

## COUNTRYSIDE ALLIANCE BRIEFING NOTE

### House of Lords Debate

**“Housing shortage impact on young people, in their desire to live in the communities where they were born, raised and educated”**

**Lord Griffiths of Burry Port**

**Thursday 3 November 2016**

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**COUNTRYSIDE  
ALLIANCE**

The voice of the countryside

The Countryside Alliance welcomes this debate. The shortage of affordable housing is one of the greatest challenges facing the United Kingdom. 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 suffer from a lack of housing, especially affordable housing.

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). However, since then, that average has been around 8,000 (Department for Environment, Food and Rural Affairs (2013) Living in Rural Areas: Housing).

Research by the National Housing Federation (NHF) found that in more than three in four (77%) 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.

Population growth, combined with migration from urban areas, has seen the rural population grow by 800,000 in the last decade, 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.

The average rural worker would need a wage rise of around 150% just to be able to buy a home. (National Housing Federation (2014) Who wants to buy a house in the country article).

The challenges facing rural communities are not new. The Taylor Review identified the key issues in its 2007 report – [Living Working Countryside](#). 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.”*

The effects are particularly stark in smaller and rural communities. Those young people unable to find homes also often move to urban areas placing a further strain on affordable housing in those areas. This can also increase the distance people travel to work with the associated negative environmental impacts.

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.

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%) higher than in urban areas. However, workers in rural areas have seen wages rise at a slower rate than the rest of England in the last decade, by 21% compared to 24% in the rest of the country.

We are concerned that these factors have not been fully addressed in the Government's recent Housing and Planning Act 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 houses that are sold off.

The Neighbourhood Planning and Infrastructure Bill 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.

According to the Government the Bill is intended to *“reform planning and give local communities more power and control to shape their own area so that we build more houses and give everyone who works hard the chance to buy their own home.”* It includes:

- Measures to reform and speed up the planning process by minimising delays caused by pre-commencement planning conditions.
- A new statutory basis for the independent National Infrastructure Commission, to help invest in Britain's long-term future.
- Streamlined processes supporting neighbourhoods to come together to agree plans that will decide where things get built in their local area.

We also believe the Government should implement a number of proposals, consulted on by the last Labour Government, to provide incentives for landowners to bring forward land for affordable housing.

The Countryside Alliance has also argued for changes to permitted development rights which would mean farmers no longer have to choose between their residential or agricultural permitted development. Under our proposals farmers will have greater flexibility on when they are able to use their Class Q 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](#).

#### **Countryside Alliance calls for:**

- **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.**
- **Locally led provision of affordable local housing to meet local need.**