

Agenda

SPARSE Rural and Rural Services Network Executive and Board of Directors of the Rural Services Partnership Ltd meeting

Hosted: Online via Zoom Date: Monday, 23rd May 2022 Time: 11:15am – 2:30pm Chair: <u>Cllr Cecilia Motley</u>, Rural Services Network / Shropshire Council

- 1. Attendance & Apologies.
- 2. Appointment of Chief Executive: Chair and Vice Chair to report.
- Notes from the previous RSN Executive meeting.
 Held on 21st March 2022 to consider any relevant updates and approve the minutes.
- 4. Summary of Previous RSN Work and Meetings. (Attachment 1) Report from Kerry Booth, Deputy Chief Executive on attendance, key points, policy work since the last meeting.

5. Budget Reports.

- (a) 2021/22 Financial Year Report. (Attachment 2)
- (b) 2022/23 to 6th May 2022 Financial Report. (Attachment 3)
- 6. Adult Social Care Reforms: Discussions with Gillian Keegan MP, Care Minister. Verbal report from Graham Biggs MBE, Chief Executive on the outcomes from discussions with the care minister. Following attachment was sent out to the care minister in advance of the discussion for information. (Attachment 4)

7. Levelling Up:

- (a) Draft Pragmatix Report. Verbal report from Graham Biggs MBE, Chief Executive. (Attachment 5 & 5A*)
- (b) Rural Lens Review: Levelling Up White Paper Urban/Rural Data Analysis by Rural Services Network. (Attachment 5B*)
- (c) Cost of Living in Rural Areas: Interim Report. Verbal report from Graham Biggs MBE, Chief Executive.
- (d) <u>UK Shared Prosperity Fund: Rural Lens Review</u>.
- (e) Levelling Up and Regeneration Bill. Verbal Report from Graham Biggs MBE, Chief Executive.



* Please be aware that Attachments 5, 5A & 5B associated with this item are available only to <u>RSN</u> <u>Executive</u> members. If you are a <u>RSN Executive</u> member and you would like to view these attachments, please email <u>admin@sparse.gov.uk</u> and we will send the papers to you.

- 8. Bus Service Improvement Plans Comments from Members. (Attachment 6) Report from Nadine Trout, Member Development & Support Manager, and discussion of the present situation.
- 9. APPG for Rural Business and the Rural Powerhouse: Analysis of this APPG's recommendations with RSN Revitalising Rural Asks. (Attachment 7) Report from Kerry Booth, Deputy Chief Executive.
- 10. The Queen's Speech 2022: Rural Lens Review.
- 11. Any Other Business.

The next RSN Executive meeting will take place online on Monday, 5th September 2022.



RSN Work April 2022 – May 2022

Report to the RSN Executive (Monday, 23rd May 2022) from Kerry Booth, Deputy Chief Executive

Aim

To provide the Executive with an update on meetings hosted and supported by the RSN since the last Executive meeting along with key campaigns and work carried out.

To Date from 22 March 2022 to April 2022 We Have Hosted the Following Meetings

				Atte	ndees		
Event	Who can attend	Date	Govt	LA	RSP	RMTG	TOTAL
RMTG Meeting	RMTG	28.03.22	-	-	-	17	17
RSN Seminar: Rural Planning	Sparse/Rural Assembly/RSP/RHCA/RMTG	30.03.2022	2	49	20	21	92
Rural Assembly Meeting	Sparse/Rural Assembly/RSP/RHCA/RMTG	04.04.2022	1	45	18	0	64
RSP Vulnerability Group	RSP Invited Group	25.04.2022	-	-	5	-	5
RSP Partner Group Meeting	RSP	25.04.2022	-	-	10	-	10
RSN Seminar: Rural Decarbonisation	Sparse/Rural Assembly/RSP/RHCA/RMTG	27.04.2022	-	62	10	7	79
Rural Social Care and Health Sub Group	Sparse/Rural Assembly/RSP/RHCA	11.05.2022	Data r	not av	ailable	at report	writing

*Not including RSN Staff or Speakers

Key Points to Note

APPG on Rural Services – Following the APPG meeting which included the Health Minister, Graham Biggs and Philip Dunne MP met with the Minister Rt Hon Gillian Keegan at the end of March.

Considering our seminar programme 2022 compared with this time last year in 2021, we have increased delegates attending seminars by 30% to 319 with the first four events compared to 245 at this point last year. This is fantastic and shows the way that the reputation of the organisation grows, along with our reach across our membership.

Wider Campaigns and Work

Published: Rural Lens Review of Shared Prosperity Fund

Consultations

Providing a voice for rural communities and service providers

Rural Services Network Kerry Booth, Deputy Chief Executive PO Box 101, Craven Arms, SY7 7AL Tel: 01822 851370 www.rsnonline.org.uk email: kerry.booth@sparse.gov.uk twitter: @rsnonline



Since our last report, the RSN has responded to the following consultations, after consulting with our member organisations:

• Landscapes review (National Parks and AONBs): implementing the review

In addition, we have consulted our members on their Bus Improvement Plans and this is discussed later in the agenda.

