

Social housing in rural areas

Much of rural England experiences problems of access to and affordability of housing, but different housing market conditions vary. A team of researchers from Newcastle University found that in those areas where the market catered only for the affluent the role of Registered Social Landlords (RSLs) was vital: they help sustain mixed and vital communities. However, RSLs faced significant difficulties in their rural operations. The study found:

- f** Tenants were, by and large, very satisfied with their housing and felt that housing provided by RSLs met their housing needs more effectively than any other housing available to them.
- f** The most obvious role which RSL housing fulfilled for tenants was enabling them to remain within established networks of family and friends within a village. Links between RSL housing and the labour market were more limited.
- f** Provision of social housing in rural areas may be necessary but is not sufficient in itself to sustain mixed communities. Many of the rural areas which have more social housing also tend to have problems linked with poverty and unemployment. These disadvantages tend to outweigh any positive effects from social housing on the 'life chances' of the residents and their ability to remain within rural communities.
- f** Social housing providers in rural areas face considerable challenges. They share with their urban counterparts concerns about residualisation and - notwithstanding the overall shortage of rural affordable housing - of localised lack of demand.
- f** Local connection conditions attached to development in many rural areas produce inflexibilities in RSL allocations which can exacerbate the problem of matching provision and demand at the small, local scale.
- f** Adjacent villages often have quite different housing market conditions. Even so, by the start of the 1990s barely one in six of all rural settlements had a sustained level of social housing. The researchers conclude that the most important role for RSLs in addressing concerns about social exclusion and the sustainability of socially balanced communities in rural areas is still undoubtedly the provision of more affordable housing of good quality for low-income households.

Much of rural England experiences problems of access to affordable housing. House prices have been driven up by the influx of the affluent. The already low level of provision of council housing in rural areas has been diminished by high levels of Right to Buy sales. In recent years, Registered Social Landlords (RSLs) - mostly housing associations - have become the main providers of new social rented housing, often using land provided by special planning mechanisms.

This research investigated the current role of social housing in rural areas, including issues such as affordability and sustainability. Interviews in five case study areas explored the experiences of both residents and housing providers. The case study areas were identified to allow comparisons between different types of rural area, based on a new classification of English rural housing markets. This classification was also used when analysing national datasets to examine how far the 'life chances' of people in rural areas are affected by the availability of social housing in their local area.

The experience of residents

The experience of most residents of rural social housing was very positive, and they felt that their housing needs could not have been so adequately met by other housing options available in the locality.

Beyond the benefit of affordable good quality accommodation itself, the opportunity to maintain family and neighbour networks was the clearest benefit identified by those tenants who had connections with that locality. In fact, many respondents who had come from elsewhere also identified substantial benefits from their new home and from the rural location. On the other hand, a minority who had moved from elsewhere found that their location resulted in isolation and lack of access to facilities and opportunities.

Benefits in terms of links to the local labour market were less obvious, in part because of the widespread acceptance of substantial commuting as a normal feature of employment in contemporary rural

areas. In a small number of cases, the requirement to demonstrate a local connection before being allocated housing had prevented work-related allocations or transfers.

The survey of tenants of social housing involved only existing tenants and did not include the many in rural areas in housing need for whom social housing is not currently available.

The experience of providers

The experience of RSLs in providing housing in rural areas can be summarised by listing a number of dilemmas and problems. Often many obstacles - local opposition, funding problems, land and planning constraints and conditions etc. - had to be overcome to deliver just a small number of dwellings in a village.

While shortage of affordable housing was the general context to which rural RSLs were responding, many shared with their urban counterparts concerns about lack of demand in specific locations and for certain types of home. The small population base in rural areas made estimates of very localised 'housing need' fluctuate strongly over time.

Planning consents often imposed 'local need' conditions, so that only those with a local connection would be considered when the housing was allocated. This had mixed implications for rural RSLs. It was sometimes seen in a positive light, involving more sensitivity to local opinion and a move away from purely needs-based allocations (a 'community housing' approach which puts rural RSLs in the forefront of national trends in allocations policies). On the other hand, the imposition of occupancy restrictions creates inflexibility for RSLs in finding tenants. It may make it more difficult to attract private finance for development, as lenders' ability to recover loans through future rents or sale may be inhibited by occupancy restrictions.

