

AGENDA
Rural Economy Group

Venue:- The LGA, Smith Square, London SW1P 3HZ

Date: Monday 28th January 2019

Time: 1.00 p.m. to 3.30 p.m.

ALL NOMINATED MEMBERS AND OFFICERS OF RSN ARE INVITED TO ATTEND THIS MEETING.

The meeting is being held at the **LGA, 18 Smith Square, Westminster, London SW1P 3HZ.**

Visitor information and a link to the map for the venue can be found below:

[LGA Map](#)

The building is located nearest to Westminster, Pimlico, Vauxhall and St James's Park Underground stations and also Victoria, Vauxhall and Charing Cross railway stations.

1. **Apologies for Absence**
2. **To Confirm the Minutes of the Last Meeting**
Held on the 25th June 2018 and to discuss any matters arising.
(Appendix A - starts on page 3)
3. To discuss the three chapters of the RSN's "It's Time for a Rural Strategy" document
(Appendix B - starts on page 6) covering:
 - A Thriving Rural Economy
 - A Digitally Connected Countryside; and
 - A place everyone can get around

To facilitate debate the discussion will be preceded by two presentations:

1. Rob Elder, Agent for Greater London, Bank of England will present an Outlook for the Economy and give details of the Bank's Regional Network/Working with the RSN

2. A representative from We AreC.Co (RSP members) will highlight Challenges that face the Rural Economy and the Organisations, and People that work in rural England.
3. Any Other Business

Notes of the Sparse Rural Sub SIG and Rural Economy Group

Date: 25 June 2018

Venue: The LGA, Smith Square, London SW1P 3HZ

1. Apologies for absence

The Chairman welcomed members and noted apologies (listed in Appendix B).

2. Minutes of the SPARSE Rural Sub SIG

The minutes of the last meeting of the SPARSE-Rural Sub-SIG held on the 29th January 2018 were agreed.

3. Minutes of the Rural Economy Group

The Minutes of the last meeting of the Rural Economy Group held on the 29th January 2018 were agreed.

Graham Biggs reported a growing concern that Local Industrial Strategies may now focus solely on a selected number of Combined Authority areas. It was agreed that, should this be the case, a concerted effort would be made to ensure these Strategies were prepared for all areas, including rural areas.

It was agreed that a letter be written by the chair requesting a place for RSN on the People & Places Board in order to improve rural representation on such issues.

4. Minutes of the Executive Meeting

The Minutes of the last meeting of the Executive held on the 22nd May 2018 were agreed.

5. Rural Bus Services

John Birtwistle (First Group Buses) introduced this session, setting out the current overall position with respect to rural bus services and highlighting a number of findings from the recent 'Rural Public Transport' survey of RSN members, the results from which had been previously circulated.

It was noted that whilst the last 2 years had seen some stability following the significant service reductions in local authority subsidised routes in previous years, this is likely to increase again as a consequence of increasing costs associated with adult social care budgets.

Buses & Taxis

Ben Ridehalgh, Deputy Head of Buses & Taxis, at the Department for Transport then gave a presentation outlining current government policy with respect to bus services, A copy of this presentation is available via [this link](#)

It was noted that loneliness and mental health are growing factors with respect to policy associated with buses and that the Bus Services Act 2017 had introduced a number of new opportunities with regard to franchising powers, new partnership powers and open data & ticketing. Consultation is to be launched very soon with respect to open data. Ben also reported that a Ministerial Roundtable is to be established to discuss rural transport issues.

In discussion it was noted that government need to look across a range of services in order to understand the full impact of transport

Shyft Mobility

Anna Rothnie from Shyft Mobility then gave a presentation on current development work which is underway with respect to improving existing transport apps aimed at better utilising existing spare capacity across a range of transport providers including local and community based services. A copy of this presentation is also available via [this link](#).

John Birtwistle informed attendees of the existence of the TNDs database which is produced every 2 weeks and provides accurate information on all services, routes, stopping points and is free to use. This could be a useful resource for local authorities.

In conclusion the importance of developing systems that can bring together supply and demand was noted. It was also agreed that RSN write to all members asking for responses to the impending consultation regarding open data to enable an RSN response to be compiled.

