

REPORT FROM THE RSN EXECUTIVE TO THE RSN AGM:

21st NOVEMBER 2016

FUTURE DIRECTIONS

The Executive held a Blue Sky Day on Monday 26th September taking an overview of where the organisation had reached and mapping out the challenges now facing both RSN and rural areas generally over the next few years. Here is our report and recommendations to the AGM.

In addition to addressing issues relating to the future sustainability of RSN as an organisation, our recommendations seek to map potential ways forward that might appeal to both existing and potential members as we steer the organisation through what are certain to be challenging times for every sector.

The reports/discussion documents considered by the Executive are available in full on the website.

The Executive considered the following issues in a full, broad ranging meeting

- a. **Sustainability**- how does the RSN cope with elements of voluntary work in the organisation disappearing as future personnel changes occur? (Two of our lead officers currently between them contribute some £50k worth of voluntary unpaid time p.a)

If the organisation as a whole is to be sustainable it has to have a financial plan that deals with this. The Executive has considered what the subscription pattern should be in changing circumstances. To take full account of this situation alone suggests there will be a need for an annual increase in the overall budget in the region of £50k by the end of a five year period.

- b. **Equitable Authority Contributions** - Given evolving new structures in local government what should our operating budget be and what would be a fair division in terms of 'contribution' of that target sum for the ever differing forms of members?
- c. **Cycle of Meetings** - As the Grant Settlement situation moves to a Business Rate and Council Tax based finance system- and assuming financial provision will remain at the core of our services - what is the cycle of meetings that best meets members' needs and represent the considerations of member authorities and those of rural areas in England?

- d. **Future Services** - What services would RSN member authorities find of most value in this fast changing local government world? How can we change ourselves to make us stronger? This also requires a future detailed operational examination following the key decisions arising from this Report. However, this Report considers the financial remit and a suggested vulnerability service at this point as they flow directly from our meeting considerations.

For convenience, we have constructed our report and recommendations under the following broad headings, although we recognise that some of the issues cross these groupings:-

- **PART 1: RSN – Strategically important for the future sustainability of the organisation.**
- **PART 2: NEW RSN ACTIVITIES – Strategically Important to England’s Rural Areas & Communities in a post BREXIT world.**
- **PART 3: RSN OPERATIONAL ISSUE CONSEQUENT ON PARTS 1 AND 2.**

Before moving on to the specific recommendations we set out below the background and context which has led us to make this report and recommendations.

CONTEXT

Extract from the keynote speech made by Professor Tony Travers on Brexit - Rural Conference, Cheltenham 7th September 2016 (full transcript available on the website).

“Let’s put it this way, unless the rural voice is strong, it won’t be heard. And the lobby has to be one that will have to work more powerfully now than ever before because trade associations working for, let’s say, the car industry, will be, and rightly, working very hard. But the rural lobby is a different thing and has generally existed for different purposes. What it hasn’t traditionally been about, and I stand corrected in a room of people who know more about this than me, is thinking about the terms of Britain’s relationship with the rest of the world in terms of rural economies. It has been about issues to do with the countryside or small schools or rural bus services, but not about what economy and what package of deals made by the UK Government would be the best one for the rural economy - and that will have to be altered quickly, as the car industry, cities, Scotland, Wales will definitely ...Wales, Scotland and Northern Ireland are all going to have a place at the table in the negotiations, but other interests won’t. The LGA will be consulted, but the LGA itself is a club representing all sorts of different interests...”

“The whole purpose of leaving the EU, I thought, was to get sovereignty back to Westminster, that’s the major democratic purpose, so I think a lot of it will have to be voted through by Westminster and MP’s will not vote through things that are bad for rural interests, the car industry, Scotland, you name it. When it comes to it, they will vote in blocks and against cross parties where necessary to get what they want. County Councils Network, I made this point when we were talking before we started, effectively stopped acadamisation. It was Conservative leaders of County Councils who put their foot down, worked with Conservatives in Parliament... it was a very interesting piece of politics, to break the Government’s authority. We have seen from that how Local Government using its MP’s can change things. ...I do think it will come down to a more parliamentary solution. It was a referendum sure, a yes no vote, but nothing in Britain is ever black or white, a or b, for very long”.

