

# Rural Policy Centre



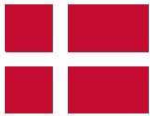
# Rural Scotland

Sarah Skerratt, Steven Thomson, Rob  
McMorran and Jane Atterton

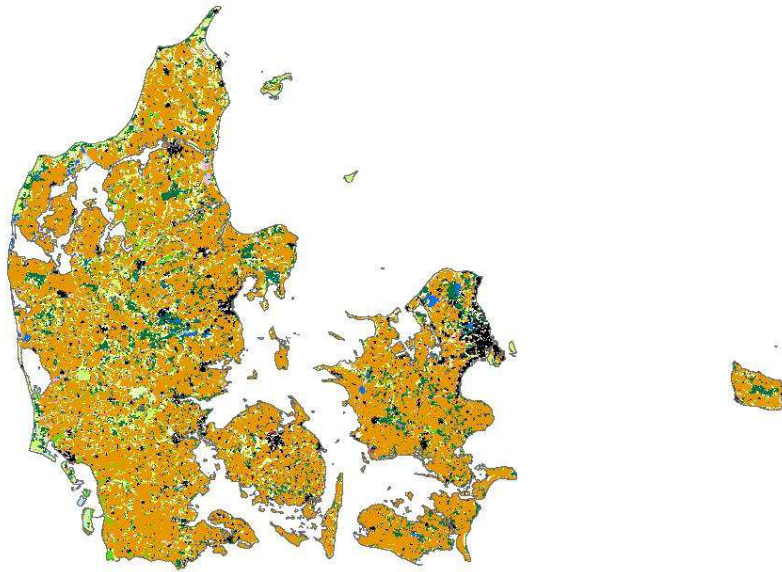


Edinburgh, 31 August 2018

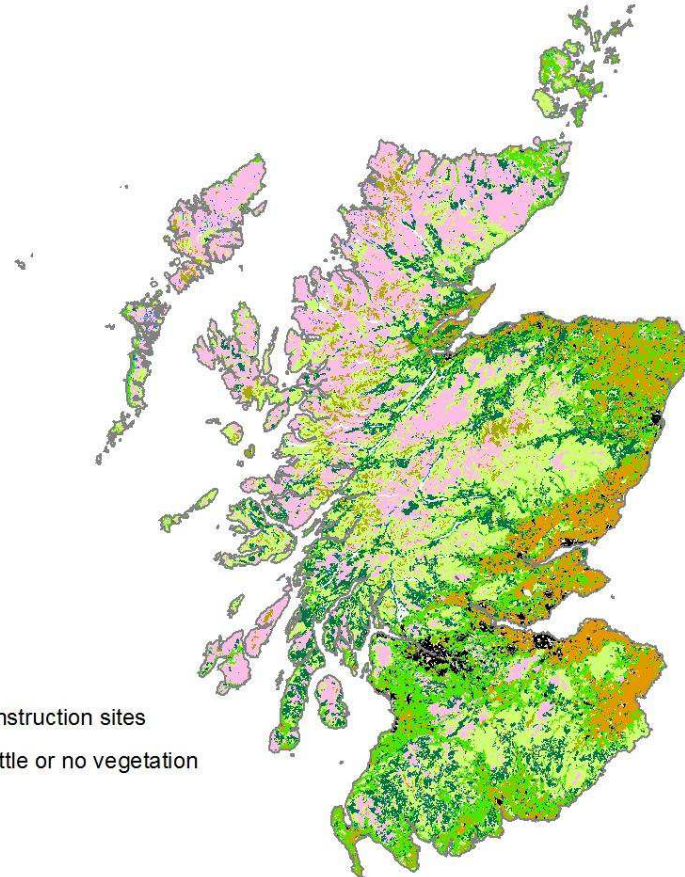
*Leading the way in Agriculture and Rural Research, Education and Consulting*



**Population: 5.7 million**  
**131 persons per square kilometre**



**Population: 5.3 million**  
**65 persons per square kilometre**



- |  |   |
|--|---|
|  Arable land                                  |  Maritime wetlands                               |
|  Artificial, non-agricultural vegetated areas |  Mine, dump and construction sites               |
|  Forests                                      |  Open spaces with little or no vegetation        |
|  Heterogeneous agricultural areas             |  Pastures  |
|  Industrial, commercial and transport units   |  Permanent crops                                 |
|  Inland waters                                |  Scrub and/or herbaceous vegetation associations |
|  Inland wetlands                              |  Urban   |

Corine Land Cover European seamless vector database (RELEASE v18\_5)  
 European Environment Agency (EEA) under the framework of the Copernicus programme - [copernicus@eea.europa.eu](mailto:copernicus@eea.europa.eu)  
<https://land.copernicus.eu/pan-european/corine-land-cover/view>



Steven Thomson, 2018

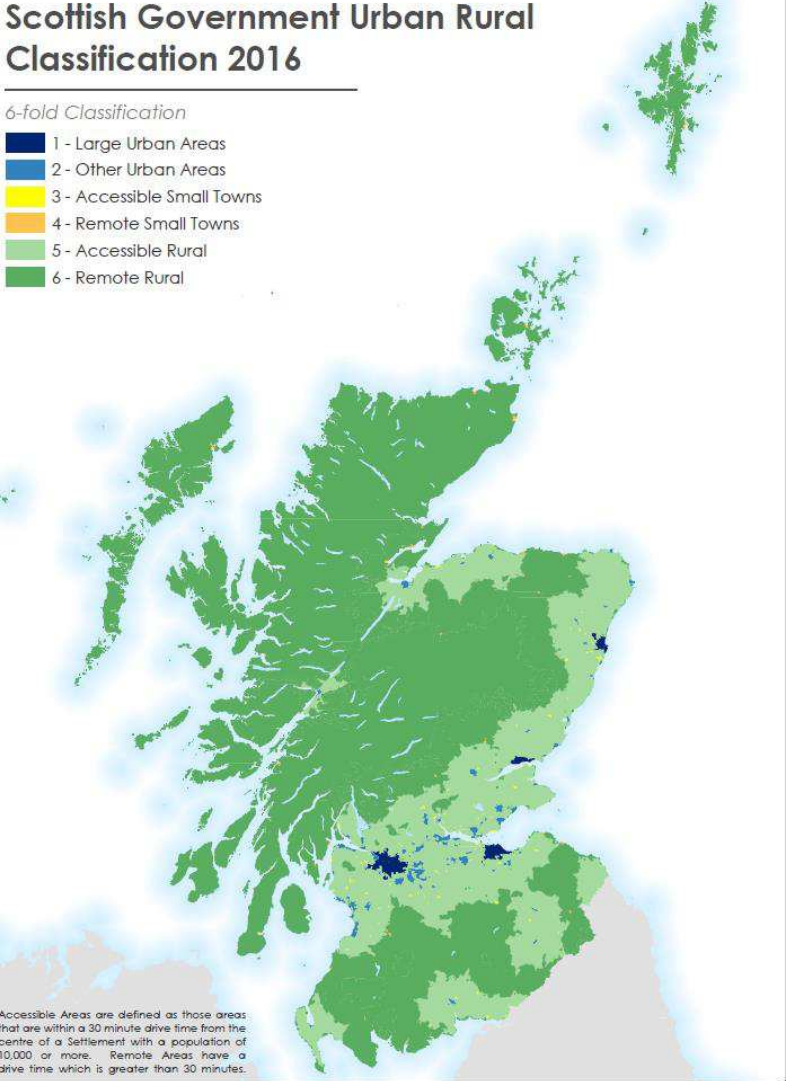
# Scotland's Geography and Defining Rural