6. Budget report

The budget report was noted and members reminded to send in any outstanding subscriptions.

7. Notes of the Meeting of the North East Regional Meeting/Seminar held on 25th May 2018 on the subject of the Rural Economy

Andy Dean introduced the notes from the meeting, Feedback from those attending had been very positive.

At members request, a copy of the presentation made on impact measurement (the 'Social Value Engine') is available via this [link](#).

Ian Hunter from Littoral Arts informed the meeting of research work in relation to creative industries and rural areas due to commence next year.

8. ANALYSIS of Responses from members to the LGA's "post-Brexit England Commission – Call for Evidence"

A summary of responses from RSN members had previously been circulated. It was seen as surprising that only 8 RSN members had appeared to submit formal evidence but the summary represented a good summation of the main issues. It was agreed that it will be important to see some form of rural cut in any resulting documents produced by the LGA and that the need for RSN representation on the People and Places Board of the LGA was very important.

A number of specific points were raised including the need to make more of the opportunities around public sector procurement and the need for the UK Shared Prosperity Fund to understand the challenges faced by rural businesses.

It was agreed that all members to forward any relevant intelligence which emerges to RSN.

9. House of Lords Select Committee on the Rural Economy

The new Lords Select Committee on the Rural Economy had held an initial discussion recently which had involved 5 external organisations. This included Rural England CIC and RSN.

The list of committee members for the select committee is as follows:

- Earl of Caithness
- Lord Carter of Coles
- Lord Colgrain
- Lord Curry of Kirkharle
- Lord Dannatt

- Lord Foster of Bath
- Baroness Humphreys
- Baroness Mallalieu
- Baroness O’Cathain
- Baroness Pitkeathley
- Baroness Rock
- Baroness Young of Old Scone

More updates will be issued to RSN members as the committee moves its work forward.

10.Fair Funding Review

Graham Biggs reported that RSN, together with the County Councils’ Network, had met officials from MHCLG to discuss the additional evidence they want to see in relation to the sparsity case. This is required to be submitted by the end of July.

MHCLG will consult later this year on the broad shape of the foundation formula, top-ups, area cost adjustments and high level transition and this will be followed by publication of potential indicative allocations for local authorities in the spring of 2019.

It had been confirmed that the new formula will include damping but this will be strictly time-limited.

11.Any Other Business

It was noted that a number of Police and Crime Commissioners are taking over Fire Authorities.

Time for a Rural Strategy

Why a Rural Strategy?

The Rural Services Network (RSN) calls on the Government to take the lead, working with other interested organisations, to produce a comprehensive, long-term and funded Rural Strategy.

This document should set out the Government's priority objectives over the next decade for England's rural communities and rural economies. It should also define a set of policies and initiatives which will achieve them. Some of these policies and initiatives will be new, whilst others may exist now and simply need enhancing to better meet rural needs.

Rural communities are frequently overlooked in a policy environment dominated by (majority) urban thinking and by urban policy concerns. So called "rural mainstreaming" has often led to policies which are inappropriate in a sparsely populated or rural setting. The result is that communities miss out on the benefits or experience unintended consequences from policies which are poorly thought through from a rural perspective.

Rural economies are also widely misunderstood, with their potential to grow and add value to the national economy overlooked. Too often they are conflated with agriculture and land-based industries. Whilst agriculture certainly remains an important consideration, it is today one element within broad-based and diverse rural economies.

It is time for a Rural Strategy which raises rural opportunities and challenges up the political agenda: which is forward looking and ambitious, recognising the contribution that rural areas make and those they could make to the wellbeing and prosperity of the nation as a whole.

The RSN considers there is now a compelling case for such an approach. Years of public sector austerity have left significant challenges for service delivery in rural areas, which must be addressed. There is an urgent need to define a new settlement for rural areas, replacing the current model based heavily on European Union policies and funding streams. Change is also needed to overcome issues with the rural policy framework which were highlighted by a House of Lords Select Committee inquiry into the NERC Act.

The Rural Services Network is the national champion for rural services, ensuring that people in rural areas have a strong voice. It is fighting for a fair deal for rural communities to maintain their social and economic viability for the benefit of the nation as a whole.

