

<p><b>AGENDA FOR SPARSE RURAL AND RURAL SERVICE NETWORK EXECUTIVE AND BOARD OF DIRECTORS OF THE RURAL SERVICES PARTNERSHIP LTD MEETING</b></p> <p><b>Venue: - City of Westminster Archives Centre, London SW1P 2DE</b></p> <p><b>Date: Monday 25<sup>th</sup> September 2017</b></p> <p><b>Time: 11.15 a.m. to 2.30pm</b></p>
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**Please note change of venue as the LGA is not available for meetings for the coming months .**

The meeting is being held at the City of Westminster Archives, 10 St Ann's St, Westminster, London SW1P 2DE. Visitor information and a map for the venue can be found in the links below:

[City of Westminster Archives Centre Visitor Information](#)

[City of Westminster Archives Centre Map](#)

**1. Apologies for Absence**

**2. Notes of the Previous Meeting**

Held on Monday 12<sup>th</sup> June 2017 to consider any relevant items.  
(Attachment 2)

**3. Notes of the Main SPARSE Rural Meeting**

Held on Tuesday 27<sup>th</sup> June 2017 to consider any relevant items.  
(Attachment 3)

**4. Report on Rural Conference 2017 – Verbal Report**

**5. Rural Fair Share Campaign and Group: Update (copy of e mail sent by the (new) Chair – Steve Double MP – to Conservative MPs in membership of the Group attached)  
(Attachment 5)**

Work Commissioned from Pixel - August 2017 (Attachment 5(a))

**6. National Rural Crime Network: Update – Verbal Report**

7. Report to the Executive on Membership (Attachment 7, 7A, 7B & 7C)
8. Report on Subscriptions 2017.18 onwards (Attachment 8)
9. **Budget**  
Covering Report (Attachment 9); Budget Report with actual to End August, 2017 (Attachment 9 (a)) and Budget Report to 2023/24 (Attachment 9 (b))
10. **Report to RSN Executive – ‘Seeking to get backing in The House of Lords’ – Update** – Verbal Report
11. **Brexit Update**
  - (a) Verbal Report
  - (b) Report on Post EU Funding (Attachment 11) and Background Paper going to next Rural Brexit Roundtable meeting (Attachment 11(a))
12. **Meeting Dates 2018** (Attachment 12(a) and 12(b))
13. **Any Other Business.**

**MINUTES OF THE SPARSE RURAL AND RURAL SERVICES NETWORK EXECUTIVE,  
MONDAY 12<sup>th</sup> JUNE 2017 HELD AT CITY OF WESTMINSTER ARCHIVES CENTRE,  
10 ST ANN'S STREET, LONDON**

**Present:** - Cllr Cecilia Motley (Chairman), Cllr Robert Heseltine (First Vice Chair), Cllr Derrick Haley, John Birtwistle (First Group), Cllr Philip Saunders and Hannah Graham (UK Youth)

**Officers:** - Graham Biggs MBE (Chief Executive), David Inman (Director) Andy Dean (Assistant Director)

**1. Apologies:-** Georgina Fung (UK Youth). Cllr Sue Sanderson, Stewart Horne (Fed of Small Businesses), Rev Richard Kirlew (RSP Chair – Community)

**2. Notes of Previous Executive Meeting – 13<sup>th</sup> March 2017**

Agreed as a correct record.

**3. Notes of Last Main Rural Assembly Meeting – 10<sup>th</sup> April 2017**

Agreed as a correct record with the addition of Rev Richard Kirlew as present.

**4. Budget**

The budget was in line with its predicted position as set out in the agreed estimates.

A discussion took place on the need to expand the Officer Core Group of the organisation so that the Network's widened role and future planned expansion could be successfully accomplished. There was a need to bring in another Director at this time. The estimated expenditure was £40k a year. The position would be one of Policy Director but would also have responsibility for the recruitment and retention activities currently undertaken by the Corporate Director

The Executive were informed that financially this was achievable but until the move generated additional income there would be a need for a prudent approach. The position had been discussed with a person with experience in rural issues and his decision would be made shortly.

The Executive agreed the expansion of the Core team of the RSN and the necessary variation to the budget

**5. Notification of Resignation from RSN Executive**

Two members of the Executive, Cllrs Nicholson and Strange have stepped down. The Executive agreed to approach two Councillors from Eden and Herefordshire respectively to see if they were interested in coming onto the Executive.

**6. General Election 2017**

The Executive considered the position generally and the following:

- (a) Analysis of Main Party Manifestos against RSN Priorities/2015 Manifesto.
- (b) Rural Coalition Statement
- (c) ACRES asks of next government.

Discussion concentrated on whether or not the 100% Business Rates retention scheme would go ahead (and its timing) and the approach to future settlements.

The Executive agreed that the position would be discussed with the Chair of the Rural Fair Shares Group. Discussions would also take place with the Research Assistants of the Chair and Vice-Chair of the APPG with a view to re-establishing the APPG and

also establishing a Rural Vulnerability Day and hopefully to a dedicated MP group concerning the question of Rural Vulnerability.

### **7. Report to RSN Executive – Seeking to get backing in the House of Lords.**

- The Executive received a written report from the Corporate Director. He suggested trying to set up a Rural Panel for the House of Lords to meet annually in December to discuss the various issues/challenges they feel the RSN should look at to address those issues.. (It is suggested this session is always Chaired by the Chair of the RSN and that they be accompanied by the First Vice Chair at this meeting)
- To facilitate an e mail forum between these Panel Members concerning particular rural issues as they arise the panel of Peers o would be consulted with at least annually. The suggested terms of reference are:

NEEDS INSERTING

The Executive agreed to the proposed approach. However, instead of the panel comprising 10 people, they suggested an approach be made to 12 people by adding a potential further cross-bencher and a further Bishop to those to be invited.

### **8. Report to RSN Executive – A virtual Rural Community Parliament**

The Executive received a detailed report about how mechanisms aimed at establishing a rural consensus and sentiment on major issues might be established. The Executive heard how work was being undertaken by Rural England with the University of Gloucestershire to seek to establish a proportionally representative/statistically valid Rural Panel of private individuals. This work was growing on the Rural Principal Council Sounding Board. (Additional Sounding Boards in relation to Small Businesses and Youth were also planned).

The virtual Parliament might involve individuals from Principal Councils, Parish Councils, the Community, small Business, Youth, Citizens Advice, School Governors, RSP, Age UK Groups, Rural Colleges, Rural Students, CPRE, Rural LEPs, NFU, CLA and Countryside Alliance. In all, it was suggested some 1900 people may be involved on email forum.

It was agreed that the arrangement would need the backing of ACRE and some of the rural universities. It was foreseen that the Rural Assembly would be involved in question formation and the results of consultation being reported upon at the Rural Conference. The report was approved by the Executive.

### **9. Report to RSN Executive – Categories of RSN Operation**

Briefs for SPARASE Rural, the Rural Assembly, the Rural Services Partnership, the Rural Services Community Section and the proposed RSN Associate section were presented. Each brief comprised details of:

- (a) The Services
- (b) The Commitment
- (c) Any membership cost and
- (d) The problems that had to be grappled with

The documents were all agreed by the Executive. The Executive also agreed that further short sections outlining successes and targets should be added. These would be agreed by the Executive through email consultation.

#### **10. Update on “Vulnerability” discussion with Energy and Water Providers and Distributors.**

The Corporate Director reported on the current situation. Attempts were being made to strengthen the support given by those involved in the Energy and Water Industries based on a widened service involving 2 meetings a year and a special parliamentary day on rural vulnerability. It was early days in this regard but some backing had been received from an existing Rural England supporter, Electricity North West, and enquiries were being made of another distributor – UK Power providers who served the South East.

#### **11. Update on BREXIT discussions to be held on 13<sup>th</sup> June**

A meeting with all parties who had been invited to participate had been arranged for the 13<sup>th</sup>. The NFU wished to be kept informed but were unable to be represented at the meeting on the 13<sup>th</sup>.

An introductory report had been prepared by Professor Mark Shucksmith. Ex-BBC political reporter Carole Walker had agreed to act as an independent Chair for the meeting.

The extent of common ground would be explored.

#### **12. Annual Rural Conference 2017: Draft Programme attached**

The arrangements were looked at in detail by the Executive and formally agreed.

#### **13. Agendas for the coming meetings:**

- (a) SPARSE Rural (which members have indicated will be in effect a finance conference for Finance Officers and Finance Portfolio Holders) – 27.06.17  
The Agenda had already been dispatched as the meeting was only a fortnight away. Finance Officers and Councillor Finance Portfolio holders had also been involved.

#### **14. Any Other Business**

##### **(a) Rural Transport**

John Birtwistle led members through the Buses Act and the enabling legislation that had to follow it.

An important provision was that an operator now proposing to cease a route or dramatically altering its operation now was statutorily obliged to give to the Transport authority full details including its financial and passenger profiles so that the Transport authority could give full consideration to attracting alternative arrangements.

[Bus Services Act 2017](#). This paper explains the policy background to and contents and purpose of the Bus Services Act 2017. It will be updated as the Act is brought into force and implemented over coming years.

##### **(b) Rural Housing**

The Executive on behalf of the RSN as a whole considered and endorsed the National Housing Federation and the Rural Housing Alliance's Rural Housing Five Star Plan.

## Note of last SPARSE Rural SubSIG meeting

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**Title:** SPARSE Rural Sub Special Interest Group

**Date:** Tuesday 27 June 2017

**Venue:** City of Westminster Archive Centre, 10 St Ann's Street,  
London, SW1P 2DE

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### Item Decisions and actions

#### 1 Apologies for absence

##### Attendance:

An attendance list is attached at [Appendix A](#).

##### Apologies for absence:

A list of apologies received is attached at [Appendix B](#).

#### 2 Note of the Previous Meeting 30 January 2017

The Minutes from the last meeting were accepted and approved.

Members noted names of those omitted from the original attendance sheet and were reminded of the need to sign this at every meeting.

#### 3 Note of last Executive Meeting 12 June 2017

The Minutes from the last Executive meeting were accepted. Members noted matters arising from the meeting.

#### 4. Funding for other services - urban v rural

Members received this report which detailed differences in government funding per head between urban and rural areas for 2017/18 Public Health Allocations; Police Grant and Fire & Rescue Services. In all these cases urban areas were better funded per head than rural

The group agreed that the current funding formulae did not enable a fair share for rural areas.. Studies would continue and be discussed again at future meetings.

#### 5. Manifestos for 2017 General Election

Members noted the relevant areas of the main party manifestos

## 6. Local Government Finance Seminar

Adrian Jenkins and Dan Bates from Pixel Consulting Limited presented a seminar on local government finance. (See [here](#) for presentation).

Members received an outline of work around fair funding to date, looking at current methodologies and their implications for rural authorities. The speakers outlined recent trends and likely changes in funding up until 2019/20 and provided their thoughts on the unlikely resurrection of the local government finance Bill.

Members noted an update on 100% Business Rates Pilots, which were almost entirely made up of urban authorities. They were reminded to engage and register interest with DCLG in order to also try to benefit from the scheme.

Discussion continued on the historic underfunding and continued gaps between urban and rural areas. Mr Bates outlined work on lobbying on issues relating to business rate retention and suggested ways in which the campaign could be developed by looking at issues that drive growth.

Members noted changes to SFA calculation measurements in 2016/17 which had devastated rural authorities and acknowledged the need to demonstrate that rural areas have a greater need for increase to funding. It was vital to continue pressure and commit to the extra time required for work around the fairer funding review and the formula for distribution.

The following points were raised:

- Concerns that gaps in funding between urban and rural areas would get wider;
- Council tax revenue had been used twice in calculations – this must be acknowledge and addressed;
- Government support was likely to drop in the future with rural taxpayers paying a bigger portion of council tax in order to pay for local services. Members must keep reiterating to their local MPs how much rural areas are worse off and challenge the assumption that local authorities will be able to increase this tax in order to pay for additional social care;
- Members acknowledged strong partnerships with parliamentary groups which have helped in making issues known – it was important to continue this and ensure briefing materials were constantly supplied in order to continue engagement;
- They agreed that it was vital that rural authorities contribute to the debate and raise aspects of unfair funding, particularly around adult social care and the revised SFA formula. More rural authorities need to get involved and engage with their local MPs.
- Issues around funding models were complicated and trying to understand how to influence decisions was difficult, requiring much thought;
- Addressing needs and resources together was of utmost importance in order to assess what would be attainable.

Graham Biggs thanked the speakers for their presentation, reiterating the need for a clear message and joined up agreements between all rural authorities. Members noted the need - despite uncertainties – to get support and commitment from rural MPs and suggested an examination of statistics relating to Northern Ireland, Wales and Scotland in order to draw comparisons.. Colleagues from Pixel agreed to look into doing this research.

Members passed a Resolution to support those wishing to apply for Pilot status and to take forward the argument against unfairness of government grant per head in rural areas.

