



Revitalising Rural

Realising the Vision

The Rural Services Network

We are a membership organisation and we work on your behalf for rural communities.

The RSN is the national champion for rural services, ensuring that people in rural areas have a strong voice. We are fighting for a fair deal for rural communities to maintain their social and economic viability for the benefit of the nation.

Our membership comprises 121 rural local authorities plus over 215 other rural service providers and interest groups including Rural Housing Associations, Healthcare Trusts and Charities.

You can find out more about the RSN at our website www.rsnonline.org.uk.

We always welcome new members and if you are interested in joining the RSN, click here for more information. [Join the RSN!](#)

Revitalising Rural, Realising the Vision

Revitalising Rural, Realising the Vision is a campaign run by the RSN, which sets out a number of policy asks in 14 key subject areas to help support rural areas to achieve their full potential, and to 'level-up' areas of historical underinvestment.



Revitalising Rural

Realising the Vision

RURAL TOWN CENTRES AND HIGH STREETS



Why it matters

Rural or market towns perform a unique function within rural economies and rural life, acting as a focal point and supporting, not only their own residents, but those from a hinterland of smaller villages and hamlets.

They are typically where a range of important public and private services are clustered, including supermarkets, medical centres, secondary schools, leisure centres, arts venues, and banks. They frequently host a plethora of small independent retailers.

In addition to providing for local residents, rural and market towns often meet the needs of day visitors or tourists, who generate additional, if seasonal, income. Many of these towns will host events, such as arts festivals or local food festivals.

Rural or market towns are also centres of employment for the rural workforce, providing job opportunities, many of them in town centre services or on nearby trading estates.

Yet many town centres face challenges and some are run-down, with vacant or underused premises. Retail outlets are often undercut by online competition and some public services have centralised. There is growing evidence that such trends have been accentuated by the Covid-19 pandemic and restrictions. Other challenges rural town centres may face include traffic congestion, a poorly maintained public realm and sites requiring regeneration.

Revised Jan 2021

The national policy context

Key elements of national policy include:

- Future High Streets Fund – one element of the Government’s initiative ‘Our Plan for the High Street’, launched in 2018, is a fund into which town partnerships can bid. It can help with infrastructure, land acquisition or assembly, transport access, building change of use and high street adaptation. Bids must be match-funded by the private sector. In December 2020 funding was agreed for bids coming from 15 towns and provisionally agreed for bids from another 57 towns.
- Towns Fund – in Autumn 2020 the Government announced that this fund will support the long-term regeneration of 101 struggling English towns, supporting local economies outside the major cities. It would include their recovery from the Covid-19 pandemic. The first 7 Town Deals were confirmed. The total Towns Fund budget is due to be £3.6 billion.
- Business Improvement Districts – BID areas are specific areas within which businesses have agreed to pay a levy (on their Business Rates) for up to five years in order to fund certain projects. These are designed to enhance the area and so to benefit the business community, bringing about more footfall and trade. Most (though not all) BIDs are in town and city centres.
- Planning – the Government recently extended permitted development rights, removing the need (in many cases) for planning consent where it is intended to change a building’s use from retail to other uses, such as office or residential. A more established policy in national planning guidance gives some protection through a town centre first policy. This prioritises new retail development within or adjoining town centres over retail development at out-of-town locations.
- Business taxation – from April 2019 most retail properties have received a business rates discount which reduces their rates bill by a third for a period of two years. This benefits a range of shops, pubs and restaurants (though it excludes the highest value properties and those which are occupied by professional services). Some of these will, anyway, have been eligible for Small Business Rate Relief.



Revised Jan 2021

The rural dimension

There are 5.2 million people who live in settlements or areas classified as 'rural town and fringe' in England.¹ This figure is based on a definition where rural towns are places with a population under 10,000 and which have a population density pattern distinguishing them from smaller settlements. Rural town and fringe areas therefore represent 9% of the country's population.

If settlements are instead sorted by size band, there are 615 small towns which have a resident population between 3,000 and 10,000.² (Some smaller settlements could be considered as being functionally towns.) At the other end of the spectrum, some larger towns have been classified by statisticians as rural 'hub towns', because they perform a significant role as service and employment centres for surrounding rural areas. There are 176 settlements listed as rural hub towns.

Rural towns by population size (2011)

| Settlement population size band | Number of small towns | Resident population |
|---------------------------------|-----------------------|---------------------|
| 3,000 to 4,999 | 321 | 1,130,700 |
| 5,000 to 6,999 | 159 | 939,000 |
| 7,000 to 9,999 | 135 | 1,250,500 |
| Rural hub towns (up to 30,000) | 176 | |
| Total | 791 | |

Rural town and fringe areas are the location for over 180,000 registered businesses, which between them employ almost 1.25 million people.³

They are also the location for almost 33,000 business units within the retail, wholesale, and motor repair sector, which between them employ approaching 0.25 million people.

