



Sustaining rural communities

The hidden challenge for Levelling Up

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Rural housing and the economy roundtable
National Housing Federation Rural Housing Week
Online, 6 July 2022



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Sustaining rural communities

The hidden challenge for Levelling Up

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The Cambridgeshire Cottage Housing Society



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Objective

To place rural housing in the context of the emerging Levelling Up agenda

Based on various research commissioned by CPRE, English Rural, Local Government Association and Rural Services Network

Outline

- Rural as a region
- Recognising rural housing need
- Towards rural-aware Levelling Up

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'Rural region' would be England's most populous



White Paper sets out government's objectives



Boosting productivity, pay, jobs and living standards by growing the private sector.



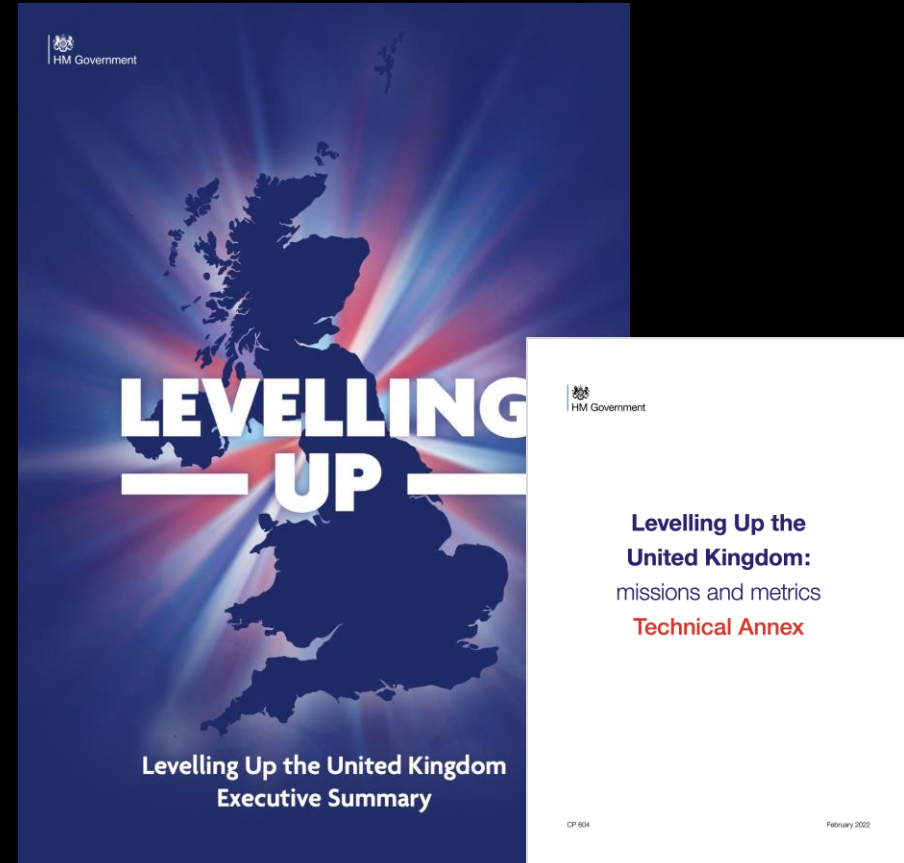
Spreading opportunity and improving public services.



Restoring a sense of community, local pride and belonging.



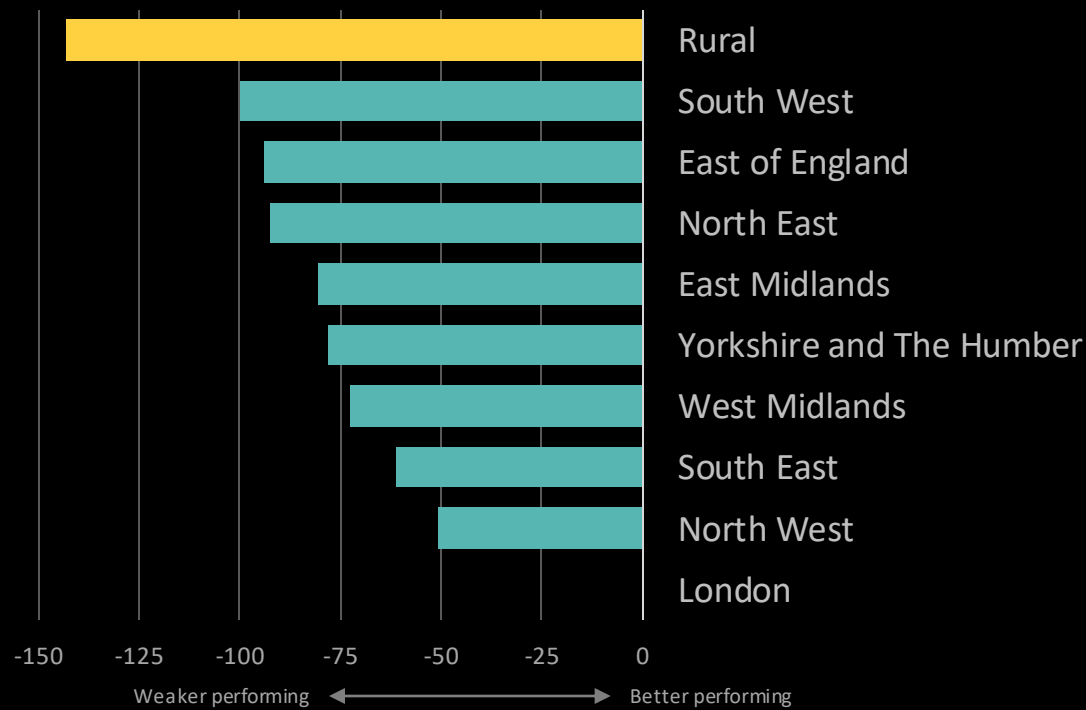
Empowering local leaders and communities



