

# Rural Lens Review



## Delivering Rural Opportunity

The Third Report on Rural Proofing by DEFRA

A Review By the  
Rural Services Network  
April 2024





The Rural Services Network (RSN) has conducted a thorough review of the DEFRA Third Rural Proofing Report for 2024, titled "**Delivering Rural Opportunity**." Published in March 2024. As an advocate for rural communities, the RSN is committed to ensuring that the concerns and needs of these areas are accurately represented and addressed in governmental policies and reports. This document provides a critical analysis, comparing DEFRA's reported actions and commitments with the realities faced by rural communities. Our aim is to highlight areas where more attention is needed and suggest improvements that could make a significant difference in achieving genuine rural proofing.

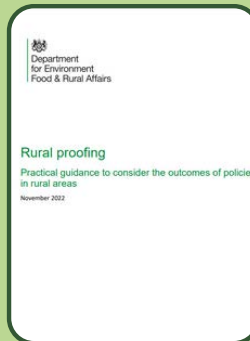
In this review, we concentrate on the elements most relevant to our priorities, with a focus on how it aligns with our core policy areas, including Fair Funding, Rural Affordable Housing, Access to Rural Health and Care Services, Rural Economies, and Rural Transport. We also consider cross-cutting themes like Rural Net Zero, Rural Connectivity, and Rural Planning.


- There are numerous occasions where words to the effect of "across the UK, including many in rural areas". Without information it is impossible to see if rural areas are getting a fair share. We conclude they are not, or the figures would have been stated.
- The reference to the increase in Rural Services Delivery Grant completely misses the point about continued unfair funding for rural councils compared to their urban counterparts. The increase had absolutely nothing to do with a rural proofing exercise.
- This does not read like an annual report on rural proofing -indeed it covers an 18-month period. 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 set out below guidance from DEFRA. Nowhere within this third 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 where this is not evidenced that there has been no rural proofing?

**What is Rural Proofing? We need to be clear what we mean by rural proofing. In that regard we set out below guidance from DEFRA. Nowhere within this third report is anything evidenced anywhere to show if these processes were followed.**

Rural proofing involves examining government policies from a rural perspective throughout their development to ensure they work effectively in rural areas. This process includes evaluating intended outcomes, potential differences between rural and urban results, delivery methods in rural regions, potential challenges, and whether additional adjustments or resources are needed to achieve equitable results.

The process might involve adjusting funding formulae or service provision methods, considering community networks and outreach, and engaging with rural stakeholders to gather evidence and test proposals. You can explore the latest Rural Proofing Guidance [here](#).



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The **Rural Services Delivery Grant** will increase to £110 million for 2024-2025, aiming to address the additional costs associated with delivering services in sparsely populated areas.

There is no mention of the allocation of public funding to rural and urban areas for the delivery of public services.

***Rural residents continue to pay more, receive fewer services and, on average, earn less than those in urban areas and that is inequitable. The cost of living is also higher in rural areas.*** 🔍



The increase in the **Rural Services Delivery Grant** to £110 million, although notable, is insufficient and does not align with the actual financial needs of rural communities.

This grant was originally established to address the disparities caused by formula damping in 2013, which deprived rural areas of approximately £247 million in expected gains. As of the 2024-25 **Local Government Finance Settlement**, rural areas receive 36% (£141.71) less per head in Government Funded Spending Power than their urban counterparts, while rural residents pay on average 20% (£112) more per head in Council Tax.

This inequity highlights the critical need for a revised funding approach that comprehensively addresses both the immediate and structural financial challenges faced by rural councils.

New DEFRA funding for a network of **Rural Housing Enablers** and amendments to the **National Planning Policy Framework** aim to boost rural affordable housing delivery and to facilitate community-led affordable housing developments.

We welcome the government's efforts to address rural housing through the funding of **Rural Housing Enablers** and **Planning Framework** amendments.

