourage people to rent and challenge the ideology that favours home ownership.

“[With renting], you’re pumping all your money into something which you’re going to leave behind. You see, I feel I pay £500 a month and it’s just to put a roof over my head, literally, that’s it.”

Seldom heard group

Similarly, residents recognised that the concept of property ownership as a long-term ‘investment’ was driving up the number of people purchasing additional property for rentals or holiday homes, putting more pressure on limited housing stocks and raising prices.

The ageing population was also recognised as an issue; as people live longer, the population grows and places further stress on local housing markets. What is more, many people often wish to move to rural idylls as they retire, or as they move towards retirement. As such, there is often increasing competition for smaller, affordable properties among those wishing to downsize and young people wishing to get a foot on the property ladder. A further concern was that the Government’s proposed SIPPS policy would encourage more people to purchase properties in rural areas as investments rather than primary residences¹² and, as such, incited great opposition.

People described a general trend of people moving out of the cities into rural areas. With many national transport links improving, more people owning cars and people’s desire to move away from the urban hustle and bustle of everyday life, commuting and second home ownership were becoming more and more common.

¹² This proposal has subsequently been withdrawn by the Government (announced in December 2005).

Ipsos MORI analysis: solutions to rural housing problems

It is worth noting that, during the research, the causes of the housing problems often generated more debate, while the solutions were often presented as 'obvious', or needing less explanation. The following is a summary of some of the most prominent solutions suggested and called for by rural people. Additionally, it includes some solutions, suggested by housing professionals and planners, who attended the open fora.

i) more local control and influence

A call for greater local influence and control is inherent within many of the solutions raised by residents and housing professionals alike and was robustly argued for.

People living in rural areas recognised that each of their localities had a unique set of issues that needed to be addressed, as well as some more countrywide issues. In Great Limber, for example, many believed that homes for elderly people were in short supply and that new social housing development should respond to this need. In other areas, such as Easington, there was felt to be a lack of homes for single people and calls for council-owned flats and bedsits were more common. Elsewhere, many believed that key workers should be given priority in allocation, subject to the flexibility to tailor the definition of 'key workers' to local circumstances, for instance, to include jobs such as lifeguards in Brancaster, skilled agricultural workers in Spofforth and bus drivers in Great Limber.

There was a consistent demand throughout the research for greater local involvement in the decision making process. People wanted to bring their local knowledge and understanding of their community to identify and deliver locally appropriate solutions.

Residents in all areas believed that it was of utmost importance that they were fully consulted about any new builds and that plans should be clearly communicated. Many believed that this would help to ensure that developments were sensitive to the appearance of the village and linked to 'real' community need. This was seen as an important factor in maintaining local support and addressing NIMBYism.

In most cases, the parish council was seen as the most appropriate means of representing local views in planning decisions, but that more authority needed to be given to them to make and implement these decisions. Others, who were more sceptical of the parish council's ability to take on such a role, believed that a new body could be established to act as an advocate for local needs and to mediate between those involved in local government, planning and development to help ensure decisions were made in the local interest.

"They should put some kind of body together which assesses it [housing] from the local standpoint. They should be based [locally] and they should look [locally] in terms of the needs and the desires that people have in this town, in terms of the accommodation that's required here."

Seldom heard group

ii) making housing more affordable

Many people believed that efforts should be made to align house prices to local wages, in order to overcome the affordability issue, although it was recognised that this would be difficult to achieve.

One of the most commonly suggested ways to do this was by capping rent prices and, in some cases, house prices. For example, residents in Easington believed that some landlords took advantage of the limited range of housing and tenures in the area and charged high prices for poorly maintained properties. Other residents in Kingsbridge, Keswick and Brancaster said that rentals were short term and priced at the holiday let market and were, therefore, too expensive for local incomes. Residents called for greater regulation and price limits set by the local authority to address these issues.

"[Rents should be regulated so that] if you've got a three bedroom house, it's this amount; if you've got a two bedroom house, it's this. [Private landlords] shouldn't be allowed to charge whatever they like."

Seldom heard group

the house pricing or else everybody's going to find that their children are going to be living at home with them forever.

People also felt that greater financial assistance could be provided for first-time buyers. For instance, more flexible or longer-term mortgages (covering more than one generation) could help to close the gap between earnings and mortgage repayments. People thought that the Government should encourage building societies and banks to offer such extra support.

Others believed that a review of taxation could also be a way to address the problem of affordability. In particular, in areas where average prices were already high, such as Kingsbridge and Keswick, stamp duty was felt to add an extra hurdle to house purchase costs and was something that should be urgently reviewed. Inheritance tax was also mentioned by some residents as a potential barrier, preventing local families from keeping their homes when house prices had risen steeply.

iii) alternative approaches to create more affordable housing

Most residents understood the term 'affordable housing' as a way of providing homes that were in line with local wages and living costs. Shared ownership¹³ housing was the most commonly mentioned solution. It was viewed as a stepping stone to full home ownership and one of the 'only ways' that people - in particular young people - could afford to get their foot on the property ladder. It was generally seen as an effective way of enabling people, who would otherwise be renting long-term, to save for a deposit. However, shared ownership was seen as having some limitations. Some residents in areas that had already established shared ownership housing (e.g. Brancaster) noted that the cost to buy into these schemes could still be too expensive for most local people. Others believed that shared ownership had some of the drawbacks of rented accommodation; for example, property could not be altered and some rent must still be paid each month. In keeping with finding long-term solutions, residents also argued that the percentage of ownership should be limited, to prevent outright purchase of a property and its subsequent potential loss to the open market.