Unsurprisingly, rural region has connectivity deficit

Public transport connectivity

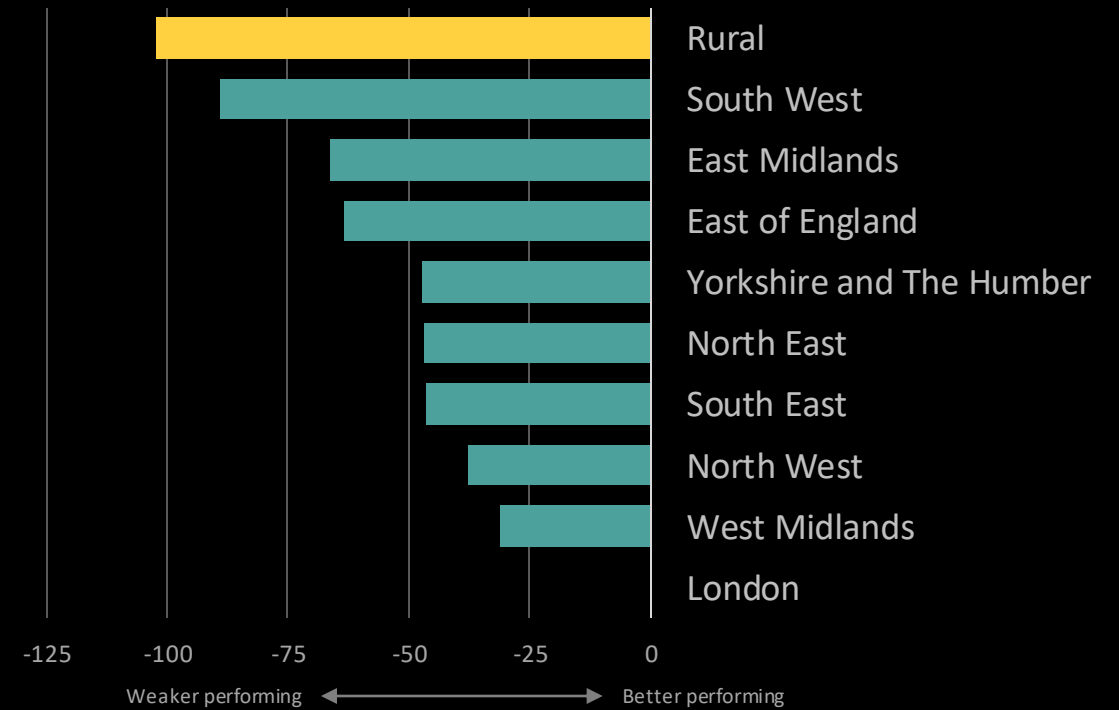
Average rating of Mission 3 headline metrics for which local authority data are available*



