## **RURAL LENS REVIEW**

## **Rural Proofing**

Delivering for rural England: the second report on rural proofing by DEFRA

Published September 2022



# At a glance

# Rural Services Network's thoughts on the **DEFRA Rural Proofing Report 2022.**

- Overall, the DEFRA report (which is a cross governmental department report) sets out an honest analysis in its Understanding the Rural Context section.
- However, the Report is a mixture of 'backward look' and 'forward look' commentary. There is no explanation of how/if the backward look issues were rural proofed or how/if the forward look issues will be rural proofed. It appears to be limited to those issues which other Departments have chosen to record something on rather than issues where rural proofing has taken place. In the various RSN comments we have also commented on issues not referred to in the DEFRA report, where we feel it necessary to do so
- This does not read like an annual report on rural proofing. It contains numerous examples of national initiatives with no indication of if and how they were rural proofed to ensure equity of approach/outcomes in rural areas.
- We need to be clear what we mean by rural proofing. In that regard we can do no better than to set out in the 'What is Rural Proofing' section of this Review a quote from the 2021 Annual Rural Proofing Report published by Defra on behalf of the Government. Nowhere within this second report is anything evidenced anywhere to show if these processes were followed.
- An annual report on rural proofing should be an opportunity for all Government Departments to show where their policies and procedures have been rural proofed (and to what effect). Are we entitled to conclude that as this is not evidenced that there has been no rural proofing? We commented at the time of the publication of the Queen's Speech that "many of the measures would impact on rural communities and businesses. It is essential that proper, effective and transparent rural proofing of the legislation, and the delivery, is in place across government and that policies are nuanced to ensure that rural areas can both benefit from the proposals and contribute to the recovery and well-being of the nation. Local delivery to meet local needs is essential."
- It would have been appropriate for Defra's Rural Proofing Report to have specifically reviewed the Queen's Speech proposals and have indicate what rural proofing had taken place/would take place. It does not do that.



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#### INTRODUCTION

<u>Delivering for rural England – the second report on rural proofing</u> was published by the Department for Environment, Food and Rural Affairs in September 2022. It follows on from Defra's first annual report on rural proofing produced in 2021.

In this rural lens review of the report, we will be analysing what the report says and how in particular it relates to RSN core policy areas, namely:

- Fair funding
- Access to rural health and care
- Rural economies
- Rural transport

Plus, our following cross cutting themes:

- Rural net zero
- Rural connectivity
- Rural planning

Note, the RSN is not treating levelling up as a priority but regards it as a set of processes to deliver on the other priorities. However, there are several references to Levelling Up in the DEFRA Rural Proofing Report and we therefore include in this document a section regarding Levelling Up.



#### WHAT IS RURAL PROOFING?

We need to be clear what we, and other rural interest groups, mean by rural proofing. In that regard we can do no better than quote from the 2021 Annual Rural Proofing Report published by Defra on behalf of the Government:

"The process of rural proofing involves examining government policies closely from a rural perspective throughout their development and adjusting them as needed to ensure that their intended outcomes can be realised in rural areas. Questions that may help inform rural proofing include:

- What are the intended outcomes for rural areas?
- How might outcomes differ between rural and urban areas?
- How are the outcomes to be delivered in rural areas?
- What are the potential issues and challenges?
- How might the situation vary between different types of rural area?
- What are the target populations and how might they be affected or disadvantaged?
- In the case of funding, are rurality or sparsity taken into account?
- What are the dependencies, if any, with the responsibilities of other departments?
- Which bodies could be involved in delivering the outcomes in rural areas?
- What evidence is needed?

Rural proofing is not a single, prescribed process – different approaches may be taken depending on the policy and department in question. Some policies may be rural proofed by adjusting funding formulae or allocations to account for higher delivery costs in rural areas. Others may be rural proofed by considering alternative means of service provision or access, for example by identifying and using existing community networks and hubs, by using outreach and digital delivery to reduce the need to travel, or by integrating and improving existing transport links. Some policies do not need to be rural proofed at all because the circumstances of rurality do not affect their application, such as income tax. Whatever approach is taken, rural proofing should begin by using area-based data to identify social, economic and environmental differences that need to be accounted for in the policy, and by engaging with rural stakeholders and their networks to gather evidence and test proposals All departments are expected to seek out and engage with rural voices wherever rural proofing is needed, using the following guiding principles:



- Involve rural stakeholders as partners early in the policy development process and maintain a dialogue throughout, it should not just be a one-off engagement.
- Share as much information as possible, including about policy objectives, costing assumptions, approaches to efficiency and the scope for change.
- Engage with both national and local stakeholders: a place-based approach is often more appropriate as rural areas can differ significantly from one another."

Sadly, the RSN can see no evidence that the above guidance has been followed in the Government's Levelling Up White Paper, or any of the other issues referred to in this Review.



