

The Affordable Rural Housing Commission in England

Professor Mark Shucksmith

m.shucksmith@ncl.ac.uk

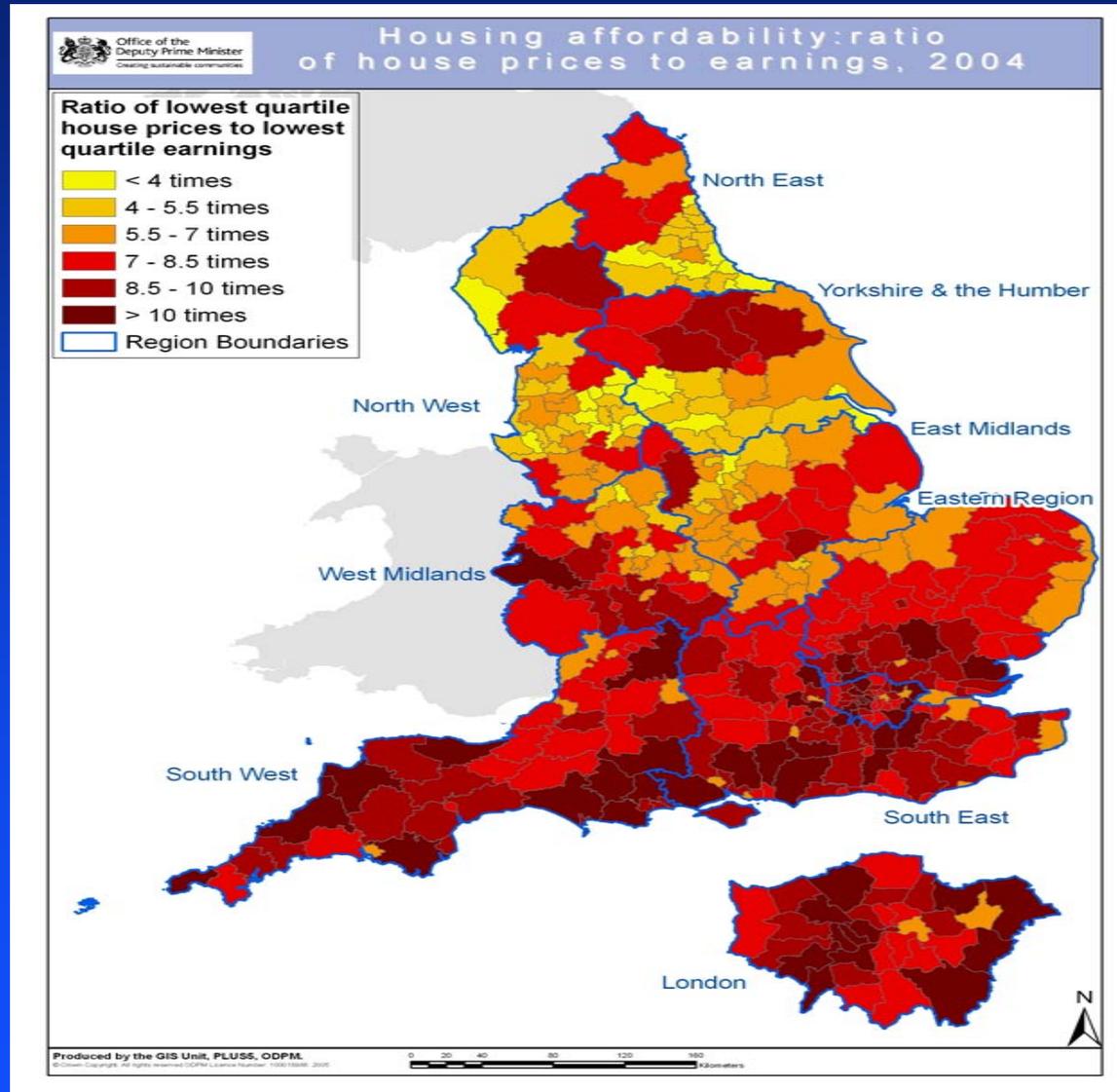


UNIVERSITY OF
NEWCASTLE UPON TYNE

Is there a Rural Housing Crisis?

- The Commission for Rural Communities' "State of the Countryside 2005" shows:
 - Worsening problems of affordability, especially in the south, and especially in smaller settlements and landward areas.
 - Concentrations of second homes, but to a different pattern.
 - Lack of social housing in smaller settlements, with HA provision far outweighed by RTB sales.
 - House building at its lowest level for 60 years.
 - Social exclusion -> spatial exclusion as increasingly only richer people can afford to live in the English countryside.