*data unavailable for travel to work method at local authority level

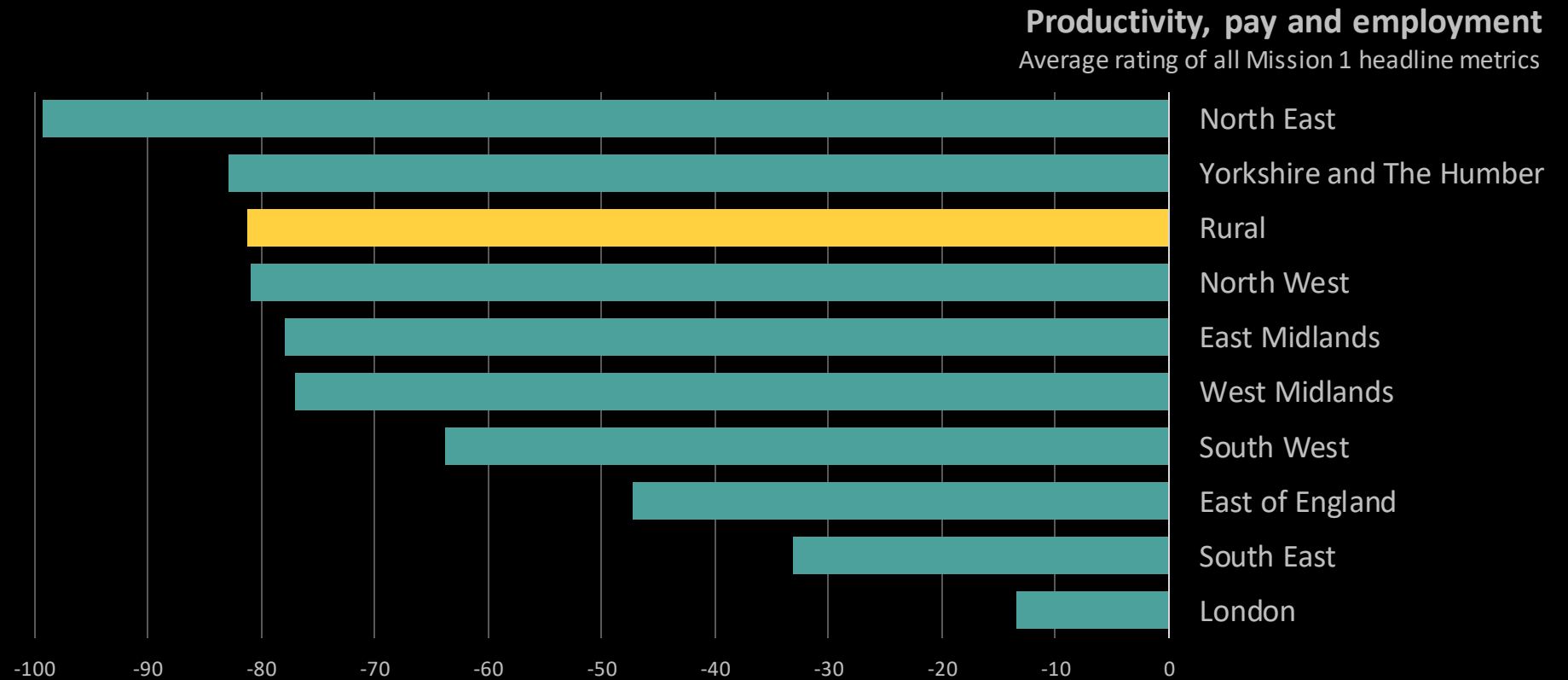
Digital connectivity

Average rating of Mission 4 headline metrics



Source: Pragmatix Advisory calculations using Office for National Statistics data

But there's also a serious economic gap to close

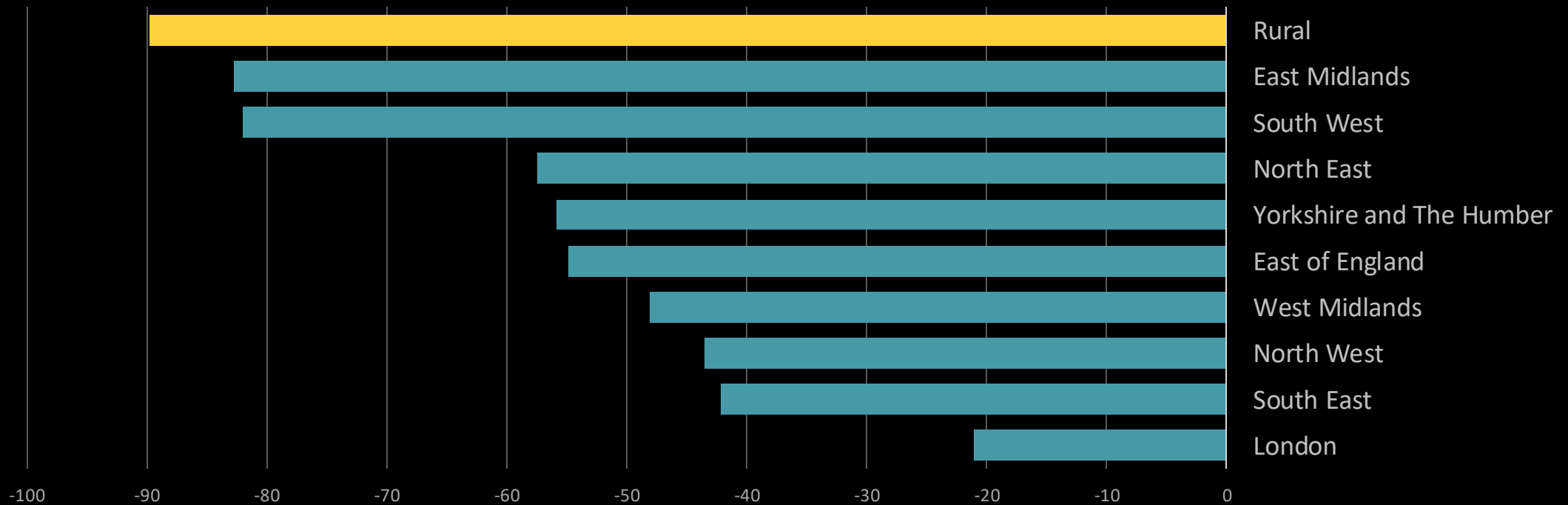


Source: Pragmatix Advisory calculations using Office for National Statistics data

Overall, rural region lags across headline metrics

Overall levelling up need

Average rating of all mission headline metrics for which local authority data are available

