

## Written evidence submitted by the Rural Services Network to the Levelling Up and Regeneration Bill Committee (LRB51)

This document sets out the Rural Service Network's (RSN) asks of Government to ensure the needs of rural areas are properly reflected and opportunities from rural areas are realised. The RSN asks are substantiated by rationale drawn mainly from our Rural Lens Reviews and the Pragmatix Advisory Report referred to in Further Reading at the end of this document.

The [Rural Services Network](#) is the national champion for rural services and is an independent membership organisation which represents over 500 organisations from public, private and third sectors across England. Membership includes 107 principal local authorities, 208 town and larger parish councils, 222 other bodies including: housing, education, fire and rescue, transport, business, community organisations and rural health care providers.

This evidence has come about through extensive research and consultation with our membership. We look forward to the Committee considering our evidence and making subsequent amendments. Note, the RSN asks relate to Levelling up (Part 1 of the Bill) and Local Democracy and Devolution (Part 2 of the Bill) only.

### DLUHC STATEMENT JUNE 2022

A Department for Levelling Up, Housing & Communities spokesperson said:

***“Rural areas are at the heart of our levelling up agenda. Our white paper is a plan for everyone, including rural communities, who rightly expect and deserve access to better services, quicker transport and quality education.***

***We've designed our funds to ensure we reach places most in need and we continue to keep them under review as we develop each levelling up mission.”***

### THE CHALLENGE

The Challenge ahead is to ensure that the words in the above statement are translated into positive outcomes for rural areas both through the legislation in the Levelling Up and Regeneration Bill and in the development of the missions and metrics ahead of the first Statement of Levelling Up missions and metrics once the bill is enacted.

Levelling Up should give rural communities the opportunity to have greater influence and to rethink the delivery of critical services and investments in places. It is clear that the delivery of the 12 missions heavily relies on collaboration of all tiers of local government and we believe this is the only way for Levelling Up to succeed. We believe that for Councils to succeed in working together, equal representation of partners is required.

Education is mentioned explicitly in the above response statement however there is only one single mention of education in the entire bill document. That is on Page 294 in a list of what's included in the term 'infrastructure'. Education and schooling should be acknowledged explicitly in the Levelling up and Regeneration Bill, in the same way housing, transport and so on is. It is unacceptable that the importance of education and schooling in levelling up generally and in particular in rural areas is not acknowledged at all in this bill. The White (p. xxiii) states that it has a 'focus on eliminating illiteracy and innumeracy'.

On p. 187, the White Paper states that 'by 2030, the number of primary school children achieving the expected standard in reading writing and maths will have increased significantly'. However, for literacy and numeracy levels to be known at a population level (enabling targeted interventions), there will need to be surveys of literacy and numeracy, such surveys should be put in hand without delay and be of sufficient scale that they can be analysed to demonstrate over time any changes in areas where there are geographic disparities.

**ATTENTION: RURAL MPs & THE LEVELLING UP AND REGENERATION BILL COMMITTEE**

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## **RSN ASKS: Specific to Part 1 of the Bill relating to Levelling Up Missions**

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- 1.1** The definitions in the Bill, **(Clause 6)** should be amended to specifically include 'rural areas' in the definition of 'geographical disparities' and to specify that the missions and targets must measure improvements within regions and areas, including rural areas, not just between regions.
- 1.2** The Bill **(in Clause 1 (2) (b))** must also require that the metrics for measuring and monitoring progress against the ambitions/targets be set at the lowest possible geographical level for which data is available so as to capture what is happening in more sparsely populated rural areas (often small in population but covering huge geographical areas).
- 1.3** The Bill **(Clauses 1 and 2)** should be amended to require that the Statement and the Annual Report must include information on rural as though it were a Region<sup>1</sup>.

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## **RSN ASKS: Specific to Part 2 of the Bill relating to Local Democracy and Devolution**

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- 2.1** The Bill **(Clauses 8 & 9)** should be amended so that in two-tier areas each District Council should be full voting members of a County Combined Authority (CCA) given their role as Planning Authorities, Strategic Housing Authorities, authorities responsible for UKSPF funds and many other services essential to the delivery of levelling up.. This would then be the same as is the case for combined authorities in the Local Democracy, Economic Development and Construction Act, 2009. In addition, the consent of a simple majority of all the district councils in the area of a proposed CCA should be required for the formation of a CCA.
- 2.2** The related clause 42 (2)) should be amended to allow for areas of two-tier local governance (e.g., a County Council, Districts) to create a County Combined Authority, with all having constituent membership - if that were the option preferred by local communities and businesses.
- 2.3** The Bill **(Clause 16(1))** should be amended so that either a County or District Council or a National Park Authority within the area of a CCA must consent to any of their functions being removed and transferred to that CCA (as the risk is that so much is removed that they end up in a position in which they cannot deliver on their core responsibilities) – and the CCA's to consent to taking over the functions. An amendment to this affect did not get moved to a vote after the Minister gave assurances that there is no intention to use this provision to reallocate functions between tiers of local authorities when there is no consent. **The RSN still considers that the provision should be within the legislation.**

