
Agenda

Rural Economy Sub Group meeting

Hosted: Online via Zoom
Date: Monday, 12th October 2020
Time: 1:00pm – 3:00pm

- 1. Attendance & Apologies.**
- 2. Notes from the previous Rural Economy Sub-Group meeting.** (Attachment 1)
Held on 27th January 2020 to consider any relevant updates and approve the minutes.
- 3. Presentations from the Speakers.**

Professor Sharon Green, Professor of Vocational Education and Skills Development at **University of Lincoln**
Future of Vocational Skills

David Rodda MBE, Economic Growth Manager at **Cornwall Council**
COVID-19 Impact and Recovery
- 4. Revitalising Rural: Realising the Vision.**

[Please click here to view all campaign documents](https://www.rsnonline.org.uk/revitalising-rural)¹
- 5. Rural Economy Toolkit.** (Attachment 2)
The Rural Economy Toolkit will officially be “launched” at a Joint RSN/IED webinar on Monday, 19th October.
- 6. Any Other Business.**
The next Rural Economy Sub Group meeting is scheduled for Monday, 25th January 2020.

¹ <https://www.rsnonline.org.uk/revitalising-rural>



Minutes Rural Economy Sub-Group

Venue: [The LGA](#), 18 Smith Square, London, SW1P 3HZ
 Date: Monday, 27th of January 2020
 Time: 11.00 am – 12.30 pm

[Please follow this link for the map of the venue.](#)

1. Attendance & Apologies

Attendance

Cllr Cecilia Motley	RSN & Shropshire Council
Graham Biggs	RSN
David Inman	RSN
Charles Trotman	Country Land and Business Association
Ian Cass	Forum of Private Business
Chris Stanton	Guildford Borough Council
Cllr Chris Mapey	East Suffolk Council
Cllr Gerard Brewster	Mid Suffolk District Council
Cllr Harry St John	West Oxfordshire District Council
Cllr Kevin Dukes	Bassetlaw District Council
Cllr Malcolm Leeding	Oxfordshire Association of Local Councils
Cllr Mark Whittington	Lincolnshire County Council
Cllr Mary Robinson	Eden District Council
Cllr Michael Rickman	Harborough District Council
Cllr Owen Bierley	West Lindsey District Council
Cllr Peter Schwier	Braintree District Council
Cllr Peter Stevens	West Suffolk Council
Cllr Robert Heseltine	North Yorkshire County Council
Cllr Stephen Clarke	South Northamptonshire Council
Cllr Sue Tucker	Scarborough Borough Council
Cllr Suzie Morley	Mid Suffolk District Council
Cllr Trevor Thorne	Northumberland County Council
Cllr Virginia Taylor	Eden District Council
David Rodda	Cornwall Council
Ellie Jason	The Prince's Countryside Fund
Gary Taylor	South Holland District Council
Jeremy Savage	South Norfolk Council

Providing a voice for rural communities and service providers



Julia Raven	South Northamptonshire Council
Karl Bassett	Melton Borough Council
Ken Christy	Northamptonshire ACRE
Mandie Berry	North Somerset Council
Mandy Ramm	Nottinghamshire County Council
Marina Di Salvatore	West Lindsey District Council
Mark Winnington	Staffordshire County Council
Melanie Sealey	Devon County Council
Michael Hewitt	Cherwell District Council
Neil Irving	North Yorkshire County Council
Nilesh Joshi	National Federation of Subpostmasters
Shalon Perkins	North Lincolnshire Council
Toby Matthews	Norfolk County Council
Vinia Abesamis	Herefordshire Council

Apologies

Adrian Welsh	Mid Devon District Council
Alan Gray	North Kesteven District Council
Alice Mason	Wychavon District Council
Christine Marshall	Breckland Council
Claire Saunders	The Prince's Countryside Fund
Cllr Adam Paynter	Cornwall Council
Cllr Anthony Trollope-Bellew	Somerset and West Taunton Council
Cllr Daniel Cribbin	Daventry District Council
Cllr David Ireton	North Yorkshire County Council
Cllr Gill Heath	Staffordshire County Council
Cllr Gwilym Butler	Shropshire Council
Cllr James MacCleary	Lewes District Council
Cllr Ken Pollock	Worcestershire County Council
Cllr Louise Richardson	Leicestershire County Council
Cllr Malcolm Brown	Cornwall Council
Cllr Margaret Squires	Mid Devon District Council
Cllr Oliver Hemsley	Rutland County Council
Cllr Richard Sherras	Ribble Valley Borough Council
Cllr Richard Wright	North Kesteven District Council
Cllr Rupert Reichold	East Northamptonshire Council
Cllr Sarah Butikofer	North Norfolk District Council
Cllr Stephen Arnold	Ryedale District Council
Cllr Sue Sanderson	Cumbria County Council
Cllr Tim Oliver	Surrey County Council

Providing a voice for rural communities and service providers



Cllr Zoe Nicholson	Lewes District Council
Darren Henley	Arts Council England
Dominie Dunbrook	North Devon Council
Emily Kent	Cornwall Council
Gary Powell	Teignbridge District Council
Giles Hughes	West Oxfordshire District Council
Helen Harris	Leicestershire County Council
Ian Hunter	Creative Rural Industries Consortium
James Tenant	East Northamptonshire Council
Jenny Poole	Cotswold District Council/West Oxfordshire District Council
John Birtwistle	UK Bus - First Group
Julian German	Cornwall Council
Kath Hemmings	Solihull Metropolitan Borough Council
Liz Small	North Yorkshire County Council
Lorraine Gore	King's Lynn & West Norfolk Borough Council
Mark Carroll	Essex County Council
Mark Pople	Daventry District Council
Melanie Burgoyne	Chichester District Council
Paul Henry	Suffolk County Council
Peter Sharp	Lewes District and Eastbourne Borough Council
Revd Richard Kirlew	Sherborne Deanery Rural Chaplaincy
Sally Nelson	North Devon Council
Sarah McMillan	Northumberland County Council
Sean McGrath	Lancashire County Council
Stacey Burlet	Ryedale District Council
Tony Galloway	Ryedale District Council
Tony Jefferson	Stratford District Council
Toyubur Rahman	Chichester District Council
Trevor Beattie	South Downs National Park

2. **Notes from the previous Rural Economy Sub-Group meeting held on the 24th of June 2019 were agreed as a correct record.** (Attachment 1)
3. **“It’s Time for a Rural Strategy” – progressing the campaign.** (Attachment 2)
During the 13th of January 2020 RSN Executive meeting the future of “It’s Time for a Rural Strategy” campaign was discussed. The decisions of the Executive are set out in the attachment.

The House of Lords Select Committee on the Rural Economy supported the Call for a Rural Strategy. They noted the need for socio-economic functions to be integral to that and the desired outcomes. But Theresa May’s Government decided the position should be tackled by rural proofing not by a Government Strategy.

