



Commission for
Rural Communities

Tackling rural disadvantage

High ground, high potential
– a future for England's
upland communities

Who we are

The Commission for Rural Communities is a statutory body funded by government to help ensure that policies, programmes and decisions take proper account of the circumstances of rural communities. We are required to have a particular focus on disadvantaged people and areas suffering from economic under-performance.

In essence, we have three key functions:

- **Advocate:** acting as a voice for rural people, businesses and communities
- **Expert advisor:** giving evidence-based, objective advice to government and others
- **Independent watchdog:** monitoring and reporting on the delivery of policies nationally, regionally and locally

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Key facts¹

- People – The uplands and upland fringes² cover 17% of England and are home to around 2 million people. There are proportionately fewer residents in the 20-34 age group and more in the 40+ age group than is average for England.
- Working communities – Manufacturing and the wholesale and retail trade are the dominant employers in the uplands (34%). Agriculture and forestry employs relatively few people (5.2%). However, agricultural businesses are the second most common, accounting for 16% of all businesses in the uplands. Sole trader businesses represent a much greater proportion (25%) of businesses than in England as a whole (16%).
- Recreation – There are 40 million visitors to England's upland National Parks each year spending £1.78 billion. 86% of 'open access'³ land in England is in the uplands.
- Food, woodlands and water – 44% of total breeding ewes and 30% of beef cows in England are in the uplands. 25% of the total area of woodland is in the uplands and 70% of UK drinking water is sourced from here.
- Climate change – At least 200 million tonnes of carbon are stored in peatlands in England's uplands.
- Landscapes and heritage – 75% of the uplands are designated as National Parks or Areas of Outstanding Natural Beauty (AONBs).
- Biodiversity and natural features – More than half (53%) of England's Sites of Special Scientific Interest (SSSIs) are in the uplands.
- Land management – 82% of England's common land is in the uplands and 16% of the uplands are managed as grouse moors.

¹ CRC (2009), State of the countryside update: Uplands, CRC Web 40, Commission for Rural Communities, Cheltenham; Harvey, D & Scott, C (2010), Farm Business Survey 2008/2009, Hill Farming in England, Rural Business Research, Newcastle University, Newcastle; MAGIC (2009); National Parks (2009) National Park facts and figures, www.nationalparks.gov.uk/learningabout/factsandfigures.htm, Natural England (2010), England's peatlands: carbon storage and greenhouse gases, NE 257, May 2010; Natural England (2009), Mapping values: the vital nature of our uplands – an atlas linking environment and people, NE 209; Natural England (2009), Open Access land, www.naturalengland.org.uk/ourwork/enjoying/places/openaccess/default.aspx.

² Throughout this report all references to 'uplands' datasets also include the upland fringes, defined by Less Favoured Areas (LFAs) unless otherwise stated.

³ Since 2005, "under the Countryside and Rights of Way Act 2000 (CROW), the public can walk freely on mapped areas of mountain, moor, heath, downland and registered common land, without having to stick to paths" (Natural England, 2009b).

Executive Summary

The English uplands are iconic landscapes that provide a wealth of natural and cultural assets. They have the potential to generate many valuable public goods and market products, supporting a low carbon future and green economy. Vibrant, secure upland communities hold the key to realising this potential.

We are in a period of global change, with rising food prices, an escalating world population and the possible impacts of climate change. These will place unprecedented demands on the land – to produce food and fuel, provide clean water, control flooding, and lock up carbon alongside other upland contributions.

In these circumstances, upland communities and economies must be equipped to realise their full potential and contribute to national prosperity now and in future. Our Inquiry has identified how this might happen.

There needs to be a fundamental shift in the way we look at the uplands. Rather than seeing them as areas of severe disadvantage – which in turn influences policy and its delivery – they should be considered as areas of significant environmental, cultural and social value and opportunity.

We are recommending a new national strategy, with visible leadership and empowerment at all levels driving genuinely integrated activity. With this approach creating the conditions for success, we set out levers for change that, taken together, can realise the potential of the uplands. In particular we focus on the great potential of the uplands to provide green and low carbon solutions to environmental issues, lead the way on developing green businesses, and demonstrate and promote the benefits of working with and making the most of the natural and cultural land assets.

This report provides an overview of the challenges and opportunities that upland communities face, along with potential solutions, as set out in our recommendations.

About the Inquiry

The aim of our Inquiry was 'to identify and evaluate the drivers of change in upland communities, and to develop policy recommendations to enable and equip them to move towards more secure, economically prosperous and sustainable futures'.

The English uplands have been the subject of a plethora of research and reports that have highlighted the important part these areas play in providing public goods to the nation, particularly environmental benefits and biodiversity. Several government agencies have devised policy initiatives for the uplands. However, these tend to be narrowly focused on single policy aspects or sectors, rather than seeing them as part of a whole upland setting.

Our Inquiry adopted a fresh perspective – one that encompassed not just the policy and environmental aspects, but also the needs and circumstances of those living and working in the uplands, from their point of view. We recognised that this was a neglected dimension of the uplands situation and that what was required was an appreciation of the impacts of recent economic, social and policy changes, and the likely impact of future changes on these communities.

These changes include the major global issues of climate change and population growth and the consequent escalating demands for food, energy and water. As the Government's Chief Scientific Advisor, Professor John Beddington, puts it these create the potential for a 'perfect storm of global events'. There are also social and economic changes that are having considerable impacts on these areas.

We gathered and analysed evidence from a wide range of sources and heard first hand of the personal and professional experiences and perspectives of more than 200 people who live and work in the uplands.



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Our findings

People and communities

People are essential to the identity of the land and to its future. The landscape has been formed by centuries of human intervention and management and people remain essential to its future development.

During our Inquiry we found a strong culture of community cohesion. Many people are connected economically, socially and culturally to the land and to those who manage the land. This strong dynamic connection between land and communities is essential in realising the potential of the uplands.

Some people within the uplands play special roles as custodians and managers of land and the natural assets. Their skills and continued stewardship are vital to the delivery of the many highly valued public goods and market products that arise from the natural assets.

However, there are threats to this community cohesion, and to the sustainability of upland communities. We heard concerns about an ageing population and the loss of young people. While this picture is characteristic of most rural areas, we were told of particular issues around the loss of those with the knowledge and understanding of the uplands.

A major factor affecting retention and attraction of young people and families is the cost of housing. In common with many other rural areas, high demand from incomers to areas of landscape beauty, coupled with low supply, relatively lower local wages and restrictive planning arrangements mean that little housing is available for young people and those on low wages.

We also heard concerns about difficulties accessing services. As with other sparsely populated and geographically remote areas there has been a slow but steady decline in the number and range of services provided locally. There was clear recognition of the need for innovative and locally developed solutions to provision of public transport, education and health care.

We found evidence of a culture of initiative, enterprise and energy in business, with people developing new markets and using new technology. Many upland farming businesses and households have successfully diversified, including into non-farming enterprises and off-farm employment. This culture of initiative is demonstrated both by long-standing residents and in-migrants.

But enterprise is hampered by limited employment opportunities, as many upland economies are characterised by low wages and seasonal employment. We heard that some people need two or more jobs to earn a living wage.

We also heard recurrent concerns about the absence of a basic service infrastructure, often due to the remoteness of many upland communities. In particular, exclusion from mobile telecommunications and broadband services has a significant impact on the viability of many businesses.

Taken together these issues combine to challenge the sustainability of upland communities. Yet despite this, we found much evidence of local action and community spirit. Volunteer networks provide leadership, solve problems and provide services. These social entrepreneurs contribute to extraordinary levels of social capital in many upland communities. Local institutions and bodies such as churches continue to provide meeting points and places – the so-called social ‘glue’. This social interaction and community spirit remain central to the culture of the uplands, and provide the basis for much of the entrepreneurial activity and enterprise.

The natural and cultural assets of the uplands

Throughout our Inquiry we were made very aware of just how much the English uplands are valued for their distinct and beautiful landscapes. This is indicated by the designation of most of the uplands as National Parks or AONBs, by the very high number of visitors they receive each year and by the number and membership of voluntary organisations that seek to conserve them.

Upland landscapes represent and contain important natural assets, which generate valuable public goods. Much of the uplands are already designated for their high biodiversity value, and are home to many rare species and wildlife habitats. A high percentage of drinking water is sourced from the uplands and the way uplands are managed has a strong influence on river flows and flood risks. Upland peatlands store at least 200 million tonnes of carbon according to Natural England.

The uplands also generate valuable market products and services: food and woodland products; fuel and energy; and tourism and recreation, including walking, outdoor adventure and game shooting.

Upland natural assets have both present value and future potential. There is scope, for example, to enhance upland biodiversity, sequester more carbon, supply more high-quality meat and specialist and distinctive foods, generate renewable energy, and provide recreational and tourism services that contribute to people's health and well-being.

The importance of enhancing food security through a strong UK agriculture is recognised in Government's food strategy, Food 2030 and in ‘The Coalition: our programme for government’. Farmers in the uplands play a special role in this respect, by breeding stock for finishing in the lowlands and by producing meat directly.

Upland landscapes are both natural and human. They are ‘cultural landscapes’, living history representing human intervention, human activity and values. They have been created by centuries of human endeavour, and are maintained by continued stewardship. Settlements and communities (including their knowledge, skills, customs and traditions as well as their buildings and structures) are as much a part of the content and character of upland landscapes as are hills and valleys, rivers and lakes.

The natural assets provide a wealth of opportunity and potential but are strongly dependent on good stewardship and effective land management

practices. We heard that hill farmers and land managers are central not only to the community but also to the provision of valuable public goods, for which they are inadequately recognised.

Whilst we heard some positive stories from hill farmers, who through diversification and adaptation are running profitable businesses (often with the support of their National Park Authority), many hill farming businesses operate at the margins of financial viability, with low, or even negative, returns on labour and capital. Farm succession within families is also a commonly held concern.

There has been a marked reduction in livestock numbers as a result of de-coupling of support, the ravages of Foot and Mouth and the impact of de-stocking in response to the Single Farm Payment and to meet environmental requirements. Hill farmers currently rely heavily on the Single Farm Payment, agri-environment agreements and diversification to support their income. Many have become isolated, overwhelmed by bureaucracy and fearful for the future, particularly in relation to CAP reform and the impact on funding and their ability to continue farming and land management.

The perceived lower status of hill farming and minimal investment in relevant research, development and transfer of knowledge and skills is not consistent with the real value, contribution and potential of upland land management.

There are a number of threats to several of the valuable ecosystem services supplied by the uplands. Recent research indicates that carbon is being released into the atmosphere at a higher rate than previously thought. Brown water from peat soils is a growing problem in many places and a challenge to the provision of acceptable drinking water in the uplands. The uplands are also source areas for flooding, and inappropriate land management can appreciably increase flood risk. In the future, a warming climate, changes in precipitation or inappropriate management could convert peatlands from a carbon sink to a carbon source.

The greatest threat to these valuable assets, however, arises from a lack of recognition that these are embedded in social and economic systems – in other words, their sustainability is reliant on the sustainability of upland communities.

Challenges facing policy and governance

The challenges currently facing upland places and communities are a result of the varying approach to policy development and implementation since the Second World War. This has resulted in often conflicting and unforeseen consequences.

The uplands demonstrate a complex assortment of needs and unfulfilled potential. The future of the public goods and benefits they provide is interlinked with the future prosperity and sustainability of upland communities. This interdependence requires a more holistic approach to policy and governance, and empowerment of the communities so they have a greater say in effective service delivery.

Lack of leadership or vision

Our Inquiry revealed dissatisfaction with the disjointed and sometimes confusing nature of current policies affecting upland areas and communities. We heard repeated concerns that policies for sustainable communities, housing, planning, economic development, and public service delivery demonstrate a lack of understanding of the needs of the uplands, and of what is required to make them more sustainable in the future. Policies were criticised as ‘top down’, sporadic, short-term interventions. The absence of a satisfactory strategic policy framework means that policy objectives are not currently working towards common goals or outcomes for England’s diverse upland communities and places.

Policy weaknesses

We summarise the problems with the existing policy approach as:

- Non-participatory – people in the uplands feel disempowered and distant from decisions; policy decisions are perceived as taking insufficient account of local knowledge.
- One-size-fits-all – policy is too centralised and unable to accommodate the complexity of the problems and the diversity of upland areas and communities. Policy is generally not customised to specific contexts or is unable to adapt to local conditions and needs.
- Fragmented – policy is broken up between numerous agencies and sectors within an assortment of different geographical and policy designations.
- Uninformed – current policy is all too often inadequately informed, either by local knowledge or by thorough, well-tested scientific knowledge.

What needs to happen? Setting the conditions for success

The English uplands are under-valued national assets that generate important public goods and market products. Society needs to intervene to secure assets, generate the public and private goods, and release greater potential, such as renewable energy, eco-tourism and food production.

At the same time it is important to recognise that although it is farmers and land managers who look after the assets and deliver the goods and services, many more people enable them to do so as part of the wider upland economy and society. The wider communities of which farmers and other land managers are a part must themselves be sustainable if those who provide public goods and benefits are to carry on this vital role.

To address the weaknesses and to set the conditions to realise the full potential of the uplands, we consider the following interlinked actions need to be taken:

1. Develop a new national strategy for the uplands. This should be informed by local knowledge and experience and should be sufficiently flexible to accommodate the rich diversity of these areas. A strategy would provide a coherent framework so that upland people, businesses and communities can better understand what they need to do to play their part in protecting and enhancing the value of these important national assets.
2. Provide visible leadership at a national level to drive genuinely integrated activity across all of the government departments that have a role to play. This would also encourage and enable a more flexible, place-based approach to other governance structures to build leadership capacity focused on the specific circumstances of the uplands at a sub-regional and local level.
3. Support and empower upland communities so they have much more direct input into decisions that have an impact on their lives and businesses, and involve them in the design and delivery of the services that are essential to maintaining thriving upland communities.

It will require a fresh commitment from government departments, public bodies, local authorities and others to work together with communities and local leaders. We recognise that good practice already exists which demonstrates collaborative working and this should be built upon.

We also know that realising the full potential of England's uplands is not within the gift of one body and there is no single solution to this complex picture.

The new strategy should be:

- integrated – across sectors, administrative areas and departments;
- territorial – for the uplands, distinctive and appropriate to specific circumstances recognising diversity across upland areas;

- well-informed – using local and expert knowledge and, where appropriate, the outcomes of research and development;
- participatory – involving local people;
- incentivising – for those delivering public goods;
- investment focused – building a diversified economy based on the potential of the uplands and its communities.

It will succeed if it is integrated at all levels and recognises the diversity of each upland area: what is workable and appropriate for the Cumbrian uplands may well be different from what should be delivered in Exmoor or the Peak District. Actions taken at different governance levels should build on efforts that are already being made to achieve greater integration.

The Inquiry recognises the need for a multi layered approach to governance. We heard again and again that communities feel that they do not have a voice, and we strongly advocate that the communities should have a say in how any investment is carried out in their areas through more effective participation and empowerment. We recognise that elements of the 'Total Place' agenda rightly reflect the place making role of local authorities and support their engagement with communities and local leaders, and we recognise the important role of parish councils at this local level. At a wider spatial level we support the use of mechanisms such as Multi Area Agreements to work across current boundaries and designations which could advance community development in the uplands.

We also recognise that the commons management approach could provide a model for land management that emphasises collaborative and communal working.

This participatory approach should set the conditions for success and will respond to the different challenges and opportunities that arise from diverse rural areas.

Recommendations – setting the conditions for success

1: A new integrated strategy for the uplands

The Government should develop a comprehensive and integrated strategy for England's uplands, to protect and maximise the benefits derived from the valuable national assets these areas contain. The strategy should recognise that support and investment in thriving upland communities is critical to realising the full potential of these diverse areas.

2: Strengthening leadership and momentum

The Government should appoint an individual with lead responsibility for developing and ensuring effective implementation of the new uplands strategy. This individual should be accountable to Ministers of BIS, CLG, DECC and DEFRA.

3: Empowering communities in the uplands

3.1: CLG should take responsibility for ensuring that the recommendations of the CRC's Participation Inquiry (2008) are implemented, and in particular:

- ensure that both central and local government commit to supporting and acting upon very local community plans such as parish plans and market town plans;
- encourage local authorities to give neighbourhood budgets to local councillors for expenditure within their areas and for parish councillors to involve local residents more directly in spending decisions using participatory budgeting principles.

3.2: Relevant local authorities should be encouraged by CLG to pilot new approaches that enable local authorities and communities to work together in upland areas to agree objectives, allocate resources, and achieve strategic goals. One of the models which might be piloted in an upland area could be the Multi Area Agreement (MAA) or similar. And CLG should extend the scope of its Total Place pilots to an upland location, providing a valuable opportunity to explore both the potential for a more integrated, place-based approach to public sector provision, and the opportunities for strengthening voluntary, community and social enterprise activities in upland communities.

3.3: Defra should enhance the role and value of the National Park Authorities by increasing their statutory responsibilities to give equal priority and status to foster the economic and social well being of local communities alongside the existing statutory purposes set out in section 61 of the Environment Act 1995.

3.4: Local planning authorities should be required to demonstrate that they have given material consideration to properly constituted parish plans and other local consultative strategies.

These recommendations set out the conditions for success. This approach should facilitate real participation in how these hardworking and beautiful areas are managed in a joined up, locally sensitive way.

Building on this we now set out our levers for change that should help to realise the potential of the uplands.

Realising the potential: Levers for change

The English uplands contain a wealth of natural and cultural assets with the potential to generate many valuable public goods and market products for the nation, and support a low carbon future and the green economy.

Building on the conditions for success as set out above, we set out the main levers for change that will help develop sustainable communities and realise the potential of the uplands. There is a need for better integrated and targeted investment to improve infrastructure, support hill farmers and land managers, encourage innovation and economic potential, and build social capital and aspirations in contributing to a vibrant, wider upland society.

The levers are:

- public payment for public goods;
- a reformed, better targeted CAP;
- developing markets;
- a positive future for farming;
- pioneers of green business development;
- building capacity and raising aspirations;
- switching on the uplands – investment in communications infrastructure; and
- planning as an enabler for sustainable housing and business.

Public payment for public goods

Individual land managers need to be rewarded for the provision of public goods. Some of this will be achieved by developing markets (e.g. for carbon and water), but most public goods are not amenable to this. A sophisticated understanding, targeting and rewarding of public goods, and not just environmental ones, is therefore urgently needed. In the uplands we need to avoid the threats of depopulation and land abandonment. We need to harness the enormous benefits of managing habitats, and maintaining biodiversity and the cultural landscape – all to the good of the environment and the nation as a whole. So rewarding and incentivising land managers for maintaining and developing public goods and services is critically important and targeted CAP reform will be essential in making this happen.

A reformed CAP – communities and taxpayers benefitting from a better targeted CAP

CAP reform in 2013 and 2020 provides an opportunity to address the issues at a European and possibly national level. We recognise that there are many challenges, not least a likely reduction in budget, and with the growth in member states the number of farms expecting support could increase from 5 million to 15 million. We also recognise the opportunity that CAP reform gives to gain more targeted support for rewarding public goods, and more investment in the communities themselves.

It is important that support of UK hill farming and land managers and appropriate reward for the valuable, varied and wide ranging public goods generated is a key outcome of CAP reform.

Recommendations

4: A new approach to funding

4.1: Current funding mechanisms will not unlock the potential of the uplands and as part of the CAP reform in 2013 and 2020, Defra and its agencies (and the EU) should develop a new approach to rewarding farmers for managing national assets in harmony with developing businesses and market enterprises.

4.2: Defra should broaden its concept of 'income foregone' to include the full costs of the farmer staying in business, in line with some other EU countries.

4.3: To reflect the contribution of upland communities to public benefits, Defra should ensure that the menu of measures under axes 3 and 4 should be broadened to enhance investment in and support for social sustainability of communities in upland areas.

4.4: Delivery bodies with Less Favoured Areas within their jurisdiction should review the extent to which RDPE funding is sufficiently accessible to upland farms and rural businesses (especially those relating to enterprise investment and rural business support).⁴

Developing markets for carbon, water, woodland products and food

There is a need to sustain upland farming communities and culture more generally, and not just through direct payments for public goods. A greater diversity of markets for land-based products and services would contribute to this, and we believe there is potential to both expand existing markets and develop new ones, particularly in relation to carbon and water.

Recommendations

5: Developing markets for carbon and water

5.1: Defra should establish a long-term land management policy to mitigate carbon loss, particularly in relation to peatlands management. This policy should be informed by the knowledge and capacity that various research programmes have developed in this area.

5.2: DECC should set out the steps necessary to develop effective carbon markets and ensure that future reward for land carbon management comes through the market.

5.3: Defra and its agencies should use good practice (such as SCaMP and catchment sensitive farming) to develop models for public-private investment that secures multiple objectives in upland catchments, maintains water quality, reduces flood risk and potentially provides income for hill farmers and land managers.

⁴ Recommendation taken from evidence to the Inquiry from Chloe Palmer 'A future for hill farming' Nuffield Farming Scholarship Report, December 2009.

A positive future for farming

Even with a better targeted CAP, and developing markets, most upland farmers and land managers will depend on opportunities for off-farm employment and non-farming enterprise that are offered by a diversified wider economy (i.e. pluriactivity). Farmers and land managers both contribute to and need a vibrant wider upland society (e.g. for schools, healthcare and public services).

There is a positive future for hill farming, and there is a need for better coordinated research and development to highlight where scientific developments and local knowledge can combine to provide innovative and inspirational solutions. More generally there is a need to recognise and promote hill farming's essential role in delivering valuable goods and services.

Recommendations

6: Securing the future for hill farming

6.1: Given the fundamental changes and the provisional budget allocations for the Upland Entry Level Scheme, Defra should review uptake and initial impacts of the scheme by 2012.

6.2: Decisions on stocking rates should be made locally to reflect the distinctive needs of each place, local climate and the balance of public goods appropriate for particular areas. We are recommending a rapid review of the policy and its effects – informed by whatever monitoring evidence and scientific evidence is now available – to understand more about what is happening on the ground.

6.3: Farming lead bodies, including NFU, TFA and CLA should work with Government to develop proposals, and facilitate good practice in ensuring the succession of upland farms.

6.4: In order to address the R & D deficit relating to sustainability of the uplands, Research Councils UK and other relevant stakeholders should target key themes and then build capacity through partnerships, pool scarce resources and facilitate greater knowledge transfer across relevant research projects.

6.5: At least one land-based college should use its hill farming resources to improve and promote apprenticeships, training, and livestock improvement and land management programmes. This should include field trial work and the development of learning materials for wider application.

6.6: RDPE funding should be used to develop a series of commercial demonstration farms to promote good practice across a range of disciplines including implementation of agri-environment schemes, soil and livestock management, alternative forage crops, stocking rates and grazing management regimes.

6.7: Because of the dependence on four wheel drive vehicles to carry out work in the difficult terrain of the uplands, we recommend that manufacturers and HMRC clarify and publicise the criteria for reduced taxation, including which vehicles qualify.

Pioneers of green business development

In terms of the wider economy we heard about exciting developments in the future business potential of renewable energy schemes, green business, new approaches to tourism, and the potential in providing and marketing local food and local products. In addition the benefits of new technologies mean that people may choose where they work, which means that entrepreneurs may develop their businesses without having to move to urban centres.

The challenges of climate change and food, energy and water security could, in fact, provide greater opportunities for economic activities in the uplands. This would be particularly so if opportunities were encouraged through more targeted business support and if the benefits accrued from green businesses and the use of renewable energy schemes could be enjoyed first and foremost by the communities themselves.

Recommendations

7: Encouraging enterprise in new green growth areas

7.1: DECC and CLG should require local authorities to complete an audit of the opportunities for renewable energy to stimulate new enterprise and ensure opportunities for added value are not missed.

7.2: BIS should ensure that specialist advice to develop new green businesses and enterprise is available and accessible across England's uplands.

7.3: BIS and DECC should ensure that programmes and incentives are offered to local businesses and social entrepreneurs within upland communities and that the economic benefits are enjoyed first and foremost by the local communities.

7.4: In any future plans for afforestation in the uplands, the Forestry Commission should promote and demonstrate full consideration of local social and economic benefits.

Building capacity and raising aspirations

To retain and attract young people to the uplands is key to the future of vibrant, sustainable upland communities. Developing skills and knowledge and supporting local leadership is vital, but needs to be tailored to the special circumstances and value of the uplands. There is a need for greater support for new technologies and businesses which will provide opportunities for enterprise and employment to release the full economic potential within the uplands. Mentoring schemes, apprenticeships and local training will be important to helping people prepare for new opportunities.

There is also a need for better integration and recognition of the critically important role of the voluntary and community sector in building the capacity of, and delivering services to, upland communities. The "get on and do" attitude found in these groups needs to be built upon, using many of the existing, highly effective bodies and networks.

Recommendations

8: Raising aspirations: supporting development of communities

8.1: Cabinet Office should ensure that proper account is taken of the needs and potential of upland communities when developing and delivering the Government's Big Society Programme. In particular, the arrangements for the voluntary and community sector should be replaced with committed and reliable measures.

8.2: BIS should provide support to existing and emergent industries in the uplands, with advice, training programmes and knowledge sharing fora, focused on new and traditional skills and businesses, which reflect the business profile and potential of the uplands. Wherever possible this should be informed by experience of living and working in the uplands. Mentoring schemes would be particularly important to encourage innovation and provide inspiration.

Switching on the uplands – investment in communications infrastructure

Investment in infrastructure is also essential, in particular in broadband and mobile phone coverage, which remain undersupplied in many upland areas, and which will enable businesses to operate more effectively and efficiently. This infrastructure will also provide the vital social interaction needed by young people and families through social media, and service delivery (shopping, bill paying etc) and deliver the basic requirements of education, healthcare and government advice.

Recommendations

9: Improving broadband and mobile telephone communications

9.1: BIS and Defra (through Broadband Delivery UK) should support the development of creative solutions to deliver NGA (Next Generation Access) to upland areas, including support for more community broadband schemes, and promoting good practice.

9.2: BIS should agree a set of proposals with OFCOM to provide universal coverage of mobile phone services.

9.3: BIS should agree to use a framework agreement so that public investment (e.g. through schools) may be used to support better broadband connectivity and speed for local communities and businesses.

Planning as an enabler for sustainable housing and business

The planning system is a key enabler for sustainable community development in terms of facilitating business development, supporting sustainable affordable housing, and adopting measures to support

adaptation to climate change. The National Parks are particularly important as planning authorities in the uplands, and they have a strong influence on land use and landscape. Their new vision sets out how they can contribute to fostering economic and social well being within upland communities. Generally, we would like to see planning authorities giving greater attention to, and taking action on community planning schemes and encouraging local participation in the planning process, building on local expertise and knowledge.

Recommendations

10: Planning to enable sustainable upland communities

CLG should:

- Give clear guidance that affordable housing and homes for 'live-work' are fundamental to the sustainability of upland communities and to their management of the cultural and natural heritage.
- Provide advice that makes clear to local planning authorities and the Planning Inspectorate that more affordable housing must be approved in the wider public interest, and ensure that development plans and housing strategies reflect this imperative.
- Ensure a greater role for communities in approving small schemes of affordable housing without formal planning consent where this need is established in parish plans.
- Encourage public bodies that own land in the uplands (e.g. Forestry Commission, National Parks, Ministry of Defence) to make sites available for affordable housing provision at low cost, where these can contribute toward meeting needs.
- Ensure that the HCA makes sufficient finance available to build affordable housing in the uplands, and engages with upland organisations, landowners and parish councils – through its 'Single Conversation' – in order to properly address issues such as higher design and development costs and the scarcity of development sites. Where such costs are higher because of the wider public interest then these costs should be met from general taxation.
- Press for council tax revenue generated through the charge on second homes to be used to support affordable rural housing.

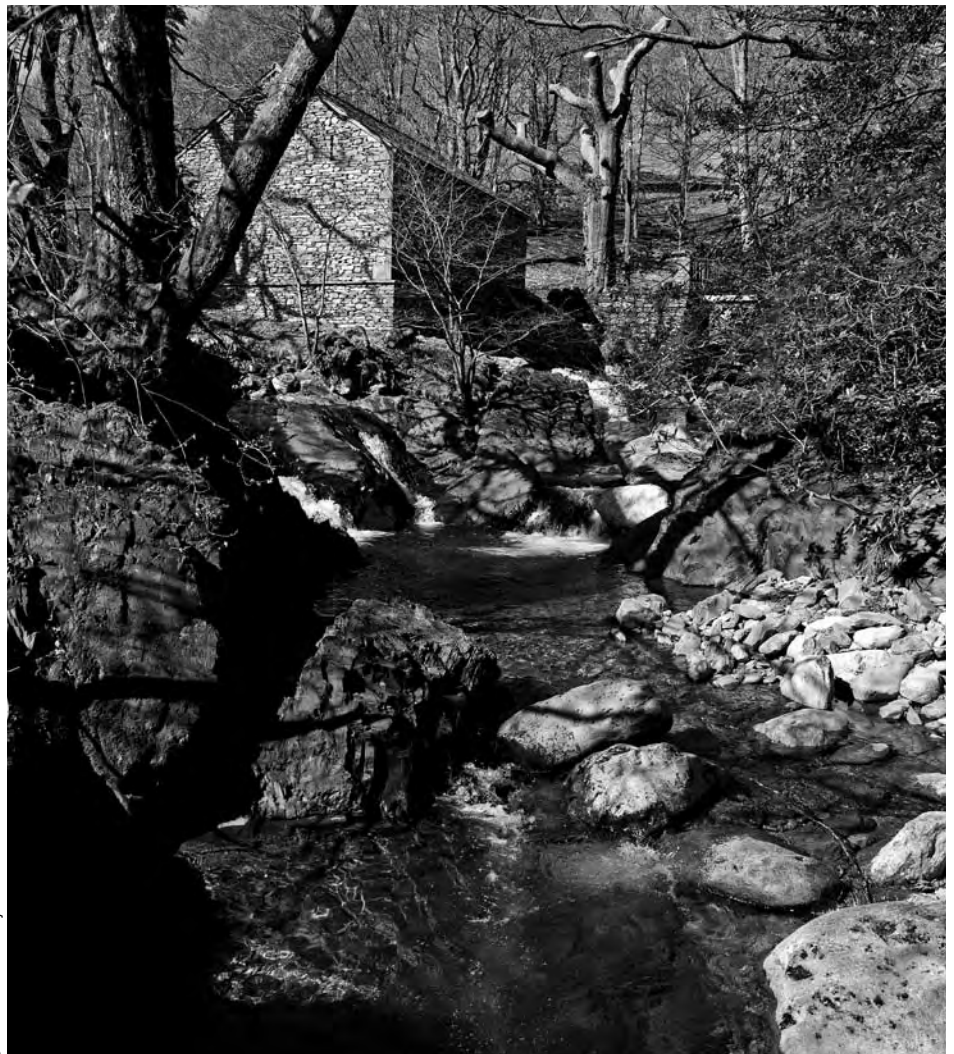
Summary of recommendations

- 1.** A new integrated strategy for the uplands
- 2.** Strengthening leadership and momentum
- 3.** Empowering communities in the uplands
- 4.** A new approach to funding (a better targeted CAP)
- 5.** Developing markets for carbon and water
- 6.** Securing the future for hill farmers
- 7.** Encouraging enterprise in new green growth areas
- 8.** Raising aspirations: supporting the development of communities
- 9.** Improving broadband and mobile telephone communications
- 10.** Planning to enable sustainable upland communities

In conclusion

We have concluded that there is a need for a new way of looking at the uplands. Rather than defining these areas purely by their agricultural disadvantage, the nation should be considering them as areas that offer great public benefit and environmental value. Not only are they iconic landscapes, providing space, tranquility, beauty and preserving cultural heritage, but they are also working areas that deliver crucial goods and services to sustain and support human livelihoods. The continued delivery of these public benefits is inextricably bound up with the wider sustainability of upland communities, but this has been insufficiently recognised.