¹³ A scheme which allows tenants to part buy / part rent a property. Tenants can increase their mortgage payments (and decrease rent) until they own the whole property. In some smaller settlements, the amount of equity that a person can own may be restricted to below 100%.

“This is our only way to get on the property ladder so we just felt we had no choice and we had to go for it.”

Female, early 20s

iv) social housing

There was a big call for more social housing throughout the inquiry. One of the main roles that social housing was seen to have was to help retain and rejuvenate communities by providing secure, affordable local accommodation for young people, the elderly and those in need of supported housing. Social housing was widely seen as an appealing option by many struggling to find housing, not just because it was affordable, but also because it was seen to offer greater security compared to private rentals, which were often short-term or seasonal.

“You’re more secure in a house with the Council. If you’re happy there, you can stay there forever really, if that’s what you want. With a private landlord, you’re on six monthly contracts all the way, and if they sell you’ve got to be taken on by the next owner and it’s all down to who the landlord is. They might want to sell the house, so I’m out on my ear and I’ve had no help finding accommodation.”

Male, 34, temporarily living with family

Despite the support for new social housing from most residents, this was accepted to be a potentially difficult step, as such developments might be resisted. There was still felt to be a ‘stigma’ around the idea of social housing and some people were concerned that increased social housing might introduce ‘less desirable’ groups to the area, or diminish the ‘rural’ feel of villages. Residents in Keswick and Kingsbridge felt that the solution to removing this stigma was linked to well designed social housing, in keeping with existing housing in their communities.

Views about how and where this new housing should be built varied widely across areas and between different groups of residents. Some argued that bold, larger-scale development could be appropriate, particularly in areas where the shortage of social housing was perceived to be most acute, such as Keswick. However, others believe that these kinds of large, one-off developments were most likely to trigger NIMBYism and ruin the rural feel of areas. Instead, these residents (especially those in Kingsbridge and Great Limber) believed that smaller developments were a more appropriate way of adding social housing to villages, without changing them too extensively.

Another suggested way of increasing social housing stock, while minimising widespread new developments, was through the purchase of existing properties by the council or housing associations to bring existing housing stock back under local control. This was most frequently suggested in areas where there was felt to be under-occupied and vacant housing stock or large numbers of second homes or holiday homes left vacant for much of the year. However, most accepted that, as prices in such areas tended to be very high, this would be a difficult financial step for local authorities or housing associations to afford, without additional resources being made available to them.

New social housing was widely supported, but recognised as a potentially difficult step, as such developments might be resisted.

“In a way I feel a bit of a failure really. I haven’t got a roof over my head properly for my children. I’m the one that should be sorting it out but I’ve got no power with anything: I don’t get the answers, I can’t tell the family anything. It’s gutting to be honest with you.”

Male, 30s, in temporary accommodation

There was a common conviction that more should be done to ensure that social housing remained under local occupation and control in the long-term.

“You don't want to keep building properties here, you'll just lose what this area's all about... But they could buy up some of the empty ones that are just being run down and do them up.”

Seldom heard group

As with any new developments, there was a common conviction that more should be done to ensure that social housing remained under local occupation and control in the long-term. There was a strong view that the right to buy and right to acquire policies - felt to be the key drivers behind depleted social housing stock - should end, in order to ensure that rural communities had resources in perpetuity to house social tenants. Another approach suggested by residents was to increase the use of local occupancy agreements to any sale of council property or for shared ownership schemes. These were already known to be in practice in some areas (notably Keswick and Brancaster), but needed to be enforced consistently and thoroughly.

“[The right to buy] just means that people living here can then buy their council houses and then sell them at a ridiculous profit. ...If you remove the option to buy the house then it's always, always going to be a council house.”

Seldom heard group

Finally, people currently in housing need felt strongly that immediate action was needed to provide better information, guidance and transparency about the allocation process, along with some estimate of waiting times, particularly where shortages of social housing were thought to be severe. Long waits, and the uncertainty of allocation, created a wide range of problems and were felt to have a significant emotional impact on families. Individuals experienced enormous stress, where social housing was unavailable for long periods, and suffered from overcrowding, family arguments and, in some cases, depression and illness.

In all areas, people strongly believed that the amount of affordable and really appropriate housing stock needed to be increased.

“In a way I feel a bit of a failure really. I haven't got a roof over my head properly for my children. I'm the one that should be sorting it out but I've got no power with anything; I don't get the answers, I can't tell the family anything. It's gutting to be honest with you.”

Male, 30s, in temporary accommodation

v) increase the supply of new build affordable housing

In the discussion about new builds, residents were very pragmatic. They were keen to address the issues locally and keen to see more affordable and appropriate housing, but recognised the importance of maintaining the character of their village or town. In all areas, people strongly believed that the amount of affordable and locally appropriate housing stock needed to be increased. New builds were seen as a necessary way of delivering this, to cope with current housing needs. Above all, residents felt it was crucial that new housing included a range of types and tenures, developed in line with locally identified need.

