



## Time for a Rural Strategy: Our messaging

The following document sets out our top line asks of Government and tailored messages and proof points for engaging with Government. It is aimed at helping to achieve cut-through with Parliamentarians in particular and designed to help make you our case and shape discussions with these individuals.

### Overarching message

- **SCENE SETTER:** England's rural areas are home to 9.4 million people according to 2016 population estimates. That is, 17% of the population of England live in small rural towns, villages, hamlets and isolated dwellings. This is more people than live in Greater London.
- **THE PROBLEM:** Rural communities are not a focus of Government decision-making and are frequently overlooked in a policy environment dominated by urban thinking and by urban policy concerns. As a result, these communities miss out on important benefits, or experience unintended consequences from policies which are poorly thought through from a rural perspective. In addition there can be distinct challenges in delivering to small and spread out settlements or where economies of scale are harder to achieve
- **THE SOLUTION:** In order for rural communities to be sustainable, mainstream policies must be workable in rural areas. Change is needed to overcome years of underinvestment and public sector austerity and issues with the rural policy framework.
- **WHY NOW:** With Brexit just around the corner, there is an urgent need for a new settlement for rural areas, which replaces the current model based heavily on European Union policies and funding streams.
- **THE CALL TO ACTION:** It is time for a Rural Strategy which raises rural opportunities and challenges up the political agenda to benefit the national interest.
- The proposed Rural Strategy must be comprehensive, long term and properly resourced with local delivery being the preferred course wherever possible.

### Issue area: Thriving rural economy

**Key message:** Businesses of all types, sizes and sectors should be supported to prosper, grow, and provide decently paid employment opportunities. In 2020 EU programmes such as the LEADER and EAFRD initiatives will end. These have provided vital support for rural business growth, diversification and innovation. A new Rural Strategy must account for this and provide businesses with the support they need to create thriving local economies.

**Proof points:**

- Most registered businesses in rural areas are small. Almost 18% have no employees, being sole traders or partnerships. 84% of employees in rural areas work in SMEs.
- There is a significant outflow of people from rural areas commuting to urban-based jobs.

- Whilst the unemployment rate in rural areas is relatively low, many job opportunities are poorly paid, seasonal or insecure. Many have two or more part-time jobs to make ends meet. Median average earnings for rural employment are £21,400, 10% less than in England as a whole (£23,700).
- Some Local Enterprise Partnerships have failed to take rural priorities into account – focusing their efforts on large urban projects.

#### **A new Government Rural Strategy must:**

- Scale up the Government's ambitions for rural economies with the announcement of a significant investment programme.
- Ensure EU business support programmes are replaced with a dedicated, rural business – including social or community enterprises - support programme, which could be funded from the Government's proposed Shared Prosperity Fund.
- Rural proof the Industrial Strategy: Where new initiatives are tested this should include rural pilots and where groups are set-up to take forward elements they should include rural specialists.
- Ensure LEP Boards receive training on rural proofing and require all LEPs covering rural places to identify and target their priorities through a bespoke strategy or action plan, the delivery of which is monitored.
- LEP end of year reports should be required to state what has been delivered in rural areas.

#### **Issue area: Broadband and mobile connectivity**

- Key message: Digital infrastructure is essential for a modern economy and to enable fair access to services and other opportunities, yet there remains a noticeable gap between connectivity levels in rural and urban areas.
- If constraints to digital adoption in rural areas such as skills and recruitment could be overcome, it could unlock at least £12bn of extra productivity per annum. A new Rural Strategy is needed to ensure all rural households and businesses have the option of affordable and reliable access to broadband and mobile networks.

#### **Proof points:**

- In England's rural areas 15% of premises – households and businesses – are unable to access a broadband connection with the 10Mbps download speed –the speed Ofcom considers necessary for everyday online tasks.
- Indoor signal is still poor, with phone calls on all four networks only possible at 59% of premises in rural areas. 4G is only accessible inside 19%.

