



FACTORS IN THE EFFECTIVE DELIVERY OF RURAL EXCEPTION SITES IN ENGLAND

February 2024

Nick Gallent, Andrew Purves and Iqbal Hamiduddin, Bartlett School of Planning, UCL

TABLE OF CONTENTS

<u>Executive Summary</u>	4
<u>What are RES and why are they important?</u>	12
<u>The goals and methods of this research</u>	14
<u>Key messages from past studies</u>	15
<u>Baselining conversations: a framework of key delivery and resourcing factors</u>	17
<u>Findings from the national survey of rural planning resources</u>	22
<u>Findings from the local case studies - optimum delivery arrangements</u>	28
<u>Conclusions, key messages, and actions</u>	71

APPENDICES

<u>Literature Review</u>	84
<u>Questions for Baselining Conversations with Steering Group Members</u>	102
<u>Survey Questionnaire</u>	103
<u>First Level Questions</u>	107
<u>Project Level Questions</u>	108
<u>Case Study Interviews Conducted</u>	110

RESEARCH TEAM

Prof Nick Gallent (Project Lead), Bartlett School of Planning, UCL

Dr Andrew Purves, Bartlett School of Planning, UCL

Dr Iqbal Hamiduddin, Bartlett School of Planning, UCL

with additional support from

Dr Duncan Smith (Data Mapping), Centre for Advanced Spatial Analysis, UCL

STEERING GROUP MEMBERS

Martin Collett (co-chair), English Rural Housing Association

Ursula Bennion (co-chair), Trent and Dove

Gavin Jones, Hastoe

Jo Lavis, Rural Housing Solutions

Nigel Kersey, Department for Levelling Up, Housing and Communities

Richard Quallington, Action with Communities in Rural England

Matthew Dodd, Homes England

Avril Roberts, Country Land and Business Association

Ulrike Maccariello, Hastoe

Chris Meadows, Hastoe

Chris Weston, Coastline

Patrick Merton-Jones, National Housing Federation

ACKNOWLEDGEMENTS

We acknowledge the input of planning officers completing the national survey and everyone who spoke with team members during the case study phase of this project.

MAIN ACRONYMS USED IN THIS REPORT

RES	Rural Exception Site	CLT	Community Land Trust
RHE	Rural Housing Enabler (independent)	HRA	Housing Revenue Account
LA	Local Authority	NPA	National Park Authority
RP	Registered Provider (of social housing)	ACRE	Action with Communities in Rural England
RCC	Rural Community Council	DM	Development Management
NPPF	National Planning Policy Framework	AONB	Area of Outstanding Natural Beauty
LPA	Local Planning Authority	PIP	Planning in Principle

EXECUTIVE SUMMARY

This is a summary of research into the delivery of affordable homes on Rural Exception Sites (RES) in England. It was commissioned by the Rural Housing Network and undertaken by a team of researchers based at the Bartlett School of Planning, University College London. Its focus was the factors and processes that advance or impede the successful delivery of RES, extending to the capacity of local authority planning teams to support these small rural housing schemes.

1.1 What are rural exception sites?

Housing need in rural areas can be met on allocated or exceptions sites. Development on rural exception sites, often led by Registered Providers, is intended specifically to provide affordable homes for local need. Exception sites are not allocated for development in Local Plans. Land price therefore reflects their prescribed use and is far below the full residential development value paid for land on allocated sites.

These are small-scale needs-led developments involving:

- The **Parish Council** (representing the community and working with partners on understanding and measuring need)
- A **Rural Housing Enabler or a dedicated enabling officer from the Local Authority** who will work with Parish Councils and communities to evidence need, identify potential sites, and bring development forward by acting as an 'honest broker'

- A **Registered Provider** of social housing (purchasing land, developing or contracting the development of homes, and managing units)
- A **Landowner** (willing to sell land at a price that supports affordability)
- Community led groups can also help with evidence gathering and with building local support, sometimes forming a **Community Land Trust (CLT)** (that may purchase land and lease it to a Registered Provider or develop it themselves)
- And the **Local Authority** (comprising a housing department, leading on evidencing need and enabling development, and a planning department, setting the local policy framework, advising on the suitability of sites, and performing a Development Management role)

Sources of funding and finance for Rural Exception Sites are mixed. Grant support may be provided by **Homes England**. Local Authorities may also use capital receipts, Section 106 revenues, and/or public borrowing to support projects. Registered Providers also directly support projects from reserves and new borrowing.

1.2 Project Description

- The research behind this report comprised:
- A review of existing research studies focused on rural exception site delivery (set out in Part 4 and summarized below in 1.3)
- Conversations with national stakeholders sitting on the project steering group, to 'baseline' current knowledge (see Part 5 and 1.4 below)
- A survey of rural planning authorities that aimed to understand how local resource constraints might impact on exception site delivery (see Part 6 and 1.5 below)
- Six local case studies that sought to understand different approaches to delivering affordable homes on exception sites, identifying 'what has worked' on the ground (see Part 7 and 1.6 below)

Key messages from the research are brought out in Part 8 of the report and summarized below in 1.7.

1.3 Lessons from Past Research

Past research on rural exception sites has been consistent in its key messaging over the last 30 years:

- Community support is key to the success of small rural housing projects, whilst strong opposition is often a cause of failure
- Rising land costs and landowner price expectations have often impeded the

the delivery of RES, an issue that has more recently been associated with the inclusion of market housing (for the purpose of cross-subsidy) which may further lift price expectation unless clear limits are placed on the market element, and land price, in local policy

- delivery of RES, an issue that has more recently been associated with the inclusion of market housing (for the purpose of cross-subsidy) which may further lift price expectation unless clear limits are placed on the market element, and land price, in local policy
- Working with landowners to secure land at the right price is critical to success
- The case for affordable housing is won in Parish Councils, where landowners interface with communities
- Independent and/or LA-based Rural Housing Enablers are crucial: their knowledge, experience, and their capacity to be honest brokers, drives RES projects
- A flexible government/Homes England funding regime that recognises the challenging economies of scale, and build costs, of rural exception sites is fundamental to their success



- Clear and stable planning policy – setting out where sites will be allocated for housing and where RES are likely to be the major source of affordable homes - gives certainty to local projects, although the implementation of that policy needs to adapt to local circumstances (including, for example, settlement density and morphology, landscape character, or ground/ environmental risks)
- Lack of plans and out-of-date plans impede RES because potential sites can be developed as market housing under the Presumption in Favour of Sustainable Development
- A resource crisis in planning coincides with the laying of new duties on local authorities, potentially resulting in delays in identifying sites and taking RES through the planning process
- Supportive local plan policy is vital
- A planning pre-app service, available at an early stage, is needed to test the suitability and viability of sites. This must be affordable to partners and viewed as part of local authorities' strategic enabling service
- Constructive engagement with a willing landowner is also vital

Planning resourcing may impact RES in the following ways:

- Staff shortages, and unfilled posts, mean low capacity to pursue challenging opportunities such as potential RES
- Loss of knowledge and experience can make small rural housing sites particularly challenging for local authorities
- Slowing of the planning service may drain the impetus from RES
- Resource challenges can result in a refocusing on 'core duty' – e.g., planned housing allocations – and away from exceptional developments
- Loss of LA-based enablers (as a broader outcome of local government under-funding) and reduced coverage of independent RHEs (that are periodically government funded) may significantly undermine RES

1.4 Lessons from Baseline Conversations

The pace and volume of RES delivery is impacted by:

- The level of corporate priority attached to rural housing delivery across a local authority: political priority incubates officer and partner confidence
- The presence of an active and experienced 'rural housing enabler', either LA-based or independent
- Parish councils, enablers, and RPs must work together to build the evidence and the community support for RES

1.5 Lessons from the National Survey of Planning Authorities

- Forty (40) local authorities responded to the survey of rural planning authorities in England

- Planners are determined to do their jobs, and believe they do them well despite resource constraints
- Recruitment (reported by 87% of respondents) and retention of senior staff (92% of respondents) are the biggest constraining factors. Solving these issues has the greatest potential to fill the skills gap, and encourage junior staff to remain in the sector
- Vacancies exist in 80% of responding authorities' planning departments
- 83% of respondents cited new requirements (including nutrient neutrality and biodiversity net gain) as contributing to high levels of stress. Policy uncertainty and change was a contributing factor
- Planning departments do not feel that delivery of RES is their responsibility: it lies with housing teams, although the way in which Development Management engages with prospective RES projects is critical to their success
- 78% of responding authorities felt that sharing good practice would be the most effective way of enhancing service levels and quality.
- Local planning authorities highlighted the importance of:
 - *Being able to fill senior posts, and therefore having the experience needed to fulfil complex tasks well (and also having leadership capacity);*
 - *A stable policy framework, which supports certainty and gives officers the confidence and space to do their jobs;*
 - *Investment in skill development at all levels, with apprenticeships flagged as an important way of supporting the planning profession;*
 - *Greater flexibility in respect of work/life balance, in order to increase the appeal of local authority planning for a range of groups;*
 - *Increased application fees, to support greater capacity and upskilling in planning teams.*



1.6 Lessons from the Local Case Studies

Factors advancing RES include the following, which are evidenced by particular experiences emerging from the listed case studies. These experiences may of course be common to other areas, including the other case study areas discussed in this report.

High level political support is crucial	
<i>Strong political leadership, manifesting itself as determined and positive processes and engagements, is key to RES delivery.</i>	All case studies
<i>Aspirational housing targets are valuable in headlining an area's ambition to combat socio-economic exclusions centered on housing market pressures.</i>	Cornwall
<i>Political support may beget local financial support, driving resources into schemes to ensure their viability.</i>	Derbyshire Dales
<i>A clear corporate focus on rural affordable housing, sometimes extending to direct local authority delivery (with development partners), will drive delivery across local authority housing and planning teams.</i>	Winchester
Close working with communities, building evidence and support, provides the essential foundation for projects	
<i>Key delivery partners (councils, RPs, and enablers) must engage in close working with communities, to evidence need, and to build support for affordable housing.</i>	Cornwall/ North Norfolk
<i>Use of secondary data and alternative approaches to monitor and map housing - need as the evidence base to support RES development e.g. Shropshire's online portal: the Right Home, Right Place initiative.</i>	Shropshire
<i>Community opposition poses a key challenge to rural development: development partners (local councils, RPs, and landowners) need to devise strong proposals that are well-evidenced, but also address community concerns around the scale and form of development.</i>	Shropshire
<i>Parish councils must navigate the contradiction between in-principle support for affordable housing and nervousness around specific sites. They need to work with partners, but avoid jumping at a particular site too quickly.</i>	Derbyshire Dales
<i>A strategic search for sites (tracking the SHLAA or SHELAA process) can help direct a local authority to conversations with particular Parish Councils and development partners.</i>	Winchester
Building long term delivery partnerships results in smoother projects and reduced risk	
<i>Strong, open, working relationships between all key development, community and landowner partners, resolving difficulties early on through open dialogue is vital.</i>	North Norfolk
<i>Investment in long-term relationships contributes to de-risking projects and smoothing planning processes.</i>	Winchester

<i>A trusted private development partner can play an important role in RP or local authority projects.</i>	Winchester
<i>A skilled RP partner, adept at working with the council and communities, and advancing powerful public interest arguments in favour of building rural affordable homes will help drive a programme of affordable housing delivery.</i>	North Norfolk
<i>Higher level strategic partnerships help maintain corporate focus on rural housing delivery, with positive implications for ground-level work, including the work of LA-based and independent RHE.</i>	North Yorkshire
<i>Local 'project management' of the development pipeline, involving local authority and RP partners working alongside the housing enabler, helps to maintain the focus on RES delivery.</i>	North Yorkshire
Effective and sustainable LA-based and independent enabling provides projects with ongoing support	
<i>Effective joint working between LA-based enabling officer(s) and independent RHEs (in this case, under the auspices of the HARA programme) provides capacity and drives RES delivery.</i>	Winchester
<i>Rural housing enablers play a critical role building the enduring relationships that are key to successful rural exception site delivery.</i>	North Yorkshire
<i>RP-authority funding partnerships provide a means of securing long-term support for enablers, tied to housing delivery through the combination of an RP retention fee and a per-unit recharge mechanism.</i>	North Yorkshire
Cross-subsidy arrangements that support delivery and affordability must adapt to different situations	
<i>Tailored cross-subsidy policies that reflect local market realities (setting levels of permissible market housing components depending on land values) play a role in maximizing affordable housing delivery.</i>	Cornwall
<i>A pragmatic approach to cross-subsidy is one of a number of means of bringing sites to viability.</i>	Winchester
<i>Small projects can, in some circumstances, be made viable through a clear planning approach in instances where all affordable rural housing is exceptional, and none is on allocated sites.</i>	Derbyshire Dales
<i>'Linked schemes' (some with market housing and some without) where cross-subsidy is generated on higher value sites and is moved to support lower value schemes may be helpful. Such linking may face community resistance, where a particular village is being asked to host more housing – hence the importance of mobilizing strong public interest arguments.</i>	North Norfolk

Mixed funding models, including direct council build, are crucial and will depend on local circumstances	
<i>The potential of direct provision by councils, on allocated and exception sites, and of utilizing mixed funding that may include sustainable borrowing and HRA revenues, to support ambitious housing programmes, although where HRA revenues are utilized, the homes delivered will be subject to the Right to Buy.</i>	Cornwall
Supportive planning and spatial development strategies provide a broader context for RES success	
<i>Spatial development strategies that support a 'dispersed approach', utilizing a mix of allocated and exception sites, will advance the use of RES.</i>	Cornwall/ Shropshire
<i>RES outcomes cannot be 'unhitched' from the local plan: RES activity may decline during plan reviews if landowners perceive a chance of allocation. Local plans that allocate a significant number of housing sites may have less RES activity, whilst those with no allocated sites outside of larger towns, may have much more. This is particularly true of protected areas.</i>	North Yorkshire
<i>In areas of dispersed population, smaller settlements, and hence small market schemes, the exempting of developments (of 10 units or fewer) from contributing to affordable housing Section 106 agreements has potentially made it more difficult to fund smaller RES schemes (which then have to grow to achieve viability). This national policy, enacted in 2016, should be reversed in protected rural areas.</i>	Shropshire

1.7 Mapping the key messages

Taken together, the different parts of the project allow us to map key messages, and unpack these into key actions. Whilst the project has focused on RES, these messages and actions apply to the delivery of all rural affordable housing:

The centrality of political support	A corporate emphasis on supporting RES is fundamental to the success of these small rural schemes; that corporate emphasis brings senior officer support and mobilises an ecosystem of activity, at all levels, that aims to evidence need, win support and bring forward sites for development.
	Action for LAs: clear messaging in support of affordable housing and its vital importance to rural communities is needed at an authority level, backed up by proactive planning and funding policies.
The critical role of enabling	Enabling comprises the independent RHE network and LA-based generic and rural enablers. Both play key roles in RES delivery, pointing to a need for additional LA capacity for enabling and a strengthened RHE network, with sustainable funding.
	Action for LAs and government: dedicated funding for rural housing enabling within local authorities plus consistent national and local funding to the independent Rural Housing Enabling network.

Adaptive cross-subsidy arrangements	Whilst clarity is needed on cross-subsidy, different places (and market circumstances) tend to need different arrangements. Clearer guidance is required on viability and land values (so planning authorities can design consistent policy within a national framework).
	Action for Government/Homes England: Issuing of national guidance to RES partners on viability, cross-subsidy, incentives, and land values – forming part of a broader RES (or ‘rural affordable housing’) toolkit.
Building delivery partnerships	Local authorities and delivery partners, including RPs and landowners, play critical roles in RES delivery. Coverage of RPs in remoter rural areas is crucial, as is local authority resourcing, and positive relationships with landowners, extending to good practice and guidance concerning cross-subsidy and landowner incentives.
	Action for Homes England: resourcing to rural authorities to reflect the challenges of working with multiple under-resourced partners, and incentives for RPs to extend their reach into under-served rural areas.
Working with communities	The case for affordable housing, and for RES, needs to be won among communities. This begins with robust evidence of need that hopefully underpins community support. But resistance can remain, requiring delivery partners to design clear, viable, and well-evidenced proposals.
	Action for Homes England and partner groups: a RES (or RAH) toolkit addressing practices and engagements, including via social media, that help win support for rural housing projects, whilst illustrating good practice in evidence gathering.
Funding flexibility and clarity	Local partners are innovating different funding solutions for RES, mixing various sources of grant funding and finance. This flexibility is important and different areas need to share their experiences. Homes England needs to be part of this conversation, working flexibly to support schemes that are ‘outside the box’ of standard practice, including linked RES schemes.
	Action for Homes England and partner groups: advice on mixed funding packages including in a RES (or RAH) toolkit (extending to linked subsidy schemes), and work with Homes England to support RES in under-served areas.
Supportive planning and spatial development strategies	Well-resourced local planning (and housing) can stay the course, possessing the skills and understanding to support RES. The National Planning Policy Framework needs to give clearer support to RES, underpinned by a ‘toolbox’ for supporting small rural housing schemes that takes its cue from the messages mapped here. Local plans are also crucial for RES: they must have spatial development strategies that support RES in lowest tier settlements, in order to advance the future sustainability of England’s villages and rural communities.
	Action for government: NPPF to give clearer support to RES, stressing its value to rural communities and economies. NPPF to reference a future RES (or RAH) toolkit and underscore the sustainability arguments for a dispersed development approach in many rural areas.

PART 2: WHAT ARE RES AND WHY ARE THEY IMPORTANT?

2.1 Relative to in-area earnings, housing is often less affordable in rural parts of England than in larger towns and cities. A hundred years ago, rural housing was relatively inexpensive but also of poor quality. Counter-urbanisation during the second half of the twentieth century (i.e. more households choosing to relocate away from cities) and the establishment of a planning system that has sought to protect the countryside from development considered inappropriate, have brought demand and supply-side housing pressures to rural areas. Those pressures can be especially acute in smaller villages, where high demand for homes together with planning restriction (which allows fewer homes to be built) can mean reduced housing affordability for households, particularly those who work in the rural economy and whose wages are lower.

2.2 Those households need to live and work in the countryside. They are part of a wider labour force that supports rural economies, and also an integral part of rural communities. Access to good quality, affordable housing is essential to the wellbeing of those communities and economies. It supports the foundational economy and ensures that rural places are vibrant, mixed and fully-functioning. Historic sources of affordable housing – i.e. council homes built by rural district councils after 1919 – have been heavily depleted by the Right to Buy, which has had a disproportionate impact in rural compared to urban areas. Much of the housing built in rural parts of the country is now provided by the private sector.

2.3 But rising demand pressures, and supply constraints, drive up land prices and hence the cost of housing. During the past 30 years, one critical solution to this challenging dynamic has been 'rural exception sites' (introduced in DoE Circular 7/91). The value of land is determined by its best permissible use. This means, for example, that land where only rough grazing is possible and permissible, commands a far lower price than high quality farmland. However, the highest price will be paid for land allocated to residential use. Given demand pressures, such land will attract speculative interest and, depending on location, will command a price hundreds of times greater than land used for grazing animals or land where 'market housing' will not be permitted by a planning authority.

2.4 The RES mechanism seeks to bring forward land for non-market development at a price that supports the delivery of affordable housing for local need. A lower land price will mean a lower development cost, and therefore an opportunity to build homes that can be rented to local households at an affordable price. The key parties involved in a RES include: the community (which sees the need for affordable housing), the landowner (with a site suitable for a RES), the local planning authority (which has

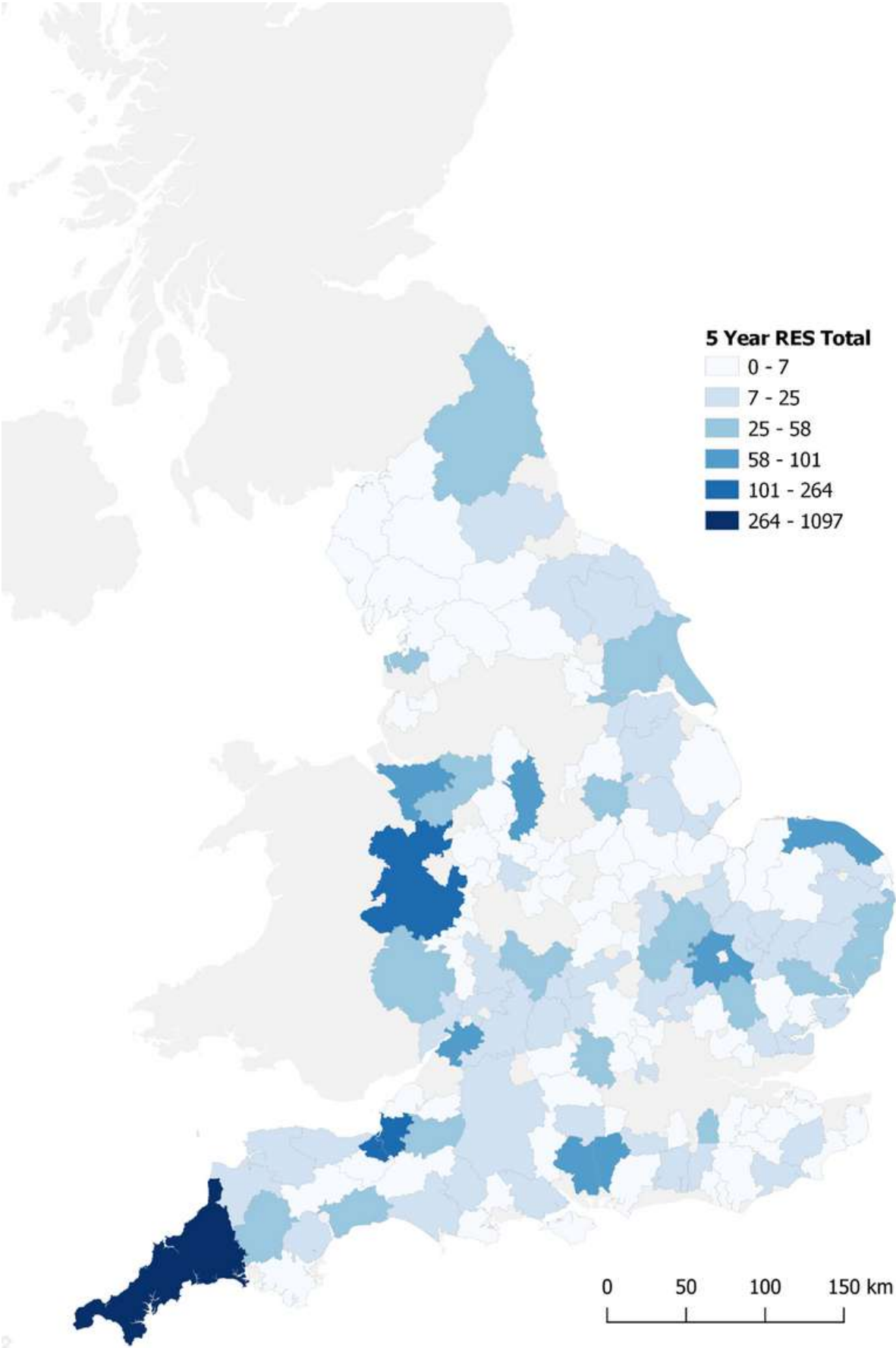
produced a local plan containing policies to facilitate development on a RES), a registered provider of social housing (which is attracted to a development opportunity that furthers its social mission), and either an LA-based enabling officer (sitting in the local authority's housing department) or an independent Rural Housing Enabler (RHE) that may play a central role in brokering a relationship between all these parties.

2.5 RES can start and progress in different ways. There is no fixed formula and additional actors may participate in the process: for example, agents representing the landowner, or Community Land Trusts looking for opportunities to build affordable homes. Typically, an enabler – either an LA-based one or an independent – will seek to support a community to get the affordable homes it needs and, to that end, will facilitate a deal between key stakeholders. Those stakeholders will include a (generally) supportive community (which has been involved in the gathering of evidence of local need that could be met via a RES); a landowner who has expressed a willingness to release land at a price which would support affordable housing; and an RP whose mission is to deliver affordable homes and who sees an opportunity to deliver a financially viable scheme. Outside of that deal, the local authority's housing and planning departments will fulfil enabling and development management roles: housing officers may well be involved in driving the project (especially where there is no independent RHE), whilst planning officers will offer advice on the feasibility of developing specific sites. Relationships need to be strong and durable, as small rural housing projects can take several years to come to fruition.

2.6 Between 2017 and 2022, more than 3,500 homes were provided on RES across rural England (see Map 1). Set against national housing supply, this can seem like a small number, but RES are immensely important to those communities struggling to increase their supply of affordable homes, and even more important to the households whose livelihoods depend on access to those homes. However, data also show that just 548 affordable homes on exception sites were delivered in 2021-22 compared with almost 800 in 2017-18. The difficulties of progressing sites through the Covid-19 pandemic may explain some of this fall, although it is clear that RES face persistent challenges that need to be better understood if they are to be overcome.



Map 1: Affordable homes on RES sites, 2017 to 2022, by local authority area



PART 3: THE GOALS AND METHODS OF THIS RESEARCH

3.1 This project sought to address one overarching question:

How should prospective RES schemes maximise their chances of success and avoid potential pitfalls?

In other words, is there a 'winning formula' that might be followed by projects everywhere, increasing the likelihood of success and minimising the chances of failure? This is the question that we turn to at the end of this report.

Whilst being undertaken, the project was guided by more functional questions that sought to address its two key foci: on the planning resources needed to support RES and the local factors that shape outcomes. The overall guiding question was this:

What underpins success in the delivery of RES?