## Scottish Government Urban Rural Classification 2016

### 6-fold Classification

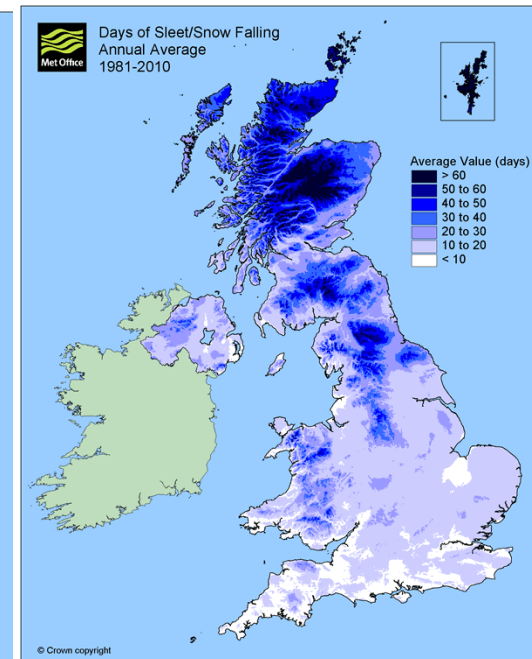
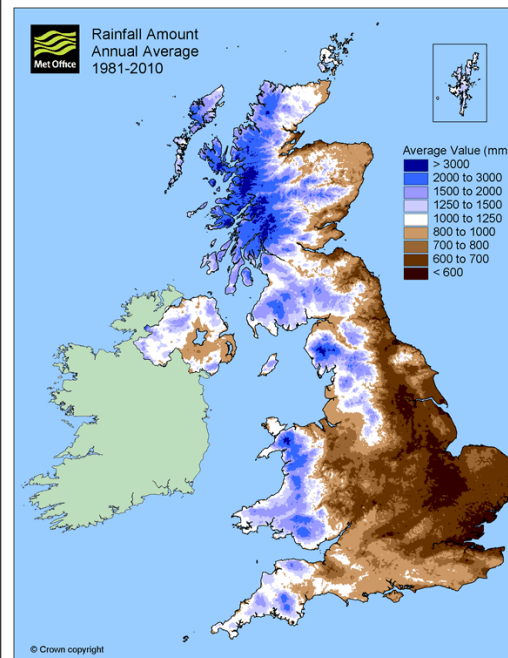
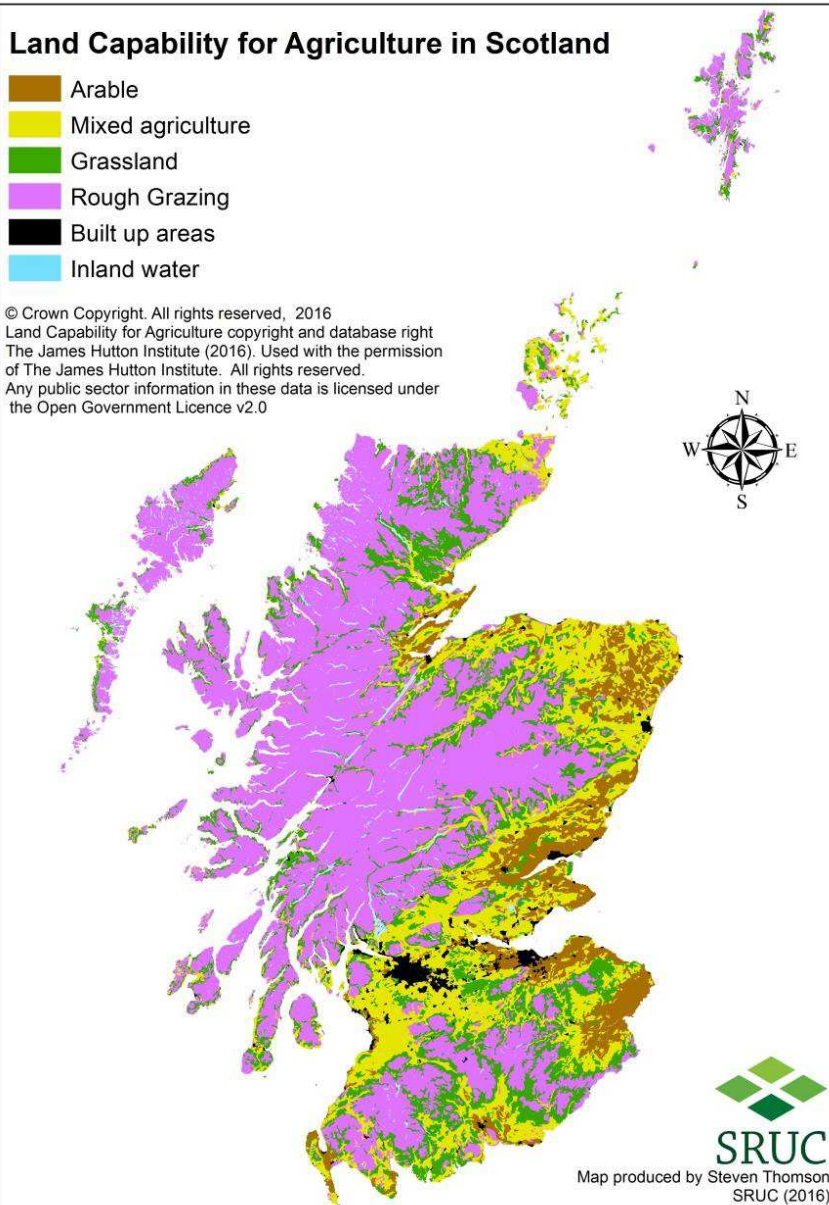
-  1 - Large Urban Areas
-  2 - Other Urban Areas
-  3 - Accessible Small Towns
-  4 - Remote Small Towns
-  5 - Accessible Rural
-  6 - Remote Rural



Accessible Areas are defined as those areas that are within a 30 minute drive time from the centre of a Settlement with a population of 10,000 or more. Remote Areas have a drive time which is greater than 30 minutes.



# Constrained Land use

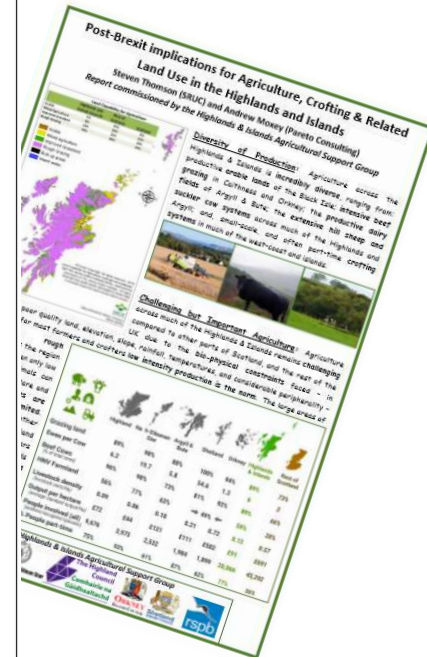
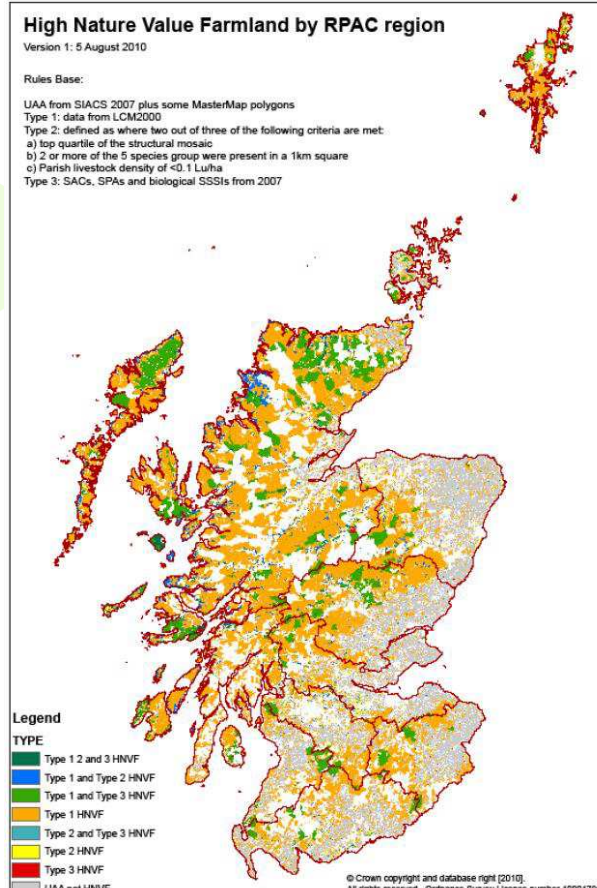
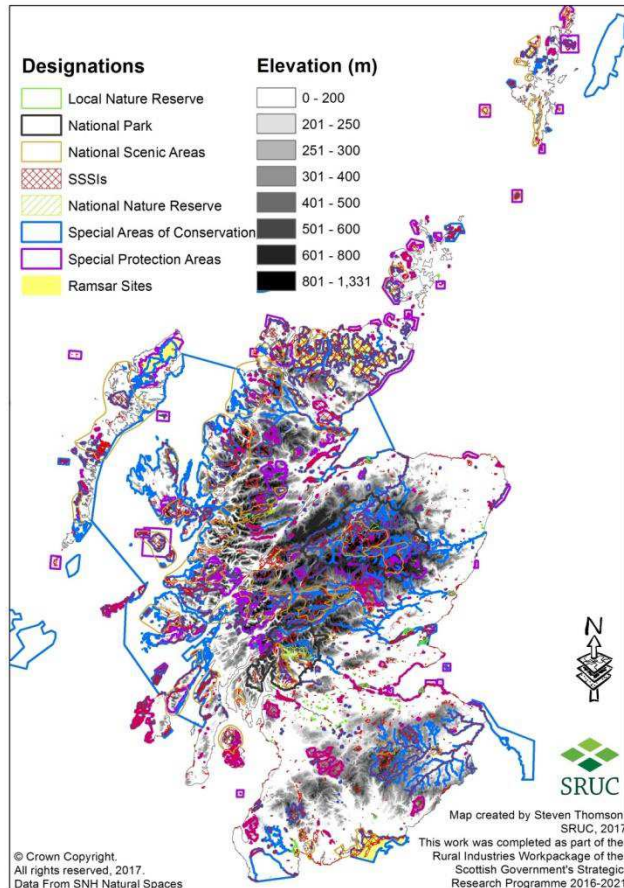


