

Paula Palmer

Hello and welcome to Stonewater's *On The Air* podcast. I'm your host, Paula. In this episode, we're focussing on how the sector can ensure local people are able to remain in rural communities. Rural areas are often seen as desirable places to live. But for many people who grew up there, work there, or want to stay close to family, finding an affordable home is becoming increasingly difficult. At the same time, housing providers face real challenges in delivering new affordable homes in rural areas, from planning constraints and limited land availability to local opposition, infrastructure pressures, and rising costs.

What is really happening in rural housing markets? Why does it matter for communities, and what solutions are beginning to make a difference? To help answer those questions, I'm joined today by Patrick Merton-Jones, External Affairs Manager at the National Housing Federation, Marie Riordan, South and Central Area Director of Development at Stonewater, and Max Banfield, Rural Housing Enabler Programme Manager at ACRE, which is short for Action with Communities in Rural England. Thank you very much for joining us all.

Marie Riordan

Thank you.

Patrick Merton-Jones

Nice to be here.

Max Banfield

Thank you.

Paula Palmer

Okay, so before we get into the discussion, it would be great to hear a little bit more about our guests. Patrick, could you start by telling us about your role and the work you do at the National Housing Federation?

Patrick Merton-Jones

Yeah, of course. Thanks, Paula. Hi, everyone who's listening. As Paula mentioned, I'm an external affairs manager at the National Housing Federation. That involves a number of things. I work particularly closely with our members across Yorkshire and Humber, and that's housing associations in that area. Specifically for this session, though, I lead on our national work on rural housing.

Anything from reflecting our members' concerns around delivering affordable housing in rural areas or any other issues impacting affordable housing in rural locations, relaying those concerns to our wider policy team, who then do a lot of really great work in terms of helping to lobby government and influence the direction of travel in terms of policy. I hear a lot from our members across the country about the challenges that they face in rural areas. They vary. There are some common threads, but also no location is the same. Yeah, a lot of interesting insight, and I think there are different housing crises in different areas.

Paula Palmer

That's interesting to know. Perhaps we'll get to hear a bit more about that in a minute. Marie, let's bring you in next. Tell us a bit more about your role at Stonewater and your involvement in rural housing delivery.

Marie Riordan

Thanks, Paula. I'm Director of Development South and Central at Stonewater. I lead the regional teams that are responsible for delivering the new affordable homes across what's quite a large and diverse geographical area. I cover from East Sussex all the way across to East Devon and then up to Northamptonshire. Rural housing is a significant part of what we do at Stonewater. We're one of the country's largest providers of affordable rural housing. We've been delivering new affordable homes in villages and market towns for many years now. My role involves working closely with local authorities, communities, landowners, contractors, development partners, and my teams in order to bring forward schemes that meet an identified local need.

What I enjoy most about rural housing is that the impact is often very visible. With those schemes, a relatively small development can make a real difference in helping local people, local families, young people, workers remain part of the communities that they care about. As Patrick said, rural delivery is about making sure development is specific to those areas. No one place is the same and is also rooted in place as well, which I think is really important. Ensuring that that character and those pressures and needs are really addressed in that housing delivery.

Paula Palmer

Some of your passion for your role coming through there, Marie. That's great. Max, complete the introductions for us, please. What does your role involve, and how does ACRE support affordable housing in rural communities?

Max Banfield

Yes. Thanks, Paula. I'm the Programme Manager for the Defra-funded Rural Housing Enabler Programme, which is a national programme that essentially funds rural housing enablers in 35 counties. I suppose a bit more about them. They are honest brokers that will engage with rural communities and enable them to build small sites of affordable and social homes within their communities, working with them to bring in housing associations, registered providers, liaise with planning, and generally help with the design and build of those homes.

Paula Palmer

Thanks, Max. I'm glad you opened with that. I was going to ask what a rural housing enabler does. That's brilliant. Thank you. Let's begin by looking at why this issue matters so much because it's far more than simply building homes. Patrick, from a national perspective, why has rural housing become such an important challenge for the sector?

