

THE RURAL SERVICES MANIFESTO

Seeking the best
for rural England
2015 to 2020



RURAL
SERVICES
NETWORK

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About The Rural Services Network

The Rural Services Network (RSN) is a membership organisation devoted to safeguarding and improving services for rural communities across England. Over 260 organisations from a range of services are in full membership, including local authorities, public bodies, charities and voluntary groups. Many others are associate members. It is the only network to focus specifically on service provision in rural England.

The RSN has three main purposes and exists to ensure that services delivered to communities in rural local authority areas are as strong and effective as possible.

1
Representing
the case for a
better deal for
rural service
provision

2
Exchanging
useful
and relevant
information

3
Developing
and sharing
best rural
practice

Why a rural Manifesto?



Some 9.3 million people or almost a fifth of England's population lives in its rural towns, villages and countryside. These areas contribute a similar share of the national economy. It is therefore our firm view that policy makers cannot afford to overlook this significant constituency when developing and implementing policies or programmes.

Rural and urban areas share much in common and are frequently linked through commuting patterns, business supply chains, natural resource use and so on. However, rural areas clearly have some distinctive features and face particular policy challenges.

It is imperative they are not seen simply as places to be visited for a day out or a weekend break. The RSN supports the notion of living, thriving rural places, which can sustain mixed communities and compete in today's fast-changing economic climate. Fast broadband has become as important as the village shop.

Rural areas offer many residents a good quality of life, yet this should not obscure the reality for others. There is real poverty, hardship and isolation within rural communities. Some 17% of rural households fall into the official poverty definition¹. This is typically hidden and scattered, so is less obvious than urban poverty.

The RSN is pleased to note that its membership played an active part in the development of this Manifesto document. A survey to gather their views elicited 363 responses.

1. Households in absolute low income, according to Defra's Statistical Digest of Rural England 2014.

Summary

Almost a fifth of England's population lives in its rural areas and rural based businesses make a huge contribution to the nation's economy.

The Rural Services Network (RSN) and its more than 260 member organisations believe it is vital that the needs of rural areas are addressed, therefore, by an incoming Government in 2015. Its communities and businesses must benefit fully from new policy initiatives. Meeting rural needs must not be seen as solely an issue for Defra: rather, it is one for all Whitehall departments and agencies.

This Manifesto focuses on eleven policy topics which should be seen as linked with each other and which taken together can help deliver sustainable rural communities. For example, an effective planning system and good public transport will both help deliver a stronger rural economy and improve outcomes for older rural residents.

The need to put the public finances on a sound footing is clearly understood. However, significant and sustained budget cuts from an already low baseline (due to historic underfunding of rural services) mean that many local public services have now reached a tipping point. It is imperative that rural communities receive their fair share of the funding cake if the impact upon frontline services is to be minimised.

Rural local authorities have an impressive record of maintaining services in the face of unprecedented funding reductions. By 2015/16 core funding for local government will have decreased by 40% in real terms over the course of one Parliament. More and more of the budgets are needed for statutory duties – demand for which is growing with an ageing rural population – with severe implications for non-statutory (but nevertheless essential) services.

There is wide recognition that local solutions work best, so central Government policies must be flexible enough to allow for tailored delivery. We welcome the renewed debate about devolving more powers to local levels. This must pay equal attention to those areas which are outside large cities or city-regions, including governance in more remote rural areas. It should not, however, be predicated on a forced re-organisation of local government structures or the imposition of combined authorities.

We call, in particular, upon an incoming Government to:

The planning system:

Recognise that the complex process of producing an up-to-date Local Plan takes time and is often extended by factors outside a planning authority's direct control. More weight should therefore be given to draft and submitted Local Plans, especially at planning appeals.

Affordable housing:

Reverse the poorly thought through and recent policy decision which will exempt small development sites from planning agreements which require developers to include some affordable housing within them (or sometimes to fund affordable homes on another site). In smaller rural settlements this is how most new affordable homes are delivered. Affordable housing is key to retaining young people in rural communities.

Local government funding:

Government allocates significantly more grant funding to urban than to rural local authorities, leaving those living in rural areas paying higher Council Tax bills whilst receiving fewer services. Government should implement the proposals contained in its 2012 consultation document, which sought to right this historic wrong by putting the allocation of funds onto a fairer footing. It should be carried out as exemplified in that document (that is, without damping), which showed 170 Councils and Fire Authorities benefitting in cash terms. The change should be implemented through annual increments to 2020, at the latest, either by changing the allocation formulae or by extending the Rural Services Delivery Grant to the 170 authorities concerned.

Rural schools should be protected from closure. The 'sparsity factor', introduced to the formulae in 2014/15 to recognise the extra cost of maintaining small rural schools, should be continued, with local authorities having discretion how the funding is best used locally.

Public transport:

Provide sufficient extra funding for local authorities to enable them to provide home-to-school transport for 16 to 19 year olds still in education. Protect the value of Bus Service Operators Grant (BSOG) under any future payment regime, as further erosion of this grant could have a significant impact on marginal rural services.

Access to health facilities:

Pursue rigorously the stated wish to see more of the NHS budget spent locally, so that rural communities gain easier access to non-specialist treatments. Review funding allocations for Clinical Commissioning Groups, so they more closely match local levels of demand for NHS services. Also ensure that local authority funding for public health services are put on a fairer footing, based on demand and needs, and taking proper account of sparsity costs.

An incoming Government must take urgent action to address a growing rural recruitment problem as many GPs and Practice Nurses retire. A career in rural practice must be made attractive and, if necessary, incentivised. Equally, it should take steps to ensure that national targets for ambulance response times are met in rural areas and emergency patients are not being put at risk.

Older people's services:

Ensure that where support services are subject to competition, new providers cannot cherry pick and deliver only in urban centres where it's easier to keep costs down. Back local initiatives, such as Village Agent and First Contact schemes, which help older people to remain in their own homes and improve their quality of life.

Tackling fuel poverty:

Press energy providers hard to meet the existing rural target for the Energy Company Obligation (ECO) scheme and to focus on solid wall homes. This target is being missed by a huge margin. Fuel poverty is a particular rural issue, yet the rural fuel poor, who contribute to ECO through their energy bills, are largely missing out.

Viable village services:

Commit that there will be no post office closures programme during the lifetime of the 2015 to 2020 Parliament and retain access measures for the post office network. Support Local Plan and Neighbourhood Plan policies which try to keep village services in their current use.

“Meeting rural needs must not be seen as solely an issue for Defra: rather, it is one for all Whitehall departments and agencies.”

Broadband and mobile connectivity:

Announce an ambitious target for universal broadband provision (set much higher than the current 2Mbps target). Focus Government interventions to extend coverage where there is no broadband available or in prospect, rather than diverting funds to places likely to be commercially viable.

The rural economy:

Insist that all Local Economic Partnerships or successor bodies whose geographies include rural communities and rural based businesses are clear how their strategies and plans will benefit them. Their monitoring should demonstrate what their rural impact has been.

Rural proofing:

Recommit to the important principle of ‘rural proofing’ by Whitehall and its agencies, to ensure that policy developments take proper account of rural needs and circumstances. Drive this commitment from the top, with the backing of the Prime Minister and Cabinet.

The case that underpins these and other calls is set out in the remainder of this manifesto document. It is not special pleading and is not an unrealistic call for extra public spending. It is a call for equity of treatment for rural communities and fair access to opportunities for rural businesses. They deserve no less.



The Planning System



The Rural Services Network wants to see positive planning which allows rural communities to adapt and thrive. This must offer policies that reflect local circumstances and provide a workable planning system, which both engages and gains the trust of rural communities.

The land use planning system has undergone substantive change, including the introduction of the National Planning Policy Framework (NPPF) and the Community Infrastructure Levy. Its operation and success is of huge importance to the future of rural England. The planning system is expected to take tough decisions about our built and natural environment, to meet a range of needs and to balance priorities.

