THE STATE OF RURAL PUBLIC SERVICES 2012

A report by the Rural Services Network

November 2012

Rural Services Network

The Rural Services Network (RSN) is a group of some 220 local authorities and service providers working to establish best practice across the spectrum of rural service provision. The network has representation across the range of rural services, including local authorities, public bodies, businesses, charities and voluntary groups. It is devoted to safeguarding and improving services in rural communities across England. It is the only national network specifically focusing on this vital aspect of rural life.

The network has three main purposes:

- **Representing** the case for a better deal for rural service provision;
- **Exchanging** useful and relevant information; and
- **Developing and sharing** best practice.

The Rural Services Network exists to ensure services delivered to the **communities of predominantly rural England** are as strong and effective as possible.

It has two operating arms: the SPARSE Rural interest group of local authorities and the Rural Services Partnership (a not-for-profit company). http://www.rsnonline.org.uk/

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Brian Wilson Associates provides policy advice, research and evaluation services on topics such as rural policy and rural development, service delivery and public service reform, community action and neighbourhood planning, local governance and tackling inequalities.

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Foreword

It is my great pleasure to introduce, this, the latest edition of the State of Rural Public Services report from the Rural Services Network (RSN). The series of three reports we have now published have, between them, examined the evidence for twelve types of service area, providing analysis across a broad policy front.

In this year's report the focus turns to broadband, business support and advice services, fire and rescue services, and actions to address fuel poverty. At least two of these topics – broadband and fuel poverty – could be seen as obvious choices. They have both been the subject of rural policy debate and of public sector intervention. Rightly so, since fuel poverty levels remain highest in rural areas and since many rural areas are yet to share the benefits of broadband, with consequences for rural enterprise and service provision. At a time when more and more urban areas are gaining access to 30 Mb broadband (or more), there are still significant rural areas waiting to obtain a 2 Mb connection. It is a gap which must be tackled. Although neither fuel poverty nor broadband are delivered by the public sector, neither issue would be addressed in sparsely populated rural areas without financial support from local authorities – a cost not falling on urban authorities to the same extent.

Fire and rescue service provision has, by contrast, received much less attention. Yet, as this report shows, there are important rural issues which deserve notably more focus among policy makers and practitioners. Ensuring adequate emergency cover in rural areas is a serious matter. This report hopes to start some of that debate.

We are approaching the mid-point of a four year squeeze on public expenditure announced by the 2010 Spending Review. Local authorities, whether in rural or urban areas, face large reductions in the formula grant they receive from Government to fund the running of public services. There is every indication that there will be further severe cuts imposed by the Government on local government, with rumours of another 20% reduction in the next review, if not sooner. As a Council Leader I know well that management and efficiency savings can and are being pursued vigorously. Nonetheless, last year's report showed impacts on rural service provision in areas such as libraries and leisure facilities. This report similarly finds pressures starting to emerge in rural areas in terms of fire and rescue services and there can be no doubt that further cuts would impact seriously on services across the board. The impact in rural areas will be worse due to their lower starting point.

A fairer deal for rural areas in the distribution of Government formula grant is long overdue and would, at least, help to soften the impact. The RSN has therefore welcomed proposals, which the Government has consulted upon, to take better account of the additional costs of service provision in sparsely populated areas. It cannot be right that rural authorities (and thereby rural communities), despite facing these costs, receive so much less formula grant (per head of population) than their urban equivalents. It is important that Government now confirms it will take more account of sparsity costs from 2013 onwards and that it does so in full, by ensuring that damping mechanisms in the formula do not negate much of the gain. If

the Government intends the grant formula to then remain unchanged for up to a decade, any half-measures in the change it makes now will simply not do.

In September the Government published its Rural Statement 2012 document. This set out its rural priorities – among them to improve broadband provision – and it listed the main actions which Whitehall departments are taking to address those policy concerns. It was presented as a Government-wide document, with all departments expected to contribute to the well-being of rural communities and economies. We should all ensure that that very worthwhile expectation is now delivered; national policy needs to enable local policy makers and local service operators the flexibility and resources to meet their side of the bargain and to provide appropriate services for their rural communities.

The RSN hopes this report, and especially its examples of local service innovation which have come from among its members, can contribute positively to that end.

Councillor Roger Begy OBE
Chairman, Rural Services Network

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Summary of findings

This third report in the State of Rural Public Services series focuses on four policy areas, namely broadband, business support and advice services, fire and rescue services, and actions to address fuel poverty. It pulls information from various sources, including existing evidential documents, rural analyses of data and intelligence from delivery organisations in RSN membership. The aim is to identify trends and to stimulate debate about policy and practice in rural areas.

Broadband

Nationally, two-thirds of users now have access to a fast broadband connection and a rapidly growing number can access superfast broadband. The same cannot be said, however, for rural users. Indeed, average broadband speeds for customers in the smaller rural settlements are only a third of those achieved in urban areas. Surveys show that slow speeds and intermittent connections are a frequent concern among rural businesses.

Various public initiatives, such as the Rural Broadband Programme, are seeking to ensure that the Government's targets for broadband roll out by 2015 will be met. In some places rural communities are developing their own solutions, though the perceived technical complexity of doing so puts off others.

Mobile telephony is an increasingly popular means of gaining access to the internet. Its coverage also favours urban areas. About 80% of England's land area and 24% of its households (mainly in rural areas) are without a 3G signal from all four of the mobile network operators. That said, Ofcom estimates that only 80,000 households are now in complete 'not spots', with no signal available from any operator. The Mobile Infrastructure Project aims to provide solutions for most of them by 2015.

Business advice and support services

The 505,000 businesses located in rural England, contribute almost a fifth of the country's economic productivity (GVA). They are almost entirely small businesses and represent a diverse group of sectors. There is no reason to think they are any different from businesses elsewhere in needing access to advice and support to help them start-up, grow and survive.

In a recent survey 93% of businesses in rural areas said they had made use of some form of support. Their sources of support were wide ranging and included accountants, banks, family members, peers and suppliers. Some 38% had made use of support from local government services and 37% had made use of support from central government services.

Satisfaction with these support services varied among the rural businesses. Among those who had used public sector-provided services the largest group were neither satisfied nor dissatisfied. It may be many of these services are essentially sign-posting businesses to other organisations delivering support. It is also worth noting that local authorities support rural businesses indirectly through their policies for transport, planning, parking and so on.

Fire and rescue services

These important services have been largely overlooked in rural analysis and policy debate.

Fire and Rescue Authorities (FRAs) must make assessments of risk in their area, deciding how to deliver services to meet local needs and setting their own service standards.

Rural FRAs receive much less Government grant funding per head of population than urban FRAs. The funding formula takes no account of extra costs associated with delivery in sparsely populated areas, though Government has consulted on changing this. Both FRAs in RSN membership and research evidence find it costlier to provide acceptable fire and incident cover in rural areas, where more fire appliances and fire stations are needed for a given population. This is challenging at a time when FRAs are experiencing a 25% reduction in grant over four years.

The average response time to fire incidents in rural areas is just over 10 minutes or roughly 3 minutes longer than in urban areas. Rural response times have lengthened as traffic levels have increased on country roads.

The UK's force of 18,000 retained fire fighters is a key feature of rural service provision. These volunteers keep down costs and provide a flexible force, able to respond to patterns of demand in rural areas. However, recruiting and retaining them has become tougher as people's journeys to work have extended.

Actions to address fuel poverty

Fuel poverty is most prevalent in rural areas. A key reason is that the majority of homes in villages and hamlets are off the mains gas network, leaving households dependent on more expensive fuels. Another factor is the high number of homes in the smallest settlements with solid walls, where insulation methods are more complex and costly. Low earnings are a further contributory factor for some groups within the rural population.

National policy initiatives have invested in tackling fuel poverty and the Warm Front scheme now targets vulnerable households off the mains gas network with its largest grants. This and other initiatives will be replaced in 2013 by the Green Deal and Energy Company Obligation, again with a particular focus on vulnerable customers and hard-to-treat homes.

Fuel poverty levels are related both to settlement size and to population sparsity. At the extreme, therefore, we find that 34% of households are in fuel poverty in hamlets or dispersed dwellings in sparse areas. The Hills Review also found that the extent of fuel poverty is most severe in rural areas.

There are many initiatives delivered at the local level by public, private and third sector organisations. Examples from among RSN members include advice for vulnerable households, village energy audits, cavity wall and loft insulation, external solid wall insulation, bulk buying schemes for heating oil and investment in renewable energy for the social housing stock.

