



Action with Communities in Rural England

ACRE Briefing: Final report from the HCA Rural Housing Project

This briefing highlights extracts from the full report of the Rural Housing Project, published in July 2010 but not available electronically until August. On the last page, it signposts to the HCA Rural Housing Information Centre for further information and resources developed during the project.

The Rural Housing project, which is now complete, was managed by the Homes and Communities Agency (HCA) in conjunction with Defra. Information was gleaned from interviews with 50 local authorities, rural housing practitioners and community representatives. All the work was completed against the background of the previous government planning policy and, where appropriate, comments have been inserted by ACRE into this briefing to indicate that the landscape of rural affordable housing and planning has now changed considerably.

Of particular note is that the report has not investigated strategic planning policies directly impacting on rural employment space, retail, and services. The remit and framework did not have room for this, although discussions surrounding live/work housing and using public assets as community hubs and retail centres should move forward. Nor has the report focussed on the different models of 'affordable housing', from self build, to co housing, to vehicles such as community land trusts / local housing trusts (page 91).

It does, however, tackle:

- Planning policy implementation by local authorities
- Community engagement and barriers at the grass roots
- Rural Housing Enabling and the relationship to community led planning
- The role of parish and town councils
- Affordability of rural schemes.

The recommendations are potentially useful, but confounded by the plans of this government to radically overhaul the planning system, and offer communities new ways of securing a mix of needs through community-supported development. However, some of the research results and the resources produced by the project will transfer to any new policy scenario.

Context

Of the 326 English local authorities, 244 have settlements with populations of fewer than 3,000. Nationally, there are 16,100 such settlements outside London (page 7). The South West has by far the highest number; the North East has the least.

Information on affordability (price versus income) is held by the HCA at small area level. Rural affordability is worst around London (also affecting urban areas), Devon, Cornwall and Dorset, but this probably masks small area data (page 2).

Few local authorities have a strategy to attempt to reconcile affordable housing strategic aims within the context of tackling rural housing need together with promoting rural sustainable communities at a local level (page 24).

Community Engagement

A number of local authorities said that one of their biggest challenges was *'getting communities on board'*. Issues such as capacity are seen as contributory factors to the lack of good community engagement. One council told us: *"The district has a huge amount of parishes, and we're a small team...we have other priorities"* (page 25).

ACRE note: this was written against the policies adopted by the previous government i.e. community engagement is interpreted as largely a top down exercise.

Many local authority housing strategy and enabling functions admit to not having a clear rural community engagement strategy (page 26). Teams say they are affected by issues of capacity, how functions across the local authority are joined up and how they work with external agencies such as rural community councils. One local authority employee said: *"The local rural community council does community planning, which is good, but they don't get involved in housing."*

The way parish councillors are approached is identified as a standalone issue within the 'community' theme... As one local authority officer stated: *"The need to develop in villages with disinterested Parish Councillors is a major challenge."* This reflects the views of most local authorities that we spoke with (page 29).

Coordinating housing and planning work

Statements such as *'housing and planning still need to work more together'* reflect the general mood across local authorities. A significant number represented the view that there are *'more blockages with planners and other departments than external problems'* (page 32).

Priorities are based on national and sub-regional objectives, as well as local identified needs and aspirations. ...Contextual aspects, informed by the local evidence base, will mean in some cases rural enabling may be marginalised. An officer informed us: *"The main priority for the Council is the regeneration of towns...we don't have a separate rural programme or policy"* (page 37).

Evidencing housing needs

Many local authorities view parish level Housing Needs Surveys as, for example, *'a major task...[with] no added value'* and carrying *'a significant [unmanageable] cost'* Furthermore, these surveys need to be sensitively managed, due to many local authorities suggesting that they can raise expectations to unrealistically high levels, which can negatively impact on future development (page 39).

