

Rural Strategy 2004



Rural Strategy 2004

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Foreword by the Secretary of State



The challenges facing rural England in 2004 are many and diverse. Whilst most areas are economically thriving, there are also many which are lagging behind. In relatively prosperous areas, there are also many individuals and households who face social exclusion, especially because of poor access to services and affordable housing. Equally, whilst the countryside remains rural England's greatest treasure, valued by us all, in many areas there are pressures on natural resources.

Rural Strategy 2004 is a response to these challenges. It takes as its starting point the vision of sustainable rural communities first set out in the *Rural White Paper* in 2000 – recognising that change is part of rural life, but that to be sustainable, change must balance economic, social and environmental interests. This vision of a living, working, protected and vibrant countryside remains at the heart of rural policy.

Rural Strategy 2004 also learns from our experience over the last four years. After the creation of my new Department in 2001 – bringing together environment, food and rural affairs for the first time – and in the light of the lessons learnt from the Foot and Mouth outbreak, I commissioned a review of the *Rural White Paper*, steps to improve the evidence base for rural policy and an independent review of rural delivery carried out by Lord Haskins. Both these reviews have been completed and work to improve the evidence base is yielding good results.

Learning from this experience, Rural Strategy 2004 sets out a new devolved and targeted approach to rural policy and delivery over the next three to five years. I am personally committed to a rural policy – translated into delivery on the ground – that is genuinely relevant to local people and the local environment, that addresses real needs, puts customers first and promotes sustainable development.

That is why I am pleased, as part of this document, to announce the Government's proposals in response to Lord Haskins' report. Rural Strategy 2004 sets out how we plan to reform delivery to give a better deal for customers, the environment and the taxpayer, in line with the Prime Minister's principles of public service reform that underpin this Government's approach. The proposals include a radical new approach for streamlining over one hundred rural funding streams to improve the customer experience and ensure that resources are clearly targeted to deliver the outcomes set out in this Strategy.

Reformed delivery can only be achieved, as indeed Lord Haskins recommended, by genuinely devolving power, resources and responsibility away from central Government. Rural Strategy 2004 sets out our new devolved approach to rural policy and delivery, and represents a significant contribution to the Government's wider devolution agenda. By bringing together resources and decision-making at a more local level, our regional and local partners will be empowered to deliver the overall aim of Rural Strategy 2004 – sustainable development in rural England.

A handwritten signature in black ink that reads "Margaret Beckett". The signature is written in a cursive, slightly slanted style.

Rt. Hon. Margaret Beckett MP
Secretary of State for Environment, Food and Rural Affairs

Overview

Sustainable Countryside

The Government first set out a vision of a living, working, protected and vibrant countryside in the *Rural White Paper* in 2000. This vision – of sustainable rural communities in which economic, social and environmental issues are all taken into account – remains at the heart of rural policy.

Much has been achieved since the White Paper, and many lessons learnt. Events and experience have provided new insights into the challenges facing rural areas. In particular, improvements in the evidence base for rural policy have highlighted the many economic and social disparities in rural areas. There is no homogenous 'Rural England'.

To meet the challenges we need a new approach to policy and delivery – based on targeting the greatest needs and working in partnership at national, regional and local level. The public – our customers – must come first.

Rural Strategy 2004 sets out the Government's new approach. It identifies three key priorities for rural policy, and explains our modernised delivery arrangements.

The Government's three priorities for rural policy are:

- 1. Economic and Social Regeneration** – supporting enterprise across rural England, but targeting greater resources at areas of greatest need.
- 2. Social Justice for All** – tackling rural social exclusion wherever it occurs and providing fair access to services and opportunities for all rural people.
- 3. Enhancing the Value of our Countryside** – protecting the natural environment for this and future generations.

These priorities will inform the Government's rural policy for the next three to five years and the modernised delivery arrangements that will drive progress forward. This Strategy sets out the specific action that will be taken.

Background to the Strategy

1. The Government set out a vision of a living, working, protected and vibrant countryside in the *Rural White Paper*, published in November 2000. The White Paper was published at a time of rapid change for rural areas – change that was brought into sharp focus by the Foot and Mouth outbreak less than three months after the White Paper was published. Four years on, social and economic changes affecting rural communities continue apace.

2. In the light of the lessons learnt from the Foot and Mouth outbreak and the creation of Defra in June 2001, the Secretary of State for Environment, Food and Rural Affairs commissioned a number of actions to improve the focus and delivery of rural policy through:

- a review of the *Rural White Paper*;

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- steps to improve the rural evidence base; and
 - an independent review of rural delivery carried out by Lord Haskins.
- 3.** Considerable progress has been made with this work. The Government published a full review of the *Rural White Paper* in January 2004, alongside a report on *Social and Economic Change and Diversity in Rural England* – part of our ongoing research programme to develop the evidence base for rural policy. Lord Haskins completed his review of delivery in rural areas in 2003 and published his report *Rural Delivery Review* in November 2003. The Government made an initial response also in November 2003, agreeing Lord Haskins' analysis of our delivery structures as too confusing for customers, and too bureaucratic and centralised to meet our future challenges, and accepting the thrust of his recommendations. All of these documents are available on the Defra website at: www.defra.gov.uk/rural.
- 4.** Since the publication of the *Rural White Paper* in 2000, there have also been wider policy developments that are important in relation to rural policy and delivery. In particular, these include:
- *Decentralisation – Your Region, Your Choice: Revitalising the English Regions White Paper*, Office of the Deputy Prime Minister (ODPM) 2002; and the *Devolved Decision-Making Review* report, published with the Budget 2004
 - *Strategy for Sustainable Farming and Food*, Defra 2002
 - Common Agricultural Policy reform agreed in the EU in 2003 and Single Payment Scheme announced in 2004
 - *Sustainable Communities, Building for the Future*, ODPM 2003
 - *Energy White Paper – Our Energy Future – Creating a Low Carbon Economy*, DTI/Defra 2003
 - *Working with the Grain of Nature: A Biodiversity Strategy for England*, Defra 2002
 - *Taking it on* – the Government's consultation on reviewing the *National Sustainable Development Strategy*, Defra 2004
- 5.** The overarching Government aim is that our rural policy should have as its outcome genuinely sustainable development. This means integrating and balancing environmental, social and economic considerations at every stage. It means providing “a better quality of life for everyone, now and for generations to come...including thriving economies and communities in rural areas and a countryside for all to enjoy”¹. It includes tackling social exclusion – ensuring that all sections of society and all localities participate in and benefit from sustainable development. So public policies, programmes and instruments – across national, regional and local government – must apply effectively and equitably in rural areas, with a focus on raising levels of social inclusion. In addition we must ensure that our economic and social strategies are consistent with our aim of protecting and enhancing our natural heritage for this and future generations.
- 6.** Working towards this aim requires both clarity of policy and effective delivery. At the start of this Parliament, the Prime Minister set out his four principles of public service reform, which underpin the Government's approach to improving delivery². These are:

¹ Part of Defra's overarching aim.

² *Reforming our Public Services – Principles into Practice*, Prime Minister's Office of Public Services Reform, Cabinet Office (2002).

- national standards and a clear framework of accountability;
- devolution and delegation to the front line;
- more flexible arrangements for service delivery; and
- expanding choice for the consumer.

7. Applying these principles to the delivery of rural policy was a central and compelling message of Lord Haskins' review. This Strategy sets the framework for the Government's response.

8. The Strategy is based on the arrangements that are currently in place in the English regions. But a further development of Government policy will offer people in the three northern regions (North East, North West, and Yorkshire and the Humber) the opportunity to vote on whether to have an elected regional assembly. Referendums are planned to be held later this year, although the earliest that elections could be held to the first assemblies would be in 2006. Other regions could have an opportunity to hold referendums later. An elected assembly would, subject to legislation, have wide-ranging powers to promote economic and social development and improve and protect the environment, within a sustainable development framework, and would become a key partner in delivering the Rural Strategy through its proposed responsibility for the Regional Development Agency (RDA), rural regeneration programmes and tourism. It would also have the role of preparing and implementing regional planning and housing strategies and would be able to influence training and skills initiatives in the region, including through representation on Learning and Skills Councils. The Government will publish its legislative proposals for elected regional assemblies in draft before the first referendums are held.

Evidence of change in rural England

9. One of the weaknesses identified by Ministers soon after the creation of Defra, and confirmed by Lord Haskins, was a lack of evidence especially at local level to inform effective rural policy and delivery, and no generally accepted definition of 'rural' England.

10. To address this, the Government commissioned detailed research and analysis, leading to a new and more sophisticated definition of 'rural' areas, which we are launching alongside this Strategy. The new definition, alongside developments in data collection (such as the increasing availability of postcoded datasets) will provide a tool to help analyse the social and economic characteristics of rural areas at a more local scale than has been possible before – and so to help pinpoint areas of greatest need. For example, the definition can be used to attach a 'data marker' to government statistics, so as to provide much better evidence of trends in relation to transport and housing, and a wide range of other services. Further details of the new definition are set out in Annex A but in summary, it:

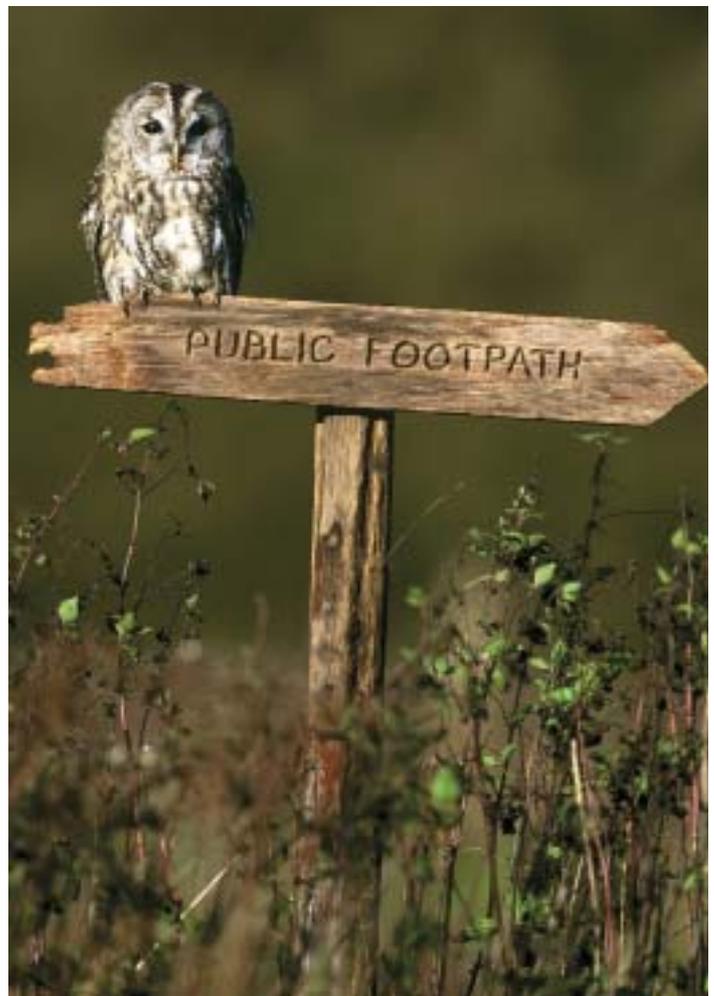
- extends the current Government 'land use' based definition of urban areas to include rural settlements of different sizes and kinds;
- recognises the differences between rural areas and moves away from crude urban/rural splits given the increasing difficulty in drawing a sharp line between the two;
- bases the description of 'rural' on factors that people generally recognise as important rural characteristics, for example the nature and distribution of towns, villages and dispersed settlements;

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- allows 'fine grain' analysis of localities within rural areas, for rural delivery and targeting purposes; and
- provides a means of basing social and economic data from, for example, the Census, on the more enduring features of rurality – namely the settlement pattern.