However, these measures do not sufficiently tackle the urgent demand for genuinely affordable social housing in rural areas, where the median house price to household income ratio is significantly higher than in urban areas. The extension of "Right to Buy" could exacerbate the depletion of rural social housing stocks, thus further limiting access to affordable housing for low-income rural residents. The RSN urges a strategic pivot towards policies that ensure a sustainable increase in rural housing stock tailored to the income levels of rural communities.

[Access the full Rural Lens series here](#)



**NHS Long Term Workforce Plan:** The plan outlines the strategy for the NHS workforce over the next 15 years, focusing on sustainability and meeting changing population needs. It includes a £2.4 billion investment over five years to support education and training for healthcare professionals. Additionally, the plan aims to double the number of medical school places, emphasising expansion in rural areas, encouraging doctors to settle and practice where they train.

**Pharmacy First Service:** Introduced as part of the **Delivery Plan for Recovering Access to Primary Care**, this service allows community pharmacists to treat seven common conditions without requiring a GP visit. Further funding has been allocated to expand Blood Pressure Checks and Pharmacy Contraception Services, enhancing access and convenience for NHS care.

**Mental Health:** The report addresses progress made in rural mental health care and highlights the EFRA Committee's report on Rural Mental Health, emphasising inter-departmental collaboration. It also mentions increased investment in mental health care by £2.3 billion from 2023 to 2024, aligning with the NHS Long Term Plan. The recently published Suicide Prevention Strategy for England focuses on reducing suicide rates and improving support for those affected by suicide.

**National Planning Policy Framework:** This framework expects local planning authorities to consider the needs of older people and those with disabilities, including specific requirements for retirement housing and care homes. The framework aims to ensure local planning aligns with the needs of an aging population.

**The National Planning Policy Framework and Chief Medical Officer's (CMO) 2021 and 2023 reports are not sufficiently referenced. These reports highlight the need to address health issues in coastal and rural areas, where older age groups are becoming more concentrated. If ignored, this could lead to increasing preventable ill health and resource shortages as these populations age.**



We welcome the government's recognition that "**access to good quality health and social care is important for everyone and that there can be additional challenges in accessing and delivering health and social care services in rural areas**". Nevertheless, the government in its various funding formulae does not fully recognise the additional costs of meeting service needs across rural areas.

**Funding Disparity:** Public health funding for 2024/25 indicates rural areas will receive about 57.5% less financial support than urban areas. This significant gap impacts the quality and availability of healthcare services in rural regions.

**Workforce Shortages:** The implementation of the NHS Long-Term Workforce Plan must address rural-specific issues. According to the National Centre for Rural Health and Care, rural communities often struggle with recruiting medical staff due to their isolated locations and smaller team sizes, leading to unequal health and care provision.

**Rural Healthcare Specialisation:** To improve rural healthcare, primary care should develop extended skills and generalism while promoting multidisciplinary integrated working. Rural healthcare must be given more attention through specialised training programs and rural clinical schools.

**Dental Care and Technology:** Access to dental care in rural areas requires more attention, with a need for redistributing training programs and expanding the multi-professional dental workforce. Additionally, technology can be a significant enabler for rural health and care if connectivity issues and the digital divide are addressed.

**Devolution and Local Planning:** While national policies are important, more local-level devolution and planning are needed to address specific rural workforce challenges effectively. A Place-Based workstream should be established to ensure a nuanced response to rural health and workforce issues.



The Report outlines three levelling up funds aimed at supporting the rural economy:

**UK Shared Prosperity Fund (UKSPF):** All rural communities in the UK are eligible for a share of this fund, intended to promote regional economic development.

**Rural England Prosperity Fund:** With a budget of £110 million, this fund helps rural businesses to develop new products, improve facilities, and diversify income streams, including farm businesses. It also supports community infrastructure. Local authorities manage the fund, with allocations confirmed in April 2023, allowing them to work with rural businesses and community groups to develop projects.

**Levelling Up Fund:** This £4.8 billion fund targets infrastructure improvements across the UK, focusing on town centre regeneration, local transport upgrades, and investments in cultural and heritage assets. The third round of funding will allocate £1 billion to 55 projects across Great Britain. This builds on the success of the previous two rounds, which awarded £3.8 billion to 216 projects, including those in rural areas.

