

# Rural Services APPG

## All-Party Parliamentary Group on Rural Services

28<sup>th</sup> October 2014, 8:30am

Room S, Portcullis House, Bridge Street, London, SW1A 2LW

### Agenda

- |                                                                                                                                            | Page No. |
|--------------------------------------------------------------------------------------------------------------------------------------------|----------|
| 1. <b>Notes of previous Meeting</b><br>1 <sup>st</sup> July 2014 (AGM)                                                                     | 3        |
| 2. <b>Rural affordable housing delivery on the ground – the importance of Section 106 Agreements and the relevance of local connection</b> |          |

#### Summary:

The Rural Housing Alliance consists of 40 Housing Associations, specialising in the delivery and management of affordable homes in rural areas. The Alliance has contributed to the current Review of Rural Housing Policy, chaired by Lord Best, and to the housing elements of the RSN Rural Manifesto. Key elements of the Manifesto will be outlined with a particular focus on the specific issues of section 106 and local connection.

Building costs in rural areas can be high, because rural development plots are typically small while design standards and infrastructure costs are high. 'Exception sites' are an important delivery mechanism, granting planning permission where it would not normally be given, for affordable housing to meet local needs. This matters when public sector grants, available through the Homes & Communities Agency, have reduced from an average £40,000 to an average £21,000 per dwelling. Unsurprisingly – indeed, inevitably – the number of grant-funded housing starts in smaller rural settlements (with under 3,000 population) has reduced quite dramatically.

An increasing emphasis is therefore placed upon affordable housing delivery by the private sector, within sites of otherwise open market homes. According to

Government figures for 2011-13, this now delivers two thirds of affordable housing in smaller rural settlements.

Government is proposing to exempt small sites, with fewer than 10 homes, from planning agreements that require developers to include some affordable housing. If implemented, the proposal could decimate rural affordable housing provision. There is scant evidence that such planning agreements undermine development site viability and, where local authorities conclude that it would, they can already reduce the burden. The proposal contradicts Government objectives to encourage private sector subsidy, in order to reduce the need for public sector grants.

The drive to reduce waiting lists means increasingly Allocation Schemes, which local authorities use to prioritise those waiting for social housing, appear to be downplaying the relevance of a local connection. Households who may have lived in rural communities for many years, and who have a housing need, are losing out to those measured as having acute need but who don't have a local connection. This is starting to undermine community support for affordable housing and landowners' willingness to release land, especially where it happens on 'exception sites' explicitly intended for those with a local connection.

**Format:**

- Key housing messages from the Rural Manifesto
  - *Andy Dean, Rural Services Network*
  - *Peter Moore, Chair Rural Housing Alliance & Chief Executive Cornwall Rural Housing Association*
- The importance of section 106 agreements in delivering rural affordable homes; the relevance of local connection in allocating rural homes
  - *Ursula Bennion, Director of Business Development, Housing Plus*
  - *Sue Chalkley, Chief Executive Hastoe Housing Group*
  - *Adrian Maunders, Chief Executive English Rural Housing Association*
- Q & A

**3. Next Meeting**

To be confirmed

**For further details concerning this meeting please contact:**

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# Rural Services APPG

**ANNUAL GENERAL MEETING OF THE ALL PARTY PARLIAMENTARY GROUP ON RURAL SERVICES,  
2.30 p.m. 1<sup>ST</sup> JULY, 2014 COMMITTEE ROOM 20, HOUSE OF COMMONS**

## **PRESENT**

### **APPG Members Present in Person for Some or All of the Meeting**

Graham Stuart MP  
Anne Marie Morris MP  
Andrew Bridgen MP  
Bill Cash MP  
Andrew Turner MP  
Duke of Montrose

### **APPG Members not Present in Person But who were Represented**

John Stevenson MP  
Robert Walter MP  
John Glen MP  
Sir Nick Harvey MP  
Julian Smith MP  
Therese Coffey MP  
Martin Vickers MP