We have also surveyed members on the impact of the increase in fuel prices, this is ongoing and will be reported at a future meeting.

Networking and Influence

We have published <u>an article in Local Government First Magazine by Councillor Motley on 'Will</u> Levelling up deliver for rural authorities'.

Graham Biggs has attended the Defra Rural Impact Forum.

Providing a voice for rural communities and service providers

Rural Services Network Kerry Booth, Deputy Chief Executive PO Box 101, Craven Arms, SY7 7AL Tel: 01822 851370 www.rsnonline.org.uk email: kerry.booth@sparse.gov.uk twitter: @rsnonline

	А	В	С	D	E	F	G
1							
2	RURAL						Attachment 2
3	SERVICES NET WORK						
4			The Rural Se	ervices Partnership Limit	ed		
5			BU	DGET REPORT			
6			Apri	l 2021 - March 2022			
7							
8		ORIGINAL BUDGET 2021/22	ACTUAL 2021/22	REVISED BUDGET 2021 /22	VARIATION FROM ORIGINAL BUDGET	VARIATION FROM REVISED BUDGET	2022/23 ORIGINAL ESTIMATE
9		£	£	£	£	£	£
10	INCOME						
	Coastal communities						
11	contract income	5758.00	4,691.74	5758.00		-1066.00	
12	Coastal Comm Debtor						1156.00
13	National rural conference	5000.00	3650.00	3650.00	-1350.00		3800.00
14	RHCA Membership	23743.00	13,692.51	34176.00	10433.00	-20484.00	18042.00
15	RHCA DEBTORS from 2021/22						17300.00
16	RSP Membership	20642.00	22,429.01	21727.00	1085.00	707.00	24763.00
17	RSP Debtor from 2020/21						219.00
18	Rural England Annual Re CHARGES	6835.00	4,640.61	7115.00	280.00	-2471.00	6944.00
	Rural England project support	1800.00	1280.00	2380.00	580.00	-1100.00	1250.00
20	RE Project Support Debtor						580.00
21	Rural fire and rescue	3995.00	3,989.00	3989.00	-6.00		4082.00
22	Rural housing group subscriptions	7318.00	6,500.00	6500.00			5916.00
23	Rural housing group website		3,350.00	1350.00	1350.00	-2000.00	2200.00
24	Hsing Gp website Debtor						1080.00
25	Rural Strategy Income		2,500.00			2500.00	
26	Rural Towns Group	11000.00	11,903.15	13038.00	2038.00	-1135.00	20000.00

	А	В	С	D	E	F	G
27	RMTG Debtor from 2020/21						46.00
28	SPARSE - Rural general grant	300463.00	296776.00	308022.00	7559.00	-11246.00	300434.00
29	SPARSE/ASSEMBLY RE 2021/22						10646.00
	Miscellaneous Income Survey		200.00	200.00	200.00		
31	Work For Utility Companies		500.00			500.00	
32	Strategic partnering arrangements	10000.00	10000.00	10000.00			10000.00
33	DEBTOR FROM PREVIOUS YEAR VAT REFUND	3403.96		3403.96			4788.33
34	SPONSORSHIP						10000.00
35							
	Sundry Income						
36	Homelessness Research		4597.82	13208.06	13208.06		6163.00
37	Total Income	399957.96	390699.84	434517.02	35377.06	-35795.00	455282.33
38							
	Cost of Sales						
40	GROSS SALARIES - PAYE	241421.00	178,497.37	170684.00	3069.00		176111.00
41	SUB-CONTRACTORS		59,262.41	70806.00	-3000.00		67918.00
42	Total Cost of Sales	241421.00	237759.78	241490.00		-11544.00	244029.00
43	Gross Profit	158536.96	152940.06	193027.02	2500.00		211253.33
44							
45	Expenses						
46	GENERAL CREDITORS FROM 2020/21						
47	Accountancy	1820.00	1,362.00	1362.00	-458.00		1416.00
48	Bank charges	105.00	107.80	105.00		3.00	107.00
49	Coastal communities contract	4000.00		4000.00		-4000.00	4080.00
50	Coastal Comm Debtor 2021/22						4000.00

