

**COUNTRYSIDE ALLIANCE BRIEFING NOTE**

**AFFORDABALE HOUSING**

**Westminster Hall Debate**

**“Supply of homes and affordable homes to buy” (John Redwood, Con, Wokingham)**

**Thursday 13 July, 1:30pm**

**Background**

* The shortage of affordable housing is one of the greatest challenges for communities across the country. It is a particular problem for young people and families, and has serious consequences for the sustainability of communities.
* The need for more housing stock is not just an issue in towns and cities. Many rural areas are also suffering from a lack of housing, especially affordable housing.

**The Challenge in Rural Areas**

* Population growth, combined with migration from urban areas, has seen the rural population grow by 800,000 in the last decade (Office for National Statistics), driving up house prices and pricing many families out of the communities in which they work and in which they have often been brought up.
* In 2006, it was estimated that more than 30,000 affordable homes needed building in rural areas each year to meet need ([Commission for Rural Communities (2006) Calculating Housing Needs in Rural England](http://news.bbc.co.uk/1/shared/bsp/hi/pdfs/17_05_06_affordable_housing.pdf)). However, since then, the average number of homes built has been around 8,000 ([Department for Environment, Food and Rural Affairs (2013) Living in Rural Areas: Housing](https://www.gov.uk/government/statistics/rural-housing)).
* Rural house prices are much higher, rural wages are much lower and the gap between them is widening particularly for agricultural workers. There is a premium for rural housing in all parts of the country and property prices in the countryside are, on average, £43,490 (22 per cent) higher than in urban areas (Halifax Housing Survey 2015). However, workers in rural areas have seen wages rise at a slower rate than the rest of England in the last decade, by 21 per cent compared to 24 per cent in the rest of the country (National Housing Federation 2014).
* Research by the National Housing Federation found that in 77 per cent of rural local authorities, house prices are outstripping average incomes faster than the rate of the national average. In 69 rural local authorities, house prices were more than the national average rate of 6.8 times average wages.
* The average rural worker would need a wage rise of around 150 per cent just to be able to buy a home (National Housing Federation (2014) Who wants to buy a house in the country).
* The challenges facing rural communities are not new. The Taylor Review identified the key issues in its 2007 report – [Living Working Countryside](http://www.wensumalliance.org.uk/publications/Taylor_Review_Livingworkingcountryside.pdf). It noted a number of issues which remain true to this day:
* *“Together, smaller villages and hamlets outside the market towns and particularly in comparison to urban areas, face a consistent set of pressures affecting their sustainability:*
* *restrictive planning practice*
* *a low supply of housing (particularly affordable housing) to meet local needs*
* *lower local wages and unfulfilled economic potential, and a strong trend for in-migration which have led to very high house prices, unaffordable in relation to local wages.*
* *These pressures undermine the opportunities for rural communities to be economically vibrant, environmentally sustainable, socially mixed and inclusive. The price of property in rural areas has increased to a level which is on average significantly greater than for a comparable property in a more urban setting. Local employment opportunities are limited, particularly in more highly skilled and higher paid work.*
* *As a result, increasingly those working locally can no longer afford to live in these communities, and those living there have limited opportunities to work locally. This situation is undesirable from a perspective of fairness and social equity, but also runs contrary to the aims of creating and maintaining sustainable communities. In time, such communities will become increasingly unsustainable in every sense. The effects include:*
* *Lack of affordable housing undermines labour market supply as employees are unable to afford to live locally, and so increasingly unable to work locally which may impact on the viability of local shops, services and businesses.*
* *The changing demographic balance of communities (more wealthy and older people and fewer poorer and younger people) impacts on demand for local services, particularly schools, Post Offices and public transport, and so their overall viability.*
* *Constraints on economic development can restrict enterprise, leave rural communities more reliant on traditional usually low paid employment, and can result in disguised under employment (higher skilled people working in lower skilled jobs) and skilled workers moving elsewhere for work.*
* *Social and economic polarisation – where smaller rural communities are increasingly the preserve of the wealthy or retired, excluding poorer and younger people.*
* *The loss of rural enterprise, shops and services can compound pressure on vulnerable groups (lower income, immobile, elderly) to move out.*
* *An erosion of family and community ties as younger family members move away for housing and jobs.*
* *A change to the demographic balance undermines social networks often vital for providing support for vulnerable people such as older relatives, childcare for working parents and people with disabilities.*
* *A greater degree of reverse commuting by workers employed in rural enterprises who are forced to live elsewhere as a result of their inability to buy or rent locally, whilst those who live in the village commute into town for better paid work.*
* *Increased need to travel for services, as these decline for the reasons set out above.*
* *In summary, dormitory and retired communities with few local services or employment opportunities cannot provide a sustainable future for the countryside. Beyond the borders of these communities, their unfulfilled economic potential will also hold back the national economy as a whole.”*

**Housing Solutions**

* It is vital that the planning system is efficient and planning policies achieve a balance between delivering sustainable housing development, supporting local businesses, and protecting the amenity of the countryside.
* We are concerned that these factors have not been fully addressed in the Government’s recent Housing and Planning Act 2016 and that the extension of Right to Buy to Housing Association properties in rural areas will further deplete affordable housing stock as there is no obligation to replace homes that are sold off.
* [We welcomed the Government’s Housing White Paper](http://www.countryside-alliance.org/countryside-alliance-welcomes-publication-governments-white-paper-proposals-improve-housing-market-england/) which contained many sensible proposals to tackle the housing crisis. It is essential that these proposals are turned into reality and deliver much needed housing across the country.
* We were particularly pleased with the White Paper proposal to make more land available for homes in the right places by maximising the contribution from brownfield and surplus public land which is something we have long campaigned for. This will bring new homes to towns, cities and villages enabling more people to have homes where they want to live and work.
* The White Paper also proposes to give communities a stronger voice in the design of new housing to drive up the quality and character of new developments. This is an opportunity to enable locally led initiatives to develop small groups of affordable housing for local people to rent or buy, where they meet criteria of local support, good design, and are affordable in perpetuity.
* The Countryside Alliance has also argued for changes to Permitted Development (PD) Rights which would mean farmers no longer have to choose between residential or agricultural permitted development. Under our proposals farmers would have greater flexibility on when they are able to use their Class Q PD Rights to convert from agricultural to residential use which will help deliver sustainable housing development, whilst also supporting farmers who are facing some of the most difficult trading conditions in a generation. Our response to the consultation is available [here](http://www.countryside-alliance.org/csa-wordpress/wp-content/uploads/2016/04/WRITTEN-EVIDENCE-SUBMITTED-BY-THE-COUNTRYSIDE-ALLIANCE-RURAL-PLANNING-REVIEW-April-2016.pdf).
* The Countryside Alliance believes that homes should be built which meet the needs of the country while not losing large swathes of the countryside. We also believe the Government should implement a [number of proposals](http://webarchive.nationalarchives.gov.uk/20091125172617/http:/www.communities.gov.uk/documents/planningandbuilding/pdf/incentivisingconsultation.pdf), consulted on by the last Labour Government, to incentivise landowners to bring forward land for affordable housing.

**Countryside Alliance calls for:**

* **Government to create a planning system that is efficient with planning policies that support sustainable rural life and businesses; including better use of Permitted Development Rights.**
* **Government to implement measures to incentivise landowners to bring forward land for affordable housing.**
* **Government to incentivise the use of brownfield land to provide housing.**
* **Government to encourage locally led provision of affordable local housing to meet local need.**

**For more information please contact:**

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