

Valuing the Village

How Social Landlords Support the Rural Economy and Communities

Kevin Gulliver and Dawn Prentice

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Introduction



Nicola Inchbald, Chair,
Matrix Housing Partnership
& Rooftop Housing Group

This is a summary of a major research project undertaken in 2014/15 by the Matrix Housing Partnership and the Human City Institute. The summary covers the key findings from the research. The full report, including how the Matrix Housing Partnership may become an even more effective partner of the rural economy and communities than presently, will be released shortly. This summary provides an overview of the research, which explored how social landlords like the Rooftop Housing Group and Trent & Dove, the Matrix partners who operate respectively in Gloucestershire and Worcestershire, and Staffordshire, play a vital role in rural communities and economies. The Accord Group and the Trident Social Investment Group, two of our other Matrix partners, also provide housing and services in rural communities; especially in Derbyshire.

We decided to call the research 'Valuing the Village' with 'valuing' here used in two senses: appreciating the contribution of the village to economic and community life and measuring that contribution. The research centred upon two case study villages – Bredon in Worcestershire and Tutbury in Staffordshire. The views of local stakeholders, focus groups with Rooftop and Trent & Dove residents, interviews with board members and staff were all welded to wider mapping of economic and social indicators to paint a comprehensive picture of the value of the village in England.

While the research has flagged-up challenges to social landlords operating in rural communities, it also paints a picture of a vibrant countryside and village life brimming with potential, where the key assets are people as well as place. Residents clearly value village life highly. There is evidence of long-established family networks and resident-focussed community facilities – some of which are provided or supported by social landlords like Rooftop and Trent & Dove – are robust although increasingly under pressure as local council services retrench under pressure from austerity.

Challenges that face us include worsening housing affordability, economic vulnerability, stalled social mobility, disproportionate digital exclusion, environmental challenges, rising fuel poverty, lower grade transport links than we would like, and threats to the countryside and greenbelt from urban sprawl. Yet solutions should remain, the research concludes, in the hands of rural communities but with the active support of social landlords, which can help enable different age, employment and income cohorts to continue living together. In other words, to sustain mixed communities.

The research concludes that social landlords, like those which constitute the Matrix Housing Partnership, are some of the most dynamic agencies for economic improvement and community development that exist in rural communities. We value village life and local people who are at the heart of villages. It is these people who will be the bedrock on which social landlords, together with their local authority partners, the private and third sectors, need to build in future. As this summary confirms, the Matrix Housing Partnership commits to 'valuing the village' long into the future.