	A	В	С	D	E	F	G
51	Communications	36000.00	30,940.00	34000.00	-2000.00	-3060.00	18384.00
52	Comms Debtor 2020/21						1995.00
53	Databases	6180.00	6,348.03	6180.00		168.00	6304.00
	EMPLOYER Pension	10.1.1.10	- 000 //	5000.00	70.00		5400.00
54	contributions	4944.12	5,023.11	5023.00	79.00		5196.00
55	Employer's NI contributions	11417.72	10,420.61	10421.00	-997.00		14132.00
	Fair Fundinging Work						40000.00
	external support	18000.00		18000.00		4334.00	18000.00
57	LG Funding Work		12,250.00				
58	Economic Consultants		10,000.00				
59	Fair Share Group website		83.94				
60	Insurance	780.00	806.70	806.70	26.70		865.00
61	IT Support	700.00	109.66	700.00		-590.00	714.00
62	Legal and professional fees	13.00	103.00	103.00	90.00		13.00
63	Meeting Room Hire	500.00			-500.00		510.00
64	Nat Centre RHC	7784.00	12599.00	12559.00	4815.00		
	National rural conference						
65	expenses	1500.00			-1500.00		
66	Office/General Admin Costs		275.00			275.00	
	Printing, postage stationery						
67	& phone	3750.00	3,288.33	3750.00		-462.00	5250.00
68	Professional subscriptions	550.00	482.00	550.00		-68.00	561.00
69	Rent and service charge	9986.00	22,205.52	22986.00	13000.00	-781.00	
70	RSN ONLINE - Website		887.50	887.50	887.50		906.00
71	Website Upgrade						5000.00
72	Rural England Service	7000.00	7,279.98	7280.00	280.00		7000.00
	Rural housing group						
73	website expenses	175.00	160.61	175.00		-15.00	
	Rural Strategy/Rural Policy						
74	Expenses	18000.00		18000.00		-3300.00	17118.00
	Towards UKSPF Report and						
75	Launch		7,200.00				
76	Data City		4,000.00				

	А	В	С	D	E	F	G
	Rural Health & Care Inquiry						
77	Launch [Contra of £2500]		3,500.00				
	Rural Homekess Research						
78	Costs			5055.32	5055.32		13208.00
79	Travel and subsistence	5000.00	284.42	5000.00		-4716.00	5000.00
80	HOUSING	500.00			-500.00		500.00
81	Parliamentary	800.00			-800.00		800.00
	TOTAL	139504.84	139717.21	156943.52	17478.52		131059.00
83	Corporation Tax	4500.00	8,207.43	8207.43	3707.00		1300.00
	Uncatagorised Expenditure						
84	@ CONTRA		11,544.30			11544.00	
	Uncategorised Expense @						
	RHCA						
	TOTAL REVENUE COSTS	144004.84	159468.94	165150.95	21185.52		132359.00
	Net Operating Income	14532.12	6528.88	27876.07			78894.33
	Sundry Income @ CONTRA		12783.50			-12783.00	
89	Net Income		6254.62				
	CAPITAL ITEMS IT						
90	EQUIPMENT		-3805.22	3805.22	3805.22		
91						-24995.00	
92			2449.40				
93							
	Net Income	14532.12	2449.40	24070.85			78894.33
	LESS NET VAT PAID		-7367.94				
96	BALANCE B/FWD	68513.69	68513.69	<u>68513.69</u>			63595.15
	BALANCE CARRIED						
97	FORWARD	83045.81	63595.15	92584.54			142489.48
98							
	RE ANNUAL CHARGES						
99	INCOME BREAKDOWN						
100							
101	Back Office	1485.00					1544.00
	Staff Costs (Incl Vuln Panels)						
102	· · · · ·	3000.00					3000.00
103	Website	2350.00					2400.00

	А	В	С	D	E	F	G
104							
105	TOTAL	6835.00					6944.00
106							
	RE PROJECT INCOME BREAKDOWN						
108	ESTIMATE -NOT SPECIFIC						1250.00
109	Utility Vulnerability Panel	800.00					
110	SORS	300.00					
111	Work for Anglia Water	1280.00					
112							
113	TOTAL	2380.00					1250.00

	А	В	С	D	E	F
1						
2	RURAL					Attachment 3
3	SERVICES NETWORK					
4				ervices Partnership Limit	ed	
5			BU	DGET REPORT		
6			Apri	2022 - March 2023		
7						
8		Тс	otal	Amounts included in original which are Debtors or Creditors from 2021/22	VARIATION FROM ORIGINAL BUDGET	REVISED BUDGET TOTALS
9		Actual as at 07/05/2022	Original Budget			
10	INCOME	£	£	£	£	£
11	Coastal communities contract income	1156.05	7,029.05	1,156.05		
12	Homelessness Research Income	5782.56	6,163.00			
13	National rural conference		3,800.00			
14			10,000.00			
15	RHCA Membership	3864.50	35,342.00	17,300.00		
16	RSP Membership	8,065.00	24,982.00	219.00		
17	Rural England Annual Re CHARGES		6,944.00			
18	Rural England project support	580.00	1,830.00	580.00		
19	Rural fire and rescue	2,364.00	4,082.00			
20	Rural housing group subscriptions	2,148.00	5,916.00			
21	Rural housing group website	750.00	3,280.00	1,080.00		
22	Rural Market Town Group	43.33	20,046.00	46.00		
23	SPARSE - Rural general grant	13084.00	311,080.00	10,646.00		
24	Strategic partnering arrangements		10,000.00			
	Total Income	37837.44	450494.05			
	Cost of Sales					
27	GROSS WAGES	13922.98	176,111.00			
28	Sub-contractors	4532.92	67,918.00			
	Total Cost of Sales	18455.90	244029.00			
30	Gross Profit	19381.54	206465.05			