Regarding **labour, training, and skills**, the report mentions the importance of:

- **Childcare Provision and Expansion of Childcare Entitlements**
- **Skills Bootcamps**
- **16-19 Bursary Fund**

The following are key points of concern regarding rural proofing in the funding allocation and policy measures in the UK:

**UK Shared Prosperity Fund (UKSPF):** Though funding is allocated on a per capita basis, this approach does not consider the extra costs associated with delivering services in rural areas, leading to inadequate funding for these regions.

**Rural England Prosperity Fund:** This fund is welcomed, but its capital-only focus, similar to the Levelling Up Fund, reveals a lack of rural proofing in the overall structure. Some rural councils also lack the capacity to administer these funds due to chronic underfunding.

**Levelling Up Fund:** The report mentions a £1 billion investment in 55 projects across Great Britain but does not provide rural versus non-rural details on these projects, an omission that should be addressed in a rural proofing report.

**Childcare Provision:** Proposals to expand childcare entitlements are promising, but questions arise about their impact on rural areas. Many rural childcare facilities are closing or are unable to accept more children due to space and staffing limitations, partly due to insufficient government funding. Moreover, access to these facilities is hindered by inadequate public transport, which needs significant improvement.

**16-19 Bursary Fund:** While funding for 16- to 19-year-olds is a positive step, it does not address a key issue—lack of public transport. Bursaries help with extra costs, but if there are no transportation options, they offer little real support. The core issue is ensuring that rural youth have travel options to access education and training, along with a genuine choice of courses.

The Rural Services Network (RSN) has highlighted a lack of rural proofing in several government policies through its Rural Lens Reviews. We have collaborated on a review of the Treasury Green Book from a rural perspective and published a report on post-pandemic rural productivity challenges.

The common theme across these studies is that rural issues are overlooked in policy design and implementation. 

[Access the full Rural Lens series here](#)



The report's section on **Connectivity** discusses transportation and electric vehicle infrastructure.

### Transport:

**Funding for Local Bus Services:** In May 2023, £300 million was announced to support local bus services until April 2025. This is split into two streams:

- £140 million through the Bus Service Operator Grant Plus to bus operators in the 2023-2024 and 2024-2025 financial years.
- £160 million to Local Transport Authorities for Phase 2 of the **Bus Service Improvement Plan (BSIP)**, to maintain or enhance existing services or provide new ones.

**Additional BSIP Support:** Over £2 billion has been allocated to local authorities to improve bus services through BSIPs, with £1 billion already allocated in 2022.

**Recent Announcements:** In October 2023, the Prime Minister announced:

- New BSIP funding of over £1 billion for better buses across the North and Midlands.
- Extension of the £2 bus fare cap until December 2024, benefiting rural areas where bus fares are often higher.

**Modernising the Bus Service Operators Grant (BSOG):** The report mentions plans to consult on modernising BSOG to benefit bus operators and local authorities.



### Public Transport:

**Rural Proofing Gaps:** The RSN notes that there's no mention of how the financial allocations for **Bus Service Improvement Plans (BSIP)** are to be rural proofed. Despite significant work by councils to create these plans, only 31 of the 70 submitted BSIPs received funding.

**Disappointing Funding:** While some rural counties and unitary councils received funding, many rural communities were left disappointed, as most allocations tend to favour more urban areas within those regions. The RSN fears that the process has raised false expectations in rural areas.

**Challenges in Rural Transport:** With national bus patronage hovering around 80% and driver shortages persisting, many services struggle to return to profitability. Councils without funding are unlikely to replace lost services, especially given general funding disparities for rural councils.

**Rural Bus Strategy Omission:** The report does not mention the proposed publication of a Rural Bus Strategy, despite a call for evidence over a year ago. Additionally, there's concern that the consultation on "**Modernising the Bus Service Operators Grant (BSOG)**" must address how support will be targeted towards rural areas.

**Bus Fare Cap Extension:** The extension of the £2 bus fare cap until December 2024 is welcomed, but it's irrelevant to rural areas without bus services.

