
Agenda

SPARSE Rural Services Network Special Interest Group meeting

Hosted: Online via Zoom
Date: Monday, 25th January 2021
Time: 11:00am – 12:30pm

Joining instructions and final agenda will be circulated to those who register.

1. **Attendance & Apologies**
2. **Notes from the previous SPARSE Rural meeting.** (Attachment 1)
Held on 12th October 2020 to consider any relevant updates and approve the minutes.
3. **Notes from the previous RSN Executive meeting.** (Attachment 2)
Held on 11th January 2021 to consider any relevant updates.
4. **Provisional Local Government Finance Settlement 2021-2022.**
RSN Response to consultation and final letter. (Attachment 3 & 3A)

Presentation by Graham Biggs MBE, Chief Executive at Rural Services Network.
5. **Any Other Business.**
The next SPARSE Rural meeting is scheduled for Monday, 21st June 2021. [Please click here to register your attendance.](#)¹

¹ <https://sparseruralmeeting2021june.eventbrite.co.uk>

Providing a voice for rural communities and service providers

David Inman, Director
Kilworthy Park, Tavistock, Devon PL19 0BZ
Tel: 01822 813693

www.rsnonline.org.uk email: david.inman@sparse.gov.uk twitter: [@rsnonline](https://twitter.com/rsnonline)

Notes of last SPARSE Rural meeting

Title:	SPARSE Rural Meeting Rural Services Network Special Interest Group
Date:	Monday, 12 th October 2020
Venue:	Hosted Online via Zoom

Item	Decisions and Actions
------	-----------------------

- | | |
|----------|---|
| 1 | <p>Attendance & Apologies for absence.
Cllr Cecilia Motley (Chair) welcomed members to the meeting. The group noted apologies for the meeting. A list of attendees/apologies can be found in <u>Appendix A</u>.</p> |
| 2 | <p>Notes from the previous SPARSE Rural meeting on 27th January 2020.
(Attachment 1)
Notes from the previous SPARSE Rural meeting which took place on 27th January 2020 were accepted as an accurate record.</p> |
| 3 | <p>Notes from the previous RSN Executive meeting on 2nd July 2020. (Attachment 2)
Notes from the previous RSN Executive Meeting which took place on 2nd July 2020 were noted.
Graham Biggs MBE (Chief Executive, Rural Services Network) noted that the RSN AGM/Rural Assembly will receive a formal report on the Executive's decisions on Item 2 <i>Thoughts for the Future of the Network</i>.</p> |
| 4 | <p>Notes from the previous RSN Executive on 28th September 2020. (Attachment 3)
Notes from the previous RSN Executive Meeting which took place on 28th September 2020 were noted.
Graham Biggs updated on several items from the minutes:</p> <ul style="list-style-type: none"> - Item 5: As stated above further feedback on the decisions regarding member engagement will be reported to the AGM. - Item 6: Special discussion on planning white paper is being held on 20/10/2020. A paper will be presented to this meeting on the draft RSN response on planning proposals and final member consultation will take place immediately following the meeting. - Item 16: A Rural Services APPG meeting with Chief Secretary of the Treasury is being held on 13/10/20 to discuss the Comprehensive Spending Review. - Item 16: The meeting planned for 28/10/20 with Matt Warman MP (Minister for Digital Infrastructure) has been postponed due to Parliamentary recess and will |

Providing a voice for rural communities and service providers

Rural Services Network

Kilworthy Park, Tavistock, Devon PL19 0BZ

Tel: 01822 813693

www.rsnonline.org.uk email: events@sparse.gov.uk twitter: [@rsnonline](https://twitter.com/rsnonline)

be rearranged.

5 Presentation on Local Government Finance by Adrian Jenkins, Founder and Chief Analyst at Pixel Financial Management.

The Chair invited Adrian Jenkins (Founder & Chief Analyst, Pixel Financial Management) to present on Local Government Finance. Adrian explained that COVID has increased uncertainty around local government finance and exacerbated existing issues.

Please note that full notes outlining what was discussed in this item are available only to [SPARSE member of the RSN](#). If you are a SPARSE member of RSN and would like to view the full notes, please email us at admin@sparse.gov.uk with the title of this meeting and date and a request for full notes and presentation, and we will forward you this information.

6 Any Other Business.

There was no other business.

The next SPARSE Rural meeting will be held on Monday, 25th January 2020.