This was split into two 'resourcing' and one 'factors' components, i.e.:

1. How does LA resourcing of the planning function affect the success of RES?
2. How can LAs mitigate resource shortcomings through local working practices and innovations?
3. Besides planning resourcing, what other factors/practices/policies underpin successful RES schemes?

In order to address these questions, the project moved through 5 stages:

- **A review of existing published research, with findings now presented in Part 3**
- **Baselining conversations with Steering Group members, reported in Part 4**
- **The collation of publicly available data for rural planning authorities, on RES delivery and planning performance for last 5 years, which augments the survey findings presented in Part 5**
- **A survey of rural planning authorities, requesting self-assessment of the nature of local resource constraints, impacts of constraints (for the broader planning function and for RES or small rural site delivery), and mitigation strategies, reported in Part 5**
- **Case studies of six rural authorities with strong track-records of RES delivery. These are detailed in Part 6 with key learning extracted from longer presented narratives.**

The ultimate goal was to produce a report that addresses the 'how should' question noted above. Part 7 of the report tries to do exactly that.

PART 4: KEY MESSAGES FROM PAST STUDIES

4.1 This is not the first study to examine the progression of RES and their contribution to affordable housing supply in village locations. A full literature review is appended to this report. For the sake of brevity, only a tabular summary of the review is included here.

Table 1: Factors including resourcing affecting RES, from literature

Community engagement and support	Getting the community on board by winning the argument that affordable housing is key to economic and community vitality is a prerequisite for RES success
Land cost	Rising land costs and landowner price expectations are a barrier to RES, but working with landowners to secure land at the right price is critical to success
Community governance and parish councils	Governance structures, and particularly parish councils, bring together critical interests. This is where the case for affordable housing is won, and where landowners interface with communities
Rural housing enablers	Success can hinge on the work of housing enablers (either LA-based or independent), their store of knowledge and experience, and their capacity to be honest brokers and maintain the momentum of RES projects
Effective partnerships	Partners have different motivations and roles in the RES process. The ambition of community activism can grate against normative systems, of planning and finance. Effective partnerships are supportive of different interests and manage expectations
The policy framework	The policy framework extends from national policy to local plans. The former need to be stable and give certainty to local projects. Plans need to have clear but flexible policies that support RES in different situations
The funding regime	Access to funding is critical to RES success. This frequently means accessing Homes England grants. RPs have a critical role to play in securing funding and finance for RES, through their access to grants and through their ability to secure loans. Local authorities are also key funders, using a mix of borrowing, Section 106 revenues, and capital receipts.

Build costs	Build costs can undermine the 'value for money' (and viability) that RPs seek from RES schemes. The current inflationary environment is particularly challenging for small schemes, which are unable to capture economies of scale. It is these lack of economies of scale and remoteness that results in RES development being more costly than building in towns and cities
First homes exceptions	RES work by securing land at a price that will support the affordability of homes built. Land price is determined by best permissible use. If 'first homes', which are an affordable sale product, become best permissible use, RPs and their partners will struggle to access land at a price that supports the delivery of rented homes
Resourcing for local planning services	A quarter of planning authorities in England have no local plan and a third of plans that are in place are out of date. Central funding to planning has dropped by more than 40% over the last twelve years. Planning teams are afflicted by high workloads and low morale. This is impacting the strategic functions of authorities, including plan making, and leading to longer turnaround times for applications. Resource cuts have been concomitant with the laying of new duties on planning authorities.



PART 5: BASELINING CONVERSATIONS: DEVELOPING A FRAMEWORK OF KEY DELIVERY AND RESOURCING FACTORS

5.1 The steering group for this project comprised individuals representing major Registered Providers (Trent & Dove, Hastoe, English Rural and Coastline), Landowners (The Country Land and Business Association), the key funding body (Homes England), the responsible government department for housing (DLUHC), the voluntary network supporting independent rural housing enablers (ACRE), the representative body of social housing providers (NHF), and a key consultant supporting rural affordable housing delivery (Rural Housing Solutions).

5.2 We were therefore presented with an opportunity to establish a baseline of existing knowledge to carry forward into this project, using the coalface and policy insights of steering group members to construct a framework of 'success factors' (and pitfalls) and 'resourcing issues' that would be further investigated in a national on-line survey of local planning authorities (classified as largely or mainly rural, or urban with significant rural parts) and six local cases studies of policy design and project delivery.

5.3 Nine interviews were held with thirteen steering group members in February 2023. These addressed the following questions:

1. What has to 'go right' for an RES to be successful? (e.g. evidence of need; community support/effective community liaison; enabling; willing landowner; RP partner; clear and proactive planning policy; stamina among key partners; trust; etc.)
2. What 'goes wrong' where an RES fails or where an RES is not feasible?
3. What resource constraints are faced by rural planning authorities?
4. What impacts do these have, on the planning service or housing delivery in general, or on RES more specifically?
5. How are rural authorities mitigating those constraints?

5.4 All interviews were conducted on-line, auto-transcribed and immediately summarised. Those summaries were used to construct two significant tables, revealing the reasons why RES schemes succeed or fail (Table 2), and the nature of resourcing constraints affecting local planning authorities, alongside the impacts of those constraints and potential mitigations (Table 3).

Baselining Conversations: Key delivery factors

Why RES schemes succeed

5.5 Four prominent success factors were agreed upon by interviewees: building and sustaining community support for a project; partnering a land owner who is willing to sell land at a price that will allow affordable homes to be built; having 'higher political support' within the local authority; and working with an 'honest broker' (often an independent RHE or LA-based enabler, but not always) who will champion a project and keep it moving.

5.6 Whilst these were the top-cited factors, others are also clearly important, and their slightly lower ranking might be due to the fact that only project-level actors drew attention to them. These include, for example, being able to engage with knowledgeable planning officers at pre-app stage, and pursuing a project that will offer clear value for money and will attract grant funding.

5.7 Again, the full range of success factors are listed in the left column of Table 2.

Table 2: Why RES schemes succeed or fail

Factors driving success	Causes of failure
Clear community support (8)	Lack of community support (6)
Landowner support (6)	Lack of sites / lack of landowner engagement or enthusiasm (3)
Higher political support (5)	Lack of political support (5)
Enabling Officer / RHE or local champion as honest broker (5)	Weak enabling (5)
Knowledgeable planning officers engaging in constructive pre-app (4)	Lack of planning capacity (4)
Proactive partnerships that deliver collective understanding (3)	No locally-active RP partners (1)
Clarity of planning policies (3)	Time: slow and fragmented planning (5) and/or technical planning hurdles (3)
Funding availability and flexibility (3)	Funding challenges (2)
Value for money of the project (2)	Rising planning and build costs (5) linking to inflated land price expectation (3) and problematic economies of scale (1)
Intra-authority enabling arrangements (2)	Lack of support for enabling (2)
Stamina, resilience and enthusiasm (2)	Lack of energy (2)
Non RP-led models, including CLTs (2)	No CLTs, no other pathways (2)
Clear evidence baseline (1)	Weak evidence (1)

NB: Bracketed numbers denote times mentioned

Why RES schemes fail

5.8 Obviously, reasons for failure are the inverse of success factors: so - not having community support, a willing landowner, higher level political support, or a project champion.

5.9 However, interviewees drew attention to three particular factors that seemed to sink RES schemes, beyond these inversions. The first of these was a lack of community support, leaning into entrenched NIMBYism. The second was 'time' and in particular the time-cost of a slow and fragmented planning process, which struggles with more technical considerations (possibly because of a lack of requisite skills within a planning authority). And the third was cited as 'rising planning and build costs'. Whilst this final reason for failure was viewed as a product of the current inflationary environment (in 2023), overall costs are more generally inflated by land price expectations, especially where a land agent is raising the expectations of the owner, and by the problematic 'economies of scale' that always affect small sites.

5.10 Table 2 provided a framework of delivery factors investigated at the case study stage.

Baselining Conversations: Planning Resources

The nature of planning resource constraints

5.11 Interviewees were asked to reflect on resource challenges facing local planning authorities. Most of those interviewed were on the housing delivery side (i.e. representing Registered Providers) or from national bodies that maintained regular contact with planning teams. However, the purpose of the interviews was to identify cues for further research that would focus on actual local authority situations in England.

5.12 Two prominent resource constraints stood out from the interviews: first, a shortage of planning officers within authorities and consequent high workloads; and second, the lack and loss of knowledge and experience associated with having too few senior officers (because they had retired or left and not been replaced). Some interviews suggested that the plight of planning authorities was shared across the public sector: under-funding is generally resulting in a deficiency of resource.

Table 3: Resource challenges faced by local planning authorities

Constraints	Implications	Mitigations
Shortage of planning officers/high workloads (6)	Slow service, draining enthusiasm of partners (4)	Invest in LA-based enablers/RHEs/hubs to support planning function (5)

Constraints	Implications	Mitigations
Loss of knowledge and experience (4)	LPAs refocus on strategic priorities (4)	Simplified two-stage rule-based RES policy (PIP) (4)
Underfunding of local government and other partners (3)	RES assigned low priority/fewer RES (3)	Outsourcing (3)
Too many technical duties (2)	Informal advice lost and pre-app advice poor quality (2)	Training and sharing best practice (2)
Recruitment challenges (1)	Fail to gain political support (lack of evidence, etc.) (1)	View res as a strategic priority (2)
-	Enabling function lost (1)	RPs funding technical services (2)
-	No updated local plan (1)	Stronger corporate leadership (1)
-	Uncertainty and risk causes scaling back of RES projects (1)	Inter-LPA service sharing (1)
-	Planning stalls, costs rise (1)	Frontload resources to pre-app (1)
-	Lack of technical capacities (1)	Junior recruitment and apprentices (1)
-	-	Stability in the planning framework (1)
-	-	Positive 'can do' culture in planning (1)

NB: Bracketed numbers denote times mentioned

5.13 As Table 3 shows, some interviewees felt that the resource constraints were being compounded by recruitment challenges and by the widening array of technical duties being placed on planning authorities.

The impacts of resource constraints

5.14 A much longer list of impacts attributable to resource constraints emerged from the interviews. Three were prominent. First, inadequate resourcing (i.e. too few officers) resulted in a slow planning service that could drain enthusiasm from small rural housing schemes. This slow service was responsible for the 'time' factor in RES failure. Second and third, authorities enduring resource constraints devote the resources they have to strategic priorities at the expense of smaller rural projects. This means that fewer RES schemes come forward or are supported by planning authorities. A reduction in RES may result from a lack of resource investment in pre-app

discussions with Registered Providers, which are therefore more cautious about pursuing opportunities given the perception of greater uncertainty and therefore risk.

Mitigating resource constraints

5.15 How might local planning authorities adapt to this lower resourcing environment? The list of potential mitigations was partly speculative and partly rooted in experience. Three strategies were prominent: first, invest in enabling (either LA-based enablers or independent RHE) as a means of stretching limited resources. Rural Housing Enablers (LA-based or independent) were thought to be good value for money and able to add capacity to stretched local authorities. Second, reduce the planning bureaucracy associated with RES schemes by implementing a two-stage rule-based approach to these schemes (using the 'Permission in Principle' mechanism). Once sites have been identified, permission for a RES should be fixed in principle so the scheme only requires second stage technical consent. This may seem to be a highly technical and specific remedy to broader resource constraints. One of the Steering Group members interviewed had previously advocated this approach and its logic was known to other members. The third most cited strategy was out-sourcing: building capacity by contracting out functions to consultants.

5.16 A longer list of more varied mitigations was proposed by interviewees: perhaps notable amongst these were 'training and the sharing of best practice' and stronger corporate leadership that fosters a 'can do' attitude within local authorities. Not all of those interviewed felt that problems in the planning service could be traced to resourcing. It was also argued that the profession had retrenched into negativity. There could be a number of reasons for this, but broader denigration of planning and planners was considered a potential contributory factor.



PART 6: FINDINGS FROM THE NATIONAL SURVEY OF PLANNING RESOURCING

6.1 A survey of rural planning authorities was conducted as part of this research. That survey sought to gain a clearer picture of the resource constraints facing authorities, the impacts of those constraints, and the workability of different mitigations. Map 2 shows, in varying shades of green, the three types of Local Planning Authorities (using DEFRA's definition of rural urban areas) targeted for this research. National Park Authorities are not shown but all were contacted. A summary of the responses received, split according to region and local authority type, is provided in Table 4.

Map 2: Rural England – Districts and Unitary Authorities surveyed

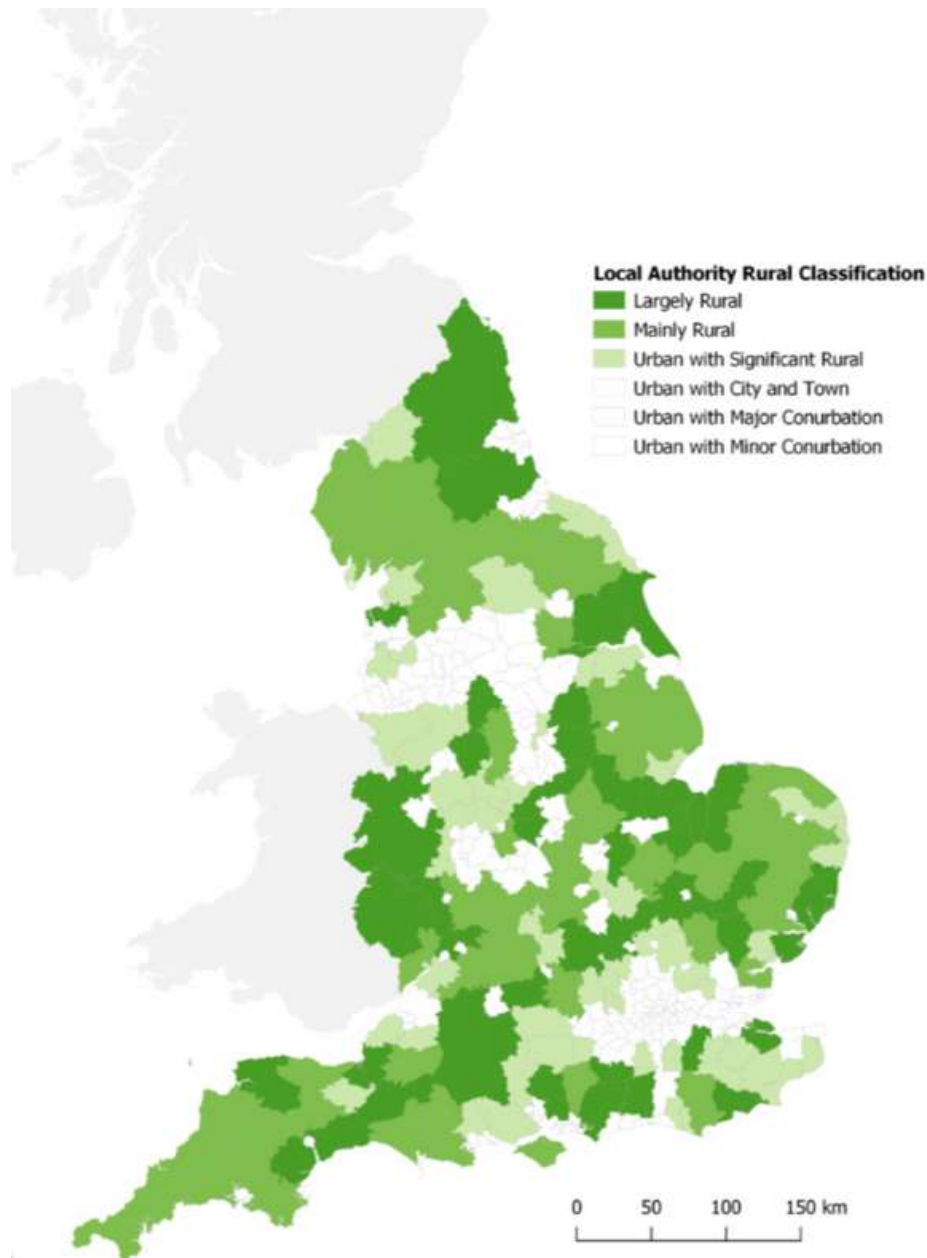


Table 4: Regional distribution of responding authorities, and type of authority

Regional responses	Total	District	Unitary	National Park	Within combined
East of England	7	5	2		
South East	8	4	2	2	
South West	9	2	5	2	
North West	3	1	1	1	
North East	2		2		(2)
Yorkshire and the Humber	3		1	2	
East Midlands	2	1		1	
West Midlands	6	5	1		

Designing the questionnaire and survey

6.2 Using the feedback provided by the baselining conversations (summarised in Tables 2 and 3), an on-line questionnaire was designed and dispatched to local planning authorities across rural England. The questionnaire provided lead planning officers with an opportunity to self-assess in three areas:

1. The nature and severity of resource constraints affecting each local authority.
2. The impacts of those constraints on the general planning service and on the delivery of small rural housing sites.
3. Perceptions of the operability and value of different mitigation strategies, leading to an assessment of resourcing priorities.

6.3 The questionnaire (Appendix 3) comprised 61 questions, roughly divided between these three areas. It was initially tested within the research team, then tested with a small sample of planning officers (for sense, logic, and functionality), and then reviewed with Steering Group members. Following content adjustments, the survey was administered on-line using MS Forms and distributed to 157 local planning authorities (mainly districts, but also unitary authorities and national park authorities) on behalf of the research team by the Rural Services Network.

6.4 Only authorities classified as 'mainly rural' (rural \geq 80%), 'largely rural' (rural = 50 to 79%) and 'urban with significant rural' (rural = 26 to 49%) (based on the 2011 DEFRA

classification), or other authorities that had delivered affordable homes on RES sites during the last 5 years (there were just two of these, both 'urban with city or town'), were included in the survey sample.

Responses received

6.5 A total of 46 questionnaires were returned from 40 planning authorities. Duplicate returns were discarded for the survey results, although comments from individual respondents were retained for the analysis.

6.5 Respondents had worked in the planning sector for an average of 24 years, and an average of 12 years in their current authority. Of the 46 respondents, 17 were Directors, Assistant or Deputy Directors, Chief, Head or Principal Planners; the remainder were Managers or Officers with responsibility for Planning Policy, Development Management, Spatial Planning, Planning Services, Housing Delivery, Development, Infrastructure or Neighbourhood Planning. Responses came from all of England's regions and all types of planning authority (see Table 4).

Planning teams and vacancies

6.6 The average number of planners in responding authorities was 37, ranging from 3 to 130. Thirty-two (32) out of the forty individual authorities reported vacancies within their teams, ranging from 1 to 12, and an average of 3.7 vacancies per authority.

6.7 In commenting on the high number of vacancies, respondents referred to difficulties in recruitment of senior and/or experienced planners, and the need to compensate with additional training for graduate or less experienced recruits. Apprenticeship schemes were often singled out for praise in respect of giving opportunities for career progression. A lack of specialists can delay planning decisions, and pressure on budgets has meant that salaries are no longer competitive with those in the private sector. One respondent commented that the shift of some planning service jobs to an outsourced private company had led to worsening terms of employment without the same opportunities for progression and promotion.

Theme 1: The nature and severity of resource constraints affecting each planning authority

Resourcing and work pressure

6.8 More than 65% of responding authorities felt they did not have the resources (workforce and skills) to fulfil their statutory duties, nor to engage informally with their communities and development partners.

6.9 Two National Park Authorities had suspended their pre-app advice service, while

four others spoke of a 'reduced capacity' to offer such advice, or a 'difficulty to offer informal advice' or being unable to engage informally with development partners while 'timescales for pre-app advice are increasingly long'.

6.10 Forty out of 46 respondents agreed or strongly agreed that planning officers face a high degree of pressure at work. Pressure at work was reported to lead to a higher rate of staff

turnover. Despite this, morale appeared to be relatively balanced, neither extremely good nor extremely poor. Most respondents felt that planning departments had the experience and expertise to deliver an effective service despite earlier comments regarding the recruitment of specialists and senior planners. Two respondents referred to the need to prioritise larger developments at the expense of RES due to resource constraints.

Policy uncertainty and new requirements

6.11 Policy uncertainty, alongside new requirements such as nutrient neutrality, was cited as the biggest obstacle preventing the consistent delivery of decisions – with 83% of respondents citing this as the cause of increasing pressure on the service. In contrast, one respondent commented that '[...] the wide range of duties is what makes the planning role interesting; there is always something new, such as bio-diversity net gain and nutrient neutrality. This should be attractive to professionals.' Despite increasing demands on planning teams, one respondent commented that the timeframe for decision making on new developments had not changed since 1947.

Home working

6.12 Only 2% of respondents felt that working from home had made the planning service less efficient, while 58% were undecided, offering mixed views on the advantages and disadvantages. Less time spent travelling to and from offices meant that officers could spend more time on caseloads each day. However, there were fewer opportunities to share knowledge and experience with colleagues.

Theme 2: The impacts of those constraints on the general planning service and on the delivery of small rural housing sites

General impacts

6.13 Despite the lack of resource described in the previous section, 60% of respondents believed that decisions were given on time and to an expected quality without the need to seek extensions of time. In addition, a clear majority of respondents felt that their authority had the resources to deliver their Local Plan, even if particular expertise had to be 'bought in' on a consultancy basis.

Small rural sites

6.14 Regarding delivery of affordable housing on RES, very few respondents were aware of, or had experience of involvement in, exception sites. Only two respondents confirmed that their authorities were delivering more than 'one or two' homes on RES per year. The answers to the questions in this section suggested a prioritisation of larger allocated sites due to resource constraints, with many respondents neither agreeing or disagreeing with the statements concerning small rural sites.

6.15 Some respondents considered that (broader) engagement with communities, RPs, external agencies or landowners was the responsibility of their housing departments. One respondent commented that 'it is not the role of the LPA to propose or prepare/develop the evidence in support of Rural Exception Sites as, by their very definition, they are proposals for (predominantly) affordable housing on small parcels of land that would not normally be developed for housing. It is for the applicant to prepare and submit the necessary evidence (including of local affordable housing needs), and the Council will consider that evidence as part of determining the planning application in accordance with development plan policies and other material considerations.'

6.16 One local authority respondent commented that 'we do not have rural exception sites'. Another said that despite having RES policies in their Local Plan, 'RES proposals are virtually unknown'.

6.17 Of course, authorities without RES or with only a small number of RES coming forward will wish to stress that questions are not relevant. Results suggested a general prioritisation of allocated sites which is likely to be due to the resource needs of larger applications and the as-and-when incidental nature of RES in many cases.

Theme 3: Perceptions of the operability and value of different mitigation strategies

Enabling

6.18 Exactly half of all local authority respondents agreed that working with an LA-based or independent RHE was an effective means of supporting housing delivery. It was clear that some respondents had in mind 'generic' enabling officers working on allocated sites, whilst others were referring more specifically to rural specialists and independent RHEs focused on small rural sites. However, there was strong overall support for dedicated enabling activities.

Consultants and training

6.19 Whilst the majority of respondents felt that out-sourcing some planning tasks to

consultants could occasionally generate efficiencies and increase cost-effectiveness, none had used consultants to assist with RES schemes. It was not clear what additional capacity consultants might bring, beyond that brought by LA-based or independent enablers.

6.20 Within planning authorities, it was not felt that additional training would help officers deliver homes on RES. Linking to earlier findings, respondents had already stated that the major responsibility for RES lay with their housing colleagues (see 6.13) and that the planning role was confined mainly to development management.

Sharing good practice and staff

6.21 Seventy-eight (78%) percent of respondents believed that systematic sharing of good practice could enhance the delivery capacity of planning authorities, in general terms and in relation to small rural housing schemes where applicable. Seventy-one (71%) said that this was already happening and that best practice was being shared across neighbouring authorities.

6.22 Only 19% believed that the 'informal sharing of staff' would mitigate resource constraints, believing instead that it would more likely denude their own capacity to deliver. Moreover, the formal sharing of staff via 'shared service' arrangements was not viewed as an effective mitigation to resource constraints: only 15% thought that it would bring benefits to their authority.

6.23 However, 47% of respondents agreed that planning authorities are able to mitigate resource constraints by changing working practices, partnering with others, and making less go further, which appears to be at odds with the apparent reticence around sharing staff resource, informally or formally. Such contradictions may suggest concerns around capacity paired with uncertainty around the best ways forward. Authorities learning from one another was judged to have clear benefits, but those same authorities view dedicated in-house resources, which allow them to guarantee a high quality and timely planning service, as being key to overall delivery.

Key measures for addressing resourcing

6.24 When asked about measures that could potentially deliver greatest impact on performance, 87% of respondents referenced a need to fill senior posts. Being able to recruit and retain senior staff would not only add capacity but also bring people into authorities who are able to guide and inspire junior staff: experienced innovators, able to create new efficiencies.

6.25 Others asked for increased clarity in Government policy, especially in respect of housing targets. New systems for the processing of development applications were also

thought to be essential, alongside training specifically on the assessment of new requirements.

6.26 Ninety-two (92%) of planning authority respondents said that staff retention and skill development were the resourcing priorities within their departments.

6.27 In response to our invitation for general comments on key actions that might be taken to support planning teams, the following were flagged as vital:

- Incentives for the retention of senior staff, encouraging them to stay in post or return to planning;
- Greater flexibility in respect of work/life balance, in order to increase the appeal of local authority planning for a range of groups;
- Increased application fees, to support greater capacity and upskilling in planning teams;
- Greater certainty in the planning system, providing local authorities with the confidence to invest time and resource in dealing with planning applications. Related to this, it was argued that there is a need to manage public expectations around new development, to ensure that it is more readily accepted rather than automatically opposed. This is about making the case for housing – a theme that also emerged in the case studies.