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The only comment in the *"Delivering for rural England – the second report on rural proofing"* regarding core local government funding from central government is the following:

#### "The DLUHC review of relative needs and resources will inform the future local government funding formula"

There is no mention of funding formulae etc. for other essential public service, other than schools.

#### **RSN COMMENT ON FAIR FUNDING:**

For such an important and long-standing issue this is a very weak comment with no reference to timescales. There is also no reference to the increased inflationary costs being faced by the providers of public services. The extra funding provided in the 2022/23 settlement was already eaten up by pre-existing inflation and demand pressures. For local government in both 2023/24 and 2024/25 the settlements from Government are set as being 'cash flat'. That was a real challenge then – the current situation is radically different.

The starting point for rural authorities can be seen through analysis of the Final 2022-23 Local Government Finance Settlement:

- 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.
- > Rural residents will get 14% per head LESS in social care support overall.

Rural residents pay more, receive fewer services and, on average, earn less than those in urban areas and that is inequitable.

In practice nothing happened in 2021/22 so no rural proofing could have applied.



There a comment in Annex A (Rural Overview of the 12 Levelling Up Missions) relating to the Local Leadership Mission that "Sparsity can make it more costly to deliver some local government services."

That is a very weak statement and other than that there is no acknowledgement in the Report of the higher costs of service in rural areas and (unfair) higher Council Tax rates in rural areas.

The higher Council Tax is part of the higher cost of living in rural areas and has to be met from lower work-placed earnings.

Nothing about the extra costs faced by rural service providers on vehicle fuel or electricity and heating cost and other cost increase associated with the cost of living. These must be recognised in the 2023/24 Settlement or there will be substantial further reductions in services across rural areas.

The lack of relevant levels of funding support to rural councils impacts upon capacity in service delivery but also in respect of bidding for, or managing funding schemes – especially those limited to capital projects.



#### "Delivering for rural England – the second report on rural proofing" makes the following reference to health funding:

The historic funding boost for the NHS is delivering more doctors and nurses, and the government has committed to build 40 new hospitals by 2030, backed by an initial £3.7 billion. Together with eight previously announced schemes, this will mean 48 hospitals delivered by the end of the decade, the biggest hospital building programme in a generation.

#### **RSN COMMENT ON NHS FUNDING BOOST:**

Sadly, the above is a general statement applying nationally and is not a rural proofing point.

#### "Delivering for rural England – the second report on rural proofing" makes the following references to delivering care:

A number of measures are already in place to address the challenges of delivering health care in a rural setting:

- Pharmacies provide a wide range of pharmaceutical services and are easily accessible primary care providers. The £20 million Pharmacy Access Scheme provides funding to support pharmacies to stay open. Almost half (46%) of the 1,230 rural pharmacies in England qualify for this support. The scheme will remain in place until at least the end of 2023.
- The NHS Community Pharmacist Consultation Service makes it possible for patients to have a same day appointment with their community pharmacist for minor illness or an urgent supply of a regular medicine, thus improving access to services and providing more convenient treatment closer to patients' homes. It includes referrals from general practice and the government is now exploring whether this approach could be expanded further.

#### **RSN COMMENT ON DELIVERING CARE IN A RURAL SETTING:**

Sadly, the above is a general statement applying nationally (54% of those who qualify are urban) so not a rural proofing point as such. Given the access issues in rural areas rural proofing might be expected to have produced way over half in rural settings.



#### "Delivering for rural England – the second report on rural proofing" makes the following references to mental health:

Staff offer self-management advice and support that helps people find the solutions to aid their recovery. Where appropriate, they can signpost people to other available sources of mental health support. No referral or appointment is needed, and both virtual and face-to-face drop-ins are available.

#### **RSN COMMENT ON RURAL MENTAL HEALTH:**

Sadly, the above is a general statement applying nationally, so not a rural proofing point.

#### "Delivering for rural England – the second report on rural proofing" makes the following references to trainee GPs:

The Targeted Enhanced Recruitment Scheme funds a £20,000 salary supplement to attract trainee GPs to work in areas of the country where training places have been unfilled for a number of years, including in rural communities. Additional government investment doubled the number of places on the scheme to 550 in 2021, and there will be 800 places in 2022. Trainee GPs help to ease workloads and increase capacity in general practice, allowing more patients to get the care they need. A further benefit is that trainees who are attracted to these areas by the scheme usually stay after training, helping to sustain the GP workforce in rural areas.

#### **RSN COMMENT ON TRAINEE GPs:**

Some data as to actual numbers of trainees staying in rural areas (compared to urban) would be helpful.

#### **REPORT OMISSIONS ON HEALTH AND CARE**

It is incredible that **nothing is said** in the "Delivering for rural England – the second report on rural proofing" **about Social Care**, especially Adult Social Care given the Governments proposals on the care cap and arranging care for self-funders. Rural proofing of these proposals and the funding support from Government to Councils is a huge concern for rural social care authorities.



