

Evaluation of the Defra-funded Rural Housing Enabler Programme

FINAL REPORT – JULY 2025

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Executive summary

- Rural Housing Enablers (RHEs) fulfil a unique and valuable role in supporting the progression of quality affordable rural housing schemes that benefit residents' health and wellbeing and support sustainable and resilient rural communities
- Defra funding from 2023-2025 has supported the provision of a network of RHE posts (up to one 1.0 FTE post per county) across England. A one-year extension to the Defra funding was announced in March 2025, securing the RHE programme until March 2026. The funding has been delivered via Action with Communities in Rural England (ACRE) – a national charity advocating for rural communities, which supports a national membership network of 38 county-level charities. The RHE programme sits alongside ACRE's active national role in seeking to influence government policy on rural affordable housing and planning to better address the needs of rural communities.
- The evaluation evidence shows clear benefits of the current delivery model via ACRE. This includes an independent 'honest-broker' status for RHEs which supports local community and partner engagement and trust; the facilitation of peer support and knowledge exchange via a networked national cohort of RHEs; economy of scale in delivery of training and centralised programme management and administration; and the strength of a collective RHE voice and evidence base that can be drawn upon by ACRE, Defra and other organisations in national policy conversations.
- ACRE received a proportion of the Defra funds to centrally manage the RHE programme and provide support and training to RHEs, and the county-level community development charities which form ACRE's national network were invited to submit proposals for a share of the Defra funds to provide an RHE service in their local areas. 34 of the ACRE network's 38 member organisations took up the Defra RHE programme funding. Of these, some already had an existing RHE service in place funded via other sources. In these cases, the Defra funding has added capacity by supporting the employment of an additional RHE

and/or increasing the existing RHE's contract. In other areas an RHE service has been in place in the past but has stopped due to funding constraints and the Defra funding has allowed the service to be restarted. In remaining areas there was no recent history of RHE work. In these areas the Defra funding has supported the appointment of a new RHE and the establishment of a new RHE service.

- From an early stage of their work, RHEs play a unique and vital role in informing and empowering rural communities and supporting community capacity building. The independent and impartial status of RHEs employed outside local authorities and housing providers supports the development of trust-based relationships with communities and local partners, and can overcome barriers associated with cynicism and anxiety from past negative experiences of development. This independent status is a key benefit of delivering the programme via ACRE and its national network of member organisations.
- RHEs play an important role in raising awareness among communities, Parish Councils and other local actors about Rural Exception Sites (RES), which, while key to unlocking rural affordable housing, are underused and commonly misunderstood. Awareness raising work is also important in tackling stigma associated with social or affordable housing and highlighting the ways in which it can benefit a rural community, with example completed schemes offering a particularly effective way to achieve this.
- RHEs' work with communities is viewed by local actors as essential in progressing schemes. RHEs' work can engender community and Parish Council enthusiasm for schemes, evidence local needs via Housing Needs Surveys, mitigate and find ways through local objections via engagement and discourse, and can maintain momentum and enthusiasm through a lengthy and complex planning and development process.
- The skillset, resources and connections required for RHEs' community-based work are outside the scope and capacity of local authorities, who commented that without RHE capacity, affordable rural development in their area would be unlikely to progress or would progress at a reduced scale and rate. RHEs are recognised as important champions for rural communities, whose needs would otherwise be subsumed within local authorities' competing housing priorities.
- The initial outcomes achieved by new RHE services under the 2023-2025 Defra funding period must be viewed against the longer-term potential of the social benefits derived from completed rural affordable housing schemes. Early outcomes centre around awareness raising, establishing community and partner relationships, and building networks and forums for rural affordable housing discussions. These are essential foundational steps, without which the benefits associated with progression to completed schemes would not be possible. This initial work is especially important in areas where there is no track record of RHE work or where there has been a long gap in RHE provision

- The evaluation includes Social Return on Investment (SROI) modelling to explore the value of the RHE role in relation to community engagement and building trust between potential Registered Providers, local authority personnel, landowners, and rural communities, especially in the early phases of initiating an affordable rural housing scheme. Interviews with local stakeholders identified the key social outcomes generated by RHE activity from initiation to construction of a rural housing scheme. An SROI model exploring the first three years of activity in creating affordable housing schemes, identifies beneficial outcomes for a range of stakeholders. The model, based on case study evidence, indicates an overall Benefit-Investment Ratio (BIR) of £3.30:1, meaning for every £1 invested over the time period there is an estimated £3.30 generated in social outcome benefits. The SROI indicates that two-thirds (66.4%) of the present value of the monetised outcomes are related to capacity building and empowerment of the RHE and community leaders and members, while approximately one-third (33.6%) of outcomes are related more effective delivery processes resulting from improved collaboration between key partners involved in the process. The major sources of investment during the initial three-year period relate to RHE salary and operating costs, the costs of a Housing Needs Survey, and smaller levels of resource input from Parish Councils and a potential Registered Provider.
- The 3-year SROI model (developed from case-study evidence) was applied at national level (England) to measure the benefits of RHE activity. ACRE monitoring of 'pipeline data' from January 2025 was utilised to estimate the social outcome value generated by RHE activity over a three-year period to the end of 2024. Model outcomes are based on a total of 73 schemes across 19 counties in England that were identified as having completed 3 years of RHE activity. The outcome value generated per year by RHE activity was estimated at £4.33 million across the 19 RHE areas with an overall BIR of £3.54:1. Assumptions based on case study evidence were made regarding: the scale of outcomes, number of units per scheme, unit construction costs, and local community population.
- Case studies conducted in six locations across England operating at different stages in the affordable rural housing process revealed that the RHE continues to play a key supporting role for local communities throughout the scheme development period (typically 7 to 8 years from initial exploration of affordable housing need to construction of units). Additional SROI models (longer than 3 years duration) were developed to explore the impact of planning application processes, design, and construction phases, where the level of investment increases dramatically, while the benefits experienced by residents of a new scheme, and outcomes for the wider community, take much longer to appear. Modelling revealed that selection of the valuation time frame has a significant influence on the Benefit-Investment Ratio. Selection of a 5-year time period, for example, during which there are high investment costs (i.e. in design, planning, and construction) with limited generation of benefits, results in a lower BIR (£1.68:1).
- Models exploring social outcomes from affordable rural housing schemes over longer time periods (18 and 28 years) reveal a gradual increase in the present value BIR (e.g. at 18 years, after 10 years of occupation by residents, the BIR is £1.69:1 and at 28

years the BIR is £2.14:1), reflecting the range of positive social outcomes experienced by both a completed scheme's residents and the wider rural community. The modelling noted the sensitivity of the BIR to a range of contextual issues, including number of units in a scheme, average cost per unit, and size of the local community where the scheme is located. The value of long-term social outcomes is also influenced by the discount rate (initially set at 3.5%). Sensitivity testing revealed that application of a social rate of discount (2.0%) increased the BIR generated by models over longer time periods (to £1.98:1 for the 18-year model and £2.61:1 for the 28-year model).

- RHEs face challenges in the realisation of their role. These relate to their role capacity versus the scale of rural housing need, and the extensive time and resource commitment in navigating complex scheme requirements, undertaking meaningful community consultation, negotiating objections, and engaging sometimes reluctant local partners.
- The current Defra grant adds additional capacity to existing RHE services and has allowed RHE services to start or restart in other areas. However, the short-term nature of the funding, alongside the precarity of alternative funding sources, is a barrier to RHEs' ability to plan long-term work and their potential to bring schemes towards completion. ACRE, RHEs and local partners highlight a fundamental issue in **'delivering long-term work using short-term funding'**. This is a common concern in community development work, but particularly pertinent to RHE services given the importance of building trusted relationships with communities and partners, and the long timescales involved in the progression of rural affordable housing schemes.
- External confounding factors outside the scope of RHEs' influence can also limit their ability to achieve planned outcomes. These include economic challenges relating to high land and build costs for smaller rural developments, lack of capacity and high churn within local authority planning teams, and a planning framework that poses barriers to RES development. This extends the timescale of scheme progression and can threaten RHEs' ability to maintain enthusiasm and overcome cynicism in communities.
- A further challenge is the urban focus of local authorities and non-rural specialist Registered Providers due to economies of scale, concentration of need in urban communities, and the necessity of delivering many new homes at pace to meet housing targets. Local partners were clear that, without RHE input, their already limited focus on rural affordable housing would diminish further against these competing demands.
- The evaluation provides reflections at the programme management/coordination level (ACRE) and the funding and policy tier (Government) which we recommend are considered in future delivery of the RHE programme. At the programme management/coordination level, there are opportunities to further enhance the support and training provided via the ACRE-run national network of RHEs, and to work to expand the national coverage of RHE services to include those counties not currently benefitting from the Defra funding. There is

also scope for ACRE to engage in further programme visibility-raising at a national and strategic level, in particular with other relevant national ‘umbrella’ organisations, whose ‘vertical’ messaging to their membership and/or networks could bolster the ‘horizontal’ networking efforts of RHEs at the local level.

- At the funding and policy tier, ensuring longer-term, secure funding for the RHE programme is essential for its continued effectiveness at both the ACRE and network member-level. This would provide continuity in service provision and maximise the outcomes of RHE activity for rural communities in alignment with Government’s rural development goals and affordable housing mission. Transitioning to multi-year funding commitments (5+ years) or a permanent funding stream would enable RHEs to support schemes through to completion, retain experienced staff, and maintain productive community and partner relationships. The evaluation evidence shows that the involvement of an experienced RHE can increase efficiency in the delivery of affordable rural homes, reducing the timeframe for developments and enabling the progression of schemes that would likely otherwise stall; further supporting the need for sustained funding which allows RHEs to remain in their roles for a longer period of time, building their skills, experience and local networks.
- Additional policy-tier reflections include a need to encourage local authority involvement in affordable rural housing partnership and forums enabled by RHEs; coordination between areas of Government, including Defra and the Ministry of Housing, Communities and Local Government (MHCLG), to simplify rural planning processes and enhance the viability of Rural Exception Sites (RES); and recognising the contribution of RHEs in long-term rural strategies and housing strategies to support thriving and sustainable rural communities.

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1. Introduction

This report provides findings from the evaluation of the Rural Housing Enabler programme – a £2.5 million programme supporting a network of Rural Housing Enablers (RHEs) across rural England funded by the UK Government’s Department of Environment, Food and Rural Affairs (Defra) from March 2023 to March 2025. The RHE programme is managed by Action with Communities in Rural England (ACRE), a national charity advocating for rural communities, and the national representative body for the ACRE Network - England’s largest rural grouping of community development charities.

1.1 The rural affordable housing challenge

The need for affordable housing is a challenge affecting many rural communities across the country. In England, house prices in rural areas have increased to a greater extent than in urban areas (29% compared to 21% over the past 5 years) and have outstripped rural wage increases to represent an average 10% gap between rural house prices and wages (CPRE 2023). Only 9% of homes in villages are considered affordable compared to 17% of urban homes (English Rural 2024b), while the lower quartile income to house price ratio is 8.8 in rural areas which is higher than the 7.6 average ratio across England’s urban areas (Defra 2024). Less rural housing stock is owned and managed by affordable housing providers than in urban areas; rural social housing waiting lists have risen in all but two English regions since 2020/21; and rural homelessness has increased by 40% since 2018/19 (CPRE 2023). In areas with strong visitor economies such as coastal regions and national parks, the proliferation of second homes and properties used as holiday lets reduces supply and challenges the year-round prosperity and sustainability of communities. At the same time, counter-urban mobilities have impacted not just the purchase market but contributed to a sharp increase in rural renting, placing further pressures on supply and affordability for those whose incomes are linked to rural, rather than urban, economies (County Councils Network 2024; Gallent, Purves, Stirling, Hamiduddin 2024). Younger people are particularly impacted by rural housing unaffordability and can be compelled to leave rural communities to access affordable and suitable housing. This leads to local skills and labour shortages and economic growth challenges, and places rural services and amenities at risk - to the detriment of rural residents of all ages (CPRE 2021).

Rural Exception Sites (RES) – small sites located on the edge of existing rural settlements and allocated outside local authority development plans – are a key mechanism by which modestly-sized schemes of affordable housing appropriate to evidenced rural community needs can be delivered. However, research shows that these sites’ potential is severely underutilised, representing a lost opportunity to address the rural housing affordability challenge. Only 17% of rural local planning authorities utilised RES to deliver affordable homes in 2021-2022, and significant barriers to scheme progression exist in terms of financial viability concerns from Registered Providers, issues in the planning system which increase complexity and timeframes for delivery, and community and political opposition to development (Gallent, Purves, Hamiduddin 2024; Lavis and Bennion 2024).

1.2 The Rural Housing Enabler programme

As well as identifying barriers to RES delivery, past research also highlights delivery-enablers. This includes the input of an independent and well-resourced Rural Housing Enabler (RHE) service with the capacity to work closely with local communities, Registered Providers and other local partners in tackling some of the barriers outlined above (Gallent, Purves, Hamiduddin 2024; Lavis and Bennion 2024). RHEs are specialists who work with rural communities to consider and help evidence need for affordable housing locally, and connect with landowners, planners and housing providers (Registered Providers) to help bring rural affordable schemes forward and support their journey towards completion. Past research has shown that RHEs are especially important in bringing forward RES developments, where there is ‘a need for someone to drive the project forward, sometimes for several years, and broker the relationships and agreements on which successful projects are built’ (Gallent, Purves, Hamiduddin 2024: pp 2-3).

The Defra-funded 2023-2025 RHE programme thus aims to help address the rural affordability challenge by funding RHE capacity; enabling the provision of independent support and guidance to help advance rural affordable housing schemes – in particular, RES schemes.

The programme emerged from an identified need for increased RHE capacity and more geographically equitable coverage of rural areas by RHE services following a period of significant decline. Local government funding constraints had resulted in both a drop in the number of RHE posts within local authorities, as well as a decline in the local authority grant funding available to third sector organisations (commonly ACRE network members) to provide RHE services. Reduced funding also often resulted in narrowing of the RHE service offer, with the consequence that Registered Providers also reduced or withdrew funding, as they were no longer receiving the range of enabling services most useful to their organisational goals:

‘It ended up in a bit of a vicious circle. So, as the funding decreased, primarily I think because of local authorities withdrawing their funding, the service then narrowed to becoming focused on Housing Needs Surveys. And the RPs are then saying, “that’s not what we need”. And therefore, they withdrew their funding because they weren’t getting the service they need, which meant that the service contracted even further and became

*even more focused on the things where they could get money in ... **You just end up in that cycle of decline***’ (Interview: RHE Programme Technical Consultant, 2025)

The 2023-2025 Defra-funded programme was designed to break this ‘cycle of decline’ through funding for one 1.0 FTE RHE post per county. The delivery of the programme via ACRE and its national network of member organisations aimed to maximise coverage of RHE services across as many English counties as possible, so that more rural communities could benefit from RHEs’ contributions to rural affordable scheme progression; avoiding a ‘postcode lottery’ whereby some rural areas benefitted from RHE services whilst others had no opportunity for RHE activity within their county. The programme also aimed to allow RHE services to provide the full offer of enabling work, avoiding the aforementioned narrowing of the service towards income generating activity (such as commissioned Housing Needs Surveys): *‘provid[ing] an RHE service in every county, but also a service that provided the full range of the RHE offer’* (Interview: RHE Programme Technical Consultant, 2025).

The Defra-funded RHE programme has been managed by ACRE with the support of a Technical Consultant. It sits alongside ACRE’s active national role seeking to influence government policy on rural affordable housing and rural planning - both independently, and within a wider alliance of organisations. Recent work has included collating evidence from ACRE network members to develop recommendations to government on how policy makers can improve opportunities for people who live and work in the countryside - including recommendations for investment in affordable rural housing (ACRE 2024); supporting English Rural-led work on a rural affordable housing manifesto (English Rural 2024b); and providing both individual and collaborative submissions to consultation on the National Policy Planning Framework (NPPF), as well as ongoing engagement in national political and media conversations on this important area of concern for rural communities.

ACRE’s membership network of 38 community development organisations are the main employers of RHEs funded via the Defra programme, with a small minority employed in other organisations such as local authorities. 34 of ACRE’s member organisations were awarded an allocation of the Defra funding following a proposal process managed by ACRE. This represents 90% of the ACRE membership network. Three network members (covering Tees Valley, Nottinghamshire and Lincolnshire) did not take up the funding opportunity, while a fourth (Kent) did not have an operational ACRE network member organisation at the time.¹ Detailed assessment of the reasons that network members did not take up the funding opportunity was outside the scope of this evaluation, but contributing factors included network members not feeling that rural affordable housing was a priority for their organisation, issues resulting from local organisational structures, or inability to meet the conditions of funding set out in the programme’s prospectus (Interviews: ACRE national team, RHE Programme Technical Consultant, 2025).

¹ Kent ACRE has since been established in the county and is an ACRE network member.

The Defra funding has variously been utilised by ACRE network members to start or restart RHE provision in their area or, where an existing RHE service was in place funded via other sources, to add capacity to this.

Typically, RHE responsibilities include:

- Raising awareness of the importance of affordable housing in rural communities.
- Supporting communities to undertake Housing Needs Surveys to identify and evidence local housing needs.
- Providing opportunities for communities to discuss and consider how housing need can be met, including the identification of sites and the viability of a proposed scheme.
- Brokering relationships between key stakeholders e.g. parish councils, local authorities, housing associations, planning and development officers, landowners, and providing impartial advice.
- Unlocking barriers to ensure local schemes progress to build and completion.
- Monitoring and evaluating rural housing delivery and sharing best practices and examples to inspire other rural communities (ACRE 2023).

The initial Defra funding period for the RHE programme ran from March 2023 until March 2025. Due to delays with the release of funds, the programme did not begin until autumn 2023. Recruitment processes for new RHE posts also took time, meaning some ACRE network organisations were not able to launch their RHE service until several months later, and in some cases up to a year later, in spring 2024. In some areas, recruitment of a suitable candidate for new RHE roles was challenging as the role requires quite specific but varied skills, while the short-term employment contract was also off-putting to some candidates:

‘It is a very niche role ... a lot of the Members did struggle to find people with appropriate qualifications, because part of the role is working very much on your own; part of the role is working very closely with partners on the ground. It requires quite different skills ... It's also very difficult to find people who have those qualifications and are prepared to work on short-term contracts’ (Interview: ACRE national team, 2025)

Thus, at the point at which the evaluation data collection was carried out, many RHEs within new services had been in post for less than one year.

A government announcement on rural funding on 4th March 2025 confirmed the continuation of Defra’s funding of the RHE programme for a further 12 months until March 2026 (Defra 2025). The programme will continue to be managed by ACRE and delivered via ACRE network member organisations for this period.

1.3 The evaluation

The evaluation was commissioned by ACRE. The Countryside and Community Research Institute (CCRI) at the University of Gloucestershire in collaboration with Expert Academic Partnerships Research Consultancy (EAP) were contracted to undertake the evaluation following an open tender process. CCRI, the lead partner, is a globally recognised rural

research centre whose research spans the social and environmental sciences and four key research themes: culture, nature and heritage; land, water and ocean environments; sustainable food and farming; and rural-urban economies and societies. CCRI has a track record of delivering research commissioned by Defra and Defra's arms-length organisations and is a trusted research and evaluation provider for Defra as a consortium member within the MEL framework. Contributing partner EAP Research Consultancy specialises in multifaceted, multi-site evaluations, leveraging academic and practical expertise to offer actionable recommendations for sustainable impact for public and third-sector clients.

The evaluation was supported by an advisory group, which included ACRE's RHE Programme Manager, the programme's Technical Consultant, and Defra representatives.

The evaluation ran from April 2024 to March 2025, and incorporated five Work Packages (WPs) addressing questions across outcomes and outputs, social value, and programme processes:

- **WP1:** Evidence review, including systematic literature review and analysis of rural affordable housing data.
- **WP2:** Case studies of RHE services in six ACRE network members' operating areas across England, involving interviews with RHEs, RHE Managers and local partners, and (where applicable) data pertaining to example completed rural affordable housing schemes.
- **WP3:** National survey of RHEs and their local partners.
- **WP4:** Development of a bespoke Social Return on Investment (SROI) model to estimate benefits generated by RHE activities.
- **WP5:** Evidence synthesis and reporting.

The relationships between these work packages are shown in Figure 1.

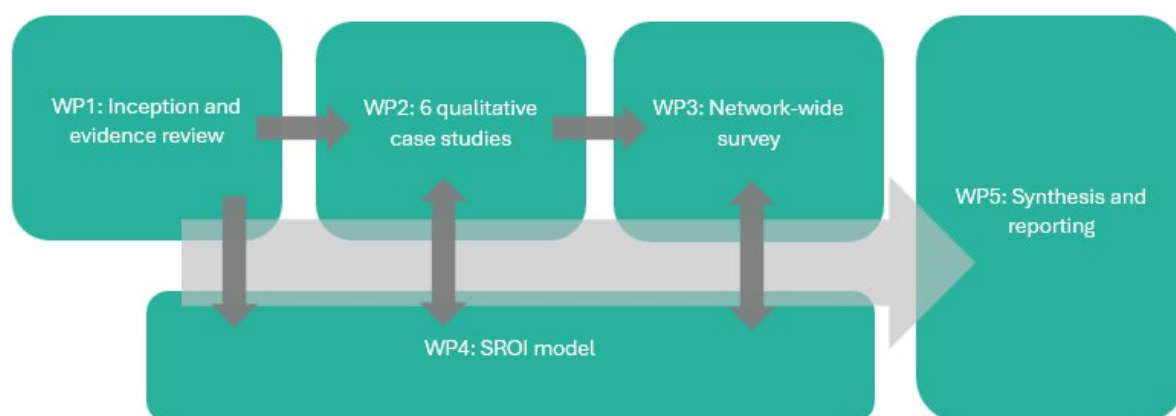


Figure 1: Evaluation work packages

All aspects of data collection conducted as part of the evaluation by CCRI and EAP received ethical approval via the CCRI's research ethics scrutiny process, which is overseen by the University of Gloucestershire.

2. Summary of existing published evidence

The literature review, undertaken as part of Work Package 1, examined 74 published sources (as of October 2024). The review protocol was developed according to the Prospero gold standard guidelines for transparency in systematic reviews (NIHR 2021) and a full account of the methodological approach is provided in the evaluation's additional literature review output, which also includes a much fuller discussion of the reviewed literature and the emergent themes briefly summarised below (Hobson, Ash, Tyson 2025). The review aims to provide up-to-date evidence on the barriers and facilitators for affordable rural housing provision and summarises existing published material; it does not collect or use any primary data outside those sources. This broad topic area encompasses policy, construction management and surveying, design, geography, health and safety, social care, policing and security, psychology, public services, environmental management and education.

Although RHEs are pivotal in bridging landowners, communities, local authorities and Registered Providers to unlock affordable rural housing, relatively little published research focuses exclusively on their work. Most existing literature instead addresses the broader landscape of policy frameworks, funding mechanisms, and community-led initiatives that shape the feasibility of developing affordable homes in rural areas. Consequently, this review incorporates a dedicated section on RHEs and then explores the broader policy, planning, and economic contexts in which they operate. The following is a high-level summary of the seven key themes from the literature. This brief overview of existing evidence from published literature on both RHE-specific issues and the broader barriers and facilitators of rural affordable housing helps situate the RHE programme within the wider complexities of rural development. This wider context includes literature concerned with Community Led Housing, which we acknowledge was not a focus of the Defra-funded RHE programme (which prioritised enabling work related to RES schemes) – it is included here due to its relevance to the wider landscape of rural affordable housing development.

2.1 Effective Rural Housing Enablers

The published literature suggests that Rural Housing Enablers (RHEs) are central to unlocking land for Rural Exception Sites (RES) by identifying opportunities, navigating

planning systems, and building local support. Acting as ‘honest brokers’, they bring together landowners, community leaders, Registered Providers, and councils to overcome barriers such as land costs and local opposition and focus on delivering genuinely affordable homes. RHEs play a key role in forming strategic partnerships, advocating for policy changes, and tailoring funding solutions (e.g. cross-subsidy or mixed financing). This makes them essential in enabling smaller rural schemes that might otherwise be overlooked, or which may stall within the planning and development process.

To maintain project momentum, RHEs provide technical expertise in project management, support Parish Councils in shaping proposals, and address misconceptions about affordable housing. They also help secure and channel funding, though inconsistent or reduced financial backing has challenged RHE services’ sustainability. Securing more stable funding streams would enable RHEs to operate more effectively. Overall, RHEs raise the profile of rural affordable housing, offer impartial guidance, and cultivate the long-term partnerships needed to bring smaller developments to fruition (CPRE 2023; Gallent, Purves, Hamiduddin 2024; Hill 2024; Striling, Gallent, Hamiduddin 2024; Sturzaker 2010; Sturzaker, J., and Shucksmith 2011; Webb, Harris, Smith 2019) .

2.2 Government and policy support for affordable rural housing

Rural Exception Sites (RES) and community-led housing initiatives can deliver smaller-scale, high-quality social-rented homes, yet their effectiveness varies widely across local authorities. While the Localism Act and revised National Planning Policy Framework provide scope for limited open-market housing on RES, inconsistent policy application and local constraints—such as land supply, environmental protections, and insufficient planning resources—often curtail the impact of these initiatives. The financial viability of RES is supported by strong community engagement, supportive partnerships, and flexible funding regimes. Beyond RES, other national programmes and policies shape rural affordability. For instance, the Affordable Homes Programme targets high-need areas, and the UK's Brownfield Fund supports site remediation. Meanwhile, rural-proofing legislation, effective local leadership, and adjusted planning frameworks (including closing Section 106 loopholes) can help ensure rural housing needs are not overshadowed by environmental or agricultural priorities. Funding remains a critical factor: Community Housing Fund grants, Rural Home Ownership Grants, crowdfunding, and creative accounting solutions can encourage community-led housing, while ongoing central government support helps sustain momentum (ACRE 2024; APPG for Rural Business and the Rural Powerhouse 2022; Gallent, Hamiduddin, Stirling, Wu 2022; Gallent, Purves, Hamiduddin 2024; Hill 2024; HM Government 2025; Lavis and Bennion 2024; McAreavey and Kemmett 2022; Morgan and Satsangi 2011; NHF 2021; Select Committee on National Policy for the Built Environment 2016; Tunaker, Carr, Burke, Reyes-Pascal 2023; Webb, Harris, Smith 2019).

2.3 Infrastructure and connectivity

Physical infrastructure shortfalls can undermine both the delivery and long-term viability of affordable rural housing. Limited public transport, in particular, reduces the appeal of rural areas to prospective residents and makes it harder for employers to recruit and retain staff. With nearly half of rural households unable to access a town centre within 30 minutes by public transport, a lack of connectivity contributes directly to rural decline. Planning decisions that restrict development based on existing service availability risk reinforcing this cycle, treating villages as unsustainable rather than enabling their regeneration. Expanding and investing in affordable, joined-up rural transport is essential for improving housing viability and supporting rural economies.

Digital connectivity issues can compound challenges. Insufficient broadband and mobile coverage can impede modern living, discourage remote and hybrid working opportunities, and limit economic potential in rural communities. While schemes such as Project Gigabit and the Shared Rural Network have improved access in some areas by increasing superfast broadband coverage, many rural and coastal communities remain underserved. Bridging infrastructure gaps is crucial for attracting new residents, retaining younger populations, and supporting rural communities to be economically sustainable (APPG for Rural Business and the Rural Powerhouse 2022; Affordable Rural Housing Commission 2006 CPRE 2023; Emmins, Leckie, Munro, Pragnell 2023; HM Government 2023; RTPi 2022; Select Committee on National Policy for the Built Environment 2016; Taylor 2008; Tunaker, Carr, Burke, Reyes-Pascal 2023).

2.4 The impact of economic factors on sustainability

Rural housing faces unique supply challenges, including low population density and high land prices, which require higher subsidies and deter many developers. Landowners may wait for more profitable market opportunities—particularly in areas with speculative demand or strong holiday rental potential—further limiting affordable projects. Additionally, rural construction often involves higher costs due to smaller site sizes, limited economies of scale and site access issues, making it challenging to produce genuinely affordable homes.

Affordability is further strained by the gap between rural wages and rising house prices (see Section 3 of this report for further analysis on this), which is exacerbated by external buyers seeking second homes or profitable investments. Income in rural areas often does not reflect housing affordability, pushing out younger and lower-wage workers (Ayoade and Ahmed 2014; CPRE 2023; Dunn 2011; Gallent 2019; Gallent, Hamiduddin, Kelsey, Stirling 2020; Gallent, Hamiduddin, Stirling, Wu 2022; Gallent and Robinson 2011; Jarvis, Leckie, Munro, Pragnell 2020; Lavis and Bennion 2024; McAreevey and Kemmett 2022; Morgan and Satsangi 2011; Stirling, Gallent, Hamiduddin 2024; Tunaker, Carr, Burke, Reyes-Pascal 2023; Willett 2023b).

2.5 Encouraging community involvement and managing opposition.

Strong community engagement is pivotal to the success of rural housing projects. Parish Councils, RHE services and Community Land Trusts (CLTs) help build local support and

ensure homes remain affordable. By involving residents early on and clarifying the benefits of affordable housing, communities can overcome misconceptions—particularly around potential negative impacts on property values or neighbourhood character.

‘NIMBY-ism’ remains a significant obstacle, often rooted in fears of social change or assumptions about prospective tenants of affordable schemes. Addressing these concerns through genuine dialogue, strategic opportunism (e.g., collaborating with local builders), and well-focused policy interventions (including cross-subsidy or grant aid) can bolster scheme viability. Regional leadership and innovative measures, such as utilising church land, can further reinforce community trust and help keep rural affordable housing on the political agenda (CPRE 2023; Curry 2012; Dunn 2011; Gallent, Purves, Hamiduddin 2024; Harrison 2019; Hill 2024; McAreavey and Kemmett 2022; Stirling, Gallent, Hamiduddin 2024).