11. Defra is also building on the rural evidence base through its revitalised rural research programme – which includes setting up a new Rural Evidence Research Centre. The evidence available so far – set out in further detail in Annex B – reveals that rural areas are dynamic and that rural society is rapidly changing in ways that are reshaping communities and blurring urban/rural distinctions. The main features include:

- *population growth*: net migration of 60,000 people per year into wholly or predominantly rural districts between 1991 and 2002;
- *an ageing population*: the number of people aged 65 or over in wholly or predominantly rural districts increased by 161,000 (12%) between 1991 and 2002, whilst the number aged 16-29 decreased by 237,000 (18%);
- *relative prosperity especially in more accessible areas*: higher income per head than the national average – but with a disadvantaged minority amidst prevailing affluence;
- *economic weaknesses, with associated social deprivation, in a minority of 'lagging' rural areas*: characteristically in areas adjusting to a decline in mining, agriculture and fishing, and tending to be in more peripheral areas;
- *convergence between the urban and rural economies*: though agriculture is still at the core of the rural economy and society, employment in agriculture has decreased by 30% (151,000) in the last 20 years; employees in rural businesses are now more likely to be in manufacturing (25%), tourism (9%) or retailing (7%), than in agriculture (6%);
- *increased mobility through the car*: bringing benefits for many but reducing the customer base for public transport and thus creating difficulties for those without access to a car. Half a million (14%) rural households do not have a car and many people in households which do have a car do not have access to it when they need to travel; and



A countryside for all to enjoy © RSPCA

- *pressures on the countryside – especially through demand for housing and transport:* rural areas remain a rich resource, valued by both residents and visitors for fine landscapes, biodiversity and open space; these contribute to enjoyment and general well-being as well as to education and health. The aim of sustainable development is to ensure that the enhancement of this resource is achieved for the benefit of all.

12. Many of these features are part of trends with long historical roots, dating back to 1945 and before. The causes include technological development, restructuring in the global and national economy, and the social, environmental and cultural changes that have resulted. Assuming these underlying drivers of change continue to operate, we can expect the future to bring:

- further convergence between urban and rural lifestyles and economic activity in most rural communities, but with a minority of areas continuing to lag behind economically;
- continuing population growth as a result of migration by (mostly) affluent and older people into accessible rural areas, combined with increased life expectancy;
- continuing ageing of the population in rural areas, with consequential demands on public and community services that support the elderly; and in some areas difficulty in maintaining facilities for young people, such as schools;
- greater demands for rural housing, much of it resulting from migration to the countryside and an increase in the number of one-person households;
- continuing increases in the mobility of the majority as more people own a car, threatening a further reduction in local shops and other outlets and the increasing isolation of those who do not have a car;
- a continued reduction in the proportional direct contribution of farming to total economic activity, but as farmers respond to the reform of the Common Agricultural Policy and the challenges of the *Strategy for Sustainable Farming and Food*, an increasingly important contribution to sustainable development through the provision of public benefits;
- increasing demands on – and therefore an increasing need to take action to prevent damage to and improve the quality of – natural resources in the countryside (such as water resources) that support all communities, rural and urban; and
- a greater premium on the contribution (including economic contribution) of the countryside to the quality of life, and therefore on the importance of linking improved land and resource management, including biodiversity, with providing access for all – for recreation, health and education, and the economic contribution.

Rural Strategy 2004

13. Rural Strategy 2004 sets out the Government's policy response in the light of these trends. It takes as its starting point the vision of sustainable development for rural areas set out in the 2000 *Rural White Paper*, which remains the Government's vision. The Strategy also builds on the findings of the *Review of the Rural White Paper* published in January 2004, and in particular that:

- three years of experience in delivery have demonstrated the need for new methodologies to be put in place to quantify targets and for new approaches to shared responsibility for meeting them, with clear accountabilities; and
- the main challenges include: clarifying objectives, achieving greater prioritisation and targeting need; improving governance and delivery arrangements; and continuing to develop a solid evidence base and evaluation framework.

14. The following three chapters set out the Government's policy objectives and how rural delivery will be modernised to achieve more effective results on the ground in relation to those objectives. Chapter 4 brings together the main elements of our modernisation of rural delivery into a short summary.

15. Rural Strategy 2004 provides the policy framework, the tools and the evidence base to help all Government Departments, regional and local partners work together in a collaborative way over the next three to five years to deliver more sustainable rural communities and an enhanced and enriched countryside.

Economic and Social Regeneration

Summary

The majority of rural areas have relatively strong economic performance. The strategy in these areas is to sustain prosperity by ensuring that national, regional and local policies that support economic development are suitably rural-proofed so as to promote enterprise in rural as well as urban areas.

There are however structural economic weaknesses and associated poor social conditions in a minority of rural areas. To counter this is challenging, and requires a more targeted area-based policy to maximise the benefits of mainstream public funding: to attract and foster business development, to improve skills and to build local institutional and community capacity. Our strategy will be to work with regional and local partners to focus resources on bringing benefits to these 'lagging' areas. Primarily this will involve increasing resources allocated for rural economic and social development via Regional Development Agencies and working with local government and others to pilot innovative new joint approaches in rural areas.

A New Countryside Agency will be created as a strong voice for rural people and communities, especially those suffering disadvantage, to suggest innovative solutions to their needs and monitor and report on progress in delivery.

The Government's *Strategy for Sustainable Farming and Food*, launched in 2002, is also directly relevant to rural economic vitality, and sets out the key mechanisms to help farm-based businesses adapt to the challenges of reform, achieve greater long-term sustainability in a world where they face similar challenges to other rural businesses, and contribute effectively to the wider economic, environmental and social objectives of their areas. A number of early milestones have already been achieved, with the most significant being the agreed reform of the Common Agricultural Policy (CAP), whereby direct payments to farmers in England will be fully decoupled from production from 2005 onwards. This will reduce the extent to which the CAP distorts production and will help to reconnect producers to their markets, while also rewarding farmers for producing public benefits such as biodiversity and access to the countryside.

16. Our economic objective for rural areas has two components:

- **building on the economic success of the majority of rural areas** to ensure they contribute fully to national, regional and local economic prosperity (see paras 17-28); and
- **tackling the structural economic weaknesses and accompanying poor social conditions that exist in a minority of rural areas** (see paras 29-46).

Sustaining prosperity

17. The majority of rural areas are relatively prosperous. Measured in terms of average household income, for example, 55% of households in rural areas are above the median, and 28% are in the top quartile.

18. The Government is committed to ensure that rural areas continue to prosper and make their full contribution to national growth. National policies, for example in relation to skills, business support, planning and broadband infrastructure, must support this economic prosperity. Defra's role is to work with other government departments and delivery bodies to ensure, through rural proofing, that these policies apply equitably and effectively in rural areas.

Action

Skills

19. Defra is taking forward with partners, including the Small Business Service, Regional Development Agencies, Sector Skills Councils and the Learning and Skills Council, a series of actions under the Learning, Skills and Knowledge Programme to help businesses in rural areas improve their performance through increased take-up of learning opportunities. Those actions aimed at meeting the generic – not sector-specific – learning needs of all rural businesses will improve access to learning opportunities. In addition, the Government is taking a number of new initiatives, led either by Defra or a partner organisation, where the need is either sectoral and falling within Defra's sponsorship responsibilities, or is unlikely to be met by rural proofing mainstream activity. The new initiatives focus on three key goals:

- putting in place the learning measures needed to deliver the *Strategy for Sustainable Farming and Food*. Proposals include: a new advisory package to support the introduction of the cross-compliance requirements; and targeting publicly funded conservation advice so that it supports implementation of the new entry-level and higher-tier agri-environment schemes;
- making the supply of learning provision consistently relevant to rural business requirements and improving its delivery. Proposals include: improving the effectiveness of current knowledge transfer arrangements so that the relevant results of commissioned research and development are consistently translated into useful and practical business improvement tools; ensuring that the potential of delivery through social enterprises is recognised and exploited; and the design and delivery of an electronic advice channel – linked to businesslink.gov.uk – to improve access to Defra's advice products and services (see below); and
- driving up demand for learning, particularly in those industries facing major change. Proposed measures include: facilitating the development of a continuous professional development framework for farmers; and supporting steps to demonstrate the benefits of learning in raising business performance.

Business support

20. Defra is working in particular with the DTI, the Small Business Service, Regional Development Agencies and Business Links to improve the business advisory service available to businessmen and women in rural areas.

21. Our aim is that small businesses, social as well as commercial enterprises – from someone wanting to expand the local community shop to a farmer wanting to diversify and expand the farm business – will have advice that is relevant to them and to the area in which they work and live. And that such advice should be simple and easy to access. As well as providing extra investment this year (see above), Defra is working with the Small Business Service, Regional Development Agencies and other partners to develop a pathfinder project for 2005 that will join-up access to a wide range of publicly-funded services, such as tax advice, skills training, and national, regional and local funding schemes.

22. We are also professionalising and simplifying the information services provided by Defra on the services and grants we make available. This improved information service will bring together the services available from all Defra delivery bodies, into a simple to navigate and understand

web-based reference guide. It will be available both to Business Links and their partners to help sign-post customers or applicants to the most appropriate source of business or technical help, and direct to all members of the public. Our intention is that information about the changes to Defra's business support and funding will be available through a single user-friendly portal from 1 April 05 (also accessible through www.businesslink.gov.uk), and that the reference guide will be developed rapidly thereafter to provide a comprehensive service.



Farm shop, Appleby-in-Westmoreland, Lake District

Broadband

23. The Government will ensure that the full potential of broadband for delivering public services and increasing the productivity of businesses is realised in rural areas. This work is being led by the joint Defra/DTI Rural Broadband Unit working closely with Regional Development Agencies and others. Priorities include:

- making best use of public funding to ensure that by 2006 all primary and secondary schools, and all GP surgeries, hospitals, primary care trusts and health authorities are connected to broadband, gaining the widest possible public benefit for rural areas from this public investment; and
- working closely with local authorities and other rural stakeholders to promote the social and economic benefits of access and take-up of broadband for rural communities – for example through disseminating the new rural broadband toolkit³, and through sponsorship of a new rural e-business and community award at the national E-Commerce Awards.

