

Revitalising Rural

Realising the Vision



RURAL
SERVICES
NETWORK

House of Lords Select Committee on the Rural Economy

- <https://parliamentlive.tv/event/index/c2535866-cc39-40bb-bbd2-a06a94729468?in=16:53:29&out=16:55:32>

- Lord Foster



RURAL SERVICES NETWORK
**Revitalising
Rural**
Realising the Vision



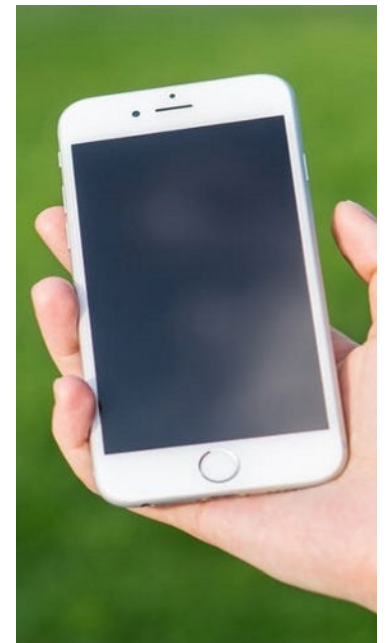
The Government responded...

- Over the coming months, the government will expand on its strategic vision and set out how, working across departments and working with stakeholders, it is putting in place a range of measures to ensure that rural areas continue to thrive.



...but not all rural communities are thriving still

- Urban areas still receive some 62% per head in Settlement Funding Assessment grant more than rural counterparts
- The average house purchase price is £44,000 higher in rural areas than it is in urban
- Business turnover per employee is lower in rural areas than it is in urban areas
- Earnings (mainly from wages) for jobs which are based in rural areas are lower than for jobs based in urban areas
- It is not possible to get an indoor 4G connection on all four networks at a majority (58%) of rural premises



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Sustainable
Farming and
Land
Management



Further
Education,
Training &
Apprenticeships



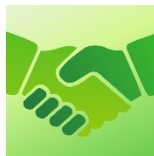
Rural Town
Centres & High
Streets



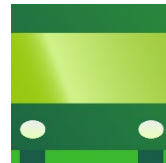
Availability of
Affordable
Housing



Managing an
older population



Business Advice
& Guidance



Transport &
Access to Jobs &
Opportunities



Accessible
Health & Care
Services



LEAs & LIS



Decarbonising
Rural
Communities



UK Shared
Prosperity Fund



Fair Funding



Land Use
Planning System



Digital
Connectivity



Village Schools &
Local Assets



Parish Councils
& Community
Action



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FAIR FUNDING



Why it matters

It is vital that we work to improve outcomes in public services in rural areas which are, and have been for decades, woefully under-resourced by central government in comparison to urban areas of the country. Good quality, accessible and affordable public services are a cornerstone of economic (and social) opportunity, recovery, growth and sustainability. Without them the potential benefits from major infrastructure investments will simply not be realised – rural areas will fall further and further behind and levelling-up will have failed.

More people live in rural areas than live in the whole of Greater London. But the distribution of resources to those different parts of England to fund essential services is nowhere near fair or equitable – despite Government's acceptance that it costs more to deliver services in rural areas.

Ensuring that we have sustainable rural communities, means ensuring that residents have good access to healthcare, that children can attend local schools without the need to travel long distances, that areas have affordable homes in order to ensure that key workers have somewhere to live, and that public services are delivered effectively.

Residents should not be disadvantaged in life, due to where they live.



The national policy context

Key elements of national policy include:

- Fair Funding Review**
 The Government commenced a review of the way in which funding was allocated to Local Authorities in 2016 with the Fair Funding Review: A Review of Relative Needs and Resources. When the Fair Funding review was announced initially, the then Secretary of State stated, "We need to recognise that demographic pressures are affecting different areas in different ways, as is the changing cost of providing services. So, we are undertaking a Fair Funding Review, to thoroughly consider how to introduce a more up-to-date, more transparent and fairer needs assessment formula."
- The overarching methodology that determines how much funding each authority receives each year was introduced over ten years ago and has not been updated since funding baselines were set at the start of the 50 per cent business rates retention scheme in 2013/14. Therefore reviewing the whole process is vital to ensure a fairer distribution of funds.
- The Rural Services Network has long been providing evidence to this review to demonstrate the ways in which the current system is unfair and the impact on rural communities. Due to various factors, this review has been delayed several times by the Government, with Brexit and the Covid pandemic having a key impact. However, the result is that rural areas remain underfunded by an unfair distribution system.*
- Village schools** – a long-standing Government policy is the presumption against rural school closures (other than in exceptional circumstances). This policy recognises the wider social cost to communities where a school closes. A National Funding Formula for schools was introduced a few years ago, benefitting some (though not all) small rural school budgets. Without economies of scale, small schools have proportionately higher underlying running costs.

Adult Social Care – this comprises local authorities, the latter in homes, mostly run by the private community sector organisations and neighbours. Proposals for new discussion.



Policy solutions

The RSN is calling for rural areas to receive a fair share of the resources made available nationally to support investment and services. We recognise the financial challenges facing the Government and stress that we are, in the main (Social care is an obvious exception – but that is a national issue – albeit with very significant rural aspects to consider), seeking a fairer distribution of national resources to rural areas and more nuanced policy to reflect the rural context.

