



Rt Hon George Eustice

Secretary of State for Environment, Food and Rural Affairs

Department for Environment, Food and Rural Affairs

28th March 2022

Dear Secretary of State

Rural Communities and the Impact of Global Fuel Costs

I am writing to you on behalf of the Rural Services Network to highlight concerns that we have in relation to the Global Fuel Crisis and the impact on those delivering services in rural communities.

We are a membership organisation representing rural local authorities across the length and breadth of England, and over 200 organisations delivering services in rural areas, from rural Housing Associations, to Health Trusts, businesses and charities.

Rural Communities

Firstly, we are concerned for those on low incomes that due to a lack of public transport options, rely on their private vehicles to access employment, training, health services and essential services. They travel further than those in urban areas and without the public transport option, the rising prices will have a greater impact on the amount of disposable income that they have.

Secondly over a million people in rural areas heat their homes with heating oil and gas and the recent increases in prices will have had a significant impact on their spend on fuel, leaving them with little option but to spend a greater proportion of their household income on heating. Not all announced interventions to support those whose homes are heated by mains gas and electricity will reach these rural residents.

Rural Local Authorities

Rural Councils will have already set their budgets for 2022-2023 based on the Governments Final Local Government Finance Settlement and anticipated at that time spend on vehicle fuel to deliver services. As oil prices continue to rise, this will have a greater impact on those in rural areas than urban. Waste collection rounds already cost more in rural areas due to the distances travelled and increased fuel prices will have a significant impact on the costs to be borne by rural councils.

In addition, school transport costs will be significantly higher in rural areas and impacted by this situation. All Officers delivering services to remote communities such as Environmental Health,

Providing a voice for rural communities and service providers

Rural Services Network

PO Box 101, Craven Arms, SY7 7AL

Tel: 01822 851370

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



Planning, and particularly Social Care Services will have a substantial cost implication with increased fuel prices. This is against a backdrop of rural councils already being disadvantaged:

- Rural areas in 22/23 will still receive some 37% (£105) per head in Settlement Funding Assessment grant LESS than their urban counterparts
- Rural residents will pay, on average, 21% (£104) per head MORE in Council Tax than their urban counterparts due to receiving less government grant

Therefore, Rural Local Authorities will have greater financial pressures on their core budget, thus reducing the amount they have available for spend on discretionary services such as public transport, economic development and support to the voluntary and community sector.

We urge the Government to consider the specific challenges faced by rural communities and rural Local Authorities during this period of Global Fuel Costs rising and take the following action:

- Fairly fund rural services taking into account the additional costs of delivering those services
- Targeted intervention to support those families and individuals affected by increased oil and gas prices that rely on that method to heat their homes
- Ensure that rural local authorities are compensated in 2022/23 for the additional costs they will face as a result of increased fuel prices.

Defra's support in these representations would be greatly appreciated.

Yours sincerely

A handwritten signature in blue ink that reads 'Graham Biggs' with a horizontal line underneath.

Graham Biggs

Chief Executive

Rural Services Network

Providing a voice for rural communities and service providers

Rural Services Network

PO Box 101, Craven Arms, SY7 7AL

Tel: 01822 851370

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