Rural communities must remain vital and sustainable places in which people can live and work. This means allowing them to evolve by permitting appropriate development. It also means respecting landscapes and natural resources which make the countryside special. Without that balance, key sectors such as agriculture and tourism, would wither.

Much rural housing and employment growth is likely to be focused in and around small towns or market towns. However, small-scale and well-designed development is equally important in villages to cater for local needs. This should include affordable homes and workspace. It should consider the housing needs of an ageing rural population.

Local authorities across rural England have been working hard to ensure they have in place up-to-date Local Plans which promote sustainable development, as well as a five year housing land supply. Preparing these plans is a complex and lengthy process, requiring substantial analysis, assessment and consultation. That is especially true for small planning teams within rural district councils.

It is therefore unfortunate that the current system takes planning decisions according to national criteria – its presumption in favour of sustainable development – where Local Plans or a land supply are not yet in place, largely bypassing local considerations.

Nor is it wholly within the gift of local planning authorities to ensure there is a five year housing land supply. Because of the way supply must be measured, it depends too on landowners and developers bringing forward development sites. The economic downturn has therefore left some rural authorities without an adequate supply of deliverable sites.

All of which can be hugely frustrating for rural communities, who have taken part in consultations about draft Local Plans only to see them and their views overridden. We agree with the Government objective for a plan-led approach, so development takes place in the best locations. Unfortunately, the system often encourages speculative development applications in rural areas and leads to decisions taken on Appeal. It is local authorities which can ensure that housing growth is focused where there is sufficient infrastructure or who can make sure it is put in place. Only with such ‘smart planning’ can wider policy goals for sustainable development be met.

We similarly agree the aspiration to see local communities more involved with the planning system. It is sad to see communities’ trust in the planning

system undermined, resulting in local conflict and disengagement. Delays to Local Plans being finalised (and adopted) frequently arise from the time taken by the Government’s Planning Inspectorate to set up Examinations in Public and the decisions then taken by its Inspectors.

The Rural Services Network welcomes the advent of statutory Neighbourhood Planning. It could be seen as an approach which is particularly suited to rural circumstances. Many rural local authorities have been at the forefront of supporting such localism. That said, we recognise Neighbourhood Planning is not the right tool for every community. Government should not be fixated on numbers of communities engaged with Neighbourhood Planning, when their quality and impact are of greater relevance.

It is important that draft Neighbourhood Plans are given weight by the planning system, so communities do not see their hard work ignored by decisions taken before the due process for finalising them can be completed. Recent Government statements are a welcome step in that direction.

Grants given out to support the preparation of Neighbourhood Plans have been and remain important. It is a considerable undertaking for any local community and neither should we underestimate the role expected of local planning authorities, who assist communities and manage various statutory tasks.

THE RURAL SERVICES NETWORK CALLS UPON AN INCOMING GOVERNMENT TO:

- Respect that planning authorities need the flexibility to write and interpret Local Plan policies which can reflect local priorities and circumstances. The shortened NPPF is welcome. Whilst explanatory guidance can be useful, any temptation to reintroduce more national policies should be resisted.
- Relax its unreasonable timescales for putting up-to-date Local Plans in place, in view of the complexity of the plan preparation process.
- Give greater weight to draft and submitted Local Plans, so that localism is upheld, especially where the Government’s Planning Inspectorate is hearing Appeals.
- Identify a fairer way to calculate the five year housing land supply figures. Shortfalls from previous years, due to weak market conditions, should not simply be added on. If planning authorities can show they are successfully working towards a five year land supply that should be sufficient to reject applications at odds with the Local Plan.
- Rethink the proposed exemption of single plot self-build homes from the Community Infrastructure Levy. In the smallest settlements they may be the only developments and form a key income source for Parish Councils. It also risks games playing, with developers splitting sites into single plots.
- Ensure decisions uphold the principle that draft Neighbourhood Plans have weight once they have been submitted to local planning authorities (at the so-called Regulation 15 stage).
- Ensure there is continued grant funding both for Neighbourhood Planning groups and to cover the additional costs that they bring for local planning authorities.

Affordable Housing



The Rural Services Network wants rural communities to remain places where people from a range of age groups and backgrounds can live. Housing (un)affordability is a key concern and there is an urgent need for more affordable homes to meet rural community needs.

If rural communities are to remain functioning places, where people from a range of age groups and backgrounds live, they must offer homes at affordable prices, both to buy and to rent. Yet the reality is young people and families with local connections are all too frequently priced out.

Rural house prices are typically high. According to the Department for Environment, Food & Rural Affairs' (Defra's) statistics, lower end house prices in rural areas are around eight times lower end annual wages². Despite housing market fluctuations since 2007, rural house prices remain substantially above the national average. Even shared ownership housing schemes (part-owned and part-rented) are unaffordable for many.

Social rented homes comprise only a small proportion of the rural housing stock. Moreover, there are losses from this stock as a result of the Right to Buy,

which are not being properly replaced. Private rented housing has an important role, though some of this is substandard.

One issue facing registered landlords, such as housing associations, is that building costs can be high, because rural development plots are typically small while design standards and infrastructure costs are high. 'Exception sites' can be an important delivery mechanism, granting planning permission where it would not normally be given, for affordable housing to meet local needs.

This matters when public sector grants, available through the Homes & Communities Agency (HCA), have reduced from an average £40,000 to an average £21,000 per dwelling. Unsurprisingly – indeed, inevitably – the number of grant-funded housing starts in smaller rural settlements (with

under 3,000 population) has reduced quite dramatically.

An increasing emphasis is therefore placed upon affordable housing delivery by the private sector, within sites of otherwise open market homes. According to Government figures³ for 2011-13, this now delivers two thirds of affordable housing in smaller rural settlements.

Government has recently exempted small sites, with no more than 10 homes, from planning agreements that require developers to include some affordable housing⁴. Following representations from organisations like the RSN, in some rural areas this exemption will only apply to sites with no more than 5 homes. Sites with 6 to 10 homes must make a financial contribution towards affordable housing at other sites. This is a small concession and the policy could still have the effect of decimating rural affordable housing provision. Inevitably, most sites in villages are small sites. This is the mechanism which delivers most of the new affordable homes in villages. It can also be used to agree funding contributions for exception sites. There is scant evidence that such planning agreements undermine development site viability and, where local authorities conclude it would, they can already reduce the burden. The policy contradicts Government objectives to encourage private sector subsidy, in order to reduce the need for public sector housing grants.

The spare room subsidy (or bedroom tax) seeks to move under-occupying households in the social rented sector into smaller homes or to reduce their housing benefit where they remain under-occupying. This is proving complex in rural areas, where opportunities for moving are few due to the small size of the

social rented sector and social providers having built larger homes to create flexibility within their limited stock. The evidence shows a sizeable increase in rent arrears in rural areas. A Government scheme to assist the most rural local authorities with this issue (Discretionary Housing Payment) only applies to 6 English authorities. The policy needs implementing with some flexibility, taking account of things such as separate rooms needed by those with particular medical conditions.

The drive to reduce waiting lists means increasingly Allocation Schemes, which local authorities use to prioritise those waiting for social housing, appear to be downplaying the relevance of a local connection. Households who may have lived in rural communities for many years, and who have a housing need, are losing out to those measured as having acute need but who don't have a local connection. This is starting to undermine community support for affordable housing and landowners' willingness to release land, especially where it happens on 'exception sites' explicitly intended for those with a local connection.

Housing associations should be encouraged to invest further in energy efficiency measures in their housing stock, including from renewable energy sources. Where they invest, the financial benefit essentially goes to the tenant. Whilst this can certainly be viewed as positive, it does not offer a sufficient incentive to the housing association for its upfront investment. As noted later, rural areas have many energy inefficient homes.