PART 7: FINDINGS FROM THE LOCAL CASE STUDIES

7.1 Six case studies are presented in this part of the report. These are ‘deep dives’ into local experiences of delivering affordable homes on RES. They look across higher level strategy, and the support given to rural housing delivery, and at project-level processes. Case studies begin by detailing the planning policy context, before ‘first-level’ interviews explore corporate priorities and ‘project-level’ interviews detail delivery narratives.

7.2 The choice of case studies, listed in Table 5, was agreed with the Steering Group late in March 2023. England’s ‘top performing’ rural authorities – in terms of affordable homes delivered on RES – are revealed in local authority statistical returns (Table 6 – and see also Map 1). Our objectives when selecting case study authorities were as follows:

- To achieve a good geographical spread across England;
- To include a mix of authority types – single tier and unitary;
- To include authorities adopting different strategic approaches to supporting RES schemes;
- To have a broad choice of delivered schemes from which generalizable lessons might be gained.

7.3 Five of our selected case studies are amongst the top-10 authorities for affordable housing delivery on RES sites. North Yorkshire is not on that list because it is a new unitary authority (formed in April 2023) covering the old districts of Craven, Hambleton, Harrogate, Richmondshire, Ryedale, Scarborough and Selby. A total of fifty-one affordable homes were delivered on RES between 2017 and 2022 across the old North Yorkshire districts. North Yorkshire was a special case, not focused on project delivery but on strategic support for rural housing enabling.

Table 5: Case study authorities

Authority	Type	NPA	Region	Focus
Cornwall	Unitary (mainly rural)		South West	Cross subsidy on RES
Shropshire	Unitary (largely rural)		West Midlands	General

Derbyshire	District (mainly rural)	*	East Midlands	General
Winchester	District (largely rural)	*	South East	Focus on use of RHEs
North Norfolk	District (mainly rural)	*	East	General
North Yorkshire	County (7 districts and 4 unitary authorities)	*	Yorkshire and Humber	Strategic partnership in support of rural housing enablers

* Case study local authority has a National Park Authority (NPA) in its area; two in the case of North Yorkshire.

Table 6: Local authorities with the most affordable homes on RES, 2017 to 2022

Local Authority	Number of affordable homes
Cornwall*	1097
Shropshire*	264
Sedgemoor	185
North Norfolk*	101
Derbyshire Dales*	93
South Cambridgeshire	89
Cheshire West and Chester	86
East Hampshire	85
Winchester*	68
Stroud	65
North Yorkshire*	51

Source: Local Authority Housing Statistical Data Returns, Affordable Housing Supply, 2017-2022 (*Case Studies)

7.4 Two broad distinctions in the case studies, notable at the outset, are approaches to the use of cross-subsidy (some more cautious, and others more flexible) and the complication that comes from housing authorities working with separate national park (planning) authorities. It is noted in Table 5 that three of the case studies involved a

district authority paired with a national park (Derbyshire Dales and the Peak District National Park; Winchester City and the South Downs National Park; and North Norfolk and the Broads Authority), and one unitary with two national parks (North Yorkshire and the Yorkshire Dales and North Yorkshire Moors National Parks).

Case study approach

7.5 The case studies build on the framework of key delivery and resourcing factors introduced in Part 4. Baseline conversations with steering group members identified general issues to be investigated in the cases. The broader approach has been to use authority-level contacts as entry points to the cases before ‘snowballing’ into further general and project level interviews. Each case study draws on 5 interviews with key informants split between ‘first-level’ (authority/corporate strategy) and the ‘project-level’.

7.6 The aim of that split (in all the cases apart from North Yorkshire – see below) was to establish the ‘corporate approach’ framing RES delivery in the cases, before investigating how that approach affected the progression of projects. For example, Cornwall was known to place special emphasis on cross-subsidy on larger-than-typical RES; and Winchester was known to have adopted a strategic focus on rural enabling. North Yorkshire was planned as a special case, with an exclusive focus on strategic support for rural housing enablers through the York, North Yorkshire & East Riding Strategic Housing Partnership (YNYER - SHP).

7.7 Case studies had four main parts, shown in Table 7. The goal of the cases was to track the delivery of RES projects, how they gain support from higher level strategy, and sequence the factors that are key to delivery.

Table 7: Three-part case studies

Planning policy context	General area overview including administrative structure Rural geography and characteristics Local plan status; RES policies RES delivery (as component of general affordable housing supply) Planning performance
-------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------



First level – strategy and corporate priority	<ul style="list-style-type: none"> • Perceived importance of affordable housing to rural communities and economies • Housing and development pressures • Focus on RES policies and their use
-----------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------



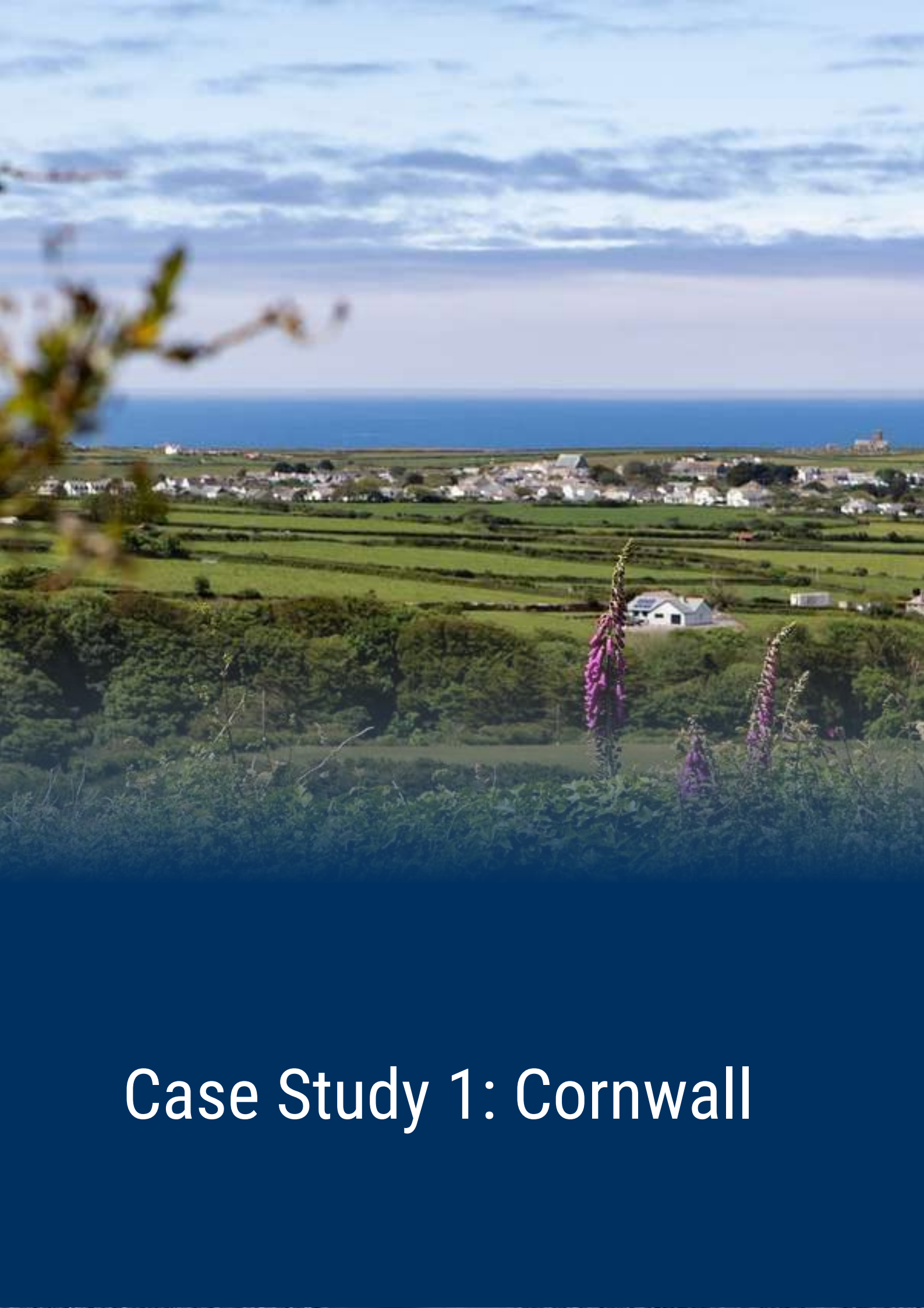
	<ul style="list-style-type: none"> • Corporate approach to rural housing / RES delivery • Place of affordable housing in wider strategic framework • General structures and partnership working
Informants	<ul style="list-style-type: none"> • Planning and housing leads (or substitutes)



Project-level (a)	<ul style="list-style-type: none"> • Profiling of location and project • Use of planning portal data where available (key dates, key partners, community reaction etc.)
Project-level (b)	<ul style="list-style-type: none"> • Focus on success factors and barriers - General mapping of the project – sequence of events - Notable events, engagements, etc. • Cues taken from Table 2 - Building and sustaining community support (+) - Building relationships with landowner (+) - Higher level political buy-in (+) - Role of champion or RHE (+) - Support from planning, including at pre-app (+) - Managing risk of losing community support (-) - Fragmentation or technical hurdles in planning (-) - Addressing land costs and rising build costs (-) - Etc.
Informants	<ul style="list-style-type: none"> • Community (e.g. Parish Council); Landowner or agent; RP or Enabler



Key Learning	Key learning from the case in the form of 3 to 5 main messages Categorisation of key learning in Table 8, forming the main output from the local cases studies.
--------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------



Case Study 1: Cornwall

7.8 Each of the case studies was analysed in a template that followed the above sequencing.

Case Study 1: Cornwall – strong political support, tailored cross-subsidy policies, and mixed mode delivery including council-led models

Planning Policy Context

Cornwall is a large unitary authority located in the South West of England. It is bordered on three sides by the sea and by Devon to the east. Its location – at the extreme south-western tip of the country – and the sense of closure, and relative isolation, that its geography affords have incubated a strong Cornish identity, reflected not only in everyday culture but also in the culture of policy and planning practice. Cornwall became a Unitary Authority in 2009.

More than half a million people reside in this ‘mainly rural’ authority: four-fifths in areas judged rural or rural hub towns. Cornwall adopted its Local Plan in November 2016 and is not currently engaged in a plan review. However, the plan is said to provide a framework for development in Cornwall that runs until 2030. Policy 9 of the Local Plan refers to RES: ‘Development proposals on sites outside of, but adjacent to, the existing built up area of smaller towns, villages and hamlets, whose primary purpose is to provide affordable housing to meet local needs will be supported where they are clearly affordable housing led and would be well related to the physical form of the settlement and appropriate in scale, character and appearance’. Critically, the policy supports market housing on RES, where it comprises no more than 50% of the total number of units or 50% of the land take, ‘excluding infrastructure and services’.

Cornwall Council has supported a significant number of affordable homes on RES. Local authority statistical returns show that 1,097 units were delivered in the five years to 2022. Nearly a third (31%) of all affordable homes on RES in England were delivered in Cornwall during this period. Because Cornwall is a large authority, in terms of population, we might also consider RES output according to population. On that measure, Cornwall (with 33.6 affordable homes per 10,000 residents between 2017 and 2022) was second only to Sedgemoor on RES output. It also delivers an efficient planning service: it made decisions on over 12,600 non-major applications in the 24 months to September 2022, turning 84.5% of these around within 8 weeks.

Cornwall is a successful planning authority, in terms of securing affordable homes on RES and processing planning applications at a time of significant pressure on planning resources. The overall housing delivery target for the County (between 2017 and 2020) of 7,263 was exceeded by almost 2,400 homes; at the time, the Council could demonstrate 6.5 years land supply, with land sufficient for 33,194 homes between 2020 and 2030.

First level – strategy and corporate priority

First-level interviews were conducted with the Principal Rural Housing Enabler and Affordable Housing Manager, as well as the Planning Policy Manager for the authority. These focused on the general approach to supporting affordable housing delivery on RES.

There is strong political support for affordable housing delivery in Cornwall Council, which has been maintained through recent changes (the Conservative group took control following elections in 2021). In 2017, a commitment was made by the Council to build 1,000 affordable homes within 4 years. Delivery of those homes was achieved by 2021, after which a new target of 1,700 additional affordable homes by 2028 was set. There is one full-time RHE and nine generic, full-time, Affordable Housing Officers in Cornwall. These work closely with more than a dozen RPs and multiple large landowners, including the Church Commissioners and the Duchy of Cornwall. Cornwall Council – in the form of the districts, before the unitary authority was formed – was an early adopter of development on RES, as also pioneered a cross-subsidy approach, through a departures policy, prior the revision of the NPPF in 2012.

The scale of RES projects ranges from single homes (often self-built) to developments of between 20 and 30 homes, mainly in villages but occasionally on the edges of towns. Support for delivering affordable housing exists at every level - 'It's so ingrained in the policy and delivery approach that it's almost entirely normal for us now' – although it sometimes breaks down at the very local level, when actual sites need to be selected for development and communities may reject development in the 'wrong places'.

A 2018 grant of over £5 million from the Community Homes Fund (CHF) has been used to build delivery capacity, including the extension of financial assistance to the Cornwall Community Land Trust (established in 2016), which supports local groups working on individual projects. There are currently seven CLT schemes either on-site or at the planning stage. Although it was recognised that CLTs play a vital part in delivery, they do not offer a complete solution to the challenge of supplying affordable rural homes. Many work in partnership with RPs who can help with access to development funding, or ultimately manage the homes built. CLTs, however, can be the catalysts for getting schemes into play.

As in North Norfolk (see Case 5), support from the CHF round recognised the high proportion of second homes affecting Cornwall's housing market and hence the need for affordable housing solutions. Money was allocated for land remediation, including sites affected by past mining activities, and for seed-corning (with individual grants of up to £40,000) project feasibility studies that community groups wished to undertake, with the support of the RHE.

At a very local level, communities have been entry points for affordable housing schemes. Emphasis is always placed on understanding communities' aspirations (rather than making assumptions and directing from the top-down) as a means of building local support. However, where communities accept some housing (and feel that they have 'done their bit'), it can be difficult to persuade them to accept more, even where evidence points to a much higher level of need. Communities need time to absorb and integrate development; they need to see its positive benefit before larger projects become acceptable. Both the independent RHE and the Affordable Housing Officers tend to have planning experience, and can therefore quickly assess the development potential of sites where local need has been established. Putting the community at the 'core' of site selection was viewed as vital: co-opting the community to identify sites builds early momentum.

But that only happens once need has been established. Cornwall's Affordable Housing Team, together with the independent and in-house enablers, hold events within parishes to publicize the Council's 'Home Choice' register. It was suggested that households in need sometimes found the registration process confusing, and that road-show events have increased the number of people with a registered need. However, under-registration of need remains an issue across Cornwall. The number putting their names on the register is always higher once homes have actually been built. Prior to that happening, need remains hidden as the expectation that suitable homes will become available is low. It was suggested that such under-registration is more evident in rural than urban areas, because of a lower expectation of new housing being built in villages. A recent initiative has been to issue a regular newsletter, sent to parishes and community groups, and also circulated via social media: the aim is to dispel myths about who gets the new homes, which may also be contributing to a rise in registered need, and to promote successful projects.

At a strategic level, there are several nested partnerships that form the knowledge and support network for RES in Cornwall. The Cornwall Housing Partnership (for RPs) is top-tier, sitting above a Sites Delivery Group and a Landed Estates Group. Cornish policy is that a minimum level of 50% affordable housing is required on RES. Developers (and some RPs) may interpret that minimum as a maximum that they need to deliver, relative to the market component. In order to break through this ceiling, there is a proposal to classify the viability of sites: higher value sites (for example, in St Mawes or Rock) would be set higher affordable housing minimums, say 75%. Such a classification would align with Policy 8 in the Local Plan, which maps five 'house price value zones' (page 43). The idea is that such an approach would keep plot prices on RES closer to £10,000, by limiting the hope of a bigger market component and higher land price on more valuable sites. It would also ensure that more of the homes built on RES are affordable. The desire to maximize social benefit and minimize private profit-taking was a recurrent theme in interviews: it was suggested, for example, that post-build assessments of viability could be conducted, once all costs and revenues were known, to ensure that fair value had been obtained from a development by the council – with claw-back agreements in place to curtail 'super profits'.

Besides cross subsidy, funding for RES (and for activities that indirectly support RES) has been secured from the Community Homes Fund (see above), Homes England, and the Cornwall Commission Funded Programme, with the latter bringing together capital receipts, Section 106 contributions from allocated sites, and borrowing from the Public Works Loan Board. The Council has also established its own limited company, Treveth, which builds market homes for sale and rent, and affordable homes within its schemes through an RP subsidiary, Piran Homes.

Whilst much has been achieved, in terms of the number of affordable homes on RES (and allocated sites), challenges remain that can derail projects. Rising construction and borrowing costs were said to threaten some projects, whilst a lack of capacity within some agencies – not only local planning but also Natural England and Western Power – can cause delay in the progression of schemes and add to their cost. The perception amongst landowners that more sites may be allocated for housing in the future (sometimes because this aspiration is articulated in neighbourhood plans) can also slow the rate of RES delivery by increasing the hope that more lucrative development opportunities may arise.

- There is considerable interest, nationally, in Cornwall's apparent success in the delivery of affordable homes on RES. Officers noted that other rural councils, often ones with no track-record of RES delivery, ask them 'how they do it'. They flag the following factors:
- A clear articulation of the challenge: the low average wages of people working in Cornwall versus high house prices, generating a very significant socio-economic stress;
- Strong political support from members manifests as persistence among officers, and in positive development management in respect of RES;
- A spatial development strategy that supports a 'dispersed approach' utilizing a mix of allocated and exception sites.

Project level

First-level interviews identified a site in Veryan, on the Roseland Peninsula, as being typical of the 'Cornish' approach to RES delivery. Interviews at the project-level were conducted with the Senior Project Lead, a parish councillor for the village (and former independent leader of Cornwall Council, still serving as a member), the former RHE for the site and the Allocations Manager for Cornwall Housing. Veryan Parish had a population of just under 950 at the 2011 Census. The site delivered is known as Market Garden.

The site originated in the Cornwall Land Initiative, started in 2009 and since renamed Homes Cornwall. That initiative sought to bring council land forward for development and broker development agreements between the council, a developer, and an RP. In light of the land deal, the developer would provide an agreed percentage of affordable homes (or cash in lieu) which the RP would then manage. It was acknowledged that some sites would be more attractive to developers than others, but the RES mechanism would ensure the successful delivery of a mix of market and affordable homes. The site in Veryan was high value, as demand for homes in this attractive village is significant. Agreements reached under the Cornwall Land Initiative required developers to work with communities and parish councils to ensure the formulation of acceptable proposals. The Veryan site was part of Cornwall Council's Farm Estate: its lease was up for renewal and the tenant wanted to reduce his landholding, which resulted in a site large enough to accommodate 14 homes being freed up.

Veryan's Neighbourhood Plan only allowed for RES sites of up to five homes, and the developer wanted to build 4 and 5-bed 'executive homes' on the site, with minimal affordable provision. The parish council and community wanted a mix of 1 and 2-bed bungalows and a few family homes – all for social rent. No agreement could be reached, leading the developer to withdraw from the initiative in 2016/17. By this point, members of the parish council were determined to deliver what the community wanted. Support for new homes was particularly evident amongst young people, who were the children and grandchildren of many existing residents. At the same time, the Council was establishing its own development company, Treveth, but the aim of that initiative was to build on larger sites, so the Veryan project was left as a potential direct delivery scheme that would be taken forward by Cornwall Council's Housing Revenue Account (HRA) Delivery Unit, which has since delivered more than 300 homes.

Veryan became one of the villages in which the council would deliver against its pledge to build 1,000 affordable homes. The community's aspiration – to deliver 100% social rent that would enable young and old to stay in the village – did not change. Council direct delivery can include a mix of social rent and affordable rent (80% of market rent), but the latter is unaffordable for many households in need. Although, at 14 units, the project exceeded the limit set in the Neighbourhood Plan, the Parish Council and the RHE worked hard to secure community support. Six objections were received from people living very close to the site - referencing extra traffic, parking constraints, and the removal of ancient hedgerows – but support from the Parish Council was unanimous.

The Market Garden scheme cost £3.468 million, more than a third (£1.38 million) of which was covered by Homes England grant funding. Additional sources of funding included council borrowing, HRA reserves, and Section 106 monies from allocated sites. Build costs reflected particular design requirements, including the use of stone and the installation of some round windows, which are a feature of the area. Two aspects of the funding package are of note. Firstly, whilst homes built using HRA reserves are vulnerable to the Right to Buy (RTB), a discount floor applies to this scheme which would allow the Council to recover the full build cost for each home for the first 15 years. After that, the usual RTB discounts will apply. Secondly, Cornwall Council has borrowed £374 million from the Public Works Loan Board since 2006 on different fixed rates. The first loan repayment is due in 2042. The Project Lead commented that this level of borrowing has provided between £20 million and £22 million per year to its development programme. The borrowing is considered sustainable and has supported the Council in its pursuit of ambitious affordable housing targets.

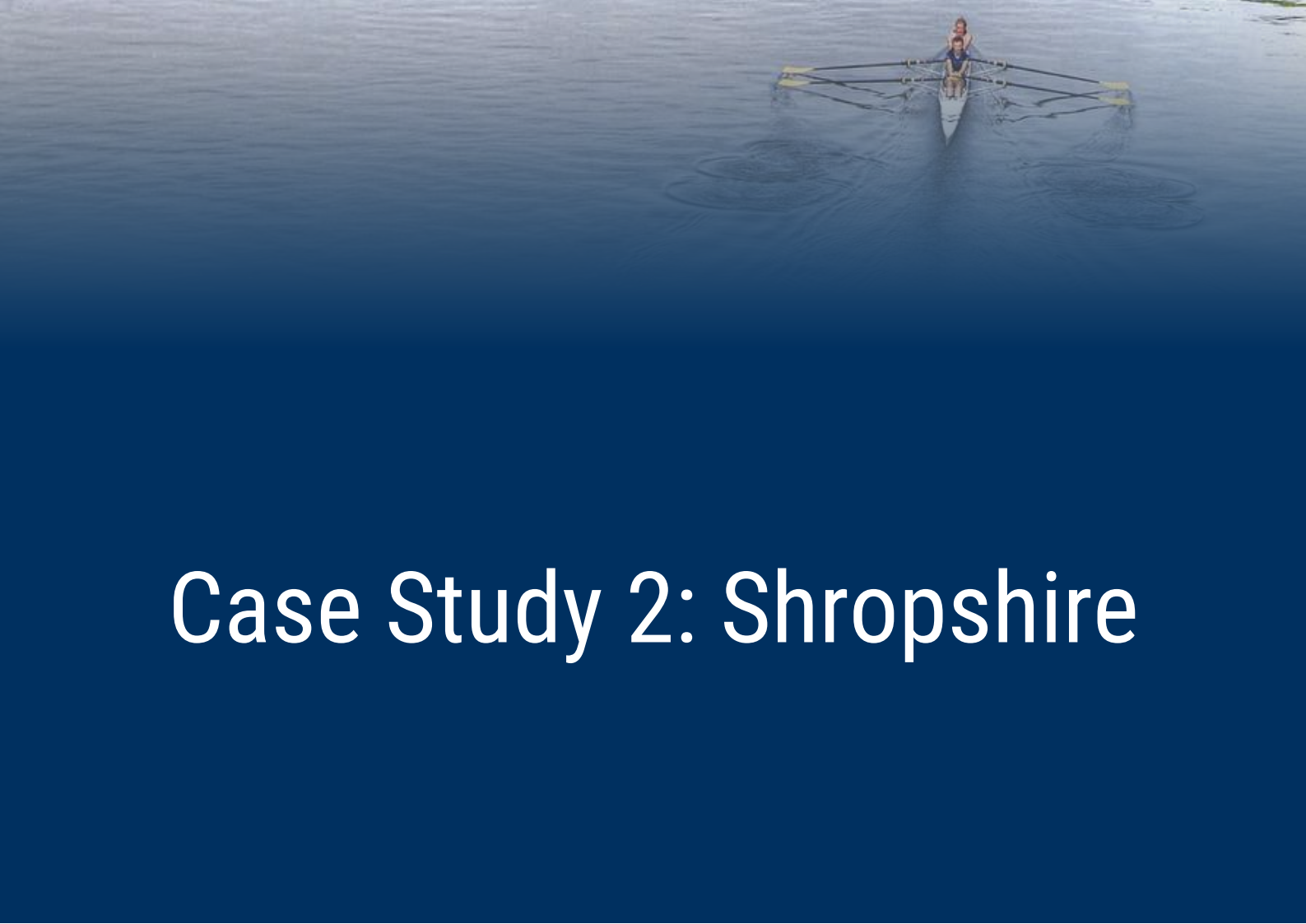
Finally, when the Market Garden development was progressed, the infrastructure, drainage and access were all designed in such a way as to facilitate future expansions of the site. In light of its positive benefits, and strong community support, the Parish Council is now suggesting that new homes are added, although formal plans have not been prepared. The scheme has also caught the attention of neighbouring parishes, which have brought forward proposals for their own 100% social housing developments on potential council-owned RES. Veryan's success has been an inspiration to others.

Key learning

The case illustrates:

- The critical importance of strong political leadership manifesting itself as determined and positive processes and engagements – and in the harnessing of all local authority resources, financial and land, to deliver RES;
- The value of aspirational targets that headline an area's ambition to combat socio-economic exclusions centered on housing market pressures;
- How key delivery partners (councils, RPs, and enablers) must engage in close working with communities, to evidence need, and to build support for affordable housing;

- The critical role of tailored cross-subsidy policies that reflect local market realities in maximizing affordable housing delivery;
- The potential of direct provision by councils, on allocated and exception sites, and of utilizing mixed funding that includes sustainable borrowing and HRA revenues, to support ambitious housing programmes.
- The role played by a spatial development strategy that supports a 'dispersed approach' utilizing a mix of allocated and exception sites.