Rural areas must benefit from the important commitments the Government has made to level-up so that nowhere is left behind and for the UK to become net zero for greenhouse gas emissions by 2050. Added to which is the existing Government commitment, from 2019, to develop its vision for rural England. That vision needs to set out the desired outcomes, policy rationale, costs benefits and deliverability (including timescales). Impacts of the pandemic and restrictions have brought into focus and exacerbated a number of rural vulnerabilities, whilst at the same time highlighting some notable strengths and opportunities. The national response needs to support rural areas to ensure, not only that the recovery is equitable, but that it revitalises rural and unlocks its potential to contribute fully to national growth and to grow back better.



Every Chapter contains...



Fair Rural Funding Specific policy asks:

Public Sector Funding: Public services should be fairly funded to ensure that additional costs of delivering rural services, are recognised and adequately funded.

Recognising rural need: The Government should take full account of the needs of rural areas, their economies and their communities and that the impacts of any measures flowing from it are both proportionate to rural areas and properly rural proofed.

Public and mental health services: In the light of recent experience, Government should give more prominence to public health and mental health services. Both need better resourcing to become more accessible in rural areas. Historic funding allocations for public health cannot be justified and need an urgent overhaul to even out provision. Good practice in rural provision of mental health services needs active promotion and encouragement. Large disparities in numbers of mental health professionals working in rural and urban areas need resolving.

Social care provision: Government should implement the findings of its Fair Funding Review to help level-up the provision of social care services in rural areas, taking full account of their delivery cost in more sparsely populated areas. This would also enable improved or more consistent engagement with and commissioning of 'low level' support services for vulnerable rural residents, which are typically delivered locally by voluntary and community sector organisations.

Rural schools: the revised National Funding Formula helps to compensate many rural schools for the relatively high underlying running costs (per pupil) that small schools inevitably face. It should, however, be set to allow for more than minimum staffing levels. A share of the capital funding pot for school modernisation and maintenance projects should be set aside for small schools. They often lose out, with capital spending focused on larger projects at urban schools. Government should support and offer some funding to help collaboration or clustering between small rural schools, so they benefit from shared resources and expertise.



We have started raising the profile of Revitalising Rural in Local Government First October 2020

COMMENT

Time to revitalise rural areas



Councillor Cecilia Motley
is Chair of the Rural
Services Network

The key messages from last month's annual National Rural Conference were loud and clear: the importance of rural areas to the national economy and 'revitalising rural'.

As Chair of the Rural Services Network (RSN), which hosted the conference, I was delighted to see almost 400 delegates from across our membership take part.

The contributions of such a wide range of organisations from our local authority and extended membership across rural England reinforces the importance of rural debate and the rural voice.

The conference emphasised that rural issues cannot be considered in isolation. The rural economy is interdependent with the provision of affordable housing, rural connectivity, transport, and access to health and care services, which need to be fairly funded in rural areas.

The RSN is working to ensure that government incorporates rural needs in its plans for levelling up the country, post-pandemic. RSN's Revitalising Rural campaign, to be launched this autumn, has a series of policy asks to ensure that rural areas have the same opportunities as urban ones to develop and realise their potential.

The conference focused on 'revitalising rural' and five key issues, which form part of the wider range of subjects in the Revitalising Rural campaign. Among the key asks for each policy area discussed in the conference were:

- **Rural economy** – the Government should create a dedicated rural funding stream of a proportionate size within the UK Shared Prosperity Fund.
- **Rural connectivity** – the Government should formalise its commitment to bring forward the nationwide rollout of full-fibre broadband networks to 2025,

and use its Better Bus Strategy to improve existing routes and restore valued routes between rural towns.

- **Rural housing** – the Government should rethink proposals that will decimate affordable housing provision in rural areas.
 - **Rural environment** – the Government should incentivise homeowners to boost energy efficiency by creating a net-zero retrofit programme.
 - **Rural health and wellbeing** – health hubs should be created in rural towns, providing treatments and tests that would otherwise require travel to a main hospital, and the NHS Workforce Plan should address severe NHS staff shortages in many rural areas.
- Consultations on proposed changes to the current planning system and the 'Planning for the future' White Paper (see [first 651](#))

formed a key theme throughout the week. Delegates were treated to an erudite session, with Lord Best, Chair of the Affordable Housing Commission, sharing his insights on both contentious issues.

Martin Collett, of English Rural Housing, perhaps captured the mood of the conference best with his final thoughts, saying: "We have a once-in-a-generation opportunity to reimagine and revitalise rural communities."

"If we are creative, collaborative and, with the right policy framework, supported by all levels of government, we can together help rural communities to thrive. But to do this, the most fundamental ingredient is more affordable rural homes."

In his summing up, Graham Biggs, Chief Executive of the RSN, said: "We know that progress cannot be made in rural areas until the Government delivers a fairer distribution of national resources to rural areas and more nuanced policy decisions to reflect the rural context."

"We have a once-in-a-generation opportunity to reimagine and revitalise rural communities"

i The Rural Services Network is a special interest group of the LGA, see www.rsonline.org.uk



Next Steps...



- Preparing for Launch 2021
- Engaging with Member organisations to share message of Revitalising Rural
- Engaging with the decision makers in Parliament