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## **BRIEFING REPORT**

**Economy and Growth Committee**

**11 March 2025**

**Rural Action Plan 2022 – 2026 Update Briefing**

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**Report of: Peter Skates, Director of Growth and Enterprise**

**Report Reference No: EG/11/24-25**

### **Purpose of Report**

- 1 As part of delivering the Cheshire East Plan 2024-25 outcomes, the council has undertaken to build a thriving and sustainable place and as part of that aim it seeks to have thriving rural economies with opportunities for all.
- 2 The purpose of this report is to provide an update on the progress of Cheshire East Council's Rural Action Plan 2022 – 2026.
- 3 The report summarises the current position on key actions and makes recommendations for a future plan refresh for 2026/7.

### **Executive Summary**

- 4 This report summarises the progress that has been made on various aspects of the Rural Action Plan since 2022. This encompasses the main themes of the plan including digital connectivity; access for residents, business and visitors; rural housing; strong, supportive places and communities; planning for a green and sustainable place; the visitor and cultural economy and rural based businesses.
- 5 A refreshed Rural Action Plan will be developed for 2026 – 2030 and it is proposed that a Members Advisory Group will be set up in 2025 to review and inform this future plan and policy.

- 6 The report highlights some opportunities and challenges that are currently impacting on the rural economy.

## **Background**

- 7 Cheshire East is defined by the Rural Services Network SPARSE classification as a council considered 'predominantly rural' while the DEFRA Rural Classification of the borough is 'urban with significant rural'.
- 8 The rural aspect of Cheshire East is therefore significant in terms of population, economic impact and its contribution to the borough's 'quality of place'.
- 9 The Rural Action Plan has a focus on the economy in rural areas. Traditionally within Cheshire East, this has been identified as agriculture (particularly dairy) and land-based industries. The modern rural economy also includes the key landscape sectors of forestry, natural capital, land management and tourism.
- 10 Other sectors within rural areas involve a diverse range of commercial enterprise, from SME's and micro businesses to national and global corporations in a variety of industries including renewable energy production, advanced manufacturing and engineering, logistics, food and drink manufacturing, agri-tech and bio-renewables, financial and professional services, digital, creative and health care technology.
- 11 Geographically Cheshire East's 'Science Corridor' extends across rural locations with pharma, scientific research, energy, radio astrophysics and astronomy all located in rural strategic employment sites in Alderley Park, Radbroke Hall, Waters and Jodrell Bank.
- 12 However, the rural economy does not sit in isolation from other factors. It is an important aspect of the boroughs character but brings with it both the constraints and opportunities that are peculiar to rural areas. A wide range of topics therefore need to be considered, and the plan provides a broad framework for the economy that takes into account a variety of different aspects including digital connectivity, transport, and access, facilities, energy, housing, communities, health, education, environment, natural capital, climate change, farming, planning, visitor and cultural economies.
- 13 A previous Rural Action Plan was in place for the period 2018– 2022. This was replaced with the Rural Action Plan 2022 – 2026 and this briefing report summarises the progress that has been made on key actions within the different themes in this plan.

## Briefing Information

- 14 The Rural Action Plan 2022 – 2026 provides a cross-cutting approach, reflecting the plans and strategies of the council and the work of partners in delivery. It is aimed at anyone interested in the well-being of rural Cheshire East, helping to inform decision makers and policy makers from public, private or voluntary sectors, community groups, wider stakeholders and individuals. The plan is intended to be a flexible resource that reflects the council's aspirations and enables people and groups to engage in addressing identified priorities.
- 15 It is intended to develop a refreshed Rural Action Plan for 2026 – 2030 and it is proposed that a Members Advisory Group will be set up in 2025 to review and inform this future plan and policy.
- 16 The sub-regional Rural Strategy Group (RSG) is an advisory body set up in 2020 to provide guidance and support to Cheshire East, Warrington, Cheshire West and Cheshire councils in developing and implementing strategies and action plans to support the long-term physical, social and sustainable economic development of the rural area. It has refreshed its terms of reference during 2024, and it is hoped that this forum will also engage debate from a variety of stakeholders across the region to help inform the council's rural agenda and priorities.
- 17 Membership of the RSG consists of individuals and representatives of organisations who possess the appropriate skills and knowledge relating to rural matters including Council representatives from each local authority, the private sector, Cheshire Association of Local Councils, an environmental organisation, Enterprise Cheshire & Warrington, tourism, hospitality and visitor economy, farming sector, housing sector, education sector, voluntary sector, business start-up, community interest or social enterprise sector, community transport and health representative. Meetings are normally held four times per year and the most recent meeting was held in February 2025. Additional task and finish groups can be set up as appropriate to work on specific issues identified by the Group.
- 18 The RSG sees its main responsibility to champion and lobby for the interests of rural communities and rural businesses in Cheshire with a particular focus on the following priority areas:
  - Sustainable & Inclusive Economy in Rural Areas – Maintain and grow the diverse economy in rural areas: including key sectors - wholesale and retail, visitor economy, creative industries, professional services and agri-food/land-based industries; and topics such as decarbonisation, natural capital and quality of place.