#### **RSN COMMENT ON ADULT SOCIAL CARE:**

In the RSN's <u>Rural Lens Review of the People at the Heart of Care – Adult Social Care Reform White Paper December 2021</u> we commented that a core principle of the White Paper is that "everybody has choice".

We also made reference to the CCN/RSN report on <u>The State of Care in County and Rural Areas</u>.

As we have previously remarked introducing rural proofing into health service planning and delivery in rural areas is strongly recommended. A good way of doing this would be to introduce an additional 'spatial' component to Health Education England's (HEE) workforce planning STAR tool.

Neither does the report refer to the Government policy statement that: "The strategy to tackle the core drivers of inequalities in health outcomes is to be published in a new White Paper on Health". It is essential that disparities in England in 2022 must demonstrably be rural-proofed.

Sadly, there is also no reference in the report to the extensive <u>APPG Rural Health & Care/ National Centre for Rural Health & Care inquiry report highlighting the urban rural divide in accessing health and care</u>, and yet references to other APPGs are made in the report.

The <u>Rural Proofing for Health Toolkit</u> produced by Rural England and the National Centre for Rural Health and Care has also been overlooked in the report as has the RSN's <u>Rural Lens Review of the Health White Paper – June 2021</u> in which we commented:

"The NHS remains place neutral in this White Paper with no effective recognition of the difference between rural and urban places. Big is still beautiful in terms of the structures and approaches in this document which does nothing to address the specific challenges facing rural settings – clearly no rural proofing has been applied.

A core requirement is that health and care plans are rural proofed at both the national (policy) level and the local (strategic and delivery) level, so that benefits reach rural communities and properly address their needs"

Again, no reference to this is made in Defra's rural proofing report.



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#### **RURAL ECONOMIES**

The RSN has published several Rural Lens Reviews relating to Government policy on the economy, they are as follows:

Plan for Jobs Spending Review 2020 National Infrastructure Strategy 10 Point Plan for a Green Industrial Revolution Skills for Jobs Place Based Funds Build Back Better High Streets, Community Renewal, Welcome, Levelling Up and UK Shared Prosperity funds Build Back Better Tourism Recovery Plan Build Back Better High Streets UK Shared Prosperity Prospectus and Allocations Levelling Up

In addition, the RSN in partnership with Britain's Leading Edge, English Rural Housing Association and CPRE, researched and made representations to the Government about the construct and use of the Treasury Green Book from a rural perspective and published <u>Towards a greener Green Book process</u>.

Furthermore, in August 2021 we published a report from our economics consultants, Pragmatix Advisory, entitled <u>Cultivating rural</u> growth: Recognising and addressing the post-pandemic rural productivity challenge.

The over-riding conclusion of all of the reports referred to above was a clear lack of rural proofing in either the design or intended implementation of the proposals.



#### "Delivering for rural England – the second report on rural proofing" makes the following references to funding:

One of the government's five priorities set out in the first rural-proofing report was the UKSPF, the successor to the EU Structural Funds programme. The Fund will support a range of interventions in rural areas. Following the launch of the Investment Prospectus and allocation of funds to local authorities in April, local authorities are now preparing their investment plans setting out how they will spend their allocation to address local challenges.

To provide more targeted support, Defra, together with DLUHC, has launched the Rural England Prosperity Fund, worth up to £110 million, to replace funding for rural areas previously provided through the LEADER and growth programme elements of the EU funded Rural Development Programme for England. This will provide targeted support to rural areas through capital grants for small businesses and local communities, delivered as a top- up to the UKSPF allocations of eligible rural local authorities.

#### **RSN COMMENT ON FUNDING:**

That UKSPF funding is allocated on a per capita basis is, on the face of it, good. However, it does mean that the extra delivery costs faced in rural areas are not reflected in the allocations – so no rural proofing on that point.

The Rural England Prosperity Fund was only published on 3rd September 2022 alongside the DEFRA rural proofing report.

Both the Levelling Up Fund and the Rural England Prosperity Fund are Capital pots only.

The 'Improving Public Services' outcome sought will never be equitably achievable in rural areas unless and until all the funding formulae for the allocation of national funds to local authorities (and other public service organisations) are fair and reflect the addition costs of service delivery in rural areas.

Disposable Household Income is arguably neutral for the rural urban comparison and is given the lowest weighting. The RSN continues to argue that workplace earnings are a better measure.



**"Delivering for rural England – the second report on rural proofing"** makes the following references to the visitor economy: As part of the Tourism Recovery Plan, DCMS has established an Inter-Ministerial Group on the Visitor Economy (IMG). This group considers how policy levers across Government can best support the recovery, growth and development of the UK visitor economy as a whole, including in rural and coastal areas.

As part of the Tourism Recovery Plan, DCMS is exploring the development of a domestic rail product, with the aim of encouraging more domestic tourism and day trips around the country, including to rural and coastal destinations.

DCMS is also developing a Sustainable Tourism Plan, working with the sector to drive forward innovation and encourage greater sustainability. Supporting the development of this Plan is the Sustainability Working Group, which is chaired by Patricia Yates (CEO VisitBritain/ VisitEngland) and reports into the government's Tourism Industry Council. There is rural representation on this Working Group.