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## **RSN ASKS: Specific to the Development of the Levelling Up and Regeneration Proposals**

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- 3.1** Government must ensure that across all of the Policy Programmes they are designed (and funded) to reach rural areas and to reflect rural issues and circumstances.
- 3.2** The Government in the context of its levelling up agenda should set out its promised vision for rural England and developed a cross-cutting strategy for how levelling up can be achieved for rural people, businesses and places.
- 3.3** Rural as a Region: The Government should acknowledge that when all the headline metrics across which rural performance can be measured are considered and compared against the other nine geographies, England's 'hidden region' has on average further to level up than any other. The Government should fully reflect the needs of this 'region' in the further development of the levelling up framework.
- 3.4** A range of metrics should be used to supplement those already outlined, in order to help the Government, achieve its four levelling up objectives in rural areas. These include metrics such as:
  - The proportion of households in fuel poverty, workplace-based income, house price to local earnings ratio, and rates of seasonal employment
  - The frequency of public transport services to access key services
  - Distance to Further Education provider and the range of courses available

- Referral for (health) treatment waiting times, rates of delayed discharge and levels of self-harm amongst younger people
- Percentage of premises with super-fast broadband

**3.5** The Government must urgently address the funding formulae for the allocation of national funds to local authorities (and other public service organisations) to ensure that they are demonstrably fair and fully reflect the additional costs of service delivery in rural areas. The ‘Improving Public Services’ outcome sought will never be equitably achievable in rural areas unless this is done.

**3.6** The Government should urgently provide details as to which bodies are going to be charged with delivery. Local Government must have a major role - but will require additional funding to meet change on the scale envisaged (let alone addressing the current funding gap).

**3.7** The Levelling Up Advisory Council (the establishment of which is not included in the Bill) should have a specific duty to monitor levelling up in rural areas, assisted by a rural expert advisory panel. In like vein, Levelling Up Directors (also not referred to in the Bill) must have a clear role to ensure that the needs of rural areas are recognised and addressed.

## RSN RATIONALE AND RURAL CONTEXT IN DETAIL

### **Part 1 of the Bill, Levelling Up Missions. The Bill provides that:**

*A statement of levelling up missions (which must specify a target date for the delivery of the mission – may be different target dates for different missions) must be laid before parliament and must not cover less than 5 years. The first statement must come into effect by no later than 1 month after which Section 1 comes into force. The statement must include mission progress methodology and metrics). Before the end of the Statement there must be a published review of that Statement and a new statement must be laid before parliament and published. The then current Statement, progress methodology and metrics or target date can be revised within the 5- year period by laying a revised statement before parliament and publishing it. The purpose of the reviews is to “consider whether Her Majesty’s Government pursuing the levelling-up missions in the current statement of levelling-up missions is effectively contributing to the reduction of geographical disparities in the United Kingdom.*

### **Rural Context**

It follows that the first Missions and Metrics specified may be different to those in the White Paper. A range of metrics should be used to supplement those already outlined, in order to help the Government, achieve its four levelling up objectives in rural areas. [\[RSN ASK 3.4 above\]](#). As presented in the White Paper, the majority of the 12 missions could be achieved in urban areas alone, which risks rural needs, challenges and opportunities being overlooked or ignored. Targeting improvement at a regional-level risks leaving communities behind. Several of the Government’s missions are focused on narrowing the gap between the regions. This causes problems, because in many cases, the differences within regions are greater than the differences between regions. [\[RSN ASK 1.1 above\]](#). Using the most granular data available – either local authority district, middle or lower super output area, or at as low a geographical level as data is available - would be more beneficial in identifying disadvantaged communities. [\[RSN ASK 1.2\]](#) & [\[RSN ASK 3.3 above\]](#).

### **Reporting on Missions**

***The Bill establishes a statutory duty to publish an annual report analysing progress.***

### **Rural Context**

In the Executive Summary of the White Paper, it is stated:

*“Building on this White Paper, we will publish the second report on rural proofing in England this spring. This report will set out how Government departments are working to support levelling up in rural areas, through targeted approaches where needed, and how we are strengthening the rural economy, developing rural infrastructure, delivering rural services and managing the natural environment.”*

The rural proofing annual report is a retrospective look at what has happened. It is not of itself any sort of strategy or vision for rural areas. That said the phrase “where needed” implies that the Government will make clear where there is a need.