Providing a voice for rural communities and service providers

Rural Services Network

Kilworthy Park, Tavistock, Devon PL19 0BZ

Tel: 01822 813693

www.rsnonline.org.uk email: events@sparse.gov.uk twitter: [@rsnonline](https://twitter.com/rsnonline)

Appendix A**Attendance**

Cllr Cecilia Motley (Chair)	Rural Services Network and Shropshire Council
Cllr Giles Archibald	South Lakeland District Council
Cllr Philip Atkins	Staffordshire County Council
Cllr Owen Bierley	West Lindsey District Council
Graham Biggs MBE	Rural Services Network
Steve Blatch	North Norfolk District Council
Kerry Booth	Rural Services Network
Cllr Markus Campbell-Savours	Allerdale Borough Council
Cllr Marion Chapman-Allen	Breckland Council
Cllr Stephen Clarke	South Northamptonshire Council
Sam Corcoran	Cheshire East Council
Lois Dale	Shropshire Council
Michelle Drewery	Borough Council of King's Lynn & West Norfolk
Cllr John Evans	Uttlesford District Council
Cllr Marion Fitzgerald	Allerdale Borough Council
Martin Flitcroft	Teignbridge District Council
Rebecca Floyd	Malvern Hills District Council
Cllr Richard Good	Richmondshire District Council
Cllr Michael Harris	New Forest District Council
Nik Harwood	Young Somerset
Simon Hewings	South Oxfordshire & Vale of White Horse District Councils
John Hewitt	Durham County Council
David Heyes	Torridge District Council
George Hill	Stratford-on-Avon District Council
Claire Holt	Durham County Council
Sophie Hosking	Cornwall Council
David Inman	Rural Services Network
Adrian Jenkins	Pixel Financial Management
Richard Kember	Local Government Association
Sonia Lambert	East Suffolk Council
Alice Mason	Wychavon District Council
Toby Matthews	Norfolk County Council
Andrea McCallum	Hampshire County Council
Sean McGrath	Lancashire County Council
Guy McQueen	Lewes District & Eastbourne Borough Councils
Cllr Suzie Morley	Mid Suffolk District Council
Cllr John Nutley	Teignbridge District Council
Cllr Yvonne Peacock	Richmondshire District Council
Cllr Roger Phillips	Herefordshire Council

Providing a voice for rural communities and service providers

Rural Services Network

Kilworthy Park, Tavistock, Devon PL19 0BZ

Tel: 01822 813693

www.rsnonline.org.uk email: events@sparse.gov.uk twitter: [@rsnonline](https://twitter.com/rsnonline)

Sarah Pochin
Cllr Aaron Powell
Sheryle Price-Jones
Toyubur Rahman
Cllr Rupert Reichhold
Louise Richardson
Cllr Jeremy Savage
Melanie Sealey
Cllr Peter Seib
Cllr Richard Sherras
Cllr Margaret Squires
Cllr Peter Stevens
Cllr Virginia Taylor
Anthony Thomas
Nadine Trout
Cllr Sue Tucker
Cllr Lynda Turner
Richard Weigh
Cllr Mark Whittington
Dan Worth
Richard Wyles

Cheshire East Council
Wychavon District Council
North Lincolnshire Council
Chichester District Council
East Northamptonshire Council
Leicestershire County Council
South Norfolk Council
Devon County Council
South Somerset District Council
Ribble Valley Borough Council
Mid Devon District Council
West Suffolk Council
Eden District Council
Lichfield District Council
Rural Services Network
Scarborough Borough Council
Breckland Council
Craven District Council
Lincolnshire County Council
Rural Services Network
South Kesteven District Council

Apologies

Cllr Paul Arnott
Cllr Timothy Birt
Cllr Roy Brame
Sarah Butikofer
Cllr Gwilym Butler
Jo Calvert
Cllr Ian Carrington
Fatima de Abreu
Cllr Alan Dean
James Easter
Cllr Richard Foss
Dawn French
Cllr Virginia Gay
Lorraine Gore
Alan Gray
Cllr Roger Habgood
Cllr Paul Hayward
Anton Hodge
Cllr Gordon Hook
Cllr Ken James

East Devon District Council
Breckland Council
Breckland Council
North Norfolk District Council
Shropshire council
South Somerset District Council
North Kesteven District Council
Local Government Association
Uttlesford District Council
South Norfolk Council
South Hams District Council
Uttlesford District Council
North Norfolk District Council
Borough Council of King's Lynn & West Norfolk
North Kesteven District Council
Somerset West and Taunton Council
East Devon District Council
Ryedale District Council
Teignbridge District Council
Torridge District Council

Providing a voice for rural communities and service providers

Rural Services Network

Kilworthy Park, Tavistock, Devon PL19 0BZ
Tel: 01822 813693

www.rsnonline.org.uk email: events@sparse.gov.uk twitter: [@rsnonline](https://twitter.com/rsnonline)