**AGREED**

- (1) The meeting unanimously felt that the present position relating to rural areas was totally unfair and unacceptable. The meeting noted the ever widening gap between the per head position between urban and rural central government grant funding support. Now that there would be - at best - delay before the introduction of a 100% business rate system under which promises had been made, the RSN should call on government to improve the present inequitable situation, including in the immediate short to medium term.
- (2) Members noted that the case for additional funding for rural areas has been recognised by successive local government ministers: additional weighting for sparsity was added in to the funding formulae in 2013-14, and a new grant was created to provide some support to rural authorities (Rural Services Delivery Grant). Yet significant additional funding has not actually made its way into rural authorities' budgets, largely because ministers decided to damp-away the gains in the funding formulae.
- (3) Members agreed that rural authorities are looking to the Fair Funding Review to both recognise the additional "needs" of rural areas, and to ensure that this results in actual additional funding. RSN therefore will be measuring the effectiveness of the Fair Funding review in two ways. The first is that the weighting for sparsity and other rural factors is properly reflected in the "needs" formulae. The second is that funding actually increases for rural authorities, and that the funding gap between rural and urban authorities is closed both in terms of pounds per head of government grant/redistributed business rates and the amount paid per head by way of Council Tax. To achieve this, the entire "four-block model" should be reviewed to ensure that the intended increase in funding is actually delivered to rural authorities.
- (4) Members noted that the impact of the (50%) business rate retention scheme has been mixed in rural areas, although it is recognised that many rural authorities have benefited from the scheme and would support its extension to 100% retention. In the short term, the RSN's concern is that 100% retention has been rolled-out to urban areas - through the 100% pilots in 2017-18 - but that these opportunities, generally, have not been made available to rural areas. The expected benefits from 100% pilots could be considerable.
- (5) Members agreed that the RSN should press the Government to extend the 100% pilot programme to rural areas in 2018-19. Such a move has the potential to reduce the funding gap between rural and urban areas in the period before this can be more comprehensively achieved by the Fair Funding Review

- (6) Members agreed that urgent discussions take place with the Chairman of the Rural Fair Share Group of MPs
- (7) Members agreed that a letter be sent to the Secretary of State indicating that the meeting considered that a position where rural people were being asked to carry an ever increasing council tax burden, many from a lower than average locally earned wage, for a decreasing level of services with an increasing level of gap between government grant funding in favour of urban areas was totally unacceptable
- (8) Members agreed that officers be asked to discuss with Pixel whether it was possible to establish the comparative amounts of (a) central government support and (b) devolved government support in respect of local government services between urban and rural residents in each of the four home countries.
- (9) The RSN Executive was authorised to take matters forward.

#### **7. Any Other Business**

There was no other business.

Next meeting to be confirmed.

**Appendix A****Attendance at the meeting**

<b>Name</b>	<b>Organisation</b>
Graham Biggs	RSN
David Inman	RSN
Cllr Cecilia Motley (Chair)	RSN
Andy Dean	RSN
Cllr Mike Cooper	Boston BC
Cllr Cameron Clark	Sevenoaks DC
Cllr Mark Whittington	Lincolnshire CC
Cllr Tony McGuinees	Eden DC
Cllr Cllr Owen Bierley	West Lindsey DC
Cllr Ian Knowles	West Lindsey DC
Steven Linnett	Wealden DC
Gillian Taberner	Wealden DC
Cllr Sue Gardner	North Warwickshire BC
Cllr Charles Easton	South Norfolk Council
Cllr Tony Dignum	Chichester DC
Cllr Robert G Heseltine	North Yorkshire CC
Daren Turner	South Kesteven DC
Russ Stone	South Kesteven DC
Cllr Kevin Beaty	Eden DC
Lucy Hume	North Norfolk DC
Lynda McElligott	North Norfolk DC
Cllr Stuart Lawson	South Coastal DC
Cllr Ian Threlfall	Richmondshire DC
Cllr Michael Hicks	South Hams DC
Rachel Jarvis	East Sussex CC
Steven Brown	Cumbria CC
Fatima de Abreu	Local Government Association
Dan Bates	Pixel Consulting Limited
Adrian Jenkins	Pixel Consulting Limited

**Appendix B****Apologies received from Members**

<b>Name</b>	<b>Organisation</b>
Paul Over, Executive Director	Chichester District Council
Cllr Philip Sanders	West Devon Borough Council
Cllr Samantha Dixon	Cheshire West & Chester Council
Cllr Colin Morgan	Daventry District Council
Richard Bates, Chief Finance Officer	Dorset County Council
Cllr Richard Sherras	Ribble Valley Borough Council
John Birtwistle	UK Bus
Cllr Dr Ken Pollock	Worcestershire County Council
Cllr Colin Morgan	Daventry District Council
Cllr Paul Diviani,	East Devon District Council
Cllr Heather Bainbridge	Mid Devon District Council
Cllr Jeremy Savage	South Norfolk District Council
Brandan Arnold, Director & Chief Finance Officer	Fenland District Council
Cllr Gonzalez De Savage	Northamptonshire County Council
Cllr Richard Kemp	Babergh District Council
John Ward, Head of Finance	Chichester District Council
Dr Paul Blanter, Chief Executive	Northamptonshire County Council
Cllr Richard Sherras	Ribble Valley Borough Council
Cllr Gwilym Butler	Shropshire Council
James Howse, Corporate Director Resource	South Staffordshire Council
Cllr David Godfrey	Shepway District Council
Cllr Tony Miller	Worcestershire County Council
Cllr Brian Long	Borough Council of King's Lynn & West Norfolk
Cllr Lindsey Cawrey	North Kesteven District Council
Cllr Jane March	Tunbridge Wells Borough Council
Georgina Fung, National Programmes Manager	UK Youth
Cllr Jane Mortimer	Scarborough Borough Council
Cllr Yvonne Peacock, Leader	Richmondshire District Council
Rev. Richard Kirlew	

**Apologies from Finance Officers & Finance Portfolio Holders**

Clive Howey CPFA, Director of Finance	Eden District Council
Karen Henriksen CPFA, Head of Resources	Derbyshire Dales District Council
Brendan Arnold, Corporate Director and Chief Finance Officer	Fenland District Council
Paul Fitzgerald, Assistant Director & Strategic Finance & S 151 Officer	Taunton Deane Borough Council & West Somerset Council
Jenny Poole, Chief Finance Officer	Cotswold District Council
Cllr Jonathan Gray, Member Finance Portfolio Holder	Huntingdonshire District Council
Louise Aynsley, Interim Head of Finance (S 151 Officer)	Suffolk County Council
Cllr Peter Barrowcliff, Member Finance Portfolio Holder	West Dorset District Council
Louise Branford-White, Director of Finance (S 151 Officer)	Hambleton District Council
Cllr Nick Guyatt, Member Finance Portfolio Holder	East Lindsey District Council
Cllr Robin Brown, Member Finance Portfolio Holder	Northamptonshire County Council
Rachael Mann, Finance Officer	Forest Heath District Council
Christine Rush, Finance Officer	St Edmundsbury Council
Lesley Tucker, Chief Finance Officer	Teignbridge District Council
Sue Alexander, Head of Financial Management	Worcestershire County Council
Saverio Della Rocca, Finance Officer	Rutland County Council
Cllr Anthony Chadley, Member Finance Portfolio Holder	West Berkshire Council

**From:** DOUBLE, Steve [<mailto:steve.double.mp@parliament.uk>]

**Sent:** 18 August 2017 17:08

**Subject:** Rural Fair Share Group

Dear Colleague,

In order for us to obtain a current picture of the challenges facing rural local authorities in order to be well prepared to make our case ahead of the next funding settlement, it was discussed at our recent that we would provide members with some questions they can put to their council leaders.

Below are the suggested question as provided by the Rural Services Network. I will leave it for you to decide which questions are most appropriate for you.

We want to discuss the feedback to this at our meeting on 13<sup>th</sup> September.

Please do not hesitate to contact me if you want to discuss.

Regards,

Steve Double MP

Member of Parliament for St Austell and Newquay

0207 219 4408

01726 829379

<http://www.stevedouble.org.uk/>

#### Group 1. Projected Service Reductions.

To start with, we need, working with the Rural Services Network, to collect some contextual information about the scale of cuts that rural authorities are dealing with, and the extent to which they can control and them. Any information that is provided to us will remain confidential and we will not identify any individual councils.

Q1. What are your council's projected overall service reductions in the current financial year, and in each financial year up to 2020-21 (£/%)?

Q2. How do these service reductions compare to those in the past two financial years?

Q3. What proportion of required cuts in future years have not yet been identified?

#### Group 2. Top spending pressures

We need to understand what is causing the pressures in local budgets. These questions also give rural councils the opportunity to explain how they have tried to manage their spending pressures, and to show that this alone cannot eliminate the growth pressures.

Q4. What are the largest spending pressures in your council's budget over the medium term? What have you been able to do to mitigate growth in these pressures?

Q4. What additional income have you generated/collected, or plan to generate/collect?

What effect have changes in demography had on spending pressures? In particular, what pressures have arisen from the growth in the number of older people and those requiring social care support?

#### Group 3. Impact of cuts in funding on rural areas

Our representations to ministers need to show the effect that funding cuts are having on rural councils and rural communities. We need to get some specific comments, case studies and data on the rural perspective. Case studies are very effective in communicating with officials and with the media.

Q 5. What are the specific main service reductions that your council is making or planning to make in the current and future years? Please focus on the savings that will have the greatest impact on your local communities.

In particular, we would like to understand how cuts in funding will impact on services in rural areas.

Q 6 Which rural services is your authority planning to cut, or has cut over the past two years? Are there any services that you now provide in urban areas, but cannot afford to provide in rural areas?

Examples of these types of services might be libraries, homecare, day-care, community or public transport, or access to other services. Examples might also include where service standards have had to be reduced, with greater impact in rural areas, such as road maintenance, grounds maintenance, or verge cutting.

Q7 What additional income is your council collecting in rural areas (fees and charges etc.), and what effect does this have on local residents and services?

#### Group 4. Growth in business rates and taxbase

It is important that rural authorities are able to show the Government that it has maximised its ability to generate local income by growing its local taxbases (business rates, council tax). This will show that rural authorities are doing what they can to support themselves financially, as well as demonstrating that they are helping to deliver some of the Government's key policy objectives, namely to promote economic growth and house-building.

Q 8. What steps has your council taken to support growth in the local economy? Where local growth has resulted in an increase in business rates income, how is your authority using that income? Is your authority using the additional income to re-invest in local business growth? Is your authority using the additional income to support local services?

Q 9. What steps has your council taken to support local house building? Where local growth has resulted in an increase in council tax base, how is your authority using that income? Is your authority using the additional income to re-invest in local business growth? Is your authority using the additional income to support local services?

#### Group 5. Reliance on New Homes Bonus(NHB) and Transition Grant

The Government is making cuts to grants that are crucial to councils in rural areas. Many district councils in rural areas are heavily reliant on NHB and have had to make spending cuts as a result of the massive reductions in the amount of NHB that is available (cut nationally from £1.6bn to £900m). The Transition Grant (introduced for two years in 2016-17) was designed to support authorities who had been unfairly treated in the four-year settlement that was announced in 2016-17, many of whom were in rural areas. The grant is reduced in 2017/18 and is being removed from 2018/19 without any change in the underlying allocations that it was supposed to address.

Q 10.If your authority has suffered any reduction in NHB, what has been the impact on your budget?

Q 11.If your authority is no longer receiving Transition Grant (from 2018-19), what has been the impact on your budget?

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**RURAL SERVICES NETWORK**

**REPORT TO THE EXECUTIVE: 25<sup>TH</sup> SEPTEMBER, 2017**

**FAIRER FUNDING CAMPAIGN – WORK COMMISSIONED FROM PIXEL – AUGUST 2017**

**1. Fair Funding Model**

Build a model that shows the impact of data and indicator changes on funding distribution (telephone, 28<sup>th</sup> July). This model would allow us to estimate the impact of changes in demography, taxbase, data and indicator weighting. Broadly the structure of the model would include:

- Calculation of the current relative needs formulae
- Update for latest demographic data (population estimates for overall, 18-65, 65+ and 3-17 years)
- Update other indicator data (where appropriate) – initially, we could update the sparsity data/ weighting to show possible effects on distribution
- Update indicator values and weightings – initially, we will use the current indicators and weightings because the range of possible indicators is just too great, and we would have to guess too much
- Update council taxbase and actual/ notional Band D
- Update control totals for the Needs and Resources blocks, and for the Central Allocation

The initial objective of the model would be to show what happens to funding distribution just from demographic change since 2013-14. This will give us the baseline for changes in funding for rural authorities without any further adjustments to the needs indicators.

It will also help us to explore council tax equalisation, which is a hugely important issue for rural authorities. We can update the model for the latest taxbase values and also explore the impact of using actual or notional Band D values.

Proposed outputs:

- The model will show the revised funding distribution based on latest demographic data. It will show the change in funding for rural authorities, and any variation in funding between rural authorities.
- The model will also show the impact of Resource Equalisation and review of the options and impact on rural authorities.
- Briefing paper for RSN analysing the key changes and the impact on any responses that RSN should make to the DCLG in respect of the Fair Funding Review.

At a later date, and when we know more about how a future formula might be constructed, we will update the model so that we can show the impact of possible changes in the formula.

**We will aim to have the model completed in the week beginning 4 September.**

## **2. Response to DCLG on Relative Resources**

To contribute towards RSN's response to last month's Needs Working Group. At this working group, RSN and other representative bodies were asked to respond to the council tax equalisation proposals (Relative Resources). The model that we have outlined above will give us the data and analysis that we need to estimate the impact on rural authorities of all the potential options. We will provide a briefing note for RSN to use for its response to the working group.

**We will need the model (above) in order to produce the response to DCLG on resource equalisation in advance of the next TWG meeting on 29 September. The briefing note/ response will be ready in the week beginning 4 September.**

## **3. Sparsity paper for Technical Working Group**

To produce and present a paper on sparsity to the TWG on 29 September. We can certainly do so, and either Dan Bates, or Adrian Jenkins (or both) will present the paper on 29<sup>th</sup>.

The paper will probably cover the following headings:

- Review of the recent research papers on sparsity (e.g. LGF paper for DCLG/ DEFRA)
- Review of other materials that have been produced by RSN for lobbying purposes
- Review of the current indicators and methodologies used for sparsity (in the current RNF and in the RSDG) – pros and cons of each approach
- Review of the sparsity indicators used in other funding formulae (e.g. NHS, Scotland) – including indicators that cover sparsity, rurality and access to services

We don't envisage our paper particularly breaking new ground but would rather be reviewing the work that has been done to date. We would be making the point that much work has been done in the past, and has been accepted and used in funding formulae.

