



Commission for
Rural Communities
Tackling rural disadvantage

Rural Housing -
A place in the
countryside?

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Rural Housing - A place in the countryside?

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Case Studies (available separately)

Brancaster - a popular seaside village on the Norfolk coast

Easington Colliery - an economically depressed ex-mining town in Durham

Great Limber - an agricultural estate village in northern Lincolnshire

Keswick - a market town in the Lake District National Park

Kingsbridge - a popular holiday town on the Devon coast

Romney Marsh - sparse villages on the Kent Marsh

Spofforth - a commuter village in Yorkshire's Golden Triangle

Vale of Evesham - villages and hamlets in the heart of England's market garden, Worcestershire

National submissions - on-line and postal submissions

Foreword

Rural areas are where many people want to live, but, increasingly, for many people, this is no longer an option, even for those with jobs and reasonable incomes.

The pressure and demands on rural housing markets are well documented: demand for rural homes is high, attracting more affluent residents, commuters and people looking to retire or to purchase second and holiday homes. New developments are limited and the right to buy has severely depleted the social housing stock. The competition for available homes, to buy or rent, is very strong. This is no longer just a problem for the poorest in rural society. A lack of housing affordability in some areas now extends to those on average incomes, not just people on lower incomes.

In Autumn 2005, in response to the Government's decision to establish the Affordable Rural Housing Commission, under the chairmanship of Elinor Goodman, we set out to gather the views and experiences of people living in rural England about rural housing. We wanted to understand the difficulties people faced in trying to secure a home and to hear how it affected their lives. We also wanted to know how they felt the provision of housing in rural areas could be changed for the better.

The response was tremendous. Over 800 people came forward to speak to us through open events, focus groups, one-to-one interviews and our on-line questionnaire. We heard from young people and young families in housing need, elderly people keen to move on from their larger family home, people in temporary accommodation and businesses finding it hard to recruit to local rural jobs. We held meetings in each region, in village halls, pubs and schools and were impressed by the willingness of people to give up their time to talk to us about the issues.

People spoke eloquently and passionately about their housing concerns, often illustrating their contributions with their own personal experiences. I was heartened to see that, despite the difficulties, people had thought positively about the solutions they wanted central, regional and local government and the housing and planning professionals to consider. They also recognised the need for rural communities themselves to make changes to enable more development to happen.

This report records and acknowledges the voices we heard. It also sets out our recommendations for addressing rural people's concerns and aspirations for the future. We have already fed these in to the Affordable Rural Housing Commission. More generally, I hope this report will be read and acted upon by our partner organisations, including policy makers at central, regional and local levels, those who are involved in developing and providing housing, both directly and indirectly, and all those who work with parish and town councils and local communities. This is a challenging agenda, but, with clear leadership from Government and concerted action by all, I believe the time is right to seize the initiative and to make a real difference to the lives of many people in rural areas both now and in the future.

Finally, I should like to thank the many hundreds of people who contributed their views to our inquiry, many of whom face difficult situations in finding a home that is affordable and appropriate to their needs.

Stuart Burgess

Chairman of the Countryside Agency and Rural Advocate

Executive Summary

The availability and affordability of houses for people living and working in rural areas has been a growing problem for many years and is a priority issue for the Commission for Rural Communities¹.

In Autumn 2005, in response to the establishment by Government of its Affordable Rural Housing Commission², the CRC undertook an inquiry into rural housing to find out directly from people living and working in rural areas about the housing issues that concerned them, what impact these issues were having on individual lives and on rural communities more widely and what action people wanted to see to address their concerns. The main purpose of the inquiry was to give voice to people's concerns and aspirations and to convey these to government.

As part of the inquiry, visits were made to eight case study areas, one in each English region, apart from London, and written submissions were invited nationwide. Over 800 people volunteered their experiences and ideas. This document reports their views. It highlights the overwhelming concern about the lack of affordable housing in most rural areas and the frustration within rural communities at the apparent lack of effective action to address housing problems. It reveals the human cost for some people and the fears amongst many of the impact this issue is having on the future sustainability of rural communities.

Several common themes emerged from the inquiry: the growing shortage of appropriate and affordable private and social housing to buy or to rent; resentment and concern about the impact of rising numbers of second and holiday homes; people's apparent disconnection from decision making, including how social housing is allocated amongst those in need; and, what are seen as, inflexible planning and housing policies and strategies that do not accommodate local circumstances. People attach great importance to meeting their local communities' needs and are willing to see and support organic growth to meet these needs.

The inquiry findings reinforce previous work that has identified a number of blockages to the delivery of affordable rural housing, including planning and housing policy barriers. As a result, we have called for Government to give clear leadership to address rural communities' concerns and to bring about real improvements to the current rural housing crisis. We have recommended concerted action across four areas:

1. More effective rural proofing of housing policies at all levels.
2. A real increase in, and targeting of, resources to meet rural needs for affordable housing.
3. Planning policies, which enable villages to grow and adapt to meet their changing economic and social circumstances.
4. Empowering local communities to be involved in shaping their own solutions and having a real stake in their futures.

800+

Over 800 people volunteered their experiences and ideas.

¹ The Commission for Rural Communities has been set up initially as an operating division of the Countryside Agency, pending legislation to establish it as an independent body - www.ruralcommunities.gov.uk

² The Affordable Rural Housing Commission was jointly established by Defra and the Office of the Deputy Prime Minister in July 2005, with the task of identifying ways of improving access to affordable housing for people in rural areas. It is chaired by Elinor Goodman.

