

Rural Life Monitor 2024

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1 July 2024

Summary

This report offers an update to the Rural Life Monitor 2017 which explored how the housing crisis affects rural communities, services and business. In this new report we examine the issues today and the ways in which housing associations in rural areas are working to address these.

Introduction

Affordable housing is essential to the prosperity of rural communities. It means that people in rural areas have the option to live and work where they grew up, close to their families. Unfortunately, this is increasingly difficult for many due to high house prices and private rents. It also means that the people needed to work in and support local businesses and services are too often having to move away, leaving key amenities in rural areas struggling.

The housing crisis is often discussed in terms of the number of new homes needed to address the housing crisis in England, but less often in terms of how this looks in different parts of the country. In fact, the number of new affordable homes needed to sustain a village is relatively small. Research published by CPRE, English Rural and Rural Services Network found that building just 10 new affordable homes in a rural area benefits the wider economy, [generating an extra £1.4m and supporting an average of 26 jobs](#).

Despite this, building new affordable homes in rural areas is extremely challenging. The planning process often takes longer due to stretched and under-resourced planning departments. Rural projects tend to be smaller too so do not benefit from the economies of scale typical in larger developments. This means that once planning is completed, high skilled labour and materials costs are often higher.

Consequently, we are not building the homes necessary for rural communities to thrive, socially or economically. This is not only hurting local communities but wider economic growth as well. Services such as schools and pubs are the pillars of rural community life. These services are increasingly at risk of closing where rural areas have suffered from lack of investment in new affordable homes. Without this investment, it is difficult for families to grow and remain in the same area, and more difficult for people to move to these areas, putting the long-term sustainability of local businesses at risk.

In 2017, we published a report called the Rural Life Monitor which explored this issue. In this new report we examine the issues facing rural communities today and the ways in which housing associations in rural areas are working to address these. This report helps make the case for the government to produce a long-term plan for housing.

The housing crisis in rural England

As we know, there is a housing shortage across England. We're not building enough affordable homes to meet the need and in some ways, the issue has hit the countryside even harder than it has our cities.

According to the ONS, the average house price in England in 2013 was £185,000 when average earnings were £27,375. By 2023, [the average house price had risen by 57% to £290,000](#), while average earnings rose by just 28% to £35,100. This means that the average house was 6.76 times average earnings in 2013, but in 2023, had risen to 8.26 times.

This has had a damaging effect on affordable housing in the countryside, meaning **homes are now less affordable in rural areas for low income households**. The [average lower quartile house price in rural areas in 2022 was 8.8 times the average lower quartile earnings](#) (the bottom 25% of earners). This compares to 7.6 in urban areas outside London.

We've also seen housing waiting lists grow across the country but this too has affected rural areas differently. In rural areas, **housing waiting lists grew by 20% between 2020 and 2023**. In urban areas that figure was 14%. This means that in the countryside, housing [waiting lists expanded by 34,021 people](#) from 171,171 to 205,192. During that period [only 7,005 new homes for social rent were completed](#) in these areas.

Homelessness is also increasing across the country and while it affects more people in cities, it's increasing at a faster rate in rural areas. In 2021/22, in rural areas there were 3.7 households per 1,000 accepted as homeless. By 2022/23, this had risen to 4.4 households per 1,000. That's [an increase of 0.7 households per 1,000](#). By comparison, in 2021/22, in urban areas excluding London there were 7.0 households per 1,000 accepted as homeless, rising to 7.1 households per 1,000 by 2022/23. An increase of 0.1 households per 1,000.

The wider impact of unaffordability

How the affordable homes shortage affects local communities is [well documented](#). Too many people have to get by in overcrowded spaces or otherwise unsuitable housing. But it also impacts essential services and businesses necessary to sustain rural communities.

- Between 2018 and 2023, [45 local authority-maintained schools and academies in rural areas closed](#).
- Between 2022 and 2023, the number of [post offices in rural areas fell by 1% \(53\)](#), while the number in urban areas increased.
- In the 10 years to 2022, at least [49 play parks closed down in rural areas](#).
- In 2023, there were [535 fewer pubs and bars in rural areas \(6%\)](#) compared to 2018.

Village halls are crucial hubs for rural communities and many were essential in the response to the Covid 19 pandemic, providing a centre for emergency food provision, hosting NHS services (including testing and vaccinations), and the provision of childcare. Yet, many do not have sufficient funds to carry out important improvements to their premises. Of 350 surveyed by ACRE, [151 village halls said they have had to scrap planned improvements](#).