- ~54,000 agricultural holdings
- ~19,500 farm businesses claiming Pillar 1 CAP support
- ~19,400 registered crofts with ~13,000 crofters and ~1,100 common grazings

# Constrained Land use



68% of Scotland's High Nature Value farming area  
 26% of UK's Ramsar (wetland) site area  
 41% of UK's terrestrial Special Protection Areas (wild birds)  
 13% of UK's terrestrial Special Area of Conservation (species & habitats)  
 32% of the UK's Special Sites of Scientific Interest area



# Stratified livestock systems



“Store” animals are often produced in uplands and sold through markets to “finishers” in lowland systems as there is not enough grass to make enough hay / silage



# Scotland's contribution to UK agriculture & food production (2016)



12% of agriculture's gross output;

13% of agriculture's GVA



25% strawberry and raspberry output



9% of the dairy herd



27% of the suckler cow herd



20% sheep flock



37% of the spring barley crop



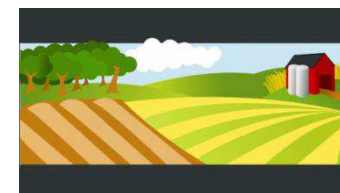
22% of potato production



7% of the pig herd



8% of the poultry flock



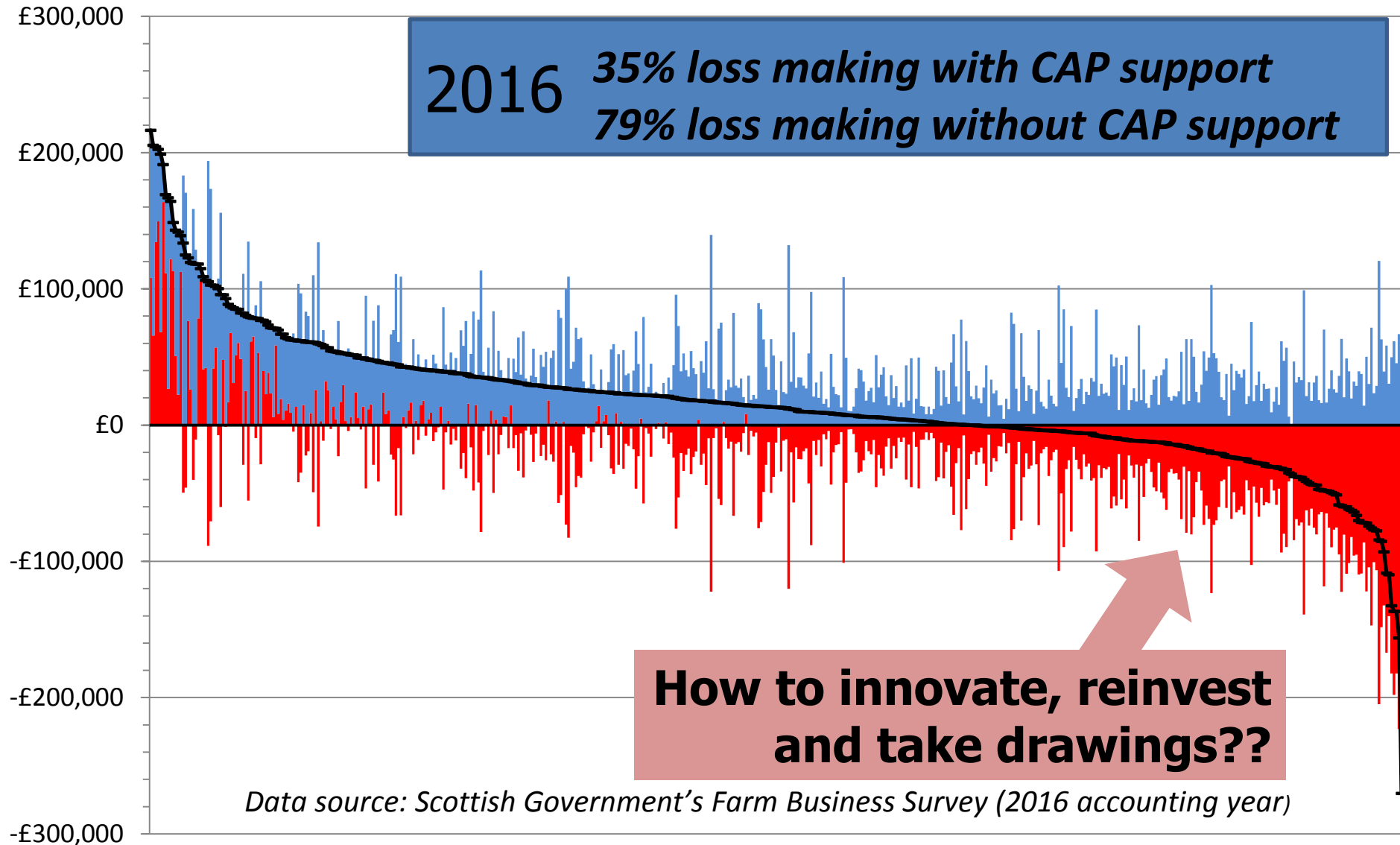
**34% of UK farmed area  
& 85% is LFA**

Percentage of agricultural land (%)	Scotland	England	Wales	N Ireland	UK
Grass	21%	41%	66%	76%	39%
Total crops and fallow	9%	44%	5%	5%	26%
Rough grazing	59%	9%	24%	16%	28%
Other	11%	5%	6%	3%	7%