	А	В	С	D	E	F
31	EXPENSES					
32	Accountancy	232.00	1,416.00			
33	Bank charges	8.70	107			
34	Coastal communities contract		8,080.00	4,000.00		
35	Communications	1995.00	20,379.00	1,995.00		
36	Databases	392.42	6,304.00			
37	EMPLOYER Pension contributions		5,196.00			
38	Employer's NI contributions	1342.31	14,132.00			
39	Fair Funding Work External Support		18,000.00			
40	HOMELESSNES RESEARCH COSTS		13,208.00			
41	Insurance		865			
42	IT Support	100.00	714			
43	Legal and professional fees		13			
44	Meeting Room Hire		510			
45	Printing, postage stationery and phone	266.16	5,250.00			
46	Professional subscriptions		561			
47	RSN online - website	300.00	5,906.00			
48	Rural England Service		7,000.00			
49	Rural Strategy/Rural Policy Expenses		17,118.00			
50	Travel and subsistence	31.50	6,300.00			
51	UK Corporation Tax		1,300.00			
	Total Expenses	4668.09	132359.00			
	Net Operating Income	14713.45	74106.05			
-	VAT REFUND	4788.33				
	NET VAT FOR THE PERIOD	3235.55				
	BALANCE AT BANK BROUGHT FORWAR	63595.15				
57						
58	Balance at Bank 6th May 2022	86332.48				







ADULT SOCIAL CARE REFORM IN A RURAL CONTEXT

An issues and opportunities discussion paper for the Minister for Care and Mental Health, The Rt Hon Gillian Keegan MP.

PART 1 KEY ISSUES FOR DISCUSSION

March 2022

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1.0 INTRODUCTORY COMMENTS

This Issues and Opportunities Discussion Paper has been prepared to help discussions on 29th March 2022 between the Minister, The Rt Hon. Gillian Keegan MP, and the Chair of the Rural Services APPG, The Rt Hon Philip Dunne, MP together with Graham Biggs, Chief Executive of the Rural Services Network (RSN) which provides the secretariat for the APPG.

We consider that the publication of the Adult Social Care Reform White Paper offers a key opportunity to consider how meeting care needs in a rural context can be met and presents a clear rational to re-set the funding to local authorities to ensure they receive a fair share of the resources made available nationally.

Without the re-set of funding allocations, the objectives of the White Paper for the reform proposals to happen consistently so that everyone can benefit – no matter where they live, will fail to be met equitably in rural areas of England.

We do not suggest that the nature of the needs of rural residents for support from Social Care is any different to the needs of the rest of the population. No, it is the consequences of the rurality of the areas they live in which creates substantially different challenges for meeting those care needs – including the additional costs involved in meeting the same level of care support as is available in other areas. **Section 2 below sets out a summary of unique issues for rural areas.**

It is not just issues directly related to social care which impact in rural areas. There are serious impacts from such things as lack of affordable homes, lack of 'downsizing' properties in local communities where people live, poor digital connectivity, lack of public transport not only impacting on the wellbeing of those needing care support (and their families) but also on staff recruitment/retention.

It is quite clear that "one-size-fits all' policies and procedures are not appropriate. A place-based approach is needed when it comes to looking at these dispersed and different communities in rural, remote and coastal areas. **Professor Sir Chris Whitty, The Chief Medical Officer for England said recently** "The health challenges of rural areas are distinct from those of urban areas, and they've received much less attention than they should have".

The Rural Services APPG members and the RSN are happy to work in any way they reasonable can with DHSC to ensure proposals are rurally relevant and equitable. Surveys of our membership on issues where that would help are readily available.

2.0 SUMMARY OF UNIQUE ISSUES FOR RURAL AREAS RELATED TO ADULT SOCIAL CARE REFORM

Demographics: The higher average age and the ageing population projections places a higher demand burden on rural social care authorities. The overall demography of rural areas means there is a smaller stock of workers to support those needing adult social care.

	Age 65 to 74	Age 75 to 84	Age 85 plus	All aged 65 plus
Rural areas	13.9%	7.9%	3.0%	24.8%
Urban areas	9.1%	5.5%	2.3%	16.9%

Over time, older age groups are forming an increasing proportion of England's population. However, this demographic trend is most pronounced in predominantly rural areas. Over the period 2001 to 2015 the number of people aged 90 or over increased by 57% in predominantly rural areas.

<u>Sparsity</u>: Geographical challenges in providing adult social care in large and remote rural areas, particularly the time and costs involved in delivering personal care over large distance, lack of economies of scale and weaker markets are significant factors.

Workforce: In addition to the smaller working age population there are real difficulties in recruiting and retaining staff more generally. There are other 'minimum wage' jobs available (especially during the summer in coastal and other tourist areas) without the stresses and responsibilities of work in the care sector. The recent huge spike in vehicle fuel costs will exacerbate the situation. In rural areas public transport is not an option. Unaffordable housing based on local wages sees younger people leaving rural areas – travel costs from home in the nearest Market Town to the work base eat hugely into net wages.

