



Rural Services Network

Rural Affordable Housing Webinar

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A Manifesto for Delivering Thriving Rural Communities Through Affordable Housing

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MAKING THE CASE FOR ACTION



Middleton, Suffolk - Hastoe Housing Association



St Teath, Cornwall - Cornwall Rural Housing Association

- Affordable rural housing projects may be small in scale but yield major benefits, contributing significantly to community investment and economic prosperity. Building just ten such homes can provide a £1.4m economic boost, support 26 local jobs, and secure a net return of around £250k for the Treasury, before considering other local multiplier effects.
- The rural housing crisis is fuelled by a mix of low local incomes, high housing costs due to external demand, and a limited affordable housing supply. With affordable housing constituting only 9% in villages compared to 17% in urban areas, the disparity is striking.
- Housing sites in rural areas are small and limited in supply. Local planning authorities should be able to secure affordable housing on all sizes of site, with the added benefit of opening up opportunities for SME builders.
- As there are challenges in achieving economies of scale, housing associations often rely on low-cost Rural Exception Sites and a steady, flexible grant programme from Homes England to ensure financial viability.
- Workplace incomes in rural areas are lower than in urban areas, but housing costs are higher. In consequence Affordable Rent, charged at up to 80% of market rents is often unaffordable.

- The rise of homelessness in rural England is alarming. Beyond the scarcity of affordable housing, factors like isolation, a lack of support services, and inadequate transportation exacerbate the issue. It's crucial now more than ever for both local and national governments to proactively address and prevent rural homelessness in all its forms.
- The dearth of affordable homes in rural communities is directly linked to the sales of affordable homes through Right to Buy which have not been replaced. New development opportunities are already limited, exacerbated by landowners' reluctance to sell land at the required price if they fear affordable homes might later be sold on the open market.
- Rural Exception Sites are often the only route to meet housing needs in rural communities, but their delivery has halved over the past five years and is focussed in five local authority areas. This decline is exacerbated by the loss of Rural Housing Enablers, who are essential in supporting communities, landowners, local authorities, and housing associations deliver these sites.
- Local Housing Allowance rates are set across urban and rural areas which means they are often insufficient to cover higher rural rents, leaving a gap that many rural working residents find difficult to fill.



Taddington, Derbyshire - Peak District Rural Housing Association.



Stoke by Nayland, Suffolk - Hastoe Housing Association

IMMEDIATE ACTIONS

- Implement government policy provisions to reduce the size threshold for affordable homes on small sites across rural England.
- Require local authorities, including mayoral and combined authorities, to assess and document the specific housing needs in their rural communities and devise targeted policies and strategies to address them.
- Accelerate delivery through Rural Exception Sites by enhancing national planning policy and guidance.
- Provide a Capital Gains Tax exemption for land designated as a Rural Exception Site and land sold to registered providers.
- Establish an annual fund of approximately £2.6 million to sustain a national network of Rural Housing Enablers.
- Protect the current and future availability of rural affordable homes by exempting them from Right to Buy in smaller rural communities.
- Ensure that a minimum of 10% of funding from Homes England or future investment bodies is dedicated to rural affordable housing, ensuring genuine affordability.
- Review Local Housing Allowance levels annually so that rural rents are affordable for low-income households.
- Pledge to adapt homelessness and rough sleeping strategies to rural areas, focusing on prevention and using enhanced data collection to uncover hidden needs, while introducing new, multidisciplinary support services in rural communities.

- Shared with three main political parties
- Direct engagement with Labour and Liberal Democrats
- Informed/aligned with the engagement of others as well (i.e. NHF 'Long term plan for housing' and RSN 'Winning the Rural Vote')

Manifesto review through the rural housing lens...

CAVEAT: Their words, my interpretation, but read them yourself.



