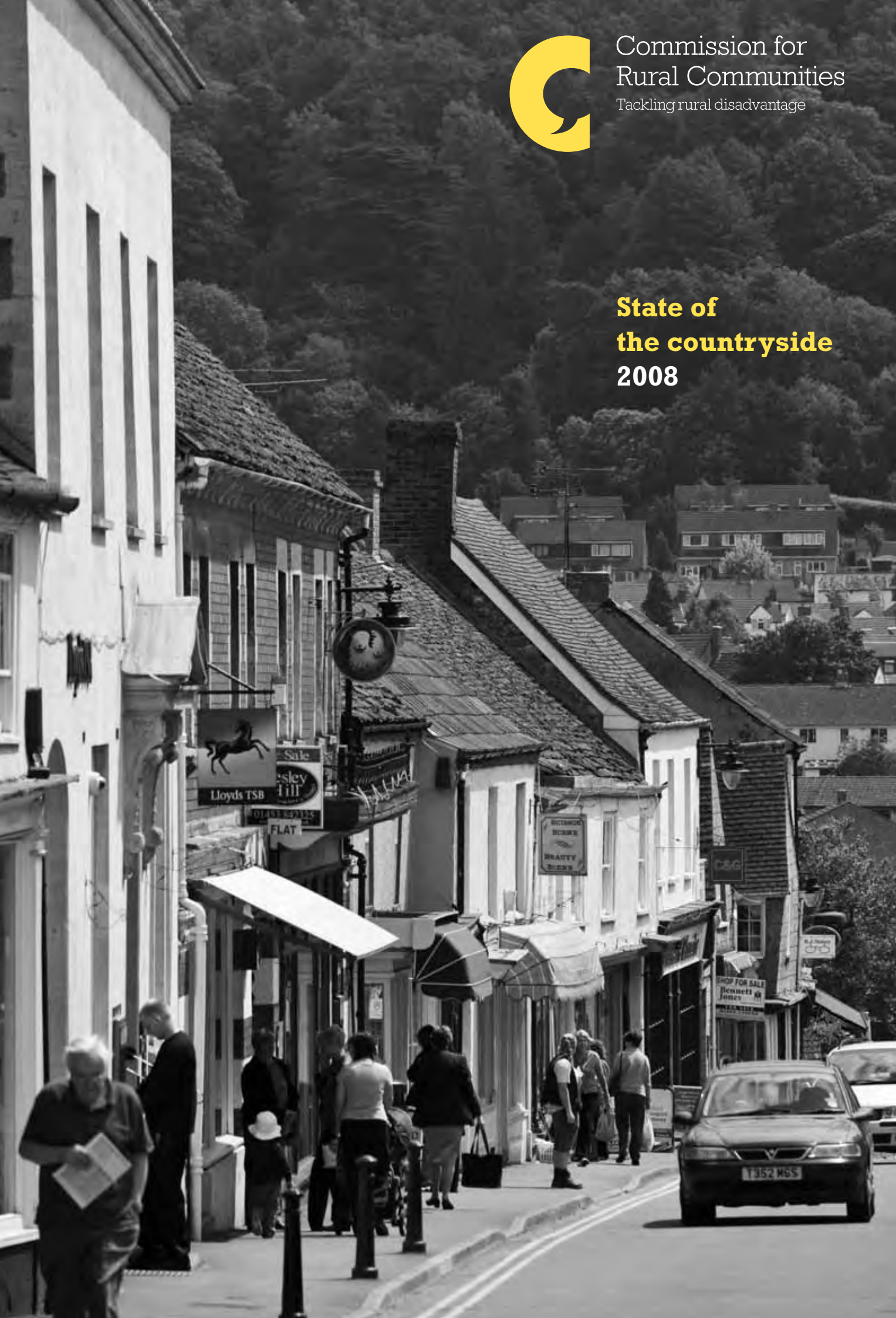




Commission for  
Rural Communities  
Tackling rural disadvantage

**State of  
the countryside  
2008**



## **Acknowledgements**

We would like to acknowledge the contributions of external partners to this work, both through the provision of data and wider evidence and also through the provision of general comments and support. In addition we would like to thank Land Use Consultants Ltd for their work on gathering evidence and in developing and delivering the content of Chapter 4 of this report. As always, all errors and omissions remain entirely our responsibility.

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Charlie Hedley, Gordon Stokes, Nick Turner  
2008

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# Foreword

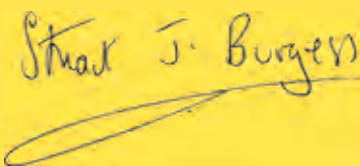
*A State of the countryside* report has been published every year since 1999, so this is the tenth in the series. We have taken the opportunity to look back over the past ten years to make a longer-term assessment of the ways rural England has changed over time, and the ways it has remained much the same.

Many of these changes and trends are brought out in the discussion chapter at the end of the report, but two key areas stand out for me – the emergence of new issues that will shape the future of rural England; and also the way that the key issues of concern have remained prominent throughout the decade.

Ten years ago, only a relatively small number of people would have predicted that climate change and food security issues would be altering the way we view rural England. Many had got used to an image of rural England as a place that provides a dormitory or a leisure facility for many who live in urban areas, where agricultural and other land-based activities should shift away from the production of food towards looking after the land. But recent events – such as foot and mouth disease and floods along with sharp rises in food, fuel and commodity prices – have changed this view radically. Evidence and discussion presented in this year's report show that we are starting to regard rural areas in a very different way.

Alongside this, the persistence of issues that affect and concern rural people stands out. Affordable housing and access to services have retained their place as the issues of most widespread concern amongst rural people, and the evidence presented in our reports has shown the continuing importance of these issues. Also, the notion that rural England as a whole is better off than urban England (on average) has continued to mask the significant levels of disadvantage that exist. The difference from urban areas is that its dispersal pattern is often very difficult to pinpoint in official data, and this translates into weaknesses in policy instruments for tackling disadvantage. An example of this is in the finding that while about 2.5% of small areas with the highest levels of deprivation are found in rural areas, by most measures of deprivation 15-18% of people suffering deprivation are found in rural areas.

I have great pleasure in welcoming you to this report and we look forward to exploring its implications with you.

A handwritten signature in blue ink that reads "Stuart J. Burgess". The signature is written in a cursive style and is underlined with a single horizontal stroke.

**Stuart Burgess**

Chairman of the Commission for Rural Communities



# ONE

# Introduction

## The *State of the countryside* report

This report aims to be a 'first port of call' for those seeking factual information on social, economic and environmental issues in rural areas. It also adds commentary on the information that we show and on the trends that are emerging.