Clarity is needed on how rural proofing and levelling up will work alongside each other. Both require a cross-departmental approach. Embedding rural proofing in the development of the policy programme for levelling up and actions flowing from it would result in real system change for rural England. [\[RSN ASKS 3.1 & 3.2 above\]](#).

## **Part 2 of the Bill, Local Democracy and Devolution provides that:**

*The Secretary of State may by regulations establish a Combined County Authority (CCA).*

### **Rural Context**

Those areas which choose not to go down the CCA route must not be penalised financially for that decision through the construct of finance distribution formulae

The bigger the geographical area for which a body has responsibilities the greater the number of very different types of communities within them. It is accepted that sometimes policies do need to reflect urban-rural dependencies. A more appropriate approach is to consider **where it is necessary** to cover larger (mixed rural and urban) geographies. Combining rural areas with urban areas has, historically, meant rural losing out as it is almost always easier (and less costly) to achieve performance targets in densely populated areas than more sparsely populated rural areas. Whatever approach is adopted extra care must be taken to avoid rural areas losing out.

To refer to the proposed devolution framework as a flexible approach (in recognition that a directly elected mayor model may not suit all areas) is not credible. We agree a flexible approach is needed but the degree of devolution set out for Level 1 (and to a lesser extent Level 2) is quite small and offers little incentive. If the Government believes in local empowerment, it should not penalise those areas which opt for an approach without a Directly Elected Mayor. Creating a combined population of at least 500,000 will mean either enormous geographical areas or rural areas being combined with predominantly urban areas. Neither of which make sense for any concept of local. This minimum 500,000 population relates to “any tier of devolution”.

Mayoral Combined Authority models under current legislation are not just available but actively encouraged. Using existing legislation would allow two tier areas to be able to create Combined Authorities quickly and enable areas which are ready to move on levelling up, to do so, using legislation which has already proved successful in other areas of the Country

The creation of the alternative form of Combined Authority (CA) which only includes upper tier authorities as constituent members, removes the involvement of the critical delivery agent of district councils. The model incorrectly assumes that local government is hierarchical, with upper tier authorities ‘leading’ lower tier authorities. In practice it is a collaboration where each authority has their own powers, responsibilities and expertise which when working collaboratively, can achieve large scale change (as shown through the pandemic).

Levelling up can only be achieved through true collaboration of all partners. We believe that any form of CA, whether that be through the new Bill or through existing legislation, should include all partners (both upper and lower tier authorities) as constituent members and any partner should be able to request to create a CA.

There is no definition in the White Paper of a Functioning Economic Area (FEA) and the phrase is not included in the Bill. [The White Paper refers to FEAs in relation to where priority will be given to devolution deals] The former Department for Communities and Local Government (DCLG) defined FEAs as, “the area over which the local economy and its key markets operate”. A set of indicators which are often applied to define the boundaries of an FEA are related to such matters as:

- Travel-to-work flows
- Housing Market Areas
- Sectoral clusters
- Travel-to-learn flows
- Transport networks

Across large rural areas the above indicators will show that within any County there will be several different FEAs. That position will be exacerbated by having to achieve 500,000 population levels and made worse for rural areas if combined with urban areas.

### **Other Comments**

Centralising policies that apply in most geographic areas in the form of National Development Management Policies will accelerate the pace of production of plan-making at local levels. The risk of setting such policies at national level is that local councils will be unable to customise these to suit local circumstances, which may be subject to change. A durable solution could be found in an agreed sector-led approach, rather than a plan being imposed on an area. Greater clarity in guidance regarding what is expected in the development of local plans would contribute to a more standardised approach.

Digitising the planning system to reduce delays is to be welcomed, but this would require sufficient resources if it is to be implemented successfully.

It remains to be seen if there will be support for the principle of Biodiversity Net Gain (BNG) & the 25-year Environment Plan as this would require considerable additional resources at a time when focus is the cost-of-living crisis amidst spiralling energy costs.

There appears to be general support for the principle of local design codes, but will these be affected by the permitted development rights policy, which has been mentioned elsewhere with regard to the Bill?

## MATTERS REFERRED TO IN THE WHITE PAPER WHICH ARE NOT DETAILED IN THE BILL BUT ARE ISSUES TO BE DEFINED BY ORDER/REGULATION ONCE THE BILL IS ENACTED

These are issues aimed specifically at the Government to be addressed in the development of the levelling up and regeneration proposals and for rural MPs to engage on with ministers. They, of course, will also be relevant to members of the Levelling Up and Regeneration Bill Committee.