#### **RSN COMMENT ON THE VISITOR ECONOMY:**

In the RSN's <u>Rural Lens Review of the Tourism Recovery Plan July 2021</u> we commented:

"We can see no evidence of rural proofing in this Tourism Recovery Plan. In our view, it is not appropriate for Whitehall Departments to publish Green Papers or policy proposals or Consultations without considering the rural proofing questions posed by Defra in Rural Proofing Guidance and then claim to have achieved rural proofing because those proposals receive responses from rural local authorities and stakeholders. Neither is something which is stated to have impact on rural areas (as is the case with the Tourism Recovery Plan) rural proofed just because rural is mentioned - addressing the questions detailed in the Defra Guidance is paramount to rural proofing. We would hope that rural proofing will be evident in the Implementation Plan when it comes out."

**"Delivering for rural England – the second report on rural proofing"** makes the following references to training and skills: The All-Party Group on Rural Productivity and the Rural Powerhouse noted in its recent report that "the inherent isolation of rural communities can make it difficult to access new skills and training opportunities". It argued that skills provision and demand were critical to raising productivity in rural areas.



The Department for Education (DfE) is rolling out a comprehensive network of 21 Institutes of Technology across England, actively targeting the areas where this provision is most needed. These will help to strengthen local economies by providing a talented pool of people with the skills needed to unlock growth opportunities. Eleven are already open to students and a further nine are expected to follow during the financial year 2023 to 2024.

The Institutes in Lincolnshire and Yorkshire and Humber specialise in land-based skills, including Agri-tech and Food Manufacturing. Further Institutes will open during the financial year 2023 to 2024 including Lancashire and Cumbria, specialising in Agri-Tech/Precision Agriculture, and in the South-East, specialising in Agriculture, Horticulture and Animal Care.

Land-based colleges have a vital role in meeting skills needs in rural areas, delivering high-quality training for farming, forestry, and other key rural sectors. Landex, representing land-based colleges, has joined the new Green Jobs Delivery Group which brings together government, industry and others to ensure that the workforce needed to deliver government's climate and environment goals will be available.

Apprenticeships are available in a wide range of work in rural areas including farming, veterinary care, forestry and environmental roles. Forty agricultures, environmental and animal- care apprenticeship standards are already available and are being used now. Employers are working with the Institute for Apprenticeships and Technical Education (IFATE) to develop new standards for 'Forest Craftsperson' and 'Assistant Farm Manager'.

#### **RSN COMMENT ON TRAINING AND SKILLS:**

No details of where the 21 Institutes of Technology will be and how accessibility from rural areas will be incorporated. So, no rural proofing.

This section could be read to imply that that all the skills and training needs in rural areas relate to land-based industries. Important though those sectors are - rural economies are much more diverse than that.



#### **RURAL TRANSPORT**

"Delivering for rural England – the second report on rural proofing" makes the following references to public transport:

DfT is increasing its focus on rural transport issues:

- It has commissioned Transport East, a sub-national transport body for Norfolk, Suffolk, Essex, Southend-on-Sea and Thurrock, to establish a Rural Task Force to develop a costed programme of work in rural areas and a database of best practice for rural projects. This work is intended to provide a better understanding of needs, challenges and next steps for investment in rural/coastal areas.
- Transport East is also establishing the Rural Mobility Centre of Excellence to develop ideas for bringing transformational change in rural mobility.
- This autumn, the government will publish new guidance on Local Transport Plans, bringing together all relevant existing policies, strategies and plans from across government departments which should be considered as part of a local authority's statutory Local Transport Plan. The new guidance will support local authorities to bring their plans in line with current government priorities and help improve long-term strategic planning and delivery of local ambitions. It will set out the factors local authorities will need to consider in planning transport for rural communities.
- Under the National Bus Strategy, indicative funding allocations totalling over £1 billion were announced in April 2022 to support the development of 31 Bus Service Improvement Plans across England, including for rural counties such as Norfolk, Derbyshire, Cornwall and Devon. To date, the government has made available £1.9 billion of support to mitigate the impacts of the pandemic on bus services in England outside London. For example, Shropshire Council has received £2.2 million in recovery funding and Lincolnshire County Council has received over £1.5 million.

Demand responsive transport has the potential to transform the local transport offer in areas where demand is more dispersed and the distances involved make meeting people's needs more challenging. In 2021, £20 million was awarded under the Rural Mobility Fund to roll out 17 pilot schemes in rural and suburban areas by the end of 2022.

The Zero Emission Bus Regional Areas scheme provides £270 million to local transport authorities to support the introduction of zero emission buses and associated infrastructure. This has supported the use of zero emission buses on rural bus services. For example, North Yorkshire County Council received £7.8 million to support the introduction of 39 zero emission buses and charging infrastructure, including on long distance services between Harrogate and Leeds.



