

## Note of last RURAL SERVICES NETWORK -SPARSE Rural (sub) Special Interest Group meeting

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<b>Title:</b>	RSN SPARSE Rural (sub) Special Interest Group
<b>Date:</b>	Monday 11 April 2016
<b>Venue:</b>	Smith Square 1&2, Ground Floor, Local Government House, Smith Square, London, SW1P 3HZ

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### Attendance

An attendance list is attached as **Appendix A** to the note of the Assembly meeting which followed.

### Item Decisions and actions

#### 1 Minutes of the last meeting held on the 16th November 2015

Councillor Cecilia Motley, Chair, welcomed those in attendance and paid tribute to the late Cllr Roger Begy who had recently passed away. Members were reminded of his valued contribution as a colleague and previous Chair of the group. A silent act of remembrance was to take place at the following Rural Assembly meeting

The group then moved onto the agenda for the SPARSE Rural Sub SIG.

Members approved the minutes of the last meeting 16 November 2015, subject to amendment of missing attendees (Cllrs R Reichold and L Strange) . The Chair reminded colleagues to sign the attendance sheet for each meeting as the only record of their attendance.

#### 2 Minutes of the Executive Meeting held on the 18th January 2016

The minutes of the last Executive meeting 18 January 2016, were agreed.

Members noted the work done to raise the profile of the effects on Rural areas due to cuts to funding and thanked officers for their efforts and achievements, particularly in working with Rural MPs. Councillor G Nicholson (Eden) expressed thanks to the Officers for all of their hard work in getting a significant increase in RSDG for those Councils which received it..

#### 3 Fairer Funding Campaign 2015-16 Graham Biggs

Members received a presentation from Mr Graham Biggs which outlined the issues faced by rural areas as part of the Fairer Funding Campaign. The presentation was a “cut down version” of the presentations made by Pixel at the finance seminar before Easter The full slides from those presentations are available at <http://www.sparse.gov.uk/> . The full reports from Pixel were being finalised and would be sent to member authorities as soon as possible

Members noted an imminent report was due from LG Futures detailing a review evidence of the cost of sparsity – this too would be circulated to member authorities.

Mr Biggs outlined analysis of the provisional and the final settlements and stressed that the Transitional relief won was very much a temporary measure – by 2018/19 the final settlement matched the outcomes of the provisional.

The Group noted there was a significant movement in funding away from rural areas which would mean more loss in terms of pounds per head and urban gains. This was because the government was now using Core Spending Power (which includes Council Tax) to calculate how the cuts would fall. However, it was agreed that the final settlement was, nevertheless, unrepresented in terms of change – this was mainly due to the input of rural MPs who helped sway decisions.

Members heard about options for requesting transitional relief, noting not all rural authorities would be impacted by the cuts in the same way.

Mr Biggs said that SPARSE will continue to campaign for getting funding to recognise the costs of serving rural areas for all authorities listed in the DCLG Summer 2012 consultation as a priority, notwithstanding the 4 year settlement.

The presentation then gave details of the findings from the Pixel research into Business Rates issues.

Members raised several points;

- They were concerned about the shortfall in funding and continuation of costs not recognised by government.
- The level of rateable values in rural areas were lower, with fewer opportunities and relief would be vital in order to support the local economy.
- They asked if anyone had given any thought to the impact of additional costs and funding during the transformation period and felt this was a major flaw in planning.
- Members felt that the report was very complex and there may be issues around understanding what needed changing. Mr Biggs suggested condensing the report into a few fact sheets for ease of reference.- this was agreed
- They were concerned about how big events like flooding, closures of business etc. would be dealt with and felt that councils need to keep a safety net for such occasions.
- They noted the probability that income from business rates would eventually reduce due to changes in work practices such as working from home and the need to rely on safety nets.
- They agreed that, subject to a better understanding of the complexities involved, political lobbying was vital. It would be important to involve rural MPs, ensuring that they realise the implications of Business Rate Retention proposals.

Members were encouraged to approach and engage with newer MPs in order to create greater awareness of the work of the RSN.

The Group were informed of DCLG's announcement regarding a review of the Needs Assessment and their assurances that they would involve RSN in the process.

Members discussed difficulties and agreed that parliament need to be kept aware of complications and shortfalls faced by rural authorities because of redistribution.

**Action**

Circulate Pixel report and LG Futures report to members for comment - then to Executive for consideration. Follow up at next meeting. (Members agreed condensing Business Rates report into fact sheets). **Graham Biggs**

Members went on to further discuss ways of clarifying information regarding impacts of cuts in funding.

This meeting was closed and the Rural Assembly SUB SIG convened.