Clients with complex support needs in rural areas are harder to support because of the distance between the agencies involved in providing care. Some residents require two care workers to provide their care in their own home. The workforce challenge increases the difficulty in accessing care for these rural residents, as to access two people to provide care and arrive at the same time increases the practical challenge of delivering services.

<u>Care Homes</u>: The proportion of residential care homes situated in rural locations is higher than in metropolitan areas, often encouraging service user inflow to counties.

<u>Self-Funders</u>: The balance of adults self-funding their care is higher in rural areas and therefore more sensitive to the proposed reforms to the funding system.

Resources: Government funded support for rural social care service costs is significantly lower in rural areas compared to their urban counterparts (despite higher service delivery costs). This impacts on the level and range of support which can be provided. It also places an unfair Council Tax burden on rural areas – based on the 2022/23 Finance Settlement rural residents will pay £104.00 (21%) per head on average more in Council Tax than urban counterparts.

3.0 RESOURCE DISTRIBUTION

To be clear - what we are calling for is the development of resource distribution formulae which recognise and fully support the challenges of service provision in rural areas including the additional service delivery costs. This must apply to current formulae and those being developed in respect of the allocation of funding from the Social Care NIC levy being introduced in April, 2022.

The timing is right in respect of the current funding delivered through the Local Government Funding Formula in respect of which the Levelling Up Secretary has stated that "my priority is to provide stability in the immediate term so I can work closely with local government and other partners on options to update our assessment of local authority needs and resources" and that he is "committed to ensuring that funding allocations for councils are based on an **up-to-date assessment of their needs and resources**"

Importantly the White Paper recognises the need for the reform proposals to happen consistently so that everyone can benefit – no matter where they live.

To achieve the Government's objective, it needs to ensure that all citizens are able to access similar levels of social care service at similar cost regardless of where they live. A sustainable and fair distribution of resources between health and social care must be coupled with a fair formula for distributing monies between different councils. This must recognise the costs of service delivery in county and rural areas. There must also be an understanding that reform to social care will change demand patterns and eligibility for support for self-funders, in the process creating new, specific pressures for these councils. Any funding distribution must also recognise the already disproportionate burden placed on council tax to fund services in county and rural areas.

It should be remembered that the underfunding by government of rural councils' costs relating to the statutory duties in respect of social care has wider service impacts. The last decade or so has shown that to fulfil their statutory duties rural councils have had to reduce other service budgets classed as 'discretionary services'. This includes bus support for sports/leisure service support. cultural and services and economic/community development. These services all impact on the wellbeing and health (physical and mental) of rural residents. Our research shows that in the current financial year (2021/22) urban authorities are able to budget to spend three times more per head of population on so-called discretionary services than their rural counterparts. Planned spend on public transport per resident is nearly ten times more in urban areas compared to rural.

In terms of the (at least) £150 million of additional funding "to drive greater adoption of technology and achieve widespread digitisation" the Government first needs to urgently ensure the necessary level of broadband connectivity to all rural areas – including those 'hard or very hard to reach' areas. Not to do so will clearly continue to disadvantage rural communities and exclude them from major parts of the Government's Adult Social Care Reform Agenda. Affordability of the technology, connection costs and training and support in the use of the technology will also need to be addressed as a priority. The fragility of electricity networks in rural areas also needs to be urgently remedied.

There are benefits in a transition towards domiciliary rather than residential care, which must be managed. There needs to be a safety net for the financial risk to local authorities and the wider stability of the provider market with resultant under occupancy of residential care places. The proposed reforms present a number of further sustainability challenges from self-funders accessing local authority fee rates.

We recognise the need to address the unfairness in the fee levels paid for care. But these commitments will have enormous implications for councils and providers. The Government intention to actively encourage self-funders to access council-arranged care will lead to greater market equalisation between council and self-funder fees. County and rural unitary councils will be particularly exposed to the risks of increased demand and greater financial pressures, given their higher average percentage of self-funders (53%) and proportion of care homes. These areas are already facing a care market-fee gap of at least £761m - the estimated annual cost of bringing local authority fees closer to self-funder rates.

KEY FINDINGS FROM RURAL SERVICES APPG's 2018 INQUIRY FOR CONSIDERATION

- The housing stock in rural areas often fails to match the needs of the vulnerable older population. There is an acknowledgement of the need for, but a lack of, adequate provision of extra care housing in many rural settings.
- The declining number of rural GPs has a knock-on effect in terms of support for vulnerable older people in rural settings and where they have a key role in preventive strategies limits their potential impact.
- Whilst preventive strategies based on multi-agency working and early intervention
 offer the potential to reduce rising costs they are more difficult to deliver in rural
 areas. This is because of the wide distribution of clients and the greater distances,
 which agencies seeking to work collectively have to overcome in pursuit of
 integrated care approaches.
- Respite care is more difficult to provide in rural settings due to sparsity in terms of the number of eligible clients within manageable geographical bounds.

