

The Right Honourable Simon Clarke MP
Chief Secretary to the Treasury
11 Downing Street
London SW1 1AA

30th September 2021

Dear Chief Secretary

SR21: Achieving the Government's objectives in rural communities

Congratulations on being appointed as Her Majesty's Chief Secretary to the Treasury. It is very helpful again to have someone in this role with a strong constituency understanding of rural communities.

The ACRE Network covers all of England through its 38-member charities. Our focus is on the wellbeing of all people living in all rural areas of England, especially those who are at risk of isolation and disadvantage, and for whom rurality brings an additional challenge and cost to their daily lives.

We welcome the clear exposition of Government priorities, set out in the Chancellor of the Exchequer's letter to Secretaries of State on 7th September. We have used these as headings, below, to outline some of the specific areas in which the Spending Review could make a difference to the lives of the 17% of the population who live in rural areas.

a. Ensuring strong and innovative public services – making people's lives better across the country by investing in the NHS, education, the criminal justice system and housing.

- One of the innovations in delivery of public services that has the most potential to improve outcomes and deliver efficiencies for rural people, is the pursuit of shared outcomes across public sector organisations and the voluntary sector. This has particular resonance in rural areas where community, and place based, initiatives can break down 'silos' of public service and deliver what is needed by the community. We hope that you will extend further the Shared Outcome pilots and put particular emphasis on finding 'economies of scope' through working with rural communities. **We have made more detailed proposals in the attached document.**
- We urge you to restore financial support for young people accessing post-16 education in rural areas. The costs of travel, and absence of public transport in

some rural areas, results in some young people missing out on opportunities and risks wasting their potential. In our detailed submission, attached, we have included some calculations for a modest scheme that could assist with this.

- The NHS, and more locally, new Integrated Care Boards, must be given sufficient resources to enable them to ensure an equity of access to primary and secondary health care for rural people. They must be encouraged to factor-in the distance-costs of reaching, secondary care that has had to become increasingly specialised and centralised. In practice this means the budget for **Non-Emergency Patient Transport** should be sufficient to allow fair and equal access and not require the NHS to ration help with transport based on narrowly defined medical need.
- The Government's long-term intention to increase resources for social care is very welcome as the age profile of many rural areas makes this a growing issue. It is important that the financial regime for Councils and/or Integrated Care Boards takes account of the inevitable travel downtime involved in **care provision in rural areas** and consequent lower, apparent, productivity. Rural areas must be able to calculate costs of providing care based on a higher unit cost of care than urban ones and be funded to meet this.
- We fully support the case being made to you by the National Community Land Trust Network for increased **support for community led housing initiatives**. Many young people choose to move away from rural areas to seek new opportunities, however we firmly believe that young people must not be forced to do so because of limited access to genuinely affordable housing.
- Across the entire range of public services, it is essential that Government does not commit to a '**digital by default**' approach until people in all rural areas have affordable access to the digital infrastructure that would make this possible. If Government departments, such as the Department of Justice, can make cost savings by paring back on their physical 'footprint', the savings must be applied first to helping those who are digitally excluded to access their services.
- In rural areas many services are provided by communities themselves in buildings owned and run by local people. We support the proposal from Defra that the **Village Hall Improvement Grant Fund (VHIG Fund)** be continued with a further allocation of capital funding of between £3m and £5m. This year is the Centenary of the National Village Halls Service, now run by the charity ACRE, and this would be a fitting means of celebrating and rewarding the tens of thousands of volunteers who do so much to support communities through managing their local village halls.

b. Levelling up across the UK to increase and spread opportunity; unleash the potential of places by improving outcomes UK-wide where they lag and working closely with local leaders; and strengthen the private sector where it is weak.

- The term 'levelling-up' has come to be used by the media, and some lobby groups, to exclusively mean raising opportunity and productivity in the North to the same level as the South, but without placing any consequent brake on improvements there. The term, and the programme to achieve it, must go beyond this narrow definition and apply to **raising productivity and opportunity in all rural areas** as well.