³ Available from the DTI website, at: www.dti.gov.uk/industry_files/pdf/ruralbroadband.pdf



Broadband installation, Buckfastleigh broadband project, Devon

Planning

24. Positive planning policies have the potential both to support strong, diverse, economic activity in rural areas, and to maintain a high quality environment. A new Planning Policy Statement on Sustainable Development in Rural Areas (PPS7) will be issued by ODPM shortly. This follows a public consultation on the draft of PPS7, which closed in December 2003. PPS7 seeks to embed the principles of sustainable development in the planning system as it applies in rural areas. The Government's key objective, which PPS7 translates into clear and concise planning policies, is to raise the quality of life and the environment in rural areas – in line with Rural Strategy 2004 – through a joined up approach, especially with local authorities given their key role, to the promotion of:

- social inclusion, recognising the needs of everyone;
- effective protection and enhancement of the environment;
- prudent use of natural resources; and
- high and stable levels of economic growth and employment.

Agriculture, fishing and forestry

25. In addition to influencing these national policies, which support the whole rural economy, Defra also has a particular role in sponsoring the agriculture and fishing industries, and the Forestry Commission in sponsoring the forestry industry. These industries remain important to the prosperity of rural England, through both their indirect and direct economic contribution. They sometimes have a proportionately greater economic significance in less prosperous areas.

26. In taking forward the delivery of the *Strategy for Sustainable Farming and Food* and the *England Forestry Strategy*, we will ensure that they support wider productivity objectives and particularly Defra's rural PSA (Public Service Agreement) target. Further discussion of the links between the *Strategy for Sustainable Farming and Food* and our Rural Strategy are set out in Chapter 3 below.

27. In relation to the fishing industry, the recent report by the Prime Minister's Strategy Unit *Net Benefits: A Sustainable and Profitable Future for UK Fishing*, proposes a possible long-term strategy for improving the fortunes of the UK fishing industry and the communities which depend upon it – a high proportion of which are located in areas which are economically lagging.

28. The Forestry Commission is supporting an important new partnership with the private sector to strengthen the competitiveness of the England forest industry sector and its ability to contribute to the delivery of the Government's wider objectives as set out in the *England Forestry Strategy*. The aims of the England Forest Industries Partnership include identifying and promoting the contribution of forestry and woodland businesses to the sustainable development of the economy, environment and local communities in England.



New tree planting and new woodland, White Down, Surrey

Tackling areas with economic and social disadvantage

29. Mainstream policies must reflect the Government's particular responsibility to improve the economic productivity and social cohesion of lagging rural areas – in line with our PSA target to:

“reduce the gap in productivity between the least well performing quartile of rural areas and the English median by 2008, demonstrating progress by 2006, and improve the accessibility of services for rural people.”

30. Weak economic performance tends to be in rural areas further from major urban centres. The poorest performing rural areas are on a par with the weakest urban areas. Our current productivity indicator shows that, while the English earnings median is around £14,100, the average for the bottom quartile of rural districts is £11,600 (18% lower) and in some rural districts the figure is below £9,000⁴. In turn, poor economic performance is both affected by, and affects, social exclusion. For example, the bottom quartile of rural districts contain 22% of the population, yet they include 36% of rural people in the bottom 25% on the Index of Multiple Deprivation (IMD) and 48% of rural people in the bottom half on the IMD.

31. These 'lagging' areas are typically remote and have often seen a decline in traditional industries such as agriculture, fishing and mining. For example, nationally 6% of the workforce in rural areas⁵ is employed in agriculture but in some of the poorest rural districts this rises above 20% – including parts of Lincolnshire, Cornwall and Northumberland. These areas have a higher incidence of low earnings, poor job opportunities, low workforce skills, health inequalities and poor housing.

Action

More money for business support in lagging areas

32. This year, Defra is putting an additional £2 million into the Business Link network to increase delivery capacity, in order to improve Business Link support for economically lagging rural areas.

Social enterprise

33. Social enterprise – businesses where the surplus is reinvested for primarily social purposes in the business or the community, rather than being driven by the need to maximise profits for shareholders and owners – has an important contribution to make in rural areas. Many examples already exist. Their ability to generate social and environmental benefits as well as economic ones – the 'triple bottom line' – makes them particularly relevant to achieving sustainable development goals. We are working with the social enterprise sector and other partners to identify more precisely how this potential can be used to the full, particularly in economically lagging rural areas, and what Government can do to facilitate that⁶.

⁴ This measures productivity in terms of earned income by those of working age living in the district adjusted for the proportion of people of working age participating in the labour force. Further details of how the indicator is devised – and our plans to develop and review the indicator – can be found in Annex B.

⁵ Workplace based figures. 4% of the workforce in rural areas is employed in agriculture when calculated on residence base.

⁶ *Social Enterprise: A Strategy for Success*, DTI, 2002.

The role of Regional Development Agencies

34. The Regional Development Agencies have responsibility for economic regeneration across England, in both urban and rural areas. The Countryside Agency, established in 1999, has had the powers to carry out measures to further social and economic development in rural areas, and has done highly valuable work in this field, in particular to pilot innovative approaches to rural service provision and economic development. But Lord Haskins found in his *Rural Delivery Review* that overlapping responsibilities and accountability can weaken the link with the customer, make it more difficult to hold delivery organisations to account, and introduce inefficiencies. In economic terms, a distinction between urban and rural can be artificial – we know that thriving market towns contribute significantly to prosperity in the rural areas around them. What is important is that initiatives to enhance social and economic prosperity are tailored to the particular needs of the region and local people, and tackle social and economic disadvantage at the same time as protecting and enhancing the countryside.

35. Defra has therefore decided to build on the Regional Development Agencies' existing responsibility for economic regeneration and sustainable development across England, in both urban and rural areas. We will devolve regional decision-making on the delivery of economic and social regeneration policies to RDAs, working in close partnership with local authorities and others. We will expect the RDAs to ensure that the needs of rural people identified through regional prioritisation work are addressed in regional-level strategies and delivery plans, in active partnership with local government and other partners at the regional and sub-regional level, within an overall sustainable development framework; this will provide greater flexibility in how our funding is used to address disadvantage. As part of new tasking arrangements for RDAs, we will hold the RDAs accountable for delivery of our PSA targets on rural productivity and services within a clear sustainable development context. Specific new elements of this devolved approach include:

a. Defra's PSA1 – "*to promote sustainable development across government and the country as a whole as measured by achieving a positive trend in the Government's headline indicators of sustainable development*" – will be a key target for RDAs. This reflects the centrality of sustainable development to RDA activity, in line with their statutory duty to contribute towards securing sustainable development.

b. Defra and the RDAs have also agreed that as part of the RDA Tasking Framework:

RDAs will ensure that action on regional productivity also supports Defra's PSA target to reduce the gap in productivity between the least well performing quartile of rural areas and the median. Improving productivity is also a key factor in achieving the outcomes of the national Strategy for Sustainable Farming and Food, both within and beyond rural communities, and RDAs should ensure their work in the regions contributes to delivering a customer-focused, competitive and sustainable farming and food industry, in line with Defra's PSA target. In addition, RDAs will contribute to securing Defra's target to improve the accessibility of services for rural people.

Defra will be negotiating region-specific outcome measures to deliver against this and support each region's Regional Economic Strategy.

- c. The better evidence we now have on rural economies suggests that good access to services is a key driver of economic productivity and social inclusion. In rural areas, where residents often work in local towns, and those living in towns often work in the countryside, access to transport is a high priority. For this reason, the work of the Countryside Agency has put a high premium on measures to facilitate transport. National, regional and local partners agree that securing effective public transport should continue to be a high priority in order to underpin rural productivity and access to services under the RDA Tasking Framework; and that improving delivery will crucially depend on effective partnerships with local authorities as the primary delivery bodies for transport services.
- d. To provide the necessary flexibility to allow funding to be allocated by RDAs to those communities and people within each region that most need it, Defra will, from 1 April 2005, streamline existing funding streams aimed at socio-economic interventions in rural areas into a single Rural Regeneration Funding Programme to be devolved to the RDAs and distributed through their Single Pot.
- e. Defra will also streamline schemes to help make the farming and food industries more sustainable, competitive and customer-focused – simplifying the number of rules and restrictions and thereby making things simpler for the customer. We intend that this Agriculture and Food Industry Regeneration Programme should also include the economic schemes from the new European Rural Development Fund, from January 2007 when the new European Rural Development Regulation comes into force. We further intend that the RDAs have control over these economic funds. As an interim step, Defra will invite the RDAs to play a greater role in decisions on regional prioritisation under the existing England Rural Development Programme (ERDP) arrangements (up to 2006), by setting regional targeting statements and through participation on Regional Appraisal Panels.
- f. To ensure freedom and flexibility to address local need, Defra will set broad outcomes required from the Rural Regeneration Funding Programme and Agriculture and Food Industry Funding Programmes, and regional and local delivery organisations will be empowered with the authority to decide how best to use the funding. No longer will the rules be set by Whitehall, remote from rural areas. In future, and as envisaged by Lord Haskins, Defra will concentrate on setting the strategy, agreeing the delivery framework, and holding deliverers to account. Scheme design will be done by those who have to deliver through the schemes, and be held to account for their delivery. Applicants will no longer have to fight their way through an array of schemes each with their own rules and application procedures.

36. Lord Haskins' report recommended that Defra should establish 'Rural Priority Boards' within each region, chaired by Government Offices, to improve the co-ordination of rural delivery and ensure strong rural proofing of policies and services in each region. We agree better co-ordination and prioritisation is an essential ingredient of improving services in rural areas. But rural England is not homogenous and Defra therefore believes that devolution means empowering each region to make proposals on what process it will put in place to achieve prioritisation and decision-making in relation to rural areas – the process that Lord Haskins described as Priority Boards. The 'Rural Priority Board' for each region – however it is constituted and named – will need to address the following important policy principles:

- (i) activity and decisions to have sustainable development at their core – for example by 'fit-for-purpose' reviews of regional strategies and delivery arrangements to ensure they are sustainable development-proofed;
- (ii) activity, funding and delivery co-ordinated and prioritised to ensure it is best targeted where it is needed at local level across the region;
- (iii) delivery organisations such as local authorities and National Park Authorities to be fully engaged in the regional prioritisation and decision-making process;
- (iv) end customers to have a clear voice in strategic decision-making – either through strengthening the role of the Regional Rural Affairs Forums or through building on some similar institution representing rural customers;
- (v) key organisations with an environmental remit to be engaged in decision-making on spatial and other strategies – including by giving the new Integrated Agency and the Environment Agency a full role in the regional decision-making process;
- (vi) rural and urban strategies to be mutually consistent and mutually strengthening;
and
- (vii) mechanisms and processes to be streamlined – we wish to free up time for getting on with delivering services, and make matters simpler and easier for the customer. This includes the institutional mechanisms and also the funding programmes.

37. We are empowering the Government Offices to lead regional action to broker the necessary mechanisms and to bring forward proposals that meet our policy principles. We will also work with the Government Offices in evaluating the performance of RDAs against the measures agreed in the RDA corporate plans to meet Defra's PSA targets – PSA1 (sustainable development), PSA4 (rural productivity and services) and PSA 5 (sustainable farming and food).

38. We, the RDAs and GOs recognise that these are important new challenges for the RDAs and GOs, and that it will mean increasing their capacity to understand better the needs of rural people and the mechanisms that work best in rural areas. To that end, Defra will ensure that the expertise built up over the years by staff in the Countryside Agency continues to be available; further discussions are needed on issues such as staff transfers.

