

Rural Coalition Response to the Levelling Up White Paper

The Rural Coalition is an alliance of thirteen national organisations who bring a wide range of perspectives and experience of rural communities, businesses and the countryside and who together subscribe to a vision for a living and working countryside in England.

Rural areas are home to 9.3 million people or 17% of England's population, with some 545,000 registered businesses based in predominantly rural areas. Rural areas already make an important contribution to the nation's economic and social wellbeing, but many are held back by historical and underlying problems; lack of opportunities; and poor access to key services. Yet, the right support and recognition could unlock the potential of rural communities and economies to enable them to play a key role in England's future.

The Government's ambitions for Levelling Up present a real opportunity to address the historic and current challenges for underperforming rural areas of the country. To do so fairly and equitably, the metrics and measures adopted need to be sufficiently sensitive and fine-tuned to recognise the particular circumstances and needs of rural areas. The Coalition believes the White Paper provides the framework for the start of a dialogue and process which will result in a better understanding of rural issues and the best means of tackling them. At this point in our nation's history it is essential that we recognise the role rural areas play in how we see ourselves as a people, in the foundations of our national economy and in the wellbeing of the country. Rural areas are more than the 'green-lung' of the cities, they can be the essential underpinning of a new type of economy that has the capacity to become 'net-zero'.

Drawing upon its unique perspective of rural England, this statement sets out the Rural Coalition's initial overall response to the Levelling Up White Paper and highlights some key areas which it considers need to be addressed to ensure that the proposals and ambitions will work in those 'left behind' rural areas.

Overarching perspective

At one level, we were disappointed that, despite a few references to rural areas/communities/villages, the tenor of the White Paper was essentially urban and city focussed. The overriding philosophy presented for levelling up appears to be based on the assumption that growth and improvement derives primarily from cities and urban aggregation and that success in these will trickle down to surrounding areas. In our view there is no real evidence across England today to support this assumption. We believe this is a missed opportunity to recognise the role rural areas play in the national economy and the wellbeing of the country and how this could be enhanced. There is a need to build a real understanding and recognition of the particular problems facing rural areas; of the means of addressing them; and what a place-based approach means in a rural context.

The Coalition and its members are keen to work with the Government to achieve this, but it would be much helped if the Government were now to set out its promised vision for rural England and developed a cross-cutting strategy for how levelling up can be achieved for rural people, businesses and places. Levelling Up must deliver on the philosophy that ‘no-one should be left behind due to where they live’.

General comments

Much of the detail of how levelling up will work in practice is still to be developed. However, as a first step, the Coalition believes that the following strategic measures are needed, if the ambitions are to be achieved in rural areas:

- The reference in the Executive Summary of the White Paper to the annual rural proofing annual report is welcome but, at the same time, that is a retrospective review of the previous year. We would welcome clarity on how rural proofing and levelling up will work alongside each other. Both require a cross-departmental approach. Embedding rural proofing in the development of the policy programme for levelling up and actions flowing from it would result in real system change for rural England.
- The Levelling Up Advisory Council should have a specific duty to monitor levelling up in rural areas, assisted by a rural expert advisory committee.
- Levelling Up Directors should have a clear role to ensure that the needs of rural areas are recognised and addressed.
- As presented, the majority of the 12 missions in the WP could be achieved in urban areas alone, which risks rural needs, challenges and opportunities being overlooked or ignored. The metrics for measuring progress against the ambitions/targets need to be at a low enough geographical level to capture what is happening in more sparsely populated rural areas (often small in population but covering huge geographical areas) and to monitor progress in addressing necessary actions.
- The missions and targets need to measure improvements within regions and areas, including rural areas, not just between regions.
- Decision-making and delivery mechanisms need to be at appropriate levels of locality to take account of rural circumstances. In our experience regional and/or city-focussed organisations and private-sector led bodies are not sufficiently sensitive to rural issues and the needs of rural communities or of the very small firms which predominate in rural areas.
- For levelling up to work for rural areas, funding formulae across all services must be sufficiently fine-grained to recognise rural needs – and the additional costs of service delivery - and enable a fairer distribution of national resources.
- The bigger the geographical area for which a body has responsibilities, the greater the number of very different types of communities within them. Whilst sometimes policies do need to reflect urban-rural dependencies, a more appropriate approach is to consider where it is necessary to cover larger (mixed rural and urban) geographies. Combining rural areas with urban areas has, historically, meant rural areas losing out, as it is almost always easier (and less costly) to achieve performance targets in densely populated areas than more sparsely populated rural areas. Whatever approach is adopted, extra care must be taken to avoid disadvantaging rural areas unfairly.

The levelling up focus areas and missions in rural areas

Boost productivity, pay, job and living standards by growing the private sector, especially in those places where they are lagging

Issues: Rural economies are diverse. Land-based businesses including farming are, of course, important but 85% of rural businesses are from other sectors. Many rural economies are over dependent on a narrow range of job opportunities, including seasonal work and tourism/hospitality. Over four fifths of rural employees work for an SME, nearly a third for a micro business. Home working, including self-employment, is significant and likely to be more so since the pandemic. Average earnings from rural jobs are some 7% below those in urban areas (excluding London). Whilst many rural businesses are innovative, there is a sizeable productivity gap between rural and urban areas. Rural economies experience difficulties with access to labour, skills training, finance, business advice and suitable premises. Transport and digital infrastructure are poor in many rural areas and compound the problems of access.

Missions: To enable the rural economy to fulfil its potential and to support sustainable communities and contribute to the nation's growth, in many areas there is a need to diversify and increase employment and job opportunities, which in turn will lead to higher wages and improved productivity. To achieve this requires an understanding of local rural economies and a place-based approach. The Coalition and its members have a great deal of knowledge and experience built up over a number of years which can be used to help develop the actions needed to achieve improvements locally.