The RSN membership is 154 local authorities (counties, unitaries, districts and boroughs) from across England and over 85 other public, private and civil society sector organisations, such as fire and rescue authorities, housing associations, bus operators and land-based colleges.

November 2018

The context

Rural areas are home to 9.4 million people according to 2016 population estimates. That is, 17% of the population of England live in small rural towns, villages, hamlets and isolated dwellings. This is more people than live in Greater London.

Those rural areas are varied in type and character. They include – among others – remote and upland communities, coastal settlements, commuter belt villages and former mining settlements. Indeed, they often vary within a single local authority area. Policies ought to be flexible in their design and delivery, if they are to meet the needs of such diverse places.

There are, however, a number of policy challenges which are common to most rural places and which are frequently inter-connected. They are:

- **Ageing:** rural areas have a high proportion of residents in older age groups, raising demand for services such as health and social care. Moreover, growth in numbers aged 85 or over is expected to happen fastest in rural areas;
- **Living costs:** the cost of housing is typically high, whilst local wages in rural areas are 10% below the national average, leading to severe affordability issues. Costs of transport and home heating are also higher than average in rural areas;
- **Infrastructure:** it is relatively costly to build infrastructure, like broadband and mobile phone networks, putting many rural homes and businesses at a disadvantage. Maintaining rural roads is also an issue;
- **Accessibility:** limited public transport options often leave vulnerable groups isolated or without ready access to jobs, training, key services and social opportunities;
- **Delivery:** organisations responsible for delivering services to rural communities face added costs, due to time and expense travelling, a need to operate from multiple service outlets and lost economies of scale;
- **Perception:** portrayals of rural life often paint a stereotypical and affluent picture, failing to recognise the very real poverty that exists.

In 1995 and in 2000 the Governments of the day published a Rural White Paper. In many respects these were impressive documents, outlining a wide range of policy measures in an effort to address rural challenges at the time. Eighteen years have passed since the more recent White Paper. The Rural Productivity Plan of 2015 was welcome, but was narrower in its scope and is already largely out-of-date.

In March 2018 a report published by a House of Lords Select Committee reviewed progress since the Natural Environment and Rural Communities Act 2006. It highlighted serious concerns with the way that Government handles rural needs and a diminished focus on the potential of rural areas. It called for a strengthening of rural proofing, with all Whitehall departments doing more to ensure a rural dimension within their policy making.

The RSN accepts that producing another full White Paper may be overblown. However, it believes a comprehensive, properly resourced and up-to-date Rural Strategy is urgently needed to provide the required vision, priorities and policy drive to meet the challenges in

rural England. Such a document would reassure rural communities their needs are recognised and being addressed.

This should have buy-in and bite across sectors and at all levels. To a significant degree it will depend on local delivery. It should therefore be drawn up in consultation with local government, rural interest organisations and others, creating a shared framework for action.

It must provide an overarching approach to the future sustainability of rural communities. It is clear that a piece-meal or short-term approach simply will not deliver.

A thriving rural economy

Businesses of all types, sizes and sectors should be supported to prosper, grow and provide decently paid employment opportunities. This will be of direct benefit to rural communities and will contribute significantly to the national economy.