Chapter One of the report describes the context for the inquiry and sets out the inquiry process.

Chapter Two records the dominant issues and solutions raised by rural communities, across all the case studies and national submissions. It has been compiled by the independent research company, Ipsos MORI, who supported the qualitative research programme in the case study areas.

Chapter Three gives the Commission for Rural Communities' perspective on the inquiry findings. It sets out the actions that we would like to see taken to address rural communities' concerns and to bring about the effective and long-term change so urgently required.

1

The rural housing inquiry

The availability of suitable and affordable homes for people living and working in rural areas has been a serious problem for many years. Rural housing markets continue to experience significant pressures and demands: average house prices in some smaller rural settlements can now be around ten times local average household incomes; second or holiday homes make up almost one in every ten households in many sparse villages; and the number of rural households accepted as homeless and in priority need has increased by almost a third since 1999/2000³.

Rural housing is a priority issue for the Commission for Rural Communities. The Commission was established (initially as an operating division of the Countryside Agency) in April 2005, following Defra's Rural Strategy 2004. It has three main roles:

- **Rural advocate** - giving voice to the concerns of rural people, businesses and communities;
- **Expert adviser** - providing evidence-based objective advice to government and others; and,
- **Independent watchdog** - monitoring and reporting on the delivery of policies nationally, regionally and locally.

Across its work, the Commission has a particular focus on tackling rural disadvantage.

In July 2005, the Commission announced an inquiry into rural housing to find out directly from rural communities about their experiences and perceptions of rural housing issues, to add to our research and expertise. It aimed to give voice to their concerns and aspirations, and to make sure that their views are conveyed to government. In particular, the inquiry was intended to inform the Commission's evidence to the Affordable Rural Housing Commission (ARHC), jointly established by Defra and the Office of the Deputy Prime Minister (ODPM) in July 2005, with the task of identifying ways of improving access to affordable housing for people in rural areas⁴.

The inquiry set out to explore what rural housing problems were of most concern to rural communities. It examined the impact housing issues were having on individual lives and the wider rural community and looked at what actions rural communities would like to see, and by whom, to address their concerns.

The inquiry research was conducted during Autumn 2005. The Commission and Ipsos MORI visited eight case study areas, one in each English region (excluding London), with areas selected to reflect different types of rural housing market, such as levels of second home ownership, presence of landscape designations, levels of income and the quality of housing stock. The areas visited were:

³ Commission for Rural Communities (2005) *The State of the Countryside 2005*. Cheltenham: Commission for Rural Communities

⁴ The Affordable Rural Housing Commission is due to report in Spring 2006.

- Brancaster, Norfolk, East of England
- Easington Colliery, Durham, North East
- Great Limber, northern Lincolnshire, East Midlands
- Keswick, Lake District National Park, Cumbria, North West
- Kingsbridge, Devon, South West
- Romney Marsh, Kent, South East
- Spofforth, North Yorkshire, Yorkshire and Humber
- Vale of Evesham, Worcestershire, West Midlands
- National submissions

The inquiry focused on hearing from people living and working in rural areas, rural businesses and community representatives. It was open to all to contribute, but targeted to ensure that a wide range of voices and experiences were heard, particularly, people in or at risk of housing need. The research was conducted with the independent research company Ipsos MORI.

Each visit to a case study area comprised three elements:

1. In-depth interviews with those experiencing, or at risk of, housing need;
2. Focus group discussions with cross sections of the local community and "seldom heard"⁵ individuals; and,
3. An evening public forum, open to anyone who wished to take part.

In addition, people within and outside the case study areas were invited to contribute written comments or to complete an on-line questionnaire.

Over 800 people across England participated in the inquiry, a level of response that is indicative of the importance rural communities attach to rural housing.

⁵ "Seldom heard" - describes those groups/individuals who tend to be missed in conventional survey methods, such as telephone surveys or questionnaires, or who are marginalised from mainstream society.

2

Ipsos MORI analysis of inquiry findings

This chapter summarises the views and aspirations of individuals, captured throughout the inquiry. It has been produced by the independent research organisation Ipsos MORI, which was contracted to develop and support the delivery of the inquiry research.

The analysis highlights the overwhelming importance of housing issues to rural communities, with people in all areas arguing that local rural housing is too expensive, often well beyond the reach of local⁶ people, and too limited in number, type and choice of tenure. While different locations emphasised different causes for this, the strength of concern and people's need for action was evident everywhere. There was a clear perception that, if things continued as they were, villages and towns would suffer. Most people were concerned that young people and young families would continue to be driven out to urban areas to find housing, leaving an important gap in the community structure. Worries were also linked to these gaps being filled by commuters and second home owners. People described the 'killing off' of local communities and villages turning into 'dormitory' or 'retirement' villages. Young and/or single people, young families, seasonal workers and the elderly were felt to be particularly disadvantaged by the lack of affordable housing, with associated serious impacts on the quality of individuals' lives. Annex 1 provides a summary of the main issues and solutions raised in each area.