Case Study 2: Shropshire

Case Study 2: Shropshire – enablers working with RPs to deliver affordable homes for key workers

Planning policy context

Shropshire is a unitary authority. The authority borders the Welsh local authorities of Powys to the west and Wrexham to the north. This 'largely rural' authority has more than 300,000 inhabitants, three-quarters of whom were judged to be living in rural areas, including hub towns, at the 2011 Census. Shropshire Council last completed an update of its Local Plan in March 2011. Government data on the status of strategic plans notes that the Council submitted a new Local Plan in September 2021. That Plan is currently under Examination and passed its Stage 1 Hearing in February 2023, when the Inspector confirmed that the authority had met its Duty to Cooperate with neighbouring councils, principally on identifying housing and employment land. In terms of total delivery of affordable homes on RES between 2017 and 2022, Shropshire is second only to Cornwall (with 264 units delivered), although its delivery per 10,000 population (15 units) drops it to sixth place nationally. In the 24 months to September 2022, the Council turned around 81.4% of its non-major applications within 8 weeks. Shropshire is another successful planning authority, delivering affordable housing on RES and turning around applications during a period in which it has also been focused on delivering against the requirements of a Local Plan Review.

First level – strategy and corporate priority

The creation of Shropshire Council as a unitary authority from the merger of five separate districts in 2009 meant the centralising of some novel policy approaches to rural affordable housing, including the single-plot RES policy for self-build housing – the 'Build Your Own Affordable Home' scheme – that had been pioneered by South Shropshire District Council. Although Shropshire has no national parks, the Shropshire Hills Area of Outstanding Natural Beauty (AONB), which covers much of the south of the authority area, provides a particular set of challenges for rural affordable housing delivery. House prices have been elevated by demand from home-workers through the Covid-19 pandemic whilst Shropshire's smaller settlements restrict potential for new housing delivery. Housing affordability problems in and around the AONB area have been exacerbated by the increasing popularity of short-term holiday lets, which have reduced the availability of long-term private letting to local families and pushed up rents. Interviews were conducted with the two housing officers responsible for rural housing in the southern and northern parts of Shropshire. Affordable housing is a key corporate priority. There are approximately 6,000 households on Shropshire's housing waiting list but the generally small scale of development means that an insufficient number of affordable homes are delivered through Section 106 contributions on allocated sites. RES schemes are therefore potentially important, especially in the south of Shropshire, which has a more dispersed settlement pattern. But whilst the northern part contains towns that have been able to accommodate sites of up to 40 homes, many of the smaller settlements in the south

contain few or no affordable homes, and land seldom comes forward for RES housing. The shortage of such homes has contributed to population aging and a particular challenge Shropshire is a unitary authority. The authority borders the Welsh local authorities of Powys to the west and Wrexham to the north. This 'largely rural' authority has more than 300,000 inhabitants, three-quarters of whom were judged to be living in rural areas, including hub towns, at the 2011 Census. Shropshire Council last completed an update of its Local Plan in March 2011. Government data on the status of strategic plans notes that the Council submitted a new Local Plan in September 2021. That Plan is currently under Examination and passed its Stage 1 Hearing in February 2023, when the Inspector confirmed that the authority had met its Duty to Cooperate with neighbouring councils, principally on identifying housing and employment land. In terms of total delivery of affordable homes on RES between 2017 and 2022, Shropshire is second only to Cornwall (with 264 units delivered), although its delivery per 10,000 population (15 units) drops it to sixth place nationally. In the 24 months to September 2022, the Council turned around 81.4% of its non-major applications within 8 weeks. Shropshire is another successful planning authority, delivering affordable housing on RES and turning around applications during a period in which it has also been focused on delivering against the requirements of a Local Plan Review.

First level – strategy and corporate priority

The creation of Shropshire Council as a unitary authority from the merger of five separate districts in 2009 meant the centralising of some novel policy approaches to rural affordable housing, including the single-plot RES policy for self-build housing – the 'Build Your Own Affordable Home' scheme – that had been pioneered by South Shropshire District Council. Although Shropshire has no national parks, the Shropshire Hills Area of Outstanding Natural Beauty (AONB), which covers much of the south of the authority area, provides a particular set of challenges for rural affordable housing delivery. House prices have been elevated by demand from home-workers through the Covid-19 pandemic whilst Shropshire's smaller settlements restrict potential for new housing delivery. Housing affordability problems in and around the AONB area have been exacerbated by the increasing popularity of short-term holiday lets, which have reduced the availability of long-term private letting to local families and pushed up rents. Interviews were conducted with the two housing officers responsible for rural housing in the southern and northern parts of Shropshire. Affordable housing is a key corporate priority. There are approximately 6,000 households on Shropshire's housing waiting list but the generally small scale of development means that an insufficient number of affordable homes are delivered through Section 106 contributions on allocated sites. RES schemes are therefore potentially important, especially in the south of Shropshire, which has a more dispersed settlement pattern. But whilst the northern part contains towns that have been able to accommodate sites of up to 40 homes, many of the smaller settlements in the south contain few or no affordable homes, and land seldom comes forward for RES housing. The shortage of such homes has contributed to population aging and a particular challenge around the provision of social care for older residents: there are too few young people to provide key services.

Shropshire's 'Home Point' housing register and a Strategic Housing Market Assessment (SHMA) have been important in profiling the need for affordable housing. The housing strategy team undertook an area-wide housing needs survey in 2022, which pinpointed the locations of most acute need. High-level surveys tend to be supplemented, where necessary, by targeted housing needs assessments undertaken in partnership with the parish councils under the 'Right Home, Right Place' programme – described as 'a Shropshire Council-led initiative to identify hidden housing needs across the county and ensure local people have access to the right housing in their area'. The programme allows residents to complete an on-line live survey, which details needs at a parish level. However, the assessments it produces, along with other surveys, were described as 'a starting point but not the full picture'. Regular under-reporting of need was attributed to a widespread tendency – particularly from those whose needs were described as 'middling' – to not 'see any possibility that they would ever get a home' and therefore see no point in completing a survey.

Potential development sites may come forward through a variety of means. Knowledge of RES housing is relatively widespread among landowners across the county and it is reasonably commonplace for a landowner, or a landowner's agent, to approach a particular parish council, the local authority, or an RP with a potential site – often in the hope that private housing for family members can be included in a scheme. On other occasions, the local authority will work with parish councils and RPs on the identification of potential sites during village 'walkabouts'. A community-led approach to initiating affordable housing development is becoming more common. In Prees, a village in north Shropshire, the parish council established a local need, initiated its own search for sites, and subsequently engaged an architect to design the scheme and found an RP to undertake the development. This approach resulted in a high degree of community buy-in but also placed significant pressure on the housing team, which needed to advise the community and guide the process. Looking ahead, the council hopes to identify plots suitable for RES during the Strategic Housing Land Availability Assessment's 'call for sites' stage: plots that might be viably developed but which are not allocated within the Local Plan.

Shropshire Council has a strong track record of delivering rural affordable housing through a combination of affordable contributions from small market led sites and rural exception sites. This was significantly disrupted by the 2014 Written Ministerial Statement, subsequently incorporated into the NPPF that prevented local authorities from securing affordable housing contributions from sites of less than 10 dwellings. However, provision was made and then further amended that allows LPAs to require affordable housing on small sites in Designated Rural Areas (DRA). In response Shropshire successfully applied for an extension of DRA coverage across the county and their Submission draft Local Plan includes a policy that will enable them to seek affordable housing on sites of 5 or more dwellings in rural areas.

The extant RES policy, adopted in 2011 permits 'exception schemes for local needs affordable housing on suitable sites in and adjoining Shrewsbury, Market Towns and Other Key Centres, Community Hubs, Community Clusters and recognisable named settlements, subject to suitable scale, design, tenure and prioritisation for local people and arrangements to ensure affordability in perpetuity' (its spatial strategy is to disperse

development as needed). It does not make any provision for cross-subsidy on RES.

The Submission Local Plan marks a departure from this approach. In the specified types of rural settlement affordable housing can be provided under three different types of Exception Site policy. Rural Exception Sites of up to 25 dwellings, solely for affordable housing to meet local housing need, with no provision of cross-subsidy from market housing. Entry Level Exception Sites providing affordable housing for first time buyers or those looking to rent their

Cross-subsidy Exception Sites where up to 30% of the dwellings can be market housing where this facilitates the development, there is no grant available and an Affordable Exception Site is unviable.

Shropshire's well-known single-plot RES policy was developed by South Shropshire District Council prior to the formation of the unitary authority in 2009. The policy sought to support a scale of development that was deemed consistent with the county's dispersed rural settlement geography, and with the then-emergent 'localism' agenda in planning. It extended support to the 'Build Your Own Affordable Home' (self-build) scheme on exceptions plots, which has facilitated more than 20 new affordable homes each year in Shropshire. However, the dispersal of new homes encouraged by the single-plot approach is now regarded as incompatible with the more recent emphasis on sustainable development, prompting adjustments to the single-plot policy that reduces car dependence and steers affordable homes to more sustainable locations.

Shropshire Council has long-established and close relationships with a number of local registered providers, notably Shropshire Rural HA and South Shropshire HA. Which of the local RPs is engaged to take forward a project will depend on location and the scale of a development opportunity. The Council does not have preferred partners and there are no independent rural housing enablers operating in Shropshire. The lack of RHEs results in a capacity challenge and makes it difficult to forge strong links with communities and local landowners. The more generic local authority based enablers, of which there are two for the entire council, work more generally on affordable housing delivery and are not dedicated to RES. This capacity issue is perhaps amplified by the lack of active CLT. There is just one, based in the market town of Bishops Castle, so CLT partnership working is not a key part of rural housing delivery at the present time – and the appetite for more CLTs was judged to be low across the county.

However, awareness of 'what works' has been increased through the forging of an important relationship with the housing teams in the neighbouring districts of Wychavon and Malvern Hills. There are regular discussions and knowledge-sharing meetings focused on affordable housing delivery in the Malvern Hills and Shropshire Hills AONBs.

Although smaller RES schemes may face significant viability challenges, linked to escalating procurement and build costs (which were said to have doubled in real terms over the last decade), community opposition is by far the bigger obstacle to affordable housing projects. This is especially true in the smaller communities of south Shropshire where there is a fear that any development will bring unwanted community change. Opposition to development occurs even where there is significant population aging, where there is heightened need for elderly care, and where housing affordability is a critical

Project Level

barrier to the recruitment of care and health workers. Whilst that opposition seldom stops development, it generates additional costs for Shropshire Council and for RPs, which must invest more time engaging, supporting, and encouraging communities. The Council's two enabling officers are frequently over-stretched, increasing the risk of project failure. First-level interviews presented early engagement as a foundation for successful RES schemes: engagement that establishes an accurate picture of housing need; that seeks to understand what landowners want from development, including the required level of incentive; and that builds support for a project that is right for a community. The required intensity of engagement creates a huge workload for the council's enabling officers, particularly when communities are resistant to development – either because residents believe that there is no need for affordable homes or because such homes will be let to newcomers.

First-level interviews with the housing officers pointed to the case of Doddington village in the parish of Hopton Wafers. The Doddington case is in many ways typical of RES schemes in Shropshire. The authority's enabling officer has expended considerable effort in trying to bring forward a RES development opportunity presented to the Council by a landowner, close to an important assisted living facility – Doddington Lodge Care Home. A planning application for RES housing on the site is currently awaiting determination, following the refusal of a previous application on ecology grounds.

The scenario is a familiar one: the parish has an established need for affordable homes, including for existing and prospective staff at Doddington Lodge, but the community is fiercely opposed to such development. Population aging in the area is placing substantial demand on care services. The 2011 Census revealed that a third (32.8%) of residents in the parish were retired – a third more than the Shropshire average (21.7%) and double the national level (16.3%). 5.6% of residents were over the age of 80 – almost three times the national level of 2.2%. Early results from the 2021 Census suggest that Hopton Wafers' population has continued to age. Doddington Lodge is the only assisted living facility in an area of 250 square km stretching from Ludlow to Stourport. It is a critical infrastructure for the area's aging population, but conversations between the RP and the care home manager have revealed significant problems in recruiting and retaining staff, largely because of a lack of nearby affordable homes.

The Doddington case pinpoints some of the challenges of bringing forward a RES in an area of high landscape value and where a project is ostensibly landowner-led. Insights into this case were gained through one of the first level interviews, planning portal documents, and an interview with the Shropshire Rural HA's Chief Executive.

Evidence gathered for a Local Plan review showed a substantial need for affordable homes across Shropshire in 2011. This prompted further efforts to understand the geography of need, culminating in the 'Right Home, Right Place' initiative. However, because there were no existing affordable homes in Hopton Wafers, few people registered a need in this Parish (although the lack of registered need is at odds with the experience of Doddington

Lodge Care Home). In the meantime, the Parish Council developed a 'community-led' Parish Plan in 2012 and, before reviewing that plan in 2021, conducted a household survey on a range of issues including local housing and planning. The survey showed that residents of Doddington village were particularly resistant to new development: 60% were against any and all development, and 30% supported the principle of limited development only.

The RES site, for which there is a live application, is adjacent to the Doddington Lodge Care Home. It is understood to have been acquired by a family that hoped to build homes for their three children on this unallocated site. The owner contacted the Council's housing team and was advised that the site might work as an exception. This initial contact was followed by an introduction to Shropshire Rural HA and the formulation of a proposal for 8 affordable homes and 10 self-build plots for open market sale. This proposal satisfied the owner's financial interest (and presumably the interest in providing homes for their children) and offered a means of cross-subsidizing the affordable component.

The anticipated barrier presented by community resistance has been compounded by a turnover in planning staff. In the space of 6 years, the case officer for the proposal changed four times. Each new officer gave different advice on the scheme, although that advice often reflected shifts in the changing national planning framework and in local policies. Opposition to development has however been the defining feature of this project.

Opposition to development on this particular RES is partly explained by the defence of landscape amenity in the Shropshire Hills AONB (many residents have retired to the area, often from the West Midlands conurbation) and also by a difficult relationship between some residents and the landowner. Residents have jumped on errors in the application, including an incorrectly drawn-up land transfer agreement (required to provide access to the site via land owned by the village hall) and an expired ecology survey. Where there is stiff opposition, development partners need to give careful attention to the detail of a planning application. One might conclude that the decision of the RP and landowner to take forward a project without community buy-in was a fundamental error. On the one hand, it appears unlikely that buy-in could have been achieved given residents' expressed opposition to development. But on the other hand, a problematic relationship between residents and the landowner may well have been accentuated by the significant component of market development in the proposal (the interests of the landowner have trumped the conservatism of the community?)

Ahead of the submission of a further planning application, a new ecology survey has now been commissioned and new access arrangements have been agreed that will not require a land transfer. Despite problems with the Doddington scheme, Shropshire Council and the RP remain committed to it. They view it as a necessary response to population aging, which brings new service needs that can only be met by younger residents, who require affordable housing. The RP has taken on substantial risk, meeting planning costs and agreeing to pay £120,000 for land on which to build the 8 affordable homes (the remainder of the site, for the 10 self-build plots, will be retained by the family). However, an element of the planning costs will be subtracted from the price agreed for the land. Overall, this unfinished project at Doddington highlights the challenge of providing affordable homes in a protected landscape with an aging, and often retired, population that may not accept the need for such housing.

Key learning

- The case illustrates:
- How online portals for monitoring and mapping housing need, i.e. Shropshire's Right Home, Right Place initiative, contribute to building the evidence base needed to support RES development;
- The challenge that community opposition poses to development, especially that expressed by aging/retired populations in protected areas, which can make it extremely difficult to secure community buy-in;
- How, in the absence of that buy-in, development partners (local councils, RPs, and landowners) need to devise strong proposals that are well-evidenced, but also address community concerns around the scale and form of development;
- How, in areas of dispersed population, smaller settlements, and hence small market schemes, the exempting of developments (of 10 units or fewer) from contributing to affordable housing Section 106 agreements has potentially made it more difficult to fund smaller RES schemes (which then have to grow to achieve viability). This national policy, enacted in 2016, should be reversed in protected rural areas; and
- How the Doddington scheme's difficulties may relate to this policy change: a smaller scheme, representing 'limited development' may have attracted greater community support.



Case Study 3: Derbyshire Dales

Case Study 3: Derbyshire Dales – Affordable Housing as a Corporate Priority/RES delivery in a National Park

Planning policy context

Derbyshire Dales is a district in the East Midlands. It lies to the South East of High Peak District and borders both the West Midlands (specifically Staffordshire) and the North East (the city of Sheffield). There are significant urban pressures on its housing stock. A large part of the district, to the west of Matlock and north of Ashbourne, is covered by the Peak District National Park. Derbyshire Dales, Bolsover, North East Derbyshire and Chesterfield districts form part of the South Yorkshire Mayoral Combined Authority.

Derbyshire Dales is a mainly rural district that had a population of 70,000 in 2011, residing entirely in rural areas including hub towns. Two plans are extant in the district: a Local Plan that was adopted in December 2017 and a Peak District National Park LDF Core Strategy that was adopted in October 2011 (updating and supplementing a 2001 Local Plan). The latter was superseded in May 2019 by new Development Management Policies, which now form an updated part of the 2001 plan.

Derbyshire Dales' Local Plan gives support to RES in Policy S9 ('Rural Parishes Development Strategy') and details how RES should be progressed in Policy HC5 ('Meeting Local Affordable Housing Need (Exception Sites)'). There is a strong preference for RES that comprise 100% affordable homes, although HC5 states that 'in exceptional circumstances, planning permission will be granted for mixed affordable and open market housing as part of an exception site where it can be demonstrated that the provision of open market housing is required to facilitate the delivery of the local needs affordable housing'. The proportion of open market homes cannot exceed 50% of the dwelling total.

The National Park's Development Management Policies document set out its unique and restrictive approach to housing provision. Extensive general policies on housing do not detail the circumstances in which RES are appropriate, but there is a significant focus on housing need and the characteristics of those in need, whether essential workers or existing/returning residents with a 'local connection'. There is no housing target or site allocations, in effect making all sites exception sites. Market housing is allowed through conversions and where re-development of a site would bring environmental enhancement, but not to cross-subsidize affordable housing delivery. Affordable housing is allowed where it meets a proven local housing need, but is limited by the overriding National Park Purpose of conserving and enhancing the landscape. There is a specific mention of self-build and custom build homes being permissible on exception sites, if need is proven.

Despite the split responsibility for planning, the total output of affordable homes on RES is reported by Derbyshire Dales District Council (specifically, by the Housing Authority). Ninety-three (93) homes were provided between 2017 and 2022: or 16.6 for each 10,000 population. Decisions were reached on nearly 88% of all non-major applications in the 24 months to September 2022, although a figure on planning performance for the National

Park Authority is not available. Derbyshire Dales District Council is a strongly performing authority, which began a review of its Local Plan in November 2022 – driven largely by the need to look again at growth scenarios up to 2040. But because the Council is the planning authority only for that area that sits outside the National Park, our general focus looks across the Park and District authorities.

Derbyshire Dales District Council is a strongly performing authority, which began a review of its Local Plan in November 2022 – driven largely by the need to look again at growth scenarios up to 2040. But because the Council is the planning authority only for that area that sits outside the National Park, our general focus looks across the Park and District authorities.

First level – strategy and corporate priority

Derbyshire Dales is a nested case study, predominantly concerned with the support given by a housing authority to a National Park. First round interviews were undertaken with housing and planning leads within the Derbyshire Dales District Council (DDDC) and with the planning policy lead within the Peak District National Park Authority (PDNPA). DDDC's Housing Director (who was the council's housing manager until 2017) has been with the authority for more than 20 years, joining the authority shortly after it transferred its own housing stock to Platform Housing Group. The Planning Policy Manager has been with the council for 22 years. Before it became a 'transfer authority', its corporate focus had been on housing management and repairs, although it had been involved in supporting delivery on RES during the 1990s (back to 1994 in the National Park), working with High Peak Council to set up Peak District Rural Housing Association (PDRHA) back in 1990. After the stock transfer, and because of the need determined with partners, DDDC's corporate priority switched to the delivery of new affordable rural housing. That priority was confirmed following council elections in 2003.

The longstanding corporate focus on affordable rural housing was said to be a source of 'officer confidence and capacity', despite numerous contextual challenges (key amongst which has been a reduction in the number of RPs, from 17 to 3, operating in the Derbyshire Dales over the last 20 years – those remaining are PDRHA, Nottingham Community HA, and Platform Housing Group). Recent council elections in 2023 have not altered the council's focus, with a number of members making housing delivery their critical mission. Member support gives officers the confidence to invest 3 or 4 years (or much more) in supporting a RES, knowing that their efforts will not be fruitless. Confidence spreads through key departments, from estates, through finance, and legal.

Confidence is crucial when RES schemes take so long to progress. Time is spent, firstly, in gathering evidence. Some years ago, the authority and its partners would rely on broader housing surveys to evidence need (strategic level work was undertaken by John Herrington Associates and, later on, by GL Hearn). There has now been a shift to mixed methods – especially the analysis of secondary data from housing registers, the Census, and 'Hometrack' to gain a sense of market change and affordability – alongside targeted

support for parish needs surveys. Despite the availability of better general data (some supporting sophisticated spatial analysis), parish surveys remain essential. They tie need explicitly to the type and number of homes that are proposed on a RES, and therefore seed broader support for a project: the quality of evidence has an impact on delivery, producing a good rapport with parish councils. Surveys are supported and 'pushed hard' by the housing authority – they give shape to the conversation on what housing a community needs and how it might be delivered. Time then needs to be spent on identifying developable sites. The 'walkabout' is a well-known approach to site search. One important expression of the priority placed on affordable housing at DDDC has been the longstanding appointment of an in-house rural housing enabler, now part-funded by the National Park Authority (although DDDC is the principal funder of this post). It was agreed that these are vital, bringing capacity and acting as the glue for projects. They chase planners, work closely with parish councils, and they have the skills needed to engage multiple partners and deliver the '3 minute presentations' to the planning committee in which schemes must be sold to nervous, and sometimes resistant, communities and their political representatives. There is 'no RES without the enabler' – the independent brokers with the human skills to drive forward projects. As in other areas, DEFRA funding for RHEs was once channeled through the Rural Community Councils (RCCs), but then dried up. For a period, they were then co-funded with RPs (when there were more of them). They were then brought in-house, sitting in the housing authority, which seems not to have undermined their claims of independence, and has given them an inside track on planning, aiding their effectiveness.

The RHE will organise a walkabout in a village where the need for affordable homes is clear, with an RP development officer (usually from Peak District Rural HA) and parish council members. Initial long lists of sites are quickly whittled down to the few that are likely to be supported in principle by planning. Exploratory conversations with landowners will give the RP the confidence needed to seek a pre-app service view from Development Management planners, either in the National Park or DDDC.

The majority of RES in this 'nested' case are progressed in the National Park where there are no allocated sites for development (only 'indicative figures' for housing, and a view that all housing should be exceptional and affordable). Therefore the relationship between the Housing Authority and the National Park Authority is critical. DDDC contributes significant capital grant funding to avoid having market housing on RES, often Section 106 receipts from allocated sites outside the National Park. This was said to be the major source of cash for RES, with DDDC often spending those receipts to support projects in the National Park. It was once believed that the receipts of one 'plan area' could not be transferred to another, but this proved not to be the case. Another source of local funding is from capital receipts. Tenants of former council homes transferred to Platform Housing Group retain a 'protected right to buy'. When they exercise that right, the money raised provides DDDC with a 'capital receipt' rather than a 'right to buy receipt', giving the authority greater flexibility in how it is spent.

The overarching message was that the authority's willingness to support RES, including RES undertaken in the National Park, is an expression of the priority given to rural affordable housing: the authority not only 'talks the talk', but also 'walks the walk'.

Despite DDDC's policy of allowing cross-subsidy on RES the practice is to avoid it wherever possible. This aligns with the National Park's policy. Adding market homes to a RES, and therefore increasing the scale and footprint of development, is incongruous with the purpose of the National Park.

There is of course an acknowledgement that design and the acceptable scale of development in the Park will impact on viability, and hence financial support from DDDC is welcome and essential. But, for its part, DDDC recognises that a lot of new housing in the Derbyshire Dales, especially in the Park but also outside it, will need to utilise local materials and accord with vernacular style ('in our own area brick is usually ok though some sites need stone, whereas in the Park, stone is the only material we can use. Sometimes render is allowed, but only on elevations that are out of site'). It is the combination of the small-scale of these developments and the high design requirements of the national Park that affect viability and which, in the absence of any cross subsidy from market housing, require high levels of grant from Homes England and added grant contributions from Derbyshire Dales District Council.

Land cost also needs to be low, with hope value suppressed – by the clarity of a local plan in which all housing release is exceptional and none is allocated. Operating in the National Park gives that clarity, enabling partners – i.e. the RP – to hold the line on land price. It was acknowledged that not all areas are the same or have the same landscape attributes. In protected landscapes, it is easier to 'hold the line' on land price, bringing it a little closer to £10,000 per plot.

The 93 affordable homes built on RES between 2017 and 2022 across the Derbyshire Dales have been delivered on half a dozen sites. They range in scale and type – from a much larger scheme in Bakewell comprising 34 units, a CLT-led scheme in Youlgrave of 8 homes (across two phases), and four affordable homes in Taddington. The last of these projects is typical of the scale of 100% affordable RES development in the Peak District and therefore provides the project-level focus.