**TOTAL FOR ALL 3 - 14 DAYS**

## REPORT TO THE EXECUTIVE ON MEMBERSHIP

### INTRODUCTION

We have this year (17/18) received 9 indications of resignation from the RSN, 3 from Sparse Rural members 6 from Rural Assembly ones. Some of these have received demonstrable financial benefit from our work. This is materially higher than in other years. The effect on the budget is, of course, cumulative.

Obviously, in all cases these authorities will have to serve their notice period but it certainly will not assist the organisation in the long term or the presentation of the arguments that authorities are imploring us to make. In the meantime we will be doing our very best to get them to change their mind by setting out the service they receive and the benefits flowing to them through it. Sometimes we are successful in that, sometimes we are not.

Last year, at this time of year, we did a 'blue sky' exercise with the Executive, aware that the austerity regime was biting ever harder and those authorities would explore charges across the board. As part of that exercise we introduced a new charging structure for SPARSE Rural members – as agreed at the subsequent AGM the increase is being phased in over 4 years, commencing 1<sup>st</sup> April 2017.

The AGM Report also addressed the issue of what would happen if there were withdrawals from membership, or, indeed if membership increased. The Report, which was approved, said "Thus if all authorities throughout England which should support the RSN as they have rural areas within their boundaries become members, the individual cost as recommended consequently reduces." **Conversely it has to increase if authorities which are current members are not prepared to continue to give support.** A separate Report to this meeting addresses the financial issues arising from the resignations referred to above.

Also, following the 'blue sky' discussions, we made fundamental changes in the outlook and structure of the organisation and these were introduced this year. Whilst these changes have not had any real time period on which they can be evaluated by authorities, the rate of attempted resignations has increased and we do need to see whether it is possible to do anything further to aid retention (and recruitment).

Attached therefore as Appendices A, B and C are suggestions to try to further improve the standing of the organisation with members.

The point we need to make, however, is that obviously we cannot introduce any changes that are time consumptive on our team without changes being incurred which counter balance the situation. Members will recall that at the last Executive we made mention of attempts to bring in a Policy Director whose role would be very much geared to help the

Corporate Director in income generation. We are still in negotiation with an individual about that post but even if this fails we will have to advertise the post, which is a vital one.

If the Executive supports any or all of the suggestions set out in the appendices , the counter balance areas we feel that should be looked at are:-

- (a) As referred to in Appendix 'C' the substitution of Post Regional (Rural Assembly) Meeting Seminars in place of the four (free) stand -alone seminars a year currently given; and
- (b) At the present time Andy Dean attempts to co-ordinate a Transport Group. This has not been either successful or productive and we suggest that we no longer undertake this activity. The views of John Birtwistle on this will be important.

## Attachment A

# REPORT TO THE RSN EXECUTIVE REGARDING SUGGESTED REGIONAL ARRANGEMENT FOR AN EXTRA LAYER OF RSN MEETINGS.

### INTRODUCTION

As stated in the covering report, we have this year received 9 indications of resignation from the RSN - 3 from Sparse Rural members and 6 from Rural Assembly ones. We suspect some members may be examining their membership on a Councillor attendance at meetings basis. This means unfortunately that we won't score highly (despite everything else we do in the majority of cases) because only about 35 of the 146 members attend meetings for us to score reasonably on that assessment.

At this enormously difficult time we feel we need to be seen to be giving as much as we possibly can.

We are talking about a wider package here. Other reports to this particular Executive explore the concept of a special bulletin for nominated representatives, and of encouraging members to have annual meetings specifically about rural issues. This report explores the possibility of trying to introduce annual regional meetings again with an aim of teasing members into more direct involvement.

### CONSIDERATION

If then we are to consider seeking a series of Regional meetings to be closer to authorities how we would attempt to do that:-

- It is not recommended we lose any of the LGA meetings at this time. Separating out Rural Assembly from Sparse Rural gives only two meetings a year in London for both and we need to retain that number.
- How do we apply the term regional
  - ~ At the moment we have the following through the Vice Chair system. SW, SE, E, West Midlands, N, Yorkshire. (5)
  - ~ In terms of previous Regional Offices Government had it as SW, SE, E Midlands, NW, NE, West Midlands, Yorkshire (7)

Obviously the closer you get to a group of authorities the more potential for individual authority connection but it is believed 6 is a maximum we can support.

- Obviously it would be unreasonable to expect the Chair to take additional 5 to 6 meetings a year and giving the Chair of these Regional meetings to the appropriate Vice Chair might be appropriate?
- 'Officer' wise who would lead these sessions from that viewpoint. Again, it's unlikely the present 'meetings team' could or would do that and we would have to share them around.
- A possible scenario might be
  - ~ SW- David Inman
  - ~ West Midlands –Graham Biggs
  - ~ East Midlands- Kerry Booth
  - ~ Yorkshire, NE, NW- Andy Dean

We have fewest members in the SE and it is closest in proximity to the London meetings and so, unfortunately, we therefore do not suggest a Regional meeting for the SE at this time. We envisage the July SPARSE Rural meeting to also be a Finance Seminar with Finance Directors and Portfolio Holders invited as this year.

However, this will mean some current work gets displaced.

- When would the meetings be held:-
  - ~ it is suggested this be quite open - anytime between the 1<sup>st</sup> of January and the date of the AGM in November but we would try to avoid dates too close to main meeting dates.
- Who could attend:-
  - ~suggest it is solely RSN members paying a charge. Therefore solely principal local authorities and RSP representatives
  - ~to that aim we might have to seek to get regional contact details for RSP members.
- Where would the meetings be:-
  - ~ We would attempt to use member authority Council Chambers to avoid additional cost.
  - ~We would attempt to vary location within the region from year to year
- What would the agendas comprise:-
  - ~these it is suggested would be RSN meetings with Rural Assembly (General Rural) considerations.
  - ~the RSN Chair and the CEO would annually pick the overall format and themes to be followed by the meetings, based on the RSN agreed priorities

- Where then do the minutes and any recommendations from these meetings go?  
 ~Unless they are considered to have emergency status it is recommended that they would fall to the RSN AGM in November.  
 ~ The Executive would be given authority to deal with any emergencies arising.
- One accompanying possibility might be that we abandon the current Ivan Annibal (4 a year and free) led seminar system and bolt shorter seminars on to 4 of these Regional Meetings a year. The 4 with Seminars 'attached' would vary so that the seminars would be spread over the 6 Regional Meetings over time. In any year the 2 without seminars would have at least one external Speaker at its meeting.
- If Seminars to be attached, we envisage the Regional meeting from 11.30a.m. to 1p.m. and a Seminar session 1.30p.m. to 3.30/4 p.m. A sandwich lunch would be provided where possible.
- ~ maybe 3 presenters might be involved.  
 ~ The organisation of the seminar would remain contracted to Ivan Annibal of Rose Regeneration. However, the overall theme for the seminars would be set by the CEO at the beginning of the year.  
 ~ We would attempt to have a variation of themes between regional areas so authorities would get varying topics over a 3 year period.  
 ~ although the meeting itself would be restricted to member authorities and RSP members the Seminar session might, if accommodation was considered to be likely to be available, also be available to RSN Community members (from the Regional Area) from either Sparse Rural or Rural Assembly type members.

## RECOMMENDATION

We ask the Executive to give consideration to such a system.

# **REPORT TO THE RSN EXECUTIVE ON A SUGGESTION FOR STRENGTHENING SERVICE TO THE NOMINATED COUNCILLOR**

## **-SPECIAL BULLETINS RE SPARSE RURAL AND RURAL ASSEMBLY**

## **-TARGETING THE APPROPRIATE COUNCILLORS**

### **(A) SPECIAL BULLETINS**

#### **INTRODUCTION**

The RSN issue a strong range of e literature setting out news and views about rural areas throughout the week.

It is important that to satisfy an 'e' audience believed to be potentially of 50,000 people that we cover all these rural angles because some people will value all but some people will only be on the lookout for special areas because our audience is equally variable.

However the most valuable members at the end of the day are the people who receive the Agendas for our 146 member authorities as it is from those local authorities where the vast amount of our operational budget arrives from. The essential fact of life is that to survive we have to maintain those subscriptions above everything else.

The Agenda papers go out to a specific group of Councillors and Officers. For each authority we hope there is a nominated Councillor and in some cases there is an appointed substitute or substitutes. Where an authority does not nominate a specific Councillor we send these papers to the Leader. Some Councillors also name an officer as our chief point of contact and Agenda papers also go to that person. Where the authority does not name a person we send the papers to the Chief Executive. Accordingly all member authorities should get at least two copies of agenda papers sent to them. Sparse Rural members will get the four sets a year (two Sparse Rural, two Rural Assembly ) Rural Assembly members on the other hand will just get the Two Rural Assembly Agendas. In reality however this list does tend to be a little bigger than two names because we often include more than one officer per authority.

Our concern is that these 'key' people as far as our membership is concerned may not in reality be reading many of the weekly news and bulletins (it is their entitlement to unsubscribe etc). If, as they are busy people, that is the case some of them will only be receiving agendas and in the case of Rural Assembly members only two agendas a year and if they are not attending the meeting many of those may not read the meeting paper.

Despite all our efforts in that case it is possible to some degree to understand the claims which are being made, particularly by the Rural Assembly authorities that they don't feel involved or find the service of value (we are for the first time this year having a significant number of resignations - mostly Assembly members- this however is not totally surprising given the continuing year on year budget cuts).

## CONSIDERATION

The only way we can think of trying to make sure that our full service gets to the attention of the key individuals in each authority more than a few times a year is to provide to this 'agenda' list a periodic special bulletin updating them on an array of activities. It is suggested there be one of these special bulletins every other month -one to Sparse Rural members and one to the Rural Assembly members. Meaning in reality the Sparse Rural members ( as they are also automatically Assembly members) would get a bulletin a month, while the Rural Assembly members would get just the one every second month. We would use the title 'Briefing Bulletins' The wording in the bulletin titles would also specifically refer to the Sparse Rural and Rural Assembly work, hopefully making the point that as a member or potential member of these committees that they should try to focus on the work being presented in the bulletin.

What then should these special bulletins comprise? This is our initial thinking.

- We would suggest that members should be specifically directed to the relevant material the RSN has circulated over the month by way of links to the most important of the material circulated.
- We would try to major on parliamentary business being undertaken by the RSN- (APPG, Fairer Funding Group, Rural Vulnerability Day, the House of Lords' Rural Panel). We are investigating whether or not from existing capacity, we can develop a Rural Hansard service- providing links to rural topics being debated in the Commons.
- We would refer also to press releases sent out by the organisation.

We could however expand this service if we felt it was desirable to do so and we had the resource available to allow that. It does open up a potential conduit for us to use to this important group

This would in reality be an attempt to spoon feed members and officers with the core of the activities of the RSN organisation.

The Rural Assembly of course took the place of the Rural Commission at the LGA. Its drawback of course is that there has to be a small payment for member authorities. The Rural Assembly however only had the two meetings a year with no linked up interim service. Hopefully therefore this will be seen as a more comprehensive service than was provided by the LGA.

## **(B) TARGETING**

As an Executive we have talked previously about

- Calls for Evidence
- Sounding Boards
- A possible online Rural Community Parliament

This section of the report seeks to update members in these areas and establish how the nominated councillor and how all rural ward members can be involved .

### **RURAL SOUNDING BOARDS**

Sounding Boards are topic specific but do not seek to be representational cross-sections across age ranges etc etc.

The two member Boards we have in place currently are:-

~The nominated RSN councillor Board (if Councils have not specifically appointed a Councillor we send questionnaires to the Council leader). So currently that is 148 people.

~The Parish/ Town Council Sounding Board on which there are currently 497 people.

We would like to establish a rural small business sounding board, a young people's sounding board, a rural school governor sounding board, a rural small shopkeeper's board and a rural publican's board. We have however only got to the stage of looking towards the first two of these. We are trying to get small business information from enquiry forms to parish councils and we are working with UK Youth and the National Association of Young Farmers Clubs to see if from their listings we can establish a young people's sounding board.

We would like to make a couple of recommendations at this time

**Sounding Board Recommendation 1.** We write to all our member councils who do not have a specifically nominated councillor at this stage asking if they would please nominate such a councillor.

**Sounding Board Recommendation 2.**

Whilst the nominated councillor sounding board should be used twice with the topic choice and results revolving around Rural Assembly meetings there should also we feel be an Annual Principal Councillor Exercise in which all member rural councillors are invited to participate.

- This will involve a fair degree of work and require incremental introduction because it will mean identifying those rural Councillors in each member authority and recording them on lists - but it is vital our 'rural' interface with authorities is also a broad one.
- It will however give us the opportunity to send on limited occasion's information such as an Annual Report to these rural councillors direct - This is also considered really important in membership retention terms.

**A POSSIBLE ONLINE RURAL COMMUNITY PARLIAMENT**

We are slowly proceeding with this one- consulting with some people as we go. We have included this in a Big Lottery discussion we are trying to have with them about possible funding sources and have now put it in parallel with a possible 'Learning Day'. The revised document is shown on Appendix C.

**Online Parliament - Recommendation 1.**

It is recommended that the draft as detailed in the Appendix be adopted for the required further discussion with possibly involved bodies.

**Online Parliament - Recommendation 2.**

RSN needs to decide who would be the first of its various groupings who to be representatives on any Online Rural Parliament. It is recommended that we would start with the nominated Councillors from the constituent member authorities here.

