



# Rural Housing Seminar

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## A ROADMAP FOR RURAL PROSPERITY

*Every person, in every place, deserves the chance to thrive,  
including everyone in our rural communities.*



## Three foundations for effective rural policy



**Fairly Funded  
Rural Public Services**



**Use of the right  
measures & metrics  
to understand rural  
Challenges**



**A Rural Specific Plan**

Campaigning for a fair deal for rural communities



# Rural Affordable Housing

Rural affordable housing is critical for enabling vibrant, sustainable communities where people can live, work, and thrive. Yet, many rural and outlying areas face a shortage of affordable and quality homes, which limits opportunities for young people, essential workers, and families to stay and contribute to their communities.

Ensuring access to affordable rural housing is vital for community resilience, economic stability, and social wellbeing.

Everyone deserves access to a warm, safe, affordable home.

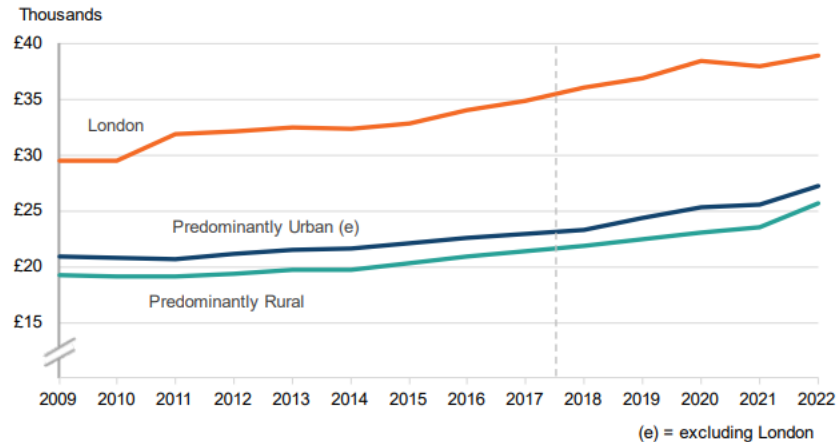


Houses in rural areas are **less affordable** to purchase for those in the bottom 25% of earners compared to urban areas.



Source: Statistical Digest of Rural England, November 2023

**Figure B-1: Workplace based median gross annual earnings (current prices), 2009 to 2022**  
(Note B-5)



Wages earned in rural areas are lower than in urban areas, and the cost of living in rural areas is higher.

# Rural Affordable Housing

Holiday homes are 'hollowing out' coastal areas, says MP

Labour MP Luke Pollard says Covid-19 has 'turbo-charged' housing crisis in rural and coastal towns



Whitby residents have voted overwhelmingly for curbs on second homes. Photograph: Edwin Remsburg/Getty Images  
Coastal communities are being "hollowed out irretrievably" by a surge in holiday homes, an MP has warned, as new figures showed more than 17,000 properties in England have been "flipped" into short-term lets since Covid-19.

Annual price paid for terrace or semi-detached house in rural areas is higher in rural areas compared to urban (outside of London)

Proportionally more homeless Rural households in 2022/23 than in 2018/19

## Rural Housing Crisis

How many years of salary to buy a rural home?

### The Maths Behind the Crisis

Rural House Price  
£313,085

÷

UK Median Salary  
£37,430

=

Income Multiple  
8.36x

**8.36 Years of Salary Required**



#### RURAL AREAS

**8.36x**

Completely unaffordable



#### SAFE LENDING

**3-4x**

What banks allow

#### Reality Check

This assumes saving your **entire salary** for 8+ years without spending on food, housing, or anything else. In reality, it takes **decades** to afford a rural home!

#### Crisis Impact



Banks won't lend above 4-5x salary



Local workers priced out completely



Young people forced to leave villages



Can't recruit key workers

Source:  
Rural House price £313,085 (DEFRA 2024)  
UK salary £37,430 (ONS ASHE 2024)

# Key Asks



## 1. Fair Funding

Introduce and fund an ambitious annual target for genuinely affordable quality rural homes and deliver this through a dedicated rural affordable housing funding programme to reflect local needs and policies.

## 2. Metrics and Measures

Ensure that the definition of 'affordable housing' is sensitive to local market conditions and wages and takes into account local circumstances.

## 3. Rural Policy

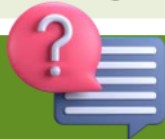
Deliver a rural housing strategy stating how new housing will be delivered to meet rural communities needs.

Protect rural tenants by ensuring that local authorities can register and manage the short and long term rental market to meet local need, thus avoiding oversupply of holiday lets. In addition, Government should ensure that policies on Energy Performance Certificates do not result in a reduction of long term rental properties.

Ensure that a national homelessness strategy includes investing in solutions in rural areas, taking into account the distinct challenges of rural communities.

Address the lack of affordable homes in the countryside by Rural Proofing any planning policy changes which may be introduced. This will ensure that all planning policies have an aim of increasing the proportion of affordable quality homes built and that no policies have an unintended consequence negatively impacting on opportunities for affordable housing in rural areas.

Develop a policy to exclude rural areas from any proposals to extend the Right to Buy to Housing Association properties. Create a programme of at least 5 years of support for a national network of Rural Housing Enablers covering each rural housing authority.



Everyone deserves access to a warm, safe, affordable home. Rural areas face a critical shortage of genuinely affordable homes and targeted solutions are vital to ensure the sustainability of rural communities.

# Reforming Site Thresholds Consultation – closes today!

- **Moving to a more proportionate planning system** that offers a more graduated approach and responds to the needs of different sizes of site. This includes lifting disproportionate requirements for the smaller sites, streamlining requirements for medium sites, and setting clearer expectations for strategic sites.
- **Establishing clearer categories of development** that can support a more effective market, greater consistency across the planning system, and allows more sophisticated and targeted approaches to government policy – both now and in the future.
- **Providing greater up-front certainty on planning requirements** for different site sizes – to help de-risk and speed up development.

# Delivering a decade of renewal for social and affordable housing

JULY 2025



Step 1 – Deliver the biggest boost to grant funding in a generation



Step 2 – Rebuild the sector's capacity to borrow and invest in new and existing homes



Step 3 – Establish an effective and stable regulatory regime



Step 4 – Reinvigorate Council Housebuilding



Step 5 – Forge a renewed partnership with the social and affordable housing sector to build at scale