

RURAL ECONOMY UPDATE

1 Purpose

To provide Members with an update on economic development activity appertaining to the rural economy and the significant issues facing rural businesses that recent independent research has identified.

To enable Members to identify issues they may wish to explore in more detail.

2 Recommendations

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| 2.1 | That Scrutiny Committee is asked to consider the information provided in the report and identify any issues or specific topics that it would like to examine further in the future. |
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3 Executive summary

- 3.1 In this paper, we have tried to define the rural economy more closely than the traditional 'land based sector'. In **Appendix 1**, you will see how the sector has been segmented and analysed, as well as where the growth issues and opportunities lie.
- 3.2 We have also highlighted the range of different stakeholders who are providing business support for this sector and who will continue to do so in the future. Most of them are likely to want to build on the existing funded programmes (LEADER) as well as ensure that specific rural issues are covered in future funding plans, either submitted as part of the EU funding bidding programme for 2014-2020 through the Local Enterprise Partnerships (LEPs) or their single Local Growth Fund (SLGF) plans, currently being prepared.
- 3.3 There are some issues which relate to the need to maintain vibrant thriving communities and broader transport and communications infrastructure issues, including superfast broadband, not all of which fall solely within AVDC's remit

4 Supporting information.

4.1 What is the "rural economy"?

For the purposes of this paper, the definition of a 'rural' business refers to businesses, predominantly micro businesses, situated in rural areas. This is different to purely "land based" businesses, although they are of course critical to the physical and economic landscape. The sector could be referred to as "non urban"

4.2 How significant is the sector?

According to the Buckinghamshire Green Infrastructure strategy 2009, 80% of the area is considered to be rural. The Buckinghamshire economy is worth over £11.8bn, with over 40% of economic activity taking place in rural areas, amounting to £4.72bn.

- The rural economy employs 58,400 people
- The majority of rural businesses are micro businesses (approximately 1 employee) and 41% are self employed
- The largest proportion of businesses are in construction, telecoms, land based or retail, hotel and catering

More detail about the sector and growth segments and challenges faced can be found in **Appendix 1**. This paper has been prepared by Nick Phillips, who is the lead officer for the rural LEADER programme and on the Bucks Rural Affairs Group (BRAG). **(See Appendix 1: “the rural economy”, by Bucks Business First and LEADER programme officer Nick Phillips (“Liaisons Entre Actions de Developpement de l’Economie Rural”))**

4.3 What significant challenges does it face?

Businesses based in rural areas face many of the same issues to those faced in urban locations, yet they are also exposed to other challenges or perhaps challenges that have more of an impact on rural businesses as opposed to their urban counterparts. The rural business, in general, has a greater challenge to access public transport, does not benefit from associated attractions and integrated business support and is not able to work closely with similar businesses, as was recognised in the DEFRA report 2010.

Rural businesses may feel a greater impact of reliance on local services and organisations, making them more susceptible to collateral damage of large industry downturn or closure. The rural economy is considered by Government to be “hard to reach”, not only for geographical reasons, but also through **lack of access to superfast broadband** and other ‘**isolation**’ **related issues**.

A second **Appendix 2** accompanying this paper sets out the issues and priorities for action during 2012-2018, identified by the Bucks Rural Affairs Group (BRAG) in its rural strategy, emerging out of its November 2012 conference. **(See Appendix 2: “Bucks Rural Affairs Group priorities 2012-2018”)**

4.4 What are AVDC and other partners doing to support the sector?

There are a diverse range of support organisations working with rural businesses. Some of the support being provided is referenced in Annexe 1 in addition to the support provided below.

4.4.1 Aylesbury Vale District Council (AVDC)

Economic development

AVDC’s economic development team continue to support start ups with advice providing:

- two hour 1:1 business mentoring advice sessions on marketing or their business plan, including referrals from the business grants process
- 'virtual office support' and premises/facilities at Aylesbury Enterprise and Innovation Centre (AEIC), available to all businesses, rural or otherwise
- business grants, open to any business meeting the eligibility criteria
- business support referrals to Bucks Business First, where specialist help is needed or to take advantage of national schemes particularly targeted at rural businesses. The LEADER programme is managed by Nick Phillips at BBF, with whom we remain in constant dialogue
- close liaison with BBF's Connected Counties team regarding the 'roll out' of superfast broadband across the District and how it will improve connectivity in rural areas www.connectedcounties.com
- taking a proactive approach to work with agents/developers on the most significant employment sites across the Vale in support of the Vale of Aylesbury Plan in respect of job creation and growth and inward investment, including support for neighbourhood plan development around Winslow and Buckingham
- encouraging LEPs to develop rural programmes and build on existing ones, when preparing their EU funding proposals and Single Local Growth Fund (SLGF) bids

Leisure/tourism

Our leisure team continue to work across the County as part of VisitBucks and are working with Blue Sail consultants, BBF, BCC and various tourism business partners (mostly rural businesses) to develop a **Destination Management Organisation** for the area with a more cohesive tourism strategy which will benefit the tourism sector (including leisure, food and hospitality businesses across the Vale) to realise more of the area's potential. It is hoped that this work and focus given to such an organisation will create additional employment, access potential funding and promote the area more widely, as well as supporting new tourism development and initiatives locally.

Planning

The main direct support comes through working with individual businesses or developers. AVDC provides pre-application advice to commercial developers, including rural businesses. Initial general advice is provided free of charge as part of the priority to support business, but when AVDC get to more specific schemes and especially discussions with developers' architects of planning agents, it has to make a charge to recover its costs. Through the development management process AVDC seeks to negotiate to overcome problems with developments for businesses, wherever possible, rather than move straight to a refusal of planning permission on an application.

Planning officers also work closely with Parish Councils who are bringing forward Neighbourhood Plans for their communities. A key part of their involvement is emphasising the need for the Parishes' work to include engagement with local businesses and not just residents.

A further strand of work relates to infrastructure planning. It is unrealistic to expect that rural business developments can fund major infrastructure provision, or that there will be "public purse" funding for large-scale road building or increases in public transport subsidies in the foreseeable

future. However as a result of action over many years, the East-West Rail project is coming forward and this will have a significant benefit on the rural areas of the Vale. The importance of high speed broadband to rural businesses is recognised. This is covered later in this report.