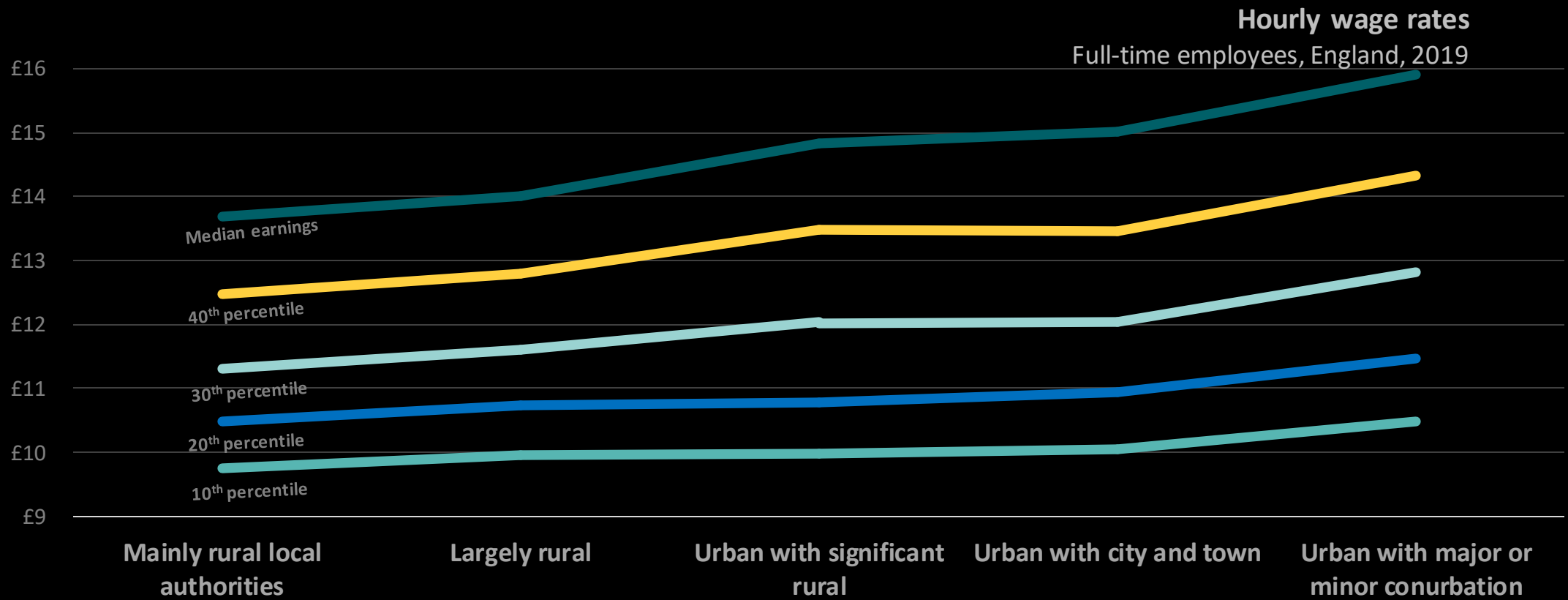


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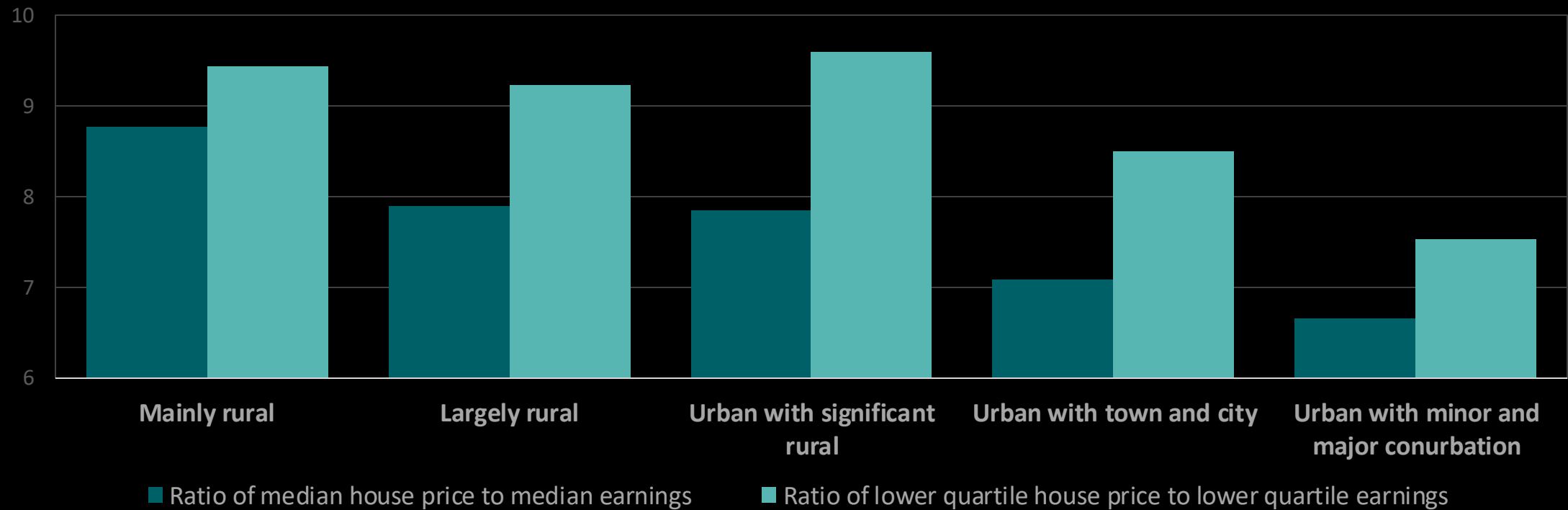
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Rural work pays less