Patrick Merton-Jones

There are many factors that influence the challenge, why it is so challenging for building in rural areas. In particular, as with many aspects of life, it's the financial side of things. There are lots of challenges when it comes to building affordable homes anywhere, when it comes to cost. There's a long process to work through that adds in different costs at different areas. I think that is particularly prevalent in some of the smaller sites that you see being delivered in rural areas, because there are challenges when it comes to stacking up the viability side for organisations against the amount of cost that it takes to deliver a relatively small number of homes.

If you think about that in relation to a larger site that might deliver a lot more affordable homes in the same amount of time, people weighing up the costs and benefits. We know that there are issues with capacity in the planning system. We did some research, or commissioned some research from UCL a couple of years ago, which is particularly focussing on rural exception sites delivery, which I know we'll talk a little bit about later as well. But that identified that over 80% of local planning authorities reported staff vacancies in their planning departments, and obviously budgetary pressures as well.

Planning departments are trying to do a lot with limited capacity. Price of land, I know is a huge factor often in rural areas as well. Perhaps, Marie and Max might be able to talk to that a little bit more. But I know the amount that landowners can expect to charge for a plot of land can be very high. Obviously, again, one of those additional costs that people have to think about. I think those are some of the challenges.

In terms of local support, we've done polling over the last few years around people's attitude to affordable housing across the country, whether it's rural or urban areas. You're definitely seeing a shift towards people being more in favour of affordable homes being built in their areas. But understandably, people do have concerns around how it might impact on the area that they live in, how it influences the local character. Those are all things that really need to be addressed through the planning system, I guess.

Paula Palmer

Thanks. Marie, I know our listeners are only getting the audio of this, but I can see you nodding your head quite a lot there. Do you want to give us perhaps something from Stonewater's perspective and how that national picture translates for what you're seeing in your day-to-day job?

Marie Riordan

Definitely. I think we do regularly see villages where young adults have grown up locally but can't afford to rent or buy a home in that community, where they work and where their support networks are. I think there is that challenge as well, definitely on the viability grounds that Patrick has talked about. You don't often get the economies of scale on what tends to be much smaller schemes that you're developing in rural areas. The land value issue is a big one. It's a big consideration. I think, particularly when you start to drill into the detail around ground conditions, has a huge impact on the overall cost viability of a scheme that isn't necessarily always taken on board by landowners.

Then I think also there is that challenge for rural communities around the fact that it's not just about housing, is it? It's about the local amenities, being able to serve their communities, schools being able to remain viable, having employers able to recruit staff locally as well. Then also there's that piece around, I guess, older residents as well, being able to have their family close by and villages being able to have that healthy mix of people, ages, and lifestyles. I think also recognising that affordability isn't just about the rents that we're setting on homes. I think rural areas do tend to be some of the most expensive areas that we're building in. But it's also about those running costs of homes as well. It's about energy costs, transport costs tend to be higher in rural areas as well. It's trying to help customers with that day-to-day living so that homes are genuinely affordable so that they can stay in there long term for as long as they want to.

Paula Palmer

I work in this sector, and it still staggers me the level of detail and thought that goes into the homes we're building and the services we provide. It's definitely not like a basic landlord service, are we? Very impressed with everything that goes into it, and affordability, the where, the why, the community. Max, when you're working with rural communities, does that sense of housing being tied to the future of the whole community come through strongly as well?

Max Banfield

I think that's something that has to be communicated often to communities. I think it's something when rural housing enablers will approach communities, their first thoughts may be ones of anxiety. As Patrick mentioned, how is this going to affect the area? Is it going to spoil the natural beauty of where they live? Actually, yeah, absolutely. That is the case. Essentially, we need new homes to be put into villages in order for villages to survive. In order for crucial services to be kept going, for businesses to be kept alive. That sense, I would say, is not inherently there, but it's something that we certainly are pushing to bring to communities wherever we work.

Paula Palmer

We've talked about why rural housing matters, but let's move on to why delivering it can be so difficult in practice. I think we started to touch on that. Marie, Stonewater has delivered thousands of affordable homes in rural communities across the country. From a delivery perspective, though, what are the biggest challenges in creating homes that meet local need but remain affordable for customers over the long term?