Ipsos MORI analysis : causes of rural housing problems

While there are a number of causes which are seen to be driving the lack of affordable housing, people pointed to three main drivers which, when combined, made for a tough housing situation. These were: low wages in rural communities; increasing numbers of in-migrants; and a deficit in social and affordable housing stock. Inflexible planning policies and general societal trends across England (such as an ageing population) were seen to exacerbate the problems further.

i) low wages

It seemed an accepted fact that wages in rural areas were no match for those in urban areas, with the seasonality of much of the work exacerbating this difference. Residents on local incomes - not necessarily low incomes - often said that they found it difficult to compete for available housing and spoke of a large gap between house prices and local wages. This engendered a real sense of despair and resignation on this issue. Residents in Brancaster, Kingsbridge, Keswick and Easington, in particular, saw low local wages as a serious issue that prevented people from being able to afford mortgages or private rents. Expensive or irregular/unreliable transport was believed to make these problems worse in many areas. People described needing to live near to their job, due to transport difficulties, putting more pressure on the local housing market, while others described the difficulties of travelling long distances to find better paid work.

The strength of concern and people's need for action was evident everywhere.

⁶ The definition of 'local' varied, but residents generally understood this to be people who were born and raised in the area, or who lived and worked locally.

“Our whole economy’s based on tourism and it’s notoriously bad pay, tourism. And it’s seasonal work, so, come winter, you might be put down to a three day week because there’s no work for you. How can you take a mortgage on if you don’t even know you’re definitely going to have steady income?”

Seldom heard group

There was also a strong view, particularly expressed in Brancaster, Evesham and Romney Marsh, that local people earning what they considered to be a decent wage were equally disadvantaged, as they earned too much to qualify for social housing, but too little to afford private housing. For instance, house prices are more than 12 times higher than the mean household income in Brancaster⁷, eight times higher than that in Evesham⁸ and more than seven times higher than the mean income in the Romney Marsh area⁹. During this research, we noted a sense of sheer frustration that very few or no options existed to help this intermediate group of people. They felt left to find their own solutions, ineligible to receive the support available to others.

ii) a rural idyll attracting in-migrants

Local residents were aware that the beauty of rural areas could be a double-edged sword: while they enjoyed the scenery and tranquillity in which they lived, this was an attraction to more affluent in-migrants. It was possible to identify different reasons for the increasing demand. For instance, in Areas of Outstanding Natural Beauty (e.g. Kingsbridge and Brancaster) and National Parks (e.g. Keswick), high numbers of holiday makers and second home owners were attracted, resulting in sharp rises in second-home ownership and short term, highly priced holiday lets. Areas with good transport links, near cities and towns with ample employment opportunities (e.g., Spofforth and Vale of Evesham), noticed growing numbers of commuters moving to the area.

In all areas, residents perceived competition from in-migrants as depleting the housing stock available to local people and pushing up prices beyond their reach. The supply of available housing was not felt to be sufficient to cope with the demands placed on it by both in-migrants and permanent residents. Local people, who often had strong familial, social and emotional ties to the area, felt increasingly threatened by this situation, believing that they lost out to those who had more money to spend. Furthermore, they felt that there was nothing that protected local people by helping them to stay in their locality, close to support networks of family and friends.

“There are too many holiday homes... it’s bumping up prices... so it’s making it worse for us. As a result of that, there’s not enough affordable housing available.”

Seldom heard group

People throughout the inquiry believed that in-migrants were also affecting the dynamics of local communities, both in terms of the sense of community spirit and by changing local economies. Long-term residents often asserted that their village identity was eroding as new residents moved in, who, they believed, lacked the same emotional attachment to the community that they had. Furthermore, many people believed in-migrants had a tendency to NIMBY attitudes, as they had bought or

⁷ The mean price paid for a property in local areas classified by the Office of National Statistics as ‘rural’ in the Brancaster area is £351,438, while the mean income in the same area is only £28,008. (HM Land Registry, 2004. House prices., CACI Ltd, 2004. Paycheck. Analysis by the Commission for Rural Communities, 2005).

⁸ The mean price paid for a property in local areas classified by the Office of National Statistics as ‘hamlets or isolated villages’ in the Evesham area is £261,868, while the median income in the same areas is only £29,393. (HM Land Registry, 2004. House prices., CACI Ltd, 2004. Paycheck. Analysis by the Commission for Rural Communities, 2005).

⁹ The mean price paid for a property in local areas classified by the Office of National Statistics as ‘villages, hamlets and isolated dwellings’ in the Romney Marsh area is £225,215, while the median income in the same areas is only £29,608. (HM Land Registry, 2004. House prices., CACI Ltd, 2004. Paycheck. Analysis by the Commission for Rural Communities, 2005).

“When they do build new properties they build the wrong kind of properties. ...They built a load of two and three bed houses that are supposed to be starter homes. They went on the market at £250,000. What we need is flats and bedsits and things that, actually, people can afford.”

Seldom heard group

invested into a rural idyll and, therefore, did not want to see it changed (the 'drawbridge effect'). In this way, in-migrants were seen as both lacking an understanding about community needs, as well as obstructing possible solutions centring around new developments.

"I suppose the people that come in to the village from away don't take an active part in village life a lot of them. They just live there and they go to work and they come back. Whereas before, for example, if we have a harvest festival... most of the residents in the village would attend that, but now probably you only get maybe half of them. ...[New residents] don't mix in with us quite as much."

Male, mid 60s

That said, deprived rural areas with weak economies - often due to the closure of local industry(s) that the villages were dependent on (e.g. Easington Colliery and Great Limber) - welcomed the prospect of more affluent in-migrants to help inject money and enthusiasm into their local infrastructure and to connect this revitalisation to solutions that would help local people regain a pride in their locality.