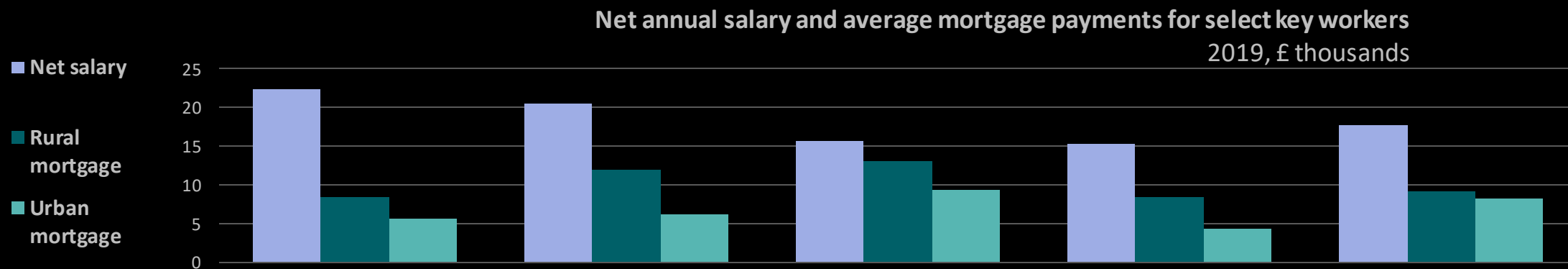


So, worst housing affordability outside capital

House price to earnings ratio
England (excluding London), 2019



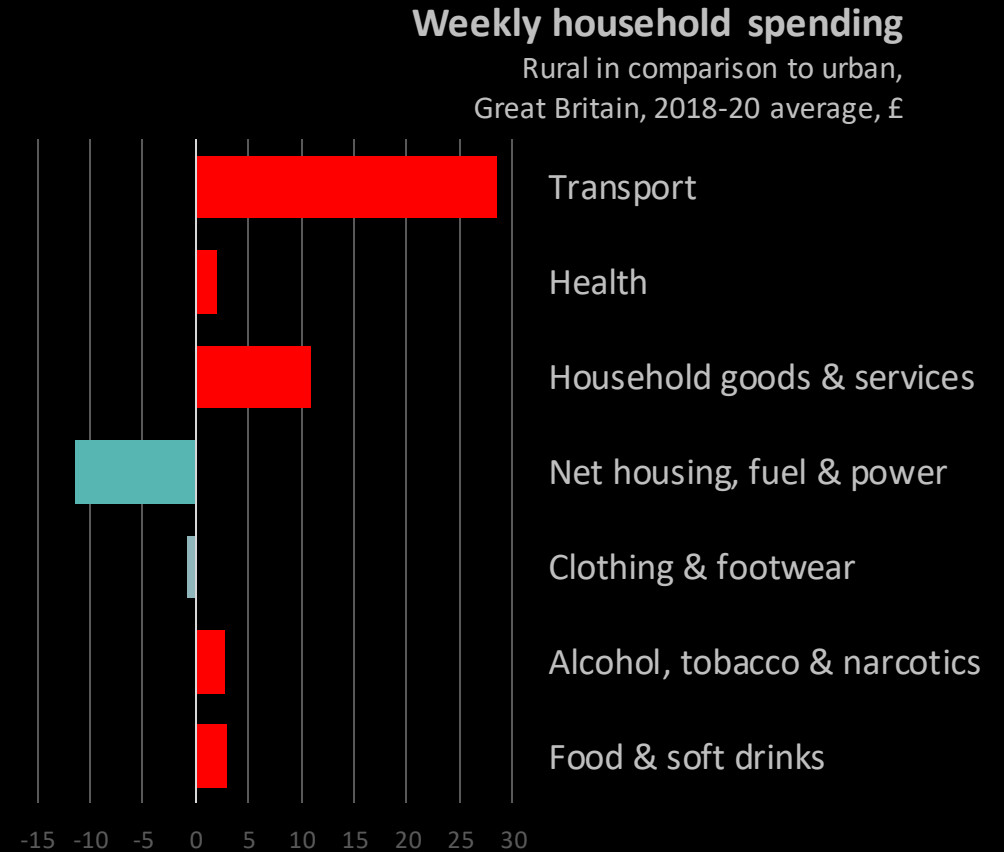
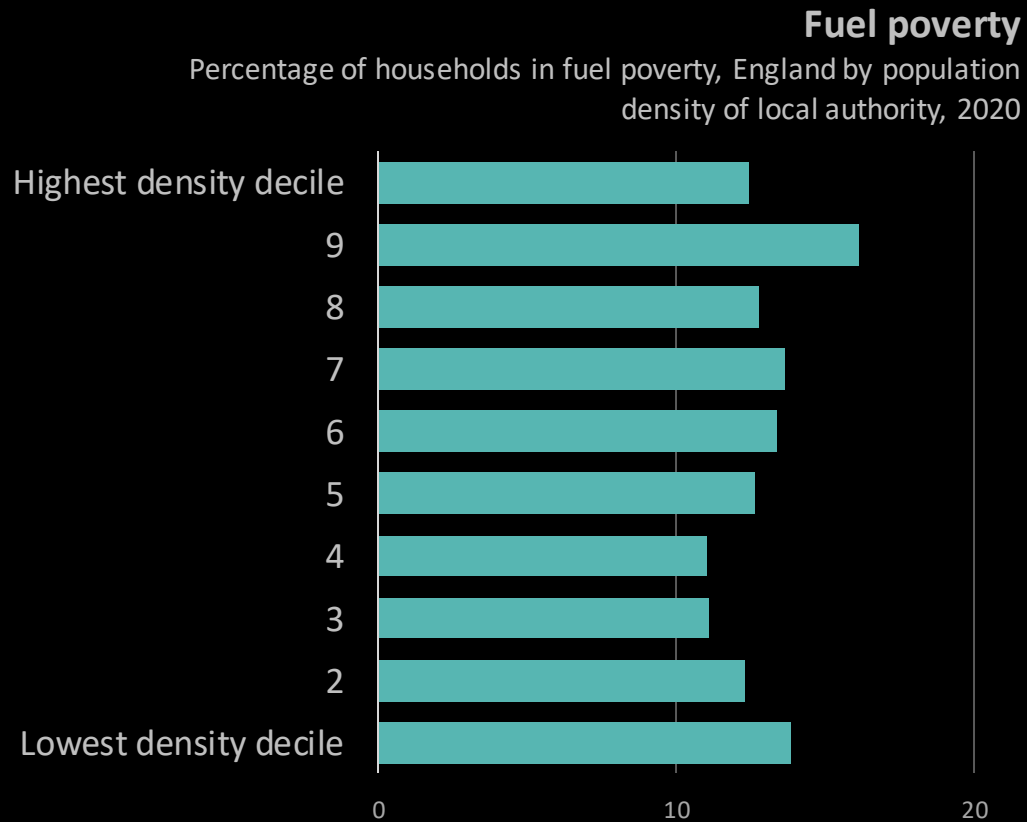
Key workers especially squeezed