Key facts¹

547,000
businesses

£246 billion
productivity

84% working
in SMEs

22% of jobs
home-based

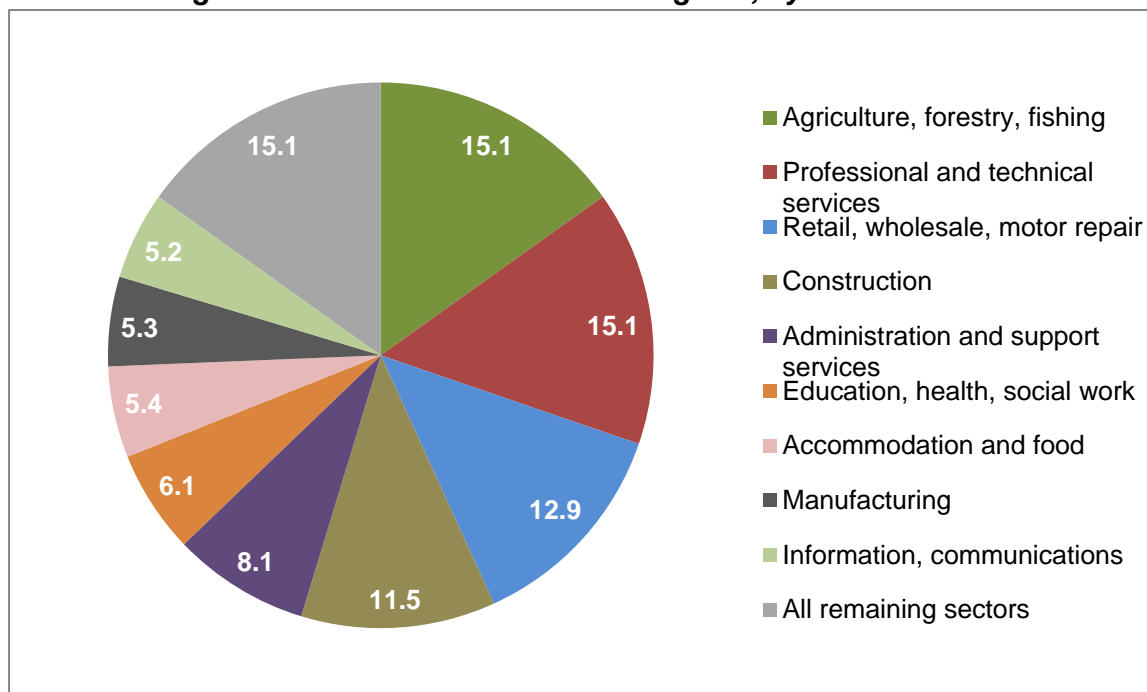
£21,400
ave. wage

There are 547,000 registered businesses based in rural areas (and probably as many micro-businesses again which are unregistered). They are 24% of all the registered businesses in England, so form a vital part of the national and regional economies.

Those registered businesses have an annual turnover of £434 billion or £124,000 of turnover per person employed. Productivity (Gross Value Added) in rural areas is £246 billion (2016 figure) or £44,740 per workforce job, which is below the England average (£50,270).

Rural economies are diverse, with businesses from across the range of sectors. Land-based businesses (including farming) are important, but 85% of rural businesses are from other sectors. Other key sectors are professional services, retail and construction.

Per cent of registered business units in rural England, by sector



¹ Sources are Defra and ONS. All figures in the Key facts section relate to 2017 unless otherwise stated.

Most registered businesses in rural areas are small. Indeed, almost 18% of them have no employees, being sole traders or partnerships (more than double the equivalent urban figure). Some 84% of employees in rural areas work in SMEs.

Those registered rural businesses employ 3,500,000 people. This figure implies a significant outflow of people commuting to urban-based jobs. However, home working has grown and 22% of all rural jobs are home based (compared with 13% in urban areas).

Whilst the unemployment rate in rural areas is relatively low, many job opportunities are poorly paid, seasonal or insecure. Many have two or more part-time jobs to make ends meet. Median (average) annual earnings from rural employment are £21,400. This is 10% less than annual earnings in England as a whole (£23,700).

The rural challenge

Rural economies in different areas vary and some are closely integrated with urban centres. The level of entrepreneurship within them all presents a policy opportunity, but there are significant challenges which should be addressed by a Rural Strategy. They are:

- Reducing the productivity gap;
- Helping rural businesses (especially SMEs) to grow locally;
- Supporting further diversification, especially into high value-added sectors;
- Sustaining high streets and their businesses in rural towns; and
- Creating better paid and more secure jobs.

What would make a difference?

The Rural Services Network believes that the following initiatives should be included within a Rural Strategy for thriving rural economies:

- ✓ **A dedicated rural business support programme:** in 2020 EU programmes, such as the LEADER and EAFRD initiatives, will end. Although rather cumbersome and modest in scale and scope, these have provided grants to support rural business growth, diversification and innovation. Government should replace them with a dedicated, rural business support programme, which could be funded from its proposed Shared Prosperity Fund. This should be flexible in scope – potentially beneficial to all business sectors, including social or community enterprise – so it can be locally delivered in ways tailored to locally decided priorities. There is now an opportunity for Government to scale-up its ambitions for rural economies by announcing a significant investment programme.
- ✓ **A rural proofed Industrial Strategy:** many objectives in the Government's Industrial Strategy are highly relevant to the needs of rural economies. However, in order for its benefits to reach into rural areas careful 'rural proofing' is required. This should apply to Local Industrial Strategies as they are developed by Local Enterprise Partnerships, to ensure they take account of rural needs and opportunities. Where new initiatives are tested this should include rural pilots and where groups are set-up to take forward elements of the Strategy they should include rural specialists. In seeking to boost productivity the Strategy places a lot of focus on hi-tech and

innovation sectors. This needs balancing with support aimed at more traditional and numerous rural sectors, such as retail and tourism.

- ✓ **A re-purposing of Local Enterprise Partnerships:** these partnerships (LEPs) are the conduit for considerable sums of public money to support growth and economic development. Most operate across a mix of urban and rural places. However, whilst some have performed well in taking rural priorities into account, others have failed to do so – focussing their efforts on a few large urban projects. All LEPs whose geography includes rural places should have to identify and target their priorities through a bespoke strategy or action plan, the delivery of which is monitored. Building on the 2018 LEP Review, Government should ensure LEP Boards receive training on rural proofing and that LEP end of year reports state publically what has been delivered in their rural areas.
- ✓ **A training offer to suit small rural businesses:** all businesses should be able to benefit from training. This would assist them to develop or grow their businesses. Equally it would help them stay up-to-date on matters such as tax and regulation. Finding the time to attend and getting to training events can be a barrier for the smallest rural businesses. Sessions or courses therefore need to be made as readily accessible as possible. Training providers should seek to deliver early evening sessions in easy-to-reach rural locations. They should also consider whether more courses could be delivered online, including as distance learning.
- ✓ **A Further Education system accessible to rural pupils:** young people from rural areas often experience difficulties getting to Further Education (FE) colleges or sixth forms. This has not been helped where FE Area Reviews have resulted in college mergers. For some this means undertaking long or complex journeys to get there and back, whilst for others it means compromise on the course topics they take. This dampens young people's aspirations and curtails their opportunities. One rural barrier would be removed if those travelling to post-16 education or training were entitled to subsidised bus fares. Those aged 17 and 18 should receive the same free travel as the statutory and reimbursed provision for those aged up to 16.

A digitally connected countryside

All rural households and businesses should have the option of affordable and reliable access to broadband and mobile networks. Digital infrastructure should be considered essential for a modern economy and to enable fair access to services and other opportunities.

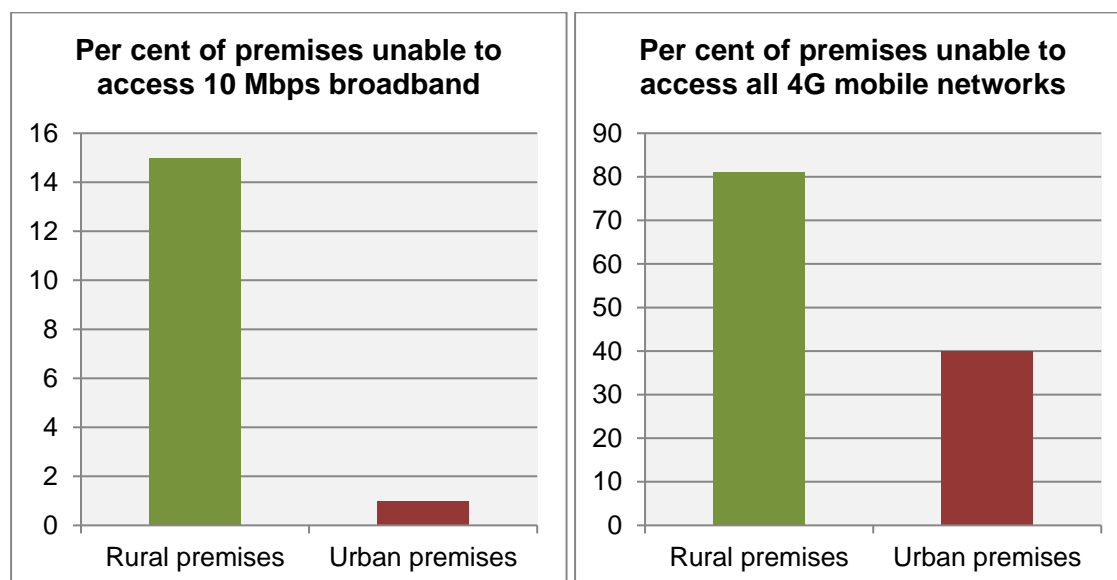
Key facts²

Significant sums of public expenditure have been invested to extend the reach of superfast broadband networks into less commercial areas. This included match funding from rural local authorities (a cost not borne by urban authorities). However, there remains a noticeable gap between levels of connectivity in rural and urban areas.