- Many rural people feel they have been left behind as services have become centralised, public transport lost and their rural places viewed as just an attractive back-drop to be exploited by the visitor economy. We urge that whatever resources the public purse can afford to spend on 'levelling-up', these are applied to rural areas to improve opportunity and avoid making 'moving-away' synonymous with 'moving-up'. Only initiatives that are pursued with communities and focused on their aspirations will achieve this. **The ACRE Network stands ready to support rural communities in England in this and our proposals for this are attached.**
- For rural areas, the concept of 'rural-proofing' is an essential part of levelling-up. If policies and programmes are designed with urban areas in mind there will be unintended consequences in rural areas. It is not surprising that rural people have felt let down by what some have perceived as being urban-centric Governments. A firm commitment to rural proofing, and the expertise needed to achieve it throughout the public sector, must be a central feature of the Spending Review. **Again, the ACRE Network is ready to work with DEFRA to ensure rural-proofing actively links national aspiration with local action throughout England.**

c. Leading the transition to Net Zero across the country and more globally.

- England has around 10,000 community owned buildings in rural villages, usually named Village Halls. We urge you to support proposals to provide a substantial grant scheme for these buildings that will both enable them to become fully fit for modern purposes, but also exemplars of net-zero within their community. There are already some excellent examples in rural England, this Network could enable there to be an exemplar in every village. **Our detailed proposal for extension of the Village Hall Improvement Grant schemes is attached.**
- We strongly support calls for a 'just transition' to net-zero. If the only way to change behaviour is to tax carbon out of the economy, then the product of that tax must be applied to giving practical support and assistance to those potentially most disadvantaged. The help will be essential to parts of the community, notably in rural areas, where reliance on carbon emitting technologies have become essential, and alternatives are harder to put in place. **We support the case being made by National Energy Action** for a comprehensive programme to tackle fuel poverty in line with achieving a 'just transition'.
- We welcome the initiative to over-provide, ahead of need, **EV charging points** throughout the country in order to lead public behaviour. Provision will be just as important in rural areas, but it will also be essential to budget for the **upgrading of fragile electrical distribution networks** in many rural areas. In the recent past there has been little incentive for the distribution networks to improve their resilience in disbursed rural areas as the cost of doing so would add to the cost of supply to consumers.
- We see a substantial synergy between levelling up of opportunity in rural areas and the achievement of net-zero. There will be scope for **new technologies, enterprises and skills in rural areas** that will mean rural young people will not have to move away to build a good life. Investment must be available to the rural economy, not just the traditional land-based economy but also in renewable technologies, carbon capture and the foundation economy that will help to insulate rural homes.

d. Advancing Global Britain and seizing the opportunities of EU Exit.

- One of the less reported local benefits of leaving the EU is the potential impact on procurement. We urge the Treasury to encourage local Councils, especially those dealing with social care, to make much greater use of micro-procurement at a village level. **Micro-business, social enterprises and self-employed people**, if encouraged and supported in the right way, could help to overcome the problems of higher unit costs in delivery of social care in rural areas.

e. Delivering our Plan for Growth – delivering on our ambitious plans for an infrastructure and innovation revolution and cementing the UK as a scientific superpower, working in close partnership with the private sector.

- The Plan for Growth must be a plan for all of the UK, urban and rural, not just for the major cities. The major cities have loud voices when demanding resources, rural areas must not be left behind again. Any long-term replacement for the Rural Development elements of the Common Agricultural Policy must put control in the hands of local people through successors of the LEADER local action groups. This will enable them to overcome the economic consequences of small and dispersed rural populations not always being well-served by market solutions. **Our proposal for a fair share of the UKSPF and Levelling-Up funds to rural areas is attached.**
- The infrastructure requirement of rural areas will be different, with a stronger emphasis on accessible and affordable broadband, improved access to education, better public transport and genuinely affordable homes. However, growth in the net-zero economy will also be more possible in rural areas if coupled with innovation in carbon capture and storage, renewable energy infrastructure and community-led initiatives on zero emission transport. **A more resilient, long-term, rural economy could be the prize for Government investing in our transition to this net-zero economy.**

Yours sincerely

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