#### **A new Government Rural Strategy must:**

- Deliver the Government's plans for a rural first approach to using public funds to stop rural areas falling behind in the roll out of full fibre networks.
- Allocate funding for broadband rollout in the Spending Review to build on the £200m mentioned in the Budget.
- Reinforce the Government's efforts to promote the business benefits of upgrading to a superfast connection and encourage businesses to do so.
- Commit Ofcom to set sufficiently stretching targets when auctioning the next round of mobile network licences.
- Support the sharing of phone masts by providers (and if necessary regulate for) to increase coverage. Ensure rural communities feature prominently in plans to develop 5G networks.

## Issue area: Transport

**Key message:** Transport is crucial to life opportunities and poor links can compound isolation and loneliness. People of all ages must have the means to travel to services, jobs, and for social purposes.

**Proof points:**

- Rural residents need to travel on average 54% (over 10,000 miles) further than their urban counterparts and one in nine rural households does not have a car.
- Local authorities in rural areas have far less funding available to support bus services. In 2017/18 such expenditure in predominantly rural areas was £6.72 per resident, compared with £31.93 in predominantly urban areas. Expenditure to cover concessionary bus fares was £13.48 (rural) and £25.54 (urban).
- During 2016/17 alone, 202 bus services were withdrawn altogether in shire areas and a further 191 services were reduced or altered.
- Community transport schemes fall outside the current concessionary fares scheme.

### **A new Government Rural Strategy must:**

- Reverse the widespread decline in rural bus services and make them a more attractive option for rural travellers.
- Deliver sustained support for complementary community transport schemes and ensure future transport innovations benefit rural communities.
- Commit to examine rural transport needs as part of the Government's Future of Mobility work and produce recommendations.
- Ensure the continuation of the Bus Service Operators Grant at its current levels and double the Government's Community Minibus Fund with rural areas as a target focus.

## Issue area: Housing

**Key message:** Rural communities will only thrive if they are home to residents from mixed age groups and backgrounds. A new Rural Strategy must ensure that those who are brought up locally or work in rural areas have a chance to buy or rent a home they can afford.

**Proof points:**

- Average house prices are £44,000 higher in rural areas than urban areas.
- Options for those on low-incomes seeking social rented housing are typically limited in small rural settlements. Only 8% of households in villages live in social housing compared to 19% in urban areas.
- Two thirds of rural local authorities say that affordable housing delivery decreased in their rural areas in 2017. This follows a change in planning policy, with developers no longer required to include any affordable homes on small market development sites.
- For every eight rural homes sold to tenants under Right to Buy, only one replacement home was built severely depleting stocks.
- Second homes and holiday lets often add to rural housing pressures.

### **A new Government Rural Strategy must:**

- Put forward a realistic definition of affordable housing.
- Deliver a planning policy to fit rural circumstances and bring forward development sites at a price suited to affordable housing.

- Offer a specific grant programme designed by housing associations in small rural settlements for rural affordable housing.
- Take steps to reassure landowners that any land they release for rural exception sties will only be used for affordable housing and also widen to nearby parishes and settlements rather than local housing registers alone.
- Allow local authorities to retain 100% of the proceeds from Right to Buy sales to reinvest and replenish the stock of affordable homes in line with the Government's lifting of the cap on local authority borrowing to build social housing.

## Issue area: Health and welfare

**Key message:** Rural communities often experience difficulties in accessing health and support services with poor transport links and sectoral recruitment issues creating barriers to access, as well as contributing to isolation. We need a Rural Strategy to break down these barriers so rural communities have equal access to services at equal cost, and are better prepared to cater for their ageing population.

**Proof points:**

- By 2039 half of rural households will contain people aged 65 or over.
- Rural and urban areas receive similar funding (per resident) under the NHS allocations to CCGs but this does not reflect the older rural demographic, which places extra demand on NHS services.
- NHS Sustainability and Transformation Plans (STPs) examine and redesign health services, but few have taken rural needs into account.
- Rural residents face an additional cost burden for adult social care provision. In 2017/18 they funded 76% of the cost of this through Council Tax. The urban comparator figure was 53%.
- Rates of delayed transfer of care from hospitals are higher in rural areas.
- Rural residents face longer journeys to reach a GP surgery than their urban counterparts. Those who travel by public transport (where it is available) or walk have an average 18 minute journey, compared with nine minutes in urban areas.
- Home care providers face various challenges, including difficulties recruiting staff and unproductive staff travel time between geographically spread clients.