In England's rural areas 15% of premises – households and businesses – are unable to access a broadband connection with a 10 Megabits per second (Mbps) download speed. Industry regulator, Ofcom, considers this a necessary speed for everyday online tasks.

In the most remote rural locations connection speeds can be significantly worse. A survey of its members by the National Farmers Union in 2016 concluded that over half (56%) could not yet access a basic 2 Mbps connection.

Mobile connectivity has improved, but the indoor signal is poor in England's rural areas, with phone calls on all four networks only possible at 59% of premises. Meanwhile, using 4G on all networks – giving fast internet access – is only possible inside 19% of rural premises.



Rural take-up of superfast broadband is fair where it is available, with almost four in ten premises upgrading. However, a rural business survey by Rural England and SRUC found only 19% had a superfast connection and most (59%) relied on standard broadband. It also found high rates of dissatisfaction with connection speed and reliability.

² Sources are Ofcom, NFU and Rural England/SRUC. All figures in the Key facts section refer to 2017 unless otherwise stated.

The survey, cited above, identifies significant and wide-ranging rural business benefits from digital adoption. It estimates that if constraints to digital adoption, such as skills and recruitment, could be overcome it would unlock at least £12 billion of extra productivity per annum (Gross Value Added).

Rural businesses say their top three benefits from digital adoption are:		
It enables remote working	It improves access to customers and suppliers	It boosts overall business efficiency

The rural challenge

Broadband and mobile networks are improving and rural business adoption of digital technologies demonstrates real potential. However, there are significant challenges which should be addressed by a Rural Strategy. They are:

- Extending broadband networks to those premises still missing out;
- Future proofing broadband policy, so rural areas do not fall behind again;
- Capitalising on the benefits from the roll out of superfast networks; and
- Addressing issues with mobile network coverage (including 4G).

What would make a difference?

The Rural Services Network believes that the following initiatives should be included within a Rural Strategy for a digitally connected countryside:

- ✓ **A USO that is fit for purpose:** in the short term, the planned introduction (in 2020) of a broadband Universal Service Obligation (USO) is welcome. However, the proposed USO level, at 10 Mbps, risks becoming out-of-date. Ofcom should review this prior to its introduction, not least because there will be pressure to leave the USO unchanged for a while to bed down. When the USO is applied decisions about upgrading networks should be taken on a value for money basis and not just a cheapest solution basis. Whilst the cheap option may get premises or areas just over the 10 Mbps threshold, a value for money solution could deliver much higher speeds that result in more sustained benefits.
- ✓ **A focus on full fibre roll out:** the Government's Future Telecoms Infrastructure Review (FTIR) is welcome, setting a longer term goal for the nationwide roll out of full fibre networks. That technology should avoid rural areas falling behind again as demand for bandwidth continues to grow. Significant public funding, as indicated by the FTIR, is clearly justifiable given the market failure that would exist otherwise, with many rural areas considered uncommercial for the roll out. The plans for a rural first (or outside-in) approach to using public funds are exactly what are required. Further announcements, how the goal will be turned into practice, will be eagerly awaited.

The upcoming Spending Review needs to allocate funding, building on the £200 million mentioned in the 2018 Budget.