2.6 Environmental and sustainable practice

Integrating eco-friendly design from the outset can enhance the long-term viability of rural housing. Indeed, many CLT-led developments and RES schemes exceed standard energy-efficiency requirements. Environmental constraints, such as planning restrictions in protected landscapes, green belts, and national parks, can limit the availability of land for new developments. Achieving a balance between ecological preservation and affordable housing is a key concern for rural authorities. Brownfield development offers a potential solution by conserving green spaces and using existing sites more efficiently—the National Planning Policy Framework champions such reuse, particularly when integrating transport accessibility. Recent data showing an increase in brownfield registers suggests untapped opportunities for sustainable, community-centred housing, lowering the overall environmental footprint of new builds in rural areas (CPRE 2016; Chartered Institution of Highways and Transportation 2019; Fernley 2020; Gallent 2019; Gallent, Purves, Hamiduddin 2024; HM Government 2025; Morgan and Satsangi 2011).

2.7 Improving economic and social outcomes

Affordable housing helps rural economies by offering secure living conditions for local workforces. This can, in turn, boost consumer spending, support local businesses, and encourage diverse skill sets to remain within the community. This stability is especially important in regions vulnerable to second-home ownership or high levels of holiday rentals, where rising property values can drive out permanent residents.

On a social level, inclusive, mixed-tenure developments foster community cohesion and break down class barriers, while stable and good-quality housing conditions contribute to better mental and physical health. Affordable schemes can meet the needs of rural populations by enhancing support for local services such as schools, shops, and public transport. They can also bolster environmental sustainability and overall community vitality (ACRE 2024; APPG for Rural Business and the Rural Powerhouse 2022; CPRE 2023, 2021; English Rural 2024a, 2024b; Gallent, Purves, Hamiduddin 2024; McAreavey and Kemmett 2022; Moore 2021; Stirling, Gallent, Hamiduddin 2024; Udom and Weje 2019; Willett 2023a, 2023b).

3. Evaluation design and methods

3.1 Analysis of local rural affordable housing contexts

An analysis of existing UK Government datasets on rural housing was conducted by the evaluation team to produce an overview of the varied contexts of rural affordable housing across England. This data was used to ‘band’ ACRE network member operating areas with similar characteristics and informed the selection of the six case studies to reflect the variety of contexts in which RHEs are operating.

ACRE network members’ operating areas align broadly to shire counties so do not always correspond directly to current administrative geographies. An initial ‘best-fit’ exercise mapped operating areas against local authority areas. Utilising the Rural-Urban classification (RUC2011) (ONS 2016) districts categorised as ‘predominantly urban’ were excluded from the dataset, leaving only areas with rural characters (‘predominantly rural’ or ‘urban with significant rural’). Where district boundaries had altered or merged into unitary authorities post-2011, a ‘best-fit’ exercise matched 2011 districts to the replacement authority. Each ACRE network member’s operating area was given an overall categorisation as either ‘predominantly rural’ or ‘mixed urban-rural’ using the count of each RUC2011 category from its constituent rural-character districts.

We added UK Government data (as of March 2024) on the lower quartile house price-to-income ratio local authority areas (Defra 2024) as a key measure of housing affordability and took the mean across the rural-character local authority areas which comprised each ACRE network member’s operating area. This mean value was compared to the England-wide rural average lower quartile house price to income ratio of 8.8, with areas grouped into:

- areas where the mean ratio is higher than the national rural average ($+ >1.5$)
- areas where the mean ratio aligns to the national rural average (within ± 1.5)
- areas where the mean ratio is lower than the national rural average ($> - 1.5$)

Combining this with the RUC2011-based grouping, results in five groupings of ACRE network members’ operating areas (Table 1).

	ACRE Network member	Mean LQ house prices to income ratio	Region	Coastal / National Park
Group 1: Mixed rural/urban: LQ income to LQ house price ratio above LQ rural average of 8.8 (+ >1.5)	Surrey Community Action	13.47	SE	
	Community Impact Bucks	11.40	SE	
	CDA Herts	11.30	E	
	Community Action Hampshire	11.02	SE	Coastal; NP
Group 2: Predominantly rural: LQ income to LQ house price ratio above LQ rural average of 8.8 (+ >1.5)	Action in Rural Sussex	11.88	SE	Coastal
	Rural Community Council of Essex	11.47	E	Coastal
	Community First Oxfordshire	11.05	SE	
Group 3: Mixed rural/urban: LQ income to LQ house price ratio aligned with LQ rural average of 8.8 (within +/- 1.5)	Connecting Communities in Berkshire	10.10	SE	
	West of England Rural Network	9.80	SW	
	Bedfordshire Rural Communities Council	9.40	E	
	Support Staffordshire	7.33	WM	
	Rural Action Derbyshire	7.30	EM	NP
Group 4: Predominantly rural: LQ income to LQ house price ratio aligned with LQ rural average of 8.8 (within +/- 1.5)	Devon Communities Together	9.94	SW	Coastal; NP
	Dorset Community Action	9.90	SW	Coastal
	Gloucestershire Rural Communities Council	9.83	SW	
	Community Action Suffolk	9.65	E	Coastal; NP
	Community First (Wiltshire)	9.50	SW	NP
	CCS (Somerset)	9.20	SW	Coastal; NP
	Cornwall Rural Communities Council	9.20	SW	Coastal
	Cambridgeshire ACRE	9.08	E	
	Community Action Norfolk	8.85	E	Coastal, NP
	Warwickshire Rural Communities Council	8.70	WM	
	Community First Herefordshire & Worcestershire	8.63	WM	
	Northamptonshire ACRE	8.45	EM	
	RCC (Leicestershire & Rutland)	8.42	EM	
	Community Action Isle of Wight	8.30	SE	Coastal
	Community First Yorkshire	8.00	NE	Coastal; NP
	Community Resource Shropshire	7.40	WM	
	Rural Community Action Notts	7.30	EM	
	Community Lincs	7.13	NE	Coastal
Group 5: Mixed rural-urban OR Predominantly rural: LQ income to LQ house price ratio below LQ rural average of 8.8 (> - 1.5)	Cheshire Community Action	6.90	NW	
	Community Futures Lancashire	6.10	NW	Coastal
	Humber and Wolds Rural Action	5.85	NE	Coastal
	ACTion with Communities in Cumbria	5.42	NW	Coastal; NP
	Community Action Northumberland	5.10	NE	Coastal; NP
	Tees Valley Rural Action	4.70	NE	Coastal
	Durham Community Action	3.50	NE	Coastal

Table 1: Banding of ACRE Network Member operating areas using local authority-level RUC-2011 and lower quartile house price to income ratio as of March 2024. Compiled by the evaluation team (2024)

Mapping this banding (Figure 2) shows a North-South divide. All ACRE network operating areas with higher-than-average rural lower quartile house price to income ratios (mean value across constituent rural-character districts) are concentrated in the South East and East

of England, and all but one area where the ratio is lower than the rural national average are situated in the North of England. A swathe of areas across the South-West, Midlands and Eastern England align closely to the national rural average ratio of 8.8, along with one northern county (North Yorkshire). Grey areas of England within the map are metropolitan counties or predominantly urban-character local authority areas which (when statistical geographies of the available data allowed) were excluded from the analysis. Kent is excluded as it did not have an ACRE network member organisation at the programme development stage, while, as noted earlier, the ACRE network member organisations serving Nottinghamshire, Lincolnshire and Tees Valley are shown here, but did not take up the Defra funding.

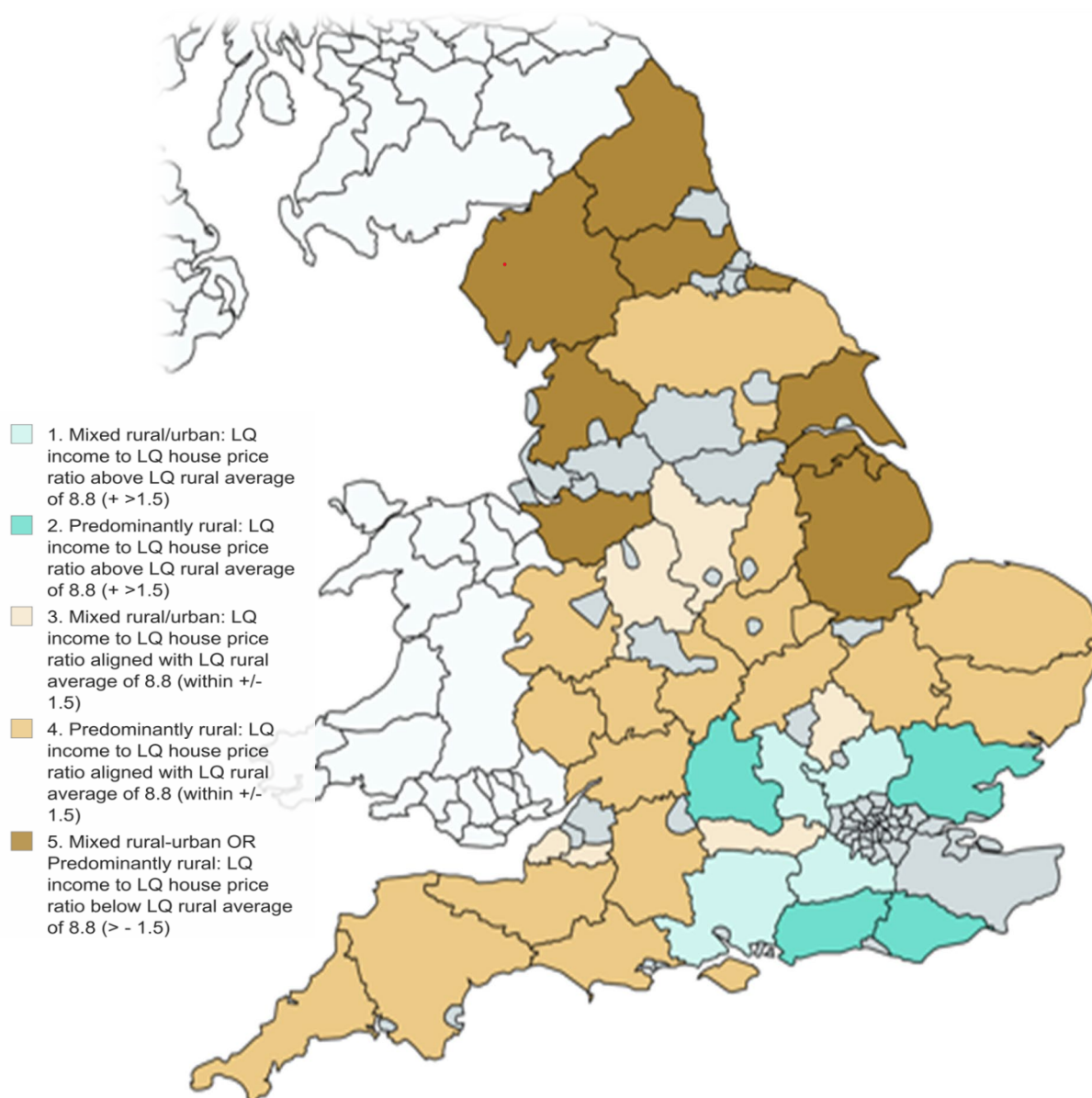


Figure 2: Mapped grouping of ACRE Network Members' rural-character operating areas using RUC-2011 and mean lower quartile house price to income ratio across constituent rural-character districts as of March 2024. Compiled by the evaluation team (2024)

It is important to note that while this calculation of mean affordability at the ACRE network member operating area-level is helpful for observing broad trends, it masks local variation in rural affordable housing contexts *within* counties/operating areas. Figure 3 illustrates this variation for the three counties with the widest range between the lowest and highest lower quartile house prices to income ratios across their constituent rural-character districts: Essex (highest ratio = 14.5; lowest ratio = 8.9), Gloucestershire (highest ratio = 12.4; lowest ratio = 8) and Cumbria (highest ratio = 8.1; lowest ratio = 4.1).

It is particularly important to be aware of this local variation in counties such as Cumbria, that overall have a lower quartile house price to income ratio than the national rural average but have a district, or districts, where the ratio is much closer to counties with higher overall rural unaffordability. It is also important to note that in areas where housing data is published at unitary authority level, local variation is hidden, and that figures may be skewed by urban-character areas within the county which were not able to be excluded from the dataset in the same way as in counties with district-level authorities. Finally, a local rural housing context of below average unaffordability can be disadvantageous in securing development, as the funding model utilised by Registered Providers to assess where to develop leans towards higher value areas. As such, it should not be assumed that the rural affordable housing context is necessarily ‘easier’ in areas with lower overall unaffordability.

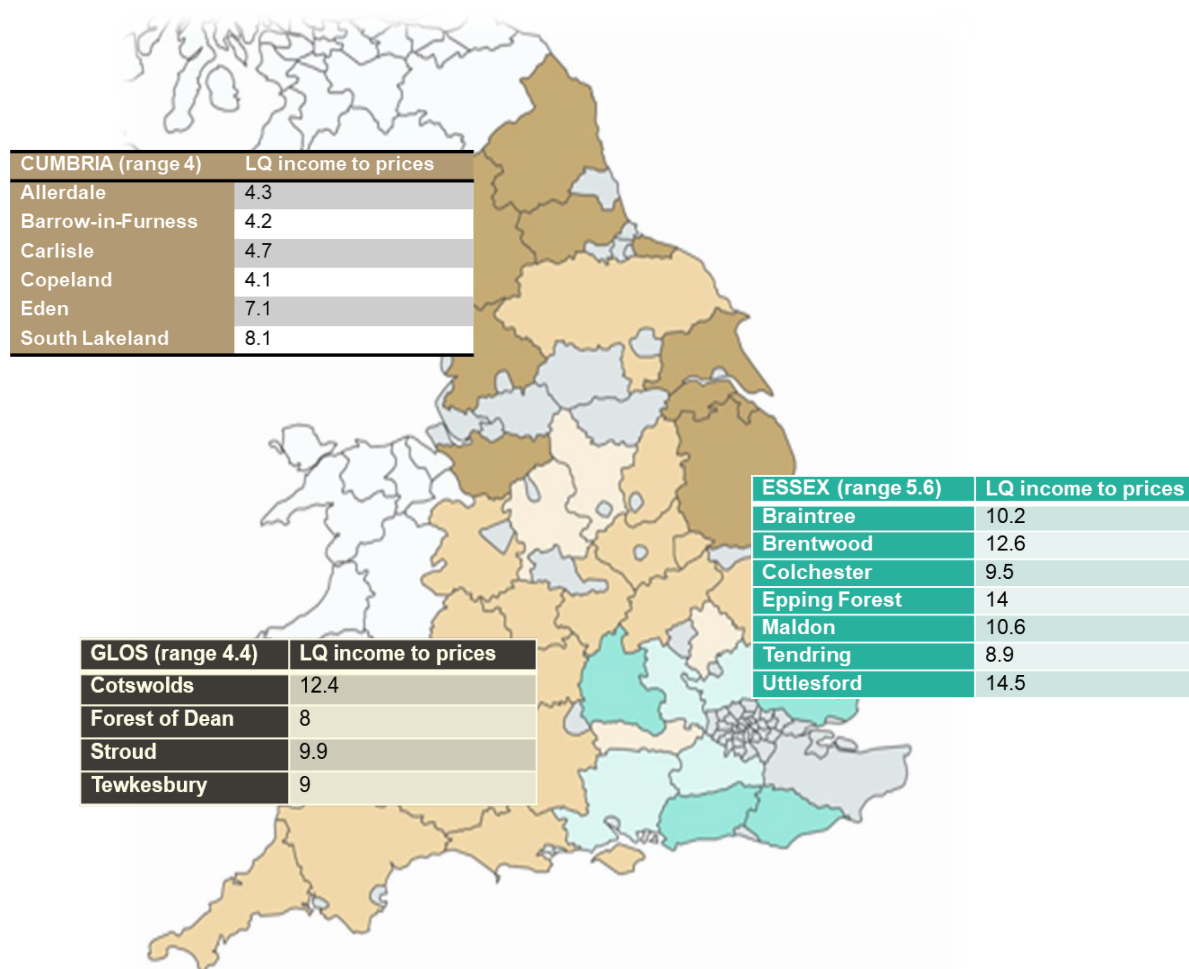


Figure 3: Examples of district-level variation in lower quartile house price to income ratios between constituent rural-character districts in Cumbria, Essex and Gloucestershire. Compiled by the evaluation team (2024)

3.2 Case study sampling

The banding was used to sample ACRE network member operating areas for the evaluation's six case studies. Two case studies are drawn from Group 4, the largest category most closely aligned to the average national rural affordability ratio, and one each from Groups 1, 2, 3 and 5. In addition, case study selection includes different regions of England, with case studies located in the South West, South East, East, East and West Midlands and North of England and reflects characteristics that existing research identifies as impacting local rural housing affordability, such as strong visitor economies and commutability to major urban centres (CPRE 2023). The sample also represents the variety of ways that ACRE network members have utilised the Defra RHE programme funding to either start or restart an RHE service or to add capacity to an existing established RHE service. A breakdown of the six case studies and their characteristics is provided in Table 2.

Case study	Data-based banding	Use of Defra funds	Other characteristics
1	Group 1: <i>(Mixed rural/urban: LQ income to LQ house price ratio above LQ rural average of 8.8)</i>	Restarting RHE service	Coastal National Park Visitor economy
2	Group 2: <i>Predominantly rural: LQ income to LQ house price ratio above LQ rural average of 8.8 (+ >1.5)</i>	Adds capacity to existing RHE service	Coastal Commuter
3	Group 3: <i>Mixed rural/urban: LQ income to LQ house price ratio aligned with LQ rural average of 8.8 (within +/- 1.5)</i>	New RHE service	National Park Visitor economy
4	Group 4: <i>Predominantly rural: LQ income to LQ house price ratio aligned with LQ rural average of 8.8 (within +/- 1.5)</i>	Adds capacity to existing RHE service	Commuter Visitor economy
5	Group 4: <i>Predominantly rural: LQ income to LQ house price ratio aligned with LQ rural average of 8.8 (within +/- 1.5)</i>	Restarting RHE service	Coastal National Park Visitor economy
6	Group 5: <i>Mixed rural-urban OR Predominantly rural: LQ income to LQ house price ratio below LQ rural average of 8.8</i>	New RHE service	Coastal Visitor economy

Table 2: Characteristics of case study locations

The inclusion of established RHE services pre-dating the 2023-2025 Defra funding allows the evaluation to incorporate outcomes beyond the potentially quite limited outcomes achievable in a newly established RHE service within the short-term funding period. The inclusion of established or restarted services where rural affordable housing schemes have been completed with RHE input in the recent past, allows identification of a wider and longer-term set of outcomes. This highlights potential outcomes of Defra funding of RHE services were a longer-term funding arrangement to be put in place.

Including this range of service types also allows comparison of the outcomes, challenges and enablers experienced in RHE services with a track record of scheme completion and local relationships and networks to build upon in the Defra-funded RHE work, compared to those services which are using the Defra funding to ‘starting from scratch’ with no recent history of RHE work in their organisation and/or their local area to build upon.

3.3. Data collection

The data collection included quantitative and qualitative data collected across case studies, a national survey of RHE and local partners, secondary data provided by ACRE, and interviews with the national team responsible for the programme.

3.2.1 Case studies

Case study data collection took place between May and November 2024, with some further interviews with Registered Providers in February 2025 to gather additional data required for the development of the Social Return on Investment (SROI) model. The composition of data collection varied slightly across case studies depending on the local context of RHE service delivery and partnerships in each location. Broadly, it included input from RHEs and the local partners with whom they work to progress rural affordable housing – including Registered Providers, parish councillors, local authority officers and third-sector organisations.

For interviews with RHEs, RHE Managers and local partners, questions were tailored to the local housing context as informed by an initial desk-based review, and the interviewees’ role. Interview questions covered:

- Actual and expected outcomes from the RHE service
- Enablers and barriers to effective RHE work and partnership working
- (Where applicable) reflection on experiences of progressing delivery of an RES scheme
- Process evaluation questions relating to the Defra-funded/ACRE-managed RHE programme.

Similar topics were covered in discussions within Rural Housing Advisory/Steering/Partnership Group meetings, which the evaluation team were able to attend in case study areas.

In case study areas where there were completed schemes, we also sought financial data and additional information on the time scale, process, and barriers involved in the delivery of a

selected scheme completed with RHE input within the last 5 years. This informed the input values within the evaluation's bespoke SROI model (see section 5). An online survey was also distributed to residents of a selected completed scheme within two case study areas, with follow-up short telephone interviews (opt-in from survey respondents). These gauged longer-term outcomes associated with residents' occupancy.

A pilot case study was conducted in May-June 2024 with an established RHE service with multiple completed schemes. This case study was used to scope outcomes of RHE work in the short, medium and longer term – allowing the evaluation team to understand the ways in which the intervention of the RHE causes change, when change occurs, who is affected and over what time period. This data was used to create a set of indicators, which could be measured through scaled questions to assess the level of change experienced and/or perceived by different actors. These scaled questions were included in subsequent case study interviews and the national survey (see below) with the resultant data contributing to the development of the SROI model (see section 5 for further detail on these indicators and model development).

Across the six case studies, the data collection totalled:

- Interviews with x10 RHEs and one former RHE
- Interviews with x2 RHE Managers
- Interviews with x12 local partners, including local authority officers, Parish Councillors, Registered Providers and a third sector organisation
- Survey of residents in x2 completed RES schemes and follow-up interviews with x5 residents across both schemes
- Discussions with x5 Rural Housing Advisory/Steering/Partnership Groups including RHEs, local authority officers, Registered Providers and other local partners.

3.2.2 National survey of RHEs and local partners

Alongside case studies, an online survey was distributed to all RHEs nationally within the ACRE network. RHEs were also asked to share the survey to their local partners in parish, district and county councils and Registered Providers. The survey included separate questions for new RHEs, RHEs in established or restarted services, and for local partners. Survey topics focused on the areas presented in Table 3.

The survey was open from December 2024 to January 2025 and generated 63 responses, which were almost evenly split between RHEs (n = 31) and local partners (n = 32). 90% of the RHE respondents are employed by an ACRE network member organisation. 43% of RHE respondents to the survey are from newly established RHE services in organisations with no recent history of RHE work. 30% are from established services where the Defra grant had added capacity, and 27% are from services which have restarted using the Defra funding following a break in provision. Within new services, 77% of RHEs had been in post for 7 – 11 months (Figure 4), meaning the earliest point they could have started their role was January 2024, with some potentially commencing their role as recently as May 2024.

RHEs	Local partners
Their organisations' use of the Defra funds, areas of expenditure of the funding and other income supporting the RHE service	The ways they currently work or plan to work with the RHE service
(If applicable) number of completed schemes with RHE input over the past 10 years	Perceived benefits and drawbacks of the RHE service in advancing rural affordable housing goals
Process evaluation questions relating to the Defra funding programme and ACRE management of the programme	Challenges and enablers to working with the RHE service
Challenges and enablers within their RHE work	Expected impact on rural affordable housing goals if RHE service not in place longer term
Scaled questions relating to indicators developed for the SROI model	Scaled questions relating to indicators developed for the SROI model

Table 3: Topic areas for RHE and local partner branches of national survey

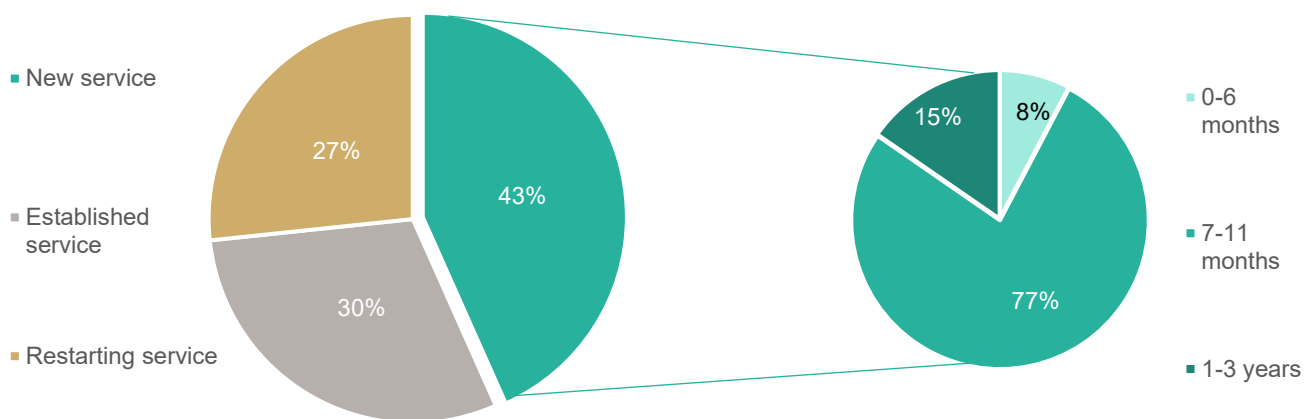


Figure 4: Service type and time in role for RHE survey respondents

This underscores the short time period of activity that respondents in areas with newly established services are considering when discussing outcomes of RHE work.

Of the local partners, the largest group of respondents are from local authorities (n=16), followed by Registered Providers (n=11). This likely reflects the distribution of the survey by RHEs via their local Rural Affordable Housing Advisory/Steering/Partnership

Group which tend to largely comprise of district-level and above local authority representation and Registered Providers. The survey was open to representatives of Parish Councils, but no responses from this group were received, although Parish Council views are captured elsewhere in the evaluation data. Other responses come from Community Land Trusts (n=1) and Other (n=4 – largely third-sector organisations).

3.2.3 Additional data

Although the case studies and survey were the primary data collecting tools, the evaluation also includes data from other sources. This includes secondary data from RHE and ACRE reports, including a significant quarterly report to Defra covering the time frame of the evaluation (ACRE 2025). We also include reflections from group discussion and feedback activity undertaken at an in-person RHE training and networking event in London in July 2024, which the evaluation team attended, as well as interviews conducted towards the end of the evaluation period with members of ACRE's national team and the programme's Technical Consultant.

4. Outcomes and benefits of RHE activity

The evaluation data identifies a range of outcomes and benefits of RHE involvement in the progression of local plans for affordable rural housing schemes. Following the first three case studies (conducted in established and restarting RHE services) we conducted initial analysis which resulted in the grouping of the outcomes and benefits identified into four categories:

- Community capacity building and empowerment
- Efficiency in housing delivery processes
- Health and wellbeing
- Sustainable and resilient rural communities.

These categories structure the subsequent discussion and are echoed in the SROI model detailed in Section 5.

As explored further in the SROI model, these categories of benefits occur across different timescales. Figure 5 provides an overview of the approximate timeframe of the phases of activity involved in progressing a rural affordable housing scheme based on case study interviews with RHEs and local partners. As such, the outcomes and benefits associated with these phases of activity occur at different times.

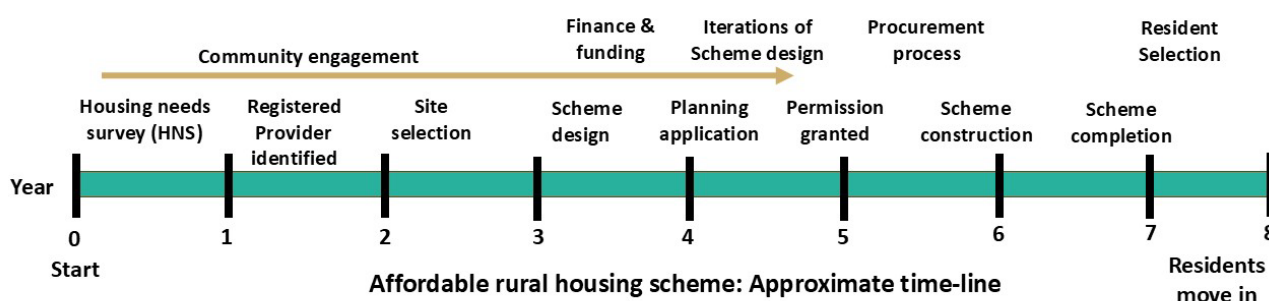


Figure 5: Generalised activity timeline for an affordable rural housing scheme (case study interviews)

In areas where the Defra funding has supported the establishment of a new RHE service or where the funding has enabled service to restart after a significant break in provision, outcomes and benefits occur primarily within the community capacity building and empowerment category. Outcomes within this category can be achieved or progressed towards at the earliest phase of RHE activity via community engagement and awareness raising, evidencing need, and local network and relationship building. Progress towards this set of outcomes can be attributed to activity undertaken within the period of 2023-2025 Defra funding of RHEs. This initial work represents important building blocks without which longer-term outcomes associated with scheme progression, completion and occupancy would not be achieved. Outcomes relating to efficiency in housing delivery may also be seen at an early stage of RHE work, via establishment of Rural Housing Advisory/Steering/Partnership Groups, and in some cases where schemes have entered the development pipeline.

Outcomes relating to health and wellbeing and sustainable and resilient rural communities are longer-term and will not be achieved solely via RHE activity funded by the 2023-2025 Defra funding. These outcomes are only found in areas where the Defra funding has added capacity to an existing, established RHE service or where a service has restarted following past provision in the organisation and/or local area. This is because the outcomes within these categories are dependent on completed schemes, as they derive from the occupancy of rural affordable homes and the benefits this brings for scheme residents and the wider rural communities within which schemes are situated. As outlined previously, while these outcomes are only able to be achieved outside the timescale of the Defra-funded programme, they are included to highlight the potential of Defra funded RHE service outcomes should a longer-term funding arrangement be put in place.