The impact of the housing crisis also damages the wider economy. **The lack of affordable housing affects local businesses by driving away skilled workers.** According to Federation of Small Business, on average in 2022, 30% of rural small firms said [finding appropriately skilled staff was the greatest barrier to their future growth aspirations](#).

How new affordable homes is transforming lives – case studies

Social and affordable housing, including shared ownership, is a key driver of economic growth and resilience in rural communities. Together, [housing association homes in rural areas add £5bn to the local economy](#).

To explore this, we looked at several new affordable housing developments in rural areas, the challenges they faced and the impact on the local community.

Cornish affordable housing development also delivers improvements for village hall and playing field

In 2024, Coastline Housing brought 19 new affordable homes to the small rural community of Nancegollan near Helston in Cornwall. Coastline and the local parish council also identified that the village hall next to the site had no parking spaces which was an issue for local residents.

The homes were developed thanks to over £800,000 funding from Cornwall Council and are a mixture of one, two and three-bedroom houses. Of these, 12 were offered for affordable rent and seven for shared ownership.

Coastline worked closely with Crowan Parish Council and Cornwall Councillor Loveday Jenkin to design the scheme.



Photo: Courtesy of Coastline Housing

This development included 12 parking spaces for the village hall and an area of open space that can be used by both users of the village hall (such as toddler groups) and residents. The open space and parking was then transferred to the Parish Council to own and maintain in perpetuity.

The project also included a financial contribution for the benefit of Nancegollan Playing Field just 100 metres away.

The development has had a great impact on the village. As well as providing 19 families with new affordable homes, the community has bonded well since everyone moved in.

Residents threw a tea party to celebrate the opening of the scheme, inviting new neighbours to meet with the village hall committee and others who lived nearby.

The village hall committee also produced a welcome pack outlining for new residents the various courses and clubs run at the hall, as well as the support available within the community.



Photo: Courtesy of Coastline Housing

The planning, build and completion process was very smooth, with all necessary parties on board with what Coastline aimed to bring to the area.

Coastline engaged proactively with the parish council and other local partners during the planning process and are proud to have successfully delivered much-needed affordable housing for this community, and the children and grandchildren to come.

New affordable housing that honours the character of Forest of Dean village

Berry Hill is an idyllic village founded in the 16th Century on the edge of the Forest of Dean in Gloucestershire. With a population of around 1,600, this is a small community near Coleford where many families bring up children in a rural location, and people retire where they can enjoy a slower pace. It is also one of the 30% most

deprived areas in the country and there is a desperate need for more affordable homes.

Working with various partners, Two Rivers Housing has been able to design and fund a new affordable housing development which provides much needed housing for local families and honours the character of the village. Work on this site began in March 2024.

Two Rivers Housing used existing relationships with the Forest of Dean District Council (FODDC) and a rural housing enabler (GRRC) to understand what types of homes would provide the most benefit to local people. They also ensured that the development maintained a rural feel. It includes a small orchard, ecological buffer zone and children's play park and grants were obtained from NHS Gloucestershire to ensure that two of the bungalows are fully accessible and adaptable.

The development will provide 17 new homes for local families and includes two fully accessible bungalows, helping to meet the need for accessible housing (of which there is a shortage).

Four of the houses offer shared ownership to help families put down roots in the local area and take the first step on to the housing ladder in an area where the price of properties puts this completely out of reach for many local people.

The other homes will be available for social rent, making them more affordable for families in the area.

The development will comprise of:

- Six one-bedroom flats for social rent.
- Two one-bedroom houses for social rent.
- Two two-bedroom houses for social rent.
- Two two-bedroom bungalows for social rent.
- One three bedroom house for social rent.
- Two two-bedroom houses, available through shared ownership.
- Two three-bedroom houses, available through shared ownership.

The site is a rural exception site, meaning planning could only be obtained for affordable housing, so the homes provided will not only benefit local people struggling to find an affordable place to live, but will also remain affordable.

Alongside the FODDC, GRRC and NHS Gloucestershire, Two Rivers Housing also appointed a local developer based in Coleford. Many of the development team live in the area – this should help ensure the development is delivered with care and consideration for the community.

NHS Gloucestershire has also provided funding to ensure that two of the properties are built to M4(3) standards making them fully accessible for tenants with mobility issues and physical disabilities.