The report is one of the ways in which the Commission for Rural Communities (CRC) seeks to deliver the 'watchdog' and 'advisor' roles set out in the Natural Environment and Rural Communities (NERC) Act (2006).

We hope that this report provides a valuable resource for policy makers and delivery bodies as well as those who live in, and care about, rural England.

## This year's report

The 2008 report is the tenth in the series and we are presenting, where possible, trend data to show how rural England has changed over a ten year period. However, this has only been possible in some cases, since data collection has changed so fast in recent years, so we have continued the tradition of showing what is of current interest today, even if we don't have data stretching back ten years.

## Section includes:

1	Introduction	5
---	--------------	---



As in the 2007 report, many indicators remain stable, and we have summarised what is already known rather than replicate previous analyses. We have included references to tables and figures used in the previous three years' reports at the end of each section so that readers can find information on those areas.

## The evidence

We seek to present as wide a range of evidence as possible on issues relating to rural England. This limits the level of detail at which we can analyse any one area of policy. The report does not aim to provide any policy position of the CRC. It does, however, comment on issues of concern, drawing on feedback we hear when presenting findings to a wider audience through the dissemination of our analysis throughout the year. The discussion chapter raises challenges that those governing rural England need to bear in mind. We present information so others can draw policy-related conclusions in the knowledge that information has not been selected to 'make a point'.

We look for information that can give a reliable and quantitative picture, that gives us insight into different conditions across rural England and how it is changing. As such, most of the evidence is from:

- nationally collected data;
- large scale national surveys; and
- selected information from research reports.

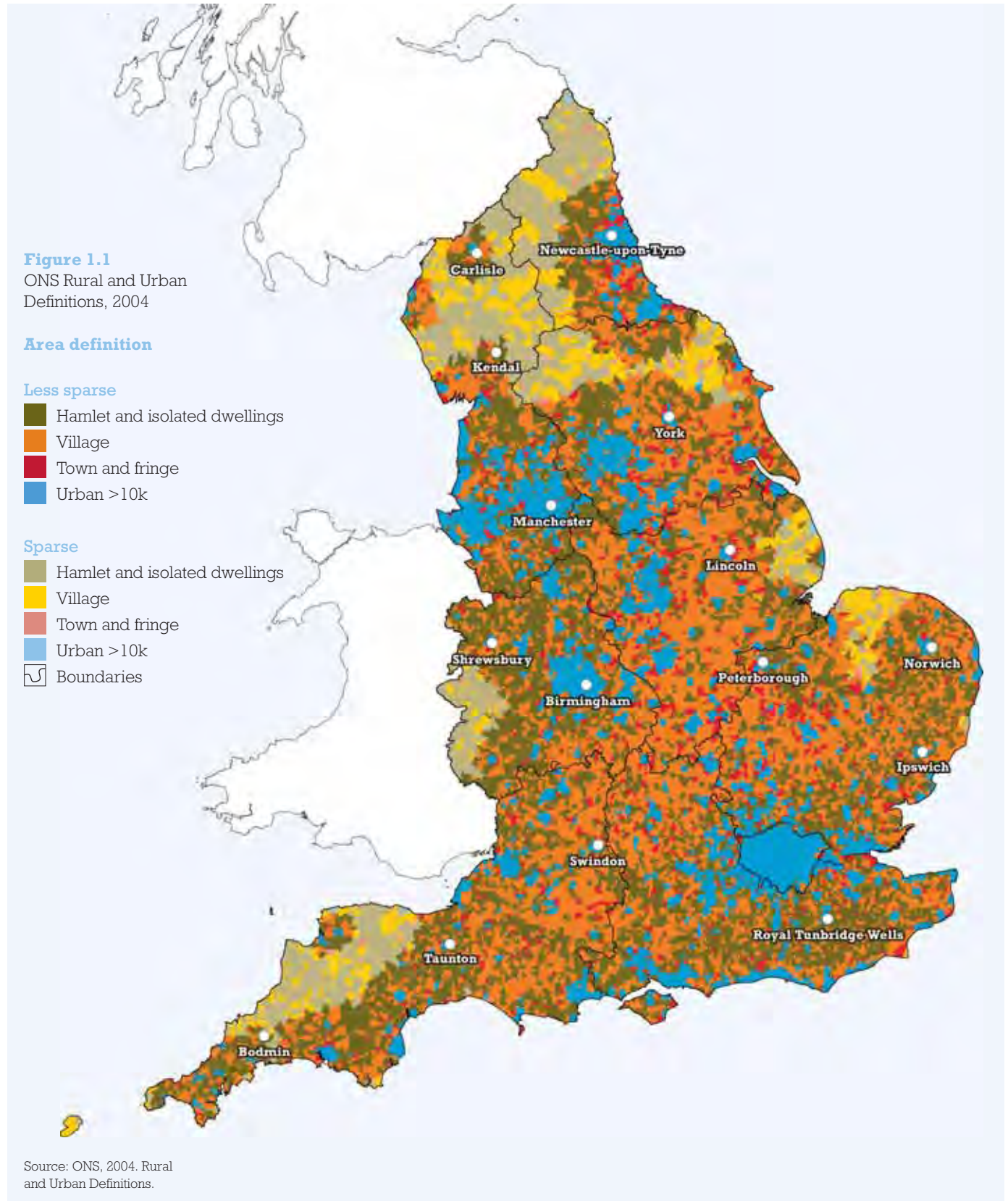
## Defining and classifying rural areas

There are many different ways of defining what is 'rural'. In this report we generally use two definitions that have been recognised by government – the Office of National Statistics' definition of small areas, and Defra's classification of Local Authorities.





i) The Office of National Statistics definition. This is the primary definition that we use.<sup>1</sup> It defines settlements of over 10,000 people as 'urban', and defines smaller 'rural' settlements into three categories: 'town and fringe', 'villages', or 'hamlets and isolated dwellings'. In addition, settlements are defined as to whether they are in 'sparse' or 'less sparse' areas. This definition can be used at most official levels of data collection from individual address and postcodes up to Ward and Super Output Area.