BACHGROUND OVERALL SITUATION

The Executive considers that the RSN is now the only organisation left in a position to seek to bring together the rural voice at the national level both by direct working and through initiatives it undertakes.

There is no Rural Advocate, or Commission for Rural Communities anymore. The Regional Rural Forums, Action for Market Towns are all gone. There is no longer even a Rural Commission inside the LGA. There are, of course, many strong particular rural interests like the CLA, the NFU, CPRE, the Countryside Alliance, ACRE, and Plunkett, but they are all very sector-specific and the issues of concern to them relate to their particular activity. None of them can deal with rural governance or rural service issues in the round as they affect rural communities - whether those services are provided by the public, private, or voluntary/not for profit sectors. The RSN fills a very significant gap in that regard that has opened up over recent years.

The imperative of Brexit (both pre and post 2020), in many ways now forces our hand. Somebody has to attempt to co-ordinate the overall rural argument. In doing so it has to be able to present a validly formed consensus view, supported by evidence, from the collective voice of rural interests, incorporating, as far as possible, the views of rural people and rural areas generally. Thanks to the elected mandate of its member authorities RSN has the democratic legitimacy to offer to do this. If rural areas do not seek common voice then, as Tony Travers put it “... **unless the rural voice is strong, it won’t be heard. And the lobby has to be one that will have to work more powerfully now than ever before because trade associations working for let’s say the car industry, will be, and rightly, working very hard**”. Looking post 2020, as the EU has always been more supportive of rural initiatives than Westminster has been, it’s highly likely rural areas will generally receive even less governmental support than they do at the moment unless the rural voice can successfully make itself heard.

RECOMMENDATION ONE

In order to address the issues facing the organisation as described above, the future level of charge for RSN membership be as set out in **Appendix A** attached commencing on the 1st April 2017

1.3 COMPARISON STATISTICS

The Executive believes the RSN needs to undertake a constant examination of key statistics (beyond RSG per head) to show how rural is under-supported across the board and to track what progress is being made. This major plank of the argument for our existence has to be continually demonstrated in a forceful and very prominent exposition of the facts in clear tabular form.

We have made a start on this and an example of such a table is given in **Appendix B**.

In future we believe the RSN needs to seek to expand the present Financial Service so that it also comments on other areas of public sector financial work. This has to be THE hand to play as RSG and an Annual Settlement fade. We consider it right to seek if we can develop some home expertise with a nominated lead "officer" per area. Funding areas such as **Police, Fire, Health, Public Health, Transport, and Schools** should be included, although we must be careful not to duplicate the work of others. This work should fall into the Sparse Rural side of the organisation (and of course it's Sub Groups).

The above is aimed at developing the essential message that the rural resident gets unfair funding allocations and therefore a below par service package across the spectrum and that matters left unchecked would undoubtedly deteriorate further. We acknowledge that the RSN should not be seen as always concentrating on "the negatives" but nevertheless feel that we need a much broader and deeper range of current data available to us to aid our representative work.

RECOMMENDATION TWO

(a) That as part of both the future representational role of the RSN and the services from the RSN to individual member authorities a suggested compendium of key rural statistics be developed and maintained.

(b) That we seek to develop some home expertise with a nominated lead "officer" per area for funding areas like **Police, Fire, Health, Public Health, Transport, and Schools** (which should fall into the Sparse Rural side of the organisation and its Sub Groups).

1.4 WESTMINSTER

The Executive is absolutely certain that the RSN's relationship with Parliamentarians is paramount. We need to alter our emphasis at Westminster to seek to campaign much harder across a broader base.

Going forward we envisage three very active groupings of Parliamentarians:

- (a) Rural Fair Share Group of MPs in the Commons which has shown how successful these groups can be.
- (b) A Rural Issues Group to take up and campaign on rural issues as they arise allied to the Rural Services APPG which would meet at least twice a year.
- (c) A Grouping of Rural Peers operating in the House of Lords. (we would need to work this up)

The Issues Group would give a strong base for MPs' arguments about the need for rural support in a post Brexit world.