As well as providing support for the development and information on housing need, FODDC also provided funds to help deliver the homes.

Two Rivers Housing worked too with Homes England to help fund this land-led development, helping to ensure they can deliver these new homes in a way that meets value for money standards.



Photo: Courtesy of Two Rivers Housing

Overcoming challenges

Work on the project started during the Covid 19 pandemic. This brought significant challenges, including making it more difficult to consult local residents. To ensure

they reached as many people as possible, a consultation was held online and they also joined (virtual) parish council meetings.

The community was very divided on the proposal. The majority of residents did not want to see more houses built in their village. People were concerned about losing the green space (especially those that overlooked it). This meant there was some challenge when it came to the planning process.

Due to the location of the site, Two Rivers Housing needed to undertake further ecology works, which added to the cost of the development and delayed the project by a year. This led to the discovery of a dormouse and Japanese knotweed. Dormice are an endangered species so a licence had to be obtained from Natural England to continue with the development, and plans were adapted to ensure protection of its habitat. The Japanese Knotweed had to be removed by a professional.

Two Rivers Housing also had to put easements in place for water connections and take down an electricity pylon to relocate the power source underground.

When asked about lessons learned, their advice was to be prepared for everything to take time.

How affordable housing helped one farming couple in Kent to put down roots near family

The story of a young farming couple in Kent illustrates the life-changing impact that affordable rural housing has on individuals, families and communities. By enabling young people to remain in the areas they know and love, housing associations like English Rural play a vital role in supporting the next generation of farmers and preserving the rich heritage of rural life. This couple's experience highlights the importance of affordable housing for families working in agriculture.

The couple, both in their mid-twenties, had deep roots in their beautiful Kent village. One partner grew up there as part of a mixed-farming family, while the other works in the local farming and agricultural sector. While they wanted to buy a house, the high costs of houses would make it impossible for them to stay in the village they loved. Moving to a town further afield seemed like their only option – but this would mean giving up their rural lifestyle and moving away from their family, friends and work.

Remaining in their community was vitally important for this couple to maintain close ties with family. The farmer's daughter could remain near her father, brother, and

grandfather, who all work on the same farm, and her partner could not afford a long commute from an urban area. As any farmer will tell you, farming means long working days so a short commute is essential to be able to see family and friends.

Luckily, a family friend mentioned English Rural to them, a housing association that provides affordable homes in rural areas. When they contacted English Rural, they were offered a shared ownership home in their village. Thanks in part to English Rural's policy of prioritising local residents, this couple now enjoys life in a warm, comfortable and spacious home, surrounded by the supportive community they love.



Photo: WW Martin Ltd, courtesy of English Rural

Shared ownership allowed this young couple to step onto the housing ladder by securing a mortgage to buy part of the property while paying a low rent on the portion still owned by the housing association. This arrangement made their dream of homeownership a reality without having to leave behind their farming roots.

New affordable homes that are also highly energy efficient

Fittleworth is a small parish inside of Chichester District Council in West Sussex. It has a population of fewer than 1,000 people but it boasts distinguished landmarks and a history of famous residents. It does, however, lack affordable housing, leaving some residents with no choice but to seek housing outside the village, further away from jobs and the local school.

This lack of affordable housing was something Worthing Homes is helping to address with a development completed in 2024. Worthing Homes is a community-based housing association set up in 1999, now providing homes and services to around 4,000 households.

Planning consent was provided by South Downs National Park for a scheme of 14 new homes of which 50% were to be affordable and 10% to meet the high energy efficiency 'passivhaus' standard. The seven affordable homes include five for social rent (of which three are passivhaus homes) and two shared ownership.

Worthing Homes acquired the affordable housing from Elivia through section 106 then worked with Chichester District Council and the local parish to introduce the affordable homes to those who lived or worked in Fittleworth. They held a pre-marketing event inviting the local community to express interest so they could be put forward for the affordable housing. This ensured local families had an opportunity to apply first. Worthing Homes also worked up a nominations agreement to ensure the local connection criteria for future residents and protect the provision of affordable housing in the parish.



Photo courtesy of Worthing Homes

This project was one of the first passivhaus schemes delivered by Worth Homes. Their in-house sustainability team works with the residents, monitoring their energy usage and bills to analyse performance of the homes and to inform future developments.