2. Statistical Digest of Rural England, Defra (2014)

3. Local Authority Housing Statistics Returns, DCLG

4. It would also exempt small sites from energy efficiency standards which would cut rural fuel bills

THE RURAL SERVICES NETWORK CALLS UPON AN INCOMING GOVERNMENT TO:

- Reinststate a rural target in the HCA's Affordable Homes Programme, to ensure that investment is available to meet needs within rural communities.
- Recognise the additional cost of building social housing in smaller rural settlements, when the HCA assesses value for money of schemes and awards grants.
- Reverse the recent policy decision to exempt small development sites from planning agreements which require developers to include some affordable housing. In rural areas, at least, this policy needs to be overturned.
- As proposed by the EFRA Select Committee and Rural Housing Alliance, exclude social housing tenants in rural settlements with under 3,000 population from the spare room subsidy (or bedroom tax). This would align with the exemption from the Right to Acquire policy, which

also applies to these settlements.

- Give local authorities the flexibility to suspend the Right to Buy where they can demonstrate it doesn't suit local circumstances. Similarly, give local authorities the ability to stipulate that Right to Buy properties can only be sold on to someone with a local connection.
- Confirm through central Government guidance that, especially in rural areas, local authority Allocation Schemes should seek to strike a balance between the needs of prospective housing tenants and their having a local connection.
- Introduce an additional grant for registered providers, such as housing associations, to help them invest in energy efficiency measures in their housing stock, which could considerably benefit their tenants.

Local Government Funding



The way Government distributes grant funding to local authorities across England means rural people end up paying higher Council Tax bills than urban people, yet still have less money available to fund local services and so receive fewer of them. This is fundamentally unfair. The system should take full account of higher service delivery costs in rural areas.

The way that local government gets funded is not just a technical issue, but has profound implications for rural communities and businesses that rely on everyday public services. It determines the amount available to pay for schools, care for the elderly, provide refuse and recycling collection and fund local buses (to name just four). It therefore needs to distribute resources fairly, so residents in one part of the country are not disadvantaged compared with those in another. This is especially important when public sector budgets are being reduced.

The stark fact is, however, the amount of grant which central Government gives to local authorities is consistently less in rural areas than it is in urban

areas. Indeed, that difference is substantial, with predominantly urban authorities receiving 47% more than predominantly rural authorities. In 2014/15 rural authorities receive an average £329 per resident of Settlement Funding Assessment (SFA), compared with £483 in urban authorities. Moreover, rural authorities receive £25 per resident less in other types of Government grant, bringing the disparity to £178 per resident in favour of urban authorities.

Reasons for this disparity lie with the formula used to allocate Government grant, which:

- Takes significant account of needs measures that favour urban areas;
- Steers a large share of the grant funding pot into London; and

Components of Spending Power expressed in £ per head of population				
Type of authority	Council Tax	SFA	Other grants	Spending power
Predominantly urban	£347.50	£482.62	£116.35	£946.47
Predominantly rural	£426.74	£329.15	£91.35	£847.24
<i>Difference</i>	<i>£79.24 per head higher in rural areas</i>	<i>£153.47 per head less in rural areas</i>	<i>£25.00 per head less in rural areas</i>	<i>£99.23 per head less in rural areas</i>

- Takes only limited account of extra costs of delivering services in rural areas.

One obvious outcome is that those living in rural authorities end up paying higher Council Tax bills than those in urban areas, to counteract some of the funding gap. In 2014/15 Council Tax (per head) is an average £427 in rural authorities and an average £348 in urban authorities, leaving a rural resident paying £79 more.

Even with Council Tax bills that are significantly higher, rural authorities cannot make good all the funding gap left by lower Government grant. In 2014/15 there is still £99 per head less available to spend on local authority services in rural than in urban areas.

Central Government likes to quote the £99 gap in 'spending power' when it defends the current allocations. The real issue, though, is the much wider disparity in Government grant, before rural Council Tax payers have plugged some of the gap.

Similarly, in 2014/15 Fire and Rescue Services serving predominantly rural areas received Fire Related Government Grant Funding per resident of £18, compared to £25 per resident for those serving predominantly urban areas. Urban services therefore receive 37% more per head.

This situation is grossly unfair and unjustifiable. Rural residents (many earning low wages in the rural economy) are left paying more Council Tax but receiving fewer services than their urban counterparts. They also face greater costs to access services.

Local authority budgets have been cut very significantly, by 40% in real terms over the lifetime of the current Parliament. Rightly, the initial focus was on making efficiency savings through actions such as restructuring and sharing services. Little if any scope for efficiencies now remains and cuts are inevitably hitting frontline services, particularly those defined as discretionary or non-statutory. These financial pressures are particularly hard for small rural district

THE RURAL SERVICES NETWORK CALLS UPON AN INCOMING GOVERNMENT TO:

- Acknowledge that Government proposals contained in its 2012 Consultation were seeking to right an historic wrong and that the whole of the pre-damped amounts exemplified should flow through to the 170 Councils and Fire Authorities concerned. Implement this with annual increases to 2020, at the latest, either by changes to the formulae or by extending Rural Services Delivery Grant to benefit all 170 authorities.
- Protect rural schools from closure. The 'sparsity factor', introduced to the education funding formula in 2014/15 to take some account of the rural cost premium should be continued, with local authorities having discretion how that funding is best used locally.
- Monitor the effect of introducing retained Business Rates to understand implications for the distribution of local authority funding and test whether all local authorities have fair opportunities to benefit from it. Change may be needed, if some types of authority lose out as a result of factors beyond their control.
- Compensate local authorities which experience a significant financial loss from reduced business rate income as a result of major national infrastructure projects.
- Monitor the effect of the New Homes Bonus on the distribution of Government grant, to understand the implications and test whether all local authorities have fair opportunities to benefit from it. This should consider authorities largely covered by National Parks and Areas of Outstanding Natural Beauty, where there are major constraints on house building.

authorities which have the least scope for cutbacks. In short, there is no more left to give.

It is widely accepted that those delivering services to scattered rural populations face some extra costs. Services such as refuse collection or home care for the elderly must travel further and for longer between homes and settlements. Services such as schools and libraries cannot achieve urban economies of scale and it may require several small facilities to be accessible across a rural authority area. It is unfortunate that the current formula used to allocate Government grant gives little weight to sparsity (rural) costs. It is not just (so-called) 'super sparse' authorities which must meet substantial additional costs; all predominantly rural and some significant rural authorities must do so.

Government recently introduced an additional measure known as the Rural Services Delivery Grant. Whilst welcome, this £11.5 million pot is worth £1.10 per head in those rural authorities receiving it – tiny when set alongside the £178 per head funding gap in Government grant.

In its Business Rates Reform Technical Consultation in 2012 the Government accepted, based on available evidence, that a correction to the judgemental sparsity top-up was warranted in some parts of the formulae. It exemplified the effect of proposed changes as benefitting 170 authorities to the tune of £247 million

per annum. These changes were introduced, but due to damping and other changes 77% of this financial betterment was lost. As the Government was seeking to right an historic wrong it is unjustifiable that the pre-damped amounts exemplified have not flowed through to the 170 Councils and Fire Authorities concerned.

The Rural Services Network acknowledges that Government has commissioned research to examine the cost of service delivery in rural areas. If it is consistent with earlier research findings it will find a significant rural premium.

A growing share of local authority income now comes in the form of retained Business Rates. The more an area's business base grows, the more its local authority will receive. Similarly, a growing portion of Government grant for local authorities comes from the New Homes Bonus. The size of the bonus depends on how many new homes have recently been built. The effect of these new funding sources is as yet difficult to assess, though given environmental and infrastructure constraints they seem less likely to benefit rural areas. There is a risk they widen the funding gap further.