“We’ve got a lot of little silly rules and regulations. They don’t seem as though they want to allow the village to change, they want to keep it like 17th century or something like that. But, you’ve got to have change haven’t you? You’ve got to move on.”

Female, 54, part-time employment

Some people believed that private developers needed to be given more incentives to provide more affordable housing, or, in some cases, planning permission should only be given for new developments, if they included a significant element of affordable housing. People suggested increasing the proportion of affordable homes in any new private development and ensuring that these were genuinely affordable to local people by correlating the cost to local wages. Other solutions included improving the viability of affordable developments by providing tax breaks on land and encouraging innovative, good value building methods.

“These new houses they’ve built up at the top of the road here, there’s 20 new houses being built, two of them out of 20 are being offered to local people that have lived in the area for two years or more. Surely it should have been the other way round and 18 should have been offered for local people and then the other two.”

Residents’ group

It was of vital importance to residents in all areas that careful planning was in place to ensure that developments did not overburden existing services and infrastructure. Housing should not create more problems for local communities than it solved. Similarly, residents widely believed that planning should take care to ensure a village did not change its character, due to the density of developments. ‘Acceptable’ levels and styles of development should be determined on a local basis (not through inflexible and potentially inappropriate guidance from the central or regional government). Residents wanted to be given meaningful and tangible input into decision making. Many linked this to what some saw as inappropriate development targets based on urban, not rural, contexts.

Priority should be given to young people who have lived in this area all their lives and grown up in this area and are attempting to buy their own place so, therefore, not leave town.

However, some residents, in areas where demand and prices were particularly high, questioned the effectiveness of new builds in meeting housing needs. For example, in Spofforth, Kingsbridge and Keswick, where demand and prices are already high, many argued that the supply of new builds had to be further controlled and targeted to provide affordable housing. There was a concern that simply increasing supply where demand was high would not make prices drop low enough.

vi) housing for local people

Many people offered strong views about how new housing should be better allocated, arguing that priority for new housing - whether social or low cost private - should be given to local people. In most areas, people related more to a particular village rather than a district or local authority. This understanding of ‘local’ and the belief that local people should be given priority in housing, often resulted in a sense of frustration about the perceived management of the housing stock.

“[Priority should be given to] young people who have lived in this area all their lives and grown up in this area and are attempting to buy their own place so, therefore, not leave town.”

Seldom heard group

Local occupancy orders were widely seen as a way to ensure local control over new housing stock. There were repeated calls to apply a similar approach to the allocation of private housing and to new developments, where this was being applied to social housing. There was real anxiety from many communities that any solutions needed to be robust and long term. Indeed, people's acceptance and enthusiasm for new builds was underpinned by a belief that any new housing stock must serve local need at present and into the future and must not be 'lost' to the open market.

vii) tax incentives and disincentives

At present, the common perception in rural areas was that it was more lucrative for developers to build homes for the 'top end' of any local market, regardless of need, often because of the high price of land. As such, many contended that private developers were more likely to supply executive or holiday homes than affordable or mid-cost housing. Residents, particularly in Great Limber and Brancaster, believed that tax incentives were a potential means of encouraging private developers to invest in affordable housing schemes. Such incentives could also be used to encourage landowners to release land for affordable housing. Indeed, agricultural land, in particular, was thought by many to be an under-utilised resource. For instance, several residents, in areas such as Evesham and Romney Marsh, expressed a desire to see redundant agricultural land and buildings treated in a similar way to urban brownfield sites, to provide good value land for new housing. In several other areas, landowners were thought to have expressed a willingness to sell land for this purpose, as they often shared concerns over the lack of housing for young local people and families.

Taxation was frequently seen as a way to discourage second or holiday home ownership in areas, which led to an 'overheated' local market. Residents in Keswick, Spofforth, Kingsbridge and Brancaster, in particular, suggested that high taxes on second homes and holiday lets could help reduce the number of properties sold to people who did not plan to reside in the area on a full-time basis. In practice, this could mean 200% Council Tax rates, high taxes on profits at the time of sale or new local taxes. The extra revenue should then be recycled back to the local area (i.e. village level) from which it was derived. A minority of residents in these areas suggested an outright ban on second home ownership, as this would reduce demand and prices. Although this was a more extreme view, it did indicate the level of frustration and call for action amongst some residents to address this issue. On a more practical note, people felt very strongly that proposals to include housing within SIPPs should be dropped as a policy proposal.¹⁴

Taxation was frequently seen as a way to discourage second or holiday home ownership in areas.

¹⁴ The 'SIPPs' policy, or Self Invested Personal Pensions policy. As previously noted, this policy has been withdrawn by the Government.

viii) planning

One of the most fundamental views expressed by many people was that there was scope for planning policies to address current housing problems by making regulations more flexible and responsive to local need. There was strong demand for greater input and involvement by local people in decision making. Indeed, even those directly involved in planning often commented with frustration that they would like to have more room to manoeuvre within national policy, in order to address issues at the local level.

“We are not simply whining about a lack of resources... but more about having policy and funding frameworks in place at a national and sub-regional level to allow us, and other rural districts, to compete on a level playing field with urban areas.”