**SUMMARY**

Accordingly if all of the recommendations in this report and accompanying agenda reports are acceptable there would the following defined roles for authority nominated councillors:-

- Attendance at meetings of the Rural Assembly and if the authority is a Sparse Rural member meetings of SPARSE Rural.
- Attendance at a meeting of the appropriate RSN Regional Grouping together with any accompanying Seminar/Presentation

- To receive special bulletins on periodic occasions as shown on the Agenda timetable
- To represent their authority on the Online Rural Community Parliament
- To input each year into two rural questionnaires as a member of the Principal Councillors Sounding Board.

For rural councillors generally with a member authority (who are not the nominated member) we would specifically contact them twice a year

- Seeking their input into an annual rural councillor questionnaire
- Detailing an Annual RSN report.

It has to be acknowledged that representing a rural authority on a LGA Special Interest Group in London will often present a challenge. Rural areas by their very nature are likely to be situated some way from London. It may be sometime before tele - meetings become a viable alternative and are we watching as technology edges forward in this area. In the meantime we hope that by giving nominated councillors a full repertoire they can input freely on their authority's behalf.

## **CONCLUSION**

We hope Executive members will see benefit in this proposed new initiative and agree its implementation.

## Appendix C

### REPORT TO THE RSN EXECUTIVE ON A POSSIBLE REQUEST TO COUNCILS TO HAVE ANNUAL CONSIDERATION THROUGH A SPECIFIC ARRANGEMENT OF THE SITUATION IN THEIR RURAL AREAS.

#### INTRODUCTION

We are as an organisation always trying to find ways to make the service we provide to members stronger and stronger. We recognise that as a discretionary service as austerity bites deeper and deeper there is a greater risk of withdrawals each year. To try to establish with authorities some 'magic essential need elixir' will always be our continued quest. This report, for example, tries to independently and impartially consider what factors are currently influencing rural areas, what the impact of those factors might be and how we might recommend to our member authorities that they periodically look at the position in relation of rural areas as principal local authorities through special meeting arrangements of their own.

#### CONSIDERATION

If we attempt to look at rural areas as impartially as possible they do not appear to be in a particularly good place at this time. We list below the factors we feel are relevant at this time. The acid question we must try to put before our member authorities is how cumulatively important is the situation in respect of their particular rural areas to them. Does this position in their area deserve or warrant special consideration somewhere in their committee structure? If that is the case what are the options open to local authorities to actually do that? If local authorities are to have special meetings looking at rural problems what information can RSN specifically provide about their areas which allows internal, regional and national comparison?

What then are the problems which are particularly unique to rural areas at this time.

- 0.3% of population in rural areas between the ages of 17 to 20 will move out of rural areas every year.
- The average population of rural areas is increasing in every year that goes by. As people live longer this is also the case nationally but in rural areas it is occurring almost twice as rapidly than in other areas of England. By 2039 almost a third of people in rural areas will be over 65 and 12% of the population will be over 85.

- Services in rural areas as would be expected start from a lower overall service base than in other areas.
- It is commonly accepted that services in rural areas cost more to deliver as a whole than services elsewhere in England.
- If you are on a social housing waiting list you are probably less likely to be successful if you live in a rural area compared to the case if you live in an urban area
- Many claim that services actually physically delivered in rural areas have suffered greater reduction than service in other areas over the austerity years. This process is ongoing and it will be sometime yet before it can be physically totally mapped and calculated statistically but most commentators have no problem in agreeing that it is a process that is occurring.
- One of the outputs of austerity has been further clustering of more centrally based services in an attempt by service providers to keep down costs. This will mean that for people living in rural areas the physical distance that they need to travel to services outside their rural area which necessitates an appointment is increasing. As an example only 19% of people living in a rural area are now considered to have 'reasonable access' to the nearest hospital. Again, it may be some time before more precise and detailed statistics become available.
- While people in rural areas are more likely to be in work, earnings from employment in rural areas is nearly 19% lower than the national average and that percentage between rural and national pay rates continues to widen.
- It costs more to live in a rural area than other areas with extra costs of fuel, rents and council tax and where there is a smaller available market. Rural Fuel Poverty is a significant concern and is 2% higher than in urban areas despite the better employment rates.
- Broadband availability remains a significant problem in rural areas and speeds when there is access are twice as slow compared to urban areas. This problem is compounding for those who struggle with service or have more needs as more and more service outlets move to internet service to save money, playing to what is perceived as the national norm.
- Mobile phone reception is equally troublesome in rural areas and there is a 23% higher dissatisfaction rate in rural areas.

- Rural Areas continue to be far more dependent on European Grant than their urban equivalents and the potential threat of Brexit to farming, community and rural academic research is a very real concern.
- The suicide rate for rural areas is 7 % higher than in urban

IN OUR VIEW RURAL AREAS DO FACE A CLUSTER OF CURRENT PROBLEMS THAT DO CONSTITUTE A NEED FOR LOCAL AUTHORITIES WITH RURAL AREAS TO SEEK FOCUS SINGULARLY ON THIS AREA AT A SPECIAL MEETING AT VERY LEAST ONCE A YEAR.

What then are the options open to Local Authorities for their membership to give specific meetings' thought to the rural problem:-

- Different local authorities will have different ways of working depending on their 'political' arrangements.
- Different authorities may have different thoughts about how many meetings they might wish to conduct. We might suggest meetings every six months for both Sparse Rural and Rural Assembly category members and once a year for Associate members.
- Some local authorities will have scrutiny arrangements in place to assist the Executive Board, others will allocate scrutiny as a role for the opposition groups and it will therefore possibly be a sharper edged process not so suitable for this sort of work. Therefore, while in some authorities consideration of rural issues can be undertaken corporately, in other authorities it could be felt to become somewhat of a political football if allocated to scrutiny. It will be for individual authorities to decide how best it can receive consideration.
- As an alternative to a Scrutiny Committee we could suggest perhaps a special cross party rural panel.
- Alternatively again it may be that some authorities would look to work with others, on such a rural consideration exercise, with parish councils, or a panel of parish Councillors in a District level or possibly with Community Councillors in a county or Unitary level authority.

There are of course many, many possible variants. However what we do hope is that individual members would at this current time, when things are so tricky for rural areas, would wish to consider how they might give a little 'special' time to considering the circumstances in their particular areas.

If local authorities are to have special meetings looking at rural problems what backing and information can RSN specifically provide about their areas which allows internal, regional and national comparison?

There are currently 148 rural local authorities in membership with us. There are some 240 local authorities who we consider should have a relatively strong rural interest and we will continually be encouraging those 90 extra authorities to be in membership with us in some form or other.

Given that situation, if we are envisaging that many rural consideration meetings or panels, RSN consultants could not possibly attend that number of meetings. What it is suggested we could do is as follows:-

- (a) Prepare for each authority a particular sheet of statistical material (normally, limited to that which we collect for our national purposes) showing wherever possible the position relating to individual areas of the authority; the position appertaining to the authority as a whole; how that position compares with authorities in the same County: how the position compares regionally and finally, of course, how the position compares nationally
- (b) We would come to create a special section of the website where details of such meetings were held so that members were able to share thoughts and considerations arrived at.

## RECOMMENDATION

The Executive are asked to give full consideration to this report. It is felt that RSN needs to give some detailed consideration about how it more directly communicates with its members. The Executive are asked to decide whether such a 'scrutiny' would be helpful in that regard.

## **RURAL SERVICES NETWORK**

### **REPORT TO THE EXECUTIVE 25<sup>TH</sup> SEPTEMBER, 2017**

#### **LEVEL OF MEMBER CONTRIBUTION 2018/19 TO 2021/22**

##### **1.0 INTRODUCTION AND BACKGROUND**

1.1 This time last year the Executive at a “Blue Skies Meeting” considered at length a report on the Future Direction of the RSN.

1.2 Part of that consideration was the level of member contribution, or charge, needed to be made from 2017/18 to 2021/22 to sustain the organisation and to ensure that, in its member’s interest, it had the capacity to do all that was asked of it. The resultant increases, it was agreed, would be phased in over the four year period.

1.3 Prior to 2017/18 mostly all authorities, irrespective of size, paid the same fee. Counties and Districts were the same (only the Unitaries created in 2009 paid a greater sum). From 2017/18 the intention was to make the proposed charging system more equitable to allow for size of authority and to also allow for the changing shape of authorities over the next few years.

1.4 The formula recommended by the Executive, and approved at the subsequent RSN AGM, was based not on a set level subscription but on the relevant percentage of the costs necessary to operate the group. That operating cost was set at £340k (by 2021/22). This was determined as a fixed cost. Therefore, it would get lower per member if we achieved greater membership as the percentage share would decrease. Conversely -- if we lost subscribing members, the cost to remaining members would have to increase.

1.5 The formula adopted was one based on a standard charge of £1,500 plus a relatively small amount (less than a penny) per rural resident in each members’ area to achieve the balance required. Caps were also introduced on the amount payable of £3,000 for two tier authorities and £6,000 for single tier Unitary Councils (or for newly created ‘super two tier Districts or Counties’ should their normally calculated charges under the formula adopted be above those figures.

1.6. Very regrettably, as reported elsewhere on this Agenda, some 9 Authorities have, this year, served notice of withdrawal. The withdrawal dates vary dependant on the date notice was served on us - as the RSN Constitution requires a full 12 months’

notice expiring 31<sup>st</sup> March. We will, of course, seek dialogue with those seeking to withdraw and try to persuade them to reverse their decision – we feel there is a particularly strong case where the authority concerned gains from our financial representational role.

1.7 Unfortunately, the consequence of the withdrawals (especially given the number involved) is to increase future charge costs to the remaining membership in accordance with the agreed policy set out in paragraph 1.4 above

1.8 This report makes recommendations as to the required revised level of charge from 2018/19 to 2021/22.

1.9. Of course, if we are successful in getting any of the withdrawals from membership revoked, the required increases will be reduced accordingly and a recalculation carried out by the AGM (using the recommended new formula, if approved).

## 2.0. REVISING THE CHARGING STRUCTURE

2.1 In all we have considered seven different methods of revising the charging formula so that the most equitable change for all types (and sizes) of authority can be achieved.

2.2 **The revised charges recommended are set out in the Appendix to this report.** For each year concerned, each authority in membership is listed, and the headings in the Appendix show REPORT (being last year's report) PREDICTED (being the amount now recommended) and Difference (being the amount by which the charge is increased each year if our recommendation in this report is accepted.

2.3 The suggested changes to the formula to give the results shown in the Appendix are:-

- Ø The predicted subs for Assembly members under the new formula start at £600 in 2018/19, and are increased yearly by £50 to bring them to £750 in 2021/22. The report initially had them set at £535 in 2018/19, and increased them by £20 yearly.
- Ø The predicted subs for SPARSE-RURAL members are calculated in the same way as had been previously used in last year's report, on an initial contribution of £1500 per authority, with (a small) additional amount added that is related to the specific authority's rural population. Unitary authorities continue to be subject to a double weighting to their rural populations over that of district and county authorities.
- Ø Last year's report set maximum charges of £6000 and £3000 for unitary authorities and district/county authorities respectively. In contrast to the report, the charges under the recommended new formula, increase the maximum

charges, starting at £6200 and £3100 in 2018/19. The increase has been set at £100 and £50 per year respectively, resulting in new maximum levels of £6500 and £3250 by 2021/22

### **3.0 RECOMMENDATION.**

**3.1. That the Executive approves the new formula and resultant increases in membership charges from 2018/19 as a recommendation to the next RSN AGM.**



		REPORT 2018/19 Sub	PREDICTED 2018/19 - Sub	difference	REPORT 2019/20 Sub	PREDICTED 2019/20 - Sub	difference	REPORT 2020/21 Sub	PREDICTED 2020/21 - Sub	difference	REPORT 2021/22 Sub	PREDICTED 2021/22 - Sub	difference
East													
Cambridgeshire	SPARSE	2395	2489	94	2528	2717	189	2677	2854	177	2849	3002	153
East Devon	SPARSE	2546	2656	110	2702	2923	221	2877	3084	207	3000	3250	250
East Hampshire		0	0	0	0	0	0	0	0	0	0	0	0
East Hertfordshire	SPARSE	1933	1979	46	1998	2089	91	2070	2156	86	2153	2227	74
East Lindsey	SPARSE	2956	3100	144	3000	3150	150	3000	3200	200	3000	3250	250
East													
Northamptonshire	SPARSE	2034	2090	56	2114	2227	113	2203	2309	106	2306	2397	91
East Riding of Yorkshire	SPARSE	5779	6200	421	6000	6300	300	6000	6400	400	6000	6500	500
East Sussex	SPARSE	3000	3100	100	3000	3150	150	3000	3200	200	3000	3250	250
Eden	SPARSE	2061	2120	59	2145	2263	118	2238	2349	111	2346	2442	96
Essex	SPARSE	3000	3100	100	3000	3150	150	3000	3200	200	3000	3250	250
Fenland	SPARSE		0	0		0	0		0	0		0	0
Forest Heath	SPARSE	2138	2205	67	2233	2367	135	2339	2465	126	2462	2571	109
Forest of Dean	SPARSE	2334	2422	88	2458	2635	176	2598	2763	165	2758	2900	143
Gateshead	ASSEMBLY	535	600	65	555	650	95	575	700	125	595	750	155
Gedling	ASSEMBLY	535	600	65	555	650	95	575	700	125	595	750	155
Guildford	ASSEMBLY	535	600	65	555	650	95	575	700	125	595	750	155
Hambleton	SPARSE	2451	2552	100	2593	2794	201	2752	2940	188	2935	3097	163
Hampshire	SPARSE	3000	3100	100	3000	3150	150	3000	3200	200	3000	3250	250
Harborough	SPARSE	2357	2447	90	2485	2666	181	2628	2797	169	2792	2938	146
Harrogate	SPARSE	2229	2305	77	2337	2491	154	2459	2603	144	2599	2723	125
Herefordshire, County of	SPARSE	4076	4347	271	4460	5004	544	4890	5399	509	5384	5824	440
Hinckley and Bosworth	ASSEMBLY	539	600	61	559	650	91	579	700	121	599	750	151
Horsham	SPARSE	2349	2438	89		0	0		0	0		0	0
Huntingdonshire	SPARSE	539	662	123	559	767	208	579	801	222	599	837	238
Isle of Wight	SPARSE	3280	3280	0	3280	3280	0	3280	3280	0	3280	3280	0
King's Lynn and West Norfolk	SPARSE	2542	2652	110	2698	2918	220	2872	3078	206	3000	3250	250
Lancashire	SPARSE	3000	3100	100	3000	3150	150	3000	3200	200	3000	3250	250
Lancaster	ASSEMBLY	535	600	65	555	650	95	575	700	125	595	750	155
Leicestershire	SPARSE	500	535	35	500	555	55	500	575	75	500	595	95
Lewes	SPARSE	1923	1967	45	1986	2075	89	2057	2140	84	2138	2210	72