Cllr David Jeffes	North Yorkshire County Council and Scarborough Borough Council
Cllr Patrick Kimber	West Devon Borough Council
Cllr Phil King	Harborough District Council
Sue Kirby	Rutland County Council
Kevin Larnar	Cherwell District Council
Cllr Carl Les	North Yorkshire County Council
Caroline Lingham	Sevenoaks District Council
Cllr Eileen Lintill	Chichester District Council
Cllr James MacCleary	Lewes District Council
Emily MacDowell	Harrogate Borough Council
Martyne Manning	Stafford Borough Council
Alistair Neill	Herefordshire County Council
Catherine Nicholson	Allerdale Borough Council
Wendy Perera	Isle of Wight Council
Jenny Poole	Cotswold District Council
Gary Powell	Teignbridge District Council
Emily Preston	Hampshire County Council
Cllr John Raper	Ryedale District Council
Julia Raven	South Northamptonshire Council
Rose Rouse	Eden District Council
Russell Stone	North Kesteven District Council
James Tennant	Enterprising East Northants
Anthony Thomas	Lichfield District Council
Kevin Thomas	Rutland County Council
Cllr Peter Thornton	South Lakeland District Council
Cllr Cosi Towneley	Lancashire County Council
Cllr Anthony Trollope-Bellew	Somerset West and Taunton District Council
Cllr John Ward	Babergh District Council
Cllr Sarah Whalley-Hoggins	Stratford District Council
Helen Wright	East Riding of Yorkshire Council

Providing a voice for rural communities and service providers

Rural Services Network

Kilworthy Park, Tavistock, Devon PL19 0BZ

Tel: 01822 813693

www.rsnonline.org.uk email: events@sparse.gov.uk twitter: [@rsnonline](https://twitter.com/rsnonline)



Minutes

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

Hosted: Online via Zoom
 Date: Monday, 11th January 2021
 Time: 11:15am – 2:30 pm

1. Attendance & Apologies.

Attendance:

Cllr Cecilia Motley (Chair)	Shropshire Council / Rural Services Network
Graham Biggs	Rural Services Network
John Birtwistle	FirstGroup plc UK Bus Division
Cllr Malcolm Brown (on behalf of Cllr Adam Paynter)	Cornwall Council
Kerry Booth	Rural Services Network
Martin Collett	English Rural Housing Association
Cllr Robert Heseltine	North Yorkshire County Council
David Inman	Rural Services Network
Cllr Roger Phillips	Herefordshire Council
Cllr Jeremy Savage	South Norfolk Council
Cllr Peter Thornton	South Lakeland District Council

Apologies:

Nik Harwood	Young Somerset
Cllr Adam Paynter	Cornwall Council
Cllr Mary Robinson	Eden District Council
Cllr Mark Whittington	Lincolnshire County Council

2. Notes from the previous RSN Executive meeting held on 28th September 2020.

(Attachment 1)

Agreed as a correct record.

Matters Arising:

2.1 Subscriptions for 2020-2021

In view of the public sector 'pay freeze' the 2021/22 subscriptions should, it is recommended, revert to a 2% increase – plus the final year of the staged increases (rather than 2.75% previously agreed). This was proposed by Councillor Roger Phillips and approved by all in attendance.

2.2 Special Executive on Housing Policies

There was due to be a Special Executive Meeting focusing on the further development of our rural housing policies. Due to other work pressures this has not taken place but will be scheduled soon.

2.3 The special APPG which will look at Rural Planning issues is going to take place on 27th January and the Housing Minister is going to attend from MCHLG to discuss this.

Providing a voice for rural communities and service providers

Rural Services Network

Kilworthy Park, Tavistock, Devon PL19 0BZ

Tel: 01822 813693

www.rsnonline.org.uk email: admin@sparse.gov.uk twitter: [@rsnonline](https://twitter.com/rsnonline)



3. Rural Service Groupings withing the RSN Structures. (Attachment 2)

Report to RSN Executive by David Inman, Corporate Director.

David outlined the main points in his report and confirmed:

- 3.1** The RSN has capacity to deliver the services specified in the report.
- 3.2** The approach would be developed on an area-by-area basis, targeting the villages of a specific size (generally 2750 population but with discretion to 2000 population). Areas where there are no SPARSE or Rural Assembly members would be targeted first.
- 3.3** The Village initiative would introduce the opportunity for smaller parishes that don't identify as 'market towns' – but are nevertheless service hubs for their rural area – the ability to join the RSN.

Members discussed various elements of the proposal and the Executive approved the creation of a Rural Village Service Group and the renaming of the current wider group to Community Associates group.