The issue of in-migrants leads into one of the most contentious issues for local residents: second home ownership. This was a key issue in all case study areas, particularly in Keswick, Kingsbridge and Brancaster. As previously noted, many residents passionately argued that too many homes had been purchased by people who used them for holidays or for short-term lets, which reduced the housing stock available and pushed up house and rental prices well beyond the reach of residents. Indeed, several residents in Keswick asserted that there were so many second homes, used as holiday accommodation in the area, that the council needed to let them to homeless families as temporary accommodation.

"[The local holiday cottages companies] basically buy all the properties around and use them as holiday lets, so obviously that's where half of your rented accommodation that you used to get has gone."

Male, 36, living in temporary accommodation

This also has a perceived impact on the type of housing being developed. Many developers were seen as building large, executive homes to attract top-end prices only affordable by in-migrants, rather than smaller, more affordable properties that local people could buy. Where smaller, more affordable properties were available, they were seen as attracting private investors, who let the properties out on a short-term basis or at high 'tourist' prices beyond the reach of many local people.

One of the most contentious issues for local residents is second home ownership.

"When they do build new properties they build the wrong kind of properties. ...They built a load of two and three bed houses that are supposed to be starter homes. They went on the market at £250,000. What we need is flats and bedsits and things that, actually, people can afford."

Seldom heard group

Additionally, some residents pointed out that the financial incentive for second home owners to redevelop their properties (e.g. adding extensions) to maximise their profit at re-sale permanently removed the properties from being within reach of local incomes, taking them from, for example, one-bedroom properties to two- or three-bedroom homes.

The reduced level of council tax paid on second homes was also considered unjust by many people, especially where the impact of second homes on the local community was considered to be particularly negative.

iii) deficit in social and affordable housing stock

The chronic shortage of social and affordable housing was clear in all case study areas. In discussions, people described the growing disparity between strong demand and limited supply within the wider community and gave very personal accounts of the impact of this had on the specific circumstances of many individuals interviewed.

Residents repeatedly pointed to the right to buy/right to acquire¹⁰ programmes as having significantly reduced the amount of social housing available, with new builds rare to non-existent. Even residents who did not personally rely on social housing noted, with a high degree of frustration, that much of the social housing stock available locally had been sold off, with little or no efforts made to replace it, or to reinvest the money made from sales into the local area's social housing provision. High prices in the private housing market had resulted in more people turning to social housing as a secure, affordable option, placing additional strain on the limited resources available locally. In areas such as Easington and Great Limber, a decline in industries that traditionally supplied low-cost housing tied to employment in some way (for example, colliery or agricultural housing) had also created a greater demand for social housing. Without exception, demand and competition for social housing in all areas was thought to have increased dramatically.

“When was the last time you heard of a new council house being built? Never. It just don't happen any more, does it? They haven't built any.”

Seldom heard group

Understandably, the resulting competition for social housing that was available had a particularly strong impact on people in housing need. Residents frequently asserted that waiting lists for social housing were extremely long. Indeed, many of the residents interviewed had been waiting for several years for a council house. Many had been placed in temporary accommodation that was unsuitable for their needs, for example, young families living in one bedroom accommodation or single parents moved to nearby towns away from their support networks of friends and family. We observed the considerable emotional strain that this could have on people living in these circumstances. There was perceived inequality in the allocation of social housing, with many people across the different areas pointing out examples of what they thought to be unfair precedence given to others. Examples included people living in overcrowded situations given precedence over the homeless, precedence given to people with children and no support given to those with no dependants and in low-paid employment.

“When was the last time you heard of a new council house being built? Never. It just don't happen any more, does it?”

¹⁰ In all case study areas, local people rarely distinguish between these two programmes (RTB/RTA). There is awareness that opportunities to purchase council or housing association properties are more limited than they used to be, but many still feel that the sale of social housing is taking away this kind of housing and pushing it into the unaffordable local market.

"Well it is a bit stressful; it's awful. I don't get to see [my friends and family]; I haven't really got to see anybody. ...[I'm just] stuck there in that horrible house. Just waiting and waiting."

Female, 20s, in temporary accommodation

"We're [in temporary accommodation] until tomorrow and then we move out, then we move somewhere else in town for a week and then we move somewhere else. ...I know they can't give you an exact time, it could be two or three years, it could be longer. ...I don't think we could manage to be moving around every three or four weeks for two years, what with children growing up, trying to keep them at school, work, things like that... Stability, that's what's needed for my children to grow up and for us to be happy."

Male, 30s in temporary accommodation

The personal, emotional cost of the lack of affordable and appropriate housing was demonstrated time and again throughout the inquiry interviews.

There were strong demands for greater transparency and less bureaucracy in the way that social housing was allocated. Indeed, the current confusion in many areas over allocation processes contributed to widespread anxiety and a sense of unfairness about who was housed. Residents - particularly those currently in housing need - felt that allocation had to be made clearer and also revised to ensure that local people were given priority now and in the future. In practice, this view was again based on a definition of 'local' that related to areas much smaller than local authority boundaries. As such, there was a strong view that priority should be given to those who were local to the immediate area, in order to curb the sense that residents of a particular village or area were losing out to those moving in from other areas within the local authority area.