The other side of the coin sees many local authorities viewing rural Housing Needs Surveys as indispensable. One respondent said: *"Only parish surveys can provide information good enough to bring sites forward...finding out the true feeling and needs that wider assessments can't"*. One officer said: *"Although a programme of surveys would be great, who's going to do the work?"* Another said: *"We need support with collecting evidence"* (page 40).

Sustainable communities

The discussion of planning policy inevitably focuses on sustainability, with doubts expressed on the issue of whether *'it's too late to save some settlements'* due to a lack of employment and facilities or links to any. However, a major concern among housing enabling officers is the impact of sustainability-based hierarchy criteria on planning and development management decisions. One representative said: *"Planners are precluding some sites, even when the parish council is keen"* (page 44).

Rural Housing enabling

'Time intensive' was a term used by many officers to describe the main challenge related to resourcing rural enabling. In relation to other work an officer can be engaged in, outputs are measurably lower (although not relatively). Specific funding for enablers dedicated to rural areas is a popular request, many local authorities preferring the employment of externally based Rural Housing Enablers (RHEs), with others seeing the role as best carried out 'in house'. Either way, it is clear that many officers perceive rural enabling as an under-resourced role (page 45).

Some local authorities value the 'independence' of externally based rural enablers, whereas many prefer an enabling role that is based on the council's values and priorities, and represents the strategic housing and planning functions' objectives. A local authority officer said: *"We have found that parish councils and the public don't care who employs the RHEs so the idea of an 'independent honest broker' is outdated."* A different representation of the situation from another local authority, based not too far away was that the (independent) RHE *"can get the community on board better"* because they had *"more time than the council"* (page 46).

Exception sites

With regard to rural development, and especially focusing on exception sites, the issue of land value is one that demands individual attention (page 50). The ability to deliver market housing on exception sites is brought up many times as a way to mitigate barriers related to exception site land value. This though is problematic, with many officers putting across the view that this will increase hope value and make land for exception sites harder to bring forward into the future (page 51).

ACRE note: since the new government solution on Right to Build allows mixed development on unallocated sites with community support, this is not something can be ignored.

The Housing Project commissioned three research exercises:

Research project 1: relationship between CLP and community support for village development (page 59)

The results demonstrate that there are benefits already emerging from Community Led Planning, particularly in relation to increased awareness of housing need and supporting the delivery of rural affordable housing. There are also clear actions emerging from Community Led Plans and evidence of good practice and partnership working. **But it is also clear that more could be done. This work has revealed that there is potential for the issues to be further highlighted through even closer working between development workers, parish councils and strategic housing professionals at the local authority level.**

Research project 2: Rural housing economic viability toolkit (page 60)

The purpose is to enable a consistent approach to measuring and understanding the economic viability of affordable housing schemes in settlements with a population fewer than 3,000, when identifying potential programmes of delivery and windfall sites. The analysis in Stage 1 points to a number of factors that regularly occur in relation to rural housing schemes which can often result in increased development costs. These factors, including design, infrastructure and code for sustainable homes, are discussed, with recommendations to counter these costs put forward. The rural viability toolkit has been developed, based on the analysis, reported upon in the 'stage 1' report, as well as a consultation process with local authority officers and other stakeholders closely involved in the delivery of affordable housing. It is comprised of four elements:

Research project 3: The contribution of affordable housing on the sustainability of rural communities (page 61)

This project, which is still work in progress, aims to counter the belief that some villages can be defined as 'unsustainable' as a result of lack of certain services or access to public transport. The project will result in a model that can demonstrate the contribution of affordable housing to the

social, economic and environmental sustainability of communities. The project commenced in March 2010 and will report in March 2011.

A selection of the recommendations is given below:

Recommendation 2 (page 78)

Existing rural housing partnerships should be evaluated. Considerations should include:

- how local authority strategic housing and enabling and planning functions work together across district boundaries (if appropriate)
- the use of delivery mechanisms, contractors, and personnel that address barriers related to capacity, economic viability and interconnected issues
- National Park Authority, County Council and elected member engagement
- Parish Council engagement
- incorporation of an employment and skills strategy and programme specific employment and skills plan
- employment of resources and expertise within the third sector and Rural Community Councils.

