

# Affordable Housing in Rural Scotland – innovative approaches to meeting need

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# Rural Housing Service

## ➤ **What are we?**

- Voluntary membership organisation since 2001
- Created out of the ashes of Rural Forum
- Part funded by the Scottish Executive and charitable grants
- Board includes Sarah Jane Laing of SRPBA

## ➤ **What do we do?**

- ‘assist rural communities to relieve poverty by alleviating rural homelessness, poor housing conditions, other housing needs and related problems’

## ➤ **What size are we?**

- Small – about to have 4 members of staff
- Based in Duns
- Rural Housing Enablers in Aberdeenshire & Argyll Islands

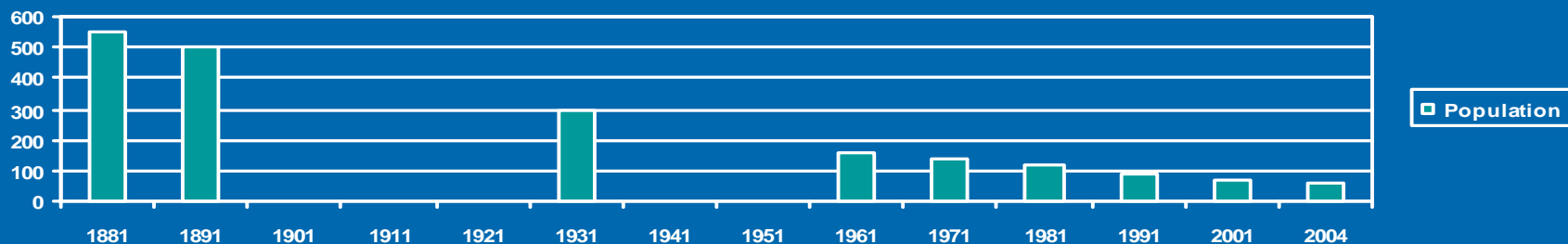
# Rural Housing Service

## ➤ How do we help?

- Free advice to community groups
  - (19 in 2004/05)
- Help with local surveys
- Help with contacts
- Help with funding – grants and loans
- Annual conference
- Evidence to Scottish Parliament

Braemar Kirriemuir Edzell **Gigha** Islay Jura Tayvallich Eoligarry  
Easdale Strachur Lochgoilhead Luss Papa Westray Kerrera Arden  
Pennyghael Bunessan Iona Mull Dervaig Lismore Coll Tiree Dollar  
Langholm Auchencairn Whithorn Port William Glenluce Kirkcolm  
Carsphairn Humbie Kishorn Gifford Ladybank Kilquonqhar  
Lochaline Drimmin **Laggan** Rum Isleornsay **Glenelg** Uig  
Kensaleyre Fair Isle Applecross Ardarroch Lochcarron Kishorn  
Torridon Shieldaig Poolewe Kylesku **Durness** Gairloch Thurso  
Watten **Keiss** Tomintoul Duns Burghead Findhorn Brodick  
Moness Rackwick Stronsay Sanday Westray **North Ronaldsay**  
St Fillans **Whitsome** Milnathort Errol Stanley Cockburnspath  
Auchencrow St Abbs Cranshaws Coldingham Longformacus  
Eoligarry Grantshouse Hutton Burnmouth Paxton Reston Ayton  
Foulden Westruther Greenlaw Gordon Leitholm Coldstream  
Eccles Birgham Ednam Cairndow Sprouston Yetholm Oxnam  
**Ardfern** Newcastleton Teviothead Newmill Robertson **Colonsay**  
Ettrickbridge Ettrick Yarrow Tweedsmuir Broughton Skirling  
Monkton Murthly Elsrickle Drymen Balmaha Stronachlachr  
Brig o Turk Port of Menteith Strathyre Balquhiddar **Crianlarich**  
Tyndrum Gartocharn North Harris Great Bernera


# example - North Ronaldsay



- 6 (17%) households on North Ronaldsay do not have sole use of a bath/shower and toilet compared with less than 0.1% of households in Scotland.
- the community estimates that there are 4 houses which either have no toilet or outside facilities.
- there is no social housing on the island - hence there is no waiting list for the island.
- half of the respondents to the survey highlighted households who have left North Ronaldsay and may return if suitable housing was available.
- North Ronaldsay is littered with derelict houses – a testament to the island's depopulation. Almost a quarter of all houses on the island are derelict.
- **Orkney Islands Council responded to the survey results by deciding that the first ever social housing will be built on the island**

# Rural housing policy

***‘to ensure that those who want to work and live in the countryside can do so and to ensure that housing contributes to rural development’***

The background of the slide is a solid blue color. In the lower right quadrant, there are several sets of concentric circles, resembling ripples in water, rendered in a lighter shade of blue. These circles are of varying sizes and are positioned in a way that they appear to be spreading out from the right edge towards the center.