The following sub-sections discuss outcomes under each of the categories in greater depth, with a specific section (4.3) highlighting outcomes achieved or progressed by newer RHE services within the 2023-2025 Defra funding period. These outcomes should be viewed in the context of the relatively short period of RHE activity enabled by the Defra funding, with many new RHEs having been in post for less than 12 months at the point that data was collected.

4.1 Community capacity building and empowerment

4.1.1 The RHE as ‘honest broker’

For RHEs and the local actors they work with, a strength of the RHE service is the RHE’s role as an impartial ‘honest broker’. Where RHEs are employed by an ACRE network member organisation, both RHEs and local partners identify this independent status as a positive factor in engendering trusting relationships with local communities; leading to enhanced outcomes around community empowerment and capacity building.

This is a key benefit of the current model of Defra’s funding of the RHE service via ACRE, with RHEs being employed by an ACRE network member organisation (or comparable independent and not-for-profit community development organisation):

‘We [ACRE] have no agenda at all other than we want to meet local needs. That’s our agenda. And that’s one of the things that makes this programme a little bit different from what’s gone before’ (Interview: ACRE national team, 2025).

RHEs whom communities see as independent are less likely to be viewed in terms of a ‘political agenda’ than a local authority employee, and less likely to be perceived as motivated by profit or market concerns than a housing provider: *‘It’s not just about a “greedy developer” building houses, which is how the local population might see it’* (Interview: RHE, restarted service, 2024). This means they are better placed to overcome the barriers to scheme progression that can result from a communities’ negative past experiences or inherent distrust of development and the planning system, as illustrated in the quotes below:

‘They [Parish Councils] might think, “oh well, [the local authority] were rubbish with that planning application”, and things like that. You know, there’s a history of things that might have tainted that relationship over time, whereas [ACRE network member organisation] doesn’t have that’ (Interview: RHE, restarted service, 2024).

‘[people] get a bit suspicious if councils are trying to encourage [schemes] because they think we’ve got an ulterior motive’ (Interview: Local Authority Officer, 2024)

‘They [Parish Councils] don’t like being approached by us. They see us as a developer – they don’t trust us’ (Interview: Registered Provider, 2025).

Association with the community development charities or rural community councils which form the ACRE network allows RHEs to draw upon existing organisational social capital, recognition and reputation, achieved via these organisations’ long[er]-term presence in rural communities and their broader community development remits (for example, support for Parish Councils and village halls, support for local charities and community organisations, and projects supporting rural communities with issues such as energy costs and community transport). This can give RHEs a *‘foot in the door’* that is unavailable to local authorities and housing providers who may lack established local connections and relationships of trust (Discussion: Rural Housing Group, established service, 2024). Along with a community engagement skills gap (discussed below), a pre-existing relationship of trust with rural communities is understood by local partners as a key factor in the community engagement work required to successfully initiate and progress a rural affordable scheme:

‘We [local authority] tried to deliver rural housing independently with government funding and failed because we didn’t have the trust, independence, level of focus or the skillset of the RHE ... There’s a very clear skillset around community work that isn’t embedded in local authorities’ (Discussion: Rural Housing Group, 2024).

This is reflected in the survey data, where there is a clear alignment between RHEs and local partners in their positive view of the role played by RHEs in generating trust between communities and local housing partners (Figures 6 and 7). This data shows high levels of agreement or strong agreement with statements relating to the impact of RHE activity on trust between the RHE, communities and local partners, consistent across both RHE and local partner responses. For example, 33% of RHEs strongly agree and 57% agree that the work they

do helps generate trust between Registered Providers and the local community, while 41% of local partners agree and 28% strongly agree with a similar statement. Where responses from both RHEs and local partners are more ambivalent or negative, qualitative comments within the survey indicate that this is largely due to the very early stage of an RHE's work or a local partner's engagement with the RHE service.



Figure 6: RHE survey responses to question: Please indicate against the following statements the extent to which you feel that your RHE work on affordable rural housing generates trust among the community and different stakeholders.

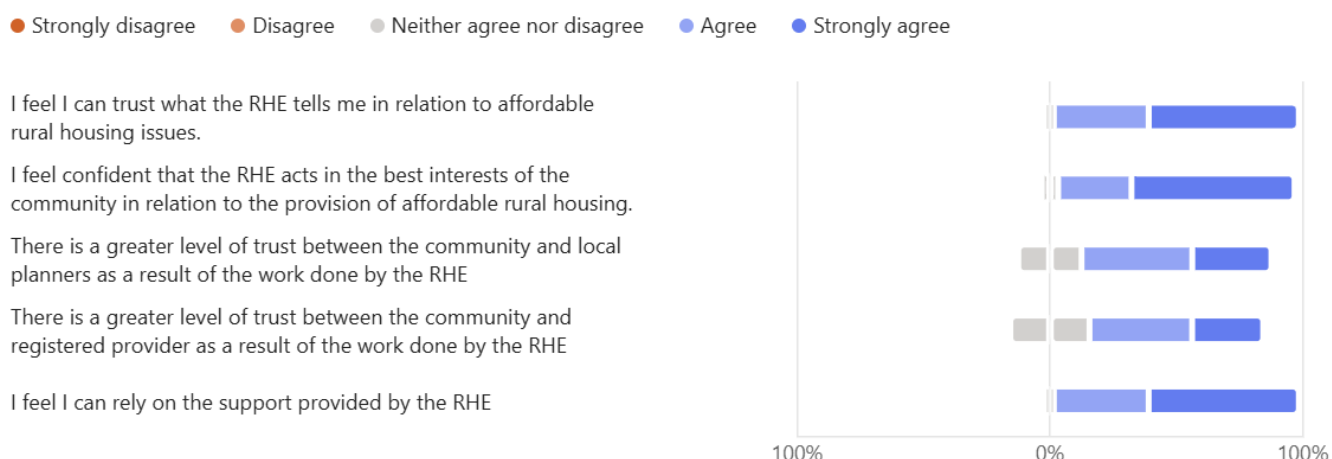


Figure 7: Local partners survey responses to question: Please indicate against the following statements the extent to which you feel that your work with the RHE on affordable rural housing generates trust among the community and different stakeholders.

4.1.2 Community engagement and agency-building

Both RHEs and local partners view RHE services as crucial to developing positive relationships in local rural communities, and essential in overcoming issues of community mistrust associated with housing development. One way that this is achieved is through supporting

processes that empower communities by giving them agency within rural housing initiation and development; in other words, increasing their capacity to act independently, to make choices, and to shape their own lives and the social structures around them, rather than these things being determined by external forces.

RHEs' support for community agency manifests in different ways. In some cases, the capacity of RHEs to proactively engage with communities and Parish Councils may lead to support for a community where housing need is already recognised, but where the community and/or Parish Council are unsure how to proceed: *'The RHEs are good at picking up un-met demand from local communities who want to do something but aren't sure how to do it. RHEs help them to think about what they want to do'* (Discussion: Rural Housing Group, established service, 2024). This proactive approach is something that both local authorities and Registered Providers lack capacity to undertake themselves - *'The RHE's role is great as they can speak directly to Parish Councils and 'fact find'. We haven't got the resources to do that'* (Interview: Registered Provider, 2024).

Once a scheme has entered the development pipeline, an important role for RHEs is engaging with the community to find solutions or ways forward in relation to local concerns and objections, through the facilitation of honest and constructive engagement between communities and local partners: *'I'm the impartial kind of advisor between loads of different parties – the community, the local authority, between the housing associations and the landowners'* (Interview: RHE, established service, 2024).

Affording agency to communities in evidence-gathering and decision-making processes around housing needs and the progression of rural schemes is key to the development of trusting relationships, building local enthusiasm, and minimising objections to proposed schemes. As such, RHEs and their local partners view the early and ongoing engagement of communities throughout a scheme's initiation process and progression as central to the RHE role, and local partners stated that this would not be possible without RHEs' capacity and skills: *'As a local authority, we wouldn't have the resources, skills or expertise to do what [the RHE] does'* (Discussion: Rural Housing Group, established service, 2024). This is supported by the national survey data, which shows that community development was a widespread professional background for RHEs prior to taking up their role. 35% of new RHEs indicated that their past professional experience was in community development, while 42% indicated a background in a housing or planning related role.² This means that the kinds of community engagement skills referenced by partners are a strong aptitude within the national RHE cohort.

RHEs facilitate the early information and evidence-gathering work required for the progression of RES development via Housing Needs Surveys. RHEs and local partners spoke about deep levels of initial cynicism in rural communities because affordable housing in their village

² The category 'housing' included respondents who had previously worked in local authority housing teams, within Registered Provider organisations or in roles related to Community Led Housing. The minority of respondents who selected 'other' (and who provided further detail) included those with prior experience in local authority neighbourhood teams and/or placemaking, homelessness services, international development and other third sector roles.

seemed such an unlikely prospect and explained how overcoming this cynicism is crucial to engaging communities and Parish Councils in providing the evidence of local housing need required to progress an RES scheme. Local partners stated that it was a struggle to get people in rural areas to add their names to the housing waiting list due to cynicism that this would result in the provision of housing: *‘Why would you wait at the bus stop when the bus is never going to come?’* (Interview: Registered Provider, 2024). For local partners who have experienced these issues, the RHE’s role in community engagement and awareness-raising plays an important part in encouraging Parish Councils to conduct an initial analysis of housing needs (via Housing Needs Survey or initial more informal means), and to encourage those in housing need to place themselves on the waiting list to improve the evidence base.

RHEs work with Registered Providers to facilitate opportunities for community engagement and co-decision-making on scheme design. This approach affords communities agency and ownership and ensures that there are opportunities for their voices to be heard and for concerns to be considered and addressed. As one established RHE described, trust developed between a local community and the RHE can then *‘rub off’* on the Registered Provider, engendering increased community involvement and ownership:

‘I make a massive point when I go and meet communities that I’m not trying to do anything to you. I want this to come from the community, and that is how I feel it works the best because the community are empowered ... they feel that they are taking control of the situation’ (Interview: RHE, established service, 2024).

Examples of RHE-facilitated community input leading to changes to scheme designs include the swapping of two-storey and one-storey homes within a scheme to reduce outlook loss for existing neighbouring properties, and consultation on materials which best matched the village vernacular, leading to increased community support for projects:

‘The community, if they say, “we don’t like this, could you change that?” We will do whatever we can to change it. Sometimes you can’t because of planning regulations, or whatever. But 99% of the time it’s a case of how we can make this work the best it can for everyone?’ (Interview: RHE, established service, 2024)

Local partners echo this assessment of the value of the RHE role in supporting community empowerment and helping to minimise and work through objections, citing the scope of RHEs to accessibly communicate the benefits of a development to local communities in a way that would be beyond the capacity of local authorities or Registered Providers themselves. A former RHE, for example, described the journey to a scheme’s completion as involving *‘a very intense local communication effort, with house-by-house discussions to overcome objections’* (Interview: Former RHE, 2024).

4.1.3 Awareness-raising and education

An important aspect of RHEs’ community-focused work is demystifying affordable housing and the planning system for local communities and Parish Councils. This can allay concerns arising from past negative experiences, and lead to communities feeling more empowered via

their involvement in a process that they better understand. Where communities are supportive of affordable housing, this work can also be important in managing expectations around development timescales and maintaining momentum and enthusiasm in the face of a complex process where: *‘everything takes months or years, at a time ... nothing is resolved quickly’* (Interview: Registered Provider, 2024).

Further evidence of the proactive role RHEs play in community engagement is demonstrated in RHEs services’ reporting to ACRE. In the third quarter of 2024-25, RHEs had made 194 new contacts with Parish Councils and community groups, up from 110 in the previous quarter. The same quarterly reporting shows that 70% of RHE services have communication/marketing strategies in place, an increase on the previous quarter, and that there is increasing public engagement through social media, direct mail, local events, and collaborations with parish councils (ACRE 2025). This awareness-raising and education work includes communicating to communities and Parish Councillors the difference between RES and Section 106 sites,³ which is important in allaying common misunderstandings about what development means for a rural community:

‘On Section 106, I think they [communities] feel they’re imposed on them. Whereas exception sites [RES] - working from the outset with people where obviously it’s not-for-profit - they see the social value of it ... it’s the local connection and held in perpetuity. It’s for the benefit of the community and when people see that they’re more open to it ... That’s where [RHEs] are very good at the communication side. And getting in at an early stage and showing the benefits of it and talking it through - that’s where it really helps’ (Interview: Local Authority Officer, 2024).

The allocation of homes according to local connections within RES schemes is an important factor in engendering Parish Council and community support – *‘we totally insisted it [scheme] should be for people with local connections. That was an absolute necessity’* (Interview: Parish Councillor, 2024). RHEs and local partners report that ensuring communities understand the local allocation priority within RES is essential in building support among established residents, who can see the need for increased affordable housing supply given that their own or their neighbours’ adult children have often had to move out of their village:

‘The local Parish Councils and the community as well are keen to have people able to remain in the parish ... There’s a conflict, sometimes I think a little bit because the section 106 sites tend to be open for anyone on our housing register and obviously, quite rightly, the parishes would like to see people being able to remain who have grown up in the village and remain there. It’s, you know, their kids growing up.’ (Interview: Local Authority Officer, 2024).

RHEs’ knowledge-sharing around RES policy can also help address community and Parish Council anxieties that schemes will act as a ‘slippery slope’ for further market developments,

³ Section 106 is the other main planning mechanism by which affordable housing may be built in rural areas. It is applied to sites within areas where development growth is permitted under local authorities’ local development plans and usually combines market development with a proportion of affordable homes.

or lead to an influx of people from outside of the area - further disadvantaging local home-seekers (Interviews: RHEs, established services, 2024).

In addition to facilitating current development, a relationship of trust brokered by an RHE can have more far-reaching benefits in terms of community and Parish Council awareness of the benefits of RES schemes. Communities and Parish Councils with completed schemes in their village can help to inform and encourage others, and a completed scheme can become a building block to future successes elsewhere. In some cases RHEs have encouraged Parish Councils to visit completed RES schemes in nearby parishes, or even led these visits themselves, as a powerful means of allaying concerns and encouraging wider buy-in: *'Bringing together the Parish Councils, and them seeing peers saying it's a good idea or hearing about successes from another parish is very powerful'* (Discussion: RHE training and networking event, 2024)

This showcasing of completed schemes is particularly effective in addressing the social stigma attached to social-rent housing and providing reassurance about the impact of a scheme on a village's appearance:

'One of the things that we've done previously is sent Parish Councillors to a particular site and said to them "pick out the social housing and the rented housing against housing that has been purchased". And because it's just this lovely mix - of stone and brickwork - they cannot' (Interview: RHE, established service, 2024).

4.2 Efficiency in housing delivery processes

Fundamental aspects of the RHE role include being a point of contact, a knowledge resource, and a conduit for information between the various local actors involved in rural housing. An enabler of this aspect of RHE work is the establishment of positive working relationships between an RHE and local stakeholders, and the facilitation of forums to support relationships between these actors in the form of Rural Housing Steering/Advisory/Partnership groups. As of the third quarter of 2024/2025, a total of 29 such groups were in place nationally, with four more expected to begin in the next quarter (ACRE 2025). Via these relationships and forums, RHEs play a vital role in fostering a partnership approach to rural affordable housing development and ensure that collaboration remains central to the process:

'They're a good conduit for partnership working. There's a tendency otherwise, for other actors to become leaders. If you have RHEs, it emphasises the partnership approach and encourages everyone to participate. It adds credibility to the project.' (Discussion: Rural Housing Group, restarted service, 2024).

RHEs' unique ability and capacity to bring partners together is widely recognised by local partners: *'[the RHE is] the glue that holds it all together'* (Discussion: Rural Housing Group, established service, 2024)

The timescales involved in rural housing development highlight the importance of the RHE's role in maintaining momentum once a scheme has entered the pipeline. Registered Providers

explained that seven years was a common timescale from initial discussions to breaking ground for RES scheme, although some schemes take even longer. Throughout these lengthy processes, RHEs play an important role in providing continuity, keeping projects on track and reducing the risk that a project will stall when other partners shift focus, as well as maintaining momentum towards other schemes entering the development pipeline:

‘It’s how they keep the pipeline going ... Once we’re on-site, we don’t have the capacity to look at new schemes coming up. Whereas the Rural Housing Enablers do. Without them, we’d finish a project and then wouldn’t have anything else to do next.’ (Interview: Registered Provider, 2024).

‘They chase everyone up and say, “can you do this; can you do that”. That gets lost when people are busy with other things. Working groups with Parish Councils have slipped a bit when there hasn’t been a Rural Housing Enabler – someone says they will do something and then they don’t.’ (Interview: Local Authority Officer, 2024).

The skill set of RHEs is a key factor in delivering this set of outcomes. Strong communication skills and ability to engage communities and partners allow them to link different organisations together effectively and share information:

‘A lot of my work is talking to people on the phone, talking to parish clerks, talking to parishes, talking to the councillors, talking to developers, explaining to them about exception sites. It’s about upskilling professionals as much as upskilling the community and it’s updating local authorities on the projects that are happening in their area or on housing need surveys, it’s talking to local authorities about certain policy or allocations, or potential sites.’ (Interview: RHE, established service, 2024)

Local partners recognise that a well-networked and knowledgeable RHE is uniquely placed, via their capacity, skills and networks, to push through barriers that can threaten a scheme’s viability throughout the initiation, planning and development process. The issue of local objection to schemes and RHEs’ role in mitigating and resolving (where possible) community and Parish Council concerns has been described earlier. Other challenges may include identification and securing of a suitable site at a viable price, appointment of a developer, and delays during the planning process. Resolution of these issues can often involve a great deal of ‘groundwork’ and ‘leg work’ that would be beyond the capacity of other actors to deliver (Discussion: RHE training and networking event, 2024), or which they would lack the capacity and relationships to unlock:

‘There were points at which it was looking pretty difficult, like it may not go ahead ... One of the big delays was due to the fact that we couldn’t find anybody interested in developing such a small area. We could only find people who were interested in building big housing estates ... [the RHE] worked very hard, I know, to try and find somebody who would develop it’ (Interview: Parish Councillor, 2024).

Local authority officers mentioned that within councils with smaller planning and development teams, the RHE adds essential capacity to support local relationships and networking, without which it may be impossible to bring schemes forward:

‘They’ve [RHEs] got the ability to bring everyone to the table. It’s that network ability and knowledge, expertise ... [Without the RHE] It would be a struggle. Would it happen at all? It might take a lot more work ... [The RHE] is always very good at linking in with the landowners and that side of it. So, it’d be trying to get all those links - starting afresh’ (Interview: Local Authority Officer, 2024).

Reporting from RHE services to ACRE suggests that RHEs are also engaging with a range of actors beyond their local Advisory/Steering/Partnership groups to try and unlock more sites from a range of sources; including private landowners, farming organisations and Church of England dioceses. The reporting also suggests progress in the pre-development, design and planning application stages via increased identification of potential sites, formal approvals by local planning authorities, and pre-application discussions. This represents an improvement in moving projects from the ‘potential’ phase to actual planning applications over the life of the 2023-2025 Defra-funded programme (ACRE 2025).

4.3 Outcomes of new RHE service activities

Within the Defra funding period, and the 12-months or less employment period (at the time of data collection) for RHEs recruited to newly established services, outcomes achieved tend to fall into the community capacity-building and empowerment category. Initial work to broker relationships between local housing actors and the establishment of Advisory/Steering/Partnership Groups are also starting to contribute to outcomes under the efficiency in housing delivery processes category.

For RHEs in new services, a focus of activity has been raising awareness about the service and what it can offer to rural communities, as well as information gathering about local communities and their potential housing needs. This is particularly important (and challenging) work in areas that had no recent history of an RHE service either within or outside the ACRE network member organisation prior to the Defra-funded programme, as it is ‘very time consuming to even get people to the point where they are open to having conversations’ (Interview: RHE, new service, 2024). New RHEs in this circumstance have started from a ‘baseline of zero’ in terms of local awareness levels and relationships:

‘There has been nothing like this in [county] for over 20 years ... It was quite clear that nothing was happening, no resources had been put to it. I spent most of September and October last year driving around the county, meeting various people who I could identify to say “This is happening. Are you interested?” ... I don’t think [county] was ready even in the slightest for the RHE service.’ (Interview: RHE, new service, 2024).

For RHEs and RHE Managers in new service areas, raising awareness of the potential of the service and rural affordable housing among communities, developing a baseline knowledge of local rural housing contexts and needs, and establishing new relationships and forums with key local actors are considered reasonable outcomes within the short period of RHE activity enabled by the 2023-2025 Defra funding. Staff in new RHE services without any service history to build upon also stress the ‘time it takes to think about something new and come up with a plan’ (Interview: RHE, new service, 2024), and the time and resource required to

set up administrative systems and processes for a new area of work. In some new service areas, RHEs have conducted a Housing Needs Survey or are making good progress towards these in their work with parishes, while some have identified sites for the development pipeline. Progress seems to have been more effective when new RHEs have focused efforts on a specific area of a county, although RHEs are concerned whether this pragmatic focus on areas with a greater chance of progression aligns with those areas where there is the most acute housing need (Discussion: RHE training and networking event, 2024).

Local partners in new service areas identify initial outcomes they are starting to see from RHE activity, through the added capacity that RHEs bring for proactive approaches to Parish Councils. They hope that continuation of RHE funding will allow this work with parishes to continue and develop into more tangible steps such as Housing Needs Surveys or site identification, as they have historically ‘struggled’ to engage with Parish Councils because of capacity/resource issues or Parish Councils’ suspicions around their motivations. The awareness-raising and educational aspect of RHE work, which has been a key focus of activity for new services, is also valued by local partners:

‘I think at the heart of this is a very low understanding about rural disadvantage and poverty in rural areas. I am not sure that Parish Councils and local authorities are representative of the needs of people on low incomes or really understand the [rural housing] pressures’ (Discussion: Rural Housing Group, new service, 2024).

Across the case studies and survey data concerning new RHE services, local partners express hope that an increased knowledge base resulting from this work will enable a more conducive environment for initial steps towards the progression of rural affordable schemes.

As outlined above, the other main area of work for newly set-up RHE services is the brokering of relationships with and between key local partners via the establishment of Rural Housing Advisory/Steering/Partnership groups. Local partners who participate in these groups view this as an important step in creating a forum for discussion of rural housing which would not otherwise exist locally: *‘Rural has slipped down the focus, but the RHE programme has helped to re-focus efforts’* (Discussion: Rural Housing Group, new service, 2024). Participants in these groups note that initial RHE work is ‘refocusing’ housing specialists on the rural, while within some ACRE network member organisations it also has the inverse effect of re-focusing rural specialists on housing:

‘We’ve often felt that housing was the missing link in terms of our work around poverty and deprivation in rural areas’ (Interview: RHE Manager, new service, 2024).

‘The RHE scheme has helped [organisation] to develop different sets of relationships and has brought into focus the importance of housing to sustainable communities. We were primarily focused on the social elements of communities before, but this has highlighted the importance of physical ‘bricks and mortar’. That’s been a really good unintended outcome.’ (Interview: RHE Manager, new service, 2024).

These outcomes around community capacity building and empowerment and the establishment of relationships and forums are important building blocks without which the

longer-term outcomes associated with scheme progression, completion and residents' occupancy would not be achieved. Outcomes associated with completed schemes around residents' health and wellbeing and sustainable and resilient rural communities are discussed below, drawing on data from the longer-term work of established and restarted RHE services.

4.4 Residents' health and wellbeing

Allowing people to stay in or return to communities close to their support networks is described by RHEs, local partners and scheme residents as a key outcome of affordable housing scheme completions. The requirement applied to RES developments, that home-allocation prioritises local connections, means that the new scheme residents tend to have roots in the local area. When a resident's family and friends live locally this enables the giving and receipt of informal care and support – for example, care for the elderly or help with childcare. Proximity to informal support networks is cited by scheme residents as an important way in which the move had improved their lives. RHEs and local partners report that informal care networks reduced social isolation and reliance on public services, with associated public sector cost savings:

'If you don't have sufficient affordable housing, it's likely to force younger families away who may never return, and consequently an ageing population ... there's an issue around more informal care networks, and if you live in a village and you've got elderly parents and they're getting a bit frail, you might want to take them to the nearest town to do shopping. Obviously, those arrangements are very informal, very local. But if you didn't have them in place, older people would probably have to move away, or you have to provide more bus services to get them into the nearest town.' (Interview: Local Authority Officer, 2024).

Interviews with scheme residents reveal that some have previously experienced periods of homelessness or 'sofa-surfing', and multiple moves due to insecure tenancies or unscrupulous private landlord behaviour. For these residents, moving to a home within an affordable rural scheme has had significant benefits for their health and wellbeing: *'Overall our stress levels have gone down completely. We are now having a more relaxed and happy life'* (Survey: Scheme resident). RHEs and Registered Providers also mentioned scheme residents who had previously been unable to move out of their parents' home to set up their own households, or who had been unable to leave unhappy relationships: *'for those looking to move out of home, or those struggling with relationship breaks, it becomes so difficult for anybody to stay within their communities'* (Interview: RHE, restarted service, 2024).

Some of the scheme residents surveyed have disabilities or long-term health conditions and had previously lived in properties that had not met their access needs, or which were unhealthy environments due to issues such as mould or dampness. Registered Providers report that the passive house technologies employed in some schemes were helping alleviate symptoms for residents with respiratory conditions. A resident with age-related mobility issues said: *'I required a bungalow to carry on with a more mobile life. This move gave me that, and the bonus of a garden is wonderful'* (Survey: Scheme resident). For elderly, disabled or otherwise vulnerable residents, a home that meets access/mobility needs and enables them

to stay healthier, active and part of a local community reduces social isolation and has clear benefits for wellbeing. Construction within completed RES schemes is usually of high standard and tends to employ low carbon methods and incorporate energy-saving technologies – lessening environmental impacts and reducing residents’ energy bills. Along with affordable rents, reduced bills are identified by RHEs, local partners and residents as a key benefit of living in a completed scheme, with positive impacts on household finances and broader health and wellbeing: *‘If they’re financially better off [residents] can do more and enjoy life better. And then that feeds into mental health as well’* (Interview: Registered Provider, 2024).

4.4.1 Residents’ experiences

The vignettes below are based on experiences recounted in interviews with residents of schemes in two case study areas. They illustrate outcomes in terms of the real impacts moving to these schemes has had on diverse residents’ lives. Names are pseudonyms and other potentially identifying details have also been altered.

Lucie (Interview: 2024)

Lucie is a resident of a small affordable housing scheme delivered with RHE involvement on a Rural Exception Site.

Lucie lived in the village with her parents until adulthood, when she moved with her partner to a flat away from the village. The couple have since had young children and have had to move several times between private rentals, including when a landlord decided to sell early in their lease. These frequent moves have been disruptive and stressful, as well as expensive - with repeated letting agent fees, deposits and moving costs.

*The completion of the rural affordable housing scheme gave Lucie and her family the opportunity for a secure tenancy and an affordable rent, as well as the chance to live in the village where they have strong roots, but which would be otherwise unaffordable: **‘if we were paying the private rent, we wouldn’t be able to afford to live here’**.*

Lucie and her partner both work, and having their families close by is a big help in balancing work and childcare. In turn, they can provide help to older family members. They really value their children experiencing the same village life that they did growing up, including attending the local school.

*The family feel settled and stable, finds living costs more manageable, and feel less anxious about their future: **‘I would never have dreamed I would have been able to live here ... It’s an amazing opportunity, and I felt, and do still feel, very lucky’**.*

Tess and Steven (Interview: 2024)

Tess and Steven had been renting privately, but due to age-related disabilities, Tess found climbing the stairs in their house increasingly difficult. Private rental bungalows in their area were very rare and outside the couple's price range, so they were delighted to be offered a new bungalow within a small rural affordable housing scheme in a nearby village.

Moving to a bungalow has had a huge positive impact for the couple's independence and wellbeing, and they feel very welcomed by the village community where people are friendly and help each other out.

*The couple are retired and on a limited income, so appreciate their reduced outgoings. Their rent has almost halved from their previous private rental and their energy bills have also reduced substantially due to their new homes' energy efficient features, meaning they are no longer **'scratching around at the end of the month'**.*

Adam (Interview: 2024)

Adam has lived in the same village for most of his life, but an unexpected job redundancy coupled with health issues meant that he spent several years without work and could no longer afford to rent locally. He spent time living in a caravan and moving between friends' homes, while on the council waiting list.

*Being allocated an affordable home in the community where he grew up has been life changing for Adam, who says he has benefitted **'a million percent'**. He is very grateful to have been allocated his home as there are so few properties that you can rent from the council locally, and he knows many people have been priced out of the village.*

Adam appreciates the low running costs of his home, and the community spirit in the area. He knows that some local people were initially opposed to the scheme, but says that now it is built, most people seem to agree it is a good thing for the village.

4.5 Sustainable and resilient rural communities

The beneficial outcomes associated with scheme completion and occupancy extend beyond these schemes' residents and into the wider rural communities where schemes are situated. The completed scheme examples described to us in the case studies were designed to support balanced communities, with a mix of housing sizes and types intended to work well for people at different life stages: *'the age range, the tenure, the size ... We're trying to recreate what should happen naturally in a village environment'* (Interview: RHE, established service,

2024). An associated outcome is strengthened community bonds, as residents living in affordable homes that meet their needs tend to be less transient:

‘Those tenants will stay in those homes for years to come because they’re pleasant, they’re within their local community, they’re around friends and families’ (Interview: RHE, established service, 2024).