The Rural Services Network has a particular concern about the future of smaller schools, including the lack of clarity over funding for the policy of providing free school meals. The risk is that this policy and any extension of it simply diverts existing funding.





Public Transport



The Rural Services Network sees public transport as critical because its paucity is a key cause of rural disadvantage and isolation. The subsidy that so many rural bus routes depend upon is under threat. Innovative solutions will help, but funding can't be overlooked.

It is a fact of rural life that those who live there have to travel further than their counterparts elsewhere to carry out everyday activities. Government figures⁵ show that residents from villages travel 45% more miles than the national average.

Public transport allows people to access employment, training, services and leisure opportunities and, as such, can help deliver a wide range of Government policy objectives. Analysis has found that £1 spent supporting local buses delivers £3 of public benefit⁶.

It is of particular importance for those without access to a car, whether because of age or income or some other reason. It is no coincidence that poor access to services and isolation are key facets of rural disadvantage. We therefore concur with the conclusion of the Transport Select Committee⁷ that transport

provision for those in more isolated communities should be a concern for many Whitehall Departments and agencies.

However, public transport services in rural areas can be infrequent or non-existent. Whereas 91% of residents nationally had access to a regular bus service near to where they lived, this 2009 figure stood at just 47% for those residing in villages.

Concessionary fares can be of very significant benefit to pensioners and disabled people entitled to them, but are of no value where bus services are absent.

Car ownership is, of course, higher in rural areas. Village residents made 87% of their journeys as a car driver or passenger (compared with 79%

nationally). One notable feature is the number of low income households in rural areas who own a car. Rural households spend far more on travel than those elsewhere and travel costs are a major component of rural poverty. Many would be unable to access employment and services without owning two or more cars.

Bus services in rural areas are less likely to be commercially operated and are more likely to depend upon local authority subsidy than bus services in other areas. As a consequence many are now at risk as local authority budgets come under ever greater pressure – not least, because supporting bus services is discretionary.

Information collated by the Campaign for Better Transport shows that cuts of 25% in shire local authority supported bus budgets are not unusual over the two years to 2013/14. Reviews of bus service provision are now widespread.

The largest impacts are likely to be on evening and Sunday services. Other impacts include the scaling back of concessionary fare schemes to the statutory minimum and of non-statutory school transport.

The compulsory (minimum) leaving age from education or training has recently risen to 18. However, the position with school transport remains

unaltered. Local authorities are not obliged to and are not being funded to provide school transport for those aged over 16. This can leave parents of older rural children facing a hefty bill⁸.

The community transport sector plays an important role and more than 600 community transport schemes operated⁹ in rural England by 2012. Rural schemes – compared with those elsewhere – are smaller operations, relying heavily on volunteers, depending more on fares revenue for their income (41%) and less on public sector grants for their income (17%). Typically they offer a flexible approach, if not a regular service. As such, these schemes tend to work best as feeders into regular bus routes or as gap fillers reaching outlying settlements.

5. National Travel Survey, DfT

6. Transport Select Committee citing evidence from Passenger Transport Executive Group

7. Passenger Transport in Isolated Communities, Transport Select Committee (2014)

8. The RSN has a local case study, available on request, illustrating this concern.

9. Community Transport Association, 2012

THE RURAL SERVICES NETWORK CALLS UPON AN INCOMING GOVERNMENT TO:

- Encourage and incentivise bus operators, local authorities and communities to work in partnership, so they can find local solutions that reduce the frontline impact on services that are a result of tightening public sector budgets.
- As noted in the local government funding section above, amend the formula used by DCLG to distribute Government grant, to make it fairer and to take full account of the rural cost premium.
- Reform the statutory concessionary fares scheme so it applies to and is fully funded by central Government to apply to the public transport that is actually available in a local area (including community transport). It should not be restricted to bus travel.
- Provide sufficient extra funding for local authorities to enable them to provide transport to 16 to 19 year olds still in education.
- Protect the value of Bus Service Operators Grant (BSOG) under any future payment regime and ensure that rural areas are not disadvantaged by revisions. Any further erosion of this grant could have a significant impact on marginal rural bus services, including those run by smaller rural bus operators.
- Extend the Local Sustainable Transport Fund beyond 2015, to enable innovative schemes in rural areas and elsewhere that will deliver economic, social and environmental benefits. Encouragement for new rural transport approaches should be supported.
- Incentivise and remove any barriers there may be to local authorities and other public bodies working together, so they make best use of the transport fleets that already exist e.g. for health care, social services, schools.

Access to Health Facilities



The Rural Services Network wants to see rural communities provided with access to high quality health care services, delivered locally wherever that is possible and effective. This should reflect the ageing demographic of rural populations.

Access to high quality healthcare is a basic expectation in any modern society. In most instances this means being able to visit health services and facilities either close to home or by making a straightforward journey.

Compared with the national average, a large proportion of the rural population consists of older age groups and this differential is projected to grow further over time. At the time of the 2011 Census 21 % of the rural population were aged 65 or over. Older people are the predominant users of health services, so demand for NHS services can be expected to increase among rural communities.

Department of Transport accessibility indicators show that significant parts of the rural population would find it difficult to reach healthcare facilities by public transport or by walking. Those in the smallest rural

settlements have the poorest levels of access. This holds true for GP surgeries, but is especially so for access to hospitals. The paucity of public transport to hospitals is widely cited by rural communities and transport user groups.

Whilst centralising healthcare provision may assist the development of centres of excellence, it should be recognised that it also leaves many rural residents with long, difficult and costly journeys to reach care services. This impacts both on patients and those who support them or visit them. Accessing regular treatment can prove especially arduous.

There is widespread and growing concern about the number of GPs and Practice Nurses due to retire soon, and the fact that it is already proving hard to recruit to vacancies in many rural areas. Some rural communities

could soon be left with inadequate primary health cover. Practising in rural areas needs to be made more attractive to medical students and trainee doctors. One way this could be alleviated is by exposing them to periods within rural practices during their training.

There are fears that a number of smaller hospitals, which serve largely rural catchments, are struggling to meet inflexible targets and to fund historic debts within the NHS system. This can have implications for the number of medical and other staff employed. Even such general hospitals could be at risk of downgrade or closure unless action is taken. This would be at odds with comments made by the new Chief Executive of NHS England about the value of locally delivered healthcare.

Research shows that rural areas lose out under the system through which NHS funding is allocated to individual Clinical Commissioning Groups. Places with the highest burden of chronic illness, disability and mortality are those with the oldest populations. In many cases these are rural and coastal. However, the way funding allocations are worked out leaves them with far less funding per head than many areas with younger populations, where demand for NHS services is lower.

Furthermore, those funding allocations take no account of sparsity costs. Certain health services, especially those which are delivered in the community, will face additional delivery costs as a result of travel distances and the downtime involved for staff.

Funding for public health has transferred to local authorities. Its allocation is still based upon historic patterns of spend, which greatly disadvantages rural areas. Whilst funding levels have been adjusting annually towards a formula based target, the rate of adjustment allowed has been far too slow. Funding differences can be huge, with some areas receiving over five times as much per head of population as other areas. These allocations take no account of costs that accrue from delivering services across geographically large counties.

Given that Government has acknowledged this needs changing, it is hugely disappointing the promised reform of public health allocations has been put off for another year. To say this has been done simply to retain “stability” is, in our view, to defend the indefensible.

Another topic of concern is ambulance response times, since targets are too often not being met in rural areas and are sometimes considerably overshot. This risks endangering the health prospects of patients in need of emergency care. Whilst acknowledging that rural road networks can make it harder to meet of response targets, the Rural Services Network believes that this needs to be addressed. Ambulance Trust areas are large and the average response times they quote can disguise poor performance at a local level.