Businesses and employment in rural town and fringe areas (2017/18)

| | Number | Share of England total |
|--|-----------|------------------------|
| All registered businesses | 182,660 | 7.9% |
| People employed in all registered businesses | 1,240,000 | 4.6% |
| Business units in retail, wholesale, and motor repair sector | 32,520 | 7.5% |
| People employed in business units from retail etc sector | 235,155 | 5.8% |

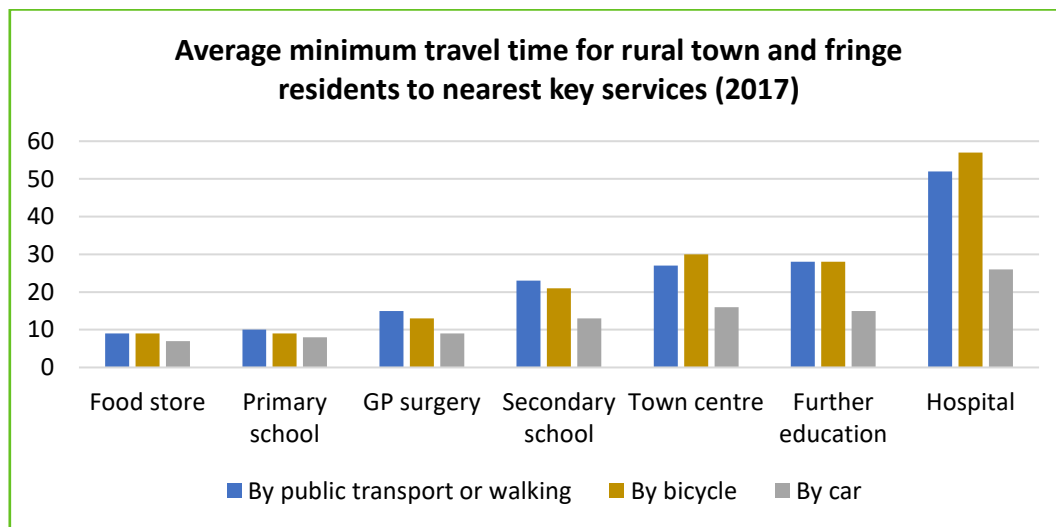
¹ *Statistical Digest of Rural England*, Defra (2020).

² 2011 Census built up area statistics, Office for National Statistics (from the NOMIS website).

³ As footnote 1 above.

Accessibility data shows the typical minimum travel time for residents of rural town and fringe areas to reach the nearest facility or outlet for various service types.⁴ Unsurprisingly, travel times are shortest by car. Travel times by bicycle and by public transport/walking are similar, though this does not take account of public transport frequency.

The shortest travel times are those to the nearest food store, primary school, and GP surgery. The longest travel times are those to the nearest hospital, further education, and town centre. It is likely that for many hospitals are located in another (larger) town and not the one where they live.



One service which has pulled back from town high streets is bank branches. Analysis found that 124 of the branches which closed in 2014 (over a quarter of all closures) were the last bank branch in their community.⁵ This was a trend which particularly impacted rural towns and coastal communities.

In December 2019, the original 14 places to win funding as a pilot scheme under the Future High Streets Fund were announced.⁶ Two of these places were rural hub towns, namely:

- Cheadle in Staffordshire; and
- Kendal in Cumbria.

More recent (2020) winners are similarly largely urban, though include a few larger rural hub towns. In October 2020, the first 7 places to win funding from the Towns Fund were announced. None of these were rural towns.

Policy solutions

Every rural town centre is different and requires its own – locally decided – solutions. However, long term trends, such as that the growth of online retail, are a common feature. Moreover, the pandemic and restrictions have greatly increased the switch to online retail and much of that could become permanent.

⁴ Accessibility Statistics, Department for Transport (2017).

⁵ *Annual Report 2014: A Year of Change*, Campaign for Community Banking (2015).

⁶ Ministry of Housing, Communities & Local Government press releases, December 2019 and December 2020.



Rural Town Centres and High Streets

Specific policy asks

Towns Fund and Future High Streets Fund: Government should support rural place-making by reviewing and expanding its Towns Fund and Future High Streets Fund, so additional places can benefit. The criteria for and flexibility of these Funds should be reviewed to make it easier for small rural town centres to succeed. The funds currently favour larger towns and largely overlook rural needs.

Business Improvement Districts: a grant fund should be launched to help local authorities and their town centre business partners to develop more BID proposals for rural town centres. BIDs have been shown to be a useful response in many areas. However, drawing up such a proposal is an additional, substantive task for a small rural local authority team.

Bank branches: the code which banks follow before closing a branch needs strengthening, so that decisions can be challenged and reversed. Branch closures continue at pace and the self-implemented code is little more than a box-ticking exercise. The Payment Systems Regulator should follow-up its recent report on access to cash by monitoring the trend in rural areas. Alongside this, protecting the Post Office network is also very important.

Public services: Government should implement the findings of its Fair Funding Review on the allocation of funding for local authorities, taking full account of the extra cost of service delivery in rural areas. This will benefit rural town centres by helping sustain public services (e.g. libraries), enable upkeep of the public realm and assist grant support for arts, heritage, sport, and leisure venues plus the voluntary sector more generally.

Planning: national and local plan 'change of use' policies need careful calibration, to enable vacant and underused buildings in rural town centres to find productive use as housing in appropriate locations and where little prospect exists of continuing retail use. However, policies must not undermine town centre vibrancy by allowing viable retail premises to convert simply for financial gain. Moreover, housing conversions must be to high standards.

There is also significant scope to boost the role of rural town centres by making them transport hubs and ensuring they benefit early from the roll out of ultrafast digital networks.