Project level

First round interviews revealed that RES developments in the National Park are small (typically fewer than six units) and there is no use of cross-subsidy. They abide by strict design standards, adding to overall development cost. Larger schemes have been progressed more recently, but these are atypical. Hence, the selected project case study was a scheme of four affordable homes for rent in the village of Taddington. These were completed in 2020.

Interviews were undertaken with a member of Taddington Parish Council and a Board Member of PDRHA. These interviewees had secondary roles, as a Board Member of the National Park Authority in the case of the Parish Council Member, and a planning policy officer at the time of the project in the case of the PDRHA Board Member. Further insights into the Taddington scheme were gained during policy-level interviews. The then RHE had

moved to a new role and was uncontactable, and the RP lead (see below) had retired.

Taddington is an old lead mining village with a resident population of just over 450 at the 2011 Census (a figure which included neighbouring Blackwell in the Peak and Brushfield parishes). The story of the Gregory Croft development began in the mid-2000s, when those living in the village saw that 'there were local families in Taddington not living in the best situations'. A housing needs survey was undertaken by DDDC, led by the RHE, later in the 2000s and provided evidence of 15 local households in need. The survey was repeated in 2012 (8 years before eventual project completion) and confirmed this approximate level of need – 12 households on that occasion, requiring homes with 2 or 3 bedrooms for rent. The need figure suggested by a survey is 'divided by 3' to arrive at a required unit figure: hence the second survey supported the size of the scheme eventually progressed, i.e. four units. At the time of the two surveys, acceptance that there was a need for affordable housing in the village was almost universal, but it was known that an actual planning application would likely provoke a different response – contestation always focuses on sites and never on the principle that local people should have access to affordable homes. Hence objectors always 'understand the need' but the site is 'always wrong'.

The parish council has a key role in helping partners navigate this contradiction. Two years after the second survey, and following discussions between the housing enabler (based at DDDC), PDRHA, and the Parish Council, a meeting was hosted in Taddington to discuss the prospect of developing homes on a RES. A site walkabout had been conducted after the first survey, in either 2009 or 2010, but nothing was taken forward at that time. The new meeting however, in 2014, gave much greater momentum to the project, possibly because the two surveys – 5 years apart – had now demonstrated a consistent need for affordable homes in the village. From that point, the Parish Council became responsible for making the community aware of what might happen: the National Park Authority was strongly of the view that, as the representative body for the community, the Parish Council should be 'on board and supportive of any local development', although the housing enabler and the RP were thought to have critical roles to play in 'building understanding amongst the community beyond the Parish Council itself'. The contradiction between in-principle support for housing and site nervousness means that the Parish Council must be circumspect, not pushing too hard for any particular site, but appearing open to all options.

The first challenge after the survey and initial meeting was the new walkabout. There were a number of 'derelict sites' in Taddington, mainly old farmyards. The Housing Manager suggested that a long-list of 22 sites in the village was eventually whittled down to a couple. This may have happened across the two walkabouts as the Parish Council interviewee thought that just five sites had potential, which included the eventually selected site, referred to as 'town end'. This was not the Parish Council's preferred site. It was in a triangle between three lanes and was wooded and over-grown. There was a view that it had the potential to become a community open space. Members of the Parish Council preferred a nearby site, but the NPA judged that site to be potentially problematic and favoured the 'town end' site for planning reasons. Interviews suggested that, ultimately, the choice of site was not a dealbreaker. There was momentum behind

affordable housing by this stage, which was not going to be derailed by relatively minor differences of opinion on the relative merits of the last two sites.

Leadership of the Taddington project was split between the RHE and the development lead at PDRHA. The Parish Council interviewee put the RP lead on an equal footing with the enabler, describing the former as having a pervasive influence on RES projects across the Peak District for a number of years. The PDRHA interviewee agreed, describing that person as a 'huge figure in the affordable housing space in the Park and beyond'. They agreed that the project benefited from the collective energy of the enabler, the RP lead, and the Housing Manager at DDDC. The latter was seen as one of the primary funders of the Taddington project. Indeed, there was the sense that funding had come personally from that officer – he was said to have been a 'major supporter of all projects and, because of [him], the Derbyshire Dales part of the National Park has more RES than other parts'. However, it was noted that some disagreement had arisen within DDDC between those officers (in planning) who pushed for the use of cross subsidy, arguing that local authority funding (from Section 106 and capital receipts from protected right to buy sales) is unsustainable and finite, and those (in housing), who argue that where the RP-LA partnership 'holds the line' (on 100% affordable and no cross-subsidy), price expectations can be suppressed and land prices will continue to support project viability. There is considerable alignment between the views of the housing authority, the National Park Authority, and PDRHA on this issue.

Indeed, the PDRHA Board Member noted that there was 'no inflation above agricultural value' and no incentive to the landowner for bringing land forward in Taddington beyond an appeal to civic duty (this is your opportunity to help the community) and the offer of engagement with a 'reputable RP on the development of their land'. Land was, of course, not sold at agricultural value, but for £10,000 per plot. It was noted that RP Boards are always nervous about inflation by hope value. Hence the NPA has a 'hold the line' approach to no plan-led allocations and only exceptions. The scheme, and the dealings with the landowner at Taddington were said to be typical of this approach, which applies also to cross subsidy. The NPA logic is that permitting market housing as a means of unlocking affordable housing would simply accelerate the loss of acceptable sites to a form of housing for which there is no demonstrated need: 'when acceptable building land is hard to come by, why build what you don't need?'

Following the survey of local needs, the site walkabout, and the agreement with the landowner, a planning application was submitted to Peak District National Park Authority on 16th December 2016. The critical features of the Taddington case are, locally, the circumspection of the Parish Council – leading but not pushing too hard ('bear in mind that even small schemes of four homes can feel significant for a tiny village like Taddington') and the collective energy expended on the project by the triad of the housing enabler, RP lead, and the Housing Manager in DDDC. The corporate features are the push for affordable housing within Derbyshire Dales, reflected in funding arrangements; and the shared antipathy towards putting market housing on rural exception sites in a protected area. The act of 'holding the line' in respect of cross-subsidy and land price is a defining feature of the Taddington project.

Key learning

The case study illustrates:

- That where the delivery of rural affordable housing is given strong political support, officers have the confidence to invest time and energy in progressing challenging projects;
- How political support may beget local financial support, driving resources into schemes to ensure their viability;
- That parish councils must navigate the contradiction between in-principle support for affordable housing and nervousness around specific sites. They need to work with partners, but avoid jumping at a particular site too quickly;
- How 'holding the line' on 100% affordable housing, the suppression of hope value, and land price, potentially works in protected areas where that line is supported by key policy partners;
- How small projects can, in some circumstances, be made viable through a clear planning approach in instances where all affordable rural housing is exceptional, and none is on allocated sites.



Case Study 4: Winchester

Case Study 4: Winchester – invest in long-term partnerships to de-risk projects

Planning policy context

Winchester is a 'largely rural' district council in the South East of England (just under 60% of its population reside in rural parts of the district). The authority covers Winchester itself and a significant part of the surrounding Hampshire countryside. The City Council was formed in 1974, combining the old City of Winchester with Droxford and Winchester Rural Districts.

The extant plan has a joint core strategy with the South Downs National Park, part of which lies in the City of Winchester authority. The joint core strategy was adopted by the National Park on the 19 March 2013, and by the City of Winchester on the following day. A second part of the plan – a Development Management and Site Allocations document (LPP2) – was adopted by the City in April 2017, and this applies only to that part of Winchester that does not lie in the National Park (the Park covers a significant central part of the district, to the east of Winchester itself, although the district extends west, north, and south of the Park).

Winchester began a review of its existing plan in 2018 and has published an emergent Local Plan. It is anticipated that the new Local Plan will be adopted in 2024. SDNPA adopted its own Local Plan back in 2019.

The City Council's Core Strategy was adopted in 2013. Policy CP4 ('Affordable Housing on Exception Sites to Meet Local Needs') set out general rules on RES (location, size, tenure, design, character, and perpetuity requirements) and states that affordable homes must be for rent (with 'with rent levels being determined by reference to local incomes of those in priority housing need'). With regards to cross subsidy (introduced in the 2012 version of NPPF), the Core Policy is that 'in exceptional circumstances a modest element of other tenures may be allowed on the most suitable identified sites in order to enable a development to proceed, providing no less than 70% of the homes proposed meet priority local affordable housing needs'. CP4 became a 'saved policy', now transferred to SD29 of the new Local Plan ('Rural Exception Sites').

There can be no cross subsidy element on RES within the National Park. This is clarified in a note on 'mix of tenures':

The National Park Authority believes that a policy of allowing market housing would reduce the number of affordable homes coming forward and may reduce the willingness of communities to support the principle of rural exception sites. The emphasis on rural exception sites in national parks should be on 100 per cent affordable housing. If a viability appraisal has robustly demonstrated that viability genuinely risks preventing a rural exception site from coming forward, and there are no alternative, more viable, sites, the Authority will work with the landowner, community and other stakeholders to establish the optimum alternative option which best meets the local need.

The NPA details what it sees as essential features of RES: locations that have a positive impact on ecosystem services; demonstration of effective community engagement; fulfilment of the aspirations of communities in terms of meeting local need; and effective partnerships that include Rural Housing Enablers. Although the 2013 Winchester District Plan makes no mention of RHEs, an enabling strategy had been in place from 2005. Winchester City Council reported that 68 affordable homes were delivered on RES between 2017 and 2022: a rate of 10.2 per 10,000 population (tenth in the list of top-10 performing local authorities, by population). This figure includes a small number of affordable homes facilitated by the National Park Authority. Planning performance – the turnaround of non-major applications – was in the first decile, with 92.2% of applications determined within 8 weeks in the 24 months to September 2022. The City Council looks to have worked closely with the National Park on the formulation of planning policy, but differ in their approaches to RES, with cross-subsidy viewed as generally inappropriate within the Park.

First level – strategy and corporate priority

Although roughly 40% of the Winchester City Council area (and nearly 17% of its population) falls within the South Downs National Park area, none of the seven RES schemes delivered since 2015 are located within a parish that falls entirely within the National Park: and only one site (at Twyford, to the south of Winchester) is located in a parish that is partially within the Park. In contrast to the Derbyshire Dales case (Case Study 3), there has been more limited interaction between the NPA and the local authority around RES.

First-level interviews were conducted with the Housing and Built Environment leads and a long-serving housing officer from the City Council. All three interviewees had extensive experience of RES delivery.

Affordable housing has long been regarded as a corporate priority for WCC, a local authority with an established track-record of promoting public and affordable housing schemes. The city council's largely rural geography makes rural affordable housing a clear priority, although officers emphasised that the council wishes to build 'the right housing in the right places', irrespective of whether those places are urban or rural. The council therefore employs a (generic) Housing Enabling Officer whose focus is the broader provision of affordable housing and who has previously worked closely with the RHE network operated by Community Action Hampshire (see below).

Winchester City Council has established itself as an RP and is pursuing its own programme of council-led housing development. Although the broader corporate focus on affordable housing has remained strong (despite political changes in the control of the Council), there was a reported weakening of the focus on rural affordable housing at the county level. The Hampshire Alliance for Rural Housing (HARAH) was established in 2005. In April 2020, HARAH was wound down and merged with the Hampshire Community Housing Partnership to become the Hampshire Housing Hub (operated by Community Action

Hampshire). This is a 'a partnership to increase the supply of rural and community led housing, primarily as affordable homes, to meet local needs in Hampshire.'

The reported 'weakening' may be due to the combining of community and RP led provision, and certainly relates to a reduction in funding to independent RHEs. It was noted that the City Council's RES activity is now less proactive, and is rather a reaction to the initiatives of parish councils (identifying need) and the desire of community groups to drive forward projects. Evidencing the need for rural housing is a perennial challenge, with 'standard' measures – including parish housing needs surveys – tending to under-report the true level of need, including from 'sofa surfers' or 'concealed households' (residing with family because of the lack of available housing within their price range). As in other areas, such households will only register their need, to the local authority or in response to a survey, if they perceive a realistic chance of being housed – this means, for example, that needs are expressed only when those concealed households see homes being built, or hear about plans to build homes. Although WCC's housing team has worked closely with parish councils, and with the RHE network (operated by Community Action Hampshire) on the assessment of need, the quality of available data remains a significant challenge.

Potential RES come forward in a variety of ways. Parish councils often draw attention to sites once a needs survey has been completed and informal discussions have been held with local landowners. During the period of the HARA programme (2005 to 2020), the RHEs worked proactively with communities on the identification of suitable sites. Short-lists were presented to council officers (and also National Park officers where applicable) and walkabouts were arranged in which initial assessments of probable planning compliance and landscape impacts could be undertaken. Where few sites were coming forward through this community-led approach, the WCC tended to initiate area-wide searches that ran alongside the Strategic Housing and Economic Land Availability Assessment (SHELAA) component of local plan reviews. But this more 'strategic' approach never sought to impose development; rather, it directed WCC to engage with particular parishes, to initiate the detailed dialogue that might result in parish councils supporting RES schemes.

Participants ascribed the success of RES projects in the WCC area to their 'more substantial scale', to the agreements reached with landowners on sale prices that support affordability, and to the grant funding secured from Homes England. These factors were said to have negated the need for cross subsidy in some instances. However, it was also reported that land price expectations have increased in recent years, with some landowners choosing to retain land in its current use (including as paddocks) and deriving what they viewed as an acceptable rental income (alongside a speculative hope that land might be worth more in the future as a greater range of uses might one day be permissible). The prices being offered by RPs, calibrated to delivering affordable homes, were not sufficient incentive to sell. In this changed context, cross-subsidy has been viewed as a means of unlocking sites. It has increased the variety of land deals being struck in the WCC area, including transfers to RPs at zero cost in return for permission from the local authority to build market homes. WCC is therefore receptive to cross-subsidy arrangements, especially where it plays a decisive role in making smaller sites

viable. On the other hand, the council is keen to secure affordable homes without cross-subsidy where possible: market homes on RES are a means of achieving viability where such viability cannot be achieved through other means.

Although WCC delivers some housing directly, it works closely with key RP partners – notably Hastoe and Hyde Housing – on the delivery of rural affordable housing. It also has a track-record of close working with Community Action Hampshire (which was previously the Hampshire Rural Community Council), especially its RHE network in which WCC's generic (in-house) enabling officer participated. As noted above, the RHE network was proactive in evidencing need and identifying sites. But the end of the HARA programme, and the new arrangement with the community housing partnership, has meant some 'dropping off' of rural enabling activity. A reduction in funding, combined with a shift to CLT support, has resulted in a noticeable refocusing on enabling in particular places, where community-led housing is taking off. There is some concern that a lack of rural enabling capacity (provided by Community Action Hampshire) will deprive prospective RES of the energy and coordination they need to progress.

Other standard problems affecting RES, including opposition to housing amongst some local populations, have not been significant in the WCC areas, possibly because of the emphasis placed on community leadership through parish councils. However, there are sensitivities around the loss of council-owned homes through the right to buy which tend to colour residents' views of RES, reflected in concerns that even homes built on exception sites may not remain affordable in perpetuity (because a future government might alter the game rules) or that they will not solely benefit 'local' people. The involvement of CLTs can go some way towards assuaging these concerns. Another important challenge in Hampshire, affecting all development, has been the achievement of nutrient neutrality and the fear that new housing poses an environmental risk. WCC has been working with the Partnership for Urban South Hampshire (PUSH) on mitigation measures and ensuring that the infrastructure is in place to deal with additional homes.

All conversations, however, came back to the vital importance of collaborative working and enabling. HARA was viewed as the programme that had spearheaded RES delivery, with its two full-time RHEs covering Hampshire, as well as a manager who dedicated half of their time to rural housing projects. The HARA enablers interfaced effectively with WCC's enabling officer. Following the cessation / evolution of the HARA programme, only the generic WCC enabling officer remains, reducing total capacity from 3 to 0.5 FTE. It is now much more difficult to build the community-level relationships that are key to the success of RES. Some of the energy that RHE bring can be substituted by the enthusiasm of CLT, but these lack the skill-set of enablers, and at the present time there is only one CLT operating in the south if the WCC area.

Project level

First-level interviews drew attention to a RES at Hook Pit Farm Lane at Kings Worthy, to the north of Winchester. The site was thought to illustrate a shift to larger sites and local

authority delivery with a private partner. Housing had first been proposed on the site in the 1970s but it was not until 2005 that outline permission was granted for a RES development of 25 affordable homes on part of the site. The land was then sold to a local developer, Drew Smith, who developed the site in two phases, firstly for 25 homes of mixed affordable tenure, in partnership with Hyde Housing Association, and then for a second phase of 35 affordable rented homes in partnership with WCC. Interviews were undertaken with a housing officer at WCC and with the developer.

During the period of the HARA programme, Drew Smith and Hyde Housing partnered on a number of RES schemes. The majority of those were small sites, with Drew Smith typically acting as building contractor and technical consultant to Hyde Housing. The Hook Pit Farm Lane scheme was atypical in several respects. Its origins did not lie in the HARA programme (and its evidence gathering and enabling activities) but in the development opportunity marketed by the landowner, following receipt of outline permission. The site comprised two parts: that part with exceptional permission for 25 homes (which Drew Smith and Hyde Housing were now seeking to develop) and an adjacent part that Drew Smith hoped would be allocated for mixed-tenure housing through the Local Plan process. Failure to secure that allocation led Drew Smith to promote this part of the site for additional affordable housing (in partnership with WCC), the need for which had been established in the evidence base for the new Local Plan. WCC's housing enabling officer was supportive and its 'New Council Homes' team assumed responsibility for community engagement and liaison with the Parish Council. The substantial amount of time subsequently invested in this process by WCC was judged worthwhile given the 'housing rewards' that it would bring.

Land price was fixed at £25,000 per plot. Although higher than HARA schemes, a fixed price gave Hyde Housing the certainty of an overall package cost for phase 1. The second phase saw Drew Smith partnered with WCC, for whom homes were developed on a 'turnkey' basis. Drew Smith and Hyde Housing drew on experience gained through joint-working under the HARA programme to obtain planning consent for Phase 1. Phase 2, however, presented a tougher challenge as residents appeared generally united in the view that the first phase had addressed need and a second phase was not required (a view that did not align with evidence and that was not shared by the Parish Council). As boundary paths around the site were used recreationally by local residents, a local campaign was launched to block the development through the site's registration as a Village Green.

Drew Smith and WCC responded positively to this challenge. It prompted them to look again at the design and detail of Phase 2, and to improve rights of way as an additional community benefit. The Village Green application failed, with opposition then fracturing between the more 'hardline' residents and those willing to look again at planned benefits. The Parish Council and developer redoubled their efforts to assuage residents' concerns and, to this end, received considerable support from the New Council Homes team. The pattern and volume of opposition had also shifted when the failure to have the Phase 2 site allocated in the local plan led to a focus on providing affordable homes, suggesting that whilst the community had some concerns over the scale of development, it broadly

supported new homes that met local need.

The Hook Pit Farm Lane RES was developer-led in both origins and eventual delivery process. Both Hyde Housing (Phase 1) and WCC (Phase 2) were brought into a process that was initiated by Drew Smith. For the developer, these linked RES projects were very much commercial propositions, but satisfied mixed commercial and social goals. Although they were outside of the HARA programme, approaches developed through that programme were used to structure development agreements and enable the partners to more smoothly navigate both planning and community engagement processes. The projects were de-risked by early agreement around land and build costs; and 'intensive' engagement with community concerns (even after the most heated period of community opposition had ended) resulted in a 'big win' in terms of affordable homes delivered.

Key learning

The case study shows:

- The importance of a clear corporate focus on rural affordable housing, extending to direct local authority delivery (with development partners);
- The value of effective joint working between generic enabling officer(s) and independent RHE (in this case, under the auspices of the HARA programme);
- The potential importance of a strategic search for sites (tracking the SHLAA or SHELAA process) that directs a local authority to conversations with particular Parish Councils and development partners;
- How a pragmatic approach to cross-subsidy is one of a number of means of bringing sites to viability;
- The value of investing in long-term relationships that contribute to de-risking projects and smoothing planning processes;
- The importance of having a trusted private development partner that can play an important role in RP or local authority projects.



Case Study 5: North Norfolk

Case Study 5: North Norfolk – supporting delivery across linked RES schemes with a trusted RP partner

Planning policy context

North Norfolk is a 'mainly rural' district on the north coast of East Anglia, in the East of England. Its 100,000 inhabitants reside entirely in rural areas or rural hub towns, and a third are over the age of 65. The Broads Authority extends into the eastern part of the district, although the major part of the Broads is in the district of Broadland, to the south, and in South Norfolk. Because North Norfolk is an area of significant agricultural production, covered by AONB (Area of Outstanding Natural Beauty) and SSSI (Site of Special Scientific Interest) designations, that has been affected by water quality challenges, nutrient neutrality policy is holding up many planning applications, as some of its water courses (e.g. the river Wensum) are already affected by nutrient pollution and the requirement to mitigate upstream of potential discharges (on land which applicants do not own) presents a critical challenge.

North Norfolk adopted its current Local Plan in 2008 and last updated it in 2010. It is currently preparing a new Local Plan. Its current plan references the Council's 'rural exception site policy' in SS2 ('Development in the Countryside'), giving further detail in clause 3.2.14. The countryside is not regarded 'as an appropriate location for new house building' but '[...] in order to contribute to balanced communities in rural areas affordable housing will be permitted outside selected settlements as rural exception sites'. Further detail on selection policies for RES are given in Policy HO3 (i.e. demonstration of local need; RES must be and on sites within 100m of village boundaries for 10 or more dwellings; for less than ten, the new homes will adjoin an existing group of ten or more houses. Affordability must be assured in perpetuity. The emerging Local Plan (2016-2036) contains a specific policy on RES (HOU3), which builds on HO3. There is strong support for delivering affordable homes on rural exception sites, but also two significant concerns around the use of cross-subsidy. The first is that 'the Council will only support the inclusion of the minimum number of market homes to make a rural exception scheme deliverable'. The second (which is stated in bold text in the Local Plan), is that the 'additional value created by the inclusion of market housing should not be reflected in the price paid for land'.

In short, market homes must be essential for the viability of a scheme. North Norfolk therefore insists that where such homes are shown to be essential, the number should be kept to a minimum. The preference is clearly for 100% affordable homes, but in practice pragmatism may override preference.

The new Local Plan maps those rural areas that are 'designated' (Figure 11, p. 119 of the Plan). The RES approach set out in Policy HOU3 applies in the 'designated' Countryside Policy Area. This map also highlights particular villages as 'large growth' (Blakeney for example) or 'small growth' (including Binham and Trunch).

The Broads Authority adopted its Local Plan in 2019. It follows North Norfolk's approach

to cross subsidy on RES: i.e. that market housing should be kept to a minimum and involve 'small numbers'. The Authority is currently reviewing its Local Plan and published an Issues and Options consultation in October 2022. It notes that the current Plan remains extant. 101 affordable homes were delivered on rural exception sites in North Norfolk between 2017 and 2022. The rate per 10,000 population was 11.3 homes during the same period. 80.1% of non-major applications were determined within 8 weeks during the 24 months to September 2022. The Council appears to effectively balance plan-making and development management, having been focused on a plan review during these data reporting periods. North Norfolk also works closely with the Broads Authority.

First level – strategy and corporate priority

First-level interviews were conducted with the Housing Strategy and Delivery Manager (who had been at NNDC for 6 years, following a long period in Bristol focused on the delivery of new council homes) and the Development Manager who had fulfilled several roles at NNDC over an 18-year period. A second interview was conducted with the Community Housing Enabler (6 years at NNDC) and a Team Leader within Development Management (who had spent 9 years in the planning profession and 18 months at NNDC). It was emphasised at the outset that the majority of affordable homes within the district are expected to be delivered on market-led developments in towns and larger villages. Affordable Housing on these allocated sites could be 45% or 50% of the total, but also up to 100% in the case of RP developments with grant support. Affordable housing on market-led sites was allocated to tenants on the basis of greatest need, whereas RES allocation was based on demonstrable housing need combined with strong local connection. This meant that development on allocated sites was often more controversial, and contested, than development on RES – because RES homes were perceived to be directly serving local communities, whilst general affordable housing was often let to people moving in.

Political support for RES development in villages was said to be strong at the Parish Council level, as exception sites are the only means of satisfying local need for affordable housing in a mainly rural district. The majority of villages have an acute housing need and therefore the majority of councillors, particularly those representing rural areas with small villages (where there will never be allocated sites), support development on RES '95% of the time'. But despite support for RES from many Parish Councils, many residents of North Norfolk are mortgage-free home-owners who have retired to the area from other parts of England. Their occasional opposition to development is often counter-balanced by support from more liberal and wealthy local households (whose families have lived in the area for generations) who support RES as a means of ensuring that pubs, restaurants, and vital services remain viable.

It was suggested, by respondents, that the district has a very 'open' housing need register, making it very easy for households to register a need (there are presently 2,500 applicants on the register), and therefore very easy for the housing team to identify those with the strongest local connection. A cascade approach to allocations (giving priority to the strongest local connections and seeking to allocate to those households first) strengthens

the perception that RES housing is for local people. Having an open register avoids having to always undertake costly surveys of local need, although such surveys can be useful where local support is not certain.

Site selection for RES was aided by a grant from the Community Housing Fund (£2.4 million) a made in the remaining village in order to secure access to the council-owned site.