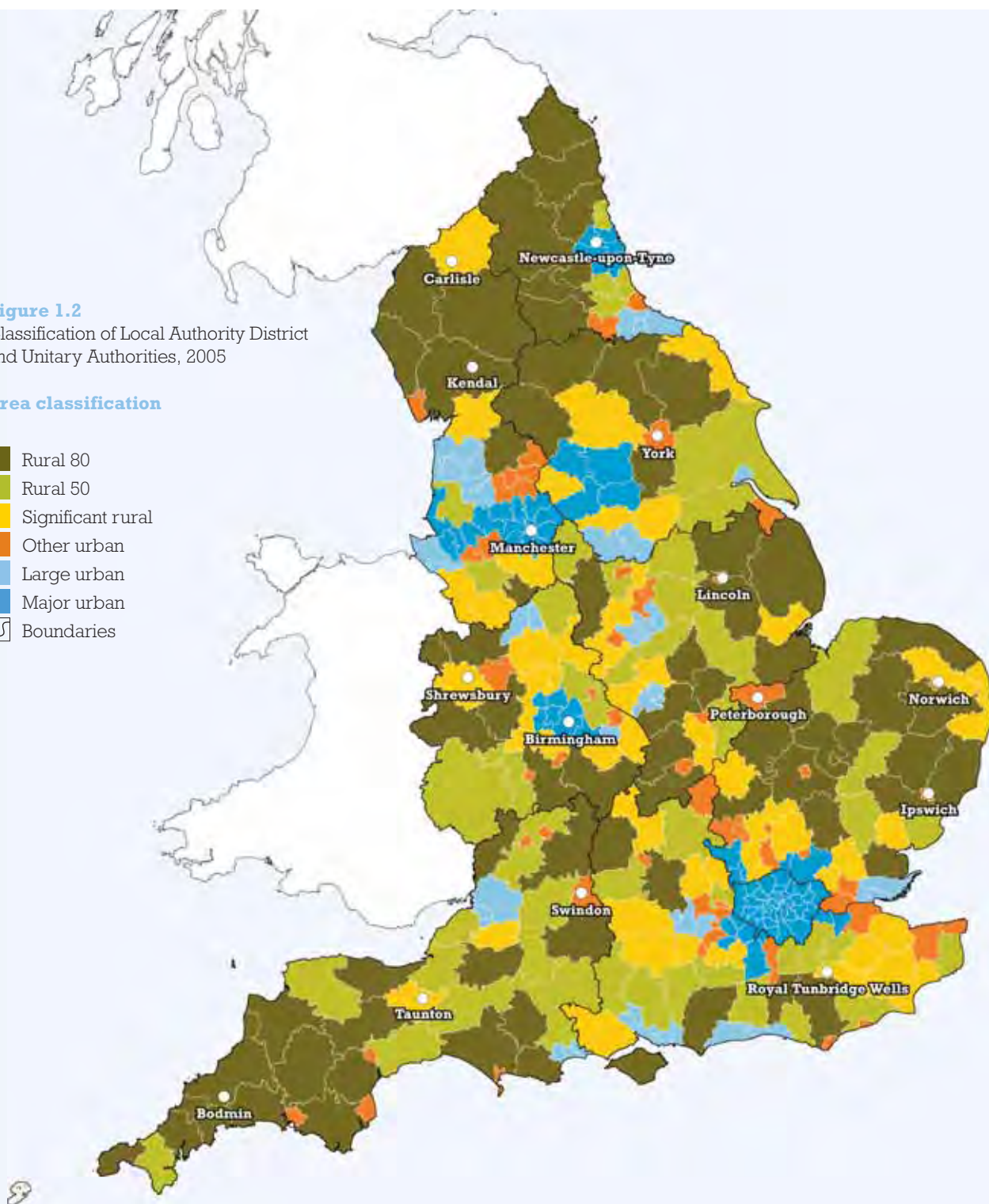
1 Office of National Statistics (2004) Urban and Rural Definitions.

Under this definition, people living in rural areas comprise 19.3% of the population, about half of whom live in small towns. Only 3.1% live in settlements smaller than villages and only 1.5% are defined as living in sparse areas. Figure 1.1 shows how the definitions are distributed around England.

**Figure 1.2**  
Classification of Local Authority District and Unitary Authorities, 2005

**Area classification**

- Rural 80
- Rural 50
- Significant rural
- Other urban
- Large urban
- Major urban
- Boundaries



Source: Defra, 2005. Classification of Local Authority District and Unitary Authorities.

ii) The Defra Local Authority classification.<sup>2</sup> Defra wished to categorise Local Authorities and developed a classification based primarily on the percentage of rural population within a District or Unitary Authority. This classification (Figure 1.2) creates six categories from 'Major urban' (the most urban), to 'Rural 80' (the most rural).

### Place names used in the report

Much of the text, especially related to the maps, describes differences between different areas of England. Those less familiar with the geography of England may find the following source useful for identifying areas mentioned:

<http://www.statistics.gov.uk/geography/default.asp>

### The structure of the report

This year's report retains the same structure as those for the last three years. Three chapters contain the bulk of information, dealing with:

- living in the countryside (social issues);
- economic wellbeing (economic issues); and
- land and environment (environmental issues).

Owing to the nature and breadth of each of these topics the chapters take somewhat different forms, with 'Living in the countryside' and 'Land and environment' reporting on a very wide range of topics, while 'Economic wellbeing' takes a more in-depth look at specific aspects of incomes, employment and businesses.

These chapters are followed by a discussion chapter that draws out issues which the data in this year's report show to be of particular interest. This year we use the opportunity of this, as the tenth report, to look back over the issues raised in ten years of *State of the countryside* reporting, and to look forward to what we can infer about the future of rural England.

Finally I would like you to note that this will be the last of the annual series of *State of the countryside* reports. From now on we intend to publish a major report less frequently, so there will be no report in 2009. We will use the Internet to make our data analysis more readily and speedily available. We will be concentrating our publishing efforts on more in-depth analyses of issues of importance in our *State of the countryside* bulletins.



<sup>2</sup> Defra (2005) Defra classification of Local Authority Districts and Unitary Authorities in England: an introductory guide.

**SWAINSON'S**  
**PENRITH**  
862455 or 862500

PX55 EBV

MAN

P.M.H.  
COACHBUILDERS  
01324 841702

# TWO

## Living in the countryside

### 2.1 Introduction

This chapter describes some of the social aspects of living in rural areas that relate to the quality of life experienced by rural people. In recent years the amount of data available on such issues has increased dramatically and we are now able to map much more information, allowing us to look at how rural areas differ from each other. The chapter focusses on a wide range of topic areas, and is split into the following sections.

**2.2 Population and migration** – how rural populations are changing in terms of numbers of people, their ages, where they live and migration.

**2.3 Access to services** – locations, availability and accessibility of essential and everyday services.

**2.4 Transport and travel** – how people living in rural areas travel, as well as traffic growth and road accidents in rural areas.

**2.5 Housing and homelessness** – the demand for, and the supply of rural housing, homelessness and second home ownership trends.

**2.6 Health** – how patterns of health and the provision of healthcare vary across England.

**2.7 Education** – how well rural pupils perform in public examinations, and the general educational qualifications level of rural residents.

**2.8 Community cohesion** – the extent to which rural communities are strong and cohesive.

**2.9 Disadvantage** – how different aspects of disadvantage are distributed across rural England, focusing on measures of deprivation, such as the Index of Multiple Deprivation and other measures.