MA Inchbald

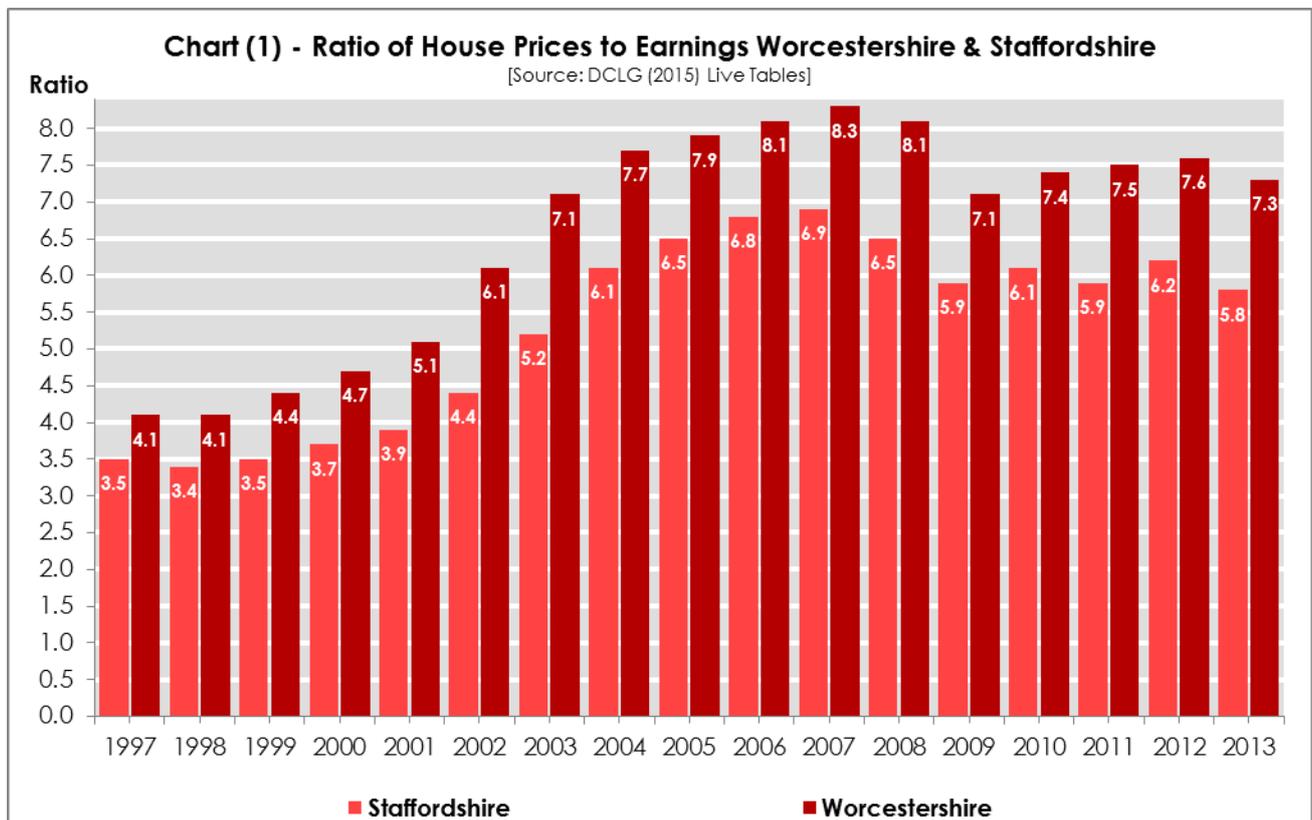
Rural People

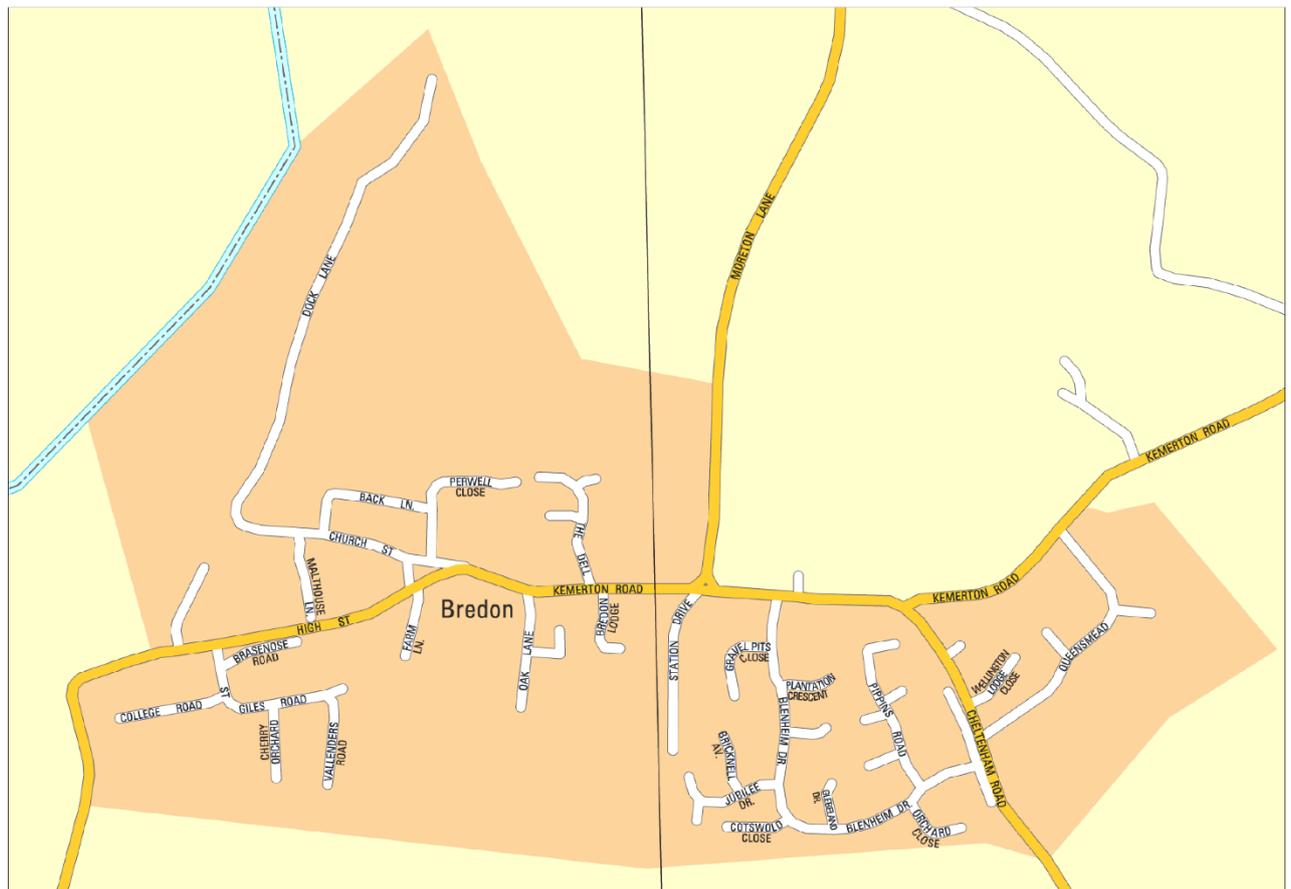
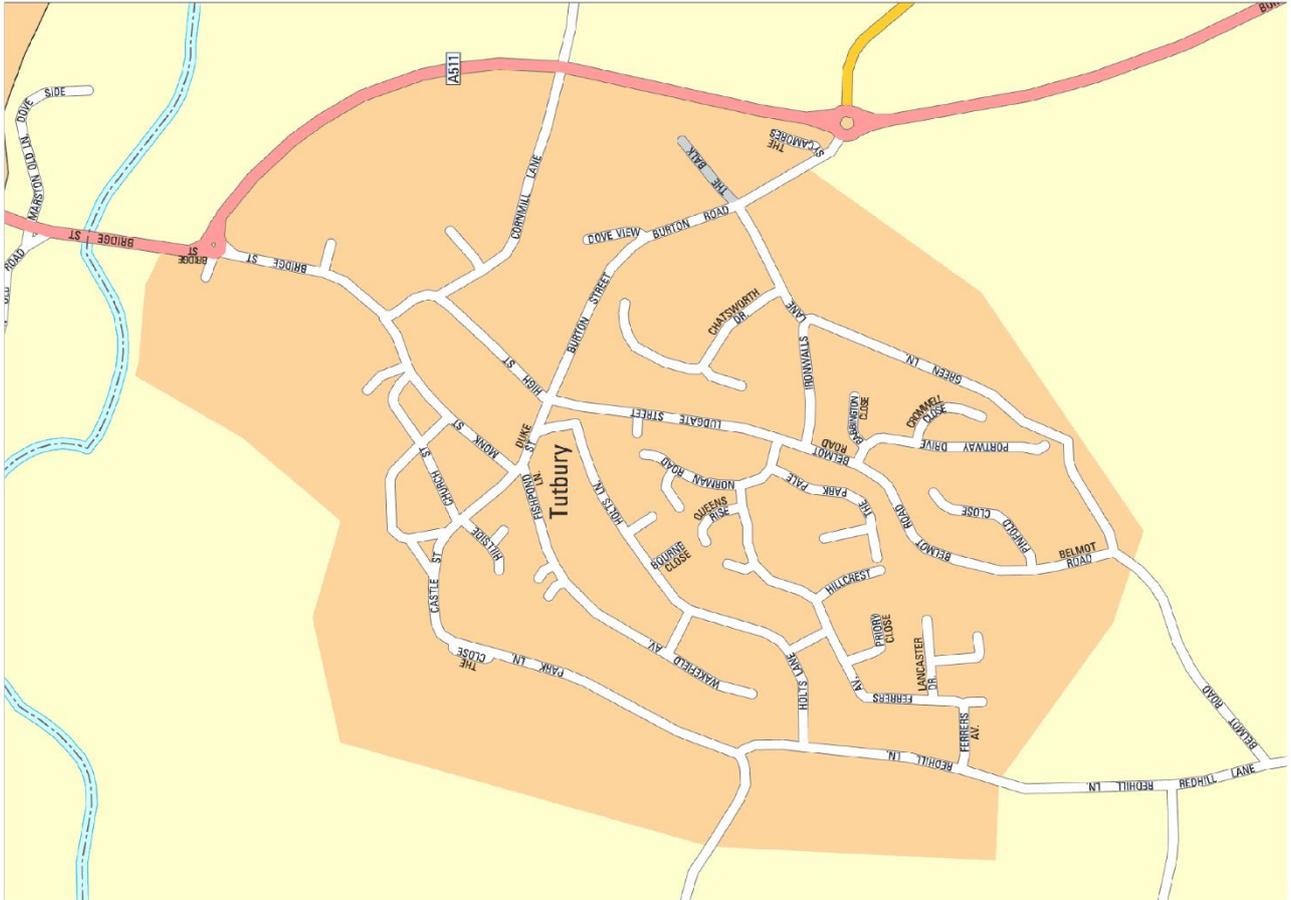
The population of England is 53m, of which 44m or just over 82%, live in urban areas and over 9.3m (18%) live in rural areas. Within rural areas, 0.5m people live in sparse settings. There are proportionately more older people living in rural areas – over 50% of rural dwellers are aged 45 and above, compared with around 40% in urban areas. Less than 50% of those living in rural areas are aged below 45 years, compared with 60% in urban areas, and overall there are proportionately fewer younger people in sparse rural areas. In urban areas 21% of the population are aged 15 to 29 years, but in the countryside this falls to 14%. Differences between age bands in rural and urban reflects a variety of effects such as younger people moving to urban areas to study and work, and for older people retiring to the countryside. The greatest rate of population increase in recent years has been in urban areas, with a fall in population in rural areas.