# Support payments & Scottish Agriculture



■ Farm Business Income less CAP ■ CAP Support — Farm Business Income



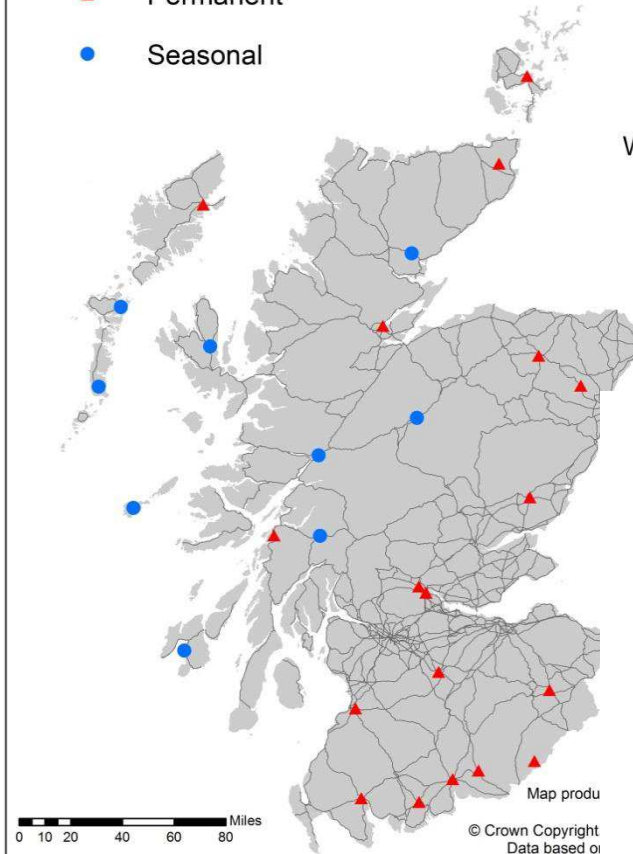


# Peripherality – remote from key services



## Scottish Livestock Markets 2016

- Roads
- ▲ Permanent
- Seasonal



## Scottish Abattoirs, 2016

London to:	Air (miles)	Road (miles)	Drive-time
Cornwall	231	261	4.46hrs
Carlisle	260	315	5.23hrs
Edinburgh	331	396	7.27hrs
Isle of Lewis	532	688	14.31hrs
Shetland	625	804	23.42hrs

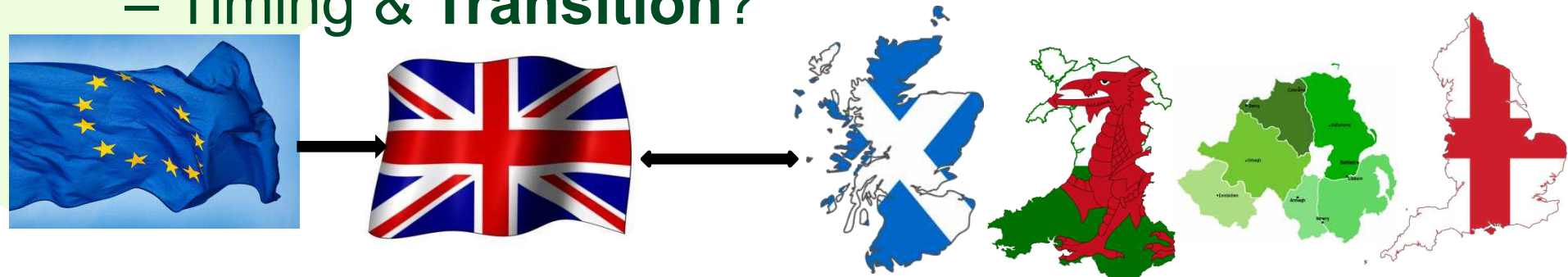
Table 2. Haulage additional to the Mainland area

Input (£/t to add)	Outer Islands	Inner Islands	Remote Mainland
Fertiliser (£/t)	36	28	18
Feed (£/t)	32	30	10
Forage (£/t)	38	32	20
Cattle haulage (£/head)	24	21	11
Sheep haulage (£/head)	5	2	1

# The Brexit puzzle



- **A real challenge for agri-food sector:**
  - **Workforce?**
  - **Devolved administrations?**
  - **Regulations and standards?**
  - **WTO and Trade?**
  - **Agricultural support budget?**
  - **Policy support mechanisms?**
  - **Timing & Transition?**



# Policy Responses



<https://www.gov.uk/government/consultations/the-future-for-food-farming-and-the-environment>



<http://www.gov.scot/Publications/2018/05/4376>



<https://consult.gov.scot/agriculture-and-rural-communities/economy-post-brexit-transition/>

 Department for Environment Food & Rural Affairs

Health and Harmony: the future for food, farming and the environment in a Green Brexit

February 2018

On 9577

## A Future Strategy for Scottish Agriculture

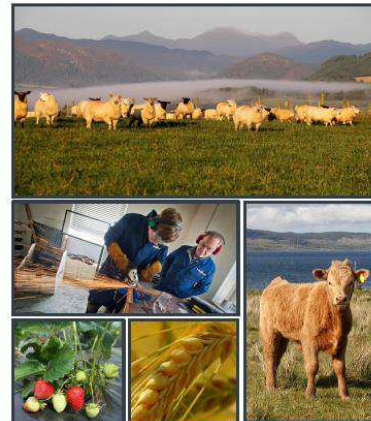


Final Report by the Scottish Government's Agriculture Champions

May 2018

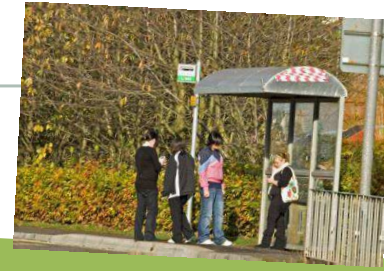


Stability and Simplicity proposals for a rural funding transition period



**Greater Public Value / Goods for Public £**

# Scotland's rural communities – some headlines



23% of remote rural population is 65+

25% of remote rural population is 0-24 (28% accessible rural, 30% rest of Scotland)

22% of remote rural population was born outside Scotland but elsewhere in the UK

73% of remote rural population rates neighbourhood as a very good place to live

38% of remote rural population gave up time to help/volunteer in the last 12 months



62% of remote rural population lives within 15 minute drive time by public transport of a Post Office

Less than 50% of rural population lives within 15 minute drive time by public transport of a GP surgery (41% in remote rural Scotland)



33% of remote rural households are living in fuel poverty; 19% in extreme fuel poverty

# Scotland's rural economies – some headlines (1)

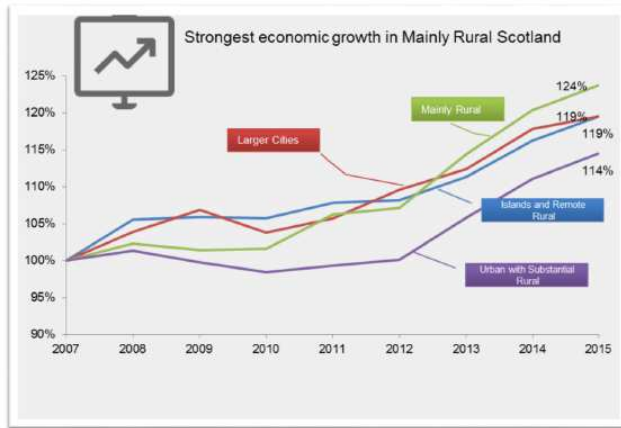


Diversity across rural Scotland in key sectors, their contributions, employment levels, growth patterns, etc.

Importance of agriculture and land-based activities varies geographically (e.g. 8% of GVA in Angus, 1.7% in Perth and Kinross)

Strongest economic growth recently has been in Mainly Rural Scotland

Unemployment rates in rural Scotland are lower (4% remote rural, 3% accessible rural)



Source: Inter-Departmental Business Register, as at March 2016 (Using Scottish Government RESAS Classification 2018)



Source: Inter-Departmental Business Register, as at March 2016 (Using Scottish Government RESAS Classification 2018)

Public sector accounts for 16% of employment in remote rural; agriculture, forestry and fishing 15% and accom. and food services 14%



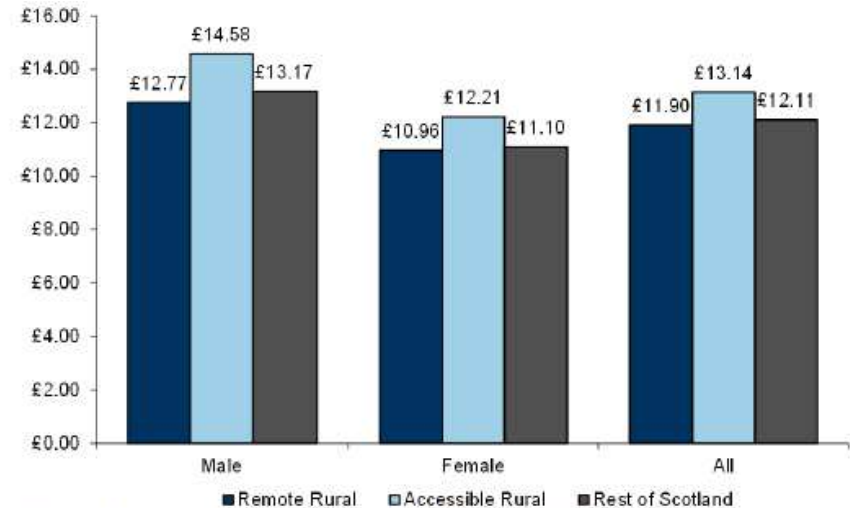
# Scotland's rural economies – some headlines (2)