## Electric Vehicles:

**On-Street Residential ChargePoint Scheme:** This program provides funding to UK local authorities, including parish councils, to install public charge points for those without private parking. Applications for the 2023-2024 funding close on 1 March 2024.

**Local EV Infrastructure Fund:** With a budget of £381 million, this fund supports local authorities in England to provide more public charging for drivers without off-street parking.

**EV ChargePoint Grant Schemes:** These schemes support residential and commercial landlords in providing charge points at rental and leasehold properties.

**Workplace Charging Scheme (WCS):** Businesses, charities, and the wider public sector can receive grants of up to £350 per socket to install up to 40 charging sockets for their employees and fleets. The scheme has been widened to include small accommodation businesses and village halls to accelerate uptake in rural areas.

**Plug-In Vehicle Grants:** These grants support the uptake of zero-emission vans, taxis, and wheelchair-accessible vehicles, further promoting electric vehicle adoption.

## Electric Vehicles:

**Rural Capacity Concerns:** The RSN points out that the capacity of rural local authorities, including parish and town councils, to engage with electric vehicle infrastructure proposals has not been addressed. The report notes that some rural areas have very few electric charging points relative to their population.

**Electricity Network Limitations:** The report does not discuss the capacity of the electricity network in rural areas to support increased demands from electric vehicle charging and other technologies like heat pumps. This omission could pose significant challenges for rural communities seeking to embrace electric vehicles.





## Energy Network Infrastructure:

**Expanding Transmission Networks:** The report highlights that to ensure a secure energy supply, which is crucial for growth and prosperity, the electricity transmission network must be developed. Great Britain will need about four times as much new transmission infrastructure over the next seven years compared to the amount built since 1990.

**Community Benefits:** The government aims to ensure that communities near new transmission network infrastructure benefit from the expansion. This could include electricity bill discounts for properties close to these new networks, offering up to £1,000 per year, or £80 a month, over 10 years.

**Wider Benefits for Local Projects:** The government proposes community benefits to support local projects such as electric vehicle charge points, local energy efficiency measures, or local energy generation. Funding is estimated at around £200,000 per km for overhead lines, £40,000 per km for underground cables, and £200,000 per substation. Guidance will be published to help communities decide how to allocate these funds.

**Reducing Connection Costs:** Ofgem recognises that connection costs can be a barrier to installing low-carbon technologies, especially in rural areas due to distance from substations and network capacity. To make it cheaper for customers to connect to the distribution network, Ofgem has decided to remove (for demand customers) or reduce (for generation customers) charges for distribution network reinforcement for connection applications submitted after 1 April 2023.

**Heat Pump Guidance:** The government plans to work with industry to create detailed guidance on how households, businesses, and installers can determine if their property is suitable for a heat pump. There will be a consultation later this year on alternative clean heating solutions for off-grid homes not suitable for heat pumps.

**Grants Compilation:** The report provides a helpful compilation of various grants and support schemes available for energy-related projects and improvements. This can assist households and businesses in understanding their options for energy support and clean heating.

RSN emphasises the need for Ofgem to conduct a comprehensive review of resilience requirements with Distribution Network Operators. This would address rural resilience and capacity issues and ensure resources to upgrade the rural network. It's noted that the rural proofing report does not mention resilience requirements for existing rural electricity networks.

**Administration of Community Benefits:** While the Community Benefit proposals are welcomed, there's concern about who will administer the funds to support local projects and whether rural areas have the capacity to manage them. Clear guidance is needed.

**Challenges with Electricity Transmission Network:** Although there's a need to move electricity from where it's generated to where it's needed, this poses challenges in rural areas. Issues include impacts on tourism, heritage, archaeology, wildlife, agricultural land, and food security. These should be addressed on a case-by-case basis and included in national policy decision-making. It's disappointing that the rural proofing report does not address these concerns.