Affordability Ratio



CRC's Affordability Index 2004

Area/ Settlement Type (output areas) by -settlement size -sparsity of population	Mean House Price, 2004 £	Median Household Income, 2004 £	Ratio of Mean House price to Median Household Income 2004
Town & Fringe, Less Sparse	180,986	27,169	4.5
Urban Settlement of <10k, Sparse	141,072	21,093	4.5
Urban Settlement of <10k, Less Sparse	175,662	25,919	4.6
Town & Fringe, Sparse	168,969	21,898	5.2
Village, Sparse	211,865	24,729	5.8
Village, Less Sparse	262,100	30,512	5.8
Hamlet/ Isolated Dwelling, Sparse	254,070	25,349	6.8
Hamlet/ Isolated Dwelling, Less Sparse	327,015	32,097	6.9

Social Housing in Rural England 2001

Sparsity	Settlement type	Owned %	Social rented %	Private rented%
Less sparse	Urban settlements of <10k	67	21	10
	Town and Fringe	77	15	7
	Village	78	10	9
	Hamlet & Isolated Dwelling	78	5	13
Sparse	Urban settlements of <10k	70	16	12
	Town & Fringe	68	18	12
	Village	73	11	13
	Hamlet & Isolated Dwelling	71	5	19

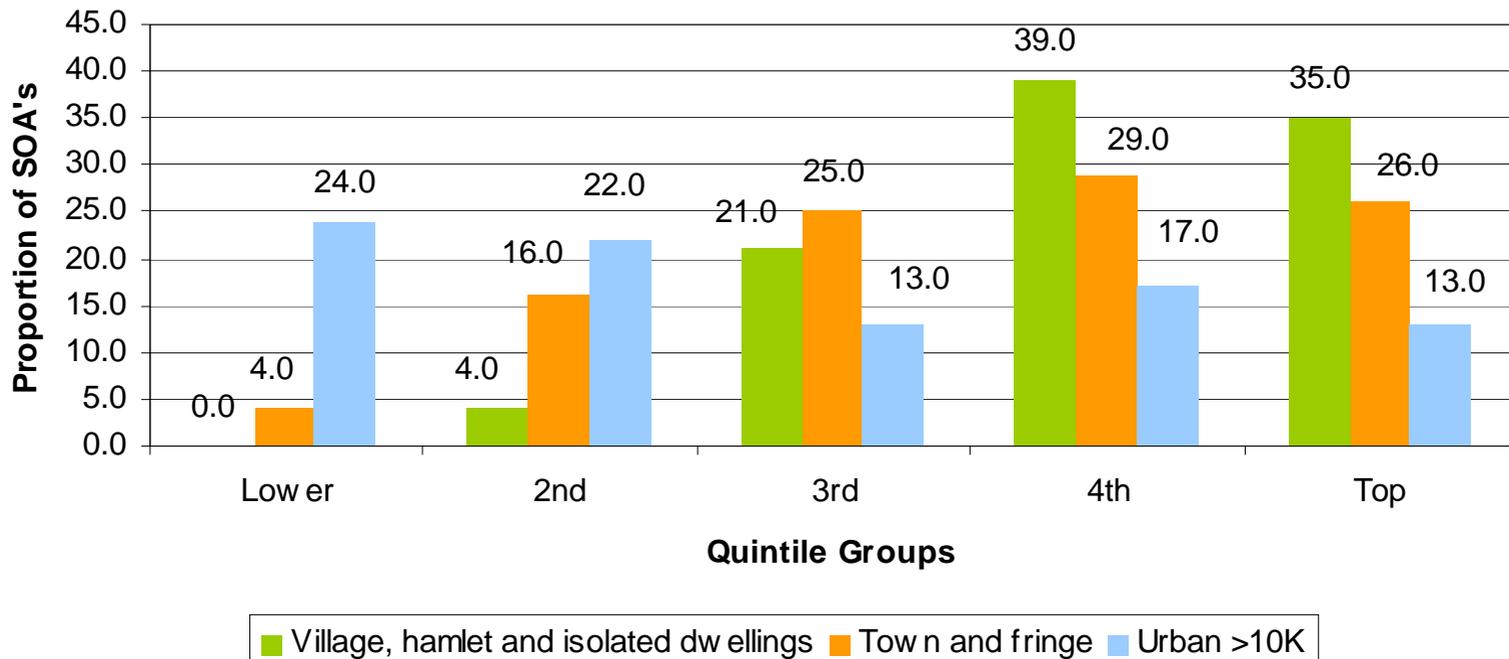
Supply-side problems of land for housing

- Barker Report addressed this on national scale.
- Prof Sir Peter Hall, in '*The Containment of Urban England*' (1973), argued urban containment policies would act to exclude poorer groups systematically from the British countryside.
- Indeed he viewed protection of the physical character of rural areas as a pretext for elites protecting their social exclusivity.