Investing in Communities: Rural Regeneration in the East of England

In December 2003, the East of England Development Agency (EEDA) launched *Investing in Communities*, an exciting and innovative major new programme. It will encourage a holistic partnership approach to tackling long-term regeneration and renewal in deprived communities in the East of England. The key priorities for action include: social inclusion, learning and skills, community and voluntary capacity building, business development, the social economy and social capital. It will be delivered through strategic partnerships at regional level and local level. Over the next ten years EEDA plans to invest not less than £230 million through the programme to communities across the region.

EEDA has already awarded just over £4 million under this programme to Breckland in support of the *Breckland Community Regeneration Programme*. The programme includes a rural outreach project working with disadvantaged youths. The project aims to enable disadvantaged youths to participate in proven programme activities with a view to them progressing into mainstream training, self employment, employment or volunteering. The types of activity include:

Volunteers Programme: 12 week personal development programme after which 70% of unemployed beneficiaries go back into training or employment.

Business Programme: funding and support to help young people start their own businesses – 60% of businesses assisted via the project survive into the third year.

Development Awards: £500 awards to help young people overcome training and other obstacles to accessing education or employment – 60% are expected to go on to job related training or employment within three months.

Personal Development Programmes: a range of activities for the unemployed involving practical challenges, combined with practical support with a focus on training and employment – 50% are expected to go on to job-related training or employment within three months.

The vital role of local authorities – pathfinder joint ventures

39. We will also be looking at building on the best mechanisms to devolve delivery even closer to rural communities than recommended by Lord Haskins, and ensuring that all organisations – governmental, local authority and non-governmental – operate to best effect in partnership. We recognise the crucial role played by local authorities as community leaders joining up services to deliver high quality services to meet local needs and priorities and to support the development of sustainable communities. They will work with regional and local partners in the regional decision-making process and we wish to see these relationships strengthened. In addition to tasking and financing RDAs, we will therefore also, through the leadership role provided by the Government Offices, be investigating the scope for innovative joint ventures and ways of working at sub-regional and local level⁷:

⁷ In the event that any new burdens for local authorities were to emerge in due course, these would be reflected in a budgetary transfer in the normal way.

- a. Local Public Service Agreements (LPSAs) with local authorities have been used successfully to set local delivery priorities and targets. Second generation LPSAs will have a greater emphasis on partnership in delivery and Defra wishes to support the adoption of effective rural-proofed targets in new LPSAs. In addition, Government is considering more innovative approaches to local empowerment, including Local Area Agreements, helping to bring together funding and action available to a particular area from a range of sources, and target it more effectively at local priorities, with streamlined management and reporting processes. Defra will support this process, by carrying out a number of pathfinders with partners during 2004/05, aimed at testing mechanisms at sub-regional level to target resources and action to deal with social and economic issues in rural areas – linking in to associated countryside access and environmental issues. This will include looking at how best to integrate non-Defra, mainstream funding.
- b. Better partnership working is an essential pre-requisite for co-ordinated and well targeted interventions at the front line. This requires behaviours and attitudes focused on the customer, not on amassing or retaining power and funding. A major element of our piloting will be to tease out the issues around non-competitive, collaborative partnership working, with the aim of embedding and extending the application of the 'lead delivery agent' concept – where a number of partners agree on which of their number is best placed to deal with particular issues or sets of customers, on all their behalf.

Joining up across sustainable development

40. Both these initiatives – pathfinders at sub-regional/local level and the identification of 'lead delivery agents' – will help join up across the three pillars of sustainable development at all levels, including at the point of delivery to the customer. The Government Offices' role will be to provide the sustainable development 'glue' through their leadership and brokerage role at regional and sub-regional/local level.

Rural Advocate

41. The 'letting go' by central Government implied by the devolution of decision-making and delivery must, in turn, see a strengthening of the relationship between delivery bodies and policy-makers. The Government needs to be confident that the outcomes for which Parliament and the taxpayer hold it accountable are achieved through devolved delivery.

42. In the 2000 White Paper, the Government established the Rural Advocate to be the voice of rural people, to advise government on what was working in rural delivery, and what needed improvement. We judge that providing a strong link between policy and delivery is just as important now. At the regional level, Defra is looking to regions to determine how best to carry out this function to meet their needs. This may mean using or building on the Regional Rural Affairs Forums.



Accessing local job opportunities, Tiverton, Devon

43. At the national level, partnership between Defra Ministers and the Countryside Agency has achieved significant successes. Government Departments now rural proof their policies as a matter of course. This is a crucial way of ensuring equitable access to services for people in rural areas. But we are not complacent, and believe that the role of the Rural Advocate is as important now as ever. In the light of the better evidence we have about economic and social trends in rural areas we believe this role should be more clearly focused on social and economic rural disadvantage. And it should not be distracted by – or potentially have its impartiality affected by – delivery functions of its own. We have therefore decided to create, from the Countryside Agency, a small and refocused organisation, to provide strong and impartial advice to Government. This will be a new and distinctive role, building on the successes of the Countryside Agency and Lord Cameron of Dillington, as Rural Advocate, in rural proofing and challenging government. The new organisation, unfettered by delivery functions, will become the watchdog and advocate for rural communities and people in need. It will make rural disadvantage a priority. It will fulfil a need that no other organisation can do at national level, including monitoring the delivery of sustainable solutions. But its remit will also need to fit within a sustainable development umbrella, to ensure that in championing people, the relationship between people, their communities and their environment is enhanced not weakened.

44. The detailed size, design and organisation of the new Countryside Agency has yet to be determined. We will learn from high-profile and well-respected expert bodies such as the National Consumer Council and the National Employment Panel, although we would expect the New Countryside Agency to have a larger budget than these bodies; something approaching

£10 million. This will allow it flexibility, for example to hire in experts in particular subject areas, consider evidence from abroad, and commission specific thematic studies. Initially, the new body will remain largely based in London, but will in due course be located in a lagging rural area, to strengthen its links with its focus of effort, as well as with its interlocutors at regional and local level.

A stronger direct feedback from rural customers to Ministers

45. Both the New Countryside Agency and the Government Offices will provide a link back from regional to national policy-makers. But more is needed. The Government believes it is important that Ministers should reach out to hear at first hand the voice of rural people. In the 2000 *Rural White Paper* a national Rural Affairs Forum for England was proposed to provide a sounding board for Ministers.

46. But we believe a stronger relationship is needed with each region individually, if Ministers are to understand the differences as well as similarities across rural England. The Government will therefore build even closer links between the Regional Rural Affairs Forums and Ministers from relevant departments, with quarterly meetings with the Chairs of the Forums – including meeting in the regions. The Government believes this will provide Ministers with a greater understanding of what is happening on the ground in each region. In addition, to bring together the widest possible range of rural stakeholders as a sounding board for Ministers, we will also hold a major annual rural conference for national, regional and local organisations. These arrangements will build on and subsume the function currently performed by the Rural Affairs Forum for England.

Social Justice for All

Summary

People in all areas deserve access to high quality public services. For all rural areas, our strategy is to ensure that communities benefit from the Government's programmes to modernise and improve public services by ensuring that intelligent service delivery solutions follow from appropriate rural proofing.

People living in rural areas do not expect the same nature of service that those in some urban areas receive (e.g. proximity to certain service outlets). Our aim is to ensure fair access to services and that no one is seriously disadvantaged by living in a rural area.

Even in relatively affluent rural areas, there is a small but disadvantaged minority, whose needs are not always easy or straightforward to meet. Those particularly affected include the unemployed, those in insecure or part-time employment, others on low incomes (including some self-employed) and many elderly people. Defra's strategy is to work with other Government departments and delivery agents to ensure policies are appropriately rural-proofed to meet the needs of these individuals. Access to affordable housing is a particular priority.

The *Rural White Paper* identified the importance of a healthy civic society and committed the Government to supporting voluntary, community and parish council contributions to building social capital. We will continue to develop our policy in this area, as set out in Defra's September 2003 policy paper on Community Capacity Building and Voluntary Sector Infrastructure in Rural England. The objective of the programme is to enable everyone to play an active and full part in society by providing support for local volunteering, social capital, community action and voluntary sector provision of services in rural areas throughout England.

47. Our policy to ensure social justice in rural England has two strands:

- for the majority of rural England which is fundamentally prosperous our social priorities are to ensure **fair access to public services and affordable housing** (see paras 48-58); and
- in both more and less prosperous areas, to **tackle social exclusion wherever it occurs** (see paras 59-67).

Fair access to public services and affordable housing

48. Securing fair access to **public services** is a major challenge. The outcome should be accessible and good quality public services that meet the needs of a majority of rural residents; and better targeting that meets the particular needs of those with limited mobility and low incomes. An important aspect is to foster public, private and voluntary sector innovation to develop means of delivering cost effective services in rural areas, for example through joint location and delivery, outreach, mobile facilities and social enterprise. We must then 'mainstream' workable solutions with a particular focus on meeting the needs of those who depend most on such services.

49. As noted in Chapter 1, **transport** remains a key issue for improving access to services and thereby underpinning economic and social regeneration. Government investment in rural bus services over the past six years and the work of the Rural Transport Partnerships have led to an increase in the availability of public and community transport in many rural areas, but there is clearly more to do. Recent changes to the regulatory regime governing buses and the introduction of 'accessibility planning' in 2005 offer potentially significant gains for rural areas. Local authorities will for the first time be able to support the best mix of fixed bus services, flexible bus services and community transport to meet the needs of their residents and visitors. It is essential that this potential be realised. The recent consultation on community rail also suggests a way to improve the contribution of rail services to rural areas.

50. Where economic performance is strong, house prices tend to rise putting them out of the reach of many local people. The Countryside Agency's *State of the Countryside Report 2004* recently highlighted this, and also showed evidence of an increase in rural homelessness in some areas. There is therefore a pressing need for **affordable housing** that helps sustain mixed and viable rural communities. Planning policy supports this aim through special provisions to provide affordable housing in small rural settlements. Ministers' decisions on allocation of funding for affordable housing are informed by recommendations from Regional Housing Boards based on needs and priorities identified in Regional Housing Strategies. These strategies, which must be rural-proofed, ensure that housing investment links with other regional plans/strategies, e.g. on economic development and planning strategies, which promote sustainable communities.

51. The Sustainable Communities Plan, launched by the Government in February last year, set out a major programme of action to address shortages of affordable housing in rural and other communities. The Plan was backed by a £22 billion spending programme over the three years to 2005/06 underpinned by the five strategic priorities for Sustainable Communities.

52. More widely, in April 2003 the Government commissioned Kate Barker to conduct a fundamental review of housing supply in the UK and its impact on economic growth. Her main recommendation was that the supply of both market and affordable housing should be increased.

Sustainable Communities

The five strategic priorities for creating Sustainable Communities, which apply equally in rural and urban areas, are:

- delivering a better balance between housing supply and demand;
- ensuring people have decent places to live;
- tackling disadvantage by reviving deprived neighbourhoods and tackling social exclusion;
- providing better public services; and
- promoting development of English Regions by improving their economic performance so that all reach their full potential.

53. There are no simple answers to deliver more affordable housing but the Government will use planning policies, funding and support for locally determined solutions to help address the needs of rural areas – ensuring that mainstream programmes are effectively rural-proofed.