RELEVANT KEY RECOMMENDATIONS FROM THE RURAL HEALTH AND SOCIAL CARE'S INQUIRY FOR CONSIDERATION

Recommendation 1: Rurality and its infrastructure must be redefined to allow a better understanding of how it impinges on health outcomes. The factors driving health inequalities in sparsely populated areas must be measured with a greater degree of specificity and granularity, so that health and social care services can be properly funded, planned and delivered more effectively.

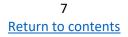
Recommendation 2: Identify and measure drivers of health inequalities at a greater level of granularity (1000 head of population should be a denominator)

Recommendation 7: Enable and empower local placed based flexibility in the ICS structure.

The Rt Hon Phillip Dunne, MP

Chair – Rural Services APPG

Graham Biggs, MBE, FCG, FRSA Chief Executive, Rural Services Network





Bus Service Improvement Plans (BSIP) Comments from Members Receiving BSIP Funding

Report to the RSN Executive (Monday, 23rd May 2022) from Nadine Trout, Member Development and Support Manager

Introduction

In response to the Government's BSIP <u>Allocation Announcement</u> in early April the RSN wrote the following article: <u>Rural anger on bus funding - Rural Services Network (rsnonline.org.uk)</u>. Furthermore, the RSN contacted each of its local authority transport members to find out how much money (if any) they had been allocated and what proportion of their allocation would support bus services in rural areas. For those members not receiving allocations we strongly urged them to seek feedback from the Department of Transport as to why. At the time of writing this report in early May 2022, one month after the announcement, the majority of unsuccessful local authorities are still awaiting feedback.

A full list of allocations can be found <u>here</u>. We contacted 29 of our member local authorities and received 14 results. 7 having received funding, 7 not. It is important to note, that not one local authority got the full allocation they had asked for and the bulk of funding allocated was for capital as opposed to revenue investment. The winners in the allocations appear to be those authorities that partnered with urban authorities as part of larger bids.

Comments from Members Receiving BSIP Funding

RSN's emphasis in bold highlights comments of relevance to rural areas

"The DfT's indicative funding letter makes it clear that for funding to be confirmed we must demonstrate our intention to deliver significant bus priority, including bus lanes where they are most needed. For our revenue allocation, we have been informed that the Government's top priorities are to reduce and/or simplify fares, and increased service frequencies and new/expanded routes. Furthermore, the letter directs us to prioritise within these interventions, saying "we would expect to see investment focussed on a smaller number of areas where there is the most potential to grow bus usage – rather than to be spread more thinly across the geographical area." It is too early to be able to say what proportion of the allocation will support services in the rural areas of our county. Investment in bus priority, by its nature, will primarily benefit urbans areas. The DfT's indicative funding allocation letter requires us to work with them over the coming months on the prioritisation of schemes that are to be funded."

"The priority for spending is on bus priority measures, "eye catching" fares schemes and service enhancements and the allocation is through to March 2025. We are currently working through BSIP priorities in order to provide costed proposals back to the DfT by the 3 May deadline, which is an extremely challenging timeframe. In relation to rural services, the county council administration, prior to BSIP, had committed to invest additional funding into bus services across the county, including rural services which have seen an uplift over the past 18 months. We have also recently retained services, following a commercial service withdrawal. Our BSIP funding will hopefully see an uplift in some of our inter urban routes, which serve numerous rural areas in between the urban centres. This uplift includes enhanced evening and weekend services, and we are also considering some DRT options, however the revenue allocation is quite limited and with the current driver shortages there are challenges running the current network, outside any future enhancements. I hope this information is helpful, we are fortunate and appreciative that we have received some BSIP funding however the amount does fall short of being able to make a significant impact on bus services."

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"Our information is really high level at the moment and we don't yet know exactly what will be provided but the following key items, that will help people living in rural areas, will be in our proposals: Discounted fares for under 25s, Multi-operator tickets and fare capping (like in London), New services in rural areas, linking people to market towns and our urban areas, More evening and weekend services, More transport hubs and better bus stops in rural areas and market towns, More real-time information in market towns. Hope this helps. Sorry, but at the moment we don't have the detail to be able to say what exact proportion of the allocation will support bus services in rural areas."

"We did a joint BSIP with the West of England Combined Authority. Together we were awarded £105m. This included nearly £48m capital specifically for North Somerset. The remaining £57m is revenue funding and will be shared with WECA but we would expect c. 20% of this to be spent in North Somerset. While I cannot give a precise percentage at this stage, as we are still developing our detailed proposals, as an authority with a large rural area, we would expect a significant amount of both the capital and revenue funding to be spent in those areas."

Northumberland bid for BSIP funding as part of Transport North East and as a region we were successful in securing £163million, we are now working towards developing a plan and scheme, but are **not at a point** whereby we can clearly identify spend earmarked for rural services."