Progress on the group would be reported to the RSN Executive on a regular basis.

4. Provisional Settlement 2021/22 Draft Consultation Response. (Attachment 3)

Draft consultation response. (Attachment 3A)

Graham Biggs set out the main implications for rural areas regarding the proposals of increases in spending power to be funded primarily by Council Tax increases, and the detrimental impact on rural areas which already pay more on average than urban areas per head.

Frustration was noted on behalf of all by the delays to the Fairer Funding Review which has been progressing for several years without seeing any conclusions to the work from Government. It had now been pushed back further to 2022/23 'at the earliest'.

It was agreed by all present that the Chief Executive should finalise the response to the Government consultation on the Provisional Local Government Finance Settlement, due by 16th January 2021 and can be quite forceful in arguing against the unfair settlement for rural authorities.

5. Revitalising Rural: Realising the Vision.

[Please click here to access campaign papers.](#)

Graham Biggs provided an update on the Revitalising Rural Launch event, which is being organised in conjunction with Lexington. The launch on 1st March 2020 will be aimed not at the RSN membership but at influencing key decision makers in Parliament and other organisations. A separate meeting will be held with the Membership in late March (to replace the Rural Assembly that was due to be held in April) to update members on the campaign.

6. Rural/Market Town Group update. (Attachment 4)

David Inman, Corporate Director discussed the report and updated the RSN Executive on the Rural/Market Town Group.

Providing a voice for rural communities and service providers

Rural Services Network

Kilworthy Park, Tavistock, Devon PL19 0BZ

Tel: 01822 813693

www.rsnonline.org.uk email: admin@sparse.gov.uk twitter: [@rsnonline](https://twitter.com/rsnonline)



This item was only considered briefly due to the long discussion which included the RMTG in item 3.

David confirmed that there are currently 156 Town or larger Parish Councils in membership of the group spread out across England. November 2020 saw two membership meetings of the group, one for the Councillor representatives (RMTG meetings) and one for the Clerks of the Councils (RMTG Clerks Advisory Panel meeting) which were well attended.

7. **RSN Budget Reports.**

7.1 Budget vs actual as mid-December 2020 & estimate 2021/22. (Attachment 5)

7.2 Draft Estimates for the four years 2021/22 to 2024/25. (Attachment 6)

Graham Biggs provided an overview of the two budget reports and responded to questions from the Executive including in relation to training and development of staff. Kerry Booth updated the Executive on some free training and support that has been accessed by the RSN recently for staff on areas such as social media and hosting meetings online through the ERDF. David Inman is still chasing outstanding invoices for the year 2020-2021 although there are now few of these.

8. **Review of Recent Government Publications 'Through a Rural Lens'.**

Graham Biggs outlined the current approach of the RSN to provide a 'Rural Lens' of any key Government publications which are released, and three recent ones are below.

In relation to the issue of the rollout of Broadband, Graham advised the Executive that the Public Accounts Committee had recently published a fairly critical report on the rollout of Broadband which highlights the difficulties of rural areas in accessing decent broadband. Graham is working with the Chair of the APPG for Rural Services to send a letter to the Digital Minister, Matt Warman MP, on the issues for rural areas. The Rural Coalition is meeting next week and will also consider the issue of Rural Broadband.

There was a discussion amongst the Executive of the problems that rural areas face in the lack of decent broadband and that the RSN has long been campaigning on this as an issue on behalf of the membership.

8.1 **Spending Review 2020.**

[Please click here to access article 'Comprehensive Spending Review – Key Rural Concerns'](#)

8.2 **National Infrastructure Strategy through a Rural Lens.**

[Please click here to access article 'The National Infrastructure Strategy 2020 Through a Rural Lens'.](#)

8.3 **The Ten Point Plan for a Green Industrial Revolution.**

[Please click here to access the 'Ten Point Plan for a Green Industrial Revolution'.](#)

9. **Review of the Green Book: Towards a Greener Green Book Process – Introductions and Summary Section.** (Attachment 7)

Graham Biggs explained that he has received the report by Pragmatix Advisory on the review of the Green Book. The report has been written for the Treasury and is in the language that is

Providing a voice for rural communities and service providers

Rural Services Network

Kilworthy Park, Tavistock, Devon PL19 0BZ

Tel: 01822 813693

www.rsnonline.org.uk email: admin@rsn.gov.uk twitter: [@rsnonline](https://twitter.com/rsnonline)



relevant to the Green Book. Graham has developed a summary for wider circulation in due course – once considered by all the Funders. The results of the review will also be sent to Rural MP's so that they can understand that whilst recent changes are welcome, there is still a long way to go until Rural and its particular characteristics are properly considered in decision making.