54. The case for accelerating the rate of housing construction is social and economic. But the government's approach must also integrate environmental concerns. We are committed to creating sustainable communities, which balance economic, social and environmental goals. We are also committed to making sure the location of housing is sensitive to the need to protect our countryside. That is why we place such importance on the Thames Gateway, and on designating growth areas rather than allowing piecemeal development. We will also design communities with a strong emphasis on green space, as we outlined in the *Thames Gateway Green Space Strategy*. New housing will also be built to high environmental standards, to reduce levels of energy and water consumption.

Action

Access to public services

55. We will continue to improve the 'rural proofing' of the policies and programmes of government departments and others. Fundamental to this is the need to improve the evidence base. Few providers of public services know how well they are delivering to rural people. By making rural performance public through regular reporting, we will provide the basis for a dialogue about what constitutes fair access to good quality public services in rural areas. To achieve this we will:



Mobile library services, Hampshire

- employ the new rural definition to add a rural data marker to service monitoring data, where it can be done without disproportionate cost or burden – this will provide better evidence of trends in rural services; and
- include a rural breakdown in regular Public Service Agreement reports and an analysis of progress in our annual report *Opportunity for All*⁸.

56. We will also:

- work with Government Offices and the Local Government Association to help local authorities to develop Local Public Service Agreements that benefit rural communities and support the delivery of sustainable development;
- work with those responsible for performance management of public services – the Audit Commission, the Commission for Healthcare Audit and Inspection etc – to ensure that the needs of rural people are considered appropriately;
- launch a new annual Rural Services Review in autumn 2004, incorporating revised and improved rural services standards; the national standards will be presented with advice to rural communities showing what action they can take themselves to improve access to services;
- task Regional Development Agencies to work with local authorities, and other regional, sub-regional and local partners to contribute to securing Defra’s target to improve access to services; and
- advise public service providers how to overcome the barriers to joint location and delivery, and drive through a programme of implementation.

57. Among the issues **deliverers** will have to weigh are:

- affordable housing
- local transport/accessibility
- post-16 education and training
- children’s services
- mental health services
- services for older people
- drug treatment and rehabilitation services
- business support services
- uptake of sport and recreation
- productivity of the tourism industry
- employment rates of disadvantaged groups
- road traffic accidents
- community engagement

⁸ *Opportunity for All* – available at: www.dwp.gov.uk/ofa/index.asp

Rural Proofing: Sure Start

Sure Start is a Department for Education and Skills (DfES) and Department of Work and Pensions (DWP) programme aimed at tackling social exclusion among young children. The Countryside Agency is represented on the National Evaluation group, and on the steering group for evaluation of mini *Sure Starts*.

29 of the 46 mini *Sure Start* pilots are in rural areas. This is an illustration of how the outcomes of a successful national initiative can be delivered in a flexible way, especially where – as is the case in many rural areas – social exclusion is not concentrated in large built-up areas but is dispersed among areas which generally have less need of support services.

In addition, the *Sure Start* unit has identified funding for 31 local authorities intending to develop *Children's Centre* services for disadvantaged isolated communities. *Children's Centre* services will offer integrated early education, childcare, health services and support, including advice on employment and training opportunities (in many cases, this will build on/develop existing integrated provision).

Affordable housing

58. Affordable housing is often said to be the highest of the above priorities (see para 57) for deliverers. We will:

- work closely with ODPM to develop our response to the recommendations of the Barker review;
- agree the strategies and targets for provision of affordable housing in rural areas based on working closely with the Regional Housing Boards;
- ensure that the valuable work of Rural Housing Enablers, which help local communities plan and deliver housing solutions, continues under the proposed new arrangements for directing support to the rural voluntary and community sector; and
- research the particular problems of shortages of affordable housing in rural areas.



Housing Trust development, Prideaux Gardens, Ockley, Surrey

Tackling social exclusion

59. Social exclusion exists in all rural communities – both in prosperous and less well off areas. In contrast with social exclusion in urban areas, which is very often concentrated in particular neighbourhoods, rural social exclusion tends to be more dispersed and therefore harder to identify. Our strategy is to target our efforts at socially excluded groups and empower them to improve their lives and communities. The voluntary and community sector are often better at doing this than statutory services. So we are funding the sector right across rural areas to improve its capacity to address the particular issues of social exclusion in their counties and at the most appropriate level.

60. In addition to this universal element we are already examining the role social enterprise can play in rural areas, as noted in Chapter 1. In taking this forward, we will investigate how well voluntary and community organisations can target those who are experiencing social exclusion and how they should best be supported. This means understanding the best ways to sustain the viability of their community, for example retaining a viable local shop, bringing services together under one roof or initiating local regeneration initiatives.

61. Since worklessness and low or insecure income are key factors in social exclusion, action to tackle these must run in parallel to delivery of our action to tackle low rural productivity covered in Chapter 1.

62. In the *Rural White Paper 2000* the Government stressed the need to ‘think rural’. This need remains, both to ensure that high quality public services are made available to all, and that the special circumstances and needs of the disadvantaged in rural areas are addressed. Our better evidence will now allow us better to pinpoint our efforts. In parallel, we need to ensure there is a strong voice for rural disadvantage (see paras 43-44).



‘Hail and ride’ rural bus, Lake District

Providing villages with the vital services they need The White Hart Inn, Blythburgh, Suffolk

A short time after the Davies family took over the management of the White Hart Inn, Suffolk, the village post office and shop closed. They decided to convert an old coal barn in the grounds of the pub to house a new shop and post office. The venture has been very successful due to both its location, which attracts a high level of passing trade, and the commitment and high quality services that the Davies provide. The shop is a regular stop-off for commuters who leave their shopping orders on their way to work and collect prescriptions, rent videos and DVDs, and drop off and collect dry cleaning. The Davies also use local producers to supply fresh provisions.

- At Blythburgh, the Davies have capitalised on their location on a busy through route to capture passing trade. They have built on this by offering customers what they want, thereby ensuring that passers-by as well as locals have become regular customers.
- When the old post office and shop closed, the Davies took the opportunity to keep the service running and add to their business enterprise.
- Full advantage has been taken of available grants, including the Redundant Building Grant, the former Village Shop Development Scheme, investment by Post Office Limited and money from the parish council.
- The Davies used their previous experience of establishing new bars and restaurants to seek out opportunities to develop the business.
- The entrepreneurial skills and business acumen of the couple has long been recognised by the local brewery, who are making a substantial investment in the future improvements to the pub.
- The friendly and efficient service provided in the shop and post office means more local people now visit the pub as well.
- The Davies have become heavily involved in village life and Mr Davies has recently become a Parish Councillor.

From *The Pub is the Hub* published by the Countryside Agency (CA 95)

Citizenship and communities

63. Defra will:

- task the Regional Development Agencies to regenerate the economically lagging areas, addressing social disadvantage alongside economic performance (see Chapter 1);
- support development of social enterprise both as a regeneration tool in disadvantaged areas and as a means of sustaining services in more prosperous areas for which the commercial market is weak. We will use available but underused (in a rural context) incentives and structures as a start. This includes new programmes working with the voluntary and community sector in rural areas, which we are launching as part of this Strategy⁹ offering support for social enterprise through an action research project (£1.5m) investigating the potential for the sector to become more sustainably funded by generating their own income to help meet needs and provide services;

⁹ These initiatives include the Phoenix Fund and incentives for Community Development Finance Initiatives which target deprived areas as defined by the bottom 20% of wards in the Index of Multiple Deprivation.

- work with the Department of Work and Pensions to increase uptake of financial entitlements by pensioners in rural areas;
- investigate how the needs of young people in rural areas can be better met by programmes such as *Sure Start* and lottery funding;
- sustain our¹⁰ investment in the rural voluntary and community sector to strengthen local capacity, in conjunction with the Home Office Active Community Directorate's wider capacity building and infrastructure strategy for the voluntary and community sector. The Government has received proposals from 38 voluntary and community sector consortiums, across the existing and former shire counties, outlining investment plans for their counties to improve the support available for frontline voluntary and community sector bodies. Each consortium will receive funding to invest in their county and additional funding will be available where there is clear evidence of need;
- work with ODPM to successfully deliver the Quality Parish initiative and strengthen parish councils generally. Our objective is to develop parish councils as drivers for local community action, services and regeneration; and
- increase the funding for the Rural Enterprise Scheme to £36m a year from 2005/06 (in line with previous commitments); this, together with other schemes from the England Rural Development Programme such as the Vocational Training Scheme and the Processing and Marketing Grant, provides real help to businesses and to the voluntary and community sector in rural areas.



Parish council meeting, Thakenham, West Sussex

¹⁰ SR2002 allocated an additional £10 million over 3 years for strengthening the voluntary sector in tackling rural social exclusion and to develop the role of social and community enterprise.

64. The Countryside Agency has done valuable work in taking forward social and community programmes. As part of considering the future for the Countryside Agency, Defra has reviewed such programmes and has decided to bring them together into a single funding programme, to allow greater scope to respond to particular local needs. We expect Rural Community Councils to play an important part in these future programmes.

65. Defra will increase the impact of our own programmes if we join them up with those of other departments, many operated through the Government Offices. We therefore plan to run Defra programmes and funding streams through the Government Offices for the Regions in the future. We will also consider how best to ensure continuity of the experience built up over the years by the Countryside Agency. Further discussions are needed on issues such as staff transfers.

66. We will support Government Offices in bringing together different funding streams, such as those of Defra and the Home Office, to ensure that the money is put to best effect to build capacity in communities. We will work with our partners to build on and improve programmes that have been run by the Countryside Agency and Defra so that work through Government Offices and the Rural Community Councils can effectively cover:

- community capacity building including the role of parish councils;
- multi-service outlets;
- use and state of community buildings; and
- infrastructure and capacity of the voluntary sector.

Proposals for this will be published by December 2004.

67. In view of the close links between social and economic development, the RDAs will need to be involved to achieve a joined up approach between their programmes and those operated by the Government Offices.

Defra grant used to restore Hindmarsh village hall Alnmouth, Northumberland

A 240-year-old village hall situated in Alnmouth, on the Northumberland coast, is being given a complete overhaul with the help of a grant from Defra's Rural Enterprise Scheme – to provide a focal point for community cohesion.

Hindmarsh village hall is a listed building and in previous incarnations it served both as a granary and a village church. The grant of almost £49,000 has enabled work to begin on the £130,000 revamp of the interior of Hindmarsh village hall marking the final phase of restoration work, which began with the exterior in 2001.

The hall is now used by a host of local organisations and groups for activities ranging from coffee mornings and country dancing to badminton and charity events. It is a well used community facility at the heart of Alnmouth village life.

Michael Buckley, Appeal Organiser with the Village Hall Committee, said:

"The Hall Committee has been working to raise funds to modernise and refurbish the interior to provide a lift, a new fully-fitted kitchen, new toilet facilities (including a disabled toilet), levelling or ramping of the ground floors and a staircase to the gallery, which is to be converted into a combined committee room, an office and an IT room."

As well as the support received from Defra, the project is also being supported by a wide range of other public and charitable bodies.

Enhancing the Value of our Countryside

Summary

The countryside provides many benefits. It is valued for its wildlife, landscape and cultural heritage and also tranquillity. Increasingly, many enjoy a better quality of life living in the countryside. It also provides clean water, air and other resources such as renewable energy that benefit us all – urban and rural inhabitants alike. For example, virtually all water reservoirs are in rural areas, and active floodplains reduce the risk of flooding in urban areas. For these reasons alone, improving the health of our countryside benefits everyone who lives in England, for now and for future generations.