There is sometimes a perception that planning, and particularly the Development Management process, gets in the way of rural businesses and growth. This is not borne out by the record of decisions on planning applications. We cannot isolate “rural businesses” from figures but looking at the year ending 30 September 2013, across the whole District we determined:

- 6 applications for B1 (normally office) developments, all of which were approved.
- 9 applications for B2/B8 (general industry/warehousing) developments – 1 of these was refused
- 78 applications for changes of use (This is a very wide category that goes well beyond business proposals and rural businesses). 12 of these were refused.

Looking at the 13 refusals:

- 4 related to changes of use in the town centres at odds with our policies;
- 3 related to proposals which would have resulted in the loss of employment development or sites;
- 2 related to the impact the development would have on the landscape of the area and/or the amenities of neighbours;
- 1 related to the inadequacy of the highways arrangement serving the site;
- 1 related to the failure to comply with Council policies relating to a proportionate contribution towards transport improvements in Aylesbury, given the increased traffic the development would generate;
- 1 related to the siting of a mobile home on a stud farm; and,
- 1 related to a residential land extension.

Planning policies and practices within Aylesbury Vale are more accommodating of rural businesses than elsewhere in the County, where designations such as green belt and Area of Outstanding Natural Beauty act as very strict constraints to growth, and even small-scale development is resisted. It is nevertheless recognised that national and local policies mean that there cannot be a completely laissez-faire attitude to development in the countryside. Whilst our policies towards the re-use of buildings for business development are generally accommodating of diversification, we still need to consider the sustainability of creating additional employment development/uses in countryside locations away from settlements on sites that are often not well served by roads (or public transport). We also have to have regard to the impact of developments and the traffic they can generate on the amenities of nearby residential properties and the character of the landscape.

Looking to the future, Members will be aware that we will be reviewing the development management policies that are currently contained in the Aylesbury Vale District Local Plan, as part of our work on the next component of the Vale of Aylesbury Plan. Planning officers are working with Environment & Living Scrutiny Committee on this, but if this Committee feels there are

issues we should be taking into account as part of that review, it would be helpful to have these identified at this stage.

Another factor that will affect the diversification of farm buildings is the recent change to the planning legislation, which means that some changes of use no longer require planning permission from AVDC. The Government is also consulting on extending these “permitted development” rights even further.

4.4.2 Local Enterprise Partnerships (LEPs)

The Bucks Rural Affairs Group and the National Farmers Union both outline what the key issues from their perspectives are (**see Appendices 2 and 3**) and also their expectations about what should be done and who might be able to help. A lot of these issues are directed at Local Enterprise Partnerships. (**more detail can be found in Appendices 2 and 3**)

As far as AVDC is concerned, it will continue to work working with both Local Enterprise Partnerships to ensure that future business support (growth hubs) is specifically targeted at rural businesses to meet their specific needs, which includes the other issues raised in the Appendices. AVDC will continue to work with both LEPs to ensure that as many of the issues as possible will be addressed and included in the ‘core’ LEP documents as they are developed, including the EU funding bids for 2014-2020 and also in the Single Local Growth Fund (SLGF) business plans to be submitted to Government in draft by December 2013 and finalised in the first half of 2014.

4.4.3 Bucks Business First (BBF)

AVDC has a Memorandum of Understanding with BBF to provide a range of help to businesses in the Vale. BBF has a range of funding streams and grants that are available to help rural businesses, including LEADER and ‘sustainable routes’ grant schemes, as just two examples.

AVDC will work closely with BBF to ensure that the rural issues continue to be addressed by either BBF currently or in the future, once the LEPs secure funding post 2015, which will need to be directed to programmes of support for rural businesses.

Four examples of recent case studies involving LEADER grant funding are attached as **Appendix 4**

As far as access to superfast broadband is concerned, BBF manage the delivery contract for the delivery and roll out superfast broadband using the BD(UK) funding secured by BTVLEP. The Connected Counties website map www.connectedcounties.com has been launched to allow parishes to have a good understanding of the phasing of the roll out of BD(UK) funded superfast broadband across the District. The map will set expectations out for what local areas will be able to get in terms of upgrade and when by inputting their local postcode. The build process for the first phase is likely to start in late 2013/early 2014 and be complete by the end of Q1 2014/15. There will be **eight phases** between now and 2016. More funding will be sought of an

additional **£250m** of Government superfast broadband funding nationally, arising from the BBC licence settlement between 2015-2017.

5 Reasons for Recommendation

- 5.1 There are a range of issues which face rural businesses. The ones that are similar to any other business are covered in the recent Bucks Business Survey undertaken by BBF. However, we have included Appendices here which are specific to the rural economy. Where possible, AVDC is working with the LEPs to ensure that rural related issues are picked up and covered under future LEP and BBF funding bids and plans.
- 5.2 Members' attention is brought to the fact that AVDC and partners are supporting rural businesses in several ways, but there are macro issues which face rural businesses and render them more isolated, primarily related to their relevant isolation from other similar businesses, the increased pressure on the viability of local community services and transport and communications issues, which are not solely within AVDC's remit. As a result, we would ask Members to consider what they would like to focus on next and how to progress further.

6 Resource implications

- 6.1 None

7 Response to Key Aims and Objectives

Economic Development functions of the council contribute to the corporate plan objectives of Growing the Economy of the Vale and Deliver Efficient and Economic Services.

Appendix 1 - Bucks Business First

Rural Economy Paper July 2013

The Buckinghamshire economy is worth over £11.8bn, over 40% of that economic activity takes place in rural areas amounting to £4.72bn.

This paper sets out the main priorities for businesses in the rural economy in Bucks. These findings will refer to data from other papers, reports and anecdotal feedback gained from detailed and long term work in the rural business sector.

The priorities referred to are considered relevant to the Buckinghamshire rural economy taking into account the geographical area roughly from Marlow in the south to Olney north of Milton Keynes.