	Primary school teacher	Nurse	Delivery driver	Shop assistant	Retained firefighter & part-time receptionist
Case study	Qualified one year. Works in East Riding of Yorkshire	Newly qualified. Works in South Hams	Delivers for food retailer in Stratford-upon-Avon	Works in a village shop in Staffordshire Moorlands	Must live in five minute radius of fire station in High Peak
Net salary	£22,408	£20,577	£15,631	£15,245	£17,713
Average flat or house price	Rural: £133,500 Urban: £100,000	Rural: £210,000 Urban: £110,000	Rural: £230,000 Urban: £165,000	Rural: £149,000 Urban: £76,000	Rural: £160,000 Urban: £144,000

Sources: UK House Price Index; Office for National Statistics; Glassdoor; NUWUT; Fire Brigades Union; nurses.co.uk; Royal College of Nursing

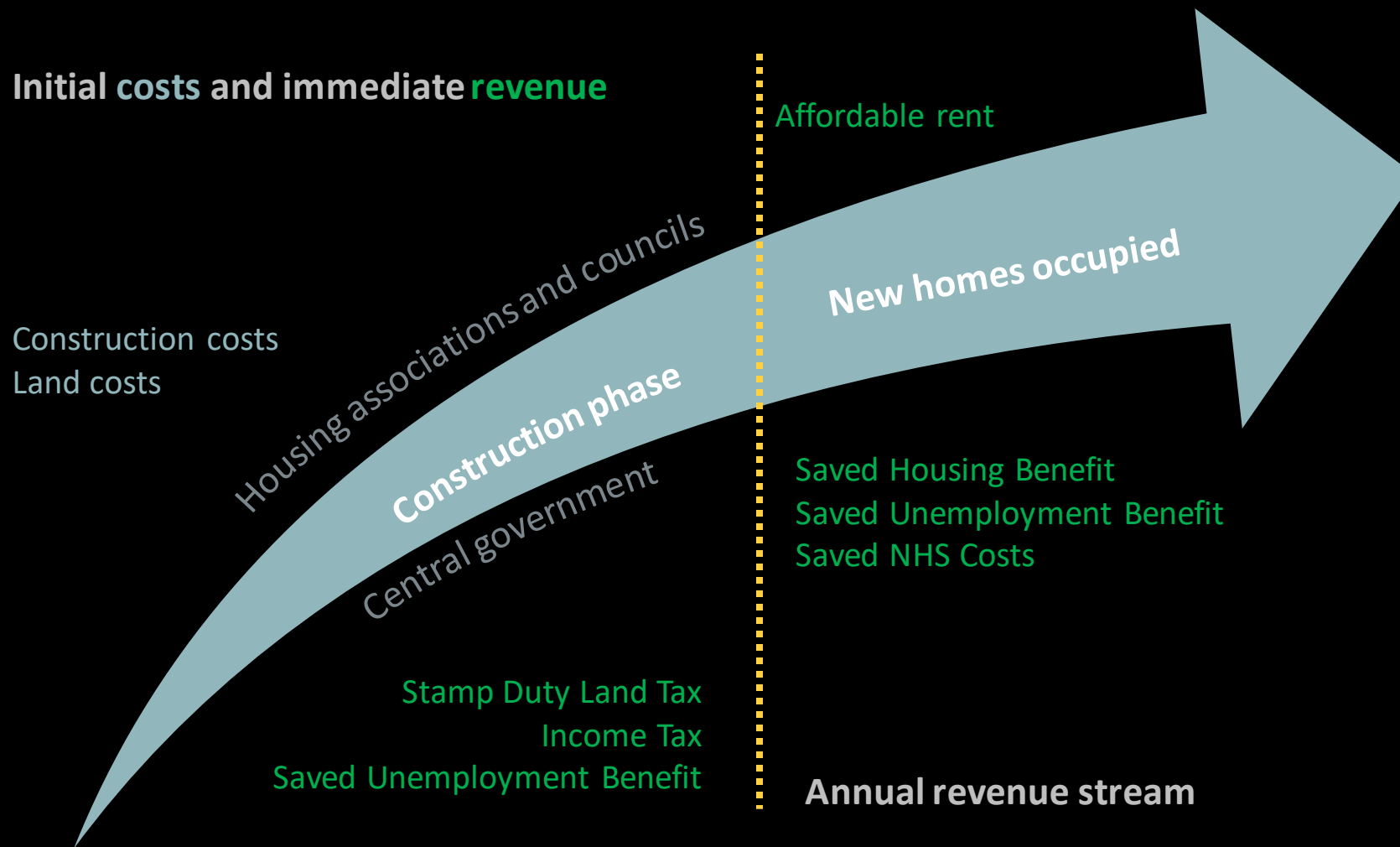
All compounded by cost of living crisis

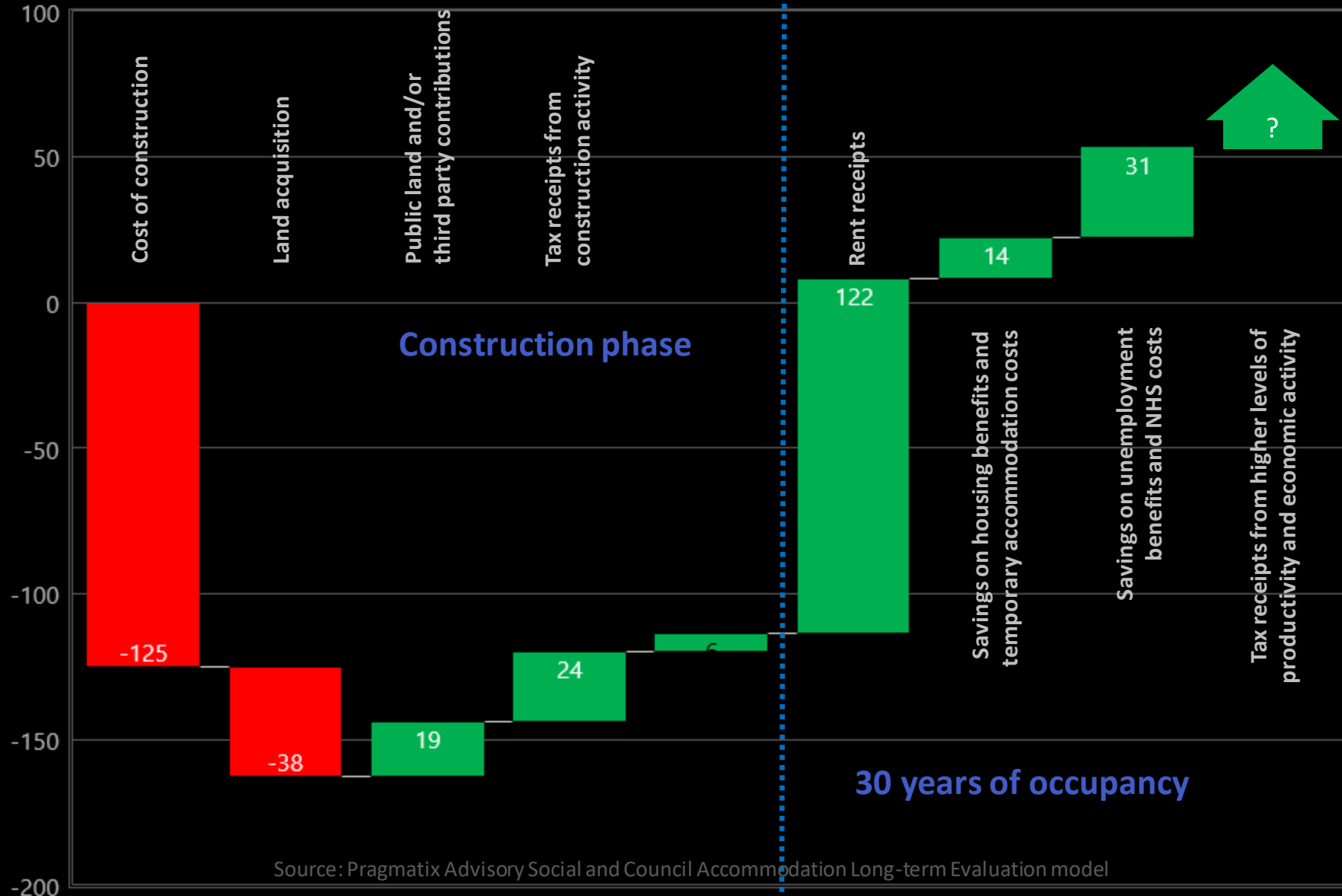


Source: Department for Business, Energy and Industrial Strategy

Source: Office for National Statistics data

Social/affordable homes pay for themselves





Fiscal impact of building one typical new home for affordable rent in a rural community