It is clear that **Rural Housing Enablers** have an essential role, and have much expertise, enthusiasm and enterprise to help fulfil local authority housing enabling function's role. It is also clear that, to move toward a strategic approach to delivery, the relationship between local authorities and the independent RHE role must innovate. The funding streams of Rural Housing Enablers need to be more sustainable and linked to the strategic programme of investment for delivering rural affordable housing. Funding Rural Housing Enabling activities, whether traditionally 'independent' or 'in-house', should be linked to rural housing partnerships and the related strategic priorities.

Recommendation 3 (page 79)

The HCA should support rural housing partnerships' plans for programmes of investment for delivery of rural affordable housing, evaluating them in terms of policy, process, delivery and strategic potential for setting up future delivery. Plans for programmes of investment for delivery of rural affordable housing should have proper regard to rural housing partnership's capacity, and how 'rural enabling activities' are funded. 'Proper regard' involves identifying the roles and responsibilities across the partnership, and ensuring targeted resources are available for focused rural enabling activities, including co-ordination of the rural housing partnership, relationship management of all stakeholders, and proactive community engagement.

Recommendation 4 (page 79)

Local authorities and rural housing partnerships should consider consulting parish councils on enabling 'cross parish partnership' working.

Recommendation 6 (page 82)

Local authorities and rural housing partnerships should consider producing a Rural Communications Plan.

The HCA commits to draw on the conclusions of the community led planning and affordable housing study and ensure they are part of the wider approach to assessing the value of a rural housing partnership's initial plan for a programme for delivery. It will make the report available to local authorities, rural housing partnerships and all stakeholders involved in the rural enabling process; and provide strategic support to improve a constructive engagement with the community led planning process overall.

Recommendation 7 (page 83)

The HCA should consider collaborating with the National Association of Local Councils to support a programme of sub-regional 'Parish Council Information Exchange' events. This programme will enable parish councils to share experiences about rural affordable housing and

related issues. This will support a 'bottom up' approach to informed decision making, as well as helping to ensure that the issues surrounding affordable housing and sustainable communities are placed on all parish council agendas.

Recommendation 9 (Page 85)

Rural housing partnerships should consider initiating a programme of Parish Housing Needs Surveys, targeting parishes that include housing need as an action point within parish/community plans.

As well as employing partnerships and cultural shifts to make for more efficient enabling activities, the data analysis illustrated some examples of policy that helps to mitigate financially connected delivery barriers. Investigating ways to exempt Registered Providers from s106 contributions and tariffs on 100% affordable housing development⁴⁵; understanding perceptions of land value and reasons landowners may decide to provide land; and challenging what can be perceived as onerous planning obligations relating to expensive materials, can all help (within the rural partnership model) counter aversion to perceived risk of working up small rural schemes (page 87).

More details:

The full report:

http://www.ruralaffordablehousing.org.uk/files/FINAL%20REPORT%20Rural%20Affordable%20Housing%20Project%20July%202010_dberlin.pdf

The Rural Housing Information Centre:

<http://www.ruralaffordablehousing.org.uk/home.html> is an outcome of the now completed Rural Housing project and will be managed from now on by the HCA Rural Team. The information centre uses a web-based 'rural enabling guide' which acts as a resource for good practice examples. Use the contact page to discuss inclusion of new good practice examples.

Research programme 1: Community Led Planning and housing need

<http://www.ruralaffordablehousing.org.uk/further-information/community-led-planning.html>

Research programme 2: Rural affordable housing viability toolkit

<http://www.ruralaffordablehousing.org.uk/further-information/rural-viability-tool-kit.html>

Research programme 3: Affordable housing and sustainable communities

<http://www.ruralaffordablehousing.org.uk/further-information/sustainable-communities.html> which gives the address for access to the Community of Practice that is being used to develop this project.