As in previous *State of the countryside* reports, a pattern of clear benefits for most people living in rural areas emerges. Rural people generally appear to have better life chances and quality of life than those in urban areas, mainly as a result of higher average incomes. However, our analysis shows that this general picture often masks a significant level of rural disadvantage. After describing what the data shows (in Sections 2.2 to 2.9) we return to this issue of the differences between people who are well off and those who are not so well off in a short discussion section.

### Section includes:

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## 2.2 Population and migration

### The population of rural England

The last accurate count of population was the 2001 Census, and it showed that there were just over 9.5 million people in rural England, out of a total of just over 49 million. The latest estimates for 2005 are shown in Figure 2.2.1. Of the 9.6 million in rural areas 4.8 million (almost exactly one half) lived in rural towns, and one half in villages or hamlets and dispersed settlements. Sparse areas account for about 1.4% of the population of England<sup>1</sup>.

**Figure 2.2.1**

The population of England, mid 2005

		Area definition	Population	Proportion
<b>Less sparse</b>		Village, hamlet and isolated dwellings	4,412,430	8.7%
		Town and fringe	4,592,603	9.1%
		Urban >10K	40,738,188	80.7%
<b>Sparse</b>		Village, hamlet and isolated dwellings	372,322	0.7%
		Town and fringe	243,346	0.5%
		Urban >10K	106,736	0.2%
		Rural	9,620,701	19.1%
		Urban >10K	40,844,924	80.9%
		<b>England</b>	<b>50,465,625</b>	<b>100.0%</b>

Source: ONS, 2008. Resident Population Estimates, All Persons, Mid 2005.

Figure 2.2.2 shows that the population of rural area types has been growing faster in percentage terms than urban areas, with less sparse villages and hamlets growing fastest.

**Figure 2.2.2**

Rate of population increase, 2001-05

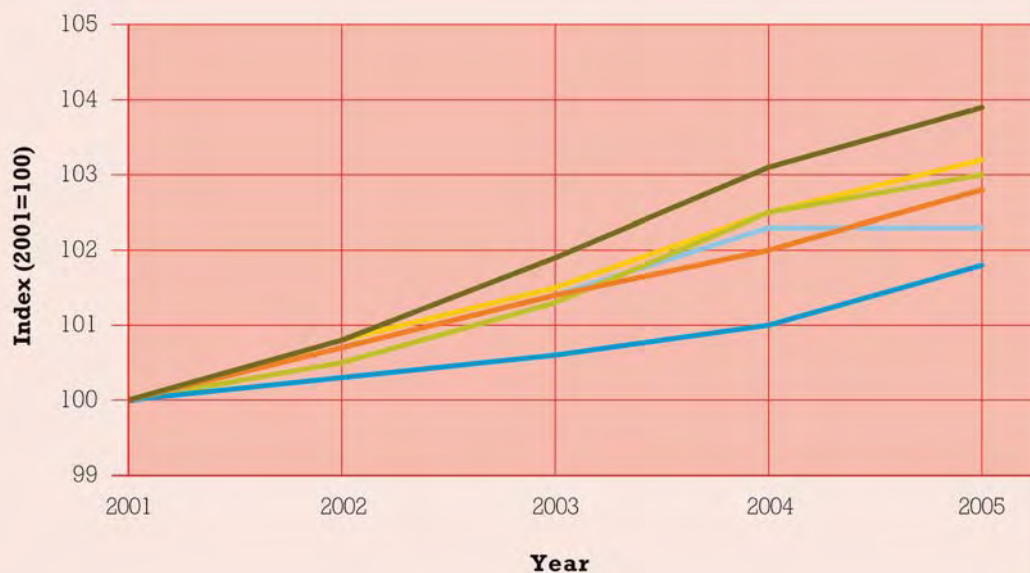
#### Area definition

##### Less sparse

- Village, hamlet and isolated dwellings
- Town and fringe
- Urban >10K

##### Sparse

- Village, hamlet and isolated dwellings
- Town and fringe
- Urban >10K

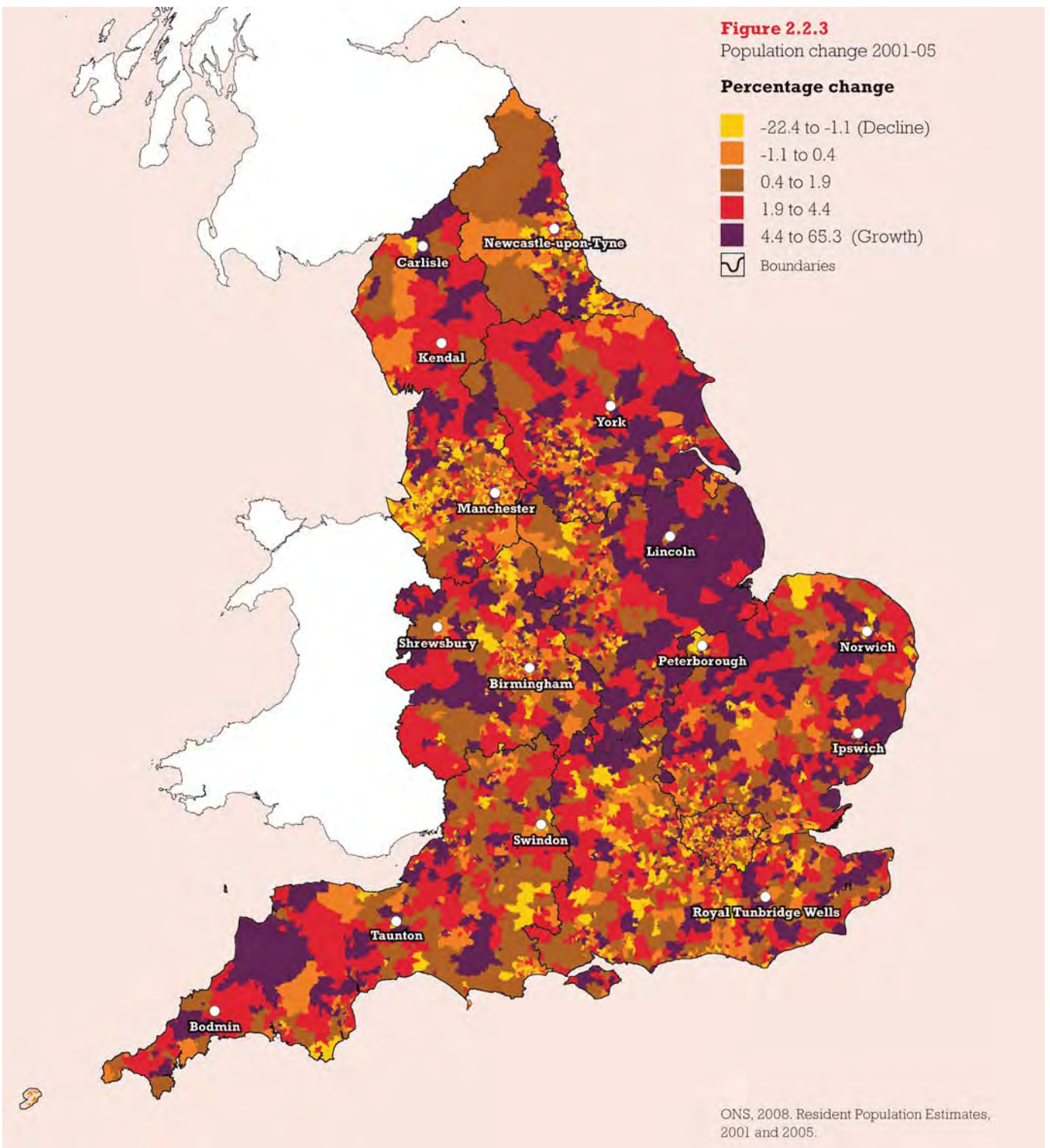
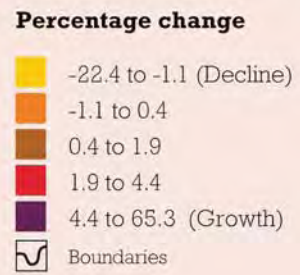


