

Strong, prosperous communities

How the policies and practices of England's Regional Development Agencies help to realise the potential of rural England





The promise of rural England

Foreword by Richard Ellis

These are transformational times for rural England. In many ways, thanks to new technology and changing patterns of work, those living in England's countryside can enjoy more economic and social opportunities than ever before. But, for many people, these new possibilities herald a period of quite radical change and uncertainty.

While farming and tourism remain important mainstays of the economy, an ever-increasing share of rurally generated wealth is created outside these traditional sectors. Eighty percent of jobs in rural areas today are in manufacturing, wholesale and retail, public administration and financial services. These employers play an important part in local, regional, national and international supply chains and make a vital contribution to UK plc.

Rural communities are some of England's most entrepreneurial and innovative. More than a third of England's VAT registered businesses are in rural areas, where there are more businesses per head of population than in England's towns and cities. And some of the traditional barriers to economic inclusion have been broken down faster in the countryside. For example, a higher proportion of women run businesses in rural areas than is the case in cities.

These economic and social characteristics are indicative of rural England's huge potential. But while the economic prospects of rural areas are changing for the better, social and economic challenges remain. One in four rural households has an income of less than £10,800 a year and there are pockets of deprivation in some of the wealthiest communities. Some people find it difficult to access employment and services, particularly if they have a disability or cannot afford to run a car.

A prosperous future for rural England depends on policies and programmes that can nurture economic dynamism while promoting sustainability and social justice. This is why Regional Development Agencies (RDAs), as part of the Modernising Rural Delivery process, are taking on greater responsibility for socio-economic development in rural areas. We combine an understanding of local sensitivities with the strategic capacity to guide a wide range of policies and programmes towards a common goal. Our approach to improving the prosperity and wellbeing of people in rural areas is not characterised by piecemeal 'rural' policies, nor by national 'one size fits all' solutions, but by region-wide programmes that are sympathetic to local circumstances and contribute to the growth of each region as a whole.

This document shows how the work of RDAs is benefiting communities and businesses in rural areas and how the changes brought about by the Modernising Rural Delivery process will lead to greater benefits in the future.

I hope you find it a useful reference in your own work to support the development of rural England.

Richard Ellis
Chair, East of England Development Agency

The East of England Development Agency leads on rural policy issues for the RDAs.

The vision

RDAs are committed to furthering socio economic development in a way that meets the needs of people in rural areas. Their overarching vision is of policies and programmes that are:

■ customer focused

People in rural areas will know where to go for relevant services, will be able to access these services easily and should notice an improvement in delivery.

■ strategy led

All policy interventions will contribute to the overall vision for the region set out in the Regional Economic Strategy, rather than pulling in separate directions based on numerous sets of priorities.

■ locally delivered

Services will be responsive to customer needs as they will be delivered at the closest appropriate level to customers.

■ integrated

There will be less duplication of services, less confusion, more support and one simple point of entry for customers.

■ sustainable

Rural communities will be helped to meet their own needs while living and working in places they are proud of and proud for others to visit.

■ simplified

Customers will have simplified access to business support, and will understand how and when funding is allocated and the strategic priorities that guide funding decisions.

■ better value for money

Greater benefits will accrue to rural areas than have previously been possible with the available funds.

■ transparent

RDAs will report regularly on their performance, will consult on their actions within the region and will be held to account by central government.



How RDAs help realise rural potential

What are RDAs?

There are nine regions in England and each has a Regional Development Agency. Eight of these were set up in 1998 as non-departmental public bodies while the ninth, the London Development Agency, was set up a year later as an agency of the Mayor of London. Although 350 farms fall within the remit of the London Development Agency, some of its rural issues are handled by its neighbour, the South East England Regional Development Agency.

All nine RDAs share the same mission, 'to transform England's regions through sustainable economic development.' They operate at the watershed between the public and private sectors. They are led by a Chair with a business background and a board representing local government, the voluntary sector, trades unions and local companies. Each Board includes a member with specific experience of rural issues.

RDAs are required to meet five statutory objectives:

1. To further economic development and regeneration
2. To promote business efficiency, investment and competitiveness
3. To promote employment
4. To enhance the development and application of skills relevant to employment
5. To contribute to sustainable development

Whenever they engage in rural areas, RDAs are seeking to fulfil one or more of these statutory objectives.