Introduction

This is the third report in this annual series, produced by the Rural Services Network to highlight trends in rural service provision and to stimulate debate about policies and practice that benefit or might benefit rural communities.

Our 2010 report examined transport, affordable housing, primary schools, services for older people and facilities for young people, while our 2011 report focused on public transport, cultural services and libraries, and parks, leisure and environmental services. In this 2012 edition we turn to: i) broadband, including from mobile devices; ii) business support and advice services; iii) fire and rescue services; and iv) actions to address fuel poverty. This may (rightly) be read as taking a broad definition of public services. The justification is that a great deal of the interest in efforts to roll out broadband and to address fuel poverty in rural areas revolves around public sector interventions. Furthermore, broadband is frequently seen as a means to help with the delivery of public services.

The report draws on various types of information, but always with an emphasis upon recent evidence. Existing research reports and data sets from other organisations have been reviewed. Secondary analysis of some data sets has been carried out, to generate a rural cut on the findings. Evidence has also been collated from the broad base of Rural Services Network members. This has generated evidence of good rural practice and it has added to the recent information about trends in service provision.

Where possible statistics quoted are those matching the rural-urban definition, as this has the status of being a National Statistics definition. It is particularly useful when analysing data at the very local level and it defines 'rural' as any settlement with a resident population of fewer than 10,000. This is sometimes disaggregated further into rural towns (3,000 up to 10,000 population), villages (500 up to 3,000), and hamlets or dispersed settlements (fewer than 500).

On this definition in 2010 England had 9.8 million people who were living in a rural area, which comprised 19% (or almost a fifth) of the total population[1]. This means that the rural population is believed to have grown by 5.8% between 2001 an 2010. Moreover, rural England makes up 86% of its land area.

However, much data is unavailable at such a fine-grained spatial level. In which case, it is necessary to apply the Defra rural classification, categorising local authority areas according to the extent of their rurality[2]. R80 authority areas are the most rural, with 80% or more of their populations living in rural settlements. R50 authorities have between 50% and 80% living in rural settlements. (The R80 and R50 authorities are sometimes collectively called 'predominantly rural' areas.) Finally, there is a group of 'significantly rural' authorities, which

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[1] Defra, 2012 (1)
[2] Office for National Statistics, 2012

have between 26% and 50% of their populations living in rural settlements or larger market towns.

This local authority-based classification gives a slightly higher figure for the rural population than the rural definition.

Broadband

The policy context

The UK Government has made a commitment to develop the best superfast broadband network in Europe by 2015 and it has set out an action plan[3] which aims to deliver this in its 2010 Broadband Strategy.

Broadband infrastructure and services are, of course, largely delivered by the private sector, but they are examined in this report because of the extent of public policy interest, extending to significant policy intervention and funding in rural areas.

Its *Rural Statement 2012* document[4], published by Defra, lists the three national policy initiatives which are seeking to improve broadband access in rural areas. They are:
  ➢ Rural Broadband Programme – £530 million to deliver basic broadband (2Mbs) to all premises and superfast broadband to 90% of premises. Indicative allocations of funding to local authorities were announced in August 2011 (though it should be noted these allocations require local match funding to be found);
  ➢ Rural Community Broadband Fund – launched in November 2011 and offering £20 million to help hard-to-reach communities implement local broadband solutions;
  ➢ Mobile Infrastructure Project – announced in October 2011 and offering up to £150m to improve mobile phone coverage, by tackling not-spots.

The Rural Statement recognises that access to effective broadband will be a key driver for economic growth in rural areas and has the potential to make services more accessible to rural communities. To help maximise such benefits, it supports efforts to stimulate demand for broadband services by the Go ON UK partnership.

Broadband speeds and roll out

According to Ofcom[5] national average broadband speeds have risen significantly in the last few years. By May 2012 the average speed for residential users was 9 Mbs. This compares with 6.8 Mbs one year earlier (May 2011) and 4.1 Mbs three years earlier (May 2009). The trend results both from providers upgrading their networks and from consumers migrating to faster broadband packages.

As the table below shows, the proportion of residential consumers with access to fast broadband and to superfast broadband connections is also rising quickly.

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[3] Departments for Business, Innovation & Skills and Culture, Media & Sport, 2010
[4] Defra, 2012 (3)
[5] Ofcom, 2012

Broadband connections of UK fixed-line residential customers

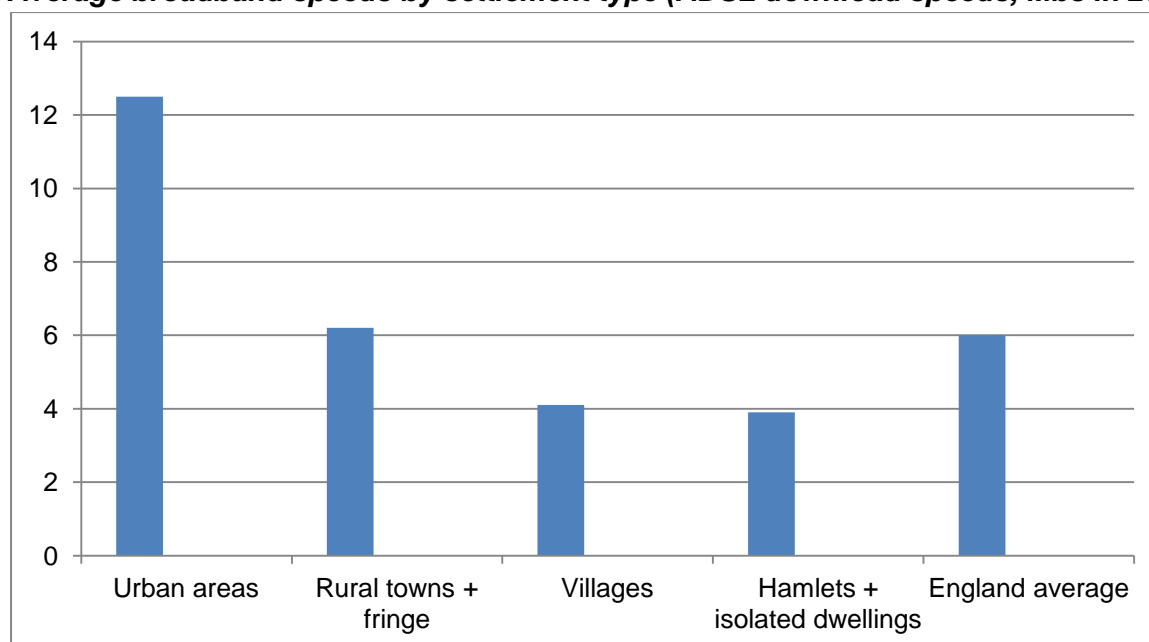|	*May 2011*	*May 2012*
Average actual connection speeds	6.8 Mbs	9.0 Mbs
Have a fast (up to 10 Mbs) package	48%	68%
Have a superfast (up to 30 Mbs) package	2%	8%

Source: Ofcom, 2012

Nonetheless, as another Ofcom[6] report said in late 2011, some 14% of residential connections still had speeds of less than 2 Mbs, which is the definition of a 'basic broadband' service (and which is the Government target for general availability by 2015). In some cases, however, this could reflect customers' own technology, rather than a slow network.

Rural access to broadband

If two-thirds of customers nationally now enjoy fast broadband, the same cannot be said for those in rural areas. The 2012 edition of the Defra Rural Digest[7] contains 2010 comparisons for rural and urban settlements in England on both average broadband speeds and the proportion of households with no or only slow broadband connections.

It finds that even in rural towns broadband speeds were only half those in urban areas. In the smallest rural settlements speeds were barely a third of those experienced in urban areas. (So as not to overcomplicate the graph it shows figures for so-called 'less sparse' areas, which are the great majority, and excludes those for so-called 'sparse' areas.)

Average broadband speeds by settlement type (ADSL download speeds, Mbs in 2010)

Source: Defra, 2012

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[6] Ofcom, 2011
[7] Defra, 2012 (1)

The table below then shows that far more rural than urban households had no or only a slow broadband connections i.e. with speeds of less than 2 Mbs. Indeed, fully one third of households in villages had either no or a slow broadband connection.

Proportion of households with no or slow broadband connections in 2010

	No broadband	*Slow broadband*	*No or slow broadband*
Rural areas	11%	12%	23%
Urban areas	2%	3%	5%
England totals	4%	5%	8%

Source: Defra, 2012. Note: figures in rows may not add up exactly due to rounding.