Providing a voice for rural communities and service providers

David Inman, Director
Kilworthy Park, Tavistock, Devon PL19 0BZ
Tel: 01822 813693

www.rsnonline.org.uk email: admin@rsn.gov.uk twitter: @rsnonline



The current Minister Theresa Villiers has been approached but exiting position only acknowledged so far. Clearly, we need for the pressure on Government to continue. The All-Party Parliamentary Group will be recommended to have this item on their programme. The Regional Roadshows will continue. Next dates for these events are outlined below:

- 9th of March – Rural Strategy Roadshow & South East Regional Seminar – Chichester District Council;
- 19th of March – Rural Strategy Roadshow, Warwick – Warwick Business School, Warwick University;
- 23rd of March – South West Regional Seminar – East Devon District Council.

We need to look at new issues, like Climate Change, but also keep on top of Rural Service issues and look at the barriers around rural. Need to prove that rural can flourish if those barriers are removed. We need to continue work on Fair Funding, Devolution and Rural Housing issues as well.

RSN accept they must work with others and the Chair emphasised the need to ensure complementary co-ordination with similar campaigns led by other groups.

4. Local Industrial Strategies.

4.1. Presentation by Charles Trotman, CLA Senior Economic Adviser, RDPE External Working Group. “How LEPs can maximise their contribution to UK Productivity by including rural business”. (Attachment 3)

Charles totally agreed with Graham about the need for joint thinking. The CLA had direct links into Government. A common uniform message from all groups was important. The Industrial Strategy was still a very live document in his view, but he agreed the Grand Challenges therein did not fit well in the rural context. The rural productivity level was 8% less than urban. There was a need for policy measures for LEPs to take on the policies of rural proofing if that position was to change.

Key issues:

a. Infrastructure

- A mobile network with shared masts.
- Approaches need to be developed to tackle lack of digital skills in the workplace. Support needs to be developed for rural firms in recruitment, development and retention of skilled staff. While most of the country is covered by digital broadband but take up as low as 50-

Providing a voice for rural communities and service providers

David Inman, Director
Kilworthy Park, Tavistock, Devon PL19 0BZ
Tel: 01822 813693

www.rsnonline.org.uk email: admin@sparse.gov.uk twitter: @rsnonline



55%. Digital skills are fundamental for opportunities to be taken up in the first place.

- b. Need for a common language about what rural entails and what rural opportunities are. LEPs need to be made to take up the rural challenge. Brexit issues remain. There is a need for regulatory alignment with the European Union and for appropriate labour levels. If migrant labour is to be lost there is a need in upskilling of local labour.
- c. Policy vacuum – in a lot of the 38 LEPs between the LEPs itself and the rural economy. Leicestershire have demonstrated how it is might be done. It is for other LEPs to show similar initiatives. EU rural funding will in CLA's view, be rolled over until 2024. They want to see the same percentage of these funds being ringfenced.
- d. They are calling for Treasury to give rural their due percentage. Of the present £100 million pot. This would give £16 million of matching funds.
- e. Further Education colleges should be charged with providing the right courses to cover the right skills to replace the migrant labour leaving the country.
- f. Openreach are expanding their rural programme as they must make a commitment to rural areas for a fibre network in accordance with government policy.
- g. However, the way we leave will have to be negotiated to ensure this happens. This will be a challenge. A proper negotiation procedure has to be established.
- h. Graham Biggs outlined the problems that lack of statistical data down to a local level to allow the LEPs to fully consider the rural position.
- i. CLA have some of these down to District Council level but the information has been provided by DEFRA on a confidential base.
- j. It was felt that some LEPs might be making some positive noises, but this was not necessarily being taken forward in delivery terms – there was a need for LEPs to be required to rural proof their strategies and funding decisions.

4.2. Presentation by Ian Cass, Managing Director, Forum of Private Business “The Threat to Rural Pubs”. (Attachment 3 A)

- a. 3,000 members in the UK.
- b. Government are poor with small business and with rural businesses. This needs to improve if full opportunities are to be grasped.
- c. The brewing structure now seen as an opportunity for non-brewers. They purchase pubs and look for unrealistic rents and also look for the pub to close so they can achieve housing land values.
- d. Pubs are not necessarily closing for lack of customers but because of the agendas of the landowners.
- e. What can be done: link and work with CAMRA; trying to get literature to tenants and to rural communities.

Providing a voice for rural communities and service providers

David Inman, Director

Kilworthy Park, Tavistock, Devon PL19 0BZ

Tel: 01822 813693

www.rsnonline.org.uk email: admin@sparse.gov.uk twitter: @rsnonline



Document produced by RSN, CAMRA & Forum of Private Business will be going to Parliament. Looking for lightening of planning laws.

6 big firms now own most of the country's 21,000 pubs. It is a real problem as a pub is very much at the heart of rural communities across England.

Meeting endorsed the campaign by Forum of Private Business and thanked Ian Cass for his presentation.

4.3. Leicester and Leicestershire Enterprise Partnership Local Industrial Strategy. (Attachment 4)

The document supplied by Helen Harris (Economic Growth Manager at Leicestershire County Council) was noted and supported.

4.4. RSN Chief Executive Graham Biggs to update members on the proposed work between the RSN and the Institute for Economic Development in "Rural Proofing" Local Industrial Strategies.

RSN working with IED to establish a matrix of data. The RSN's initial assessment was that a lot of data was not available at a local enough level. Graham didn't necessarily accept that District level was low enough.

The RSN were happy to work with CLA and DEFRA officers in unearthing all the appropriate data but remained concerned that there were currently significant data omissions.

Economic Development Officers would be consulted in due course.

5. "Land of Opportunity. England's Rural Periphery". (Attachment 5)

RSN welcomed the report from NLGN in collaboration with Cornwall Council and its call for a Rural Commission. RSN are happy to sign up to 90% of it but do have outstanding queries outlined below:

- a. Exclusion of counties based on a town over 123,000 could be slightly misleading.
- b. Discussion was necessary as there was a need to bring lobbying activity together as far as possible to prevent separate reports being used as an excuse by government to not progress any overall rural strategy.
- c. Be good to have discussions.
- d. Individual member authorities would obviously take whatever lead they felt desirable but there was a need for national campaigns to dovetail as far as possible.

Providing a voice for rural communities and service providers



e. AOB

Agriculture Bill

RSN would circulate the LGA's paper when it became available.

Concerns were expressed about some of the long-term implications to the wider economy.

It was felt the LEPs should be inputting into this more than they were.

6. Any other business.

The next meeting date of this group will be Monday 1st of June 2020.