Residents interviewed in this study living in case study villages Tutbury and Bredon, which are shown in the maps over the page, show great resilience and point to family networks, sometimes going back generations, as a major strength, alongside strong and cohesive communities. The need for more young people to live, work and stay in these villages, rather migrate to town and cities, is seen as a key priority with which social landlords can help.

Rural Challenge: Housing Affordability

Housing affordability remains a major problem in rural areas and is significantly worse than in the majority of conurbations, with the exception of London. The average earnings to average house price ratio is now back to pre-credit crunch levels. The ratio is generally higher in rural areas. The following table illustrates the changing ratios in the counties of interest to this study. Both Staffordshire and Worcestershire have seen worsening affordability since 1997, when home ownership was broadly affordable to the average wage earner. Some decline has been seen since the peak in 2007, but the ratios remain high at 5.8 in Staffordshire and 7.3 in Worcestershire.





Rural Challenge: The Economy

While rates of economic activity are higher in rural areas (at 23% compared with 20%), the rural economy faces a number of challenge. Farms and food production are rightly acknowledged as a key industry, but the rural economy is about more than farms. Half a million businesses are based in the countryside worth £145bn to the national economy yearly. Rural entrepreneurs are some of the most accomplished. However, business support services are not often as well developed as in urban areas. The rural economy is also held back by lower wages and a fall in living standards over the last decade. Rural workers earn on average £2,000 each year less than the urban average. In the travel to work areas encompassing Tutbury and Bredon, averages earnings are £19,000 and £22,000 pa compared with £26,000 nationally. Around one third of workers have earnings in the bottom decile. And one quarter of self-employed people in rural areas live in official poverty. Digital exclusion and transport are also key issues affecting rural economic growth rates.

Rural Challenge: Communities under Pressure

Rural areas often have a deficiency of basic services enjoyed by their urban counterparts. Market towns and villages sometimes lack some of the basic infrastructure to support their residents and those living in the surrounding rural hinterland. Since 2010, scarcity in local services has worsened as local authorities have been under pressure to reduce costs as part of the government's deficit reduction strategy. Yet local services are fundamentally important to rural communities – perhaps more so than in urban areas – since they contribute significantly to the vitality of rural settlements, and underpin sustainable and mixed communities. It is not only the most vulnerable who are hardest hit by the withdrawal of local services, but local businesses which need services essential to rural economic prosperity. Local services generate local jobs. And only if people in rural communities have ready access to local schools, local jobs, local shops and pubs and homes which are affordable will they and their children thrive, and will the nation meet its environmental and economic needs. Yet the trend across the whole range of rural services, has been one of retrenchment and disinvestment.

