

AFFORDABLE HOUSING

THE KEY TO SUSTAINABLE RURAL HOUSING

KEY FACTS

- Average house prices in 53 rural areas and 11 urban areas are now more than 10 times the average salary.
- Nineteen per cent of the English population live in villages of less than 10,000, but in 2006 only 10 per cent of houses completed using social housing grants were in rural areas.
- Over the last decade the population of rural districts has increased by almost one million - more than double the rate in urban areas.
- Rural housing was not mentioned once in the Barker Review of Housing Supply carried out for the Treasury in 2004.
- One in five people in rural areas live in poverty, yet one in two does not recognise that there is any disadvantage in their locality.
- Only eight per cent of the land area in England and Wales is covered with urban settlements, compared to 15 per cent in France and 25 per cent in Germany.

“Without housing which people on lower incomes can afford, rural communities will increasingly become dormitories for the better-off who work elsewhere, or places where people go to retire or visit for the weekend, rather than places where people live and work”

Elinor Goodman, Chair of the Affordable Rural Housing Commission, in the Foreword to its Report, May 2006.

CONSULTATION AT ST GEORGE'S HOUSE, WINDSOR CASTLE

Living in rural areas is rapidly becoming an option available only to the wealthy. The number of second homes continues to increase, while affordable homes to rent or buy are scarce. For local households on lower incomes this means overcrowding, homelessness or having to leave their roots and move away. Local services and facilities are in decline and this is felt most keenly by those who have no option but to rely on them. Economic activity is considered intrusive and inappropriate in the rural idyll.

In May 2007, St George's House, Windsor Castle and the Building and Social Housing Foundation held a consultation with key rural housing practitioners and policy makers to look at how affordable rural housing can be delivered without delay and on the scale now needed in rural areas.

It was recognised that the existing ways of addressing these needs are not working and that, whilst there is no one simple solution or quick fix, new ideas and approaches are needed if the current housing problems faced in rural areas are to be addressed.

RECOMMENDATIONS FOR ACTION

- Enable local communities to take a greater role in meeting their own housing needs.
- Link affordable housing provision to local economic development for a sustainable rural future.
- Recognise that the churches in rural areas have a key role to play in the provision of affordable housing for local communities.
- Share good practice as the means of scaling up rural housing provision.



A VISION FOR A SUSTAINABLE AND THRIVING RURAL COMMUNITY, WHERE

- new affordable homes for local people are provided in all rural communities, using innovative financing methods and new models of land ownership.
- rural enterprise is valued and strengthened and employment opportunities as well as affordable homes are given high priority in planning provision for rural areas.
- affordable housing is built to a high standard of design and energy specification and the term is not associated with cheap, low quality construction.
- local churches are able and willing to take a pro-active role in utilising their land and property assets to improve the long-term supply of affordable housing in their communities.
- all members of local communities, including the disadvantaged, have the opportunity to be involved in local decision-making and are encouraged to have a stake in the local community.
- local planners play a positive role in enabling rural communities to thrive and embrace the opportunities provided within the PPS3 planning guidance.
- second home ownership and the purchase of social housing are heavily restricted and greater opportunities are given to local communities to buy land that is available on the local market.
-land values for affordable housing are detached from the market through mechanisms such as community land trusts, selective capping of rural land values and community land buy-outs.
- the distinctions between urban and rural are less stark and confrontational; having learned from our European neighbours the benefits that integrated spatial planning can bring to both urban and rural areas,

ENABLING COMMUNITIES TO TAKE A GREATER ROLE IN LOCAL HOUSING PROVISION

It is no longer sufficient to rely on government to provide the solution to the lack of affordable rural housing. It does not have the necessary skills, human and financial resources or structures to intervene. It is increasingly recognised that it is up to local communities to provide creative solutions to help meet local needs. However, the government still has a crucial role to play in rural proofing its key policy directions and delivering an integrated policy approach in respect of rural housing delivery. Possible areas for action include:

- Developing community visions is important in helping to create hope and realistic expectations within local communities. Building these visions into local strategic partnerships will help to ensure that they are implemented through local area agreements.
- Emphasising the role and value of parish plans in helping local communities identify their local priorities and develop ways of achieving them.
- Expanding further the existing network of rural housing enablers and support their work with secure funding.
- Creating the opportunity for community ownership of assets, through community land trusts and other legal and financial delivery mechanisms.
- The Housing Corporation (Communities England) should recognise alternatives to the traditional registered social landlord model in rural communities, providing support for community land trusts, co-operatives and hybrid organisations that mix housing with social enterprise and community development.
- Using government funding schemes, including Capacity Builders and the Community Assets Fund, to strengthen local communities and help build local capacity in the short term.
- Encouraging local communities to establish partnerships with county, district and parish councils to facilitate smart growth and community development opportunities.



LINKING HOUSING PROVISION TO ECONOMIC DEVELOPMENT

Affordable housing is only one part of a wider sustainability agenda and the economic viability of rural areas is crucial if they are to have an assured future as vital and thriving communities.

Previous economic patterns and opportunities in rural areas are changing with livelihoods dependent on agriculture, fishing and farming now under threat, whilst those relating to recreation, woodland and energy generation are expanding.

Three major issues need to be addressed if the local economy can thrive. Firstly, there needs to be an expansion in the number of available jobs, across the skill spectrum. Secondly, skill bases need to be improved so that local people can secure better employment and thirdly, pathways need to be established which link people with their local economy as well as employment opportunities beyond the locality. Possible areas for action include:

- Rural financial enablers should be appointed to work alongside rural housing enablers to help link land and finance and create economic opportunities within local communities.
- The Royal Town Planning Institute should urge the planning profession to take a lead role in encouraging the positive development of rural areas.
- Use church and village halls as smart growth business centres, with profits paying for their maintenance and with local groups managing them.
- Community enterprise projects should be developed on the lines of smart growth centres currently being pioneered in Ibstock, Leicestershire and elsewhere.

ENCOURAGING RURAL CHURCHES TO TAKE A LEAD ROLE IN PROVIDING LOCAL HOMES

The churches have a vital role to play throughout rural local communities, with their widespread and respected presence in rural areas. Their assets of land and property that could be utilised more imaginatively to help provide affordable accommodation in perpetuity for their local communities, as well as increasing their income. Possible areas for action include:

- Bishops and other church leaders should be encouraged to take a lead role in setting the tone of social responsibility in their localities.
- Diocesan Finance Boards and other church funding committees should give careful consideration as to how church land or redundant property can be used to provide affordable housing and provide an income for the church at the same time.
- Information should be shared between parishes and dioceses on successful ideas and approaches for providing affordable housing and employment opportunities

DEVELOPING NEW FORMS OF LOCAL HOUSING DELIVERY

The current delivery mechanisms have plainly failed to deliver at the scale needed and new ideas and approaches are essential to complement these. Possible areas for action include:

- Community land trusts should be brought into mainstream housing provision
- Innovative means of funding affordable housing that do not rely on government subsidy should be more widely used, including open market cross subsidy, affordable housing bonds, self-provided affordable housing,
- Local landowners should be encouraged to identify innovative ways of using their land for local community benefit, whilst retaining it in their ownership.
- New powers and delivery agencies should be provided to support new community-based initiatives.

LEARNING FROM OTHERS BY SHARING GOOD PRACTICE

Whilst it is recognised that there is no one single solution that can be universally applied, the opportunity to share lessons learned, publicise success and learn from failure is crucial if the housing problems faced in rural areas are to be urgently addressed.

A variety of local solutions are being developed in many parts of the UK to address the urgent housing issues emerging in rural areas, including community land trusts, affordable housing bonds and other cross-subsidy based financing mechanisms. Many of these innovative ideas and approaches could bring tremendous benefit if widely used, but at present there is very little opportunity for systematic exchange of ideas.

Possible areas for action include:

- Running master classes locally for local housing providers, planning officers and community leaders, to share experience and good practice.
- Establishing a rural housing mentoring programme, similar to those established by the Improvement and Development Agency for local government.
- Expanding the role of rural housing enablers to include sharing of information and embedding it in good practice on a regional and national basis.
- Developing and supporting the growing number of community land trusts that are emerging in various parts of the UK.

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