The countryside has other unique qualities. Very large numbers visit the countryside each year due to the diverse recreational opportunities it offers for people of all ages in attractive surroundings.

There are significant public benefits to be gained from enabling more people to enjoy the countryside at first hand. Countryside recreation can, in particular, improve people's health and general enjoyment of life. Visitors play a big part in sustaining many rural businesses. And learning about our natural heritage is part of life-long learning, and – for young socially disadvantaged people in particular – can provide a source of enjoyment and interest that can help in the campaign to tackle crime and anti-social behaviour.

Our strategy is to enable more people from a wider range of backgrounds to enjoy the countryside at first hand, wherever they live or work. We aim to make the most of existing opportunities and of those provided by the creation of new access to open country and improved rights of way networks under the Countryside and Rights of Way Act 2000.

The enjoyment of the countryside, marine heritage and also the urban environment depends on protecting and enhancing all aspects of our natural heritage, whether it be farmland, rivers, hillsides, parks, moorland, herb rich meadows or cherished coastlines. While the protection of special sites is essential to improve the diversity of the natural species and wildlife that make England a rich and valued treasure, this must also be part of integrated management of our countryside. Agriculture and forestry have a particularly important part to play here: standards of agricultural management have a direct impact on the state of the rural environment, and on its economic and social value. The *Strategy for Sustainable Farming and Food* sets out a vision under which farmers can be rewarded – for sustaining and improving environmental assets – and thereby contribute to the economic future of the communities in which they live. And the *England Forestry Strategy* sets out how woodlands and forests can contribute to the achievement of the Government's sustainable development objectives. The establishment of an Integrated Agency will help ensure a joined-up approach to enhancing the value of our countryside.

68. The English countryside is of intrinsic value to people. It provides essential natural resources and services, on which both urban and rural England depend. As well as this fundamental underpinning of life, it also has a huge emotional pull for many. It is enjoyed by rural residents and visitors from across the UK and from overseas. For these reasons, the countryside is also the greatest asset for the rural economy. Not only do around 300,000 jobs depend directly on the quality of the natural environment, but many thousands of other businesses gain value indirectly from being located in the countryside.

69. Our strategy is therefore twofold:

- a. First, to continue to take action to **protect and enhance the rural and urban environments**. Partly through the new institutional arrangements and the devolutionary theme of this strategy, we aim to promote a more integrated approach to management of the natural environment. Also, through our strategies – such as the *Strategy for Sustainable Farming and Food* – we support sustainable agricultural and other policies and practices aimed at improving biodiversity and avoiding those actions that cause environmental, economic and social damage; and
- b. Second, to **enhance the value and natural beauty of the countryside for rural communities and for the benefit of society in general** – through making the countryside more accessible to all and promoting sustainable tourism, to contribute to the economic and social well-being of the nation.

Action: A new Integrated Agency to join up natural heritage and people

70. To meet these twin, mutually reinforcing objectives of conserving and enhancing the resource of nature¹¹ together with realising the social and economic benefits for people of so doing, we will establish an Integrated Agency comprising all of English Nature, the access, recreation, and landscape elements of the Countryside Agency, and the functions of the Rural Development Service focused on improving environmental land management, including through the disbursement of EU grants.

71. The establishment of a single independent statutory organisation championing integrated resource management, nature conservation, biodiversity, landscape, access and recreation will be a significant step forward, building on the world-class strengths and scientific and other expertise of the existing organisations. The new organisation will own a wide range of levers and interventions to improve the quality and accessibility of our countryside, as well as of green spaces in our towns, and along our coasts. The Forestry Commission in England will be closely engaged with the new Agency, to ensure a comprehensive and coherent approach to land management, whether woodland or not. And the new Agency will work closely with the Environment Agency to maximise the impact of activities to protect the environment, for example to take joint action to tackle diffuse water pollution. It will also ensure that policies and support to farmers and land managers help to address the climate change challenge.

72. There are strong regional and local components both to protecting the rural environment and to developing the countryside as an economic and social asset for our and future generations. The Integrated Agency will collaborate with a wide range of partners to deliver successful action on these issues. For example, it will work with the RDAs at regional level to help ensure that spatial strategies deliver economic benefit through good environmental practice, and vice versa. At local level, the Integrated Agency will work with local authorities on improving access opportunities. Addressing such issues will be a key component of the enhanced regional co-ordination mechanisms described in Chapter 1.

¹¹ Nature includes wildlife, geology, geomorphology, landscape and natural beauty.

73. The benefits of an Integrated Agency will be many. As well as being a strong national champion it will provide:

- a stronger, unified voice at regional and local level, so that the conservation aspects of decisions are considered at the very earliest stages of decision-making, and natural resource protection and sustainable land management issues are reflected in broader regional strategies and frameworks;
- a stronger, more coherent evidence-base for informing policy and influencing land managers, looking across the board at the drivers of environmental protection, improvement and biodiversity – and using incentives and other levers to address the entire range – from meadow management to carbon sequestration;
- increased opportunities for everyone to understand, enjoy and benefit from the natural environment, in parallel with the implementation of the Countryside and Rights of Way Act; for example, by providing a single government lead on access arrangements (including that provided as part of our agri-environment schemes) to which local authorities as principal service deliverers can relate more easily;
- better sustainable management of the environment at the landscape-scale and improvement in the long-term health and functionality of natural systems on land and sea;
- moving away from a 'silo' based approach to a more flexible integrated, sustainable approach to management of the natural environment. And in tune with the devolutionary nature of this strategy, the Integrated Agency will be free to work together with a range of partners – from the public, private and voluntary sectors – to tackle problems according to natural rather than administrative boundaries. The Agency will want to build on current good practice in this area, for example the High Peak Catchment partnership;
- coherent promotion of the wider social benefits of the environment across rural, urban, urban fringe and coastal areas, for example, through developing links to education, health, community development and the combating of crime and anti-social behaviour¹²;
- better opportunities to promote and exploit the part that a high quality environment plays in delivering social and economic benefit, e.g. tourism, resource productivity, inward investment;
- a clearer framework for resolving potentially conflicting objectives between conservation and the use and enjoyment of our natural environment;
- more effective and simpler relationships with land managers, through the development of a single 'shop window' for customers for environmental schemes and advice; and
- efficiency savings through shared corporate services and operational synergies.

Sustainable development remit for new Integrated Agency

74. The Integrated Agency and its constituent parts, both from 1 April 2005 and when formally and legally established through statute, will have a remit to carry out its functions within a sustainable development context.

¹² Such as the work English Nature does in partnership with Phoenix House (an organisation in the Derbyshire Dales National Nature Reserve that helps substance misusers end their dependence and rebuild their lives) to help enhance the well-being of participants through working alongside a conservation officer on projects such as building dry stone walls as part of recreating a hay meadow for people to walk through on a footpath and enjoy.

The Integrated Agency – purposeful action plan

75. Formal creation of the Integrated Agency as a statutory Non Departmental Public Body (NDPB) will require primary legislation. The government intends to bring forward legislation as soon as practicable, and to publish a draft bill as an early step. On 1 April 2005, to maintain rapid momentum towards the full Integrated Agency, the constituent parts will come together to create a purposeful and determined confederation of partners, working jointly under a common overarching vision and purpose, but with each body responsible for fulfilling its own statutory duties within that partnership. Formally employed by their own parent organisation, the staff of the ‘confederated’ Integrated Agency will, during this formative phase, drive forward the process of working as a single partnership team. We will begin the process of providing common terms and conditions for staff, so that there are no artificial barriers to staff interchange and staff can work alongside each other in the closest partnership. We will build on existing good practice, and set up pilots to test new ways of working. And we will achieve operational benefits through co-location of staff, to improve ways of working and better meet business needs. The creation of the Integrated Agency will also deliver efficiency savings that will allow reinvestment in the front line – for example, through rationalising, over time, current estates holdings within each region.

76. This formative period of the closest partnership working will, as well as bringing delivery benefits, allow us to test our ideas for the statutory functions and powers required in the draft bill, to see if we might need to add to existing powers, in order better to preserve and open up our natural heritage. Subject to parliamentary time and other considerations, we would look formally to vest the Integrated Agency by the beginning of 2007, to coincide with the introduction of the new EU Rural Development Regulation. In parallel, on 1 January 2007, the Regional Development Agencies will take control over the project-based schemes of the England Rural Development Programme (ERDP) currently managed by the Rural Development Service, as outlined in Chapter 1. Other elements of the Rural Development Service that do not belong in the Integrated Agency will be transferred elsewhere within the Defra family; work will be set in hand urgently, involving the staff affected. In the meantime, the governance arrangements for the Rural Development Service will be strengthened from 1 April 2005, to provide greater devolution and allow it to operate outside Defra’s policy core as an equal partner alongside the two NDPBs that, together with it, will comprise the ‘confederated’ Integrated Agency.

77. The name of the Integrated Agency will be settled in due course, as part of the process of developing the cultural strengths of English Nature, the Countryside Agency and the Rural Development Service into a new and more powerful joint enterprise. The new agency will be around 2,300 strong, and will have a national, regional and local structure. It will have offices in all nine regions.

Streamlined funding programmes

78. We will also bring together into a streamlined programme the funding schemes used to protect and enhance our countryside, woods and forests. This Environmental Land Management and Natural Resource Protection Funding Programme will include the agri-environment schemes of the ERDP and other, nationally-funded grant schemes. It will support the delivery of PSA targets on the natural environment, biodiversity, and public access, and more generally on the sustainable use of natural resources.

79. The creation of the Integrated Agency, providing a strong partnership with the Forestry Commission, English Heritage and Environment Agency, will allow this 'natural resources' funding programme to be used in a flexible and coordinated way to deliver outcomes on the ground, by all delivery bodies. The Integrated Agency will also work in strong partnership with the National Parks, Areas of Outstanding Natural Beauty, local authorities and non-governmental partners to ensure that effort and funding is focused on delivering benefit to customers – whether land managers or the taxpayer – on whose behalf the Integrated Agency acts as guardian of our rich and diverse natural heritage.

80. For example, the streamlining of our delivery organisations through the creation of the Integrated Agency will make it easier to develop a catchment-based approach to encouraging farmers to adopt changes to farming practices, using a range of levers from agri-environment incentives, cross-compliance, advice and support, underpinned by regulation. Catchment pilots are being developed between the Environment Agency, English Nature, the Rural Development Service, and National Farmers Union. We intend to build on and extend such joined-up approaches.