The sheer scale of benefits that are provided by these areas – from their ability to store carbon, to providing clean water, to the extent of biodiversity supported, along with their landscape and cultural heritage – is surprising. But they could deliver even more. The national strategy, visible leadership and community empowerment and our levers for change should help to realise this potential. The uplands could provide green and low carbon solutions to environmental issues, and lead the way on developing the green economy, demonstrating and promoting the benefits of working with and making the most of the natural and cultural land assets. They could also be a model of how government supports community solutions for wider benefit.



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Introduction to the Inquiry

Renowned throughout the world for their stunning beauty, the English uplands are valuable national assets worthy of protection not only in their own right but because of the many natural and cultural resources they generate. These are not simply iconic landscapes – our population relies on them to provide benefits essential to life, such as clean water, fresh air, healthy food and opportunities for recreation and enjoyment.

From the dramatic granite tors of Dartmoor to the rugged high moorlands of the North Pennines, these distinctive areas have each been shaped by the natural elements that formed them. However, although many think of the uplands as England's last true wildernesses they have in fact been managed for centuries by human interaction with the land. It is local people, with their intimate knowledge, whose day-to-day management of the land has created the living, working landscapes of today.

Yet these communities are under threat, facing as they do a number of social, demographic and economic challenges in a period of quite extraordinary change – much of this occurring at an unprecedented pace (see opposite). The financial viability of hill farming, a way of life that remains central to most of the uplands, is at a critical stage and there are problems relating to succession and the loss of young people and traditional skills.

The need to address overall investment and support in the uplands is now imperative. At the moment, however, there is no clear, specific governmental policy as to how these areas might be managed. Those who manage the uplands must also work within the context of the major global issues of climate change and population growth and the consequent escalating demands for food, energy and water.

As the Government's Chief Scientific Advisor, Professor John Beddington puts it, these create the potential for a 'perfect storm of global events'. It is predicted, for example, that by 2030 worldwide demand for food will increase by 50%, and for meat by 85%, and that by 2050 the number of people living in countries chronically short of water will rise to more than four billion. Agriculture, which accounts for 70% of global fresh-water use, will be particularly vulnerable.⁵

These drivers of change will place unprecedented demands on the land – demands that the uplands are in a very strong position to address, such as the production of food and fuel, clean water, the control of flooding, and locking up carbon. They also have the potential to contribute to – or even lead – a low carbon future and a green economy. In these circumstances, upland communities and economies must be equipped to realise their full potential and contribute to national prosperity now and in future. Our Inquiry has identified how this might happen.

We think that the uplands deserve political and public attention now so that society becomes aware of what is at stake and is better able to prioritise payments for the public goods that the uplands provide. The opportunity to use these extremely valuable assets must not be wasted. By acting now, we can help communities continue to live and work in the uplands and so protect them for future generations.

⁵ Evans, A (2009), *The Feeding of the Nine Billion: Global Food Security for the 21st Century*, Chatham House, London.

Drivers of change

England's uplands face significant challenges to secure their future and to realise their potential.

Economic change – traditional forms of land management, particularly hill farming, are increasingly exposed to competition and global markets as a consequence of reforms to the Common Agricultural Policy (CAP) which have, step by step, eroded the protection afforded to the 19,000 plus farms with land in the uplands. Of the 12,333 farm businesses with at least a third of their land in the uplands, approximately one in five expects to go out of business in the next five years⁶. Many hill farmers are now struggling to remain viable, and the farm now contributes less than half of household income on approximately half of all upland farms.

Social change – changing aspirations have led to an increasingly mobile population, with people choosing to reside in upland locations but to work elsewhere, or to work in the uplands and access services elsewhere.

Climate change – adapting to, and mitigating the effects of, climate change requires changes in behaviour, from reducing domestic energy consumption to changing established land management practices. Most of England's deep peatlands are damaged: about three-quarters show visible peat degradation or damage due to previously accepted forms of land management, such as land drainage; much of the rest is affected by pollution⁷.

Land use change – the uplands are increasingly characterised by a multitude of overlapping land uses with complicated land tenure arrangements in place. The land-based economy has shifted from production towards services and a focus on leisure and lifestyle consumption⁸.

Technological change – the uplands provide an illustration of the growing digital divide. On one hand, connection speeds are generally much lower in upland areas than in urban areas. Where upland households have a connection, just under a third have connection speeds of 4 Mbps or better, compared with almost half of households in urban areas. On the other hand, home working in the uplands seems to be ahead of lowland areas. For example, in rural parts of the Lake District National Park, the estimated rate of home working is as high as 25% compared with 15% in rural Cumbria as a whole⁹.

Demographic change – upland areas reflect the demographics of rural communities in general, but the anecdotal evidence from the hearings and our qualitative research shows that the fear of the loss of young people, particularly in remote, sparsely populated areas of the uplands is particularly pronounced in England's upland communities. This is seen to threaten the future viability of upland communities in terms of future service provision, transport and community cohesion.

Governance change – the uplands are sparsely populated areas, often at the margins of local government areas and generally in the minority. One consequence is a widespread concern that their voices are not heard and that increasing interest from the agencies of government can too easily overlook the value of local knowledge.

⁶ (Defra (2009) Farm Practices Survey, Agricultural Change and Environment Observatory Dept for Environment, Food and Rural Affairs, York).

⁷ (Natural England (2010), England's peatlands: carbon storage and greenhouse gases, NE 257, May 2010).

⁸ Reed, M S, Bonn, A, Slee, W, Beharry-Borg, N, Birch, J, Brown, I, Burt, T P, Chapman, D, Chapman, P J, Clay, G, Cornell, S J, Fraser, E D G, Holden, J, Hodgson, J A, Hubacek, K, Irvine, B, Jin, N, Kirkby, M J, Kunin, W E, Moore, O, Moseley, D, Prell, Quinn C, Redpath, S, Reid, C, Staigl, S, Stringer, L C, Termansen, M, Thorp, S, Towers, W & Worrall, F (2009), The future of the uplands, Land Use Policy, 26S (2009), S204-216, available at www.foresight.gov.uk/Land%20Use/jlup/24_The_future_of_the_uplands.pdf.

⁹ Land Use Consultants (2004), A social and economic profile of the Lake District National Park, Report to the Lake District National Park Authority, Land Use Consultants, London, Bristol, Glasgow & Edinburgh.

About this Inquiry

The English uplands have been the subject of a plethora of research and reports that have highlighted the important part these areas play in providing public goods to the nation, particularly environmental benefits and biodiversity. Several government agencies have devised policy initiatives for the uplands. However, these tend to be narrowly focused on single aspects or sectors, rather than seeing them as part of a whole uplands setting.

Our Inquiry adopted a fresh perspective – one that attempted to encompass not just the policy and environmental aspects, but also the needs and circumstances of all those living and working in the uplands, from their point of view. We recognised that this was a neglected dimension of the uplands situation and that what was required was an appreciation of the impacts of recent economic, social and policy changes, and potential future changes on these communities. To our knowledge this is the first time that any inquiry has brought together the land and people in this way to examine the true dynamics of how the uplands function.

Our Inquiry was informed in particular by visits that Dr Stuart Burgess, the Rural Advocate, had made to upland communities and by our regular State of the Countryside reports. Its specific remit was ‘to identify and evaluate the drivers of change in upland communities, and to develop policy recommendations to enable and equip them to move towards more secure, economically prosperous and sustainable futures’.

Initial investigations indicated to us that while much attention had been given to the hill farming industry, upland environments and ‘ecosystem services’, less attention had been paid to people and communities. Information about farming and the natural resources in the uplands has long been collected and analysed, but there is much less understanding of the economic and social impacts of recent influences on upland communities as a whole.

In his report to the Prime Minister in February 2008¹⁰ Dr Burgess argued that there should be stronger recognition of the real economic and social value that management of the uplands brings. He urged government to consider how to support upland communities to secure a sustainable future and to provide the wider benefits society wants to see.

Sources of evidence

Over the course of our Inquiry, which took place during 2009, we gathered and analysed evidence from a wide range of sources. We were especially concerned to hear from those whose personal or professional lives depend on the uplands and their futures.

At our six regional hearings we heard evidence from more than 200 people who live and work in upland communities across England, representing either themselves or more than 160 businesses and organisations. We learned first-hand of the wealth and diversity of the natural and cultural assets of the uplands. We also heard about the problems upland communities face, and the potential for solutions.

¹⁰ CRC (2008), Report of the Rural Advocate, 2007, CRC58, Commission for Rural Communities, Cheltenham, February 2008.

In addition to the regional hearings we also gathered evidence from:

- five research-based seminars, which also provided supporting literature reviews and special studies;
- a *State of the countryside update: Uplands report*¹¹;
- a public call for evidence, which provided more than 100 written submissions;
- research into the views of people and communities in the uplands¹²; and
- a number of return visits we made to upland areas, to test out and further refine our initial findings and recommendations.

All of the supporting information that was gathered during the Inquiry, along with other unpublished reports, is available on our website.

Oral evidence from the hearings was backed up and tested against our detailed research and written submissions, and our overall conclusions used to formulate the recommendations in this report.

The Inquiry panel

The panel comprised Dr Stuart Burgess CBE, CRC Chairman and Rural Advocate, and five Commissioners:

- Canon Professor Michael Winter OBE, Director of the Centre for Rural Policy Research and Professor of Rural Policy at the University of Exeter;
- Dr Jim Cox OBE, former rural General Practitioner and chairman of the Royal College of General Practitioners' Rural Practice Group;
- Howard Petch CBE, former Principal of Bishop Burton College and former Chief Executive of Landex (Land Based Colleges Association);
- Professor Mark Shucksmith OBE, Professor of Planning at Newcastle University; and
- John Varley, CEO of Clinton Devon Estates and CRC Commissioner until 2009.

Structure of the report

We present our Inquiry findings in the following chapters:

- Chapters 1 and 2 outline the characteristics, assets and value of the people and of the natural and cultural resources of the uplands, and the benefits these provide. We also outline the challenges that are now faced.
- Chapters 3 and 4 set out our responses to these challenges, explaining the need for a new national strategy for the uplands supported by visible leadership and empowered upland communities (covered in Chapter 3); and the levers for change which we believe should be actioned to better realise the potential of the uplands (covered in Chapter 4).
- Chapter 5 presents our conclusions.

¹¹ CRC (2009), *State of the countryside update: Uplands*, CRC Web 40, Commission for Rural Communities, Cheltenham.

¹² Step Ahead Research Ltd (2009), *Inquiry into the future for England's upland communities: the views of the communities*, Report to the Commission for Rural Communities, Step Ahead Research Ltd, London, Exeter & Sittingbourne.

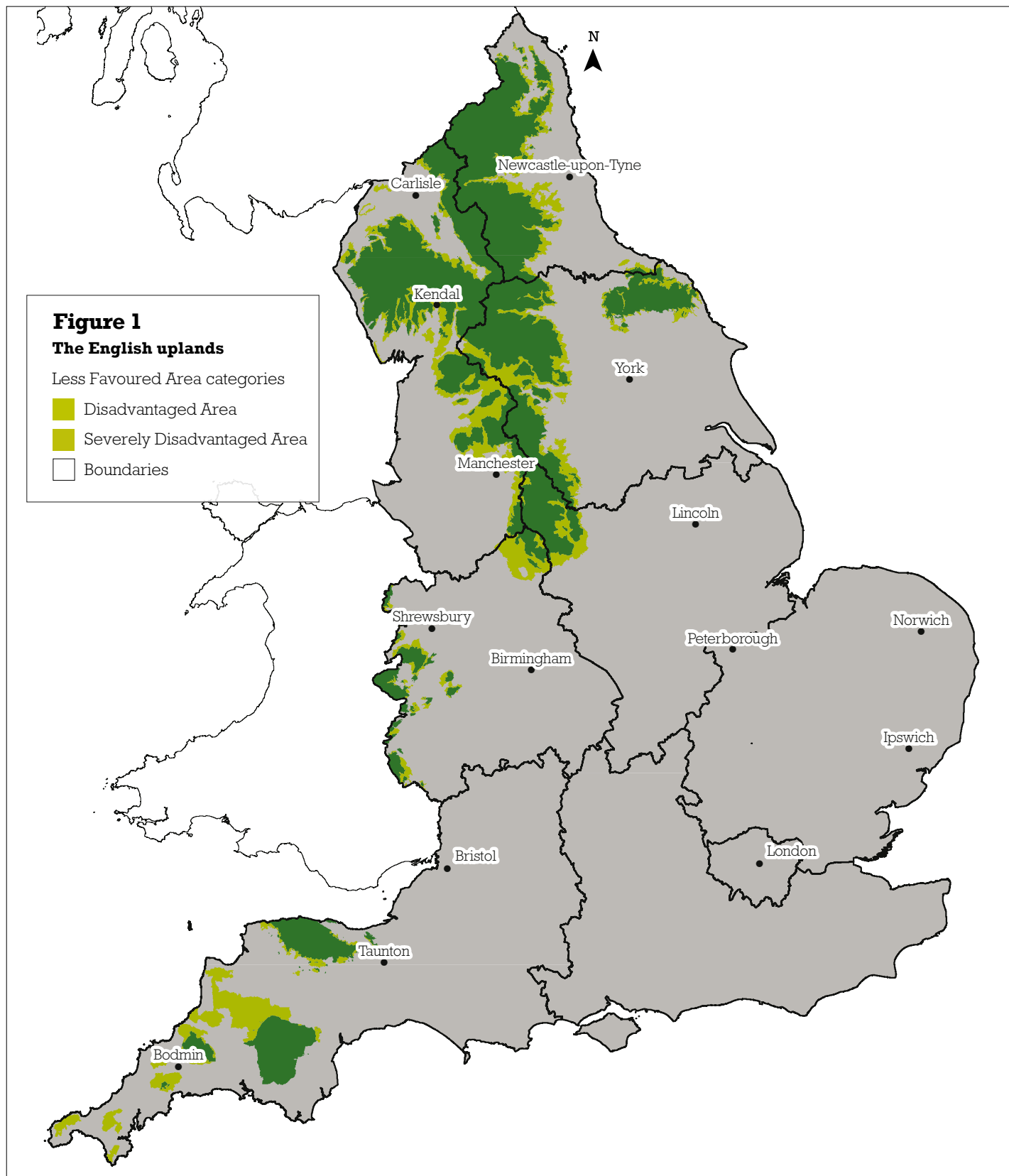
The English uplands

The English uplands are made up of the following areas:

- The northern uplands, including the Pennines (with the Peak District at its southern end), the Yorkshire Dales and North Pennines, the Cumbrian Fells and the Cheviot Hills at the northernmost extreme, and the North York Moors (separated from the Dales by the Vale of York and Vale of Mowbray).
- The uplands of the West Midlands, including the eastern edge of the Black Mountains in Herefordshire and the Shropshire Hills (the Clee Hills, Wenlock Edge and the Long Mynd).
- The south western group, including Dartmoor, Exmoor, the Quantocks, and Bodmin Moor.

There are many ways of defining the uplands. For the purposes of our Inquiry we refer to England's uplands as an area focused on, but not exclusive to, the Severely Disadvantaged Areas (SDAs). To capture the majority of upland communities, and to broaden the range of datasets available to our Inquiry, we have chosen to include some areas of upland fringe, defined as those areas designated as Less Favoured Areas (LFAs) in England (with the exception of the Isles of Scilly). This uses a classification originating from European regulations in keeping with the definitions used by other government departments and agencies.

Although we have drawn upon the terms 'disadvantaged' and 'less favoured' to identify upland areas, these terms were originally coined by the European Commission as a means to describe an area's agricultural potential. As such these descriptors do little to convey the value of the uplands. Indeed, there is a danger that they may erroneously influence perceptions and consequent decisions relating to upland areas.



Source: Multi-Agency Geographic Information for the Countryside, 2010. Less Favoured Areas (England) (2004).

1

Chapter 1: People and communities

People are central to the future of England's uplands. It is they who have shaped the landscape, the economy and the cultural heritage for the good of their communities and the nation.

More secure, vibrant upland communities hold the key to realising the full potential of these hard working, iconic English uplands.

Businesses and employment that generate good levels of income, affordable housing, good infrastructure and communications, and good public services and amenities are the essence of sustainable communities.

But progress is required across the board to deliver these – many of those who live and work in the uplands have difficulty accessing services, education, housing, training and employment, broadband and mobile communications.

Addressing these issues will also help to overcome the difficulties faced in retaining or attracting younger people to the uplands, not least those with the knowledge, skills and capacity to manage the uplands.

Given the remoteness and sparsity that is characteristic of much of the uplands, the challenge is to develop practical, sometimes innovative, solutions to public and other service provision. In addition we need to create the right conditions so that opportunities can be taken up.

Introduction

This chapter summarises the evidence we heard during our Inquiry about the characteristics, value and remarkable potential of upland communities to benefit wider society.

We then go on to discuss the main challenges that threaten the sustainability of these communities and hamper progress for those who live and work in the uplands.

The value and potential of upland communities

It is people who have shaped the landscape, the economy and the cultural heritage for the good of their communities and the nation. We heard a number of common themes in relation to people and their communities. In particular, they:

- have a strong sense of place;
- act as custodians of the land;
- are cohesive and vibrant communities;
- are resilient; and
- are enterprising.

Each of these is considered below.

A strong sense of place

More than 800,000 people live in the rural parts of England's upland areas.¹³ A further 1.2 million live in the more urban parts of the uplands, with significant concentrations in South and West Yorkshire, and East Lancashire.

Each community has its own particular setting, history and character. However, a common feature mentioned by participants at the hearings is the strong link with the land and landscape. Although not exclusive to upland communities, this overall sense of place (or what some called 'connectedness' to the land) appeared to be felt particularly strongly in the uplands.

Farmers and land managers are custodians of the land

Another aspect of the value and potential of upland communities is found in those who are the stewards and managers of the land. Many who gave evidence emphasised the vital role played by farmers and land managers in maintaining the distinctive landscapes of the uplands and in delivering their ecosystem services. We were also warned of the threats to landscapes and the environment as traditional skills are lost and hill farming becomes less and less viable.

The value and relevance of experience, skills and knowledge within an upland context is not to be underestimated. In many cases these are passed from one generation to the next. For example, in-depth knowledge of the land, climate and livestock plays a crucial role in the selective breeding of sheep, and hefting of sheep is a defining characteristic of upland livestock farming.

Farming also plays an important role in strengthening communities and building community coherence. A study of social capital in hill farming in Cumbria¹⁴ concluded that successful environmental management depends on farm families working well together, a situation that is the result of generations of trust. The research found that some co-operative activities (such as the development of local food marketing) were increasing and that well-established practices such as 'neighbouring' (farmers helping each other with specific tasks) continue to be used. It was also clear that farmers were key agents in both caring for the countryside and interpreting it for visitors.

48% of upland farms have some form of off-farm diversification or other income¹⁵, so indicating that the future viability of wider upland communities and economies has become much more important – not only for the services they provide, but also as a critical source of alternative income. Many farming families now rely on full or part-time jobs – in hotels, shops, schools, pubs and restaurants – to maintain their livelihoods.

“I don't think people realise how much farmers do to make the landscape beautiful. If we didn't look after it, it would be scrubland and full of weeds... Farmers should be supported to look after the land”
(Interview, Yorkshire, April 2009).

“The role of farming in shaping upland landscapes has been vital and will continue to be so”
(English National Park Authorities Association, evidence to Inquiry).

¹³ CRC (2009), State of the countryside update: Uplands, CRC Web 40, Commission for Rural Communities, Cheltenham.

¹⁴ Burton, R; Mansfield, L; Schwarz, G; Brown, K & Convery, I (2005), Social capital in hill farming, Report for the Upland Centre, Macaulay Institute, Aberdeen & University of Central Lancashire.

¹⁵ Defra (2009), The farm practices survey 2009, Uplands and other Less-Favoured Areas (LFAs) survey report, Defra Agricultural Change and Environmental Observatory Research Report No 16, October 2009.

Case study: A hill farming family

Julia and Carl are illustrative of the range of activities that some hill farming families undertake in order to maintain the viability of their farm. Carl works full-time farming cattle and sheep in Teesdale, County Durham, and employs part-time help. Julia also works for an organisation that provides support services to the local community.

Although the couple's three children still help on the farm, they are all now studying or working in skilled occupations that require them to travel from home. The eldest daughter, a science graduate of Newcastle University, works 30 miles away as a Team Leader and Acting Team Manager providing advice to the pharmaceutical industry. She has moved out of the family home and lives with her partner, who has taken on a first-time tenancy farm in Teesdale (in addition to other full-time self-employed work in the area). The couple's son also works in the pharmaceutical support industry and commutes to Barnard Castle. Their youngest daughter is currently studying to be a nurse at Teesside University.

This case study illustrates how farming families that need to supplement their income may work away from the farm in diverse, sometimes highly skilled, capacities.

The interdependencies between the land, the custodians and managers of the land, and the communities who support, value and make things happen in the uplands is critical.

These are cohesive and vibrant communities

The 'strong community spirit' of which we heard so much throughout the Inquiry may not be exclusive to the uplands but was, nonetheless, a persistent theme. This was illustrated at several of the regional hearings:

- In the North East, we heard about Tasset 2050, where people and communities are working together to bring about various local projects. Strong informal networks exist in the parish, and an 'asset mapping' exercise demonstrated the rich and diverse interests, skills and knowledge within local communities. Similar examples were given of former 'pit communities' having a sense of self-help within their culture, sharing skills and knowledge to run local facilities. The Teesdale Village Halls consortium was one such example.
- In Yorkshire, the village of Clapham was cited as a small, active community that provides many of its own solutions, including sharing transport and buying essentials such as diesel fuel in bulk. It was suggested to us that this sort of self-help and adaptability, in the face of limited options, is a feature of upland communities in general.

“There is a strong community spirit fostered by difficult living and working conditions and tending to help each other out. The population tends to be more stable, resulting in increased knowledge and familiarity with neighbours; and upland communities have a strong sense and good understanding of what is needed to sustain it.”

(Colton Parish Council, evidence to Inquiry).

- In the North West, it was noted that the increasing diversity within communities was a strength, rather than a weakness, and would secure the future of life in the uplands.

In its submission to the Inquiry, the Carnegie Trust UK commented that “migration and newcomers to the uplands have brought new skills, experiences and an interest in integrating into upland communities, and have an increasing role in community governance”.

The effects of in-migration vary from one area to another, of course, and some participants at the hearings said they felt that incomers did not make valuable contributions to the local community. On balance, however, it was felt by participants that in-migrants were bringing new perspectives and adding to the social and economic vibrancy of communities.

The strong community spirit was also evident in what we heard about voluntary activity in the uplands. Voluntary organisations and networks are an important part of the life of upland communities too, helping to promote social cohesion and social capital. Activities we heard about included:

- practical conservation and protection of the environment and heritage features;
- advocacy and campaigning, often on local issues;
- the provision of services, social care, advice and support;
- community regeneration;
- the provision and maintenance of community buildings; and
- recreational and educational activities.

Levels of volunteering in upland communities are impressive. For example, at the North East Regional Hearing it was reported that in Teesdale there are more than 10 volunteers for every 1,000 people (which is more than three times the UK average).¹⁶

Case study: Meeting the needs of an ageing population – Age Concern Carlisle and Eden

Age Concern Carlisle and Eden runs a number of activities in the area including day care centres, lunch clubs, ‘Active Ageing’ activities, and Information and Advice and Prevention services. Particularly innovative, and well used, is its Community Home Day Care service. Set up in direct response to research into the needs of older people, the service sets out to combat loneliness and social isolation.

Volunteers open up their homes on a weekly or fortnightly basis to three or four local people. Hosts provide a hot meal and stimulating activities in a friendly environment, and guests make a £5 contribution (with Age Concern also contributing). Transport to and from the event is provided for guests. The service has been running for several years and is both popular and successful. It receives funding contributions from Age Concern and grant making trusts, with some places funded under contract from the County Council.

¹⁶ Yates, H (2002), Supporting Rural Voluntary Action, NCVO, London & Countryside Agency, Cheltenham; quoted in Defra (2003), Community Capacity Building and Voluntary Sector Infrastructure in Rural England, Policy Paper, September 2003.

Churches continue to play a valuable role in upland communities, although facing considerable challenges themselves (including falling congregations and difficulties in retaining ministers). In evidence to the Inquiry, the Archbishops' Council noted that churches are often the last public building to remain open. The church also remains one of the major providers of youth work services – indeed in some circumstances the church is the only source of activity for children and young people available nearby. In addition they often offer practical support and training to farming families, particularly those in difficulties or going through considerable change.

Case study: The farm business development and support project

Upland farmers in the Yorkshire Dales, North Yorkshire Moors and the southern Pennines are benefiting from business support through a project managed by the Churches Regional Commission.

Funded from the land skills element of the Rural Development Programme for England (RDPE) the project has been successful in:

- assessing needs and mentoring individuals;
- offering practical support to farmers in difficulties;
- providing routes to further training and knowledge transfer; and
- improving the effectiveness of farm businesses.

Through effective partnerships, the project is making a significant contribution to the change management process in these challenging areas.

Richard Longthorpe a leading farmer and a member of the Landskills Advisory Board said: “We have been tremendously impressed by the way the Churches Regional Commission manage [...] to reach people other training providers can't. Just as important as their ability to engage with sectors of the industry who are traditionally challenging for a number of reasons, is their ability to actually deliver... from the perspective of due diligence in the use of taxpayers' money they just get on and deliver what it says on the tin.”

“Rural churches act as a meeting place and social catalyst and a place where social barriers can be broken down. Services relating to the farming calendar, particularly during Harvest and Rogation, attract a large number of people, often contributing to bonding, bridging and linking social capital in rural areas”
(The Archbishops Council, evidence to Inquiry).

“Upland communities have a sense of community cohesion, a resilience and adaptability to embrace change, a determination to remain in the locality and to do the ‘right’ thing and a sense of independence”
(The Heather Trust, evidence to Inquiry).

These are resilient communities

England's upland communities and businesses have demonstrated remarkable resilience, not least when faced with sudden major events and crises. This is perhaps best demonstrated in their responses to three different but extremely challenging events:

- the outbreak of Foot and Mouth disease;
- severe flooding events; and
- recession.

The consequences of the 2001 outbreak of Foot and Mouth were enormous and far-reaching. With around 3 million ewes, almost half of England's breeding flock, the uplands are particularly vulnerable to incidences of animal disease.¹⁷ In Cumbria, for example, in the immediate aftermath of the outbreak, up to 55% of local businesses (i.e. other than farms) were adversely affected.¹⁸ With government and voluntary sector support, however, the number of businesses still affected had almost halved within a year. Following some high profile publicity, tourism businesses were among the quickest to recover¹⁹, demonstrating how upland communities can and do respond to adversity.

Areas of England's uplands experienced severe flooding events in both 2008 and 2009.²⁰ The apparent increase in intensity of localised rainfall has had dire consequences on small upland communities. Yet their plight is often overlooked by the media, which tends to focus on the larger towns where more people are affected. Once again, reports of the communities' responses to and recovery from these incidents confirm the strength of community spirit that exists in the uplands.

The effects of job losses and the recession on upland communities are less clear. The impact on market towns was illustrated when a large pharmaceuticals company made redundancies in 2008 that affected Barnard Castle and Ulverston.²¹ Once again, however, we heard evidence that people were adapting to these circumstances, with the self employed extending their products or services, or finding alternative employment, including part-time work to supplement their income.

Enterprising people

During our Inquiry we met and heard about what we would describe as 'enterprising people'. By this we mean enterprise in its wider sense, referring to a discernible set of leadership attributes, skills and behaviours demonstrated by individuals and groups of individuals within their communities.

We were also struck by the prevalence of entrepreneurs in the uplands who ranged from hill farmers diversifying their businesses, to software writers making the lifestyle choice to develop their businesses from home. They see the rewards of their initiative and risk-taking as much more than profit making. There is very often a deep sense of satisfaction that they are making a success from working as well as living in the uplands, and helping to sustain their communities.

Evidence suggests that people in the uplands are more ready to establish their own businesses. For instance, a quarter of all businesses in the wider

¹⁷ Natural England (2009), Mapping values: the vital nature of our uplands – an atlas linking environment and people, NE 209.

¹⁸ Prism Research (2002), Surveys of the economic impact of foot and mouth disease in six districts, Report prepared for Department for Environment, Food and Rural Affairs, London.

¹⁹ Prism Research (2002) Follow-up surveys of the economic impact of foot and mouth disease in six districts. Report prepared for Department for Environment, Food and Rural Affairs, London.

²⁰ Particularly badly affected were Rothbury and Morpeth in Northumberland (2008) and Keswick and Cockermouth in Cumbria (2009).

²¹ CRC (2008), Recession Impacts on the Economies and Communities of Rural England: Report 2, Commission for Rural Communities, Cheltenham.

upland areas are sole traders, compared with less than 16% for England as a whole. Most businesses (around 63%) are micro-businesses employing between one and nine people.²²

Overall, small businesses and self-employment are an essential part of the strength of upland communities and economies. A comparison in 2004²³ between residents of the Lake District National Park and of the rest of Cumbria revealed a higher self-employment rate, and double the home working rate within the National Park.

The main economic activities in the uplands are not land based (although at 5.2% of workers it is higher than the average for England of 1.2%)²⁴, and more people are employed in tourism related industries, wholesale, retail and manufacturing amongst others.

Incomers make an important contribution to the uplands economy. Research shows that in-migrants start and own up to two-thirds of all businesses in the countryside²⁵, and that migrants can be important to local business growth and hence to job creation and investment in rural communities.²⁶ Migration trends and the characteristics of the small business economy in the uplands are, therefore, likely to be very closely linked.

It is not only in business where such resources are evident. We heard many examples of people running volunteer networks, charities, community facilities, social enterprises, and much valued local services such as a post office or community transport scheme. But we also heard about the fragility of some of these initiatives, which often depend on a few volunteers whose loss for whatever reason invariably affects the valuable service being provided.

There are situations where additional, more flexible support of the voluntary sector by local authorities and other funding bodies is sometimes the most cost-effective means of delivery of local services in these sparse communities. To this end when these decision-making bodies consider cost-effective delivery, they should take into account the benefits provided by the voluntary sector and ensure that they are properly encouraged and supported.

Case study: Glendale Gateway Community Trust

Development trusts use self help to secure long-term social, economic and environmental benefits for local communities. A highly successful example of a development trust is the Glendale Gateway Community Trust. Set up more than 13 years ago, this community owned organisation includes local volunteers, retailers, councillors and local organisations. It is bringing to fruition activities that were identified in the 'Glendale 2020 Vision Statement' and Wooler Village appraisal.