RDAs are:

- **strategic navigators**
Together with a wide range of partners across the region they agree an economic strategy and guide the work of the delivery bodies required to make it reality.
- **innovators**
Being business led and at arms length from government they can try new ideas and test new ways of working.
- **experts**
Each RDA employs specialist staff to progress each of the five statutory objectives and dedicated staff with particular knowledge of rural issues to ensure that benefits are enjoyed across all parts of the region, urban and rural alike.
- **catalyst investors**
They plan long-term investment programmes and lever in resources and action from the private sector and other partners.
- **advocates**
They champion the needs of their regions to central government and work to encourage investment from overseas.
- **conveners**
They bring together business, government, local government, academia and the voluntary sector to achieve common goals.
- **commissioners**
They charge other organisations in the region to deliver work that will contribute to the economic strategy. Often, they match funding allocated by these other bodies with funding of their own.

How are RDAs funded?

Funding is allocated to RDAs by a number of Government departments with DTI acting as their formal sponsor department. The majority of this funding is not tied to particular programmes but goes into a 'single pot'. Each RDA spends its share of the single pot as it deems most appropriate to further its Regional Economic Strategy.

What is the Regional Economic Strategy (RES)?

The RES is a ten-year overarching framework agreed by the region as a whole. It sets out how the region's strengths can be exploited and its barriers to growth overcome. Responsibility for delivery is shared by many organisations in the region. Each RDA writes a three-year corporate plan, which sets out RDA-specific actions to help deliver the RES. Flowing out of this are many other more specialised regional strategies such as the Regional Social Strategies, Regional Spatial Strategies and Regional Implementation Plans.

RDAs also work across regional boundaries on big issues that are relevant to their region's strategy and advise Central Government on the likely affect of national policy on their region. Liaison with central government is managed through a 'lead role' system.

The lead role system

RDAs operate a lead role system when they engage with national organisations and when they need to develop cross regional policies. Basically, each RDA is responsible for heading the cross RDA agenda on one or more policy area. Lead roles have no statutory powers over the actions of other RDAs, but provide particular policy expertise and act as a gateway to the RDA network for national stakeholders. They also facilitate good practice sharing amongst RDAs. For example, the East of England Development Agency has a lead role on the environment, food, rural affairs and sustainable development policy, and is leading the Modernising Rural Delivery Programme on behalf of the RDAs. The East of England Development Agency has therefore been instrumental in ensuring RDA policies are 'rural proofed'.

Rural proofing

As with other regional and local organisations, and national government departments, RDAs are required to 'rural proof' their policies and programmes at the design and delivery stage. This means they compare the impact of their policies on rural areas with the impact on urban areas. Policy is then adjusted where appropriate to make sure particular rural needs are being met. RDAs report on their performance on a six-monthly basis. They are then required to set out which of their outputs have been achieved specifically in rural areas.

What is mainstreaming?

This approach reflects the RDA belief that in most cases it is better to tailor existing programmes to meet rural needs than to create new programmes specifically for the countryside. Clearly, some rural issues require dedicated solutions, such as the RDA response to foot and mouth for example. But, on the whole, a mainstream approach ensures that programmes are based first and foremost on customer need rather than preconceived and misleading ideas about an urban/rural divide.