		REPORT 2018/19 Sub	PREDICTED 2018/19 - Sub	difference	REPORT 2019/20 Sub	PREDICTED 2019/20 - Sub	difference	REPORT 2020/21 Sub	PREDICTED 2020/21 - Sub	difference	REPORT 2021/22 Sub	PREDICTED 2021/22 - Sub	difference
Lichfield	SPARSE	1817	1851	33	1864	1931	67	1917	1980	63	1978	2032	54
Lincolnshire	SPARSE	3000	3100	100	3000	3150	150	3000	3200	200	3000	3250	250
Maldon	SPARSE		0	0		0	0		0	0		0	0
Malvern Hills	SPARSE	1917	1961	44	1980	2068	88	2049	2132	82	2129	2201	71
Melton	SPARSE	2038	2094	57	2118	2231	113	2208	2314	106	2311	2403	92
Mendip	SPARSE	2666	2789	123	2840	3087	246	3000	3200	200	3000	3250	250
Mid Devon	SPARSE	2330	2417	87	2454	2629	175	2592	2756	164	2751	2893	142
Mid Suffolk	SPARSE	2511	2617	106	2662	2875	213	2830	3030	200	3000	3197	197
Mid Sussex	SPARSE	539	662	123	559	767	208	579	801	222	599	837	238
New Forest	SPARSE	2353	2443	90	2480	2660	180	2623	2791	169	2786	2932	146
Newark and Sherwood	SPARSE	2026	2292	266	2026	2474	448	2026	2584	558	2026	2702	676
Norfolk	SPARSE	3000	3100	100	3000	3150	150	3000	3200	200	3000	3250	250
North Devon	SPARSE	2162	2232	70	2261	2401	140	2372	2503	131	2499	2612	113
North Dorset	SPARSE	2232	2309	77	2341	2496	154	2463	2608	145	2604	2729	125
North Kesteven	SPARSE	2145	2525	380	2145	2762	617	2145	2904	759	2145	3057	912
North Lincolnshire	SPARSE	3131	3303	172	3374	3719	344	3647	3969	322	3959	4238	279
North Norfolk	SPARSE	2583	2697	114	2745	2974	229	2926	3140	214	3000	3250	250
North Somerset	SPARSE	3182	3359	177	3433	3788	355	3713	4046	332	4036	4323	287
North Warwickshire	SPARSE	2108	2172	64	2199	2328	128	2301	2421	120	2417	2521	104
North West Leicestershire	SPARSE	2079	2140	61	2165	2288	122	2262	2376	114	2373	2472	99
North Yorkshire	SPARSE	3000	3100	100	3000	3150	150	3000	3200	200	3000	3250	250
Northamptonshire	SPARSE	300	300	0	300	300	0	300	300	0	300	300	0
Northumberland	SPARSE	6000	6200	200	6000	6300	300	6000	6400	400	6000	6500	500
Nottinghamshire	SPARSE	3000	3100	100	3000	3150	150	3000	3200	200	3000	3250	250
Oxfordshire	ASSEMBLY	515	600	85	515	650	135	515	700	185	515	750	235
Purbeck	SPARSE	1902	1944	42	1962	2046	85	2029	2108	79	2106	2174	69
Redcar and Cleveland	ASSEMBLY		0	0		0	0		0	0		0	0
Ribble Valley	SPARSE	2067	2126	60	2151	2271	120	2246	2358	112	2355	2452	97
Richmondshire	SPARSE	2055	2113	58	2137	2254	117	2230	2340	110	2336	2431	95
Rother	SPARSE	2006	2059	53	2082	2188	107	2166	2266	100	2263	2350	87
Rotherham	ASSEMBLY	535	600	65	555	650	95	575	700	125	595	750	155
Rugby	SPARSE	1759	1786	27	1798	1852	55	1841	1892	51	1890	1935	44

		REPORT 2018/19 Sub	PREDICTED 2018/19 - Sub	difference	REPORT 2019/20 Sub	PREDICTED 2019/20 - Sub	difference	REPORT 2020/21 Sub	PREDICTED 2020/21 - Sub	difference	REPORT 2021/22 Sub	PREDICTED 2021/22 - Sub	difference
Rutland	SPARSE	2298	2382	84	2417	2585	168	2550	2708	158	2703	2839	136
Ryedale	SPARSE	2052	2110	58	2135	2251	117	2227	2336	109	2333	2427	94
Scarborough	SPARSE	2002	2055	53	2077	2183	106	2161	2260	99	2257	2343	86
Sedgemoor	SPARSE	2282	2365	82	2399	2564	165	2530	2685	155	2680	2814	134
Selby	SPARSE	2369	2461	91	2499	2682	183	2644	2816	172	2811	2959	149
Sevenoaks	SPARSE	2369	2460	91	2499	2682	183	2644	2815	172	2810	2959	149
Shepway	SPARSE	1943	1990	47	2010	2103	94	2084	2171	88	2168	2244	76
Shropshire	SPARSE	6000	6200	200	6000	6300	300	6000	6400	400	6000	6500	500
Solihull	ASSEMBLY	535	600	65	555	650	95	575	700	125	595	750	155
Somerset	SPARSE	3000	3100	100	3000	3150	150	3000	3200	200	3000	3250	250
South													
Cambridgeshire	SPARSE	2715	2843	128	2896	3150	254	3000	3200	200	3000	3250	250
South Derbyshire	SPARSE	539	662	123	559	767	208	579	801	222	599	837	238
South Hams	SPARSE	2326	2413	87	2450	2624	174	2588	2751	163	2746	2887	141
South Holland	SPARSE	2105	2169	64	2195	2323	128	2296	2416	120	2412	2516	103
South Kesteven	SPARSE	2460	2561	101	2603	2806	203	2764	2953	190	2948	3112	164
South Lakeland	SPARSE	2606	2723	116	2771	3005	234	2956	3175	219	3000	3250	250
South Norfolk	SPARSE	2648	2769	121	2819	3062	242	3000	3200	200	3000	3250	250
South													
Northamptonshire	SPARSE		0	0		0	0		0	0		0	0
South Oxfordshire	SPARSE	2850	2992	142	3000	3150	150	3000	3200	200	3000	3250	250
South Somerset	SPARSE	2732	2862	130	2916	3150	234	3000	3200	200	3000	3250	250
South Staffordshire	SPARSE	540	663	123	560	768	208	580	802	222	600	838	238
St Edmundsbury	SPARSE	2228	2304	77	2336	2490	154	2458	2602	144	2597	2722	124
Stafford	SPARSE	2103	2167	63	2193	2320	127	2294	2413	119	2409	2512	103
Staffordshire	SPARSE	3000	3100	100		0	0		0	0		0	0
Stratford-On-Avon	SPARSE	2782	2917	135	2974	3150	176	3000	3200	200	3000	3250	250
Stroud	SPARSE	2006	2059	53	2081	2188	107	2166	2266	100	2263	2349	86
Suffolk	SPARSE	3000	3100	100	3000	3150	150	3000	3200	200	3000	3250	250
Suffolk Coastal	SPARSE	2414	2510	96	2550	2743	193	2703	2884	181	2878	3034	156
Sunderland	ASSEMBLY	535	600	65	555	650	95	575	700	125	595	750	155
Surrey	ASSEMBLY	535	600	65	555	650	95	575	700	125	595	750	155
Swindon	ASSEMBLY		0	0		0	0		0	0		0	0
Tandridge	SPARSE	539	662	123	559	767	208	579	801	222	599	837	238

		REPORT 2018/19 Sub	PREDICTED 2018/19 - Sub	difference	REPORT 2019/20 Sub	PREDICTED 2019/20 - Sub	difference	REPORT 2020/21 Sub	PREDICTED 2020/21 - Sub	difference	REPORT 2021/22 Sub	PREDICTED 2021/22 - Sub	difference
Taunton Deane	SPARSE	1986	2038	51	2059	2162	103	2140	2236	96	2233	2316	83
Teignbridge	SPARSE	2431	2529	98	2570	2766	196	2725	2909	184	2904	3063	159
Telford and Wrekin	ASSEMBLY	535	600	65	555	650	95	575	700	125	595	750	155
Tendring	ASSEMBLY		0	0		0	0		0	0		0	0
Tewkesbury	SPARSE	1965	2014	49	2034	2132	98	2112	2203	92	2201	2280	79
Torridge	SPARSE	2181	2253	72	2283	2427	144	2397	2531	135	2527	2644	116
Tunbridge Wells	SPARSE	1992	2044	52	2066	2170	104	2148	2245	97	2243	2327	84
Uttlesford	SPARSE	2348	2437	89	2474	2653	179	2616	2784	168	2778	2923	145
Vale of White Horse	SPARSE	2230	2307	77	2339	2493	154	2461	2605	144	2601	2726	125
Wakefield	ASSEMBLY		0	0		0	0		0	0		0	0
Warwick	ASSEMBLY	515	600	85		0	0		0	0		0	0
Warwickshire	SPARSE	535	658	123	555	763	208	575	797	222	595	833	238
Waveney	SPARSE	539	662	123	559	767	208	579	801	222	599	837	238
Wealden	SPARSE	2845	2986	142	3000	3150	150	3000	3200	200	3000	3250	250
Wellingborough		0	0	0	0	0	0	0	0	0	0	0	0
West Berkshire		0	0	0	0	0	0	0	0	0	0	0	0
West Devon	SPARSE	2072	2132	60	2157	2278	121	2252	2365	113	2362	2460	98
West Dorset	SPARSE	2498	2603	105	2647	2858	211	2814	3011	197	3000	3176	176
West Lindsey	SPARSE	2447	2547	100	2589	2789	200	2747	2934	187	2928	3090	162
West Oxfordshire	SPARSE	2618	2736	118	2785	3021	236	2972	3193	221	3000	3250	250
West Somerset	SPARSE	1870	1909	39	1925	2003	78	1987	2060	73	2058	2121	63
West Sussex	SPARSE	3000	3100	100	3000	3150	150	3000	3200	200	3000	3250	250
Winchester		0	0	0	0	0	0	0	0	0	0	0	0
Worcestershire	SPARSE	535	658	123	555	763	208	575	797	222	595	833	238
Wychavon	SPARSE	2722	2851	129	2904	3150	246	3000	3200	200	3000	3250	250
Wycombe	ASSEMBLY	535	600	65		0	0		0	0		0	0
Wyre Forest		0	0	0	0	0	0	0	0	0	0	0	0
York	ASSEMBLY	535	600	65	555	650	95	575	700	125	595	750	155
		<b>289964</b>	<b>303730</b>		<b>292966</b>	<b>315606</b>		<b>303301</b>	<b>327482</b>		<b>313440</b>	<b>339358</b>	

## RURAL SERVICES NETWORK

### EXECUTIVE 25<sup>TH</sup> SEPTEMBER, 2017

#### BUDGET 2017/18 AND FUTURE YEARS

**Attached as Appendix A** is the budget report for 2017/18 – with Actual to end of August – and estimate 2018/19 in the usual format.

**Attached as Appendix B** is a budget report looking at the budget right through to 2023/24 (5 years away). This is presented in a different format.

Instead of the balance brought forward being the first entry and therefore included as Total Income it now appears at the end so that the difference between what is estimated to be raised in any year and the amount of expenditure estimated for that year can be clearly seen.

We have taken the budget through to 2023/24 so that it goes beyond the date which **may** apply to both the Chief Executive and Corporate Director leaving the organisation. In this estimated budget their remuneration has been removed from the budget in 2022/23 and a new salary at £83000 p.a. added for a full time post. We think it is important to be assured that, as far as can be seen so far in advance, that the budget does stack up.

On the income side we have assumed that the recommendations we are making regarding future member contributions are accepted for the purpose of this budget. We have not assumed any new income from membership which is somewhat negative thinking; however any additional income from those sources from local authority members should just serve to reduce contributions from existing members.

It includes the budget for the new appointee discussed at the last meeting.

We have become concerned about the sustainability of the way we deal with people who work for us in the Devon Office for PAYE purposes. If we were to be subject to an HMRC inspection we believe, and we have consulted the Company's Tax Accountants on this point, HMRC would say we should treat quite a few of the people who work for us (full or part time) as employees for tax and national insurance purposes. We have therefore taken the opportunity to build Employers National Insurance and Workplace Pension Employers costs into this budget from 6<sup>th</sup> April, 2018 when the new appointee will join us.

We have also incorporated an allowance for both a general provision for inflation and additionally for "employee costs". We stress these are provisions and we have no idea what inflation costs will be in future years.