Source: ONS, 2008. Resident Population Estimates, All Persons, Mid 2001-05.

The geographical distribution of population increase since the Census has not been even, with some rural areas experiencing a decline in population and others quite large increases over a four year period (Figure 2.2.3). The pattern is quite variable, with larger areas of strong rural growth in Lincolnshire and North Cornwall, but population decline in areas such as Tynedale, Exmoor, and parts of North Norfolk.

<sup>1</sup> Figures for the 2001 Census are based on Census Output Area classifications for urban and rural. The mid-year estimates presented here are for Middle layer Super Output Areas (larger population units), so comparing one with the other will give different results.

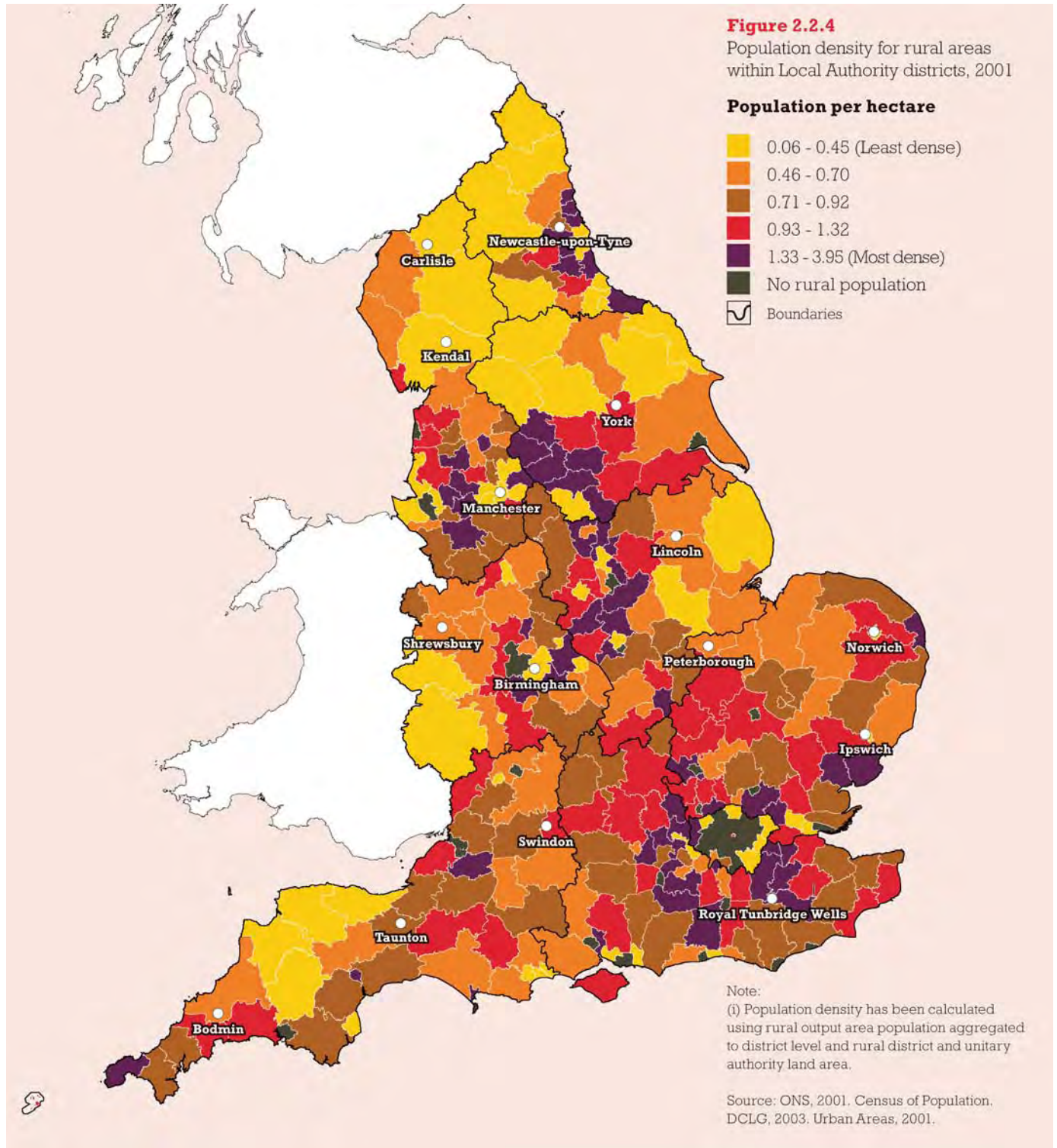
**Figure 2.2.3**  
Population change 2001-05



ONS, 2008. Resident Population Estimates, 2001 and 2005.