One of the trust's most successful initiatives was the creation in 2000 of 'The Cheviot Centre'. This facility includes business offices, a computer room with broadband, halls for hire, a children's area, a Tourist Information Centre and a National Park exhibition. The trust

“There is a growing body of evidence that in-migrants play a critical role in diversifying the economic base of rural areas”

(Joint submission – Regional Development Agencies, evidence to Inquiry).

²² CRC (2009), State of the countryside update: Uplands, CRC Web 40, Commission for Rural Communities, Cheltenham.

²³ Land Use Consultants (2004), A social and economic profile of the Lake District National Park, Report to the Lake District National Park Authority, Land Use Consultants, London, Bristol, Glasgow & Edinburgh.

²⁴ CRC (2009), State of the countryside update: Uplands, CRC Web 40, Commission for Rural Communities, Cheltenham.

²⁵ Countryside Agency (2003), Rural Economies: Stepping Stones to a Healthier Future, Countryside Agency, Cheltenham.

²⁶ Bosworth, G (2006) Counter urbanisation and Job Creation: Entrepreneurial In-Migration and Rural Economic Development, discussion series paper no4, Centre for Rural Economy, Newcastle University, Newcastle.

has also championed the purchase and renovation of a number of properties in the town's high street, leading to the creation of 22 affordable housing units, and new retail and business units.

The trust has a good standing among the community and funders and was deemed successful in an independent evaluation. Part of the trust's success stems from its willingness to be flexible, responding quickly to opportunities as they arise.

We also heard from community activists and parish councillors who were providing the leadership and energy to encourage members of their communities to share their knowledge and work together to influence the places they live in now and in future.

Case study: Tarsset 2050

Tarsset 2050 is a community interest company in Tarsset, Northumberland, which is bringing about local people's specific aspirations for the area. The group grew out of community-instigated events designed to determine a vision for the village's future. Its key purpose is to ensure sustainability for the area on economic, social and environmental fronts.

Current projects – which have attracted strong support from funders – include renewable energy and recycling, asset mapping, and sustainable tourism. The group has also worked with local farmers to add value to their produce and to help market Tarsset lamb.

Tarsset has been supported by the local authority, charitable trusts and Northumberland National Park Authority.

What is threatening the sustainability of upland communities?

While we heard very positive evidence about the sustainability of communities in the uplands, we also heard about threats to this. We discuss the main problems that were raised below. They are:

- demographic change,
- unaffordable housing,
- access to services,
- limited employment opportunities,
- limited basic infrastructure and communications,
- planning policy, and
- the viability of hill farming.

Many are common to rural communities generally but some are more pronounced because of the geographic, topographic and sparsely populated nature of upland communities (and some are shared by similarly sparse, remote rural communities). These issues, coupled with

the very specific nature of hill farming, the interdependence with the land and the amount of designated land mean that there is a high degree of complexity in the challenges.

Demographic change

Over time, inward and outward migration has contributed to changes in the age profile of upland communities. There are proportionately fewer residents in the 20-34 age group and more in the 40+ age group than is average for England.²⁷

We heard a number of reasons for the demographic change common to many rural areas and these included:

- younger people leaving the area for higher education;
- people of all ages moving away in search of employment and social activities; and
- older people moving into the area for what they perceive to be a better quality of life.

These trends can create tensions within local communities. The findings of research we commissioned²⁸ concluded that outward migration of young people was a key problem in all six of the areas of upland researched. It also revealed widespread concern that the loss of young people would undermine the sustainability of their communities. The difficulty of keeping and attracting younger people was most often linked to the high cost of housing in upland areas. We also heard that lack of employment opportunities, and lack of access to training – in both traditional and new skills – were major factors in young people's decisions to leave.

Studies of young people in rural areas undertaken by the Joseph Rowntree Foundation²⁹ had two particularly striking findings:

- Young people from rural areas become integrated into one of two quite separate labour markets – the national (distant, well-paid, with career opportunities) and the local (poorly paid, insecure, unrewarding and with fewer prospects). Education, and of course social class, are the elements that allow some young people to access national job opportunities, in the same way as those from urban areas. But for those whose lack of educational credentials traps them within local labour markets, further education and training are much less available than for their counterparts in towns, and their life-chances are reduced.
- There is a strong interplay between transport, employment and housing. Young people in rural areas, earning low wages, must have a car to get to work, but this together with the shortage of affordable housing leaves them unable to afford to live independently. There is also an initial problem of needing a job in order to afford a car, which they need to secure a job, and help might well be given at this crucial stage in the youth transition.

To retain and attract young people to the uplands, the key is to ensure that the area can be seen to provide an attractive proposition; they need to be able to offer a viable future, with real opportunities in terms of employment, training, housing and recreation.

“Carers are not willing to travel the distances [to visit elderly or people with disabilities in uplands areas] to get here”
(Focus Group, Lake District).

²⁷ CRC (2009), State of the countryside update: Uplands, CRC Web 40, Commission for Rural Communities, Cheltenham.

²⁸ Step Ahead Research Ltd (2009), Inquiry into the future for England's upland communities: the views of the communities, Report to the Commission for Rural Communities, Step Ahead Research Ltd, London, Exeter & Sittingbourne.

²⁹ Shucksmith, M (2000) Exclusive Countryside? Social inclusion and regeneration in rural Britain, Joseph Rowntree Foundation. York.

“The changing demographics of the upland population are a cause for significant concern. As an economic opportunity, basic services and the provision of affordable housing have all declined, so the younger generation have been lured or forced away from upland areas. As this shift begins, so does a spiral of decline which becomes increasingly hard to arrest. As some young families move, so the school has insufficient pupils to remain open, so dissuading the remainder from staying or new families to arrive. As the school closes, so the village traffic diminishes as does the trade in the village shop and pub, which disappear as well.”
(CLA, written submission)

Although the fear of the loss of young people is not exclusive to the uplands, there was clearly anxiety amongst those we spoke to, particularly in relation to the future of hill farming and succession. People were also anxious about falling numbers in schools and the general threat to the vitality of upland communities.

As in many rural areas, a changing population in the uplands is having a profound effect both on communities and on economies.

The implications are, however, a mixed blessing. There are undoubtedly some considerable challenges to overcome in meeting the service needs of an increasing proportion of older people within these sparse upland communities. We heard that informal networks of support that traditionally depend on friends, family and neighbours work alongside increasingly stretched voluntary and statutory service provision. The attraction of upland locations as a place in which to live can place increased demands on both the formal and informal networks of support and, in the absence of friends and relatives, older people can feel isolated by a sense of being beyond the reach of some statutory services.

Yet despite these challenges to the operation of a welfare system in the uplands, we also heard that an ageing population holds considerable and often unfulfilled potential. Studies of demographic change in rural England³⁰ support what we heard; the functioning of families, households, communities and upland economies are increasingly dependent on the contributions of older people.

For most people, extended life expectancy means additional years of active life, not of dependency. So, it is important that these areas make the most of their changing population by moving towards more flexible forms of employment and by engaging their experience, skills and knowledge through local initiatives such as community enterprise.

Unaffordable housing

The challenges of meeting the needs for affordable housing in rural England have been well documented in recent years. Two key reports have argued strongly that providing affordable housing in rural areas could and should be achievable – the report of the Affordable Rural Housing Commission³¹ and Matthew Taylor MP’s report ‘Living Working Countryside’.³²

The Affordable Rural Housing Commission argued that “villages and country towns must be allowed to evolve in the way they did in the past – they can’t just be preserved in aspic. Most can probably absorb some more houses, as long as they are in scale and character and maintain the identity of individual communities”.³³

The Taylor report noted that there was “serious under provision of affordable housing particularly in smaller rural settlements with damaging consequences for the health of local communities and the sustainability of rural England”.³⁴ The report went on to describe a set of pressures that are undermining the future sustainability of rural communities, including restrictive planning practices and a strong trend for in-migration.

³⁰ Philip Lowe and Lydia Speakman (eds) (2006), *The Ageing Countryside, the growing older population of rural England*, Age Concern Books.

³¹ Affordable Rural Housing Commission, 2006. Final Report, Affordable Rural Housing Commission, London.

³² Taylor, M (2008) *Living Working Countryside: the Taylor Review of Rural Economy and Affordable Housing*, DCLG (Department for Communities and Local Government), London.

³³ BBC (2006), Action urged to boost rural homes, BBC News, 17 May 2007, news.bbc.co.uk/1/hi/uk/4988844.stm, last accessed May 2010.

³⁴ Taylor, M (2008) *Living Working Countryside: the Taylor Review of Rural Economy and Affordable Housing*, p 26, DCLG (Department for Communities and Local Government), London.

“Young people can’t live in the area. There aren’t enough affordable houses for families with young children. We are starting to get an older population”

(Focus Group, Peak District).

“In the Lake District, 18% of all houses are either second or holiday homes. But figures for the National Parks as a whole can hide wide variations within them. In Coniston Parish in the Lake District the figure is an incredible 43%”

(ENPAA, evidence to Inquiry).

Our Inquiry found these pressures to be particularly evident in areas of high landscape value. Three-quarters of England’s uplands are designated as either National Parks or AONBs, where there is considerable demand for housing, including second homes. We heard that the combination of limited supply coupled with high demand for properties, both as a permanent residence and for second or holiday homes, contributes to the shortage of affordable housing.

The short supply of affordable housing in the uplands can in part be attributed to:

- relatively tight legislative and policy constraints;
- the small size of settlements (with few service centres);
- geographic considerations;
- their popularity as places in which to live, in part because they are so attractive; and
- a failure to enable housing linked to economic activities or enterprise, specifically upland activities such as hill farming.

Although we heard of some excellent examples of how to overcome these barriers they remain too few and far between.

Case study: Affordable homes in Chapel Stile

Set in the beautiful Langdale valley, Chapel Stile has a large number of second homes and holiday lets. In this village – which has a shop, pub, cafe, primary school, village hall and church – house prices are high and there is a real shortage of family homes. Indeed, it was noted by the headmaster of the local school that none of the parents or staff in the school’s catchment area actually owned their own home. Jobs available locally are in tourism and the service industry, outdoor activities, agriculture and at the quarry.

The need for affordable housing has in part been addressed by a new development, ‘Howe Bank’, which comprises seven 2- and 3-bedroomed homes. The development was completed in 2001 under a Section 106 agreement. 80% of the residents have children and all have strong family connections in the area.

Access to services

Like many other sparsely populated, geographically remote areas of England there has been a slow but steady decline in the number of service outlets in the uplands.³⁵

For many service providers, notably health, social care and education, there is increasing specialisation leading to increasing centralisation. Pressure to meet efficiency and other targets, and achieve economies of scale, have also meant rationalisation.

But changes are also a response to changes in customer behaviour. Many people are prepared and able to travel further for what they need. To some extent this reflects rising consumer expectations of quality, choice and convenience. In some cases people are choosing to buy services from an urban centre, rather than locally. For those with access

³⁵ CRC (2009), State of the Countryside Update: Uplands, CRC Web 40, Commission for Rural Communities, Cheltenham.

to the internet, particularly those with reasonably good broadband, demand for online services is growing rapidly.

All of these changes are further opening the divide between those with and those without access to the advice and services they need.

Our report, the *State of the countryside update: Uplands* determined the extent to which these and other challenges are significant in upland communities. Access to services was calculated using the same method that is used in the State of the countryside reports. This measures availability by the proportion of households within a set straight line distance of the nearest service outlet.³⁶

While distance to services for the majority of households in upland communities would appear to have changed relatively little, the change in the actual number of services between 2000 and 2008 has been more dramatic – for instance there are 17% fewer petrol stations, 17% fewer Job Centres, 12% fewer post offices, and 10% fewer banks and building societies.³⁷

“Currently there is an overly strict interpretation of Planning Policies which often run contrary to the wishes of the local community. These policies often make it impossible for the children of long time residents to make homes from redundant farm buildings etc. There needs to be some system of encouragement for ‘locals’ and community led planning.”
(Written submission, Mid-Wharfedale parish council, April 2009).

The overall decline in service provision takes on much greater significance in upland communities. This is not just because the availability of alternatives will in most cases be considerably fewer and further between but because there are also likely to be topographical constraints that serve to compound their loss and amplify the impact on the communities affected.

Case study: Meeting local service needs in Blisland

Blisland Community Association in Bodmin, Cornwall, opened its newly built, community-owned village shop and post office in 2006. Although the original shop and post office had closed seven years earlier, villagers decided to run a replacement from a donated shipping container until investment was found for a new building.

With investment of £237,000 from the South West Regional Development Agency, £157,000 from Objective One structural funds, £50,000 raised by villagers themselves, and funding from a number of other bodies, the new centre could be built.

Constructed to the latest environmental specifications, with good insulation, ground source heating, photo voltaic cells and rainwater recycling, the centre is also highly accessible for the elderly and those with disabilities. The facility includes a refreshments area, internet cafe, doctor’s consulting room and three business units, and is well used by locals, including young people. Any profits from the centre are put back into the community.

In the absence of public transport, people in the uplands have to rely on private transport to access employment, training, education and services. Many participants at the hearings told us of their dependence on four wheel drive vehicles that are suitable for the difficult terrain in the uplands, particularly during bad weather. They also said that they

³⁶ The Rural Services Series (www.ruralcommunities.gov.uk/projects/ruralservicesseriesdata/overview) measures the ‘availability’ of services by the proportion of households which are within a set straight line distance of the nearest service outlet. This has some fairly obvious limitations when applied to upland areas, acknowledged in the State of the Countryside 2007 report (www.ruralcommunities.gov.uk/files/socr2007-fullreport.pdf) as ignoring “the transport network, as well as barriers such as rivers or mountains”.

³⁷ CRC (2009), *State of the countryside update: Uplands*, CRC Web 40, Commission for Rural Communities, Cheltenham.

thought the road tax arrangements relating to four wheel drive vehicles were unfair, as for them these are essential working vehicles.

Those who do not have transport – which is often young people and the elderly – must rely on family, friends and neighbours, or on public and community transport. Transport is a vital lifeline for the most disadvantaged people in the uplands, but because these people are few in number and dispersed across large areas it is very expensive to accommodate their needs.

We heard concerns that poor public transport links can have a disproportionate impact on upland communities. As well as the inevitable sense of isolation as a consequence of exclusion from job opportunities, social networks and access to essential services, some people felt that service planners and policymakers are in effect ‘writing off’ their communities.

Limited employment opportunities

Upland localities typically offer a very limited range of economic activities, making them particularly vulnerable to economic and financial restructuring and consequential loss of significant local employers.

Despite the employment profile for England’s uplands as a whole broadly reflecting that of the nation³⁸, we heard that employment opportunities can be particularly limited in the most remote areas of each upland region. This was most often attributed to a lack of affordable housing, poor transport and communications infrastructure and the lack of local services. Participants at the hearings told us they were dealing with weaknesses in upland economies – specifically low wages and seasonal employment – by holding two, three or even four jobs at a time simply to gain a living wage.

Providing the upland population with a range of employment opportunities is, in most cases, largely dependent on the relationship between upland communities and their nearest market towns or larger urban centres. Hence we found that the remotest areas of upland were most challenged in this respect, with physical distance and poor communications infrastructure (e.g. roads and telecommunications) providing the most significant constraints.

Limited basic infrastructure and communications

The topography and sparsity of upland populations are often used to explain the absence of what most people would regard as basic infrastructure, from telecommunications and piped utilities to transport and footpaths. The lack of this basic infrastructure challenges the social and economic sustainability of upland communities. During our Inquiry two issues – poor broadband and mobile communications, and access to energy – were highlighted as causing particular difficulties.

Broadband and mobile communications

Over 10% fewer households in the uplands have an internet connection compared with households in England.³⁹ As Figure 2 shows, where upland households have a connection, just under a third have connection speeds of 4 Mbps or better compared with almost half of households in urban areas.⁴⁰

“We don’t actually seem to get anything from our council tax! Very little anyway... We have poor public transport which is almost non-existent and the cost of fuel is extremely high when you need your car to travel about”

(Clun Forest, comments form).

“There isn’t enough choice in terms of business; it’s either farming or tourism. If there’s a lack of jobs then we have to work outside of the area and there are also lower wages in rural areas.”

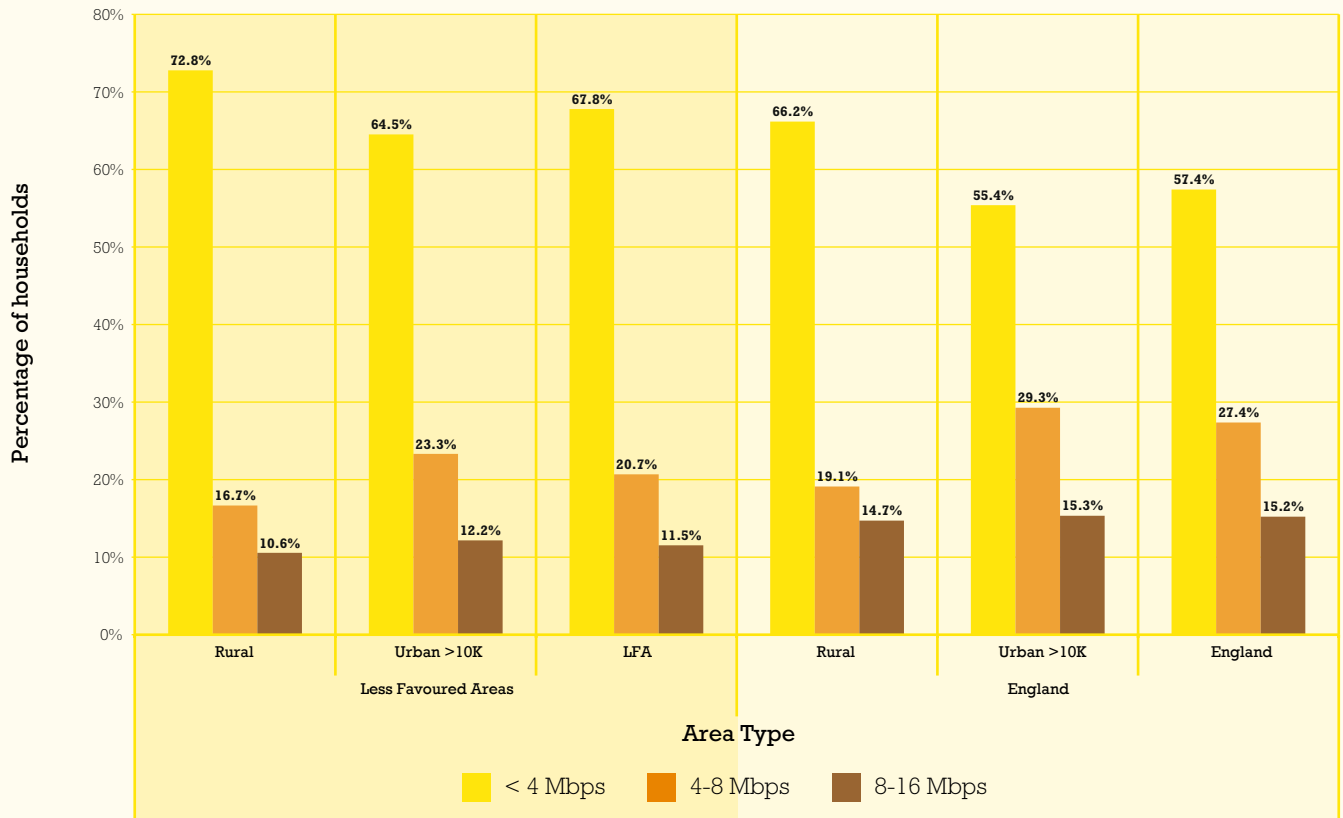
(Focus Group, Yorkshire Dales, April 2009)

³⁸ CRC (2009), State of the countryside update: Uplands, CRC Web 40, Commission for Rural Communities, Cheltenham.

³⁹ CRC (2009), State of the countryside update: Uplands, CRC Web 40, Commission for Rural Communities, Cheltenham.

⁴⁰ CRC (2009), State of the countryside update: Uplands, CRC Web 40, Commission for Rural Communities, Cheltenham; CRC (2009), Mind the Gap: Digital England - a rural perspective, CRC 104, Commission for Rural Communities, Cheltenham.

Figure 2 DSL downstream speed availability, 2008



Source: Point Topic, 2008.

Upland homes and businesses have fewer choices than their urban counterparts. Cable services (e.g. Virgin Media) are almost exclusively an urban offering with almost 60% of urban areas able to receive a cable-based broadband service of up to 50 Mbps while in villages and hamlets this drops to just 1.5%.⁴¹

We also heard that mobile telephone coverage is patchy and unreliable and that this is having a detrimental effect on businesses in the uplands.

People in the uplands need broadband and mobile phone coverage for wide-ranging reasons, including:

- to support home working;
- to capture business opportunities and close the gap between urban and rural areas;
- to support the future development of the economy and diversification, particularly the support and information required by farmers;
- to enable businesses to be competitive and run their operations more efficiently away from the office;
- to benefit the tourist industry;
- to help overcome feelings of isolation;
- to access advice, capital and new markets for products;
- for school work, further education, professional skills and training opportunities;

⁴¹ CRC (2009), Mind the Gap: Digital England - a rural perspective, CRC 104, Commission for Rural Communities, Cheltenham.

- to access e-Government initiatives such as NHS Direct;
- to access social interaction tools; and
- to make cost savings – for example by paying utility bills online.

The lack of 'basic' communication tools can make it hard to recruit people to upland areas. Land managers in the Trough of Bowland told us that the most important factor for new staff when deciding whether or not to move to the area was access to high speed broadband. They wanted broadband for their partners' work, for children's homework, and to carry out household management tasks.

It is critical that infrastructure is put in place as Next Generation Access (NGA) offers the best opportunity for increased economic activity and business development in the uplands.

Mobile phone coverage?

Girl: No. Too far away.

So no broadband, no mobile?

Girl: Yes.

So how do you keep in touch with your friends?

Girl: Go to the top of the hill!

Text from the top of the hill?!

How far is that?

Girl: About half a mile.

Girl: It would make that [homework] easier [to have broadband], because teachers ask you to go on a website and you can't. It just gets you irate and then you say 'I'm not doing it!' – in the end.

(East Midlands Hearing, visit to school, March 2009.)

Energy and fuel supplies

Many upland areas do not have access to mainline natural gas supplies. This limits the competition for energy supply and can mean that alternatives such as solid fuels, oil and liquid gas cost more.

This analysis by National Energy Action suggests that it costs 24% more to heat an averaged-sized three bedroom detached house with oil than with gas.⁴² Its recent study in Cumbria found that despite some very recent adjustments the cost of traditional fossil-based energy continues to rise relative to income. Many residents are falling into fuel poverty⁴³, spending more than 10% of their household income on heating their home to an adequate standard.

Upland communities are particularly vulnerable to fuel poverty because:

- most areas do not have access to the natural gas network;
- average household incomes are lower compared to rural areas generally; and
- there are high incidences of houses with solid walls which have either not been eligible for government schemes, or not targeted due to the sparsity.

Planning policy

The planning system has a key role in helping the uplands become more economically, socially and environmentally sustainable. At the same time the planning system can enable communities to respond to the challenges posed by climate change, by accommodating changes in building design or supporting renewable energy schemes.

The current planning regime stems from the position established by the 1942 Scott Report.⁴⁴ This envisaged agriculture as the basis for safeguarding the countryside; this created the situation today where there are tensions between demands for protection and the need for housing and economic development.

A strong feature of current planning guidance for rural areas is the emphasis on concentrating new development in key settlements (market towns and service centres) because this helps maintain services and protect the open countryside. Development policies that discourage private car use and promote the use of public transport are also favoured.

⁴² NEA (2010), Practical approaches to tackling fuel poverty and climate change, An ESCO approach, NEA, Newcastle-upon-Tyne.

⁴³ A household is said to be in fuel poverty if it needs to spend more than 10% of its income on fuel to maintain a satisfactory heating regime (usually 21°C for the main living area, and 18°C for other occupied rooms).

⁴⁴ HMSO (1942), Report of the Committee on Land Utilisation in Rural Areas, Cmd 6378, London.

In this regard, it could be argued that local planning authorities have been encouraged to treat upland areas – which are peripheral, relatively inaccessible, thinly populated and of high landscape value – as unsuitable for most, if any, development.

Local planning authorities have used, and some still retain, very strict criteria for identifying settlements that are considered sustainable locations for new housing. The absence of certain services such as public transport, a local shop, school or pub can effectively prevent any development from taking place. The example from Northumberland illustrates this.

“Our category D villages [in County Durham] really, really fought back and, yes, they were really able to demonstrate that they could be thriving communities and they might not have the key services that designates them as sustainable but they fought back.”
(North East Regional Hearing, 19 March 2009, Alnwick).

Example of criteria used to determine ‘sustainable locations’

Core Strategy Policy H3

New housing will only be located in:

- main towns – [3 larger market towns listed in original];
- local centres – [4 smaller market towns listed in original];
- other smaller villages where there are adequate services.

A smaller village will be regarded as having adequate services if, within it, there is at least:

- a school or a shop selling food to meet day-to-day needs; and either
- a village hall/community centre or a pub.

There must also be a public transport connection to a larger settlement with a wider range of services. This policy does not apply to the change of use of an existing building to residential use. Within each of the housing sub areas, i.e. the commuter pressure area and the rural area, the aim when allocating and releasing land for new housing will be to achieve a distribution approximately in line with the following proportions:

- 55% in main towns;
- 15% in local centres;
- 30% in other smaller villages where there is an adequate range of services.

Source: Tynedale Local Development Framework

Recent versions of national Planning Policy Statements (PPS) acknowledge the need for local flexibility to allow development, albeit on a small scale, in smaller settlements where this would help maintain the local economy and create more balanced communities.

The Planning Policy Statement 4 (PPS4) on Planning for Prosperous Economies now confirms that all types of business can, in principle, be appropriate in upland areas, but this remains subject to the need to protect the countryside “for the sake of its intrinsic character and beauty”. Local planning authorities are urged to support small-scale economic development where it provides the most sustainable option in villages and to facilitate new working practices such as home working. But much still rests on the interpretation of local planning authorities, particularly regarding what types of economic development will contribute positively to sustainable upland communities.

During our Inquiry several people expressed real concerns about the loss of the quality of the land and landscape – which are highly valued. People worry that development, whether business or residential, should be in keeping with the landscape.

Some of these concerns can be allayed through high-quality design that is in keeping with the local environment, and through more effective local engagement in the planning process, particularly through parish plans and community-led planning schemes. Such initiatives allow upland communities to make a positive contribution to planning their communities, participating in needs assessments, considering options and taking part in joined-up decision-making processes.

It is important, however, that these initiatives are acted upon. We heard cases where people had given considerable time and energy to consultations and plans that were subsequently not taken into account. Other examples highlight the tensions within communities in their quest to balance the need to protect their cultural and natural heritage with the need to provide somewhere to both live and make a living. It is also of course the case that what are the new houses of today will become the old houses of the future.

“We need to move away from the ideology of assessing rural communities as ‘sustainable’ or ‘unsustainable’ in terms of planning, with the latter being automatically precluded from development and thus confined to the economic wilderness.”
(CLA, evidence to Inquiry).

Designation and its impact on sustainability

Three-quarters of the uplands are designated as nationally important landscapes. These designations and local and regional boundaries across the uplands can create confusion about who ultimately makes planning and development decisions. Planning that allows communities to develop – by supporting affordable housing and commercial activity – can appear to conflict with conservation goals in designated areas.

Over the years National Park Authorities (NPAs) and AONBs have had an important role in supporting the strong industrial heritage and traditional land-based industries of farming, forestry and mineral extraction that have helped create the distinctive landscapes and ecology that visitors come to enjoy. These areas’ future prosperity is, however, increasingly dependent on other sectors and new forms of economic activity,⁴⁵ and the NPAs and AONBs will play a critical role in enabling such developments.

Our Inquiry heard calls for NPAs to extend their ‘enabling’ role, to help to bring about sustainable economic growth to allow, for example, greater opportunities for farmers to diversify their businesses, more home working, and the development of new businesses that do not harm the environment or promote unsustainable traffic movements.

We heard evidence that a lack of affordable housing can be more acute in the uplands and that finding suitable sites was particularly difficult. NPAs have an important role to play in the development of affordable housing and businesses, and by working with housing authorities, parish councils and charitable trusts they can support and encourage community involvement in the process of developing affordable homes.

⁴⁵ Regeneris Consulting (2004) Lake District Economic Futures: The Way Forward. Final Stage 2 Report to the Northwest Development Agency, Regeneris Consulting, Altrincham.

Case study: Cutcombe livestock market

This livestock market, in a central moorland village in Exmoor, is a good example of positive, enabling planning and support within a National Park.

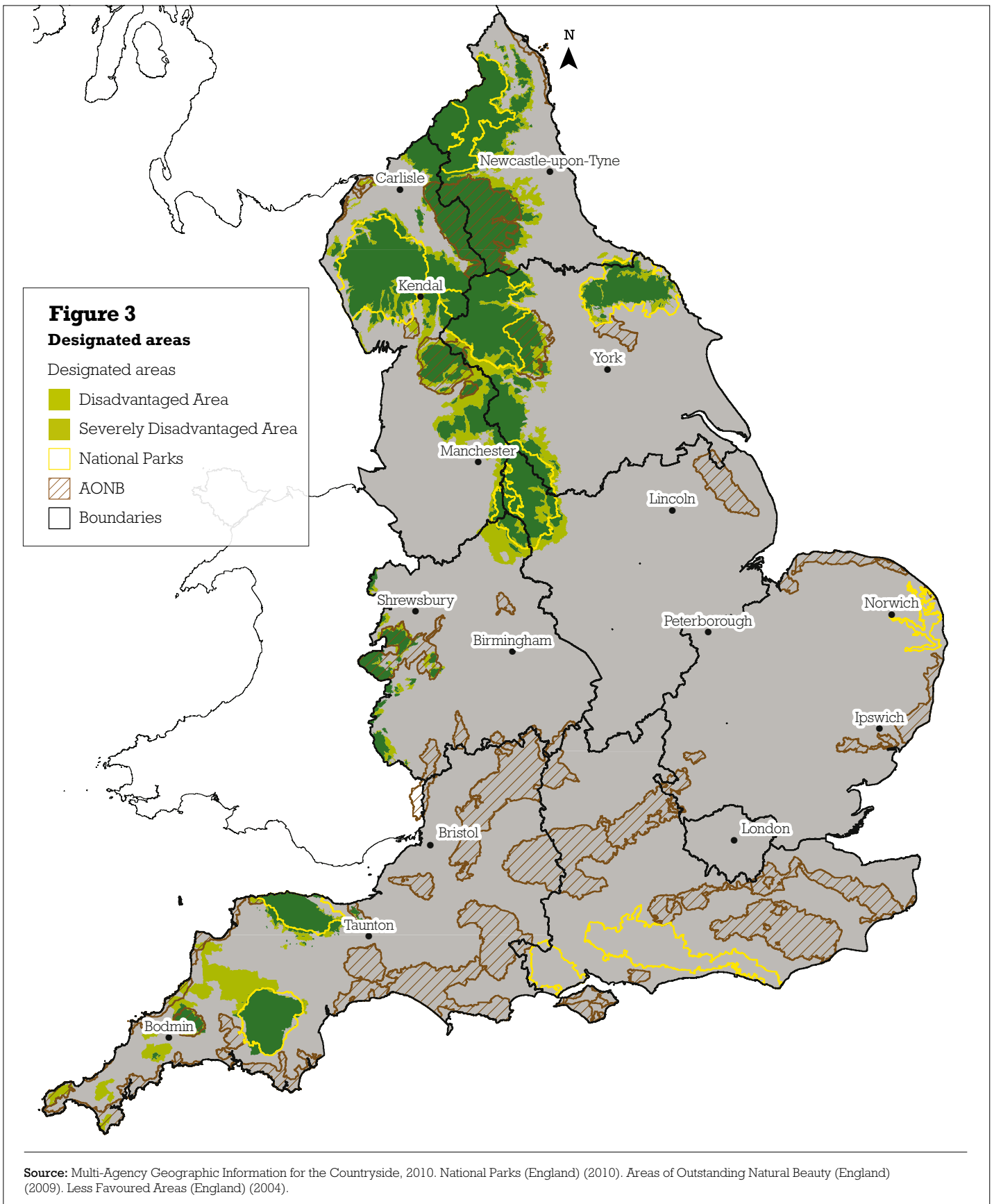
The market was bought by some 200 local farmers in 1997 to ensure that the business continued. Although it has a very good reputation because of the high-quality of stock Exmoor produces the market's infrastructure has gradually deteriorated over past decades (the wooden holding pens, for instance, do not meet modern standards). £1 million was needed to redevelop the site and provide a modern market.