## **CONCLUSION**

**The estimated budget to 2023/24 does “stack up”. By 2022/23 more is being spent each year than is being generated. In 2023/24 £9164 is taken from balances – this still leaves a balance of £23894 which is capable of funding a further 2 years in full.**

**There is no room in the budget for any additional costs**

**Many, many things will change over the 5 year period and we do believe the budget should be accepted and monitored so that if change looks to be needed there is time to do so over a period and avoid a need for “emergency action”.**

<b>RSN (INCOME &amp; EXPENDITURE) 2017/18 WITH</b>							
<b>ACTUAL TO END AUGUST</b>							
<b>NB RED FIGURES IN ESTIMATES COLUMNS ARE RECOMMENDED CHANGES SINCE LAST BUDGET REPORT</b>							
				<b>ACTUAL</b>	<b>ACTUAL TO</b>	<b>ESTIMATE</b>	
				<b>2016/17</b>	<b>END</b>	<b>2017/18</b>	
					<b>AUGUST</b>		
<b>INCOME</b>				<b>£</b>	<b>£</b>	<b>£</b>	
Balances at Bank B/Fwd net of o/s cheques				<b>12304</b>			
<b>GENERAL BALANCE</b>						<b>13755</b>	
<b>VOLUNTARY CONTRIBUTIONS BALANCE</b>						<b>8500</b>	
<b>DEBTORS FROM PREVIOUS YEAR (NET OF VAT)</b>							
Rural Assembly held by NKDC at year end					2873	2873	
Rural Assembly Outstanding					745	<b>745</b>	
RSP Subscriptions					990	990	
Rural Crime Network				8012	5918	5918	
Rural Health Conference					175	175	
Housing Group Related				1100			
Coastal Communities Alliance (Gross)				1037	1037	1037	
Fire Group				100			
RHA Website Development Contributions				1300			
<b>Subscriptions</b>							
SPARSE Rural/Rural Assembly				252155	219153	<b>280136</b>	
SPARSE/RA subs held by NKDC at month end					18491		
2016 VOLUNTARY CONTRIBS re BUSINESS RATES				51713			
CCN Contrib to Finance Study				3863			
RSP				10042	8336	10642	
Commercial Partner First Group Buses				10000		10000	

				ACTUAL TO END MARCH £	ACTUAL TO END AUGUST £	ESTIMATE 2017/18 £		
Subscriptions from Rural Health Group								
Income from Rural Housing Group				6895	6150	7390		
Income from Fire & Rescue Group				2480	1885	2480		
<b>OTHER INCOME</b>								
<b>Conferences/Seminars</b>								
Rural Conference Income				16365	7728			
Rural Conference Surplus						5000		
Rural Health Conference				4214				
<b>Service Level Agreements</b>								
Recharges ro Rural Crime Network (5 months 17/18)				20833	2438	4063		
Contras re RCN@				34642	259			
Recharges to Rural England CIC Back Office Support £1200)				1200		1200		
Recharges to Rural England re AMAZON Contract						3500		
Recharges to Rural England re Elec NW Commission						1375		
Coastal Communities Alliance Gross)				3113	1037	4149		
Contributions to RHA Website Development				450		800		
<b>Miscellaneous</b>								
Contras				2605	500			
<b>VAT</b>								
VAT Refund				20337	8504			
VAT Received				11823	5567			
<b>TOTAL INCOME</b>				<b>476583</b>	<b>291786</b>	<b>364728</b>		



					ACTUAL TO	ACTUAL TO	ESTIMATE		
					END	END	2017/18		
					MARCH	AUGUST			
					£	£	£		
<b>Conferences/Seminars</b>									
Rural Conference					11398				
Rural Conference 2017					474	1843			
Rural Conference Drinks Reception					1144		1300		
Rural Health Network & Conference					4872				
Seminar Costs					861	680	800		
<b>Service Level Agreements</b>									
RCN -CONTRAS @					33898	711			
RCN Non Recoverable Travel & Subsistence					1027	647			
Rural Housing Group (RHG)					2050		1800		
RHG Website Maint							408		
Rural England CIC to re-charge)					977	227			
Rural Inland CIC transfer of part of First Group Support					7000		7000		
APPG/Rural Issues Group Costs					579		600		
Rural England/Vulnerability Service Contrib					3000		3000		
<b>Business Expenses</b>									
RSN Online etc.					19927	1508	18239		
Database Update (media contracts)					2235				
Website Upgrade						2850	5350		
Ongoing Website Updates									
Travel and Subsistence					18509	6616	18000		
Print, Stat,e mail, phone & Broadband@					4015	1406	3800		
Meeting Room Hire					1643	1364	2300		
Website and Data Base software etc					3627	1466	4000		
Rent of Devon Office & Associated Costs					4597	2109	9000		
Accountancy Fees					720	335	750		
NKDC Services					2128		2145		
Companies House Fees					13	13	13		
Bank Charges					84	31	90		
IT Equipment &Support & Other Capital					985		1000		
Insurance					567		600		
Corporation Tax					72		376		
Membership of Rural Coalition					200		200		
Refunds of Overpayments/ Contras@					1439	500			

					ACTUAL TO END MARCH £	ACTUAL TO END AUGUST £	ESTIMATE 2017/18 £		
<b>ARREARS - PREVIOUS FINANCIAL YEAR</b>									
Rural Housing Alliance					2675	637	792		
Contract for Service (ADMIN)					1349	1775	1775		
Contracts for Service (CORP MAN)					2427	1100	1100		
Communications						500	500		
Rose Regeneration					2000	333	333		
Seminars						71	71		
PIXEL						5203	5202		
B Wilson Arrears					3525	3525	3525		
RSN Online arrears					4840	9874	9874		
Travel and Subsistence arrears					675	718	720		
Printing, Phone and Stationery (arrears )					199				
Office Service Charge							5000		
Data base etc (arrears )					355	1130	1129		
Bank Charges					9	8	8		
Rural England					155				
<b>TOTAL EXPENDITURE</b>					<b>454328</b>	<b>136823</b>	<b>350245</b>		
<b>BALANCE CARRIED FORWARD</b>							<b>14483</b>		
<b>BALANCE AT BANK 1/4/16</b>					<b>12304</b>				
<b>ADD INCOME 2016/17</b>					<b>464279</b>				
<b>LESS EXPENDITURE 2016/17</b>					<b>-454328</b>				
<b>BALANCE AT BANK 31/3/17</b>					<b>22255</b>				
<b>GENERAL BALANCE</b>					<b>13755</b>				
<b>VOLUNTARY CONTRIBUTIONS BALANCE</b>					<b>8500</b>				



	A	B	C	D	E	F	G	H	I	J	K	L
19						<b>ESTIMATE</b>	<b>EST</b>	<b>EST</b>	<b>EST</b>	<b>EST</b>	<b>EST</b>	<b>EST</b>
20						<b>2017/18</b>	<b>2018/19</b>	<b>19/20</b>	<b>20/21</b>	<b>21/22</b>	<b>22/23</b>	<b>23/24</b>
21												
22						£	£	£	£	£	£	£
23	Subscriptions from Rural Health Group											
24	Income from Rural Housing Group					7390	7390	7390	7390	7390	7390	7390
25	Income from Fire & Rescue Group					2480	2480	2380	2380	2380	2380	2380
26	<b>OTHER INCOME</b>											
27	<b>Conferences/Seminars</b>											
28	Rural Conference Income											
29	Rural Conference Surplus					5000	5000	5000	5000	5000	5000	5000
30	Rural Health Conference											
31	<b>Service Level Agreements</b>											
32	Recharges ro Rural Crime Network (5 months 17/18)					4063						
33	Contras re RCN@											
34	Recharges to Rural England Back Office Support £1200)					1200	1200	1200	1200	1200	1200	1200
35	RE recharge re Amazon Contract					3500						
36	RE recharge re Elec NW Commission					1375	1000	2125				
37	Coastal Communities Alliance Gross)					4149	4149	4149	4149	4149	4149	4149
38	Contributions to RHA Website Development/Maintenance					800	1200	1200	1200	1200	1200	1200
39	<b>Miscellaneous</b>											
40	Contras											
41	<b>VAT</b>											
42	VAT Refund											
43	VAT Received											
44	<b>TOTAL INCOME</b>					<b>350973</b>	<b>346632</b>	<b>359533</b>	<b>369284</b>	<b>381160</b>	<b>387947</b>	<b>394870</b>

	A	B	C	D	E	F	G	H	I	J	K	L
45						<b>ESTIMATE</b>	<b>EST</b>	<b>EST</b>	<b>EST</b>	<b>EST</b>	<b>EST</b>	<b>EST</b>
46						<b>2017/18</b>	<b>2018/19</b>	<b>19/20</b>	<b>20/21</b>	<b>21/22</b>	<b>22/23</b>	<b>23/24</b>
47	<b>EXPENDITURE</b>					£	£	£	£	£	£	£
48	VAT Paid on Goods & Services											
49	General Provision for Inflation						1000	1100	1200	1300	1400	1500
50	<b>CONTRACTS FOR SERVICES</b>											
51	Corporate Management	£83K SA	DI,GB,AD1100% KB 40			70447	63114	63114	63114	63114	100101	100101
52	Finance/Performance and Data Analy		, DW, 100%, KB 20%			29456	29456	29456	29456	29456	29456	29456
53	Communications (incl Seminars)		RoseR,JT,NP,AD3 100%			8570	8070	8070	8070	8070	8070	8070
54	Additional Comms Activity by RuralCity Media					5013	5763	5763	5763	5763	5763	5763
55	Administrative and Technical Support		RI, WI,WC,BA,MB 100%			50156	50311	50311	50311	50311	50311	50311
56	Research and Monitoring		BW, JH, 100%			11843	11843	11843	11843	11843	11843	11843
57	Service Group Networking		KB40%			8540	8540	8540	8540	8540	8540	8540
58	Economic Development Service		AD5 100%			5100	5100	5100	5100	5100	5100	5100
59	Coastal Communities Contract					3650	3650	3650	3650	3650	3650	3650
60	Rural Crime Network											
61	Rural Communities Housing Group		AD2 100%			6630	6630	6630	6630	6630	6630	6630
62	Rural Transport Group		AD6 100%			2040	2040	2040	2040	2040	2040	2040
63	Provision for Inflation on Contracts (1% p.a.)						1050	1060	1070	1080	1090	1100
64	<b>OTHER EXPENDITURE</b>											
65	Budget for Brexit Project						7000					
66	<b>Rural Fair Shares/Business Rates "Campaigns"</b>											
67	Rural Fair Shares Campaign etc.						9500	9500	9500	9500	9500	9500
68	Pixell Financial Service (core Annual Service)						10500	10500	10500	10500	10500	10500
69	Fair Sharesand Other Campaign Media Relations						2500	2500	2500	4000	4000	4000
70	SPEND FROM VOLCONTRIBS (BUSINESS RATES)						8500					
71	<b>Conferences/Seminars</b>											
72	Rural Conference 2017											
73	Rural Conference Drinks Reception						1300	1300	1300	1300	1300	1300
74	Rural Health Network Conference											
75	Seminar Costs						800	800	800	800	800	800

	A	B	C	D	E	F	G	H	I	J	K	L
76						<b>ESTIMATE</b>	<b>EST</b>	<b>EST</b>	<b>EST</b>	<b>EST</b>	<b>EST</b>	<b>EST</b>
77						<b>2017/18</b>	<b>2018/19</b>	<b>19/20</b>	<b>20/21</b>	<b>21/22</b>	<b>22/23</b>	<b>23/24</b>
78												
79	<b>Service Level Agreements</b>					<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
80	RCN -CONTRAS @											
81	Rural Housing Group (RHG)					1800	1800	1800	1800	1800	1800	1800
82	RHG Website Maint					408	1200	1200	1200	1200	1200	1200
83	Rural England CIC to re-charge)											
84	Rural Inland CIC transfer of part of First Group Support					7000	7000	7000	7000	7000	7000	7000
85	APPG/Rural Issues Group Costs					600	600	600	600	600	600	600
86	Rural England/Vulnerability Service Contrib					3000	3000	3000	3000	3000	3000	3000
87	<b>Business Expenses</b>											
88	RSN Online etc.					18239	18239	18239	18239	18239	18239	18239
89	Database Update (media contracts)						900	900	900	900	900	900
90	Website Upgrade					5350						
91	Ongoing Website Updates											
92	Travel and Subsistence					18000	18000	18000	18000	18000	18000	18000
93	Print, Stat,e mail, phone & Broadband@					3800	3800	3800	3800	3800	3800	3800
94	Meeting Room Hire					2300	800	800	800	800	800	800
95	Website and Data Base software etc					4000	4000	4000	4000	4000	4000	4000
96	Rent of Devon Office & Associated Costs					9000	9000	9000	9000	9000	9000	9000
97	Accountancy Fees					750	800	800	800	800	800	800
98	NKDC Services					2145	2145	2145	2145	2145	2145	2145
99	Companies House Fees					13	13	13	13	13	13	13
100	Bank Charges					90	90	90	90	90	90	90
101	IT Equipment &Support & Other Capital					1000	1000	1000	1000	1000	1000	1000
102	Insurance					600	650	650	650	650	650	650
103	Corporation Tax					376	300	300	300	300	300	300
104	Membership of Rural Coalition					200	200	200	200	200	200	200
105	Refunds of Overpayments/ Contras@											





## The future of funding currently sourced from the EU

### Background

A high profile concern for local authorities, following the decision to leave the EU, is how the current funds available through EU aid will be replaced.