## Population densities and settlement types

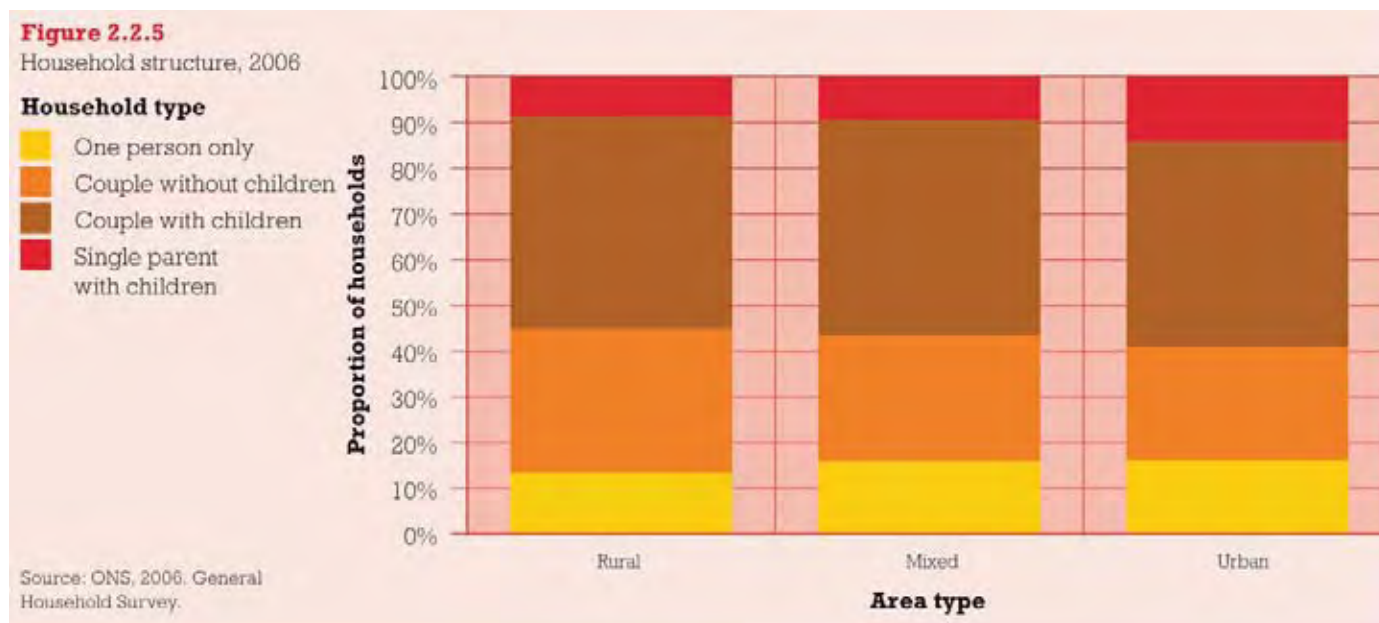
Population densities in rural areas differ quite markedly. Rural population density tends to be highest in the areas around major conurbations, as Figure 2.2.4 shows – this map shows the total rural population for each Local Authority area divided by its rural land area. Not surprisingly, moorland areas have the lowest densities, while heavily agricultural areas such as the Fens and Herefordshire tend to have low densities too.





## Household structure

Single person households are less common in rural districts, while couples without children are more common (Figure 2.2.5). 45% of people live in childless households in rural districts compared with 41% in urban districts. Single parent families are more common in urban areas accounting for 15%, but make up only 9% of rural households. Data from the General Household Survey also show that larger households (5 or more people) are more common in rural areas.



## Age distribution

Rural areas have a generally older age profile compared with urban areas. The median age for urban areas (at 38.5) is nearly 6 years lower than for rural areas (44.4). It is also lower in less sparse areas than in sparse areas (Figure 2.2.6).

**Figure 2.2.6**  
Population weighted mean median age, 2006

Area definition		Median age
<b>Less sparse</b>	Village, hamlet and isolated dwellings	45.0
	Town and fringe	43.4
	Urban >10K	38.5
<b>Sparse</b>	Village, hamlet and isolated dwellings	48.1
	Town and fringe	46.6
	Urban >10K	45.4
	Rural	44.4
	Urban >10K	38.5
<b>England</b>		<b>39.6</b>

Source: ONS, 2007. Unpublished median age figures.

Looking at the age profiles (Figure 2.2.7) shows that the less sparse urban profile does not show the 'dip' of low representation of 15 to 35 year olds that all other area types show, while the sparse urban areas dip occurs at a slightly later age. Rural areas also show higher proportions of people in the age groups over about 55, while sparse rural areas have the highest proportions who are aged over about 65. These patterns are probably explained by people going to urban areas to study and work, and by people moving to rural areas at later ages<sup>2</sup>.

<sup>2</sup> Joseph Rowntree Foundation (2000) Exclusive countryside? Social inclusion and regeneration in rural areas. Joseph Rowntree Foundation Ref 760, July 2000.