"[High prices will] force people to live where they don't want to live. You should be entitled to live where you grew up at least. You shouldn't be forced out of an area."

Seldom heard group

Yet, many believed that priority should not just be given to 'locals', but that certain groups required particular support depending on the circumstances within the community. In particular, there should be a focus on trying to retain young people in the area and to provide more assistance and supported housing for older residents.

There was widespread recognition from rural communities that more investment in social housing was necessary to cope with the level of demand. However, some believed that social housing carried a stigma that might make it difficult to find an acceptable location for this kind of development. There was a view that some residents might object to social housing, if it was felt to be bringing 'less desirable' elements into the community.

You should be entitled to live where you grew up at least. You shouldn't be forced out of an area.

iv) inflexible planning policy

Planning policy was regularly highlighted as an issue, both by residents and people working in the housing arena. Residents felt a certain amount of confusion about what could and could not be done, where policies came from and the disparity of decisions. There was also a sense of people's 'hands being tied', as many felt that they understood and knew what the solutions to housing issues should be, but felt powerless to take action.

"They always say that so many [houses] will be at the lower price range... They never are."

Seldom heard group

Residents and housing professionals alike often said the problems of inappropriate housing development stemmed largely from a perceived lack of local involvement in decision making at the planning stage. There was a recurring theme amongst residents in all areas that 'blanket' legislation or policy, developed at a national to district level, was often unsuited to the circumstances at a village level. They described these policies as too broad to take into account possible solutions developed locally. To many, this existing approach to policy could be difficult to reconcile against micro-level local need. Additionally, residents in Brancaster, Evesham and Romney Marsh argued enthusiastically that national policy, in particular, was disconnected from rural needs and did not allow enough room for flexible, local decision making.

Approval for housing development was thought to be difficult to obtain, particularly in designated areas (such as Keswick, Brancaster, Kingsbridge). Approval for new development was also seen as problematic in areas where large swathes of land were privately owned, for example, in Great Limber (where land banking¹¹ was also seen as a barrier to affordable housing development). Housing development was often restricted to village envelopes that only permitted infilling rather than peripheral development. This restrictiveness appeared to be geared towards protecting the look and feel of a village, but possibly at the risk of increasing density to the point that the character of the village was significantly altered. People also felt this might leave infrastructure unable to cope if it was not invested in equally.

In some cases, residents also felt that government strategies directed development and resources to urban areas or larger towns rather than rural areas, often on the grounds of sustainability or regeneration. Residents in, for instance, Evesham, Easington, Brancaster and Kingsbridge noted that Regional Spatial Strategies and/or local authority plans generally indicated a greater threshold for development in urban areas, often at the expense of rural development. Rather than looking at social elements of sustainability, this approach was thought to take a more 'checklist' approach based on the availability of services, facilities and transport. This was seen widely as restricting local rural development, making it even harder for rural residents to obtain planning permission.

Planning policies were frequently viewed as too restrictive and disconnected from rural needs.

¹¹ This is where sites for potential housing development are bought up by developers in the hope of obtaining planning permission in the future. There is a concern that this practice of 'land banking' reduces the potential for exception sites or other initiatives that could widen the scope for affordable housing developments in the future.

“In view of the present regional spatial strategy, the rural housing needs would not appear to be properly catered for. Such strategy, as many other instituted by central government, favour solutions in more urban areas.”

Local Councillor, Midlands

There was also a clear lack of understanding about how planning processes worked. Residents often cited anecdotal evidence of where some developments appeared to get planning permission much more easily than others. This led to a degree of mistrust about how decisions were made and a view that it was easier to obtain permission for private development rather than for affordable housing schemes or housing to meet specific local need.

Some participants in the inquiry challenged the cultural emphasis on home ownership and viewing property as an investment.

v) societal influences

The discussions of housing problems and solutions reveal some important attitudes towards home ownership that impact on housing demand and supply. Essentially, the view held by many people was that renting was much less preferable to buying; people often wanted to ‘get a foot on the ladder’ and saw renting as a ‘dead money’ option. Renting was often thought to be insecure, expensive and ultimately a waste of money, while buying tended to be regarded as a long-term investment, providing security for the future. However, some residents challenged this perceived cultural emphasis on home ownership, most notably in Great Limber, Easington and the Vale of Evesham, where it was suggested that more could be done to encourage people to rent and challenge the ideology that favours home ownership.

“[With renting], you’re pumping all your money into something which you’re going to leave behind. You see, I feel I pay £500 a month and it’s just to put a roof over my head, literally, that’s it.”

Seldom heard group

Similarly, residents recognised that the concept of property ownership as a long-term ‘investment’ was driving up the number of people purchasing additional property for rentals or holiday homes, putting more pressure on limited housing stocks and raising prices.

The ageing population was also recognised as an issue; as people live longer, the population grows and places further stress on local housing markets. What is more, many people often wish to move to rural idylls as they retire, or as they move towards retirement. As such, there is often increasing competition for smaller, affordable properties among those wishing to downsize and young people wishing to get a foot on the property ladder. A further concern was that the Government’s proposed SIPP policy would encourage more people to purchase properties in rural areas as investments rather than primary residences¹² and, as such, incited great opposition.

People described a general trend of people moving out of the cities into rural areas. With many national transport links improving, more people owning cars and people’s desire to move away from the urban hustle and bustle of everyday life, commuting and second home ownership were becoming more and more common.