All these would, as indicated, be backed up by the present APPG which might meet less frequently (all APPGs must meet at least twice a year under Parliamentary rules).

RECOMMENDATION THREE

We recommend particular parliamentary emphasis on running the three groups of parliamentarians and peers referred to above in addition to the APPG.

1.5 SPECIAL EMPHASIS ON RURAL VULNERABILITY - RURAL ASSEMBLY informed by Rural England research and RSP Working Groups input.

The Executive is recommending a new "Rural Vulnerability Initiative" - possibly working alongside the Rural England Community Interest Company - as part of the RSN spread of Activities.

Over the past ten years rural residents have seen, amongst others, the following decline in local services:-

- A worrying percentage of local Doctors Surgeries have closed.
- Village pubs and shops have significantly reduced.

- Local Bus Services are reducing.
- The percentage of people over 65 living in rural areas has increased by over 4% and now will comprise towards one in four of the rural population (while in predominantly urban areas that increase has been 0.9% and only one in six of the population falls into that age range). By 2039, one third of the rural population is likely to be over 65.
- The internet revolution which has been of benefit to many people in England has, in rural areas, been marred by poor telecommunication and broadband provision. It is clear that the countryside will always struggle behind technological advancement nationally due to lack of commercial economies of scale.

In our view this is a massive rural problem that will grow more acute over the coming years. The Executive considers that it is vital that as a rural organisation championing the rural cause, the RSN gives full consideration to both the problem of rural vulnerability and initiatives that can be taken to assist. If the membership agrees this will be developed for further detailed consideration following discussion with other key partners.

RECOMMENDATION FOUR

That the membership agrees:

- (i) that it is vital, that as a rural organisation championing the rural cause, the RSN gives full consideration to both the problem of “Vulnerability” in the rural context and about initiatives that can be taken to assist; and**
- (ii) that this be developed for further detailed consideration following discussion with other key partners.**

PART 2: NEW RSN ACTIVITIES – Strategically Important to England’s Rural Areas & Communities in a post BREXIT world.

2.1 BREXIT

Britain’s departure from the European Union and where and how matters proceed, together with the outcomes arising from that move are absolutely key factors in relation to the future economic, and social, position in which rural areas will be placed.

Therefore we are making a firm recommendation in this area which we hope to take forward immediately.

RECOMMENDATION FIVE

That the RSN, with its democratically representational legitimacy, seeks to bring together key rural voices from across all sectors to develop a position statement and collective voice about the requirements of rural areas to fulfil their full economic and social potential for the benefit of the UK as a whole, in relation to both:-

(a) the period to 2020 as the terms of the UK’s withdrawal from membership of the EU are negotiated; and

(b) post 2020.

2.2 DEVELOPING A STRONG COHESIVE RURAL VOICE

We want to ensure that each Sounding Board and the Rural Panel (hopefully funded through Rural England’s operation) comprise each at least some 300 people.

This should materially expand the mechanisms we can employ to substantiate that we ourselves are expressing ‘THE rural view’.

We recommend the following:-

- Our Sounding Boards and any Rural Panel outcomes being employed to gauge rural opinion and to inform the agenda items for the event.
- A block of at least 15% of the attendees at the event being reserved for Local Authority representatives.

RECOMMENDATION SEVEN

We recommend we discuss the concept of some form of biennial Rural Meeting with the organisations detailed above and report back in due course.

PART 3: RSN OPERATIONAL ISSUE CONSEQUENTIAL ON PARTS 1 AND 2.

3.1 THE ESSENTIAL LOCAL GOVERNMENT MESSAGE

The financial future for local authorities is changing for all principal local authorities as the revenue support grant regime is proposed to give way to one driven by business rates (and Council Tax).