As highlighted earlier, existing research shows that rural housing unaffordability particularly impacts younger people, with implications for local economies and the long-term sustainability of communities (County Councils Network 2024; Gallent, Purves, Stirling, Hamiduddin 2024). This is a key concern in some of the local areas served by RHE services: *‘We have evidence in this area to show that young people of working age are moving away because they cannot afford to live here.’* (Interview: Local Authority Officer, restarted service, 2024), and the potential of increased affordable housing supply to retain and attract younger residents in villages with an ageing population is seen as important to the sustainability of local services and amenities - benefitting rural residents of all ages:

‘An area that we worked in, they were concerned about the little village primary school having to close. So, this sort of housing, you’re bringing in families, and that’s helping the little primary school. They’re now looking at a second scheme ... So, they’re thinking in the long-term of their primary school and how do they sustain it? And that’s through good housing for families’ (Interview: RHE, established service, 2024).

‘RES are time-consuming, but worth it because of the local impact – keeping schools, shops and other local services open; bringing new life into small local communities’ (Interview: Registered Provider, new service, 2025).

Registered Providers had prioritised local trades and suppliers in RES construction - reducing the construction phase carbon footprint and supporting the local economy (Interviews: Registered Providers, 2024). RHEs and other local actors described the importance of affordable rural homes in addressing the difficulties faced by local employers whose labour force cannot afford to live locally and in enabling key workers to live locally, supporting the sustainability of rural public services (Interview: Local Authority Officer, 2024).

Despite its importance to sustainable and resilient rural communities being well evidenced, support for rural affordable housing remains a low priority for local authorities given resource constraints, competing demands, and concentration of need in more urban areas: *‘When you’re looking at relative housing needs the rural is never going to be there in terms of numbers. That’s the reality of the framework in which we’re working’* (Discussion: Rural Housing Advisory Group, established service, 2024).

Local authority housing and development officers recognise the preventable costs incurred where work to deliver rural affordable homes is not undertaken, particularly given the increased complexity and cost of service delivery in rural areas - *‘there are costs to local authorities in terms of the increased risk of homelessness - we would have to pick up any homelessness cases that might arise’* (Interview: Local Authority Officer, 2024). However, local authorities also face significant budgetary constraints which limit their ability to engage

with rural housing issues, as well as a focus-pull towards larger-scale and more cost-efficient delivery in urban and peri-urban areas where there is greater concentration of need. As such, the rural focus of the RHE role is often unique within an area, and RHEs are viewed by local partners as important ‘*champions for rural communities*’ whose needs would otherwise be subsumed within other priorities: ‘*there wouldn’t be that platform for rural housing without the RHE*’ (Discussion: Rural Housing Advisory Group, 2024).

The case study findings described above are supported by national survey data. In the survey, both RHEs and local partners expressed high levels of agreement or strong agreement with statements relating to positive outcomes for affordable scheme residents and wider rural communities (Figures 8 and 9).

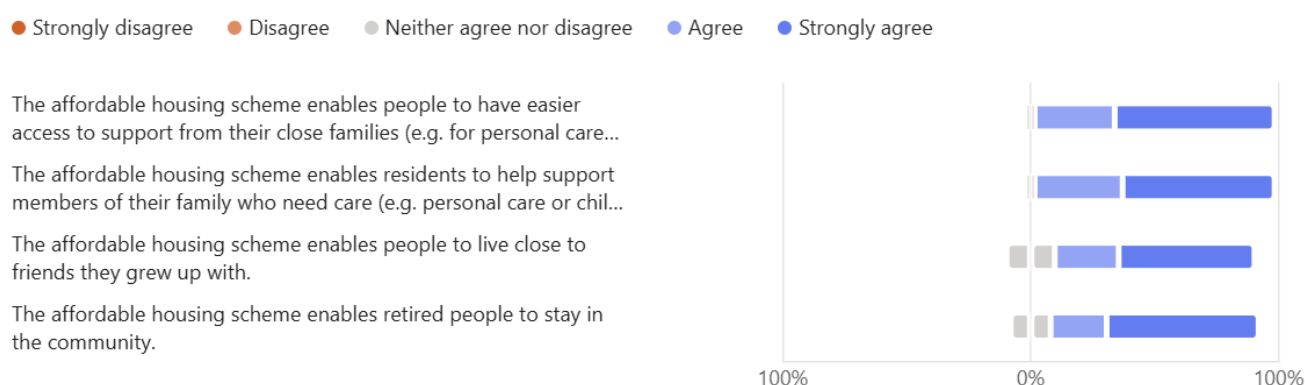


Figure 8: RHE survey responses to question: Based on your RHE experience, please indicate the extent to which you agree or disagree with the following statements describing some of the social benefits of living in an affordable rural housing scheme

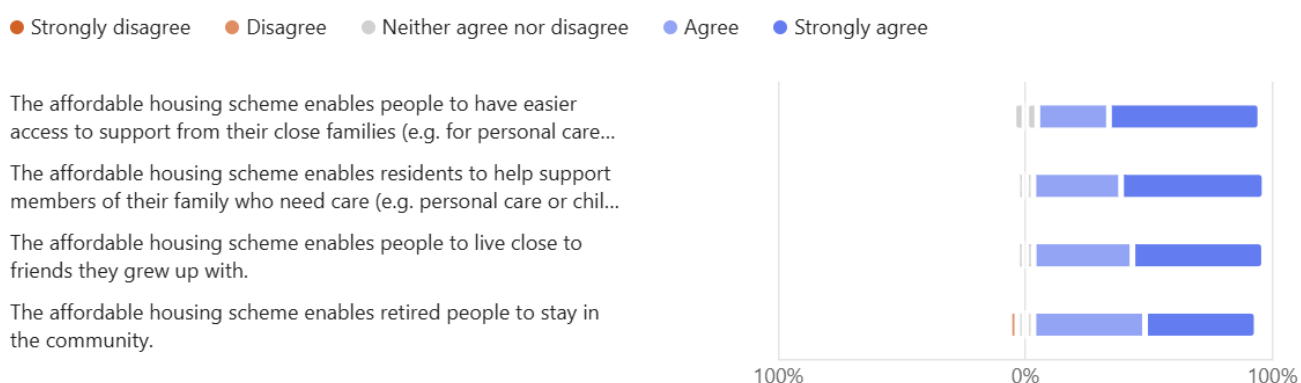


Figure 9: Local partners survey responses to question: Based on your work with the RHE, please indicate the extent to which you agree or disagree with the following statements describing some of the social benefits of living in an affordable rural housing scheme

5. Social Return on Investment model for RHE activities

5.1 Development of the SROI model

Having provided a narrative account of the outcomes and benefits associated with different stages of an RHE service, the following section explores the generation of a quantified value of these outcomes via a bespoke Social Return on Investment (SROI) model.

This section presents two sets of results from the customised RHE SROI model:

First set of results: SROI modelling results (see Section 5.6)

This section presents SROI results based on evidence drawn from three case studies where affordable rural housing schemes have been completed and are currently occupied by residents. The in-depth case studies enabled identification of investment expenditure and outcomes from the initiation of scheme activity to the point where residents are benefitting from the housing. A total of four models are presented to illustrate the benefits generated by RHE (and other stakeholder activity) at different stages in the process for a generic rural affordable housing scheme of 10 units. These four models build on each other to capture investment and outcomes over different time periods:

- 3-Year SROI Model
- 5-Year SROI Model
- 18-Year SROI Model
- 28-Year SROI Model

The models are described in detail below.

Second set of results: Estimating benefit generation from RHE activity 2022-25 (see Section 5.7)

The second set of results generated by the SROI model explores outcomes at a national level generated by RHE activity over a 3-year period. The results presented are based on incorporating ACRE 'pipeline' data into the 3-Year SROI model identified above. The 'pipeline' data is based on ACRE monitoring of RHE activity across England. It provides annual information on the number of schemes under consideration and an indication of the number of schemes achieving different stages in the process. The SROI model has been utilised to

provide an indication of benefit generation from RHE activity at national level across the 2022-25 period.

The Social Return on Investment (SROI) model developed for this evaluation is based on the schedule of activities occurring over a period of 5 – 10 years to develop an affordable rural housing scheme on a generic rural exception site (RES). These are typically small housing schemes comprising 8 – 12 dwelling units. The timeframe from start to completion varies enormously (from 2 years to more than 12 years) and over the past 15 years has increased significantly as the austerity programme has gradually reduced local authority planning resources and the planning process has increased in terms of complexity and data requirements (Registered Provider interviews, 2025). The general agreement now, among the sample of RHEs and Registered Providers interviewed across case study areas, is that it takes on average 6 – 7 years to complete an affordable rural housing scheme.

Key steps in the affordable rural housing process are:

- Initial identification of a community with a housing need
- Community engagement and consultation to gain support for a scheme
- Identification of potential sites and landowner engagement
- Identification of a Registered Provider (Housing Association)
- Scheme design and planning application
- Scheme construction
- Occupation by residents

Understanding the timing of activities and expenditure over the period, when different outcomes occur, and who benefits is critical to design of the SROI model (see Figure 4, page 22). The housing sector operates on long time frames, in particular regarding the financial aspects of affordable housing schemes. Providers referred to operating over planning periods of 30 – 45 years for a full return on financial investments made. It must be emphasised that the SROI model developed here is designed to assess the social outcomes from affordable rural housing and not the financial aspects (which are not included in the modelling).

Analysis of case studies reveals that the main tasks of the RHE occur in years 1 – 3, although the RHE continues to play a role all the way through the process until scheme completion and residents' occupancy. The initial stage involves engagement with a Parish Council to link housing needs with potential sites and gain wider community support. The RHE plays a key role in facilitating discussion between the Parish Council, Registered Provider, and planning authority. Once a site is identified and a Registered Provider engaged, the RHE role decreases during the design and planning application phase. Obtaining planning permission leads into a third phase of procurement of materials, and a builder (usually smaller local builders rather than a large national firm). The final phase follows scheme completion and residents' occupancy.

Identification of the key phases has led to the creation of three SROI models, each building on the previous time period:

- A 3-Year Model that focuses on the role of the RHE and bringing together the community, landowner, Registered Provider and planning authority (Years 1 – 3).
- A 5-Year Model which incorporates the increased scale of investment required to undertake the planning application and scheme design Phase (Years 1 – 5). Based on the assumption that scheme design, surveys, and planning application occur in years 4 and 5.
- An 18-Year model which incorporates the large-scale expenditure required for land acquisition and scheme construction and includes the outcomes for the scheme residents and local community over a 10-year period. Based on the assumption that the scheme is completed in year 7 and occupied in Year 8.

A key reason for presenting outcomes over three distinct time periods is to enable the full range of investment and outcomes to be explored both as they occur (in terms of RHE activity in the first three years, increased investment in years 4 – 8, and long-term outcomes beyond 8 yrs) and in combination over the longer term (i.e. 18 and 28-year model results).

The customised model is based on the SROI methodology developed by the New Economics Foundation (2007). Figure 10 illustrates the five main stages in building and operating a model. The approach requires understanding the ways in which an intervention causes change (variously referred to as programme theory, or ‘journey of change’) which identifies the nature of change occurring, when it occurs, who is affected and over what time period (Stage 1). Once the characteristics of change are known a set of indicators can be created to measure the outcomes experienced by different categories of people, society, or the environment. These indicators are then applied in different ways (for example through the development of scaled questions to assess the level of change experienced and/or perceived) to collect data on the magnitude and timing of impacts from those affected (Stage 2).

In relation to the RHE programme, data were collected through 6 in-depth case studies involving interviews and discussions with key actors involved in the delivery of affordable rural housing, supported by surveys of residents in two completed schemes, and an online national survey of RHEs and their local partners.

In Stage 3 the indicator scores measuring different outcomes are input into the model along with an actual or estimated number of beneficiaries. The outcomes are converted into monetary values using financial approximations (Proxies) which are based on activities with market processes that generate similar changes to the outcomes identified. Discounting is applied (starting with the recommended 3.5% identified in Treasury Guidance documents) (HM Treasury 2022) to enable present value comparison of outcome benefits and investments made over the time period of interest. Sensitivity analysis and peer review are utilised to enhance the validity of the results, and a final stage explores the utilisation of the information on outcomes and values. Figure 11 provides an overview of the SROI model developed to explore outcomes from RHE activity in relation to generation of affordable rural housing.

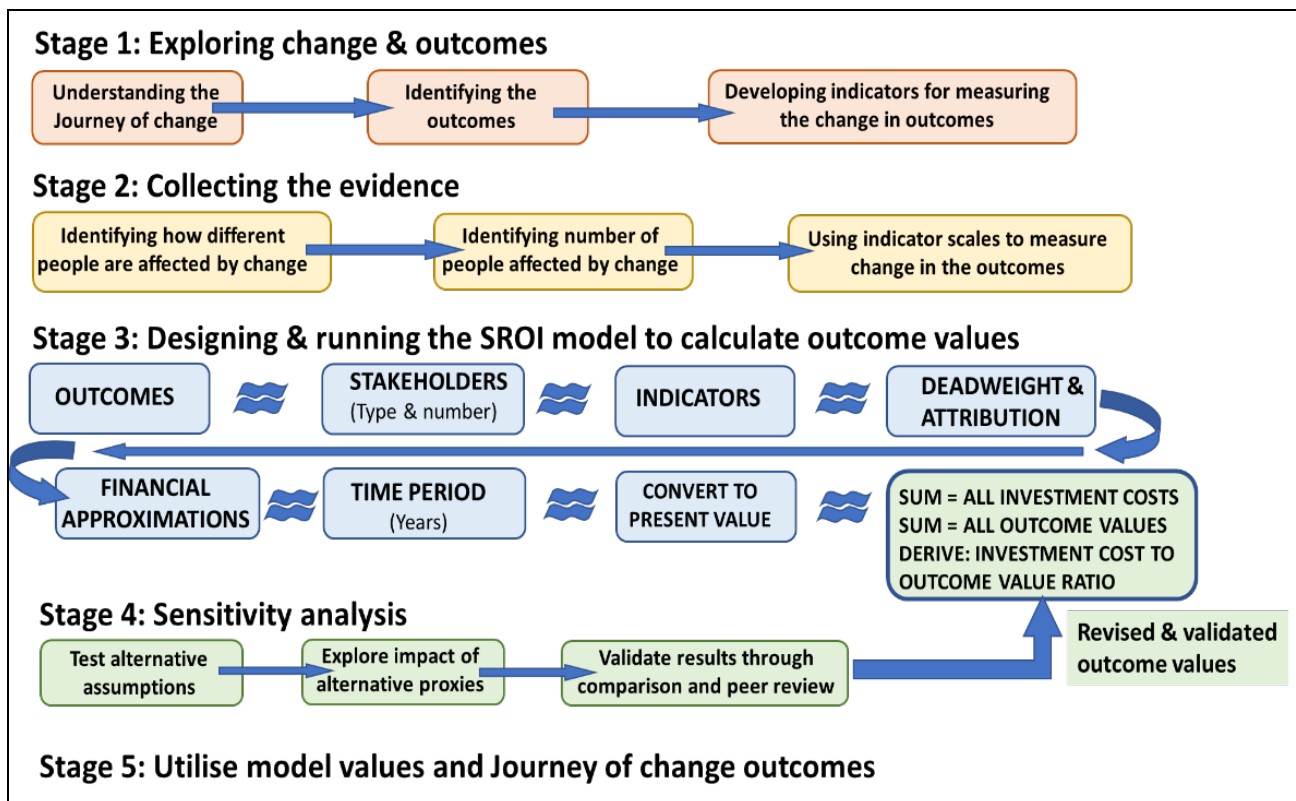


Figure 10: Schematic diagram illustrating the development and operation of an SROI model

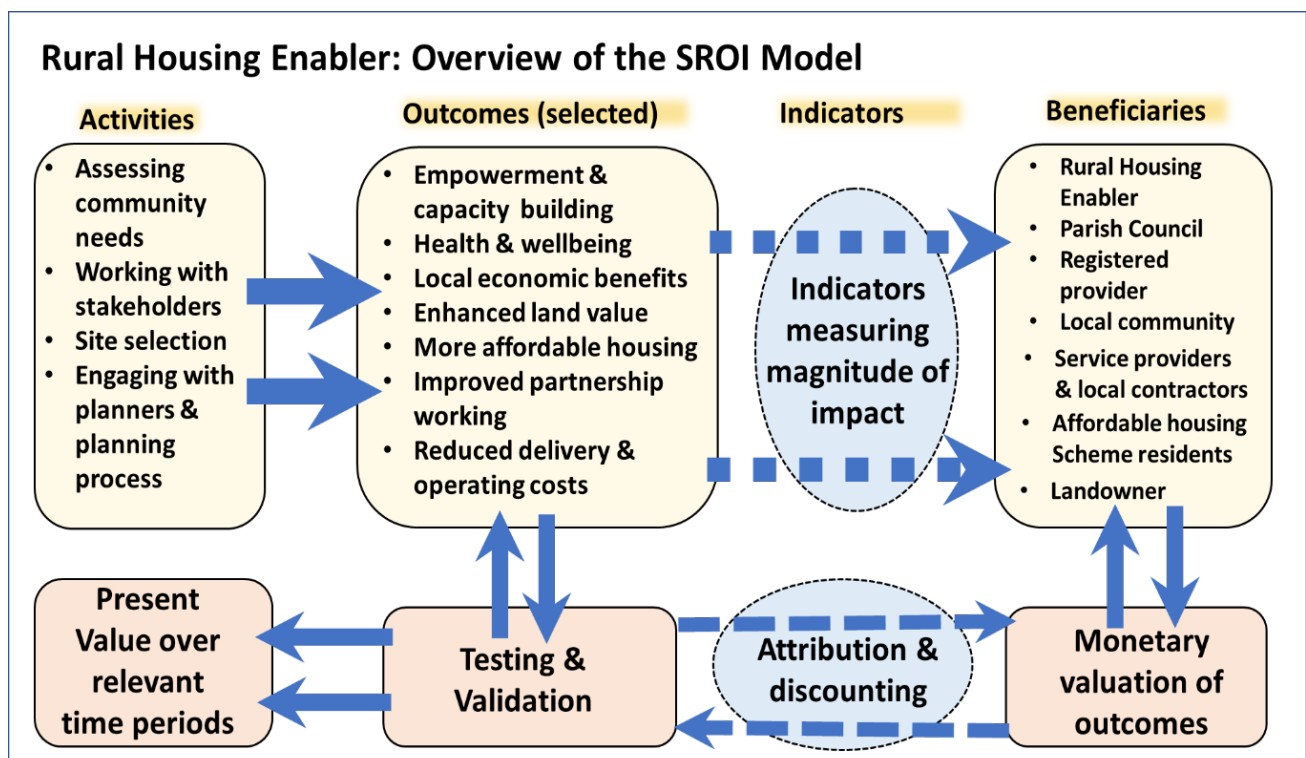


Figure 11: Overview of the SROI model for exploring RHE action to generate affordable rural housing

5.2 Journey of change and outcome assessment

As outlined in the Methods section, six case studies were selected to provide a range of different contexts within which RHEs operate. Two of the case studies were in areas where RHE had been active for a long time and two were in areas where services were restarting after a relatively short gap. In these areas, the RHE service had a track record or had recently been involved in the delivery of completed rural affordable housing schemes. The remaining two case studies were newly established services in organisations with no recent history of RHE work. Interviews with RHEs, Registered Providers and other local partners in the first two groups of case study areas enabled identification of key activities and impact pathways that generated benefit streams. The benefit streams were then grouped into four categories or ‘high-level outcome domains.

Key aspects of RHE work in supporting the provision of affordable rural housing are the long-time frames, from identification of housing needs in a community to scheme completion, and changes in the nature of the outcomes and beneficiaries. Figure 12 illustrates the activities occurring over what is now normally seen as a 6 – 7-year time period (Interviews: Registered Providers, 2025). The nature of the activities occurring in the three different phases, and the nature and focus of outcomes and benefit flows led to the development of the three SROI models, which are briefly summarised below.

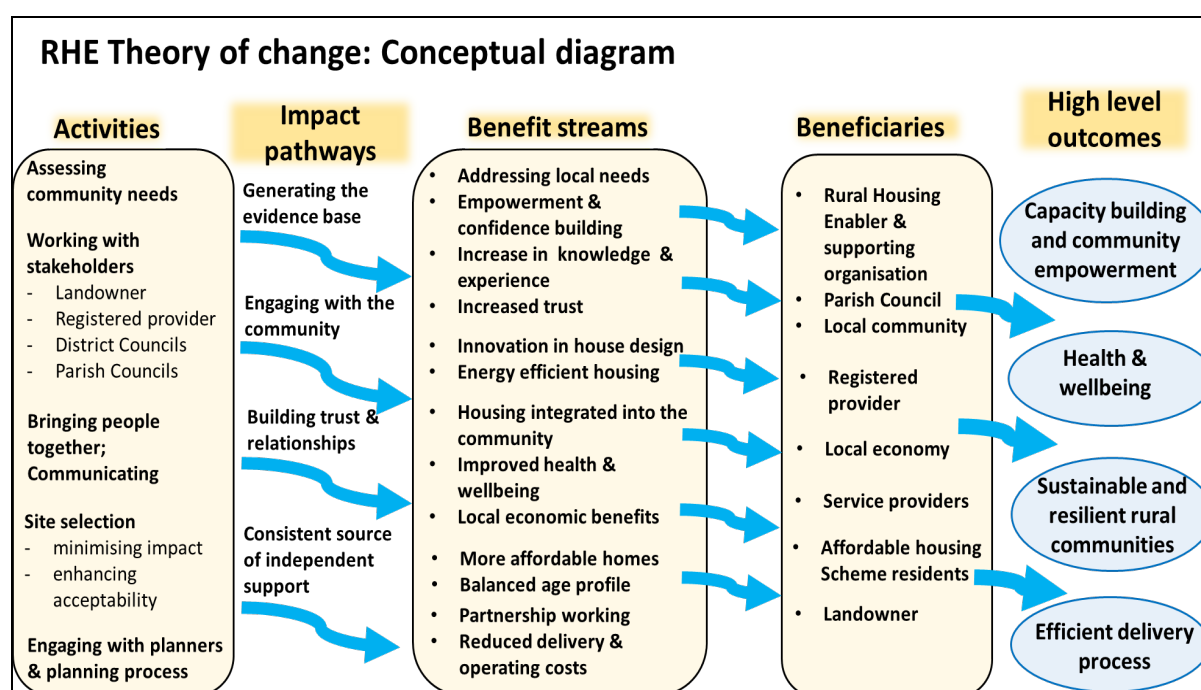


Figure 12. Theory of change developed from case studies and interviews on the role of the RHE

5.3 3-Year SROI Model

The initial three years of activity focuses on the role of the RHE in identifying a housing need in a rural community and bringing together the community, landowner, Registered

Provider and planning authority (Years 1 – 3). Local contexts vary and RHEs might be involved in approaching a Parish Council to ascertain whether they have an interest in affordable rural housing, or they may be approached directly by the community, or a Registered Provider who has identified a need or itself been approached by a local Parish Council. As examined in the preceding report chapter, the RHE role is essentially one of engaging with a community to explore housing needs, where necessary to undertake (or contract out) an HNS, use the HNS to help the community engage with affordable housing, provide an introduction to a Registered Provider, find and assess potential building sites, and support the community through the planning process. The role is one of enabling or facilitating a process where neither local authorities nor Registered Providers have the capacity to undertake community engagement, either through lack of trust (Registered Providers are often seen in a negative light as ‘developers’ while local planning authorities are viewed as regulators), or lack of relevant community engagement skills within those organisations. Case-study evidence from interviews indicated that local authorities did not have people with relevant community engagement skills and having an RHE available in the area meant there was someone they can utilise to liaise with local communities. Community engagement is also hampered by difficulties local authorities face in relation to their role in planning and development, they are seldom viewed as a neutral player operating in the community’s interest, leading to a lack of trust.

The main outcomes in the first 3 years of activity to deliver a rural affordable housing scheme relate to two of the domains in Figure 13, **Capacity building and community empowerment**, and **Efficient delivery processes**. The first of these focuses on three sub-domains of activity:

- empowering the community to act by building confidence
- increasing trust between the different actors
- addressing local needs.

The main beneficiaries are individuals, those sitting on the Parish Council, those working for a Registered Provider, a local landowner and, to a lesser extent, representatives of the local planning authority. Empowering the community to act and building trust in the RHE and the process are essential building blocks to engage with a Registered Provider and the wider community (Table 4). A key advantage of RHE activity is that RHEs have both housing and community engagement facilitation skills which support development of trust. As discussed in the preceding section, case study interviewees noted that affordable housing schemes require widespread community support to be successful.

The second sub-domain is focused more on organisation-level outcomes generated by RHE activity in terms of potential future financial benefits for the Registered Provider from owning a larger asset portfolio, and efficiency gains through more effective communication between the key stakeholders (RHE, Registered Provider, Parish Council; planning authority) and development of innovative solutions from collaborative working.

Assessing the magnitude of outcomes listed in Table 4 was undertaken by developing sets of statements targeted at measuring the perceived change in factors such as level of awareness and understanding, skills, levels of confidence and trust between the key players. The

statements were incorporated into a national survey of RHEs, Registered Providers and other local partners, and mean scores were utilised as a measure of outcome magnitude. The outcomes identified in Table 5 also used the national survey, but for financial and relevance outcomes utilised other measures, such as the cost savings from not having to employ someone with community engagement skills.

Table 4. SROI Model Outcome domains: Capacity building and community empowerment

Sub-domain category	Outcome	Beneficiaries	Outcome indicator
Empowerment & confidence building	Increased knowledge & understanding of affordable rural housing options and processes	<ul style="list-style-type: none"> • RHE • Parish Councillors • Local community residents 	Mean score on a tailored 5-point Understanding scale. National RHE & Stakeholder survey.
Increased trust	Increase in trust among key stakeholders and the community	<ul style="list-style-type: none"> • Parish Councillors • Registered Provider • Local authority housing personnel & planners (including strategic housing officers) • CLT organisation (if relevant) • Local community residents 	Mean score on a tailored 5-point Trust scale. National RHE & Stakeholder survey.
Addressing local needs	Improved understanding of housing needs & local community issues	<ul style="list-style-type: none"> • RHE • Parish Councillors • Registered Provider • Local authority housing personnel & planners (including strategic housing officers) 	Respondent mean score from combined set of statements regarding awareness of community issues and knowledge/experience scales. National RHE & Stakeholder survey.
	Improved competence, engagement and purpose through professional, life and practical skills	<ul style="list-style-type: none"> • RHE • Parish Councillors • Local authority housing personnel & planners (including strategic housing officers) • CLT organisation (if relevant) 	Respondent mean score from combined set of statements on the Improved knowledge and competence scale.

	Increased satisfaction and sense of control among Parish Councillors and relevant community organisations	<ul style="list-style-type: none"> • Parish Councillors • CLT and other community organisations (if relevant) 	Composite score from 3 questions relating to perceived improvement in sense of control. Composite score from National RHE & Stakeholder survey.
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Table 5: SROI Model Outcome domains: Efficient delivery processes

Sub-domain category	Outcome	Beneficiaries	Outcome indicator
Organisational influence	Enhancing organisational relevance	<ul style="list-style-type: none"> • RHE host organisation • Registered Provider 	Perceived change in level of attention accorded to organisational actions / reports by relevant organisations / government bodies
Financial benefits	Reduced delivery & operating costs. Potential for reduced borrowing costs /	<ul style="list-style-type: none"> • Local authority • Registered Provider 	Cost savings from not having to hire personnel with community engagement and facilitation skills.
	Greater financial resilience from asset ownership	<ul style="list-style-type: none"> • Registered Provider • CLT (where relevant) 	National stakeholder survey mean score for improving efficiency.
Efficiency gains	Benefits for individuals of improved partnership working and collaboration (improved communication)	<ul style="list-style-type: none"> • Parish Council • Local authority • Registered Provider • CLT (where relevant) 	Composite score from statements in the National stakeholder survey: Collaboration and partnership scale
	Benefits for organisations of enhanced problem solving strategies & productivity. Promotes effectiveness and efficiency.	<ul style="list-style-type: none"> • RHE host organisation • Parish Council • Local authority • Registered Provider • CLT (where relevant) 	Composite score from National stakeholder survey: Innovation and problem solving scale.

5.4 5-Year SROI Model

Case study interviews revealed that getting from a Housing Needs Survey to the point where a site had been selected, a Registered Provider has committed to the scheme and

community support is assured, generally takes 2 – 3 years. This is the point at which the first significant financial investment would be made, based on the assumption that scheme design, surveys, and planning application occur in years 4 and 5. The Registered Provider will normally contract out the scheme design and start preparations for the planning application, involving site surveys and data collection, development of a financial model and seek funding (e.g. from Homes England).

In terms of outcomes, the RHE activity tends to decrease at this stage, although there is still a significant ‘hand-holding’ role involved in supporting the Parish Council and the wider community through multiple iterations of the scheme design and the planning application process. A wider range of organisations become involved at this stage to address ecological, highways, heritage, and service supply issues. The outcomes and beneficiaries are thus essentially the same as those in the 3-Year model.

5.5 18-Year SROI model

Once planning permission is granted (in year 4 or 5) the third stage commences, which involves the large-scale expenditure required for land acquisition and scheme construction. This tends to be a relatively short period of 1 – 2 years. The Registered Provider engages in a procurement process to identify a building contractor and then oversees the construction activity. During the construction period there is less involvement by the RHE although there is still a need for community support and decisions on design to ensure the development fits into the wider community fabric, and the procedure for selection of residents of the completed scheme.