The findings of this paper are supported through other rural networks that the author has involvement in such as High Wycombe Farmers Forum (steering group member and co-ordinator) North Bucks Rural Business Network (steering group member), the Bucks and Thames Valley LEP, Bucks Business First, Community Impact Bucks, members of the LEADER Local Action Group, Chiltern Tourism Network (founder and steering group member) farmers, rural businesses, rural police, the NFU, CLA,

The rural economy in Bucks, in this instance, refers to businesses, predominantly micro businesses situated in rural areas. This is different to purely “land based” businesses, that are of course critical to the physical and economic landscape but account for 3.5% of employment in Bucks. The sector could be referred to as “non urban”.

Where are we now?

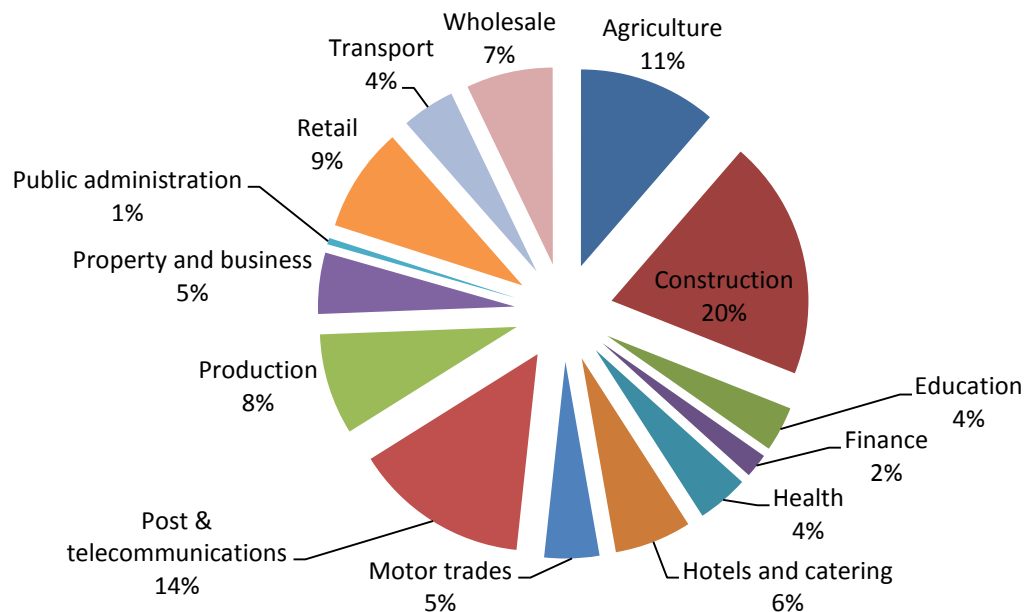
The Buckinghamshire economy is worth over £11.8bn. The rural economy employs 58,400 people and has 11,705 businesses, 91.5% being micro businesses.

Buckinghamshire is predominantly a rural county - 80% of the county is considered rural¹. Over 40% of all VAT registered businesses in the county are situated in the rural areas. The majority of these businesses are micro businesses with 82% employing less than 5 people and 41% of all those employed in rural Bucks being self employed.

These businesses fall into certain sectors. The land based sector is a relatively small sector being 10/11%, with construction being nearer 20% and telecommunications being 14% with retail, hotel/catering, property and production amounting to about 8%. This data will doubtless be changing by the day as the economy puts pressure on some sectors most notably construction and property generally.

¹ Buckinghamshire Green Infrastructure Strategy 2009

Make up of rural businesses in Bucks



ONS Data 2010

- 26,871 registered businesses in Bucks
- 90% have under 10 employees
- Highest rate of business start ups in the country.
- 10,965 were formed in the last 5 years.
- 11,630 people work from home in Rural Bucks

The make up of employment in Bucks underpins the rural significance and potential for growth:

- 34% of those employed in Bucks are employed in rural areas
- 42% of self employed people in Bucks live and work in rural locations
- 12% employment in rural Bucks relates to manufacturing
- 15% in retail 19% in property related activities
- Hotel and catering make up 3.4%

Why consider rural business as a sector any different to urban?

Businesses based in rural areas face many of the same issues to those faced in urban locations yet they are also exposed to other challenges or perhaps challenges that have a significantly greater impact on rural businesses to urban.

The rural business, in general, has a greater challenge to access public transport, does not benefit from associated attractions and integrated business support from working closely with similar businesses as recognised in the DEFRA report 2010. Rural businesses may feel a greater impact of reliance on local services and organisations, this makes them very susceptible to collateral damage of large industry downturn or closure.

The key pressures facing most rural businesses in Buckinghamshire are probably the same as those in the urban environment that of access to finance, increasing running costs, rates and heat light, raw materials and management time.

These pressures may vary between specific sectors however some pressures seem of greater significance in rural areas:

- Access to super fast broadband
- Cost of employment
- Marketing costs
- Lack of developed business networks
- Transport for distribution of goods and access to employment
- Lack of location intensity of sectors
- Reduced opportunity for economies of scale
- Lack of robust communications

Agricultural businesses specifically suffer from a variety of factors that do not impact on many urban businesses; not only the vagaries of weather that can impact production (in 2012 by 20/25% lower yields across the arable sector), cost of fuels, cost of fertilizer, international market conditions, EU agreement, grants, subsidies, environmental influences, law and access to name a few, all have a business changing impact and all are outside the control of the individual farming business.

Further; lending to agricultural businesses is challenging, many have Farm Business Tenancies that are limited leases for say 10 years. Many farms have only a few “pay days” per year (being harvest or cattle butchery) yet their costs are permanent. Banks are uneasy about running up huge overdraft when a tenant business may have little capital yet the farming industry is based on an “overdraft” cashflow.