A further issue is that where broadband provision does exist in rural areas, there may be little or no competition among suppliers, so rural communities may pay higher prices (for a given level of service).

Views about broadband access and use

The Office of Fair Trading examined access to broadband, amongst other services, in a report[8] about price and choice for communities in remote areas. Responses to its call for evidence were summarised as saying that many consumers in these areas had only one option of broadband provider and that connection speeds frequently fell short of those advertised. Slow speeds and intermittent connections were seen as particular problems by businesses who wished to access financial services, submit forms and documents online, market their services, take online bookings and facilitate unmanned payment systems.

The Federation of Small Businesses' Voice of Small Business panel survey[9] in Spring 2012 similarly highlighted high levels of concern among its rural members. It found that:
  ➢ 63% of panel members in rural areas were dissatisfied with the speed of their broadband connection; while
  ➢ 48% of panel members in urban areas were dissatisfied with the speed of their broadband connection.

Broadband is often cited as a key issue or even the key issue in rural surveys. For example, in a recent one among local (parish and town) councils in Suffolk[10], broadband came out as the major concern in terms of community facilities and services. It was ranked above all other 41 service topics listed and was a concern for over half the responding local councils.

A report by a Lords Select Committee[11] has criticised the extent to which policy emphasises the achievement of ever faster connection speeds, often in places which already have good

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8 Office of Fair Trading, 2012
9 Federation of Small Businesses, 2012 (2)
10 Suffolk ACRE, 2012
11 Communications Committee, 2012

connectivity. It believes that policy should instead focus upon tackling issues of poor access and eliminating the digital divide.

A key finding in the Rural Scotland in Focus 2012 report[12] could be said to support this stance. It concludes that the digital divide in Scotland is widening, as urban connectivity gets faster and many rural areas remain in "the final third" of twilight zones and not-spots.

Example: WiSpire in Norfolk and north east Suffolk

WiSpire is using a combination of exchanges and parish churches across the area to roll out delivery of a fast broadband service to residents, schools and businesses. It is a joint venture between the Diocese of Norwich and FreeClix, which is making use of church buildings to provide wireless broadband internet access in areas where speeds from other networks are poor.

Transmitters and receivers are being attached to church spires and towers, which are some of the tallest objects in the landscape. The broadband signal is initially beamed from ISP provider, FreeClix, to Norwich Cathedral, then from its spire out to other church towers and finally to the premises of this service's customers. Subscribers in the village of Salhouse say that they now enjoy a broadband service of 8 Mbs, which is very significantly faster than anything they previously received.

By the end of 2013 WiSpire hopes to have placed equipment on to around fifty churches, giving it a network which stretches across the majority of Norfolk.

A report by Carnegie UK and the Plunkett Foundation[13] concludes that, despite the attention paid to this issue by government, regulator and industry, some rural communities are still losing out. It applauds those pioneering rural communities which have managed to challenge this situation by establishing community-led solutions, the best known perhaps being Cybermoor Ltd in Cumbria. Typically such community enterprises either seek to stimulate local demand for broadband or they partner with local authorities. However, it also worries that the perceived technical complexity means too few communities are taking on such initiatives. It therefore wants to see more support available which spans the required mix for both technical skills and community development.

Mobile telephony

More and more people access the internet with a mobile device (smart phone, tablet or dongle). A report published by the Oxford Internet Institute[14] quantified the speed at which this is happening. It found that whereas in 2003 some 11% of mobile phone owners used their device to access e-mail or the internet, by 2011 that figure had risen to 49%. The same report notes the trend for people now to access the internet via multiple devices. This increasing use of mobile devices is expected to continue, with one report[15] forecasting an 18-fold increase in the volume of mobile data traffic worldwide between 2011 and 2016.

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[12] SAC Rural Policy Centre, 2012
[13] Carnegie UK Trust and Plunkett Foundation, 2012
[14] Dutton W H and G Blank, 2011
[15] CISCO, 2012

Further evidence for the potential of mobile broadband to contribute to rural economies is that 48% of Federation of Small Business members say they either already use it or would use it, if it were available in their area[16].

Various issues persist with mobile phone reception and most of these are likely to be more prevalent in rural areas. Ofcom classifies these[17] as:
  ➢ Complete not-spots – where no signal is available (2G or 3G) from any of the four network operators;
  ➢ 3G not-spots – where 2G coverage exists, but internet access is not at broadband (3G) speeds;
  ➢ Partial not-spots – where some network operators provide a signal, but others do not;
  ➢ Interrupted coverage – where those travelling find themselves passing through not-spot areas.

As noted above, DCMS funds a Mobile Infrastructure Project[18] (MIP) with up to £150 million to help procure mobile phone infrastructure in complete not-spots. Delivery of MIP is to take place between 2012 and 2015 and it is expected to bring mobile coverage to 60,000 of the UK premises that are in not-spots. It will also improve coverage along ten A-roads which have not-spots that interrupt the signal.

Ofcom now believes that only 80,000 premises across the UK are located in complete not-spots[19]. Unsurprisingly, these are largely in rural areas and it is clear from a map that many are in the uplands. Most also appear to be outside of England (in Scotland, Wales or Northern Ireland). Detailed tables in the report indicate that the English local authority areas (upper tier) with the largest share of premises located in not-spots are Cumbria, Northumberland and North Yorkshire.

The regulator acknowledges that many other areas have a signal from only some of the four mobile network operators. The table below shows the extent of 2G and 3G coverage to both premises and the land area of England in 2011.

Per cent of English land area and premises with mobile coverage (2011 predicted)

	2G mobile networks		*3G mobile networks*	
	No signal from any operator	Without a signal from all operators	No signal from any operator	Without a signal from all operators
Geographic (area) coverage	1.4%	16.2%	8.9%	79.6%
Premises coverage	<0.1%	2.5%	0.4%	23.7%

Source: Ofcom and network operators, 2011

The next generation of 4G networks will permit superfast internet access (up to 20Mbs) through mobile devices and services which are said to be far superior to those available under 3G. The auction for those networks is now expected to conclude in 2013. One of the

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[16] Federation of Small Businesses, 2012 (2)
[17] Ofcom, 2010
[18] Department for Culture, Media & Sport, 2012
[19] Ofcom, 2011

auction lots[20] comes with an obligation to serve at least 95% of the country's population by the year 2017. The remaining 5% are almost certain to live in the more remote rural areas.

Following trials in Cumbria, provider EE (formed from the Orange and T-Mobile merger) was given the go-ahead by Ofcom to start delivering 4G services in advance of that auction using its existing bandwidth, which it has recently started doing. While 4G has significant rural potential, initial plans appear to focus on its roll out in sixteen cities.

The NFU has reported a survey[21] of its members in which two out of every three farmers say they would benefit from the roll out of superfast mobile broadband. They are particularly keen to use 4G to do business with suppliers and customers, and for administrative tasks such as banking, invoicing and completing online forms.

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[20] Wired.co.uk, 2012
[21] National Farmers Union, 2012

Business support and advice services

The economic context

There are 505,000 businesses located in rural England. Moreover, in 2009 predominantly rural areas contributed 19% of the country's economic productivity, as measured by gross value added (GVA)[22].

However, many rural businesses, like businesses located elsewhere, face harsh trading conditions as the nation's economy struggles to climb out of recession. A survey conducted for the CLA and Smiths Gore[23] found that confidence and optimism in the rural economy remained weak during the second quarter of 2012. The trend for anticipated investment was also described as "worryingly negative"; among non-agricultural businesses 17% more were expecting to reduce their year-on-year level of investment than were expecting to increase it. That said, these businesses continued to think that their sales will grow over the coming year and they held mildly positive expectations about growing their workforce.

Defra publishes a quarterly rural economic bulletin. These show[24] that in the first quarter of 2012 the business insolvency rate was 0.9 per 1,000 businesses in rural areas. This is the same rate as for the previous quarter and is identical to that for urban areas. Defra also find that the 2010 business start-up rate in rural areas was 36 per 10,000 population. This rate has fallen over the last few years and by 2010 trailed behind that for urban areas.

Today's rural businesses span a diverse range of sectors and almost all fit within the definition of small and medium sized enterprises (SMEs). There is therefore every reason to think they want access to and can benefit from business support services to help them start-up, grow or simply survive. Such services are likely to be thinner on-the-ground in rural areas and physical access to them, where necessary, may be an issue for some businesses. As noted in the last chapter, online access to advice services can also be problematic where broadband connectivity is poor or unavailable. Some micro and home-based businesses in rural areas may also fall under the radar of business support organisations[25].