The Registered Provider will typically operate with a financial plan over a 30 to 40-year period, which allows for a suitable rate of return and incorporates both scheme management and planned maintenance & improvement costs. The SROI model runs from the point at which a Housing Needs Survey is initiated through the construction phase (thus capturing the major areas of investment) and for ten years beyond Year 8 (based on the assumption that the scheme is completed in Year 7 and occupied in Year 8). This ten-year period captures the outcomes from the other two domains, health and wellbeing and sustainable and resilient communities generated by those who benefit from living in an affordable home in the scheme. These are long-term outcomes generating benefit flows for residents and the wider rural community for as long as the dwelling units are managed as affordable homes.

Tables 6 and 7 summarise the main outcomes from this period. Health and wellbeing outcomes relate primarily to individuals who become residents of the scheme. Case study interviews with RHEs and the data from the resident survey and interviews indicated a range of benefits focused on improved mental and physical health, and reductions in stress and anxiety from being able to pay the rent and lower energy bills. Some residents also noted the value of being close to networks of family and/or friends, providing practical and emotional support. Access to affordable housing also tends to increase agency/self-esteem, level of trust in others, and sense of belonging to a community. The level of outcomes generated

depends on the characteristics of individuals/households selected for a scheme but typically reflects the age range of those in the scheme (young and old).

The fourth main outcome domain is related to the capacity for an affordable housing scheme to support more sustainable and resilient rural communities. There are both benefits for the households living in the dwelling units and the wider community. Household benefits relate to lower living costs (primarily from lower rent and energy costs). There are also the wider social benefits as a result of reduced consumption of fossil fuels (carbon emissions) from living in a more energy efficient home.

The wider community can potentially benefit in multiple ways. This includes higher level of spending in local shops, helping them to survive, and the increased demand for education and health services from younger families, which contributes to supporting the longer-term sustainability of these services in rural communities. Interviews with RHEs and Registered Providers also noted the capacity for altering (to a small degree) the age profile of communities, providing housing for people working locally and the enhancing the capacity for maintaining the ‘vitality’ of small rural communities. The impact of such outcomes can be variable, depending on the population size of the community itself, the existence of local economic and social services that might benefit, and the current age profile

Table 6: SROI Model Outcome domains: ‘Health & wellbeing’ outcomes

Sub-domain category	Outcome	Beneficiaries	Outcome indicator
Personal wellbeing	Improved physical health from living in warmer home	Affordable housing scheme residents	Resident survey: Combined score from 2 case studies. Physical and mental health improvement scale.
	Easier access to family support networks	Affordable housing scheme residents.	Resident survey: Combined score from 2 case studies. Closer links to family & friends scale.
	Reduced stress and costs from accessing employment & local services	Affordable housing scheme residents	Resident survey: Combined score from 2 case studies. Ease of access to employment and local services scale.
Local environment context	Increased social interaction and local engagement	Affordable housing scheme residents.	Resident survey: Combined score from 2 case studies. Scaled question on extent to which people in the community help each other.
	Improved sense of trust and belonging through community support	Affordable housing scheme residents	Resident survey: Combined score from 2 case studies. Measured through ‘Sense of

			belonging / connection to community' scaled questions.
	Increased agency, resilience and self-esteem from integration in the community	Affordable housing scheme residents. (Assume 8 houses per scheme)	Resident survey: Combined score from 2 case studies. Measured through 'Sense of belonging / connection to community' scaled questions.

Table 7: SROI Model Outcome domains: Sustainable and resilient rural communities

Sub-domain category	Outcome	Beneficiaries	Outcome indicator
Reduced cost of living	Reduced stress and anxiety through lower cost of living (rent)	<ul style="list-style-type: none"> Affordable housing Scheme residents. 	Resident survey: Combined score from 2 case studies. Reduced cost of living scale.
	Lower energy bills	<ul style="list-style-type: none"> Affordable housing Scheme residents. 	Resident survey: Combined score from 2 case studies. Proportional reduction in energy bills from living in an energy efficient house.
Reduced environmental impact	Reduced fossil fuel consumption from improved house design and construction; use of renewables	<ul style="list-style-type: none"> Affordable housing Scheme residents 	Average reduction in Tonnes carbon per household per year as a result of improved design and energy efficiency.
Local environment context	Greater community cohesion	<ul style="list-style-type: none"> Affordable housing Scheme residents. 	Resident survey: Combined score from 2 case studies. Perceived level of community connection scale.
Community vitality	Enabling young families to stay provides volunteers for local clubs and associations	<ul style="list-style-type: none"> Affordable housing Scheme residents. Wider community residents 	Resident survey: Combined score from 2 case studies. Involvement in volunteering / supporting local associations and groups.
	More balanced age profile in the community	<ul style="list-style-type: none"> Affordable housing Scheme residents. Wider community residents 	Resident survey: Combined score from 2 case studies. Sense of belonging/Stronger connection to community scaled items.

Local economy	Local economic benefits: Construction phase spending on local services.	<ul style="list-style-type: none"> • Local business and service providers • Wider community residents 	Proportion of contract income staying local (will vary depending on services available and extent of local economy boundary).
	Local economic benefits: increased spending on local services (shops etc.) from new residents	<ul style="list-style-type: none"> • Local business and service providers • Wider community residents. 	Proportion of household budget spent on local services. Combined CS resident survey data indicates 35% of households spend money locally (varies across schemes depending on level of services available)
	Enhances community income from Council Tax	<ul style="list-style-type: none"> • Wider community residents 	Feeding income back into local community from Council tax.

5.6 SROI modelling results

Tables 8 and 9 summarise model outputs from the 3 time periods. The models are scheme-based, using data drawn from three case studies to assess the social benefits of an ‘average 10-dwelling unit affordable rural housing scheme’. The models are thus forecasting models based on the current estimated level of investment required to initiate, design, and complete the construction of a scheme, and the benefit flows likely to be generated from scheme occupation over 10 years.

The results presented are based on the present value (PV) of forecast streams of expenditure and outcome benefits. Future investment and benefits flows are discounted to 2025 values using the Treasury recommended rate of 3.5% (HM Treasury 2022). As part of the sensitivity testing of the model a 2.0% discount rate has also been explored.

The 3-Year SROI model involved only a small amount of investment, related almost entirely to time inputs by the RHE and Registered Provider personnel. The model makes conservative estimates of outcomes and levels of investment, which include monetised time inputs from Parish Councils and other (unpaid) potential stakeholders. It also makes some allowance for office costs and travel expenditure for salaried personnel (RHE, Registered Provider).

The 3-Year SROI model Benefit-Investment Ratio (BIR) is 3.30:1, meaning for every £1 invested over the time period there is an estimated £3.30 generated in social outcome benefits.

Table 9 indicates that two-thirds (66.4%) of the present value of the monetised outcomes are related to capacity building and empowerment of the RHE and community leaders and members, while approximately one-third (33.6%) of outcomes are related to improvements in delivery processes resulting from collaboration between key stakeholders in this phase of

work (Registered Provider, Landowner, Parish Council and the wider community; local planning authority) enabled and facilitated by the RHE operating as an ‘honest broker’.

Moving into Phase 2, the 5-Year model reveals a reduction in the BIR to 1.68:1. This reduction is due to the large increase in investment required to undertake scheme design and submit the planning application. Scheme design is normally contracted out to architects by Registered Providers and planning applications require significant inputs of time and costs resulting from multiple surveys and engagement with a wide range of agencies and utility companies. Outcomes, although still being generated by the RHE through community engagement and facilitation, are less significant during years 4 and 5 as most of the activity is focused on the design and planning undertaken by the Registered Provider and external contractors. The drop in the BIR compared to the 3-Year model is indicative of the phased nature of investment in affordable housing development where large expenditure is required in the early stages (design, planning, construction) while benefits are generated over much longer time periods through occupation.

The 18-Year model encompasses the initial 7-year period taking in the outcomes generated by the RHE and the investment in design, planning and scheme construction. This is a period of large-scale investment involving borrowing and accessing grant funding by the Registered Provider. For Registered Providers the financial payback period is 30 - 40 years (Registered Provider interviews, 2024; 2025). The SROI model, however, does not incorporate financial planning and income generation (from house sales, shared ownership arrangements and renting) but focuses on valuing the social outcomes arising from the investment in an affordable rural housing scheme. On the investment side, annual scheme management costs (£450 per dwelling unit) have been included in the model but planned maintenance investments are not included for several reasons: partially because no large-scale investment is anticipated in the first 10 years after completion; the investment costs for repairs and maintenance are incorporated into the financial model, the estimates require large assumptions regarding costs, and the social outcomes are unclear.

The 18-Year model therefore incorporates all the outcomes identified over years 1 to 8 and the additional social outcomes generated from Year 8 onwards when residents move into the dwelling units. It is during this 10-year period that benefits from improved ‘health and wellbeing’ of residents, and from activities resulting in more ‘sustainable and resilient rural communities’ each generate approximately 40% of the present value of identified social outcomes over the 18-year time period (Table 9). The value of the ‘capacity building and community empowerment’ benefit flows, generated largely by RHE work and essential to getting projects initiated contribute 7.5% of total outcome value, while the benefits from improvement in ‘efficient delivery processes’ account for 6.1% of total outcome value.

The model thus indicates that the role of the RHE is instrumental in helping to generate 13.6% of total outcome values after 18 years. This may not seem a very large proportion of the total, but without these outcomes the schemes would not have been completed, and the longer-term benefit flows would not be generated.

The overall BIR from 8 years of development and 10 years of scheme occupation is £1.69 (Table 8). This is purely an estimate of the value of social outcomes. Note that scheme management costs are accounted for in the model while planned maintenance is programmed into the financial model by the Registered Provider to ensure the income generated over 30 years yields a 4% to 6% return on the investment.

It is important to bear in mind the SROI model is exploring the return on investment for social outcomes, and not the financial return which drives Registered Provider (and other investor bodies) decision-making over a longer time period (typically 30 – 40 years). Although initial design, construction and management costs are included, the ongoing maintenance and borrowing costs are not part of model calculations (due to lack of relevant data). The BIR ratio for the social outcomes would be expected to increase over time (at a decreasing rate due to the effect of discounting over longer time periods) as no additional major financial investments would be made (significant maintenance and repair activities are integrated into the RP financial model, and would be likely to also generate some level of improvement in social outcomes if and when they occur) . It is also worth noting that discounting will reduce the size of future benefits relative to the initial scale of investment. As part of the sensitivity testing a 28-Year model was developed suggesting that after 20 years of housing scheme occupation, the BIR increases to £2.14:1.

Category	3-Year SROI Model	5-Year SROI Model	18-Year SROI Model	28-Year SROI Model
Outcomes (£): Total Present Value (PV)	£166,116	£242,924	£2,409,849	£3,158,554
Investment (£): Total Present Value (PV)	£50,345	£144,551	£1,423,617.45	£1,479,177
Benefit-Investment Ratio (BIR)	3.30	1.68	1.69	2.14

*Table 8: Results from 3, 5, 18 and 28-Year SROI modelling
(Present value of investment and outcomes discounted at 3.5%)*

Sub-domain of outcomes	3-Year SROI Model (% of Total Present value)	5-Year SROI Model (% of Total Present value)	18-Year SROI Model (% of Total Present value)
Capacity building and community empowerment	66.4%	58.7%	7.5%
Health & wellbeing	0.0%	0.0%	45.2%

Sustainable and resilient rural communities	0.0%	0.0%	41.2%
Efficient delivery processes	33.6%	41.3%	6.1%

Table 9: Proportion of outcome values attributed to the four sub-domains; results from 3, 5 and 18-Year SROI modelling. (Present value of investment and outcomes discounted at 3.5%)

5.7 Estimating benefit generation from RHE activity 2022-25

This section describes the present value of outcomes generated by RHE activity across 19 RHE areas over a 3-year period (2022-25). ACRE undertakes monitoring and quarterly reporting providing information on RHE activity. The monitoring identifies the number of affordable rural housing schemes in England that each RHE is working on by area (mainly equivalent to counties). It also identifies the number of schemes at different stages in the timeline from initial community contact and Housing Needs Survey through to construction and occupancy (see Figure 11). Essentially it describes the ‘pipeline’ of activity going on in RHE areas and the progression of schemes from one stage to another. The quarterly reporting can thus be used to identify the number of schemes at different stages. This information has been used to arrive at a measure of the overall outcomes and benefit flows from current activity using the SROI 3-Year model.

Data collected by ACRE from RHEs in January 2025 identified a total of 227 schemes in the pipeline for England which, if completed, would create 2,133 dwelling units (an average of 9.39 per scheme). A total of 8 schemes were identified as being at the construction stage, 35 had been granted planning permission, and 73 schemes (in 19 RHE areas) were identified as being at the pre-application discussion stage prior to applying for planning permission. This pre-application stage usually occurs in year four of the process and provides reassurance that there has been at least 3 years of RHE activity associated with the scheme. It is equivalent to the 3-Year SROI model developed to capture the outcomes from RHE work. We have therefore applied the data to the 3-Year model to generate outcomes across the 19 RHE areas. This requires making several assumptions:

- The model is scheme-based using average measures of outcomes from three case studies. The model therefore assumes all schemes are an average size (10 dwelling units).
- The average outcome indicators are applied to all schemes.
- A mean size of 2,000 people per community is assumed.
- In the majority of areas, we have assumed only one RHE is operating but in 2 of the areas where there is a high level of activity, we have assumed there are 2 RHEs operating. This increases the investment expenditure included in the calculation, but does not alter the RHE time allocation per individual scheme (the model does not make any inferences about how RHEs operate in their local context).
- Investment is based on the average scheme investment drawn from 3 case studies and multiplied by the number of schemes identified in the pipeline data as having reached a point where planning application discussions are taking place.

- All schemes have had a Housing Needs Survey conducted.
- We have assumed a measure of deadweight and attribution for each outcome. Deadweight is a measure of the level of outcome that would have occurred in the absence of RHE activity; attribution is the level of change in the outcome attributed solely to RHE activity.

Two variations of the 3-Year model were explored, with variation in the levels of deadweight and attribution. Examining the present value of outcomes over the period 2022 – 2025. The main differences in the models are described below:

Model A incorporates a 14% level of deadweight (across all outcomes) based on the assumption that some affordable rural housing activity may take place in the absence of an RHE. This is based on evidence seen in case study areas regarding rural community action (e.g. establishment of a CIC or Community Land Trust) and in some areas action may potentially be initiated by a Registered Provider, or local authority. The model also assumes a relatively high level of attribution (82%) across all outcomes identified in the Journey of Change. This is the level of outcomes attributed solely to RHE activity.

Levels of deadweight and attribution are based on the project team's judgement of the extent to which deadweight exists and what other sources might be contributing to the outcomes generated by RHEs. Judgements are informed by in-depth case study interviews with key stakeholders in the case study areas. Deadweight and attribution scores vary across the outcomes in the SROI model based on the extent to which they are perceived to be influenced by RHE activity.

Model B takes a more conservative view of RHE's influence on identified social outcomes. Model B assumes a 10% increase in the deadweight (potentially arising, for example, in areas where there is significant affordable rural housing activity, driven partially by pre-existing schemes, and partly by community and/or Registered provider activity). In addition, there is a 10% reduction in outcomes attributed solely to RHE activity. This is based on the assumption that a smaller proportion of outcomes can be solely attributed to RHE activity (i.e. other stakeholders such as Registered providers or local authorities taking a stronger role).

5.7.1 Model results

Table 10 summarises the model outputs for the two variations. Model A indicates a total present value (2025) of £12.99 million and BIR of 3.54 over the 3 year period across 73 schemes in 19 counties in England. For Model B the outcome value is significantly less at £9.92 million. The investment level for both models remains the same. The difference between the two Models reflects the reduction in outcome value generated by assuming higher levels of deadweight (subtracting the value of outcomes that would have occurred without the RHE) and applying a lower level of attribution to the proportion of outcome value generated by RHE activity (i.e. assuming other stakeholders play a stronger role in generating some of the outcomes). The Model B results indicate a reduction in the present value of outcomes resulting from the 10% increase in deadweight (to 24%) and 10% reduction in

attribution (to 72%). Despite the significant increase in deadweight and reduction in attribution the BIR remains positive at 2.70 for Model B.

Dividing the total present value by the number of years provides an estimate of the average value of outcomes per year and, dividing by the number of RHEs involved with the 73 schemes, provides an estimate of the average value of social outcome generated by each RHE per year. This is equivalent to £206,306/RHE/Yr for Model A and £157,573/RHE/Yr for Model B, assuming each RHE is working on an average of 3.47 schemes that have reached the pre-planning application stage. Note that RHEs will also be working on schemes at other stages in the pipeline, as well as exploring affordable rural housing issues with communities that do not yet have a scheme in the pipeline. Pipeline data for January 2025 suggests an average of 6.67 active schemes per RHE area in different stages of the process. The additional outcomes arising from this level of activity (covering an additional average of 3.2 schemes per RHE that are in the early stages of development, i.e. less than 3 years) have not been included in the model, thus suggesting that the model currently underestimates the value of RHE generated outcomes. The reason for not including such data arises from the wide variation in the level of activity across RHE areas and lack of sufficiently accurate information on the stage reached. A wider set of case studies would provide information to enable upgrades to the SROI model, achieving a more accurate view of outcomes generated.

Category	Model A outcomes: 3-Year SROI Model	Model B outcomes: 3-Year SROI Model (Based on a 10% increase in deadweight and 10% decrease in attribution compared to Model A)
Outcomes (£): Total Present Value (PV)	£12,997,338.60	£9,927,143.74
Investment (£): Total Present Value (PV)	£3,675,185.00	£3,675,185
Benefit-Investment Ratio (BIR)	3.54	2.70
Outcome value generated per year across 19 RHE areas.	£4,332,446.20	£3,309,047.91
Outcome value generated per RHE per year	£206,306.96	£157,573.71

Table 10. Estimated social outcome value generated by RHE activity 2022-25 based on pipeline activity recorded January 2025 (Note: Model outputs based on 73 schemes across 19 counties in England (with 21 RHEs) that are assumed to have completed 3 years of RHE activity).

Calculating Net present social value (NPSV)

Calculating the net present social value of RHE activity is a complex process. Although there is a need to identify and assess the value of money when investing public funds (HM Treasury, 2022) it can be difficult to disentangle the benefits generated by one person, or set of people,

when outcomes are largely generated through partnership working over long time periods. This is certainly the case when assessing the ‘value for money’ of investing in Rural Housing Enablers (RHEs) whose work is essential to generate relatively small-scale affordable rural housing schemes, yet largely invisible.

RHEs have varying levels of experience, are ‘hosted’ by a range of different organisations across the country, and their work is focused on raising awareness and empowering communities to act through building trust among community stakeholders, landowners, housing associations (registered providers) and local authorities. In addition, RHEs work on multiple schemes in an area (usually, but not always, at county level), which take on average 5 – 8 years to get from initiation to the construction phase, and some of which may never come to fruition, despite years of work.

The approach taken in this study has been the application of a Social Return on Investment (SROI) model, as opposed to a broader cost-benefit analysis, to assess the value for money of RHEs. SROI, as applied here, focuses attention on valuing social outcomes generated over a period of time, through development of affordable rural housing schemes, typically consisting of 8 – 12 dwelling units in relatively small rural communities. It does not attempt to assess the financial return on investment made by the housing association/registered provider (usually over 30 – 40 year time periods), nor does it measure local change in environmental quality that may occur as a result of housing development (although it does include a measure of the value of reduced CO₂ emissions where renewable energy and improved thermal efficiency of housing occurs).

The SROI model is a form of cost-benefit analysis and does generate a ‘benefits-to-investment’ ratio, which can be interpreted in the same way as a benefit-to-cost ratio, providing information on the actual, or forecast, level of benefits generated for every £1 of investment (cost) incurred. When looking at a Benefit-Cost or SROI model it is important to understand which outcomes (benefits) are included in the model, who benefits, and over what time period both costs and benefits occur. When it comes to housing development there are high initial costs through a relatively short design, planning and construction phases (2 – 4 years) with very limited benefits, and then long-term outcomes for the residents and wider community over much longer time periods with relatively few costs (beyond maintenance and repair). Accounting for change in the value of money over time (through discounting) form an important element of model design and operation; changes in the discount rate can have significant impacts on any benefit-cost ratio over long time periods (HM Treasury, 2022).

Sections 5.3 to 5.7 of the report describe the SROI model developed to assess the investment costs made, and value of outcomes generated, from RHE and other stakeholders working together to initiate, design and construct affordable rural housing schemes (based on 10 dwelling units). Outcome values and investment costs are compared over 3, 5 and 18-year periods to capture both the benefits generated by RHEs in the early phases of housing development, and the value of outcomes experienced after completion by residents and the wider community. Case study analysis and interviews with key stakeholders revealed that the most significant level of RHE input occurs in the first three years of a scheme, starting with initial community contacts and analysis of local housing needs. During years 4 -5

RHE work input tends to decline as the focus switches to design and planning applications, but they maintain a smaller role through to the point at which a scheme is complete and residents move in (on average 7 – 8 years after the scheme was initiated).

Sections 5.6 and 5.7 illustrate the overall benefits from investments made by RHEs, local community stakeholders, registered providers, and local authorities. To separate out and assess the value-for-money, or contribution made by RHEs, the Net present social value (NPSV) was calculated (Ministry of Housing, Communities & Local Government, 2025) to measure the social value generated by the public sector investment in supporting RHEs. Net Present Social Value is calculated as follows:

$$\text{Net Present Social Value} = \text{Present Value of Benefits} - \text{Present Value of Costs}$$

Cost of the RHE input

This produces a ratio of the Total Net Present Social Value (overall social welfare) to Public Sector Cost (i.e. the value of the benefits generated for each £1 invested in supporting RHE work).

Table 11 presents the NPSV at individual scheme level, based on case study analysis of RHE and other stakeholder time and cost inputs. The calculation indicates that over the first 3 years of a scheme (when RHEs are most heavily involved) the NPSV for the public sector investment in supporting RHEs is £5.16: £1 (for every £1 invested in RHEs, a return of £5.16 is generated over 3 years). Over the 5-year period the NPSV drops to £3.24 due to the high levels of investment required in design and planning, while the RHE role involves less time input during years 4 and 5 and fewer outcomes generated. The NPSV ratio increases after scheme completion and outcome benefits are generated for the scheme residents and wider community. The model provides an NPSV of £17.08 : £1 after 18 years. However, caution is required in utilising this ratio as it includes significant construction costs and 10 years of outcome benefits not directly generated by RHE activity, although in many cases the scheme may not have been completed, or even started, without the early years of RHE support.

Table 11: Ratio of Net Present Social Value for 3 and 5 - year time periods

Outcome and Investment values	3-Year Time Period	5-Year Time Period	18 Year Time Period
Outcomes (£): Total Present Value	£166,116	£242,924	£2,409,848
Investment (£): Total Present Value	£50,345	£144,551	£1,803,479

RHE Costs per scheme (Case study mean)	£22,424	£30,400	£35,500
Net Present Social Value Ratio (Present Value of Benefits - Present Value of Costs)/ RHE cost)	£5.16 : £1	£3.24 : £1	£17.08 : £1

Note: Investment costs and outcome values are based on case study data for a scheme of 10 dwelling units

In both sets of calculations underpinning Tables 11 and 12 the RHE costs are based on the following:

- Costs of the RHE time input per scheme (Based on case study mean data of 145 days per scheme over 5 yrs or 29 days per scheme per yr average. However, the work of an RHE is not even over all phases of a scheme, resulting in higher number of days work attributed to years 1 – 3, fewer days in years 4 to 5 and very few in years 6-8).
- Travel and subsistence costs are included
- Office support costs (includes purchase of computer in yr 1)
- Housing Needs Survey costs (e.g. postage)

Table 12 takes the scheme average measures identified through case study analysis and applies it at national level using pipeline data collected by ACRE. This provides a measure of the number of schemes at different stages of completion from initial contact through to construction and residents moving in. The NPSV calculations are based on identification of 73 schemes across England in 19 counties that have completed 3 years of RHE activity. The ratio for Model A is slightly higher than that seen in Table 1 due to the slightly different way that investment costs have been calculated in the SROI model and the actual RHE time input costs.

Model B (as in Table 10 above) illustrates the impact of altering assumptions regarding deadweight and attribution of the outcomes to RHE activity. Although deadweight is increased by 10% and attribution reduced by 10% (both of which decrease the level of outcome benefits attributed to RHE activity) the NPSV ratio remains positive returning £3.82 for each £1 invested in RHEs over the 3-year period.

Table 12: Estimated NPSV ratio generated by RHE activity across England (2022-25)

Category	Model A outcomes:	Model B outcomes: (Based on a 10% increase in deadweight and 10% decrease in attribution compared to Model A)
	3-Year SROI Model	3-Year SROI Model
Outcomes - Total Present Value (PV)(£):	£12,997,339	£9,927,144

Investment - Total Present Value (PV) (£):	£3,675,185	£3,675,185
RHE Costs (Based on pipeline data 2022-25)	£1,636,952	£1,636,952
Net Present Social Value Ratio (Present Value of Benefits - Present Value of Costs)/ RHE cost)	£5.69 : £1	£3.82 : £1

Note: Estimated social outcome value generated by RHE activity 2022-25 based on selected pipeline activity recorded January 2025. Based on a total of 73 schemes across 19 counties in England (with 21 RHEs) that are assumed to have completed 3 years of RHE activity).

It is important to note that the full value of RHE activity is not captured in the calculations in Table 12. Table 12 is only measuring the outcome generated across 73 schemes identified as those where 3 years of RHE activity have occurred. RHEs will also be dealing with schemes that have only 1 or 2 years of RHE input, as well as those nearing completion. What the NPSV ratio indicates is the scale of returns at the individual scheme level, from three years of RHE activity.

5.7.2 Sensitivity testing

Altering assumptions made in the model will lead to changes in the present value of outcomes generated. This is illustrated in the preceding section (see Table 10) regarding the effect of a 10% alteration in the deadweight and attribution factors. The two largest factors influencing the present value of outcomes and the BIRs are: the level of discount rate selected and the construction costs per unit in a scheme. The impact of changes in these factors are discussed below.

Selection of a discount rate

Sensitivity testing explored the effect of reducing the discount rate from 3.5% to 2.0% over the three time periods. A lower discount rate (sometimes referred to as a social rate of discount) can be considered as a means of enhancing the present value of benefits occurring at a significant distance in the future. This can be appropriate where long-term changes occur, such as large-scale wealth transfer, inter-generational wealth transfer, or irreversible environmental impacts. The Green Book suggests lower discount rates should only be used for intervention effects beyond 30 years, except in the case of health effects where rates as low as 1% might be appropriate in the case of assessing health costs and benefits over time periods of less than 30 years (based on the argument that the growth in 'real per capita consumption' is not relevant when it comes to health effects) (HM Treasury 2022). This is quite restrictive, given that discounting is viewed solely as a measure of social time preference based on assumptions about preference for current consumption as opposed to future consumption. There are controversies surrounding the use of low discount rates, especially in relation to valuing the long-term effects of interventions such as climate change (Gollier 2002), although

a 2015 survey of academic experts found that a majority supported a 2% social discount rate and a need for ‘more complex social discounting models’ (Drupp, Freeman, Groom, Nesje 2018).

In many situations individuals and communities do value (have a high preference for) future outcomes. These have not been widely explored by economists but climate change with the potential for inter-generational long-term environmental effects and impact on future security and quality of life is forcing a re-consideration of the role of social discounting in generating more sustainable investments (Schoenmaker and Schramade 2024; Stern 2006). Affordable housing is one sector where the impacts are long term and lower discount rates might lead to more investment to generate social capital. These include health benefits such as reduced stress and anxiety from knowing that one can afford to pay for housing and heating, providing a more secure home environment for raising children, and enabling people to remain close to family support networks.

Any form of housing development also has long-term costs/benefits for the environment and the local community, which will extend far into the future. A standardised 3.5% discount rate does not necessarily reflect the value placed on long-term benefits. In situations such as construction projects where most costs are in the present or near future while the benefits do not occur immediately or are only generated over long time frames, a benefit-cost approach can give a skewed view of the overall change in social welfare. In such a situation, near-term construction costs are only discounted at a very low level, while benefits occurring 20 – 30 years in the future can be heavily discounted, making PV calculations of benefits appear low in comparison to costs. This can have a significant impact on the benefit-to-investment ratio of projects developing affordable rural housing.

In the SROI model of small-scale affordable rural housing schemes, we know the majority of benefits are generated slowly over long time periods, while major costs occur in the initial development and construction stages (and are therefore not discounted to the same extent). Reducing the discount rate from 3.5% to 2.0% (Table 11) results in a 3% increase in the PV of outcome benefits over the 3-Year time frame, over the 18-Year time frame it amounts to a 17% increase, and for the 28-Year model a change of 22%. A lower discount rate thus proportionally increases the present value of benefits in relation to investment over longer time frames. The pattern of BIR ratios is similar but with a social rate of discount, all the ratios are slightly higher, reaching 1.98 under the assumptions for the 18-year model and 3.40 for the 3-year model. Higher benefit-to-investment rates of return, generated by social outcomes, are more likely to attract investment in affordable rural housing schemes.

Category	3-Year SROI Model	5-Year SROI Model	18-Year SROI Model	28-Year SROI Model
Outcomes (£): Total Present Value (PV)	£171,063	£253,044	£2,813,399	£3,867,962

Investment (£): Total Present Value (PV)	£50,345	£144,551	£1,423,617.45	£1,479,177
Benefit-Investment Ratio (BIR)	3.40	1.75	1.98	2.61

Table 13: Results from 3, 5, 18, and 28-Year SROI modelling

Changes in the Investment costs

A second major factor influencing the BIR is the variability in investment costs. Investment costs are site specific and highly variable. They include land costs, site design and construction, planning requirements and materials specifications (for example, within national park boundaries), and the size, number, and standard of dwelling units constructed.