- ✓ **A drive to connect rural businesses:** evidence from the Rural England and SRUC survey of rural businesses is that those with a superfast connection realise more business benefits and face fewer digital challenges than those still dependent on a slower connection. The survey report concludes that, in order to capitalise on the public investment in superfast networks, more businesses should be encouraged to upgrade (where they have the option to do so). Government and local broadband partnerships should reinforce their efforts to promote the business benefits. This could include finding rural businesses which are already adopters and are willing to act as broadband champions among their peer group. Alongside this should be training and resources to help rural SMEs improve their digital skills.
- ✓ **A review of mobile connectivity:** whilst mobile connectivity is improving, rural areas lag behind and there are particular rural issues, such as signal strength inside premises and signal loss for those on the move. Previous targets set for mobile network providers (as part of their licences) proved insufficient. It is imperative the regulator, Ofcom, sets sufficiently stretching targets when auctioning the next round of licenses. These should apply equally to all awarded a licence and ensure many more rural communities gain access to mobile internet/data services (as well as basic voice/text services). The sharing of phone masts by providers, to address gaps in provision, should be supported and, if necessary, regulated for. Looking ahead, it is crucial that rural communities feature prominently in plans to develop 5G networks.

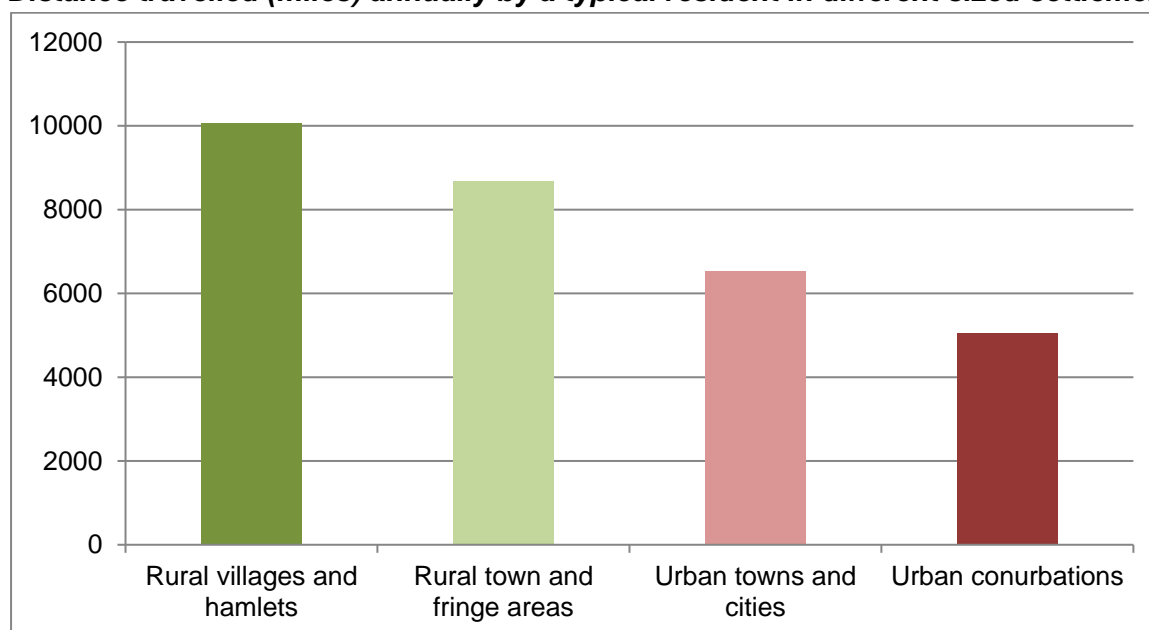
A place everyone can get around

People of all ages must have the means to travel to services, jobs and other opportunities. Not least those in the one in nine rural households that do not have a car. Transport is crucial to life opportunities and its absence can compound isolation and loneliness.

Key facts³

Rural residents need to travel further than their urban counterparts. Those living in small rural settlements (villages and hamlets) travelled an average of 10,055 miles per year in 2016/17. That is 54% more than the average for residents living in urban towns and cities.

Distance travelled (miles) annually by a typical resident in different sized settlements



Car ownership is relatively high in rural areas. Particularly notable is that low income households are 70% more likely to run a car if they live in a rural (rather than urban) area. Car ownership is a necessity for many to get around and an added cost they face.

Less than half (49%) of households living in small rural settlements (which are villages and hamlets) had access to a regular and nearby bus service in 2012. This figure, which is due to be updated, seems likely to have decreased since.