The project gestated in the early 2010s, when government was seeking to reduce grant levels for housing and introducing 'affordable rent' (which required less grant). RPs were bidding for money from a shrinking pot, often securing only 50% of what they had previously received for affordable homes. Broadland decided that an alternative way needed to be found. The combination of available council land and the introduction of cross-subsidy on RES, from 2012 onwards, presented the partners with this alternative way. The innovation was the spreading of cross-subsidy from higher to lower value sites: 'we're not talking about five locations here that were absolutely on the money, we had probably three of those, and two on the periphery'.

The partners worked together to establish the level of need: evidence from NNDC's housing register was augmented by targeted surveys conducted via social media by Broadland HA, focused on getting a better picture of market demand (to inform calculations of likely revenues) and to understand possible resistance to development. The evidence gathering stage helped provide a clearer picture of communities' aspirations, providing the cues needed for Broadland and for NNDC's Community Enabling Officer. Three architects were employed to design houses appropriate to each location.

NNDC officers drew up the legal agreements, including the Section 106 linking the sites, and the agreement to transfer those sites to Broadland, whilst external consultants were engaged to present the linked scheme as a complete package to Development Management. That package saw some villages (e.g., Binham) with clearly more housing and more cross-subsidy than was needed to achieve site viability. Planning officers were said to favour formal legal agreements, tying together the sites and specifying how and where Section 106 funds would be used: it was felt that a 'half-cocked story' would not have elicited a positive response from planning. On the other hand, Broadland were said to prefer a less formal approach, starting with a clear outline that could flex as a project progressed. Open discussions between the RP, the enabler, Housing Officers and Development Management were said to be essential. Good working relationships are crucial.

As an epilogue, there is clearly an appetite to bring forward more linked schemes in the future. One currently in the pipeline involves six sites, all with different landowners, and will not feature a single Section 106 agreement. But there is reason for optimism: Homes England were said to be 'super with it', having recognised the merit of the approach and understood the need for a flexible funding approach.

Key learning

This case study illustrates:

- The role of a skilled RP partner, adept at working with the council and communities, and advancing powerful public interest arguments in favour of building rural affordable homes;
- The importance of good, open, working relationships between key partners, resolving difficulties early on through open dialogue;
- The shared responsibility for evidence gathering, with housing register evidence localized and enhanced through targeted surveys conducted by the RP; moreover;
- The importance of innovation, in this case manifest in 'linked schemes' (some with market housing and some without) where cross-subsidy is generated on higher value sites and is moved to support lower value schemes. Such linking may face community resistance, where a particular village is being asked to host more housing – hence the importance of mobilizing strong public interest arguments;
- How different sites with a single landowner (e.g. a council) may be linked, for the purpose of multi-site cross subsidy, by a single Section 106 agreement. Other arrangements may be preferable where multiple landowners are involved.



Case Study 6: York, North Yorkshire & East Riding

Case Study 6: York, North Yorkshire & East Riding Strategic Partnership – Critical Support for Rural Housing Enablers

Planning policy context

Until 1 April 2023, North Yorkshire was a county council covering the districts of Craven (mainly rural, 0 units delivered on RES between 2017 and 2022), Hambleton (mainly rural, 24 units on RES), Harrogate (urban with significant rural, 0 units on RES), Richmondshire (mainly rural, 0 units on RES), Ryedale (mainly rural, 15 units on RES), Scarborough (urban with significant rural, 12 units on RES) and Selby (mainly rural, 0 units on RES).

The local plans for each of the 7 districts and boroughs listed above remain extant. Craven's Local Plan was adopted in November 2019 and runs to 2032. It contains a policy on affordable housing (H2) that references RES. Strong support is given to schemes comprising 100% affordable housing. Where market housing is essential, it must comprise no more than 30% of the scheme. Hambleton's Local Plan was adopted in February 2022 and runs to 2036. Policy HG4 ('Housing exceptions') sets out the approach to First Homes Exceptions (essentially relaying NPPF policy) and RES. Its policy is similar to that of Craven: a proposal for a rural exception site must provide 100% affordable housing, unless it can be demonstrated that an element of market housing is essential to enable the delivery of the affordable housing'. Harrogate's Local Plan was adopted in March 2020 and runs to 2035. There is no reference to RES in Policy HS2 ('Affordable housing'). However, Harrogate's policy reflected the 2016 Written Ministerial Statement relating to affordable housing thresholds: 'on developments comprising six to nine dwellings in areas designated as rural areas under Section 157(1) of the Housing Act 1985, a financial contribution for the provision of affordable dwellings as a commuted sum will be sought unless the developer makes on-site provision'. Richmondshire's Local Plan was adopted in December 2014 and runs until 2028. It is currently under review. Policy CP6 of the extant plan ('Providing Affordable Housing') is supplemented by detailed consideration of cross subsidy on RES. Cross subsidy will be allowed where grant is unavailable, reduced grant makes the scheme unviable, or the applicant is a CLT. It adopts a minimum approach: 'The maximum number of open market dwellings permitted will be the minimum required to subsidise the development of the affordable housing. The Council will expect an 'open-book' approach to any application to cross-subsidise on an exception site and will not accept any land valuations which exceed comparable financial transactions in the Plan area'.

Planning in Ryedale was previously split between the District Council and North York Moors National Park (NYMNP). Ryedale's Local Plan covers the period 2012 to 2027. Policy SP3 ('Affordable housing') references NPPF cross subsidy: 'policy support for this [i.e. cross subsidy] has been included in the Plan on the basis that is an approach designed to support and cross subsidise the delivery of affordable housing in the absence of sufficient public subsidy through Registered Providers. It is not a policy which has been included in this Plan to encourage the release of sites through the inflation of land values'. SP3 references the 'minimum number' rule that is common to local authorities keen to ensure

that cross subsidy is permitted only where it is essential. Scarborough's Local Plan is under review. Its current plan was adopted in July 2017 and runs to 2032. Policy HC4 is specifically concerned with 'rural exceptions housing'. On cross-subsidy, it states that 'Open market housing will only be permitted to the scale at which it is proven to make the scheme viable'. Interestingly, it notes that 'potential rural exception sites [were] identified following the assessment of sites that were submitted by landowners through the plan making process' (p.59). Finally, Selby's Local Plan was adopted in October 2013. Policy SP10 ('Rural Housing Exceptions Sites') reiterates the NPPF's position of cross-subsidy involving 'small numbers' of market homes. It notes that future policy will be more detailed. The pre-publication Local Plan (for consultation) contains a new RES policy (HG8). This re-iterates the 'small numbers' position but extends the policy to cover First Homes Exceptions Sites.

The North York Moors National Park Authority's Plan (covering part of Ryedale) was adopted in July 2020 and runs to 2035. Policy CO11 ('Affordable Housing on Rural Exception Sites') notes that an element of 'principal residence housing' will be permitted on RES, to support financial viability, where a scheme is in a 'Larger Village'. The Park Authority does not wish 'cross-subsidy housing' to become second homes and will apply residency restrictions to prevent this from happening. The RES policy is supplemented with detailed discussion, including the rule that RES cannot exceed 12 dwellings in size.

The planning functions of Yorkshire Dales National Park also extend into the new unitary authority of North Yorkshire, covering much of Craven and Richmondshire. The Park is reviewing its 2015-2030 Local Plan because the area of the Park has been extended and therefore a new plan is required. The new Local Plan will cover the period 2023 to 2040. Policy C2 of the extant plan deals with RES, setting out a standard approach that also requires exception sites to meet the Park's development quality standard (SP4). There appears to be no reference to cross-subsidy and how the RES approach might evolve in the new plan is not yet clear.

There are multiple plans setting out the position of North Yorkshire Council regarding RES. They all agree that cross subsidy should be restricted to the minimum required to support viability. The policies are all similar, varying only in detail. Some detailed policies belong to authorities that did not see the delivery of affordable homes on RES.

Although this case study centers on North Yorkshire, the York, North Yorkshire & East Riding (YNYER) Partnership extended, as its name suggests, into East Riding. East Riding of Yorkshire Council is another unitary authority. Its Local Plan was adopted in 2016 and is now being updated (to reflect recent changes to national policy set out in the NPPF). Part C of Policy H2 of the extant plan restricts exceptions to larger villages, although they are acceptable further down the settlement hierarchy if they 'relate to' the development boundary. Schemes comprising 100% affordable homes are preferred, but where cross-subsidy is needed to support a scheme, it cannot exceed 20% of the unit total.

A total of 51 affordable homes were delivered on RES during the reporting period – and another 30 in East Riding. Craven's turnaround of planning applications slipped to below 68.8% in 8 weeks in the 24 months to September 2022. Other figures were Hambleton (87%), Harrogate (88.9%), Richmondshire (69.4%), Ryedale (87.4%), Scarborough (68.2%) and Selby (79.4%). East Riding's turnaround figure was 93.7% during the same period, placing it

in the top decile of rural authorities for this measure of planning performance.

This case study is diverse in terms of planning frameworks and performance. It is focused on the YNYER Strategic Housing Partnership and its purpose, mechanics and achievements in relation to rural housing enabling.

Strategy and corporate priority

This special case focuses mainly on the support provided by the York, North Yorkshire and East Riding Strategic Housing Partnership (YNYER SHP) to the enabling service across the area. But it also has a secondary focus on RES delivery across the two National Parks (the 'Dales' and the 'Moors') as critical differences were identified between the two parks, which are pertinent to the enabling function and what it is able to achieve in different planning contexts.

Six interviews were undertaken: with the YNYER Partnership coordinator, planning officers in East Riding, the enabling officer based in East Riding, and the heads of the planning services in the two National Parks.

The YNYER SHP has been in existence for more than 15 years (at first it covered just the North Yorkshire 'patch' but eventually extended to East Riding). Historically (prior to Local Government Re-organisation in North Yorkshire), the Partnership was overseen by a Housing Board comprised of elected members from the constituent authorities (including the National Parks) and representatives from Homes England, Registered Provider partners, and the Home Builders Federation. The Partnership has a broad focus on housing delivery, on a mix of allocated and exception sites. There is a RHE Partnership embedded in the wider partnership, which provides the core focus of this case study. The 'North Yorkshire and East Yorkshire' (NYEY) RHE Partnership is coordinated by the Housing Strategy Manager at North Yorkshire and extends across rural North Yorkshire and East Riding. There is a team of dedicated enablers, covering North Yorkshire and East Riding.

The NYEY RHE Partnership is funded by the local housing authorities, National Park Authorities and RP partners. Co-funding in-house rural enablers has been a key part of the NYEY RHE Partnership from inception. A key aim of the Partnership has been to localize support for the housing enablers and tie it to delivery.

A question mark has hung over independent RHE funding across England for a number of years. Bouts of short-term government funding have not provided the long-term support that enabling needs in order to support and coordinate local projects that can run over several years. The NYEY RHE Partnership addressed this challenge through a co-funding structure that draws together contributions from the local authorities, national park authorities, and RPs who pay a grant contribution and a fee for each affordable home added to their portfolio through the programme.

This shared funding arrangement provides significant continuity for the housing enablers, which are viewed as vital for project delivery. There are 23 RPs operating in the YNYER SHP

area and 16 of these pay retention fees and are involved in the recharge mechanism. There has been sufficient funding for three full time RHEs in North Yorkshire and one 0.5 RHE (2.5 days per week) in East Riding until 2023/24.

Across North Yorkshire, the majority of affordable homes are delivered on allocated sites through Section 106 agreements. Between 2012-13 and 2021-22, the NYEY RHE Partnership facilitated the delivery of 2,224 affordable homes, with just 266 of these completed on RES. Exactly 10% of affordable homes were completed on RES in 2021-22. The YNYER Partnership's focus is broader than exception sites. It seeks to maintain corporate and political focus on housing delivery, with the NYEY RHE Partnership concentrating on delivery in rural communities across the patch. The NYEY RHE Partnership meets at least twice a year.

Beyond the innovative funding arrangement for RHEs, the Partnership is concerned with sharing best practice, through regular events, training, and through the Partnership's website.

To understand the challenges faced by housing enablers across the case study area, and the on-the-ground benefits of the Partnership, it is instructive to briefly consider two contrasting experiences of RES delivery. Interviews were conducted with planning officers in East Riding and with that authority's in-house RHE. There was agreement that East Riding is on the 'fringe' of the Partnership, although the 'handrail' it provides is greatly valued. The intensity of enabling activity is greater in North Yorkshire, in which the two National Parks – the Dales and the Moors – have significant presence. Interviews were also conducted with the planning leads of the two Parks.

The Yorkshire Dales National Park Authority had considerable success with RES in the 1990s and into the early 2000s, but the number of schemes coming forward was said to have 'dried up' since then. The NPA aims to deliver 20 affordable homes each year, but is not currently achieving that target. Landowner reluctance was thought to be the key explanation for stunted delivery, especially in the northern and western sections of the Park. The situation had been rosier in the southern section until recently, but now all parts of the National Park are seeing a lack of land for affordable housing development. The Partnership was valued, but not viewed as a means of overcoming land barriers. The pivot towards allocated sites offered some hope, but a sense of 'market failure' led to the conclusion that a more muscular approach might be needed, extending to the compulsory purchase of sites outside designated settlement boundaries at a price that would support affordability.

The experience with the North Yorkshire Moors National Park Authority appeared to be very different. It was noted that house prices in the Park are not as high as they are in other parts of the country, but earnings are low, driving a critical problem of affordability. Because the Moors contains only half of one larger town, Helmsley, the area is almost 100% dependent on RES and actively promotes their development. The NPA does not allocate sites for housing in its Local Plan, other than in Helmsley, and there is 'absolutely no market housing' allowed for the purpose of cross-subsidy on RES. However, in exceptional circumstances it will allow for some Principal Residence housing which is restricted to occupation by those

for whom this is their principal home. The Local Plan seeks to facilitate a plot price of £10,000 to support affordable homes on RES, with the interviewee repeating the claim (aired in the Peak District National Park – see Case 3) that National Park Authorities must ‘hold the line’ on land price in protected areas. The understanding on the part of landowners (and they tend to be larger in the Moors) that nothing but affordable homes will be permissioned in the Park supports delivery. The NPA provides a free pre-app service, which was said to be ‘within the spirit’ of the partnership. Delivery on RES in the Park was said to be possible because of the proactive work of the local RHE on the ground. The Moors works closely with the RHE and its RP partners. Close working means regular meetings between the RHEs and the Head of Strategic Policy; keeping the pipeline of sites under review; and proactively identifying villages where there is little activity, and seeking to catalyze it in those locations. In fact, the interviewee in the Dales referenced the Moors’ ‘project management’ approach as a possible explanation for contrasting outcomes. Housing enablers are clearly important, ensuring longevity and shared learning across critical partnerships. The more deeply embedded the enablers (with partners and communities), the more successful they tend to be. Whilst this might be a factor in the Moors’ relative success with RES schemes, it was pointed out that the Dales endures a more difficult geography, comprising smaller and less accessible villages. It was also said to have fewer delivery resources in comparison with the Moors, which also enjoys the advantages of an easier, more accessible geography.

But another critical difference lies in contrasting approaches to housing delivery, reflected in local plan policies. Some authorities allocate housing sites and some do not. The Dales has been leaning towards ‘Section 106’ (especially in the south of the Park where more options are available through allocations, although RES will feature in the Dales’ Plan for 2025-2040 and will be pushed harder in the north of the Park where options for allocation are significantly lacking) whilst the Moors is ‘all RES’ (the only allocated sites are in the town of Helmsley: it was noted that whilst the vast majority of LPAs allocate housing sites across their areas, some National Parks do not allocate sites outside their main town, instead relying on a RES approach). Landowners will not go down the RES route if there is a chance of their land being allocated for market housing. Ebbs and flows in RES output track the planning cycle and the hope and prospect of planned allocation. The hope of allocation underpins the hope of achieving a higher land price (on RES), greatly reducing the chance of sites coming forward. Yet, against the backdrop of Local Plan support, rural housing enablers have a critical role to play in supporting the development of relationships, and the project management, that is crucial to the delivery of affordable homes, either on allocated or exception sites. The importance of finding a sustainable way of funding enablers is the critical lesson from this case study.

Key learning

The case study shows that:

- Rural housing enablers play a critical role in building the enduring relationships that are key to successful rural exception site delivery;

- Higher level strategic partnerships help maintain corporate focus on rural housing delivery, with positive implications for ground-level work, including the work of RHE; RP-authority funding partnerships provide a means of securing long-term support for enablers, tied to housing delivery through the combination of an RP retention fee and a per-unit recharge mechanism;
- Local 'project management' of the development pipeline, involving local authority and RP partners working alongside the housing enabler, helps to maintain the focus on RES delivery;
- RES outcomes cannot be 'unhitched' from the local plan: RES activity may decline during plan reviews if landowners perceive a chance of allocation. Local plans that allocate a significant number of housing sites may have less RES activity, whilst those with no allocated sites, outside of larger towns, may have much more. This is particularly true of protected areas.

PART 8: CONCLUSIONS, KEY MESSAGES, AND ACTIONS

8.1 This project has been guided by one overarching question, what underpins success in the delivery of rural exception sites?, split into three sub-questions, i.e.

- **How does local authority resourcing of the planning function affect the success of RES?**
- **How can local authorities mitigate resource shortcomings through local working practices and innovations?**
- **Besides planning resourcing, what other factors/practices/policies underpin successful RES schemes?**

8.2 The task of this conclusion is to present answers to these sub-questions by drawing on the findings of the survey and cases. Insights from the review of extant literature and the national scoping conversations are not repeated here. Therefore a more thorough overview of the research is provided in the Executive Summary.

The Survey of Rural Planning Authorities

Resource constraints

8.3 Two thirds of planning authorities reported resource constraints, with a small number unable to offer pre-application services for small rural housing schemes at all, and some providing a truncated service.

8.4 The same proportion agreed that the planning service, and planning officers, were under significant work pressure. This was leading to high rates of staff turnover and a loss of experienced staff. However, the majority of authority respondents felt that sufficient experience and capacity had been retained, allowing them to deliver an effective planning service overall.

8.5 Regular national policy shifts were felt to compound stretched resourcing, adding to the pressures faced by planning authorities. However, it was also felt that engagement with new challenges – bio-diversity net gain and nutrient neutrality – makes planning an

exciting and stimulating profession. Despite work pressures, planning authorities believe that the quality and timeliness of the service they provide is maintained.

8.6 Very few planning authority respondents felt that the shift to home working had adversely affected planning services. Many claimed that it had aided efficiency by reducing the amount of time lost to commuting, although less interaction with colleagues could mean less sharing of experience and good practice.

Impacts of constraints

8.7 Two thirds of respondents saw no significant impact on the general planning service from resourcing: 60% pointed out that decision timeframes were unaffected. A clear majority of authorities said that they had the resources needed to deliver their local plan.

8.8 Notably, few respondents were aware of, or had been involved with, housing delivery on RES. The majority of authorities were focused on the delivery of allocated sites.

8.9 Engagement with communities, RPs, and landowners – for the purpose of delivering small rural housing sites – was viewed as the responsibility of housing colleagues. RES were not felt to be something that needed to be addressed strategically or proactively. They are, by their nature, incidental and occasional.

Mitigation, where needed

8.10 Half of all respondents saw working with either an LA-based enabling officer or an independent RHE as an effective means of supporting housing delivery. There was strong overall support for the idea of enabling.

8.11 Out-sourcing some planning functions to consultants was viewed as a means of generating efficiencies, but consultants had not be used to facilitate RES. This was the domain of enablers, LA-based or independent.

8.12 Planning authority respondents did not believe that extra training was required in respect of RES delivery, either because this responsibility lies with housing or because of the incidental and occasional nature of these schemes.

8.13 Sharing good practice across authorities was considered key to increasing capacity.

8.14 Neither informal sharing of staff or formal 'shared service' arrangements were viewed as panaceas for resource shortcomings: very few respondents, just 15%, saw any local benefit from such arrangements.

8.15 However, 47% of respondents agreed that planning authorities are able to mitigate resource constraints by changing working practices, partnering with others, and making less go further, which appears to be at odds with the apparent reticence around sharing staff resource, informally or formally.

8.16 Such contradictions may suggest concerns around capacity paired with uncertainty around the best ways forward. Authorities learning from one another was judged to have clear benefits, but those same authorities view dedicated in-house resources, which allow them to guarantee a high quality and timely planning service, as being key to overall delivery.

What local planning authorities need

8.17 Local planning authorities highlighted the importance of:

- Being able to fill senior posts, and therefore having the experience needed to fulfil complex tasks well (and also having leadership capacity);
- A stable policy framework, which supports certainty and gives officers the confidence and space to do their jobs;
- Investment in skill development at all levels, with apprenticeships flagged as an important way of supporting the planning profession;
- Greater flexibility in respect of work/life balance, in order to increase the appeal of local authority planning for a range of groups;
- Increased application fees, to support greater capacity and upskilling in planning teams;

The Six Case Studies

Accounting for success on RES

8.18 The following table notes key learning from the six case studies, arranged to

support headline messages from this stage of the project:

Table 8: Main messaging and key learning from the case studies

Factors advancing RES include the following, which are evidenced by particular experiences emerging from the listed case studies. **These experiences may of course be common to other areas, including the other case study areas discussed in this report.**

High level political support is crucial	
Strong political leadership, manifesting itself as determined and positive processes and engagements, is key to RES delivery	All case studies
Aspirational housing targets are valuable in headlining an area's ambition to combat socio-economic exclusions centered on housing market pressures	Cornwall
Political support may beget local financial support, driving resources into schemes to ensure their viability	Derbyshire Dales
A clear corporate focus on rural affordable housing, sometimes extending to direct local authority delivery (with development partners), will drive delivery across local authority housing and planning teams	Winchester
Close working with communities, building evidence and support, provides the essential foundation for projects	
Key delivery partners (councils, RPs, and enablers) must engage in close working with communities, to evidence need, and to build support for affordable housing	Cornwall/ North Norfolk
Use of secondary data and alternative approaches to monitor and map housing - need as the evidence base to support RES development e.g. Shropshire's online portal: the Right Home, Right Place initiative	Shropshire
Community opposition poses a key challenge to rural development: development partners (local councils, RPs, and landowners) need to devise strong proposals that are well-evidenced, but also address community concerns around the scale and form of development	Shropshire
Parish councils must navigate the contradiction between in-principle support for affordable housing and nervousness around specific sites. They need to work with partners, but avoid jumping at a particular site too quickly	Derbyshire Dales
A strategic search for sites (tracking the SHLAA or SHELAA process) can help direct a local authority to conversations with particular Parish Councils and development partners	Winchester

Building long term delivery partnerships results in smoother projects and reduced risk	
Strong, open, working relationships between all key development, community and landowner partners, resolving difficulties early on through open dialogue is vital	North Norfolk
Investment in long-term relationships contributes to de-risking projects and smoothing planning processes	Winchester
A trusted private development partner can play an important role in RP or local authority projects	Winchester
A skilled RP partner, adept at working with the council and communities, and advancing powerful public interest arguments in favour of building rural affordable homes will help drive a programme of affordable housing delivery	North Norfolk
Higher level strategic partnerships help maintain corporate focus on rural housing delivery, with positive implications for ground-level work, including the work of LA-based and independent RHE	North Yorkshire
Local 'project management' of the development pipeline, involving local authority and RP partners working alongside the housing enabler, helps to maintain the focus on RES delivery	North Yorkshire
Effective and sustainable LA-based and independent enabling provides projects with ongoing support	
Effective joint working between LA-based enabling officer(s) and independent RHEs (in this case, under the auspices of the HARA programme) provides capacity and drives RES delivery	Winchester
Rural housing enablers play a critical role in building the enduring relationships that are key to successful rural exception site delivery	North Yorkshire
RP-authority funding partnerships provide a means of securing long-term support for enablers, tied to housing delivery through the combination of an RP retention fee and a per-unit recharge mechanism	North Yorkshire
Cross-subsidy arrangements that support delivery and affordability must adapt to different situations	
Tailored cross-subsidy policies that reflect local market realities (setting levels of permissible market housing components depending on land values) play a role in maximizing affordable housing delivery	Cornwall
A pragmatic approach to cross-subsidy is one of a number of means of bringing sites to viability	Winchester
Small projects can, in some circumstances, be made viable through a clear planning approach in instances where all affordable rural housing is exceptional, and none is on allocated sites	Derbyshire Dales
'Linked schemes' (some with market housing and some without) where cross-subsidy is generated on higher value sites and is moved to support lower value schemes may be helpful. Such linking may face community resistance, where a particular village is being asked to host more housing – hence the importance of mobilizing strong public interest arguments	North Norfolk

Mixed funding models, including direct council build, are crucial and will depend on local circumstances	
The potential of direct provision by councils, on allocated and exception sites, and of utilizing mixed funding that may include sustainable borrowing and HRA revenues, to support ambitious housing programmes, although where HRA revenues are utilized, the homes delivered will be subject to the Right to Buy.	Cornwall
Supportive planning and spatial development strategies provide a broader context for RES success	
Spatial development strategies that support a 'dispersed approach', utilizing a mix of allocated and exception sites, will advance the use of RES.	Cornwall/ Shropshire
RES outcomes cannot be 'unhitched' from the local plan: RES activity may decline during plan reviews if landowners perceive a chance of allocation. Local plans that allocate a significant number of housing sites may have less RES activity, whilst those with no allocated sites outside of larger towns, may have much more. This is particularly true of protected areas	North Yorkshire
In areas of dispersed population, smaller settlements, and hence small market schemes, the exempting of developments (of 10 units or fewer) from contributing to affordable housing Section 106 agreements has potentially made it more difficult to fund smaller RES schemes (which then have to grow to achieve viability). This national policy, enacted in 2016, should be reversed in protected rural areas.	Shropshire

8.10 Mapping the key messages

Taken together, the different parts of the project allow us to map key messages, and unpack these into key actions. Whilst the project has focused on RES, these messages and actions apply to the delivery of all rural affordable housing:

The centrality of political support	A corporate emphasis on supporting RES is fundamental to the success of these small rural schemes; that corporate emphasis brings senior officer support and mobilises an ecosystem of activity, at all levels, that aims to evidence need, win support and bring forward sites for development.
	Action for LAs: clear messaging in support of affordable housing and its vital importance to rural communities is needed at an authority level, backed up by proactive planning and funding policies.