Exmoor National Park Authority took the view that developing a modern market would be key in supporting farming practices that in turn help conserve and enhance the landscape. Farmers would face higher costs and much longer travel times if no modern market were available locally, in what is already a difficult financial environment.

The Authority worked with the Cattle Market, Somerset County Council and West Somerset Council to help develop the site. As Regional and European grant opportunities were not available, the only option was for some enabling development and land sales.

The Authority agreed to 13 open market houses as an exception to its planning policies, which seek to provide only affordable homes for local people, to help pay for the new market on the western part of the site. It also gave a grant from Exmoor National Park's Sustainable Development Fund to help pay for sustainable and renewable energy elements of the new market's design. The approved scheme incorporates the new cattle market, business development and 25 homes (12 of which will be affordable for local people).

“Planning rules appear to be against living in the hills – you need to jump through so many hoops to build yourself a retirement bungalow on your own land! This isn't helping to maintain a sustainable community”
(Focus Group, Yorkshire, April 2009).



The viability of hill farming

Our Inquiry heard that hill farm businesses typically operate on the margins of financial viability, with income from the Single Farm Payment scheme, agri-environment agreements and on-farm diversification often being essential for the survival of the business. With changes in stocking rates required to comply with agri-environment schemes, we heard that many fell flocks have had to reduce sheep numbers by around 35% in order to qualify for environmental subsidies. There has been a marked reduction in livestock numbers as a result of de-coupling of support, the ravages of Foot and Mouth and the impact of de-stocking to meet environmental requirements.

Changes in stocking rates

The number of sheep grazing in England's uplands has been reducing over several years⁴⁶, influenced by the need for hill farmers to comply with 'prescribed' environmental conditions in order to qualify for payments. It is a practice that has polarised opinion in the uplands and demonstrates the divide that can exist between local and expert knowledge.

On one hand, de-stocking has been encouraged by environmental scientists in response to the apparent environmental degradation caused by over-grazing, as a necessary step to protect the biodiversity of upland habitats.

On the other hand, hill farmers remain sceptical about the wisdom of its application across the uplands, openly challenging the 'blanket' approach and its contribution to the delivery of environmental goals. They express grave concern that the practice is ill-conceived, implying that it can do more harm than good by undermining the very existence of traditional hill farming.

The Government's Higher Level Stewardship (HLS) scheme and the new Uplands Entry Level Scheme (UELS) administered by Natural England offers financial incentives to hill farmers to reduce their stocking levels on the hills. This may help to provide some financial stability in a sector with poor profitability and volatile markets, but hill farmers express dismay that their need to rent lowland pastures in order to protect the uplands is destroying the traditional infrastructure of hill farming.

The consequences include the loss of the hefting instincts of flocks that have for generations grazed areas of unfenced hills, and led to more ewes producing twin-lambs, making it very difficult for them to be turned back to the hills for the permitted summer grazing period.

The impacts of decisions being made in relation to de-stocking highlight the problems of policy making that takes a top-down, non-participative approach that appears not to take account of local knowledge and experience.

Farm incomes

A study of farm business incomes in the South West⁴⁷ showed that an average hill farm recorded £9,207 in 2006-07. When the value of the family's labour was included, a typical hill farm may actually be losing around £10,583. The study concluded that the region's hill farming systems were 'failing to produce a fair return for the labour of the farm family'.

⁴⁶ Defra, 2010, Farming in the English Uplands, Defra Agricultural Change and environment Observatory Report No20, Defra London

⁴⁷ Turner, M, Robbins, K & Silcock, P, 2008. Hill farming systems in South West England: economic viability and the delivery of public goods, University of Exeter, Exeter.

The annual Farm Business Survey provides a comprehensive survey of farm incomes, and the report for LFA farms⁴⁸ provides detailed figures that demonstrate the subsidy dependence. It reports that:

'Revenues earned from the single farm payments, agri-environment schemes and diversification more than offset the losses of the traditional farming enterprises to generate a headline Farm Business Income of £17,137 in 2008/9.'

Before subsidy payments and income from non-farm activities, the average LFA farm in 2008/09 made a loss of £8,347 (compared with a loss of £17,134 the previous year) so, despite some considerable improvement in business performance in 2008/09, upland farms continue to depend to a substantial extent on public payments, which, on average, make up 37% of their revenues.

Figure 4 shows farm business income for all types of farm within England. Between 2003/04 and 2008/09 upland grazing farms were in decline and despite some recovery in 2008/09 financial performance has been very poor relative to the majority of other farming types.

Figure 4 Farm business income⁴⁹ time series by farm type (£/farm), 2003/04 to 2008/09

Farm type	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2003 - 09 % change
Dairy	30,500	33,100	33,600	30,800	55,100	69,400	127.5
Grazing livestock (Less Favoured Area)	17,400	16,200	15,800	10,500	10,400	17,100	-1.7
Grazing livestock (Lowland)	12,100	9,300	9,400	11,400	12,400	18,500	52.9
Cereals	49,800	29,200	29,000	45,900	73,400	69,700	40
General cropping	65,900	42,400	36,900	62,200	81,000	96,000	45.7
Specialist pigs	36,900	25,900	30,300	24,500	6,300	59,100	60.2
Specialist poultry	48,800	86,000	93,100	100,600	139,200	47,700	-2.3
Mixed	31,100	23,900	25,800	27,200	37,300	38,600	24.1
Horticulture	45,900	30,700	33,900	41,700	51,800	29,300	-36.2
All types	36,800	28,300	28,600	34,400	48,100	50,900	38.3

Source: Defra (2009). Farm Accounts in England, 2008/2009, Defra, London.

Notes: The data presented is based on a sample of farms within the Farm Business Survey. Around 10% of farms are replaced in the survey each year. Each year will therefore represent a slightly different profile of farms.

Figure 5 sets out predicted margins and overheads for a sample hill farm in 2010. It reveals that hill farmers can be expected to have a budget deficit because their overheads far exceed their gross margin from the farm business. The farm business deficit is only reduced, not generally removed, by the introduction of existing support payments.

The figure also shows that hill farmers in England generally receive less through support payment schemes than their counterparts in Scotland and Wales.

⁴⁸ Harvey, D & Scott, C (2010), Farm Business Survey 2008/2009, Hill Farming in England, Rural Business Research, Newcastle University, Newcastle.

⁴⁹ Farm business income is equivalent to net profit. It represents the financial return to all unpaid labour (farmers and spouses, non-principal partners and their spouses and family workers) and on all their capital invested in the farm business, including land and buildings.

Figure 5 Hill farm budgets

Hill beef and sheep farm with 35 Suckler cows, 850 Hill ewes, 550 hectares

Gross margin	Head	Gross margin	
		£/hd	£ total
Suckler cows	35	160	5,600
Hill ewes	850	8.7	7,395
Total gross margin			12,995
Overheads			
Labour			2,600
Power and machinery (incl depreciation)			17,450
Administration			5,150
Property			4,100
Overhead costs			29,300
Suprlus (deficit) pre rent and finance			-16,305
Farm specific overheads			
Rent and finance			18,000
Drawings and tax			30,000
Surplus (deficit) from production			-64,305
Potential support payments			
Surplus (deficit) from production	-64,305	-64,305	-64,305
Plus HFA*/ LFASS	8,283	12,421	7,635
Plus Single Farm Payment**	29,011	27,043	24,466
Plus Entry Level Stewardship Scheme	3,900		5,500
Surplus (deficit) post support payments	-23,111	-24,841	-26,704

Source: HSBC (2009), Forward Planning 2010: HSBC Agriculture, HSBC Bank plc, London.

Notes: *HFA will be replaced by an Upland Entry Level Scheme in England. **Single Farm Payments are reducing on a sliding scale between 2010 and 2012.

The support that is available

In one form or other there has been special support to farming in the hills and uplands since the Hill Farming Act 1946. This support recognises the particular difficulties of farming in areas with steep slopes, poor soils, an unfavourable climate and at high altitude.

For many years hill farming in England's upland areas has been eligible for support through the designation of LFAs, with the Hill Livestock Compensatory Allowance (HLCA) and latterly the Hill Farm Allowance (HFA) scheme. These schemes aim to maintain the viability of hill livestock farming systems and support the population of upland regions.

In 2006 the Government decided that the HFA scheme should be replaced in 2010. In future, payments will be linked entirely to outputs delivered through the Environmental Stewardship Scheme – principally through a newly designed Uplands Entry Level Scheme (UELS).

We heard frequent concerns that those who manage, maintain, enhance and deliver public benefits in the uplands feel anxious about these changes. There are even more concerns about changes expected beyond 2013 when the Common Agricultural Policy (CAP) is expected to

have undergone further reform, which will have an even greater impact on farm incomes.

We also heard from farmers and their representatives that making a living from the land matters most to hill farmers. They repeatedly referred to their wish to see a 'fair price' for their produce, and expressed deep concern that their – often small – businesses were overwhelmed by the increasing regulatory burden. This could be summed up as a call for “motivation, not more regulation”.

“Young people are not going onto farming because there isn't enough income and it's insecure, therefore falling out of the farming circle... which leaves us with an ageing population of farmers.”

(Focus Group, Yorkshire, April 2009).

The issue of succession

Another key concern raised during the Inquiry was how ageing farmers who wish to retire can encourage successors to take on management of the farm, especially given the poor economic viability of hill farming. We heard of many instances where farmers have to carry on working because they have few alternatives to support their retirement, or are unable to bring in younger people to take the reins.

“Succession is also a concern with fewer young people taking over the farms. Some young farmers who decide to take on the family farms have difficulty managing finance and grants etc for the farm. There is also an issue where they live, because a second family home can only be built on the farm if there is evidence it can support two generations”

(WM Regional Hearing, February 2009).

Hill farming – key facts

- Upland farm businesses perceive the biggest challenges for the future are market prices (76% of farms), changes to the Single Payment Scheme (65%), the impact of new regulations (65%) and rising costs (59%).
- 60% of upland farmers classify their farms as full-time commercial businesses, 22% as part-time commercial businesses and 10% as a hobby/lifestyle choice. The remainder let out their land. The South Pennines and Peak District had the highest proportion of hobby/lifestyle farmers (18%).
- 25% of upland farms have some form of on-farm diversification and 48% have some form of off-farm diversification or other income.
- The farm business forms less than half of household income on 49% ($\pm 3\%$) of upland farms. The larger the farm, the greater its contribution.
- Approximately half of upland farmers are in debt. Of those who borrow, 11% report that it is becoming much more difficult to obtain external finance.
- 21% expect that their business will not continue beyond the next five years. These are largely farmers aged over 55 and are less likely to have any succession arrangements in place.
- For 37% of upland farms, succession is secured (almost entirely within the family). For 27% there are no succession arrangements mainly because the family are not interested in or do not see a future in farming. For 36% of upland farms, succession is uncertain.
- 41% of upland farmers intend to do all that they can to remain in farming (more so on larger and full-time commercial farms) and 38% will try to remain in farming. The remainder plan to retire.

Source: (Defra (2009) Farm Practices Survey, Agricultural Change and Environment Observatory Dept for Environment, Food and Rural Affairs, York).

“...there is opinion that if upland farming became unviable, then the uplands would face significant decline in the amount of public goods produced, and once lost, could only be reproduced at great public expense”

(CLA, evidence to Inquiry).

The evidence shows that hill farming on its own is not a viable business and that even when support mechanisms are available it is still unlikely to be viable. Given the important public benefits that arise from hill farming alternative measures, including CAP reform, therefore need to be considered; these are further discussed in Chapters 3 and 4.

We have shown that there is a strong interdependence between the land and the communities, describing the dynamics of what makes the hills work. Yet these communities are changing rapidly, responding to global and national drivers, and a host of social, demographic and economic challenges in a period of quite extraordinary change.

Before we discuss how these challenges can be addressed we first examine, in Chapter 2, the value and potential of the land and its natural and cultural assets.



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Chapter 2: The land and its natural and cultural assets

The English uplands contain a wealth and diversity of natural and cultural assets, which generate many valuable public goods and benefits and market products and services.

There is considerable untapped potential for the nation to derive greater benefits from these assets – notably in terms of contributions to the UK economy, quality of life, biodiversity and mitigating climate change.

With rising food prices, an escalating world population and the possible impacts of climate change, there are increasing demands on the uplands to produce food and fuel, provide clean water and control flooding, secure biodiversity, lock up carbon, and contribute to regional and national economies. But not all of these can be delivered through the market – some will continue to require public support.

Competing demands for land use in the uplands can also create tensions and sometimes polarised opinions about what the uplands are for. Local people must play their part in resolving disputes and achieving consensus, making use of local knowledge and expertise to inform decision making.

This chapter summarises the evidence we heard during our Inquiry about the value and potential of the land and its natural assets. In particular we describe:

- the uplands' natural assets in terms of ecosystem services;
- the products and services obtained from the uplands;
- the benefits derived from management of the uplands; and
- the benefits derived from experiencing the uplands.

We conclude by considering the challenges and opportunities facing the English uplands. In particular we examine changes in European funding and CAP reform. We also consider the global pressures and demands of climate change, the world population explosion and the consequent escalation of demand for food, energy and water; many of these factors will increase the pressure for more intensive use of the land in the uplands.

Introduction

During our Inquiry many people drew our attention to the different functions of the land, and in particular the public goods⁵⁰ and benefits that arise from them. This so-called 'multi-functionality' was a recurrent theme. It was also noted that these functions – for which there is often no or only limited market value – are often unrecognised or unappreciated by those who benefit from them.

“The uplands are important for their landscape, biodiversity, archaeological, recreational and natural resource value, representing, for many, the ‘cultural heritage’ of England they would wish to preserve for future generations”
(Business in the Community, evidence to Inquiry).

⁵⁰ A definition of 'public goods' is provided in the glossary of terms.

The value and potential of the land and its natural and cultural assets

The English uplands are valuable national and international assets, encompassing cherished landscapes, important natural resources, biodiversity and cultural heritage. They are important for their range of natural habitats and associated wildlife⁵¹, and 53% of the 4,000 SSSIs in England are in the uplands.⁵²

As well as having their own flora and fauna, upland habitats provide important refuges for more common species affected by habitat loss in the lowlands. As a result of extensive sheep and cattle grazing and grouse moor management in the uplands the majority of the world's heather-dominated landscapes are found in the uplands. In addition, upland blanket bogs, and grass-based moors are also home to distinctive plant communities and associated bird and animal species. Many important birds are also associated with upland heath, including red grouse, black grouse, and hen harrier.

Our understanding of the use and management of these natural resources is aided by the relatively recent development of the concept of 'ecosystem services'. This recognises that land, landscapes and the natural environment provide a range of public goods and benefits that in turn need to be recognised and reflected in decision making.

Ecosystem services have been classified by the UN Millennium Ecosystem Assessment⁵³ as:

- provisioning services – products obtained from ecosystems, including food, freshwater and fuelwood, and genetic resources;
- regulating services – benefits obtained from regulation of ecosystem services, including climate regulation, water regulation and water purification; and
- cultural services – non-material benefits obtained from ecosystems, including recreation and ecotourism, and cultural heritage.

The uplands as providers of food, forestry and woodland, energy and water ('provisioning services')

Food

The uplands are an important source of lamb and of young livestock (store lambs) for finishing in the lowlands. Formerly much more important in the uplands, beef cattle are now most frequent in upland fringe areas in the south west and the midlands.⁵⁴ In total, about 44% of the total number of breeding ewes and 30% of beef cows in England are in the uplands and upland fringes (within LFAs).⁵⁵

A number of native breeds of hill sheep and cattle are found in the uplands. They are especially adapted to upland conditions and represent an important genetic resource. While some are now rare or specialist, a number are still farmed commercially in the uplands and make a significant contribution to the genotypes of lowland flocks. Some native upland breeds are valued for their superior taste and nutritional quality so can be sold at a premium.⁵⁶ Herdwicks are perhaps the best known example and are integral to the Lake District's cultural heritage.⁵⁷

⁵¹ Natural England (2009), Mapping values: the vital nature of our uplands – an atlas linking environment and people, NE 209.

⁵² Natural England (2009), Mapping values: the vital nature of our uplands – an atlas linking environment and people, NE 209.

⁵³ Millennium Ecosystem Assessment (2005) Ecosystems and Human Well-being: biodiversity synthesis. World Resources Institute, Washington DC. Reproduced from the adapted version in Land Use Policy Group (2009) Securing our Common Future through Environmentally Sustainable Land Management: The Land Use Policy Group Vision for the future of the CAP post 2013 (page 5).

⁵⁴ Natural England (2009), Mapping values: the vital nature of our uplands – an atlas linking environment and people, NE 209.

⁵⁵ Harvey, D & Scott, C (2010), Farm Business Survey 2008/2009, Hill Farming in England, Rural Business Research, Newcastle University, Newcastle.

⁵⁶ Natural England (2009), Mapping values: the vital nature of our uplands – an atlas linking environment and people, NE 209.

⁵⁷ Brown, G, 2009, Herdwicks: Herdwick Sheep and the English Lake District, Hayloft Publishing, Kirkby Stephen, Cumbria.

Farming in the uplands continues to make a modest but important contribution to employment. In the 2007 Defra Agriculture and Horticulture Survey, there were 32,000 holdings of all types in the uplands (LFAs); around 40% of these were 'grazing livestock' holdings and provided employment for over 13,000 people (in all categories, including part-time).⁵⁸

Livestock farming has been the major force in shaping and maintaining upland landscapes, leaving its mark on the landscape through grazing management, shelterbelts, windbreaks, stone walls and barns. This was a very strong theme, with many people drawing our attention to farming's historical role in creating upland landscapes and its potential to continue to do so.

Indeed, management and stewardship of the land and livestock are at the heart of the hill farmer's motivation.

Forestry and woodland

Forestry and woodland cover approximately 12% of the uplands, compared with 8.1% of England as a whole; while 25% of the total area of woodland in England is within the uplands.⁵⁹ The Forestry Commission is the largest forestry manager in England and a significant proportion of its total holdings are within upland areas. A large part of Forestry Commission managed land within the uplands is in Kielder Forest in the North East of England, although there are also major holdings in the North York Moors and the Lake District.⁶⁰

Forestry and woodland provide or influence a number of products and ecosystem services and form an important aspect of carbon management strategies. Tree planting in the uplands offers potential positive benefits particularly in relation to renewable energy production, water quality and flooding, protection of soils from erosion, and carbon sequestration.

In terms of its economic contribution, forestry is often seen as the 'third option' for economically productive use of upland land, along with sheep and grouse. While some may see commercial forestry plantations in a negative light they have created a distinctive local economy and culture in some areas. For example, in areas such as Kielder conifer plantations and commercial forestry have in effect created an industrial landscape, economy and culture comparable to mining.

As several respondents to the Inquiry noted, bio-energy schemes based on forest biomass have the potential to contribute to upland economies and create employment. The main potential fuel sources are forest residues, although biomass plantations based on single-stem conifers or, in favourable conditions, short-rotation coppice, could be established.

Renewable energy

Along with coasts, the uplands are the wettest and windiest places in England have the fastest flowing rivers and streams, and have important biomass resources.⁶¹ This makes them highly suitable as locations for the generation of renewable energy. The uplands have been largely protected from wind farm development because of their landscape designations (National Parks and AONBs) and their distance from user populations. There is, however, "considerable potential for low impact

“The uplands have a fantastic potential to produce food because we have something that a lot of the countries in the world won't have, and that is rain, for goodness sake we have lots of it you know. So we have the potential to grow grass, we have the potential to grow food.”

(North East Regional Hearing, March 2009).

⁵⁸ Based on DEFRA Farm Statistics MAGIC.

⁵⁹ CRC (2009), State of the countryside update: Uplands, CRC Web 40, Commission for Rural Communities, Cheltenham; Forestry Commission (2009), Woodland area, planting & restocking - 2009 edition; MAGIC (2009).

⁶⁰ Calculations based on data from Forestry Commission (2008, Forestry Statistics 2008).

⁶¹ Natural England (2009), Mapping values: the vital nature of our uplands – an atlas linking environment and people, NE 209

renewable energy generation in appropriate upland locations".⁶² Indeed, it has been argued by Natural England that they have the potential to be the first areas of the UK that are self-sufficient in energy.

Community-based renewable energy developments that are supported by local people can provide many economic and social benefits such as the creation of jobs, the potential to earn income from incentives such as Feed-in Tariffs or the Renewable Heat Incentive, and the opportunity to develop knowledge and skills.

During our Inquiry we heard about several renewable energy projects that are currently being developed. These included six upland renewable energy projects in Northumberland involving wind energy, biomass and geothermal energy as well as micro-hydroelectricity, and an exploration of the potential for renewable energy creation in the Peak District National Park.

Case study: Sustainable Youlgrave

'Sustainable Youlgrave' is a community-based initiative run by the people of the Bradford River Valley in the heart of the Peak District National Park. It has identified – and is setting out to capture – the potential to create renewable energy from wind, waste and water.

Various renewable energy feasibility studies are currently underway, including a pioneering £45,000 study into anaerobic digestion. In addition approval has been gained for a wind turbine, two ground source heat pumps and two air source heat pumps. Solar hot water and solar electric panels have been installed by private individuals and the Haddon Estate has built a hydro electric turbine. Sustainable Youlgrave is also exploring a range of educational and energy saving projects, informed by two household surveys of the entire community. It held a public workshop on composting, established a bi-monthly village market to promote local products and sell surplus allotment produce, and formed a new bee group to develop local beekeeping.

It is important to emphasise that opportunities for renewable energy in the uplands, whatever the scale – large or small – should not be overlooked.

England's largest hydro-electric scheme opened in 1982 at Kielder Reservoir, illustrating the lessons learned since the much earlier damming of Haweswater and Thirlmere reservoirs. The benefits from considering energy as well as water supply were considerable. As water leaves Kielder Water reservoir through the dam, its turbines generate enough power to light up a town the size of Hexham (population approximately 11,000)⁶³.

⁶² Natural England (2009), Mapping values: the vital nature of our uplands – an atlas linking environment and people, NE 209, p 11.

⁶³ Northumbrian Water Limited (2009) Corporate Responsibility Highlights July 2009 at: www.nwl.co.uk/NWL_CR_highlights_July09.pdf

The uplands as regulators of water and climate (‘regulating services’)

Water and flood management

The uplands provide much of the population with clean drinking water: of the total UK water supply, it is estimated that 70% is sourced from the uplands and furthermore, the water in upland rivers and lakes is of much better chemical quality than in the lowlands.⁶⁴ Of the drinking water provided to homes and businesses in Devon and Cornwall, 90% is collected from surface water (reservoirs and river intakes), the majority of which flows off the South West uplands. The remaining 10% is derived from groundwater (boreholes & springs).⁶⁵

The uplands, and the ways in which they are managed, also have a strong influence on river flows and flood risks.⁶⁶ Our Inquiry heard about the effects of recent flooding in several areas and their neighbouring communities, and repeated concerns that climate change is expected to increase the frequency of such events. In each case, we were told that land management in the uplands could play an important role in mitigating the flood risk downstream.

England's uplands act as a source for floods, particularly areas with wet organic soils. Land management can, however, influence the levels of risk. So for instance activities such as drainage, grazing, forestry and burning can potentially increase both the likelihood and magnitude of flooding.⁶⁷ Changes in land management in the uplands have “the potential to have a greater impact on river flow than the same management change in the lowlands”.⁶⁸

Land drainage in England's uplands expanded rapidly in the 1960s and 1970s, principally to aid agricultural expansion. The aim was to improve the quality of soils for rearing sheep and grouse, but in more recent times drainage of upland areas has been associated with environmental degradation and flood events.

Holden's studies have identified, however, that drainage can in some circumstances decrease flood risk as well as increase it. This highlights the need to better understand changes in the drainage pattern or ‘water flow paths’ across each river catchment and how these are influenced by specific and local land management practices.

Holden concluded that it is important not to generalise or, in the context of this Inquiry, not to adopt a one-size-fits-all solution to land management in order to manage flood risk. Whatever management practices are applied to the uplands, they will not always mitigate against flooding. Extreme rainfall events are still likely to cause floods in future due to the quick saturation of soils. However, for many other events of a smaller magnitude or shorter duration the choice of upland management can have an impact.

It is therefore in the best interests of water companies and insurance companies, as well as those living and working in areas at risk of flooding, to recognise the importance of local upland management and the potential opportunities as well as threats at a time when increasing demands are being placed on some farmers and land managers to change their practice or use of land, and the possibility that some areas may no longer be managed at all.

“We are moving to a system of carbon credits... and I think we are not that far away from economic value of how much a moorland is worth in terms of its peat and how much society ought to be prepared to pay for that management”
(YH Regional Hearing, March 2009).

⁶⁴ Natural England (2009), Mapping values: the vital nature of our uplands – an atlas linking environment and people, NE 209.

⁶⁵ South West Water (2008), ‘The uplands of South West England – an audit of key facts and figures’ available at: www.dartmoor-npa.gov.uk/laf-sw_uplands_audit_2008.pdf

⁶⁶ Natural England (2009), Mapping values: the vital nature of our uplands – an atlas linking environment and people, NE 209.

⁶⁷ Holden, J (2009), Upland hydrology. In: Bonn, A, Allot, T, Hubacek, K & Stewart, J (Eds), Drivers of Environmental Change in the Uplands, Routledge, Abingdon, p 135-155.

⁶⁸ Holden, J (2009), Upland hydrology. In: Bonn, A, Allot, T, Hubacek, K & Stewart, J (Eds), Drivers of Environmental Change in the Uplands, Routledge, Abingdon, p 129.

“In the uplands planning at the catchment scale would seem to be the most appropriate approach. Could we not start to bring social, economic and environmental planning together in one plan at the catchment level? Can we build on the current Catchment Sensitive farming work to deliver advice on the economic and social aspects as well as environmental issues?”
(Sir Donald Curry, speaking at ‘Shaping a Vision for the Uplands’, AAB Conference, 2-4 June 2008.)

Climate regulation through carbon management

Peatlands are the single largest carbon store in England, storing markedly more carbon than any other ecosystem. Lowland and upland peaty soils⁶⁹ occupy about 9.25% of England’s land area, and store an estimated 584 million tonnes of carbon, equivalent to about five years of England’s total annual CO₂ emissions. Peaty soils in the uplands and upland fringes account for at least 200 million tonnes of the stored carbon.⁷⁰

The peat environment is also unique in its capacity for ongoing accumulation of carbon over a long term. Other ecosystems, such as forests, do accumulate carbon, but reach a steady-state equilibrium, after which there is no further net carbon absorption.⁷¹

However, carbon accumulation by peatlands is very sensitive to both management and climate. Past land management regimes (which have variously involved cultivation, drainage, afforestation, burning and grazing) have not been conducive to carbon accumulation and have resulted in the conversion of much of England’s peatlands from carbon sinks to carbon sources. In the future, a warming climate or changes in precipitation regimes could further accelerate this process.⁷²

At present, according to Natural England, all of England’s lowland peatlands and most of our upland peat area are currently net sources of greenhouse gases, but “some upland peat areas are still capturing carbon”⁷³, and, according to Worrall et al, have the capacity to absorb more carbon.⁷⁴ Both preventing further carbon losses of carbon and increasing carbon absorption are, however, critically dependent on peatland restoration and management.

In terms of climate change, the uplands have, therefore, the potential to be an asset or a liability, an “ongoing sink of carbon or a significant net source”.⁷⁵ Many of those who gave evidence to the Inquiry drew our attention to the importance and value of upland peatlands as an actual and potential carbon store, to the serious risks of further carbon losses, and to the urgency of taking action to restore and manage upland peatlands.

Estimates of the exact benefits of restoring peatlands vary. According to Natural England, “restoration of key types of degraded peatlands could deliver emissions reductions of up to 2.4 million t CO₂ e per km² per year”⁷⁶ (equivalent to 0.43% of the average annual carbon budget for 2008-2022 and 4.4% of the target annual emissions reduction⁷⁷), and net economic benefits after 40 years. From their modelling study of Peak District peatlands, Worrall et al, concluded that restoring areas that could show a carbon benefit would show a profit at current UK shadow prices after seven years, with 50% showing a profit after 30 years.⁷⁸

⁶⁹ This includes both deep (areas covered with a majority of peat > 40 cm deep) and shallow (areas covered with a majority of peat 10-40 cm deep) peaty soils, but not soils with peaty pockets (ie areas of mostly non-peaty soils, with very small areas of deep peat).

⁷⁰ Natural England (2010), England’s peatlands: carbon storage and greenhouse gases, NE 257, Table 3, page 21. (Based on estimates of carbon stored in blanket bog and upland valley mire in the uplands, and shallow peaty soils on the upland fringes.)

⁷¹ Worrall, F, Evans, M G, Bonn, A, Reed, M S, Chapman, D & Holden, J (2009), Can carbon offsetting pay for upland ecological restoration? Science of the Total Environment, 408, 26-36.

⁷² Worrall, F & Evans, M G (2009), The carbon budget of upland peat soils, In: Bonn, A, Allott, T, Hubacek, K & Stewart, J, Drivers of Environmental Change in Uplands, Routledge, Abingdon, pp 93-112; Worrall, F, Evans, M G, Bonn, A, Reed, M S, Chapman, D & Holden, J (2009), Can carbon offsetting pay for upland ecological restoration? Science of the Total Environment, 408, 26-36;

⁷³ Natural England (2010), England’s peatlands: carbon storage and greenhouse gases, NE 257, p 28.