Conserving our natural environment © RSPCA

Other actions

81. Working with the new Integrated Agency, the Environment Agency, Forestry Commission, English Heritage and regional and local partners, Defra will:

- open up access to mountain, moor, heath, down and registered common land region-by-region between September 2004 and the end of 2005;
- encourage owners to dedicate other land for public access, including the Forestry Commission freehold estate;
- integrate rights of way improvement plans into local transport plans in 2005;
- open the Cotswold Way National Trail by the end of 2005;
- put an action plan on diversity in place in 2005/6 in the light of the Countryside Agency's Diversity Review findings, to enable more people from diverse backgrounds to make informed choices about taking up recreation opportunities in the countryside;
- examine the feasibility of developing a National Countryside Access Database to provide better quality information through a one stop shop for the public to find out about rural leisure opportunities;



Learning about the countryside, Cudham Environmental Activities Centre, Kent

- work with schools and outdoor education providers to promote a greater understanding and appreciation of the countryside through initiatives like the Farming and Countryside Education, Growing Schools, Forest Education Initiative and Forest School;
- promote, through the Countryside Agency and then within the new Integrated Agency, a new Countryside Code, to make people more confident about how to behave in the countryside and themselves become guardians of our natural heritage;
- work with England's National Park Authorities, Regional Development Agencies, local authorities and others to develop sustainable tourism policies;
- encourage woodland owners to consider diversifying into recreation and tourism under the Regional Forestry Frameworks;
- work with the Department for Culture, Media and Sport in updating the main national tourism surveys to ensure that the data sets have a suitable rural data marker, so as to improve the evidence base of rural tourism trends; this will provide information on which to base effective interventions; and
- identify and share best practice of examples where individuals and businesses are making economic returns from the environment in the long term while successfully protecting and enhancing it.

Protecting the rural environment

82. Defra's objective to protect and improve the rural, urban, marine and global environment requires action on many fronts. The rural environment sustains us all, in rural and urban areas alike: its protection and enhancement is essential for our quality of life. And poor land management practices, such as those that result in diffuse pollution of rivers, cause major costs to the nation as a whole – the majority of water users are urban dwellers or employers.

Priority areas for action

Many initiatives are in hand to enhance the environment. Some of the key ones are highlighted below.

Climate change is one of the most serious environmental problems the world faces. Floods, storms and droughts here in the UK and across the world show clearly how vulnerable we are to climate extremes and how high the human, environmental and economic costs can be. Some climate change is now inevitable, but the worst effects can be avoided if the world acts now to reduce greenhouse gas emissions. The UK plays a leading role in the fight against climate change and the Government continues to press for a strong global response to the problem. It has reinforced its commitment to action by setting tough emission reduction goals at home and introducing a comprehensive and far-reaching package of measures to achieve them. The UK Climate Change Programme sets out the Government's and the devolved administrations' approach to the challenge of climate change.

Biodiversity is valued for its own sake, and recognising its potential for future generations. In October 2002, Defra published *Working with the Grain of Nature – a Biodiversity Strategy for England*. The Strategy aims to ensure a holistic approach to nature conservation and sets out a challenging agenda for action to meet our aim of halting the loss of biodiversity by 2010. Indicators have now been identified to measure progress in implementing the broad range of objectives. Wild bird populations are a good indicator of the broad state of wildlife and the countryside: overall there has been a 13% increase in populations since 1970 but there was a severe decline of over 50% in farmland birds by 1995 which has since begun to stabilise.

Our **water** supply and quality depends on proper management. There have been significant improvements in recent years, especially as a result of investment in sewage treatment by the water industry. But diffuse pollution from agriculture and other sources, where much less action has been taken, remains a major problem. The EU Water Framework Directive sets a framework for integrated, long-term and sustainable water management. Its objective is that water bodies (inland and coastal) should reach 'good ecological and chemical status' by 2015. Action must be integrated into plans and packages of measures for each river basin, which must be drawn up with full public participation. The Environment Agency will be publishing later this year its first estimates of the proportion of water bodies at risk of not meeting the objectives of the Water Framework Directive.

Flood risk will increase with climate change and increased development/wealth, and our response to this will potentially affect both rural as well as urban areas. The Government is currently developing a new strategy for flood and coastal erosion risk management for England in the light of drivers for change, including climate change and development pressures. The new strategy will take a long-term look across all Government policies as they affect flood and coastal erosion risk. A consultation exercise is planned for late summer 2004 and it is hoped to launch the new strategy in early 2005.

Priority areas for action *continued*

Soil is increasingly recognised as an important resource. Defra has developed the first *Soil Action Plan for England* with key partners. This is the Government's commitment to carry forward a programme of work to improve the sustainable management of soils by the full range of land users in order to protect soil's ability to perform a multiplicity of functions for society. The 52 actions in the Action Plan are complemented by a report published in May 2004 by the Environment Agency on the *State of Soils in England and Wales*¹³.

Air quality has improved over the last decades as a result of improved emission controls, particularly on industrial and transport emissions. In rural areas air pollution increased in 2003 because of increasing low-level ozone pollution, which is produced in hot, sunny weather, from emissions in the rest of Europe as well as the UK, as was the case during 2003. The Government is reviewing the *Air Quality Strategy* to ensure continuous improvement in air quality.

Role of agriculture and forestry

83. In addition to these generic policies, achieving more sustainable farming, and sustainable forestry management is particularly important to protecting the countryside and enhancing biodiversity.

84. The *Strategy for Sustainable Farming and Food* was published in December 2002, in response to the ideas set out in the Curry Commission's report on Farming and Food. The Strategy sets out a vision of a farming industry which is not dependent on output-related subsidies to produce safe, nutritious food; where the land is managed in such a way as to recognise its many functions, from production through to recreation; and where we seek to promote biodiversity. It is being delivered both through national action and a wide range of projects developed by regions to meet regional-specific needs.

85. The farming industry has developed a clearer understanding of how the landscape and biodiversity it can provide can also contribute to its own economic future. Farm businesses will have to prepare for a future where they are able to stand on their own two feet, and are rewarded on the basis of the goods and services they provide. Part of that future lies in public payments for public environmental goods, through agri-environment schemes. In addition, CAP reform, from 2005, will introduce payments to farmers linked with environmental and other public benefits. But it is also important to maximise the economic benefits rural businesses and communities can derive from improved environmental management – not just in terms of tourism, but also in marketing niche and quality food products and in terms of attracting other businesses to locate in rural areas. Furthermore, good land management that respects both landscape value and biodiversity can provide an environmental asset which helps to sustain rural tourism, which can help to market food, timber and other products from the land more effectively, and which rural and other communities can enjoy. Examples of innovative ideas are the Countryside Agency's 'Eat the View' programme, linking landscape conservation with

¹³ The report on *State of Soils in England and Wales*, is available at: www.environment-agency.gov.uk/commondata/105385/stateofsoils_775492.pdf

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economic exploitation of farming products for local economic and community benefit, and the Environmentally Sensitive Areas and Countryside Stewardship schemes (part of the ERDP) that encourage the restoration and protection of dry stone walls and hedgerows. Under these schemes, around 1,300 miles of dry stone walls and over 17,500 miles of hedgerows have been restored. Funding from the Environmentally Sensitive Areas schemes has also been used to encourage wildlife, for example in Beaumont by creating an area of shallow wetland that – barely a year later – has brought huge benefits to birdlife, including six pairs of nesting avocets.



Farmland, Townend, Lake District

86. As part of the *Strategy for Sustainable Farming and Food*, the introduction of a new structure for agri-environment and woodland grant schemes will mark a further shift away from farm subsidies, and towards payments for public services. As a first step, we have developed a new two-tier Environmental Stewardship Scheme with a broadly available Entry Level component and a flexible Higher Level component that builds on the most successful elements of the existing schemes and develops them further. Although the Higher Level Scheme will be available nationally it will be flexible and delivered at a regional level.

87. The new English Woodland Grant Scheme has been developed to complement this two-tier agri-environment scheme. It will support the sustainable management and improvement of existing woodlands and the creation of well-designed new woodlands. In line with the Government's policy of increasing regional decision-making and delivery, the English Woodland Grant scheme has been developed in a flexible way to meet the priorities emerging from the development of Regional Forestry Frameworks.

88. A programme of action to take forward the *Strategy for Sustainable Farming and Food* and the *England Forestry Strategy* is set out in those documents, so it is not repeated here.

The England Rural Development Programme

The ERDP, launched in October 2000 and providing a total of £1.6 billion in the seven years of the programme, sets a framework for the operation of a number of separate but integrated schemes aimed at:

- helping farmers and foresters respond better to consumer requirements and become more competitive, diverse and environmentally responsible;
- providing help to rural businesses and communities, which need to adapt and develop;
- making a significant contribution to the Government's plans for bringing about change in rural areas as it takes a broad view of the needs of rural areas and communities; and
- placing a strong emphasis on addressing regional and local issues and on encouraging and developing ideas at grass roots level.

The Programme also plays a crucial part in meeting Defra's aim of sustainable development and its objectives, by contributing to:

- economic prosperity through sustainable farming and food; and
- thriving economies and communities in rural areas and a countryside for all to enjoy.

ERDP achievements to date include:

- over 72,000 vocational training days supported;
- 1,215 Rural Enterprise Scheme projects approved, including almost 100 projects aimed at enhancing public access and enjoyment of the countryside;
- 1,300 miles of dry stone walls and over 17,500 miles of hedgerow restored;
- 44,500 miles of grass margins established;
- 110,404 hectares approved for conversion to organic production; and
- 20,368 hectares approved for the creation of new woodlands.

The funding framework for agri-environment schemes will be rationalised and enhanced in 2005 with the introduction of the new Environmental Stewardship Scheme. The forestry schemes will also be improved and integrated in the new England Woodland Grant Scheme. The funding framework will be further rationalised in future, as part of our streamlining of funding programmes.

Promoting the enjoyment of our countryside's natural beauty

89. The countryside is attractive to most people and enjoyed by many. In 2001, 80% of respondents to the *Survey of Public Attitudes to Quality of Life and to the Environment* had visited the countryside for pleasure in the previous twelve months. The main activities undertaken on countryside visits are informal or 'non-commercial'. Walking is by far the most popular: 52% of respondents to the *Great Britain Day Visits Survey 2002/3* had gone walking, mainly for less than two miles. Other activities included cycling, playing sport, angling, hobbies, visiting heritage sites and parks and gardens, and visiting friends and relatives.

90. One aim of our policies is to provide better access to the countryside and to enable more people from a wider range of backgrounds to enjoy its benefits. The Countryside and Rights of Way Act 2000 has provided some major new opportunities, both 'on the ground' and in terms of strategic planning. It will introduce a new right of access on foot to open countryside and to common land. Rights of way improvement plans – implemented by local authorities – will provide better networks for a range of users, especially cyclists and equestrians. Local access forums will play a major part in ensuring these and other aspects of recreation provision work well.

91. There is clear evidence that some groups of people visit the countryside less often than others or not at all. For example, 97% of visitors to National Parks are white and 70% are over 35. The Countryside Agency is investigating what can be done to provide more opportunities for disabled people, black and minority ethnic people, people who live in inner city areas, and young people to enjoy countryside recreation. This is taking place under the Countryside Agency's Diversity Review.

92. Visiting the countryside can do much to improve people's physical and mental health, and general enjoyment of life. There is, for example, clear evidence that regular walking can dramatically reduce the risk of certain illnesses. Our policies are particularly focused on encouraging more people to become more active in the countryside as part of the Government's overall health agenda. To this end we will invest in ensuring that those living in deprived urban areas become aware of such benefits.



