

The Rural Challenge

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1. Introduction

Cumbria Rural Forum, working with Action with Communities in Cumbria, creates opportunities for the debate of rural issues and stimulates collaborative responses to key rural challenges.

This paper summarises our understanding of the challenges that Cumbria's rural communities face and identifies some of the responses we believe rural residents may need to adopt. It draws upon:

- Evidence from our everyday contact with rural Cumbrians
- Debate and discussion within the Cumbria Rural Forum and North West Rural Affairs Forum
- Evidence-based targeting of the Regional Rural Delivery Framework
- Research undertaken by other parties including the Commission for Rural Communities and the Carnegie Commission for Rural Community Development.

2. The Rural Challenge

Rural communities face multiple challenges if they are to sustain a viable social, economic and environmental life into the future.

Not every issue is different from those that face urban populations but it is often the case that different solutions are required.

Sparsity - Compared with other English counties, an exceptional proportion of Cumbria's population lives in rural or sparsely populated rural areas.

Over half of Cumbria's population of 496,900 (2007 est.) live in rural areas, while 105,000 people live in areas defined by Government as 'sparsely populated'. Four of the six local authority districts fall within Defra's 'Rural

80' category while a fifth is classed as 'Significant Rural'.

This sparsity of population creates particular challenges in meeting needs. Notably, there is a substantial 'rural premium' associated with rural service delivery, in other words, rural delivery costs are higher.

Sparsity of population also impacts upon the capacity of communities and their ability to take effective local action without external support.

Inappropriate Policy - National, regional and sub-regional policy is generally developed to tackle urban issues and needs. It is based upon assumptions about the concentration of problems, availability of resources and capacity of local communities that do not hold true for rural areas.

In consequence public policy may be difficult or impossible to apply in a rural context and significant rural problems of need and disadvantage remain unmet. Effective rural proofing processes are needed to ensure equitable consideration of rural needs.

Poor Evidence - Key sources of evidence used in the targeting of public sector resources, such as the Index of Multiple Deprivation, mask or under represent the level of need and deprivation in rural areas. This is because data is analysed at a large spatial scale and/or focuses on localities where a high proportion of residents share particular characteristics.

Recent work shows that analysing data at a more local scale helps to improve understanding about the distribution of disadvantage.¹ Looking at the numbers rather than percentages of people affected also

¹ see <http://www.oci.co.uk/spotlights/rural-exclusion.php> for examples of recent work by Oxford Consultants for Social Inclusion.

improves understanding of the extent of disadvantage found among rural residents.

Demography - Cumbria's communities, especially in the more accessible south and east of the County, have seen an influx of middle-aged and older people, attracted by Cumbria's environment. This has been paralleled by an out-migration of young people in search of education, employment and social opportunity.

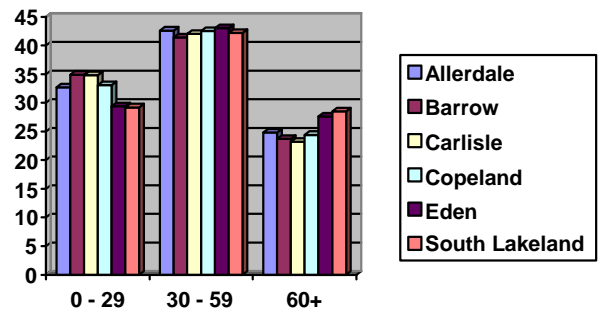
These trends result in an increasingly aged demography for rural communities which impacts upon their vibrancy, capacity and sustainability. They will also result in social and support needs for rural elderly residents that may be difficult and costly to meet, although perhaps also creating community business opportunities.

2005 mid-year population estimates (below) show that Cumbria's more urban communities (Barrow, Carlisle) have higher percentages of young people and lower percentages of older people than the rural districts of Eden and South Lakeland.

Projections through to 2029 suggest that these trends will become more exaggerated. Population growth will take place, with the highest rates of growth in Eden and South Lakeland. At the same time, the County's population structure will become increasingly dominated by older age groups with both young people and those of working age underrepresented, again with the greatest extremes in the east and south of the County. By 2029 it is estimated that 29.7% of the population will be over retirement age, compared with 21.8% for England and Wales.

The figures suggest three key impacts. There will be a proportional decline in numbers of young people and a consequent reduction in demand for the services that this sector of the population relies on. This demand for services will shift towards those that are taken up by older adults. A crucial third impact, often missed when assessing the impact of demographic change in the County, is the decline in the proportion of the population made up by working age people.