10. **National Rural Conference 2020.** (Attachment 8)

Kerry Booth, Assistant Chief Executive discussed the report.

Kerry outlined her approach to the National Rural Conference 2021 as an online conference, over the course of several days in the Autumn which would be free to Rural Services Network members. It is felt that the RSN can build on the success of the online conference in 2020 having learnt some lessons about the best approach and what works well and what does not. The Executive discussed some areas for the conference, such as the ability to attract high profile speakers due to the convenience of it being run online, saving on time and cost of travel and the idea of including session on broadband and community broadband.

The Executive approved the recommendation of a National Rural Conference being held online in 2021 in accordance with the Revitalising Rural Campaign themes.

Whilst the importance of networking in person was also discussed, the benefits of the engagement from the conference, across the membership and the significant increase in delegates compared to an in-person conference was highlighted. It was decided that in future perhaps an alternative approach could be explored to enable in person networking at the Annual Meeting. Proposals on this would be brought back to a future Executive when the pandemic allows.

11. **Any Other Business.**

Councillor Jeremy Savage raised the issue of **the distance that rural residents may have to travel to get the vaccine** in the coming months. It was suggested that Councils may be able to assist with the provision of spaces for vaccine centres such as leisure centres.

It was noted that it is possible that the **May elections** to Councils would be delayed until later in the year.

An item discussed for consideration at a future meeting was the roll out of a greater **electricity network** to support the move towards electric vehicles, heat pumps etc. Not all rural properties had wiring which would be adequate to provide enough electricity to charge vehicles overnight. There should be a coordinated approach to the utility companies on this issue. This should be considered and explored at a future Executive meeting in the context of the recently published Energy White Paper.

The next RSN Executive meeting date is Monday, 15th March 2021.

Providing a voice for rural communities and service providers

Rural Services Network

Kilworthy Park, Tavistock, Devon PL19 0BZ

Tel: 01822 813693

www.rsnonline.org.uk email: admin@sparse.gov.uk twitter: [@rsnonline](https://twitter.com/rsnonline)

Attachment 3 Consultation response pro-forma

Provisional Local Government Finance Settlement 2021-22

If you are responding to this consultation by email or in writing, please reply using this questionnaire pro-forma, which should be read alongside the consultation document.

You should save the pro-forma on your own device, from which you can complete the survey at your own pace and submit when you are ready.

There are 9 questions. You do not have to answer every question should you not wish to.

Should you wish to attach further evidence or supporting information, you may attach and send this with the pro-forma.

Please **email responses to:**

LGfsettlement@communities.gov.uk

Alternatively, **written responses should be sent to:**

Local Government Finance Settlement Team
Ministry of Housing, Communities and Local Government
2nd floor, Fry Building
2 Marsham Street
London
SW1P 4DF

Your opinions are valuable to us. Thank you for taking the time to read the consultation document and respond.

Your Details (Required details are marked with an asterisk (*))

Full Name*	Graham Biggs
Organisation*	Rural Services Network
Address*	c/o WDBC, Kilworthy Park
Address 2	
Town/City*	Tavistock
Postcode*	PL19 0BZ
Country	
Email address*	admin@sparse.gov.uk
Phone Number	01822 851370

Consultation response pro-forma

Are the views Expressed on this form an official response from a:

London Borough

Metropolitan District

Unitary Authority

Shire County

Shire District

Fire and Rescue Authority

Greater London Authority

Combined Authority

Parish or Town Council

Local Authority Association or Special Interest Group - YES

Other Local Authority Grouping

Local Authority Officer

Local Authority Councillor

Member of Parliament

Other Representative Group

Business

Business Organisation

Valuation Organisation

Voluntary Organisation

Member of the Public

Consultation response pro-forma**Question 1**

Do you agree with the Government's proposed methodology for the distribution of Revenue Support Grant in 2021-22?

No

Additional comments

As an interim measure, applying inflation to Revenue Support Grant (RSG) is a reasonable approach but RSN does not support the underlying methodology used to distribute the Settlement Funding Assessment (and resulting RSG). The increases in sparsity – which were introduced in 2012-13 – have not been fully implemented and were largely “damped away”. Rural authorities have therefore received lower funding allocations than they deserved for over 8 years. RSN looks forward to the implementation of the Fair Funding Review and the correction of the historic under-funding of rural authorities.

Consultation response pro-forma

Question 2

Do you agree with the proposed package of council tax referendum principles for 2021-22?