The critical role of enabling	Enabling comprises the independent RHE network and LA-based generic and rural enablers. Both play key roles in RES delivery, pointing to a need for additional LA capacity for enabling and a strengthened RHE network, with sustainable funding.
	Action for LAs and government: dedicated funding for rural housing enabling within local authorities plus consistent national and local funding to the independent Rural Housing Enabling network.
Adaptive cross-subsidy arrangements	Whilst clarity is needed on cross-subsidy, different places (and market circumstances) tend to need different arrangements. Clearer guidance is required on viability and land values (so planning authorities can design consistent policy within a national framework).
	Action for Government/Homes England: Issuing of national guidance to RES partners on viability, cross-subsidy, incentives, and land values – forming part of a broader RES (or ‘rural affordable housing’) toolkit.
Building delivery partnerships	Local authorities and delivery partners, including RPs and landowners, play critical roles in RES delivery. Coverage of RPs in remoter rural areas is crucial, as is local authority resourcing, and positive relationships with landowners, extending to good practice and guidance concerning cross-subsidy and landowner incentives.
	Action for Homes England: resourcing to rural authorities to reflect the challenges of working with multiple under-resourced partners, and incentives for RPs to extend their reach into under-served rural areas.
Working with communities	The case for affordable housing, and for RES, needs to be won among communities. This begins with robust evidence of need that hopefully underpins community support. But resistance can remain, requiring delivery partners to design clear, viable, and well-evidenced proposals.
	Action for Homes England and partner groups: a RES (or RAH) toolkit addressing practices and engagements, including via social media, that help win support for rural housing projects, whilst illustrating good practice in evidence gathering.

Funding flexibility and clarity	<p>Local partners are innovating different funding solutions for RES, mixing various sources of grant funding and finance. This flexibility is important and different areas need to share their experiences. Homes England needs to be part of this conversation, working flexibly to support schemes that are ‘outside the box’ of standard practice, including linked RES schemes.</p>
	<p>Action for Homes England and partner groups: advice on mixed funding packages including in a RES (or RAH) toolkit (extending to linked subsidy schemes), and work with Homes England to support RES in under-served areas</p>
Supportive planning and spatial development strategies	<p>Well-resourced local planning (and housing) can stay the course, possessing the skills and understanding to support RES. The National Planning Policy Framework needs to give clearer support to RES, underpinned by a ‘toolbox’ for supporting small rural housing schemes that takes its cue from the messages mapped here. Local plans are also crucial for RES: they must have spatial development strategies that support RES in lowest tier settlements, in order to advance the future sustainability of England’s villages and rural communities.</p>
	<p>Action for government: NPPF to give clearer support to RES, stressing its value to rural communities and economies. NPPF to reference a future RES (or RAH) toolkit and underscore the sustainability arguments for a dispersed development approach in many rural areas.</p>



Appendix

Appendix 1: Literature Review

Overcoming Planning Resource Constraints and Unpacking the Factors underpinning the successful delivery of Rural Exception Sites [RES] in England

Background and purpose

A1.1 There is an expansive literature on rural housing market dynamics and on interventions that support lower-income families access the homes they need. Studies have been conducted on these issues in different contexts around the world. They often draw attention to the migration pressures that rural areas have faced over the last 50 years, as lifestyle expectations and amenity motivations bring middle class people to the countryside. New roads have often facilitated these movements. In areas of countryside, a desire to protect amenity and support the farming economy (and food security) sometimes result in tighter planning restrictions, which limit the capacity of rural housing markets to adjust to changing patterns of housing demand. We have confined this review to the delivery of affordable homes in rural England, picking out cues from recent literature that are directly relevant to our focus on rural exception sites (RES). The review should be read in conjunction with the analysis of Steering Group conversations: the shared purpose of these elements has been to establish why RES might succeed or fail, and how the resources available to planning authorities, as facilitators of rural development, impact on the progress of small rural housing projects.

A1.2 Delivering rural development is challenging. Potential opposition is strong from existing homeowners, who may not want further development to undermine their reason for living in the countryside – a peaceful life in an idyllic setting rich in amenity – or the value of their homes, which depend on the preservation of that amenity and the scarcity of housing supply. Equally, planning policy often aligns with these private aspirations by limiting the scale of new development, particularly in Areas of Outstanding Natural Beauty (AONB), the green belt, or in National Parks.

A1.3 On the other hand, new affordable housing provides an essential support to the rural economy and communities, ensuring that the social vitality (reflected in the presence of mixed populations, schools, and other essential services) that all social groups need and value, is maintained. Development on RES provides a means of

circumventing standard restrictions on market-led development in support of this outcome. But even where policy in a local plan is supportive of granting exceptional planning permission for schemes that deliver against local housing need, the success of a RES scheme will depend on a number of key factors.

A1.4 This research classifies these into two broad types: general success factors, broadly the softer alliances and collaborations within communities that are needed to overcome resistance (rooted in protecting amenity, preventing change, or seeking highest potential rent extraction from land), and the capacity within rural planning authorities to maintain these alliances with sustained energy and with the hard skills needed to get projects over the finishing line. That capacity has been undermined over the last decade, firstly by the financial cuts faced by the local public sector and, secondly, by the increasing range of responsibilities placed on planning teams.

A1.5 This 'rapid review' focuses attention on these two areas: the factors underpinning successful delivery of RES, and how a lack of planning capacity affects small rural housing schemes - and how it might be locally mitigated. Our past work on rural housing delivery draws attention to a 'planning-land-tax-finance nexus' which 'constrains potential responses to the market pressures and housing scarcities' faced by many rural communities (Gallent et al., 2022:xi). A broader political economy of private land rights and public intervention, generally operating in support of those rights, has fomented a challenging environment for non-market housing delivery and incubated a focus on finding 'exceptional' means of engineering more just social outcomes that run counter to standard policy and market processes (Harris, 2021). These exceptional means extend beyond RES and include planning initiatives, across the UK, to support necessary community outcomes: e.g., 'One Planet Development' in Wales, extensions of community land rights in Scotland, and exceptions to Green Belt policy.

A1.6 RES policy, introduced in England and Wales in 1991 - following local experiments during the preceding decade, notably in the New Forest (Barlow and Chambers, 1992) - exemplify the value of circumventing rules to achieve progressive outcomes. RES, often led by disruptive enablers, establish a special case for development, gain an exceptional planning permission, negotiate a lower land price, and address the particular difficulties of smaller development projects. They rely on different sectors and actors working in concert toward a goal that has an agreed value.

Factors affecting RES delivery

A1.7 Beyond these general statements on the value and challenges of RES delivery, what do recent studies tell us about specific challenges – and about those factors that can advance or halt a project?

Community engagement and support

A1.8 Building community support, and the prospect of encountering opposition, is a key area of potential difficulty for small rural housing projects (Sturzaker, 2010). Supporters and objectors are frequently passionate about the need for development or the negative impacts they expect it to bring. The Rural Housing Alliance (RHA, 2021) offers advice in this respect, suggesting that patient alliance building in private is often more effective than organising large public meetings or consultations, which can expose entrenched positions from the outset. Engaging local residents in the design of new housing, offering to incorporate local materials and styles can also ensure support, as can demonstrating the need for affordable homes to help preserve their way of life.

A1.9 Examples exist of ‘community action’ aimed at building local engagement in support of community projects (Gkartzios, Gallent and Scott, 2022) although it is often noted that communities are more eager to rally around projects that directly support local services or a key community asset, such as a valued green space or a pub, than ‘affordable housing’ – largely because they are uncertain of its benefits or who specifically will be housed in a new development. For these reasons, the success of housing projects is often dependent on close working with communities in a process that builds understanding of why affordable homes will bring broader benefit.

Land cost

A1.10 Land cost is another key factor in the progression of RES schemes and affordable rural housing projects more generally (Best and Shucksmith, 2006). Land prices vary locally and regionally, with those prices signalling major regional economic imbalances and inequalities (Murphy, 2018) that impact on RES delivery. More specifically, RES schemes are significantly affected by land price expectation on the part of land owners and land agents. The hope of achieving a higher land value in the future (for full market residential use – land price being determined by best permissible use), which may be

entirely unrealistic, may deter landowners from releasing land for development today (this is the lure of 'speculative rent'). Hope value can be a significant brake on RES, although clearly landowners play a pivotal role in the delivery of affordable housing (Lavis, McLarty and Beedel, 2017) where good relationships are nurtured and appropriate incentives are available to encourage participation in affordable projects. Landowners may worry that affordable homes may one day be sold at a market price: they are concerned about affordability in perpetuity. The IPPR has proposed establishing rural housing burdens in England, which have operated in Scotland since 2004, ensuring that new homes remain affordable in perpetuity (Baxter and Murphy, 2018: 4). The Country Land and Business Association (CLA), who represent rural land and business owners, wish to see more homes built by, and rented directly from, landowners, at a discounted rent. To this end, they have proposed that properties built for this tenure should be exempt from inheritance tax as long as they remain 'affordable' (CLA, 2022).

A1.11 Despite the mix of guarantees (designed to assuage the concerns of landowners) and incentives (that might reduce the tendency of landowner to hold out for a higher land price in the future), land cost remains a significant barrier to RES schemes. A major success factor for RES is the willingness of landowners to release land for affordable homes today (at a price closer to agricultural value than full residential development value) rather than holding out for a higher price tomorrow (when a future local plan might allocate their land for full market development) (Gallent and Bell, 2000: 378). Not much has changed since this analysis, except perhaps adjustments to the regulatory environment, with new policies introduced to increase home ownership (such as First Homes, to which we will return below). Often landowners recognise an alignment of interests with communities and housing providers in terms of meeting local need – including housing for agricultural workers, especially where those landowners comprise large estates with a tradition of stewardship that extends to providing homes for estate workers (Gallent et al., 2022). Often, large landowners with experience of managing tied cottages, will opt to remain in control of rented accommodation, even if they have used the services of an RP to build the homes in order to reduce their risk, while at the same time securing a long term income stream for their descendants.

A1.12 Moore (2021: 27) argues that landowners and communities share a common 'place attachment', which is instrumental in the decision to offer land to Community Land Trusts (CLT). It extends the notion of the paternalistic landlord, playing a critical role in long term stewardship.

Community governance and Parish Councils

A1.13 Issues of community and landowner support may be resolved in Parish Councils, which provide a critical interface between landowners and other community interests. Baxter and NMurphy (2018: 23) note how parish councils facilitate affordable housing projects alongside enablers, which are either embedded in local authorities (i.e. generic or rural LA-based enablers) or sit within voluntary networks (i.e. independent enablers). Parish Councils play a critical role in winning local authority support for the principle of RES ahead of actual sites being identified or landowners being approached to release land for community development. Their support is critical in negotiations with landowners and in driving forward the planning process.

A1.14 By operating within a Neighbourhood Planning process, the role of Parish Councils in RES schemes has arguably become more critical (Field and Layard, 2017: 106). Neighbourhood Development Orders – which are now part of the NDP toolkit – can be used to advance permitted development rights for community projects (Sturzaker and Shaw, 2015: 603). We have previously noted that ‘numerous examples of neighbourhood plans framing community-led housing in England’ exist, and ‘those plans [...] can change basic ‘game rules’ [allowing communities] to take charge of aspects of local planning and adapt it to their own particular circumstances’ (Gallent et al., 2022: 130).

Rural housing enablers

A1.15 But although Parish Councils will play a critical role in supporting RES, they may lack a broader awareness of ‘what works’ in relation to these housing projects and may not have a wealth of experience on which to draw. Rural housing enablers have been identified as critical champions of RES, possessing the independence and experience needed to champion projects and act as ‘honest brokers’ between key partners. Yet in recent years, a shortage of rural enablers has been identified as a significant obstacle to RES delivery. Webb et al (2019) report a decline in numbers and increasingly patchy coverage. RES projects may run over several years. Enablers play a critical role in maintaining the momentum of those projects and the enthusiasm of partners. Where enablers are absent, it is left to other partners (key individuals in Parish Councils or RPs) to hold networks together and ensure that projects move forward. This may be easier in

more affluent communities, with a store of social capital and active citizens, than in more deprived or left behind places which lack the requisite networks and capacities. It has been observed that neighbourhood planning is more likely to progress in affluent communities (rich in social capital, transmuted from economic capital), and the same is likely to be true of project enabling in the absence of a public or voluntary sector support for 'external' rural housing enablers.

A1.16 Such external enablers are a critical plank in community support and their absence may go some way towards explaining significant regional variations in community-level project delivery (Brown and Bright, 2018) linked to the facilitation of critical partnerships.

Effective partnerships

A1.17 The strength and nature of partnerships between groups within the community (centred on parish councils) and those external to it, including registered providers are crucial to effective RES delivery. These partnerships come to embody different forms of knowledge: the local, lay and personal knowledge needed to build support for housing projects; and the specialist and technical knowledge needed to effectively interface with planning authorities and critical parties, including sub-contractors, in the development process (McDermott, 2010) and of course potential project funders, including central government ones (Moore, 2018). On the plus side, partnerships between communities and RPs can ensure that planning processes are navigated more smoothly and that funding is secured for actual development. However, the 'activist' objectives of communities versus the 'technical' or 'professional' considerations of experts can be a cause of friction that may derail projects (Jacobs and Manzi, 2020). 'Life-world' and 'system-world' tensions are a recurrent focus for social science (following Habermas), boiled down into the frictions that exist where the raw ambitions of interest groups are circumscribed by system constraints. In relation to RES, it is very important that communication happens early on and expectations are managed.

The policy framework

A1.18 The policy framework can mean the National Planning Policy Framework (NPPF), which has been subject to regular modification, or the way in which national policy is interpreted and implemented by local planning teams within local frameworks. The focus in the next section is on the resources and skills available to planning authorities

as they seek to deliver an effective planning service (effective in terms of the certainty it offers development actors and communities, and its timeliness) and support RES. Many authorities struggle to recruit and retain planning officers, not least because higher pay and better career prospects in the private sector may drain public planning authorities of the capacity and experience needed to deliver an effective service. It is an oft-cited statistic that a quarter of planning authorities in England do not have an adopted local plan and 30 percent of adopted plans are more than 5 years old. Although there may be political impediments to plan adoption, these figures are generally viewed as evidence of under-resourced local planning services in England.

A1.19 Having an adopted and up-to-date plan is important as local plan policies provide critical supports for affordable housing delivery. Local authorities may have thought long and hard about the wording of policies, also ensuring sufficient flexibility in order to promote the greatest supply of affordable homes in the widest range of situations. The same flexibilities are needed from Highways Authorities, to ensure that RES are not hindered by apparently challenging road geometries that might be easily overcome. Policy needs to be supportive, giving a positive push to RES rather than simply listing the barriers that will prevent RES from progressing. But of course, the weight of environmental regulation on development – from net-zero requirements to nutrient neutrality – may weigh on the ability of local partners to bring forward schemes that are value for money and meet critical social objectives.

A1.20 Numerous groups with an interest in the progression of RES schemes have proposed ways to accelerate delivery through policy innovation. We are aware of the proposal to grant RES ‘permission in principle’ once sites have been identified, which would bring cost savings for schemes compliant with the principle, and mean that they would only need to obtain a second-stage technical details consent. The CLA has also proposed national guidelines for managing land price expectations, with the aim of encouraging its members to release sites for RES. On the one hand, it has suggested that the expected premium over agricultural (or current use) value be fixed, to the benefit of development partners and in support of affordability. And on the other, it has argued for the reduction on capital gains tax (CGT) on land sold for a RES.

A1.21 Stability in the policy framework appears to be a wish shared by many different partners. Since its introduction in 2012, the NPPF has been revised on numerous occasions. Government is also fond of setting new general directions for the planning

system. The 2020 Planning White Paper ('Planning for the Future') sought a new approach to development permissioning, more akin to the zonal systems operated in North America and many parts of Europe. Its zoning plans were hugely unpopular with urban-edge voters, causing the government to abandon these reforms and make less radical changes, set out in the Levelling Up and Regeneration Bill, that would nevertheless seek greater consistency in plan making and local policy design – through the adoption of National Development Management Policies and a National Model Design Guide. These adjustments seek greater certainty for the development sector, but are arguably less important for rural areas, and for RES, than changes to the NPPF, which have resulted in the promotion of 'first homes' exceptions that have the potential to disrupt traditional RES objectives in some rural areas.

A1.22 The instability of policy results in uncertainty for all parties in the development process (the exact opposite of government's intended outcome). The prospect of new forms of exceptions may cause landowners to hold out for a better future land price; and then, beyond the planning system, ministerial comments on extending the right to buy may dissuade landowners from participating in exception schemes at all (if they do not understand the special status of homes built on RES). Stability and certainty support a range of development outcomes that are disrupted by the instability and uncertainty rooted in constant policy change.

The funding regime

A1.23 Funding is critical to RES delivery. Grants are available via the Homes England Affordable Housing Programme. Local authorities can also co-fund delivery of RES by using Section 106 contributions (cash in lieu of on-site contributions) from larger market-led development sites, often in towns, to fund development on exception sites. However, the operational geographies of RPs (with access to Homes England funding) in England is patchy. There are 'black-spots' where RPs are not present and will not take on RES. This will act to reduce RES activity, especially in remoter rural areas where there is considerable need for additional sources of affordable housing, but where sites can be difficult to deliver and where critical viability issues may arise.

A1.24 There are other ways to deliver affordable homes in the absence of RPs. Community-led housing, often via CLTs, may be able to bridge this gap but their activities are circumscribed by more limited development expertise and by past limits on the use of the Community Housing Fund. Local authorities can also take the lead, but

schemes spearheaded by arms-length local development/housing companies have tended to be located in larger towns and have sought economies of scale that facilitate the cross-subsidy of affordable homes with market development. The Park Lanneves scheme in Bodmin, for example, taken forward by a company wholly-owned by Cornwall Council, comprised 60 homes for private rental, 9 for shared ownership, and 10 for private sale – collectively subsidising 21 social rented homes (Gallent et al., 2022: 196).

A1.25 The role of RPs in securing funding for RES goes beyond the access they have to Homes England grants. They have the expertise needed to broker deals with landowners, sometimes building homes for use by a landowner's workers or family members as a form of participation incentive. They may have extensive portfolios of rented properties and can therefore take on loans at commercial rates (on the strength of their collateral and rental income) in support of new development projects. RPs have considerable commercial development expertise and will, depending on the local policy context, become involved in building homes for sale as a source of cross subsidy for social rented units. While there are mixed views as to the appropriateness of using market housing to enable the delivery of affordable homes on RES, clearer government guidelines on the extent and forms of permissible cross-subsidy would be welcomed in some quarters. Webb et al, 2019, for example, suggest that certain forms of specialist market housing might be more acceptable on RES. These could include 'downsizer' homes for retiring households that wish to release larger homes for families but remain in a community; or private co-housing suited to particular needs and aspirations.

Build costs

A1.26 Land costs and potential inadequacies in the funding regime for RES are joined by general build costs as another barrier to affordable housing delivery on RES. Small housing schemes do not achieve the economies of scale associated with larger projects. Fewer builders and contractors operating in rural areas may act to reduce competition and drive up cost, especially if material and labour has to be brought in from further afield (Satsangi et al, 2010). Once land prices are added in, the differential between urban and rural housing prices grows. If London is excluded, house prices (and underlying land prices) are between 26% (LGA, 2017) and 37% (Baxter and Murphy, 2018) higher in rural than in urban areas. Higher development costs reduce what is attainable from Section 106 agreements on larger housing sites, as the viability of

carrying larger planning gains is diminished. Those costs are currently rising rapidly. The Covid-19 pandemic is known to have caused some decentralisation of housing choices in England: the search for additional space and changing working patterns have resulted in a portion of urban families relocating to smaller towns and villages. This has driven up house and land prices. Then, during the tail-end of the pandemic, various global disruptions to supply chains have triggered an inflationary cycle that central banks are trying to get to grips with by raising interest rates. Labour, material and finance costs are being pushed up in this inflationary environment, causing rapid rises in procurement costs for social and market housing providers. As well as creating a hostile environment for residential development in general, these pressures have a disproportionate impact on small sites, including RES, that are not able to capture economies of scale.

First homes exceptions

A1.27 An emerging issue, which could further disrupt the delivery of affordable homes on RES is government's 'first homes exceptions' mechanism now set out in NPPF. First Homes Exceptions, led by landowners and their development partners, can provide discounted sale homes, targeted at first-time buyers, on exceptions sites in rural areas that are not 'designated' under Section 157 of the Housing Act 1985 (so excluding National Parks and AONBs, for example). Fewer than 40% of all rural parishes in England are designated, meaning that traditional RES, focused on delivering social rented housing, could be undermined by the land price expectation associated with discount-sale RES (i.e. first homes) in nearly two-thirds of rural England.

A1.28 Work by Lavis for the Rural Services Network (Lavis, 2022) suggests that first homes may not be affordable to key target groups in many rural areas (proposed discount levels would not be affordable given local wage levels); the policy will drive down the supply of affordable rented housing that communities need; and government should carefully monitor the impact of first homes exceptions on RES. RES support affordable housing delivery by establishing a new 'best use' for land short of full market development. Where first homes exceptions are permitted, discounted market sale will be the new best use, meaning that social rented housing will not be viable because of rising land price expectation. Government claims that RES sites are difficult to 'unlock' because of the requirement for community support and finding a landowner who is willing to sell land at a price closer to agricultural value than full residential value, and who is not distracted by the prospect of achieving a higher land price at a future date.

'Unlocking' happens, in government's reckoning, only where land price moves closer to full development value and where the onus on evidencing (a specific kind of) need is removed. In other words, private (landowning and development) interests, rather than community interests need to be in the driving seat.

The resourcing of local planning

A1.29 We now turn to the second focus of this review: resourcing the planning function in local authorities in England, in support of RES delivery.

The general state of (public) planning resourcing

A1.30 A study by the RTPI in 2019 showed that across 335 planning authorities, investment in the local planning service had fallen by 42% in real terms in the previous decade (Kenny, 2019). The study went on to argue that planning was underperforming against its huge potential: investment in the planning service would enable authorities to capture the value of land development more effectively, thereby supporting the delivery of infrastructure and affordable homes and reducing government expenditure in areas such as housing benefit. It argued that growth, per se, can benefit society at large if public services are fit for purpose and can facilitate development in such a way as to maximise public benefit. Without a good planning service, such benefits are lost and the overall quality of development diminished. Planning therefore enters a spiral of decline, being denigrated for the poor service and the poor outcomes which should in fact be attributed to under-resourcing.

A1.31 Against this backdrop of spending cuts, local planning services have tended to retrench into those statutory obligations, such as everyday development management, that bring in direct fees. Strategic functions are neglected, hence the gap in local plan production noted above (i.e. a quarter of authorities have no plan and, where plans are in place, a third are more than 5 years old). It is these strategic functions that frame RES policies, ensuring that those policies are evidenced, sufficiently clear, flexible, and up-to-date, and therefore provide local partners with the support needed to deliver affordable homes 'off plan'.

A1.32 The RTPI study quantified the national shortfall in funding. It calculated that an additional £442 million needed to be spent on staffing and key activities (including

working with partners on identifying the best sites for housing development, and promoting active place-making to ensure the level of housing and place quality needed to build public support for development) in support of government's (then) target of facilitating the delivery of 300,000 homes in England each year.

A1.33 The RTPI is a professional membership body that exists to advance the art and science of town planning, and advocate the interests of public planning. Many of its members work in the private sector, often having moved from public practice. However, its priority is building capacity within local government ('planning as a public service') rather than advocating for the expansion of broader cross-sector capacity, which might alleviate pressure on local authorities.

Wider capacity issues

A1.34 There has been some focus on plugging the resource gap in rural areas. Declining planning capacity in the local authority sector might be compensated by the creation of regional rural planning hubs (Baxter and Murphy, 2018) that pool expertise and capacity and provide a support service for local authorities. It has also been suggested that rural housing enablers have a critical role to play in adding capacity to beleaguered planning authorities, although these are not immune from underfunding. Webb et al (2019) have drawn attention to their dwindling numbers in Wales and similar cuts in England have reduced the capacity of local authorities and voluntary networks, i.e. ACRE, to provide an enabling service.

Impacts

A1.35 How planning resourcing affects rural housing delivery is an under-researched area. Logic suggests that planning authorities will be inclined to focus resources on the biggest sources of planning fees and planning gains, therefore prioritising larger strategic projects at the expense of smaller schemes. The CLA has noted a tendency to refocus on projects in larger settlements: it is claimed that these are more sustainable, although housing market pressures appear to be shifting to smaller settlements post-pandemic, suggesting that more effort might be expended on supporting the delivery of new housing in such locations. Whether planning resourcing is a factor in limiting the rural focus is not clear (CLA, 2022).

