

# Creating Vibrant Rural Communities

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# About me

- Chair of the IED since 2017 (and NXD since 2012)
- Day job - CEO of YTKO
- 40 years in business
- Supporting new entrepreneurs and existing SMEs in urban, rural, seaside economies
- Focus on disadvantaged individuals/deprived areas and smaller businesses
- Work with 40+ LA's, CA's and LEPs across UK, understand their challenges

# About the IED

- Established more than 40 years ago
- Membership organisation – LA, LEP, Private Sector
- Mission: to support our members, represent/advocate for the profession, influence & inform policy
- Rich CPD and events programme, National awards & conference
- Excellence in Economic Development Standard
- Research, thought leadership, APPG, experts panel
- Supportive strategic partner of RSN

# Complexity and change

- Trickle-down economic growth models don't work well enough:
- Rising inequality
- Increasing imbalances within and between regions
- And between rural and urban
- Polarisation of labour markets, and automation risk
- UK low productivity rates
- Work no longer a route out of poverty

# Our future



Four fifths of those that enter low-paid work remain low paid 10 years later.

4.1m children live in families earning less than 60% of median UK income.

Annual cost of poverty to UK economy - £78 billion

**The % of children in rural areas in both absolute and relative poverty has been increasing strongly for 3 years**

# Carts before horses?



# Before AI/Big Data.....

- Rural areas are challenged by poor connectivity, slow broadband, less bandwidth, problematic mobile
- 11% of homes and business can't get 10 Mbps
- NFU survey 2017 – in most remote areas, half couldn't access 2 Mbps
- 4G availability on all 4 networks only in 42% of premises
- Only 19% of businesses have superfast connection
- FTIR – what's going to stop rural areas falling behind?

# Aging time bomb.....

- In 2011 – 29% rural population over 60 v 21% urban
- Growth in numbers aged 85 or over is expected to happen fastest in rural areas
- By 2039 nearly half of rural households will contain people aged 65+.
- NHS resident funding allocations to CCG's similar
- Increasing pressure on health/social care budgets – urban get 40% more funding from govt.
- Rural residents wait 50% longer for an ambulance than their urban counterparts, and then it's a longer journey...



# Mobility, energy.....

- Costs of both road fuel and domestic heating energy are higher
- Fuel poverty rates much higher in rural areas.
- Rural residents generally travel further distances
- Widespread decline in rural bus service provision
- Rural wages 10% below the national average
- Less funding to support public transport – increases inequality of access to jobs/training/services/education for those most vulnerable
- Isolation/mental health/connectivity/mobility – all interlinked issues

# And other challenges to solve...

- Agriculture and retail sectors under pressure
- No coherent post Brexit strategy for either
- Tourism offer better but variable
  
- Lack of affordable housing – small sites excluded
- Effects of Right to Buy in rural – 8 sold/1 replaced
  
- Rural business productivity 88% of UK average
- Less than half take up superfast where available
- Significant need to improve digital confidence, skills, adoption and benefit realisation

# And great opportunities!

- If we get digital right, business can be anywhere
- Steady growth in tourism and experience economy
- Food diversification/sustainability/productivity increases may generate opportunities as Brexit bites
- A focus on wellbeing, arts and culture has revitalised some rural locations
- Capitalising on legacy assets – banks, pubs, community centres, town halls – entrepreneurial workspaces
- Vibrant and resilient communities can reduce social costs to the state.

If I were Queen of rural...



# Grow our own

1.
  - Improve startup, sustainability, productivity and growth of businesses (including farm diversification, retail support)
  - Through better skills and training provision, esp digital and commercial (biggest barrier)

Because more productive businesses create wealth for communities, business rates for local authorities and income for Treasury/UK PLC

Because enterprise and self-employment can be a route out of poverty

Because growing businesses create more jobs and training opportunities, better jobs and career progression

A strong and resilient business community increases local confidence, and the ability to survive economic shocks – a virtuous circle

# Restructure funding

2. ■ Address the historical government funding imbalance in between urban and rural areas to properly account for rural challenges

Because the costs are only going to increase – especially health and social

Which means the challenges/inequalities in rural areas will only get worse if unaddressed, and by default stimulate the growth and power of cities

Which will drag the UK economy and its people down and lead to a vicious circle.

# Devolution and leadership

3.

- More freedom, responsibility and accountability at local levels on the rural agenda
- Requires strong, **inclusive** local leadership from remote and hyperlocal up to LEPs – and across boundaries
- Community engagement across all stakeholder groups, understanding risk and change, doing different
- Local rural expertise must inform policy
- Central government also requires leadership to embed a rural strategy within and across all central policies, including a robust review of DEFRA capability/capacity

# Because it all comes down to people!

Thank you for listening

Any questions?

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