THE RURAL SERVICES NETWORK CALLS UPON AN INCOMING GOVERNMENT TO:

- Ask its Advisory Committee on Resource Allocation (ACRA) to review the NHS resource allocation formula for Clinical Commissioning Groups, so that their funding more closely matches local levels of actual and predicted demand for services.
- Pursue rigorously the stated wish to see more of the NHS budget spent locally, so that rural communities have easier access to non-specialist treatments.
- Take urgent action to address a growing rural recruitment problem as many GPs and Practice Nurses retire. A career in rural practice must be made attractive and, if necessary, incentivised.
- Seek to resolve the financially unsustainable situation facing many smaller NHS district hospitals by removing their historic debt burden and allowing them more flexibility.
- Take more account of accessibility by public transport, including for rural communities, in NHS service planning and review exercises.
- Take steps to ensure that ambulance response time targets are being met in rural areas and emergency patients are not being left at greater risk.
- Support investment which can pilot and roll-out models of care delivery that are shown to be cost-effective and well suited to rural circumstances, such as tele-medicine and outreach services. The Airedale Telehealth Hub is an exemplar and access to fast broadband is, of course, key to such innovation.
- Resolve the threat facing a small number of GP surgeries that is a result of the phasing out of the Minimum Practice Income Guarantee, where their closure would create access problems for patients because no other surgery is close by.
- Ensure funding allocations to local authorities for public health services are put on a fairer footing, as a matter of urgency, basing them upon local demand and needs (rather than historic patterns of spend) and taking proper account of sparsity costs.

Older People's Services



Rural areas are home to a high and growing share of the older population. This has positive aspects, but will also put pressure on public services such as health, social care and transport. Policies must plan now for this trend and address high rural delivery costs.

Rural areas have a demonstrably older demographic than other areas. Some 21 % of the rural population is aged 65 or over, compared with 16 % of the national population. In rural areas defined as 'sparse' 25 % of the population is aged 65 or over. Looked at another way, almost a quarter of England's older population is living in a rural area.

Moreover, the population is ageing and this trend is most marked in rural places. Between 2011 and 2021 the number of people in the 65 and over age group is projected to grow by 20 % in urban areas, but by 27 % in rural areas. An increasing number of people aged 85 and over is similarly more pronounced in rural areas.

This demographic creates both opportunities and challenges for rural communities and policy makers.

Many, especially among the recently retired, have time, energy and expertise to offer. They may become active members of their local community. They may contribute through formal volunteering or informally by helping friends and neighbours. Almost a quarter of older people in rural areas provide some form of care to another person.

Inevitably, though, the age group places demands upon resource intensive services, such as health care, social services and transport. Evidence shows that in rural areas social isolation can impact on physical and mental health. Delivery organisations working in rural areas face the difficult task of providing for the needs of an expanding vulnerable population, whilst at the same time managing static or declining budgets.

The rise in demand for adult social care services is perhaps the largest cost pressure now facing county and unitary authorities. One Cabinet Office study estimated a 70% increase in the number of people requiring social care support in rural areas over twenty years. Moreover, recruiting care workers can be hard in rural areas where, for example, house prices are high.

Despite that, supporting older people at home or within their local community remains a cost-effective option, as well as being the preferred choice for most. Unidentified or unaddressed issues can lead to worse physical and mental health outcomes, and so result in higher costs for public services including the NHS. Further integration of health and social care services supported by the Better Care Fund is in principle a good thing.

Home-based care, supported independent living and adapting people's homes to their circumstances or needs are all potentially important solutions for the rural elderly. There is little housing in rural areas that

is specifically geared to older age groups, such as sheltered housing.

Without easy access to key services, such as food shops and primary health care, older people risk being isolated and vulnerable. In rural areas especially, no longer being able to drive a car can become a turning point. Public or community transport provision can therefore make a huge difference to quality of life.

There are many excellent local community and voluntary sector initiatives which help older people in rural communities. They play a key role and offer good value for money. Indeed, there is scope for social enterprises to play a growing role. However, these initiatives are not cost-free to operate and the best complement public services.

10. Office for National Statistics, 2011-based population projections

THE RURAL SERVICES NETWORK CALLS UPON AN INCOMING GOVERNMENT TO:

- Ensure, as noted earlier, that the formula used to allocate local government finance properly takes better account of the additional cost of delivering services such as adult social care in rural areas.
- Ensure that where older people's support services are subject to competition, new providers cannot cherry pick and simply deliver in urban centres where it is easier for them to keep costs down.
- Ensure that opportunities presented by the Care Act and Children's & Families Act take account of rural issues, such as gaps in primary care capacity which can impact on adult social services. Extend the Better Care Fund beyond its current timescale.
- Decentralise more health services to primary care settings, to improve their rural accessibility, and offer more preventative services within GP surgeries.
- Identify and promote delivery models such as outreach provision, which take services to users. More services could be delivered to older people's homes or nearby outlets, for example repeat prescriptions taken to village post offices.
- Support local initiatives such as Good Neighbour, Village Agent and First Contact schemes, which help older people remain in their own homes and improve their quality of life. They can also deliver valuable services, such as fire safety checks. Ensure such schemes have routes to grant funding to establish and sustain them.
- Promote a market-led approach to specialist housing development, which offers older people a choice of both market and affordable homes where they can continue to live independently. This would also release more housing for younger rural households. Enabling the development of 'granny annexes' or similar, would also help.

Tackling Fuel Poverty



Rural areas have a high proportion of households in fuel poverty, with many off the mains gas network or living in solid wall homes. Advice to help fuel poor households must reach rural communities and policies like the Energy Company Obligation need revising to meet rural needs.

Rural households are more deeply affected by fuel poverty than households elsewhere. That is, there are many households with an income below the poverty line and higher than typical energy costs. As such, they struggle to afford to keep their homes at an adequate temperature, placing their health and wellbeing at risk. Rising energy bills are a particular worry for these households.

Although the incidence of fuel poverty is no greater in rural than in urban areas, the depth of fuel poverty is significantly greater in rural areas. On average the fuel poverty gap – or the extra income a household needs to move out of fuel poverty – is over £800 in rural areas compared with £332 in urban areas.

This is partly explained by the number of rural properties which are off the mains gas grid and which

therefore rely upon more expensive oil fired, electrical or solid fuel heating. Whereas nationally almost 85 % of households have a (mains) gas fired central heating system, in villages fewer than half do. Moreover, those without mains gas cannot benefit from dual fuel discount packages (for gas and electricity bills).

Homes which depend on heating fuels other than gas have much lower energy efficiency than those with gas central heating. Almost half of those without gas are rated as F or G on the EPC scale (where A is best and G is worst). Less than 10 % of gas heated homes fall into these categories.

Another explanation is the relatively high number of older properties in rural areas which are solid wall construction, and so harder and more expensive to

insulate. A third of oil heated homes are also solid wall homes.

The fact that local wages are often low in rural areas is a further contributory factor.

The Government has published a new fuel poverty target: "To ensure that as many fuel poor homes as is reasonably practicable achieve a minimum energy efficiency standard of Band C by 2030, with interim targets of Band E by 2020 and Band D by 2025."

There is a history of Government policies to address fuel poverty and energy efficiency which, while well intentioned, have been poorly designed for rural needs and insufficiently delivered to rural communities.

The Energy Company Obligation (ECO), which should help, puts a legal obligation on large energy suppliers to deliver energy efficiency improvements to eligible customers. This includes a rural target (or sub-obligation) that 15 % of improvements delivered under the Carbon Saving Communities Obligation part of ECO should be in rural areas. However, suppliers were given full discretion regarding the extent of support and the measures delivered. Evidence suggests they are offering only a limited range of measures to eligible households in rural areas, if at all. As a result, less than 1 % of measures delivered by July 2014 were

to rural households, massively undershooting the target. Since ECO is funded from a levy on consumer bills, the cost burden is being felt by vulnerable rural consumers who are failing to benefit.