- (a) Even in a business rate system the old financial arguments will never disappear as they come from the world involving needs assessment and formulae. They will be as relevant as they have been since 1974. Periodic reviews will take place, arguments will be presented and government will be required to make decisions that will please some and infuriate others. We have to be at the centre of this work. RSN as Sparse Rural is the only organisation able to represent “rural” in these **financially** based arguments.
- (b) Authorities need to see growth across their areas - particularly business rate growth as they will be allowed to retain this income (or at least some of it). The mass of green countryside in their areas with limited potential in this context due to poor services, environmental designations, restricted grant opportunities, difficult demographics and second rate technology, is not an inviting prospect to many businesses. RSN need to be with those authorities fighting all the issues involved to make sure respectable growth can be achieved in authorities’ rural areas in some ways (or there is proper recognition of these issues in the Business Rates re-distribution processes). These **economic and social** arguments involving the RSN’s Rural Assembly work will be equally as vital to ‘rural councils’ as our direct financial work. There are, by our calculation, 240 authorities with such a rural interest who will very significantly benefit through our work, representing to them a massive

beneficial multiplier of the annual cost of our services to them through this work alone.

Our importance to many authorities will, therefore, actually be doubling as a result of the move to a business rate regime.

The Executive firmly believes the RSN needs to do all it possibly can to get all these 240 authorities involved working as a whole if rural arguments are to prevail to the extent we would wish so that a level playing field can be achieved. Those who shy away from involvement simply sell both themselves and all other rural authorities short by large amounts simply to save a very small sum.

RECOMMENDATION EIGHT

The list of the authorities which are not in current membership and which we hope can be persuaded into assisting us to the extent shown is attached as Appendix 'D' with the level of charge recommended set out therein. Obviously if this new income can be brought in under the new charging system now recommended the charges to individual members would reduce as the overall operational resource would have expanded.

3.2 ANNUAL MEETINGS TIMETABLE

The Executive considers that this should alter to reflect both our own new initiatives and the new Business Rate Retention system.

The Executive suggests 4 meetings a year to allow detailed financial and rural issue debate over individual days. This should strengthen the Rural Assembly which will then be perceived as being the independent entity intended when it was created in place of the LGA's former Rural Commission. We would also timetable the proposed Rural Social Care and Health Group so that it runs parallel with proceedings on other London days.

RECOMMENDATION NINE

That a revised timetable of meetings as outlined below be approved:-

January - **Sparse Rural** 12 to 3pm: The Chair of the Parliamentary Rural Fair Share Group be invited to this Meeting.

April - **Rural Assembly** 12 to 3pm: (Preceded by a Meeting of the Social Care & Health Group at 11 a.m.) Seek to involve Chair of the EFRA Select Committee and the Chair of the Rural Issues Parliamentary Group.

July - **Sparse Rural** 12 to 3pm: (LEPS and Mayors to be invited?). The Minister for Business Development to be invited to this meeting.

(Sept - Conference in Cheltenham)

November - **AGM Rural Service Network and Rural Assembly Day** 12 to 3pm: A DEFRA Minister would be invited to this meeting. (Preceded by a Meeting of the Social Care & Health Group at 11 a.m.)

Backed up by four Rural Seminars held in varying regional locations throughout the year

Each Rural Assembly meeting would receive a Sounding Board report and consider a topic for the next one

Each meeting would consider whether they wished to write to a Minister on a topic and what press release they wished to focus upon

3.3 COMMUNICATIONS

The Executive will, at its next meeting consider a “Communications Strategy” for the RSN and its operations as we consider this to be of vital importance to future success.

CONCLUSION

The Executive presents nine recommendations about how we might stabilise and then shape the Rural Services Network so that it can continue to play a vital role for all the rural areas of England over the coming decades.

In addition the Executive has presented the best options as we see them of harnessing and hopefully establishing rural opinion in a radical way at a really critical time.

I commend the Report and its Recommendations.

CECILIA MOTLEY

CHAIR RURAL SERVICES NETWORK

FOR AND ON BEHALF OF THE RSN EXECUTIVE

their home.

Bus availability indicator (2012):

49% of rural villages, hamlets & isolated dwellings where the nearest bus stop is within a 13 minute walk and has a service at least once an hour

86% of rural town and fringe dwellings where the nearest bus stop is within a 13 minute walk and has a service at least once an hour

96% urban dwellings where the nearest bus stop is within a 13 minute walk and has a service at least once an hour

Housing Affordability Ratios

Ratio of lower quartile house prices to lower quartile workplace-based earnings (2012)

Predominantly urban 7.1

Predominantly rural 7.9