⁷⁴ Calculations, based on the ‘Durham Carbon Model’ of carbon budgets for peatlands in the Peak District concluded that, on average, peat soils currently absorb about 136 t CO₂ e per km² per year, while restoring them to pristine condition would result in their absorbing an additional 83 t CO₂ e per km² per year (Worrall, F, Evans, M G, Bonn, A, Reed, M S, Chapman, D & Holden, J (2009), Can carbon offsetting pay for upland ecological restoration? Science of the Total Environment, 408, 26-36).

⁷⁵ Worrall, F, Evans, M G, Bonn, A, Reed, M S, Chapman, D & Holden, J (2009), Can carbon offsetting pay for upland ecological restoration? Science of the Total Environment, 408, p 26.

⁷⁶ Natural England (2010), England’s peatlands: carbon storage and greenhouse gases, NE 257, p 2.

⁷⁷ CCC (Committee on Climate Change) (2009), Carbon budgets, www.theccc.org.uk/carbon-budgets, HM Treasury/HM Government (2009), Building a low-carbon economy: implementing the Climate Change Act 2008.

⁷⁸ Worrall, F, Evans, M G, Bonn, A, Reed, M S, Chapman, D & Holden, J (2009), Can carbon offsetting pay for upland ecological restoration? Science of the Total Environment, 408, p 26.

“The landscape and the iconic views offer a space for relaxation and there is a strong tradition of people from urban areas using the uplands as a place to ‘recharge their batteries’, experience tranquillity and engage in leisure activities.”

(Friends of the Peak District, evidence to Inquiry).

Restoring peatlands also offers other benefits, including increased biodiversity, reduction in water colour, reduction in flood events and sedimentation and in wildfire risk, and improvements in natural beauty and recreational value.⁷⁹

The uplands as providers of recreation, enjoyment and cultural heritage (‘cultural services’)

The character of upland areas is the result of all of the physical, natural, social and cultural factors that shape the land and the “ways in which people interact with and perceive it to transform land into landscape”.⁸⁰ Ask almost anyone what the uplands mean and they will speak first of beautiful landscapes. Since the Romantic period the mountains, moors, valleys and rivers, the “rich woodlands, emerald pastures and shimmering waters”⁸¹, have provided a creative impetus to celebrate and conserve the English uplands. Poets, artists, writers and travellers have all celebrated the uplifting effect of the beauty of these landscapes.

*Of majesty, and beauty, and repose,
A blended holiness of earth and sky,
Something that makes this individual Spot,
This small abiding-place of many men,
A termination, and a last retreat,
A Centre, come from wheresoe’er you will,
A Whole without dependence or defect,
Made for itself, and happy in itself,
Perfect Contentment, Unity entire.*

William Wordsworth, ‘Home at Grasmere’

An indication of the value we as a society place on upland landscapes is the fact that three-quarters of them are designated as either a National Park or an AONB. Both designations have the core aim of safeguarding and enhancing the natural beauty of landscapes.

A further indicator of the value we place on upland landscapes is their popularity for recreation and access. Every year 40 million people visit England’s seven upland National Parks.⁸² The remits of both National Parks and AONBs include the promotion of public enjoyment. In addition, of the 13 National Trails in England, six are predominantly or solely in the uplands.⁸³

The uplands offer both the most tranquil and most challenging areas of England, drawing those seeking peace and quiet – a breathing space from the hustle and bustle of daily life – and those in pursuit of ‘extreme’ sports. Spectacular scenery, geology and natural features and opportunities for walking, angling, pony trekking and outdoor adventure draw many to the uplands.

The growing recognition and evidence that connection to nature is essential to people’s physical, mental and spiritual health and well-being.⁸⁴ seems likely to enhance the attraction of the uplands for recreation and tourism.

Tourism and recreation are an essential part of the value and potential of the uplands, contributing to the economy and employment, and closely linked to farming and the landscape.

⁷⁹ Moors for the Future Partnership (2007), Peak District Moorland, Carbon Flux. Moors for the Future Research Note No 12. Moors for the Future Partnership, Edale.

⁸⁰ Swanwick, C (2009), Landscape as an integrating framework for upland management, In: Bonn, A, Allott, T, Hubacek, K & Stewart, J, Drivers of Environmental Change in Uplands, Routledge, Abingdon, p 345.

⁸¹ Wainwright, A (2003), Memoirs of a fellwanderer, First Frances Lincoln Edition, Frances Lincoln, London, p 23.

⁸² National Parks (2009), National Park facts and figures. www.nationalparks.gov.uk/learningabout/factsandfigures.htm.

⁸³ MAGIC (2009).

⁸⁴ Archbishops’ Commission on Rural Areas (ACORA) (1990), Faith in the Countryside, Churchman Publishing Ltd, Worthing, Sussex; Pretty, J (2007) The earth only endures. London: Earthscan Publications Ltd; Pretty, J (2008) Green exercise, www.essex.ac.uk/bs/staff/pretty/green_ex.shtm.

The 40 million visitors to the seven upland National Parks spend £1.78 billion a year.⁸⁵ In a survey of the views of people in six upland areas, tourism and agriculture were regarded as the backbone of upland economies, with tourism the most frequently mentioned.⁸⁶ In fact tourism is one of the main sources of income for upland communities. In the Peak District National Park, for example, it accounts for 27% of employment.⁸⁷

With their recreational opportunities, upland areas pervade people's spiritual, mental and physical well-being. From the very nature of the land itself, its protected landscapes, open spaces and the wildlife it supports, to opportunities to cycle, walk and ride. People also go to the uplands to paint, fish, bird-watch and experience local crafts and traditions in spectacular settings.

Traditional land management

Shooting is among the most traditional forms of recreation in the uplands. Game shooting and associated moorland management play a significant social and cultural role in many upland communities, contribute to employment and the local economy, shape the landscape and influence the environment.

Grouse are not the only game bird of economic significance in the uplands. In Exmoor and the Welsh Marches, for example, there are some lucrative pheasant shoots and, where good management is exercised, these are important in terms of woodland management in the upland fringes.

Several respondents pointed out the positive synergies between moor management for game shooting and environmental goals and ecosystem service provision, emphasising that this is a 'free service' on the basis that private investment saves public money by delivering environmental benefits.⁸⁸

Several of those who gave evidence also drew our attention to shooting's important social and cultural role. The CLA highlighted the role of employment in shooting enterprises in widening the age profile of upland communities by providing employment for younger people. It was said that upland game keeping is a "young man's activity and so attracts young families". An example was given of a school in the remote rural community of Branton, Northumberland. The school is well attended, not least because of the five young gamekeepers and their families who work on a nearby upland sporting estate.

According to the Moorland Association, heather moorland management and wild red grouse shooting in England bring investment of £35-40 million a year into rural communities (predominantly in the uplands), and in some upland areas grouse shooting has overtaken agriculture as the primary economic land use. It cites the example of a single moor in Upper Weardale, County Durham, which "turned over nearly £1million in 2008, mainly from the sale of shooting... most of which was reinvested in the future management of the land, payment of employees, locally sourced catering supplies, [and] casual local labour for shoot days".⁸⁹

Common land is a characteristic of many upland areas. 82% of the common land in England is within the uplands.⁹⁰

“While shooting enterprises may only provide recreational activity for a relatively small number of people, they leave a significant economic footprint as year-round employment; much of the expenditure occurs in the winter months when other visitors are scarce”
(CLA, evidence to Inquiry).

⁸⁵ National Parks (2009), National Park facts and figures. www.nationalparks.gov.uk/learningabout/factsandfigures.htm, Natural England (2009), Mapping values: the vital nature of our uplands – an atlas linking environment and people, NE 209.

⁸⁶ Step Ahead Research Ltd (2009), Inquiry into the future for England's upland communities: the views of the communities, Report to the Commission for Rural Communities, p 16., Step Ahead Research Ltd, London, Exeter & Sittingbourne.

⁸⁷ Bonn, A, Allot, T, Hubacek, K & Stewart, J (2008), Introduction, In: Bonn, A, et al (Eds), Drivers of Environmental Change in Uplands, Routledge, Abingdon, pp 1-10.

⁸⁸ Reed, M S, Bonn, A, Slee, et al (2009), The future of the uplands, Land Use Policy, 26S (2009), S204-216, available at www.foresight.gov.uk/Land%20Use/jlup/24_The_future_of_the_uplands.pdf, last accessed May 2010.

⁸⁹ The Moorland Association (2010), A Guide to Upland Policy Formation: Heather Moorland, The Moorland Association, Lancaster, Feb 2010, p 5.

⁹⁰ MAGIC (2009).

Commons may be owned by an individual or institution and the owner may retain certain rights, such as mineral rights or shooting rights. Other user rights, however, reside not with the landowner but with commoners. The most important of these for contemporary land management is common grazing rights.

The distribution and management of grazing rights varies from common to common with considerable local variation in custom and practice. Over-arching legislative provision on the governance of commons is provided by the Commons Registration Act 1965 and the Commons Act 2006 and through some local legislative provision such as the Dartmoor Commons Act 1985. The 2006 Act establishes statutory commons councils, seeks to improve the accuracy of the Commons Registers of usage of common rights, and seeks to facilitate the environmental management of commons.

Commons provide both a challenge and an opportunity for engaging stakeholders in multi-functional management. Considerable breakthroughs have been made in the last three decades in the development of governance regimes that promote sustainable land management. For example, the Dartmoor ESA facilitated a coming together in the early 1990s of commoners and other interests to seek to establish a sustainable grazing regime for the Dartmoor commons.

Commons provide a model for managing land that emphasises collaborative and communal working and offers much potential, especially under the terms of the 2006 Act, for a self-regulatory framework that takes into account wider interests. Ensuring that the 2006 Act plays its part in allowing commons to adapt to future challenges and demands is a priority for the various agencies concerned with common land and for commoners' councils.

“There also is a different language and dialect. There is different terminologies used even from valley to valley, but that is getting eroded again by television, radio and a lot of those words are falling into disuse. You still find a lot of people in the Upper Swaledale and Wensleydale who will talk about ‘thee’ and ‘thou’, rather than ‘you’ and ‘your’, for instance.”
(Yorkshire Regional Hearing, March 2009).

“The essence of success of villages like Caldbeck appears to derive from the culture and attitude of local people, their determination to pass on stewardship (‘passing the baton’) of the community to the next generation and a belief that the community will thrive despite the interference of regulators etc.”
(Note of Rural Advocate’s visit to Caldbeck, Cumbria, October 2008).

Trends in pastoral commoning

- 1) The number of full time commoners will continue to decline in the uplands, with some abandonment possible.
- 2) Landscape quality will be affected, especially in the uplands, with scrub and bracken encroachment, and traditional boundaries no longer maintained.
- 3) The impact on agriculture and local communities is less certain, but with reduced output, abandonment and amalgamation of farms, existence of some skills and heritage will be under threat.
- 4) Payments from agri-environment schemes and the Single Payment Scheme remain necessary to underpin the current system.
- 5) The provision of a range of public goods from common land remains dependant on continued grazing and collaborative management.

Source: The Pastoral Commoning Partnership Trends in Pastoral Commoning, report commissioned by Natural England, February 2009.

Our research has shown that the competing demands for land use, where there are often conflicting and competing objectives, can lead to polarised opinion around land management. As shown through the commons management approach, local people have a critical role to play in resolving disputes, working in partnership with others, and using their expertise and knowledge to achieve the best outcome.

Cultural heritage

Cultural heritage in the English uplands, both physical and abstract, is a national asset, a public good and an important source of identity, meaning and social cohesion in upland communities.

“The cultural heritage also makes an important contribution to the tourism value of the uplands. Especially significant in the context of this Inquiry is the way in which cultural heritage spans the social and environmental, creating a meaningful link between upland assets and upland people: “the cultural landscape [of Cumbria] demonstrates the link between ecological and social sustainability and the ‘beautiful’” (ACT, evidence to Inquiry).

The uplands culture encompasses all the arts – including music, poetry and literature – the richness of local dialects, local sporting events and the diversity and pleasure of gatherings such as shepherds' meets. Such social and cultural activities continue to bring communities together at a local level, continuing many ancient traditions.

English Heritage defines heritage as ‘all inherited resources which people value for reasons beyond mere utility’. The definition includes:

- cultural heritage – inherited assets which people identify and value as a reflection and expression of their evolving knowledge, beliefs and traditions, and of their understanding of the beliefs and traditions of others; and
- natural heritage – inherited habitats, species, ecosystems, geology and landforms, including those in and under water, to which people ascribe values.⁹¹

Cultural heritage is certainly an integral aspect of the public perception of the English uplands. This arises from the cultural landscape and its physical features, of which there is a considerable number and diversity in the uplands. Many of these have been identified, mapped, recorded and preserved, for example the clusters of Scheduled Ancient Monuments in the uplands.⁹² Several contributors to the Inquiry also drew attention to the role of livestock farming in maintaining cultural artefacts (as well as being a heritage feature in itself).

Land managers and farmers can play a key role in conveying the history, traditions and importance of the land to visitors, through a variety of media including music and song. Pastoral commons and the hefting system are also particularly distinctive and traditional features of upland farming systems and an important aspect of the cultural heritage.

Cultural heritage is far less recognised and appreciated than natural assets (which are much easier to measure). Yet recognition, appreciation and valuing cultural heritage is crucial to realising the potential of the uplands.

Cultural heritage and Lake District farming

As part of the case for conferring World Heritage Site status on the Lake District, McCormick & Rebanks⁹³ listed the following aspects as being of outstanding value:

- Time depth. The pastoral system exhibits “extraordinary continuity and persistence. It is a pre-modern farming system, with much

⁹¹ Gaskell, P (2009), Heritage in the uplands, presented at ‘The value and valuation of public goods in the English uplands’, Commission for Rural Communities’ Seminar, Penrith, UK, 21 May 2009.

⁹² Natural England (2009), Mapping values: the vital nature of our uplands – an atlas linking environment and people, NE 209.

⁹³ McCormick, T & Rebanks, J (2009), A proposal paper for the World Heritage Site Technical and Advisory Group 1, Draft, September 2009. at: www.rebanksconsultingltd.com/resources

unchanged for in a thousand years (including in relation to farming culture, land tenure, stock management and livestock breeding).

- Common land. The communal management of common land has been central to “the survival of traditional ‘pre-modern’ farming”. The Lake District has the largest proportion of commons of any farming landscape in the UK and Western Europe.
- Agricultural built heritage, made up of walls, barns, sheepfolds, houses etc – “an exceptional and large-scale example of a built landscape created by thousands of individuals over many centuries”.
- A distinctive people on a distinctive landscape. People and landscape are enmeshed. “The early conservation movement was not just about landscape protection, but about the preservation of a certain kind of people, with a certain kind of farming, and landscape management.”

“Everywhere of course is the product of human activity. You know, it is not true that landscape is untouched for hundreds of years just because it is in particularly rural areas. It reflects traditions and customs, use of local materials.”

(West Midlands Regional hearing, February 2010).

Of special significance are ‘hefting and hefted flocks’ and the ‘culture’ of shepherds’. “These create a very distinctive culture and community, which is as much a part of the region’s heritage as the landscapes, monuments and land-use systems.”

Challenges and opportunities

Having outlined the main qualities of the land and its natural assets, we now turn to the wider context and the main challenges and opportunities facing the English uplands and land use. These are:

- European funding and CAP reform; and
- global pressures and demands.

European funding and CAP reform

Chapter 1 described the interrelationship that exists between the land and its communities. A key factor in retaining land managers and farmers – and hence communities – in the uplands has been support through CAP. This includes the Single Farm Payment and the agri-environment schemes, in particular the Hill Farm Allowance (HFA) associated with the poor agricultural quality of the land in the Less Favoured Areas (LFAs). The HFA has been replaced with the Upland Entry Level Scheme (UELS), which rewards the delivery of some specific environmental services rather than for social purposes. The UK has led the way in developing the national aspect of the CAP to reflect environmental concerns and issues.

There are significant pressures on the CAP, not least the growth in member states and the economic position across Europe. Key drivers in the negotiations will be environmental and food security across Europe, but also the need for economic and social return on investment. While the first two factors play strongly within the uplands, it is also the case that hill farming has always operated at the edges of viability and that the wider social and economic benefits are not always recognised.

We accept that it may be impossible to satisfy everyone’s wishes for CAP. But there is an opportunity here to reward and incentivise farmers and land managers for the conservation work they do and their role in developing public goods. In particular, there is already a developing opportunity to use the second pillar of European rural

development policy to support climate change adaptation, develop new entrepreneurship, and support leadership and education, thereby improving capacity in the uplands.

The need to agree an approach to valuing upland assets

Much attention has been given to how public goods might be valued for policy purposes. We commissioned a number of review papers on valuation methods for our seminars. We recognise that methods that seek to give a monetary value to public goods have a role to play, particularly in policy assessment and formulation. Our view is that these methodologies are helpful and most importantly, should help decision making.

We are aware of the work on valuation taking place under the National Ecosystem Assessment and hope that this will offer further positive developments of methodology. However, it is our view that the techniques are still emergent and, if taken in isolation, should not be used as the basis for deciding policy. It is essential that any valuations are set in a wider context and with due regard to the interaction between the stakeholders (the communities and the land managers) and policy makers. Some things are intrinsically hard to value or are even beyond any meaningful monetary value.

From all of the evidence heard arguably the greatest threat to the future of the uplands will come through inadequate levels of income and investment. Finding appropriate ways of valuing and rewarding public goods and assets is crucial to future sustainability. It is essential that pursuit of these goals constitutes a central theme in our proposed uplands strategy and that representatives of all key stakeholders are engaged in the process.

Global pressures and demands

A number of global factors will increase the pressure for more intensive use of the land in the uplands, but will also create potential opportunities. These future changes include the major global issues of climate change, the world population explosion and consequent escalating demands for food, energy and water, awareness of which has heightened markedly in the last year or so.

Speaking in 2009, Professor John Beddington, the Government's Chief Scientific Adviser, characterised the world as facing the 'perfect storm' of food shortages, scarce water and insufficient energy resources. As world population increases towards 9.2 billion in 2050, the World Bank predicts that by 2030 worldwide demand for food will increase by 50% and for meat by 85%. By 2050 the number of people living in countries chronically short of water will rise to more than four billion. Agriculture, which accounts for 70% of global fresh-water use, will be particularly vulnerable.⁹⁴ These growing pressures were acknowledged in Defra's Food 2030 strategy, published in January 2010.

These pressures have particular implications for the uplands, placing unprecedented demands on land – to produce food and fuel, to provide clean water and control flooding, and to lock up carbon (and, as regards water and carbon, the uplands are especially important).

⁹⁴ Evans, A (2009), *The Feeding of the Nine Billion: Global Food Security for the 21st Century*, Chatham House, London.

In his paper 'An economic perspective on the English uplands' Slee considers the global and economic pressures on these areas and identifies how they provide an impetus for a new future for the uplands:

"There is a real possibility that we are at the dawn of a period when the relative importance of the production role of the uplands will be reasserted. ... The uplands are the water towers of Europe, the windiest part of the country and have capacity to grow trees very fast on land that is of rather modest potential in grassland production. As climate warms, it is likely that substantial areas of upland will become better able to produce good pasture and, in some areas, arable rotational opportunities will also increase. Essentially, the uplands are likely to become a frontier of opportunity with wind, wood and water energy and for water gathering, as well as a better place to undertake pastoral agriculture. Indeed, the uplands are already facing pressure for expansion along these lines and the prevailing economic drivers are likely to become stronger."

*"It is not impossible that some areas in the uplands could become the vanguard of a decarbonised economy, operating renewable energy systems and developing new models of re-localisation with reduced long-distance movement of people and products."*⁹⁵

(Bill Slee)

Slee's analysis indicates a number of areas in which the uplands could come into their own. In particular, opportunities are likely to arise in relation to renewable energy and new economic opportunities – such as green tourism and local markets. These are explored in more detail in Chapter 4.

To summarise, the first two chapters of our report have highlighted the value of the assets which are within the English uplands, and outlined some of the threats they face. We have also started to outline just what potential could be realised by having a coherent and joined up approach, with clear priorities, sensitive to the local area.

The English uplands comprise genuine living and working landscapes, with the opportunity to provide solutions to a number of key national quality of life, environmental security and low carbon issues. In the next two chapters we set out how the threats could be mitigated and the potential realised, for the good of the communities themselves and for the good of the nation.

The uplands deserve political and public attention now so that society becomes more aware of not only what is potentially available, but also what is at risk, and so better understands and benefits from the valuable human and natural assets that are vital to our quality of life.

In Chapter 3 we set out how a new, national strategy supported by visible leadership and empowered upland communities will better realise the potential of the uplands. It also explains why an integrated policy approach is so important, and how it could work at different governance levels.

Chapter 4 goes on to describe the key levers for change that, once activated, could support the achievement of uplands potential.

⁹⁵ Slee, W (2009), An economic perspective on the English Uplands, Presented at 'The state of the uplands 2, Commission for Rural Communities' Seminar, Exeter, UK, 22 April 2009.

3

Chapter 3: A new approach for the uplands – creating the conditions for success

The Inquiry has highlighted that we need a new way of looking at the uplands. Instead of regarding them as areas of severe disadvantage, which has tended to influence policy making and delivery mechanisms, they should be considered as areas of great environmental, cultural and social value.

To realise the potential of these areas we are recommending a new national strategy for the uplands, combined with strong, visible leadership and empowered local communities. Taken together, these can create the conditions for success.

Policy and decision-making must be responsive to local needs and circumstances. Communities themselves should be involved; they have the most direct interest because they live with the outcomes. Also local knowledge, often based on years or even generations of experience, is essential in developing innovative approaches and in reaching decisions – many of which will involve balancing conflicting interests.

Introduction

Despite generating important public goods and market products, the English uplands are not managed as assets at a national level, which means that their full potential is not realised.

Wider generic policies relating to sustainable development, food and farming have failed to take sufficient account of local conditions; as a result, for the uplands there have been unintended negative consequences alongside missed opportunities.

The current competing pressures on the uplands mean that now is the time to grasp the initiative. According to Reed et al, “Never before have our uplands been under so many competing pressures, combined with such a legacy of change. And never before has there been so much uncertainty of the future trajectory”.⁹⁶

There is a need for public intervention to secure these assets and generate public goods and private benefits, and to realise the uplands’ full potential for renewable energy, green tourism and food production.

At the same time, it is important to recognise that although it is farmers and land managers who look after the assets and deliver the goods and services, many more people enable them to do so as part of the wider upland economy and society. In other words, farmers and other land managers need to continue to be part of sustainable wider communities to be able to carry on their vital role.

“Policy makers and society as a whole need greater clarity over the uplands.... We need to find ways to ensure that the full potential of the uplands is recognised and delivered, that the people and wildlife that live there thrive, and that the uplands deliver environmental, economic and social benefits for the whole of the UK.”⁹⁷

⁹⁶ Reed, M S, Bonn, A, Slee, et al (2009), The future of the uplands, Land Use Policy, 26S (2009), S204-216, p 2.

⁹⁷ RSPB (2007), The uplands: time to change, RSPB, Sandy, Bedfordshire, p 8.

What needs to change?

We consider that there are four key issues which, if addressed in a coherent way, could set the foundation for realising the potential of these areas, reduce unnecessary bureaucracy and better target taxpayers' money.

“The interrelationship with the urban areas of the North East, the contribution to the City-Regions needs to be better understood and recognised in policy. [...]”

Urban communities stand to benefit from ecosystem services provided by the uplands, such as the management of future flood risk, or carbon management.

Uplands agriculture, whilst being [relatively] “unproductive” in one sense because of geographical disadvantage, nevertheless provides benefits that often go unrecognised.”

(Written evidence, ONE North East, North East Regional Hearing 19 March 2009)

1. Recognise the interdependence between upland communities and the land

Our analysis of the challenges faced by upland places and communities revealed a complex assortment of needs and unfulfilled potential. The future of the public goods and benefits delivered by England's uplands is interlinked with the sustainability of upland communities. Yet in most cases the existing policy approach and governance of the uplands barely acknowledges this interdependence, let alone address it in a coherent way.

The important contribution of income from a range of business activities ('pluriactivity') to most hill farm households demonstrates how essential the links are between farming and the performance of the surrounding regional economy. As Terluin says, "... rural economies are the bedrock of farming."⁹⁸

2. Recognise the interdependence between upland and urban communities

Despite the apparent remoteness of some of England's uplands – parts of the Peak District and Dartmoor being particularly notable exceptions – they are not isolated entities. Uplands are usually tributary areas to towns and cities in both a bio-physical and socio-economic sense. As well as being the source of the rivers flowing through some of England's largest cities, and provider of food, water and a range of ecosystem services (Chapter 2 refers), many upland areas fall within the travel to work areas of towns and cities.

This interdependence is long-established; in modern history the mill towns of East Lancashire and West Yorkshire exploited the rapid flowing rivers of the uplands to provide the power for the expanding textiles industries during the early period of the industrial revolution. Similarly, tourism and recreation have a long history in the uplands, expanding dramatically during the Victorian period in specific locations such as parts of the Lake District and Dartmoor, with visitors informed and inspired by the creative writing of William Wordsworth, Cecil Torr and many others.

These examples demonstrate that the uplands have long held 'potential' and brought benefits to the nation. Today's challenges – not least Beddington's so-called 'perfect storm' of rising energy costs, rising food prices and water shortages compounded by a growing population, and the need for us all to act to address climate change – should present a new dawn of potential and opportunity in the uplands. And yet, with such concepts as City Regions, there is a real possibility that the contribution of upland areas could be overlooked.

⁹⁸ Terluin, I (2003), Differences in economic development in rural regions of advanced countries: an overview and critical analysis of theories, *Journal of Rural Studies* 19. pp 327-344.

3. Support multiple land uses

“Integrated land use policy measures are needed that support multi-faceted approaches to upland land use... Policies need to be developed which support a more integrated, multi-objective and multi-beneficial approach to land use and management.”
(RSPB, evidence to Inquiry).

At present specific services such as water quality, maintenance of the landscape or biodiversity are being prioritised in certain locations. Although this piecemeal approach produces some benefits, it limits the real potential of what could be realised and in effect encourages land management for single use. We propose a more holistic approach, which recognises the production of multiple goods and services from different land uses.

Supporting multiple land use would require greater knowledge exchange between researchers, policy makers and farmers, and would need to facilitate effective collaboration between land managers themselves, across new catchment areas.

4. Support local decision making

The need to involve local people in decision-making was a strong theme to emerge from our Inquiry. People repeatedly expressed frustrations with the application of existing policies and governance across the uplands. For example, we heard that people felt ‘powerless’ at not being able to influence decisions that have a direct bearing on their lives, and at times were not able even to ascertain why particular decisions had been made.

These frustrations are not unique to upland communities, of course. However, people in upland communities did appear to feel particularly remote from decision-makers, with a growing feeling of marginalisation. They must also contend with particularly complex governance arrangements – a product in part of the important role that regulatory and funding bodies such as the National Parks, the Environment Agency and Natural England play in the uplands.

“But they [upland communities] have an inherent suspicion in that area of the public sector, because the public sector dip in and out, there is no long term policy, there is no long term strategy, and the public sector, frankly is not getting its act together and coming to them with a coherent message. They are hearing one thing from the AONB, they are hearing one thing from Natural England, they are hearing another from all of the other public bodies... it is really difficult because change takes time and change takes trust and we haven’t got that long-term policy.”

(South West Regional Hearing, April 2009).

Particular frustrations that were raised included:

- there are too many organisations with too many different policies involved;
- the relationship between organisations is confusing and it is not clear who is responsible for what;
- there is confusion about who makes the decisions;
- some organisations are more responsive to local people’s needs than others;
- local knowledge is neither appreciated nor applied;
- there is an absence of a forward looking strategy or plan to help upland communities to realise their potential.

The current system means that policies are seen as being ‘top down’, sporadic, short-term interventions. The absence of a satisfactory strategic policy approach means that policy objectives are not currently working towards common outcomes for England’s diverse upland communities.

“There is a feeling that there is too much bureaucracy placing unreasonable demands on land workers and businesses. Policies are seen as being done to people rather than with people.”

(Colton Parish Council, evidence to Inquiry).

“There is a vulnerability to decisions on [the area’s] future taken by those [who live and work] outside of the area and who fail to understand its needs.”

(Clun Forest, comments form, April 2009).

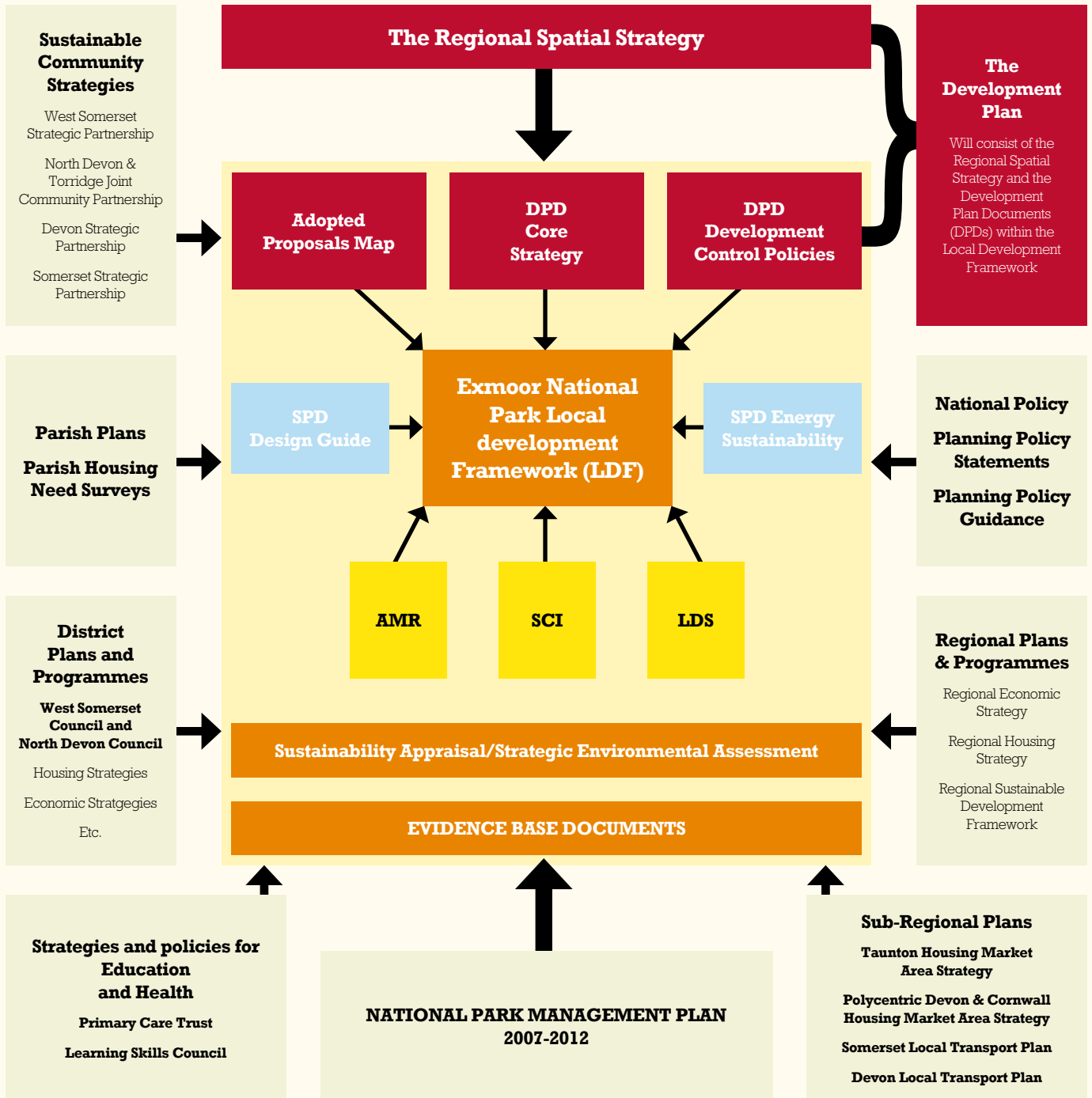
“Central policy has become disengaged from local need.”