### **Secretariat**

Graham Biggs RSN  
Dan Bates RSN

### **Others in Attendance**

#### Elected Members from SPARSE-Rural Authorities

Cllr Cecilia Motley – Shropshire & RSN Chairman  
Cllr Robert Heseltine – North Yorkshire CC & First Vice Chairman RSN  
Cllr Derrick Haley – Mid Suffolk DC  
Cllr Peter Bryant – North Somerset Council  
Cllr Ken Potter – East Devon DC  
Cllr Lewis Strange – Lincolnshire CC  
Cllr Peter Stevens – St Edmundsbury BC  
Cllr Geoff Holdcroft – Suffolk Coastal DC  
Cllr Cameron Clark – Sevenoaks DC  
Cllr Robert Carmichael – Mid Suffolk & Babergh DCs

## Others

Sarah Lee – Countryside Alliance  
Hugo Sumner – Office of Anne Marie Morris MP

### **1. ELECTION OF OFFICERS**

Only the APPG Members & the Secretariat were present for this item.

The Chairman stated that upon being appointed as a Defra Minister Dan Rogerson MP had resigned as a Vice Chairman. He had been replaced by Sir Nick Harvey MP. The Chairman further stated that all of the existing Office Holders were prepared to be re-elected and no other nominations had been received.

### **AGREED**

That the following members be elected for the next year:-

|               |                                                          |
|---------------|----------------------------------------------------------|
| Chairman      | Graham Stuart MP                                         |
| Vice Chairmen | Grahame Morris MP<br>Sir Nick Harvey MP<br>Lord Dear QPM |
| Treasurer     | Rory Stewart MP                                          |
| Secretary     | Baroness Byford DBE                                      |

### **2. NOTES OF PREVIOUS MEETING**

The notes of the meeting held on 14<sup>th</sup> April 2014 were agreed as a correct record.

### **3. LOCAL GOVERNMENT FINANCE**

The Chairman stated that the proposed meeting with the Local Government Minister, Brandon Lewis earlier that day had had to be postponed (now 15<sup>th</sup> July).

Dan Bates of the RSN gave a presentation on the present position and what had been achieved so far through the Rural Fairs Shares Campaign and the RSN's own work/lobbying. A copy of the presentation slides is attached to these minutes.

Dan Bates reported that the steering group in respect of the DCLG/Defra study had met that morning. The Consultants (LGFutures) were seeking evidence of the cost drivers in respect, primarily, of Adult Social Care, Transport (including concessionary bus fares), Refuse Collection and Environmental Services.

Dan further reported that he had developed a methodology for dealing with the question of Exeter (for example) being urban but within the rural county of Devon. This should rebut one of the lines often used by Ministers.

Graham Stuart requested that the Rural Fair Shares Campaign members be sent a "leaflet" detailing the new terminology being used.

The elected members from SPARSE-Rural Local Authorities expressed their extreme disappointment with the small number of APPG members in attendance and felt that MPs did not fully appreciate the difficulties rural councils were facing and the impact there would be on front line services. Cllr Robert Heseltine said that North Yorkshire CC had to cut £174M out of its budget and whole swathes of rural communities will be left without public transport. Cllr Cameron Clark said that Sevenoaks was 90% green belt and therefore would gain very little from either New Homes Bonus or retained Business Rates (it was also losing a major employer).

Graham Stuart commented that redistribution of resources in times of falling budgets was extremely difficult, politically. He further stated that the most that could be hoped for in respect of 2015/16 was a small increase in Rural Service Delivery Grant – Ministers would be aware that most Conservative and Liberal Democrat MPs would be unlikely to vote against the settlement just months before the General Election.

Cllr Peter Stevens said that many, many people felt there was a disconnect between Westminster and Rural Communities. In his view all political parties should be pressed to give a political commitment to supporting the countryside and rural communities.

Andrew Turner MP commented that Labour was proposing to move money from London to “City Regions” and it was important to understand what this would mean for rural areas. The general consensus was it would lead to enriched cities and their immediate hinterland and further impoverished rural areas.

There followed a general discussion as to campaign tactics for this year. Graham Stuart said that whilst pressure would continue to be put on Ministers, including through fringe events at the Conservative and Liberal Democrat party conferences, the timing – just ahead of the General Election – was wrong to believe any major change could be achieved. He said that parliamentary numbers and parliamentary arithmetic was key to a renewed campaign after the election. It was essential that Councils sought to get their MP to join and actively support the Rural Fair Shares Group both now and following the election.

The meeting closed at 3.40 p.m.