Providing a voice for rural communities and service providers

David Inman, Director

Kilworthy Park, Tavistock, Devon PL19 0BZ

Tel: 01822 813693

www.rsnonline.org.uk email: admin@sparse.gov.uk twitter: @rsnonline



Rural Economy Toolkit

Rural Services Network and the Institute of Economic Development

August 2020

Contents

Chapter	Subject	Page
1	Preface	3
2	Executive Summary	4
3	Current drivers and mega trends	5-9
4	Getting started – data and strategy	10-22
5	Rural Best Practice	23-28

1. Preface



Bev Hurley CBE
Chair of the Institute Economic Development



Graham Biggs MBE
CEO of the Rural Services Network

The Institute of Economic Development (IED) and the Rural Services Network (RSN) have worked in partnership to develop a Rural Economies Toolkit.

We hope the toolkit will provide those working in driving forward economic development in rural economies with ‘food for thought’. To ensure that rural areas are better recognised in economic strategies and to enable the identification of new opportunities to drive forward rural initiatives.

Specifically, the RSN and the IED believe that rural economies present great opportunities for the UK and have somewhat been overlooked in recent economic policy, including in the development of the UK Industrial Strategy (and subsequent local versions) and the Government’s Plan for Jobs.

A recent report from the RSN states that predominantly rural areas in England contributed £260 billion of Gross Value Added to the national economy during 2018. This accounts for almost a 16% share of England’s economic output. That rural share has reduced somewhat over time, from 16.4% in 2010 to 15.9% in 2018, as London has expanded further its share of the country’s activity.

This situation needs to be redressed. If the UK is to better utilise its overall resource base, its existing built assets and infrastructure and the whole of its population then productive effort needs to be distributed more evenly.

It is important to note that rural economies are much more than land-based businesses (including farming) – whilst these are of course important, 85% of rural businesses are from other sectors, including key sectors (depending on location) of professional services, retail, tourism and construction.

Of course, there are many, many more examples of different initiatives across England, the intention of the toolkit is to offer just a few different approaches - but both the IED and RSN are always glad to showcase other initiatives, so please do get in touch if you have something to share.

It is also important to note that what works in one rural economy will not be the model to adopt in another locality – hopefully the suggestions provided are general enough to resonate with all – but it is recognised that the differences between areas are, in many ways, the aspects that create so many opportunities.

We wish you every success in using the resources in this toolkit and look forward to seeing the potential of rural economies realised.

2. Executive Summary

This document is intended as a guide for anyone seeking to raise rural relevance in the economic agenda – it offers a toolkit for starting out but encourages diverse approaches in developing strategy.

This toolkit:

- Uncovers the issues that are preventing rural economies from gaining full recognition.
- Reviews some of the policy drivers that are affecting rural economies
- Outlines some of the mega trends which will create change in rural economies but links these to opportunities
- Provides a number of case studies of different rural economy initiatives as well as some examples of successful rural businesses.
- Identifies the steps that can be taken to ensure that rural economies remain in the economic narrative
- Summarises the key measures that rural economies can address to answer “what looks good”



Current economic strategies in the UK tend towards an urban narrative with the important **rural agenda overlooked** - despite the importance of resources, activities and people in these areas to the future economic strength of the country.



The toolkit provided sets out how rural areas can define themselves; find and present the relevant data; use comparators and time series data to identify strengths and weaknesses and then combine this with lived experience to **seize the initiative in strategy**.



Many drivers of change in the economy have an important rural dimension – and **create economic opportunities**. The most important drivers in this report are identified as low carbon, digitisation, ageing and wealth creation.

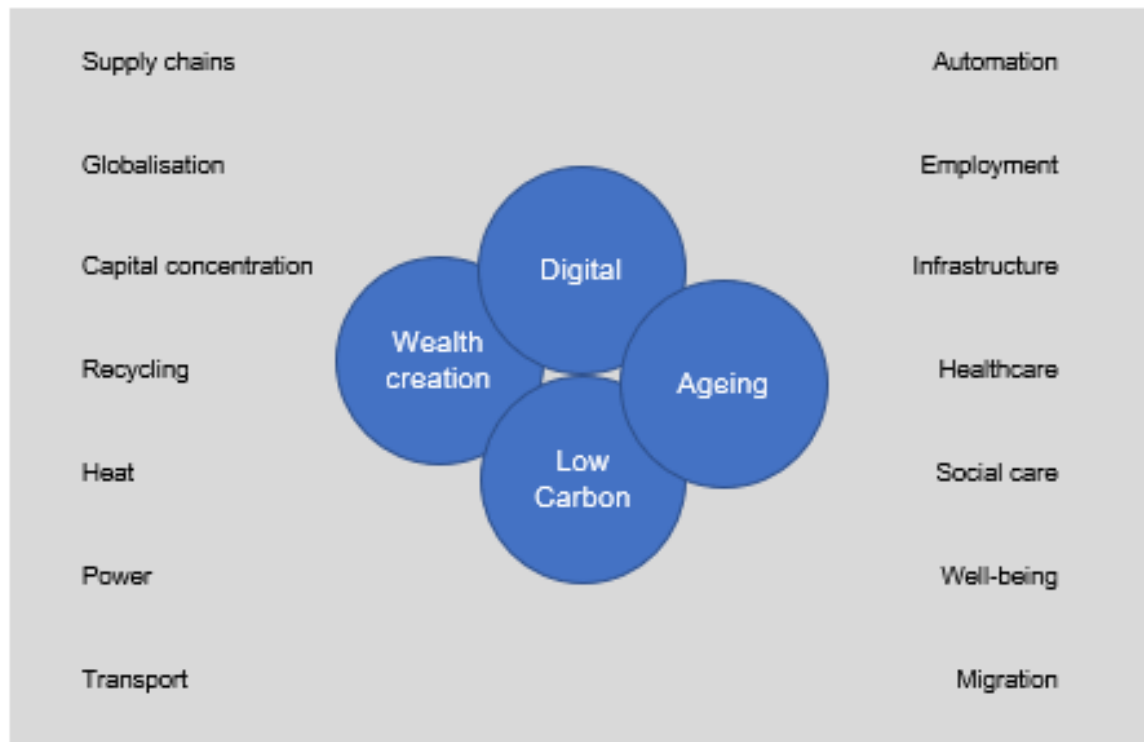


There are many examples of best practice, where rethinking a **rural approach led to economic gains** ignored by mainstream strategy. This toolkit approach encourages lateral thinking not standardisation. There is no such thing as ‘rural businesses’ – any business can thrive in a rural setting.

3. Current policy drivers and mega trends

There are a number of mega trends that are likely to reshape economies, society and the role of Government – all of these trends are important in a rural perspective. In some cases, challenging whether rural communities can continue to thrive.

There are a wide range of factors creating changes that will impact on rural economies and some of these are captured in the diagram below and discussed in greater detail in the pages which follow.