Rural businesses in Buckinghamshire report² that they face increasing challenges in other areas:

- Skills and training for young workers (apprentices)
- Regulation (H&S, movement restrictions such as Foot and Mouth can devastate industries that rely on tourism.)
- Planning
- Weather (rural tourism businesses suffer downturn in poor weather)
- HS2 and mitigation
- Planning restrictions (although more positive changes are now being seen)
- Low interest rates are beneficial

The two specific and repeated major challenges raised by rural business:

1. Access to high superfast broadband. *Connected Counties* project managed by BBF is putting in £18m towards solving this issue.
2. Cost of employment/transport

² LEADER questionnaire 2012

Further areas where support has been requested for rural businesses in Bucks include:

- Business planning and business advice
- The cost of market town business rates for retail businesses.
- Parking in market towns

LEADER Local Development Strategy considered the targeted areas that flowed from these challenges are:

- To highlight the value and challenges of rural (non urban) based businesses as a sector that could offer growth.
- Encourage creative approach to planning by engaging planning officers in such organisations as LEADER.
- Encourage the use of apprenticeships.
- Stimulate shared transport systems.
- Work with and support existing business networks



Priorities for Growth Potential in Rural Bucks

Working extensively with rural businesses there appears to be sectors that show potential for significant growth in Bucks. These include:

- Tourism
- Retail
- Farm diversification businesses
- Community businesses
- Rural property security

Rural Tourism

All business sectors are important in the rural economy however tourism seems to be particularly in focus. Bucks not only has unique landscapes of the Chilterns in the south and the vale in the north of the county, but also is in the unique position of offering this rural landscape some 40 minutes from London. The pressure on tourist accommodation shows the potential. Some businesses in the north of the county are regularly reporting 90% occupancy of all accommodation, B&B, self catering and camping. In 2012, Tourism South East reported on various occasions that there was an 80% under supply of tourism accommodation.

In 2009/10 in Buckinghamshire, there were 1,313,000 staying trips that were spent in the county (rising by 6% pa) 38% of these overnight visits were staying in commercial accommodation as opposed to visiting friends. This resulted in a total expenditure by visitors to Buckinghamshire estimated to have been approximately £782,515,000 in 2009. With additional income from visitors staying with friends it is estimated that

£1,044,615,000 worth of income generated for local businesses through direct, indirect and induced effects to Buckinghamshire.

Although we are not able to isolate the rural aspect of this expenditure the majority of attractions to Buckinghamshire are found in the rural areas. Rural Bucks has the greatest concentration of National Trust properties in the county outside London. Waddesden is one of the most visited properties in the National Trust and Silverstone draws in over 300,000 visitors per year. Further a recent study of tourism in Bucks (Blue Sail review) has recognised in their interim report the value of group visits, corporate visitors and family centred activities in Bucks. (The author believes that the uniqueness of the rural tourism offer in Bucks being the historic landscape and built environment is yet to be exploited.)

The Office of National Statistics employment figures for 2008 drawn from the Annual Business Inquiry shows there are an estimated 17,700 jobs in Buckinghamshire in tourism-related businesses, representing 8.5% of the total employee workforce. Tourism South East consider the South East tourism sector to have grown by 5/10% since 2008.

Tourism is further of value to the rural economy based on the “local circulation” of the expenditure. Some studies suggest as much as 65p in the £1.00 remains in the local economy when spent on rural tourism as opposed to less than 15% when spent in corporate organisations.

The key operators influencing this sector are Visit Bucks (BBF) who are responsible for supporting bookings and wide promotion of Buckinghamshire and the Chiltern Tourism Network who promote the Chilterns and have a vast business membership. Others operating are the Tourist Information Centres.

The LEADER programme has supported many rural tourism projects from campsites to self catering cottages. All have succeeded and the accommodation projects are reporting an over demand and under supply far above expectations. In some cases 80 and 90% occupancy rates which means that these operators are turning away visitors to rural Bucks. It is interesting to note that the “rural” aspect of the offer is high on the reasons for choosing the accommodation.

Rural Retail

Whilst retail businesses in general are under pressure some sectors of retail are doing well and demand seems to be on the increase. These include farm shops and coffee shops. This sector has exploded of late and in the small market towns such as Princes Risborough, Wendover and Buckingham it seems that the location, being within a market town gives rise to a new “leisure” shopping activity rather than shopping as a necessity. There are signs that this leisure shopping activity is supporting farmers markets as well as catering and gift shops.

Farm Diversification/Local Food

Whether lead by demand or supply it is unclear, but the numbers of farm diversification projects recently established in the food or leisure sector has increased and LEADER has supported many. Every project supported under this measure has succeeded to

date. (There have been no business failures supported by LEADER in this sector and many have exceeded expectations.)

Community Businesses

There have been many community shops and pubs established in rural Bucks over the last few years. Often driven by the collapse of the traditional village shop. Sometimes manned by a mixture of volunteer and paid staff these businesses are both in demand from the community and show a strong balance sheet in most cases. The future village shop is likely to be a community driven and supported business.

Local Support for Rural Business

The local support that is available is through:

- **Buckinghamshire Business First** provide a 'one stop shop' for advice and support covering all aspects of business advice from exporting to funding to business start up. Advice can be provided online, via telephone or face to face, plus through workshops which are regularly provided giving information and support on a wide range of topics such as business planning and how to best use social media. This support links in with other nationally and locally provided support. In addition local grant funding for a variety of purposes is available to SMEs and BBF provide a dedicated team to help employers apply for it.
- **Aylesbury Vale District Council** – Provide the small business grant, which is an offer of £3000 for early stage business (50% matched funding required) and £5000 for established business (100% matched funding required).
- **Aylesbury Enterprise and Innovation Centre** - A vibrant community based business centre dedicated to helping new businesses launch, assisting local entrepreneurs to evolve their ideas and supporting existing businesses with their ongoing growth
- **LEADER** (managed by Ngage Solutions a subsidiary of Buckinghamshire Business First) is and has been considered the most valuable injection of funding to rural micro businesses in Bucks and has specifically aided many businesses in Aylesbury Vale and rural Milton Keynes a snapshot of the impact is seen below and a full evaluation is currently underway, however the process of obtaining a LEADER grant involves the applicant developing a full business plan and cashflow. This is seen by some as onerous yet LEADER can report to date only a 1% business failure rate from supported projects:
 - **2013 Activity** - £1,412,044 in grants allocated in 2013, with 64 projects approved, with an average grant size of £22,063 for each one
 - **Statistics to date for whole project 2009 – 2013:** - Total amount of grant funding £3,116,868 of which:
 - ❖ £327,609 allocated to 21 projects concerned with farms and diversification

