



THE **RURAL** CHALLENGE 2015

**THE RURAL COALITION -
A UNITED VOICE FOR RURAL ENGLAND**

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In 2010 six national organisations with an interest in sustainable rural development came together to create the Rural Coalition. With the support of other rural bodies they published The Rural Challenge, a manifesto setting out a vision and policy strategy for rural communities, challenging local and national government to act.

The Rural Coalition membership has since grown and now comprises 13 national organisations representing social, economic and environmental rural interests. It plays a vital role in debating and informing the development of rural policy including through Defra's stakeholder engagement strategy.

As the political parties finalise their manifestos for the 2015 general election, this report reviews progress against the proposals identified in the original 2010 Rural Challenge, and sets out headline priorities for the next Government.

➔ Current Rural Coalition members





WHY RURAL ENGLAND IS IMPORTANT

Everyone in this country, wherever they may live and work, needs a strong, confident and sustainable countryside. It is of huge value to us all environmentally, socially and economically. It is instrumental in tackling climate change. The countryside provides benefits for the whole nation, whether we live and work there or visit for recreation and relaxation. It provides 60% of the food we eat by value. The rural environment should be a top priority for all of us. It supports our economy and contributes immeasurably to our physical and mental wellbeing. We should stop needlessly damaging it.

Depending on the definitions used, rural areas accommodate almost 18% of the population of England, and a higher proportion of people of voting age. In economic terms, rural areas contribute nearly a third of total Gross Value Added (GVA), including over a quarter of GVA in the tourism sector. But essential services are generally less accessible to rural communities, and housing more unaffordable than in urban areas.

Yet, it is all too easy for national governments to treat the nation they govern as a single, homogeneous unit. It may be simpler that way but it's seldom sensible. For fifty years or more, policy has undervalued the countryside and failed to meet the needs of rural communities – and therefore of the nation.

.....→ **the countryside provides 60% of the food we eat by value**

A VISION FOR RURAL ENGLAND

Members of the Rural Coalition share a vision for rural areas as a living, working countryside which balances the competing demands for growth, sustainability and protecting landscapes.

The original 2010 Rural Challenge set out proposals for achieving sustainable rural communities for the 21st century under five headings:

- ⇒ Meeting rural housing needs
- ⇒ Building thriving rural economies
- ⇒ Delivering great rural services
- ⇒ Flourishing market towns
- ⇒ Empowering communities

There is now a renewed need for politicians to focus on rural policy in order to sustain the communities that live there. Assessing the progress that has been made over the past four years against the traffic light coding key adjacent, it is evident that much more needs to be done.

Rural communities continue to face many challenges but, taking account of recent progress, the Rural Coalition has identified some key priorities for the next Government which are outlined in this document.

GREEN Empowering local communities -

We have seen major improvements since 2010 primarily due to the introduction of neighbourhood planning and the Community Infrastructure Levy. The next Government needs to build on this progress and address concerns about the wider impacts of planning reform if rural communities are to play a more central role in decisions affecting their future development.

AMBER Building thriving rural economies, and flourishing market towns -

Supporting the rural economy has been a stated priority for Defra Ministers but there is considerable room for improvement. Market towns and rural areas have not reached their potential due to lack of adequate support for them to capitalise on the low-carbon economy, and delays in making high-quality broadband and 4G readily available.

RED Meeting rural housing needs, and delivering great rural services -

Figures from the Homes and Communities Agency show that delivery of affordable rural homes has declined since 2010, although completions appear to have risen slightly over the past two years. Housing is now a vital election issue. Rural communities desperately need more affordable homes that meet local needs and are sensitively planned and designed to enhance local character.

Rural services have been heavily impacted by austerity measures in recent years. Closures of local healthcare facilities in rural areas and cuts to rural bus services mean that many rural communities have experienced a significant decline in service delivery. The longstanding gap between rural and urban areas in government funding per head for local authority services is now far too great and manifestly unjust.



Focus for 2015 and beyond

The time is right for a review of the priorities for rural England. This policy statement has been developed by Rural Coalition members to identify shared priorities and challenges for rural communities.

