

Ranil Jayawardena MP
Secretary of State for Environment, Food and Rural Affairs
Department for Environment Food & Rural Affairs
Seacole Building
2 Marsham Street
London SW1P 4DF

16 September 2022

Dear Secretary of State

May I, on behalf of the Rural Coalition, welcome your appointment as Secretary of State at Defra.

The Rural Coalition is an alliance of 13 national organisations, each with its own perspective, but who share a vision of a living and working countryside. We have joined together in common cause to ensure that the particular circumstances and issues affecting rural businesses and communities are properly understood and addressed by government and others. We enjoy a good working relationship with your Department's Ministers and officials and in particular, Lord Benyon, as Minister for Rural Affairs.

One of our key priorities is helping the Department to ensure effective rural proofing across government and that the rural voice is heard by your Cabinet colleagues and their Departments and built in to policies and their implementation at the start of the process. As part of this, during the recent leadership election, we identified a series of questions to be addressed on the key issues affecting the future of rural areas of England and the businesses and people within them. As the new Prime Minister and her Government develop their plans for the future, the Coalition has set out in the attached note what action it believes should be put in place across Government to respond to the issues we raised and to bring about real and positive economic growth and social change in rural England.

We recognise that to achieve these ambitions, of necessity, requires commitment and action over a period of time. Many of the underlying issues affecting rural areas are historical and longstanding in nature. However, in the

shorter term, the current major increases in the cost of living are having a severe impact on rural residents and businesses. The measures introduced already to address the problems caused, especially the rise of energy prices, are welcome, but, because of their particular circumstances, rural areas can be additionally impacted: many rural homes are off gas, are of older stock and harder to heat; the age profile tends to be older and, therefore, more vulnerable; rural residents and businesses already travel farther to essential services and markets and choice is limited; local businesses are small and particularly vulnerable to lack of staff and cost increases; local authorities can struggle to provide the range of support and services required, especially for adult social care; many services, available elsewhere through commercial or public providers, are provided through charities, community businesses and local groups, who are generally small and underfunded. All of this means that in rural areas the ability to be respond to the increase in costs etc is particularly challenging. It is essential, therefore, that, in developing measures to address the cost of living, the needs and circumstances of rural areas are clearly built in.

The Rural Coalition is anxious to make a positive contribution to tackling these important issues, both now and in the future, and we would welcome the opportunity to discuss them with you.

We look forward to working with you.

I am copying this letter to Lord Benyon.

Yours sincerely

Margaret Clark CBE Chair, Rural Coalition

Members of the Rural Coalition: Action with Communities in Rural England, CPRE – The Countryside Charity, Country Land and Business Association, The Arthur Rank Centre, National Association of Local Councils, National Centre for Rural Health and Care, National Farmers Union, National Housing Federation, Plunkett Foundation, Royal Institution of Chartered Surveyors, Royal Town Planning Institute, Rural Services Network, Town and Country Planning Association.

President: Rt Revd Dr Alan Smith, Bishop of St Albans

Action required to grow the rural economy and support rural communities in England

To ensure that the needs and circumstances of rural areas in England, and the people and businesses within them, were not overlooked during the recent leadership election, as a contribution to the wider debate, the Rural Coalition set out a series of questions addressing the key issues of importance to the future of rural areas in England.

With the new Administration now in place, the Coalition has set out what action it believes should be put in place across Government to respond to the issues raised and to bring about real and positive economic growth and social change in rural England.

The Coalition looks forward to working with the Government to achieve the best outcomes possible and to unlock the potential of rural areas to contribute to the long-term future of the country as a whole.

There are, of course, some immediate issues relating, especially, to the cost of living, where the Coalition and its members are already working with Ministers and officials to ensure the particular needs and circumstances of rural dwellers and businesses are properly understood and addressed. The issues and actions set out below are intended to address some longstanding problems and ensure future growth.

In putting forward our recommended actions, we recognise that these can only be achieved through action by a range of Government Departments working collaboratively. However, for ease, we have identified in each case where we believe the lead responsibility lies but understand that they will need to work closely with others, not least Defra, as the lead Department on rural affairs.