- ❖ £130,458 allocated to 10 forestry projects
- ❖ £597,110 allocated to 15 micro enterprise and tourism projects
- ❖ £336,755 allocated to 17 community projects
- ❖ £20,112 allocated to a training project

➤ **Leader funding has resulted in:**

- ❖ 61 new full time jobs created
- ❖ 147 jobs safe guarded
- ❖ 48 businesses supported
- ❖ 17 new businesses started
- ❖ 8 village halls and community centres supported
- ❖ 2 community shops supported
- ❖ 4 new and existing recreational and educational facilities

Conclusion:

Rural business refers to those businesses situated in rural locations. Rural business faces significantly different and in many cases greater challenges than the urban counterpart. With a sector worth nearly £5bn, and 40% of all Buckinghamshire businesses operating in rural areas and facing common challenges, the sector must be considered important to the economy of Buckinghamshire.

Growth potential exists in the rural economy as it does in the urban economy. However, the rural economy is considered by Government to be “hard to reach”, not only for geographical reasons, but also through a lack of superfast broadband, a reducing public transport network and the ever increasing cost of fuel.

Many sectors in the rural economy could be considered “ripe” for growth given specific circumstances and a recognition of growing demand. The rural retail offer as previously explored appears to show growth when linked to a leisure activity such as coffee shops and unique gift shopping. This is despite the challenges of high business rates. Further, the retail environment is showing significant enthusiasm for farm retail offers where food is offered with genuine provenance and if coupled with a leisure experience such as contact with animals or a coffee shop - demand is high. The retail offer in villages and market towns is also changing as more community shops are being introduced and thriving. These enterprises more usually require state intervention as capital start up is high. LEADER can point to many that out perform commercial retail units for reasons of community relations and strong management structures.

In Buckinghamshire, rural tourism is indicated to be a growing and thriving sector with substantial demand still not being met allowing for future growth potential. This has been confirmed by every tourism business supported by LEADER. Demand for accommodation is high, occupancy rates are in some places running at 90% and the family and low cost rural offer is showing greatest demand. In 2013 Tourism South East reported;

- **44% of accommodation businesses and 49% of attractions** report increased visitor numbers since Easter - the highest numbers since the survey was started in April 2012.

- **Around 90% of businesses say they feel confident** about the school holiday period - again, the highest levels since the start of the survey
- **73% of accommodation businesses** describe forward bookings as good or very good - the previous high was 60%, and this time last year this measure stood at only 50%.

Although this is not a Buckinghamshire specific report it shows the national trend.

Rural tourism is considered a priority for support under future RDPE funding streams and although the future strategy for LEADER will be written shortly it will certainly include a strong focus on rural tourism in Bucks as a potential growth area.

It is clear that there exists differences in challenges between rural and urban businesses however, there also appears significant opportunity for economic development in the rural sector over coming years.

Appendix 2 – Bucks Rural Affairs Group Priorities (BRAG) Rural Strategy: Draft Priorities 2013 - 18

Background:

Review key objectives/priorities for BRAG strategy refresh to include feedback from the BRAG stakeholder meeting. These key objectives to form the basis of a refresh of the rural strategy, and derived from the 'refresh' paper produced in Nov 2011 and the outputs from the BRAG conference in Nov 2012.

It was suggested that we work on the basis that the Rural Strategy 2008-2013 (the last one) is still broadly relevant in terms of its analysis of key rural issues and concerns. Certainly there is no desire to try repeat the comprehensive approach adopted last time.

Clarified that we concentrate on four overall themes:

- Enterprise and Skills
- Housing and Sustainable Communities
- Health and Wellbeing
- Services and Transport

For each theme it was agreed to identify an overall objective and then to highlight two or three specific actions/aims, along with associated measures. The results of the initial discussion are reported below.

1. Enterprise and Skills

Overall objective: **To ensure that there is a vibrant and viable rural economy in Buckinghamshire.**

Aim 1: Encourage rural business development to provide meaningful local employment.

This will be achieved through:

- Influence the Bucks LEP and SEMLEP regarding the rural economy, especially to develop a specific rural 'stream' to their work.
- Promote LEADER, in terms of its bottom up approach to rural development, as vital to developing the rural economy.

Aim 2: Ensure rural businesses and communities **have superfast broadband connectivity.**

This will be achieved through:

- Influence the Bucks/Herts BDUK programme to priorities rural businesses and communities.
- Support BBF in rolling out the BDUK programme and support BBF in applying for future funds for rural broadband in Bucks.
- Encourage rural communities to access Rural Community Broadband Funds (RCBF) to supplement the BDUK programme.

Aim 3: **Place special emphasis on tourism, forestry and agriculture** (and other land based industries) as the heart of a sound rural economy.

This will be achieved through:

- Work with the Bucks LEP and SEMLEP to promote tourism, forestry and agriculture as a key part of rural economic growth.
- Encourage creative and imaginative application of the planning system to enable appropriate diversification of land based industries.
- Secure appropriate farm diversification through LEADER, or via provision of advice, business support.

Measures:

- By 2018, encourage 100 apprenticeships in Bucks Rural Businesses, with 25 being within land based businesses.
- By 2018 95% of rural businesses in Buckinghamshire will have access to fast broadband.
- By 2018 there will be a 5% increase in the managed woodlands in Buckinghamshire.
- By 2018 there will be a 5% increase in the number of overnight stays in rural Buckinghamshire related to tourism.
- By 2018 there will be no fewer council owned “starter farms” in rural bucks available to rent than there are in 2013.

2. Housing and Sustainable Communities

Overall Objective: **To ensure rural communities remain vibrant, resilient and sustainable.**

Aim 1: Increase affordable social housing for local people in rural villages.