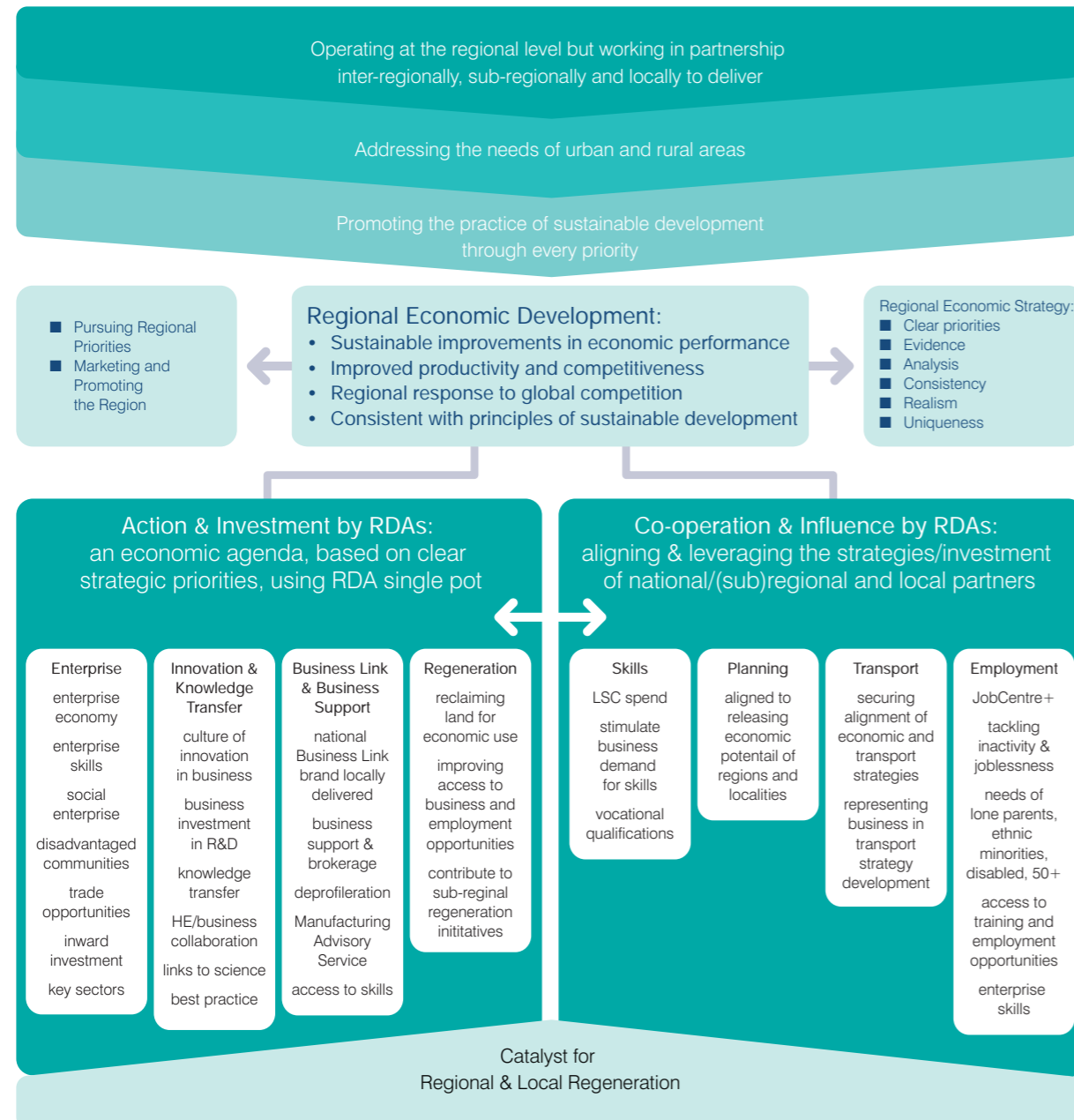
A mainstream approach is more efficient as it does not require a fresh set of infrastructure for each customer group. It ensures a level playing field, whereas in the past rural areas were often disadvantaged by initiatives focused only on urban areas. It also leads towards more innovative thinking than tends to emerge from a silo approach to service delivery.

RDAs use a mainstream approach to ensure that in pursuing their strategic priorities – outlined in the diagram overleaf – they meet the needs of rural areas. Examples of the benefits are shown from page 8 onwards.



Central Government's expectations of RDAs: Strategic Priorities

As agreed by RDA Chairs, Chief Executives and Government Ministers



Modernising Rural Delivery

The Modernising Rural Delivery MRD Programme is a change programme. It will result in services being delivered to rural areas more efficiently and in a more streamlined and customer focused way. The programme flows from the Rural Strategy 2004 – the government's response to Lord Haskin's 2003 review of Rural Delivery. Through it, services will be designed and delivered by a smaller number of organisations with clearer and more accountable roles, working in partnership within an overarching sustainable development context.

The MRD programme is being managed by Defra in close partnership with the public bodies directly affected by it. Under the programme, RDAs are assuming considerably increased responsibilities for rural socio-economic policy. By aligning funding streams and targeting rural needs through mainstream programmes wherever possible, RDAs are turning the principles of MRD into practical action to change people's lives for the better.