¹² This proposal has subsequently been withdrawn by the Government (announced in December 2005).

Ipsos MORI analysis: solutions to rural housing problems

It is worth noting that, during the research, the causes of the housing problems often generated more debate, while the solutions were often presented as 'obvious', or needing less explanation. The following is a summary of some of the most prominent solutions suggested and called for by rural people. Additionally, it includes some solutions, suggested by housing professionals and planners, who attended the open fora.

i) more local control and influence

A call for greater local influence and control is inherent within many of the solutions raised by residents and housing professionals alike and was robustly argued for.

People living in rural areas recognised that each of their localities had a unique set of issues that needed to be addressed, as well as some more countrywide issues. In Great Limber, for example, many believed that homes for elderly people were in short supply and that new social housing development should respond to this need. In other areas, such as Easington, there was felt to be a lack of homes for single people and calls for council-owned flats and bedsits were more common. Elsewhere, many believed that key workers should be given priority in allocation, subject to the flexibility to tailor the definition of 'key workers' to local circumstances, for instance, to include jobs such as lifeguards in Brancaster, skilled agricultural workers in Spofforth and bus drivers in Great Limber.

Residents in all areas believed that it was of utmost importance that they were fully consulted about any new builds and that plans should be clearly communicated. Many believed that this would help to ensure that developments were sensitive to the appearance of the village and linked to 'real' community need. This was seen as an important factor in maintaining local support and addressing NIMBYism.

In most cases, the parish council was seen as the most appropriate means of representing local views in planning decisions, but that more authority needed to be given to them to make and implement these decisions. Others, who were more sceptical of the parish council's ability to take on such a role, believed that a new body could be established to act as an advocate for local needs and to mediate between those involved in local government, planning and development to help ensure decisions were made in the local interest.

"They should put some kind of body together which assesses it [housing] from the local standpoint. They should be based [locally] and they should look [locally] in terms of the needs and the desires that people have in this town, in terms of the accommodation that's required here."

Seldom heard group

There was a consistent demand throughout the research for greater local involvement in the decision making process. People wanted to bring their local knowledge and understanding of their community to identify and deliver locally appropriate solutions.

ii) making housing more affordable

Many people believed that efforts should be made to align house prices to local wages, in order to overcome the affordability issue, although it was recognised that this would be difficult to achieve.

One of the most commonly suggested ways to do this was by capping rent prices and, in some cases, house prices. For example, residents in Easington believed that some landlords took advantage of the limited range of housing and tenures in the area and charged high prices for poorly maintained properties. Other residents in Kingsbridge, Keswick and Brancaster said that rentals were short term and priced at the holiday let market and were, therefore, too expensive for local incomes. Residents called for greater regulation and price limits set by the local authority to address these issues.

"[Rents should be regulated so that] if you've got a three bedroom house, it's this amount; if you've got a two bedroom house, it's this. [Private landlords] shouldn't be allowed to charge whatever they like."

Seldom heard group

the house pricing or else everybody's going to find that their children are going to be living at home with them forever.

People also felt that greater financial assistance could be provided for first-time buyers. For instance, more flexible or longer-term mortgages (covering more than one generation) could help to close the gap between earnings and mortgage repayments. People thought that the Government should encourage building societies and banks to offer such extra support.

Others believed that a review of taxation could also be a way to address the problem of affordability. In particular, in areas where average prices were already high, such as Kingsbridge and Keswick, stamp duty was felt to add an extra hurdle to house purchase costs and was something that should be urgently reviewed. Inheritance tax was also mentioned by some residents as a potential barrier, preventing local families from keeping their homes when house prices had risen steeply.

iii) alternative approaches to create more affordable housing

Most residents understood the term 'affordable housing' as a way of providing homes that were in line with local wages and living costs. Shared ownership¹³ housing was the most commonly mentioned solution. It was viewed as a stepping stone to full home ownership and one of the 'only ways' that people - in particular young people - could afford to get their foot on the property ladder. It was generally seen as an effective way of enabling people, who would otherwise be renting long-term, to save for a deposit. However, shared ownership was seen as having some limitations. Some residents in areas that had already established shared ownership housing (e.g. Brancaster) noted that the cost to buy into these schemes could still be too expensive for most local people. Others believed that shared ownership had some of the drawbacks of rented accommodation; for example, property could not be altered and some rent must still be paid each month. In keeping with finding long-term solutions, residents also argued that the percentage of ownership should be limited, to prevent outright purchase of a property and its subsequent potential loss to the open market.

¹³ A scheme which allows tenants to part buy / part rent a property. Tenants can increase their mortgage payments (and decrease rent) until they own the whole property. In some smaller settlements, the amount of equity that a person can own may be restricted to below 100%.

“This is our only way to get on the property ladder so we just felt we had no choice and we had to go for it.”

Female, early 20s

iv) social housing

There was a big call for more social housing throughout the inquiry. One of the main roles that social housing was seen to have was to help retain and rejuvenate communities by providing secure, affordable local accommodation for young people, the elderly and those in need of supported housing. Social housing was widely seen as an appealing option by many struggling to find housing, not just because it was affordable, but also because it was seen to offer greater security compared to private rentals, which were often short-term or seasonal.

“You’re more secure in a house with the Council. If you’re happy there, you can stay there forever really, if that’s what you want. With a private landlord, you’re on six monthly contracts all the way, and if they sell you’ve got to be taken on by the next owner and it’s all down to who the landlord is. They might want to sell the house, so I’m out on my ear and I’ve had no help finding accommodation.”