Marie Riordan

I think rural schemes can be some of the most rewarding projects that we deliver, but they are often the most challenging at the same time. I think we've touched on it, but land availability in itself is a major issue, as well as the value of land, too. I think suitable sites can be difficult to identify and then bring forward, particularly in the smaller villages. I think we've touched on it in terms of planning. It can be more complex because there is often that need to balance the housing delivery alongside things like impact on landscape, environment, and also the infrastructure considerations because rural areas tend to be on the back foot in terms of those infrastructure provisions.

Viability, like we've said, is a real challenge. Construction costs over the last few years have just continued to rise. Inflation has been a real issue. Being able to secure funding at reasonable levels has been difficult as well, particularly for the challenges in delivery around rural housing. I think that's why innovation is so important when we look at rural housing delivery, different ways of designing homes as well as actually how we construct them on site so that that affordability remains long term, not just for the customer, but also for Stonewater and other providers.

We need to consider that long-term management and maintenance because where we can reduce costs long term for us, our customers get that added benefit as well long term. I think we also have to be realistic about the additional time and complexity that's involved in rural schemes. As Max was saying, that engagement with the local community, you need that engagement much more early on, and it tends to take a bit more time, more patient partnership working, I guess you could say. A bit more creativity around land use, design, and then the procurement overall of that, that scheme delivery.

Paula Palmer

Marie, can I just interrupt there? Do you think that's why we see a lot more of the greener effects going on around developments these days? The walks, the public art—is that part of that or is it just-

Marie Riordan

I think it is. I think also it's a natural evolution, particularly from Stonewater's point of view, that sense of place, that legacy piece as well about we're not just about building the homes. We're having an impact on the community and the environment that we're building in. I think, particularly for rural communities, where there is that real concern about impact on that local environment, doing things like providing additional green spaces, play spaces, connectivity between new developments and existing housing can really help demonstrate the benefits of what we're doing in terms of building those new homes long term for the communities.

Patrick Merton-Jones

The principles of good place making, they apply whether it's a large urban regeneration project or a small scheme in a rural area. It's how it suits all residents, developing those mixed-tenure communities that are so important to the long-term sustainability of any settlement, really. It's great to see that filter through into rural areas as well, because that can only help to increase the support for delivery of more affordable housing in those areas.

Marie Riordan

I was just going to touch on one of our schemes that we recently celebrated, an opening event at South Petherton, was a really good example of how we balanced the two in terms of environmental design of construction. Those homes were built to Passivhaus standards. But we also put a lot of investment into the communal spaces and the landscaping to create that attractive environment that's not just for our customers moving in and giving them that ability to put down their roots in those homes, but also it's that benefit to the existing community as well. It's about long-term sustainable communities, both in terms of what we're doing, but who's already there. A lot of that comes down to the strong partnership working, I think.

Paula Palmer

Thanks both. Max, Marie mentioned viability and the complexity of smaller rural schemes. From your side, how much are the challenges financial and practical rather than simply about whether people support the principle of affordable housing?

Max Banfield

It's very much all of those elements combined. One thing I felt was very interesting about the viability side of it. Although, yes, the initial costs when planning and developing these sites are higher than in urban schemes. There was some very interesting research recently produced by English Rural that showed that although the initial costs may be higher, actually long-term management costs of rural sites do tend to be lower than in urban sites. Houses tend to be empty for a shorter amount of time and there tend to be fewer complaints. However, it's expensive. It also, as Marie mentioned, it takes a very long time.

It's not uncommon for rural housing enablers to maybe take the first year or so just engaging with parish councils, trying to dispel those myths about what affordable homes is going to mean to their community. As we've talked about planning as well, there are lots of idiosyncratic parts of the process. For instance, the use of rural exception sites that some planning authorities will have a lot of expertise in, but we do know that in others, that's not

quite as available. When you add all of these elements in together, it does make an extremely challenging area of work.

Paula Palmer

Gosh! You said there it sometimes takes a year to engage with those local bodies. That's not great for getting homes up and coming for the people who need them, is it?

Max Banfield

Absolutely, yes.