One small part of the MRD programme concerns European funding, which will be better integrated into the national framework. Consequently, RDAs will take on responsibility for socio-economic elements of the new European Agriculture Fund for Rural Development in England. The fund is designed to plug any gaps where a fundamentally mainstream approach is unable to meet rural needs.

To deliver the fund, each RDA is working with Natural England and the Forestry Commission to create a Regional Implementation Plan. These plans will be underpinned by a nationally consistent policy framework but flexed to meet specific local circumstances and needs. They will set out how funds will be spent in a coherent way to foster a sustainable and competitive rural economy. RDA support will be targeted at farming and forestry, sustainability, competitiveness, enhancing quality of life and diversification in the rural economy.

The intention is that rural development funding will move from being an application-led process to an investment planning process. In this way, it will be easier for customers to find out if their ideas meet relevant priorities and they will enjoy far greater support from the RDA in developing projects. A greater emphasis on facilitated and commissioned applications will ensure all investment decisions support the long-term vision of the region.



Mainstream policy meeting rural needs

Solutions created and delivered close to the customer

Each part of rural England has different characteristics, strengths and barriers to growth. Consequently, the projects and programmes supported by each RDA vary considerably, not only between regions but within regions. Where appropriate, to ensure the programmes they support are fit for local needs, RDAs devolve programme delivery to a local level at which local circumstances are clearly understood. RDAs maintain a strategic overview, to ensure all programmes contribute to the Regional Economic Strategy rather than add to a patchwork of piecemeal project delivery.

Strategic interventions should make a contribution to the regional economy in line with one or more of the following five broad themes:

1. **Enterprise**
Providing new and existing businesses based in rural areas with the additional advice and support they need to thrive
2. **Skills**
Providing opportunities for people who live and work in rural areas to acquire new skills
3. **Economic inclusion**
Regenerating communities in rural areas and maximising the potential of those who are economically excluded
4. **Innovation**
Exploiting the UK knowledge base in ways that meet the needs of rural communities
5. **Access**
Improving access to services

Enterprise

Supporting new business start-ups, helping existing companies to grow and fostering an enterprise culture are responsibilities for every RDA. Each uses numerous levers to pursue these policies. They fund programmes to encourage inward investment, exploit new trade opportunities and encourage enterprise in disadvantaged communities. They also oversee two business support services – Business Link and the Manufacturing Advisory Service – and ensure these meet the needs of the region by complementing other skills and employment schemes. Business Link provides tailored support to commercial businesses and social enterprises alike and acts as a single portal for advice and support, channelling enquiries through to the most appropriate specialist service. In the last three years, RDA support added over 17,000 new businesses to the economy.

● Example

The Rural Gateway service, funded by the East of England Development Agency, supports business start ups and going concerns in rural parts of the region. The idea follows the Rural Enterprise and Fisheries Gateways developed by the South West Regional Development Agency and the Rural Business Support Pathfinder in the East Midlands. It operates through Business Link, in partnership with the six agricultural colleges and the Agricultural Development in the Eastern Region project (ADER). A team of staff with in-depth rural knowledge can be accessed through a single hotline number. They can deal first hand with queries and come out to visit rural enterprises – however remote. All farm, land-based, or other rurally located businesses are eligible. The Gateway offers practical help to businesses needing to access funding, employ staff, or deal with issues such as strategic planning, regulatory compliance and sales and marketing.

Skills

RDAs help people learn new skills on which future regional prosperity depends. Each leads a Learning and Skills Partnership in its region. This partnership helps the various regional bodies working to improve skills and training, such as the Learning and Skills Council and Sector Skills Councils, work together in a strategic way towards the goals set out in the Regional Economic Strategy. It ensures that each skills provider fits neatly into a pan regional network of provision, avoids any duplication of effort and enables customers to be channelled towards the provider that best meets their needs rather than the provider that is closest. RDAs support vocational qualifications and encourage training in the workplace. In the last three years, their work has helped more than half a million people learn new skills.

● Example

In 2005, over eight hundred people gained additional qualifications through the South West Food and Drink Skills Network. The project has brought together land-based colleges, private sector training organisations and the industry to tackle skills deficits in the food and drink sector. Part funded by the South West of England Regional Development Agency, the Network, which runs to March 2008, helps people access sector-specific training courses and can help arrange bespoke training programmes for businesses. Since the project began in 2003, over one thousand businesses have benefited from an improvement in workforce skills.

