

# Lack of 'rural-proofed' policy a threat to countryside economy

#### September 26 2014

Entrepreneurs are losing out because of a lack of rural-proofing in government policy, say academics from Newcastle University's Queen's Award winning Centre for Rural Economy (CRE).

In a new paper they argue that the diverse rural economy is too often considered to be exclusively agricultural and maintain that rural policymaking should be more crosscutting, embracing a range of policy influences that impinge upon the countryside.

The paper, 'Reimagining the rural: What's missing in UK rural policy?' calls for improvements in a number of specific areas to push growth policy beyond a focus on farming, forestry and food sectors. The CRE also recommends that policymakers ensure regional growth bodies such as Local Enterprise Partnerships and Combined Authorities have a strong remit to reflect the diversity of rural businesses.

Guy Garrod, Director of the CRE, said: "We need to see government instituting formal rural-proofing measures. Rural areas need integrated policy to address issues: they aren't just the remit of Defra, and they aren't just about farming.

"The rural economy is diverse and entrepreneurial, the Government is missing a trick in not capitalising on rural potential to help fuel economic recovery."

'Reimagining the rural' makes the case for the significance of the



countryside economy in the wider success of the UK, stressing that:

- The rural economy is worth £400bn (19 percent) of the UK's Gross Value Added
- It accounts for 20 percent of the UK working population and 28 percent of Britain's firms
- 70 percent of workers in the rural economy are employed by small and micro-businesses, with only 15 percent employed in agriculture

Guy Garrod added: "Those running businesses in <u>rural areas</u> are innovative and want to grow their businesses as much as their urban counterparts. They face any number of challenges that could be eased by proper acknowledgement from government of how their circumstances differ from those in urban areas."

The paper also highlights several significant areas of policymaking which have left countryside communities disadvantaged due to a failure to 'rural-proof' policy by taking account of the different circumstances outside of <u>urban areas</u>.

These include:

## **Education**

More small schools face eventual closure due to a new funding formula which forces councils to apply a standardised formula across all schools

## Welfare

The so-called 'bedroom tax' for those with spare rooms hits poorer



households in rural areas especially hard because of the lack of smaller accommodation

# Housing

The proposal to end the provision of affordable housing on sites of less than 10 houses ignores the fact that the majority of countryside housing is provided on small, private developer-led sites.

Guy Garrod commented: "Young people in rural areas are facing the closure of their local schools, then being priced out of the housing market – it's time that rural communities across the UK got a better deal from Westminster."

"We've published this paper as a call for government to give greater weight to rural issues when making policy."

More information: For more information, see: www.ncl.ac.uk/cre/#/

#### Provided by Newcastle University

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