### Part 1 of the Bill Levelling Up Missions

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#### Rural Context

- From the detail in the White Paper, most proposals for targeted interventions appear to be major town or city focused with rural areas, people, communities and businesses overlooked. A key question across all of the Policy Programmes is whether they will reach rural areas and designed (and funded) to reflect rural issues and circumstances?
- Levelling Up must deliver on the philosophy that 'no-one should be left behind due to where they live'. The Rural Coalition and its members have stated their willingness to work with the Government to achieve this, but it would be much helped if the Government were now to set out its promised vision for rural England and developed a cross-cutting strategy for how levelling up can be achieved for rural people, businesses and places.
- Rural is missing from the levelling up agenda. If rural England was to be thought of as a region of England, it would be more populous than London or the South East. English rural local authorities are home to one fifth of the population, 4.8 million workers, and half a million businesses. **Based on the Government's own white paper headline metrics, rural's need for levelling up would be greater than any other. When all the headline metrics across which rural performance can be measured are considered and compared against the other nine geographies, England's hidden region has on average further to level up than any other.** But, despite its scale and need, the needs of this 'region' are poorly reflected in the Government's levelling up framework. [\[RSN ASK 1.3 above\]](#). The creation of 'urban development corporations/councils mentioned in the Bill is a clear demonstration that there cannot be a 'one size fits all' approach.
- The White Paper metrics appear predominantly urban-focused, and do not capture disadvantage in rural economies. Metrics like gross disposable household income are partial, and disguise the true income levels of those working in rural areas. The inclusion of additional metrics would help to identify those areas most in need of levelling up at a local level, both for rural communities and the wider population. Our research has identified a range of metrics [\[RSN ASK 3.4 above\]](#) which could be used to supplement those already outlined, and would help Government achieve its four levelling up objectives. These include metrics such as:
  - The proportion of households in fuel poverty, workplace- based income, house price to local earnings ratio, and rates of seasonal employment
  - The frequency of public transport services to access key services,,
  - Distance to Further Education provider and the range of courses available
  - Referral for treatment waiting times, rates of delayed discharge and levels of self-harm amongst younger people
  - Percentage of premises with super-fast broadband
- The levelling up agenda is of course unable to include every metric, and the ones that have been outlined in the white paper are important benchmarks for current and ongoing progress in meeting Government's objectives. But without considering additional metrics, there is a risk that the needs of twelve million rural residents could be ignored by the levelling up agenda.
- Data at the regional level, and even at a county level means that the data for rural areas gets masked by regional/county averages. Therefore, when policy options are developed using that data the needs and opportunities of rural areas are overlooked. Rural areas risk being even further left behind as opposed to levelled up.

- The 'Improving Public Services' outcome sought will never be equitably achievable in rural areas unless and until all the funding formulae for the allocation of national funds to local authorities (and other public service organisations) are fair and reflect the additional costs of service delivery in rural areas. [\[RSN ASK 3.5 above\]](#). It should be noted from the Local Government Finance Settlement for 2022/23 there are no planned increases in grant funding in either 2023/24 or 2024/25
- No real details on which bodies are going to be charged with delivery. Local Government seems to have a major role -but no explanation of additional funding to meet change on the scale envisaged (let alone addressing the current funding gap). That said, even a cursory glance down the list of missions and metrics shows that against nearly every one local Government has a role to play. [\[RSN ASK 3.6 above\]](#).
- It would be more appropriate for funds that are part of the Levelling Up agenda to assess the standards of living achievable in different locations given local labour market conditions. The cost of living in rural areas is generally higher than in urban.
- It is important to recognise that rural market towns serve the same economic and social functions of larger urban towns. They should get equal access to funding opportunities.
- The Levelling Up Advisory Council (the establishment of which is not included in the Bill) should have a specific duty to monitor levelling up in rural areas, assisted by a rural expert advisory panel. In like vein, Levelling Up Directors (also not referred to in the Bill) must have a clear role to ensure that the needs of rural areas are recognised and addressed. [\[RSN ASK 3.7 above\]](#).

## FURTHER READING

The RSN has produced a Rural Lens Review of each of the Chapters in the White Paper. To view links to these reviews please see:

[RSN Critique of the White Paper](#)

The RSN has also produced a Rural Lens Review of the Levelling Up and Regeneration Bill, see:

[Rural Lens Review of the Levelling Up and Regeneration Bill](#)

Furthermore, we commissioned Pragmatix Advisory to review the Missions and Metrics set out in the White Paper to assess the scale of rural disadvantage using the White Paper's analytical framework, see:

[Rural as a region: the hidden challenge for Levelling Up](#)

You may also find the following two briefing papers by the National Innovation Centre for Rural Enterprise (NICRE) useful, see:

[What is the contribution of rural enterprise to Levelling Up, and how can this be further enabled.pdf \(ncl.ac.uk\)](#)

[NICRE Briefing Paper No 2 November 2021 The strategic case for equitable recognition of rural economies in Levelling Up policies.pdf \(ncl.ac.uk\)](#)

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