This will be achieved through:

- Encourage rural communities to embrace the Neighbourhood Planning approach where appropriate, and for smaller communities to explore the opportunity provided by the community right to build.
- Support rural communities to continue to use rural exception policies as a key part of securing local houses for local people.
- Ensure that Local Authority plans for social housing in rural areas are based on clear and reliable evidence of need in relation to the type and location of housing.

Aim 2: Sustain and support high quality natural environment in our rural areas.

This will be achieved through:

- Work with BNEP/CCB
- Encourage sustainable behavioural change
- Energy efficiency for rural areas, in terms of encouraging use of renewable technology and the appropriate grants/tariffs.

Aim 3: Ensure appropriate support, compensation and mitigation for rural communities adversely affected by High Speed 2.

This will be achieved through:

- Work with Bucks County Council / 51M on the impact of mitigation
- Holding HS2 to account for ensuring an effective and appropriate community engagement approach.

- Offer BRAG support for initiatives that consider the impact of HS2 on rural businesses or society environment.

Measures:

- By 2018 there will be 5% more social housing in Rural Bucks.
- By 2018 there will be 2 renewable energy or community heating systems in Buckinghamshire.
- We should consider a measure that would improve or be stable by 2018 perhaps Water quality/Air Quality/Abundance and quality of hedgerows.

3. Health and Wellbeing

Overall Objective: **To ensure those living in rural communities remain safe and healthy, and are supported to meet changing demographic needs.**

Aim 1: Promote and enhance access to the countryside as a significant contributor to healthy lifestyles.

This will be achieved through:

- Work with local authorities and the voluntary and community sector to encourage healthy lifestyles within rural areas
- Influence the BNEP/Health and Wellbeing Board to ensure their policies are robustly rural proofed.
- Encourage a LEADER approach to investment in the countryside.

Aim 2: Ensure the concerns of rural communities about the nature of and impact of crime are addressed.

This will be achieved through:

- Hold the Police and Crime Commissioner to account for his policy on improving the response to rural crime.
- Encourage and assist Thames Valley Police to introduce a standard definition of rural crime, and to develop appropriate evidence measures.
- Develop a network of local rural crime groups to improve knowledge and awareness of rural crime.

Aim 3: Ensure rural communities are served by safe, accessible and effective health and social care services.

This will be achieved through:

- Influence the Clinical Commissioning Groups and Healthwatch to ensure the needs of rural communities are identified and addressed.
- Encourage local authorities/NHS to limit the reduction of current services in rural areas
- Work with rural communities to identify and manage the implications of an aging population.

Measures

- By 2018 number of regular walkers in rural Buckinghamshire - 10% increase over five years.

- By 2018 the number of intelligence statements to TVP regarding rural crime in Bucks has increased by 10%.

4. Services and Transport

Overall objective: **to ensure that those living and working in rural communities retain key local services, and have effective and efficient transport to access services and employment elsewhere.**

Aim 1: Ensure rural communities have access to effective and innovative community transport.

This will be achieved through:

- Encourage rural communities to establish community transport and car share schemes where appropriate.
- Influence the transport authority to retain key rural public transport routes into all market towns (not just the main urban centres).
- Encourage the development of an integrated transport strategy that meets the needs of rural communities.

Aim 2: Support rural communities to retain and improve the shops, services and community assets they have available.

This will be achieved through:

- Encourage rural communities to prepare community led plans to identify future service needs.
- Encourage statutory bodies to recognise the contribution local and accessible services make in maintaining social fabric.
- Influence key rural stakeholders to maintain, support and encourage new shops, pubs, halls, churches and schools.

Measures

- By 2018 there will be 1000 more subsidised journeys to rural market towns in Buckinghamshire
- By 2018 ?

Appendix 3 – Chiltern LAG National Farmers Union perspective on priorities for the Local Enterprise partnerships

Chilterns LAG NFU Priorities

<p>Hertfordshire Rural Economy Overview</p> <ul style="list-style-type: none"> • Hertfordshire has an agricultural GVA of £30 million per annum. • The total value of agricultural output is £109 million and the total income from farming is £18 million. • There are 880 farms in Hertfordshire. • The total farmed area is 97,315 ha (out of an area of 163,872 ha) i.e. 59% of the surface area is farmland. • 2513 individuals are directly employed by farming. 63% of the farmed area is under agri-environment schemes (ELS and HLS). <p>(Source DEFRA 2010)</p>
<p>Bucks' Agricultural Industry Overview</p> <ul style="list-style-type: none"> • Bucks has agricultural GVA of £51 million p.a. • Total value of output is £139 million, profitability is £18 million • Farmers are directly spending £87 million in the supply chain • In Bucks: 2977 people working in agriculture. • 103734 hectares under farmland, out of total area in Bucks of 187400 hectares • 1278 total number of farms <p>(Source DEFRA 2010)</p>

The NFU priorities for LEP engagement with rural partners and rural activity are:

- a) LEPs should gain an understanding of the linkages between economic sectors rather than viewing them in isolation.
 - For example, agriculture needs to be seen as part of the agri-food chain: there are suppliers upstream of agriculture that provide inputs such as fertiliser and feed; there are processors, distributors and retailers downstream of agriculture; hauliers are commonly dependant on the agri-food sector for much of their business; rural (and other) tourism businesses commonly rely on access to a well-managed countryside.
 - A commitment to improving local procurement and developing local supply chains should be a priority. This would help to remove costs and retain value within the county.
- b) LEPs should actively promote business interaction, making the most of the types of enterprise in the area.
 - This might mean encouraging manufacturers and those in the construction sector to establish new, local supply chains that make use of locally-available agricultural outputs, e.g. wool and other renewable fibres for use in insulation and construction. This imaginative 'dating agency' approach can identify synergies and result in benefits to all concerned.

- c) The British consumer will benefit from increasing confidence in British Food security, a reduction in the carbon footprint from imported produce and economic growth that will bring job creation.
- d) LEPs should work closely with organisations representing rural businesses, including the NFU, to identify local needs and priorities. LEPs should also liaise with the Rural and Farming Network(s) for the area to ascertain their priorities for rural enterprise. LEPs should also interact with relevant professionals including vets, agronomists and accountants when working up detailed ideas for investment priorities.