Mega Trends

There are a number of mega trends accelerating change in the global economy and these will have an impact in rural economies – four central themes are the need to de-carbonise; the ageing population; the increase in digitisation and also the ability of local communities to be self-sustaining and generate wealth in a more globalised economy.

Low Carbon

No agenda is more important than the shift to low carbon – with the debate on solutions often seen through an urban lens. In fact, rural resources offer enormous potential for low carbon solutions.

The UK Industrial Strategy states, “the move to cleaner economic growth – through low carbon technologies and the efficient use of resources – is one of the greatest industrial opportunities of our time”. As part of this drive, the government has set a target for the country to generate net zero carbon emissions by 2050 and is currently behind target.

The challenges and opportunities in this drive to zero carbon is of course of paramount importance to rural communities – 17% of England’s population - although often national policy appears to have focussed on easier to reach or cheaper to implement urban initiatives.

Some particular challenges rural areas face in the move to zero carbon include:

- At least half of households in smaller settlements (villages and hamlets) lie off the mains gas grid, and rely on other heating sources e.g. solid fuel fires, oil, electricity, LPG
- One in ten rural households was classified as being 'fuel poor' in 2017
- older housing stock which makes energy efficiency retrofit more difficult
- Access to public transport is poor, one result of which is car ownership is high, even among low income rural households
- Rural residents typically travel longer distances than their urban counterparts in order to reach jobs, education, health facilities, shopping centres and other facilities
- That many rural areas face additional development constraints. Some 9% of the land area in England is a National Park, 15% an Area of Outstanding Natural Beauty and 13% is designated as Green Belt. This has implications for developing energy infrastructure.

Whilst there are many challenges in rural areas in the move to zero carbon, it does also provide significant opportunities. For instance, there is a clear opportunity for businesses who are skilled in retrofitting energy efficient systems in both residential and commercial properties, including in insulation, solar PV technologies, new build technologies and heat pumps.

The further expansion of existing land-based opportunities such as PV farms, wind farms and energy storage facilities is another opportunity.

The development of micro/localised power grids is an interesting idea for rural communities to consider. If savings from local generation can be passed on to the consumer then communities are incentivised to approve more local schemes and created decentralised power grids.

None of the above can happen without investment in training – both industry and consumer.

It is also important to note that each rural area is unique: they include small town, market towns, villages, hamlets, farms and isolated dwellings. A rural area may also include coastal regions, uplands, or abut large population centres. Livelihoods may be gained from so called traditional rural activities such as farming, but also include heavy engineering, power supply and food production. In the same way that no two rural areas are alike, the challenges and opportunities will also vary.

Low carbon & transport

Low carbon transport is not only about the vehicles deployed – but is also relies on planning decisions, maintenance of local services and services provided by broadband reducing the need for travel

The UK Industrial Strategy states, “we are on the cusp of a profound change in how we move people, goods and services around our towns, cities and countryside. This is driven by extraordinary innovation in engineering, technology and business models”.

Driven by the need to reduce carbon emissions and powered by advances in technology, mobility and connections between communities and businesses need to be dramatically different in the future. The imposed changes brought about by the Covid-19 pandemic in terms of reduced mobility highlight many of both the issues and opportunities rural communities face.

A good rural transport network provides better access to services, employment and leisure opportunities and is a key priority to ensure that rural areas 'level up'.

A recent report from the RSN states that those living in small rural settlements (villages and hamlets) on average travelled 10,055 miles in 2016/17. That is 54% more than the average resident from an urban town or city.

The lack of access to public transport in rural areas leads to many social and economic problems, including increased carbon emissions, isolation particularly amongst the elderly, disadvantages in access to education and employment opportunities, particularly for 16-18 year olds who are unable to drive.

Investment is needed in sustainable transport solutions whether that is community transport schemes, bus links, EV charging points or a combination of several solutions will depend on local settlement patterns. Investment here will stimulate access to skills and training and open up business opportunities in rural areas – which may be more attractive in a post Covid-19 landscape.

Digital

Investment into improving digital infrastructure in rural communities could be seen to be the most important enabler for driving forward economic growth.

A report by the RSN explains that “digital connectivity is a key enabler of business innovation and an important driver of productivity growth. Rural based businesses in all economic sectors and of all sizes (including the self-employed) need access to fast and reliable broadband and mobile networks if they are to thrive, compete and reach new markets”.

A fast, reliable broadband connection allows more businesses to be based in rural areas (from agritech, modern manufacturing and the creative & digital sector to name but a few), improves the performance of existing businesses, including land based operations and provides better homeworking opportunities. All of which helps stimulate local economic growth.

It is also imperative for equal access to the move to online services, such as in banking, education and healthcare. This has been apparent during the Covid-19 pandemic.

RSN report that 8% of rural premises (or 274,000 households and businesses) in England cannot access a decent fixed broadband connection of 10 Mbps. This is the threshold set for the broadband USO, which the regulator (Ofcom) considers necessary for everyday use, though it is likely to prove inadequate for many business' users.

Furthermore, 19% of rural premises in England cannot access a superfast broadband connection of 30 Mbps. In addition, there remain significant issues with mobile connectivity in rural premises. It is not possible to get an indoor 4G connection on all four networks at a

majority (58%) of rural premises. Research from 2018 by Rural England CIC estimated that if rural based businesses could resolve their connectivity and other digital constraints, that would add a minimum of £12 billion annually in Gross Value Added to the UK economy.

Alternative models of provision can create opportunities for employment but are also the key to unlocking the connectivity dividend.

Artificial Intelligence and data

The UK Industrial Strategy states, “Artificial Intelligence and machine learning are general purpose technologies already starting to transform the global economy. They can be seen as new industries in their own right, but they are also transforming business models across many sectors as they deploy vast datasets to identify better ways of doing complex tasks”. This mega trend already is having an impact on some rural communities and it has the potential for further substantial economic growth in these areas. Big data and technological advances can ensure that farming becomes more efficient, profitable, and environmentally friendly.

It is of course not only farming practices in rural areas which will benefit from the AI and data revolution; innovation for example in the fields of sensors, virtual and augmented reality, AI and robotics has the potential to transform modern manufacturing, energy use, education, health, tourism amongst many other sectors.

Social Trends

There are several societal mega trends which will continue to impact rural communities. People are increasingly concerned about climate change and the damage to the environment. Health and wellbeing, both physical and mental, are becoming more important priorities for people. Provenance of food and other goods is important and of course the reliance on digital/online is having a big impact on how consumers consume.

There are many examples of businesses based in rural areas profiting from these trends, such as those that focus on provenance and ethically produced goods.

Ageing

The UK Industrial Strategy says, “the UK population is ageing, as it is across the industrialised world. The prospect of longer lives will require people to plan their careers and retirement differently. Ageing populations will create new demands for technologies, products and services, including new care technologies, new housing models and innovative savings products for retirement”.

The RSN report that official population projections show that the share of the population in predominantly rural areas which is aged 65 or over is expected to rise to just under 30% by the year 2035.