Manifesto content	Conservative – <i>Clear plan, bold actions, secure future</i>	Labour - <i>Change</i>	Liberal Democrats – <i>For a fair deal</i>
Reference to 'rural'	25	0	15
Reference to 'countryside'	1	1	1
Reference to 'affordable homes'	1	2	0
Reference to 'social housing'	2	1	4
Reference to 'homelessness'	1	3	4
Reference to 'rough sleeping'	1	1	2
Reference to 'Land use framework'	1	1	3
Build target during next parliament	1.6m (320k pa)	1.5m (300k pa)	Increasing to 380,000 <u>pa</u> , including 150,000 social homes a year
Of interest...	We will always stand behind councils and look to recognise the unique circumstances.... alongside providing fairer funding for rural areas through the Rural Services Delivery Grant	N/A	Appoint a cross-departmental Minister for Rural Communities, to make sure that rural voices are heard across government.

Right to Buy	Rule out Labour's anti-aspiration move to drastically reduce Right to Buy discounts. ... discounts rise with inflation and fight any plan by local authorities to abolish the Right to Buy altogether.	Better protect our existing stock by reviewing the increased right to buy discounts introduced in 2012 and increasing protections on <u>newly-built</u> social housing.	Giving local authorities, including National Park Authorities, the powers to end Right to Buy in their areas.
Greenbelt	Retaining cast-iron commitment to protect the Green Belt from uncontrolled development, while ensuring more homes get built where it makes sense, like in inner cities.	Take a more strategic approach to greenbelt land designation and release to build more homes in the right places. The release of lower quality 'grey belt' land will be <u>prioritised</u> and we will introduce 'golden rules' to ensure development benefits communities and nature.	N/A
Holiday Lets/Second Homes	We will ensure councils have the powers they need to manage the uncontrolled growth of holiday lets, which can cause nuisance to residents and a broader 'hollowing out' of communities.	N/A	Give local authorities new powers to control second homes and short-term lets in their areas by: <ul style="list-style-type: none"> • Allowing them to increase council tax by up to 500% where homes are being bought as second homes, with a stamp duty surcharge on overseas residents purchasing such properties. • Creating a new planning class for these properties.
Nutrient Neutrality	Abolishing the legacy EU 'nutrient neutrality' rules to immediately unlock the building of 100,000 new homes with local consent, with developers required in law to pay a one-off mitigation fee so there is no net additional pollution.	We will implement solutions to unlock the building of homes affected by nutrient neutrality without weakening environmental protections.	N/A
Affordable Homes Programme / Homes England	Renewing the Affordable Homes Programme that will deliver homes of all tenures and focus on regenerating and improving housing estates. Create a dedicated taskforce in Homes England to deliver on the mission set out in their Rural Housing Statement to invest in regeneration and building high quality homes.	Strengthen planning obligations to ensure new developments provide more affordable homes; make changes to the Affordable Homes Programme to ensure that it delivers more homes from existing funding; and support councils and housing associations to build their capacity and make a greater contribution to affordable housing supply. Labour will prioritise the building of new social rented homes.	150,000 social homes a year

First Time Buyers	A plan to support first-time buyers onto the housing ladder and ensure fairness in our housing system. Stamp Duty to £425,000 from £300,000. New and improved Help to Buy scheme. continue our Mortgage Guarantee Scheme. supporting more families to buy through shared ownership.	Introduce a permanent, comprehensive mortgage guarantee scheme, to support first-time buyers who struggle to save for a large deposit, with lower mortgage costs.	Help people who cannot afford a deposit to own their own homes by introducing a new Rent to Own model for social housing where rent payments give tenants an increasing stake in the property, owning it outright after 30 years
Planning	<p>Supporting local and smaller builders by requiring councils to set land aside for them and lifting Section 106 burdens on more smaller sites.</p> <p>We will support those who want to build or commission their own home by making the planning process simpler, while also supporting more community housing schemes.</p> <p>... ensure rural exception sites support local people into home ownership.</p> <p>Ensure National Policy Statements are regularly updated.</p> <p>Delivering a record number of homes each year on brownfield land in urban areas. Raising density levels in inner London to those of European cities like Paris and Barcelona.</p>	<p>Immediately update the National Policy Planning Framework to... including restoring mandatory housing targets. We will take tough action to ensure that planning authorities have up-to-date Local Plans and reform and strengthen the presumption in favour of sustainable development.</p> <p>...support local authorities by funding additional planning officers (300), through increasing the rate of the stamp duty surcharge paid by non-UK residents... ensure local communities continue to shape housebuilding in their area, but where necessary Labour will not be afraid to make full use of intervention powers to build the houses we need.</p>	<p>Expanding Neighbourhood Planning across England.</p> <p>Building ten new garden cities.</p> <p>Properly funding local planning departments to improve planning outcomes and ensure housing is not built in areas of high flood risk without adequate mitigation, by allowing local authorities to set their own fees.</p> <p>Encouraging the use of rural exception sites to expand rural housing</p>
Land Value	Supporting local and smaller builders by requiring councils to set land aside for them and lifting Section 106 burdens on more smaller sites	We will take steps to ensure that for specific types of development schemes, landowners are awarded fair compensation rather than inflated prices based on the prospect of planning permission.	Allowing councils to buy land for housing based on current use value rather than on a hope-value basis by reforming the Land Compensation Act 1961.
Homelessness	We will continue with our plans to end rough sleeping and prevent people from ending up on the streets in the first place.	Building on the lessons of our past, Labour will develop a new cross-government strategy, working with Mayors and Councils across the country, to put Britain back on track to ending homelessness	<p>End rough sleeping within the next Parliament by:</p> <ul style="list-style-type: none"> • Urgently publishing a cross-Whitehall plan to end all forms of homelessness. • Exempting groups of homeless people, and those at risk of homelessness, from the Shared Accommodation Rate. • Introducing a 'somewhere safe to stay' legal duty to ensure that everyone who is at risk of sleeping rough is provided with emergency accommodation and an assessment of their needs. • Ensuring sufficient financial resources for local authorities to deliver the Homelessness Reduction Act and provide accommodation for survivors of domestic abuse.