Male, 34, temporarily living with family

Despite the support for new social housing from most residents, this was accepted to be a potentially difficult step, as such developments might be resisted. There was still felt to be a ‘stigma’ around the idea of social housing and some people were concerned that increased social housing might introduce ‘less desirable’ groups to the area, or diminish the ‘rural’ feel of villages. Residents in Keswick and Kingsbridge felt that the solution to removing this stigma was linked to well designed social housing, in keeping with existing housing in their communities.

Views about how and where this new housing should be built varied widely across areas and between different groups of residents. Some argued that bold, larger-scale development could be appropriate, particularly in areas where the shortage of social housing was perceived to be most acute, such as Keswick. However, others believe that these kinds of large, one-off developments were most likely to trigger NIMBYism and ruin the rural feel of areas. Instead, these residents (especially those in Kingsbridge and Great Limber) believed that smaller developments were a more appropriate way of adding social housing to villages, without changing them too extensively.

Another suggested way of increasing social housing stock, while minimising widespread new developments, was through the purchase of existing properties by the council or housing associations to bring existing housing stock back under local control. This was most frequently suggested in areas where there was felt to be under-occupied and vacant housing stock or large numbers of second homes or holiday homes left vacant for much of the year. However, most accepted that, as prices in such areas tended to be very high, this would be a difficult financial step for local authorities or housing associations to afford, without additional resources being made available to them.

New social housing was widely supported, but recognised as a potentially difficult step, as such developments might be resisted.

“In a way I feel a bit of a failure really. I haven’t got a roof over my head properly for my children. I’m the one that should be sorting it out but I’ve got no power with anything: I don’t get the answers, I can’t tell the family anything. It’s gutting to be honest with you.”

Male, 30s, in temporary accommodation

There was a common conviction that more should be done to ensure that social housing remained under local occupation and control in the long-term.

“You don't want to keep building properties here, you'll just lose what this area's all about... But they could buy up some of the empty ones that are just being run down and do them up.”

Seldom heard group

As with any new developments, there was a common conviction that more should be done to ensure that social housing remained under local occupation and control in the long-term. There was a strong view that the right to buy and right to acquire policies - felt to be the key drivers behind depleted social housing stock - should end, in order to ensure that rural communities had resources in perpetuity to house social tenants. Another approach suggested by residents was to increase the use of local occupancy agreements to any sale of council property or for shared ownership schemes. These were already known to be in practice in some areas (notably Keswick and Brancaster), but needed to be enforced consistently and thoroughly.

“[The right to buy] just means that people living here can then buy their council houses and then sell them at a ridiculous profit. ...If you remove the option to buy the house then it's always, always going to be a council house.”

Seldom heard group

Finally, people currently in housing need felt strongly that immediate action was needed to provide better information, guidance and transparency about the allocation process, along with some estimate of waiting times, particularly where shortages of social housing were thought to be severe. Long waits, and the uncertainty of allocation, created a wide range of problems and were felt to have a significant emotional impact on families. Individuals experienced enormous stress, where social housing was unavailable for long periods, and suffered from overcrowding, family arguments and, in some cases, depression and illness.

In all areas, people strongly believed that the amount of affordable and really appropriate housing stock needed to be increased.

“In a way I feel a bit of a failure really. I haven't got a roof over my head properly for my children. I'm the one that should be sorting it out but I've got no power with anything; I don't get the answers, I can't tell the family anything. It's gutting to be honest with you.”

Male, 30s, in temporary accommodation

v) increase the supply of new build affordable housing

In the discussion about new builds, residents were very pragmatic. They were keen to address the issues locally and keen to see more affordable and appropriate housing, but recognised the importance of maintaining the character of their village or town. In all areas, people strongly believed that the amount of affordable and locally appropriate housing stock needed to be increased. New builds were seen as a necessary way of delivering this, to cope with current housing needs. Above all, residents felt it was crucial that new housing included a range of types and tenures, developed in line with locally identified need.

“We’ve got a lot of little silly rules and regulations. They don’t seem as though they want to allow the village to change, they want to keep it like 17th century or something like that. But, you’ve got to have change haven’t you? You’ve got to move on.”

Female, 54, part-time employment

Some people believed that private developers needed to be given more incentives to provide more affordable housing, or, in some cases, planning permission should only be given for new developments, if they included a significant element of affordable housing. People suggested increasing the proportion of affordable homes in any new private development and ensuring that these were genuinely affordable to local people by correlating the cost to local wages. Other solutions included improving the viability of affordable developments by providing tax breaks on land and encouraging innovative, good value building methods.

“These new houses they’ve built up at the top of the road here, there’s 20 new houses being built, two of them out of 20 are being offered to local people that have lived in the area for two years or more. Surely it should have been the other way round and 18 should have been offered for local people and then the other two.”

Residents’ group

It was of vital importance to residents in all areas that careful planning was in place to ensure that developments did not overburden existing services and infrastructure. Housing should not create more problems for local communities than it solved. Similarly, residents widely believed that planning should take care to ensure a village did not change its character, due to the density of developments. ‘Acceptable’ levels and styles of development should be determined on a local basis (not through inflexible and potentially inappropriate guidance from the central or regional government). Residents wanted to be given meaningful and tangible input into decision making. Many linked this to what some saw as inappropriate development targets based on urban, not rural, contexts.