Using information collected in RHE and Registered Provider interviews, the model incorporates investment expenditure into an average cost per dwelling unit, which enables some flexibility in the number of units within a scheme. Increasing the cost of a dwelling unit by £50,000 (not unusual, especially in protected areas where planning regulations are more stringent) can significantly impact the BIR (Table 12). The impact of the change applies only to the 18 and 28-year models which include the main construction phase of expenditure. Increasing the average cost per dwelling unit by an average of £50,000 (based on 10 dwellings in a scheme) results in a PV BIR of 1.34:1 over 18 years and 1.73 over 28 years (at a discount rate of 3.5%). This amounts to a 21% decrease in the present value ratio of benefits to costs generated by the model over 18 years and 19% over 28 years, although the BIRs remain positive.

Category	18-Year SROI Model (3.5% discount rate)	18-Year SROI Model (2.0% discount rate)	28-Year SROI Model (3.5% discount rate)	28-Year SROI Model (2.0% discount rate)
Outcomes (£): Total Present Value (PV)	£2,409,848.68	£2,813,398.93	£3,158,554.38	£3,867,962.16
Investment (£): Total Present Value (PV)	£1,803,479.00	£1,803,479.00	£1,823,627.00	£1,823,627.00
Benefit-Investment Ratio (BIR)	1.34	1.56	1.73	2.12

Table 14: Effect on the BIR of increasing the cost per dwelling unit by £50,000. Results from 18, and 28-Year SROI modelling (Present value of investment and outcomes discounted at 3.5% and 2.0%)

Other factors affecting the BIR

A range of other factors will impact on the PV BIR over time. On the benefits side of the equation, these include the number of persons living in the community. The model has used a figure of 2,000 residents. In smaller communities, there will be fewer residents benefitting from the potential impacts arising from outcomes related to sustainable and resilient rural communities. Also, in some communities, there may be a limited range of services provided by the local economy, which will reduce the potential benefits that could be generated by the (small) increase in residents a scheme might provide. However, sensitivity testing on these two variables indicated only very small changes (less than 2%) in the present value of outcomes resulting from a 25% change in the community population.

More significant is the number of dwelling units in a scheme which will potentially influence investment costs (in terms of construction) and the number of residents benefitting from scheme outcomes over the long term (e.g. in relation to health and wellbeing in particular). Sensitivity testing indicated that a 20% change in the number of dwelling units in a scheme would alter the present value of outcomes by 16.5% (with investment costs held constant).

Increases in house prices, rental costs and higher energy costs, on the other hand, may result in greater potential benefits over time for those living in an affordable scheme with energy efficient homes utilising renewable energy sources.

5.8 Summary of SROI findings

Local partners identify the key role played by RHEs in the first 3 to 5 years of a rural housing scheme. A 3-year SROI model, which largely focuses on outcomes generated by RHE activity, indicates an overall Benefit-Investment Ratio (BIR) of £3.30:1, meaning for every £1 invested over the time period there is an estimated £3.30 generated in social outcome benefits. Deadweight (14%) and attribution (82%) factors have been applied in order to present a conservative estimate of social outcome values. Reducing the size of these factors in recognition of the unique contribution of RHEs in initiating and enabling completion of rural affordable housing schemes would increase the present value of social outcomes generated over all time periods covered by the model.

The SROI indicates that two-thirds (66.4%) of the present value of the monetised outcomes are related to capacity building and empowerment of the RHE and community leaders and members, while approximately one-third (33.6%) of outcomes are related to improvements in delivery processes resulting from improved collaboration between key partners involved in the process. The major source of investment during this period relate to RHE salary and operating costs, the costs of a Housing Needs Survey, and smaller levels of input from Parish Councils and a potential Registered Provider.

The SROI method applies the same underlying model examined over 3 different time periods. The model is presented over 3 separate time periods to highlight the role played by the RHE, which might otherwise become overwhelmed by the larger financial inputs and outcomes that occur in the lead up to construction and long-term residence. The RHE continues to play a key

support role for local communities throughout the scheme development period (typically 7 to 8 years). Once the planning application process and the design and construction phases begin, however, the level of investment increases dramatically reducing the model generated BIR (to £1.68:1) although it remains positive and starts to increase again in the long-term (after 10 years of occupation), reflecting the range of social outcomes experienced by both a completed scheme's residents and the wider rural community.

One outcome of presenting the SROI model across 3 separate time periods is to highlight the importance of choosing a suitable time period over which to compare costs with benefits. Selecting a time period of around 5 – 8 yrs makes the Benefit to Investment Ratio (BIR) look very poor as this period represents a time of maximum investment with a relatively low-level of outcomes and does not adequately reflect the key role played by the RHE in getting a scheme from initiation to completion.

6. Challenges in achieving outcomes and benefits

RHEs, and the local partners working with an RHE service, encounter a range of challenges in initiating and progressing rural affordable housing schemes. We have grouped the challenges identified within the evaluation data into three categories:

- Challenges which are within the scope of the RHE role to influence and try to address
- Challenges which could be addressed via modifications to the Defra-funded/ACRE-managed RHE programme
- Challenges which are outside the scope of either the RHE role or the RHE programme to address: external confounding factors.

6.1 Challenges within the RHE role

The main challenge that RHEs identify within the scope of their role is the difficulty in generating positive engagement in rural affordable housing discussions from some local actors. Parish Councils are particularly highlighted as a group that can be challenging to engage with. As discussed earlier in this report, early and quality engagement with communities and Parish Councils is essential to the successful progress of a rural affordable housing scheme. Barriers to this crucial step include a lack of interest among some Parish Councils in affordable housing, and suspicion or cynicism among both residents and Parish Councils about the intentions of RHEs and Registered Providers following previous negative experiences of development or misunderstanding of RES. For some experienced RHEs working with recalcitrant Parish Councils in areas with clear affordable housing need, a more direct approach has been adopted:

*‘We do HNS [Housing Needs Survey] - don’t ask permission, just do it. But we always do some background research first, what we call pre-engagement. We talk to everybody **but** the Parish Council – go door knocking, talk to the pub, people running shops, Head of the school - asking them whether they think there needs to be affordable housing to make the community sustainable. We target the different interests - pubs, local businesses, churches, etc. Then we go to the Parish Council and take along someone who is in housing need. That makes it harder for them to say affordable housing is not needed if they are face-to-face with someone in need.’ (Interview: RHE, established service, 2024).*

But not all RHE services have the capacity or experience needed to take this kind of approach. In these cases, RHEs note that they have to ‘*plug away*’ at attempts to engage parishes via outreach and awareness-raising activity, or in some cases, make the decision to ‘*cut their losses*’ with particularly reluctant or disengaged parishes, and put their energies into pursuing opportunities elsewhere (Discussion: RHE training and networking event, 2024).

Even when there is recognition of housing need from a Parish Council, as volunteers, parish councillors have limited capacity, with the Parish Clerk often acting as a gatekeeper – so this is another important relationship that RHEs must nurture. Work engaging Parish Councils, building relationships and getting as many parishes as possible into the development pipeline is identified by RHEs as a crucial early outcome; progress towards which is achievable within the period of the Defra grant, and within the scope of the RHE role and skillset. However, RHEs feel that progress beyond this stage is very challenging within the Defra funding period (Discussion: RHE training and networking event, 2024).

While RHEs’ awareness and engagement work with communities can be effective in working through local objections to development, this becomes more challenging when objections are not grounded in valid local concerns but rather can be characterised as ‘*BANANA objections – Build Absolutely Nothing Anywhere Near Anyone*’ (Discussion: RHE training and networking event, 2024). RHEs describe how this form of objection can particularly emanate from newer residents of villages, who have less of a stake in the community and are less readily persuaded by issues of youth out-migration and loss of local services:

‘A lot of the NIMBY-ism is from newer people ... A lot of people who have been in the village for a long time, they've seen their sons and daughters have to move out, they've seen their neighbours' kids leave and they desperately want to come back. They get what it's about and they understand completely... And yeah, the newbies that come in and treat it as a dormitory and don't really participate in the rural life - they're often the problems’ (Interview: RHE, established service, 2024).

The importance of a stake in the future of the community to which RHEs could appeal is also apparent in RHEs’ and local actors’ comments about the challenges of suitable land acquisition, which often involves not just a financial negotiation, but ‘*winning hearts and minds*’ (Discussion: RHE training and networking event, 2024). This can be problematic when suitable land is owned by remote landowners who may not have any connection to the community and where engagement tends to occur via land agents whose sole interest lies in maximising return, rather than via direct communications with a local landowner:

‘Some of the best deals we’ve done have been getting around a farm kitchen table and talking to them direct. And it's great. It's when it's big heavyweights, diocese and trusts and things like that, it's more complicated’ (Interview: Registered Provider, 2024).

Conversely, some RHEs report challenges in encouraging local landowners to sell for affordable development, as, being local residents themselves, they fear backlash from vocal opponents in the community (Discussion: RHE training and networking event, 2024).

While the skillset and experience of RHEs are valuable in addressing community-based challenges, there are additional barriers within the structure and funding of the Defra RHE programme, and external confounding factors, that are beyond the scope of RHEs' influence:

'Community engagement isn't easy. But it is one area where we have agency and where we can influence using our RHE skills and experience. Areas like resourcing and local authority structures are outside our control' (Discussion: RHE networking and training event, 2024).

6.2 Challenges within the Defra-funded RHE programme

6.2.1 Resource and capacity

RHEs report resource-led capacity issues in fulfilling their role. In some areas, RHE services that have previously had multiple staff members under past funding arrangement, now have one staff member.⁴ RHEs often cover a large and sometimes sparse geographic area and need to develop and maintain relationships with multiple communities and organisations. Increased resourcing and capacity within services would allow more to be achieved, including increased awareness-raising activity around the benefits of rural affordable housing, as getting out into rural areas and speaking with communities and Parish Councils is a time intensive aspect of an RHE's workload – especially in larger or sparse counties. Greater support with administrative and desk-based tasks would allow RHEs to focus more on the enabling work that best uses their skillset and experience, and some established RHE services would have appreciated the option to use all or part of the additional Defra funding for this purpose.

Capacity concerns are also reported by ACRE at the national level, with ACRE interviewees highlighting the complexity of supporting the 34 individual network members who participated in the programme and who all had unique contexts and needs. The ACRE team felt that the resource pressures had been further exacerbated by the election year (2024) which fell in the middle of programme delivery and introduced additional tasks and activities. One consequence of resource constraints for ACRE, was that the Programme Manager was able to spend less time than envisaged 'on the ground' with RHE services:

'that was just consistently not deliverable because there was so much other management or central functions that needed to happen ... and when [programme manager] did go out, they would spot things and say, "I wish I'd known that" ... there were just subtleties and nuances that you don't pick up till you're on the ground' (Interview: ACRE national team, 2025)

⁴ The Defra funding finances the employment of one 1.0 FTE RHE post in each participating service area. As outlined earlier in the report, in some areas this had allowed additional capacity to be added to an existing RHE service funded via other means, whereas in other areas it has supported a new post to establish an RHE service. In some areas, the post supported by the Defra funding is covered by one person. In other areas, two or more members of staff fulfil fractional contracts which together are equivalent to one 1.0 FTE post.

6.2.2 Programme timescale

Concerns have been raised in some newly set up RHE services without recent history of RHE work, about the speed at which the new programme was assembled, and the consequent challenges this posed for both new RHEs and the areas they support:

‘Because of the speed with which ACRE had introduced it to the ACRE network ... I think there was presumptions about everybody's understanding of what an RHE is and does and what value it can add ... We said in our application that we're starting from a zero base, [but] there's still been this assumption that we have these connections, that we have this access to systems, to data, to Parish Councils; that we already have the relationships that we would need, and we just needed to pivot them to talk about rural housing. That's not the case; and it's not the case through lack of trying. It's the case because of the context we're in’ (Interview: RHE, new service, 2024).

From interviews with ACRE personnel, it is apparent that delays with the release of funds by Government at the programme's inception (with funding announced in summer 2023 but not released to ACRE until November 2023) had a knock-on effect on the speed at which foundational steps in the establishment of this complex programme then had to occur. This meant that the level of support and engagement opportunities that ACRE and the Technical Consultant would have liked to provide to network members in the programme development and proposal stage were not always feasible within the timeframe available, and in working with the large and diverse range of organisations who comprise the ACRE network:

‘It was pressured on timing because the funding came in so late. So, there was a lot of pressure to get all these proposals approved and over the line, which was a bit of a shame because sometimes you don't feel like we're giving people what we'd like to - holding more workshops, for example, to support people in how to fill out their proposals ... If the lead times get cut short, everything has to change last minute, and then it's very difficult to deliver to the quality you want’ (Interview: ACRE national team, 2025).

‘34 organisations is a lot of organisations to be dealing with. And these are not all the same organisation with 34 branches. This is 34 independent charities. All of them, starting from a different place on the board, and so they really need almost, not quite bespoke attention, but not far off Compressing things can really put that under pressure’ (Interview: ACRE national team, 2025).

For ACRE, both staff capacity and programme timescale restraints meant that opportunities to engage in external communications and stakeholder engagement at the national level to promote and embed the programme have not been as extensive as hoped, with the 2024 General Election and associated ‘purdah’ period also a factor in this. An ambition to develop this work is being taken into the 2025-2026 extension period, with some modest additional staff capacity within ACRE assisting with administration and freeing-up some of the Programme Manager's time for both ‘on the ground’ and strategic level work. This includes plans for increased dialogue with national organisations such as The Country Land and Business Association (CLA) and the Church Commissions which will then, via vertical

messaging to these organisations’ memberships and networks, help ‘*facilitate local activity*’ (Interview: ACRE national team, 2025).

6.2.3 Short-term funding

The main area of concern with the programme expressed by RHEs and local partners is the short-term nature of the Defra funding agreement.

The Defra grant has added welcome capacity to existing RHE services and allowed the establishment or resumption of others. However, the fixed-term and relatively short-term nature of the funding, alongside precarity of complementary or alternative funding sources, limits RHEs’ and local partners’ ability to plan for long-term work and the potential to progress schemes towards completion. This is due to both the long timescales of schemes relative to the funding period, and the churn associated with short-term funded posts undermining trusting and sustained relationships with local actors and communities. For example, an RHE described the Defra grant as a ‘*transitional lifeline*’ that had saved the service as local authority funding was cut. However, the fundamental challenge of ‘*delivering long-term work using short-term funding*’ remained (Discussion: RHE training and networking event, 2024).

RHEs whose posts are funded by the Defra grant talked about the personal anxiety they felt in not knowing if their role would continue after March 2025 as well as the effect that this lack of certainty about the service’s future has had on their engagement with local partners, and their subsequent ability to progress towards tangible outcomes:

“It is a distraction, not knowing if we have a role continuing. I want to focus on building upon what I have achieved and actively promoting the service, but cannot do so as it may not carry on. It is a little disheartening to invest so much time and effort into raising the expectations of our stakeholders, when we cannot promise to deliver. It has meant that I have had to be more circumspect about how I prioritize my work” (Interview: RHE, new service, 2024)

‘It is too short term. By the time new or additional RHEs were employed, in most cases, a third of the time had already passed. It takes a long time to get parishes engaged, they only meet once a month, and it can take several months just to get an HNS [Housing Needs Survey] agreed. An HNS takes around 5 months to complete and provide an agreed final report. Then finding sites/ planning/ construction ... 18 months funding will just get things started, and then RHE support could be removed’ (Survey: RHE)

RHE Managers similarly spoke about the risk that staff, in whom their organisation had invested, will move on as their contract end-date approaches. This risks a loss of newly gained expertise and hard-won relationships, posing a continuity challenge if the service is funded for a longer period (Interview: RHE Manager, new service, 2024), as well as reputational risk to their organisation with local partners and communities if they have invested in work that never reaches fruition. This concern is shared by ACRE at the national level:

‘To get this to work on a longer-term basis, on a longer-term cycle [is important] because trust and confidence and faith in the process are so important here, and the

big risk is that we undermine ACRE as the honest broker' (Interview: ACRE national team, 2025).

These concerns around the funding arrangement and its consequences for programme delivery are widely shared by RHE services' local partners. The need for both personnel and service continuity via a longer-term funding agreement was the most common response to questions in case study interviews and the national survey about the limitations of the RHE programme. The March 2025 rural funding announcement has extended the RHE programme by one year up until March 2026, but local partners call for at least 3-5 years of additional funding to enable the certainty needed to confidently engage communities and partners, and for good progress to be made towards rural affordable schemes:

'Everyone always wants more funding, but experience has shown that from initial development conversations to giving keys, it can often take 5 to 7 years. So, you need long-term funding for things like RHEs to "hold parish's hands" throughout the process ... The thing about rural housing is you need momentum to keep going through challenging moments' (Discussion: Rural Housing Group, new service, 2024).

'[Due to] the uncertainty of the [RHE] role and whether it's going to come to an end – it almost feels impossible to get anything going now because it's so short-lived ... It's difficult for us as an organisation to invest time and resources into something that might come to an end' (Interview: Registered Provider, 2024).

These pressures are also felt at the national level by ACRE, where staff involved in the RHE programme are similarly employed on short-term contracts linked to the Defra funding: *"The short-term nature is really, really problematic, not just at the local level but also at the national level as well"* (Interview: ACRE national team, 2025).

6.3 External confounding factors

RHEs and local partners identify a range of factors outside either the scope and influence of the RHE role or the RHE programme which limit progress on rural affordable housing.

RHEs and local partners highlight economic challenges relating to high land costs and increasing build costs, as well as barriers to Registered Providers engaging in the small-scale development of RES schemes due to economies of scale and issues around availability of suitable land. The costs of the in-depth and quality community consultation which characterise an RHE-enabled scheme are high for a resulting small number of completed homes, meaning that Registered Providers *'cannot bridge the gap between Homes England funding and what it would take to develop and support, particularly on a rental tenure, a small development'* (Interview: RHE, new service, 2024). Registered Providers explain that financial concerns are exacerbated by the requirements to retrofit existing properties that shifts priority away from new stock, and the increased costs associated with sustainability measures. For example, Biodiversity Net Gain (BNG) requirements, which may be more costly to fulfil in rural sites which start with a higher biodiversity baseline, as opposed to urban sites where gain is easier to achieve from a lower start point. This can result in rural developers having to

purchase additional land beyond that needed for homes or paying for BNG credits, reducing available resourcing towards new homes. Registered Providers recognise the importance of biodiversity, and are not opposed to the policy, but call for a greater degree of flexibility in adapting requirements to the site contexts of smaller rural schemes.

A key cause of delay in the progression of schemes is the lack of capacity within local authority planning teams. Areas such as planning have been disproportionately impacted by cuts to local authority budgets under the economic policies of austerity, as councils have diverted funding to protect statutory provision such as children's services and adult and social care. There was an average 35.7% reduction in spending on planning and development services across English local authorities in the decade from 2010/11 (House of Lords Library 2024). This period is also characterised by severe staffing and retention challenges, with a survey of English local authorities revealing that only one in ten planning departments were fully staffed, while a quarter had a staff turnover rate of 20% or higher in 2022 (Local Government Chronicle 2023), and this is reflected in the experience of RHEs and local partners. For example:

'The planning system, probably in the last five or six years, I would think it's got almost to a breaking point. You see the same officer names because that's basically the only ones left, and then they'll leave and they end up in planning consultancies, because why wouldn't they? They can make more money and have an easier life' (Interview: Registered Provider, 2024)

Capacity challenges within local authority planning teams can significantly lengthen the timescale of schemes, with RHEs and Registered Providers reporting that potential schemes were 'stuck' for protracted periods in the pre-application stage of the planning process. Such delays can endanger community enthusiasm for a project and damage trust – being perceived as an example of *'all this consultation, and then nothing is happening'* (Discussion: RHE network and training event, 2024), and undoing RHEs' work to overcome initial community cynicism. A high level of churn in planning teams also poses challenges to RHEs in sustaining relationships with the local authority. Established RHEs report that they have to regularly 're-do' the work of building relationships with planners, advocating for the enabler role and the benefits of rural affordable housing schemes, and ensuring (sometimes inexperienced) planners have the knowledge to view proposed schemes through the lens of affordable housing rather than applying market criteria (Interviews: RHEs, 2024; and Discussion: RHE network and training event, 2024).

RHEs and local partners also identify issues within the planning system itself. RHEs and Registered Providers are frustrated by local planning policies which limit development to villages with existing amenities or routinely turn down developments where residents would be reliant on private vehicles, which can trap villages in a cycle of decline:

'So, if you have a village which doesn't have a shop, a pub, a post office, all that kind of stuff, and a bus service, then it won't get development. Yet it's precisely [development] that will save the schools, save the post offices, save the pubs and the bus' (Interview: RHE, new service, 2024).

Other examples include a requirement by a case study area district council for Housing Needs Surveys to be less than three years old, *‘whereas exception sites can take more than three years to go from first interaction to planning’* (Interview: Registered Provider, 2024) and weak RES policies within local authorities’ local development plans: *‘we’ve had to go back to them and say that they won’t get any rural affordable housing if they keep it like that’* (Interview: Registered Provider, 2024).

Local authority structures and the challenges facing local government more broadly can impact on RHEs’ work. RHEs identify challenges in working in counties with multiple district-level authorities with differing approaches and priorities – including differing approaches to planning and the housing register. This can result in an unequal focus across an RHE service’s operating area depending on the strength of an RHE’s relationship with different district councils, the amount of ‘buy-in’ from specific housing officers, or the RHEs’ perception of likelihood of progress and eventual success, which do not always reflect the highest levels of rural need (Interview: RHE, new service, 2024). Other RHEs experience difficulties in navigating animosity or insularity between authorities in multi-tier areas, and the challenges and precarity that some local authorities are themselves experiencing and which impact on their willingness and/or ability to engage with the RHE. This includes the budgetary challenges outlined earlier, but also uncertainty caused by district mergers, district-to-unitary restructures and forthcoming regional devolution initiatives:

‘You are navigating Parish Council foibles; you are navigating districts, neighboring districts that may be antagonistic and then you’ve also got the added complexity of the County Council... They [councils] are quite insular. They barely talk to each other’ (Interview, RHE, new service, 2024)

‘I am working with five [Local] Authorities, and that is a lot of planning and housing officers to build relationships with. One that was extremely keen and supportive has now gone completely quiet at the point when I need to engage with them about planning and site assessments. This is extremely frustrating to me and to the Parish Council who are all volunteers and have done a lot of great work getting their community on board.’ (Survey: RHE).

This was one benefit identified to RHEs working within local authorities, rather than as part of ACRE network member organisations. As one RHE employed within a local authority stated in the survey: *‘Being employed within the Local Authorities gives me easy access to planning, property and housing colleagues, as well as [elected] Members, to discuss opportunities, whether that is site specific assessment or finding funding opportunities’* (Survey: RHE) However, and as discussed elsewhere, RHE employment with local authorities risks the benefits attached to the role’s independent ‘honest broker’ status when engaging with communities.

There are also challenges resulting from the wider national political context. RHEs feel that the change of government following the July 2024 election had resulted in a *‘wait and see’* attitude from some local authorities, reducing their willingness to engage during the Defra funding period and impacting RHEs’ ability to build momentum in newer service areas (Interview: RHE

Manager, new service, 2024). Policy uncertainty also impacts upon the issues identified around land availability and costs, as some local authorities have delayed or paused their local development plans, resulting in ‘hope value’ for potential sites. More broadly, changes to policy and regulation can be difficult for less experienced RHEs to navigate and effectively communicate to partners and communities.

7. Impacts of the loss or reduction of the RHE programme

The national survey and case study interviews included questions on implications of the loss or reduction of RHE services. Responses largely focus on the essential capacity the Defra funding provides, and the inability of local partners to either externally fund or provide a comparable service in terms of either service offer or geographic coverage

7.1 RHE activity and the Defra funding

The national survey reveals that 42% of RHE respondents think that without the Defra funding, no RHE activity would be taking place in their area – reflecting a high level of reliance on the Defra funding.

Just over half (55%) of RHE survey respondents think that some RHE work would continue in their area without the Defra funding. This is largely due to an existing service being in place to which the Defra funding has added capacity, or because there is another RHE active in the county (for example, based within a local authority). However, when RHEs indicate that some form of service would remain, it is clear this would be at a much-reduced scope and scale. RHEs' proactive work influencing and informing communities and Parish Councils, and the facilitation of Rural Housing Partnership/Advisory/Steering groups are identified as likely casualties of reduced RHE service capacity:

'The Defra funding enables a full-time role currently - without it my position as RHE would reduce as I would need to work on other projects to fund my post. The Rural Housing Partnership would end, and the strategic momentum built up by this 18-month project would be lost.' (Survey: RHE).

'We would have to stop a lot of our current support and activities. We may have to go back to working on a case-by-case basis where Housing Needs Surveys are individually funded by Parish Councils or Registered Providers where they approached us, but we would have very little time available to provide the support needed to be involved in the full process of bringing a site forwards' (Survey: RHE).

Only 3% of local partners who responded to the national survey think that rural affordable housing provision in their area would be unaffected by the loss of the RHE service. 87% think that some work towards rural affordable housing would still take place, but their comments, along with data from case study interviews/discussions, aligns with the RHEs' interpretation that local focus on rural affordable homes and progress towards scheme delivery would significantly reduce.

7.2 What would happen if the Defra funding were withdrawn?

RHEs and local partners are equally clear that a gap left by withdrawn Defra funding would be unlikely to be filled by other organisations; either via alternate funding or replacement delivery. As expressed in the quotes below, this is attributed to the severe budgetary challenges facing local authorities, the increasing financial pressures on Registered Providers, and the predominantly urban focus of local authority housing plans and non-rural specialist Registered Providers, which respondents feel is exacerbated by increased home-building targets:

'Other local housing authority enablers undertake some rural work, but currently the entire authority is 'shrinking' due to budget deficits ... There is a danger that what capacity is left is targeted at urban areas, purely on the grounds of quantity. What capacity there is for any rural schemes is unlikely to be the full gamut of RHE work and may be focused on Section 106 obligations and windfall sites rather than community-generated initiatives' (Survey: RHE)

'No one has the motivation or budget to fund [an RHE] role. In the context where [county] has had its 5-year housing target raised from 16,000 homes to 27,000 homes, delivering a few hundred in affordable units across a very large rural county is not going to be deemed worth expending what little funding is available' (Survey: RHE)

'Rural Exception Schemes, whilst important to their communities, are time consuming and can become marginalised when considerable work is needed to bring forward relatively small schemes in the context of larger urban sites. Whilst the absence of an RHE would not mean no work is undertaken, there is little doubt that fewer RES schemes would come forward and they would certainly do so less quickly.' (Survey: Local Authority Officer)

'In terms of providing rented affordable accommodation, no work would be carried out ... We would likely have private developers utilising the RES policy to provide Discounted Open Market properties with some market homes included to subsidise these - whilst these are popular schemes, they don't really help to meet affordable home ownership needs due to the high costs - they just meet a local need' (Survey: Local Authority Officer).

In areas where Defra funding has been used to restart RHE provision following a break in the service, local partners drew on their experience of this break to provide less speculative data on the impacts of service loss or reduction. In one case study area, the RHE service has resumed following a period of dormancy when no proactive enabling work took place and

there was a much more limited focus on paid-for Housing Needs Surveys due to the loss of the service's previous funding. Local partners in this area described how this resulted in delays with schemes that were already in the development pipeline and left a gap around engagement with Parish Councils and communities, with longer-term implications:

'A few sites moved on but now we are thinking about planning, and the work that the RHEs did pre-planning was thin because they just weren't there. This has caused issues later on - they've had to backtrack a bit and go back to a needs survey. The community didn't really understand what rural housing was, so we have had to take some backward steps and inform them. It makes the process much slower and much less seamless.' (Discussion: Rural Housing Group, restarted service, 2024).

As discussed, a central aspect of the RHE role is awareness raising through informing Parish Councils and communities about rural affordable housing and addressing misconceptions about what a development of this kind may mean for a village. One of the most powerful messages is that RES developments are small and are good quality housing that won't ruin the character of an idyllic village but will allow younger and working people to live in the community and boost its likelihood of flourishing long into the future. As such, the publicity and promotion aspect of the RHE role is *'incredibly important'* as *'no one else is doing it'* (Interview: RHE, restarted service, 2024). When an RHE service isn't funded, there may be no one providing this level of support in addressing community concerns.

The evaluation data therefore indicates that continued Government funding of an RHE programme is essential to the timely provision of rural affordable housing via RES; given budgetary challenges within other potential funding organisations, and the focus-pull towards larger urban and peri-urban schemes necessitated by the ambitious home-building targets imposed on local authorities by government.

8. Process evaluation of the RHE programme

8.1 Data on implementation and delivery

The national survey and case study interviews with RHEs included questions on the implementation and delivery of the RHE programme. Responses include data on ACRE network members organisations' use of the Defra funding, and feedback on ACRE's management of the RHE programme and its facilitation of the national network of RHEs.

The main use of the Defra funding is the salary costs of an RHE post or posts (if spread across more than one fractional contract to total 1.0 FTE). Outside of salary, the most common area of expenditure is travel – reflecting the need for RHEs to meet dispersed rural communities in person. Marketing and promotional materials are also a common area of expenditure, reflecting the awareness-raising and information-sharing aspects of the RHE role (Figure 13).