## Patterns of work

Local authority	Remote Rural	Accessible Rural	Rest of Scotland
<b>Percentage of employed males who are:</b>			
Self-employed	32%	22%	14%
Working part time in main job	14%	12%	13%
With a second job	6%	4%	2%
Homeworkers <sup>1</sup>	32%	21%	11%
<b>Percentage of employed females who are:</b>			
Self-employed	17%	15%	8%
Working part time in main job	53%	44%	41%
With a second job	10%	5%	4%
Homeworkers <sup>1</sup>	21%	15%	8%
<b>Percentage of all employed who are:</b>			
Self-employed	25%	18%	11%
Working part time in main job	33%	28%	26%
With a second job	8%	4%	3%
Homeworkers <sup>1</sup>	27%	19%	10%

## Median hourly rates of pay

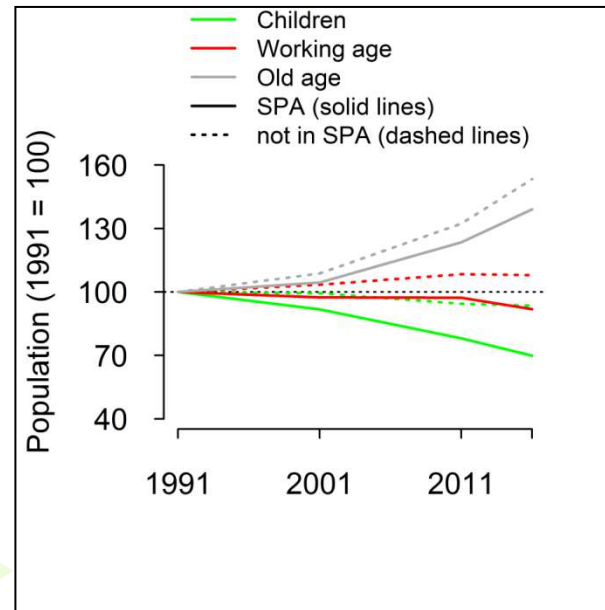
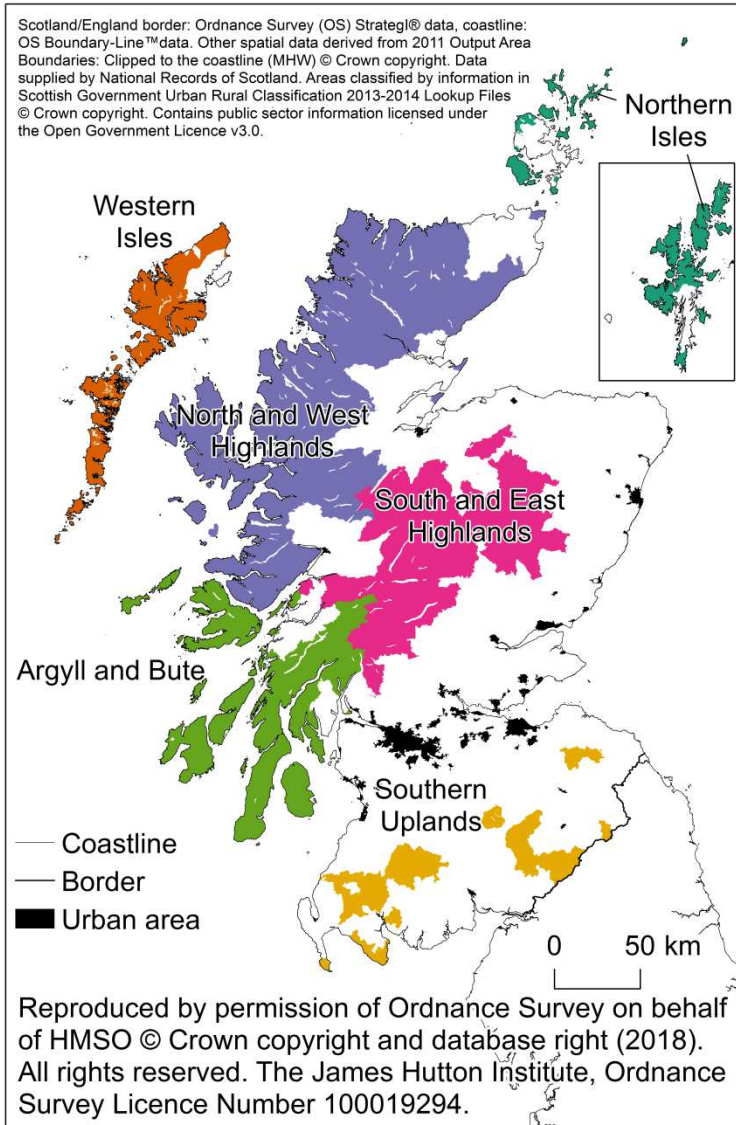


Source: Annual Survey of Hours and Earnings, 2016 (Using the Scottish Government Urban Rural Classification 2013-2014)

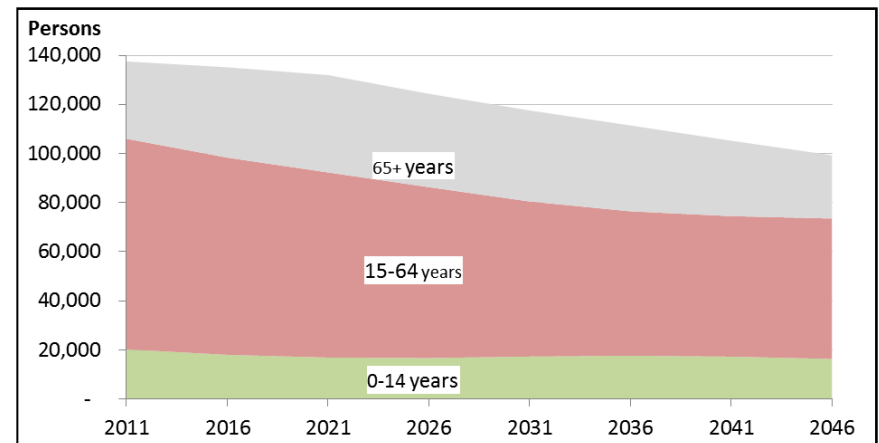


Estimated that there were 9,255 seasonal migrant workers in Scottish agriculture during 2017 (including 900 employed directly by labour providers). Approx. 25% work on more than one farm in the UK and there is also transition to other sectors of work, in particular food processing and hospitality.

# Scotland's Sparsely Populated Areas (1)



Change in the populations of children, people of working age, and older people in the SPA and in rural areas and small towns outside the SPA, 1991-2016



The age structure of projected populations of the SPA, 2011-2046.

# Community resilience and social innovation



The town and country divide: the fuel poverty suffered by old people in rural areas from Sunday Herald, 01 June 2014

## Fuel poverty hits elderly and poor hardest

Up to three-quarters of elderly people living in rural areas of Scotland are suffering fuel poverty and are "falling through the cracks" in government policy.

Methods inadequate to gauge rural problems

## Scotland worst hit by bank closures with 7 weeks

Former watchdog Which? said Scotland has been the worst hit area of the UK.



## Isle of Eigg population rises to more than 100



in fuel poverty



### The Care & Wellbeing Co-op

Helping shape care and wellbeing in rural Perthshire

We are here to help deliver a new and innovative approach to care and wellbeing in rural Perthshire.

A photograph of the interior of a Co-op shop, showing shelves stocked with various goods.

## Innovation transforms rural healthcare in Scotland

A close-up photograph of a woman's face as she holds a small white pill between her fingers, looking directly at the camera with a slight smile.