Housing professional in local government

One improvement widely proposed was for planning decisions and regulations to retain the flexibility to serve local needs better. To some extent, exception site policies were seen as a step towards this, but it was felt they had not been applied extensively enough, or that they did not sufficiently consider local needs. Other suggestions included fast-tracking planning applications for affordable housing schemes and planning policies that supported the release of brownfield or redundant agricultural land for affordable housing developments. People also saw the relaxation of village envelopes as a pragmatic step to securing more new builds, where needed. Again, it was important to residents that, where such concessions were made, development was affordable locally and maintained in perpetuity to ensure that it served local needs in the long term.

“We are not simply whining about a lack of resources... but more about having policy and funding frameworks in place at a national and sub-regional level to allow us, and other rural districts, to compete on a level playing field with urban areas.”

“There are areas they could put Council houses: there's an awful lot of fields round here which are not used. There's plenty of places to build round here without spoiling the rural look of the place.”

Male, 55

Residents across all areas also believed that planning decisions must reflect joined-up thinking and, necessarily, take into account the affect of development on local needs, the impact of large developments on local infrastructure and any impact on local employment, for instance where a potential 'job creating' business was converted into housing.

Many residents in all areas also argued that planning boards and processes should be made more accessible to local people. More information about the restrictions and policies that affected planning in their area needed to be provided.

ix) employment

As many residents in all areas believed, one of the key housing problems was the gap between local wages and house prices. There was a strong view that efforts to increase the range of local job opportunities and improve wages could have a positive impact.

As previously discussed, the range of job opportunities in some areas was seen to be limited or low paying. For instance, the decline of traditional industries, such as agriculture in Spofforth or Great Limber and, particularly, mining in Easington, was thought to have further narrowed rural economies. As such, many believed that more support was needed to maintain and expand rural employment. For instance, many argued that rural businesses should be given financial incentives to increase investment and broaden the range of local employment opportunities. In Kingsbridge, for example, there was a sense that economic diversification was important to the future of rural communities and that support could be offered for start-up businesses. This could take the form of lowered business rates, but also more practical steps, such as developing more small business spaces, or combined working and living spaces.

“I think something has to be done by actual employers... I think the employers also need to help solve the problem.”

There aren't that many people working in villages, but for those who are work spaces are really hard to come by, so you need to have a little work space above, beneath your one-bedroom flat in a village, work space that works for them really.

Seldom heard group

To some extent, there was also a view that planning regulations could help rural business. At present, there were some concerns that buildings and sites that provided employment (e.g. factories and garages) were being bought up for re-development into housing. Although housing was needed to meet local need, many believed that a balance should be struck which protected such sites as valuable resources for local people. Again, the ability to apply local knowledge and circumstances flexibly was seen as critical in making these decisions.

Raising rates of pay was generally thought to be a difficult solution to put into practice, but an important step towards addressing the affordability of housing in many areas. Some suggested this should take place at a national level, with a higher minimum wage. Others saw the problem as more to do with a particular local discrepancy between the costs of living and local wages; in such cases, there were calls for local businesses to be part of the solution by increasing pay, supported through reduced business rates, in their own long-term interests of maintaining a local workforce.

“I think something has to be done by actual employers. I think the companies, especially with all... the bars and hotels, some of them have staff accommodation, some of them don't. So I think the employers also need to help to solve the problem.”

Seldom heard group

These potential solutions underlined residents' sense that their areas were influenced by combinations of piecemeal policy that did not always 'join up' effectively. What was needed was an holistic, long-term plan for development (e.g. parish plan or other strategies), built on a genuine understanding of the local area and meaningful input from the community. These plans then needed to be adopted more widely by local authority, regional and national policy makers. The process was described by residents as 'the bottom up feeding the top down'.

Ipsos MORI: conclusions

Across this research, there were some common and important views:

- These issues had great resonance for people in rural communities and there was a clear call for immediate action. Indeed, in some areas there was a real sense of despair that these issues have been talked about for so long, but that no substantive action appeared to have been taken.
- A sense of community was extremely important to people. Many felt that this was becoming progressively eroded in rural areas and there was a genuine fear of rural areas becoming retirement villages for the affluent elderly, or dormitory villages for commuters and second home owners.
- High house prices, high rents and low social housing stock were making vulnerable people even more susceptible to housing problems that might force them to move away from family and important support networks. The proportion of the rural population in housing need has increased and the gap between the 'haves' and the 'have nots' has grown. Many rural people on average, and above average, wages, were caught in a gap, unable to afford private housing, but not qualifying for government aid.
- There were many debates about what constituted affordable. Some new developments of 'affordable' houses were reported as way out of the price brackets of local residents and were then sold off at a high profit within six months of first occupation. Some called for house prices to be linked to an equation based on local wages to ensure properties really were affordable.
- Local people wanted to stay in their local area. Local people wanted to be prioritised along with people with essential skills, such as key workers (especially key workers with particular skills which the area might be lacking). They wanted affordable housing protected, with a clause for local residence, and allocation processes for social housing to include additional points for local people and those on good incomes who were still priced out of the market. On top of this, there was also strong demand for a clause at point of sale that houses, built to be affordable, should only be sold on for certain prices and to local people. This was seen to be important for privately owned housing, as well as social housing stock.
- People had watched the situation slowly become worse in front of them and had felt powerless to prevent it. They felt under-represented at national government level. There was a sense that central government neither understood nor cared about rural issues and rural life. Regional authorities were perceived to focus on their urban areas, led by national policy focus, whereas rural issues and their solutions appeared highly localised to residents, particularly where planning was involved.