The policy context

Businesses obtain support and advice from various sources, including services provided or funded through the public sector. This includes Business Link, a central government one-stop information and guidance resource, which has now become solely an online service.

Rural businesses may be able to access support through the Rural Development Programme for England, which has a particular focus on businesses from the agricultural,

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[22] Defra, 2012 (1)
[23] CLA and Smiths Gore, 2012
[24] Defra, 2012 (2)
[25] Shucksmith M for Carnegie UK, 2012

land-based and tourism sectors, as well as encouraging economic diversification. The future shape of this programme is currently under negotiation.

The Growth Review[26], launched in 2010 by HM Treasury and the Department for Business Innovation & Skills, has undertaken a rolling work programme to assess how Government can create the right conditions for growth. As well as tax and deregulation measures, this has included the introduction of Enterprise Zones, funding for work placements for young people and support for sectors seen as having growth potential. It is now seeking to fund major infrastructure projects and to provide support for export businesses.

The second phase of this Growth Review included a specific rural economy strand, the results of which were announced by Defra[27] in November 2011. They included the creation of five Rural Growth Network pilots located in Cumbria, Devon and Somerset, Durham and Northumberland, Warwickshire and around Coventry, and Wiltshire, which Defra expects to lead to 3,000 extra jobs and 700 new business start-ups. Other measures announced were support for small rural businesses to boost skills and competitiveness, and particular schemes to assist the agri-food, tourism and community renewable sectors.

The Rural Growth Network pilots differ from each other with that in Cumbria[28], for example, focussing on new provision of work premises, one-to-one business advice, networking opportunities, online training and access to broadband.

The Commission for Rural Communities has been examining the rural dimension to the work of Local Enterprise Partnerships, which could shed further light on the availability of appropriate business support and advice in rural areas. However, at the time of writing this report has not been completed.

Use of business support services

According to a membership survey conducted by the Federation of Small Businesses[29] (FSB), more than 93% located in rural areas had made use of some business support. This apparently high figure includes a wide range of public and private support services, plus support received from peers, suppliers, family and informal sources.

As the chart below shows, the most common source of support for small rural businesses were their accountants, their customers and their suppliers. Around 37% said they had used central Government funded support and around 38% said they had used local government support. These figures are very similar for businesses in both rural and urban locations.
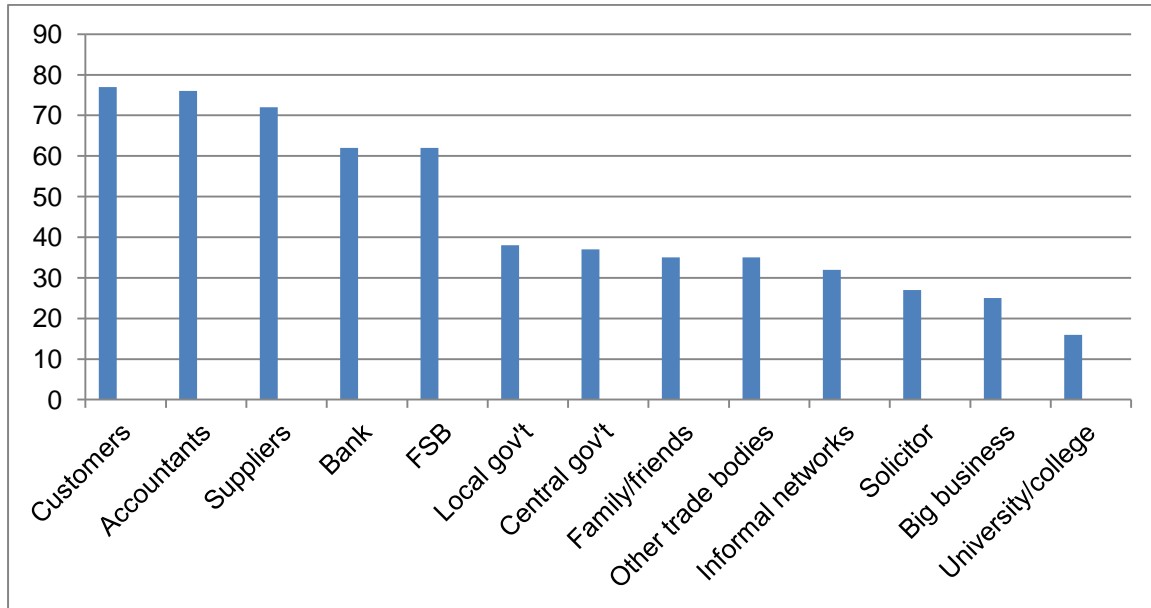
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[26] HM Treasury, 2012
[27] Defra, 2011
[28] Rural Services Network, 2012 (1)
[29] Federation of Small Businesses, 2012 (1)

Per cent of small businesses in rural areas who used these types of business support

Source: FSB survey, 2012

Interestingly, the initiative local authorities could take which would be most popular among these small rural businesses would be to improve local support and advice services. This was cited by 28% of the responding businesses from rural areas, making it far more popular than actions on local authority contracting, car parking, planning decisions, workplace skills and so on.

Helpfulness of business support

Per cent of small businesses in rural areas rating these sources of support as helpful

Source: FSB, 2012

The FSB survey also asked its members which sources of business support they found to be most helpful. Once again, accountants, customers and suppliers were the most frequently cited in responses. The chart above shows the full set of findings from rural located businesses, which are very similar to those from urban located businesses.

As can be seen, local authority support services scored poorly in this question. This could be for a variety of reasons. Indeed, whilst many local authority policies can be said to support businesses (e.g. on planning, transport and parking, town centre renewal), they typically partner and signpost to business advice services rather than being direct providers. For example, one RSN member authority reports working with its larger employers, SMEs, further education college, local FSB branch and Jobcentre Plus, to try and identify and address service issues, though not being in a position to offer business advice.

Another question in the survey asked about satisfaction with business services that *were* provided by local authorities. In this, only 12% of rural businesses said they were satisfied with them, whilst 27% said they were dissatisfied. The largest group were the 39% who were neither satisfied nor dissatisfied, while the remaining 22% held no view.

Example: one-stop shop for rural businesses in Derbyshire Dales

In late 2011 Derbyshire Dales District Council established the Derbyshire Dales Business Advice service to provide independent and free advice to local enterprises, especially those micro-businesses which are believed to have growth potential. It aims to give them the knowledge and confidence to expand. This service is being fully funded by the District Council, initially for a period of eighteen months, because it values retaining accessible face-to-face business advice in the area, now that the local Business Link service has gone.

The service is delivered by a qualified business adviser, local to the area, who either visit clients at their premises or use rooms at the Agricultural Business Centre (ABC) – a rural co-location hub situated in Bakewell. Despite having a population of just 4,000 the town is the largest settlement within the Peak District National Park and is a convenient, central location for businesses to reach in this sparsely populated area. The business adviser uses the ABC as a base to meet with clients, to hold business clinics with partners (such as the Manufacturing Advisory Service and UKTI) and to run one-to-many business workshops as part of a programme of network events co-ordinated by Business Peak District.

The ABC also plays host to various partner organisations who offer support services to businesses and social enterprises. These include the Peak District Land Management Advisory Service – run by the National Park, Natural England, Forestry Commission and Environment Agency – which opens here for business each week on market day. That partnership has assisted nearly 800 farmers and land managers in the last eighteen months. Derbyshire Dales CVS and the Peak Business for Community Action project are also based at the co-location hub.

By the end of September 2012 the Derbyshire Dales Business Advise service reported having assisted 162 businesses, leading to the creation of 85 jobs (employed or self-employed).

Fire and rescue services

The policy context

In July 2012 the Department for Communities & Local Government (DCLG) published a revised *Fire and Rescue National Framework for England*[30], setting out the Government's expectations of fire and rescue authorities (FRAs) and the legal requirements placed upon them. It states that central Government is giving FRAs more flexibility to assess local risks and to decide how best to deliver services, so that they meet local needs. They are expected to do this working in partnership with local communities and other organisations, including with neighbouring FRAs. Each FRA sets out its position in an Integrated Risk Management Plan. There are no specific rural references within the Government's framework document, although it could be argued that the emphasis upon local decision making addresses this.