In July 2017 the LGA published [Beyond Brexit: Future of funding currently sourced from the EU – discussion document](#) in which they state:

*“Following the referendum, one of the biggest concerns from councils was addressing the potential €10.5 billion (£8.4 billion) UK-wide funding gap for local government that would immediately open up from the point we officially exited the EU, unless a viable domestic successor to EU regional aid was in place.”*

*“Based on the current ESIF programme, England and the devolved administrations in the UK had been set to receive a total of €10.5 billion (£8.4 billion) from the EU Structural and Investment Funds allocations for the period 2014-20, to support sustainable economic development and reduce regional wealth disparities (Parliament UK, 2016).”*

For rural local authorities, of course, funds available through the EU’s Common Agricultural Policy in support of agriculture and rural development are also hugely significant for the rural economy and rural communities. These currently equate to more than £3 billion every year for the UK.

The Conservative Party 2017 manifesto made the following commitment:

*“We will use the structural fund money that comes back to the UK following Brexit to create a United Kingdom Shared Prosperity Fund, specifically designed to reduce inequalities between communities across our four nations. The money that is spent will help deliver sustainable, inclusive growth based on our modern industrial strategy. We will consult widely on the design of the fund, including with the devolved administrations, local authorities, businesses and public bodies. The UK Shared Prosperity Fund will be cheap to administer, low in bureaucracy and targeted where it is needed most” (Conservative Party, 2017, p. 37).*

Civil servants have already begun work on how such a UK Shared Prosperity Fund should be established and delivered. It is important that the “designed to reduce inequalities” does not just apply to each of the four nations in comparison to each other but also addresses rural inequalities. In two tier areas local authorities should mean Counties and Districts working together

### LGA view

The LGA discussion document presents an analysis of a number of options which aim to inform the design and delivery of the UK Shared Prosperity Fund. Three options are considered as follows:

- *Option 1: No change.* This, state the LGA, highlights the risk of implementing a domestic regional aid policy which simply mirrors the current ESIF funding programme in terms of structure, value and allocation timescales, but does not take opportunity to innovate.
- *Option 2: Innovative flexi-fund* – Seen by the LGA as a much welcome step forward which envisages a fundamental re-working of pre-Brexit funding arrangements to a structure that is more innovative and linked to flexible single pot allocation.
- *Option 3: Fully integrated* – Represents to the LGA the greatest flexibility in the design of a successor arrangement for regional funding, and would include EU funding and national growth funds into one flexible fund to maximise its potential.

### Other views

**(SEE ATTACHED PAPER BEING PUT TO THE BREXIT ROUNDTABLE ON 29<sup>TH</sup> SEPTEMBER FOR FULLER DETAIL)**

The [Rural Coalition](#) (of which the RSN is a member) state:

“Important grant funds for rural businesses and projects – the LEADER and EAFRD programmes – will cease after exiting the EU. Modern businesses also depend on connectivity to broadband and mobile networks, yet a quarter of rural premises cannot access fast broadband. The follow up to the last Government’s Industrial Strategy needs to put in place support to release the potential of rural areas and to address market failures.”

The [CLA](#) state:

“Leaving the European Union also means leaving the Common Agricultural Policy (CAP) which has supported and shaped the food and farming and rural sector across the UK for over 40 years. Now is a once in a generation opportunity to phase out a bureaucratic and outdated system, and to replace it with a new policy that is more transparent, better targeted, and that fairly rewards the contribution of farmers, foresters and others for managing land in a way that benefits society as a whole.

“Having the freedom to develop a new policy to replace the CAP in the future is a major opportunity to improve farm profitability, recognise the multi-functional nature of land management, and support the wider rural economy, in a new and innovative way.

“Land managers are uniquely placed to deliver food security, clean water, carbon storage, biodiversity and other societal benefits, but they come at a cost to farmers in

time, money and business efficiency, and while highly valued, there is limited market means of paying for them.

“In order to address this the CLA proposes a new system based on the award of contracts to farmers and landowners. The Land Management Contract would be a legal agreement between the farmer and the government for provision of goods and services that the market doesn't pay for but provide valuable benefits to society. The contract mechanism is well understood and flexible, so it can provide certainty for both government and land managers.”

The [NFU](#) state:

“Following the publication of the Great Repeal Bill White Paper, we believe that Brexit must be seen as an opportunity - not just to ensure continuity, but to deliver a regulatory framework suited to UK farmers. We're working across our industry to deliver a vision for a thriving farming sector post-Brexit, once the UK has left the EU and no longer governed by the Common Agricultural Policy.

“Government must not ignore the economic importance of the farming sector. It's the bedrock of the UK's largest manufacturing industry - food and drink - which is worth £108billion and employs 3.9million people.”

### **Rural Brexit Roundtable**

At RSN's Rural Conference in September 2016, Professor Tony Travers made the following critical comment: ***“Unless the rural voice is strong, it won't be heard”***

Many interest groups with powerful lobbying and representational resources are actively engaged with government in attempting to influence the post Brexit landscape. There is a real danger that the wider rural voice is not effectively heard over the coming months and years, particularly in relation to rural communities, rural services and the rural economy.

There is also a risk of confusing, non -connected, un-coordinated 'messages' going out to the Government, the public and rural businesses from numerous sector specific rural interest groups.

To address these issues, RSN has facilitated a **Rural Brexit Roundtable** involving the following organisations:

- RSN
- County Councils Network (CCN)
- District Councils Network (DCN)
- Local Government Association (LGA)
- Action with Communities in Rural England (ACRE)

- National Association of Local Councils (NALC) – not attending meetings
- Country Landowners Association (CLA)
- Campaign for the Protection of Rural England (CPRE) – not attending meetings
- Rural Coalition
- National Farmers Union (keeping a ‘watching brief’)

The Roundtable has met once to agree objectives and principles and will meet again at the end of September. Support for the group has been provided by Professor Mark Shucksmith and Carole Walker has acted as independent chair.

A key priority for the group will be lobbying for the creation of a **Rural Industrial Strategy**.

A crucial part of the enabling framework for rural entrepreneurial potential to be fulfilled (contributing to national productivity, growth and innovation) is an Industrial Strategy that encourages rural businesses and builds on learning from the rural growth networks.

This does not just mean rural-proofing the government’s Industrial Strategy, but the adoption of a more effective approach in the development, funding and implementation of a specific Rural Industrial Strategy. This would address skills and training, business support, infrastructure (including broadband speeds and mobile connectivity), planning and finance – taking ideas both from the Rural Productivity Plan 2015 and from EU schemes such as the RDPE, LEADER and Objective 1 and 5b. LEPs would be required to address rural issues through properly funded (capital and revenue) Rural Action Plans and monitored to ensure promised outcomes are delivered.

## **RSN**

We have been unable to find national data which shows how much EU ‘development’ funding is finding its way to individual local authority level (at County or District level) or indeed to rural areas. Much of it is administered by LEPs and they often straddle both urban and rural areas. They provide no breakdown between urban and rural funding in most cases.

Our member authorities may have, or be able to estimate, the value of EU ‘development funding’ to their areas but national data cannot be found.

In relation to the development of future funding programmes to replace those currently sourced from the EU, the following key points are suggested for discussion by the RSN Executive:

### **A Possible List of “Asks” from the RSN.**

- ***A single pot?*** The LGA ‘Beyond Brexit’ document is very useful in focussing minds on the specific issue of post EU funding programmes. However, the suggestion of combining funds (potentially including previous EAFRD and other rural schemes) into one single pot could lead to an inevitable focus on an agenda which seeks to focus so-called strategic investments into a small number of large schemes. The significant risk would be that schemes in more populated areas would benefit at the expense of more sparsely populated areas. As an LGA SIG we are bound by LGA policy but that should not stop we arguing (both within and outside the LGA) the case for specific, ring fenced funding streams at appropriate levels from within the single pot to meet rural needs and circumstances.
- ***A dedicated rural programme?*** Rural areas have benefitted from various forms of targeted economic development support in the past including EAFRD, Rural Growth Networks, the Rural Development Commission, Council for Small Industries in Rural Areas and others. Arguably, all these programmes were based on the premise that without a dedicated rural programme of some sort, rural opportunities will not be realised. There could be a strong argument, therefore, that a dedicated rural programme – and delivery mechanisms- should form part of the future funding suite which is developed.
- ***A definition of rural economies?*** There is an acknowledged danger that strong lobbying voices concerning agriculture and the environment will be prioritised over wider rural economic, community and service interests. This could be exacerbated by Defra’s own focus on these two topics. Both agriculture and the environment are, of course, fundamental to rural areas – their economies and communities. However, rural areas are also widely acknowledged to be full of a diverse range of business activities, innovation and enterprise which the national economy should endeavour to build on.
- ***Replace existing programmes or start from scratch?*** Civil servants working on the new ‘UK Shared Prosperity Fund’ are clearly using existing programmes as their starting point. This raises significant concerns over repeating the bureaucracies that have strangled existing funds, making it difficult for many smaller rural businesses to participate and often targeting a small number of urban-centric clusters.

- ***A strategic or local approach?*** There is always a balance to be struck between strategic direction and building on what works locally. Many people argue that Leader programmes have worked well in the past and should form an element of future programmes. There certainly needs to be a strong role for local authorities in determining local priorities and in managing programmes.

**Views are sought from the Executive on the above issues to inform the development of the RSN approach to the Rural Brexit Roundtable and wider post EU agenda.**

There is always a danger in “partnership working” of individual bodies losing some identity or its constituent members not realising what/how much is being carried out by that body on its behalf. That is a particular danger for the RSN as a membership body drawing its income from its member’s contributions.

Whilst working within the BREXIT Roundtable arrangements, we do think as an organisation the RSN should nevertheless be making specific calls of government in 'crucial' areas. If we don't do this who else is going to do so? (Perhaps - equally importantly how are we going to get recognition as THE Rural organisation that any responsible organisation has to give recognition to....?)

**Ideally in making specific calls on government we should identify a specific “Ask” with a numeric target but that can be difficult in some cases.**

Staying true to the RSN’s priorities, the areas we have in mind are:-

**AVAILABILITY OF FINANCE FOR RURAL SERVICES.** A lot of this we argue already but have never quantified “what would satisfy us” in any numeric sense. It is difficult to do especially at the current time with uncertainty about Business Rates and a new Needs Assessment formula being developed

**BROADBAND.** This we could do (with expert advice) in terms of broadband speeds but do we press for 100% coverage (funded by central government). Anything has to reflect recent and imminent Government announcements

**MOBILE PHONE.** Going beyond statements such as “no mobile not-spots is difficult

**RURAL HOUSING** (Sustainability of Villages) Housing we probably could do, again with expert advice but sustainability of villages is impossible to put a (credible) numeric value to

**FUEL POVERTY** – should be do-able especially following Brian Wilson’s excellent analysis of the BEIS recently published annual update reporting on fuel poverty statistics, albeit the statistics relate to 2015.

**RURAL TRANSPORT** – Difficult to impossible

**RURAL ECONOMY** - Clearly the main focus for the future funding Programmes will be the Rural Economy. We feel this is best promoted through the Rural Brexit Roundtable partners collectively.

**The views of the Executive are sought on this issue of specific calls on government by the RSN (and whether to add to or remove anything from the above list) and authorise us seeking specialist advice from our Network of Partners on the question of numeric values.**

# Rural Brexit Roundtable background paper (August 2017)

## Introduction

*“Unless the rural voice is strong, it won’t be heard”*

*(Professor Tony Travers, 2016)*

Many interest groups with powerful lobbying and representational resources are actively engaged with government in attempting to influence the post Brexit landscape.

There is a real danger that the wider rural voice is not effectively heard over the coming months and years, particularly in relation to rural communities, rural services and the rural economy.

There is also a risk of confusing, non -connected, un-coordinated ‘messages’ going out to the Government and the public/rural businesses from numerous sector specific rural interest groups.

## Objective for the Rural Brexit Roundtable

The Rural Coalition, a grouping of many key national rurally-orientated groups, has already published a cohesive framework for post Brexit discussions, policy and programme development. A Rural Statement 2017 has been produced as the starting point for this work (see below).

Within this framework, we would suggest that the objective for the Rural Brexit Roundtable is:

*To identify a short list of significant areas of major importance relative to England’s rural residents, businesses and communities where we can jointly have traction with government in terms of the post Brexit world.*

An additional key objective is to enable ongoing detailed dialogue between organisations so that:

- All organisations are aware of the work and research of others
- Efforts of individual organisations mutually reinforce each other wherever possible
- The same terminology can be adopted on key issues

## Agreed Principles

- Agree to work together, as far as possible, in preparing, researching and presenting a cohesive case to meet the needs of England’s rural residents, businesses and communities.

- Collectively, not seeking to over-ride or argue against the sector specific policy position of partner organisations
- Adopt a positive approach to the changing landscape building on the opportunities rural areas represent in relation to community and business sustainability and economic growth
- Demonstrate how rural areas across England can assist the Government in achieving its policy objectives – for instance, in respect of its Industrial Strategy
- Collectively, focus on an asset-based, locally-led approach
- Work collaboratively with other organisations to achieve maximum impact, enhancing rather than replicating other efforts
- Acknowledge differences of opinion and build on areas of agreement

### **Rural Coalition Statement 2017**

In a [statement](#) published on 6 July 2017, the Rural Coalition identifies four principles which should underpin policy making:

1. Brexit discussions must recognise ‘rural’ is more than agriculture and the natural environment.
2. All Brexit negotiations and post-Brexit policies must be rural proofed.
3. Policies and funding must deliver a fair deal for rural communities.
4. Decision-making, funding and delivery must be devolved and involve rural communities.

The government is urged to recognise that 9.3 million people live in rural England (17% of the country’s total population) and 524,000 businesses operate there generating an annual turnover in excess of £400 billion.