### LEADER

How to apply

Local Action Groups

Expression of Interest form

Scottish Rural Development Programme

Advice and support

Rural Innovation Support Service

A photograph of a stone building with a sign that reads 'THE OLD SCHOOL Main Entrance C6'.

## Ayrshire 21

growing rural communities together

The logo for Ayrshire 21, featuring a stylized white bird or leaf shape above the text 'Ayrshire 21' in a large, white, cursive font, with the tagline 'growing rural communities together' below in a smaller, white, sans-serif font.



1995-2002

2003-2007

2007-2011

2011-16

2016-21

1992 Rural Fwk

1995 Ppl., Pros. P'hip

1998 Rural Devt. Fwk.

2000 Rural Scot. A New App.

2003 Rural Scotland: Taking Stock

2003 Inq. Integ Rural Devt and Cab Sub-Comm RD

2007 Rural Sc: Better Still Nat

2007 Rural Advocacy in Sc (SCC)

2008 OECD Review of Rural Policy in Scotland

2008 RDC established

2008 Delivering for Remote and Rural Healthcare

2010 Speak up for Rural Scotland

2011 Our Rural Future

2014 Rural Parl 1

2016 Rural Parl 2

2018 Rural Parl 3

1998-2001 IATE1

2004-2007 IATE2

2012 Sc Land Fund

2015 Comm. Emp. (Scotland) Act

2016 Land Reform (Scotland) Act

2016 Sc Land Fund

2018 Islands (Scotland) Bill

1981-99 Rural Forum

2000 Fwd Strat for Sc Ag

2003 Land Reform (Sc) Act

2006 Fwd Strat for Sc Ag

2011-16 Land Use Strategy

2016-21 Land Use Strategy

2018 Future of Sc. Ag.

2018 Ag Champs Rep

European Structural Funds, INTERREG, Marine and Fisheries Fund

2000-2006 SRDP

2007-13 SRDP

2014-20 SRDP

2001 A Smart Succ Scotland

2004 Fwk for Ec Devt in Scotland

2005 A Smart Succ Scotland – H&I

2007 Council of Ec Advisors

2011 Sc Cities Alliance

2014 3<sup>rd</sup> NPF

2016 Ent. & Skills Rev.

2016 Agenda for Cities

2016 Soc Ent Strat

2017 SoS Ec P'ship

2017 Ent & Skills Strategic Board

2017-8 CR Deals

2018 Rural Skills Action Plan

1991+ HIE and Scottish Enterprise

2007+ SG Purpose and NPF; Annual Programmes for Government

2007+ Economic Strategy (2007, 2011, 2015)

2011 UK Growth Review

2011 UK Rural Growth Review

2013 UK Strat for Agri Tech

2015 UK Productivity Plan

2015 UK Rural Productivity Plan

2017 UK Industrial Strategy

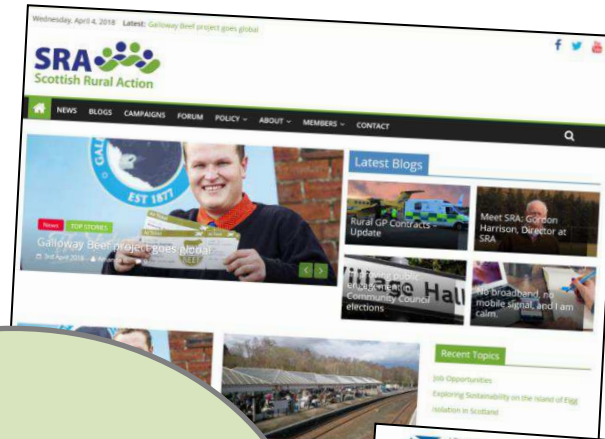
2018 Health & Harmony Con.

Jane Atterton and Steven Thomson, SRUC

# The policy and institutional context



We will work... to attract further investment to rural Scotland by... exploring how place-based collective endowments could be used to revitalise local, and particularly remote, communities. (SG Prog for Govt 17-18)



## An Interim Discussion Document from the Scottish Government's Agriculture Champions

No over-arching rural vision or strategy in Scotland; rural is mainstreamed



- improve Scotland's ferry services, including:
  - applying road equivalent tariff fares to all routes in the Clyde and Hebrides Ferry Services network throughout the year
  - reducing passenger and car ferry fares to Orkney and Shetland in the first half of 2018
  - supporting the town centre to town centre Gourrock – Dunoon ferry service
  - reviewing ferry services procurement policy and subsequently putting in place arrangements for the long-term delivery of our supported services
  - continuing work on the Colntraive and Rhubodach slipways
  - building two new major vessels for the Calmac Network, the first of which will be launched during the year

Air Passenger Duty (APD) in Scotland. Revenue Scotland will be responsible for collecting and managing the tax.

Tax bands and tax rate amounts for ADT will be brought forward through secondary legislation. We are committed to reducing the overall burden of ADT by 50%, abolishing the tax altogether when resources allow and seeking a fair deal for the Highlands and Islands, where an exemption from APD currently applies.

### Rural economy: preparing for the future

Rural Scotland is home to one fifth of Scotland's population and 51,000 registered small and medium-sized enterprises. Our food and drink sector is a global success – it has rapidly grown its export markets and demonstrated the innovation and ambition we need to replicate across the economy. But rurality, remoteness and depopulation, in particular, present significant challenges.

Increasing digital connectivity and technological



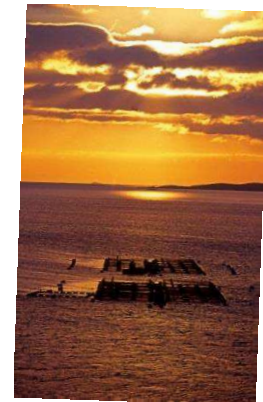
## National Council of Rural Advisers

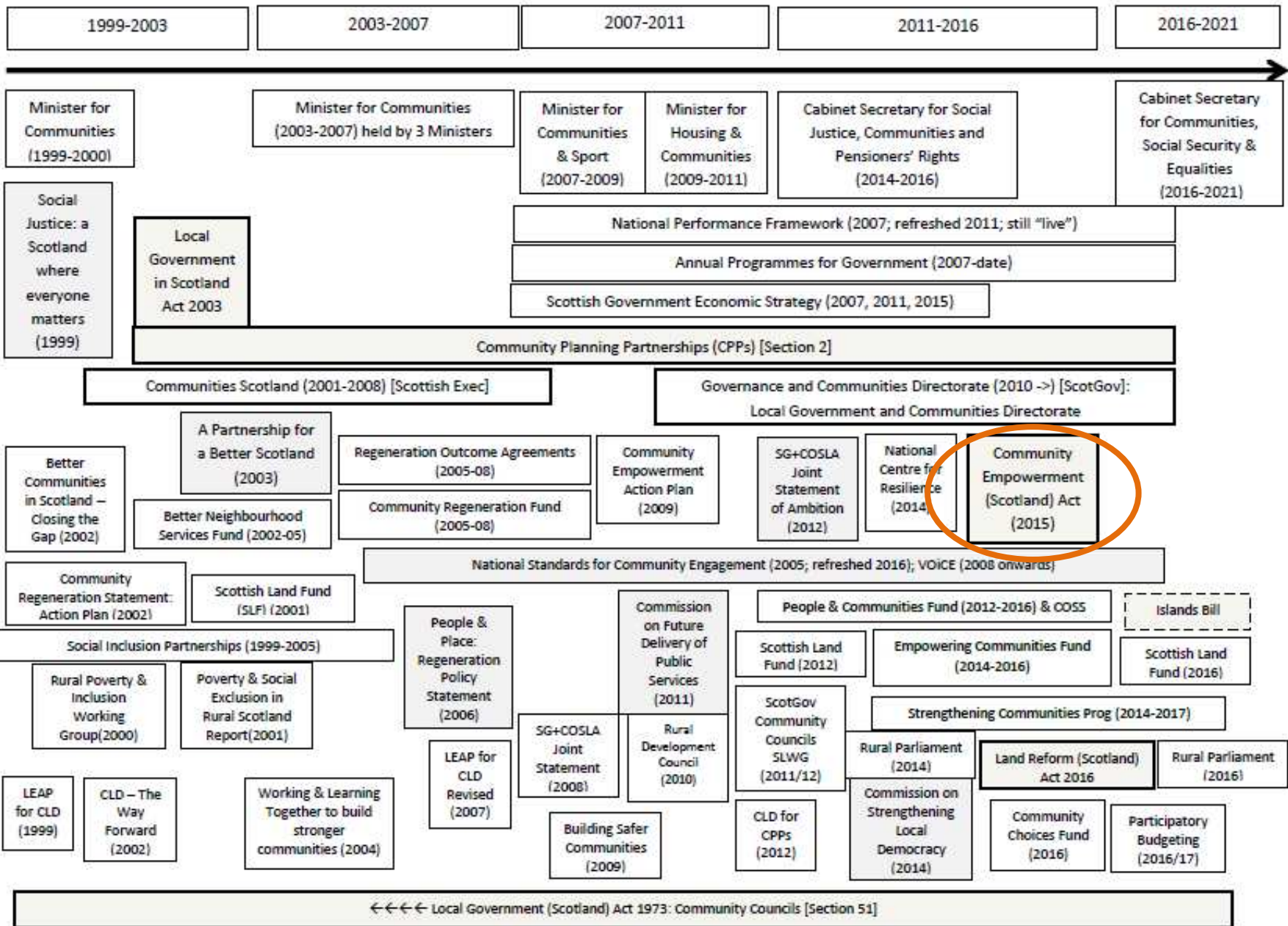
'A Rural Conversation: Together We Can, Together We Will'