Historically, there were nationally set response time targets for different types of area (graded A, B, C, D and remote rural), with more time allowed to reach incidents in rural areas. These, however, were dropped in 2004 and replaced with a requirement upon local FRAs to manage risks and set their own service standards.

One rural dimension to fire and rescue service provision is the force of 18,000 retained fire fighters (across the UK) who play a key role providing cover in such areas[31]. Indeed, many fire stations in rural locations rely solely on retained fire fighters to operate.

Funding for fire and rescue services

It should be noted that some FRAs operate as separate organisations, while others are an integrated part of the area's upper tier local authority (county or unitary). It is only possible to identify funding allocation figures for fire and rescue services where the FRAs are separate organisations and, hence, have been classified as either rural or urban. So it is these FRA areas which are quoted below.

It should equally be noted that FRA areas are large and frequently include a mix of rural and urban places. For example, Devon & Somerset Fire & Rescue Service not only covers towns within shire counties like Taunton and Exeter, but also larger urban centres in the neighbouring unitaries of Plymouth and Torbay. Rural spend figures are therefore not as complete or as distinctly rural as they ideally would be.

Central government calculates a funding allocation for FRAs based on its assessment of spending need, which it uses to distribute 'formula grant'. In 2012/13 the average funding allocation for shire FRAs classified as 'predominantly rural' is £17.52 per head of

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[30] Department for Communities & Local Government, 2012 (1)
[31] UK Fire Service Resources, 2012

population[32]. This compares with £28.89 per head of population for Greater London and metropolitan FRA areas. On a per capita basis, the most urban areas therefore receive two-thirds as much funding again as the most rural areas.

FRA area type	Funding allocation (2012/13 settlement)
Predominantly rural	£17.52 per capita
Significantly rural	£18.55 per capita
Significantly urban	£19.52 per capita
Greater London and metropolitan	£28.89 per capita
Lowest allocation – Wiltshire	£14.32 per capita

Source: Benn N, 2012

Stand-alone FRAs which have the lowest 2012/13 funding allocations are those for Wiltshire, Buckinghamshire, Hereford & Worcester and North Yorkshire.

There is currently an allowance within the formula grant calculation to account for extra costs associated with having a coastline, yet there is nothing for sparsity costs. However, at the time of writing DCLG are consulting about introducing a 1% sparsity factor into the formula.

It should further be noted that FRAs are under the same sort of financial pressures as the rest of local government. As a group, they are subject to a 25% reduction in Government formula grant over the 4 year period which began in April 2011 and are being expected to achieve very large efficiency savings.

Rural costs

FRAs in RSN membership generally believe that they face some additional costs when providing fire and rescue services in more sparsely populated or remoter areas. There is still an expectation of offering an acceptable level of fire cover and that incidents will be reached quickly – that is, to meet response time targets and avoid exposing the public to high levels of risk. This can be very challenging. It requires more fire appliances and more fire stations than would be needed in urban areas to serve the same size of population. Rural distances mean there is less opportunity to hold down levels of cover in one fire station, knowing that back-up cover can be made available from a (relatively nearby) neighbouring fire station.

Evidence in a report by LG Futures[33] seems to back-up such views. It identified a range of service and cost pressures associated with rurality, and thus an explicit 'rural cost penalty'. Predominantly rural FRAs had to attend a proportionately higher number of primary fires, non-fire incidents and road traffic collisions, as well as being called out more often for first aid assistance and having significantly higher transport costs. It cost those FRAs 7% more than urban FRAs to operate their network of fire stations and the rural FRAs ran twice as many operational appliances as the urban ones for a given population.

According to RSN members, an outcome is often low activity levels at their rural fire stations. Devon & Somerset Fire & Rescue Service state that 10 of their 84 fire stations receive call

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[32] Benn N, 2012
[33] LG Futures, 2011

outs to less than one incident per week on average. Moreover, roughly a third of those calls will be to false alarms. As well as the additional cost, this low activity inevitably has implications in terms of staff developing and maintaining their skills and experience.

Another FRA notes that the lower levels of emergency cover in rural areas bring with it a wider economic cost to society. It takes longer to reach fires in businesses and homes, by which time there is a greater chance of severe damage or destruction of the premises.
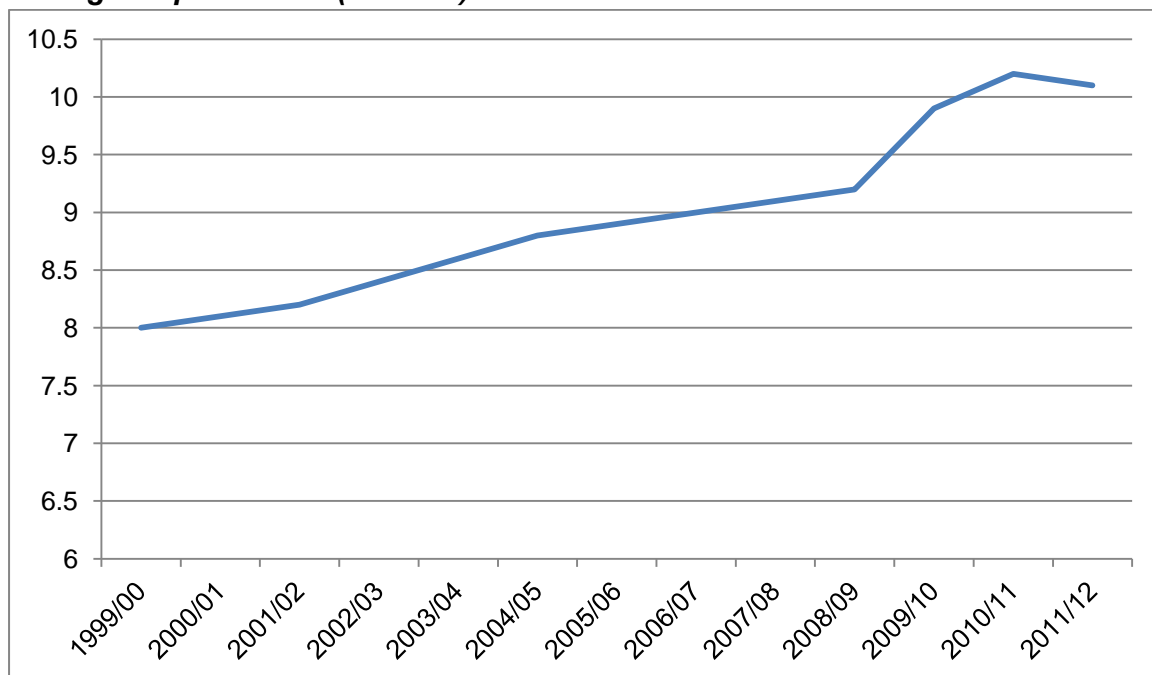
FRAs report to RSN that they have tried to ensure no rural fire station closures, though this cannot be ruled out in future. Nonetheless, County Durham & Darlington Fire & Rescue Service notes that the budget cuts do have implications for rural areas. These include: a reduction in community safety activity that is being undertaken with rural communities; and less training and support being made available to retained fire fighters to help them maintain their operational skills.

Incident response times

In 2011/12 the average response time across England for FRAs to reach a fire in a dwelling was 7.2 minutes[34]. The average response time for fires occurring in other types of building was slightly longer at 7.9 minutes.

DCLG has measured the average response time to all fire incidents in the 15 most rural FRA areas. This shows (see graph below) that the average response times in rural FRA areas was a little over 10 minutes in 2011/12. That is, almost 3 minutes longer (or 38% more) than the average response time in predominantly urban FRA areas.

Average response time (minutes) to fire incidents in the fifteen most rural FRAs

Source: DCLG, 2012

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[34] Department for Communities & Local Government, 2012 (2)

The 2011/12 average response time for rural FRAs is slightly faster than in the previous year, though that improvement follows a sustained period during which the response time has lengthened. It should, however, be noted that the large difference between 2008/09 and 2009/10 can be partly explained by a change in the way data was collected.

The current average response time in rural FRAs – just over 10 minutes – compares with a figure in the late 1990s that was close to 8 minutes. DCLG's publication suggests the main reason for this trend has been growing levels of traffic and congestion on rural roads, though it adds that this does not fully explain the change. It is worth adding that it does not appear to be related to fire station numbers, which at 1,435 across England, in 2011, was only 7 less than it has been a decade earlier.