Rural Housing Manifesto – Assessment against asks

Implement government policy provisions to reduce the size threshold for affordable homes on small sites across rural England.	requiring councils to... lift Section 106 burdens on more smaller sites	Strengthen planning obligations to ensure new developments provide more affordable homes;	150,000 social homes a year
Require local authorities, including mayoral and combined authorities, to assess and document the specific housing needs in their rural communities and devise targeted policies and strategies to address them.	Retaining cast-iron commitment to protect the Green Belt from uncontrolled development, while ensuring more homes get built where it makes sense, like in inner cities.	Immediately update the National Policy Planning Framework to... including restoring mandatory housing targets	Expanding Neighbourhood Planning across England.
Accelerate delivery through Rural Exception Sites by enhancing national planning policy and guidance.	Ensure rural exception sites support local people into home ownership.	Immediately update the National Policy Planning Framework	Encouraging the use of rural exception sites to expand rural housing
Provide a Capital Gains Tax exemption for land designated as a Rural Exception Site and land sold to registered providers.		We will take steps to ensure that for specific types of development schemes, landowners are awarded fair compensation rather than inflated prices based on the prospect of planning permission.	Allowing councils to buy land for housing based on current use value rather than on a hope-value basis by reforming the Land Compensation Act 1961.
Establish an annual fund of approximately £2.6 million to sustain a national network of Rural Housing Enablers.			
Protect the current and future availability of rural affordable homes by exempting them from Right to Buy in smaller rural communities.		Better protect our existing stock by reviewing the increased right to buy discounts introduced in 2012 and increasing protections on <u>newly-built</u> social housing.	Giving local authorities, including National Park Authorities, the powers to end Right to Buy in their areas
Ensure that a minimum of 10% of funding from Homes England or future investment bodies is dedicated to rural affordable housing, ensuring genuine affordability.	Create a dedicated taskforce in Homes England to deliver on the mission set out in their Rural Housing Statement		
Review Local Housing Allowance levels annually so that rural rents are affordable for low-income households.			
Pledge to adapt homelessness and rough sleeping strategies to rural areas, focusing on prevention and using enhanced data collection to uncover hidden needs, while introducing new, multidisciplinary support services in rural communities.	We will continue with our plans to end rough sleeping and prevent people from ending up on the streets in the first place.	Building on the lessons of our past, Labour will develop a new cross-government strategy, working with Mayors and Councils across the country, to put Britain back on track to ending homelessness	End rough sleeping within the next Parliament.

Reasons to be hopeful.....

- A time of change...
- Have rural communities find their voice on the need for more well-designed affordable homes?
- The countryside is increasingly seen as more than just farming and food.

QUESTIONS?