#### **RSN COMMENT ON PUBLIC TRANSPORT:**

No reference to how the financial allocations for Bus Service Improvement Plans (under the National Bus Strategy) were rural proofed.

In response to the Bus Service Improvement Plans financial allocations the RSN said "Councils had to publish and submit to the Government, their Bus Service Improvement Plans (BSIP) by the end of October 2022 – and formed their Enhanced Partnerships. This involved huge amounts of work in very tight timescales. Allocations were supposed to have been known by the end of February 2022.

Only 31 of the 70 BSIP's have been funded in the indicative allocations announced. These are three-year, capital and revenue allocation.

Whilst there are some allocations to rural County and Unitary Councils announced – and our congratulations to those of our members who were successful - across rural England Councils, and thousands of passengers have been left hugely disappointed. The whole process has, as the RSN feared, raised false expectations in rural communities.

In respect of the rural county/unitary areas which are to receive funding there are concerns that most of that will, in practice go into the more urban parts of those areas as negotiations with the government directs (they will not have received all they bid for).

Yes, there have been some piecemeal allocation of funding to reinstate long lost tendered services, but now rural areas, Councils and Operators face a much bigger crisis. There is ongoing revision to the "emergency" payment of Concessionary Fares reimbursement to operators and the reform of Bus Service Operator Grant (what was fuel duty rebate) remains on the horizon. With patronage hovering around the 80% mark nationally, many services show little sign of returning to commerciality. In addition, there are driver shortages in many areas. Rural Councils on the "not funded" list don't stand much hope of replacing these with contracted replacements. Especially given the unfair funding for rural councils generally.

One of our member authorities in its submission to a Transport Select Committee Inquiry stated:

"It also needs to be recognised that when we put bids in ourselves, for example for Active Travel, we are not just competing against authorities with higher population densities: we are also competing against them knowing that the judging criteria is skewed towards urban density. This does not adequately reflect the rural reality for our households, for whom access to facilities and services should be about equitable outcomes compared with those living in urban settings".

No reference to the proposed publication of a Rural Bus Strategy following the call for evidence over 12 months ago on "Future of transport: rural strategy".



#### "Delivering for rural England – the second report on rural proofing" makes the following reference to independent travel:

Because there are fewer public transport alternatives, those who live and work in rural areas are more reliant on car usage. For people living in rural villages and hamlets, the average distance travelled per year is around 9,800 miles of which 87% is by car compared with an England average of 6,500 miles of which 77% is by car. This means that rural communities are particularly exposed to fuel price rises. In March 2022, the government introduced a 12-month cut in the main rates of fuel duty for petrol and diesel of 5 pence per litre. This is the largest cut in cash terms that has ever been applied at once to all fuel duty rates and represents savings for consumers worth almost £2.4 billion over the next year. This comes on top of freezes to fuel duty for 12 years in a row.

Rural roads carry 43% of road traffic but account for 58% of road fatalities. DfT is establishing a new Rural Roads Working Group on road safety and the reduction of road traffic collisions on rural roads to be chaired jointly with Defra.

The government does not want rural areas to be left behind as the UK transitions to zero emissions vehicles. Establishing a network of public and private charging points will enable more drivers, both residents and visitors, to have the confidence to drive electric vehicles in rural areas.

New homes in England that have associated parking must have a charge point installed. These regulations also apply to new non-residential buildings and buildings undergoing major renovation, including homes, shops and workplaces, making it even easier for people to make the switch to zero emission vehicles.

The Office for Zero Emission Vehicles (OZEV) has a number of grant funding schemes which provide funding for electric vehicle chargepoints including the £20 million On-Street Residential Chargepoint Scheme makes funding available to UK local authorities, including parish councils, to install public chargepoints for those without access to private parking.

#### **RSN COMMENT ON INDEPENDENT TRAVEL:**

The cuts in fuel duty referred to are, of course, extremely welcome. However, vehicle fuel in rural areas remains higher than in urban and adds substantially to the cost-of-living crises given the acknowledgement in the DERA report on the increased reliance on car usage in rural areas.



#### **RURAL NET ZERO**

#### "Delivering for rural England – the second report on rural proofing" makes the following reference to rural net zero:

Through the updated Fuel Poverty Strategy (February 2021) and the Heat and Buildings Strategy (October 2021), the government has committed to a number of measures to address fuel poverty and ensure that households have access to sustainable, low-carbon warmth as the country transitions to net zero, and has consulted on ending new fossil-fuel heating installations in homes off the gas grid from 2026.