There was a real sense of despair that these issues have been talked about for so long, but that no substantive action appeared to have been taken.

- Revisions to policy, therefore, were needed at both national and local level. National policy and central government needed to take greater account of rural needs, not just urban. Regional policy needed to focus its attention beyond regional urban regeneration. More power and decision-making should be devolved locally to parish councils, so that their local knowledge could be fed into local authority policies and delivery. It was at this level that people had the local knowledge, understood the issues and had considered possible solutions. People felt a sense of frustration that, when they could provide this local knowledge, they were not listened to.
- National policy needed to be more focused on:
 - Disincentives for second home owners and holiday homes, primarily through taxation;
 - Incentives for local provision of new builds, that had local needs factored into their design, and more focused reinvestment of money from right to buy/right to acquire (at village level);
 - developing more tailored and practical rural planning policy.
- All policy needed to be more transparent. There was a great deal of mistrust by residents who could not see the logic behind decisions and for whom many of the decisions seemed unfair. Indeed, in some of the fora, planning officials admitted that what was really needed to get planning approval was an understanding of the process which many lay people did not have. This also applied to the social housing application process. There was also great demand for local authorities to say what happened to funds from right to buy/right to acquire schemes.
- There was also a need for better communication of planning and housing policies. As we have seen, this was a big issue for residents and one they often felt in the dark about.
- Throughout the research, it became clear that holistic policy making and delivery was needed. Housing issues needed addressing alongside local infrastructure, local economies and job prospects and the need to protect and enhance the local environment. There were also calls for businesses to be encouraged into rural areas and for local people to be incentivised to start up their own businesses, by subsidised or affordable rates on business properties.

People had watched the situation slowly become worse in front of them and had felt powerless to prevent it. They felt under-represented at national government level.

3

Commentary

Through its parent body, the Countryside Agency and its predecessors, the Commission for Rural Communities has extensive experience of rural housing issues, through many decades of research, analysis, testing solutions and support for local action. The housing inquiry forms part of a wider programme of work to raise the profile of, and influence action to address, rural housing needs. We have drawn on this knowledge and experience in our analysis and interpretation of the inquiry findings and our subsequent recommendations for action, set out below, to address rural communities' concerns.

The inquiry has powerfully confirmed many messages from previous research and demonstration. Fundamentally, it has demonstrated the degree of concern amongst rural communities at the chronic shortage of affordable housing in rural areas across the country. The lack of affordable housing is not just a concern for selected rural areas, such as attractive villages in commuter and tourist hotspots; it is widespread. Importantly, the inquiry has also shown that rural communities' experience is that the problem is getting worse, with action to resolve the lack of affordable and appropriate housing insufficient and failing to make any real and lasting difference.

The inquiry also illustrates the personal consequences for some rural people and households of not adequately addressing the rural housing shortage. Distressing, individual accounts of long and uncertain waits for housing, frequent moves, poorly maintained rental properties, cramped conditions and temporary living on sofas, in tents and caravans, were not uncommon. The impact on individuals' and families' quality of life, their health, their ability to take up job opportunities and isolation from practical and emotional support networks of family and friends, demonstrates that the lack of affordable and appropriate housing can be a driver of rural disadvantage. It also illustrates a failure to meet the basic needs of the rural population. The range of people affected is broad, with the young, elderly, those on low incomes, as well as people on average incomes, particularly disadvantaged. In such circumstances, rural communities' concerns to see "local" people more strongly prioritised for affordable housing are understandable.

Rural communities experience is that the problem is getting worse, with action to resolve the lack of affordable housing insufficient and failing to make any real and lasting difference.

We share people's concerns about the implications of these housing problems for the future of rural communities. Continuation of current trends, such as the loss of young people from rural areas, affluent in-migrants and very high levels of second home ownership, has serious consequences for the social and economic sustainability of rural communities. Unchecked, this trend could result in some rural villages becoming exclusive residential enclaves for the affluent, rather than thriving, living and working environments. This concern extends to the loss of services and facilities, such as schools and shops, as well as the social sustainability of rural villages. People were keenly aware of the links between housing, jobs and services and the underlying tensions in some areas between permanent residents and temporary or more affluent residents are an early warning sign for the future social cohesion of rural areas.

Above all, however, there is one clear message to take from the inquiry: rural housing matters to rural people. People want action and want action now to resolve the problem, before it is too late to reverse.

There is no clear message to take from the inquiry, rural housing matters to rural people. People want action and want action now to resolve the problem, before it is too late to reverse.

The inquiry findings point to a number of blockages and barriers that communities experience in securing an appropriate diversity of suitable and affordable rural housing. In many instances, the frustration communities have expressed about these is shared by professionals charged with delivering affordable housing. These barriers can be classified into two types:

1. Blockages in the *delivery* of rural affordable housing. This includes lack of clarity about retaining rural housing affordable in perpetuity, the ambivalent status of parish plans, insecure funding for rural housing enablers to support community involvement, etc.
2. Barriers resulting from planning and housing *policies*. This includes narrow definitions of sustainability that exclude social and community sustainability factors, overly directing development towards brownfield urban sites, and promoting home ownership to levels which may pre-empt other tenures (e.g. renting) and encourages additional investment by the better off at the expense of those unable to afford market prices (e.g. second homes and buy-to let properties).