Marie Riordan

I don't think it's unusual, actually, if you talk to people involved in rural housing delivery, for them to come up with time scales like 5, 10 years from identifying a site to actually being able to move people in, because it can just take so long to move from, "Oh, there's a site we can build on", to actually getting everybody on board, moving through that planning process, and then actually build it out and occupy homes.

Paula Palmer

Gosh, that is a challenge.

Patrick Merton-Jones

Whenever I get invited out to these scheme openings every now and then, and it's always really amazing to see the positivity and how happy the community are that that scheme's finally been delivered. But, yeah, those time scales that you talk about are not uncommon at all. Obviously, over that period of time, the housing need in that area might well have changed. Most likely it's been compounded and there is a greater need for affordable housing. The people who needed the housing when that initial housing needs assessment probably moved on by that point, so the time scales involved really do present huge challenges for addressing that immediate need.

Paula Palmer

That's really interesting. The houses we're building aren't addressing immediate need, are they? They're almost addressing need down the line.

Patrick Merton-Jones

Yeah, well, they're still needed. They definitely need to be built. But obviously, the people who are being surveyed at that time, their circumstances may well have changed in that time.

Marie Riordan

It could be something as simple as they originally needed a one-bed, now they need a two-bed. Or it could have been a two-bed, now they need a three-bed because the circumstances change. I think that comes back to that creativity around design and how you're planning out that development so that at the point you're going in for planning, you can demonstrate it's meeting local need, but it has that potential to flex so that as people's needs change, households change, it can still meet that need at that point in time that it is completed.

Paula Palmer

One thing that's already come through in the discussion is community support, or sometimes the lack of it. Let's unpack that a bit further, please, Max, and I'm going to come to you. Why do rural housing developments sometimes face resistance, and how can communities be engaged in a more constructive way?

Max Banfield

There are a lot of misconceptions I've heard out there. I think that there are beliefs in some areas that social housing is going to mean people moving in that are going to be disruptive to those communities. I've personally had conversations where people have felt that building those homes is going to mean they're going to be snapped up as second homes or Airbnbs, which is obviously not possible in that process. I think what really needs to happen is more spreading of information about what these homes mean, how they work, how the housing register feeds into those. I think also what's needed and what we found in the program... Luckily, we have the benefit of being a national program and having 35 individual organisations with rural housing enablers being able to share good practice and knowledge.

The key thing that we found is that early engagement between all partners is really, really critical: getting everybody involved from speaking to communities, from speaking to registered providers, to planners at the early stage, seeing what's possible, laying those foundations, making sure we have partnership from everybody involved, and then getting that information out to communities to help reassure them that it's not something they need to worry about.

Paula Palmer

We were all nodding on that one about the misconception. It's clearly not a small issue. Definitely one that needs to be addressed. Patrick, you mentioned in your briefing about local opposition can sometimes mean people worrying about new homes won't meet local needs. How are we going to start to address that?

Patrick Merton-Jones

I think we've talked a lot about engagement with the local community, and that's obviously one really key part of it. There's that thing about building that support network and those alliances in your local area. There are obviously lots of parties that have an influence on the delivery of new homes. That local strategy and approach is only going to grow. If you're looking at the direction of travel under our new Prime Minister, it's clearly very in favour of greater devolution, which means that building that support within your local area is going to be increasingly key.

We commissioned some research last year, I think it was, into how devolution has worked in practice for delivering rural affordable housing in some of those areas that have already embarked on the process. Different places in the country are at different stages of that. One of the key common threads for those areas that have done it well is that they have really built those networks. They've built strong partnerships between housing associations, the combined authorities, parish councils and the rural housing enablers in the area. I think it's something that... Anyone who's working in delivering affordable housing in rural areas really need to make sure that they are building that network in their area, because it's been shown to bear fruit in areas like North Yorkshire, for example, which has done really, really great work in terms of delivering in rural areas for affordable housing there. I think that's probably the key thing for me.

Paula Palmer

Lots of partnership work. Marie, do you think we're working quite closely on those relationship buildings in the areas that we operate?