A1.36 What is much more clear is the impact that resourcing is having on public sector

workloads and morale. A recent survey by RTPI Cymru focused on the wellbeing of planners in Wales (which is likely to mirror the situation in England given the similar level of recent resource cuts) reported that 21% of planners feel 'stretched all of the time', with a higher proportion noting unmanageable workloads 'some of the time'. High post vacancy rates across local authorities saw some planners fulfilling non-planning functions. A potential to work more smartly using digital technologies was being hampered by a lack of investment in training and in essential digital resources. The upshot was that the planning service suffered, applications could not be turned around in required timeframes (RTPI, 2023), and planning officers faced frustration and abuse from service users – particularly from members of the public. The evidence of stress in the planning service has been building over recent years (see also RTPI, 2018) but seems now to be coming to a head. There was significant frustration at the RTPI General Assembly, where the RTPI Cymru survey was first reported in January 2023, with many members attributing the abuse targeted at planners not only to underfunding but also to the denigration of planners and planning by the UK government over several years.

A1.37 It is claimed, in some quarters, that 'low morale' in the planning profession, and particularly in local authorities, is a consequence of austerity and government's neo-liberal market logic. That neo-liberal logic, it is argued, lays blame for England's broader housing crisis at the door of planners, who are painted as 'bureaucrats' acting to limit the market's capacity to deliver the new homes that the country needs. An alternate view is that planning exists to facilitate the conversations, between critical partners, and the investments, including in key infrastructure, needed to enable development. Research has revealed that social and private housing providers regularly agree on the critical importance of a well-resourced planning service in supporting development, upholding the public interest, and helping deliver more equitable and sustainable development outcomes (Gallent et al, 2019).

A1.38 However, where planning is asked to do more – including navigating increasing layers of environmental regulation, relating to net-zero or nutrient neutrality for example – resource tensions become even more pressing. This appears to be the situation in England: a hard-pressed planning service being asked to do more with less, with implications for both the general service and for RES, which are investigated at the survey stage of this project.

workloads and morale. A recent survey by RTPI Cymru focused on the wellbeing of planners in Wales (which is likely to mirror the situation in England given the similar level of recent resource cuts) reported that 21% of planners feel 'stretched all of the time', with a higher proportion noting unmanageable workloads 'some of the time'. High post vacancy rates across local authorities saw some planners fulfilling non-planning functions. A potential to work more smartly using digital technologies was being hampered by a lack of investment in training and in essential digital resources. The upshot was that the planning service suffered, applications could not be turned around in required timeframes (RTPI, 2023), and planning officers faced frustration and abuse from service users – particularly from members of the public. The evidence of stress in the planning service has been building over recent years (see also RTPI, 2018) but seems now to be coming to a head. There was significant frustration at the RTPI General Assembly, where the RTPI Cymru survey was first reported in January 2023, with many members attributing the abuse targeted at planners not only to underfunding but also to the denigration of planners and planning by the UK government over several years.

A1.37 It is claimed, in some quarters, that 'low morale' in the planning profession, and particularly in local authorities, is a consequence of austerity and government's neo-liberal market logic. That neo-liberal logic, it is argued, lays blame for England's broader housing crisis at the door of planners, who are painted as 'bureaucrats' acting to limit the market's capacity to deliver the new homes that the country needs. An alternate view is that planning exists to facilitate the conversations, between critical partners, and the investments, including in key infrastructure, needed to enable development. Research has revealed that social and private housing providers regularly agree on the critical importance of a well-resourced planning service in supporting development, upholding the public interest, and helping deliver more equitable and sustainable development outcomes (Gallent et al, 2019).

A1.38 However, where planning is asked to do more – including navigating increasing layers of environmental regulation, relating to net-zero or nutrient neutrality for example – resource tensions become even more pressing. This appears to be the situation in England: a hard-pressed planning service being asked to do more with less, with implications for both the general service and for RES, which are investigated at the survey stage of this project.

Summary

A1.39 Conversations with Steering Group members have highlighted the factors that support or stall RES schemes. They have also drawn attention to the nature of the resource constraints affecting local planning authorities, the impacts of those constraints, and potential mitigations. This review of available literature and recent studies, which has inevitably omitted some works, adds further insights into the issues being investigated in this research. The factors affecting the progression of RES schemes, flagged in the literature, are tabulated below. Literature on planning resourcing has tended to focus on the funding crisis afflicting local authorities. It calls for further investment in planning rather than showcasing the ways that authorities might live with austerity, through sharing resources, subcontracting, or relying on other actors to voluntarily support the planning function. Because much of the work on resourcing has been undertaken by the RTPI, there is a significant focus on defending the profession and securing additional money. This project will explore mitigation strategies at the survey stage.

Table A1: Factors including resourcing affecting RES, from literature

Community engagement and support	Getting the community on board by winning the argument that affordable housing is key to economic and community vitality is a prerequisite for RES success
Land cost	Rising land costs (and landowner expectations) are a barrier to RES, but working with landowners to secure land at the right price is critical to success
Community governance and parish councils	Governance structures, and particularly parish councils, bring together critical interests. This is where the case for affordable housing is won, and where landowners interface with communities
Rural housing enablers	Success can hinge on the work of housing enablers, their store of knowledge and experience, and their capacity to be honest brokers and maintain the momentum of RES projects
Effective partnerships	Partners have different motivations and roles in the RES process. The ambition of community activism can grate against normative systems, of planning and finance. Effective partnerships are supportive of different interests and manage expectations

<p>The policy framework</p>	<p>The policy framework extends from national policy to local plans. The former need to be stable and give certainty to local projects. Plans need to have clear but flexible policies that support RES in different situations</p>
<p>The funding regime</p>	<p>Access to funding is critical to RES success. This frequently means accessing Homes England grants. RPs have a critical role to play in securing funding and finance for RES, through their access to grants and through their ability to secure loans. Local authorities are also key funders, using a mix of borrowing, Section 106 revenues, and capital receipts.</p>
<p>Build costs</p>	<p>Build costs can undermine the 'value for money' (and viability) that RPs seek from RES schemes. The current inflationary environment is particularly challenging for small schemes, which are unable to capture economies of scale. Development in rural areas is more costly than building in towns and cities</p>
<p>First homes exceptions</p>	<p>RES work by securing land at a price that will support the affordability of homes built. Land price is determined by best permissible use. If 'first homes' become best permissible use, RPs and their partners will struggle to access land at a price that supports the delivery of rented homes</p>
<p>Resourcing for local planning services</p>	<p>A quarter of planning authorities in England have no local plan and a third of plans that are in place are out of date. Central funding to planning has dropped by more than 40%. Planning teams are afflicted by high workloads and low morale. This is impacting the strategic functions of authorities, including plan making, and leading to longer turnaround times for applications. Resource cuts have been concomitant with the laying of new duties on planning authorities.</p>

Literature References

- Barlow, J. and Chambers, D. (1992). 'Planning agreements and affordable housing provision'. University of Sussex, Centre for Urban Regional Research.
- Baxter, D. and Murphy, L. (2018). 'A New Rural Settlement. Fixing the affordable housing crisis in rural England'. IPPR.
- Best, R. and Shucksmith, M. (2006). 'Homes for rural communities'. Joseph Rowntree Foundation.
- Beswick, J., McCann, D. and Wheatley, H. (2019). 'Building the Social Homes we need'. New Economics Foundation.
- Brown, T. and Bright, J. (2018). 'Innovation in Council House Building'.
- CLA. (2022). 'Sustainable Communities: The Role of Housing in Strengthening the Rural Economy'. CLA.
- Field, M. and Layard, A. (2017). 'Locating community-led housing within neighbourhood plans as a response to England's housing needs'. *Public Money and Management*, 37 (2), pp. 105–12.
- Harris, N. (2021). 'The exception to the rule': exploring the exception and the exceptional in planning policy. *Town Planning Review*, 92(5), 517-536.
- Gallent, N. and Bell, P. (2000). 'Planning exceptions in rural England: past, present and future'. *Planning Practice & Research*, (4), pp. 375–84.
- Gallent, N., De Magalhaes, C., Freire Trigo, S., Scanlon, K. and Whitehead, C. (2019). Can 'permission in principle' for new housing in England increase certainty, reduce 'planning risk', and accelerate housing supply?. *Planning Theory & Practice*, 20(5), 673-688.
- Gallent, N., Hamiduddin, I., Stirling, P. and Wu, M. (2022). *Village housing: constraints and opportunities in rural England*. 1st edn. London: UCL Press.
- Gkartzios, M., Gallent, N. and Scott, M. (2022). *Rural Places and Planning: The case of agricultural dwellings*. Bristol: Policy Press.
- Jacobs, K. and Manzi, T. (2020). 'Neoliberalism as entrepreneurial governmentality: contradictions and dissonance within contemporary English housing associations'. *Housing Studies*, 35 (4), pp. 573–588. doi: 10.1080/02673037.2019.1617411.
- Kenny, T. (2019). 'Resourcing Public Planning'. RTPi.
- Lavis, J. (2022). 'Local Authority Experience implementing First Home requirements'. Rural Services Network. Available at: <https://rsnonline.org.uk/images/first-homes-report-december-2021.pdf>.
- Lavis, J., McLarty, J. and Beedel, J. (2017). 'Rural Affordable Housing on Rural Exception Sites. A hands on guide for landowners'. Strutt & Parker.

- LGA. (2017). 'Health and Wellbeing in Rural areas'. Local Government Association.
- McDermott, M. (2010). *Governing Independence and Expertise: The Business of Housing Associations*. London: Hart.
- Moore, T. (2018). 'Replication through partnership: the evolution of partnerships between community land trusts and housing associations in England'. *International Journal of Housing Policy*, 18 (1), pp. 82–102. doi: 10.1080/14616718.2016.1198084.
- Moore, T. (2021). 'Planning for place: place attachment and the founding of rural community and community land trusts'. *Journal of Rural Studies*, 83 (April), pp. 21–9.
- Murphy, L. (2018). 'The invisible land: The hidden force driving the UK's unequal economy and broken housing market.' IPPR.
- RHA. (2021). 'Parish Councillors Guide to Rural Affordable Housing'. Rural Housing Alliance.
- RTPI. (2018). 'Investing in Delivery: The state of resourcing of planning departments in the South East and North West of England'. RTPI.
- RTPI. (2023). 'The Big Conversation: The well-being of planners and the impact of the planning system in Wales'. RTPI.
- Satsangi, M., Gallent, N. and Bevan, M. (2010). *The Rural Housing Questions: Communities and Planning in Britain's Countrysides*, Policy Press: Bristol
- Sturzaker, J. (2010). The exercise of power to limit the development of new housing in the English countryside. *Environment and planning A*, 42(4), 1001-1016.
- Sturzaker, J. and Shaw, D. (2015). 'Localism in Practice: lessons from a pioneer neighbourhood plan in England'. *Town Planning Review*, 86 (5), pp. 587–609.
- Webb, B., Harris, N. and Smith, R. (2019). 'Rural Housing Delivery in Wales: How effective is rural exception site policy'. RTPI Cymru: Cardiff

Appendix 2: Questions for interviews with Steering Group members

1:1 Steering Group Conversations – Briefing Note

The purpose of these meetings with Steering Group members is to establish a knowledge base-line, drawing on insights from within the group.

The project asks one general question

A) What underpins success in the delivery of RES?

This one general question is unpacked into three more specific questions:

B) How does LA resourcing of the planning function affect the success of RES?

C) How can LAs mitigate resource shortcomings through local working practices and innovations?

D) Besides planning resourcing, what other factors/practices/policies underpin successful RES schemes?

The research we are undertaking to answer these questions comprises:

A) A review of existing published research

B) Baseline conversations with Steering Group members

C) Collation of publicly available data for rural planning authorities, on RES delivery and planning performance for last 5 years

D) Survey of rural planning authorities, requesting self-assessment of nature of resource constraints, impacts of constraints (for broader planning function and for RES or small rural site delivery), and mitigation strategies

E) Case studies of 6 rural authorities with strong track-records of RES delivery

Themes to be explored in 1:1 Steering Group member conversations, which are general in their scope

A) What has to 'go right' for a RES to be successful? (e.g. evidence of need; community support/effective community liaison; enabling; willing landowner; RP partner; clear and

proactive planning policy; stamina among key partners; trust; etc.)

B) What 'goes wrong' where a RES fails or where a RES is not feasible?

C) What resource constraints are faced by rural planning authorities?

D) What impacts do these have, on the planning service or housing delivery in general, or on RES more specifically?

E) How are rural authorities mitigating those constraints?

Appendix 3: Survey Questionnaire

Research on the impact of planning resourcing on the delivery of rural housing projects

Researchers based at University College London have been commissioned by the Rural Housing Network to assess the impacts of local planning authority resource constraints on the delivery of smaller rural housing projects.

We are undertaking an on-line survey of senior or lead planning officers, from which we are seeking 'self-assessments' of the following three issues:

1. The nature and severity of resource constraints – with resources defined as the workforce and skills needed to delivery against core planning duties;
2. The impacts resource constraints on the planning service, and on rural projects in particular;
3. How constraints are being mitigated, or options for future mitigation.

Most of the questions require tick-box responses. There are also opportunities to explain or expand upon responses.

The survey will aggregate responses to questions and no individual local planning authorities will be identified. All responses will be treated as confidential.

1. Do you consent to completing this survey? The Participant Information Sheet for this Survey has been attached to the email invitation to complete this survey. *

Yes / No

2. What is your role/job title? Please indicate any areas of previous experience, if not covered by your current position. *

3. Which local authority do you work for? * Enter your answer

4. For how many years have you worked in this local planning authority? (number) *

5. For how many years have you worked in the planning sector, in either the public or

private sectors, in total? (numerical response) *

6. How many team members work in your planning department, in all grades and functional roles (DM, policy, Local Plan etc.)? (numerical response). *

7. How many posts are currently vacant and waiting to be filled? (numerical response) *

8. Further comments concerning staffing levels:

Part 1: The nature and severity of resource constraints

9. Please rate your level of agreement with the statement (if you feel the question is not relevant to you, please ignore the question): This local planning authority has the resources (workforce and skills) it needs to fulfil **all statutory duties** within required timescales (including, but not limited to: maintaining an updated Local Plan, turning around major and non-major applications, pursuing timely enforcement action)

10. This local planning authority has the resources (workforce and skills) it needs to **engage informally with communities and development partners** (including, but not limited to: engaging with informal enquiries, engaging in pre-app discussion, informal partnership working) (Rate 1-5, or ignore)

11. Please add any further comments in respect of questions 9 & 10, as you feel are appropriate including any reference to particular departments and functions within the Planning Authority, or with external development partners.

12. In your opinion, to what degree of pressure are Planning Officers working under (Rate 1-5, or ignore)

13. Staff turnover has increased over the last five years (Rate 1-5, or ignore)

14. Morale amongst planning officers in this local planning authority is good (Rate 1-5, or ignore)

15. The local planning authority struggles to recruit new planning officers (Rate 1-5, or ignore)

16. It is difficult to retain experienced planning officers (Rate 1-5, or ignore)

17. The planning team possesses the full range of experience needed to deliver an effective planning service (Rate 1-5, or ignore)

18. Please indicate what areas of experience your department is lacking (if any)

19. The planning team possesses the full range of expertise needed to deliver an effective planning service (Rate 1-5, or ignore)

20. Please indicate what areas of expertise your department is lacking (if any)

21. A widening list of duties and responsibilities is increasing the pressure on planning teams (Rate 1-5, or ignore)

22. Please explain your response to question 21

23. Higher levels of home-working since the Covid-19 pandemic has increased efficiency

within the planning service in this local authority (Rate 1-5, or ignore)

24. Please explain your response to question 23

Part 2: The impacts of resource constraints (General Service Impacts)

25. Please rate your level of agreement with the following prepared statements (if you feel the question is not relevant to you, please ignore the question): The planning service in this LPA has the necessary resource to deliver services at the quality and/or speed expected of it. (Rate 1- 5, or ignore)

26. The local planning authority turns around all applications within statutory time limits (Rate 1-5, or ignore)

27. The local planning authority often needs to agree time extensions for application turn-around (Rate 1-5, or ignore)

28. The local planning authority has the resources it needs to build the evidence base for its Local Plan (Rate 1-5, or ignore)

29. The local planning authority has the resources it needs to update its Local Plan when necessary (Rate 1-5, or ignore)

30. The local planning authority has the technical skills needed to deal with responsibilities around net-zero, nutrient neutrality, etc. (Rate 1-5, or ignore)

31. Please add any additional comments

Part 3: The Impacts of resource constraints: (Rural Housing Impacts)

32. Do you have a RES policy that is less than 5 years old? Yes /No

33. On average how many RES scheme proposals (not planning applications) are you involved with per annum?

34. The local planning authority has the resources it needs to work with partners on developing the evidence required to support rural housing projects, including on Rural Exception Sites (Rate 1-5, or ignore)

35. The local planning authority has the resources it needs to engage informally (before pre-app) with Registered Providers on the potential of small housing sites (Rate 1-5, or ignore)

36. There is a tendency for our authority to focus on strategic priorities, including larger housing sites due to resource constraints (Rate 1-5, or ignore)

37. The local planning authority provides consistent, long term support to the delivery of RES, as can be demonstrated by the level of delivery in our area over the last ten years (Rate 1-5, or ignore)

38. The local planning authority is able to work effectively with key external partners on Rural Exception Sites, such as landowners (Rate 1-5, or ignore).

39. Communities (question as above)

40. And Registered Providers (question as above)

41. The local authority planning department is able to work effectively with other internal departments, and key external partners on Rural Exception Sites, including the Highways Agency and Environment Agency (if applicable) (Rate 1-5, or ignore).

42. Please add any additional comments

Part 3: Mitigation of resource constraints

43. Do you work with a Rural Housing Enabler: Yes - Internal Yes - External No

44/ Please rate your level of agreement with the following prepared statements (if you feel the question is not relevant to you, (not working with a rural housing enabler) please ignore the question): Directing resources to Rural Housing Enablers (RHE), within or out- with the local authority, is an effective means of supporting rural housing delivery.

45. Do you outsource any planning services? If so, which services. If not, please state no...

46. Outsourcing planning services to consultants improves service delivery (Rate 1-5, or ignore) 47. Outsourcing planning services to consultants is cost efficient (Rate 1-5, or ignore)

48. Local planning authority capacity can be enhanced through centrally-provided training (Rate 1-5, or ignore)

49. If you agree with the last question, what sort of training would you recommend?

50. Local planning authority capacity can be enhanced through the systematic sharing of best practice (Rate 1-5, or ignore)

51. The informal (ad hoc and occasional) sharing of staff between local planning authorities is an effective means of mitigating resource constraints (Rate 1-5, or ignore)

52. If you agree with the last question, what skills are being shared? Which skills are most useful or relevant to rural delivery. Please add your comments whether this is ad hoc or formal (the next question refers).

53. The formal sharing of staff, via 'shared service' arrangements, between planning authorities is an effective means of mitigating resource constraints

54. Regular changes to the national planning system may accentuate the challenges centred on local planning resourcing (Rate 1-5, or ignore)

55. The recruitment of junior staff on degree apprenticeships could help rebuild local planning resources (Rate 1-5, or ignore)

56. Local planning authorities are able to mitigate the impacts of centrally-imposed resource constraints by changing their working practices, partnering with others, and

making less go further (Rate 1-5, or ignore)

57. Please indicate if your authority has engaged in any of the following mitigations (tick all that apply).

- *Engagement of an in-house rural housing enabler*
- *Engagement with an external rural housing enabler*
- *Outsourcing planning services to an external consultant/provider Sharing best practice between local authorities*
- *Informal sharing of staff*
- *Formal 'shared service' arrangement*
- *Supporting junior planning staff on degree apprenticeships*

58. Please specify 'other' mitigations from question 57 (if any)

59. What are the immediate resourcing priorities (e.g. staffing or skills/capabilities) for this local planning authority)?

60. What are the resourcing priorities (e.g. staffing or skills / capabilities) for this local planning authority over the next 5 to 10 years?

61. We welcome any general comments you have on the nature of resource constraints affecting local planning authorities, their impacts, and their potential mitigations

Appendix 4: Corporate level questions

Policy Level (corporate approach to RES) – Questions

The UCL team will be conducting interviews with 5 individuals or organizations for this case study. Some interviews are at the 'Policy Level', exploring an area's corporate approach to RES, and others are at a 'Project Level', seeking to understand the impact that the area's approach has on how affordable housing on RES is delivered.

1. For how long has [name authority] been delivering affordable homes on RES? LA returns show that [n] affordable homes were delivered on RES in last five years. Across how many sites did that delivery occur?

2. What are the **strategic features** of the approach towards RES taken in [name authority]? (Prompt on the aspects listed below).

- *Political and/or corporate emphasis on rural housing;*
- *Approach to evidence gathering (e.g. who leads and authority involvement);*
- *Approach to site search and selection (e.g. whether strategic);*
- *Approach to cross-subsidy (prompt on the balance of tenures achieved and proportion of social rented / prompt on land price policies linked to cross-subsidy / prompt on grant funding from different sources);*

- *Approach to supporting and working with rural housing enablers;*
- *Approach to other strategic partnerships (prompt on presence of 'Rural Housing Partnerships'/'RHE Steering groups' – their membership and effectiveness)*
- *Other policy or practice innovations*

3. What **impediments or challenges**, if any, have you encountered in the delivery of affordable homes on RES?

4. How have these been overcome?

5. Does [name authority] have the **resources** needed to facilitate RES and work effectively with partners?

6. In terms of delivering RES, what has **worked well** in [name authority]? What lessons would you highlight for other parts of the country?

7. How do you see your approach to RES **evolving** in the future (and to what extent do you see CLTs being part of your success)?

8. Is there anything else that the local authority is doing to support the delivery of affordable housing?

9. Do you foresee any **risks on the horizon**, or any difficulties (arising from changing policy or other contextual factors), that may impact on the delivery of affordable homes in RES?

Appendix 5: Project level questions

Project Level – Questions

The UCL team will be conducting interviews with 5 individuals or organizations for this case study. Some interviews are at the 'Policy Level', exploring an area's corporate approach to RES, and others are at a 'Project Level', seeking to understand the impact that the area's approach has on how affordable housing on RES is delivered.

[Team note: prompts derive from baselining stage and the Policy Level interviews for this case study/seek basic information on number and mix of homes in advance]

1. Please tell us about the origins and inception of this project? How did it come about? Who were the key leaders / stakeholders?
2. Please reflect briefly on these stages/factors affecting RES? What involvement did local authority officers have in these stages, where applicable? Were any of the stages problematic? If they were, how did you address them?

- Evidencing the need for affordable homes;
- Building community support (was this centred on the Parish Council?);
- Partnering with landowners (including offering incentives), identifying sites, and accessing affordable land (prompt on land price);
- Building costs and procurement;
- Working with a Rural Housing Enabler;
- Maintaining momentum and enthusiasm (who took responsibility for this?);
- Finding a Registered Provider and accessing grant support, if applicable;
- Working with the planning team (clarity of policy and consistency of support, including at the pre-app stage);
- Support from the planning team (their capacity to dedicate time to the RES).

1. Policy level interviews drew attention to the importance of the following when delivering RES in [name authority] [Highlight those of the following that apply **BEFORE** project-level interview]

2. Policy level interviews drew attention to the importance of the following when delivering RES in [name authority] [Highlight those of the following that apply BEFORE project-level interview]

- Political and/or corporate emphasis on rural housing;
- Special approach to evidence gathering;
- Special approach to site search and selection;
- Special approach to cross-subsidy;
- Special approach to working with RPs;
- Special approach to supporting and working with rural housing enablers;
- Special Approach to other strategic partnerships, e.g. 'Rural Housing Partnerships'/'RHE Steering groups'
- Support for and role of CLTs;
- Other policy or practice innovations

Please describe the significance of this / these to the delivery of affordable housing during this project.

3. What was the key learning from this project: practices that should be repeated in future projects or mainstreamed to other jurisdictions?

Appendix 6: Case Study Interviews Conducted

Case Study	Policy Level Interviews	Project Level Interviews
Cornwall	Planning Policy Manager; interviewed 19 August 2023	Senior Project Lead, Market Garden, Veryan; interviewed 22 June 2023
	Principal Rural Housing Enabler & Affordable Housing Manager; interviewed 8 June 2023	Former co-leader, Cornwall County Council / Ward Councillor, Veryan; interviewed 11 June 2023
	Principal Housing Strategy Officer; interviewed 18 June 2023	Tenant Relations and Allocations Manager; interviewed 2 August 2023
Shropshire	Housing Enabling Officer 1; interviewed 24 May 2023	Housing Association (SRHA) CEO; interviewed 9 August 2023
	Housing Enabling Officer 2; interviewed 1 June 2023	
Derbyshire Dales	DM Policy Manager; interviewed 19 May 2023	Taddington Parish Councillor / NPA Member; interviewed 6 June 2023
	Housing Manager; interviewed 22 May 2023	PDRHA Board Member / former NPA Policy Officer; interview conducted 26 June 2023
	Peak District NPA Officer; interviewed 5 June 2023	
Winchester	Head of Planning; interviewed 9 June 2023	Developer, RES; interviewed 11 August 2023
	New Homes Strategy and Development Manager; interviewed 23 May 2023	Housing Development Officer; interviewed 19 May 2023
North Norfolk	Planning Team Leader & Community Housing Enabler; interviewed 9 June 2023	Development Director, Broadland Housing Association; interviewed 11 June 2023
	Housing Strategy & Delivery Manager Development Manager; interviewed 7 June 2023	Planning Consultant (led application for 5 linked projects); interview conducted 21 July 2023
		Parish Council Chair; interviewed 19 July 2023

North Yorkshire	Planning Leads at East Ryding (2); interviewed 21 June 2023	NA
	Housing Strategy Manager (YNYER); interviewed 3 July 2023	NA
	RHE at East Ryding; interviewed 12 June 2023	NA
	Yorkshire Dales NPA, lead officer; interviewed 20 June 2023	NA
	North Yorkshire Moors NPA, lead officer; interviewed 22 June 2023	NA