Whilst there are undoubtedly benefits of living in rural areas for older people, there are also interlinked challenges relating to isolation, transport, access to services and standards of health (including mental health) and social care. National and local public policy must ensure that the needs of the rural elderly are prioritised and within the likely area of public investment, there are opportunities for businesses to establish innovative approaches (working with community hubs and groups) to combat some of these issues, whether they

are related to fuel poverty, housing, transport or health/social care needs. Often these can tap into the additional volunteering capacity of the older rural population profile.

Whilst aware of ageing as a key theme one also needs to be cognisant of the needs of younger people in rural areas. Namely, access to education and training, plus affordable housing and well-paid jobs.

Wealth Creation

Globalisation, concentration of capital ownership and the push for ever greater economies of scale have all reduced the amount of wealth creation in rural economies.

The economic growth of the last 15 years has been concentrated on urban areas as economies of agglomeration have resulted in a new generation of entrepreneurialism and ideas mainly arising from the capability that digital infrastructure can bring.

At the same time, much of the economy has been concentrated into the hands of a smaller number of players. This has delivered economies of scale that have driven prices lower – but has also resulted in the benefit of consumer spending being returned to distant locations. Wages have remained relatively static in the UK whilst large grocery multiples, digital giants and manufacturing combines generate limited local returns.

From a rural perspective, the low prices achieved by farmers in this system and the lack of local supply chains reduces local wealth creation, stimulates more out migration and creates a spiral of economic decline which can be seen in many rural town / village high streets.

Circular Economy

The UK Government states, “the UK is committed to moving towards a more circular economy which will see us keeping resources in use as long as possible, extracting maximum value from them, minimizing waste and promoting resource efficiency”.

A circular economy aims to redefine growth, focusing on positive society-wide benefits and reducing its reliance on finite resources. Not only related to a move towards renewable and recycling, the circular model aims to build economic, natural, and social capital.

The Totnes and Mutual South West case studies in this document provide good examples of local/regional attempts at driving forward a more circular local economy. To be successful, these models will depend on harnessing entrepreneurship in rural areas and reversing the declines that have impacted on many rural areas.

4. Getting Started – Data and Strategy

The toolkit starts by setting out the available data – economic strategies are not all about data but they should be evidence based.

Strategy

All economic strategy should start from an evidence base. Such an approach can identify issues – but also set out the scale of the issue. This is particularly the case when the data is set out over a period of time (perhaps showing improvement / decline) or when compared against other comparator locations.

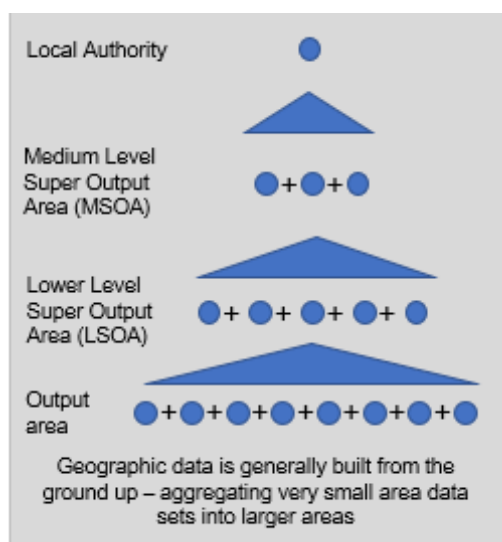
Typical data sources are set out in the pages which follow. Economic data is generally freely available online in the UK but at different levels of geographic detail illustrated opposite.

The tables that follow set out the level of detail for which data is available.

The important finding for rural geographies is that specific rural areas can be created as spatial geographies.

The toolkit also sets out the definitions of the lesser used economic terminology.

Spatial economic data in England



The key measures and individual actions to solve a problem are best assembled through a consultation exercise.

The recommendation is that the data is assimilated into a single summary – a simple table of strengths, weaknesses, opportunities and threats (SWOT) is generally useful at this point.

From this summary, the key issues can be highlighted – and it is useful to set out what might happen if nothing is done – this is an important stage if the attention of policy makers is required. Alternatively, the key strengths of an area may be drawn out for inclusion in the economic material of other stakeholders (e.g. the Local Enterprise Partnership).

From any key issues, those areas where some broad form of intervention is required can be gathered – the type of intervention can then be broken down into individual actions. These

interventions and actions may be developed using the views of local stakeholders through a consultation exercise – and such actions are generally easier to implement where there is a ground swell of local opinion.

In essence, this is the basis of an economic strategy and the key stages are set out in the diagram below.

Non ONS Data

Not all data is available as free datasets.

Some of the data assembled will be the local initiatives taking place and any findings that these initiatives have published. In other cases, Companies House data may be useful to find example companies operating in specific sectors. Companies House data is available free of charge at <https://www.gov.uk/get-information-about-a-company> and it is even possible to download data – but there are also subscription services with an interface that interrogates the data (and often some additional data). This report names Dun & Bradstreet but there are other equivalent services if precise company content is likely to be useful to the data gathering exercise (and it is not always essential).

This details a step by step process for those interested in rural economic development to follow to best identify opportunities in their rural economies



Step 1: Collating the evidence base

The datasets have been split into the individual themes suggested in the reporting.

The following tables outline the official data considered most useful to collate when undertaking an assessment of a rural economy. The tables are split into the following themes:

- Strength of sectors
- Workforce & skills
- Economic Output
- Company level data
- Ageing population
- Low Carbon
- Digitisation
- Wealth Creation (including other relevant economic data e.g. indices of multiple deprivation; housing)

The tables give a brief description of what the data contains, where you can find the official source of the data and the lowest geographical area for which the data is recorded (where it is recorded at a low level, it is generally also available at the higher levels as well).

If the rural area being examined is not the entire Local Authority (and clearly this is frequently the case), only those datasets with availability at a lower level of geography will be useful for the rural strategy

The listed datasets are not intended to be an exhaustive list; there will be many other useful datasets, particularly those available at a local level. However, it does summarise the key official nationally produced data available.

Where possible, hyperlinks have been provided to data sources. At the end of the section there is a glossary of technical terms and data sources.