# Key principles for future rural policy



- A more **positive** narrative
- A **networked** approach
- Need for an accurate, up-to-date **evidence** base
- An **integrated** approach
- Rethinking the value of **rural proofing**
- Taking a **place-based** approach to policy
- Strengthening rural **communities**
- Recognising the **diversity and breadth** of activities in rural Scotland
- Placing **rural at the forefront** of opportunities and challenges
- Acknowledging and strengthening rural-town-urban **linkages**





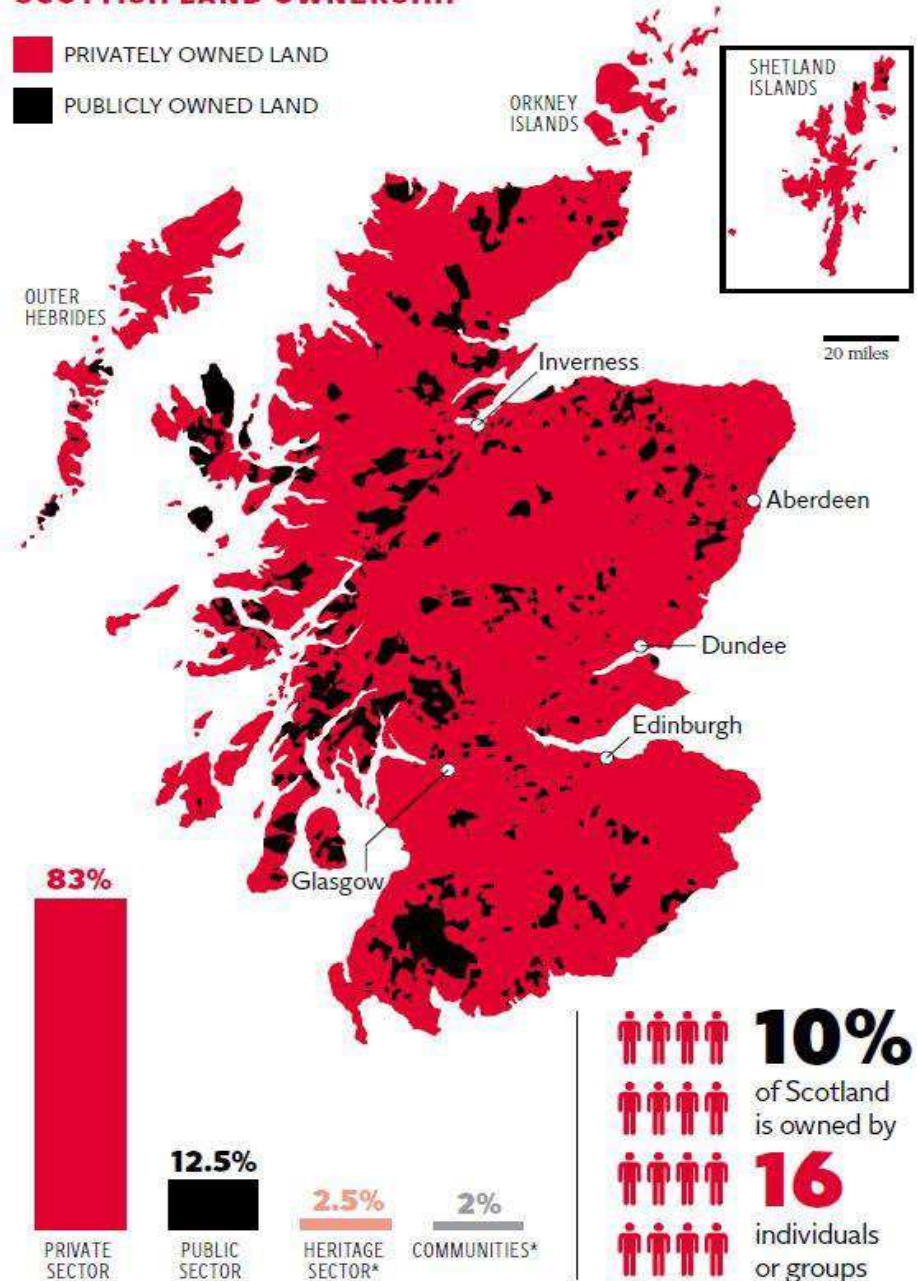
## Community Empowerment: Policies... Impacts?

# Landownership

- **Rural Scotland: 7.5M Ha**
  - Private: **83%**  
(963 owners own 60% of this)
  - Public: 914,000Ha (**12%**)
  - NGOs: 208,000Ha (**2.6%**)
  - Community owners: 170,000Ha (**2.2%**)