Local authorities in rural areas have far less funding available to them to support bus services. In 2017/18 expenditure in predominantly rural areas was £6.72 per resident to subsidise services, compared with £31.93 in predominantly urban areas. Expenditure to cover concessionary bus fares was £13.48 (rural) and £25.54 (urban) respectively.

³ Data sources are Department for Transport, Rural Services Network, Campaign for Better Transport and Community Transport Association.

Over the six years to 2016/17 transport budgets in shire local authorities were cut by:



There have been widespread cuts to rural bus services which depended on some public subsidy. During 2016/17 alone some 202 bus services were withdrawn altogether in shire areas and a further 191 services were reduced or altered.

Around half (52%) of all community transport organisations either wholly or mostly serve rural communities. However, in rural areas these organisations tend to be small-scale and they rely more heavily on fare revenue (receiving less grant income).

The rural challenge

Rural bus services are under huge financial pressure and, despite much good practice, community transport struggles to plug the gaps left behind. There are significant challenges which should be addressed by a Rural Strategy. They are:

- Reversing the widespread decline in rural bus service provision;
- Making bus services a more attractive option for rural travellers;
- Providing sustained support for complementary community transport schemes; and
- Ensuring future transport innovations will benefit rural communities.

What would make a difference?

The Rural Services Network believes that the following initiatives should be included within a Rural Strategy for a place everyone can get around:

- ✓ **A fair deal from local government funding:** it is inevitable that many bus routes require some subsidy to survive. The widespread cuts to rural bus services primarily result from the long-term squeeze on local government budgets, coupled with growing demands on their other statutory functions. That squeeze must now be ended. Funding rural bus services would also be far easier if the distribution of funding between local authorities was fair. In 2016/17 urban local authorities received 40% more (£116 per resident more) in funding than rural authorities. This historic imbalance needs correcting, with proper account taken of the added (sparsity) cost of service delivery, like supported bus routes, in rural areas.
- ✓ **A viable deal for transport operators:** Bus Service Operators Grant (BSOG) provides operators with a 60% fuel duty rebate for commercial services. It is particularly valuable in rural areas, where it helps sustain many financially marginal routes. From time to time BSOG has come under scrutiny. A positive signal from Government recognising the importance of BSOG and committing to retain it (at least) at its current level would stabilise the market and provide longer-term reassurance for operators. Where BSOG is paid out via local authorities (for

tendered services) it must remain fully funded by central Government. Bus operators should be able to offset against tax their capital expenditure to retro-fit vehicles in order to meet latest emission standards.

- ✓ **A sustainable approach to community transport:** many rural communities are struggling to establish schemes to replace lost bus services or to keep existing schemes viable. Grants may be sourced from local authorities, the national lottery and various trust funds, though often these offer only start-up or short-term funding. That said, the Government's £25 million Community Minibus Fund has been useful, if modest compared with the growing level of need. A £50 million per year fund, which targets rural areas, could easily be justified. A fair funding deal for local government (as above) would enable more grants to be paid to sustain rural community transport schemes.
- ✓ **A realistic concessionary fares scheme:** the statutory concessionary fares scheme, which gives pensioners and the disabled free bus travel, is overly restrictive in a rural context. It covers only weekday travel after 9.30 am. Some villages are served by just a few daily buses, one or two of which may run early morning. Others are served, not by traditional buses, but by community transport schemes which fall outside the current concessionary fares scheme. The statutory scheme therefore needs (funded) reform to make it valuable and fair to rural users. Government should also consider amending the law so that pensioners entitled to free travel may make voluntary contributions to help keep services viable.
- ✓ **A search for new rural solutions:** there is more scope to build on the learning from Total Transport pilot projects, which sought to improve use of existing resources, not least by pooling vehicles used by different sectors (such as education, social services and health). Government could pump prime more projects with an investment pot open to local and health authorities, and ensure the learning is shared among transport practitioners. Government could also explore whether there is rural merit in the Scottish system which allows local authorities to set up a transport company. The Government's Future of Mobility work – part of its Industrial Strategy – should examine rural transport needs and recommend rural applications. Any subsequent technology trials should include rural pilots.

As highlighted in the 'thriving rural economy' section, local authorities should also be funded to provide subsidised travel for 17 and 18 year olds travelling to further education.