No

Additional comments

RSN supports the proposals to give greater scope to local authorities to increase council tax in 2021-22. Authorities are coping with severe financial and service pressures, and increases in council tax will help authorities to manage these pressures. However, we are concerned that the burden of funding local services is being placed largely on local taxpayers with central government providing very little additional funding. We estimate that the local taxpayer is funding 82% of the additional resources for local government in 2021-22.

This is unfair nationally, but particularly in rural areas where a larger share of the burden is already on local taxpayers. Band D is higher in rural than in urban areas, and the higher increases will place a further burden on rural taxpayers.

There are also specific concerns for district councils and fire authorities. Increases for these authorities are lower than for those with social care responsibilities. We would urge ministers to allow these councils to increase their Band D in line with social care authorities, or to increase the minimum cash increase (currently £5 for district councils, with nothing for fire authorities).

Question 3

Do you agree with the Government's proposals for the Social Care Grant in 2021-22?

No

Additional comments

Whilst it is reasonable that the ability to generate income from the Adult Social Care precept should be taken into account in the allocations, the assumptions used in the 2021-22 allocations are too extreme. For instance, many authorities will not use their full 3% increase in precept (indeed, there is the flexibility to spread the increase over 2 years) and it is, therefore, unreasonable to use the full amount. This effectively penalises authorities with large taxbases irrespective of whether councils make use of the full precept increase.

Furthermore, councils with low Band D – particularly those in inner London – have a smaller equalisation adjustment. This is a perverse incentive and subsidises councils with low Band D council tax.

Question 4

Do you agree with the Government's proposals for iBCF in 2021-22?

Yes

Additional comments

We support the Government's proposals for iBCF.

Question 5

Do you agree with the Government's proposals for New Homes Bonus in 2021-22?

Yes

Additional comments

RSN supports the proposal to add a further one-off allocation (year 11) in 2021-22. But we need to have much clearer guidance on the replacement to NHB. Many of our members rely on the income from NHB and both the uncertainty and year-on-year reductions make financial planning very difficult. It is good to hear that the government will be consulting on new options in the Spring but we would like to see much more urgency on these replacement proposals.

We were very concerned that ministers have decided not to return the NHB surplus to local government in 2021-22. A clear principle was established when the RSG top-slice was introduced in 2012-13 and which has been confirmed in subsequent settlements. Clearly the surplus has been used to fund the other increases in grant (RSDG, RSG, social care grant) and the new grant (LTSG). To redirect resources in this way is misleading and makes it very difficult for authorities to make budget preparations.

Question 6

Do you agree with the Government's proposal for a new Lower Tier Services Grant, with a minimum funding floor so that no authority sees an annual reduction in Core Spending Power?

Yes

Additional comments

RSN supports the Lower Tier Services Grant (LTSG) because it provides some support to district councils at the margins within the settlement. For those who will receive the grant – some of which are rural authorities – it provides much-needed funding, and ensures that their core spending power does not reduce in cash terms. The bulk of the grant will, however, be received by urban authorities. In practical terms, the grant largely provides support to councils who are losing NHB (and not receiving increases in social care resources). Again, this is a sensible principle for authorities suffering NHB losses. Our criticism of the grant is that it is an ad hoc arrangement. There was no consultation with authorities about its introduction and it feels very much a one-off support mechanism.

Question 7

Do you agree with the Government's proposals for Rural Services Delivery Grant in 2021-22?

Yes

Additional comments

RSN is grateful for the increase in RSDG in 2021-22, even though it is a very small amount. It will make very little difference to rural authorities' actual financial circumstances. But it does demonstrate some support from ministers for the needs of rural authorities. We are grateful for any increase in funding!

RSN continues to have concerns about the methodology that has been used to distribute the RSDG. There are some authorities with large rural areas who do not receive any RSDG allocations.

Please see our attached letter for further comments on the Settlement in relation to Rural Local Authorities.

Question 8

Do you have any comments on the Government's plan not to publish Visible Lines?

No

Additional comments

We support the decision not to publish Visible Lines because they lacked credibility within the sector.

Question 9

Do you have any comments on the impact of the proposals for the 2021-22 settlement outlined in this consultation document on persons who share a protected characteristic, and on the draft equality statement published alongside the consultation document? Please provide evidence to support your comments.

Yes

Additional comments

The Equalities Statement in respect of the Provisional Settlement states “The Government has considered the impact of the funding distribution on protected characteristics by assessing the distribution of Core Spending Power (CSP) between local authorities and the characteristics of the people that live in the local authorities”.

We note the absence of any statement about rural proofing. Core Spending Power should not be the only factor taken into account. The amount people have to pay for their services through Council Tax (in both absolute terms and in terms of the proportion of their services they are having to pay for through Council Tax) is also of critical importance. If rural people and communities were classed as having protected characteristics, then the proposals would be judged as having failed an objective equalities assessment.