Measure	Description	Source	Lowest geographical level
Growth in sector employment	Most commonly use 2 digit Standard Industrial Classification (SIC) code; does go down to more detailed 5 digit level	Business Register and Employment Survey (BRES) Use range of years for percentage change	Lower level super output area (LSOA)
Growth in business units by sector	The number of local business units in a locality at a reference point in a year, broken down by industry type (SIC), employment band and legal status	UK Business Counts Use range of years for percentage change	Mid Layer super output area (MSOA)
Location Quotients (LQs)	The proportion of employment by sector (2 digit SIC code) in locality to national proportion (use >1.5 as indicator of significance). This needs to be calculated.	Business Register and Employment Survey (BRES) Use latest full year available	Mid Layer super output area (MSOA)
GVA by LA, sector and per head	gross value added (calculated using the income approach), known as GVA(I), allocated to local authorities in the UK.	Office of National Statistics (ONS) Regional GVA(I) by local authority in the UK	Local Authority (apportioned data so treat with caution)

Measure	Description	Source	Lowest geographical level
Outbound commuting	It is possible to examine resident and workplace data to demonstrate the destination of outbound commuters and the origin of inbound commuters	Census origin destination tables	Lower level super output area (LSOA)
Outbound skills loss	It is possible to compare resident data on skills with workplace data on skills – and calculating the difference between the two	Annual Population Survey Annual Population Survey for	Local Authority
Working population salary	Gives average earnings for residents	Annual Survey of Hours and Earnings	Local Authority
Overall skills of residents	Skills of residents as measured by highest level of qualification (none to NVQ4 – degree – level)	Annual Population Survey (use latest full year available)	Local Authority
Overall occupation of residents	Broad occupations of residents	Annual Population Survey (use latest full year available)	Local Authority

Measure	Description	Source	Lowest geographical level
Businesses by sector	All businesses in a locality broken down by industry sector	Dun&Bradsheet (using Companies House data) * Is a paid subscription service	By town
Businesses by turnover growth	All businesses in a locality broken down by turnover growth	Dun&Bradsheet (using Companies House data) * Is a paid subscription service	By town
Businesses by employee growth	All businesses in a locality broken down by employee growth	Dun&Bradsheet (using Companies House data) * Is a paid subscription service	By town
Access to broadband/4G	Understanding the proportion of local businesses who have access to fast, reliable broadband/4G	BT mapping – available online in some areas	N/A

Measure	Description	Source	Lowest geographical level
Age profile	Population figures over a 25-year period, by five-year age groups and sex for local authorities in England. 2018-based estimates are the latest principal projection	Office of National Statistics Population Projections by Local Authority	Local Authority
Health Indices of Deprivation	measures relative deprivation across health theme	National Statistics (England only, other sources for Scottish and Welsh Indices)	Lower level super output area (LSOA)
Healthcare businesses in the area	To understand any local specialism/areas of opportunity	Dun&Bradsheet (using Companies House data) * Is a paid subscription service	By town
Other healthcare related research activity (NHS etc)	Understanding any interesting research/innovation being undertaken in the sector in the locality	Desk research	N/A

Measure	Description	Source	Lowest geographical level
Travel to work patterns	Understanding travel to work patterns, distance travelled/mode/cross boundary flows/home working	Census 2011	Lower level super output area (LSOA)
Public transport provision	Mapping different public transport routes	Local provider data	N/A
Lifestyle Indices of Deprivation	Measures relative deprivation across lifestyle theme	National Statistics (England only, other sources for Scottish and Welsh Indices)	Lower level super output area (LSOA)
Local town vitality indices	Mapping	Desk research/primary data (NB Annex B provides an example template)	N/A
Transport solution businesses in area	Mapping businesses which can/do offer local transport solutions	Desk research / Dun & Bradsheet data	N/A
CO2 emissions	Emissions of carbon dioxide for Local Authority areas	BEIS	Local Authority
Gas grid	Estimates of properties not connected to the gas network	BEIS	Lower level super output area (LSOA)
Fuel poverty	Number and proportion of households that are defined as fuel poor	BEIS	Lower level super output area (LSOA)
Local businesses involved in clean growth solutions	To understand any local specialism/areas of opportunity	Dun&Bradsheet (using Companies House data) * Is a paid subscription service	Mid Layer super output area (MSOA)
Other research/initiatives in locality related to clean growth	Understanding any research being undertaken in the sector in the locality	Desk research	N/A

Measure	Description	Source	Lowest geographical level
IT infrastructure	Understanding the proportion of local businesses who have access to fast, reliable broadband/4G	BT mapping	N/A
ICT businesses in the area	To understand any local specialism/areas of opportunity	Dun&Bradsheet (using Companies House data) * Is a paid subscription service	By town
Other research of relevance taking place in the locality	Understanding any interesting research/innovation being undertaken in the sector in the locality	Desk research	N/A

Measure	Description	Source	Lowest geographical level
Population projections	Population figures over a 25-year period, by five-year age groups and sex for local authorities in England. 2018-based estimates are the latest principal projection	Office of National Statistics Population Projections by Local Authority	Local Authority
Housing requirements	Calculation via dividing above by household size	As above	Local Authority
Indices of Multiple Deprivation	Measures relative deprivation across different themes – income, employment, education/skills/training, crime, health deprivation & disability, barriers to housing & services and living environment. There is an overarching index of multiple deprivation	National Statistics (England only, other sources for Scottish and Welsh Indices)	Lower level super output area (LSOA)
House Price Statistics	House prices by property type for various geographies in England and Wales as well as the number of property transactions	Office of National Statistics	Mid Layer super output area (MSOA)

Many of the datasets typically used in generating economic strategy are sources through 'NOMIS' – a free to access data wizard (www.nomisweb.co.uk) Outside of NOMIS, there remain many other very useful official datasets. In many cases these are maintained by MHCLG.

Business Register and Employment Survey (BRES)

An employer survey of the number of jobs held by employees broken down by full/part-time and detailed industry (5 digit SIC2007). The survey records a job at the location of an employee's workplace. Available from country down to lower level super output area and Scottish datazone.

Lower Layer Super Output Area (LSOA)

Lower Layer Super Output Area (LSOA) is a geospatial statistical unit used in England and Wales to facilitate the reporting of small area statistics. They are part of the ONS coding system created by the Office for National Statistics (ONS). They have a minimum population of 1000 with a mean size of 1,500.

Middle Layer Super Output Area (MSOA)

A Middle Layer Super Output Area (MSOA) is a geospatial statistical unit used in England and Wales to facilitate the reporting of small area statistics. They consist of contiguous Lower Layer Super Output Areas. They are part of the ONS coding system created by the Office for National Statistics.

UK Business Counts

An extract compiled from the Inter Departmental Business Register (IDBR) recording the number of Local Units that were live at a reference date in March, broken down by employment size band, detailed industry (5 digit SIC2007) and legal status. Local Units are individual sites that belong to an Enterprise. Available from country down to mid layer super output area and Scottish intermediate zones.

Census

The census is built from individual records and is therefore the most detailed source albeit it is only completed every 10 years. Survey data fills in the gaps – but at a higher geographic level because of sample size issues.

Annual Population Survey (APS)

A residence based labour market survey encompassing population, economic activity (employment and unemployment), economic inactivity and qualifications. These are broken down where possible by gender, age, ethnicity, industry and occupation. Available at Local Authority level and above. Updated quarterly.