Marie Riordan

We do our best to do that. We attend forums, we reach out to our local MPs, we try and demonstrate the work that we've done previously so we can give those examples to show that these homes were actually occupied by local people, this person works in the local shop, it's three generations of the same family now get to live together. It's those kinds of stories that we get to share, and sharing best practice, I think as well, across the sector too, being more collaborative with partners and just trying to bring everybody on board and listen to everybody's concerns.

My experience is most communities do care deeply about their villages and their towns and the area that they live in and want the best for them. I think sometimes people will hear things that aren't necessarily the reality and will get concerned about it. They will have examples of, "A friend of mine who lived in a village over there, this happened". They think that that will always happen. I think for RPs like Stonewater, it is on us to be able to demonstrate we're here long term, we're the landlord, we manage the estates, we work with our customers, and be able to share those stories with people.

Paula Palmer

It's the unfortunate stigma of housing associations that everybody thinks that if you get a housing association home in your village, then it's on the down and out. It's very much the opposite. So far, we've mainly focused on delivery, but ultimately this affects real people and real communities. Let's talk about the impact if we don't do anything about it. Patrick, what happens to rural communities when local people and young families or key workers can no longer afford to live there?

Patrick Merton-Jones

They definitely change, because the nature of the settlement changes as people move out from the area. Marie just talked about the people of multiple generations having lived in an area. If they can no longer afford to live there, then that local connection is lost. You might end up with a lot of people living there who maybe don't have that connection to the area. The issue with second homes in particular is a big challenge in that, which tends to be older people who have children who have grown up, or they don't have young children. You don't then have those children who need to go to the school in the local area. That can lead to loss of key institutions that any community relies on.

We did a bit of a review of other services in rural areas and the impact that we've seen in those areas over the last few years. I've just got some stats here. Between 2018 and 2023, 45 local authority-maintained schools in rural areas closed. The number of post offices decreased over the same period. A lot less play parks as well, then fewer pubs and bars in rural areas, going back to the fact you don't have... The people who work in those places will need homes that are affordable to them to be able to live and work close to their employer. If you don't have the workers, if you don't have the students, don't have whoever to staff these institutions, then they don't exist anymore, which then makes those areas less appealing for people to live in. You might lose that aspect of people wanting to move to a rural location because they don't have that community that you would expect.

Paula Palmer

Max, what are your thoughts? Do you see the same pressures when looking at rural housing across communities?

Max Banfield

I think so. I would add to that that we know that in rural areas there is an ageing population. I was interested to learn recently that around 40% of homes in England have two or more empty bedrooms. One of the issues we're seeing in rural areas, particularly, are older people living in large houses. Frankly, they don't need the space, and it can be quite difficult for them to keep those houses maintained. There's not an option for smaller houses, bungalows, for them to move into within their areas.

Also, having the lack of affordable housing for younger people also means that those older people won't have family members that are able to live close to them and look after them. It also means that in the same token, younger people with families may not be able to have childcare from family as well, which can be enormously helpful in terms of their situation. That's what I would add. I would agree with everything that Patrick said also.

Paula Palmer

I live in Herefordshire, and I definitely see many of the impacts that you've both talked about. Some of our rural villages are beautiful, but they're now full of people with second homes or elderly couples that have lovely large houses, and family members just can't afford to move in or live around them. Definitely our post offices are closing rapidly. Marie, how can we shape the types of homes that Stonewater looks to deliver in rural areas? How can we help to combat some of those impacts?

Marie Riordan

We always want the homes that we deliver to reflect that local housing need. It does mean, as we've said already, that there isn't a one-size-fits-all approach to rural housing delivery. Some communities will need the family homes. Some will need the smaller homes, as Max was saying about doing some downsizing. I think where we have had those schemes, where we've been able to do that and help those older people move out of their larger properties, it not only frees up that family home for somebody else, but it also brings the added benefits to those older residents, too, that they've got a smaller home that they can manage better. In some respects, it has real benefits health-wise as well, not just in terms of their housing.

I think we also work really hard to ensure that we're providing those different tenure options as well, so we're able to help a broader range of customers in their rural community. With shared ownership as well, we're still giving young people an opportunity to get on the housing ladder, or those people that have suffered a relationship breakdown, they don't miss out on the fact that they were homeowners. They can still have that opportunity and still be able to provide housing for their families.