The Rural Coalition calls on the government to take four positive actions:

- Introduce an ambitious annual target for the number of new affordable homes built in rural areas and a dedicated rural affordable housing funding programme.
- Deliver a support programme for rural businesses and community entrepreneurs.
- Ensure that the extra costs of delivering services in rural areas are properly reflected in any funding formula, such as those used for local government, education and the NHS.
- Provide a comprehensive community infrastructure support programme, which recognises the pressures on volunteers, helps those places with less capacity and spreads existing good rural practice.

### **Priorities for the Rural Brexit Roundtable**

Based on feedback from the first meeting, the following 4 priorities are suggested as the focus for the Rural Brexit Roundtable:

1. **A Rural Industrial Strategy:** A crucial part of the enabling framework for rural entrepreneurial potential<sup>i</sup> to be fulfilled, contributing to national productivity, growth and innovation, is an Industrial Strategy that encourages rural businesses and builds on learning from the rural growth networks. This does not just mean rural-proofing the Industrial Strategy, but the adoption of a more effective approach in the development and implementation of a specific Rural Industrial Strategy. This would address skills and training, business support, infrastructure, planning and finance – taking ideas both from the Rural Productivity Plan 2015 and from EU schemes such as the RDPE, LEADER and Objective 1 and 5b. LEPs would be required to address rural issues through properly funded (capital and revenue) Rural Action Plans and monitored to ensure promised outcomes are delivered.

*Note: This priority was by far the most popular among the Roundtable partners. The Industrial Strategy is of increasing interest across government departments and provides a clear focus.*

2. **New Coherent Rural Strategy:** A new long term Rural Strategy (for at least the next decade) should be agreed between central and local government and other key rural stakeholders. This should enable the full potential of rural economies to be realised and sustained (to support the national economy), and a fair deal for rural residents and communities. It would include coherent cross-departmental leadership from within central government alongside an England-wide “rural deal” which shares power, resources and responsibility with local government and communities through a framework of triple devolution and capacity building.

*Note: This will include a focus on effective devolution to local authorities and communities and will be a clear expression of active rural proofing.*

3. **Farm families:** Especially in upland areas, support for farm families should be refocused to enable them to continue their stewardship of rural land and environment after the loss of Pillar 2 payments. This could be through outcome-based payments for ecosystem services or through payment for standardised labour inputs (SMDs).

*Note: A focus on Farming Families will provide an effective link for Roundtable partners to the wider case being made by others for agriculture post Brexit.*

4. **Affordable rural housing:** Reinstatement of affordable rural housing target with necessary national financial support and cross-subsidy provisions, alongside incentives to landowners to release exception sites, with powers for councils and housing associations to build small rural schemes exempt from the right to buy. The right to buy, mandatory or voluntary, should not apply in rural areas where unmet demand exceeds supply over the medium to long term. Invest in rural housing enablers and community-led housing.

*Note: The focus of a lot of activity at present and a long-standing and fundamental issue for rural communities.*

## Research/background work

Key existing pieces of work reported by Roundtable members to date are:

1. **“Understanding County Economies: analysis to inform the Industrial Strategy and the Devolution Debate – a report for the County Councils’ Network” (Oxford Economics, July 2017)**

[Web link](#)

This report explores the economies of the County Councils Network (CCN) area. It provides an evidence base to help understand the structure of the county economies, collectively and individually, and especially to inform the government’s Industrial Strategy. It also provides unique analysis of the fiscal position of the CCN economy and of the contributions that CCN members make to the Exchequer. It offers evidence on how devolution might enable faster economic growth, through the effective investment of savings made as a result of greater devolution of public sector spending to the local level.

The overriding conclusion from this independent study is that county economies need to have greater prominence within the government strategy if we are to achieve an inclusive approach to economic growth, off-set the short-term impacts of Brexit and change the relationship between central and local government through devolution; creating new opportunities for public service reform and the reinvestment in savings to generate future growth and job creation.

In the words of Oxford Economics, an industrial strategy which is just big-city policy ‘is unlikely to be effective’ and the UK economy’s post-Brexit fortunes are dependent on how well we ‘address the challenges and opportunities associated with county economies’.

2. **“Beyond Brexit: Future of funding currently sourced from the EU – discussion document” (LGA, July 2017)**

[Web link](#)

This discussion document presents in-depth analysis of a number of options which aim to inform the design and delivery of the UK Shared Prosperity Fund. The first part of this report covers the LGA’s work to date; this includes a summary of the LGA’s basic principles for successor arrangements and an analysis of LGA independent research into potential funding scenarios. The second part of the report presents in-depth analysis of three options, which aim to inform the design and delivery of successor arrangements, as follows:

- *Option 1: No change.* This highlights the risk of implementing a domestic regional aid policy which simply mirrors the current ESIF funding programme in terms of structure, value and allocation timescales, but does not take opportunity to innovate.
- *Option 2: Innovative flexi-fund* – Seen by the LGA as a much welcome step forward which envisages a fundamental re-working of pre-Brexit funding arrangements to a structure that is more innovative and linked to flexible single pot allocation.

- *Option 3: Fully integrated* – Represents to the LGA the greatest flexibility in the design of a successor arrangement for regional funding, and would include EU funding and national growth funds into one flexible fund to maximise its potential.

### 3. “Rural Communities at the Heart of Government Policy: ACRE’s General Election Asks” (ACRE, May 2017)

#### [Web link](#)

In this document, ACRE called for a suite of rural, social and economic measures, to address the question of how European investment will be replaced or replicated following the United Kingdom’s exit from the European Union. The paper also sets out 10 rural policy solutions for The New Government. Key facts presented in relation to each solution are:

- *Housing and Planning.* Only 1,020 affordable properties were built in England on rural exception sites in 2016, exposing a three-year low and highlighting the need for fresh ideas to solve the acute shortage of rural housing.
- *Community Buildings.* ACRE has identified approximately 10,000 rural community buildings in England acting as hubs offering opportunity for local service provision.
- *Health.* Since October 2014 there have been 415 enquiries from people with ideas for services local to them. Of these, 173 have gone on to set up a new service in their neighbourhood. The Somerset Community Micro-enterprise Directory features 230 Community Micro-providers. Collectively they are supporting 700 older people and provide 220 jobs to local people. Together they provide 3,600 hours of care or support a week.
- *Rural Services and Transport.* Between 2010 and 2016, more than 2,400 bus routes were reduced or withdrawn as a result of reduced local authority budgets. Recent research by Citizens Advice, in their role as consumer watchdog for post office consumers shows that 60% of residents in rural areas view the post office as an ‘extremely’ or ‘very important’ service.
- *Schools and Childcare.* In 2016, 20% of primaries (3,478) in England had fewer than 200 pupils, and 30% (5,037) had fewer than 300 pupils, and all these were financially at risk.
- *Broadband/Mobile Connectivity.* In 2013 just 25% of premises in small settlements, with a population of less than 2,000, had the option of superfast broadband. The commercial roll out of these networks has focused on urban centres where 88% of premises had the option.
- *Energy.* The cost of heating an ‘off mains gas’ household is between 50-100% higher.
- *Investing in the development of local capacity and ‘Know How’.* Village SOS (2014 – 2017) was a Big Lottery Fund funded campaign which supported 455 communities in moving a project from “idea to plan” and “plan to action”;

engaged over 1,400 people in rural community regeneration initiatives; and recruited over 200 community mentors at a cost of just £3,000 per initiative.

- *Harnessing the Potential of Unused or Surplus Assets in Rural Communities.* According to Ofcom, since 2013 (the last period for which we have data) the Government's One Public Estate Programme has created 44,000 jobs, released land for 25,000 homes, raised £415 million in capital receipts from land and property sales, and cut running costs by £98 million.
- *Rural Evidence.* Since the Commission for Rural Communities closed in 2013 there has been no dedicated agency using Government funding to commission specific rural community research outside of the general research budget of Defra.

**4. "On Solid Ground: Encouraging landowners to invest in rural affordable housing" (CPRE, Nov 2016)**

[Web link](#)

While CPRE also advocate for urban renewal as a way of protecting the countryside from development, they are particularly concerned that the sort of expensive homes being built in rural areas generally do not serve the needs of local communities. Their most recent housing foresight report, *On Solid Ground*, looks at ways to encourage rural landowners to invest in affordable housing.

**5. "Where next for localism?" (Local Government Chronicle & NALC, July 2017)**

[Web link](#)

In an LGC survey of parish clerks, deputies and elected members, supported by the National Association of Local Councils, just under half of respondents said their council had taken on an additional service in the past year. Most said this extra service was within public realm (47%), with others stepping in to support housing and planning (18%), property management (14%) or transport (10%). The research also revealed more parishes were supporting 'big ticket' services such as economic growth and regeneration (14%) and health, wellbeing and social care (10%).

This LGC research forms part of this special report on parish and town councils supported by NALC.

**6. Leave or Remain: the decisions that politicians must make to support the rural economy" (CLA, 2016)**

[Web link](#)

In 2013 the EU allocated £3.87bn of support for the rural economy in the UK which was 61% of the total budget allocation to the UK. Research conducted for the CLA by respected economic consultancy Europe Economics estimates this support resulted in a £10bn contribution to the UK economy, including more than 350,000 jobs and £3.5 billion in taxation revenue to the Treasury. This research provides an estimate of the direct, indirect and induced benefits commonly applied when measuring whole economy impacts of economic activity.

**7. "Rural Business 2030: Unlocking Investment / Unlocking Potential" (CLA, Dec 2016)**

[Web link](#)

Throughout 2016, the CLA led a programme of discussion culminating in the Rural Business Conference which was held in London on 6 December.

The event saw the launch of the CLA's Rural Business 2030 report. The report is the result of a year-long programme gathering evidence and insight about the future of rural business. It includes large scale research of investment intentions by rural business owners and a series of seminars gathering experts together from across the rural business and other sectors, academics and policymakers. A range of findings are included in the report including:

- On average land owning rural businesses invest £13bn per year
- There is the potential for this to grow to £16bn per year by 2020 if both confidence and growth in the economy are positive
- In less favourable conditions potential investment levels drop by over 80% by 2020
- There are significant regional variations in investment levels

**8. “Rural Coalition Statement 2017: Evidence base & assessment of progress” (Rural Coalition, Jan 2017)**

[Web link](#)

This report supports the Rural Coalition Statement 2017 and is structured in two parts. The first part provides (largely statistical) evidence to support the selection of the four policy priorities. The second part is an assessment of the progress that has been made against the 2010 and (in particular) the 2015 Rural Challenge documents.

**9. “Vision for the Future of Farming” series (NFU, 2017)**

[Web link](#)

The NFU state that Brexit must be seen as an opportunity - not just to ensure continuity, but to deliver a regulatory framework suited to UK farmers: “Government must not ignore the economic importance of the farming sector. It’s the bedrock of the UK’s largest manufacturing industry - food and drink - which is worth £108billion and employs 3.9million people.”

Three documents in a series entitled “Vision for the Future of Farming” are available as follows:

- “A New Domestic Agricultural Policy” (NFU, Mar 2017)
- “Access to a Competent and Flexible Workforce” (NFU, July 2017)
- “A New Outlook on International Trade” (NFU, May 2017)

## Next steps

The next meeting of the Rural Brexit Roundtable takes place on Friday 29 September 2017 between 11.30am and 2pm. The CLA have kindly offered a meeting room at their offices at 16 Belgrave Square, London, SW1X 8PQ.

## Suggested Meeting Dates for 2018

### RSN Executive Meetings

Monday 15<sup>th</sup> January

Monday 5<sup>th</sup> March

Monday 11<sup>th</sup> June

Monday 24<sup>th</sup> September

Also RSP Ltd Board of Directors meeting

### Main Meeting Dates

Monday 29<sup>th</sup> January - SPARSE Rural Sub SIG

Monday 9<sup>th</sup> April - Social Care & Health Group  
Rural Assembly Sub SIG

Monday 25<sup>th</sup> June - SPARSE Rural Sub SIG

Monday 19<sup>th</sup> November - Social Care & Health Group  
RSP AGM  
RSN AGM

### Possible Rural Conference 2018 Dates

Tuesday 4<sup>th</sup> & Wednesday 5<sup>th</sup> September

### Possible Rural Vulnerability Day in Parliament Dates

Tuesday 20<sup>th</sup> November

**Attachment 12 (B)**  
**Suggested Meeting Dates for 2018**  
**(If reports before the Executive are agreed)**

**RSN Executive Meetings**

Monday 15<sup>th</sup> January

Monday 5<sup>th</sup> March

Monday 11<sup>th</sup> June

Monday 24<sup>th</sup> September (Also RSP Ltd Board of Directors meeting)

**Main Meeting Dates**

Monday 29<sup>th</sup> January                      SPARSE Rural Sub SIG

Monday 9<sup>th</sup> April                              Social Care & Health Group  
Rural Assembly Sub SIG

Monday 25<sup>th</sup> June                             SPARSE Rural Sub SIG

Monday 19<sup>th</sup> November                    Social Care & Health Group  
RSP AGM

**Possible Regional Meetings**

**(Precise Date and Venue to be decided)**

West Midlands- February- (GB)

South West- early March-(DI)

North West- May-(AD)

East Midlands-late June-(KB)

North East-October-(AD)

Yorkshire-early November-(AD)

**Possible Rural Conference 2018 Dates**

Tuesday 4<sup>th</sup> & Wednesday 5<sup>th</sup> September

**Possible Rural Vulnerability Day in Parliament Date**

Tuesday 20<sup>th</sup> November

**Briefing Bulletin Issue Dates**

Sparse Rural – (Settlement Special) - January

Assembly-February

Sparse Rural-March

Assembly- April

**Bulletin Dates Continued**

Sparse Rural –May

Assembly-June

Sparse Rural – July

Assembly (Conference Special) – September

Sparse Rural – October

Assembly – (Vulnerability Day Special) November