Blockages in the delivery of affordable housing should, in principle, be able to be resolved by improvements to the appropriate delivery mechanisms, such as better information and sharing of good practice, exempting smaller settlements from 100% purchase of social housing and improved funding for community support. However, the barriers arising from housing and planning policies require more fundamental review. It is important to protect the special qualities and character of the countryside. However, the inquiry findings clearly demonstrate that many of these policies are being applied *in extremis*, to the extent that they are disproportionately restricting rural housing development and preventing rural areas from adapting to changing social and economic circumstances. We, therefore, support the repeated calls throughout the inquiry for a more flexible and sensitive approach to planning and housing policy that is able to address local circumstances.

Many of the solutions called for by communities reflect the complex nature of housing and the unavoidable impact of wider social, economic and environmental policies on rural housing. As a result, there can be no quick fix or single solution to rural housing problems. Instead, an integrated package of solutions is required, which, if taken together, will make a real and lasting difference.

Specifically, the inquiry findings, together with our other research and experience, make a compelling argument for:

- **long-term, concerted action across a range of policy and programme areas**, covering planning, housing, financial resource, fiscal policy and community action. Some of the actions required are new, but many are existing policies that need to operate more effectively in a rural context.

- **Government to give a central lead.** Although much of the action will need to take place at regional and local level, government nationally needs to send a strong message to those responsible that action is required, it will be supported and that they will be assessed on the outcomes.
- **proper rural proofing of policies and delivery at all levels to make sure that rural areas and people benefit.** Many of the mechanisms needed 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 recommend specific action in four main areas. Inevitably, these do not cover every issue raised with us by communities throughout the inquiry, but they do address most and they will secure the real and lasting change that communities have called for. We have shared these recommendations with the Affordable Rural Housing Commission.

1. Housing policies

Rural housing needs should be more thoroughly and consistently assessed and targeted at national, regional and local level, including assessing the housing and support needs of specific groups. This should include assessing the needs of young people, elderly, migrant workers, gypsies and travellers and people in the intermediate market¹⁵. At the same time, housing delivery mechanisms need further improvements to facilitate the development of small rural schemes, in perpetuity, and more opportunities taken to make better use of existing housing stock, including use of empty properties and agricultural buildings.

Rural housing needs should be more thoroughly and consistently assessed and targeted at national, regional and local level, including assessing the housing and support needs of specific groups.

Recommendations

- *Housing need:* Detailed advice should be provided to regional and local housing authorities on how they assess rural housing needs. Such assessments should encompass the housing needs of the intermediate market and of particular groups, such as migrant workers.
- *Young people:* The particular housing and related support needs of young people should receive specific consideration in the development of local and Regional Housing Strategies. 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. Supporting People (SP) strategies in rural areas should incorporate an assessment of local housing/skills/training requirements.
- *Older people:* A stock profile that is responsive to the needs of older people should be developed, through strategic planning at local and regional level. 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

¹⁵ Those who do not qualify for social housing and, yet, are unable to afford market housing.

- *Homelessness*: 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, and particular attention paid to the availability of advice and assistance to homeless people. 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
- *Gypsy and traveller groups*: Regional Spatial Strategies should set out a clear policy approach to meeting gypsy and traveller needs, based on up to date assessments of their housing needs. Suitable authorised sites should be found to meet these needs, that are well located to services and facilities and that do not detract from the quality and character of the landscape.
- *Intermediate market*: The housing needs of the intermediate market should be addressed at sub-regional and local community level through a range of housing solutions, including private development shared equity schemes, government HomeBuy schemes and community ownership schemes.
- *Efficient use of the existing housing stock*: The potential of the existing stock should be maximised by greater investment in improving poor quality 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?' Empty property strategies, private sector leasing and rent deposit schemes should be explored more fully. Planning policies should be eased to encourage and enable the conversion of commercial property to residential use for affordable housing purposes, including disused agricultural and horticultural buildings
- *Retaining affordable housing*: The legal provisions to enable Registered Social Landlords to retain freehold ownership of shared equity housing in rural areas in perpetuity must be clarified and confirmed. Small "high demand" rural villages (less than 3000 population) should be exempted from 100% purchase of social housing, under schemes such as HomeBuy. In larger villages and market towns (population 3,000 to 10,000) ownership of all new build and Social HomeBuy properties should be restricted to an equity ceiling of 80%, and also subject to the ability of social housing providers to re-purchase these properties for re-letting.

2. Resources

There needs to be a significant increase in, and better targeting of, the funds available for rural affordable housing. Whilst much of this funding 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. Local authorities should be required to use the revenue they raise from council tax on second homes to mitigate the impact of high levels of second home ownership on rural communities and, in the longer term, the classification of this tax, when applied to second homes, should be reviewed.

There needs to be a significant increase in, and better targeting of, the funds available for rural affordable housing.