Going back to that affordability point, it's not just about the affordability at the move-in stage. It's the long-term affordability around energy-efficient design and technology, being able to manage those household bills more effectively so that people can stay in their homes longer term. It's trying to help create homes that support thriving communities for generations.

Also think around the partnership angle as well, where we're working with the local SME contractors and their local supply chain. There is that added value that they bring that they're potentially utilising local labour. What we're investing in that scheme through them is also being spent in the local community. There's potential for upskilling people and

apprenticeships. There's a broader benefit to targeting those rural developments, like I said, making sure it fits that specific area for that specific community.

Paula Palmer

Thanks, Marie. We've covered the challenges in detail, and there are many. We started to look at how we might help, but there are success stories, too. Let's talk about some of the approaches that are making a real difference. Max, can you start here? What practical solutions are proving successful in rural housing delivery?

Max Banfield

The main thing I've already mentioned, which is that early engagement and bringing together partners. That might be in terms of working groups or forums, as has been mentioned. One thing that we're also looking at, particularly on the program at the moment, is the use of digital innovation into the process. For instance, previously, sites for homes may have been identified simply by an RHE going to a village and looking around and trying to find plots of land that look acceptable and not asking questions. Now we're introducing digital platforms that can be used remotely to see exactly what land is available, who it belongs to, where the planning permission has been applied for in the past. The same with identifying need.

As Patrick mentioned, it's a really difficult challenge because traditionally, that's been identified through housing needs surveys, which can take maybe a year to conduct and analyse. We're talking about developments that can last 10, 12, 13 years from start to finish. As we've mentioned, the need you're identifying is not necessarily going to be the same need that's there when those homes start to be built.

We're also looking at alternatives to assessing housing need, including using secondary data that's available to the public, and bringing together sites where there is much more information and planning done at the very initial stages when those are brought to housing associations and to planners, and taking advantage of those digital options to make the whole process shorter, which also eliminates risk in terms of the cost of materials and things going wrong. We are finding that to be successful so far.

Paula Palmer

Marie, can you tell us some more about Stonewater's work and development and what you see as the most promising practical solutions?

Marie Riordan

I think one of the most encouraging areas is around the increased focus on innovation, as I mentioned earlier, and around looking at how design, technology, and construction methods can help both increase efficiencies in delivery—speed up delivery—but also reduce those overall living costs. We've got a scheme in Merriott where we're working with a local SME contractor and Travis Perkins on the WholeHouse platform. This is quite an innovative approach in the sense that we're looking at how modern methods of construction can help provide the high-quality homes, but in a slightly different way.

WholeHouse combines traditional building techniques, but with a digitally enabled off-site manufacturing process. It's combining the two, which helps to reduce things like construction waste, improves build quality, which is obviously really important to us as a landlord, long-term property maintainer. It accelerates the delivery of the homes, gives us greater cost certainty, but there's some real positive benefits to our customers as well. I think with WholeHouse, and particularly the homes at Merriott, we're forecasting reductions in the

customers' energy bills by around 79%, which is huge when you consider all of the costs that our customers will be facing, particularly in the rural areas, as I said earlier about transport costs.

Looking at different ways of delivering, I think, is really important. It's quite a positive thing that I think the sector, as well as Stonewater, are starting to focus more attention on. I think there is that real opportunity to create those homes that are affordable for people to first access, but then stay there longer term—hopefully, be a home for them throughout the majority of their journey. I think in rural areas, that long-term view is really important, because if we can combine that good design, lower-carbon construction, reduced energy demand alongside those local partnerships, I think we can make those schemes work harder for our customers and the communities and also the environment long term.

Paula Palmer

Both you and Max talked there about innovation helping to save time, which given your 10-year—from concept to delivery, sounds very impressive. The other thing I just want to note is that I think the perception of social housing is that it's just cheap development, basic boxes. Everything that we see coming out now and what you talk about, Marie, it's nothing like it. They're very desirable, very energy-efficient, cost-effective houses to run and would be desirable on any market.