Annual Survey of Hours and Earnings (resident analysis)

ASHE is conducted in April each year to obtain information about the levels, distribution and make-up of earnings and hours worked for employees.

This data set provides information about earnings of employees who are living in an area, who are on adult rates and whose pay for the survey pay-period was not affected by absence.

ASHE is based on a sample of employee jobs taken from HM Revenue & Customs PAYE records. Information on earnings and hours is obtained in confidence from employers. ASHE

does not cover the self-employed nor does it cover employees not paid during the reference period.

Indices of Multiple Deprivation

The Indices of Deprivation are a measure of relative deprivation at a small local area level (Lower-layer Super Output Areas) across England. The Indices provide a set of relative measures of deprivation for small areas across England, based on seven different domains, or facets, of deprivation:

- Income Deprivation
- Employment Deprivation
- Education, Skills and Training Deprivation
- Health Deprivation and Disability
- Crime
- Barriers to Housing and Services
- Living Environment Deprivation

Combining information from the seven domains produces an overall relative measure of deprivation, the Index of Multiple Deprivation (IMD).

Caution must be applied however, when using the IMD as it has been proved to have an urban bias in the data it uses.

Bottom Up Data

Bottom up community data can be measured against local grids and compared – an example of which is provided but can be adjusted to suit local circumstances.

Depending on the nature of the strategy, it may also be useful to examine communities at a granular level.

One example exercise is to undertake is to assess any particular rural location against some type of vitality measurement grid. An example of this is provided below. This matrix allows examination of the strengths, weaknesses and linkages to closest provision for any given location.

This index is intended for use when studying larger villages/market towns. It is clearly not feasible that every location will have every amenity listed below – the exercise is more to identify gaps (ideally through local consultation) and how best these can be addressed and supported, including in examining links to neighbouring settlements.

Services	Retail	Infrastructure	Leisure
<ul style="list-style-type: none"> - Doctor surgery - Dentist - Optician - Vets - Chiropodist - Hearing - Library - Community Centre - Church - Nursery - Primary School - Secondary School - After school/holiday childcare - Volunteer led services (dementia friendly, etc.) 	<ul style="list-style-type: none"> - Grocery - Petrol - Pharmacy - Butcher - Baker - Cash Point - Post office - Fish - Hairdresser - Off Licence - Beautician - Dry cleaners - Gift shop - Hardware - Evening 	<ul style="list-style-type: none"> - Bus links - Train - Taxi - Broadband - Mobile network - Housing range, affordability, rental/social - Local job opportunities - Links to economic drivers - Business support including networking and training 	<ul style="list-style-type: none"> - Pub - Restaurant - Evening entertainment - Takeaway - Coffee shop - Exercise - Playground - Park

Examples of Rural Best Practice – Low Carbon

Borderlands Growth Deal – Low Carbon

The Borderlands Growth Deal covers a large and predominantly rural geographic area in England and Scotland

The Borderlands Partnership brings together the five cross-border local authorities of Carlisle City Council, Cumbria County Council, Dumfries and Galloway Council, Northumberland County Council and Scottish Borders Council to promote the economic growth of the area that straddles the Scotland-England border. Much of the area is rural in nature and this presents opportunities and challenges.

Ministers of the UK and Scottish Governments and the Leaders of the five councils of the Borderlands Partnership have signed off the 'Heads of Terms' for the total £394.5million Borderlands Inclusive Growth Deal. This deal encompasses:

- Place
- Infrastructure
- Innovation and Skills
- Green Growth

The long-term benefits of the Deal is intended to reach all parts of the Borderlands area, driving inclusive growth and delivering significant and lasting benefits for individuals, businesses and communities.

Green Growth

The Borderlands Growth Deal specifically targets rural zero carbon as a large-scale stimulus opportunity for new infrastructure, new industry and new opportunities for installation and maintenance.

The Green Growth approach will create local area energy plans and, in each case, link these plans into the economic development opportunity that will arise from the change in energy system and the investment required.

At present the organisation is commissioning a data collection and modelling exercise of current and future energy statuses including demand side, supply side and infrastructure. This will lead to the production of individual Local Area Energy Plans.

A prioritisation exercise will then lead to a strategic financial investment report that will drive change and deliver the overall vision of low cost, low carbon localised energy and transport to support both the UK and Scottish Government's ambitions for inward investment, economic clean growth and decarbonisation. This prioritisation exercise will support and facilitate the individual Local Area Energy Plans.

The Local Area Energy Plans will define and provide a methodology to measure the potential social, economic impacts from the investment choices.

In this way, the overall approach will embed economic development strategy within the zero carbon energy approach at a local level – allowing numerous different energy systems, relevant to local areas, to be developed and to stimulate the economy.

B4RN

Broadband for the Rural North (B4RN) was set up in 2011 by a local volunteer group and is now known to deliver some of the fastest fibre optic broadband connections in the UK to 5,000 rural homes, businesses and schools in the North West of England and East Anglia. These B4RN customers are now among just 5% of properties in the UK that have access to full fibre broadband with one gigabit per second capability – at least 30 times faster than the ‘superfast’ broadband rolled out by the Openreach programme.

B4RN has not simply created 100% gigabit digital connectivity to rural areas – it has left a legacy of closer communities supported to use the digital infrastructure more widely

As a registered community benefit society, B4RN’s profits are reinvested back into the community in a variety of ways, for example by providing internet service to primary schools in its network free of charge. It can also never be bought by a commercial operator.

B4RN can install cables at a significantly reduced cost by working directly with local residents and rural landowners, gaining access across their land, rather than digging up roads.

B4RN employs over 30 staff and is also dependent on hundreds of volunteers. Local communities have invested over £5m in B4RN.

When a new community on the edge of B4RN’s coverage area wishes to be connected, they are asked to raise investment and gain support to cover the expansion alongside grant support from the Rural Gigabit Connectivity Scheme. With the help of local volunteers and landowners B4RN establishes viable routes and wayleaves, then lay small 16mm ducts in that new area either by trench or mole-ploughing.

The roll-out then provides 100% coverage for a standard fee therefore ensuring that the most difficult to reach properties are not left behind.

The legacy of the approach is the ability to maintain the community involvement that was required for the project – and this can be used to roll out wider digitally enabled services with close support for the user (such as digital health services). In the future, it is also likely that the community approach could roll out low carbon infrastructure services as well.

National Innovation Centre for Ageing

The National Innovation Centre for Ageing is an interesting example of an organisation which is bringing together businesses, academia and the public to stimulate innovation for older people.

The UK National Innovation Centre for Ageing (NICA) brings together business, academia and the public to stimulate innovation of products and services for older people. Set up in 2014 with a £40 million investment from UK Government and Newcastle University, its vision is listed as being “to create a world in which we all live better, for longer”.