Supply-side problems of land for housing

- Two recent developments exacerbate this:
 - **Regional Spatial Strategies:** every region is seeking to reduce rural house building in the name of urban regeneration. Sequential test – brownfield first, etc.
 - **Sustainable Communities policies:** many LAs are applying crude sustainability checklists which redline most rural settlements as unsustainable, instead of seeking to promote sustainability of all communities.
- “Unholy alliance” of urban districts and rural elites?

Spatial Exclusion: Incomes by settlement size (Super Output Areas)



Planning's role in facilitating Affordable Rural Housing

“Where rural affordability is an issue, regions and local authorities should consider the need to secure growth, in both the affordable and market housing sectors, in rural areas as well as urban ones.” (*Govt Response to Barker*)

Three main ways in which planning mechanisms help :

- Exceptions Policy
- S.106 Agreements
- Allocated exceptions sites

Housebuilding Completions

- House building in rural areas is falling. But not in urban...
- A smaller proportion of units built are social housing, despite unaffordability.
- Housing Corporation proposes 3,166pa affordable houses in rural settlements in 2006/08 – 10% for 19% of population in areas of worst affordability.
- CRC estimate need 30,800pa in rural England.

	% change 2003-05	% social housing
Rural	-3.9%	7.27%
Mixed	+10.5%	9.60%
Urban	+19.4%	13.89%
Total	+9.8%	10.95%

Why Worry?

So why should we be concerned about the availability of affordable rural housing?

- Social justice? Life chances of less advantaged?
 - PPS3 “to ensure everyone has the opportunity of living in a decent home, which they can afford, in a community where they want to live.”
- Sustainable, inclusive, mixed communities? PPS3
- Separation of rich and poor between town and country strikes at very heart of social solidarity and ideas of one nation?

Main Findings of ARHC

- Affordability problems most severe in rural areas: average earnings of £17k would only buy a house in 28% of rural wards (cf 50% of urban wards).
- Social housing seriously lacking in rural areas – only 5% in villages, compared to national 23%.
- Planning system's interpretation of sustainable development has worked against rural needs.
- Only 10% of HC investment in settlements of under 10,000 despite having 19% of popn.

ARHC: Main Recommendations (1)

- **A minimum of 11,000 affordable homes pa should be provided in settlements <10,000 popn.**
- A fundamental change in the way the need for affordable housing is addressed in rural areas – delivered through a plan-led approach as part of mainstream policies in regional and local strategies. (Build on PPS3)
- Better use of planning tools available to generate more cross-subsidy from open market development. Lower thresholds and bigger quotas: even one to one.

ARHC: Main Recommendations (2)

- Government commit itself to seeking sustainable devt in rural communities as well as in urban ones – urgent review of Regional Spatial Strategies.
- Ensure planners take account of social needs of communities alongside environmental protection.
- A substantial increase in public funding, as part of a fairer distribution of resources for rural housing.
- More market housing to provide cross-subsidy and to address affordability problems.
- Agreed methods for estimating needs at ward level.

ARHC: Main Recommendations (3)

- Reintroduce national rural target and make sensitive to settlement size, pending detailed needs evidence.
- Good design, and funding to enable this.
- Innovative models to attract private investment.
- A national rural housing partnership to bring forward surplus public land for affordable rural housing.
- Measures to tackle empty and second homes.
- Changes to RTB and RTA in more rural areas to retain affordable rural housing in perpetuity.
- In N Parks, more emphasis on economic & social duty.

ARHC: Main Recommendations (4)

Making it happen:

- Better funding for Rural Housing Enablers.
- Training and support for local authorities.
- Greater role for parish and town councils.
- Regional Housing Boards to ensure their strategies are sensitive to the needs of rural areas.
- Strong leadership from national, regional and local levels – building consensus and overcoming NIMBYism.



"Why straw?" you're thinking. Let me tell you... We at Wolf Construction are committed to building affordable homes for first-time buyers, using local materials wherever possible"