Marie Riordan

Absolutely. That is a real key driver, I think, for Stonewater. We're building homes that we would be proud to live in, that we're proud to let and sell to our customers, that we hope the local communities are proud of as well. We do see that feedback at open events where people are like, "Isn't it lovely?" It's like, "Yes, we think so". It is really important. It's around our customers also having that pride in their home in that sense of place, which is so important to all of us, I think.

Patrick Merton-Jones

I think the way that the housing association sector has approached quality challenges across the board over the past 5 years or so is a real success story. There has been a significant increase in the amount of investment going into existing homes, but also in the design of new homes as well to ensure that they are more energy efficient, and you have much more greatly reduced issues with the likes of damp and mould and so on.

Overheating is the next big issue. It's not the next big issue; it's an issue now. We're recording this in August. It's got slightly cooler, but it's been very hot. I think the approach that the sector have made to improving the quality and the comfort of their homes over the last year is really good. We've got some great statistics that I don't have to hand in terms of how that compares to the private rented sector, for example. I think that work that the housing associations like Stonewater have been doing over the last few years in terms of their existing homes as well as the new homes is really impressive.

Paula Palmer

Thanks, Patrick. What about the other kinds of solutions that Marie spoke about? Do they sit within the wider sector picture as well?

Patrick Merton-Jones

Yeah, certainly in terms of the fuel costs, they're only going up, aren't they? Particularly given the current global climate. I think that investment in more energy-efficient homes,

whether that's the types of insulation you're using, but also installing heat pumps and other more energy-efficient solutions, it's really important. I've been to quite a few sites where you have those reductions in energy bills that Marie's talked about there, which are really, really impressive and obviously make a huge impact to people's daily lives. It's a huge issue for a lot of rural communities, but for off-grid homes at the moment and the cost of heating oil, it far outstrips other rising energy costs. They're going up at a super high rate. I think that's really key.

Just going back to that collaboration piece and the approaches to delivering new homes. I mentioned the rural exception sites side of things, I think at the start. These are really great solutions to delivering more affordable homes on top of the existing local plans. But they do require a lot of engagement with all parties. That support of that strong rural housing enabler network, that local direction and leadership from political figures as well is really important.

There are existing policies out there which we feel are underutilised. I think when we did that research a couple of years ago, we identified that we maybe could have built about 3,000 additional affordable homes in rural areas over the period that the research looked at, and that weren't built because we weren't making full use of that policy. There are existing policies that could be better utilised as well, I think.

Paula Palmer

Thank you very much. As we begin to wrap up, I'd like to spend some time looking ahead and exploring where the sector goes from here. Marie, what needs to happen next if we're going to unlock more rural housing and make those homes genuinely affordable for customers to live in?

Marie Riordan

I think if we're serious about delivering more affordable homes in rural communities, we need to recognise that rural delivery can't be treated in exactly the same way as larger urban programmes. I think the Social and Affordable Homes Programme is a key opportunity to do that. Homes England has recognised rural and community-led housing, which is really positive in terms of being part of that funding package. But I think that needs to translate into funding decisions that reflect that reality of the smaller rural schemes.

As we've discussed, higher costs, limited land, complexities around planning, and the economies of scale. Then alongside that, we need to continue embracing innovation, as we've discussed, because rural communities really benefit from those low-carbon technologies for the cheaper running costs, but also supporting more local SME contractors and local supply chains. That is not only about delivery capacity, but it's also about that social value as well. Local contractors generally understand the area really well, the community, the practical challenges that come with the delivery of those sites. Involving them, we can obviously help retain the spend locally, investment locally, strengthen skills.

Then that partnership working has to stay top of the list. It really is critical. I think the best rural developments do happen when everybody is working together. Councils, housing providers, communities, landowners, Homes England, contractors—everybody is aligned around those same outcomes: that homes that meet the local need now and in the future, but also remain affordable to live in long term. I think if we can achieve those things, then we can deliver more homes, help ensure rural communities remain vibrant, places where people can continue to live and thrive and want to live.

For me, I think treating rural housing not as a niche issue, but as part of those mainstream conversations about growth, sustainability, healthcare, employment, and community resilience as well, and seeing it as part of the overall programme of housing delivery. I think when we view it through that wider lens, the case for investment and partnership becomes even stronger. Because talking about rural housing isn't just about talking meeting housing needs, it's about protecting those long-term rural communities, really.