Priority should be given to young people who have lived in this area all their lives and grown up in this area and are attempting to buy their own place so, therefore, not leave town.

However, some residents, in areas where demand and prices were particularly high, questioned the effectiveness of new builds in meeting housing needs. For example, in Spofforth, Kingsbridge and Keswick, where demand and prices are already high, many argued that the supply of new builds had to be further controlled and targeted to provide affordable housing. There was a concern that simply increasing supply where demand was high would not make prices drop low enough.

vi) housing for local people

Many people offered strong views about how new housing should be better allocated, arguing that priority for new housing - whether social or low cost private - should be given to local people. In most areas, people related more to a particular village rather than a district or local authority. This understanding of ‘local’ and the belief that local people should be given priority in housing, often resulted in a sense of frustration about the perceived management of the housing stock.

“[Priority should be given to] young people who have lived in this area all their lives and grown up in this area and are attempting to buy their own place so, therefore, not leave town.”

Seldom heard group

Local occupancy orders were widely seen as a way to ensure local control over new housing stock. There were repeated calls to apply a similar approach to the allocation of private housing and to new developments, where this was being applied to social housing. There was real anxiety from many communities that any solutions needed to be robust and long term. Indeed, people's acceptance and enthusiasm for new builds was underpinned by a belief that any new housing stock must serve local need at present and into the future and must not be 'lost' to the open market.

vii) tax incentives and disincentives

At present, the common perception in rural areas was that it was more lucrative for developers to build homes for the 'top end' of any local market, regardless of need, often because of the high price of land. As such, many contended that private developers were more likely to supply executive or holiday homes than affordable or mid-cost housing. Residents, particularly in Great Limber and Brancaster, believed that tax incentives were a potential means of encouraging private developers to invest in affordable housing schemes. Such incentives could also be used to encourage landowners to release land for affordable housing. Indeed, agricultural land, in particular, was thought by many to be an under-utilised resource. For instance, several residents, in areas such as Evesham and Romney Marsh, expressed a desire to see redundant agricultural land and buildings treated in a similar way to urban brownfield sites, to provide good value land for new housing. In several other areas, landowners were thought to have expressed a willingness to sell land for this purpose, as they often shared concerns over the lack of housing for young local people and families.

Taxation was frequently seen as a way to discourage second or holiday home ownership in areas, which led to an 'overheated' local market. Residents in Keswick, Spofforth, Kingsbridge and Brancaster, in particular, suggested that high taxes on second homes and holiday lets could help reduce the number of properties sold to people who did not plan to reside in the area on a full-time basis. In practice, this could mean 200% Council Tax rates, high taxes on profits at the time of sale or new local taxes. The extra revenue should then be recycled back to the local area (i.e. village level) from which it was derived. A minority of residents in these areas suggested an outright ban on second home ownership, as this would reduce demand and prices. Although this was a more extreme view, it did indicate the level of frustration and call for action amongst some residents to address this issue. On a more practical note, people felt very strongly that proposals to include housing within SIPPs should be dropped as a policy proposal.¹⁴

Taxation was frequently seen as a way to discourage second or holiday home ownership in areas.

¹⁴ The 'SIPPs' policy, or Self Invested Personal Pensions policy. As previously noted, this policy has been withdrawn by the Government.

viii) planning

One of the most fundamental views expressed by many people was that there was scope for planning policies to address current housing problems by making regulations more flexible and responsive to local need. There was strong demand for greater input and involvement by local people in decision making. Indeed, even those directly involved in planning often commented with frustration that they would like to have more room to manoeuvre within national policy, in order to address issues at the local level.

“We are not simply whining about a lack of resources... but more about having policy and funding frameworks in place at a national and sub-regional level to allow us, and other rural districts, to compete on a level playing field with urban areas.”

Housing professional in local government

One improvement widely proposed was for planning decisions and regulations to retain the flexibility to serve local needs better. To some extent, exception site policies were seen as a step towards this, but it was felt they had not been applied extensively enough, or that they did not sufficiently consider local needs. Other suggestions included fast-tracking planning applications for affordable housing schemes and planning policies that supported the release of brownfield or redundant agricultural land for affordable housing developments. People also saw the relaxation of village envelopes as a pragmatic step to securing more new builds, where needed. Again, it was important to residents that, where such concessions were made, development was affordable locally and maintained in perpetuity to ensure that it served local needs in the long term.

“We are not simply whining about a lack of resources... but more about having policy and funding frameworks in place at a national and sub-regional level to allow us, and other rural districts, to compete on a level playing field with urban areas.”

“There are areas they could put Council houses: there's an awful lot of fields round here which are not used. There's plenty of places to build round here without spoiling the rural look of the place.”

Male, 55

Residents across all areas also believed that planning decisions must reflect joined-up thinking and, necessarily, take into account the affect of development on local needs, the impact of large developments on local infrastructure and any impact on local employment, for instance where a potential ‘job creating’ business was converted into housing.

Many residents in all areas also argued that planning boards and processes should be made more accessible to local people. More information about the restrictions and policies that affected planning in their area needed to be provided.

ix) employment

As many residents in all areas believed, one of the key housing problems was the gap between local wages and house prices. There was a strong view that efforts to increase the range of local job opportunities and improve wages could have a positive impact.