Delivery of energy efficiency schemes such as ECO appears to be disappointing. Awareness amongst rural householders is low and there is widespread confusion about the options. It is apparent that households need access to sound, independent advice. The Calor FREE rural fuel poverty initiative has shown that additional effort is needed to get messages and advice out to rural communities.

11. The Government's definition of fuel poverty was changed in 2014. According to the previous definition, some 18.4 % of all rural households were in fuel poverty (DECC statistics for 2010), there being particularly large numbers in the smallest settlements and in sparsely populated areas.

12. A DECC statistical release in September 2014 shows that just 1,273 out of the 179,371 measures delivered by July 2014 (or 0.7 %) were in rural areas.

THE RURAL SERVICES NETWORK CALLS UPON AN INCOMING GOVERNMENT TO:

- Recognise that fuel poverty is a significant rural issue and that rising fuel prices hit many rural households hard. Policy initiatives should therefore target rural needs and be designed to suit rural circumstances.
- Maintain the current value of the Winter Fuel Payment for pensioners. This is hugely important for a vulnerable segment of rural society, who might otherwise worry about fuel bills. Government should consider paying it earlier in the year when oil fuel and LPG prices tend to be lower.
- Pay close regard to the guidance which is being drawn up by NICE into excess winter deaths and illnesses, devising policy actions to support its implementation.
- Amend the eligibility criteria for phase two of the Green Deal Home Improvement Scheme so it applies to oil and LPG boilers.
- Press energy providers hard to meet the 15 % rural target for ECO and to refocus their efforts on solid wall homes. The rural fuel poor, who contribute to ECO through their energy bills, must start to see more benefits.
- Ensure that free advice about energy saving measures is both available to and reaches rural communities. Work with and support the local authorities and organisations (such as Calor, NEA and the ACRE Network) who seek to provide it.
- Support and promote those organisations and communities which establish practical help through Oil Bulk Buying schemes to cut bills for households that have oil central heating systems.

Viabale Village Services



The Rural Services Network believes that local services – such as village shops, pubs and post offices – are at the heart of functioning communities, as well as offering a lifeline to many vulnerable residents. Their steady erosion needs to be addressed and reversed.

When the last outlet closes, it is often no exaggeration to say that a tipping point has been reached. A focal point in the community has gone and a place where residents would meet has disappeared. There is now little option but to climb in the car and go elsewhere. Those who find it hard to travel may become isolated. Job opportunities in those local outlets no longer exist and the money that was spent in them flows out of the community.

According to CAMRA the (net) number of pub closures during 2013 was 28 per week. These, of course, were both in rural and urban locations. Closures can arise from a combination of factors, including competition from retail sales of alcohol. Other factors can include costly leasehold and tenancy agreements, and freeholders seeking to realise the value of their assets by converting pubs into residential property.

The Post Office offers a wide range of postal, financial and government services locally to communities. It claims to sell or deliver around 170 products, albeit not all will be available at a rural sub-post office. Many of these outlets are co-located with a village shop or general store, with each helping to sustain the other.

Over the long term the rural post office network has shrunk markedly, as a result of network restructuring, the loss of business to competitors and online services, and difficulties replacing sub-postmasters/mistresses when they retire. Closure rates have been modest in recent years and there are access criteria which aim to ensure that 95% of the population continues to live within 3 miles of a post office outlet.

In March 2013 there were 6,429 UK post offices located in a rural area – 55 % of the total network – which illustrates how much they remain an opportunity for rural service delivery.

As a result of the Network Transformation Programme many rural post offices are being turned into a Post Office Local, which is not only co-located with another outlet but also shares a counter and staff. This has pros and cons. Some customers like having different services under one roof, whilst others feel discomfort at the lack of privacy or security for financial transactions. Post Office Locals also offer a limited range of post office products.

The Rural Services Network is concerned that the Universal Service Obligation (USO) which requires the Royal Mail to deliver six days a week to every address

will come under financial pressure and review at some future date. With other postal providers able to operate only in commercially profitable urban areas, it makes it almost inevitable that questions will arise.

Commercial village shops have been closing at a rate of around 400 per year. However, a rural success story of recent years has been the growth of community-run shops, pubs and other local enterprises. According to the Plunkett Foundation there are now 316 community-run shops. There are also around 150 community-run pubs, some assisted by the Pub is the Hub initiative. Such initiatives can bring a community together and these shops appear to have a very good survival rate.

THE RURAL SERVICES NETWORK CALLS UPON AN INCOMING GOVERNMENT TO:

- Commit that there will be no programme of post office closures during the lifetime of the 2015 to 2020 Parliament and the access measures for the post office network will be maintained. Statistical access measures are inevitably quite crude, so it is important the Post Office identifies and seeks to plug geographic gaps in its network.
- Evaluate the strengths and weaknesses of the Post Office Locals model, to identify where improvements could be made to address customer needs. This should test the long-term viability of the approach, since it makes the income of post offices entirely based on their sales and does away with the fixed core payment.
- Do more to invest in the future of Community Post Offices, which are typically the last shop in the village. View this extensive rural network as an opportunity for government and public service delivery. Establish a Post Bank, owned by the Post Office, to offer a full range of banking services through its network.
- Encourage the public sector to look to local rural retailers and outlets to improve access to their services. Examples include library drop-off points and prescription pick-up points within village shops. Anyone living more than five miles from a dispensing chemist should be offered some nearer or alternate means of collection.
- Support and uphold Local Plan policies and Neighbourhood Plan policies which seek to retain vital village services and facilities by placing restrictions on their permitted change of use e.g. into residential.
- Uphold the Royal Mail USO and introduce measures that stop blatant cherry picking by other postal operators, to the detriment of rural customers.
- Review experience to-date with the Community Right to Bid, to assess how well it has worked and whether improvements can be made.
- Analyse information about pub closures and the underlying reasons. If this indicates a problem with leasehold and tenancy arrangements, initiate a review in order to address the concerns. Research new and innovative financial approaches that could sustain pubs.
- Seek to enhance the support and seedcorn funding that is available to communities, including from the National Lottery. The Village SOS learning programme, which gives £1.4 million over two years to the ACRE Network, is a helpful start. Funding needs to provide both direct project grants to rural communities, and grants to bodies or networks which can advise and support communities with their endeavours.

Broadband and Mobile Connectivity



The Rural Services Network wants all rural businesses and communities to share in the opportunities available with a fast broadband connection. Public sector programmes should set more ambitious targets and focus investment on places which are being left behind.

Access to a fast broadband connection has become a factor which helps determine both an area's and a community's prospects. It is a 'must have' of modern life. Business competitiveness is boosted through efficiency and innovation opportunities. It enables household access to services, home working, employment searches and applications, children's education and homework, as well as social interaction among families, friends and citizens. Broadband has the potential to address constraints that arise from rural geography.

Significant numbers of rural businesses and households do not have access to a superfast broadband connection (defined as 24 Megabits per second or Mbps). Figures for 2013 from the regulator, Ofcom, show that just 25% of premises in small settlements, with a population of less than 2,000,

had the option of superfast broadband. The commercial roll out of these networks has focussed on urban centres where 88% of premises had the option.

There are still rural areas without a basic broadband connection (defined as 2 Mbps). Ofcom figures for 2013 show that 3% of all households do not have this available to them. Those households will be concentrated in deep rural or sparse rural areas.

The position is changing rapidly as operators extend their superfast broadband networks. Nonetheless, it remains the case that the most rural areas are losing out. Some 28% of rural residents and 63% of rural businesses indicate dissatisfaction with the speed of their broadband connection (Europasat and Federation of Small Businesses surveys).

The Government's Rural Broadband Programme is investing £780 million, match-funded by local authorities (and another cost burden not faced by urban authorities), to help meet its 2017 targets of superfast broadband reaching 95% of premises and all premises having at least a 2 Mbps connection. £10 million is now being used to fund innovative broadband technologies in hard-to-reach areas.