Paula Palmer

Thanks, Marie. I love the part there that you said about using local contractors. It's not just about keeping the money in the area, but about using their expertise and their knowledge of the area to get the work done. That's brilliant. Patrick, there was lots of nodding from you there as well. Tell us more about the national policy perspective and what changes might make the biggest difference.

Patrick Merton-Jones

Yeah, I'll bow to Marie's experience on the practical side of things. But I think from a policy perspective, there's a political perspective as well. There's a few things that we think need to happen. Marie touched on the Social and Affordable Homes Programme. Incredible package of funding announced last year, 39 billion. It's everything and more probably that the sector was asking for. What needs to happen now is that funding needs to get out to people so that they can use it to start delivering homes across the country. That's really key. Further delay to that, obviously, then increased delays in pipelines. You might lose contractors who are ready to get going now on site and that thing. That's really important.

There was a proposal in the National Planning Policy Framework legislation around Section 106 delivery on medium sites, and basically a proposal that would allow developers to, instead of delivering the affordable home segment on those sites, they pay a cash sum in lieu to the local authority. We looked into that a bit earlier this year. Basically, would lead to a significant reduction in the amount of affordable homes being delivered in rural areas. That's an amendment that we think would not be a positive when it comes to addressing the need that we've talked about a lot here. We're really urging ministers to rethink that and look at that again to help protect that pipeline of rural affordable homes.

Then finally, again, I touched on the devolution side of things as well. There's recommendations in there for both national government, but also the local government in devolved areas. We need better guidance, I think, for local areas around how they consider rural areas in terms of their affordable housing plans and their housing strategies, because that's really key. You can definitely see a situation where you lead to a bit of a political deficit for rural areas where you're delivering the homes that the urban settlements might need, but rural areas are not getting that same attention. That really needs to be considered.

There needs to be clear guidance to local areas for how they do that coming from national government. But then obviously the local leaders, mayors need to set that direction of travel as well and make sure that they are really thinking about the whole region rather than those pockets where, as we've discussed, the scale of delivery might make building easier, but it doesn't necessarily address the need for the wider community.

Paula Palmer

Thank you, Patrick. Max, thinking more practically, what role should rural housing enablers and local partnerships play in the future?

Max Banfield

I think my answer is going to be shamelessly self-promotional, really. I think it's about getting the word out that we have this network there. We have these rural housing enablers that cover something like 97% of the country. They are really talented, passionate individuals with tons of expertise that are experienced in bringing all of these stakeholders together to make these sites happen. We have over 400 sites currently being worked on by the RHEs across the country. I think it's about just making as many people in the sector aware that these individuals are here. They are here to help. You can go on to ACRE's website. You can view a map, click any county, and get an email address for the RHE in that area and speak with them directly.

I feel like we... I think this is evidenced by the conversation on this podcast, I feel like we have the people in the sector that are passionate and know what needs to be done. We just need to work together more and get the word out there, and raise that awareness of what we can do.

Paula Palmer

Agreed. There's definitely a lot of passionate people in our sector. Go on, Patrick, sorry.

Patrick Merton-Jones

Yeah, we would fully endorse the role of Rural Housing Enablers in delivering these schemes. I think that long-term funding and support from government for Rural Housing Enablers Network, really key. Every time I meet RHEs at any event or anything, I'm blown away by the level of expertise, but also the amount of work that they put in to delivering a scheme. Yeah, fully supportive of that approach.

Marie Riordan

Yeah, agreed.

Paula Palmer

Max, ringing endorsements from both of our colleagues.

Max Banfield

Yes, that's what we like to hear.

Paula Palmer

Lovely. Today's episode has shown that rural housing is about more than bricks. There's no single solution to the housing challenge. We can definitely see that. It's about whether local people continue to live in the community they grew up in, whether businesses can recruit the workers they need, and whether villages remain balanced, sustainable, and economically viable. It's also about housing associations, local authorities, communities, and organisations such as ACRE, and how they work together to make it all happen. Thank you to Patrick, to Marie, and Max for joining me, and thank you for listening to *On the Air*.