£ thousands 2020 net present value per dwelling

¼ million more rural households in new normal

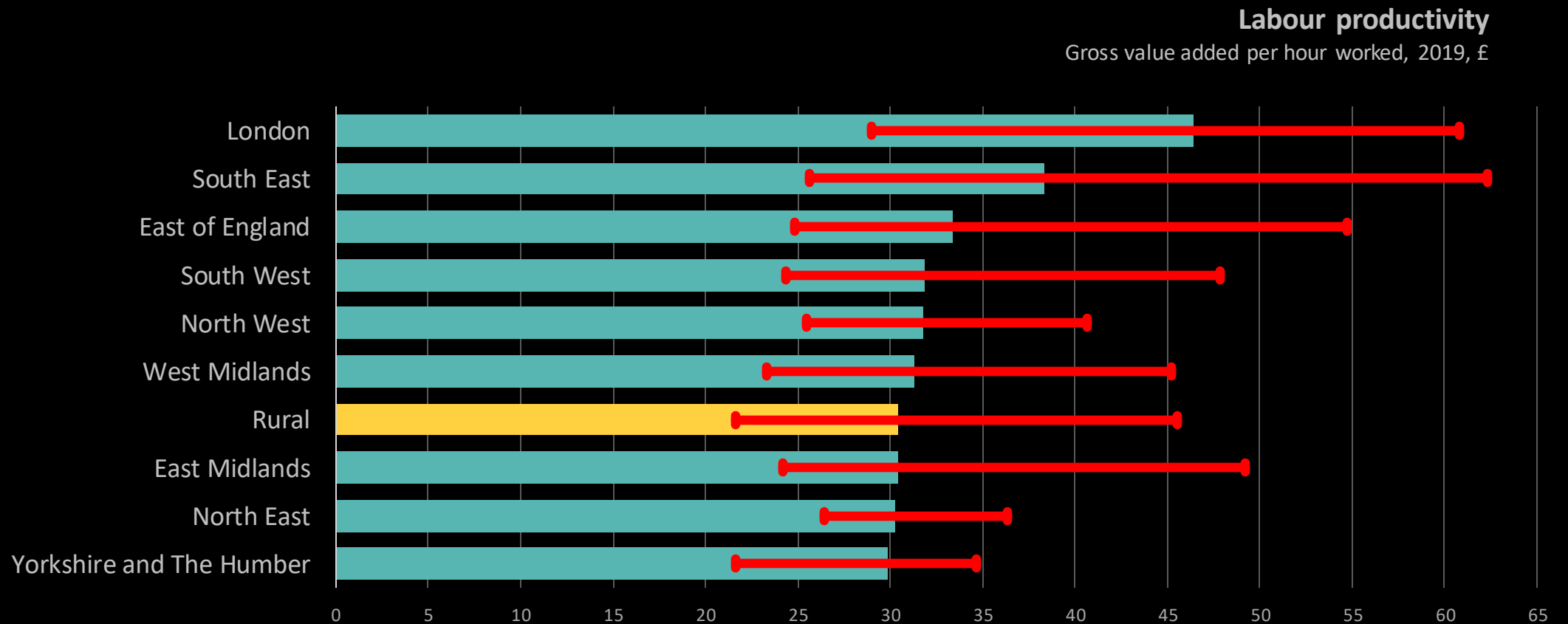


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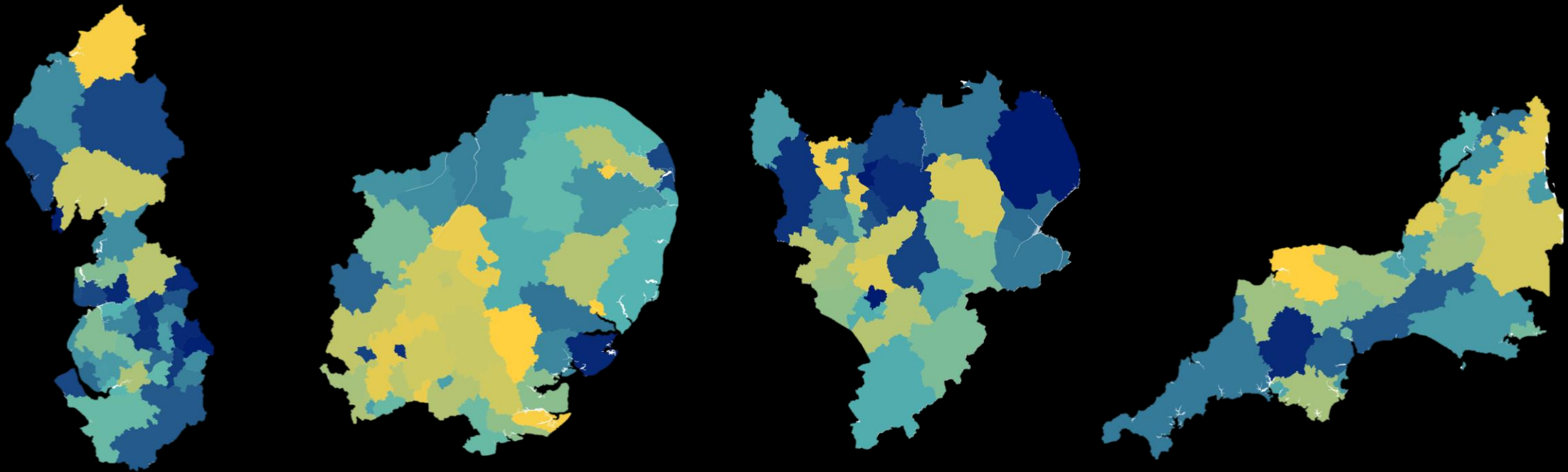
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Rural disadvantage hidden in regionalised statistics



Differences within are greater than between regions

Employment rate for 16- to 64-year-olds
2021, per cent, national scale



North West

East of England

East Midlands

South West

Lowest employment nationally  Highest employment nationally

Source: Office for National Statistics

Urban-centric mission targets miss rural struggle

Employment rate

Doesn't account for season employment, quality of jobs, dependency on multiple jobs

Travel to work time

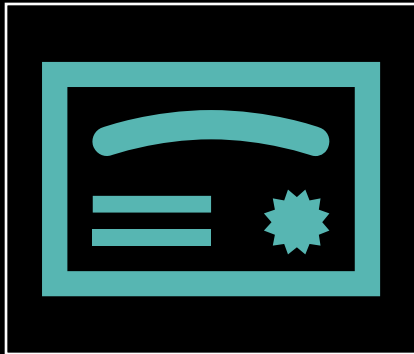
Doesn't capture type, frequency, availability or cost of transport

Gross disposable household income

Doesn't account for cost of living, higher fuel costs, need for car ownership

Levelling Up needs more rural-relevant metrics

Skills and educational attainment



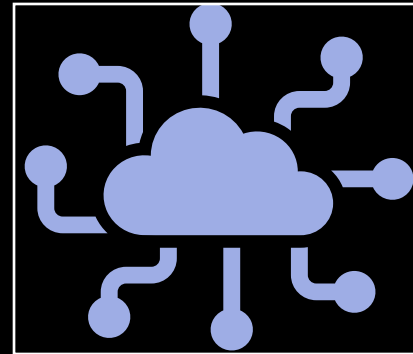
Average distance to nearest Further Education provider
Range of courses available

Local labour market



Seasonal work
Casual and insecure employment
Multiple-job workers

Connectivity



Proximity to public transport route
Frequency of public transport

Housing and community



Rent and home prices in relation to local key worker pay
Fuel poverty

Summary

- If rural were a region, it would be the most in need of levelling up
- Rural housing is the least affordable outside London, and especially problematic for low income and key worker families
- New Normal presents opportunities for rural economic growth, but these will compound housing shortages unless there is urgent action
- Levelling Up White Paper biased towards urban problems, and focuses on regional metrics to monitor them
- All stakeholders need to ensure government fully reflects rural need



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