"We have provisionally been awarded £14.1 million of funding for our BSIP. Of this £8.9 million is capital **and the remainder revenue, of which the majority is likely to be for fares reductions.** It is not yet finalised how the funding will be spent, but **the proposed fare cap will benefit all areas in the County and there are likely to be some selected service improvements benefitting rural areas,** although as our original bid was for over £100 million, they will be limited by available funding.

Comments from Members Not Receiving BSIP Funding

RSN's emphasis in bold highlights comments of relevance to rural areas

"Asked for feedback but so far, we have not had anything more than a holding reply".

"We are awaiting feedback from DfT, as soon as we receive it, we will share it with RSN."

"Like most of the rest of the rural North we got no funding at this stage. We'll keep pushing for some of what remains to be allocated but if we do get anything it won't be anywhere near what we asked for. We have sought feedback from the DfT but not received any yet. No mention of the fact that 50 LTA's got no BSIP funds but a big welcome for the investment the other 31 received. I'm not sure how rural transport users in the former areas would view this."

"In answer to your request, we were deeply disappointed that we received a zero settlement for the BSIP and are still trying to fathom the logic. In terms of feedback from the DfT they are unfortunately unable to let us know at this time stating they are busy. However, DfT have asked us to do a network review to understand what the network will look like following the brunt of the pandemic, a zero funding BSIP settlement and in September the planned withdrawal of the Governments Covid revenue support. We are in the process of doing that now along with most LTAs in the country. If you will be doing a follow up article in the future do let us know as I am sure we would be very happy to be involved."

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"We really thought that we had a strong bid in our Bus Service Improvement Plan but like many others we were unsuccessful in securing funds in this round of allocations. We are hugely disappointed about that and have asked for formal feedback which we are still waiting for. In spite of this setback, we will continue to work with bus operators to maintain and improve services across the county. Our recently agreed enhanced partnership with operators is not entirely reliant on this funding, so we will be able to progress some elements of that partnership and we started to do that last week with a really positive planning meeting with some of our operators."

"Unfortunately, more than 50% of the BSIPs submitted to the DfT did not receive funding The West Midlands Combined Authority and Stoke-on-Trent City Council were the only authorities successful in receiving funding in the West Midlands region."



APPG for Rural Business and the Rural Powerhouse – Launch of Inquiry into rural productivity report

from Kerry Booth, Deputy Chief Executive

Aim

To provide the Executive with an overview of the recommendations in the report and to approve additions to the Revitalising Rural campaign where appropriate.

Background

The APPG for Rural Business and the Rural Powerhouse is supported by the CLA. They have recently published their report which sets out the findings of an Inquiry that explored rural productivity. The APPG took evidence from over 50 industry bodies, including the Rural Services Network who submitted written evidence. The report concluded that:

"No Government in recent member has had a programme to unlock the economic and social potential of the countryside. This has resulted in the fact that the rural economy is 18% less productive than the national average. A gap that, if reduced, could add £43bn to the UK economy."

The Inquiry also heard evidence "that there were 'systematic failings' in the Government's rural policy development and there needed to be a more 'targeted, cross-departmental, ministerial-led approach". [not that different to the RSN's call for a Rural Strategy]

Click here to access the report

The RSN welcomes the publication of the report which highlights a number of the challenges for the rural economy in increasing productivity levels and the challenges that rural communities face.

The table on the following pages set out the recommendations in the report, matched against the asks in our Revitalising Rural campaign.

There are a number of asks that are not included within the Revitalising Rural campaign and the table sets out where these should be considered for inclusion. In addition, due to the focus of the Inquiry, the RSN campaign includes the following areas which are not mentioned:

- Rural Health and Care
- Parish Councils and Rural Community Action
- Managing an Older Community
- Decarbonising rural communities

The areas coloured in bold green type, are suggested for inclusion into the Revitalising Rural campaign as Asks of Government.



APPG Rural Business & the Rural Powerhouse Recommendations	Comparable RSN <u>Asks</u>
Planning	<u>Rural Planning</u> , <u>Rural Housing</u> and <u>Fair Funding</u> Chapters
 In order to improve productivity across the rural economy through planning policy, the APPG urges the Government to: Ensure the National Planning Policy Framework (NPPF), and all planning-related policies explicitly refer to the need for economic growth in rural areas. Amend the National Planning Policy Framework (NPPF) to favour small housing developments in rural areas with emphasis placed on affordable housing. Transform the planning application process by broadening the use of permission in principle, which shifts development costs back to a later stage of the planning application process, unlocking economic investment in rural areas. Improve training provision to ensure planning officers understand the needs of the rural economy. Provide an additional £25m for an extra planning officer in every local authority in England and Wales. 	 Zoning in Local Plans: The PWP proposed division of land into three types of zones – Growth, Renewal and ProtectionIt is vital that such designation does not stifle all development or introduce arbitrary definitions of 'sustainable communities'. Affordable Housing Chapter intimates this point. We do not cover this in our asks. We do not explicitly ask for this, but it plays to our Public Sector Funding ask in our Rural Fair Funding chapter – public services should be fairly fundedto ensure that rural areas are not left behind in levelling up England.
Тах	<u>Rural Economies</u> and <u>Rural Housing</u> Chapters
 In order to improve productivity across the rural economy through taxation policy, the APPG urges the Government to: Extend the scope of research and development (R&D) credits (as contained in the 2021 Budget) to apply to sole traders or family partnerships (currently only corporations). Simplify the tax system for diversified businesses through the Rural Business Unit. Align the VAT rate for repairs and conversions with that for new-builds to encourage regenerative development. Extend conditional exemption to encourage the delivery of affordable housing in local communities. 	 We do not cover the first three recommendations in our asks. We do however, state the need for dedicated rural funding in our Rural Economies Chapter. Neither do we cover the affordable housing point in our Rural Housing Chapter. The CLA are specially recommending: "for as long as a landowner owns and lets his or her housing at an affordable rent, they should be exempt from capital tax."