These plans include:

- £1.1 billion allocated to the Home Upgrade Grant to provide energy efficiency upgrades and low carbon heating to low-income households living in the worst performing off-gas- grid homes in England. Delivery is expected to run to March 2025. This policy is crucial to support fuel poor and less energy efficient rural homes.
- The Energy Company Obligation requires larger domestic energy suppliers to install heating, insulation or other energy efficiency measures. The government has committed to set up a four-year, £4 billion successor to the Energy Company Obligation across Great Britain.
- The £450 million Boiler Upgrade Scheme supports households in England and Wales, including off-gas grid homes currently heated by oil, to switch from fossil fuels to low carbon heating, The scheme opened to applications in May 2022 and provides grants of £5,000 towards the cost of installing an air source heat pump and £6,000 towards the costs of a ground source heat pump. Grants of £5,000 will also be available for biomass boilers in properties not suitable for a heat pump, provided they are in a rural location and not connected to the gas grid.

#### RSN COMMENT ON RURAL NET ZERO:

It is correct that the Government has consulted on ending new fossil-fuel heating installations in homes off the gas grid from 2026. In a report on Rural Proofing it is surprising to say the least that this is referenced given the proposals consulted on were grossly unfair to rural residents and businesses in comparison to their urban counterparts

In the RSN's Rural Lens Review of the Heat and Building Strategy November 2021 and revised June 2022 we commented:



"There is no demonstrable rural proofing of these proposals. In fact, the consultation impact assessment, paragraph 70, states that 98% of fossil fuel heated households are estimated to be in rural areas. As such the policy is expected to affect households in rural areas more than those in urban areas."

In the RSN's Rural Lens Review of the Net Zero Strategy Build Back Greener December 2021 we commented:

## "The Net Zero Strategy is, perhaps inevitably, a fairly high-level document. What therefore matters is how policies and measures are rural proofed by Whitehall departments and agencies as they are subsequently designed and implemented".

There is no reference to the need to ensure the resilience of the electricity networks in rural areas – an important consideration in respect of a move to electric heat pumps (and electric vehicle charging)

The Grants referred to are the same in urban areas. They do not reflect the increased costs of insulation and other works necessary in many rural homes.



#### **RURAL CONNECTIVITY**

#### "Delivering for rural England – the second report on rural proofing" makes the following reference to digital connectivity:

Improving digital connectivity is arguably the single most important way to support levelling up in rural areas. Digital connectivity is an important driver of productivity, enabling businesses and individuals to take full advantage of the growing opportunities available online, but it is more than just an economic necessity. It is also a matter of social justice. As more and more services, both public and private, are delivered electronically, the government does not want those who live in rural areas to be denied access to them simply because their broadband is not good enough or there is no mobile signal. The government wants them to be able to participate fully in a digital society. Major initiatives to improve rural connectivity - Project Gigabit and the Shared Rural Network - are delivering progress.

#### "Delivering for rural England - the second report on rural proofing" makes the following references to Project Gigabit:

The government will continue to deliver the £5 billion Project Gigabit as quickly as it can, providing record amounts of funding to support gigabit-capable infrastructure in hard-to-reach, rural areas. Its target, in line with the levelling up mission, is that at least 85% of UK premises will be able to access gigabit-capable broadband by 2025 with nationwide gigabit-capable broadband available by 2030. Areas which do not yet have superfast speeds remain a priority under Project Gigabit.

Progress is reported via BDUK's quarterly updates published at <u>Building Digital UK - GOV.UK (www.gov.uk)</u> and in BDUK's annual performance report.

As part of Project Gigabit, up to £210 million has been made available for the Gigabit Broadband Voucher Scheme. This enables rural communities to come together and form local projects to help connect their residential or commercial premises to gigabit-capable broadband. A member of the community can request a gigabit connection where a voucher is provided to a network operator to contribute to the costs of connection.

Up to £110 million is currently available through Project Gigabit to fund connections through GigaHubs. Under this scheme, public sector premises in hard-to-reach communities are connected to gigabit-capable broadband. This helps to level-up access to lightning-fast digital connectivity and helps with access to new digital services.

The government received over 3,300 responses to its call for evidence on 'Improving Broadband for Very Hard to Reach Premises'. These responses highlighted the challenges faced by, and potential opportunities available to, rural and remote communities.



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The government will use this evidence to assess policy options to help the small minority of premises (approximately 100,000 premises or 0.3% of the total) unable to access a gigabit-capable connection through either a commercial or government-funded rollout. The government will publish further information later this year.

**"Delivering for rural England – the second report on rural proofing"** makes the following reference to the Shared Rural Network: The government wants people to have high-quality and reliable mobile coverage wherever they live, work and travel in the UK. Typically, rural areas have tended to be a less commercially attractive to mobile network operators and as a result some rural areas are underserved, lacking good quality reliable mobile coverage.

That is why the government is progressing the £1 billion Shared Rural Network (SRN) deal agreed with the four mobile network operators - with £532m invested by industry and £500m by government. The programme will lead to increases in 4G coverage across all four nations and it will improve mobile coverage for an estimated extra 280,000 premises and 16,000km of roads.