# policy development - Scotland

- Policy responsibility of the Executive not CS
- 2000 – *Rural Scotland – a new approach*
- 2000 - Rural Partnership for Change
- 2001 – RPfC report
- 2004 – Affordable housing review
  - PAN 72 Housing in the Countryside
- 2005 – revised Crofter House Grant Scheme
  - PAN 74 Affordable Housing
  - Homestake

# main housing policy since 1997

- Across UK - transfers of council owned stock.
- This has a rural dimension, although it is often seen as an urban policy.
  - E.g. Borders; Dumfries & Galloway
- Spin offs from this, eg
  - New supervisory roles
  - Scottish Secure Tenancy
  - Scottish Social Housing Standard
  - RTB – pressured areas suspension

# Rural Housing

## – the continuing challenge

Rural households access to affordable housing (both to rent and to buy) remains difficult for a number of factors, most of which have intensified since 1999, but not as a result of devolution or policy, e.g.

- House prices have risen substantially faster than rural incomes.
- Incomers able to outbid local people by substantial amounts.
- Supply not caught up with demand!!

# Demand side - key trends

## ➤ counter-urbanisation

- *More commuters; semi-rural or extended suburbia?*
- *More retirees*
- *Second homes*
- *NIMBYism*

## ➤ i.e. growth!

# Demand side - key trends

## ➤ **diversity: decline and regeneration**

- *Change in approach to countryside*
  - *Not just Ag & Fish*
  - *Rural development*
- *Rural decline*
- *Rural business growth*

# Demand side - key trends

## ➤ **Changing nature of the demand**

- *Not just those on low incomes; but mid incomes, e.g. public sector workers, including teachers*
- *Not just for rent, but also owner-occupation*

# Continuing challenge - supply side

## ➤ **Fundamental issues remain:**

- *Home ownership*
- *Second hand market*
- *Stock condition*
- *New Developments*

# Home ownership

- Private sector is the big player
- Biggest impact on **private sector** is at UK level
  - Interest rates
  - Tax arrangements
  - Financial institutions
- Most home ownership instruments (e.g. shared ownership; Homestake) are the same urban & rural
- Specific rural instruments for home ownership:
  - RHOGs

# The second hand market

- Locals being outbid
  - Lower/middle incomes most affected
  - Low waged industries
- Second homes
- Not just rural!

# An alternative second hand market?

- Creating a restricted market
- Occupancy restrictions
  - Restrictions on resale for RTB
  - Planning requirement for new developments in National Parks

# Condition

	Urban	Rural
<b>Below Tolerable Standard</b>	0.8%	1.3%
<b>Disrepair</b>	56%	59%
<b>Energy Efficiency</b>		
poor	10%	31%
moderate	74%	63%
good	14%	3%

Source:  
SHCS 2002

# New supply side issues

- Land
  - Ownership
    - Land Reform Act
    - Public Sector land: Forestry Commission, MoD, NHS
  - Cost
  - Landbanking
    - Revolving Landbanking fund
  - Role of the 'Right to Buy'
    - Rural housing burdens
    - Suspension in pressured areas

# Supply side issues

- Planning

- Presumption in favour of protecting the countryside rather than development, esp. single houses
- Some areas – less presumption against development
- Exceptions planning policy
- Affordable housing class use
- zoning for affordable housing
- NIMBYism

- Infrastructure

- water, sewerage, roads
  - EU regulations
  - Applying urban criteria

# Supply side issues

- One club approach on rental housing
  - Housing Associations are the main delivery vehicle for affordable housing in rural areas, but:
    - reductions in grant – now improving
      - £88 million 2005/06, funding over 1,400 new affordable homes
    - increase raises:
      - issues of landbanking/ timescales
      - benchmark costs
      - scale of developments
      - Infrastructure constraints
  - competition and amalgamation between RSLs

# Supply side issues

- Others:
  - Lack of competition
    - Landlords
    - Community groups

# Supply side issues

- Design
  - Procurement route – where are the architects?
- Construction
  - Over dependence on standard ‘kit’?
  - Local skills?
  - Use of local materials?