(Blanchland Community Development Organisation, evidence to Inquiry).

The complexity of current policy and governance arrangements is illustrated by the preparation of Local Development Frameworks (LDFs) and Core Strategies in upland areas. Figure 7 illustrates the plethora of plans and strategy documents that are used to inform the LDFs, which could be criticised as impenetrable to all but the most experienced planning professionals.

Figure 6 Local Development Framework for Exmoor – an example of the complexity of policy and governance arrangements.

Local planning authorities should...take account of the principles and characteristics of other relevant strategies and programmes when preparing local development documents and in particular the core strategy (within the Local Development Framework). These should include the community strategy and strategies for education, health, social inclusion, waste, biodiversity, recycling and environmental protection (PPS12).



Source: Exmoor National Park Authority (undated). Local Development Framework, Summary Leaflet.

In a similar vein, the preparation of Core Strategies by NPAs reveals how, quite literally, hundreds of policy statements, national, regional and local strategies must somehow be consulted and then used to inform them. For example, the preparation of the Core Strategy for the Lake District⁹⁹ consulted close to 150 plans, strategies and relevant guidance documents.¹⁰⁰

To address these current shortcomings will require a new approach to policy for the uplands, which will reduce duplication and unnecessary bureaucracy and increase efficiency. This should provide a coherent framework, but be sufficiently flexible to accommodate the rich diversity of the uplands. The framework would enable upland people, businesses and communities to contribute and play their part in protecting and enhancing the value of these important national assets.

Our view of the need for a new strategic approach to the uplands is shared by several large membership-based organisations – the Campaign to Protect Rural England, the National Trust, and the Royal Society for the Protection of Birds.

Recommendation

1: A new integrated strategy for the uplands

Government should develop a comprehensive and integrated strategy for England's uplands, to protect and maximise the benefits derived from the valuable national assets these areas contain, and recognises that support and investment in thriving upland communities is critical to realising the full potential of these diverse areas.

The new national strategy

The two main outcomes from the new approach are to achieve:

- sustainable upland communities – through innovative economic and community development, and new approaches to planning and local governance; and
- sustainable management of the land and its natural and cultural assets for the public good.

This will require a fresh commitment from government departments, public bodies, local authorities and others to work together with communities. We recognise that there is already some good practice which demonstrates good collaboration and this should be built upon.

We also know that realising the full potential of England's uplands is not within the gift of one body and there is no single solution to this complex picture. However, this new policy approach needs to be seen to provide leadership and transparency.

The new strategy is in line with the Organisation for Economic Cooperation and Development's (OECD) *New Rural Paradigm*, which advocates investment and reward and a focus on places instead of sectors.

⁹⁹ Lake District National Park Authority, 2010, Core strategy.

¹⁰⁰ Lake District National Park Authority, 2010, Core strategy – core document list.

The strategy should be:

- *integrated* – across sectors, administrative areas and departments;
- *territorial* – for the uplands, distinctive and appropriate to specific circumstances recognising diversity across upland areas;
- *well-informed* – using local and expert knowledge and, where appropriate, the outcomes of research and development;
- *participatory* – involving local people;
- *incentivising* – for those delivering public goods;
- *investment focused* – building a diversified economy based on the potential of the uplands and its communities.

Action at every level

This overall approach will only be successful if it is genuinely integrated at all levels – national, intermediate and local. It needs to recognise the diversity of each upland area: what is workable and appropriate for the Cumbrian uplands may well be different from what should be delivered in Exmoor or the Peak District. Actions taken at these different levels should build on efforts that are already being made to achieve greater integration.

National leadership

Central government policy already recognises that every place is different, with distinctive strengths and needs. It includes a commitment to create ‘strong, safe and prosperous communities throughout England through a new settlement between central government, local government and citizens.’¹⁰¹ It also requires that a tailored approach is developed for each area, emphasising the need for local government to broaden its remit and respond to long-term challenges in order ‘to achieve positive outcomes for people and places’.

In the context of England’s uplands this means responding to the challenges identified through this Inquiry. It does not simply mean creating a place where ‘people want to live and work’, but actually enabling them to do so.

Solutions should be developed at the most appropriate level, balancing the need to secure resources of national significance with the needs of local communities.

The key policy areas which have a direct impact on the uplands and upland communities are distributed across a number of government departments. It will be important that responsibility for developing and delivering the new national strategy rests with a senior individual who can provide visible leadership and drive progress at all levels. Given the need to secure commitment from departments and achieve genuine integration, we believe there would be value in creating shared accountability amongst the relevant Ministers.

¹⁰¹ Department for Communities and Local Government (2006), *Strong and Prosperous Communities: the Local Government White Paper*, Cm 6939-I, Department for Communities and Local Government, London.

Recommendation

2: Strengthening leadership and momentum

The Government should appoint an individual with lead responsibility for developing and ensuring effective implementation of the new uplands strategy. This individual should be accountable to Ministers of BIS, CLG, DECC and DEFRA.

Intermediate level delivery

The national approach will need to be interpreted and delivered through key delivery bodies, such as Natural England, the Environment Agency and the National Park Authorities at the regional, county and local level.

During the course of the Inquiry we heard some deeply held concerns about how the government and its agencies tend to operate in a top-down manner at the local level. A consistent theme in our hearings was that local experience, needs and knowledge were not being taken into account or applied.

That said, in speaking with the organisations themselves we found that they are taking positive steps – through local engagement and involvement – to overcome some of these local difficulties, particularly in terms of providing more guidance and more easily accessible information and support. We also heard about more positive experiences and have highlighted much of this good practice in this report.

Local leadership

In common with many rural areas democracy and participation are critically important to enable and ensure effective delivery on the ground. Upland communities should be empowered so that they have much more direct input into decisions that have an impact on their lives and businesses and involve them in the design and delivery of the services that are essential in maintaining thriving upland communities.

Recommendation

3: Empowering communities in the uplands

3.1: CLG should take responsibility for ensuring that the recommendations of the CRC's Participation Inquiry (2008)¹⁰² are implemented, and in particular:

- ensure that both central and local government commit to supporting and acting upon very local community plans such as parish plans and market town plans;
- encourage local authorities to give neighbourhood budgets to local councillors for expenditure within their areas and for parish councillors to involve local residents more directly in spending decisions using participatory budgeting principles.

To encourage greater local participation, central government should extend more trust to local government. In turn, local government

¹⁰² CRC (2008), Participation inquiry: strengthening the role of local councillors, Commission for Rural Communities, Cheltenham.

should extend more trust to local communities.¹⁰³ England's uplands would benefit from local councillors and their communities having a strengthened role to play in decision-making, to encourage greater innovation in the planning and delivery of local services and in the local management and shaping of upland places.

Local government should have the flexibility to work more closely and responsively with their local communities, as well as collaboratively across the administrative boundaries that dissect and compartmentalise the governance of the uplands.

A number of mechanisms already exist to secure greater local and democratic influence over public expenditure within local areas. These include Local Strategic Partnerships (LSPs), Local Area Agreements (LAAs), and Multi Area Agreements (MAAs). The duty on a wide range of public agencies to co-operate with local authorities within some of these mechanisms in planning, improving and delivering social, economic and environmental conditions at the local level provides a platform for even greater co-operation and efficient use of resources in England's uplands.

Building on the premise that more gets done if people work together it is vital that local authorities take the lead locally to engage with a full range of stakeholders in developing and delivering a shared vision for each upland area. Local authorities should access resources from a wide range of agencies, including the Environment Agency, Natural England and others to deliver locally agreed targets and priorities.

Across the majority of England's uplands local governance arrangements are mostly organised into the three tiers of county, district and parish, although this is changing in several upland areas where new unitary authorities are being created.¹⁰⁴ Administrative boundaries present considerable barriers to effective collaboration. These can get in the way of attempts to support sustainable communities and develop their full economic potential, and deliver environmental benefits. That said, there are some obvious opportunities for the new unitary authorities in the uplands to develop new cross-boundary collaboration to achieve greater effectiveness and secure cost efficiencies.

It is also important that emerging opportunities to seek collaborative management across national borders should be taken where possible to generate better joined up solutions for catchment areas with Scottish and Welsh neighbours.

“... if you go back a little bit of time, that resource [commons] was locally managed, local responsibility, it was custom and practice and all these sorts of things. And then we went through a period when policy changes started to raise questions, particularly on the – in this instance – on the conservation front and we saw all these people coming into play – Natural England, Defra, Environment Agency, access organisations, the landscape people, the planning people, alongside all of the commoners’ interests. [...] And the thrust of power and control and influence moved away from the local to the more distant”.

(Evidence to North West Regional Hearing, May 2009)

¹⁰³ CRC (2008), Participation inquiry: strengthening the role of local councillors, Commission for Rural Communities, Cheltenham.

¹⁰⁴ In April 2009 new unitary authorities were created in Cornwall, Northumberland, County Durham and Shropshire.

A way forward – empowering local communities to develop appropriate, local solutions

Case study: Encouraging new ways of working – Barnard Castle Vision

Realising the potential of upland communities will require initiative and leadership from within those communities, aided by public and private investment that secures long-lasting change.

The upland communities of Teesdale have established a 20-year plan with the market town of Barnard Castle as its focal point. This aims to transform the town into ‘a leading service centre, a heritage destination of regional significance, a hotbed of entrepreneurialism and a preferred location for high value-added manufacturing and knowledge-based business investment’. It is an upland location recognised as a priority for strategic investment with the region's Economic Strategy, engaging a partnership that includes ONE North East, Durham County Council, Teesdale Marketing, The Enterprise Agency for Wear Valley and Teesdale, Teesdale School and NHS County Durham to work with the communities to make the Vision a reality.

There is much to do and it is imperative that local people and businesses, as well as visitors to the area, benefit from the investment-led approach being adopted. For example, the Digital Dale project, which is being led by Barnard Castle Vision in co-ordination with a number of local partners will connect micro-enterprises and a wide range of residential, community and business users. Beneficiaries will include isolated farms and those communities that currently have poor or no connectivity.

The initiative has established a ‘1,000 Voices panel’, a group of 1,000 local people who live or work in Teesdale, to ensure that voices in Barnard Castle and throughout Teesdale can be heard, and to work together to help realise the potential of Barnard Castle and Teesdale.

Communities such as this could be invited to pilot the new approach to the uplands that we are advocating.

Alongside national leadership, we set out below some of the techniques and mechanisms that could be adopted to support local participation in delivering national policy. These should allow communities to bring their knowledge and expertise to delivering the best solutions on the ground.

In this section we consider an Upland Multi Area Agreement, the benefits of Total Place and the important role that National Parks need to play (in particular their engagement with local authorities and parish councils). We then consider the potential benefits of the Leader programme approach.

It is imperative that local authorities and public service providers work with people and businesses that make up each community, in shaping that community's future, and improving the lives of the people who live and work there. Across England the geography of local government

is enormously varied, and this is compounded in the uplands by the sheer amount of land covered by formal designations (as explored in Chapter 2), the communities that exist within these designations, and the topography and geography of settlements.

We suggest an approach, led by local authorities, which will involve local and national bodies coordinating policies that have an impact on economic growth, such as employment, skills development, transport, regeneration, housing and planning, tourism and the environment. This would enable more efficient service delivery across more meaningful land units based on what binds the place together (ie shared identity, landscape, biodiversity, catchment etc), encouraging participation across boundaries to agree targets and pool funding.

Such an arrangement – which could include an upland MAA – would require robust governance arrangements, visible leadership, clear decision making and management arrangements, and an agreed timescale.

The advantages of this wider spatial approach – applied to the particular socio-economic challenges of the uplands – would be that it:

- provides local solutions to strategic issues;
- would allow cost savings by pooling resources to address the 'bigger' challenges such as investment in infrastructure across a sparsely populated area;
- can be tailored to the specific challenges of an identified upland area;
- would provide a shared perspective on what binds the defined area together (such as ecosystem services, landscape units or a shared identity), rather than pure designations and boundaries; and
- would create stronger strategic partnerships in the uplands.

Equally valid as a possible approach to community engagement is the Total Place programme. Through Total Place local service providers work together to identify a 'whole area' approach that meets local needs, with local authorities taking on a leadership role. By putting democratically elected councillors in the driving seat it aims to ensure that local needs and views are properly served, and that public services are better targeted and more cost efficient. The programme places local government firmly at the centre of decision making in their community.

An initial 11 Total Place pilots have now taken place, each concentrating on a particular theme in their area, such as children's services, anti-social behaviour or social care. Given the specific delivery issues faced by upland communities and the need for creative service delivery mechanisms, we consider that it would be appropriate to include an upland area in the next stages of Total Place.

Recommendation

3.2: Pilot new approaches to community engagement across upland areas

Relevant local authorities should be encouraged by CLG to pilot new approaches that enable local authorities and communities to work together in upland areas to agree objectives, allocate resources, and achieve strategic goals. One of the models which might be piloted in an upland area could be the Multi Area Agreement (MAA) or similar.

And CLG should extend the scope of its Total Place pilots to an upland location, providing a valuable opportunity to explore both the potential for a more integrated, place-based approach to public sector provision, and the opportunities for strengthening voluntary, community and social enterprise activities in upland communities.

In order to ensure that learning and good practice from the pilots is shared, CLG should put in place a monitoring and evaluation framework.

Enabling and empowering

National Park Authorities

During our Inquiry we heard that National Park Authorities (NPAs) play a crucial role in furthering economic and social well-being in upland areas, particularly given that the population within the upland National Parks is more than 170,000.¹⁰⁵ Their importance as planning authorities, together with their growing relationship with upland (and other) communities, and their successes in bringing together active partnerships and attracting resources¹⁰⁶, make them experienced enablers.

In line with the NPAs' duty to engage with LAAs, we see them as having a key role with local authorities and delivery bodies in developing the more spatially based approach outlined above.

As the lead planning authority these relationships are critical to the further development of sustainable communities in the uplands. In terms of local representation existing arrangements which recognise and value the important contribution of parish council members, and consider them an important link with local communities, have the potential to represent local issues. We think there is scope to do this better, as it does not appear to be fully utilised at present.

NPAs have been encouraged to make greater efforts to see that the timing and manner of making parish appointments is more widely understood in their areas to increase community engagement and support a local enterprise culture, and help ensure that local people are more involved in the running of the National Park.

Since 2003, the NPAs (and AONBs) have been administering a modest fund to promote more sustainable ways of living in the National Parks. These Sustainable Development Funds (SDFs)¹⁰⁷ were recently evaluated. It was found that the fund is playing an important role in

¹⁰⁵ English National Park Authorities' Association website.

¹⁰⁶ Land Use Consultants (2010), Evaluation of the Sustainable Development fund in English National Parks 2002-2009, Final evaluation report produced for the English National Park Authorities Association, February 2010, Land Use Consultants, Bristol.

¹⁰⁷ Each National Park receives up to £200,000 per annum from DEFRA for their Sustainable Development Fund.

changing attitudes towards the NPAs, as follows: *“the support provided by the SDF for individual projects in communities is becoming better known, encouraging a view of NPAs as ‘enabling’ rather than ‘controlling’ bodies.”*¹⁰⁸

The evaluation concluded that SDFs are helping to deliver the statutory purposes of National Parks by providing NPAs with resources through which they can actually deliver both the twin purposes to conserve the natural and cultural heritage and promote enjoyment of the Parks together with the duty to foster the social and economic well-being of local communities. The evaluation underlined the value of National Parks as enablers of sustainable development with discernible benefits from addressing social and economic well-being alongside environmental goals.

The Vision for the English National Parks and the Broads paper (March 2010) states that by 2030 National Parks and the Broads will be places where “there are thriving, living, working landscapes notable for their natural beauty and cultural heritage”. One of their main outcomes is “to foster and maintain vibrant, healthy and productive living and working communities”.

This statement sits well with the outcomes we seek for the uplands. In their vision it is acknowledged that the NPAs have statutory responsibility for some of England's areas with lowest wages and low levels of economic productivity, due to the majority of Parks being upland areas. Given these circumstances the NPAs have recognised that any strategy needs to take account of the particular economic circumstances of an area, and we were pleased to see that as the lead planning authority they would consider developing:

- “an appropriate planning regime encouraging new development to broaden the economic base and fostering more diverse and higher value local employment opportunities;
- appropriate support and advice (for instance through Business Link)”.

While we welcome these developments, to gain most benefit legislation and guidance needs to be updated so that contradictions are removed. If vibrant, sustainable communities are accepted as vital to the future of our National Parks then this should be set out clearly in the statutory purposes of the Parks, and in government guidance on priorities.

Recommendation

3.3: National Park Authorities as enablers of sustainable communities

Defra should enhance the role and value of the National Park Authorities by increasing their statutory responsibilities to give equal priority and status to foster the economic and social well being of local communities alongside the existing statutory purposes set out in section 61 of the Environment Act 1995.

¹⁰⁸ Land Use Consultants (2010), Evaluation of the Sustainable Development fund in English National Parks 2002-2009, Final evaluation report produced for the English National Park Authorities Association, p 64, Land Use Consultants, Bristol.

Town and parish councils

Our Inquiry heard from the town and parish council representatives of several upland communities who described how they had spent significant time, and effort, working with their communities on community plans, only to be overlooked or ignored by the principal local authority plans. As well as providing further evidence of the current lack of integration – in this instance between community-level plans and their local authorities – it also contributes to scepticism and mistrust between local people, their representatives and local authorities.

Sustainable Community Strategies should take account of, and seek to address the needs of, upland as well as any other communities. They should reflect the distinctive challenges and characteristics of upland areas, as well as the ambitions of upland communities. Where upland communities have shared or similar ambitions, town and parish councils can play an important role enabling initiatives such as 'parish clustering'.

Case study: Community-led planning in the Upper Eden

The Upper Eden Community Plan serves the market town of Kirkby Stephen in Cumbria and its 17 surrounding parishes. It brings together the views of local people and represents them to the wide-ranging organisations that set policies and deliver services.

The plan is described as:

- an action plan for projects to achieve people's aspirations, including green initiatives, safeguarding services and promoting home working;
- a vision of what people value in the community and what they would like to change;
- a process that involves the wider community.

The plan grew out of the Kirkby Stephen and District Healthcheck and Action Plan which was first produced in 2002 then updated in 2005. The area covered by the plan recognises a natural cluster of parishes that share many social and economic needs. There is a Steering Group and dedicated project officer, and links have been developed with strategic and policy delivery organisations such as the Eden LSP.

Funding was provided by Defra's Rural Social and Community programme and Voluntary Action Cumbria has given advice and support. Delivering the plan depends on partnership working with the wide-ranging organisations identified in the action plan.

Community-led planning is a structured process, engaging local people in debate about their local area. The Rural Community Councils work with communities to identify local needs and develop local solutions. The process has 'real influence with local decision-making about the needs, priorities and their future'. Helpful online resources about community-led planning are provided by Action with Communities in Rural England (ACRE).

The process results in an action plan that identifies:

- actions the community can take forward itself,
- actions that need external support to achieve, and
- actions that require external influence over long-term statutory plans.

Recommendation

3.4: Recognising and valuing community-led planning

Local planning authorities should be required to demonstrate that they have given material consideration to properly constituted parish plans and other local consultative strategies.

The LEADER approach

Evidence presented to the Inquiry suggests that the LEADER approach that is adopted in almost all upland areas of England is beginning to have an impact. However, many people said that more time should be allowed for the approach to be successful; this implies that interventions in the uplands have hitherto been too short-term and have consequently failed to achieve the desired policy outcomes. This view is supported by experience in Ireland where the benefits of the scheme became much more evident after some 15 years.

The LEADER groups are not the only example of an existing programme or policy that is concordant with many of the ideas and approaches promoted through our Inquiry, and on which there is the potential to build. However, its prevalence in the uplands and its integration into many relevant regional and local strategies make it the most significant we can identify.

Case study: A LEADER approach for the uplands

'Northumberland Upwards' is the new LEADER Local Development Strategy for the Northumberland uplands in 2008-13. It promotes joined-up decision making to benefit the economy, community and environment and aims to reach those left out in Northumberland's most rural areas.

The strategy sets out to:

- encourage entrepreneurial activity in rural North East England both within and outside traditional land-based industries;
- increase the production and use of biomass and biofuels in the region;
- support rural communities in tackling social disadvantage by creating the conditions for growth to sustain viable communities;
- support the development of farming and forestry supply chain businesses to create a more effective farming and forestry sector; and
- support tourism and recreation as drivers of sustainable economic development.

As this chapter has outlined, the key to realising the untapped potential of the uplands is a new national strategy, underpinned by visible leadership and community empowerment. This will encourage real participation in how these hardworking and stunningly beautiful areas are managed – not with a ‘one size fits all’ approach, but with joined-up, locally sensitive management that enables their full potential to be realised by combining the two key assets – the people and the land.

In Chapter 4 we consider the key levers for change which are required to fully realise the potential of the uplands.



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Chapter 4: Realising the potential of England's uplands

Initiative, enterprise and innovation abound in the uplands. We heard countless examples of the resourcefulness, adaptability and determination of upland communities to make the most of the natural assets in which they live and work.

We have identified specific levers for change that will enable upland communities to make the most of the opportunities and so generate greater benefits for the nation. These involve investing in and supporting the uplands, to supplement and underpin the new policy approach by rewarding the provision of public goods, developing markets and building capacity.

Some of the levers for change will require redirecting public investment, such as realistic payment for public goods and CAP payments; others will require private or combined investment, such as in broadband infrastructure and developing the skills and knowledge capacity of the uplands, or developing green and low carbon businesses.

These interventions will be most effective if they are based on the premise of participation and of giving upland communities more of a say in their own futures, blending local and academic knowledge and experience alongside policy development.

Introduction

The English uplands contain a wealth of natural and cultural assets with the potential to generate many valuable public goods and market products that support a low carbon future and the green economy.

In the previous chapter we set out the conditions for success. In this chapter we focus on the key levers for change that will help develop sustainable communities and realise the potential of the uplands for the rest of the nation. This will need creative and integrated investment to improve infrastructure and better utilise the wealth of human resources with experience and knowledge of upland conditions.

The key levers for change

The levers for change set out below will underpin the new uplands strategy and reinforce the importance and need for coordination and clear prioritising within the new policy approach. They are:

1. public payment for public goods;
2. a reformed better targeted CAP ;
3. developing markets ;
4. a positive future for farming;
5. pioneers of green business development ;

6. building capacity and raising aspirations;
7. switching on the uplands – investment in the communications infrastructure; and
8. planning as an enabler for sustainable housing and business.

Each of these is discussed in more detail below.

Public payments for public goods

Public goods and services

Given the growing environmental and economic drivers, increasingly the uplands offer the potential for the sustainable provision of essential goods and services such as food, raw materials, water, energy and carbon storage. At present these public goods are not fully understood, nor valued by the nation as a whole.

Hill farmers and land managers play a critical role in delivering valuable goods and services from the uplands. Some of these may, in the future, be delivered to the nation through the development of new markets (for example the development of carbon trading), while others may be delivered through innovative public/private initiatives (for example utility companies).

There is, however, a critical issue that needs to be addressed related to the current economic non-viability of hill farming. For hill farmers to maintain and manage the land that delivers public goods and services there needs to be some other form of reward and support as the market by itself will not deliver.

In terms of national policy there are a number of options. Where farming and land management operates effectively within a market, as in many lowland areas, there is the opportunity to use regulation to deliver the required level of public goods. With uplands land management and hill farming, where the market is less viable, regulation on its own is not an option. We consider therefore that upland farmers and landowners should be rewarded directly for the provision of public goods.

This direct targeting of public goods and their providers forms the foundation of our approach and the main mechanism for this is through the measures of the CAP. Clearly, the CAP's primary focus is agriculture. However, we also recognise that the full range of natural and cultural public goods is provided by the whole upland land-based culture and community, via the links between land and people and between farming and the wider community. The principle of 'public payment for public goods' must recognise this; it cannot be implemented simply through a crude 'payment-on-delivery' approach. Rather, investment is needed for the whole social, economic and cultural package from which the public goods arise.

Some public goods are supplied by voluntary environmental and conservation societies (such as the National Trust or the Friends of the Lake District), yet more are supplied as by-products of commercial farming or game management. For example, traditional farming has produced food and valued landscapes; moor management can provide

both game shooting and promote biodiversity. We consider that there is scope to exploit these synergies further by developing public-private partnerships.

However, this is unlikely to be sufficient to meet the demand implicit in the value society places on these public goods nor to avert some of the threats. Their continued provision therefore needs to be secured through public payments.

Case study: Friends of the Lake District

Founded in 1934, Friends of the Lake District is a registered charity that campaigns and organises practical action to protect and conserve the landscapes of the Lake District and Cumbria. With around 6,500 members, the charity describes itself as the only Cumbria-wide organisation working exclusively on landscape issues.

It provides grants, influences decision-makers to understand the importance of conserving and enhancing the landscape and campaigns to prevent harmful landscape changes. The Friends of the Lake District has policies that relate specifically to issues affecting the area's upland landscape.

To help stem the decline of traditional farming, the charity has previously owned several farms and now owns six areas of land, including three woodlands, on which it runs regular conservation work parties.

Targeting public payments for public goods

The sustainable delivery of critical public goods from the uplands needs to be secured and will require public support and investment.

The most immediate way of making 'public payments for public goods' is to give land managers direct rewards for managing the natural assets and delivering the public goods, particularly where there is currently market failure. Regulation can also be used to require the production of public goods although this will only work where the underlying business is profitable. It might therefore work in the lowlands but would not generally be sufficient in the uplands.

The essential role of farming, shooting and forestry in generating public goods was a recurrent theme throughout the Inquiry. Many respondents drew attention to both the historical role of land management and the risks to the public goods of its decline.¹⁰⁹

In addition, public goods are also derived from regulation of building and development, the social and economic costs of which are imposed on local people.

More sophisticated targeting of payments for public goods is required than at present and, in specific circumstances, greater use of the tools that might be used to deliver them. However there is a need for greater understanding of the extent of the public goods provided, their value and the potential for markets.

¹⁰⁹ The outcomes of land management can be negative as well as positive. This is illustrated by the impacts, until relatively recently, of overgrazing on upland landscapes, biodiversity, water catchment and quality, carbon storage, and other ecosystem services; the present concern is, however, that these public goods are now compromised by under-grazing, by the withdrawal of livestock from the hills.

Current administrative entities do not always coincide with land units that are suitable for planning and managing the delivery of public goods. This calls for the use of more ecologically and culturally meaningful land units such as catchments¹¹⁰, landscape units¹¹¹, ecosystems and ecosystem services.¹¹²

Knowledge about land use in the uplands is partial and still being gathered, even in relation to key areas such as carbon sequestration, water quality, flooding and moorland management. Accurate scientific data, combined with local people's knowledge must be used to establish which systems and managers deliver the public goods we want.

Decisions about: what public goods are; which elements of landscape and the land-people-community complex are valuable; and which merit rewards need to be informed by deliberative, participatory forms of public participation that foster genuine engagement and knowledge generation.

The uplands deliver a diverse and wide-ranging set of public goods and in many cases those who benefit from these are located at some distance from those who generate them. Some costs are born by tax payers (e.g. agri-environment payments) or consumers (e.g. through water bills); others are borne by the landowners, who include large private estates, small family farmers, utility companies, NGOs and the State – all with very different capacities to carry the costs. Any system of targeting payments will need to ensure a fair distribution of the costs and benefits.

Cultural assets

While public goods are often considered to be synonymous with environmental benefits we believe that a much broader, more nuanced understanding of what public goods are should guide the application of the principle of 'public payment for public goods'. In particular, 'public goods' need to reflect the values placed on abstract cultural assets, which fall largely outside policy frameworks but squarely within the perception of many people in and beyond the uplands.

Depending on the feature and context, upland heritage needs to be variously recognised, recorded, preserved and realised, including through public policy and public payments. Public funding is needed both to preserve physical cultural features, and to identify and preserve the people-related aspects of cultural heritage. The new agri-environment schemes appear to offer opportunities to preserve and celebrate cultural heritage.

More sophisticated targeting of public payment for public goods is required than at present. In the next section we go on to discuss how CAP could be reformed to offer better value for communities and tax payers and to safeguard existing public goods and generate even more benefits.

¹¹⁰ Waterton, C (2009), *Deliberative and Participatory Methods: an Overview and Case Study in the Policy Domain of the Environment*, Presented at 'Managing, developing and formulating policy for the English uplands', Commission for Rural Communities' Seminar, Penrith, UK, 22 May 2009.

¹¹¹ Swanwick, C (2008), *Landscape as an integrating framework for upland management*, In: Bonn, A, Allott, T, Hubacek, K & Stewart, J, *Drivers of Environmental Change in Uplands*, Routledge, Abingdon, pp 339-357.

¹¹² Reed, M S et al (2009), *The future of the uplands*, *Land Use Policy*, 26S (2009), S204-216, p 2.

A reformed CAP – communities and tax payers benefitting from a better targeted CAP

There are significant pressures on the CAP arising from the increasing number of EU member states and the challenging economic position across Europe, and from the global issues of food supply, food security and climate change. We recognise the UK's commitment to reducing the CAP budget and to greater agricultural liberalisation.¹¹³ And we recognise that the CAP operates within WTO requirements and specifically within the Uruguay Round Agreement on Agriculture.

We are not therefore advocating an increase in the CAP budget across the board but rather a 'smarter' application and redistribution of CAP funding, with direct payments to those farmers delivering vital public goods where there are inadequate returns from the market place. Such payments should be targeted at securing the uplands' natural assets, generating public goods into the future, and addressing market failure.

The CAP post-2013 offers an important opportunity to implement key aspects of our proposed approach to reward land managers for the delivery of public goods. Given the possibility of substantial changes to the CAP from 2013, driven substantially by the new financial perspective in the EU, we should now be developing proposals to address key issues relating to the uplands.

As a central tenet, we believe that the uplands should be considered as areas that provide significant environmental advantage, rather than as agriculturally handicapped areas. This change may seem superficial, but the overall position of continually being referred to as 'severely disadvantaged' tends to set the tone for how these important areas are perceived and managed from a policy and delivery perspective.

