

# Rural Affordable Housing



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### CPRE, the countryside charity

CPRE is a network of people campaigning for positive solutions for the countryside.

In seeking a thriving and beautiful countryside we value strategic planning to deliver needed homes, especially rural affordable ones, including homes for social rent.

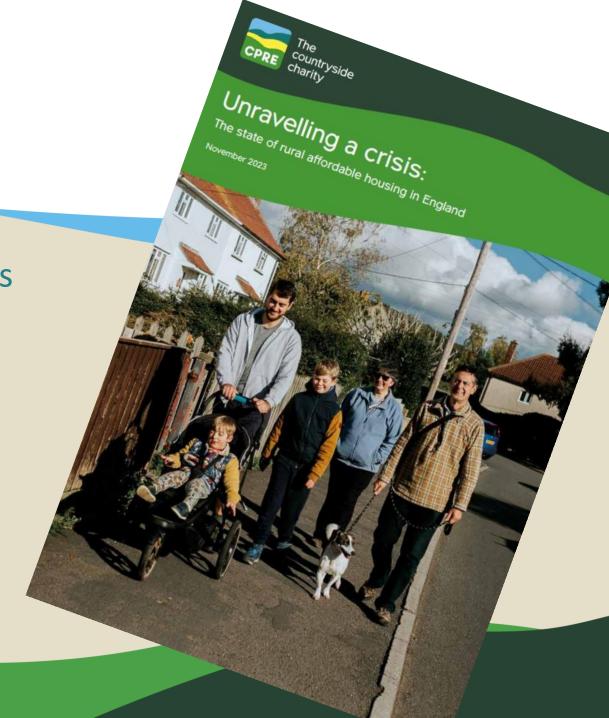


We can meet housing needs and protect natural assets

#### Recent research

This report explored the key considerations to addressing the affordability and housing crises facing rural communities.

72% of young people living in rural areas say affordable housing is their top concern



#### Proven

- Rural homelessness has increased by 40% in five years
- In a single year rural social housing waiting lists rose by 10.8% (from 276,706 in 2021 to 306,730 in 2022)
- Already disadvantaged communities are impacted disproportionately
- Negative impacts on mental health and well-being

### Property prices up, wages down

- House prices in rural areas increased (29%) faster than urban areas (21%) over the past 5 years.
- Average rural house price is 16 x greater than the average income.
- Average house price in 2022 was £419,000 in rural England
- Average earnings were £25,600 in rural England.
- A proliferation of second homes and short term lets
- People are forced to leave the communities they love and call home, draining skills and economic activity, undermining the provision of vital public services

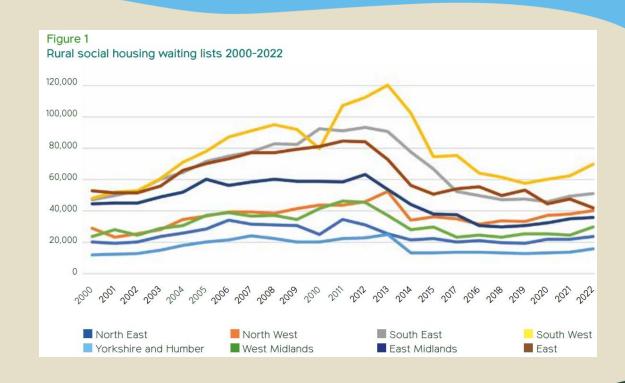
### Findings

• Half of England's parish councils aren't covered by 'Section 157' regulations, which prevent resale of affordable housing units at market prices or as second homes.

• It would take 89 years to clear the social housing waiting list under the current build rate.

### Social housing waiting lists by region

- The South West, South
   East and East of
   England face the
   greatest overheating of
   property prices.
- But, all parts of rural England have an affordability problem.



### **Poor Quality**

- A fifth, or 21.2%, of properties in rural areas do not meet basic health and safety standards for housing and are rated 'non-decent'
- The Housing Design Audit showed rural areas have housing developments of lower design quality.
- Costs the NHS £1.4bn in care costs, plus £18.5bn in societal costs
- The lack of affordable homes acts as a barrier to growth

### Definition change

- The definition of affordable housing in national planning policy at 80% market value is not accessible to most people.
- Rural social-rented delivery has plummeted with just 348 homes delivered in 2020/21 and 3,282 delivered in 2021/22.
- General 'affordable' housing delivery has increased with 21,826 general affordable homes delivered in 2020/21 and 25,294 delivered in 2021/22.
- It shows it is more profitable for developers to deliver intermediate and discount market housing rather than lower rent homes that are desperately needed.

## Viability

- The current mechanism for securing affordable housing in new developments is via planning agreements is flawed. Developers can renegotiate the proportion of affordable homes post approval on viability grounds.
- The proposed infrastructure levy regime may lead to an increase in affordable housing delivery as the contribution will be non-negotiable and should therefore be factored into the cost of the development from the outset.

#### Recommendations

Government must redefine the term 'affordable housing' so that the cost of new affordable homes for sale or rent are directly linked to local incomes.

Where homes are not linked to average local incomes they should not be classed as affordable, as this obscures the type of housing that is being delivered.

#### Recommendations

- Both government and local authorities must show greater support for community-led development, where it meets a local need.
- Government should better support local planning authorities and the Planning Inspectorate to reject developments that do not live up to the design standards set out in the National Model Design Code, National Model Design Guide, and other relevant local design policy and guidance.

#### Recommendations

- Introduce a second home and short term lets register, with planning controls to regulate the provision of Short Term lets and powers to levy extra council tax on second homes.
- Extend restrictions on the resale of affordable housing, so that these houses continue to be used by local workers and do not become second homes or holiday lets, to all parishes of below 3,000 population as well as larger rural towns where there is particular pressure on the housing stock.

#### NPPF Submission

- Pre-submission we asked everyone in the CPRE
  Network for comments (800 responses) and held a
  roundtable with the Chief Planner and partners.
- We submitted our NPPF response, picking up on the issues in our recent research report, with local examples from across the country.
- With partner organisations we have written to the Housing Minister seeking a meeting to discuss solutions to the affordable housing crisis

CPRE submits response to consultation on planning system - CPRE

### OneCPRE NPPF Submission 5 Key topics

- 1. Prioritise meeting need for 'truly' affordable homes
- 2. Give 'brownfield first' some teeth
- 3. Keep our vital Green Belt protections
- 4. Protect our landscape as we transition to clean energy
- 5. Support nature restoration through more strategic land use

## Prioritise meeting need for 'truly' affordable homes

- Change the definition of affordable housing from 80% market value to reflect local wages.
- A robust Standard Method relying on latest population data – plan for 'need' not 'want.'
- A specific affordable housing target with on for social rent to focus action.







#### Case studies and research



Loss of social housing in Beeley



Affordable housing for local people in Kent



Sustainable rural housing in North East Lincolnshire

### What does good looks like?

campaigns

**Future** 



Social housing delivery in York



Social housing done well in North Hertfordshire



Calder Valley Community Land Trust



Hockerton Housing Project



Rural housing: Joseph's experience



Lakeland Housing Trust

### Questions

#### Please contact:

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https://www.cpre.org.uk/news/cpre-submits-response-to-consultation-on-planning-system/