**Figure 2.2.7**

Proportion of population by area type, 2005

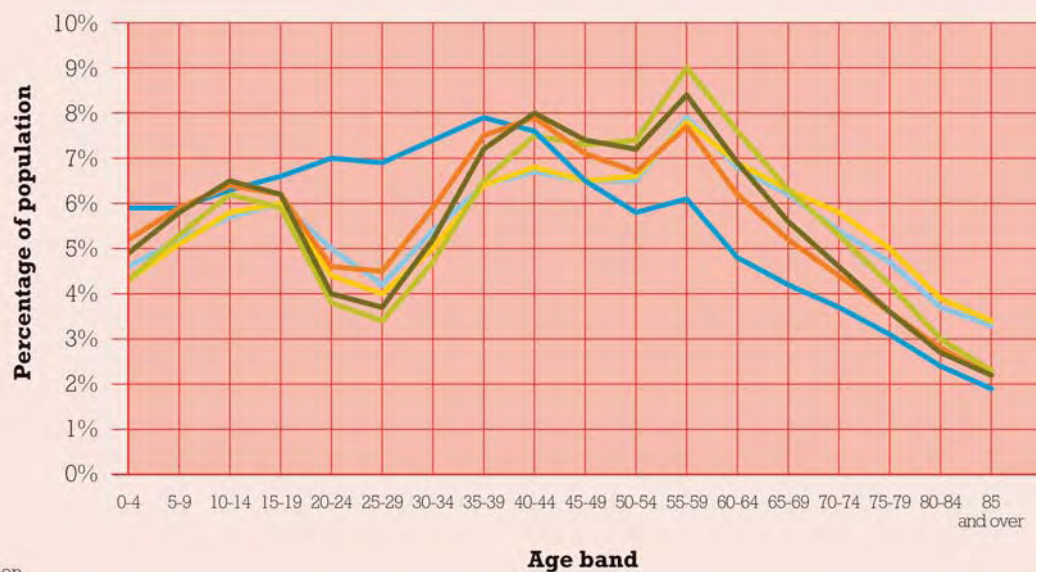
**Area definition**

**Less sparse**

- Village, hamlet and isolated dwellings
- Town and fringe
- Urban >10K

**Sparse**

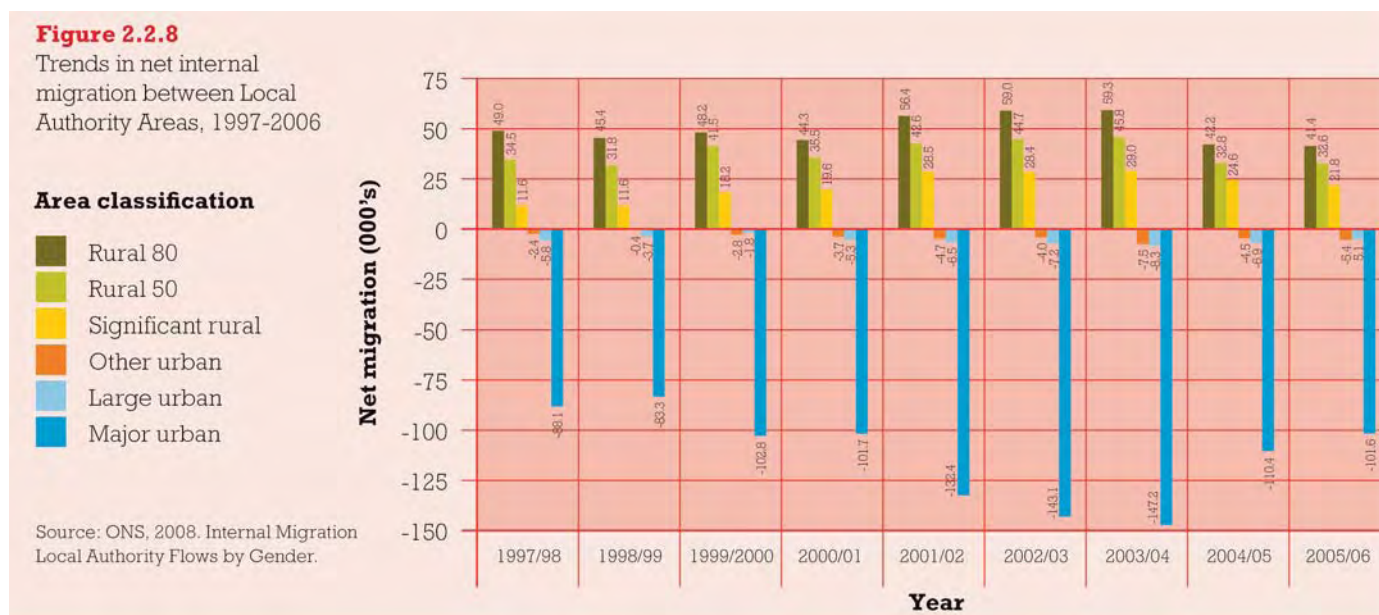
- Village, hamlet and isolated dwellings
- Town and fringe
- Urban >10K



Source: ONS, 2008. Resident Population Estimates, All Persons, Mid 2005.

## Internal migration

Much of the change in population is due to younger people leaving rural areas for study or to seek work, and to people moving to rural areas for a perceived better quality of life at ages over about 35 years, either for retirement or when their income allows a move to a wider choice of locations. The overall amount of net population change due to internal migration is shown in Figure 2.2.8, and clearly shows that the numbers leaving major urban areas is very large, while all the rural categories of Local Authority gain significant numbers of people. The net change for 'large' and 'other' urban areas is negative, but very small. Since the late 1990s there has been a large surge in internal migration which peaked in 2003/04 but has since fallen back to the levels of the late 1990s. It is likely that the vitality of the housing market will be a major factor in migration rates (although the evidence shown here cannot be used to suggest a causal link).



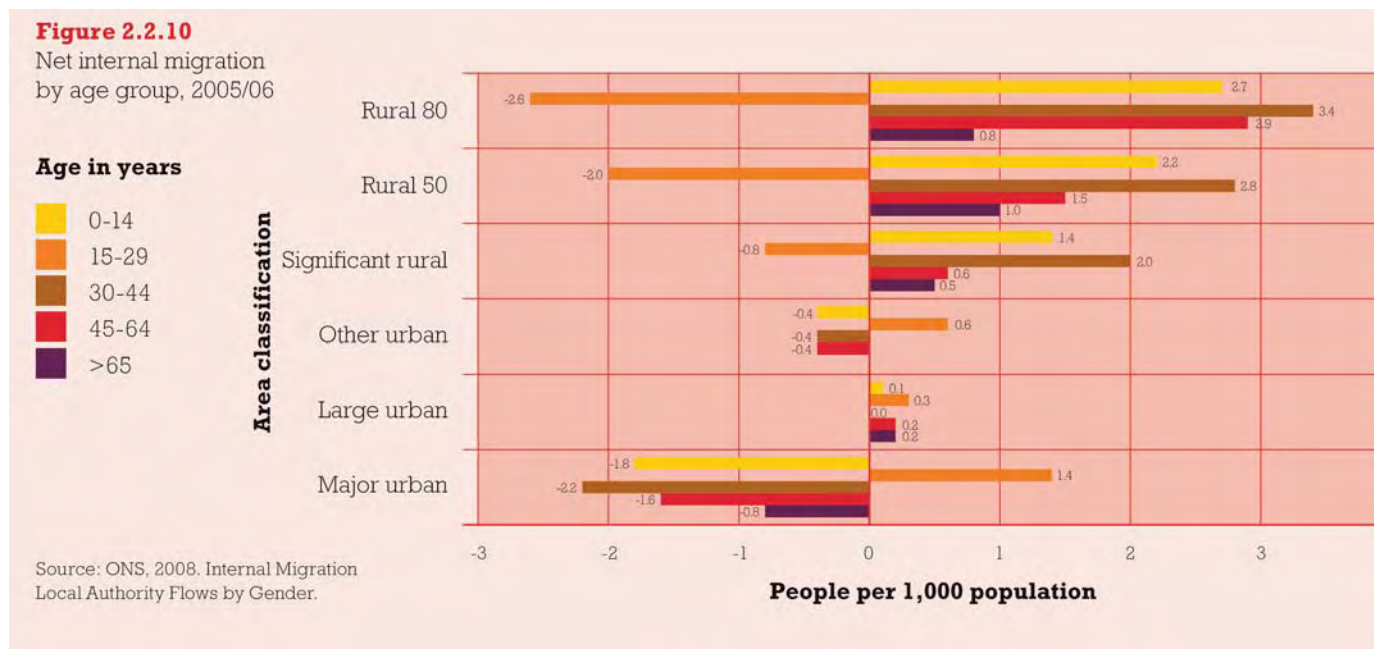
All of the 10 largest net migration flows between Local Authority districts (that involve a rural Local Authority) are outward from urban areas into neighbouring rural districts. In all these cases there are significant flows either way between the areas, with the 'outward' flow being roughly double the 'inward' flow.