This investment is certainly to be welcomed, though the initial pace of the programme's roll out was disappointing. Of course, it leaves around 5% (nationally) without a superfast connection which represents a sizeable proportion of premises within the most rural areas. The fallback, of having at least 2 Mbps, looks increasingly dated and problematic. Indeed, the achievements of the programme so far should not lead anyone to think the issue is largely resolved: remaining areas are likely to prove the hardest and costliest to provide for.

Issues which have delayed the investment to-date include difficulties with value for money and match-funding in the most rural areas, and inadequate information about the largest network provider's coverage. There is a need for more fine-grained information about broadband provision, at a premises level. Current information is only at a postcode area level and does not identify all the gaps in provision.

There is scope to better promote the take-up of superfast broadband including, from a business perspective, its exploitation to drive economic advantage and rural growth.

The use of mobile devices to access the internet has increased exponentially and this looks set to continue with the roll out of high-speed 4G networks. The Government's Mobile Infrastructure Project is helping procure networks in some places ('not spots') where there is no signal from any provider. However, Ofcom analysis finds that 1% of premises are without any 3G signal that would be required for mobile internet access. A far more common issue is rural places having some mobile coverage, though not from all Mobile Network Operators.

One of the licences awarded for 4G networks is intended to provide for 95% of the population by 2017. Whilst helpful up to a point, again this implies many rural communities still being off the map.

Two issues demand urgent resolution, these being to:

- Permit greater flexibility in what its agency, BDUK, allows to be counted as match funding for Government broadband investment programmes, so that local projects with allocations can actually proceed.
- Demand that providers (who receive public funds) release detailed information about superfast broadband availability at a premises level and costs, so that public programmes have the information needed to target investment and community-led schemes can proceed with more certainty.

THE RURAL SERVICES NETWORK CALLS UPON AN INCOMING GOVERNMENT TO:

- Recognise that fast broadband infrastructure is now of fundamental importance to rural economies and communities. Without it the nation's rural areas will be at a significant disadvantage, with impacts on business performance and access to services amongst other things.
- Introduce a more ambitious target for universal provision, set much higher than 2Mbps. Explore the scope for an up-to-date Universal Service Obligation for broadband.
- Focus its broadband strategy and investment on achieving coverage where there is genuine market failure, with no broadband available or in prospect, instead of diverting funding to places likely to be commercially viable.
- Set out in more detail how and when it intends to reach the 5% of premises outside its main superfast programme, making use of innovative technologies. Expand the £10 million funding pot for this work.
- Lobby hard for a relaxation of State Aid rules applied to networks built with public subsidy. The current rules present both technical and commercial barriers to providing solutions in the deepest rural areas.
- Examine how improved mobile phone network coverage and competition can be achieved in rural areas, by encouraging more mast sharing between operators and by arguing for regulated access to BT's backhaul infrastructure for other 4G operators.

The Rural Economy



Rural economies are a significant part of the national economy and have considerable potential, if also some weaknesses. It is vital that grant programmes and business support programmes reach into and benefit rural areas if their potential is to be realised.

Predominantly rural districts account for almost a fifth of England's economy. In 2010 they generated 19% of Gross Value Added or £211 billion. A further 12% derived from districts which are defined as significant rural. They will be significant contributors to future national economic growth and a successful jobs market. It is therefore imperative that rural areas are enabled to thrive.

Rural economies are also surprisingly (to some) diverse. The pattern of employment, when broken down by economic sector, is broadly similar to that found in urban areas. Leisure and tourism is a key employer in many rural areas.

Agriculture is some way from being the main employer, but it remains locally important, especially in remoter and upland areas, and when considered

alongside food production businesses. Farm land is also the primary land use.

A specific issue is the proportion of farmers approaching retirement age. It is estimated the agricultural industry will need an extra 60,000 new entrants over the coming decade. Specialist colleges play a crucial role in training new and recent recruits, matched to the needs of the industry.

Small businesses make up the vast majority of rural based businesses. Hence, 26% of English businesses are registered in a rural area, but they account for 13% of employees and 9% of business financial turnover.

Wages tend to be low in rural areas, particularly in more peripheral geographies. There is a need to

attract higher value and more secure employment into many areas.

All the evidence shows that businesses in rural areas have the same needs as those based elsewhere in order to start-up, grow and survive. Issues such as transport, broadband connectivity and the land use planning system, covered earlier in this document, are of great importance. A local planning system that is allowed to function effectively will deliver businesses premises, housing for a workforce and supporting infrastructure.

Firms also need access to a suitably trained workforce and will benefit from accessible business support and advice services. Whilst this can pose challenges, a Federation of Small Businesses survey found 37% of its rural members had used some form of central government funded support and 38% some form of local government funded support.

Local Enterprise Partnerships (LEPs) are the main current vehicle for delivering economic growth at a local or sub-regional level. It is vital that their Growth

Plans take full account of rural needs and design interventions accordingly. Being focussed on priorities must not mean overlooking small scale interventions typically required in rural areas. This needs to recognise the interdependence between economic opportunity and the natural environment.

EU funding streams for the period to 2020, such as the European Agriculture Fund for Rural Development and the LEADER programme, will undoubtedly prove valuable, though the Rural Services Network wishes they had been given a larger slice of the EU funding pot. They should be used to bend other (larger) programmes and lever in additional resources to rural areas. Any further guidance issued by Government guidance e.g. that due to LEADER groups, should offer them as much flexibility as possible to meet local rural needs.

13. Statistical Digest of Rural England 2014, Defra.

THE RURAL SERVICES NETWORK CALLS UPON AN INCOMING GOVERNMENT TO:

- Recognise the important contribution that rural areas make to the nation's economic wellbeing and reflect this explicitly in its growth policies.
- Insist that all Local Economic Partnerships (LEPs) whose geographies include rural communities and rural based businesses are clear how their Strategic Economic Plans will benefit them. This should apply to LEPs whose areas are mainly urban, as well as to those in more obviously rural locations.
- Have LEPs appoint someone to their Boards with a clear role to act as a rural champion. When monitoring the impacts of their programmes, LEPs should measure and publish figures about the impacts on their rural communities and businesses.
- Ensure that Growth Fund support managed by LEPs is available to micro and small businesses, and does not overlook rural by dint of focussing on larger firms.
- Ensure that it learns and promotes lessons from the Rural Growth Pilots, which have been funded by Defra, and implement the findings from their ongoing evaluation.
- Fund local authorities to be part of the solution helping deliver Jobcentre Plus services locally in those rural places where this (very urban based) service to help people back into employment is not otherwise easy to physically access.
- Continue its funding for the 'Wheels to Work' scheme coordinator posts. This is a simple and cheap way to support local projects that predominantly help young people in rural areas with transport to access training and employment opportunities. In many cases older age groups could usefully be eligible to benefit from these projects.
- Act upon the recent report from the Higher Education Funding Council for England, which identified geographic gaps in university/HE provision in rural areas and which highlighted the key role the sector plays in workforce skills and economic growth.
- Maintain funding support for the specialist colleges that are central to the supply of skilled personnel ready to enter the agricultural and land-based sector.

Rural Proofing



The Rural Services Network wants to see all Government policy making being subject to rural proofing, so sufficient early thought is given to how those policies will benefit rural communities and so any unintended rural consequences can be identified.

There are few specifically rural policies or programmes. In most cases the policies delivering to rural communities and businesses are national or mainstream policies. This is evident, for example, in areas as diverse as education, health and social care, policing, transport, taxation, business support and land use planning. How those policies play out and are delivered in rural areas is therefore of critical importance.

It is far from a given that their impact will be the same in different types of neighbourhoods, from city centre to rural village. Even within rural areas there will be differences. National or sub-national policies that have been designed with the (urban) majority in mind may not suit rural circumstances and may not prove effective there.