Whilst rural areas would accept that a comprehensive public transport system in each village is unrealistic, improving local transport, particularly buses, by making it more flexible and sensitive to local needs is essential, especially given the ambitions for Net Zero.

For rural businesses and communities, improved and reliable digital connectivity is the key to achieving many of the other ambitions for levelling up. The Coalition and its members will continue to work with the Government on the programme to roll out full fibre broadband in rural England as soon as possible.

Spread opportunities and improve public services, especially in those places where they are weakest

Issues: There is a longstanding underfunding of public services in rural areas. Through the local government funding formula, urban areas receive over 60% more per head in Settlement Funding Assessment grant and rural residents pay, on average, nearly a fifth more in Council Tax than their urban counterparts. It is fair to say that, on the whole, rural residents pay more, receive fewer services and, on average, earn less than those in urban areas. Rural local authorities have capacity issues in bidding for funding in competition with urban areas. At the same time, private sector services, e.g. banks, retail, have increasingly withdrawn from rural areas and market towns. Access to services of all types is problematical but especially so for those on low incomes and/or less mobile. On the positive side, there has been a growth in services provided by the community sector and social enterprise, but they often face difficulties in accessing funding and expert advice and problems with volunteer capacity.

Missions: Positive outcomes in rural areas to improve public services are heavily dependent on fairer funding formulae and more equitable distribution of resources which also takes account of the additional costs of delivery in rural areas. This was recently highlighted in the report of the APPG Inquiry into Rural Health and Social Care.

Raising and widening skills levels are important but the delivery of training needs to be as local as possible and address the difficulties of cost and access.

It must be recognised that towns in rural areas, whilst smaller than those in urban areas, fulfil the same economic, service and social interface role of larger towns and should be supported in similar ways through funding mechanisms.

Rural areas have the potential to contribute to improving wellbeing more generally, as was demonstrated during the pandemic, but they need help to put the necessary infrastructure in place.

Restore a sense of community, local pride and belonging, especially in those places where they have been lost

Issues: One of the major strengths of rural communities is that they are seen as attractive places to live, where people work together and have a sense of belonging and community. The pandemic has illustrated the strengths of local communities to come together and to offer support. However, the 'rural idyll' is not true everywhere and is not the case for everyone. Not all villages are 'chocolate boxes' and there are problems of loneliness and isolation, particularly for those on low incomes or who are excluded. Many attractive and popular villages are dark and deserted outside holiday times and are unable to sustain the infrastructure necessary for everyday living for those left behind. Non decent or inadequate housing in many rural areas is a problem for homeowners, not just the rented sector, particularly for the elderly where there are few opportunities to move to more suitable accommodation.

Missions: Pride of place is a complex concept and may take many forms, not just physical infrastructure. Rural communities may perform well in certain cases and could offer more general lessons about involvement in community enterprises, volunteering etc. which are worth exploring. The pandemic illustrated the ability of small rural communities to fill the gap and provide much needed services locally. As public and private services contract or disappear, more and more communities are stepping up to the plate to run community businesses and social enterprises across a wide range of services. But they need help and access to finance and expertise to do so. The Community Ownership Fund and the Dormant Assets review offer some immediate benefits to empower local communities to take control of their futures.

On housing, the key issue for most rural communities is the severe lack of affordable housing to rent at prices relevant to locally earned incomes for those on low incomes and with local connections. The problem is exacerbated by the prevalence of second homes and short-term holiday lets in many rural areas, land supply limitations and planning constraints, all of which limit the availability of suitable accommodation still further. A meaningful increase in the rural housing programme by Homes England and clarity on the proposed reforms to the planning system, including the relationship between neighbourhood plans

and local plans, would be a step forward in addressing the housing problem in rural areas. In addition, continued and increased support for the Community Housing Fund would do much to encourage communities themselves to deliver more homes for local people.

Whilst appreciating that serious crime is more prevalent in urban and city areas, there are well-documented issues in rural areas and there would be real concern if there was a shift in priority and/or resources away from other areas of crime which have more impact in rural areas.

Empower local leaders and communities, especially in those places lacking local agency

Issues: The network of town and parish councils underpins much of rural life, supported by a range of local voluntary bodies, such as the county-based ACRE Network. However, at a local level they are heavily dependent on a limited cadre of volunteers and encounter problems with training, volunteer overload and capacity. Devolution deals historically have been urban/city led and have covered large geographical areas and populations and overlook rural communities.

Missions: Setting a minimum population level of 500,000 for 'any tier of devolution' risks rural areas either being swamped by urban centres or unable to take up the potential benefits of a devolution deal. Decision-making and resources must be devolved as far as possible, creating the flexibility for tailored sub-national and local policy delivery. This calls for a commitment to 'double devolution' to community level, alongside the support needed to build the capacity of local leaders. Supporting and developing local networks is also crucial to delivering levelling up and the government should invest in them as a vital piece of rural infrastructure.

Conclusions and next steps

This statement represents the Rural Coalition's initial response to what is clearly a complex and long-term programme of levelling up. We believe this is a real opportunity for a real system change for rural areas of England, not just how they are perceived and how the very real challenges they face are tackled, but in making rural proofing not just an ambition but a reality. The benefits will be felt by rural communities and the country as a whole.

Levelling up is a wide-ranging and challenging brief and we look forward to working with the Government both to ensure that the rural dimension is built in at the beginning of the process but also in the way that it is delivered; how it is monitored; and how outcomes are measured.

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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.

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