Local Government Finance Settlement Team
MHCLG,
2nd Floor, Fry Building,
2, Marsham Street
LONDON,
SW1P 4DF

14th January 2020

PROVISIONAL LOCAL GOVERNMENT FINANCE SETTLEMENT 2021 TO 2022: CONSULTATION RESPONSE

This letter sets out the detailed response of the Rural Services Network (RSN) to the above consultation.

Our concerns do not relate to the overall quantum of resources, although we share concerns raised on behalf of local government generally by the Local Government Association in that regard. Our concerns relate to the fact that once again rural councils (and the communities they serve) are not receiving a fair share of the resources being made available by the Government to support local authority services.

1.0 INTRODUCTION

(a) Generally

The RSN once again finds itself unable to support either the proposed distribution methodology or the impact on rural residents of the proposals in relation to Council Tax increases.

Through the proposals, rural residents, communities and businesses will, through their principal local authorities find themselves in comparison to their urban counterparts both:

- **Overcharged** – through higher Council Tax in rural areas (16% higher in rural areas); and
- **Short-changed** – through the flawed – urban biased – funding formula/distributional methodology

The Equalities Statement in respect of the Provisional Settlement states “The Government has considered the impact of the funding distribution on protected characteristics by assessing the distribution of Core Spending Power (CSP) between local authorities and the characteristics of the people that live in the local authorities”.

We note the absence of any statement about rural proofing. Core Spending Power should not be the only factor taken into account. The amount people have to pay for their services through Council Tax (in both absolute terms and in terms of the proportion of their services they are having to pay for through Council Tax) is also of critical importance. If rural people and communities were classed as having protected characteristics, then the proposals would be judged as having failed an objective equalities assessment.

(b) Council Tax Principles

Providing a voice for rural communities and service providers

Graham Biggs MBE, FCG, Chief Executive
PO Box 101, Craven Arms, SY7 7AL
Tel: 01588 674922

www.rsnonline.org.uk email: graham.biggs@sparse.gov.uk twitter: @rsnonline



For our District Council members with relatively low levels of Council Tax for their own purposes (that is excluding precepts) the Council Tax Principles are still not flexible enough in the light of less government grant and less spending power than their urban counterparts.

The average (Band D 2 adult equivalent) council tax for 2020-21 for Shire Districts was £167.75 (just £3.23 per week). The 2% or £5 permitted increase is too low to protect services (2% of a low amount is a small amount as is a £5 a year increase) and should be increased to £10. This will then enable the democratically elected councillors to reach local decisions on the balance between council tax affordability and services levels in their local area. A £10 a year increase is less than 20p a week per household.

2.0 HEADLINE ANALYSIS OF THE PROPOSALS

The RSN's analysis of the Provisional Settlement proposals shows rural residents in comparison to residents in urban areas will:

- Still pay over £96 per head **more** in Council Tax
- Get £107 (61%) per head **less** from Settlement Funding Assessment (SFA) (general grant)
- Get £11 per head **less** in specific social care support
- Get £28 per head of the new social care grants whilst urban get £32 per head (a 16% gap)
- Face a gap between urban and rural SFA per head, which has risen from 41% in 2015/16 to 61% for 2021/22 (although in monetary terms the gap has closed by just under £10 per head)
- Get over £112 (42%) per head **less** in Government Funded Spending Power (which excludes Council Tax).
- (Despite all of the above) still have over £16 per head (2%) **less** overall Spending Power.

The conclusion of the above is that once again Principal Councils serving rural areas in comparison to urban:

- ❖ Get less government grant per head of population
- ❖ Are required to pay more per head of population in Council Tax (through lower incomes when earned in the rural economy)
- ❖ Are required to pay for more of their essential services through Council Tax (69.48% compared to 57.44%); and yet
- ❖ Get fewer services – which are often more expensive to access

3.0 RURAL IS BEING OVERCHARGED

Based on the facts set out in Section 2.0 above, we argue that once again – as has been the case for many, many years - rural residents, communities and business will, through their Principal local authorities, find themselves penalised by being **Overcharged** in comparison to their urban counterparts.

Providing a voice for rural communities and service providers

Graham Biggs MBE, FCG, Chief Executive
PO Box 101, Craven Arms, SY7 7AL
Tel: 01588 674922

www.rsnonline.org.uk email: graham.biggs@sparse.gov.uk twitter: @rsnonline



4.0 RURAL IS BEING SHORT-CHANGED: BACKGROUND AND CONTEXT

We reiterate that we are calling for rural areas to get a fair share of the resources being made available by the Government to support local authority services – not per se for additional new money for rural areas.