In rural parts of England, the four mobile network operators have already delivered 449 site upgrades and this work continues. The majority of partial not-spots in England will have been eliminated by June 2024. A partial mobile not-spot is a geographic area served by at least one, but not all four MNOs. The programme is on target to deliver this combined coverage to reach 95% of UK landmass by the end of 2025, and further coverage improvements in the more hard- to-reach areas will continue to be delivered until the start of 2027.

#### **RSN COMMENT ON RURAL DIGITAL CONNECTIVITY**

Phrases such as "as quickly as it can" and "later this year" are very vague and therefore avoid the ability to rural proof.

The need for policies in respect of the Very Hard to Reach homes is urgently needed – the consultation finished many months ago.



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#### **RURAL PLANNING**

#### "Delivering for rural England – the second report on rural proofing" makes the following reference to housing and planning:

As part of our comprehensive review of the National Planning Policy Framework (NPPF) following passage of the Levelling Up and Regeneration Bill, the government will also be looking at the existing policy framework for bringing forward rural exception sites and other forms of rural housing to assess whether it needs to be strengthened.

Developer contributions of affordable housing secured under Section 106 of the Town and Country Planning Act 1990 (as amended), have made a significant contribution in rural areas. This arrangement is due to be largely replaced by the new Infrastructure Levy. The government is clear that this change should not lead to a reduction in the provision of affordable housing in those areas that need it.

The needs of rural areas will be considered in the detailed design of the Levy, including in setting the site size threshold for affordable housing contributions to accommodate smaller rural sites and ensure adequate affordable housing provision. Local Planning Authorities will be able to set different rates or thresholds for different land values and development typologies in their area enabling them to adapt the Levy to the needs of rural areas. The exact details of the Levy will be subject to future consultation, including with rural stakeholders, to ensure that it will work as well in rural areas as in non-rural areas.

The government has announced that 2.5 million tenants renting their homes from housing associations will be given the right to buy them outright and has pledged to build a new social home for every property sold. Where this will be difficult, for example in small villages and in areas where there is limited land supply, an exercise of a Right to Buy may not be appropriate. DLUHC will work with housing associations to determine where rural and other broader exemptions might apply and to ensure appropriate safeguards against the loss of affordable housing in these areas.

Homes England has a target that 10% of all homes delivered through its programmes should be in rural areas in settlements with a population of fewer than 3,000. Homes England is developing a Rural Housing Strategy, which will help support this target. Grants are provided through Homes England's £7.4 billion share of the £11.5 billion Affordable Homes Programme for 2021 to 2026. Homes England's strategy and the Affordable Homes Programme aim to maximise delivery in rural areas to provide affordable homes for those that need them. The government recognises that homes in in rural locations, where stock is limited, can be difficult to replace. For this reason, social and affordable rented homes in designated protected areas and rural exception sites are exempt from the new right to shared ownership and staircasing in shared ownership homes is limited to a maximum of 80% to keep affordable home ownership options available in rural areas.



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The government recognises the impact that high levels of second home ownership can have. Second homes can reduce housing supply and push up house prices to unaffordable levels for local people. Where they remain underused for long periods they may also impact on local services and community cohesion. On the other hand, if they are used regularly, they may boost local economies and the tourism trade. The Levelling Up and Regeneration Bill is introducing a power for councils to apply a new discretionary council tax premium on second homes of up to 100%. It will also allow councils to apply a council tax premium of up to 100% on homes which have been empty for longer than one year (rather than two years as currently).

#### **RSN COMMENT ON HOUSING AND PLANNING**

What is the justification for just 10% of Homes England's programmes being targeted settlements of fewer than 3,000 population. Has it been rural proofed.

We have commented very often about the inappropriateness of the designated protected areas (and rural exceptions sites) as the only way that there is exemption from the new right to shared ownership and staircasing in shared ownership homes being limited to a maximum of 80%. As a minimum the exemptions should apply to all settlements of 3000 population or less.

There are concerns about the potential impact of several of the proposals in the Levelling Up and Regeneration Bill relating to planning – including the Infrastructure Levy. The detail will need detailed rural proofing.

We welcome the fact that DLUHC will work with housing associations to determine where rural and other broader exemptions might apply and to ensure appropriate safeguards against the loss of affordable housing in these areas. However, the RSN considers that all rural areas should be exempted from any such provisions.



"Delivering for rural England – the second report on rural proofing" makes the following references to levelling up:

The policy levers that influence rural communities and businesses are dispersed across government. To push forward the rural agenda, the government will work collaboratively across departments to drive progress and work in partnership with industry and civil society. In particular, the government will work to ensure rural policy is systematically considered and integrated into the levelling up agenda.

The Levelling Up White Paper describes five pillars of levelling up:

- 12 missions across a range of policy areas to be achieved by 2030.
- Proposals to re-orient central decision making, ensuring greater spatial consideration when forming policy and transparency over funding.
- Further empowerment of local decision makers through local devolution deals across England.
- A data and evaluation driven approach with interactive tools which will support local decision making.
- Enhanced transparency and accountability of this new regime.