Our recommendations in 2010 were anchored on the idea of ‘community-led decision taking and planning’ - the principle that solutions need to be shaped more from the bottom up than from the top down. Just as rural areas have differing needs to urban areas, so sparsely populated rural areas have differing needs to market towns and more populated rural areas.

We keep to that principle, but we need a policy framework and decisions at Westminster and Whitehall to allow flexible responses in the light of local circumstances and needs.

This paper addresses challenges in three vital areas of public policy. While each organisation will have its own position, these are the priorities that Rural Coalition members collectively see as the most important if there is to be a more confident and positive future for rural areas:

- Growing and sustaining the rural economy
- Providing affordable housing for local people
- Working for healthy rural communities

GROWING AND SUSTAINING THE RURAL ECONOMY

Rural areas provide our essential resources such as food, water and energy. They have exceptional potential for developing the green economy. Rural economies embrace a vast range of economic activities - especially those linked to IT and home-working. In 2013 there were nearly 486,000 registered rural businesses in England with a turnover of some £369 billion. These businesses should be nurtured and grown.

Since 2010, there have been a number of developments in policy and practice, including:

- The establishment of Local Enterprise Partnerships (LEPs) and Rural Growth Networks (RGNs)
- The National Planning Policy Framework and Planning Practice Guidance which called for planning policies to support sustainable economic growth in rural areas
- The Government statement, Britain's Superfast Broadband Future
- The Localism Act and the advent of neighbourhood planning

Despite these developments, the rural economy remains vulnerable and undervalued. While there has been enthusiasm in some parts for neighbourhood plans, local plans have been slow to materialise and the 'duty to cooperate' is failing adequately to address cross boundary issues. Digital communications remain challenging throughout much of rural England. Many LEPs

still fail to recognise the importance of the rural economy in providing sustainable growth in their areas and we need to build on the good practice around RGNs.

On the positive side, the growth in interest in locally sourced and prepared food has resulted in new local supply chains and added value for producers. More needs to be done to support local food networks. Market towns should be supported to develop their full potential to support rural businesses, used as a hub for networking, innovation, training and services.

There is a need for better strategic planning for renewable energy infrastructure. Greater certainty for communities, developers and investors is needed by clarifying national planning policy to achieve a better long-term balance between local and global environmental protection. Much more needs to be done to unlock the significant potential for community-led energy projects that will empower rural communities, and help them address their particular needs.

.....➔ **in 2013 there were nearly 486,000 registered rural businesses in England with a total turnover of some £369 billion.**



Our priorities for action:

- ⇒ 'Rural-proof' Local Enterprise Partnerships and devolution within England to realise the potential of all rural areas, including the vital role of market towns.
- ⇒ Speed up the rollout of rural broadband infrastructure and 4G mobile technology to ensure a universal service obligation of at least 10 megabits per second by the end of 2015, and relate payments to infrastructure providers to their rural performance.
- ⇒ Strengthen cross-boundary strategic planning, and give further continued support for and simplify the delivery of neighbourhood plans in rural and coastal communities, linking these with wider community-wide investment and delivery development plans.
- ⇒ Encourage the development of local food supply chains, through a new national Food Strategy and action plan, stronger national planning guidance to protect high street and town centre food retail, and local investment in manufacturing, marketing and distribution.
- ⇒ Support micro and small enterprises by developing the Rural Growth Networks to stimulate the rural economy, including community-owned enterprises to safeguard services and deliver renewable energy schemes.

PROVIDING AFFORDABLE HOUSING FOR LOCAL PEOPLE

Sustainable rural communities need a supply of housing that is suited to the needs and means of younger people, and those on limited incomes. There is also a need to look at how the housing needs of older people who are likely to comprise a growing proportion of the rural population can best be met.

High market prices and rents, and reduced provision of affordable housing limit choice. The result is an exodus of people who are needed to sustain local businesses, schools, shops and services. In certain areas, a predominance of second homes is reducing the vitality and sustainability of existing communities. There remains a major housing crisis in rural England, holding back economic development as well as community wellbeing. The Localism Act and the National Planning Policy Framework have radically changed the context for the provision of rural affordable housing.