'Public payment for public goods' is central to many of the schemes being advanced for post-2013 CAP reform.¹¹⁴ The CAP (through Pillar 2) has moved in this direction, with the decoupling of support from production and the considerable proportion of the budget spent on agri-environment. But at present these measures remain inadequate to secure the full range of public goods, given the market failure of upland farming. Moreover, we encountered many in our Inquiry hearings who felt that agri-environment payments, designed to reduce stocking levels that had been high as a result of earlier CAP policies, now posed a threat to the continued provision of public goods centred on biodiversity and recreation in so much as de-stocking had been taken too far. Ian Mercer has set this out clearly in his recent authoritative book on Dartmoor, pointing to a fall from 46,000 to 9,000 grazing livestock units on Dartmoor between 1996 and 2006.¹¹⁵

There needs to be a closer correspondence between receipt of support and level of delivery, and a much stronger recognition of the link between appropriate agricultural land management and the provision of public goods. Agri-environment schemes, which target only some ecosystem services rather than securing complete packages of public goods, need to be redesigned and integrated more fully with mainstream farm support. Neither farm support nor agri-environment payments explicitly sustain the whole land and community interdependence, as advocated above.

¹¹³ Swales, V (2009), Future policy prospects for upland agriculture, Presented at 'The state of the uplands 2, Commission for Rural Communities' Seminar, Exeter, UK, 22 April 2009.

¹¹⁴ Swales, V (2009), Future policy prospects for upland agriculture, Presented at 'The state of the uplands 2, Commission for Rural Communities' Seminar, Exeter, UK, 22 April 2009.

¹¹⁵ Mercer, I, (2009) Dartmoor, Collins, New Naturalist Series, London.

We consider that:

- The nature of support needs to be adjusted. A large proportion of CAP spending (80%) goes on income support to farmers via the single farm payment (Pillar 1), while most (75%) of the rural development spend (Pillar 2, which comprises 20% of the CAP budget) is devoted to agri-environmental schemes (the remaining funds go on rural development support). The effect of this is to lose the opportunity to explicitly reward farmers for the provision of public goods under Pillar 1 and to skew support in the uplands onto only a very limited segment of the range of public goods and benefits, mainly biodiversity in Pillar 2.¹¹⁶
- The basis for payments for public goods needs revision. Under the current arrangements, payment for (environmental) public goods is limited to the extra costs incurred or 'income foregone' in complying with a government programme. The problem with this is that it constructs rewards on an increasingly unrealistic base, i.e. agricultural income which is under severe decline in the uplands.¹¹⁷ Further, it fails to recognise the need for reward systems for the other public goods supplied from the uplands which by their nature do not generate an (alternative) income stream.

Thus there is a need for a more targeted, redesigned CAP post 2013 which will explicitly support the provision of public goods by upland farmers which ensures the viability of hill farms. This could be achieved either by better targeted Single Farm Payments, or by changes to Axis 2 of Pillar 2, or through new 'pillars' which might emerge in the reforms. Whatever mechanism is adopted must deliver the outcome, that is proper recognition of the entirety of the public goods delivered within a non-financially viable market, and channels more support to the uplands.

A redesigned scheme needs to recognise that any given piece of land is likely to provide multiple ecosystem services, and therefore payments need to be designed and implemented so as to maximise benefits from the land, rather than encouraging management for single use. It may also be possible to design incentive schemes to avoid some of the worst trade-offs between ecosystem services and exploit win-win solutions where certain land uses or management practices provide multiple ecosystem services in specific locations, e.g. more biodiversity plus water quality plus carbon storage in exchange for less production of marketed goods such as food or sheep.

We are seeking a forward-looking CAP that supports business and community development for the future. We wish to see the following outcomes from CAP reform:

- Support for mitigating greenhouse gas emissions and for low carbon action plans;
- Support for adapting to climate change;
- Support for the development of markets wherever possible;
- Where possible to support change for making farming 'fit for market';
- Where farming has a viable market use, regulation should be used to deliver public goods where appropriate;
- Reward for the provision of public goods (both cultural and environmental) where this is necessary – evidence suggests that this is more likely to be necessary in the uplands); and

¹¹⁶ This is not to denigrate improved biodiversity as an important objective of policy – rather it is to question the balance between this objective and others.

¹¹⁷ Payments under environmental programmes are determined by WTO requirements for agri-environmental payments within the Uruguay Round Agreement on Agriculture, Annex 2 ('Green Box').

- Reward for stewardship – in particular around carbon management, landscape and heritage conservation and improving water quality.

While the top five points are outcomes expected from CAP reform more generally, the final two have particular significance for the uplands land managers and the use and targeting of funding. The regulation point is also of particular importance, as the consequence is that as upland farms are not financially viable, regulation will not deliver the public goods required, so funding (or payments) will need to be targeted to upland land managers to support the delivery of the necessary public goods.

There is also a need for a more integrated Pillar 2 which will support effective behaviours across existing and new member states, with a more flexible toolkit to help:

- recognise the diversity of upland areas;
- support sustainable upland communities;
- boost productivity;
- encourage business competition and enterprise;
- support collaboration, networking and improved supply chains;
- support on-farm diversification; and
- generate greater public goods.

Pillar 2 axes should be better targeted towards climate change adaptation, support for the new environmental economy and renewable energy schemes and the uplands should benefit substantially from this as exemplars of green industries and low carbon living and working. It should also continue to provide support for sustainable communities, in particular support for greater interaction between people and the land, recognition of the benefits of social or care farming, opportunities for outdoor education, and the development of new products for new markets such as green tourism, extreme sports, green transport and so on.

Above all, and to reflect the concerns raised by many of the upland communities, whatever new systems and mechanisms are adopted, they need to be clearly communicated and sign posted and wherever possible simplified. There is a clear understanding of the necessity to ensure effective use of public funds, but the current plethora of form filling, different decision making processes, and variety of bodies involved needs to be reconsidered and streamlined, wherever possible. In particular, there is an urgent and compelling need to ensure that the knowledge of land managers and other local stakeholders is fully utilised in the design of schemes to reward farmers and land managers for the provision of public goods.

Recommendations

4: A new approach to funding

4.1: Current funding mechanisms will not unlock the potential of the uplands and as part of the CAP reform in 2013 and 2020, Defra and its agencies (and the EU) should develop a new approach to rewarding farmers for managing national assets in harmony with developing businesses and market enterprises.

4.2: Defra should broaden its concept of 'income foregone' to include the full costs of the farmer staying in business, in line with some other EU countries.

4.3: To reflect the contribution of upland communities to public benefits, Defra should ensure that the menu of measures under axes 3 and 4 should be broadened to enhance investment in and support for social sustainability of communities in upland areas.

4.4: Delivery bodies with Less Favoured Areas within their jurisdiction should review the extent to which RDPE funding is sufficiently accessible to upland farms and rural businesses (especially those relating to enterprise investment and rural business support.)¹¹⁸

"I am doing a lot of work with Dartmoor National Park... I think they are brilliant at the moment. Their proactiveness is fantastic... but I think it has met with the right generation on Dartmoor... there are 50 to 70 farmers in their 40s that are actually farming the moors... knowing that something is going to change".

(Evidence to South West regional hearing, April 2009).

CAP payments for public goods will need to be complemented by the development of markets for certain public goods and by the creation of public-private partnerships to manage complex, multi-functional eco-systems. Opportunities for developing markets in carbon, water, woodland products, and food are considered below.

Developing markets for carbon, water, woodland products, and food

We heard much about the potential for new markets in upland goods and services, which could in the future provide viable incomes for hill farmers and land managers. Food and woodland products certainly offer opportunities for developing stronger financial markets. We also heard about potential new markets in carbon and water.

The production of food from the uplands has always operated at the margins of financial viability, yet we heard how the opportunities provided by local products and local markets and different cooperative arrangements may offer the opportunity for new profitable arrangements.

Woodland products – particularly those which offer sustainable sourced materials and opportunities for renewable energy sources – also have the opportunity for growth in new and expanding markets.

Carbon

Management of the land, especially the peat moors of the uplands, is essential to ensure that carbon is sequestered and stored effectively rather than released. A low carbon economy and moves to restrain carbon leakage into the atmosphere give real urgency to the

¹¹⁸ Recommendation taken from evidence to the Inquiry from Chloe Palmer 'A future for hill farming' Nuffield Farming Scholarship Report, December 2009.

management of this resource. It is early days for carbon credits and carbon markets, but we see this as a real opportunity for the future.

Many research bodies have developed knowledge and capacity in the area of carbon management and mitigating carbon loss. However, at present the results of this research activity appear to be contradictory.

Recommendations

5: Developing markets for carbon and water

5.1: Defra should establish a long-term land management policy to mitigate carbon loss, particularly in relation to peatlands management. This policy should be informed by the knowledge and capacity that various research programmes have developed in this area.

5.2: DECC should set out the steps necessary to develop effective carbon markets and ensure that future reward for land carbon management comes through the market.

5.3: Defra and its agencies should use good practice (such as SCaMP and catchment sensitive farming) to develop models for public-private investment that secures multiple objectives in upland catchments, maintains water quality, reduces flood risk and potentially provides income for hill farmers and land managers.

Case study: Moors for the Future Partnership in the Peak District

The Peak District Moors are particularly important for the heather, blanket bog and rush pasture they support. The Moors for the Future Partnership is working to:

- restore and conserve important recreational and natural moorland resource;
- raise awareness of why the moors are special;
- encourage responsible use;
- develop expertise on how to protect and manage the moors sustainably.

The partnership is restoring over 2,000 hectares of severely degraded peat moor and blanket bog including areas with SSSI, SAC and SPA protection in the Peak District and South Pennines and is reducing disturbance of this important habitat by the public through education.

It is currently undertaking research in order to map carbon capture and storage potential in the Peak District. This work will inform the development of carbon budgets for restored peatlands in future.

Funding partners include the Peak District National Park Authority, Natural England, the National Trust, RSPB, Severn Trent Water, United Utilities, Yorkshire Water, Derbyshire County Council and the Environment Agency.

Water

Evidence from our Inquiry highlights the need for active management of upland catchments. Opportunities to achieve this are being taken through partnerships between land managers, utility companies and public bodies. As well as managing water supplies, quality and flood risk, such management schemes have the potential simultaneously to pursue public good objectives, such as biodiversity enhancement, and to provide income for land managers. Additional incentives for active management of upland water supplies also arise from the Water Framework Directive and the Uplands Entry Level Scheme (UELS).

The CLA stated that 70% of drinking water is filtered through upland areas, but that no reflection of this is made in payments to farmers. A new mechanism whereby a true economic value of the goods/ services delivered needs to be developed and EU legislation needs to be challenged so that payments are not limited by 'income foregone' calculations.

Several respondents drew attention to the need both to manage upland water catchments more actively and to reward those who do.

- The Environment Agency noted that utilities are increasingly seeking to take responsibility and pay landowners and farmers to manage their land to provide high-quality water proactively rather than reactively.
- The SW Uplands Federation urged that payments should be made to farmers for managing the quality and quantity of water provided to the relevant water companies.
- Dartmoor National Park advocated that efforts should be made to work with private water companies to pay farmers to maintain the moorland.

Landowners will not necessarily benefit from such practices. Nor will they necessarily be required to pay for any of the consequences of not undertaking these management practices. To address this a 'beneficiary pays' principle has been proposed, whereby land managers are paid by water companies to adopt practices that ensure the reduced pollution of water in the uplands, including helping to reduce water browning (see SCaMP case study, below).

Case study: The Sustainable Catchment Management Programme (SCaMP)

An example of the beneficiary pays approach, SCaMP was developed by United Utilities in partnership with the RSPB in Bowland and the Peak District. The programme aims to:

- deliver government targets for SSSIs;
- enhance biodiversity;
- ensure a sustainable future for United Utilities' agricultural tenants; and
- protect and improve water quality.

Long-term arrangements have been entered into so that tenant farmers draw up whole-farm plans to deliver the programme's aims reducing the risk to raw water quality. These include:

- restoring blanket bogs by blocking drainage ditches – rewetting to help vegetation and water quality;
- reinstating areas of eroded and exposed peat – reducing peat loss and establishing vegetation;
- restoring hay meadows and heather moorland, and establishing clough woodland – all valuable habitats that will improve raw water quality;
- providing new farm buildings for indoor wintering and lambing (removes high risk activities);
- building fences to keep livestock away from rivers, streams and special habitats.

In its evidence to the Inquiry, Lancashire County Council commented that the £10 million programme is “a good example of an effective partnership approach. It has involved both private (UU) and public money, through grant support which has helped both tenant farmers and United Utilities to make catchment conditions much better.”

Woodland products

In the uplands the majority of Forestry Commission land is within Kielder Forest, but there are other major holdings in the North York Moors and the Lake District. Currently forestry makes a small but important economic contribution to upland economies. But there are opportunities to develop the market for woodland products in the future.

The central criterion in developing forestry in the uplands will be the potential of forestry and woodland to influence or provide ecosystem services, notably in managing water and carbon sequestration, and the UELS provides for native woodland to be retained and protected. With developing markets, forestry can also provide fuel for renewable energy in the wood fuel industry. We heard through our calls for evidence that bio-energy schemes based on forest biomass have the potential to contribute towards local economies and create employment, and so it is essential that afforestation demonstrates full consideration of local social and economic benefits.

In addition there is also the potential for developing new markets promoting the development of woodland products as renewable materials in sustainable construction for housing and businesses, and in seeking out new markets for product substitution majoring on the sustainability of timber.

Food

Setting aside the possibility of major intensification in terms of market activities, farming will need to continue to develop quality, specialist and local products, to add value to products and, where possible, market them directly.

Defra's Food 2030 strategy and ‘the Coalition: our programme for government’¹¹⁹ recognise the importance of enhancing the nation's food security through a strong UK agriculture.¹²⁰ The uplands play a special role in this by producing meat and by breeding stock for finishing in the lowlands. Maintaining the capacity to produce food in the uplands

¹¹⁹ HM Government (2010) The Coalition: Our Programme for Government, May 2010 at: <http://programmeforgovernment.hmg.gov.uk/>

¹²⁰ HM Government (2010), Food Strategy 2030, London, January 2010.

through public payment calls for appropriate support of the farming industry and the wider community.

During our Inquiry we heard much about increasing demand for local food, and an increasing desire on the part of consumers to know where their food has come from. In many cases consumers are prepared to pay a premium for high-quality food that has not been mass produced. As consumers become increasingly more aware of the provenance of food, local shops, hotels and restaurants are able to respond by actively marketing local produce.

Case study: The Peak District Butchers' Scheme

This scheme supports butchers who buy beef and lamb from farmers who help look after the Peak District landscape. The animals have to have been reared on identified farms that care for the landscape and in some cases also:

- conserve wildlife;
- maintain and enhance landscape quality and character;
- protect the historic environment and natural resources; and
- promote public access and understanding of the countryside.

The beef animals produced should have spent at least their last three months on the supplying Peak District farm. Lambs should have been born in the Peak District and spent at least their last 60 days on a Peak District farm.

Buying local meat makes a valuable contribution to the local economy. It is estimated that each £10 that is spent on local foods is re-spent locally and leads to £25.90 being reinvested in the local economy, whereas every £19 spent in a supermarket leads to only £14 being invested into the local economy.

Case study: Uplands Branding: Dartmoor Meat

Dartmoor Meat is produced by Dartmoor Farmers Association, a group of 30 hill farmers who are working together to champion quality lamb and beef. Set up in response to the demand for quality local produce, the Association wants to ensure the future success of upland farming in and around Dartmoor whilst maintaining the environment for tourism, recreation and wildlife.

The hill farmers supply a unique premium brand. They believe it is important to breed native sheep and cattle of Dartmoor in an environmentally sensitive way. The meat is sold on-line and delivered nationwide, so has negligible carbon footprint and low food miles. The farmers supply an ever increasing number of pubs and hotels direct and also supply local quality butchers in the Dartmoor and Devon area.

A positive future for farming

Even with a better targeted CAP, and developing markets, most upland farmers and land managers will depend on opportunities for off-farm employment and non-farming enterprise that are offered by a diversified wider economy (i.e. pluriactivity). Farmers and land managers both contribute to and need a vibrant wider upland society (e.g. for schools, healthcare and public services).

There is a positive future for hill farming, and there is a need for better coordinated research and development to highlight where scientific developments and local knowledge can combine to provide innovative and inspirational solutions. More generally there is a need to recognise and promote their essential role in delivering valuable goods and services. Farm businesses will also continue to diversify and to exploit opportunities for tourism, catering and so on.

Many farmers are finding the transition from being food producers to stewards of the land and deliverers of public goods difficult. They understand farming in terms of production and experience considerable stress and low self-esteem when confronted with the prospect of being, as some see it, reduced to 'park keepers'.

During our Inquiry we heard references to the perception that the status and the need for hill farming has been minimised through increased emphasis on eco-systems. We were told that the absence of a sense of purpose could deter people from wanting to farm. Yet farmers and productive hills farms are an essential element of integrated upland management, including a wide range of public benefits.

The transition needs to be managed in ways that:

- support continuing traditions and skills and sustain local knowledge;
- respect individual farmers, farming communities and their cultures;
- embrace new techniques and approaches;
- encourage younger people to enter farming and environmental management; and
- support the delivery of public goods.

One move that aims to help during this transition is the new UELS scheme, which rewards farmers and land managers for providing public goods. The scheme has only recently been introduced, so its full impacts are therefore not yet known. Although the scheme's intentions appear valid, it remains to be seen whether or not it brings the desired benefits, and we consider that a review by 2012 will help to ensure that it is achieving an appropriate outcome.

De-stocking in the uplands

As we have outlined previously, opinions about the benefits or otherwise of de-stocking vary widely, with environmental scientists seeing it as a necessary step to protect biodiversity and hill farmers expressing concerns that it can do more harm than good. Achieving the right balance is complex and continues to present a significant challenge to the future of upland farming across the United Kingdom, with independent inquiries in both Scotland and Wales concluding that:

- “..under-grazing of the uplands has a negative environmental effect just as surely as overgrazing does.”
- “The aim must be to find a balance between food production and the provision of other services within the uplands which is beneficial to all.”¹²¹
- “..experience and scientific analysis demonstrate that a level of managed grazing by herbivores is often required.”
- “..the removal of livestock from hill areas runs counter to the natural maintenance of good environmental condition for our hill and island habitats.”¹²²

The determination of stocking rates needs local, not just regional knowledge, and is not reducible to a single universal grazing formula.

“As stock numbers continue to fall and grazing regimes intensify, these skills [shepherding and gathering of extensive sheep flocks] become increasingly rare but remain essential both to animal welfare requirements and to protecting plant communities of high nature conservation value.”

“It is clear from this study that, to be profitable, grazing management is dependent on agri-environment schemes. Such dependence maintains an inherent instability in the future of upland management as a significant portion of the farm business income remains in the hands of national government and ultimately with the European Commission.”¹²³

Succession

The issue of ensuring appropriate levels of farming succession in the hills is vital but complex and needs leadership from within the industry and beyond. While there are many constraints, most of them economically linked, creative and innovative ways of facilitating effective succession are being pursued and these need to be encouraged and disseminated. It is essential that this issue is given due prominence within our proposed uplands strategy.

One of the difficulties is that the current planning system does not generally allow for either the development of a new property on the farm for family members to live in (to work on the farm) or the development of a property for the current farmer to retire to. When the property is the only home this causes considerable problems as farmers feel they have no alternative but to continue farming. We would like to see approaches that encourage effective succession and support the development of new farming and land management techniques by the successors, where appropriate.

The Welsh Assembly has said that it wants planners to encourage younger people to manage farm businesses and promote the diversification of established farms, and to some extent the new Planning Policy Statement 4 offers similar encouragement in England. But in Wales this has been taken further, with proposals to introduce a rural essential dwelling category within a refreshed guidance note to planners.¹²⁴ This includes the prospect of support for ‘a second dwelling on an established farm, which is financially sustainable, to facilitate the progressive handover of the management of the farm business to a new younger farmer within 5 years of planning consent for the rural enterprise dwelling being granted’. We would strongly advocate such an approach in England.

¹²¹ National Assembly for Wales, Rural Development Sub-committee (2010), Future of the Uplands, National Assembly for Wales, April 2010, p 29.

¹²² The Royal Society of Edinburgh (2008), Committee of Inquiry into the Future of Scotland's Hills and Islands, Report, September 2008, pp 54 and 70.

¹²³ Gardner, S, Waterhouse, T & Critchley, C N R (2009), Moorland management with livestock, in: Bonn, A, Allot, T, Hubacek, K & Stewart, J (Eds), Drivers of Environmental Change in the Uplands, Routledge, Abingdon, p 204.

¹²⁴ National Assembly for Wales (2009), Consultation on the Draft Technical Advisory Note 6: Planning for Sustainable Rural Communities, July 2009, at: <http://new.wales.gov.uk/consultations/planning/drafttan6>

We also heard about local initiatives aimed at retaining and attracting people to hill farming and land management by providing local training, apprenticeships and accredited qualifications.

Case study: The Upland Farming Traineeship

An innovative approach that we heard about during our Inquiry is based on a highly successful scheme on Dartmoor. The scheme is being adopted by Northumberland National Park in response to local demand to keep traditional livestock farming skills in the countryside, and has been developed with Northumberland College.

Up to eight volunteers and trainees will benefit from hands-on, farm based development, backed by academic input that will result in a diploma. They will be employed by the National Park during their traineeship. The course will cover a range of techniques including animal husbandry, livestock marketing, farm management, wildlife habitat management and landscape conservation alongside tractor driving, and welding and safety.

Research

It has been asserted that research and development into upland farming and land management has not received the same level of recognition and funding as have other agricultural sectors.

There is scope to build the capability of new farming and land management practices by using the work of the Rural Economy and Land Use (RELU) programme and other relevant research activities.

There is an important mediation and leadership role to be played here, possibly by a newly established academic chair. Such a role could include helping funding bodies, levy boards, academics and a wide range of stakeholders to work in partnership to develop knowledge exchange and build research capacity. This would also help develop a stronger, credible research and analysis basis.

The low viability of hill farming has meant minimum investment in research relating to upland management and livestock. Genetic improvement of upland livestock has been slow in comparison with more productive lowland systems, yet with less of them because of reduced stocking density policies it is more important than ever that stock are of high genetic potential.

Since the demise of upland experimental husbandry farms, such as Redesdale, much near market research and field trial work relevant to the hills has been discontinued. There are one or two land-based colleges with hill farm resources that could be used more effectively for field trials, demonstrations, training and knowledge transfer initiatives in pursuit of improvements in efficiency and viability.

Four wheel drive vehicles

Many farmers and land managers depend on off-road vehicles to undertake their work in the difficult uplands terrain. While we support measures to reduce carbon emissions we are also aware that the higher

rate of tax on off-road vehicles places an additional cost on those who are already operating at the margins of financial viability, and consider that there is a need for better, clearer communications about the policy and its implications.

Recommendations

6: Securing the future for hill farming

6.1: Given the fundamental changes and the provisional budget allocations for the Upland Entry Level Scheme Defra should review uptake and initial impacts of the scheme by 2012.

6.2: Decisions on stocking rates should be made locally to reflect the distinctive needs of each place, local climate and the balance of public goods appropriate for particular areas. We are recommending a rapid review of the policy and its effects – informed by whatever monitoring evidence and scientific evidence is now available – to understand more about what is happening on the ground.

6.3: Farming lead bodies, including NFU, TFA and CLA should work with Government to develop proposals and facilitate good practice in ensuring the succession of upland farms.

6.4: In order to address the R & D deficit relating to sustainability of the uplands, Research Councils UK and other relevant stakeholders should target key themes and then build capacity through partnerships, pool scarce resources and facilitate greater knowledge transfer across relevant research projects.

6.5: At least one land-based college should use its hill farming resources to improve and promote apprenticeships, training, and livestock improvement and land management programmes. This should include field trial work and the development of learning materials for wider application.

6.6: RDPE funding should be used to develop a series of commercial demonstration farms to promote good practice across a range of disciplines including implementation of agri-environment schemes, soil and livestock management, alternative forage crops, stocking rates and grazing management regimes.

6.7: Because of the dependence on four wheel drive vehicles to carry out work in the difficult terrain of the uplands, we recommend that manufacturers and HMRC clarify and publicise the criteria for reduced taxation, including which vehicles qualify.

Pioneers of green business development

Social and economic changes are already sweeping through the uplands and, important as they are, we know that upland areas are no longer only about land-based industries. During our Inquiry we discovered many examples of innovative approaches to enterprise and community development.

Case study: Software business in Exmoor National Park

Ylem Ltd is a software business located in Dulverton in Somerset, on the fringes of Exmoor National Park. The company develops management software for companies all over the UK and Europe. Its owners believe that with good broadband access and supportive planning authorities, a high-tech business can be successful in an upland area.

The company's offices are located in a series of renovated buildings on a 30-acre farm, providing a tranquil and balanced working environment on the fringes of Exmoor. There are good communications with the UK and Europe and an efficient transport system. The company also has offices in Oxfordshire.

The owners have had to work hard to challenge the common misconception that it is not possible to run a high-tech business in the uplands. The company faces no problems recruiting highly skilled staff such as computer programmers although often finds lower skilled jobs such as office cleaning harder to fill.

“Climate change could offer new opportunities for renewable, small-scale energy generation by hill and upland communities. There will be a need to enable this work by fostering a policy and social climate in which collective and individual entrepreneurial activity can be developed and supported”

(CCRI, evidence to Inquiry).

Local economies

An approach to local economic development, advocated by the New Economics Foundation (NEF, 2008), fits well with the conclusions on the future for upland communities. It seeks to capture ‘the energy for changing the local economy from within a community, and the natural resourcefulness, skills and passions of local people.’

As we discovered, it is the people who live and work in the uplands who are best placed to find the enterprising solutions required to secure their future. The energy of local businesses, voluntary networks, local authorities and public agencies must all be part of a joint strategy for their future.

The model works particularly well for sparse rural communities where cooperation and collaboration between local businesses could mean that income is retained locally. It also supports the release of innovation and enterprise within a community and encourages young people to stay in ‘new careers’.

The model uses the metaphor of a leaky bucket to describe the money that flows in and out of a community. For instance, tourism spending, local school budgets and the salaries and income of people living in an uplands community pour into the local economy like water pours into a bucket. The model then reviews how water leaks out of the bucket, such as taxes, utilities and the purchase of goods and services

from outside the area. It then considers these outflows of money to be potential enterprise opportunities for people and communities, derived from efforts to plug the leaks. The more money and resources can be recycled and re-used within a community, the better it will be for the local economy and the environment.

Green businesses and green tourism

Many National Parks are promoting businesses within their boundaries that provide recreation and health opportunities for the public. Some may focus on the spiritual and well-being, while others promote the benefits of walking and cycling. With the moves to support a low carbon future there may be more opportunities to develop these areas of business further by encouraging people to take more UK-based holidays.

In addition, sustainable tourism that promotes the green agenda also provides opportunities for business development. We heard about a number of businesses that are using their green credentials to develop and market their businesses – from tea rooms that attract species of bumblebees to B & Bs that market bats in their barns as their unique attraction, many businesses are using their 'green' credentials to great effect.

Generating renewable energy

As we outlined in Chapter 2, the uplands are some of the wettest and windiest places in England¹²⁵ and have the fastest flowing rivers and streams. As such, they have the potential to become "a frontier of opportunity with wind, wood and water energy".¹²⁶

There is a need for better understanding of the potential and cost-effectiveness of renewable energy in the uplands and the compatibility of some renewable energy systems with the provision of other public goods. We were particularly impressed with the community renewable energy schemes that are developing in upland areas.

Participants in the hearing in the South West thought that wind farms were not a popular form of renewable energy because they damage the landscape that draws in tourists and supports the local economy. Other schemes, such as micro-generators on streams and rivers or photo-voltaic cells on buildings, were considered to be more suitable in the uplands.

Participants in the East Midlands hearing advocated community wind farms and other schemes that would allow the community to receive direct benefits.

¹²⁵ Natural England (2009), Mapping values: the vital nature of our uplands – an atlas linking environment and people, NE 209.

¹²⁶ Slee, W (2009), An economic perspective on the English Uplands, p 11, Presented at 'The state of the uplands 2, Commission for Rural Communities' Seminar, Exeter, UK, 22 April 2009.

Case study: Hydro-electric in the High Peak

Torr's Hydro is the first community-owned and funded hydro-electric scheme in the UK. It involved installing a 70kW reverse Archimedean screw on Torr Weir on the River Goyt in New Mills, High Peak. Based on past records of river levels it is estimated that 242,000 Watt hours can be generated. The scheme currently supplies energy to the supermarket in the village.

The project was initiated in 2006 by a social enterprise, Water Power Enterprises, which helped apply for funding and managed the building phase. The scheme is now run by Torr's Hydro New Mills Ltd, an industrial and provident society for the benefit of the community. This allows public spirited people and organisations to make a financial contribution, but with the expectation of a social dividend rather than for personal reward. The society's founding directors are local as are many of the members, although not all. A share of revenue from the scheme will be used to regenerate the community and promote environment sustainability.

We also heard that Northumberland National Park is committed to making renewable energy the dominant source of energy for businesses and communities in the National Park. By working closely with partners, businesses and communities it aims to:

- harness the natural supply of fast flowing water from the hills to provide renewable energy for upland farms;
- use local wood to provide heat and power to communities in fuel poverty in the region's most remote areas;
- provide apprenticeships for people who want to work in businesses that design, build and maintain renewable energy;
- encourage people to visit the park using electric vehicles; and
- be a role model and mentor to rural communities in the region.

More specifically it has replaced heating systems with air source heat pumps at its own visitor centres. This will save on energy costs and reduce carbon emissions by around 400%.

Recommendations

7: Encouraging enterprise in new growth areas

7.1: DECC/CLG should require local authorities to complete an audit of the opportunities for renewable energy to stimulate new enterprise and ensure that opportunities for added value are not missed.

7.2: BIS should ensure that specialist advice to develop new green businesses and enterprise is available and accessible across England's uplands.

7.3: BIS and DECC should ensure that programmes and incentives are offered to local businesses and social entrepreneurs within upland communities, and that the economic benefits are enjoyed first and foremost by the local communities.

7.4: In any future plans for afforestation in the uplands, the Forestry Commission should promote and demonstrate full consideration of local social and economic benefits.

Building capacity and raising aspirations

We described in Chapter 1 the resilience and resourcefulness to be found within many upland communities. We drew on examples of strong voluntary networks, active churches, innovative social enterprises and cohesive communities.

In Chapter 3 we emphasised the three conditions for success necessary to realise the potential for the upland areas. The theme throughout this chapter was the requirement for a more coherent, flexible national framework within which local people could be empowered to have a greater input into decisions that impact on their lives and more involved in the design and delivery of the services they need. This is, of course, an important theme for all rural areas and, indeed, one which has resonance for the country as a whole. But we believe the potential for local empowerment to bring about significant benefits for both local communities and the nation is particularly strong in the uplands.

We heard again and again during the Inquiry about the extent to which voluntary organisations are relied upon to maintain a reasonable standard of service delivery and support to upland communities. ACRE and NCVO are working hard to build the profile of such groups, which are essential to the ongoing sustainability of rural communities, particularly those more remote from urban centres. As well as providing services, these organisations promote social cohesion and develop people's leadership and other skills.

However, we heard that many voluntary organisations are experiencing severe problems in obtaining (and more specifically retaining) secure, long-term funding and in dealing with increased regulation and falling participation. Often a significant burden can end up resting on only a few individuals who have little time, energy or resource to recruit and develop the skills of others.