Recommendations

- *Targeting resources:* An indicative national rural housing target should be reinstated, with an accompanying review of Regional Housing Strategies. Regional Housing Strategies should incorporate explicit rural programmes, setting out annual and longer term targets, appropriate bidding mechanisms and monitoring procedures. Housing Corporation Social Housing Grant should then be allocated more realistically to meet these needs.
- *Council tax on second homes:* 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 and other local bodies should be fully consulted and encouraged to contribute suggestions and proposals for such mitigation via parish plans. In the longer term, government should consider reviewing the “residential” classification of council tax applied to second homes, enabling it to become a separate, and in some areas potentially significant, additional source of taxation revenue for local authorities.
- *VAT:* 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.
- *Rent deposit schemes:* 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.
- *Private finance:* 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, community investment schemes (e.g. Community Land Trusts¹⁶), Private Finance Initiatives, fiscal incentives and economic development (employers, Regional Development Agencies etc).

¹⁶ In a Community Land Trust the value and interest in land is owned and managed by the community itself, which retains a key controlling stake in the scheme.

3. Spatial planning policies

Highly restrictive planning policies for rural settlements are not fully justified by the evidence base or communities' aspirations 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 need to be modified radically, to meet the growing social and economic needs of rural communities. 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. There should be positive support for affordable housing in nationally designated landscapes, with high quality design everywhere, promoted through better use of village design statements and design codes.

Recommendations

- *Rural proofing*: The approach government has set out in PPS3 and in its response to the Barker report, supporting 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, must be rural proofed, and adopted and expressed through Regional Spatial Strategies and Local Development Frameworks.
- *Sustainability*: Regional Spatial Strategies, Local Development Frameworks and parish plans should include a wide range of criteria for assessing sustainable communities, which go beyond a checklist of facilities and environmental protection to encompass quality of life and social sustainability criteria. Guidance on good practice should be made available.
- *Positive planning*: Local Development Frameworks should allocate land for affordable housing to meet rural housing needs, as provided for by PPS3, in addition to the use of windfall exception sites. More affordable housing should be provided 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.
- *Use of redundant sites*: the designation of redundant agricultural and horticultural buildings and sites should be re-examined and reclassified as brownfield sites, where locally appropriate. Local Development Frameworks and parish plans should identify opportunities to allocate such sites for affordable housing, where appropriate, rather than for holiday use.

Planning policies in regional and local plans need to be modified radically, to meet the growing social and economic needs of rural communities.

- *Designated landscapes*: National Parks and Areas of Outstanding Natural 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.
- *Design*: High quality design of affordable housing in rural areas must be assured through rigorous planning controls, to retain and enhance local distinctiveness and character, local community aspirations and sustainable constructions and servicing standards

4. Rural community involvement

Local community engagement in the decisions that shape the future of their communities is essential. Rural communities should be encouraged and strongly supported to become actively involved in identifying their housing needs, now and in the future, and to find the ways and means to meet them. Communities should be encouraged to undertake parish plans, supported by wider community plans and Local Development Frameworks. There should be long term funding for Rural Housing Enablers, who can play a crucial role in helping rural communities to identify issues 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.

Rural communities should be encouraged and strongly supported to become actively involved in identifying their housing needs, now and in the future, and to find the ways and means to meet them.

Recommendations

- *Community planning*: Local rural communities should be encouraged and supported to undertake robust and comprehensive parish plans that identify and plan for local housing needs. Their plans should be linked to and supported by wider community plans and Local Development Frameworks (LDFs). Further work is needed to ensure that these `bridges` between parish plans and community plans and LDFs are put in place effectively.
- *Community based initiatives*: Rural communities should be encouraged and supported to become actively engaged in developing community-based initiatives for developing affordable housing, such as Community Land Trusts. Further research should be undertaken on the feasibility and cost-benefits of such schemes.
- *Community support*: Long-term, secure funding is needed for a national network of independent, locally based Rural Housing Enablers.

- *Choice*: Rural local authorities should consider the potential of working in partnership to deliver sub-regional Choice Based Letting schemes that can maximise choice for applicants and tenants of social sector housing in rural areas, and offer greater transparency in nominations for and allocation of social housing.

The inquiry has revealed, in a compelling way, the depth of concern within rural communities about rural housing issues and the overwhelming frustration at a situation that is getting worse. Taken as a whole, our recommendations would make a real impact on the rural affordable housing problem, resulting in the `step-change` which we, and the communities we spoke to, are convinced is needed to resolve this crisis.

There is no single solution. A comprehensive approach is needed. Combinations of more focused housing resources and powers, more positive planning flexed to address local circumstances and more support for local community involvement and action are required. This approach calls for a high degree of integration of policy-making and delivery at all levels and sectors, but also strong political commitment and determination to achieve results. Government must take the lead and demonstrate its commitment and support to address the housing crisis facing rural communities. It needs to lead national, regional and local partners to work together and monitor and assess the outcomes. If this were done, it would result in a real and lasting difference.

“When was the last time you heard of a new council house being built? Never. It just don’t happen any more, does it? They haven’t built any.”

Seldom heard group

A1

Annex 1: Summary of main issues and solutions by case study area

The table below lists the issues and solutions raised in each of the case study areas visited through the rural housing inquiry. The most dominant issues and solutions are highlighted in bold.