This can be especially true when policies seek to target needs by focussing on places with concentrations of needy people – area-based policies. Because rural needs are typically scattered they are frequently overlooked by geographic measures or indicators of need.

Rural proofing of policies, starting early at the policy development stage, is therefore of considerable importance. Whilst there is still progress to be made, the Rural Services Network acknowledges that Defra and its Rural Communities Policy Unit has played a key role in helping civil servants in other Whitehall departments to think rural.

As a general rule, the more flexible policy design is and the more devolved its delivery is, the more likely it

will be suited to local circumstances and bring about benefits for rural communities. Current debates about devolving powers away from the centre in England are highly relevant. These should focus on devolving to existing structures and should not seek to impose a restructuring of local government or to impose combined authorities. The Rural Services Network

stands ready to assist central Government with rural proofing and to comment on emerging policy proposals.

It has followed closely the review of rural proofing being undertaken for Defra by Lord Cameron of Dillington.

THE RURAL SERVICES NETWORK CALLS UPON AN INCOMING GOVERNMENT TO:

- Recommit to the principle of rural proofing by Whitehall and its delivery agencies, to ensure a fair outcome for rural communities. Make clear that that commitment comes from the top and has the backing of the Prime Minister and Cabinet.
- Apply rural proofing rigorously to its post-2015 programme for Government. In particular, to think carefully about the targeting of needs-based policies to ensure they reach rural communities.
- Make sure that any proposals drawn up to devolve powers away from the centre within England give as much consideration to rural areas as they do to large cities or city-regions.
- Ensure that Defra's Rural Communities Policy Unit (or any future equivalent) is given both the clout and resources to work across Whitehall, supporting other departments with their rural proofing. Its co-ordination and promotional role will be vital.
- Ensure that consultation during policy development includes rural stakeholder organisations (like the Rural Services Network and ACRE) and rural communities.
- Enforce better the system, whereby departments assess the likely rural impacts – among other impacts – of proposed policy developments in Impact Assessments. Their assessment should show the financial consequences for rural areas (relative to other types of area).
- Produce an annual report on its rural proofing work for scrutiny by the Environment, Food & Rural Affairs Parliamentary Select Committee.

MEMBERSHIP OF THE RURAL SERVICES NETWORK

SPARSE MEMBERS (125)

Allerdale, Ashford, Aylesbury Vale, Babergh, Bath and North East Somerset, Boston, Braintree, Breckland, Broadland, Carlisle, Cherwell, Cheshire East, Cheshire West and Chester, Chichester, Cornwall, Cotswold, Crave, Cumbria, Daventry, Derbyshire Dales, Devon, Dover, Durham, East Cambridgeshire, East Devon, East Hampshire, East Hertfordshire, East Lindsey, East Northamptonshire, East Riding of Yorkshire, East Sussex, Eden, Essex, Fenland, Forest Heath, Forest of Dean, Hambleton, Hampshire, Harborough, Harrogate, Herefordshire, Hinckley and Bosworth, Horsham, Huntingdonshire, Isle of Wight, Isles of Scilly, King's Lynn & West Norfolk, Lancashire, Lewes, Lichfield, Lincolnshire, Maldon, Malvern Hills, Melton, Mendip, Mid Devon, Mid Suffolk, Mid Sussex, New Forest, Newark and Sherwood, Norfolk, North Devon, North Dorset, North Kesteven, North Lincolnshire, North Norfolk, North Somerset, North Warwickshire, North West Leicestershire, North Yorkshire, Northumberland, Nottinghamshire, Oxfordshire, Purbeck, Ribble Valley, Richmondshire, Rother, Rugby, Rutland, Ryedale, Scarborough, Sedgemoor, Selby, Sevenoaks, Shepway, Shropshire, Somerset, South Cambridgeshire, South Derbyshire, South Hams, South Holland, South Kesteven, South Lakeland, South Norfolk, South Northamptonshire, South Oxfordshire, South Somerset, South Staffordshire, St Edmundsbury, Stafford, Staffordshire, Stratford-on-Avon, Stroud, Suffolk, Suffolk Coastal, Tandridge, Taunton Deane, Teignbridge, Tewkesbury, Torrington, Tunbridge Wells, Uttlesford, Vale of White Horse, Waveney, Wealden, West Devon, West Dorset, West Lindsey, West Oxfordshire, West Somerset, West Sussex, Winchester, Worcestershire, Wychavon, Wyre Forest

RURAL ASSEMBLY (24)

Barnsley, Blaby, Bradford, Bromsgrove, Calderdale, Canterbury, Chorley, City of York, Dartford, Gateshead, Gedling, Guildford, Lancaster, Redcar and Cleveland, Rotherham, Solihull, Sunderland, Swindon, Telford & Wrekin, Tendring, Wakefield, Warwick, Wellingborough, Wycombe

RURAL SERVICE PARTNERSHIP (85)

South Central Ambulance NHS Trust, Oxfordshire Ass. Of Local Councils, Senior Council For Devon, Consumer Council for Water, Dartmoor National Park Authority, Exmoor National Park Authority, Northamptonshire Fire & Rescue Service, Shropshire & Wrekin Fire & Rescue, Warwickshire Fire & Rescue Service, Nottinghamshire Healthcare NHS Trust, Royal Cornwall NHS Hospitals Trust, South Devon Rural Housing, English Rural Housing Association, Hastoe Housing Association, Shropshire Rural Housing Association, Shropshire Housing Group, Countryside Alliance, Federation of Small Businesses, National Association of Citizens Advice Bureaux, National Association of Local Councils, National Farmers Union, National Federation of Sub Postmasters, Plunkett Foundation, Rural Shops Alliance, Arts Council England, Age UK, UK Youth, Bus Users UK, National Federation of Women's Institutes, Royal Mail, Campaign for Better Transport, Chichester in Partnership, West Mercia Probation Trust, Trans Pennine Express, EYMS Group Limited, First Group (Buses), Norfolk Green Bus Company, ACoRP, ACRE, Calor Ltd, Landex (and each of its 36 member colleges), South Holland Rural Action Zone, The Silvanus Trust, Church in Wales, Rural Cultural Forum, APSE (Association Public

Service Excellence), Business in the Community, Community Transport, Institute of Rural Health, National Housing Federation

FIRE SIG GROUP (12)

Cumbria, Devon & Somerset, Dorset, Hereford & Worcester, Lincolnshire, Norfolk, Northamptonshire, Shropshire, Suffolk, Warwickshire, West Sussex, Wiltshire

INFRASTRUCTURE GROUP (11)

Anglian Water, Centrica (British Gas), EDF, LoCo2 Energy, Mobile Operators Association (MOA), Npower, South East Water, South West Water, South Staffs Water (Cambridge Region), Thames Water, Wessex Water

RURAL HEALTH NETWORK (13)

Lincolnshire Rural Support Network, Dispensing Doctors' Association, Royal Pharmaceutical Society, NHS Nottinghamshire County, Partners in Health (Midland) Ltd., NHS North Derbyshire CCG, Devon County Council, New Devon CCG, Somerset County Council, Community Council of Devon/Healthwatch Devon, NHS England, Dr D Lee, Harborough Health and Wellbeing Partnership.

RSN/RURAL HOUSING ALLIANCE (11)

Nottingham Community Housing Association, Cornwall Rural, Midlands Rural, Green Square Group, Wiltshire Rural, Lincolnshire Rural, Gloucestershire RCC, Eden, Aster Homes, Housing Plus Group, Cirencester Housing Society

If you would like further information about the Rural Services Network or to join please contact us:

Rural Services Network
Kilworthy Park,
Tavistock, Devon
PL19 0BZ
01822 813641
www.rsnonline.org.uk
info@rsnonline.org.uk
twitter: @rsnonline