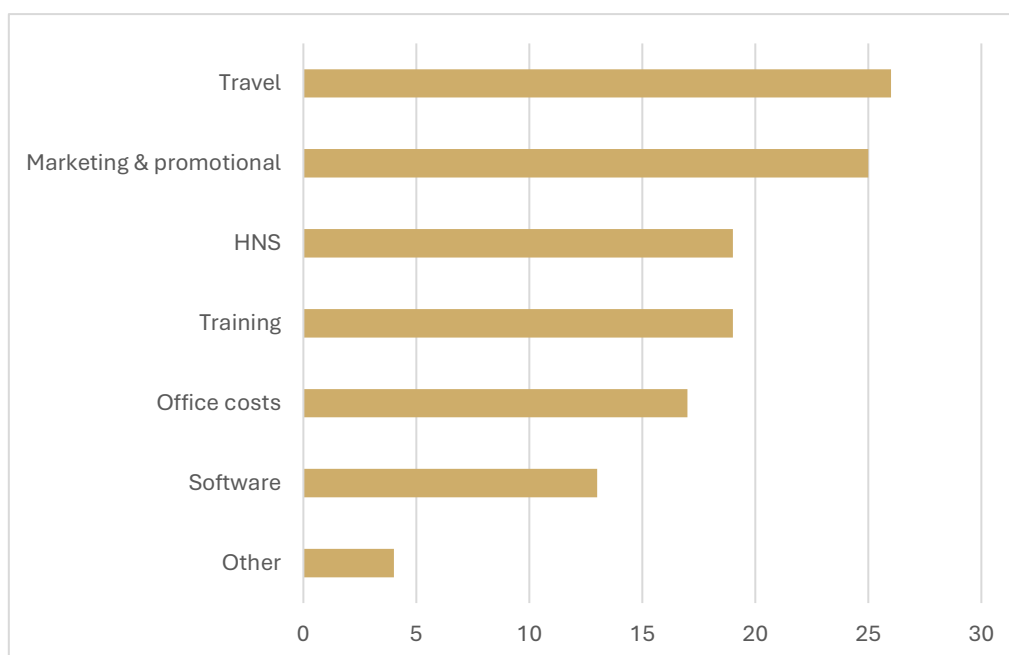


Figure 13: Areas of RHE services' expenditure of the Defra funding, other than salary.

34% of RHE services report having no other sources of funding other than the Defra funds. This is particularly the case for new RHE services, 72% of which are entirely reliant on the Defra funding. The remaining 28% of new services report that they also draw on their organisation's core funds in support of the RHE service but have no other additional funding/income sources. It is more common for established services to have other funding sources for their RHE provision, and for restarting services that have perhaps been better able to leverage past partnerships and relationships to diversify their funding base. For these services, the most common source of funding outside the Defra funds is earned income derived from Housing Needs Surveys (HNS), followed by Local Authority funding via grants or service level agreements (Figure 14).

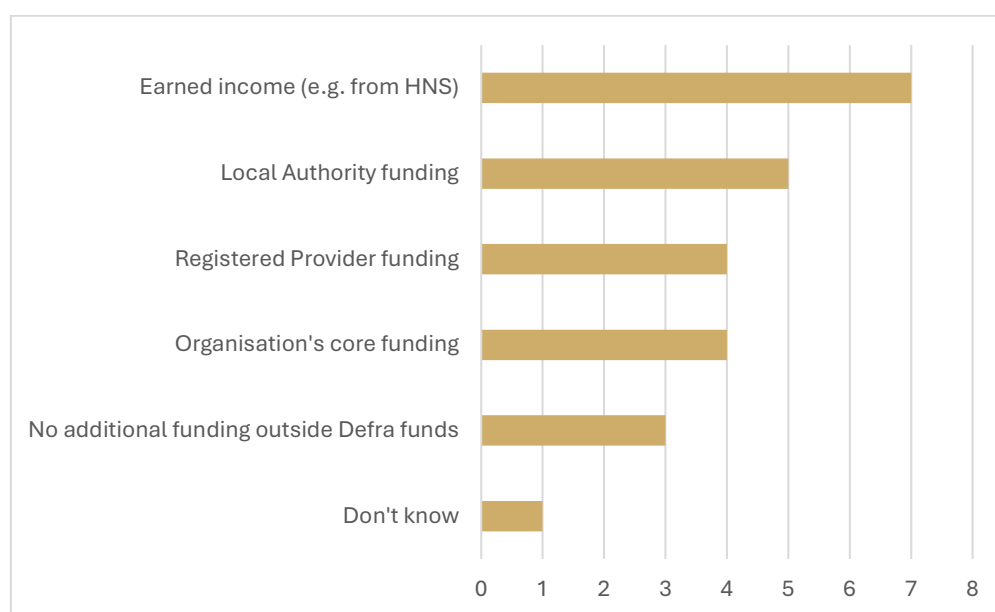


Figure 14: Other funding/income sources for established and restarting RHE services.

Across new, restarting and established services, 94% of respondents report that their role is funded in whole or in part by the Defra RHE programme funding. This illustrates the importance of these funds to both the set-up of new RHE provision and for more established services. This is particularly true for those established services with a more diverse funding base, but where alternative funding sources (for example, Local Authority funding) are precarious or have been reduced in response to these organisations' own financial challenges.

8.2 Proposal process

Following the confirmation of the Defra funding and ACRE's appointment to run the programme, ACRE network member organisations were invited to submit proposals for an allocation of these funds. Not all the RHEs surveyed and interviewed had been involved in their organisation's proposal development, and for most new RHEs, this aspect of the programme activity pre-dated their employment. For those RHEs and RHE Managers who had been involved, there are mixed views between those who had found the process reasonably

straightforward and others who had found it more difficult, which the latter mainly attributed to their organisation's lack of recent experience of work in housing. This is supported by interviews with ACRE and the RHE programme's Technical Consultant, who identified one of the main challenges at the proposal stage as working across the very different levels of knowledge and experience held by network members in rural affordable housing: *'Some of them were starting from absolute scratch, and that that's a big, big ask of them to do that'* (Interview: RHE programme Technical Consultant, 2025).

Other challenges related to the local context in which RHE services were being established or enhanced using the Defra funding. There were some specific challenges identified in areas which had worked primarily in Community Led Housing, and where network members had previously utilised the (then) Department for Levelling Up, Housing and Communities' (DLUHC's) Community Housing Fund to support their rural affordable housing work, as the 2023-2025 Defra funds could only be used for RHE services rather than supporting continuation or re-start of this work:

'That was quite difficult, conveying that, and I think people felt - to a degree understandably ... they felt that that what they had been doing wasn't appreciated and we didn't understand how important Community Led Housing was' (Interview: RHE programme Technical Consultant, 2025).

In other cases, the channelling of the Defra funds through ACRE network organisations meant that careful brokering was required in areas where there was already an RHE service situated outside the ACRE network and funded via other means - most commonly within a local authority. In such cases, it has been important to establish open channels of communication between the new Defra-funded and existing RHE services, to ensure that work is complementary and not competitive, and avoids confusion or duplication in relationships with local partners. In some areas where this structure is in place, RHEs report that it had been helpful to establish clear geographical 'patches' (such as districts) which the RHEs respectively cover (Interviews: RHEs and RHE Managers, new services, 2024).

Some ACRE network member organisations thought that the programme would have benefitted from a less prescriptive approach, and the ability for ACRE network members to develop a service model that worked more cohesively with their organisational structures and existing local relationships and networks. It was felt by some that there was missed opportunities for network members to be involved in the design of the programme, although they acknowledged that this may have been influenced by programme requirements set by Defra and the relatively short timeframes involved in programme set-up:

'When ACRE first came up with this, it felt a bit to the network that they were asked if you were interested, and we said "yes, broadly, looks great, looks interesting"; the next thing you knew, here's a spec. And it felt like [ACRE] missed a step in us being involved in the development. This may have been because Defra were quite prescriptive in what they wanted - so not a criticism - it just felt that there was a step missed in the development stage' (Interview: RHE Manager, new service, 2024).

For some network members, this also meant being afforded more agency at the programme set-up stage to develop key relationships at a local level without central input: *'meetings were brokered without checking in if there was already a working relationship. That was a bit awkward'* (Interview: RHE Manager, new service, 2024). Some RHEs in established services additionally would have appreciated flexibility to use funding for administrative support rather than employing another RHE; freeing up more of their time for the specialist enabling aspects of their role and felt that this opportunity had not been fully considered as a viable option by ACRE or Defra.

As discussed in Section 6.2, some of these issues resulted from the tight timescale in which the early programme processes had to take place, which placed limitations on ACRE in terms of the feasible extent of engagement and support which could take place with the wider ACRE network at the programme inception phase. Interviews with ACRE personnel make it clear that delays with the release of funds at the programme's inception (with funding agreed in summer 2023 but not released to ACRE until November 2023) had a knock-on effect on the speed at which other foundational steps then had to occur, and that more time being available to spend on this foundational work would have mitigated some challenges that emerged later.

8.3 ACRE's national network of RHEs

8.3.1 Peer support and community

94% of surveyed RHEs feel they are part of a community of RHEs via the national ACRE network. RHEs report that the network provides them with support, access to knowledge, and development opportunities, and describe the ACRE Programme Manager and the Technical Consultant who manage and support the network as helpful, approachable and knowledgeable. A key strength of the network for RHEs is the ability to share knowledge and experiences. This is particularly beneficial for newer RHEs who have been able to draw on the expertise of more established peers, and RHEs cite the support and resources available through the network as an important enabler of their work. RHEs highlight the value of learning from past work, refining their approaches, and avoiding duplication of effort: *'learning from others' experiences is vital, particularly when new to the role'* (Survey: RHE).

The ability to draw on colleagues' expertise extends to practical support and collaboration, such as access to templates (for example for Housing Needs Surveys) which help RHEs work more efficiently, ensuring they do not have to start from scratch when developing new initiatives – *'not reinventing the wheel'* (Survey: RHE). However, some RHEs in new services feel there was too long a delay in providing these and other resources at the outset of the programme and that a more formal approach to offering standardised templates and resources would be helpful:

'I feel there's a lot of research and solo learning involved in the role which can be difficult as "we don't know what we don't know". Whilst there needs to be some flexibility in our work, the result is wildly different approaches to things i.e. Housing Needs Surveys. If

ACRE have the specialist knowledge and experience, why not have certain processes be standardised across the country?’ (Survey: RHE).

RHEs identify further resources that they would like ACRE to provide via the RHE network. These include a range of case studies of successfully completed schemes to assist with encouraging buy-in from Parish Councils and communities, parish-level profiles from the 2021 census data (updating the profiles previously produced from the 2011 census), and more resources to support the strategic and partnership-building aspects of the RHE role.

Notwithstanding this developmental feedback, it is clear that the RHE network fosters a strong sense of community, helping RHEs feel less isolated in what can be a solitary role, and fulfilling a ‘critical friend’ function: *‘we challenge each other to do the best and be the best we can, because we do ask questions of ourselves and each other, in a very proactive and positive way’.* (Survey: RHE). As outlined above, RHEs particularly value the network as a space to seek advice, reassurance, and support from peers, and some have found regional groupings within the network particularly useful for more focused discussions and joint problem-solving: *‘being part of the active [region] RHE Network group helps discuss ideas, share knowledge, and enables project planning together.’* (Survey, RHE). Responses suggest that these smaller regional groupings had been set up on the initiative of RHEs themselves, and some feel that ACRE could have played a greater role in initiating and formalising this in order to extend the benefits of this approach: *‘Although our region has set up its own network of RHEs, I really feel that this should have been part of ACRE’s remit to begin with. It has taken a long time to get going’* (Survey: RHE). Smaller groupings within the national network, or a more formalised mentorship arrangement, would appear to be particularly helpful for newer RHEs or for RHEs whose organisations are less experienced in the rural housing arena or are providing less support for the RHE service:

‘I know of some new RHEs who do not have as much support from their management, and/or are not clear on best practice and have made ‘mistakes’ which have cost them time and effort. Having regional mentors touching base with new RHEs could ensure everyone is up to speed on the basics early on’ (Survey: RHE)

8.3.2 Training and professional development

Alongside the peer support outlined above, ACRE’s central provision of training and professional development via the national network is valued by RHEs; helping them develop their technical knowledge, stay up to date with policy and planning changes, and understand the practicalities of delivering affordable homes alongside key local partners. There are mixed views on preference for in-person or online training events. ACRE has held in-person events in London and Birmingham, and while some RHEs value the opportunity to meet their peers and wish to see more in-person activity, others had been unable to attend due to costs or time constraints and think that online events are a more equitable (and greener) approach.

The ability to provide training and the more informal knowledge and exchange and peer support outlined in the previous section is a key strength of the delivery of the RHE programme via ACRE and its network of member organisations, and offers greater efficiency

that would be offered if training and peer-learning efforts had to be targeted across multiple, non-networked host organisations:

‘Doing it this way, you get economies of scale, which, given the issue of efficient use of public resource, is important. Whether it's training, whether it's support through our Basecamp service, whether it's answering questions and other things, there is an economy of scale that goes with this structure’ (Interview: ACRE national team, 2025).

There is a sense from some newer RHEs that more consideration could be given in training provision to the steep learning curve they have been on in their RHE role. These RHEs report that the training they had been offered had been pitched at too advanced a level with too much technical knowledge of housing and the planning system assumed. In some cases, this had dented rather than increased their confidence in their role. These RHEs feel that training exclusively for those new to an RHE role should have been provided, targeting the most crucial knowledge and skills gaps relating to the start-up phase of a service:

‘When training is aimed at all levels of experience, often even just the language used can be overly complicated for a beginner, and attending any training results in research having to be done afterwards to understand what was being discussed. With such a short timeframe to make an impact, ACRE could have done more to speed up the learning curve. The same applies to advice on how to pitch the RHE service. It took months for me to learn the role and find a strategy that actually had communities engage with me’ (Survey: RHE).

The need for training to be more targeted to the specific needs of new and/or inexperienced RHEs is also identified by ACRE and the programme’s Technical Consultant as a key learning point from the 2023-2025 programme iteration. RHEs have been recruited to their posts with a range of professional backgrounds, and this training need is a particular concern when new RHEs had been recruited because they had the right ‘soft skills’ in community engagement and partnership working, rather than the technical knowledge of a housing or planning background.

8.3.3 Voice, credibility and national impact

RHEs think that being part of a national network enhances their credibility and helps them engage more effectively with key partners:

‘[national network membership] gives ‘weight’ and ‘legitimacy’ to local conversations and partnerships, encouraging engagement from local partners, including registered providers, local authorities, and landowners’ (Survey: RHE).

The collective voice of the network enables RHEs to feed-in, via ACRE, to policy discussions and consultations, ensuring rural housing issues are better represented at a national level: *‘We are more effective together—we can deliver a consistent and clear message when lobbying for change on key issues.’* (Survey: RHE). ACRE similarly feel that the national profile and tangibility of the RHE network enables more effective conversations at the policy level:

‘There is now a national entity which is being discussed, which we are talking to Ministers and parliamentarians, and about which officials can discuss internally. So, we now have something that’s easier for people to see and feel and understand, and therefore to think about how we can ensure this continues to deliver for rural communities in the future ... It’s created something much more tangible than having RHEs scattered around the country, which are turned on and off depending on what’s happening with local authority funding or other partner funding in their area’ (Interview: ACRE national team, 2025).

On the other hand, there is a perception among some RHEs that ACRE could play a larger role in promoting the programme nationally, with a knock-on effect for their engagement efforts in their local areas:

‘I do not feel ACRE were given enough capacity and resources to spend time on adequately raising and maintaining the visibility of the programme nationally, and especially with housing interest groups and stakeholders that have a large presence in the industry. I expected to have to explain my role to Parish Councils and non-housing specialists in my local area but feel an opportunity was lost to ensure that those with a vested interest in social/affordable housing understood the value and nature of the programme and how to access the service - it would have sped the process up considerably for those counties not used to having an RHE service.’ (Survey: RHE)

As outlined at this report’s outset, ACRE have been very active in advocating for rural affordable housing at the national policy level, both independently and as part of the alliance of organisations seeking to influence government policy, so the issue here is perhaps one of raising awareness of this national level work among all RHEs to address the kind of sentiment expressed above, and making clearer the links between this national and local-level work. Interviews with ACRE and the programme’s Technical Consultant made clear that the data and case studies provided by RHEs were important in feeding-in to the supportive evidence needed for national advocacy efforts. Ensuring that this additional impact of their local level work continues to be reported back to RHEs will help the cohort feel supported and valued at the national level.

Interviews at the national programme level did suggest that there was scope for an enhanced role for the programme’s National Advisory Group (NAG) in promoting the programme and encouraging local engagement among its own national memberships, and that this represented a missed opportunity in supplementing RHEs’ own local-level ‘horizontal’ partnership-building efforts with some ‘top-down’ organisational conversations. There is potentially also scope for the NAG to function as a forum in which barriers experienced by RHEs at the local level are discussed and addressed at a national level, utilising the information provided by RHEs in quarterly reporting:

‘And actually, then say[ing], OK, so as national organisations, what can we do to unlock that, in the same way as we’re asking the local steering groups to do. Those conversations never happened, and I think that was a missed opportunity.’ (Interview: RHE programme Technical Consultant, 2025).

Achieving this added value from the NAG to support RHEs' local-level efforts and reporting back to RHEs, may also help the cohort feel a greater connection between ACRE's national level engagement and their own on the ground activities.

Overall, RHEs are very positive about being part of ACRE's national network, and report that the network enhances their ability to perform their role.

This is a strength of the current delivery model via the ACRE network. Without this network in place, RHEs feel that they would be isolated and would not be able to benefit from the support, insights and experience of a wider cohort of RHEs – reducing the effectiveness and efficiency of their work. While RHEs feel there is potential for ACRE to improve aspects of its resource provision and training approach, this will be more easily achieved via an established network of RHEs than without this structure in place.

Additionally, without the network in place, training and peer support opportunities would be fragmented and likely more costly to deliver, and the tangible national entity that can be referenced in national policy influencing conversations would be absent.

As described earlier, there is clear ambition for future iterations of the RHE programme to expand the national RHE network to *full* national coverage by working to bring on board the four English counties that did not take-up the 2023-2025 Defra funding. As described in Section 1.2, the reasons for these counties' non-participation varied and efforts to resolve issues at the proposal stage were again hampered by the programme's reduced lead-in period: *'the time pressure we were under in terms of being able to provide a suitable solution for both parties'* (Interview: ACRE national team, 2025). Efforts to incorporate these counties into a future programme would need to be tailored to each areas' needs, but will include open conversations between ACRE and its network member in each area to fully ascertain what the barriers to participation were in 2023 and if these barriers persist or have shifted, and utilising evidence of early impacts from the 2023-2025 programme to demonstrate the value the programme can provide for rural communities and members' organisational rural development goals.

If solutions cannot be found to enable member-led participation due to organisational barriers, ACRE are considering alternative models which could be proposed as part of a future RHE programme offer. These include discussions with Defra around amendments to programme criteria, provision of a central enabling service working across areas without a county-level provision, and increased funding to RHE services neighbouring these areas to enable them to expand their delivery across the county border:

'Part of that conversation about the future will need to be what funding will be available and how that can be distributed fairly in order to achieve total coverage.' (Interview: ACRE national team, 2025).

8.4 Monitoring and reporting

RHE services in receipt of the Defra funding provide quarterly reporting to ACRE – including data on prospective schemes entering the development pipeline and narrative

reporting on work undertaken and challenges encountered. The data is then collated by ACRE for reporting to Defra. The majority of RHEs (84%) who responded to the national survey think that these reporting requirements are reasonable, although some find this process overly time consuming and a distraction from their core work. Others doubt the reporting processes' efficacy in capturing the true value of their work. Quarterly reporting is described by some as 'repetitive' given that progress in the rural affordable housing arena takes time and felt that less frequent reporting would: *'likely [have] delivered the same or similar content in terms of value and evidence'* (Survey: RHE). Other concerns relate to the short-term nature of the Defra-funding (as detailed in Section 7.2) and, for newer RHE services in particular, the difficulties of evidencing the modest and incremental, yet important, progress made within the 2023-2025 Defra funding period:

'The data looks as if nothing has happened because the milestones are all in the future, when [we are] effectively starting a service just this year' (Survey: RHE).

'Building houses takes a very long time. And sometimes it can be counterintuitive, because if you don't see much increase in your results quarter on quarter, it can be a bit demotivating' (Interview: ACRE national team, 2025).

Feedback on this to Defra has already been acted upon for the 2025-2026 programme extension, which now only requires quarterly reporting for financial data, with other reporting requirements reduced to six-monthly:

'Reducing the amount of reporting down to six monthly is a very, very significant step forward in terms of recognition that not much is going to happen in three months because housing takes time ... Equally, that will then release time for both our colleagues on the ground and the central team to do other stuff ... [it] is a very welcome recognition of how we can develop and improve the programme at a national level, and indeed local' (Interview: ACRE national team, 2025).

9. Conclusions and reflections for future programme delivery

9.1 Conclusions

The Rural Housing Enabler (RHE) programme plays an important role in addressing the rural affordable housing challenge by providing vital independent support and advice to communities, local authorities, and housing partners to progress rural affordable schemes.

Defra's 2023-2025 funding of the RHE programme (and current 12-month programme extension to March 2026) both increases the number of rural areas covered by an RHE service by funding up to one 1.0 FTE post in each county via the ACRE network, as well as allowing the development of a full RHE service offer beyond income-generating activities such as commissioned Housing Needs Surveys.

Once in post, RHEs perform a unique role in facilitating the development of affordable homes that would likely not progress otherwise, thereby improving residents' wellbeing once schemes are completed and occupied, and supporting the long-term sustainability of rural communities. It is a particularly important role to the progression of schemes via Rural Exception Sites (RES), which earlier research has identified as an underutilised mechanism in meeting rural affordable housing needs (Gallent, Purves, Hadiduddin 2024).

The findings of this evaluation highlight the outcomes and benefits associated with RHE activity in the short and longer term, via both a narrative account and a quantified SROI model. In the initial phases of work towards a scheme, RHEs play a crucial role in awareness-raising among Parish Councils and communities; facilitating community engagement; identifying and evidencing housing needs; supporting effective partnership working; drawing on skills and networks to work through problems; and maintaining momentum and enthusiasm through a long and complex process. RHEs' deep local knowledge and on-the-ground presence enable a place-based response to housing needs, sensitive to the specific contexts of varied rural communities.

Within the 2023-2025 Defra funding period, key successes have been the establishment of a renewed national network of RHE posts, covering 34 out of the 38 ACRE network member organisation operating areas. Within these roles, RHEs have achieved a range of early

outcomes, including generating increased awareness of rural housing needs and opportunities among communities and Parish Councils, strengthening local partnerships via the establishment of forums for rural affordable housing discussions, and facilitating Housing Needs Surveys and site identification processes. This foundational activity has translated into tangible progress: as of early 2025, RHEs have built up a pipeline of around 227 rural housing schemes (over 2,100 potential homes) across 19 counties (ACRE 2025). These early outcomes – increased local enthusiasm, housing needs evidenced, sites identified, and partnerships formed – are essential building blocks for the eventual delivery of new homes, and the longer-term outcomes associated with scheme occupancy identified in this evaluation and in other research into the economic and social benefits of new affordable homes to rural communities (Jarvis, Leckie, Munro, Pragnell 2020).

A key strength of the Defra-funded RHE programme is its delivery via the ACRE network of county-level third-sector rural development organisations. The structure of this network ensures that RHEs are embedded within established not-for-profit organisations with strong local knowledge and existing trusted relationships with rural communities via their wider community development activities. Additionally, this independent positioning allows RHEs to act as 'honest brokers,' assisting the development of relationships of trust among residents and Parish Councils that may not be available to other actors (such as local authorities or housing providers) who tend to be viewed with greater suspicion or cynicism by communities. Additionally, ACRE's management of the programme and facilitation of the national RHE network has enabled knowledge exchange, professional development, and the sharing of effective practices across services and regions, as well as economies of scale in the delivery of training and centralised programme management and administration, and an amplified collective voice of RHEs which can be drawn upon in consultations and policy conversations.

Despite these successes, the effectiveness of RHE services is constrained by challenges, which include short-term and/or precarious funding arrangements, resource and capacity limitations, and external economic, structural and policy barriers.

One of the main messages from the evaluation data is the misalignment between the long-term nature of the work needed to progress rural affordable housing and the short-term funding cycles currently available to RHE services.

The 2023-2025 Defra funding has been vital in expanding or securing RHE capacity in existing service areas, and in enabling new or resumed provision in areas without any recent history of RHE work or where RHE work had been paused. However, these funds are fixed-term for a two-year period (with service delivery, in practice, taking place over a much shorter period). Additional funding, announced in March 2025, has secured the service for a further 12 months until March 2026. This continuation funding is welcome and will allow RHEs' work to progress further, but does not provide the longer-term stability needed to make significant progress towards rural affordable scheme completions - a process that commonly takes 5–10 years from inception to completion.

The scant and precarious nature of alternative funding sources for RHE work (for example, local authority funding) exacerbates this issue, making it difficult for RHEs to plan beyond the immediate funding period, and poses budgetary and staffing challenges for both ACRE and its network member organisations. The time limited nature of the RHE programme's funding can also limit local partners' enthusiasm for working with an RHE service or to allocate time and resources to this relationship, given that the service may be short-lived or experience personnel churn caused by fixed-term contracts. There is also a risk of harm to ACRE network member organisations' trusted relationships with their local rural communities and partners, due to work initiated by the RHE potentially being unable to progress beyond the life of the current funding agreement.

Additionally, RHEs encounter external barriers: insufficient capacity in local authority planning teams, protracted planning processes, planning frameworks that pose barriers to RES development, and high land/build costs all slow down scheme progression. In some areas, a predominant focus on meeting housing targets via urban development has meant rural schemes receive no or limited attention, heightening the importance of RHEs in championing these projects and their beneficiary rural communities. These factors make it challenging to convert early efforts into tangible progression towards scheme completions within the short term; reinforcing that patience and sustained support are required.

Ten key reflections emerge from this evaluation, which we recommend inform the future development of the RHE programme. These are organised below into reflections at programme management level (ACRE), and at the funding and policy tier (Government).

9.2 Reflections for ACRE

9.2.1 Enhancing operational efficiency and knowledge sharing via the national network of RHEs

The evaluation evidence demonstrates that the ability to access and engage with a support network of peers via the ACRE-run national RHE network has been widely valued by RHEs and has been a key enabler for newer RHE services. The provision of this network structure is a significant benefit of programme delivery via ACRE. Enhancing available forums and tools for RHEs to exchange best practices and resources can further improve effectiveness and efficiency of RHEs' work. Similarly, standardising some processes (for example, Housing Needs Survey templates and community engagement frameworks) can streamline delivery across regions and increase RHE capacity and efficiency.

Continuous professional development and peer learning opportunities can continue to help all RHEs tackle common challenges but given the complexity of the role and the short timeframe of funding, newer RHEs would particularly benefit from a bespoke training and 'on-boarding' programme to help them get 'up and running' in their role as quickly and effectively as possible. This responds to evaluation evidence of the specific challenges faced by newer RHEs who did not always have extensive prior knowledge of housing and planning.

9.2.2 Supporting strengthened partner engagement

The evaluation evidence shows that effective local partnerships are crucial in developing and sustaining interest in rural affordable housing and progressing towards schemes. Mechanisms of ACRE's RHE network such as Basecamp or online or in-person training and networking events, allow RHEs to share best practice and challenges in working with these local networks, and these will continue to be valuable in supporting areas which are finding this crucial work more challenging or where barriers to partner engagement persist. Additionally, central expert input and peer support will be essential as local partnerships are affected (at varying rates of change) by the structural changes to local government resulting from the English Devolution programme.

There are also opportunities at the national level for increased dialogue between ACRE and national organisations such as the CLA and the Church of England (CofE) in encouraging these organisations to advocate engagement to their memberships and networks; with this 'vertical' messaging, complementing the 'horizontal' network building at the local RHE level. In the case of the CofE, there are clear opportunities to engage with current commitments to using the Church's land assets to promote truly affordable homes as outlined in the *Coming Home* report (The Commission of the Archbishops of Canterbury and York on Housing, Church and Community 2021) and through the Forum for Church Housing. In some RHE service areas, collaboration with the CofE-aligned charity Housing Justice has been helpful in progressing discussion with diocese about potential rural sites, and this relationship could be encouraged and supported across more RHE service areas via national networking and dialogue.

9.2.3 Enhancing long-term sustainability of RHE roles

The evaluation evidence is clear that reliance on short-term funding inhibits RHE services in a variety of ways. Developing a forward-looking funding strategy that reduces reliance on short-term grants by supporting member organisations in securing co-funding from local authorities and housing providers (e.g. through service level agreements, partnership contributions, or fee-for-service work) can help to sustain RHE posts and mitigate the risk of personnel loss and service gaps linked to short-term grant cycles. This reflection must work in concert with reflections at the policy tier outlined below, which urge government to consider longer-term, secure funding for RHE services via both central government funding from within and outside Defra, and incentivising local government support. ACRE's role here is to evidence and effectively disseminate the value that RHEs add, to support the case for diversified and secured funds.

9.2.4 Enhancing RHE coverage

As outlined in the evaluation, three operational ACRE network members did not take up the 2023-2025 Defra funding opportunity, as well as one area that did not have an operational ACRE network member organisation at the time of the proposal process. Ensuring that a future RHE programme achieves increased national coverage by encouraging and supporting

counties not currently taking part to become involved is a priority. As the current additional year of funding progresses up to March 2026, ACRE should make renewed efforts to engage these members and fully understand barriers persisting from 2023, so that they are well-placed to support participation in any further continuation of the RHE programme. This might include utilising evidence of the early impacts of RHE services in neighbouring or comparable counties to demonstrate the potential value of this work to their local rural communities; targeted support from ACRE in working through contextual or organisational barriers; and engagement of these members with regional clusters - applying learning from the current programme on how these networks of peer support and knowledge exchange can enhance RHE capacity and capabilities. If organisational barriers persist, alternate solutions should be explored via dialogue with Government, including funding of a centralised enabling service to plug gaps in local coverage, or increased funding for RHE services in neighbouring counties for cross-border coverage.

