

National Housing Federation with the Rural Housing Alliance – the Rural housing 5-star plan

The Rural housing 5-star plan outlines an ambition for housing associations and the wider rural housing sector. It focuses on delivering more quality homes that meet local needs through partnerships with rural communities and landowners. In particular, it is a challenge for the housing association sector to ensure that rural communities receive a fair share of the sector's investment and activity. Everyone is welcome to sign up to the plan – indeed, the more organisations and individuals that do, the bigger the momentum and impact.

The 5-star plan is supported by the National Housing Federation and the Rural Housing Alliance, who along with other architects of the plan have a longstanding strategic commitment to encouraging the delivery of new affordable homes in rural communities. The Federation will work in partnership with its housing association members and wider rural stakeholders to deliver the ambitions of the 5-star plan. There will be regular engagement with those that sign up, as well as key partners that don't. Identifying promotional opportunities as the plan develops will be an important outcome for all.

A comment about each of the five points of the plan is provided below:

Housing associations will:

- **Work with and for rural communities, in accordance with the Rural Housing Alliance pledge**

This references good practice promoted by the Rural Housing Alliance, which is to work in partnership with rural communities to enable the development of quality, well designed homes that meet the needs of local people both now and into the future. It is also designed to restate the longstanding history that housing associations have of delivering rural homes through a community-led partnership approach.

- **Increase the current level of housing supply in rural communities by 6% per year for each of the next five years**

Linked to our overarching Ambition to Deliver work, the 6% target is designed to increase the supply of new homes nationally, both in rural and urban areas to keep pace with growing need. At present there is an absence of robust data measuring the delivery of affordable rural housing, so we have started collecting data from members developing in rural areas. We will use this survey to measure delivery, and it may be necessary to revisit this figure subject to support. Critically, the 5-star plan would be lacking without a reasonable but ambitious target to increase supply, so this inclusion is therefore important.

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- **Bid for at least 10% of Homes and Communities Agency (HCA) (or successors) investment to deliver new homes in rural areas**

This was considered a realistic target by housing associations involved in formulating the plan. Historically the HCA target was considered to have been just shy of the 10% level. This point redirects the challenge to housing providers to ensure that they are including sufficient bids to reach the 10% figure, as opposed to calls on the HCA to reintroduce a rural target. It is hoped that through dialogue with the HCA and housing associations, challenges to securing this level of investment can be identified and addressed should performance appear to be below.

- **Ensure that homes delivered benefit the local economy, including the farming and food economy**

Access to affordable homes is known to be one of the key barriers impacting small and medium sized businesses and the farming community in rural areas – specifically this impacts on the availability of labour and scaling up rural start-ups. The supply of new homes has a critical role to play in sustaining a vibrant rural economy, supporting local services, businesses and entrepreneurs. The farming community are essential rural stakeholders, also often being key to making land available for development. Attracting new entrants into farming and securing sufficient labour are two key challenges, which the increased supply of affordable homes can help to address – challenges that are likely to become an increasing political priority as the UK leaves the EU.

- **Meet the needs of rural communities and contribute towards five key tenures, as appropriate – homes for affordable rent, market rent, affordable home ownership, self-build and market sale.**

When housing associations deliver new developments in rural communities they often represent the largest inward investment in a generation. Getting the investment right by considering local needs and demands is therefore vital and enables innovation using new planning flexibilities. Now more than ever this is an opportunity for housing associations to meet broader community needs. Reliance on public subsidy can be minimised through the supply of mixed tenure developments, where it is appropriate to do so. For the avoidance of doubt, this point highlights those which are generally accepted as the five key tenures that can be used to meet varying local housing needs. Affordable rent is used in this context as rent which makes developments viable, but is affordable for those in the community in need of a home.