

# **DRAFT RESPONSE SERVICE**

*As part of the Rural Opportunities Bulletin, RSN will regularly provide concise potential responses to key current consultations. These are not intended to be definitive or to reflect the views of RSN and may include potentially opposing responses to reflect different views designed to assist individual organisations in compiling their own response. We do however recognise the pressure members are under and we hope this service will assist.*

## **National consultations relating to the rural economy – a few notes**

There have been a number of national consultations taking place in recent months, including the current call for evidence in relation to the Rural Planning Review, which will impact on the rural economy in one way or another.

The brief summary below presents a number of sources of information in relation to the rural economy which may be useful in drafting consultation responses over time.

### **Rural Planning Review: call for evidence**

For the purposes of describing the rural economy using the government's own words, the [Rural Planning Review](#) call for evidence, published in February 2016, helpfully includes the following section:

“England’s rural areas make a substantial and vitally important contribution to the economy, accounting for around £210 billion, or 16%, of England’s total output. Taken as a whole, the structure of economies in rural areas is now reasonably similar to that of urban areas. Manufacturing represents 13% of GVA in predominantly rural local authority areas compared with 8% in predominantly urban areas. The service sector is also significant across rural areas with business services, for example, representing 10% of rural output.

Rural areas host around half a million businesses, over 25% of all registered businesses in England. Many of the businesses operating in rural areas are small or medium sized enterprises. Economic activity in rural areas is increasingly diverse, with significant manufacturing and services sectors, alongside more traditional farming. Knowledge-based and creative industries are also growing rapidly.

Rural areas in England are home to 17.6% of England’s total population and 15% of jobs. Many people in the rural economy are involved in agriculture, either directly or indirectly. High tech and manufacturing industries also provide jobs in rural areas. Home-working is more prevalent in rural than in urban areas, and tends to involve higher skilled, higher wage roles, making use of technology to connect them to customers and the wider economy. Tourism also provides significant employment. We are seeing net internal migration from urban to rural areas, including of highly skilled people attracted by the excellent quality of life on offer.

Enabling rural businesses to grow and diversify helps rural communities to thrive. Businesses provide employment for local people, helping them to stay in their communities and sustaining local services, such as schools, pubs and shops.”

### **RSN Rural Manifesto**

The RSN [Rural Manifesto](#), produced ahead of the 2015 General Election, includes a similarly useful description of rural economies as follows:

“Predominantly rural districts account for almost a fifth of England’s economy. In 2010 they generated 19% of Gross Value Added or £211 billion. A further 12% derived from districts which are defined as significant rural. They will be significant contributors to future national

economic growth and a successful jobs market. It is therefore imperative that rural areas are enabled to thrive.

Rural economies are also surprisingly (to some) diverse. The pattern of employment, when broken down by economic sector, is broadly similar to that found in urban areas. Leisure and tourism is a key employer in many rural areas.

Agriculture is some way from being the main employer, but it remains locally important, especially in remoter and upland areas, and when considered alongside food production businesses. Farm land is also the primary land use.”

## LEP and local authority strategies

A number of strategies at different levels include some form of focus on the rural economy. A possible synthesis of how rural economies are described could be as follows:

“Rural economies are incredibly diverse and make a significant contribution to national economic performance. Farming and tourism are of critical importance but to pigeon-hole rural economies as being solely about these sectors would be a mistake.

The environment is of pivotal significance to rural economies. Farming, forestry and land management sectors help to create the environment on which the tourism sector depends and to which a vast array of economic activities are attracted – from manufacturing and service industries to knowledge intensive and creative sectors.

Enterprise and opportunity are abundant with rural areas often providing a breeding ground for high growth businesses which can migrate to more populated areas as expansion plans require.”

## Rural Productivity Plan

The [Rural Productivity Plan](#), produced in 2015, also emphasises the economic opportunities of rural areas and the potential benefits which can flow to urban areas:

“We want to harness the enormous economic potential England’s rural areas have to offer, both for the prosperity of those living in rural areas and for the benefit of the UK economy overall.”

## Sources of statistics

There are a number of readily available sources of statistics which may be useful in developing evidence and framing responses to national consultations with respect to rural economy issues. These include the following:

- Defra produces quarterly [Rural Economic Bulletins](#) which compare high level economic indicators across rural and urban England. The five indicators currently used are:
  - claimant count – proportion of working age population claiming unemployment benefits
  - economic activity – proportion of economically active population unemployed and proportion of working age population in employment
  - redundancies – number of redundancies per 1,000 workers
  - house prices - average house prices and annual percent change
  - business insolvencies – rate of businesses becoming insolvent per 1,000 businesses

The December 2015 Bulletin also includes provisional 2014 Gross Value Added (GVA) or productivity figures for rural and urban areas.

- Defra also produce a wider [Statistical Digest of Rural England](#) containing a wide variety of statistics. The latest edition was published in January 2016. Topics covered are: the rural economy; rural population and migration; rural accessibility; and rural living.
- RSN has collated a selection of evidence which may be useful to communities and others in starting to shape their evidence base. This includes information at ward and parish level in relation to a range of indicators including occupation, qualifications and earnings. This is tailored to each local authority area and is available via this [link](#).
- BIS also produce occasional statistical analyses, although these do not focus on rural areas particularly. These can be accessed [here](#).
- In its response to [Lord Cameron's review](#) of UK government's work on rural proofing, Ministers committed Defra to "establish a dedicated online data and statistics site, accessible to all, that brings together for the first time a comprehensive set of rural proofing materials to help Departments better help themselves." This will include:
  - "Monitoring and evaluation information related to the Rural Productivity Plan and Single Departmental Plan
  - Presentation of data statistics for key priority areas of connectivity, planning, housing, skills and childcare
  - Presentation of other rural statistics with in some cases underlying data (based on an evolution of the current Rural Stats Digest, Rural Economic Bulletin and other statistical outputs)
  - Links to other disaggregated (published) Government data and portals such as Office for National Statistic GeoPortal and NOMIS
  - Direct presentation of or links to other aggregated datasets / statistics as and when produced by other Government departments"

When in place, this will provide an essential resource in responding to a wide range of relevant national consultations in order to ensure that rural economic and other issues have been properly taken into account and reflected in proposals and papers which come forward.