We very much welcome recent Government proposals to encourage volunteering and involvement in social action, to support the creation and expansion of mutuals, co-operatives, charities and social enterprises and to provide new sources of finance for these bodies. It will be important to seek ways to achieve greater long-term stability for these organisations so they can focus their time and energy on providing services. It will also be important to ensure that smaller, more distant enterprises and voluntary bodies operating in the uplands have equitable access to the funding and support available.

Alongside the need to develop and capitalise upon the social cohesion to be found within upland areas, there is a need to equip those people living in the uplands with the skills and knowledge required for them to adapt to the changing economy and be ready to capitalise on the new opportunities that will arise as a result of the developing markets and new green businesses discussed in previous sections. These opportunities range from new farming and land management practices, through support for entrepreneurial innovation, to new ways of working and communicating.

All businesses – whether technology-based, green or traditional – need to apply basic business skills to their enterprises to be successful. Skills

such as financial management and controls, planning and goal setting, assessing and managing risk, managing people, prioritising and effective communication also need to be learned.

A particular concern we heard again and again is how to retain and attract young people as they are the key to the future of vibrant, sustainable upland communities. The uplands have the potential to provide a wealth of new employment options and new businesses. By doing so this will help to raise people's aspirations and challenge people's expectations about the opportunities provided by the uplands.

In particular local leaders have a strong role to play, particularly in offering mentoring and business advice. Some of the areas that should be considered more widely as offering opportunities for young people are those in sustainable building, environmental technologies, conservation work, local food and drink, arts and culture, building and historic site restoration, forestry and recreation.

Schools and local colleges, and local business support should be doing more to encourage young people to consider these wider opportunities on offer within the uplands context. Obviously these opportunities will vary by area and be dependent on differing local circumstances.

New businesses using new technologies are also benefitting from being able to be sited in the uplands. These businesses are able to bring employment opportunities to the local area, offering opportunities to develop new skills in new different types of businesses.

The State of the countryside update shows that the proportion of sole traders, micro businesses and small businesses is higher in the uplands than in England. These businesses can find it harder to allow staff time off for training and development. Investment will continue to be needed in the design of training courses and business support so that they can be flexibly delivered, to fit around such constraints. Similarly, investment will be needed in a variety of delivery methods such as the use of new technology and outreach services, making use of local venues including schools and village halls and even mobile units. Training can be delivered especially effectively within multi-purpose community resource and enterprise centres (see case study, below).

Case study: Hudson House Enterprise Centre, Reeth, North Yorkshire

Hudson House is a one stop centre that provides amenities for local people and visitors to Swaledale and Arkengarthdale. This community-led company, limited by guarantee, illustrates good practice in rural regeneration and service delivery in remote rural areas.

A wide range of organisations pay a licence fee so they can occupy space in the centre and deliver services from there. These organisations include:

- North Yorkshire Police – police officers and PCSOs can be met by appointment;

“On the skills side, we still have the problem of people trying to access the right courses. We have seen adult education, sort of outreach work diminished and virtually wiped out really in local areas, so you have still got the problem of, while the University [University of Derby] is picking up the higher education and the higher end, you have still got that layer beneath that who can’t access training.”

(EM Regional Hearing, March 2009).

- Richmondshire Citizens Advice Bureaux – holds sessions once a week and are available by video link to deal with debt problems, employment, benefits and housing issues;
- Yorkshire Dales National Park – runs a tourist office that is very popular with people walking the Coast-to-Coast path;
- Business Link – have a dedicated PC for Business Link services;
- North Yorkshire County Council and Richmondshire District Council – provide a services access point for residents.

A particularly innovative element of the service is that the partners cover for each other and are trained in aspects of each other’s work, so making services much more flexible for users.

Other services that operate from Hudson House include a very successful community transport project (which has 200 members), a Learning Centre, the Upper Swaledale and Arkengarthdale Business Association, the Community Orchard Group and the Swaledale Festival. Hudson House also offers a video link service for residents to speak to service providers.

We consider that equipping people with the skills and knowledge they need to adapt to the changing economy should be a major area for investment. Any such approach must take account of the specific potential of each area and should recognise that traditional skills and industries continue to play an important role in the future success of the uplands.

Recommendations

8: Raising aspirations :supporting development in the uplands

8.1: Cabinet Office should ensure that proper account is taken of the needs and potential of upland communities when developing and delivering the Government’s Big Society Programme. In particular the arrangements for the voluntary and community sector should be replaced with committed and reliable measures.

8.1: BIS should provide support to existing and emergent industries in the uplands, with advice, training programmes and knowledge sharing fora, focused on new and traditional skills and businesses, which reflects the business profile and potential of the uplands. Wherever possible this should be informed by experience of living and working in the uplands. Mentoring schemes would be particularly important to encourage innovation and provide inspiration.

Case study: Shearwell Data Ltd

Operating from Exmoor National Park, Shearwell Data Ltd have been involved in the development of Electronic Identification equipment for livestock since the 1990s. They now supply EID systems around the world.

They have developed a number of products that are used by farmers to record stock movements quickly and effectively, and are one

“What we need is training for businesses based locally (not to go to Sheffield for example) because it costs us more money and we lose a day or more of our time.”

(Focus Group, Yorkshire).¹²⁷

of the leaders in the field of data capture and data transfer in the livestock industry. Shearwell has a team of staff working with new technology – programming chips, printing ear tags, and developing software programmes. They also have trainers and in house support teams, and as far as possible they try to employ people from the local communities. And where they create added value from their rural setting is that the business is based on the farm of the Managing Director, where products are tried and test on the beef and sheep.

Switching on the uplands – investment in the communications infrastructure

We heard about the boom in home working in the uplands. High-tech, high-value businesses are emerging in many upland areas, made possible by developments in communication technology.

Where broadband exists and is of a reasonable quality, the geographic remoteness of businesses from national and international markets is largely removed. This is opening up a fresh set of possibilities for a new generation of entrepreneurs. However, for many others businesses the absence, unreliability or limited capacity of broadband or mobile phone coverage is compounding their remoteness, leaving them at a competitive disadvantage. Broadband also provides the vital social interaction needed by young people and families through social media, and access to resources for education, healthcare and government advice.

The continued absence of external investment in the mobile telephone and broadband infrastructure of upland areas is certainly a constraining factor when seeking to release their potential, but it can be overcome. Communities in the uplands are already demonstrating how solutions can be found locally. In some places, entrepreneurs have been prepared to pioneer new initiatives, finding ways to extend the provision of broadband or offering alternative forms of energy to local businesses and households (see case study, below). The goal is that by 2017 at least 90% of homes will have access to NGA; it is therefore essential that creative ways are found to ensure delivery in the uplands.¹²⁸

Case study: Bringing broadband to the uplands

It is down to the 'Cybermoor' project that Alston Moor now has one of the highest broadband penetration rates of any rural area in England. At the start of the project in 2002, any resident or business without a computer or an old computer below the Computer Equipment Specification received a new computer and printer, free software, free installation and technical support. The project also delivers broadband communication links and ICT support, and provides a community website that offers online services.

The project is managed by Cybermoor Ltd which collects revenue for broadband from residents. Membership is open to anyone living on Alston Moor and the management board is made up of local community representatives. Trading activities include the sale of computer consumables, equipment hire and consultancy for local

¹²⁷ Step Ahead Research Ltd (2009), Inquiry into the future for England's upland communities: the views of the communities, Report to the Commission for Rural Communities, p11, Step Ahead Research Ltd, London, Exeter & Sittingbourne.

¹²⁸ *Digital Britain*, June 2009, Dept for Business, Innovation and Skills and Dept for Culture, Media and Sport at <http://www.culture.gov.uk>

“Broadband is the fourth utility. That’s how important it is!”

(North East return visit, November 2009)

authorities and government agencies. Profits are reinvested into the company and improving the connectivity for Alston residents and businesses.

The Cybermoor project has created 14 jobs, and three new businesses have been attracted into the area. Evaluation shows that it had strengthened the local economy, promoted community cohesiveness and reduced reliance on the car.

In order to future proof connectivity for the Alston Moor community, the project is now laying fibre optic cables to provide Next Generation Access with services such as TV and telehealth. Local contractors are being used, at a fraction of the cost charged by major engineering companies. The plan is to begin to expand the project more widely across the community, using community shares and other sources of finance. The aim is to provide Alston Moor with a platform to attract new business and to support the viability of businesses already located there.

Recommendations

9: Improving Broadband and mobile telephone communications

9.1: BIS and Defra (through Broadband Delivery UK) to support the development of creative solutions to deliver NGA to upland areas, including support for more community broadband schemes, and promoting good practice.

9.2: BIS should agree a set of proposals with OFCOM to provide universal coverage of mobile phone services.

9.3: BIS, through Broadband Delivery UK, should agree to use a framework agreement so that public investment (e.g. through schools) may be used to support better broadband connectivity and speed for local communities and businesses.

Planning as an enabler for sustainable housing and business

The planning system is a key factor in enabling community development in the uplands, influencing business development, affordable housing, and measures to support climate change adaptation. In many parts of the uplands, planning policies for sustainable communities are exercised in ways which block development and so damage the sustainability of upland communities and the national assets which they support. Yet affordable housing and homes for ‘live-work’ are fundamental to the sustainability of upland communities and to their management of the cultural and natural heritage

As already mentioned, affordable housing remains an important issue for upland communities, and local housing and planning authorities have a leading role to play in meeting this pressing need. Where communities have identified opportunities for housing at the local level within their parish plans, approval should be given.

We recognise that processes such as the HCA's 'Single Conversation' should engage and involve upland organisations, landowners, and parish councils to ensure that such issues as higher design and development costs and scarcity of sites are fully addressed.

The National Parks are particularly important as planning authorities in the uplands, and have a strong influence on land use and landscape. We would like to see them giving more priority to fostering economic and social well being within upland communities. We would also like to see greater attention given to community planning schemes and local participation in the planning process, building on local expertise and knowledge.

In a review of the strategies and structures that have shaped the uplands in recent years, Carroll¹²⁹ concluded that:

- Planning policies can work against sustainability. Planning policies have generally discouraged development in the more remote rural areas and undermined the sustainability of their communities. Whether proposed amendments to, and greater flexibility in, planning guidance relating to affordable housing and economic development counteract these negative effects are yet to be seen.
- Rural development needs to be addressed fully within regional strategies. There is a potential disconnect between rural development and regional strategies. Urban/rural relationships and contemporary issues relating to rural land use and resource management in the uplands, therefore, need to be fully addressed in the new Integrated Regional Strategies.

Recommendations

10: Planning to enable sustainable upland communities

CLG should:

- give clear guidance that affordable housing and homes for 'live-work' are fundamental to the sustainability of upland communities and to their management of the cultural and natural heritage;
- provide advice that makes clear to local planning authorities and the Planning Inspectorate that more affordable housing must be approved in the wider public interest, and ensure that development plans and housing strategies reflect this imperative;
- ensure a greater role for communities in approving small schemes of affordable housing without formal planning consent where this need is established in parish plans;
- encourage public bodies that own land in the uplands (eg. Forestry Commission, National Parks, Ministry of Defence) to make sites available for affordable housing provision at low cost, where these can contribute towards meeting needs;
- ensure that the HCA makes sufficient finance available to build affordable housing in the uplands, and engages with upland organisations, landowners and parish councils – through its 'Single Conversation' – in order to properly address issues such as higher

¹²⁹ Carroll, T (2009), Strategies, plans, charters and visions for the English Uplands, Report to the Commission for Rural Communities, Centre for Rural Economy, Newcastle University, Newcastle.

design and development costs and the scarcity of development sites. Where such costs are higher because of the wider public interest then these costs should be met from general taxation;

- press for council tax revenue generated through the charge on second homes to be used to support affordable rural housing.

In line with their remit, National Park Authorities have a great influence on land use and landscape in the uplands and they recognise the importance of sustaining hill farming¹³⁰. However, their current remit does not give sufficient weight to social and economic sustainability and, in the case of land-use, may constrain the ability of farmers to diversify or build homes to secure farm succession etc: “whilst the LDNPA understands the importance of sustaining hill farming, it does not seem to have developed ways of providing assistance to that end” (Carnegie UK Trust, evidence to Inquiry). This is one of the reasons why we are recommending that Defra should enhance the role and value of the NPAs by increasing their statutory responsibilities to give equal priority and status to foster the economic and social well being of local communities.

We heard concerns that, in contrast to local planning authorities whose members are made up of elected representatives, National Park members and planning committees are appointed.¹³¹ We therefore welcome the recent National Park Authorities’ and Broads Circular and recent government moves to encourage greater representation of elected representatives on NPA planning committees.

In summary we consider that the levers for change outlined in this chapter, along with the national strategy, visible leadership and empowered communities – taken together – should enable the potential of the hardworking uplands to be realised and their value recognised. In particular, enabling the transition from these areas being seen as less favoured to them being regarded by the communities and the nation as areas of significant environmental, social and cultural value.



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¹³⁰ English National Park Authorities’ Association (2009) written evidence to Inquiry.

¹³¹ As the Countryside Alliance put it in evidence to the Inquiry, this “leads to the planning decisions being removed from democratically elected representatives and given to an un-elected quango”.

5

Chapter 5: Conclusions

We have concluded that there is a need for a new way of looking at the uplands. Rather than defining these areas purely by their agricultural disadvantage, the nation should be considering them as areas of great public benefits and environmental value. Not only are they iconic landscapes, providing space, tranquillity, beauty and preserving cultural heritage, but they are also working areas that deliver crucial goods and services to sustain and support human livelihoods.

The sheer scale of benefits that are provided by these areas – from their ability to store carbon, to providing clean water, to the extent of biodiversity supported – is surprising. But they could deliver even more. The uplands could provide green and low carbon solutions to environmental issues, and lead the way on developing the green economy, demonstrating and promoting the benefits of working with and making the most of the natural and cultural land assets.

To make this happen, we need to:

- recognise the interdependence between upland communities and the land;
- recognise the interdependence between upland and urban communities;
- support multiple land uses; and
- support local decision making.

We are therefore recommending the following:

1. Develop **a new national strategy for the uplands**. This should be **informed** by local knowledge and experience and should be sufficiently flexible to accommodate the rich diversity of these areas. A strategy would provide a coherent framework so that upland people, businesses and communities can better understand what they need to do to play their part in protecting and enhancing the value of these important national assets.
2. Provide visible **leadership** at a national level to drive genuinely integrated activity across all of the government departments that have a role to play. This would also encourage and enable a more flexible, place-based approach to other governance structures to build leadership capacity focused on the specific circumstances of the uplands at a sub-regional and local level.
3. **Support and empower upland communities** so they have a much more direct input into decisions that have an impact on their lives and businesses, and involve them in the design and delivery of the services that are essential to maintaining thriving upland communities.

If we can get this right it will set the conditions for realising the potential of the uplands through our eight levers for change. These levers for change will require redirected public investment, such as realistic payment for public goods and CAP payments.

Summary of recommendations

1: A new integrated strategy for the uplands

Government should develop a comprehensive and integrated strategy for England's uplands, to protect and maximise the benefits derived from the valuable national assets these areas contain, and recognises that support and investment in thriving upland communities is critical to realising the full potential of these diverse areas. It should provide a coherent framework and be sufficiently flexible to accommodate the rich diversities of these areas.

2: Strengthening leadership and momentum

The Government should appoint an individual with lead responsibility for developing and ensuring effective implementation of the new uplands strategy. This individual should be accountable to Ministers of BIS, CLG, DECC and DEFRA.

3: Empowering communities in the uplands

3.1: CLG should take responsibility for ensuring that the recommendations of the CRC's Participation Inquiry (2008)¹³² are implemented, and in particular:

- ensure that both central and local government commit to supporting and acting upon very local community plans such as parish plans and market town plans.
- encourage local authorities to give neighbourhood budgets to local councillors for expenditure within their areas and for parish councillors to involve local residents more directly in spending decisions using participatory budgeting principles.

3.2: Pilot new approaches to community engagement across upland areas

Relevant local authorities should be encouraged by CLG to pilot new approaches that enable local authorities and communities to work together in upland areas to agree objectives, allocate resources, and achieve strategic goals. One of the models which might be piloted in an upland area could be the Multi Area Agreement (MAA) or similar.

And CLG should extend the scope of its Total Place pilots to an upland location, providing a valuable opportunity to explore both the potential for a more integrated, place-based approach to public sector provision, and the opportunities for strengthening voluntary, community and social enterprise activities in upland communities.

3.3: National Park Authorities as enablers of sustainable communities

Defra should enhance the role and value of the National Park Authorities by increasing their statutory responsibilities to give equal priority and status to foster the economic and social well being of local communities alongside the existing statutory purposes set out in section 61 of the Environment Act 1995.

3.4: Recognising and valuing community-led planning

Local planning authorities should be required to demonstrate that they have given material consideration to properly constituted parish plans and other local consultative strategies.

¹³² CRC (2008), Participation inquiry: strengthening the role of local councillors, Commission for Rural Communities, Cheltenham.

4: A new approach to funding

4.1: Current funding mechanisms will not unlock the potential of the uplands and as part of the CAP reform in 2013 and 2020, Defra and its agencies (and the EU) should develop a new approach to rewarding farmers for managing national assets in harmony with developing businesses and market enterprises.

4.2: Defra should broaden its concept of 'income foregone' to include the full costs of the farmer staying in business, in line with some other EU countries.

4.3: To reflect the contribution of upland communities to public benefits, Defra should ensure that the menu of measures under axes 3 and 4 should be broadened to enhance investment in and support for social sustainability of communities in upland areas.

4.4: Delivery bodies with Less Favoured Areas within their jurisdiction should review the extent to which RDPE funding is sufficiently accessible to upland farms and rural businesses (especially those relating to enterprise investment and rural business support.)¹³³

5: Developing markets for carbon and water

5.1: Defra should establish a long-term land management policy to mitigate carbon loss, particularly in relation to peatlands management. This policy should be informed by the knowledge and capacity that various research programmes have developed in this area.

5.2: DECC should set out the steps necessary to develop effective carbon markets and ensure that future reward for land carbon management comes through the market.

5.3: Defra and its agencies should use good practice (such as SCaMP and catchment sensitive farming) to develop models for public-private investment that secures multiple objectives in upland catchments, maintains water quality, reduces flood risk and potentially provides income for hill farmers and land managers.

6: Securing the future for hill farming

6.1: Given the fundamental changes and the provisional budget allocations for the Upland Entry Level Scheme Defra should review uptake and initial impacts of the scheme by 2012.

6.2: Decisions on stocking rates should be made locally to reflect the distinctive needs of each place, local climate and the balance of public goods appropriate for particular areas. We are recommending a rapid review of the policy and its effects – informed by whatever monitoring evidence and scientific evidence is now available – to understand more about what is happening on the ground.

6.3: Farming lead bodies, including NFU, TFA and CLA should work with Government to develop proposals and facilitate good practice in ensuring the succession of upland farms.

¹³³ Recommendation taken from evidence to the Inquiry from Chloe Palmer 'A future for hill farming' Nuffield Farming Scholarship Report, December 2009.

6.4: In order to address the R & D deficit relating to sustainability of the uplands, Research Councils UK and other relevant stakeholders should target key themes and then build capacity through partnerships, pool scarce resources and facilitate greater knowledge transfer across relevant research projects.

6.5: At least one land-based college should use its hill farming resources to improve and promote apprenticeships, training, and livestock improvement and land management programmes. This should include field trial work and the development of learning materials for wider application.

6.6: RDPE funding should be used to develop a series of commercial demonstration farms to promote good practice across a range of disciplines including implementation of agri-environment schemes, soil and livestock management, alternative forage crops, stocking rates and grazing management regimes.

6.7: Because of the dependence on four wheel drive vehicles to carry out work in the difficult terrain of the uplands, we recommend that manufacturers and HMRC clarify and publicise the criteria for reduced taxation, including which vehicles qualify.

7: Encouraging enterprise in new growth areas

7.1: DECC/CLG should require local authorities to complete an audit of the opportunities for renewable energy to stimulate new enterprise and ensure that opportunities for added value are not missed.

7.2: BIS should ensure that specialist advice to develop new green businesses and enterprise is available and accessible across England's uplands.

7.3: BIS and DECC should ensure that programmes and incentives are offered to local businesses and social entrepreneurs within upland communities, and that the economic benefits are enjoyed first and foremost by the local communities.

7.4: In any future plans for afforestation in the uplands, the Forestry Commission should promote and demonstrate full consideration of local social and economic benefits.

8: Raising aspirations :supporting development in the uplands

8.1: Cabinet Office should ensure that proper account is taken of the needs and potential of upland communities when developing and delivering the Government's Big Society Programme. In particular the arrangements for the voluntary and community sector should be replaced with committed and reliable measures.

8.1: BIS should provide support to existing and emergent industries in the uplands, with advice, training programmes and knowledge sharing fora, focused on new and traditional skills and businesses, which reflects the business profile and potential of the uplands. Wherever possible this should be informed by experience of living and working in the uplands. Mentoring schemes would be particularly important to encourage innovation and provide inspiration.

9: Improving Broadband and mobile telephone communications

9.1: BIS and Defra (through Broadband Delivery UK) to support the development of creative solutions to deliver NGA to upland areas, including support for more community broadband schemes, and promoting good practice.

9.2: BIS should agree a set of proposals with OFCOM to provide universal coverage of mobile phone services.

9.3: BIS, through Broadband Delivery UK, should agree to use a framework agreement so that public investment (e.g. through schools) may be used to support better broadband connectivity and speed for local communities and businesses.

10: Planning to enable sustainable upland communities

CLG should:

- give clear guidance that affordable housing and homes for 'live-work' are fundamental to the sustainability of upland communities and to their management of the cultural and natural heritage;
- provide advice that makes clear to local planning authorities and the Planning Inspectorate that more affordable housing must be approved in the wider public interest, and ensure that development plans and housing strategies reflect this imperative;
- ensure a greater role for communities in approving small schemes of affordable housing without formal planning consent where this need is established in parish plans;
- encourage public bodies that own land in the uplands (eg. Forestry Commission, National Parks, Ministry of Defence) to make sites available for affordable housing provision at low cost, where these can contribute towards meeting needs;
- ensure that the HCA makes sufficient finance available to build affordable housing in the uplands, and engages with upland organisations, landowners and parish councils – through its 'Single Conversation' – in order to properly address issues such as higher design and development costs and the scarcity of development sites. Where such costs are higher because of the wider public interest then these costs should be met from general taxation;
- press for council tax revenue generated through the charge on second homes to be used to support affordable rural housing.

Glossary of terms

Abbreviations	Full Name
AONB	Area of Outstanding Natural Beauty
CAP	Common Agricultural Policy
ESAs	Environmentally Sensitive Areas
GVA	Gross Value Added
HFA	Hill Farming Allowance
HLCA	Hill Livestock Compensatory Allowance
LAA	Local Area Agreement
LFA	Less Favoured Areas
LSP	Local Strategic Partnership
MAA	Multi-Area Agreement
NGA	Next Generation Access
NPA	National Park Authority
RHE	Rural Housing Enablers
SFP	Single Farm Payments
SDA	Severely Disadvantaged Areas
SSSI	Site of Special Scientific Interest
UELS	Upland Entry Level Scheme
WTO	World Trade Organisation

Afforestation	The planting of seeds or trees to make a forest on land which has not been a forest recently, or which has never been a forest.
Area of Outstanding Natural Beauty	A precious landscape whose distinctive character and natural beauty are so outstanding that it is in the nation's interest to safeguard them.
Biodiversity	The variation of life forms within a given ecosystem, biome, or on the entire Earth.
Carbon sequestration	The removal and storage of carbon from the atmosphere in carbon sinks (such as oceans, forests or soils) through physical or biological processes, such as photosynthesis.
Common Agricultural Policy	<p>The EU's agricultural policy dates back to 1957, when the creators of the Treaty of Rome defined the general objectives of a Common Agricultural Policy (CAP), designed to secure Europe's self-sufficiency in food production. The basic principles of CAP remained the same for decades: guaranteed prices for agricultural products, and subsidies based on the quantity of production.</p> <p>In 2003, Franz Fischler, then the Commissioner for Agriculture, Fisheries and Rural Development, presented a CAP reform package he described as the most radical improvement to the EU's agricultural policy ever. His main proposals included:</p>

	<ul style="list-style-type: none"> • decoupling of subsidies and production • high requirements of environmental, food safety and animal welfare standards as prerequisite for getting subsidies • more money to rural development as opposed to direct and market subsidies • cuts in intervention prices in many sectors.
Common land (commons)	Common land (common) is land owned collectively or by one person, but over which other people have certain traditional rights, such as to allow their livestock to graze upon it, to collect firewood, or to cut turf for fuel .
Cultural Landscape	Cultural Landscapes have been defined by the World Heritage Committee as distinct geographical areas or properties uniquely “represent[ing] the combined work of nature and of man.”
Ecosystem services	Ecosystem services are the processes by which the environment produces resources utilised by humans such as clean air, water, food and materials.
Environmentally Sensitive Areas	The Environmentally Sensitive Areas Scheme was introduced in 1987 to offer incentives to encourage farmers to adopt agricultural practices which would safeguard and enhance parts of the country of particularly high landscape, wildlife or historic value. The scheme has now closed to new applicants and has been superseded by the Environmental Stewardship scheme
Externalities	‘Externalities’ result when a particular activity produces benefits or costs for other activities that are not directly priced into the market.
Gross Value Added	A measure in economics of the value of goods and services produced in an area, industry or sector of an economy.
Hefting	Hefted sheep recognise their own territory: they know their patch, and on the thousands of square kilometres of open fell where they graze with other flocks, they will stick to their own heath. Because lambs are returned to the fell with their mothers after lambing, they too learn the rules.
Hill Farming Allowance	Hill Farming Allowance aims to contribute to the maintenance of the social fabric in upland communities through support for continued agricultural land use and help to preserve the farmed upland environment by ensuring that land in the Less Favoured Areas is managed in a sustainable way.

Hill Livestock Compensatory Allowance	The scheme which helped to define hill farming as a sector was the Hill Livestock Compensatory Allowance system which came into existence in 1976. The HLCA provided compensation for the additional costs of production in the hills. It also had social objectives of keeping people in the countryside and thereby supporting the social fabric.
LEADER	The Leader approach is a delivery mechanism under the new Rural Development Programme for England (RDPE) 2007-2013. Also known as Axis 4, the Leader approach is not a scheme, fund or set of objectives, but is a method of harnessing local knowledge to enable a “bottom up”, community led approach to delivery of RDPE funding in rural areas. The Leader approach can be used to deliver a range of Programme objectives, and will help achieve integration.
Less Favoured Areas	The area of Less Favoured Area (LFA) is an EU baseline indicator related to context. Designation of LFAs in England relates to the physical handicaps to farming in these areas, notably: high rainfall, low temperatures, poor infertile soils and steep gradients, and to low or declining populations with a higher than normal dependence upon agriculture.
Local Area Agreement	Local Area Agreements (LAAs) set out the priorities for a local area agreed between central government and a local area (the local authority and Local Strategic Partnership) and other key partners at the local level.
Local Strategic Partnership	Local strategic partnerships (LSPs) exist in nearly all local authority areas in England. They bring together representatives from the local statutory, voluntary, community and private sectors to address local problems, allocate funding, and discuss strategies and initiatives. They aim to encourage joint working and community involvement, and prevent ‘silo working’ (i.e., different agencies that share aims working in isolation) with the general aim of ensuring resources are better allocated at a local level.
Market failure	In economics, a market failure occurs when there is an inefficient allocation of goods and services in a market. That is, there exists another outcome where market participants’ overall gains from the new outcome outweigh their losses (even if some participants lose under the new arrangement).

Multi Area Agreement	MAAs provide a framework through which adjoining local authorities can work in partnership to address issues which cross council boundaries, but are not so large as to need a regional approach. The focus for MAAs is on supporting economic growth, so common themes across most MAAs are employment, skills, transport and housing.
Next Generation Access	NGA is a replacement for existing communications access networks that will deliver unlimited broadband services
National Park	A National Park is a protected area because of its beautiful countryside, wildlife and cultural heritage. A protected area is a location which has a clear boundary. It has people and laws that make sure that nature and wildlife are protected and that people can continue to benefit from nature without destroying it.
Open access land	Land where (under the Countryside and Rights of Way Act 2000 (CROW)), the public can walk freely on mapped areas of mountain, moor, heath, downland and registered common land without having to stick to paths.
Pluriactivity	Pluriactivity is the phenomena of farming in conjunction with other gainful activities, whether on or off farm. It covers the range of jobs and activities farmers and families do.
Public Goods	Public goods are those that are 'non-rival' or 'non-excludable' when used or consumed. 'Non-rival' means that the consumption of the good by one person does not prevent someone else using or consuming that good. Clean air is an example of a non-rival good. 'Non-excludable' means that if a public good is made available to one consumer; it is effectively made available to everyone. National defence is an example of a non-excludable good. Non-excludability can give rise to a problem known as 'free-riding'. This is when some consumers fail to pay for the provision of the public good because they expect others will do so. This implies that the returns to potential suppliers will be less than society as a whole would be willing to pay collectively. So a market solution would imply too little public goods being produced to be socially optimal.

Rural Housing Enablers	A person appointed (whether by a local authority, housing association or voluntary body such as a rural Community Council) to help facilitate the development of local affordable housing schemes ("making it happen") by working and liaising with the main parties involved, which will include some or all of the following: Local Planning and Housing Authorities, Developers, Housing Associations, Landowners, Parish Councils and local communities themselves.
Rural/urban definition	Since July 2004 an official definition of rural areas has been in place for England and Wales. This definition, which is based on population density, was developed to provide a framework for statistical analysis and reporting. It has been used across Government (and beyond) to assess the condition of, and monitor changes in, rural England, and to generate evidence to inform the development of policies, to meet the needs of rural communities.
Single Farm Payments	<p>With the 2003 CAP reform, the EU introduced a farm-based payment largely independent of current production decisions and market developments, but based on the level of former payments received by farmers.</p> <p>Farmers receiving the new SFP are obliged to keep their land in good agricultural and environmental condition.</p>
Severely Disadvantaged Areas	<p>There are currently two categories of LFA land: "Disadvantaged Areas" (DA) and "Severely Disadvantaged Areas" (SDA).</p> <p>SDAs have land:</p> <ul style="list-style-type: none"> • which is suitable for extensive livestock production but not for the production of more crops necessary to feed such livestock, and • whose agricultural production is severely restricted in its range by one or a combination of soil, relief, aspect or climate, or • land situated in the Isles of Scilly.
Site of Special Scientific Interest	A Site of Special Scientific Interest (SSSI) is a conservation designation denoting a protected area in the United Kingdom. SSSIs are the basic building block of site-based nature conservation legislation and most other legal nature/geological conservation designations in Great Britain are based upon them, including National Nature Reserves, Ramsar Sites, Special Protection Areas, and Special Areas of Conservation.

Social capital	Social capital is an interdisciplinary social science concept that brings together aspects of social behaviour, such as trust and cooperation, relationships, networks and social solidarity that may be expected to contribute to the well-being of a community.
Upland Entry Level Scheme	Entry Level Stewardship (ELS) including Uplands ELS is a voluntary, non-competitive scheme to encourage farmers across a wide area of farmland to deliver simple yet effective environmental management.

**Commission for
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