1. Making rural proofing a reality and embedding it across Government

Key issue: Evidence shows that urban-focussed policies and delivery frequently overlook or marginalise the needs and circumstances of rural communities and businesses

- The assurance in the recent *Delivering for rural England* report that "the government is committed to rural proofing its policies" is welcome. To achieve this, put in place further mechanisms to strengthen current relationships and processes in all Departments at both Ministerial and official level to ensure rural proofing in the development and delivery of policy becomes a reality and is implemented across Government. Lead Departments: Cabinet Office, Defra
- Give rural proofing the same essential status in the tasking of Departments and the appraisal of policies and programmes as currently given to the requirements of the Equalities Act in relation to protected characteristics. Lead Department: HMT
- Add to the suite of analysis known as the Index of Multiple Deprivation a
 methodology and guidance for identifying the relative weight on dispersed and
 concentrated social needs across large (c.500k pop.) administrative areas. Lead
 Department: DLUHC
- Reconsider the metrics in the Levelling Up proposals to include more rurallyrelevant indicators, such as work place-based incomes, fuel poverty levels, access
 to further education and house prices relative to local earnings ratio, and rates of
 seasonal employment and percentage of premises with super-fast broadband.
 Lead Department: DLUHC

2. Introducing a fairer funding regime addressing the disparities between urban and rural areas

Key issue: Rural areas receive over 35% less per head in local government funding and residents pay some 20% more in Council Tax for fewer services; the cost of providing essential public services is 67% funded by Council Tax payers in rural areas compared to 55% in urban areas.

Urgently conclude the fairer funding review and explicitly task it with financially enabling both Government agencies and local government to deliver qualitatively similar outcomes for people living in rural and urban areas – without rural areas having to pay more in Council Tax or fees/charges to achieve those outcomes.
 Lead Departments: HMT, DLUHC

3. Achieving an appropriate and meaningful increase in rural affordable housing, safeguarded for future generations

Key issue: Housing in rural areas is unaffordable for those on local wages or low incomes, both for purchase and rent, which undermines the economic and social viability of rural communities.

- Introduce and fund an ambitious annual target for the number of new, genuinely affordable - on work-place based incomes - homes built in rural areas, delivered through a dedicated rural affordable housing programme. Lead Department: DLUHC
- Explicitly exclude rural areas (ie settlements below 10,000 population), where replacement in the same local area is often impossible, from any proposals to extend the Right to Buy to Housing Association properties. Lead Department: DLUHC
- To assist with the provision of rural affordable housing on the ground, introduce a five-year programme of support for local Rural Housing Enablers in each rural housing authority. Lead Departments: DLUHC, Defra

4. Unlocking the potential of rural economies and enabling rural businesses and entrepreneurs to thrive

Key issue: Rural economies go beyond farming and the visitor economy and many are diverse and innovative but they are hampered by lack of access to skilled labour, training, finance and suitable premises and appropriate support.

- As recognised in the *Delivering for rural England* report, adopt the recommendations of the Rural Powerhouse APPG Report and commit to a timetable for implementing its recommendations. **Lead Departments: Defra, BETS**
- Add to the criteria for Area Reviews of FE and Post-16 Education a requirement
 to define clearly the rural areas included in the review and to introduce equity of
 access to choice and quality of provision for young people living in those rural
 areas. Lead Department: BEIS
- Develop a specific education, skills and training strategy to ensure that the new business opportunities in rural areas that will be required to meet the country's net-zero targets are not held back by lack of skilled staff. Lead Department: BEIS

 Ensure that the new Rural England Prosperity Fund is effectively implemented by creating and supporting sufficient local capacity and make it clear that support for rural projects should also be provided through the wider UK Shared Prosperity Fund and is not confined to the REPF. Lead Departments: Defra, DLUHC

5. Ensuring a 'just' transition to net zero and improving infrastructure so that rural residents and businesses are not unfairly penalised

Key issue: The transition to net zero presents an opportunity in rural areas but also a challenge, particularly for those places with restricted infrastructure, especially energy, broadband and mobile coverage.