NICA’s role is to:

- Lead on innovations that improve all aspects of life for our ageing societies
- Work collaboratively to create a society that is better equipped to meet the opportunities and challenges associated with ageing populations
- Bring together world-leading innovation experts, scientists, industry and the public, to develop, test and bring to market products and services which enhance and improve all aspects of life for our ageing societies
- Continually challenge what we know about growing older

NICA’s areas of focus include:

- Living better for longer
- Future mobility Consumer products and Financial products & services
- Age-friendly places
- Ageing & Data
- Inclusive design

In a recent paper in *Research Fortnight* NICA explain how these issues particularly resonate in rural areas, given that rural areas are ageing more quickly than urban areas. It argues that rural areas must not be forgotten in the drive for innovation or be seen as “innovation free zones”. Rural areas should be seen as important test beds – living labs - for an ageing society and provide commercial opportunities for rural new developments, services and products. NICA invite those involved in planning rural communities to engage with VOICE – their organisation comprising a network of citizens who contribute experience, ideas, insights and vision to research and innovation.

Transition Town Totnes

Totnes provides an excellent example of what can be achieved by thinking differently at a local level.

The Transition Network is a movement which has been growing in prominence since 2005, in response to widespread concerns about dependency on fossil fuels. In their words, “it is about communities stepping up to address the big challenges they face by starting local. By coming together, they are able to crowd-source solutions. They seek to nurture a caring culture, one focused on supporting each other, both as groups or as wider communities.”

Totnes was one of the pioneering towns to declare itself in transition and has become a model which others follow.

Transition Town Totnes (TTT) is a community-led and run local charity whose mission is to “strengthen the local economy, reduce our environmental impact, and build our resilience for a future with less cheap energy and a changing climate”.

The charity has only a small staff team and relies heavily on local volunteers.

Projects that are undertaken fall loosely into three main strands which are: increasing local resilience, reducing energy use and building a regenerative local economy through re-localisation, and the promotion of regenerative development. Different projects and working groups have evolved around local issues such as affordable housing, sharing skills, creating livelihoods, reducing energy costs and carbon emissions, growing their local food economy and working in partnership with other local projects.

TTT has only a very small staff team and relies heavily on volunteers. Its ethos is not to manage projects centrally but to allow volunteers to take ownership of the process, developing their own answers creatively whilst TTT is there to ‘catalyse and support’. TTT is mostly funded in two ways: through donations from supporters, and by grant funding. The Totnes Reconomy Project, an initiative of Transition Town Totnes, was launched by a small group of community members who wanted to reverse the negative economic trends affecting the town, through a different kind of inclusive and fair economic regeneration and innovation. One of their first tasks was to fully understand the local economy which led to the development of the Local Economic Blueprint - to study the local economy and identify opportunities for local people.

Another early action was to “create the conditions for new economic actors and new economic relationships to emerge and flourish” – this led to the setting up of the Local Entrepreneur Forum and the Reconomy Centre.

Set up with the help of South Hams District Council, the Reconomy Centre is a co-working and meeting place for ethical local enterprises, people creating new livelihoods, and community groups working for a strong, resilient and equitable economy.

The Local Entrepreneur Forum is now in its 9th year in Totnes and is seen as a powerful catalyst for the local economy. Every year, the Forum brings entrepreneurs, investors, and other change makers together to learn from each other, form new relationships, and begin enterprising collaborations.

Another example of the different approach TTT have taken was the introduction of the Totnes Pound in 2007. This was intended to build resilience in the local economy by keeping money circulating in the community and building new relationships. The Totnes Pound ran until 2019 when it was discontinued due in part to the rise of the cashless society.

There are many other projects which have run under the TTT banner including a project to fund local community transport, The Totnes Food-Link project which sought to strengthen the links between local producers (within a 30 mile radius of the town), and retailers and restaurants within the town, a skillshare project and an eco-homes project.

At the centre of the Totnes approach is an understanding of local opportunities and the greater circulation of local economic gains.

South West Mutual

Regional Banks are in a position to ensure that local wealth generated is re-invested in local projects. South West Mutual is an initiative to create a local bank that serves its local area – creating financial, social and economic gains for SW England.

South West Mutual - Creating a circular flow of money

Cornwall is one of the poorest regions in Europe when measured by income per person. Appealing to government for investment is no doubt important but we should also make better use of money we already have in the region. Imagine the difference if more of the money that already exists in Cornwall was invested in Cornish enterprises.

Small and medium sized businesses in Cornwall deposit around £1 in banks for every 50p they receive in loans: a net outflow from the regional economy of over £400 million every year that is being used by large and international banks for all manner of financial speculation in derivatives, lending to city hedge funds and global companies, including 'economic bads' such as fossil fuel extraction.

Building a more resilient Cornish economy

SW Mutual encourages a transition to low-carbon business models centred on social justice and high wellbeing for customers and staff. This transition can be supported by patient finance (long-term committed finance and is often contrasted with short term speculative finance that seeks immediate gain) that is aligned with such a mission, delivered by banks that are fully committed to and embedded in the regional economy.

The role of regional banks

The UK is highly unusual in being dominated by large shareholder owned national and global banks. Other countries have a significant proportion of social regional banks. These regional cooperative and public banks form a vital complement to large shareholder banks by delivering several positive social and economic outcomes:

- Greater financial inclusion for households
- More lending to SMEs, and on better terms
- Greater proportion of lending to the real economy rather than financial speculation
- Promoting regional prosperity by reinvesting funds locally
- Increasing economic resilience by diversifying sources of finance

The UK once had a rich fabric of regional banks. Cornwall's banks were integral to driving innovation, trade and commerce – but they were subsumed into other national players at the beginning of the 20th Century.

In recent years, changes in banking legislation have made it possible to establish smaller banks incorporated as cooperatives that are owned and controlled by their members, one member one vote.

South West Mutual is one of the first of a UK-wide network of new regional mutual banks seeking licences to offer high street banking services including current accounts, savings and loans delivered both online and in branches. The requirements of scale and efficiency in banking require a collaboration across the 'Great South West' with Cornwall as partner to its neighbouring counties. Therefore, the purpose is to serve the communities of Cornwall, Devon, Somerset and Dorset with ethical and inclusive banking services that will support fair and sustainable prosperity.

The work of developing all the business plans, technology and regulatory requirements is well underway, and initial funding has been raised from a combination of private and social investors and local authorities in the region.

The prize is not to make a fast profit, but to create financial, social, economic and environmental returns over the coming decades.

Further information



IED Ltd.
Unit 214
The Base
Dallam Lane
Warrington
Cheshire
WA2 7NG

Tel: 01925 730 484
Email: nigelwilcock@ied.co.uk
Web: www.ied.co.uk



RSN
Kilworthy Park,
Tavistock
Devon
PL19 0BZ

Tel: 01822 851370
Email:
nadine.trout@sparse.gov.uk
Web: www.rsnonline.org.uk