Numbers of fire incidents

Provisional fire incident statistics for 2011/12[35] have been analysed for the Rural Services Network to obtain a rural cut. As with the funding allocations data above, these figures must be qualified. FRA areas are large and it has only been possible to include those FRAs which are stand-alone organisations, as they are the only ones which have been classified as either rural or urban.

The table below shows the number of fire incidents which occurred in these rural FRA areas. As can be seen, there were over 100 fatalities and well over 1,000 non-fatal casualties resulting from fires.

Absolute number of fire incidents (provisional) in FRA areas in 2011/12

	Predominantly rural FRAs	*Significantly rural FRAs*	*All rural FRAs (last two columns)*
Total number of fires	18,486	45,417	63,903
Fatalities from fires	29	77	106
Non-fatal casualties	284	817	1,101
Deliberate primary fires	2,062	5,629	7,691

Source: secondary analysis of data from DCLG, 2012

These absolute numbers (in the table above) are re-presented in the table below as proportions of the overall figures for England. This finds that rural FRAs were fortunate in having somewhat less than their population share of fire incidents, deliberate primary fires and non-fatal casualties. However, they were unfortunate in having somewhat more than their population share of fatalities resulting from fires.

In saying this, it should be noted that the general trend (across England) has been for quite a rapid fall in the number of fatalities and the number of non-fatal casualties resulting from fires during the decade to 2011/12 (by 34% and by 54% respectively).

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[35] Department for Communities & Local Government, 2012 (3)

Proportion of England's fire incidents (provisional) in FRA areas in 2011/12

	Predominantly rural FRAs	*Significantly rural FRAs*	*All rural FRAs (last two columns)*
Total number of fires	8.3%	20.3%	28.3%
Fatalities from fires	9.5%	25.3%	34.9%
Non-fatal casualties	6.6%	19.1%	25.7%
Deliberate primary fires	7.7%	21.1%	28.8%
Share of England's population (to compare)	*9.6%*	*22.9%*	*32.5%*

Source: secondary analysis of data from DCLG, 2012

Countryside fires and other incidents

Across Great Britain FRAs attended 206 deliberate primary fires in 2010/11 that were on agricultural premises[36]. There were no fatalities recorded against these incidents. The 2010/11 figure is a significant reduction from earlier years and marks a lower run of figures in recent years (since 2007/08). A decade earlier, in 2000/01, there had been 560 deliberate primary fires on agricultural premises. It is worth noting that these figures include stubble burning which got out of control, if it required attendance by more than five fire engines.

In 2010/11 FRAs across Great Britain also attended 61,300 fires which occurred on grassland or heathland. This statistic fluctuates considerably <u>from</u> year to year, depending on the prevailing weather conditions. The comparable figure a decade earlier (2000/01) was 50,800 and that for five years ago (2005/06) was 67,300. Numbers of grassland and heathland fires will equally vary <u>throughout</u> the year, with 2010/11 showing a peak in April and May 2010, those months coinciding with a warm, sunny Spring.

Statistics released by DCLG show, too, what a wide range of incidents unrelated to fires result in a call-out of fire and rescue services. The most common of these are road traffic collisions, effecting entry to a building, releasing those trapped in lifts, dealing with flooding and attending medical incidents. Some 37% of all incidents attended were non-fire incidents of one sort of another. This is a key part of the service provided to rural communities, as well as to those visiting or passing through rural areas.

It can similarly be noted that FRAs are frequently contributors to partnership initiatives with other parts of the public and voluntary sectors. A good example is their involvement in first contact schemes, where any organisation which comes into contact with a vulnerable older person will look out for emerging problems and, where necessary, point them towards to the organisation that can provide the help they need.

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[36] Department for Communities & Local Government, 2011

Retained fire fighters

The country's 18,000 retained fire fighters are largely rural based and play an important part in the provision of fire and rescue services in rural areas.

Devon & Somerset Fire & Rescue Service note that retained fire fighters, as might be expected, bring very significant cost advantages. They are calculated to reduce the cost of service provision to about one tenth of its normal level. It costs them £100,000 per year to run a retained fire cover appliance and £1,000,000 per year for a full time cover appliance. Shropshire Fire & Rescue Service confirms these cost figures. Retained fire fighters are also seen as being beneficial because they are closer to communities and more able to deliver messages from the fire service or its partners. They are seen as a flexible resource which can meet the sporadic pattern of demand in rural areas.

There are, however, some downsides. First, typical incident response times with retained fire fighters are about 5 minutes longer, because they first need to be mobilised i.e. brought from their place of work to the fire station. Second, incident workloads can (in total) be heavy because retained fire fighters are on call 24 hours a day, 7 days a week. Some Devon and Somerset fire stations are dealing with 400 incidents a year and individual fire fighters may be called out to around half of them. Third, the approach requires the recruitment and retention of volunteers who work locally and near the fire station. This has become more challenging as work patterns alter and more rural residents commute. Devon & Somerset say that up to a quarter of its retained fire fighter appliances could be unavailable at any one time because one or more crew members is too far away to be mobilised. Fourth, it requires employers willing to release members of staff as retained fire fighters. This is not only to attend incidents, but to undertake regular training exercises. One RSN member considers that national terms and conditions for retained fire fighters are now insufficiently flexible and may be holding back innovative local solutions.

> *Example: supporting rural fire stations in Shropshire*
>
> Shropshire Fire & Rescue Service has dedicated full-time support teams who provide management, training and other support to their rural fire stations which depend on retained fire fighters. The idea is to address recruitment difficulties and to ensure that best use is made of expensive resources. Having fire engines sitting on their stations with insufficient crew members available to attend incidents can be seen as poor management and bad value for money for tax payers.
>
> The support teams go out to local businesses to explain what benefits they might gain by releasing staff for retained fire fighting duties. Quite apart from being able to say they are a responsible employer, employers can gain staff with first aid training, fire safety skills, large vehicle driving experience, enhanced team working and leadership skills.
>
> The support teams also offer stand-by crew for the rural fire stations. If a member of a retained fire fighting team cannot provide cover at certain times of the day, the support teams parachute someone in to make up the shortfall, thus keeping that fire appliance available for emergency calls.
>
> Training and development opportunities for the retained fire fighters are provided locally by these support teams, cutting down on travel time and costs to central facilities.

By targeting efficiencies gained from other parts of its budget at support for its rural fire stations, Shropshire has been able to point to tangible benefits with the service. It now has an average 98% availability of fire tenders across its area.
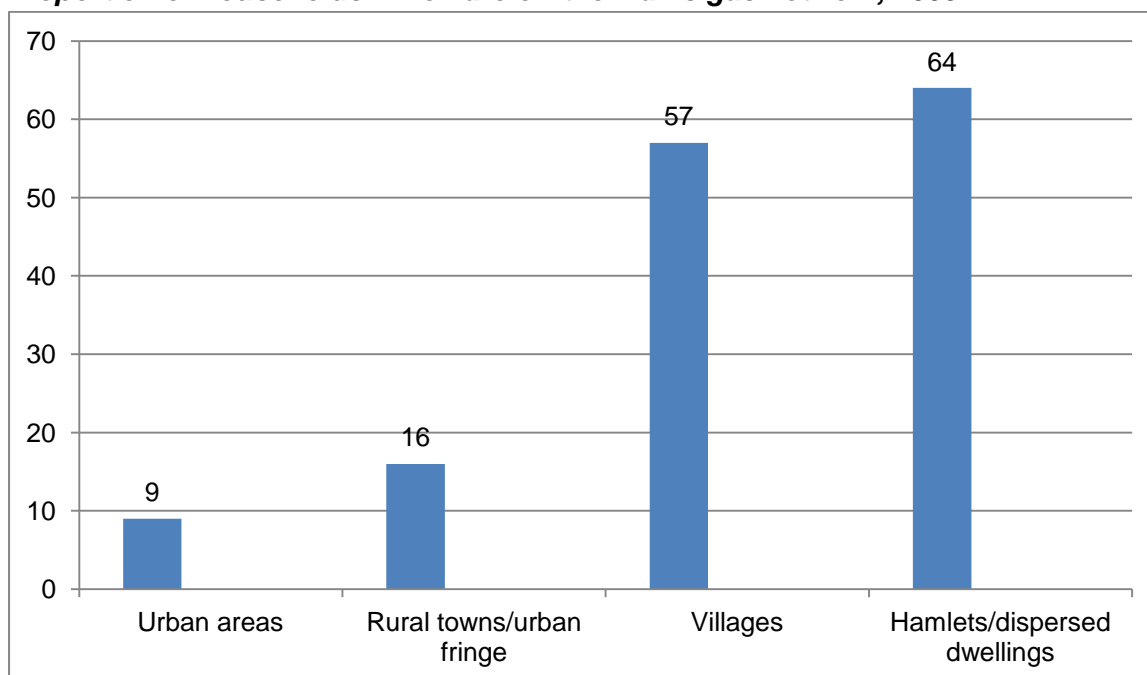
Actions to address fuel poverty

The rural context

Fuel poverty is not, of course, solely a rural issue, but there are factors which give it a particular rural dimension and, indeed, which make it more prevalent in rural than in urban areas.

