

# Welcome to RSN Seminar Rural Economies 24<sup>th</sup> November 2021



RURAL SERVICES NETWORK	2022 ONLINE SEMINAR PROGRAMME
1. Older people	2. Young People in Rural
Wednesday 26/01/2022 11 am - 1 pm	Areas Wednesday 02/03/2022 11 am - 1 pm
BOOK HERE	BOOK HERE
<b>3. Rural Planning</b> Wednesday 30/03/2022 11 am - 1 pm	4. Rural Decarbonisation Wednesday 27/04/2022 11 am - 1 pm
BOOK HERE	BOOK HERE
5. Rural Digital Connectivity Wednesday 25/05/2022 11 am - 1 pm	6. Rural Affordable Housing Wednesday 29/06/2022 11 am - 1 pm
BOOK HERE	BOOK HERE
7. Rural Health and Social Care Wednesday 27/07/2022 11 am - 1 pm	8. Rural Town Centres, High Streets & Village Hubs Wednesday 02/11/2022 11 am - 1 pm
BOOK HERE	BOOK HERE
9. Rural Economies         Wednesday 30/11/2022       11 am - 1 pm       BOOK HERE         The RSN seminar programme is free to members of the RSN as part of their membership.         For full details <u>click here</u>	







### Rural Economies

This presentation will cover:
Revitalising Rural Campaign

- RSN Asks of Government
- RSN Research to support campaign







We want a fairer distribution of national resources to rural areas and for more nuanced national policies that reflect rural circumstances.



STE A 



. 🖧 🔂 .

•



### Rural **Economies**





Gross Value Added per workforce job is £43,900 per annum in Predominantly rural areas. This is 17% less than the figure for England as a whole

- -

Land based businesses are important but 85% of rural businesses are in other sectors

Earnings (mainly from wages) for jobs which are based in rural areas are lower than for jobs based in urban areas

550,000 businesses registered in rural areas



### Specific Policy Asks on Rural Economy



#### Dedicated Rural Funding and Support

- Govt should create dedicated rural funding stream within SPF and Levelling Up Funds. This will enable specific tailoring to meet rural needs and prevent larger urban projects meeting the 'urban focussed' criteria and scooping the pot!
- Funding should take account of scattered nature of needs of rural areas. A low productivity measure may be appropriate.
- Govt should make grant funding pots available to Plunkett Foundation and Locality, to help them provide specialist advice and guidance to social and community enterprises, many of them in rural locations and delivering valuable local services (such as community run shops) to rural communities.



#### Rural Champion in LEPs and repurposing of LIS

- Every LEP which includes rural areas should have Rural Champion on the board and they should monitor and report on specific rural targets and priorities.
- LIS should be rural proofed and look to support smaller scale projects suited to rural areas, not just focusing on large infrastructure projects in urban areas.



#### Exploiting Digital Connectivity

- Rural areas need effective connectivity and broadband, and should not be left behind urban areas.
- Advice and guidance should be widely available so that rural businesses can make better use of digital connectivity to take advantage of new opportunities and reach new markets.



## **Government Funding Pots**

- HILLS



## Levelling Up Money

**Towns Fund** 

Identified potential recipients by filtering towns by population, then applying a needs based regional allocation formula

#### Community Renewal Fund

Will allocate £220 million of investment via a competitive process prioritising projects that target investment in communities in need, especially in its 'top 100 priority places'

Levelling Up Fund

The Fund will prioritise places in need of economic recovery and growth, regeneration and improved transport connectivity

Government announced a range of new funding mechanisms, to support the economic development of local communities, both for post-covid recovery and to support its 'levelling up'agenda



Government Funding favours northern urban locations Metrics and Ministers miss rural requirements

Findings of RSN commissioned research

> Towards a shared Prosperity Fund

Learning Lessons for Shared Prosperity Fund

Focus on real income levels



Government Funding favours northern urban locations

### Metrics and Ministers miss rural requirements

 Choice of where to allocate funds has been based on:

- Statistical evidence of need
- Strategic judgement of politicians and officials
- Lack of clear and consistent explanation for how ministerial judgement has been applied

- Metrics used to prioritise fund allocations fail to reflect reality for sparse communities
- Ministerial judgements ensured that the Towns Fund, against civil service guidance, set minimum threshold limits for those areas that could apply, rural towns with wide hinterland catchments were ineligible for the fund.

#### Learning lessons for Shared Prosperity Fund

# Focus on real income levels

- Process for allocation and prioritisation of funds should learn lessons from recent practice and be transparent.
- Using many indicators to assess need, and to target levelling up funds, may give the impression that a wide range of factors are being fairly considered. In practice, they leave the process complicated, confused and open to unintended (and potentially intended) bias.

- Recommend prioritising funds based on real income levels achievable from local jobs
- Would show clear line between action between aim of fund and action on the ground



## Further Issues with Government Funds



 The first round of the Levelling Up Fund prioritises bids that can demonstrate investment or begin delivery in the next year – a further issue for smaller, rural authorities with capacity challenges.

 Funds that require local authorities to bid for them, can disadvantage rural local authorities with small teams and limited capacity and resources



## https://www.rsnonline.org.uk/tag/rural-lens











The Rural Services Network is fighting for a fair deal for rural communities, in all public sector funding