For instance:

- ⇒ Local authorities are encouraged to locate new housing where it can enhance or maintain the vitality of rural communities
- ⇒ Neighbourhood plans can help ensure communities play a stronger role in delivering new housing and protecting valued land

These positive moves have not realised their full potential due to the complexity of the neighbourhood planning process and reduced public funding affecting the viability and delivery of

housing to meet local needs. Most new housing is beyond the reach of many rural wage earners.

Given the pressing need for more affordable rural housing, there is great concern about proposals to remove the requirement for a proportion of affordable housing on sites of fewer than 10 homes. Two thirds of rural affordable housing was delivered through section 106 planning agreements in 2012/13. The proposed changes would have a dramatic effect on the delivery of affordable housing in rural areas which depend on such smaller sites for the bulk of new housing development.



..... → **in 2012/13 two thirds of rural affordable housing was delivered through section 106 agreements**



Our priorities for action:

- ➔ Introduce new national targets, properly monitored, for affordable housing delivery in settlements of under 3000 people.
- ➔ Develop models for small-scale older people's housing in rural areas, including local plan policies, financing, tenure mix, and provision of care services and community support.
- ➔ More flexible public investment in affordable housing, allowing higher grant rates for smaller affordable housing schemes where viability is shown to be the cause of under-supply.
- ➔ Strengthen the role of neighbourhood plans within the planning system where advanced community-led proposals conflict with developer-led proposals that fail to meet local needs.
- ➔ Require 'change of use' permission for new second homes in rural and coastal areas where there is a shortage of local housing and a high density of second homes.
- ➔ Retain the ability to require a proportion of affordable homes on small developments (under 10 homes) to meet local needs in rural communities.

WORKING FOR HEALTHY RURAL COMMUNITIES

The delivery of local services in an age of public funding austerity has not been easy. It has always been challenging to provide residents of rural areas with a comparable level of services to those in urban areas. Health services are a particularly important aspect of rural service provision. The recent National Health Service (NHS) Forward View report championed 'local democratic leadership on public health' and the idea of 'village agents'.

The situation facing rural health services is particularly acute. The rising numbers of elderly residents in rural areas combined with the rising cost of service delivery to dispersed populations risks making health care in rural areas economically unsustainable.

We are seeing:

- Increasing travel costs to health care services which risks late diagnosis which in turn creates higher costs
- Centralisation of health services leading to greater transport costs and a lower quality health care experience
- An elderly population that is growing faster in rural areas. The over-85 age group is set to increase in rural areas by 186% by 2028 (compared with 149% in the UK as a whole)
- A growing number needing social care. By 2029, it is estimated that there will be 930,000 people with social care needs living in rural areas

- A rising birth rate with a shortage of maternity units and particular stress on midwifery services

Health services in rural areas are being placed under particular stress and this is likely to worsen. Solutions will involve the coordination of services, community action and improved systems of funding. The aim is earlier, low-key interventions, reducing later higher-cost therapies, and allowing patients to remain in their communities.

For health services in particular, the failure to recognise the differing needs of residents in sparsely populated areas from those of residents in the rural community as a whole creates particular difficulties.

..... → **by 2028 the over-85 age group is set to increase in rural areas by 186%**



→ Our priorities for action:

- Recognise the vital role played by local social care and community support in preventative action on health in rural areas.
- Scale-up and roll out existing models of successful community action, such as good neighbour schemes and 'village agents'.
- Strengthen the role of rural community facilities as outreach centres for health and social care, investing in initiatives that deliver health and social care services through telemedicine and video links.
- Overhaul the formula for NHS funding of commissioning groups to include a sparsity factor, and revise the public health funding allocations given to higher tier local authorities to better reflect local needs and take account of the rural premium.
- Drop plans to remove the Minimum Practice Income Guarantee for GP surgeries, or amend the scheme, for example by providing targeted funding, so that smaller rural surgeries can remain viable.

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