Solutions from Social Landlords

Social landlords, such as those making up the Matrix Housing Partnership, especially Rooftop and Trent & Dove, offer the countryside a range of options to improve housing affordability, to support and stimulate rural economies and to sustain local people and communities -

More Affordable Housing: Building affordable homes for rural residents, and for people who want to return to the countryside, and for attracting new people, keeps rural communities alive. The housing social landlord role in developing garden cities, towns and villages, in helping create community land trusts and cohousing schemes is crucial, together with provision of traditional affordable and social housing programmes. Local authorities and government partners can aid affordable housing development by releasing sites at low cost and by putting pressure on private companies to free-up their land banks. Private housing developers should contribute to the enhancement of community infrastructure through disassembly of land banks and reinvigorated section 106 agreements. Social landlords also need to build-in technology to improve sustainability through low or zero carbon housing. This is why Matrix has pioneered eco-building and off-site construction.

Supporting Rural Economies: The Matrix Housing Partnership supports rural economies in two main ways. Firstly, the Matrix partners are major investors and employers in rural economies. Matrix employs over 4,000 people, and supports many more in the supply chain, controls assets of more than £1.2bn and has a combined turnover of over £218m. Annually, Matrix spends over £19m on repairs and maintenance services, £18m on home improvement programmes and £46m on a range of goods and services in local and often fragile economies; stimulating growth, creating jobs and generating extra economic and social value.

A second way in which Matrix supports the rural economy is via business incubators, encouraging social enterprises and entrepreneurs, and providing employment, training and volunteer support to strengthen local economies. Creating apprenticeships should be an area of growth, since the building trade is calling out for skilled people. And supporting business start-ups, especially micro-businesses, will enable a more sustainable rural economy. Alongside, Matrix is connect rural people to the global economy – for example, providing fast broadband that caters for all age groups and enables older people to move with the times and fend off isolation and loneliness. Both Rooftop and Trent & Dove have pioneered this approach.

Sustaining Rural Communities: Together with their local authority partners, the private and third sectors, social landlords, like those in Matrix, have a key role to play in maintaining successful rural communities and in supporting rural people to find their own solutions to local challenges. Social landlords should continue to act as community hubs, like Rooftop and Trent & Dove, increasingly offering a range of rural services as local authorities unfortunately retrench. The need for social landlord-managed community development that address fuel poverty, tackle worklessness, offer welfare advice, provide affordable credit and support community transport will most likely grow as council services come under pressure in the next Comprehensive Spending Review.

A range of mutual approaches are open to rural people, communities and agencies to develop housing and retain facilities in under-stress villages. These are cohousing for older people, community land trusts for affordable home ownership and rented housing, and community shares to support retention of local facilities. Matrix has considerable experience of these approaches but should seek to expand its repertoire in the mutual arena as part of a 'Big Society' strategy.

Conclusions

A dynamic rural economy, sustainable rural communities and support for people living in market towns and villages, are key features of the work of the Matrix Housing Partnership. But much more affordable housing is needed to underpin the future vitality of rural communities. This should be achieved in a range of ways ranging from garden cities, towns and villages to low-cost home ownership and affordable rent. Social landlords also have a key role to play in economic renewal. And an array of local facilities and services have to be maintained or provided, with social landlords, like the Matrix Partners, having a pivotal part to play in the future success of rural communities.

About the Matrix Housing Partnership

Matrix is a unique co-operative providing affordable housing, health and social care services, responding innovatively to needs and aspirations. Matrix manages 30,000 homes across the Midlands. Urban renewal is at its heart, incorporating physical, economic, social and environmental elements. Matrix is committed to tackling social exclusion, enhancing sustainability and building better towns and cities. By 2015, Matrix will have provided 1,500 affordable homes. While Matrix has a deep-rooted role in Midlands' neighbourhoods, its reach is progressively national.

www.matrixhousing.org.uk

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