9.2.5 Enhancing RHE capacity

The evaluation identifies capacity issues for RHEs given the scale of rural housing need and the time-consuming and complex processes involved in scheme progression. Ensuring RHEs have manageable geographic remits and workloads - possibly by allocating additional staff or targeted support in high-need regions, or in larger or sparse regions where travel time and costs are higher - could help address this challenge. This could also contribute to increased coverage by allowing RHE services to cover more areas of counties where work is currently concentrated in a particular district or districts. Data collected through programme reporting (such as the quarterly pipeline RHE reports) could be further utilised to identify pipeline or development blockages and guide specialised support (from network peers or the centre) to where it's most needed. There may also be potential to enhance capacity via greater collaboration in areas where a local authority employed enabler is also present with a whole or partial rural focus. At the same time, ACRE should seek to preserve the independent status of RHEs (i.e. hosted in third-sector organizations rather than within councils or housing developers) which has been crucial for building community and partner trust. This independence needs to be upheld even as operational partnerships are strengthened.

9.2.6 Developing the link between national and local work

While ACRE continues to be engaged in significant advocacy and influencing work for rural affordable housing at the national policy level, some RHEs appeared to lack knowledge of this national-level activity or felt that stronger links needed to be made to support their 'on the ground' work. Continued dissemination of evidence of RHE outcomes by ACRE (including success stories and the Social Return on Investment (SROI) findings) will demonstrate the programme's social impact and bolster the case for ongoing support from Government and partners. Ensuring that RHEs are kept apprised of the importance of the data they provide in evidencing impact will also help ensure that RHEs feel supported and valued at the national level. As outlined in 9.2.2, there is also scope for both ACRE and Defra to encourage members of the programme's National Advisory Group (NAG) to take a more active role in

promoting the value of RHE services to their members and encouraging local engagement with RHE services and participation in Rural Affordable Housing partnerships; supplementing RHEs' local-level 'horizontal' partnership-building efforts with 'top-down' organisational messaging.

9.3 Reflections for Government

9.3.1 *Committing to longer-term funding*

Evaluation data from RHEs, ACRE and multiple local stakeholders emphasises that short-term funding negatively impacts delivery in a variety of ways and inhibits the realisation of outcomes. **Transitioning the RHE programme from a short-term programme into a sustained initiative would be the single most impactful change in increasing the effectiveness of RHE services and maximising outcomes for rural communities in support of Government's affordable housing and rural development goals.**

Multi-year (5+ year) funding commitments or a permanent funding stream will allow RHE services to meaningfully plan, to support schemes through to completion and realise the full benefits of their work. The evaluation indicates that areas with continuous RHE provision achieve a wider range of outcomes, which underscores the value of extending support beyond the short term. In practical terms, longer funding cycles will help retain experienced RHE staff and maintain hard-won community and partner relationships. The stability gained through a longer-term funding agreement would additionally increase local partners' confidence in investing their time and resource into collaboration with the RHE service.

In a related point, delays with the release of funds from Government to ACRE clearly placed additional pressure on the already tight timescale for programme set-up and delivery. From both ACRE's and ACRE network members' perspectives, this resulted in the foundational stages of the programme feeling rushed and caused some challenges further down the line. Realistic lead-in periods and swift release of funds to avoid compressing timelines is essential for maximising future programme effectiveness.

9.3.2 *Encouraging local authority buy-in and co-funding of RHE services*

Government should incentivise local authority contributions to RHE service provision. This could include match-funding schemes or requirements for local co-sponsorship to embed RHEs into local housing strategies. Several RHE services have already been successfully co-funded via county/district councils and housing associations – a model that could be expanded – albeit with the caveat, noted in the evaluation, that there are extreme budgetary constraints facing many local authorities. Securing local investment alongside central funding, would build shared ownership and resilience, anchoring RHE roles firmly within local delivery structures. As noted in the reflections for ACRE, it would be crucial that RHE independence be upheld, even as partnerships with local authorities and/or Registered Providers are strengthened.

9.3.3 Addressing policy and planning barriers

The evaluation identifies a range of external confounding factors, that despite the best efforts of RHEs and their local partners, hinder the realisation of rural affordable housing schemes. Coordination between the Ministry of Housing, Communities and Local Government (MHCLG) and other relevant bodies to tackle the external obstacles that RHEs cannot overcome is important for maximising the potential of rural affordable housing delivery. For instance, streamlining the rural planning process and supporting increased planning-team capacity within local government would help reduce the delays that currently hinder the progression of schemes. Government should explore mechanisms to improve the financial viability of Rural Exception Sites (RES) including targeted infrastructure funding and higher grant rates, and guidance that allows sensible flexibility in planning gain for small affordable housing schemes. Additionally, sustaining a supportive policy environment (such as strengthening RES policy and providing clear targets for local authorities on incorporating needs-based rural objectives within their local development plans) in recognition of the long-term social benefits of rural affordable schemes will empower RHEs and their partners to bring forward projects with confidence.

9.3.4 Integrating RHE services into rural development and housing strategy

Linked to the above, there are opportunities to build on the RHE programme's early success by making it a core component of national rural policy; formalising the RHE network's role in delivering Government's affordable housing objectives in rural communities. Government should recognize RHEs as critical infrastructure for thriving and sustainable rural communities and plan for their support accordingly. By embedding RHE services into long-term strategy across Defra and MHCLG (with appropriate funding and policy backing), the government can ensure rural affordable housing needs are addressed proactively and that rural homes form a proportionate part of Government's ambitious affordable housing delivery mission.

9.4 Summary

In summary, the RHE programme demonstrates significant value in supporting progress towards affordable housing in rural communities, and has clear potential to generate further value should longer-term support be put in place.

Local authorities and housing partners consistently report that without the dedicated work of RHEs, affordable housing schemes in villages would likely not be achieved or would progress at a much-reduced rate and pace. RHEs play a crucial role in putting rural affordable housing on the agenda in a policy and fiscal context where the needs of rural communities are easily subsumed or sidelined. They act as honest brokers – trusted by communities yet able to work with local authorities and developers – to overcome local objections, build consensus, and drive projects forward. This trust and credibility at the community level, coupled with technical knowledge, is something that no other role provides to the same extent, and it is clear from RHEs and local partners that the presence of an RHE can be the deciding factor in whether a

rural housing scheme moves ahead or stalls. It is also apparent from local partners, that were the RHE service removed or reduced, they would have neither the resource or skillset to plug the resultant gap, with negative implications for the initiation and progression of rural affordable housing in their area. As one Local Authority Officer summarises:

‘They’re an additional resource because local authority resources are overstretched, and specialist areas can be overlooked. Their independent role is important, particularly for Parish Councils. They are highly regarded, and they have experience of working in different areas, like Housing Needs Surveys and other wider issues. They can share good practice. Their wider network is also of value because they can bring experiences and added value from across the country. Councils don’t have the resources, and there isn’t the political support, so RHEs are vital’ (Interview: Local Authority Officer, 2024).

As outlined in the reflections above, programme enhancements could help maximise the potential of RHE services, and some of these are already being addressed via the one-year extension to the programme to March 2026. Above all else though, longer-term secure investment is essential. While the RHE programme has already demonstrated strong early impacts, the long timescales involved in delivering rural affordable housing mean that short-term funding fundamentally limits the full realisation of these benefits. As one RHE put it:

‘We’re trying to deliver long-term work using short-term funding.’

Without this sustained investment, hard-won local relationships, emerging development pipelines, and the continuity of experienced RHE staff are at risk - threatening a return to stagnation and leaving the affordable housing needs of rural communities unmet:

‘Consistency of the funding is paramount ... If the funding stops and starts as it has historically, you’re in those relationships that you’ve built with those rural partners, and then they get diluted again, because they’re thinking “it’s here today, gone tomorrow”. So that hard work you’ve put into building those relationships is put under pressure again if the funding isn’t consistent’ (Interview: ACRE national team, 2025).

With stable funding and strategic support, however, RHE services are well placed to turn early momentum into lasting change by unlocking the affordable homes that rural communities need to thrive into the future.

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Appendices

Appendix 1: SROI Model Outcome Indicators

Table 1. Capacity building and community empowerment domain: Indicator values and model assumptions

Value Domain	Outcomes	Stakeholders	Indicator description	Indicator Value	Deadweight proportion	Attribution proportion	Assumptions & Comment
Capacity building and community empowerment	Increased knowledge & understanding of affordable rural housing options and processes	RHE	Understanding scale. National survey mean	0.83	0.00	1.00	Deadweight: assume none as outcome based on RHE action. Attribution: assume outcome is result of RHE action.
Capacity building and community empowerment	Increased knowledge & understanding of affordable rural housing options and processes	Parish Councillors	Understanding scale. National survey mean	0.80	0.10	0.80	Model assumes potentially high level of outcome drop-off in first few years requiring continual engagement with RHE to maintain the outcome level.
Capacity building and community empowerment	Increased knowledge & understanding of affordable rural housing options and processes	Local community residents	Understanding scale. National survey mean	0.80	0.10	0.80	Model assumes benefits not generated until Year 2 onwards. Assume limited community engagement in first few years requiring continual RHE engagement to maintain the measured outcome level.

Capacity building and community empowerment	Increased knowledge & understanding of affordable rural housing options and processes	Registered provider; Local planning Authority	Understanding scale. National survey mean	0.70	0.10	0.80	Model assumes these benefits will not be generated until Y2 onwards. Deadweight is low and attribution high as outcomes unlikely to be delivered through other means. .
Capacity building and community empowerment	Increase in trust among key stakeholders and the community	Parish Councillors; Registered Provider; local authority housing personnel & planners; CLT organisation	Trust scale. National survey mean.	0.88	0.10	0.80	Deadweight is low and attribution high as outcomes unlikely to be delivered through other means
Capacity building and community empowerment	Increase in trust within the community	Local community residents	Statement (a) on the Trust scale: Extent to which you feel that your RHE work ... generates trust among the community and stakeholders.	0.71	0.00	0.6	Assume zero deadweight as residents unlikely to engage with other stakeholders. Limited community engagement in initial stages may reduce level of attribution.
Capacity building and community empowerment	Improved understanding of housing need & local community issues leading to improved facilitation	RHE	Statement (a) on the RHE knowledge / experience scale (Q21 in National Survey).	0.82	0.0	1.0	Outcomes benefit RHE directly, unable to be generated by other mechanisms.

Capacity building and community empowerment	Improved understanding and awareness of housing need & local community issues	Parish Councillors; Registered Provider; local authority housing personnel & planners; CLT (if relevant)	Awareness of community issues scale [Q20 statements (a+ e) and Q17(e)] RHE estimate of score = 4.33	0.83	0.1	0.8	Assume very limited scope for other mechanisms to raise wider awareness of community housing issues.
Capacity building and community empowerment	Improved understanding and awareness of housing need & local community issues	Individuals in Community organisations	Awareness of community issues scale	0.83	0.1	0.8	Assume very limited scope for other mechanisms to raise wider awareness of community housing issues.
Capacity building and community empowerment	Improved competence, engagement and purpose though professional, life and practical skills	RHE; Parish Councillors; Registered Provider; local authority housing personnel & planners; CLT (if relevant)	Q36 (c+d) Improved knowledge and competence scale. Mean Stakeholder	0.80	0.1	0.8	Assume very limited scope for other mechanisms to generate improved knowledge and competence.
Capacity building and community empowerment	Increased satisfaction and sense of control among Parish Councillors and relevant community organisations	Parish Councillors; CLT; others if relevant	Improved sense of control Scale. Composite score from Q36(a+b+d)); Q37(a+d+e); Q40(b).	0.85	0.1	0.8	Assume very limited scope for other mechanisms to generate increased sense of control over housing issues.

Table 2. Health & wellbeing domain: Indicator values and model assumptions

Value Domain	Outcomes	Stakeholders	Indicator description	Indicator Value	Deadweight proportion	Attribution proportion	Assumptions & Comment
Health & wellbeing	Improved physical health from living in warmer home	Affordable housing Scheme residents	Resident survey 1 - 5 scale measuring physical and mental health improvement.	0.63	0	1.00	Outcome unlikely to be generated in the absence of the scheme.
Health & wellbeing	Easier access to family support networks	Affordable housing Scheme residents.	Resident survey 1 - 5 scale measuring Closer links to family & friends	0.65	0	1.00	Outcome unlikely to be generated in the absence of the scheme. Based on number of houses in scheme.
Health & wellbeing	Increased social interaction and local engagement	Affordable housing Scheme residents.	Resident survey 1 - 5 scale measuring 'People in this community help each other out'	0.64	0	1.00	Outcome unlikely to be generated in the absence of the scheme. Based on number of houses in scheme
Health & wellbeing	Reduced stress and costs from accessing employment & local services	Affordable housing Scheme residents	Resident survey 1 - 5 scale measuring: 'Easier to access employment and local services'.	0.50	0.1	0.80	Assume that might be a small potential for residents to access employment in local area in which they currently reside. Survey of 2 case studies reveals 60% residents are employed.
Health & wellbeing	Improved sense of trust and belonging through community support	Affordable housing Scheme residents	Resident survey 1 - 5 scale measuring Sense of belonging/Stronger connection to community,	0.63	0	0.90	Outcome unlikely to be generated in the absence of the scheme

Health & wellbeing	Increased agency, resilience and self-esteem from greater connection and integration in the community	Affordable housing Scheme residents.	Resident survey 1 - 5 scale measuring Sense of belonging/Stronger connection to community,	0.63	0.0	1.0	Outcome unlikely to be generated in the absence of the scheme.
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Table 3: Sustainable and resilient rural communities domain: Indicator values and model assumptions

Value Domain	Outcomes	Stakeholders	Indicator description	Indicator Value	Deadweight proportion	Attribution proportion	Assumptions & Comment
Sustainable and resilient rural communities	Improved quality of life through lower cost of living (rent; energy)	Affordable housing Scheme residents.	Resident survey 1 - 5 scale measuring Reduced cost of living and lower energy bills.	0.73	0.00	1.00	Outcome unlikely to be generated in the absence of the scheme. Based on number of houses in scheme.
Sustainable and resilient rural communities	Enabling young families to stay provides volunteers for local clubs and associations	Wider community residents	Greater scope for volunteers / enables continuation of local associations and social groups	0.12	0.00	0.80	Resident survey reveals that proportion of CS scheme residents that volunteer is low (approx. 12%).
Sustainable and resilient rural communities	Reduced fossil fuel consumption from improved house design and construction; use of renewables	Affordable housing Scheme residents - based on number of houses in scheme	Estimated average Carbon emissions reduction /household = 750kg CO2/yr. Average reduction in Tonne's carbon per household per year as a result of improved design and energy efficiency (0.75 tonne).	0.75	0.00	1.00	Assumes savings unlikely to occur in other types of accessible accommodation. Savings based on modern energy efficient building.

Sustainable and resilient rural communities	More balanced age profile in the community	Wider community residents	Potential for generating greater community participation. Using combined case study resident's scale: Sense of belonging/Stronger connection to community	0.62	0.05	1.00	Assumption that greater community participation unlikely to occur via other mechanisms.
Sustainable and resilient rural communities	Supports resilience of local economy. Construction phase spending on local businesses and services (trade services; shops, etc within 10-mile radius).	Wider community residents	Proportion of contract income staying local (estimate = 5% but will vary depending on services available and extent of local economy boundary).	0.05	0.05	1.00	Assume maximum of 6 local businesses benefit (this depends on the nature and scale of the local economy, and local context, which is highly variable)
	Local economic benefits to services (shops etc)	Wider community residents.	Proportion of household budget spent on local services. Combined CS resident survey indicates 35% HH spend money locally (will vary across schemes depending on what services are available)	0.35	0.05	0.9	Model assumes local economic benefits arising from local spend by additional households in the scheme; potentially the whole community may benefit through improved resilience / existence of the services.
Sustainable and resilient rural communities	Lower energy bills	Affordable housing Scheme residents.	Proportional reduction in energy bills from living in an energy efficient house. Combined CS score for lower energy bills	0.71	0.00	1	Outcome would not occur of the residents were not living in new energy efficient housing. Based on number of houses in scheme.

Sustainable and resilient rural communities	Enhances community income from Council Tax	Wider community residents	Feeding income back into local community from Council tax. Funding streams tend to be small.	0.90	0.00	1	Outcome would not occur in the absence of the scheme.
Sustainable and resilient rural communities	Greater community cohesion	Affordable housing Scheme residents.	Resident survey 1 - 5 scale measuring Reduced stress/more connected	0.68	0.0	1.0	Assumption that selected residents will be a mix of age groups which would not occur in absence of the scheme. Based on number of houses in scheme.

Table 4: Efficient delivery processes domain: Indicator values and model assumptions

Value Domain	Outcomes	Stakeholders	Indicator description	Indicator Value	Deadweight proportion	Attribution proportion	Assumptions & Comment
Efficient delivery processes	Enhances organisational relevance	Rural Community Council (or RHE host organisation); Registered Provider	Results in more organisations/government bodies paying attention to the organisations actions/reports; potentially more influential in attaining goals.	1.00	0.10	0.9	Low level of potential for the outcome to be generated by other mechanisms. Outcome is a result of RHE activity.
Efficient delivery processes	Reduced delivery & operating costs	Local authority; Registered Provider	Cost savings from not having to hire personnel with community engagement and facilitation skills. Potential for reduced borrowing costs / greater resilience for the RP	0.75	0.10	0.9	Low level of potential for the outcome to be generated by other mechanisms. Outcome is a result of RHE activity.
Efficient delivery processes	Improved organisational resilience from asset ownership	Registered Provider	Potential for reduced borrowing costs / greater resilience for the RP. National stakeholder survey score for improving efficiency = 4.018	0.80	0.10	0.9	Model assumes these benefits will not be generated until Year 2 onwards

Efficient delivery processes	Benefits for individuals of Improved partnership working and collaboration: Enhanced wellbeing from social interaction, improved resilience and skill sharing	Parish Council, Landowner; Local authority; Registered Provider; CLT	Composite score from National stakeholder survey Q39 [(a - e)/5]: Collaboration and partnership scale	0.83	0.10	0.9	Range of stakeholders benefit from RHE activity, unlikely to be generated by other mechanisms. Model assumes these benefits will not be generated until Year 2 onwards
Efficient delivery processes	Benefits for organisations of Improved partnership working – collaboration. Enhances problem solving strategies & productivity; improves communication & avoids silos	Parish Council, Landowner; Local authority; Registered Provider; CLT	Innovation and problem-solving scale. Composite score from National stakeholder survey [Q37(b+c)/2] and Q36(b)	0.78	0.10	0.9	Range of stakeholders benefit from RHE activity, unlikely to be generated by other mechanisms. Model assumes these benefits will not be generated until Year 2 onwards

Appendix 2: SROI Model Financial Approximations

Table 1. Capacity building and community empowerment domain: Financial Approximations utilised in the SROI Model

Value Domain	Outcome	Stakeholders	Financial Proxy (description)	Financial Proxy (2025 prices)	Unit	Assumptions & Comment
Capacity building and community empowerment	Increased knowledge & understanding of affordable rural housing options and processes	RHE	Cost of employability skills training in regular sessions with counsellor/coach	£2,234	Per person	Training assumed to deliver similar scale of improvement as derived from RHE activity. Drop-off: Assume no drop-off in yrs 1 - 3 when RHE most active.
Capacity building and community empowerment	Increased knowledge & understanding of affordable rural housing options and processes	Parish Councillors	Cost of employability skills training in regular sessions with counsellor/coach (reflects RHE work with RP over time - typically 1 - 3 yrs).	£2,234	Per person	Training assumed to deliver similar scale of improvement as derived from RHE activity. Assumes in first 3 yrs ave. size of [active/engaged] Parish Council members = 6; RP = 1; LA = 2. Drop-off: model assumes high outcome drop-off in first few years requiring continual engagement with RHE.
Capacity building and community empowerment	Increased knowledge & understanding of affordable rural housing options and processes	Local community residents	Cost of employability skills training in regular sessions with counsellor/coach.	£947	Per household p.a.	Model assumes benefits generated Year 2 onwards. Assumes less than 2% residents likely to engage with the issue. Drop-off: assume high level of outcome decline in first few years requiring continual engagement to maintain the measured outcome level.

Capacity building and community empowerment	Increased knowledge & understanding of affordable rural housing options and processes	Registered provider; Local planning Authority	Cost of employability skills training in regular sessions with counsellor/coach (reflects RHE work with RP over time - typically 1 - 3 yrs)	£2,234	Per person p.a.	Model assumes these benefits will not be generated until Y2 onwards. Assume relatively low drop-off rate due to regular involvement in housing issues - however small scale of schemes does not interest many RPs. Assumes only one RP individual involved in initial years
Capacity building and community empowerment	Increase in trust among key stakeholders and the community	Parish Councillors; Registered Provider; local authority housing personnel & planners; CLT (if relevant)	Value to an individual (25-45) of feeling like they belong in their neighbourhood	£3,050.00	Per person p.a.	Assumes in first 3 yrs ave. size of [active/engaged] Parish Council members = 6; RP = 1; LA = 2
Capacity building and community empowerment	Increase in trust within the community	Local community residents	Value to an individual (25-45) of feeling like they belong in their neighbourhood	£3,050.00	Per household p.a.	Model assumes a population of 2,000 per community. Assume less than 2% residents likely to engage with the issue.
Capacity building and community empowerment	Improved understanding of housing need & local community issues leading to improved facilitation	RHE	Facilitator training costs: Certificate in Facilitation skills - comes with accreditation. The cost of the full five days is £1908.	£1,954.00	Per person p.a.	Model assumes training delivers similar skills set.
Capacity building and community empowerment	Improved understanding and awareness of housing need & local community issues	Parish Councillors; Registered Provider; local authority housing personnel & planners; CLT (if relevant)	Accredited training: Housing / Tenant / Resident Liaison Officer course: Advanced Diploma - CPD Certified	£285	Per person p.a.	Model assumes training delivers similar skills set.

Capacity building and community empowerment	Improved understanding and awareness of housing need & local community issues	Individuals in Community organisations	Accredited training: Housing / Tenant / Resident Liaison Officer course: Advanced Diploma - CPD Certified	£285	Per person within organisations p.a.	Model assumes training delivers similar skills set.
Capacity building and community empowerment	Improved competence, engagement and purpose though professional, life and practical skills	RHE; Parish Councillors; Registered Provider; local authority housing personnel & planners; CLT (if relevant)	Cost of personal development course on 'delivering beyond yourself' (from CLA project)	£907.00	Per person p.a.	Model assumes training delivers similar skills set.
Capacity building and community empowerment	Increased satisfaction and sense of control among Parish Councillors and relevant community organisations	Parish Councillors; CLT; others if relevant	Cost of personal development course on 'delivering beyond yourself' (from CLA project)	£907.00	Per person p. a	Model assumes training delivers similar skills set.

Table 2. Health & wellbeing domain: Financial Approximations utilised in the SROI Model

Value Domain	Outcome	Stakeholders	Financial Proxy (description)	Financial Proxy (2025 prices)	Unit	Assumptions & Comment
Health & wellbeing	Improved physical health from living in warmer home	Affordable housing Scheme residents	Cost of reduced health care to maintain good physical health + Mental health service costs per individual (anxiety and depression)	£952.00	Per person p.a.	Based on number of houses in scheme
Health & wellbeing	Easier access to family support networks	Affordable housing Scheme residents.	Value of being able to rely on family	£8,234.00	Per household p.a.	Based on number of houses in scheme
Health & wellbeing	Increased social interaction and local engagement	Affordable housing Scheme residents.	Average annual household spend on recreation and culture	£4,466.00	Per household p.a.	Based on number of houses in scheme
Health & wellbeing	Reduced stress and costs from accessing employment & local services	Affordable housing Scheme residents	Cost of family therapy session	£2,224.00	Per family (Household) p.a.	Proxy based on costs of therapy to enhance wellbeing.
Health & wellbeing	Improved sense of trust and belonging through community support	Affordable housing Scheme residents	Value to an individual (25-45) of feeling like they belong in their neighbourhood	£3,050.00	Per person	Proxy values a sense of belonging in local area. Assume also applies to rural neighbourhoods.
Health & wellbeing	Increased agency, resilience and self-esteem from greater connection and integration in the community	Affordable housing Scheme residents.	Value attributed to positive functioning of volunteers based on additional median wages earned	£4,144.00	Per person	Based on number of houses in scheme

Table 3. Sustainable and resilient rural communities domain: Financial Approximations utilised in the SROI Model

Value Domain	Outcome	Stakeholders	Financial Proxy (description)	Financial Proxy (2025 prices)	Unit	Assumptions & Comment
Sustainable and resilient rural communities	Improved quality of life through lower cost of living (rent; energy)	Affordable housing Scheme residents.	Value of mental health component on Quality-of-Life Adjusted year	£16,007.00	Per person	Quality of Life Adjusted Years are an established method of deriving financial proxies in social and behavioural economics. Used as a proxy for life satisfaction in the SROI Growing Social Capital, Kirklees Council and NEF consulting (Wright and Schifferes, 2012).
Sustainable and resilient rural communities	Enabling young families to stay provides volunteers for local clubs and associations	Wider community residents	Value of rural household council tax that is spent on social care	£869.00	Per household p. a	Proportion of council tax that is deployed to social care is taken as a proxy for social value added to a community of social housing. Devon is a largely rural county.
Sustainable and resilient rural communities	Reduced fossil fuel consumption from improved house design and construction; use of renewables	Affordable housing Scheme residents	Carbon values (mean over period 2024-28) in 2022 £/tCO ₂ e. Savings/household = 750kg CO ₂ /yr	£207.90	Per household p. a	Based on number of houses in scheme

Sustainable and resilient rural communities	More balanced age profile in the community	Wider community residents	Cost of state funded community development worker	£39,158.00	Per Community p.a.	A balanced age profile would result in greater community cohesion, in turn creating a stronger and more connected community, which could also be facilitated through a community development worker. Used as a proxy for stronger and more connected community outcomes in an SROI undertaken by the University of Bristol.
Sustainable and resilient rural communities	Supports resilience of local economy. Construction phase spending on local businesses and services (trade services; shops, etc within 10-mile radius).	Wider community residents	Average annual income generated for the local economy from contracting spend, assuming a multiplier of 1.37. Assume 10% of spending in local economy over 2 yr construction period.	£82,200.00	per community	Assume maximum of 6 local businesses benefit (this depends on the nature and scale of the local economy which is highly variable)
	Local economic benefits to services (shops etc)	Wider community residents.	Average annual income generated for the local economy from household food spend, assuming a multiplier of 1.47 Assume 50% household food and some services are purchased locally. Only starts after tenants move in (Yr 8 onwards).	£6,729.00	Per household p.a.	This could be based on spend by the additional households in the scheme or potentially benefit the whole community through continued resilience & existence of the services.

Sustainable and resilient rural communities	Lower energy bills	Affordable housing Scheme residents.	Average reduction in annual energy costs for mid-terrace house with cavity wall insulation installed = £470/yr.	£470	Per household p.a	Based on number of houses in scheme. Expenditure only starts after tenants move in (Yr 8 onwards)
Sustainable and resilient rural communities	Enhances community income from Council Tax	Wider community residents	Value to local community of increased precept (likely to be maximum of 10% change) (Set at 5% of £4,778 = £239 per HH/yr)	£239	Per household p. a	Assume increase in housing will generate slight increase in availability of community funding.
Sustainable and resilient rural communities	Greater community cohesion	Affordable housing Scheme residents.	Cost of time spent collaborating	£1,088	Per organisation p. a	Based on number of houses in scheme.

Table 4. Efficient delivery processes domain: Financial Approximations utilised in the SROI Model

Value Domain	Outcome	Stakeholders	Financial Proxy (description)	Financial Proxy (2025 prices)	Unit	Assumptions & Comment
Efficient delivery processes	Enhances organisational relevance	Rural Community Council (or RHE host organisation); Registered Provider	Small scale promotional/marketing costs	£2,000	Per organisation p.a.	Based on an estimated marketing budget to promote activities of the organisation through website and social media.
Efficient delivery processes	Reduced delivery & operating costs	Local authority; Registered Provider	Proxy based on local authority savings by not having in-house personnel with community engagement skills - i.e. costs avoided.	£2,100	Per scheme/Local authority per year	Assumption: Efficiency savings for LA not hiring relevant community engagement officer.
Efficient delivery processes	Improved organisational resilience from asset ownership	Registered Provider	Assume 10% reduction in borrowing costs as a result of increased ownership of assets.	£6,000	Per registered provider p.a.	Model assumes these benefits will not be generated until Year 2 onwards
Efficient delivery processes	Benefits for individuals of Improved partnership working and collaboration: Enhanced wellbeing from social interaction, improved resilience and skill sharing, more confidence and self-esteem.	Parish Council, Landowner; Local authority; Registered Provider; CLT	Well-being valuation of improved autonomy and control	1,850	Per person	Assumes 4 individuals benefit in wellbeing from improved collaborative working. Model assumes these benefits will not be generated until Year 2 onwards

Efficient delivery processes	Benefits for organisations of Improved partnership working – collaboration. Enhances problem solving strategies & productivity; improves communication & avoids silos; promotes organisational change, effectiveness and efficiency.	Parish Council, Landowner; Local authority; Registered Provider; CLT	A 35% efficiency saving from groups of 3 - 5 people who collaborate. Use average day rates for LA personnel: Based on estimated number of days meetings per year for 4 personnel. Use 35% of the cost as a proxy for efficiency savings (i.e. reduction on number of meeting days needed due to more collaboration and partnership working).	£5,213.00	Per organisation p.a.	Model assumes 4 personnel from 4 'organisations' benefit from collaborative action. Based on estimate of number of person days in meetings per year * average day rate (£133/day). Model assumes these benefits will not be generated until Year 2 onwards
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