Build up knowledge and skills in rural areas.

- e) Roll out of the EDGE apprentice program to Hertfordshire. EDGE Apprenticeships in Food & Farming is an industry-led scheme that aims to educate, develop, grow and employ young people, equipping them with the skills they need to succeed in careers in agriculture.

Leadership training would help develop the image of farming and give the industry confidence to face the issues of the future such as environmental change and population growth.

- f) ICT - Crop production technology which relies on a usable GPS signal, web access for sale are vital tools for many on-farm business.

Broadband is necessary for the running farm management software and the forthcoming switch to 'digital by default' for submitting mandatory information to government websites will mean the submission is done online.

- g) Infrastructure - Post-harvest storage options including grain and vegetable storage, and cold store development
- i) R&D - a proactive approach to engagement with the Agri-tech strategy by the LEP will be necessary for accelerating commercialisation of research outcomes.
- j) Water - With increased pressure from climate change, population growth and food security it is more important than ever that water resources are at the centre of planning for the future, and tackled in a coordinated manner. The key is to capture and store rainfall, and join up water resource planning with drainage and flood risk management where feasible. This will require new models of investment planning and engagement between water companies and public and private stakeholders.
- k) The aspiration is for Horticultural nurseries to become self sufficient in Water during the next decade, which can be achieved with Water harvesting & recycling projects such as reservoirs and rain collection.

- l) Feasibility studies for renewable energy projects are potentially helpful, ideally combined with energy audits and efficiency programmes.

NFU Priorities for Rural Development spending

What follows is a mixture of priorities and the characteristics we would like LEPs to display in their approach to RDP spending:

- a) Thorough preparation (including good engagement, planning, matching ambitions to the budget available), enabling a quick start from the programme start date, is essential.
- b) LEPs need to ensure they are part of the solution, making the process as streamlined as possible, rather than adding to the bureaucracy experienced by potential beneficiaries; they need to look for ways of making the process as quick and painless as possible and certainly should avoid prolonging it.
- c) The focus of agricultural investment should be on improving competitiveness, helping to safeguard farm businesses, maintain or increase employment and reduce the nation's reliance on food imports.
- d) Resource management is also important to farmers, and help with this can assist farm businesses adapting to legislative or contractual requirements. Ideally schemes should provide both economic and environmental benefits.
- f) A focus on actions to address greenhouse gas emissions from agriculture, something that was too often developed 'on the boor' by RDAs and their partners, can be helpful. Such schemes need to be coherent and palatable, and integrate with any government programmes that address GHGs at the national level.
- g) There should be a good mix of small and large grant schemes, the latter enabling the funding of big capital projects such as grain stores and water storage that can leave a measurable legacy. Small grant schemes should be as simple and straightforward as possible, and the administrative requirements should be correspondingly lighter.
- h) Effective links between capital grants and skills funding can be very valuable: benchmarking, advisory packages, mentoring and up-skilling are all important, and there are advantages to be gained from associating this with capital investment.
- i) Development work is important, whether through support or knowledge transfer from the skills package. Both help to ensure a progressive approach to farming needs. The personnel involved in such work need to be individuals that farmers trust and respect.
- j) Where possible, LEP priorities for rural development spending should tie in with their other rural work and other services targeted at small and micro-enterprises.
- k) LEPs should ensure that horticulture can benefit as well as other agricultural sectors.

l)LEPs should make use of LEADER staff and the knowledge they have developed in running the programme.

The NFU in Hertfordshire is represented by NFU County Adviser Diane Armitage and the NFU in Buckinghamshire is represented by Annie Vernon. They can be contacted at the addresses, emails and phone numbers below.

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LEADER Case study brief

PROJECT NAME: Happy Herefords Adding Value Project

LEADER Project Manager: Nick Phillips

LEADER area: AVMK

Amount of Grant released	£36,000
<p>Project detail Include specific details of what the LEADER grant is being spent on and how the project has benefitted from the grant.</p> <p>What can they do now that they couldn't before?</p> <p>What are the key messages from this project?</p>	<p>Happy Herefords is based on several small blocks of land on the Beds and Bucks borders where passionate farmer, Monica Brown, produces beef from pedigree polled & traditional Hereford cattle. When you buy meat from Happy Herefords, you'll not only know the breed, and where it has been grazed- you'll even know its name.</p> <p>Thanks to a £36,000 LEADER grant, Monica has been able to diversify the business, cut out the middleman and retail her own meat directly to the customer.</p> <p>The LEADER grant has enabled the purchase of a delivery van, a hog roasting kit, chiller and processing facilities. Monica now travels far and wide to tempt customers with her tasty burgers and sausages. Her Grill trailer is a .hot. favourite at shows as visitors can watch Rob .the butcher turned chef, flipping burgers and sausages which they can then sample before buying.</p> <p>I am able to maximise the value of the cattle that I spend my life looking after. enthuses Monica</p>
A quote from the LEADER team	Nick Philips, LEADER programme manager says Happy Herefords is a great example of a farmer maximising the value of conservation grazing, and using entrepreneurial skills to establish a brilliant farming business. It is an innovative and ambitious project which is great to see from the farming community, and I am sure Monica's customers would agree!
A quote from the grant recipient	<p>"My customers have the best beef available and I feel the animals gain the respect they deserve by the satisfaction of my customers. They can buy burgers from my mobile van or cuts of meat direct from my website. LEADER has been a real business boost!"</p>

<p>Photograph</p>	
<p>Any other information</p>	<p>The business can add up to 300% added value by making and selling burgers.</p>
<p>Approvals Nick to approve all case study final drafts</p>	