**A new Government Rural Strategy must:**

- Deliver fair allocation of funding that reflects patterns of demand, accounts for extra costs of service provision and includes statutory social care provisions funded by central Government.
- Place emphasis on preventative approaches and encourage innovation, looking beyond traditional care models, for example to seek more local delivery for some services.
- Incorporate a housing policy ready for an ageing population: housing provisions for older people should be included in the Social Care Green Paper.

## Issue area: Access to jobs, skills and training

**Key message:** Young people from rural areas often experience difficulties travelling to Further Education colleges or sixth forms, curtailing their opportunities. A new Rural Strategy must ensure opportunities for jobs, skills and training are available to so young people can remain local and to stem 'brain drain'.

**Proof points:**

- Average annual earnings in rural areas are £21,400, 10% lower than the England average of £23,700.
- There is a significant outflow of people from rural areas commuting to urban-based jobs or sixth forms.

- Young people from rural areas often experience difficulties getting to Further Education colleges.

A new Government Rural Strategy must:

- Recognise those travelling to post-16 education or training should be entitled to subsidised bus fares. Those aged 17 and 18 should receive the same free travel as the statutory and reimbursed provision for those up to 16.

## Issue area: Education

**Key message:** Rural schools play an important role at the heart of their communities and it is imperative to help them face rural challenges, remain sustainable and deliver high quality education. A new Rural Strategy must deliver a fairer funding formula to ensure all schools are properly resourced to ensure young people get the best start in life no matter where they live.

**Proof points:**

- More than 33% of rural schools can be defined as 'very small', 29% as 'small', against five and 16% of urban schools respectively.
- Running costs (per pupil) increase as school size shrinks and rise sharply where schools have fewer than 50 pupils. Core costs, such as teaching salaries, energy bills and catering, are all typically above average.
- Many rural schools have older buildings which are expensive to run and maintain.
- Teaching and support staff in rural schools frequently need to multi-task, meaning many pupils are taught in classes with mixed age groups.
- A third of rural head teachers say location impedes their ability to attract new teaching staff.
- Given their higher cost base, small or isolated schools are often seen as unattractive by Multi-Academy Trusts.

**A new Government Rural Strategy must:**

- Restate the Government's presumption against school closures.
- Deliver a National Funding Formula allowing for more than minimum staffing levels and should benefit all small rural schools.
- Set aside sufficient funding for smaller schools and make extra support available for small rural schools to collaborate.
- Ensure exposure to rural schools during teacher training and boost the provision of (affordable) key worker housing.

## Issue area: Public sector funding cuts

**Key message:** Central Government has historically and systematically underfunded rural areas giving them less grant per head than urban areas despite the fact that it costs more to provide the services. A new Rural Strategy must rectify this historic imbalance and take proper account of the added cost of rural service delivery while facilitating more decision-making locally, by those who understand the area.

**Proof points:**

- In 18/19, urban authorities will receive 49.34% (£123) per head in Settlement Funding Assessment grant more than their rural counterparts.

- Rural residents pay on average 20.17% (£91) per head more in council tax than urban counterparts due to receiving less government grant.
- From 2011 to 2017 revenue funding to pay for local authority services was reduced by £16 billion.
- There are roughly 10,000 Parish and Town Councils, mostly in rural areas. Increasingly, they are taking on facilities and services which principal local authorities can no longer afford to run.

**A new Government Rural Strategy must:**

- End the long funding squeeze to take pressure off vital services now at risk.
- Move to fair funding allocations.
- Remove the Government's threat to impose a cap on increases to the precept charged by parish and town councils.