These trends have serious implications for the service and support needs of older people and the social sustainability of smaller and more remote communities.



Low Incomes - Cumbria's rural economy is to a considerable extent dependent upon small businesses, many of which are in sectors such as agriculture, tourism and services offering low GVA² and low pay levels.

In reviewing "Paycheck 2005" data, the Cumbria Economic Bulletin³ reveals a scattering across the County of wards where household incomes are lower than average. A significant proportion of these are in the sparsely populated areas of northern Carlisle, Eden and North Allerdale.

Rural communities tend to be mixed in their makeup, with some residents commuting to work in urban locations or living on pension-based income while others depend upon low-paid rural employment. A consequence is the masking of a significant proportion of rural households that experience disadvantage and isolation.

One extreme of rural low pay is underlined by data from the 2006/7 Farm Business Survey. Published on behalf of Defra, this suggests a catastrophic decline in upland farm incomes Cumbria, average net incomes on some upland holdings falling from £18,000 in 2003 to just £3,800 in 2006/07.

Agricultural Change - Agriculture has been the mainstay of rural Cumbria for centuries, shaping its landscape and its communities.

However, the industry is going through a period of huge adjustment due to changes in agricultural support. This has involved the withdrawal of production subsidies, with associated assumptions that production will become reconnected with the market, farmers thereby benefiting from higher prices.

² Gross Value Added – a measure of economic performance.

³ Published by the Centre for Regional Economic Development, University of Central Lancashire and the Cumbria Economic Intelligence Partnership.

In Cumbria these changes have further stressed an already marginal industry creating particular support needs for the sector and impacting upon the character of many rural communities.

As well as the fall in incomes highlighted by the data mentioned above, concerns about food security, climate change and peak oil and the need to maintain Cumbria's environmental assets mean that there is a pressing need to support the industry.

Visitor-based Economy - Reference has been made to the low GVA and low pay nature of tourism-based employment. In addition, this economic base skews the property market, fuelling the demand for rural properties for retirement, holiday homes and tourism businesses and exacerbating problems of housing affordability.

Climate Change - Climate change is increasingly accepted as reality with implications for Cumbria's rural communities and its agricultural industry.

Over the next 25 years commentators⁴ predict an increase in summer temperatures of 2°C, an increase of 10% in winter rainfall and a reduction of 20% in summer rainfall leading to a reduction in summer soil moisture content. These changes may well create new business opportunities for Cumbria's farmers because our present cool and moist climate is a key constraint on their options. However, climate change may also significantly change rainfall and other patterns, giving rise to problems such as winter flooding and summer drought. Alongside these potential direct affects, climate change is also driving an insidious weakening of strategic support for rural areas. This is based upon the overly simple assumption that, because rural life involves travel, it is inherently unsustainable.

Planning decisions taken with this perspective in mind are already stifling the development opportunities that communities need if they are to be sustainable in the future.

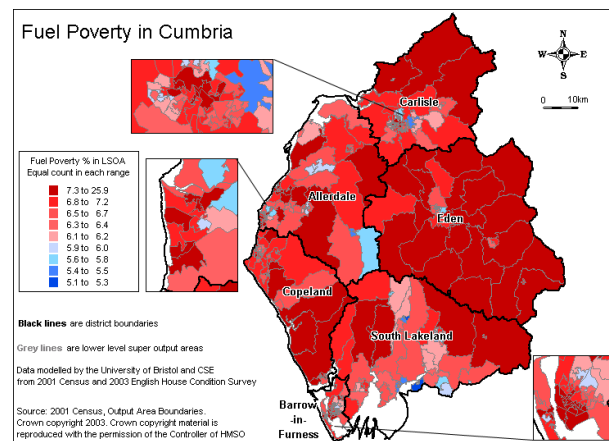
Peak Oil - It is increasingly accepted that world-wide production of oil will peak at some point between 2008 and 2013. At the same time demand continues to grow, driven by the expansion of the Indian and Chinese economies. The consequence has been a

dramatic rise in crude oil prices over the last twelve months, from \$75 per barrel in July 2007 to a peak of almost \$150 in July 2008. Continuing rises towards \$500 per barrel by 2015 are predicted.

While we have seen significant rises in fuel costs as a result, rising prices have wider implications for rural residents. This is because 95% all goods, including foods, rely upon mineral oil for their production.

The combination of rising travel, transport and food prices may undermine the sustainability of rural life and may force lower-paid households in particular from the countryside.