The overall effect can be exclusionary, ignoring housing needs in the wider area. More flexibility and inclusiveness in housing allocation can be achieved by, for example, combining local connection and housing need criteria, operating a 'cascade' system - for example, offering tenancies first within the

village, then in a cluster of local villages, then in the district as a whole – or applying policies to village clusters rather than single villages.

RSLs in some rural areas also shared ‘urban’ concerns about *residualisation* and social exclusion in social housing. Partnership approaches with other agencies such as local authorities and Regional Development Agencies were seen as the way forward in addressing these issues, rather than independent action by RSLs.

In general, the major contribution made by rural social housing towards the creation of mixed and socially inclusive communities was simply the provision of affordable housing opportunities in housing markets otherwise catering only for the affluent.

Variations in rural housing markets

There is substantial variation in market conditions between rural areas in different parts of England. (Here ‘rural areas’ are local government wards in which most, if not all, of the people lived in settlements of less than 10,000 residents.) The study compared three key factors:

- the share of local housing which was socially rented, and whether this had substantially declined between 1981 and 1991;
- how far there were severe limits on the supply side of the housing market, as shown by high prices or severe planning restrictions such as those in National Parks for example;
- whether there were, on the one hand, many people moving in to retire or for holidays or, on the other hand, substantial numbers of people commuting to distant jobs.

Rural areas were divided into six roughly equal sized ‘classes’ on this basis. Only one class had sustained social housing (at a level of at least 20 per cent of its stock) through the 1980s and into the 1990s.

Some strong differences emerged when the classes were then compared, but these were not always what might have been expected. In particular, the rural areas

which had sustained social housing proved often also to have problems of poverty and unemployment. The result was that the residents of these areas often had rather worse ‘life chances’ - for example, the highest levels of ill-health - compared with people in other rural areas. The advantages of living in areas where more affordable housing was likely to be available were more than cancelled out by the disadvantages of those areas’ typically poorer economic prospects. Rural areas where local job opportunities declined in the 1980s were mostly in northern coalfields while areas within 100 miles of London saw the fastest growth. This general pattern exists alongside all the local housing market differences.

The role of rural social housing

Arguments for social housing in rural areas often emphasise the difficulties young people face in setting up their own households in their home village. This study confirmed that moving out from the parental home is strongly linked with moving away from the home area altogether. At the same time, the study contradicts the argument that rural youngsters have more difficulties establishing independent households: young people from *all* types of rural area were more likely to have left the parental home by their early twenties than were their urban counterparts. Those who grew up in the rural areas with sustained levels of social housing were most likely to have set up on their own. Even so, the overall picture was of an ever-increasing flow of young people to urban areas.

The role of social housing provision by RSLs in rural areas can be said to be *necessary but not sufficient in itself* to sustain mixed communities. The provision of social housing often plays only a minor role in relation to people’s prospects in the labour market which, in turn, is partly driven by their level of access to the opportunities in and around the larger urban areas. Nevertheless, if social housing is scarce or absent then villages risk losing their remaining young people and less affluent families, particularly in much of southern England where affordability is such an acute problem.

About the study

A classification of rural housing markets at ward level was developed on the basis of the three factors described above. This was then used as a framework for a quantitative analysis of national datasets drawn from Census and longitudinal data which examined the links between types of rural housing markets and the life chances of their populations. The classification was also used in the selection of five local authority districts across England within which interview surveys were carried out with RSL housing providers and tenants reflecting their views and experience of rural social housing.

How to get further information

The full report, **Social housing in rural areas** by Mark Bevan, Stuart Cameron, Mike Coombes, Tanya Merridew and Simon Raybould, is published for the Foundation by the Chartered Institute of Housing (ISBN 1 903208 17 3, price £13.95).