



Fact sheet 10: New homes in rural areas

This fact sheet explores issues around new homes in rural areas across England. If you are reading this online, please click on the hyperlinks for further information. See the full New Homes Fact Sheets series [here](#).

New homes in rural areas can help local people to stay in the areas where they want to live as well as support the economic and social wellbeing of the community.

What is a rural area?

The Government uses the '[Rural Urban Classification](#)' to distinguish between rural and urban areas. Urban areas are defined as settlements with at least 10,000 residents. Rural areas are described as 'everywhere else' which includes towns, villages, hamlets and all types of open countryside.

Data from the [2022 Statistical Digest of Rural England](#) shows that 9.7 million people live in rural areas, representing 17% of England's population.

Are housing needs in rural areas different to urban areas?

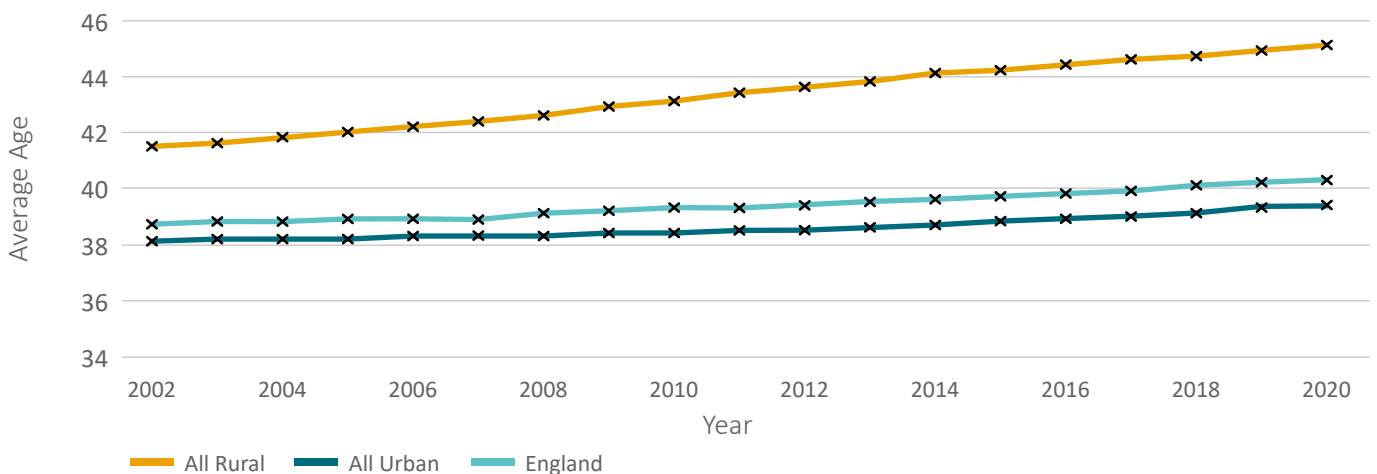


Rural communities have a higher proportion of older people, which has been increasing over time. The [data](#) shows that in England in 2020, 25% of the population in rural areas were aged over 65 years, compared to 17% in urban areas, and the average age of the rural population was six years older than for the urban population.



Rural communities also have fewer people of working age. The [data from 2020](#) shows that 59% of rural residents were aged between 16 and 64 years, compared with 64% of residents in urban areas. This means that rural areas have different community characteristics compared to urban areas which can influence local housing needs.

[Average age of people in rural and urban areas, compared to the average in England, 2002-2020](#)



How easy is it to access housing in rural areas?



Homes in rural areas usually cost more in relation to rural salaries. In 2022, the average median house price to annual income ratio in England was [8.8 in rural areas, compared to 7.6 in urban areas](#) (when London is excluded). For more information, refer to [Fact sheet 1: The need for homes](#).



There is an acute shortage of social housing in rural areas. Between 2019 and 2022, the number of households on waiting lists in England increased [by 31% in rural areas](#), compared to 3% in urban areas.



How can new housing in rural areas support shops, services and amenities?



New housing can enable workers, who help to sustain local services, to move to, or stay in, an area. Evidence shows that [new housing tends to attract more young families](#), which can help to increase the number of working age residents.



Rural areas have higher proportions of elderly people who require care and support services later in life. Without enough workers in the health and social care sector in rural areas, older people may need to relocate to urban areas to access support services. This can sever long-held community ties.



It can be harder to recruit GPs to rural areas and new housing could be a powerful incentive to relocate. Rural areas accounted for 59% of hard-to-recruit training places for [GP Specialty Trainees](#) in 2023-24.



Working-age people can support local economies in rural areas by spending in shops and pubs and by joining sports clubs.



In England, schools in rural areas have more spare places than pupils in urban areas. Without enough students, rural schools may be more vulnerable to school closures. [In 2020-21](#), 16% of school places in England's [rural primary schools](#) were unfilled, compared to 11% across schools in urban areas. For further information, refer to [Fact sheet 5: New homes and school places](#).



Housing developments can deliver new social infrastructure in rural areas, such as schools and GP practices. Developers may be legally required to pay [financial or 'in kind' contributions](#) where new housing generates a need which cannot be met by existing local facilities.

What types of housing developments are there in rural areas?



The type and location of new homes is decided as a part of a plan-led system. Depending on the location and housing need, this can include small-scale developments through to large-scale strategic housing projects, such as [Garden Communities](#).

For further information on how housing developments are planned and delivered, see [Fact sheet 1: The need for homes](#) and [Fact sheet 2: How new homes are planned](#).

Specific to rural areas, [Rural Exception Sites](#) are small sites which are normally not used for housing but are allowed to be developed for affordable housing, typically for around 10 homes. These sites are usually located on the edge of rural settlements and are for people who already live in the local authority area or have an existing family or employment connection.

Did you know?

Statistics on how many homes are built in rural areas are [published online by Department for Environment, Food & Rural Affairs \(Defra\)](#).