**Alternative Clean Heating Solutions:** The RSN anticipates the promised consultation on alternative clean heating solutions for off-grid homes that aren't suitable for heat pumps. It's crucial that when assessing whether a home is suitable for a heat pump, the total cost, including insulation and other factors, is considered. There should also be recognition for other low-carbon fuel sources where heat pumps aren't suitable.

**Great British Insulation Scheme:** Launched in September 2023, this scheme's focus on those with low incomes in less energy-efficient homes is welcomed. Given the higher cost of living in rural areas, monitoring the scheme's uptake in rural regions will be crucial.







Digital Connectivity in the Report is a sub-heading of **Connectivity**.

The Report is a general update on policies and implementation

The RSN's comments on rural digital connectivity highlight several key concerns about the government's Wireless Infrastructure Strategy and its implications for rural areas:

**Local Authority Capacity:** The RSN notes that the strategy overlooks capacity issues faced by rural councils. Given the unfair local government funding formula, rural councils struggle to meet the demands of the strategy, impacting 5G Innovation Regions' effectiveness in rural contexts.

**5G Innovation Regions and Rural Inclusion:** The government must ensure these regions cater to rural areas and businesses. Focusing investment on densely populated areas will neglect rural needs, further widening the urban-rural divide.

**Market Failure and Government Investment:** The strategy indicates that rural areas are prone to market failure in achieving its objectives. The RSN stresses that rural areas might be at the end of the queue for commercial investment, requiring significant government funding to address this. The current funding outlined in the strategy seems inadequate to resolve these market failures promptly.

**Electricity Grid Sustainability:** The strategy should prioritise sustainability in the rural electricity grid network to support digital connectivity.

**Transparency and Accountability:** The Rural Connectivity Champion must produce an annual public report to ensure accountability and track progress.

**Satellite Broadband Trials:** While trial sites for satellite broadband on the remote Shetland islands are welcomed, there's no clear timeline for these trials or wider satellite rollout if successful. A "Plan B" for unsuccessful trials is also missing.

**Affordability and Digital Skills:** The strategy does not address the cost of purchasing equipment and running costs for rural users, nor does it mention the need for skills, competences, and confidence to use broadband when available.

**Concerns with PSTN Switch-Off:** Openreach's planned switch-off of the analogue public switched telephone network (PSTN) poses risks to rural areas with limited mobile phone connectivity. This critical issue isn't mentioned in the rural proofing report.





In the Report Planning is included as a sub-heading of Growing the rural economy. It includes the following statement:

***In July 2023, DLUHC launched the £29 million Planning Skills Delivery Fund to help local planning authorities, including those in rural areas, clear planning backlogs and get the skills in place that they need to respond to changes in the planning system. The Secretary of State announced 180 successful local authorities for year one in his planning speech on 19 December 2023.***

The RSN's comments on the Levelling Up and Regeneration Act, particularly regarding the impact of planning policies and the Infrastructure Levy, highlight two key concerns:

**Exemptions for Shared Ownership:** The RSN has frequently pointed out that designated protected areas and rural exception sites are currently the only exemptions from the new right to shared ownership, with staircasing limited to a maximum of 80%. They argue that these exemptions should extend to all settlements with a population of 3,000 or fewer to address rural housing needs.

**Concerns with Infrastructure Levy:** The RSN expresses concerns about the potential impact of several proposals in the Levelling Up and Regeneration Act, particularly relating to planning and the Infrastructure Levy. These policies could have unintended consequences for rural areas, necessitating thorough rural proofing to ensure they do not disproportionately affect rural communities and their development.

## IN CONCLUSION

Overall “**Delivering Rural Opportunity – The Third Report on Rural Proofing**” is an honest account of how rural proofing currently stands in Government. The section on “Understanding the Rural Context”, however, is completely silent on the unfair funding of essential public services in rural areas. Sadly, 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 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 delivered across all Government Departments for meaningful change to take place, and not just sit as a reporting function within DEFRA.***

In the run up to the next General Election the RSN has produced a document **Winning the Rural Vote** calling on all political parties to address the substantial issues which are faced by rural people, communities, and businesses. It covers all the subject areas found in this review of the third report on rural proofing and can be found [HERE](#).