- Skills – collaboration with LSIP for Cheshire & Warrington to ensure skills provision meets the needs of rural employers and access for individuals to local opportunities
  - Infrastructure Connectivity – Ensure that digital and physical connectivity is improved across the rural area, this includes mobile, broadband, transport, and access to services
  - To develop and ensure a two-way flow of communication and reporting on strategic rural matters within the Councils, Enterprise Cheshire & Warrington (sub-regional body) and across partner organisations.
  - To provide advice on strategic issues affecting the rural area including responses to consultations and strategy development, contribution to strategic issues such as economic recovery and resilience.
  - To develop and inform investment programmes that enhance the economy in rural areas and seek to support bids to secure funding to deliver the priorities.
  - To promote, develop and help publicise rural funding, engagement opportunities and business support events.
- 19 There are some significant opportunities and challenges that are currently impacting on the rural economy. One such opportunity is being presented by a possible future devolution agreement. This is creating a need to highlight the importance of the rural economy to the sub-region and its potential role in a future Mayoral Combined Authority. There is therefore an important programme of work required, at pace, to agree rural priorities which will support devolution levers to help enable rural growth opportunities in Cheshire and Warrington. Resource for this programme of work is required and a need for collaboration and coordination across the three local authorities.
- 20 The Council owns approximately 4,800 acres of farmland set out in 16 clusters (estates) across the borough, broken into 49 farms. This service has been delivered in this way for over 100 years. The current Cheshire East Farms Policy was agreed in 2012 and reviewed in 2018. Since then there have been several changes that may impact the Council's approach to its farm landholdings:
- The Councils pledge to be carbon neutral by 2030 and to assist the borough to be carbon neutral by 2045.
  - The current capital and revenue budgetary pressures

- The approach of central government to the farming sector.
- 21 A review of the Farms Strategy is therefore a current opportunity that impacts on the rural economy. The review is in progress and a Members Advisory Group has been set up to support this. An initial meeting has been held where general principles, data and information was shared and discussed with Members. The intention is to follow national Rural Asset Management best practice guidance for the review stages with the aim of making recommendations for adoption in 2025/26.
  - 22 There is a recognition that national policy and the approach of central government to the farming sector presents ongoing opportunities and challenges for farmers and landowners. In recent years, changes to Basic Payments Schemes (BPS) and transition to Environmental Land Management Schemes (ELMs) can create uncertainty and adjustments to land use. The recent announcement in the Autumn budget 2024, that agricultural property relief (APR) and business property relief (BPR) will be reformed, has impacted the farming community with some operators protesting in public displays against the changes.
  - 23 Agricultural property relief (APR) is a form of inheritance tax relief. It reduces the amount of tax that farmers and landowners must pay when farmland is passed to the next generation. Business property relief (BPR) is similar, but for business assets that are part of the estate.
  - 24 From 6 April 2026, the full 100% relief from inheritance tax will be restricted to the first £1 million of combined agricultural and business property. Above this amount, landowners will access 50% relief from inheritance tax and will pay inheritance tax at a reduced effective rate up to 20%, rather than the standard 40%. This tax can be paid in instalments over 10 years interest free, rather than immediately, as with other types of inheritance tax.
  - 25 A Notice of Motion concerning this budget announcement is being discussed at the 11<sup>th</sup> March Economy and Growth Committee. The detail of the budget changes will be suggested as an agenda item for discussion at a Rural Strategy Group meeting so that engagement can be made with the farming community and their representatives. Findings can then be used to inform the council's 2026-20230 Rural Action Plan.
  - 26 Appendix 1 summarise the progress that has been made on various priorities in the plan since 2022. Advances have been made in several areas and focus will be continued during 2025.

## **Implications**

### *Monitoring Officer/Legal*

- 27 Whereas the content of the report are noted, there is nothing in the report that would call for specific legal comment at this time. If there are any specific projects that emerge from the development of the Rural Action Plan 2022-2026, Legal is happy to review and engage any specific matters when called on to do so.

### *Section 151 Officer/Finance*

- 27 The cost of reviewing and updating the Rural Action Plan for 2026 – 2030 will involve staff time which is covered by the existing Rural and Cultural Economy Service revenue budget. The cost of Members time and expenses involved in attending a Member Advisory Group. It is anticipated this would involve a maximum of 4 meetings during 2025/26.
- 28 The financial implications of rural proofing future individual projects in the Rural Action Plan will be considered on a project-by-project basis via their own specific Committee report and financial recommendations.

### *Policy*

- 28 The Rural Action Plan update supports the Council's aims to be open and fair and to enable its priorities to be a thriving and sustainable place, to empower and care about people and to be an open and enabling organisation. The Rural Action Plan update supports the Cheshire East Green Infrastructure Plan (ED47), the Carbon Neutral Action Plan, the Local Plan Strategy and the Cheshire East Farms Policy and the Visitor Economy Strategy.

### *Equality, Diversity and Inclusion*

- 30 An EIA has been completed for this report.

### *Human Resources*

- 29 There are no implications for Human Resources

### *Risk Management*

- 30 Progress has been made on various aspects of the Rural Action Plan since 2022. The formation of a Members Advisory Group should help ensure that this progress continues and that new opportunities and challenges are included in a refreshed Plan for 2026 – 2030.

### *Rural Communities*

- 32 All of the content of the updated Rural Action Plan will have implications for rural communities.

### *Children and Young People including Cared for Children, care leavers and Children with special educational needs and disabilities (SEND)*

- 33 Some of the content of the updated Rural Action Plan will have implications for Children and Young People including Cared for Children, care leavers and Children with special educational needs and disabilities (SEND) e.g. family hubs.

### *Public Health*

- 34 The priorities in the Rural Action Plan should bring about positive, overall impacts on the health and wellbeing of Cheshire East residents
- 35 The Rural Action Plan will have a greater positive impact on rural communities compared to urban.

### *Climate Change*

- 36 The priorities in the Rural Action Plan should bring about positive, overall impacts to help the council reduce its carbon footprint and achieve environmental sustainability.

<b>Access to Information</b>	
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Appendices:	Appendix 1 – Rural Action Plan – Progress on Priorities
Background Papers:	