Mains gas: one factor is that many households still do not have access to the mains gas network in rural areas. These households must rely upon other fuels, such as heating oil, LGG or solid fuel or on other means, such as portable gas or electric heaters. The chart below re-presents evidence within Defra's Statistical Digest of Rural England 2012 report[37] (based on modelling of data down to super output area level). It shows a very clear association between settlement size and access to the mains gas network. Indeed, it finds that the majority of households in villages and hamlets are still off that network.

Proportion of households which are off the mains gas network, 2009

The same rural analysis finds that:
- ➢ A particularly high proportion of households off the mains gas network in rural areas which are defined as 'sparse' (60%); and
- ➢ A particularly high proportion of households off the mains gas network who live in detached housing (68%). This is no doubt the predominant form of housing in the smallest settlements.

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[37] Defra, 2012 (1)

In England as a whole some 85% of households used gas as their main heating fuel in 2009. In villages, by contrast, that figure was just 48%. Some 34% of village households instead used an oil fired heating system.

Solid wall homes: until 1919 almost all housing was built with solid external walls (and with no cavity). This transmits internal heat direct to the exterior and higher fuel bills are required to keep such housing at a given temperature. At the start of 2012 there were 7.8 million homes across Great Britain with solid walls. Solid wall housing is particularly common in the very smallest rural settlements; slightly old figures[38] for 2006 show that half the housing within hamlets and dispersed settlements fell into this category. One additional issue is that methods to insulate solid wall homes are more complex and costly than with cavity wall housing. Despite some policy initiatives, less than 2% of this housing stock has been treated with solid wall insulation.

Low incomes: a final factor is of course, income. Average household incomes are slightly higher in rural than in urban areas. However, for those working locally in rural areas earnings (or wages) may be low and contribute to fuel poverty. In 2011 the median annual earnings in predominantly rural areas was £19,500 or roughly £4,300 less than in predominantly urban areas[39]. Rural areas also have a high proportion of older people within their population – just over a fifth were aged 65 or over in 2010. Some of these will rely solely on the state pension (and linked benefits) for their income. Then larger housing found in rural areas can be a further issue, where it becomes a financial burden to heat.

The policy context

Fuel poverty raises at least three public policy concerns:
- That a disproportionate share of the incomes of affected households is spent on heating, leaving less than they might need for other basic living expenses;
- That living at low temperatures for any length of time is a significant contributor to ill-health and to excess Winter deaths; and
- That energy inefficient housing is a major contributor to carbon emissions and an impediment to achieving targets for carbon reduction.

Government has had a developing fuel poverty strategy[40] since 2001. This aimed to eliminate fuel poverty for vulnerable households by 2010 and for other households by 2016. Although the number in fuel poverty has often fallen, fast rising fuel prices have sometimes (as they are currently) pushed it back up again.

Key components of the strategy have been:
- *Warm Front scheme*: offering grants to improve home insulation and heating. Eligible households are those on income-related benefits and living in poorly insulated homes or without working central heating (- the criteria have been relaxed a little for 2012/13 after an underspend[41]). Grants are usually up to £3,500 though can

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[38] Commission for Rural Communities, 2010
[39] Defra, 2012 (1)
[40] Department for Trade & Industry and Department for Environment, Transport & the Regions, 2001
[41] Rural Services Network, 2012 (2)

reach £6,000 for those off the mains gas network. Since 2000 some 2 million households have benefited from Warm Front;

➢ Carbon Emission Reduction Target (CERT): all large domestic energy suppliers must reduce their customers' CO2 emissions by promoting low carbon and energy saving solutions. This contributes to the Government's statutory target, to cut greenhouse gas emissions from their 1990 levels – by 34% by 2020 and by 80% by 2050;

➢ Decent Homes programme: funding has been available to help social landlords improve the housing stock they manage. A programme objective has been that homes offer a "reasonable degree of thermal comfort", with effective insulation and efficient heating. According to the Homes & Communities Agency[42], by the end of 2010 some 92% of social housing met this standard (against a target of 95%). Further funding was allocated to local authority landlords and their arms length management organisations by the 2010 Spending Review;

➢ Winter Fuel and Cold Weather Payments: made to all those aged 60 or over and a higher rate to all those aged 80 or over, to help with energy bills. Additional cold weather payments are triggered during very cold spells.

From 2013 much of this will be replaced by new initiatives (though the Winter Fuel and Cold Weather payments remain). The Green Deal will accredit reputable firms who assess the energy efficiency of buildings and install energy saving measures[43]. Private firms will be able to undertake works for households or businesses, and to recoup the cost of doing so through a sum which is added to the households' or businesses' subsequent energy bills. Extra help will be on offer for households in fuel poverty or requiring extensive works. The Energy Company Obligation (ECO) will also place a legal obligation on suppliers to help customers in hard-to-treat homes (such as those with solid walls) plus the poorest and most vulnerable. An independent telephone and internet advice service is being established with Government support to help people understand and use the new system.

Finally, it is worth noting that the Government Spending Review in 2010 announced an independent review of the fuel poverty definition and target (often referred to as the Hills Fuel Poverty Review). The report coming out of that review[44] has recommended that in future a more sophisticated definition and measure of fuel poverty is adopted.

Fuel poverty levels

A household is said to be in fuel poverty if it needs to spend more than 10% of its income to maintain the temperature at an adequate level of warmth (defined as 21 degrees centigrade in main living rooms and 18 degrees centigrade in other occupied rooms). It does not take account of what households actually spend on fuel, as that would also depend on individual choice.

According to the Department of Energy & Climate Change[45] (DECC) in 2010 there were 3.5 million households in England living in fuel poverty. Almost four in five of these households

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[42] Homes & Communities Agency, 2012
[43] This is not always straightforward. Some social housing tenants given renewable energy sources have found their heating bills unexpectedly rise. See BBC Business News, 2012.
[44] Hills J, 2012
[45] Department of Energy & Climate Change, 2012

could be described as 'vulnerable'. Growing numbers of households were classified as in fuel poverty between 2004 and 2009, though that trend reversed in 2010 mainly as a result of lower fuel prices during half of that calendar year. Reduced energy consumption that resulted from home energy efficiency measures is also thought to have contributed.

By 2012, with fuel prices rising again, a survey for watchdog Consumer Focus[46] found that nearly four in ten households were worried about their fuel bills this coming Winter and 70% of that group (or 6 million households) were planning to cut back on heating.

Data in Defra's Rural Digest shows that there are higher rates of fuel poverty in rural than in urban areas. Indeed, as the table below shows, the level of fuel poverty is related both to settlement size and to the sparsity of population settlement.

Proportion of households living in fuel poverty in 2010

	Non-sparse areas	Sparse areas
Urban settlements	16%	21%
Rural towns and urban fringe	16%	21%
Villages	19%	28%
Hamlets and dispersed dwellings	23%	34%

Mapping by DECC shows that in 2010 the local authority areas with the highest levels of fuel poverty (at least 24% of households) were Eden in Cumbria, Ryedale in North Yorkshire, North Norfolk, Derbyshire Dales, Staffordshire Moorlands, Shropshire, Herefordshire and three urban boroughs. A second map, modelling the pattern down to super output area level, shows high levels of fuel poverty across the upland parts of northern England, in much of the Marches, along the east coast, in the northern half of East Anglia and in large parts of the South West peninsular.

This reflects (27%) higher household energy bills in rural areas. According to DECC[47]:
  ➢ The average annual bill in rural areas in 2009 was £1,620; while
  ➢ The average annual bill in urban areas in 2009 was £1,274.
The Hills Fuel Poverty Review, meanwhile, found fuel poverty to be more extreme in rural areas. In 2009 fuel poor rural households would have had to earn another £622 to reach the threshold that stopped them being fuel poor; those in urban areas needed another £414.