Fuel Poverty - Increasing fuel poverty is an immediate and significantly rural consequence of rising fuel prices. Factors such as the need to travel, the age and poor thermal efficiency of much rural property and a reliance upon oil for heating all mean that rural communities exhibit relatively high levels of households affected by fuel poverty⁵. Published data⁶ shows that the more remote and sparsely populated communities of Cumbria have among the highest proportions of households in England that are affected.



Affordable Housing - A high level of in-migration to our beautiful but low income communities has driven the cost of housing out of reach of local people and especially the young. The gap between lower quartile household incomes and house prices is among the widest in the country.

⁴ The statistics stated have been published by Sustainability North West.

⁵ Households are judged to experience 'fuel poverty' when they spend more than 10% of their income on domestic fuel use.

⁶ The Fuel Poverty Indicator Website.

While this challenge is widely recognised the ability of local authorities to address the problem is constrained by regional strategies.

Published data⁷ relating to house prices, shows that the highest priced housing in the County is concentrated in South Lakeland District, the Lake District and some wards of Eden District.

When this information is coupled with that relating to incomes, it shows that the greatest gap between median house price and median income exists in these same areas, i.e. large parts of rural South Lakeland, the Lake District and Eden District together with the most northerly parts of Carlisle District.

Service Contraction - Commercial pressures on the private sector, the need for economies by the public sector and easy mobility for many rural residents is driving an inexorable contraction in the availability of rural services.

The attention of the public sector is instead turning to the provision of services through a limited number of centres. This approach disadvantages those who find it less easy to travel.

Hard data concerning service withdrawal is scattered and difficult to draw into a coherent picture. However, in qualitative terms, research by Voluntary Action Cumbria⁸ paints a clear picture of the difficulties that rural residents face coping with the loss of services and the disadvantage that affects especially the older and less mobile.

At national level “State of the Countryside 2008”⁹ reports a continuing reduction in provision across almost all services.

Eden is the most deprived district in terms of “geographical barriers” in the whole of mainland England (only the Isles of Scilly are more deprived)

Accessibility - The infrequency and limited coverage of public transport in rural areas makes private car ownership a necessity for even the lowest paid households in rural Cumbria. The resulting ready mobility enjoyed by many has in turn undermined the

viability of the public transport provision that remains.

This, coupled with the increasing centralisation of services mentioned above, adds to the social isolation and disadvantage experienced by those without access to a car¹⁰, including young people, carers and older people.

With rising fuel prices and increasing fuel poverty it is likely that increasing numbers of rural residents will be similarly disadvantaged.

3. The Community Response

In the face of the challenges described, we believe communities seeking a sustainable future will increasingly have to find their own solutions, drawing upon a range of tools and responses, some of which we summarise below.

Managing Change - Communities need to work together to understand their problems, prioritise needs for the future and plan the actions that will be necessary if they are to achieve their aims. Community planning is an established and effective tool to help in this process.

Asset Based Community Development - The most direct way in which communities will be able to respond to change and address local needs will be through the more effective management of the assets (buildings, land, local funds, etc.) over which they have direct control.

Enterprise - Locally owned social enterprises will become increasingly important to manage services and facilities efficiently and to generate surpluses that can be used to fund other community resources. For example, there are emerging examples of community-owned wind turbines, managed to make profit for social benefit, that enable communities to support and sustain village halls, shops and community activities.

Community Initiatives - Community Supported Agriculture initiatives, Local Development Trusts and Community Land Trusts will become increasingly important to communities that are seeking to promote local food production, address the absence of

⁷ Streetvalue 2005 dataset reviewed in Cumbria Economic Bulletin September 2006.

⁸ ‘A Loss for Everyone’ published by VAC, April 2007.

⁹ Published by the Commission for Rural Communities, July 2007.

¹⁰ Census data indicates that approximately 20% of rural households do not have a private vehicle.

affordable housing or make better use of local physical assets.

Advocacy - In the environment described, where policy may not meet local needs and there is increasing competition for limited public resources, rural communities will need to engage or be supported in effective advocacy at all levels.

Collaboration / Networking - Many rural communities and community groups face similar challenges and seek to implement similar locally-owned solutions. Networking between communities to share experience and gain mutual support will make a key contribution to enabling success.

4. Conclusion

Cumbria's rural communities exist in an increasingly complex and challenging world where a variety of political, economic, environmental and social issues place their sustainability in question.

Addressing these requires effective partnership working that draws upon the skills and resources of local community leaders, elected representatives, the public sector and infrastructure bodies such as rural community councils.

Most important of all will be the energy and initiative of community members themselves.

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