● Example

To raise the skills levels of businesses across the south east, the Rural Business Advice and Training (RBAT) Network brings together training and advice providers across the region who offer services to support the growth and development of rural businesses. Funded by the South East England Development Agency, the network currently has over 50 training providers who collaborate to provide a simple and easily accessible single service to rural businesses.

Economic inclusion

Helping people into work, engaging disadvantaged communities and promoting equality and diversity all contribute to sustainable economic growth. Consequently, RDAs support programmes designed to bring growth to lagging rural areas or address pockets of disadvantage within otherwise prosperous rural communities. RDAs back support networks, training initiatives, and awareness campaigns to help groups or individuals in rural areas maximise their potential and play a productive role in the economy.

● Example

In Lincolnshire, the East Midlands Development Agency is funding a project in South Holland to help the high number of migrant labourers working in agriculture and horticulture to become better integrated into the local community. The scheme adds value to the local economy and prevents exploitation of a vulnerable group, such as occurred with Chinese cockle pickers in Morecambe Bay in 2004.

● Example

In Yorkshire and the Humber, the Renaissance Market Towns (RMT) programme is a pioneering 10-year plan to support sustainable rural towns. A flagship project for Yorkshire Forward, RMT is helping the region's "rural capitals" reassert themselves as service centres for their surrounding areas – to make them places where people want, and are able, to live, work, invest and visit. Through RMT, a sustainable town team is built in each town to create a vision for the next 25 years, based on good research, consultation and expert analysis. This vision then becomes a strategic development framework and delivery plan for the town and its hinterland, taking into account local views, needs and desires.



Innovation

Sustainable economic growth depends on a constant flow of fresh ideas and solid processes to turn them into viable commercial prospects. With rapid globalisation and competition from emerging markets, this is ever more important. RDAs encourage businesses to invest in research and development, sometimes by part-funding programmes themselves. They work with clusters of businesses in particular industrial sectors to promote knowledge sharing and joint working. RDAs work to bring universities and businesses closer together so that companies stay abreast of the latest techniques and academic institutions can find commercial applications for their research. RDAs have helped numerous science and technology companies spin out from universities. They have nurtured them through their formative years with cost effective premises and advice on marketing and business planning.

● Example

Covering large parts of Herefordshire, Shropshire and Worcestershire, Advantage West Midlands' Rural Regeneration Zone is a partnership led programme of targeted intervention in the rural west of the region. The Partnership Board is charged with developing long-term and sustainable solutions to promote economic prosperity within the Zone. Examples include a sub regional network of Managed Enterprise and Business Centres and a number of multi-use facilities that put accessible service delivery in the heart of the community.

● Example

Research funded by the London Development Agency (LDA), shows that London's street and farmers markets are a powerful economic force. They provide affordable healthy food and are broadly price competitive with supermarkets. Despite this, and although Londoners spend £11 billion each year on food, people on low incomes in the capital still lack access to nutritious food. Consequently, the LDA has funded a new body called London Food to devise a more co-ordinated food and farming strategy for the capital. This will support a food manufacturing sector that employs 31,000 people while simultaneously improving public health.