Community land trust delivers new affordable and energy-efficient homes in Wiltshire

White Horse Housing Association in Wiltshire has worked in partnership with the community around the villages of Seend and Seend Cleeve to build 10 new homes. Not only has this partnership delivered much-needed affordable housing to help sustain a rural community, it has also provided cutting edge passivehaus energy-efficient social homes.

The £2.8 million development includes four two-bedroom homes, one three-bedroom home and two one-bedroom homes for rent as well as two three-bedroom homes and a two-bedroom home offered through shared ownership. It is built on 0.327ha of former farmland at Seend Cleeve in partnership with Seend Community Land and Asset Trust (SCLAT), Seend Parish Council and Wiltshire Council.

The trust and the council worked with local landowners and villagers to identify possible sites for the development. Villagers discussed possible sites, design of the homes and many other aspects of the development at public meetings and consultations until all the options were settled.

The chosen land was made available by the trust and bought by White Horse Housing Association before being sold to the community land and asset trust for £1. It is now leased back to White Horse Housing Association for 995 years. That way everyone knows the homes are there for the community forever.

Both the rental and the shared ownership homes will be occupied by families with a local connection. The shared ownership purchasers can buy up to 80% of their home. The other 20% is retained by the housing association who can ensure the homes are only ever sold to people with a link to the area, and will always be there for the community.

Construction began in August 2022 and was completed in June 2024. The homes arrived on site in 'kit form', comprising pre-cut timber frames which were then assembled, insulated with sustainable wool and sealed with airtight wind and waterproof tape before the exterior was cladded. Thanks to this, and the triple-glazed windows, the homes are completely draught proof and need just one modern Quantum storage heater downstairs and a towel rail upstairs.

A mechanical ventilation system with heat recovery keeps temperatures cool in summer and warm in winter with high internal air quality. Roof solar panels further reduce costs.

New tenants Jan Scotland and Allan Tayler were overjoyed when their application was successful. Allan, 70, grew up in Seend and still has friends and family there. Allan is a carer and they lost their home when the lady he was looking after died.

Jan has a disability and they were fearful they would not be able to afford a private rented house. They saw the homes at Hook Hollow on the council website and applied for a two-bedroom home. They were accepted because of Allan's local connections.

They said it took 'so much pressure off, knowing that we've got somewhere to go... It's beautiful and we feel so lucky to be here'.

The couple's previous home was a Grade II-listed cottage with very little insulation. They used to pay £4,000 a year for oil and the electricity bill was £180 a month. Their bills have now halved, they are saving money on the oil, and have said they feel warm for what feels like the first time in ages.

White Horse Housing Association is the development's main funder but it has also been partly funded by Homes England's Affordable Homes Programme, together with a contribution from Wiltshire Council. The project has been run in partnership with Seend Community Land and Asset Trust. The homes were designed by PKA Architects of Potterne and built by Winsley White Builders of Radstock.

SCLAT chair Steve Vaux paid tribute to the housing association for not only working closely with the community but embracing its wish to develop low energy housing. He said the housing association understands rural housing issues, is customer-focused and achieves high satisfaction rates.

In England and Wales there are over 350 community land trusts (CLTs) across England and Wales (200 of them in rural areas) with more than 200 in the pipeline, delivering 1,711 homes and a further 5,413 on the way. With the right policies and support CLTs could build 30,000 more homes on rural exception sites alone.

Conclusion

This report illustrates how the dire shortage of affordable homes in England is affecting rural communities, and how demand has been growing over recent years. The housing crisis is exacerbated by ever-increasing house prices and private rents, meaning that for a growing number of people affordable housing offers the only hope of staying close to family, work and schools.

The case studies highlight just a handful of examples of how housing associations are working to address the affordable housing crisis in rural areas. Sadly, the country is still not building enough affordable homes for these communities. We've highlighted some of the challenges facing rural development and these must be addressed as matter of urgency. Meanwhile, we must make use of all available avenues. Recent [research by UCL](#) found that 2,640 extra affordable homes could have been built between 2021-22 if all rural local authorities had made better use of [rural exception sites](#). It only takes a small number of new homes to support a significant number of jobs and boost the economy.

Affordable housing fosters a sense of community and social cohesion in rural areas, with housing associations and local communities working together to deliver homes that meet local needs. This should be a priority for the government, and we recommend reading the [manifesto for Reviving Rural England](#) and our call for a [long-term plan for housing](#).