## SCOTTISH LAND OWNERSHIP

■ PRIVATELY OWNED LAND  
■ PUBLICLY OWNED LAND



\*NOT SHOWN ON MAP

SOURCES: SCOTTISH GOVERNMENT, ANDY WIGHTMAN

# Scottish Land Reform

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SRUC

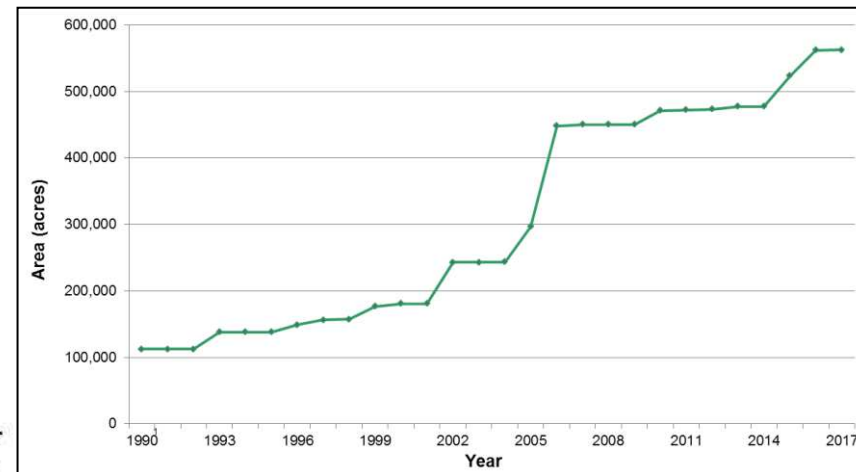
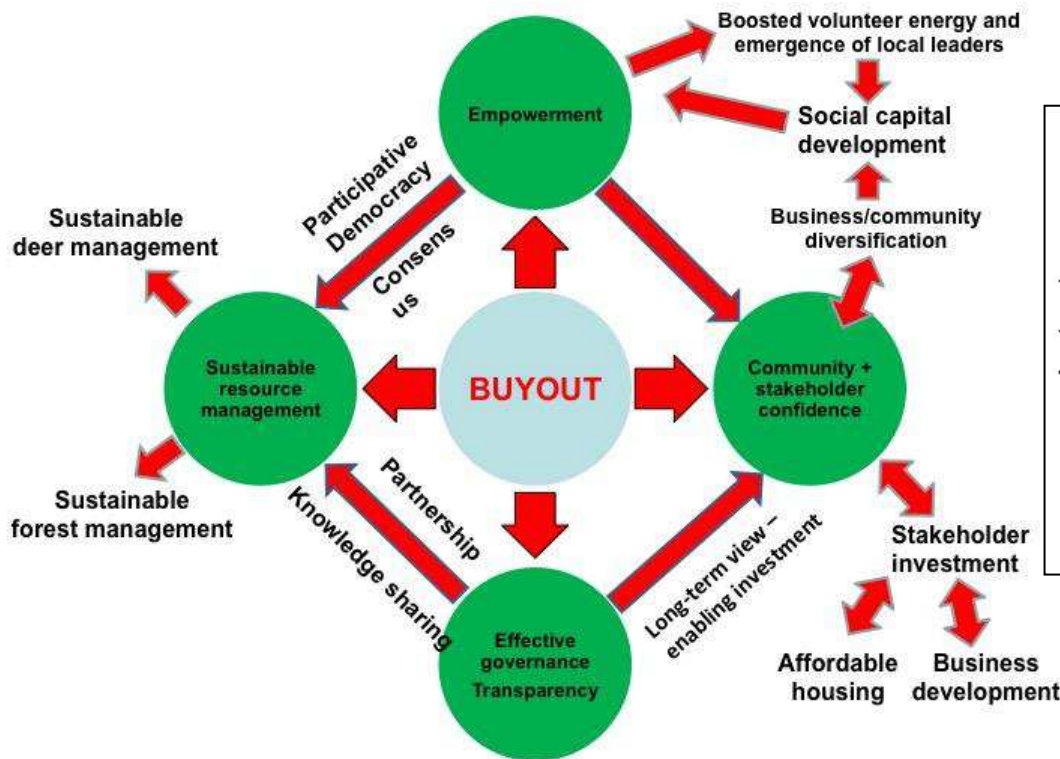
- “***Concentrated pattern of land ownership***” ever present in land reform rhetoric over last 25 years
- “***Diversity of Ownership***” consistent in policy since Sewel’s Land Reform Policy Group (1997):
- “*Land reform has the potential to **empower greater numbers of people** and, over time, to change patterns of ownership in Scotland to ensure a **greater diversity of ownership**, greater diversity of investment and greater sustainable development*”. (Land Reform Bill Policy Memorandum)
- Two Land Reform Acts (2003) and (2016)
- Community based land reform (‘Right to Buy’)

# Impact - Diversifying Ownership



SRUC

- Opportunities linked to **NGOs & some private estates & alternative models** (Partnerships/collective ownership)
- *But...community landownership demonstrating developmental & environmental outcomes and a re-shaping community-environment relationships*



# Islands (Scotland) Act: process



June 2017

Jan 2018

Feb 2018

May 2018

June 2018

Summer 2018

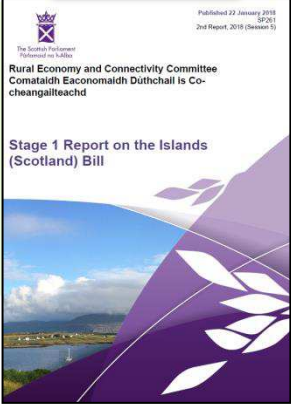
Summer 2019

Stage 1 Report

Stage 1 debate

Stage 2 scrutiny

Stage 3 debate



Parliament Business	
Committee Business / SCPA	
11:40am:	Parliamentary Bureau Motions
11:40am:	General Questions
12:00pm:	First Minister's Questions
12:45pm:	Members' Business — SSM 10145 Willie Rennie: East Neuk First Responders
2:30pm:	Parliamentary Bureau Motions
2:30pm:	Stage 1 Debate: Islands (Scotland) Bill
<b>Stage 1 Debate: Islands (Scotland) Bill</b>	
	Financial Resolution: Islands (Scotland) Bill
	Business Motions
	Parliamentary Bureau Motions
5:00pm:	Decision Time



**Islands (Scotland) Bill**  
(AS INTRODUCED)

CONTENTS

Section

**PART 1**  
KEY DEFINITIONS

1 Meaning of 'island' and of 'inhabited island'

2 Meaning of 'island community'

**PART 2**  
NATIONAL ISLANDS PLAN

Duty to prepare national islands plan

3 National islands plan

4 Preparation and scrutiny of plan

Reporting on and review of plan

5 Report on plan

6 Review of plan

**PART 3**  
DUTIES IN RELATION TO ISLAND COMMUNITIES

Duty of certain authorities in respect of policies and services

7 Duty to have regard to island communities

8 Island communities impact assessment

9 Compliance with section 7 duty

Guidance and reporting

10 Guidance about section 7 duty

11 Reporting regarding section 7 duty

Duty of the Scottish Ministers in respect of legislation

12 Preparation of island communities impact assessment by Ministers

**PART 4**  
REPRESENTATION OF ISLAND COMMUNITIES

Election to the Scottish Parliament

13 Constituency of Na h-Eileanan Siar

SP Bill 15

Session 5 (2017)

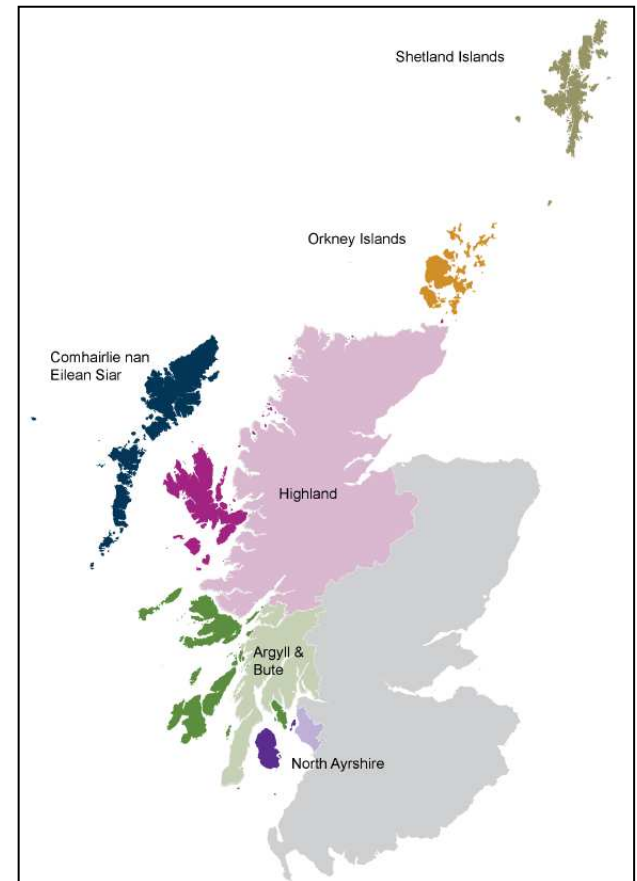
Royal Assent => Act

Guidance



# The Act itself

- “Island-proofing” = cornerstone
  - statutory **Duty** on Scottish Ministers and all other relevant public bodies to have regard to island communities in exercising their functions;
  - island communities **impact assessment**;
  - ensure that island communities **are not unreasonably disadvantaged** due to their location;
  - The Duty will apply to **66 public bodies** in Scotland whose functions and activities **can** impact on island communities.



# Contact Details

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- Jane Atterton: [jane.atterton@sruc.ac.uk](mailto:jane.atterton@sruc.ac.uk)
  
- Rural Policy Centre:  
[www.sruc.ac.uk/ruralpolicycentre](http://www.sruc.ac.uk/ruralpolicycentre)

# Acknowledgements



Scottish Funding Council  
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Scottish Government Rural Affairs and the Environment Portfolio  
Strategic Research Programme 2016-2021

Work Packages 2.4 Rural Industries and 3.4 Communities and  
Wellbeing



Scottish Government  
Riaghaltas na h-Alba  
gov.scot