Access

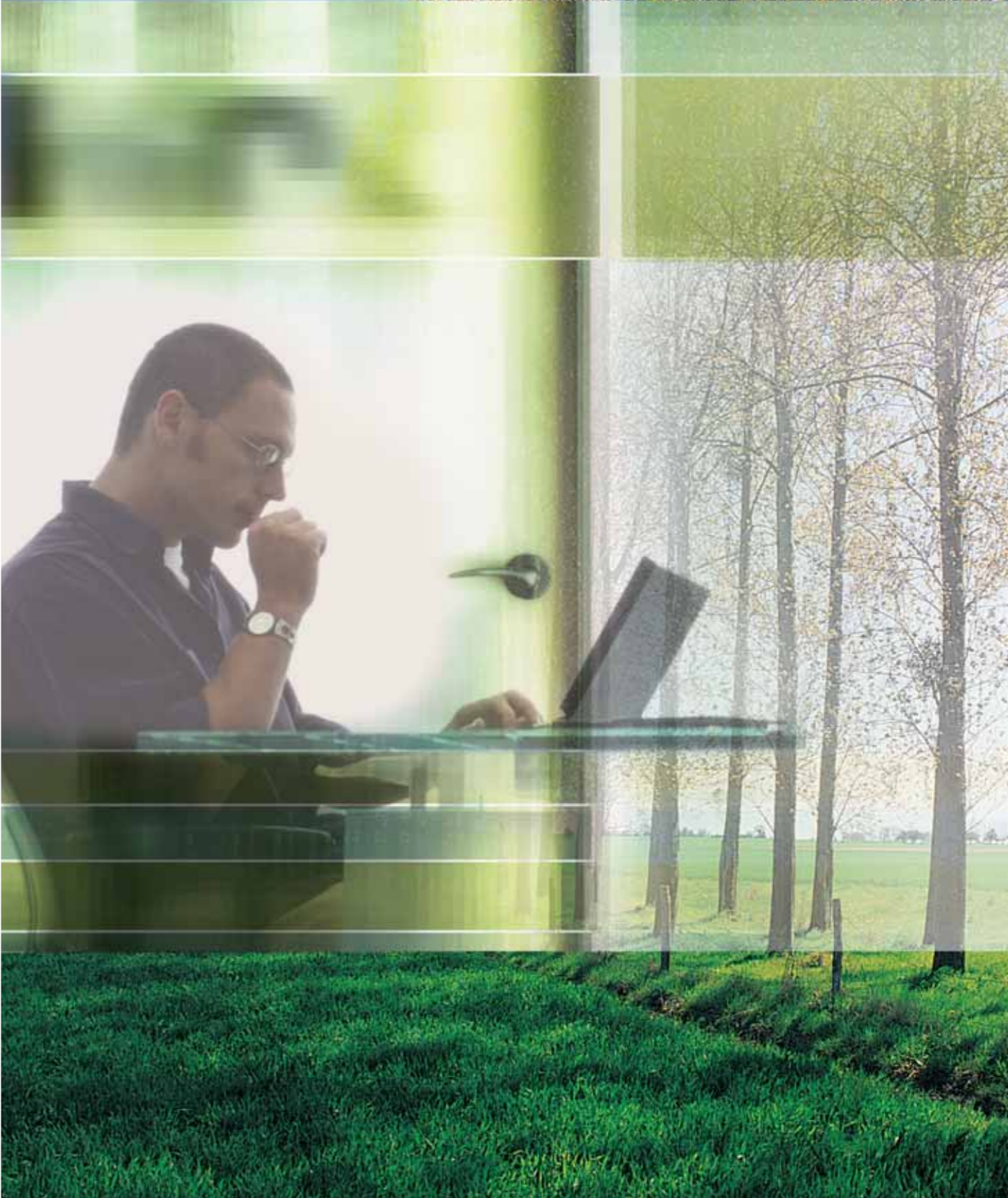
RDAs work to ensure rural businesses and communities don't miss out on opportunities due to their geographic location. Commercial success depends on businesses having access to markets and people having access to work. Cohesive communities depend on people being able to access facilities and services. In some cases, access problems can be solved by schemes to help people get to jobs and training or by programmes to develop jobs and training opportunities closer to those who need them. Sometimes, technological solutions provide the answer. For example, RDA support has helped to bring broadband to almost every part of the country, which has helped businesses buy and sell goods and services through the Internet. In turn, some people need support or training to access the opportunities the Internet provides. In all cases, RDAs act as strategic navigators to ensure the actions of delivery bodies add up to a coherent approach for the region as a whole.

● Example

Young people in isolated rural areas find it difficult to take advantage of certain opportunities that those in urban areas take for granted. So, in Copeland, West Cumbria, the Northwest Regional Development Agency has taken responsibility for funding 'Wheels 2 Work,' an innovative scheme to help people aged 16 to 20 access employment, education and training opportunities. Developed in partnership with Connexions Cumbria, the Countryside Agency and the Copeland Local Committee of Cumbria County Council, the scheme loans scooters to young people who need to travel up to 50 miles a day for work or training. Since February 2004, 48 people have taken advantage of the scheme.

● Example

Broadband internet access can make a real difference to economic and social opportunities for people in rural areas. For example, in the rural community of Eastgate in County Durham, broadband has led to the successful development of the UK's first renewable energy village at the home of the former Lafarge Eastgate cement works. Eastgate is just one of the communities targeted in a project to bring broadband to 150,000 households and businesses across the North East.





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