'Green Gym' – older people volunteering in The Saltings, West Sussex

93. Overall, rural tourism supports around 380,000 jobs and 25,000 small and micro businesses in rural England, contributing around £13.8 billion annually to the rural economy. As part of the programme of reform since Foot and Mouth Disease in 2001 (which demonstrated the importance of tourism to the rural economy) the Regional Development Agencies have been given strategic responsibility for tourism in their regions. They have been asked to embed tourism into their regional economic thinking and to make links between tourism and other regeneration and skills strategies, for example, on transport and planning. To this end the RDAs are producing and implementing sustainable tourism strategies for their region.

94. The RDAs are particularly well placed to help rural tourism businesses overcome the challenges they face from their dispersed nature and so improve their competitiveness and productivity. They can do this by encouraging investment in skills, training and quality improvements. The RDAs are also uniquely placed to help rural businesses take advantage of the internet by supporting the EnglandNet project. EnglandNet will provide consumers with quality-assured online tourism information, and give tourism businesses a channel for selling their product electronically. By using the power of the internet, EnglandNet is highly applicable to small rural tourism businesses. A specifically rural component of the work is 'animation', a programme to develop the IT awareness, skills and capacity of rural businesses.

- 95.** The current Beacon Council scheme *Promoting Sustainable Tourism* also shows how local authorities can make tourism work for the benefit of residents, visitors, industry and the environment; rural and urban areas alike can benefit from this exchange of knowledge and best practice.
- 96.** All in all, the attractiveness and tranquillity of the countryside, underpinned by Defra's investment in the maintenance and improvement of key environmental assets, continues to represent a major opportunity for rural businesses in the recreation and tourism sector. Visitors can do much for the prosperity of places they visit. Research by the Countryside Agency in 2003 showed, for example, that the South West Coast Path generated £307 million income in a year for the regional economy.
- 97.** Exploitation of this growing leisure market by rural businesses helps to strengthen and diversify local rural economies and aid their adjustment to the declining role of mainstream agricultural production within the rural economy. Support for countryside-based sport and recreation businesses, together with associated businesses providing accommodation and local foods create additional income, sustain existing jobs and generate additional employment opportunities.

Countryside Gateways

'Countryside Gateways' is a pilot project to link a series of existing walks through public rights of way, permissive paths and bridleways, over farmland and countryside involved in England Rural Development Programme agri-environment schemes throughout the North East of England. The partners in the project are Defra's Rural Development Service, the Countryside Agency, local authorities and user groups in Durham and Northumberland, with advice from English Nature.

Through Countryside Gateways, Defra and its partners are working with farmers and landowners to protect the features that are important for the countryside, its people and its wildlife, while at the same time enabling easier access to them. The creation of the new Integrated Agency, building on the experience and expertise of English Nature, the Countryside Agency and the Rural Development Service, will make it much easier to implement cross-cutting initiatives of this sort.



Enjoying the countryside, West Burton, Yorkshire

Summary of the Delivery Reforms

98. The new delivery arrangements described in Chapters 1-3 adopt and build on the principles set out in Lord Haskins' *Rural Delivery Review*. They are aimed at delivering services in a more streamlined, customer-focused way by a smaller number of organisations, with clearer, and therefore more accountable, roles working in partnership within an overarching sustainable development framework.

99. We have set out our action plan at Annex C in the form of a recommendation by recommendation response to Lord Haskins. In summary, the main elements of the delivery reforms are:

- a. **Rationalised funding programmes.** There are currently around 100 rural funding schemes by which grants are provided to beneficiaries. Defra will reduce these to three major funding programmes linked to Defra strategic priorities:
 - Rural Regeneration
 - Agriculture and Food Industry Regeneration
 - Natural Resource Protection

Through this rationalisation process Defra will sweep away a huge number of (sometimes overlapping) rules and regulations that currently surround each funding scheme and which can frustrate customers as well as staff. A very small number of funding programmes will also allow greater flexibility of decision-making at the front line, to best address the particular needs and benefits sought.

- b. **More professional and streamlined support for rural people, targeted on their needs.** Defra will work with DTI, the RDAs and others to ensure that the national network of advice and support provided through Business Links and other business support providers meets the needs of rural businesses. This year, we are putting an extra £2 million into Business Links to improve support for the economically lagging rural areas. In 2005 we will participate with the Small Business Service and the Regional Development Agencies in a rural pilot to join up a wide range of services. Our aim is to ensure that a quality 'first port of call' service is available to rural businessmen and women that is tailored to their circumstances. This will include learning from existing good practice, including partnership working. We will be seeking feedback from rural businesses to check that their needs are being met.

In parallel, and to underpin a better, more accessible service, Defra will streamline and professionalise the information services available on grants and support available from Defra and its agencies. This task will be greatly aided by the rationalisation of funding streams.

We will also commission – with the Devolved Administrations – an independent and fundamental review of the role of the five statutory, producer levy-funded organisations covering the various agricultural sectors (meat, milk, cereals, potatoes and horticulture). This review will address strategic questions such as the extent to which existing organisations and functions remain appropriate, including whether a statutory levy should be retained; whether existing bodies might be merged; the relationship with non-producer parts of the chain; the interface with Government; and the inter-relationship with other private and public sector bodies in the agriculture, food and rural arenas. The underpinning context will be an assessment of the needs of both the industry and Government as the UK moves through very significant changes for agriculture and food supply chains in general – not least the implications of the June 2003 CAP reform agreement. The review will be asked to report in 2005.

c. Clear responsibilities for policy and delivery and hence better accountability.

Defra will assume full responsibility for rural and environmental policy functions, including the policy functions of the Forestry Commission in England. This will allow Defra better to address strategic issues across the board. Defra is also reviewing its policy-making function for the future.

We will continue to devolve delivery responsibilities from core Defra. The Rural Development Service will move from the policy core of Defra and be given a substantially greater degree of autonomy from April 2005, as part of making rapid progress during the transition to the Integrated Agency. Our delivery organisations will be better empowered to provide expert advice to policy-makers, with close working relationships between policy-makers as ‘intelligent customers and demanders’ and the front line.

At the local level, we will encourage the spread of existing good practice in the identification of a ‘lead delivery agent’ within a partnership, to avoid overlap of responsibilities and provide a clearer focal point for the customer. And – given the vital role of local authorities as community leaders – we will conduct a number of pathfinders at sub-regional level to look at innovative delivery solutions at the most devolved level.

d. Better mainstreaming of the Government’s response to rural socio-economic needs, and better targeting of deprivation in lagging rural areas through the devolution of decision-making to regions and of funding to RDAs. Defra will devolve some £21 million additional socio-economic funding, previously disbursed by the Countryside Agency, to the RDAs’ Single Pot. We will also, from January 2007, devolve to the RDAs control of the EU social and economic schemes of the successor to the England Rural Development Programme (ERDP); to ensure the EU funding is joined-up with other rural regeneration and sustainable farming and food programmes. In the meantime, we will involve RDAs in decision-making in relation to the current ERDP.

To ensure that decisions on rural requirements and funding are taken in a joined-up manner, including with spatial and other regional strategies, but reflect the particular regional circumstances, we will empower the Government Offices to broker and bring forward proposals for arrangements at the regional level that meet our policy principles.

Key to these new arrangements will be the adoption of mechanisms to provide the 'Rural Priority Board' prioritisation function envisaged by Lord Haskins; and the strengthening of the Regional Rural Affairs Forums or some similar institution to provide a strong voice into the regional decision-making process from the customer perspective – for example on the quality of support provided to rural businesses. Also important will be the involvement of key delivery partners such as local authorities in the regional decision-making process. And the processes put in place should build on existing mechanisms, and build on good practice in relationship-building and partnership ways of working.

In addition, and in order better to join up with other programmes for the voluntary and community sector, which help ensure capacity for tackling social exclusion and achieving renewal and regeneration, Defra will run its programmes through the Government Offices (up to now this has been through the Countryside Agency).

- e. **Thinking 'rural', accepting regional variation, but holding to account against national standards.** Devolving regional decision-making on the delivery of social and economic regeneration to RDAs, working in close partnership with local authorities and others – and avoiding imposing the same institutional solution on all regions – will help address regional variations in a more sophisticated way. This needs to be matched by a strong performance management framework. Defra will expect to see robust performance management arrangements for our delivery partners.

To provide challenge to Government and fresh thinking on rural solutions, the Countryside Agency will be refocused as a New Countryside Agency – a small expert body providing expert advice to government and advocacy on behalf of rural people and businesses, especially those suffering disadvantage, and monitoring results. It will no longer be distracted from this important charge by delivery functions.

The Government will also strengthen the link between Ministers and rural people in the regions, by developing a closer relationship with Regional Rural Affairs Forums and their Chairs. This will help Ministers understand the differences as well as similarities across rural England, seen from customers' perspectives. Defra Ministers will also hold an annual rural conference to hear a broad range of views direct from rural stakeholders from national, regional and local organisations.

- f. **More coherent and effective environmental outcomes through organisational streamlining.** English Nature, the landscape, access and recreation part of the Countryside Agency, and the environmental functions of the Rural Development Service will be brought together into an Integrated Agency with a remit across England's rural, urban and marine environment. The Integrated Agency will be a statutory executive NDPB. It will deliver stronger, more coherent management of our natural environment, with general land management improvements supporting the delivery of biodiversity PSAs; and with public access to, and the sustainable management of, our natural heritage addressed as mutually reinforcing aims. The agency will work closely with key partners, including the RDAs and others at regional level, but also with the Environment Agency, English Heritage and the Forestry Commission in England, and with local authorities. Prior to primary legislation, English Nature, the Countryside Agency and the Rural Development Service will continue to deliver their respective statutory duties, and will come together as a strong and tight confederation of partners, working jointly to achieve a common overarching vision and purpose that they will now develop.

- g. **Sustainable development proofing the delivery arrangements.** All delivery bodies should seek to work in partnership to achieve sustainable outcomes. It is right for each delivery organisation to have a primary economic, social or environmental remit – this provides focus and avoids confusion and overlap. But by coming together in partnership within a shared sustainable development framework, such organisations and bodies can integrate their goals towards sustainable rural communities and countryside.

The Government Offices, with their cross-cutting leadership and brokerage role, will have a key part to play in ensuring that processes and programmes are coordinated within a sustainable development framework. The New Countryside Agency will, through its contacts at regional and local level, report on achievement on the ground in rural communities, in a sustainable development context.

100. These new arrangements, as they are introduced, will be evaluated to ensure that they do indeed bring benefits to:

- rural businessmen and women – who for example will spend less time filling in forms; will be helped through to sources of advice and assistance more quickly; and will be able to build better working relations with a smaller number of delivery organisations;
- people living in the countryside – for whom decisions by government will be more relevant because taken closer to the ground; and who will have a strong expert body focusing exclusively on them, especially those suffering disadvantage;
- people enjoying the countryside – from a single, coordinated approach to conservation and access looking for the ‘win-win’ solutions;
- for the environment – from a more coherent, area-based approach to addressing the health of the environment and improving biodiversity;
- for the taxpayer and society as a whole – from more efficient and effective administration, and decisions taken closer to communities where they are more likely to deliver the right outcomes; and
- for staff in the bodies in question – who will have greater freedom and responsibility to make things happen and to make a difference.

101. Taken together, this package of reforms and the benefits they will bring, represent a step change in the delivery of rural policy and services. The Government looks forward to working with partners at national, regional and local level to make the changes happen – and so be better placed to deliver on the priorities set out in this Rural Strategy.