LEADER Case study brief


PROJECT NAME: Green Dragon Rare Breeds Farm

LEADER Project Manager: Nick Phillips

Location: Hogshaw near Quainton

LEADER area: AVMK

Amount of Grant released	£50,000
<p>Project detail Include specific details of what the LEADER grant is being spent on and how the project has benefitted from the grant.</p> <p>What can they do now that they couldn't before?</p> <p>What are the key messages from this project?</p>	<p>Ray Marzec has a vision to create a rare breeds and eco centre in the wilds of the countryside. The dream is now almost a reality. The Green Dragon Rare Breeds and Eco Centre could shortly be drawing thousands of visitors into the county. This vision has been 16 years in the making and the project was propelled forward recently when Nick Phillips announced that LEADER was to invest £50,000 into the project. "The local action group, who I represent, recognised that this project was a unique and brave proposal , which obviously as with any new business involved a considerable leap of faith. Mr Marzec has invested his savings, home and half his life's work just getting the farm and the animals. After considering the business plan in detail the LAG decided to support the building of the Eco Centre, Café and Shop on site." Mr Marzec is anticipating employing up to 12 people in the first few years. It was felt that an attraction developed on sustainable principles was a great project for the area.</p> <p>Although there will be a delay between the end of this round of European funding and the start of the next LEADER will continue to offer support and advice to rural businesses in the area.</p>
A quote from the LEADER team	<p>A great project but one that carries risk. The driving force is Ray and he has overcome so many barriers that the LAG were confident. This confidence was backed up by a detailed business plan and well researched cash flow forecast.</p> <p>The opportunity to create 12 jobs is of key interest to the LAG.</p>
A quote from the grant recipient	<p>"We are delighted and grateful for the support of LEADER. The Eco Centre is critical to the business case and will include a farm shop, a café and an eco information area. The attraction will include an interactive walled garden, play centre and much more. We have had so much interest in the project already, from school groups, universities, council members and many others."</p>

<p>Photograph</p>	
<p>Any other information</p>	<p>The business expects over 50,000 visitors per year by year 5</p>
<p>Approvals Nick to approve all case study final drafts</p>	

LEADER Case study brief


PROJECT NAME: Winslow Farmers Market Est by LEADER 2009

LEADER Project Manager: Nick Phillips

Location: Winslow

LEADER area: AVMK

Amount of Grant released	£36,000
<p>Project detail Include specific details of what the LEADER grant is being spent on and how the project has benefitted from the grant.</p> <p>What can they do now that they couldn't before?</p> <p>What are the key messages from this project?</p>	<p>Winslow Market Square will shortly be home to a thriving new farmers market one Sunday every month. Local farmers have clubbed together to work with the Winslow Town Council in order to set up this great venture. The LEADER programme for Aylesbury Vale and Milton Keynes were able to fund 80% of the new market stall and marketing. Nick Phillips Programme Manager for LEADER in Bucks staid. "This is an excellent example of innovation and collaboration amongst farmers, Town Council and local businesses. LEADER are delighted to be able to fund this project and may well be able to assist some of the farmers in their diversification projects in the future. The farmers that I have heard from will be bringing some very good quality local produce to the market."</p>
A quote from the LEADER team	<p>If we help one farmers market we are opening opportunities for maybe 20 to 30 farmers to sell their products. Farmers markets add to the character of a town and can create a destination, leisure activity and a learning experience all in one. But like most great successes they need a champion and Winslow has been lucky with its team.</p>
A quote from the grant recipient	<p>John Knight, Project Manager at the Town Council, Winslow said. "This project has been driven by the demand from farmers looking to sell their local produce direct to customers and the demand for a wider variety of local goods. LEADER grant will make a huge difference to the success up of this project."</p>

<p>Photograph</p>	
<p>Any other information</p>	<p>More and more farmers are finding ways to sell their produce direct to the public without going through the supermarkets. It seems local businesses are also pleased to see the market open as they will see more visitors to the town on a Sunday.</p> <p>The market now has over 30 regular attendees and turns over thousands of pounds every week. Many of the adjoining businesses such as cafes and antique shops now open on a Sunday due to the increased footfall in the high street.</p>
<p>Approvals Nick to approve all case study final drafts</p>	

LEADER Case study brief


PROJECT NAME: Harvest Moon Barn

LEADER Project Manager: Nick Phillips

Location: Claydon

LEADER area: AVMK

Amount of Grant released	£50,000
<p>Project detail Include specific details of what the LEADER grant is being spent on and how the project has benefitted from the grant.</p> <p>What can they do now that they couldn't before?</p> <p>What are the key messages from this project?</p>	<p>In the fields around Claydon in North Bucks is an opportunity to escape from it all. Really to escape situated at the end of a rough track about half a mile long will be a newly converted barn offering self catering accommodation for those seeking peace and tranquillity in the historic land of Claydon House built by the Verney family in 1791.</p> <p>The LEADER Rural Grants Programme have supported the development of a disused barn to provide much needed tourist accommodation in the rolling landscape of North Bucks.</p> <p>“With so many tourist attractions within minutes and such breath taking landscapes it seems amazing that there are so few opportunities for overnight tourist accommodation. This seems an excellent opportunity to support a new business venture.” Nick Philips LEADER Programme Manager.</p> <p>“We have been considering the plan for some time and now with the support of LEADER we have been able to get under way offering a six person self catering property in a really splendid location.” Said Christine Hodgins, owner of Winters Tale</p> <p>Many people consider Buckinghamshire as the perfect destination for all those looking for a break from London and the Midlands. Within an hour, visitors can be from central London to the most beautiful and breathtaking parts of the Countryside. TSE have recorded the huge rise in interest of the “stay-cation” particularly the activity short break. This includes cycling, walking and horse riding as well as visiting historic buildings and gardens.</p> <p>In 2008 21% of all holidays taken in the UK were cycling or walking holidays where most people chose self catering above hotels. Last year LEADER supported the Chiltern Cycle route, three self catering operations, a campsite and a B&B.</p>
A quote from the LEADER team	At the time of supporting the LAG were concerned about the occupancy levels as the site is so remote. In 2013 the owner recorded bookings amounting to 90% occupancy. The business case was developed on a 65% occupancy.
A quote from the grant recipient	“The barn has been so popular that I am now building a second to cope with the demand. I would not be where I am without LEADER support.”

Photograph	
Any other information	The demand for self catering accommodation far exceeds supply in AVMK
Approvals Nick to approve all case study final drafts	