Brancaster, Norfolk	
Issues	Solutions
<ul style="list-style-type: none"> • High proportion of second/holiday homes • Limited range of housing types and tenures • Planning permission restrictive or inconsistent • New housing developments • Shared ownership housing - not a perfect solution • Lack of social housing • The local job market • Limited local services and amenities • Restrictive policies regarding housing development 	<ul style="list-style-type: none"> • New affordable development • Long-term affordability • Local flexibility and ‘localism’ • Social housing • Retaining existing affordable housing stock • Targeting local need

Easington Colliery, Durham	
Issues	Solutions
<ul style="list-style-type: none"> • Outdated and poor quality of private housing stock • Cost of private rental accommodation • Low incomes and high unemployment • Lack of social housing • Poor local services and transport • An area ‘forgotten’ by policy and government • Derelict buildings and demolition • An ex-mining community, whose previously strong sense of community is declining • The impact of poor housing on families and community • Problem tenants brought in from outside the area, bringing further problems to the area 	<ul style="list-style-type: none"> • Increase social housing stock • Regulate private landlords • Redevelopment of existing properties • New builds and planning • Assistance towards home ownership • Realistic assessment of current needs and problems • Improve employment and transport • More local autonomy

Great Limber, Lincolnshire

Issues

- **Lack of affordable housing that meets local need**
- **New developments out of sync with local need**
- **Changing village communities and in-migrants**
- Increasing house prices
- Increasing rental costs
- Lack of social housing
- Tied housing and estate housing in decline
- Limited employment opportunities
- Strain of new development on local services and infrastructure
- 'Inappropriate' planning decisions
- Housing policy not responsive to local needs
- Land banking

Solutions

- **Increase in affordable housing**
- **New builds: sensitive development**
- **Increased community consultation and influence**
- Increase in social housing
- Innovative planning
- Expanded employment opportunities
- Home ownership versus renting

Keswick, Cumbria

Issues

- **High proportion of holiday lets/second homes**
- **Rental market: rents are too high, as they are geared towards short-term holiday lets**
- **The local job market is heavily reliant on tourism, i.e. low skilled, low paid work**
- **Restrictive policies, largely due to National Park regulations**
- New developments
- Lack of social housing
- Local services and amenities geared towards tourists and not reflecting local needs
- Inconsistent planning permission
- Impact of housing issues on families
- Young people leaving the community

Solutions

- **New development required**
- **Restricting second and holiday homes**
- **Accommodating Keswick's workforce**
- **Local flexibility and 'localism' in policy and development**
- Affordable housing, especially for local people on local incomes
- Increase in social housing stock
- Targeting local need

Kingsbridge, Devon

Issues

- **High proportion of holiday/second homes**
- **Not enough social housing**
- **Inappropriate and unclear planning policies**
- New developments out of sync with local need
- Limited and expensive rental market
- Limited local jobs and low wages
- Poor public transport
- Individuals and families affected by high house prices
- Community changing

Solutions

- **Increasing the availability and range of affordable housing**
- **Promoting affordable development**
- **Localism and finding local solutions**
- Financial assistance for first-time buyers
- Increasing the supply of social housing
- Targeting local need
- The limits of new builds: balancing development and conservation
- Tackling levels of second home ownership
- Changes to planning policy
- Securing sites for housing development
- Diversify the local economy

Romney Marsh, Kent

Issues

- **Limited social housing stock**
- **Decisions not sufficiently 'local' or rural**
- **In-migration**
- Rental market limited and expensive
Social housing allocation unclear or unfair
- Poor quality private and social housing
- New developments inappropriate to local need
- Limited local job market
- Inconsistent planning permission
- Changes in the local community

Solutions

- **New development**
- **Local flexibility and 'localism'**
- Social housing
- Economic solutions
- Targeting local need

Spofforth, North Yorkshire

Issues

- **New developments are executive homes not reflecting local need**
- **Commuter or holiday homes**
- **Rental market out of reach of those on local salaries**
- **Social and economic impact of declining community**
- Little or no increase in social housing
- Local jobs and wages are limited
- Local services and amenities are restricted as commuters use major urban areas
- Poor public transport
- Inappropriate and unclear planning policies
- Young people and young families not able to afford to live in the area

Solutions

- **Development of affordable housing**
- **Review of housing allocations, with prioritisation for local people and young people**
- **Communication and information about local housing needs and potential development**
- Local flexibility and 'localism'
- Financial or economic solutions, such as abolishing both Council Tax relief on second homes and stamp duty on affordable housing schemes or starter homes

Vale of Evesham, Worcestershire

Issues

- **New developments to be targeted to local need**
- **Poor availability and upkeep of property in rental market**
- Insufficient social housing
- Limited local employment opportunities
- In-migrants working for low wages
- Inflexible policies devised at national or regional level
- Changing community, as local people 'priced out' of area

Solutions

- **Increasing the range of homes in line with local need**
- **Increasing the supply of affordable housing**
- **Keep affordable housing for local people long-term**
- **More local influence needed**
- Targeting needs: shared ownership and key worker housing schemes
- More social housing
- Reviewing the allocation of social housing
- Changes to planning: types of new build and land availability
- Incentives for land release

“We’re [in temporary accommodation] until tomorrow and then we move out, then we move somewhere else in town for a week and then we move somewhere else. ...I know they can’t give you an exact time, it could be two or three years, it could be longer. ...I don’t think we could manage to be moving around every three or four weeks for two years, what with children growing up, trying to keep them at school, work, things like that...”

Male, 30s in temporary accommodation

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