- Task the National Infrastructure Commission with recommending improvements to essential infrastructure in rural areas, especially that required to ensure a "just transition" to net-zero. **Lead Department: BEIS**
- Ensure that electricity distribution networks, sub-stations and connections are made fit-for-purpose for future demands and policy made sensitive to the ending of analogue phone systems. Lead Department: BEIS
- Ensure that all homes and businesses not connected to the gas grid are supported to improve their standard of insulation and are served by a future-proofed electrical distribution network before any transition to heat pumps is enforced. **Lead Department: BEIS**

6. Providing equity of access to services for rural people and improving local transport to make it more flexible and sensitive to local needs

Key issue: Rural people have limited access to services others take for granted, such as health and social care, post-16 education, banking and other facilities, exacerbated by poor or non-existent public transport.

- Implement the recommendations of the APPG report into rural health and social care. Ensure that the proposals for the reform of Adult Social Care, including the distribution of government funds, are fully rural proofed. Lead Department: DHSC
- Urgently consult rural communities over the long awaited "Future of Transport Rural Strategy" and include a pathway for an equitable transition to readily available and clean rural public transport. Lead Departments: DoT, Defra
- Address and find ways of resolving the additional costs involved for rural residents in accessing post 16 education and training compared to their urban counterparts. Lead Department: DfE
- Respond urgently to the issues facing hard and very hard to reach areas for broadband technology and release funding to relevant programmes of activity.
 Lead Department: DCMS
- Ask the industry regulator, Ofcom, to review and upgrade the broadband Universal Service Obligation, which (at 10 Mbps) is out-of-date and inadequate for, what have become, some everyday essential uses. Lead Department: DCMS
- Introduce a fully-funded Digital Inclusion Programme, so no citizens (rural or otherwise) are left behind due to their lack of online skills or their inability to pay for basic equipment and connection charges. **Lead Department: DCMS**
- Ensure implementation of initiatives to provide reasonable and affordable access to cash in rural 'cash deserts' and also to other banking advice and services.
 Lead Departments: Treasury, FCA

7. Supporting social infrastructure to enable rural communities to make the best use of local resources and networks

Key issue: Rural communities have demonstrated resilience and ability to help themselves through local parish councils, community ownership of key assets and local support networks. But they depend on a limited cadre of volunteers and suffer problems of capacity.

- Provide an increase in financial support to infrastructure bodies to enable them to help local rural community and voluntary sector groups to bounce back from the difficulties experienced in the last few years. Lead Departments: Defra, DCMS, DLUHC
- Progress the Strategy for Community Spaces and Relationships as a priority, including the enhancement of Community Asset Transfer and Asset of Community Value scheme and retention of the Community Ownership Fund, and implement a Community Right to Buy, giving communities a right of first refusal on locally identified assets of value. Lead Department: DLUHC
- Use Dormant Asset funding to leverage further private and philanthropic capital to support community enterprise along the lines of the Community Enterprise Growth Plan. Lead Department: DCMS
- Work with the banking sector to mitigate against the delays in setting up a bank account for charities and community and social enterprise organisations.
 Lead Department: HMT
- As part of implementing the next phase of the Business Rates Review and to give consistency, provide a standard business rate relief to community and social enterprises, in line with charitable rate relief. Lead Department: BEIS

8. A comprehensive strategy or vision for rural areas to unlock their potential to contribute to the future prosperity of the nation

Key issue: There are many competing claims on rural areas and their role in the nation's future wellbeing is fragmented and unclear.

- Establish a process and timetable to develop a forward-looking, properly-funded, cross-Government strategy/vision for rural England, involving external partners, rural interest groups and key agencies and business interests. Lead
 Department: Defra
- Ensure that the National Land-Use Framework, to be published in 2023, is consistent with developments of the planning system and forms the land-use expression of a properly-articulated, cross-departmental strategy or vision for rural England. **Lead Departments: Defra, DLUHC**

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