Providing a voice for rural communities and service providers

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APPG Rural Business & the Rural Powerhouse <u>Recommendations</u>	Comparable RSN <u>Asks</u>
Connectivity	Rural Digital Connectivity Chapter
 Excellent connectivity is essential in order to improve productivity across the rural economy, the APPG urges the Government to: Accelerate Project Gigabit with government funding to be made available more quickly based on requirements of the industry. Bring interested parties within the connectivity sector together as a collective voice and to work with them to remove the barriers to full connectivity. Introduce signposting from government to a central online hub for existing digital skills training. Place transparency requirements and firm targets on providers to accelerate coverage. 	 Covered in our gigabit-capable connectivity ask. We do not explicitly request this in our digital connectivity asks. We could consider adding this to our Digital Skills and Inclusion ask. We make mention of transparent monitoring in our Mobile Networks ask.
Farming	Sustainable Farming and Land Management Chapter
 In order to improve productivity across the rural economy through agriculture, the APPG urges the Government to: Ensure that, through the Future Farming Resilience Fund, farm businesses can access high-quality advice throughout the agricultural transition period (ATP), and communicate clearly and directly with those involved. Publish a long-term plan of the application windows and themes to allow businesses to plan ahead and apply for grants and schemes at the right time. Address low prices in supply chains by implementing the requirements of the Agriculture Act 2020 to limit the influence of the major supermarkets, and address labour issues by extending the Seasonal Workers Pilot (SWP). Appoint a team of specialist agricultural attachés to every UK delegation negotiating a Free Trade Agreement (FTA). 	 We do not explicitly ask for this but could consider adding it to our Future Farm Support ask. Again, we could add to our Future Farm Support ask. We do not cover this in our asks We do not cover this in our asks.



APPG Rural Business & the Rural Powerhouse <u>Recommendations</u>	Comparable RSN <u>Asks</u>
Skills	Rural Further Education, Training and Skills Chapter
 Improving skills is critical to addressing the productivity gap, the APPG urges the Government to: Ensure the ring-fenced funding for rural communities continues under the UK Shared Prosperity Fund (UKSPF), as was previously provided under the Rural Development Programme. Stimulate the demand for business, technical and environmental training by providing vouchers for rural businesses during the agricultural transition period (ATP). Establish a natural capital skills strategy to identify skills gaps and how to remedy them, including working with land-based colleges. Tailor business support for rural businesses – such as through shared apprenticeships, and support for farmers who work collaboratively in cluster groups. Deliver Wheels to Work funding and shared community transport initiatives through the UK Shared Prosperity Fund 	 We make this point in our Rural Economies chapter in our Dedicated Rural Funding and Funding level and targeting asks. We don't specifically ask for this but could consider adding to our Farming and Land Management Chapter. We could consider adding to our Skills or Farming chapters. We could add to our Skills chapter or to our Targeting rural growth potential ask in our Rural Economies chapter. We have a community transport ask in our Rural Transport chapter. We don't specifically mention Wheels to Work funding.
(UKSPF). Processes	Rural Economies Chapter
 Productivity can be improved through enhanced delivery of rural objectives, the APPG urges the Government to: Establish a ministerial-led, cross-departmental working group with a specific remit to create and deliver policies designed to improve productivity across the rural economy. Create a Rural Productivity Unit to sit in each relevant government department, focusing on delivering objectives identified by the ministerial-led, cross-departmental working group. 	 We do not have asks that specifically relate to the first three recommendation, but we could add to our Rural Economies chapter.
 Develop a strategic objective (within Defra) to improve productivity in rural environments with the specific intention of growing the economy. Require Local Enterprise Partnerships (LEPs) containing at least one rural constituency to have a minimum of one representative of a rural business on their leadership board. Strengthen the concept of rural proofing through monitoring, reporting and necessary training, organised by the Cabinet Office. 	 We could include this in our Rural Economies chapter. We cover this in our LEP ask in our Rural Economies chapter. Rural proofing is covered in our Fair Funding and Rural Economies chapter we do not suggest how though.