A new statutory UK regime is being established to oversee levelling up, notably including a duty on the government to produce a new levelling up annual report on progress made against the missions and a new independent expert Levelling Up Advisory Council. These measures are included in the Levelling Up and Regeneration Bill currently before Parliament. Defra continues to engage across departments to ensure that rural issues are taken into account in policy development and in funding decisions.

Local devolution deals will include a specific expectation that local decision makers will take full account of the needs of their rural areas.

The Levelling Up Advisory Council will advise Ministers on the design, delivery, and impact of levelling up policy. Defra will work with DLUHC to consider how the Advisory Council can offer specific insights into the design and delivery of levelling up in rural areas.

The new annual levelling up report will set out progress on the missions across the UK, including in rural areas.

The rural perspective is an essential part of levelling up and will therefore be incorporated into work across all twelve missions. The missions are reviewed from a rural perspective in Annex A of Delivering for Rural England – the second report on rural proofing.



#### **RSN COMMENT ON LEVELLING UP**

The RSN produced a number of Rural Lens Review documents in respect of the Levelling Up White paper they are as follows: <u>Levelling Up White Paper Critique – Overarching Issues</u> <u>Levelling Up White Paper Chapter 1</u> <u>Levelling Up White Paper Chapter 2</u> <u>Levelling Up White Paper Chapters 3 & 4</u>

### Across these Reviews we saw no sign that the White Paper had been Rural Proofed (see more in the Overarching Rural Issues and Actions Proposed by the RSN document).

The DEFRA Report only reference the Levelling Up Missions. It does not mention the proposed Metrics. The RSN commissioned a study by Pragmatix Advisory into this which suggested additional metrics were necessary to reflect rural circumstances. The report called <u>Rural as a region: the hidden challenge for levelling up</u> makes for compelling reading and assesses the scale of rural disadvantage using the Levelling Up White Paper's analytical framework.

All the analysis in the White Paper is at regional level. Sometimes the regional level data is built up from County/Unitary Council level and sometimes from District level (although the data is only given aggregated for the region).

- Nowhere is there any analysis of rural within a region reviewed.
- Data at the regional level, and even at a county level means that the data for rural areas gets masked by regional/county
  averages. Therefore, when policy options are developed using that data the needs and opportunities of rural areas are
  overlooked. Rural areas risk being even further left behind as opposed to levelled up.

The review of the 12 Levelling Up Missions referred to as being set out in Annex A of the DEFRA Report is helpful in part but it cannot be appropriate to just cite "Relevant policies" (to reflect the rural context) when those policies themselves (e.g., Bus Improvement Plan funding) cannot demonstrate if or how they have been rural proofed.

We welcome that Defra will work with DLUHC to consider how the Advisory Council can offer specific insights into the design and delivery of levelling up in rural areas. There must be rural expertise within the Advisory Council.



It is disappointing that both the Levelling Up Fund and the Rural England Prosperity Fund are both limited to capital schemes

On the devolution proposals the RSN overall comments are:

"The bigger the geographical area for which a body has responsibilities the greater the number of very different types of communities within them. A more appropriate approach is to consider where it is necessary to cover larger (mixed rural and urban) geographies. Combining rural areas with urban areas has, historically, meant rural losing out as it is almost always easier (and less costly) to achieve performance targets in densely populated areas than more sparsely populated rural areas. Whatever approach is adopted extra care must be taken to avoid rural areas losing out.

To refer to the proposed devolution framework as a flexible approach (in recognition that a directly elected mayor model may not suit all areas) is not credible. The degree of devolution set out for Level 1 (and to a lesser extent Level 2) is quite small and offers little incentive. If the Government believes in local empowerment, it should not penalise those areas which opt for an approach without a Directly Elected Mayor. Creating a combined population of at least 500,000 will mean either enormous geographical areas or rural areas being combined with predominantly urban areas. Neither of which make sense for any concept of local. This minimum 500,000 population relates to "any tier of devolution".



#### CONCLUSION

Overall "*Delivering for rural England – the second report on rural proofing*" is an honest account of how rural proofing currently stands in Government. Sadly, however, the omissions highlighted in this review shows that Government has a long way to go before it can claim to have delivered on rural proofing Government strategy and policy implementation.

It is hoped that Government will use the comments made in this report to ensure Government strategy recognises the economic and social benefits of rural proofing. Without such recognition rural England will be overlooked, by passed and pushed down further rather than levelled up. *Rural proofing needs to be seen to being delivered across all Government departments for meaningful change to take place, and not just sit as a reporting function within Defra.* 

The Government must make meaningful rural proofing a fundamental part of all levelling up (and other) policy development, delivery and outcome monitoring. There is now a real case for placing rural proofing on a stronger legal footing, in the way that it has been in Northern Ireland. Such a duty would be the best way to ensure rural proofing is more consistently and adequately applied. At the very least rural proofing should be given the same essential status in the tasking of Departments and the appraisal of policies and programmes as currently given to the requirements of the Equalities Act in relation to protected characteristics.