Again, the facts to support our position are set out in Section 2.0 above.

Our comments and concerns are, however, set against the background and context that for decades, under successive governments, rural areas have received substantially less government funding per head of population for their local government services compared to urban areas. A consequence of this is that rural local authorities have, over the years, found it necessary to increase Council Tax more than their urban counterparts (but have still had less Spending Power overall).

Rural areas also have significantly greater older populations. Over the next five years, the number of older residents in shire areas is projected to rise at an average annual rate of 2.0%, compared to an English average of 1.8%, London Boroughs 1.9%, and metropolitan boroughs 1.5%

Government recognised the rural case through decisions in the 2013/14 Settlement to increase various sparsity weightings in the formula but, on average, only about 25% of the financial gains which should have flowed from that decision actually materialised. The rest was lost through damping which 9 years on (to 2021/22) is still the case. **With all the delays to the Fair Funding/Needs and Resources Review (and especially in the light of the recent announcement that the review will be delayed until 2022/23 at the earliest) the Government must now introduce in full the 2013/14 formula changes to sparsity weightings.**

So, who has gained from the non-implementation in full of the formula changes referred to above? Well, Inner London plus Surrey and Hertfordshire are still receiving funding from damping more than the formula says they should and they have been receiving this damping benefit since 2013-14 (which was worth £214m per year in 2013-14). More people live in rural areas of England than live in Greater London.

RURAL SERVICES DELIVERY GRANT (RSDG)

We, of course, welcome the extra £4M in Rural Delivery Grant in 2021/22 and that the Government has again recognised additional cost pressures in rural areas.

In response to the 2019/20 Provisional Settlement, we said “The RSN welcomes the Government’s recognition that cost pressures associated with service delivery in rural sparse areas, such as lack of private sector providers and poor broadband coverage should be met with a more consistent package of funding over the course of this Parliament”. This is a clear acceptance by the Government that sparsity costs relate to much more than just travel related costs.

The proposals for 2021/22 once again pay lip-service to the recognition referred to above especially as the Government also said in respect of 2019/20 “that it is possible that altering the weightings in 2013/14 may

Providing a voice for rural communities and service providers

Graham Biggs MBE, FCG, Chief Executive
PO Box 101, Craven Arms, SY7 7AL
Tel: 01588 674922

www.rsonline.org.uk email: graham.biggs@sparse.gov.uk twitter: @rsonline



have only partially reflected the challenges faced in delivering some services in rural areas". The RSN both then and now considers this to be the actuality rather than just a possibility.

We regard RSDG as a form of recompense for rural authorities for the non-implementation in full of the sparsity changes introduced in 2013/14.

It is however massively less than the value of the combined effects of changes as exemplified in the Government's Summer 2012 Consultation of £247.3M. On average, 75% was 'lost to damping' meaning £185M remained due. The 2021/22 increase of RSDG to £85M is clearly insufficient.

The additional weightings for sparsity referred to above created a much larger list of 163 (including 18 Fire & Rescue Services) beneficiaries than the 94 (including 5 Fire & Rescue Services) upper quartile of authorities based on the super sparsity indicator.

It recognised that sparsity costs apply across the spectrum of rural areas and do not suddenly manifest themselves at the boundary of super sparse areas. We do not accept that super sparsity is the best available proxy for rurality across the spectrum of rural areas, but instead that, for distribution of resources purposes, the data used in the 2012 Consultation produces the most appropriate minimum outcome within the basis of the present formula.

LEVELLING UP

The Government's Levelling Up agenda, if it is to succeed, must be about far more than capital projects. People and Communities must not be disadvantaged by where they live.

In a debate on 26th November 2020 the Parliamentary Under Secretary of State at Defra, Lord Gardiner of Kimble, said "My Lords, our vision remains that rural communities should prosper, benefiting from the full range of government policies designed to level up opportunity and take the country forward..."

Until there is a fair distribution of the resources Government provides to support local government services rural services will continue to get less, pay more and receive fewer services – they will be held down not levelled up. Reductions in essential statutory services will continue as will service cuts to non-statutory services such as bus service support, economic development activity, sport and leisure activities and support to the community and voluntary sector.

Levelling up is about equitable treatment. That is a feature missing from this Provisional Settlement when viewed through a rural lens.

Graham Biggs MBE
Chief Executive, Rural Services Network

Providing a voice for rural communities and service providers

Graham Biggs MBE, FCG, Chief Executive
PO Box 101, Craven Arms, SY7 7AL
Tel: 01588 674922

www.rsnonline.org.uk email: graham.biggs@sparse.gov.uk twitter: @rsnonline