Policy actions

There is a significant volume of policy action at local level to address concerns around fuel poverty. Much of this targets households seen as vulnerable (such as older people on low incomes) and homes with a low SAP rating. This is the Government's Standard Assessment Procedure, which rates homes in a consistent way for energy efficiency according to their

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[46] Consumer Focus, 2012
[47] Department of Energy & Climate Change, 2009

central heating boiler, their wall, loft and hot water tank insulation, their windows and lighting. Many RSN members are involved with these initiatives and a few have been written up as case studies on the RSN Online web pages.

One approach for local initiatives is to offer advice to households about things they could do to make their homes warmer and/or reduce their fuel bills. For example, Ribble Valley Borough Council[48] (in Lancashire) worked with partner organisations to offer its vulnerable residents advice plus a 'stay warm pack' containing some practical items such as an electric blanket, gloves, a thermos flask and draught proofing. This used some grant funding from the Department for Health to train volunteers who could deliver the packs and advice. Rutland County Council has worked with Change Agents UK and other partners on an award-winning scheme to provide home energy audits, with advice to needy households about improvements they could make and government grants they might obtain.

Buying groups purchase oil in bulk on behalf of households which have signed up as members and this enables them to negotiate the best price. One bulk buying scheme is that run by rural charity, Community Lincs[49], which recently announced it had negotiated its seventh month's oil purchase. They have saved their members an average of 4.2 pence per litre, which means a £21 saving for any household buying the minimum volume of 500 litres. Similar schemes operate in Oxfordshire and Wychavon (in Worcestershire). A best practice guide[50] is available for anyone wishing to set up such a scheme.

Malvern Hill District Council[51] (in Worcestershire) has devised and promoted a scheme offering free loft and cavity wall insulation to elderly residents living in homes with a low SAP rating. After a highly competitive tender exercise, it has created a scheme which should benefit well over 1,000 households from a £70,000 budget.

A joint initiative by Fenland District and King's Lynn & West Norfolk Borough councils[52] has tackled problems with solid wall housing. They worked with a home improvement agency to run a pilot project, fitting external solid wall insulation to provide sector housing. This was done mostly as a grant and partly as a loan to householders. The idea was to procure the insulation works on a large enough scale to achieve some significant cost savings.

As part of its Decent Homes programme A1 Housing Association has upgraded the sustainability of its housing stock, investing heavily in renewable energy. At the start of 2012 ground source heating had been fitted to 147 of its properties, whilst 126 were soon expected to benefit from air source heating and there were plans to install solar photo voltaic panels to 200 properties. This work is being targeted at tenants living in areas which are off the mains gas network or with high levels of deprivation. The housing association aims to provide renewable energy to a fifth of its tenants by 2020, to reduce their energy bills.

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[48] Rural Services Network, 2012 (3)
[49] Rural Services Network, 2012 (4)
[50] ACRE, Federation of Petroleum Suppliers and Citizen's Advice, 2011
[51] Rural Services Network, 2012 (5)
[52] Rural Services Network, 2012 (6)

Rural energy supplier, Calor, has worked with partners[53] on its fuel poverty initiative – the Future of Rural Energy (FREE) – a three year £1 million initiative which it funds to help tackle fuel poverty and promote energy efficiency advice and behaviours in communities off the mains gas network. It helps households to understand the options open to them, in terms of technologies, cost savings and carbon reduction, and it encourages communities to promote best practice.

Year one of FREE focused on understanding the nature and extent of rural fuel poverty, as well as building capacity within communities to identify it and recommend a range of solutions. Year two saw the undertaking of Village Energy Audits, running surveys and questionnaires in eight villages off the mains gas network in order to identify practical measures that would improve home energy efficiency. The audits found that Government schemes have so far been rather ineffective in delivering energy efficiency measures to rural areas, because of the challenge of engaging with those communities and providing solutions suiting the complexity of rural energy options and housing types. The audits showed the value of identifying tailored solutions for different villages and households; standardised solutions were not effective.

Example: thermal imaging in West Oxfordshire

Thermal imaging cameras are being used in West Oxfordshire to identify poorly insulated homes. Assistance is then offered to these households to help them save money on their energy bills.

West Oxfordshire District Council established this project, purchasing the special camera and producing some promotional material. They still manage the thermal imaging project, in partnership with United Sustainable Energy Agency, a local not-for-profit organisation. But in terms of day-to-day delivery, the project largely runs itself. Local community groups such as Green TEA in Eynsham, Hailey PACT and Sustainable Charlebury have been loaned the camera after receiving training.

The community group volunteers walk their local patch, offering households an external survey with the camera. This identifies any 'hot spots' where home insulation is poor and advice can then be offered about specific home improvements which would reduce energy costs. The community groups typically invite residents in a surveyed area along to a public meeting, where they can hear about the work and hear advice on home insulation.

The project has tried to target the area's villages and rural towns where levels of fuel poverty are thought to be higher, although the survey is open to all households within catchment areas of the community groups. Thermal imaging surveys take place on colder Winter nights when high quality images can be achieved. Over 1,000 homes were surveyed last Winter when the project started.

According to the District Council it has proved a very cost-effective project, with the service being run largely by volunteers. Many community groups are signed up to join the project again this coming Winter.

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[53] Calor Gas, National Energy Action and ACRE, 2012

Concluding comments

This 2012 report on the state of rural public services has focussed its attention on four areas of policy – broadband, business support and advice services, fire and rescue services, and action to address fuel poverty – which might seem wide ranging or perhaps even disparate. There are some obvious differences between these service areas, though equally some common messages emerge from the analysis in this report.

One difference is the extent to which these service areas have been subject to rural policy analysis and interventions. Rural access to broadband has rightly received a great deal of attention and is an issue which is highlighted within the Government's *Rural Statement 2012*. Its importance to the future of rural economies, service provision and rural communities is well understood, as is the concern that so many rural areas are falling well behind with their broadband provision. The rural dimension to fuel poverty has also received considerable policy attention, with specific rural concerns now widely recognised.

By contrast the provision of fire and rescue services in rural areas seems to have gone largely overlooked both by analysts and policy makers. FRAs may not provide a service which is used by or visible to rural communities on a day-to-day basis, yet those communities would surely consider its ability to respond quickly and effectively to emergencies to be of critical importance.

Each of the four service area covered thrown up a fairly distinct key rural challenge for policy makers. That is:
  ➢ For broadband services, how to keep pace with the ever faster connectivity speeds needed for larger and larger applications;
  ➢ For business support and advice services, how to remain accessible to a widely dispersed rural client base;
  ➢ For fire and rescue services, how to maintain effective cover in the face of large budget cuts; and
  ➢ For actions to address fuel poverty, how to lift those – especially those living in hard-to-heat housing – out of their poverty given fast rising fuel prices.

It is a common feature, however, that population sparsity adds complexity and additional (unit) delivery costs for the organisations delivering services or policy initiatives, whether they are in the statutory, private, charitable or community sectors. Services are nearly always, therefore, provided at lower levels or in ways which otherwise reduce costs. This may involve greater use of volunteers, such as retained fire fighters and local community groups delivering fuel poverty schemes. For services (like broadband) which are privately delivered, it may require intervention from the public purse to address market failure in rural areas, almost inevitably then raising questions about how far intervention should go.

Managing provision in relatively challenging rural areas comes under even more under the spotlight when public expenditure is being held down and most statutory organisations face

reducing budgets. Fire and rescue authorities are part way through a 25% cut in their funding (over four years), trying to squeeze out further efficiency savings and to protect the frontline. The evidence in this report is that they have so far largely managed to do so, though there are (arguably less obvious) impacts for rural communities, such as less activity now undertaken on community safety.

Access to broadband is of wide relevance to the rural services agenda. More and more service providers are expecting their users to access information or seek advice or pay for services online. Many (if not all) will find it most convenient to do so. A good case in point is Business Link, which no longer has a local presence and has been superseded by an online service called GOV.UK. For rural businesses and residents having access to reliable fast broadband is therefore of huge relevance.

This report has, as in previous years, unearthed much local innovation and good practice in rural service provision. It has certainly not been possible to report all of it. On all service topics statutory, private and third sector organisations (often working in partnership) are seeking to address the rural challenges, to find more effective and more efficient ways to deliver to rural communities.

It is to be hoped that this report helps raise awareness of certain issues for rural policy, stimulate debate about appropriate rural practice and enthuse by illustrating the rural innovation that exists widely from among RSN members. As always, a real strength of the RSN is its ability to combine policy and analytical information with the frontline views and delivery experience of rural practitioners.

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