**Figure 2.2.9**  
Largest net migration flows between Local Authorities (moves that involve a rural Local Authority area) 2005/06

Origin district	Area classification	Flow (from - to)	Destination district	Area classification	Reverse flow (to - from)	Net Flow (people)
1 Bristol	Large urban	2,540	North Somerset	Rural 50	1,020	1,520
2 Coventry	Large urban	1,810	Warwick	Significant rural	780	1,030
3 Nottingham	Large urban	2,040	Rushcliffe	Rural 50	1,050	990
4 Birmingham	Major urban	1,510	Bromsgrove	Significant rural	640	870
5 Brighton and Hove	Large urban	1,550	Lewes	Rural 50	730	820
6 Croydon	Major urban	1,320	Tandridge	Rural 50	510	810
7 Barnet	Major urban	1,150	Hertsmere	Significant rural	350	800
8 Leicester	Large urban	1,540	Charnwood	Significant rural	770	770
9 Cambridge	Other urban	2,250	South Cambridgeshire	Rural 80	1,510	740
10 Norwich	Other urban	2,200	Broadland	Significant rural	1,510	690

Source: ONS, 2007. Movements between LAs in England and Wales during the year ending June 2006.

The moves are made by people of different ages (Figure 2.2.10). There are very large gains of people aged 0-14, 30-44, and 45-64 in rural areas, and consequent losses from major urban areas. The picture is reversed for the 15-29 age group. For people over 65, migration to rural areas is also significant, but it is much lower than the middle aged groups, showing that retirement to rural areas is not the major factor in internal migration. Viewed alongside Figure 2.2.7 (age profiles) it can be seen that the different age profiles for different types of area are to a large extent explained by this internal migration which has been occurring for a number of years.



The areas with the highest net in-migration per head of population are found in the South West, coastal areas, areas about 60 km from London and areas somewhat closer to other major cities (Figure 2.2.11).

Most people who move, migrate over relatively short distances – Figure 2.2.9 showed that the largest net flows are between neighbouring authority areas. Of moves not including those where a house move is within the same Local Authority area, 43% are between local authorities whose centre points are less than 25 kilometres apart – 26% are where the centre points are more than 100 km apart.

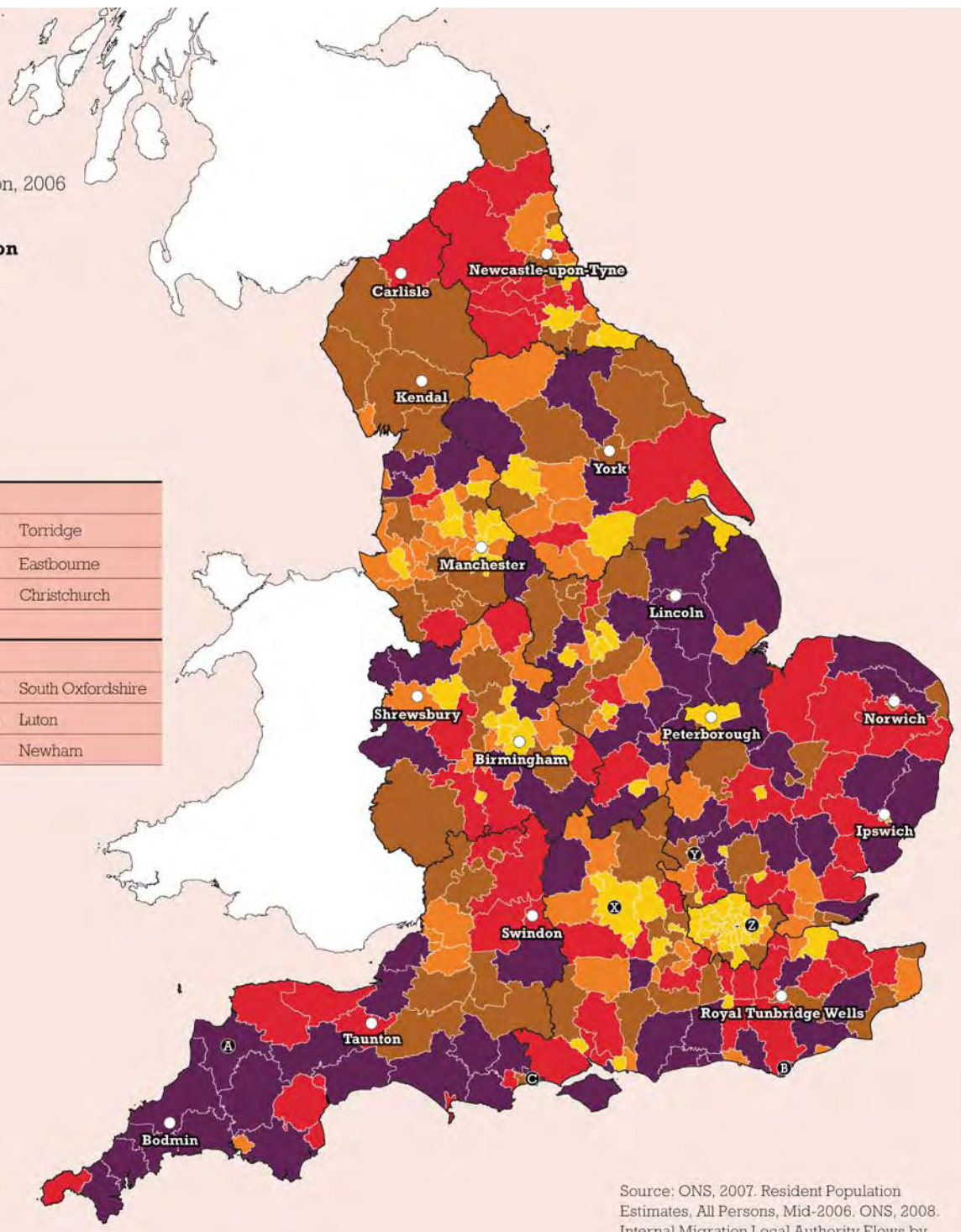
**Figure 2.2.11**

Net internal migration, 2006

**Percentage of resident population**



Highest		
<b>A</b>	Rural	1.57% Torridge
<b>B</b>	Mixed	1.29% Eastbourne
<b>C</b>	Urban	1.22% Christchurch
Lowest		
<b>X</b>	Rural	-0.42% South Oxfordshire
<b>Y</b>	Mixed	-1.96% Luton
<b>Z</b>	Urban	-3.84% Newham



Source: ONS, 2007. Resident Population Estimates, All Persons, Mid-2006. ONS, 2008. Internal Migration Local Authority Flows by Gender.

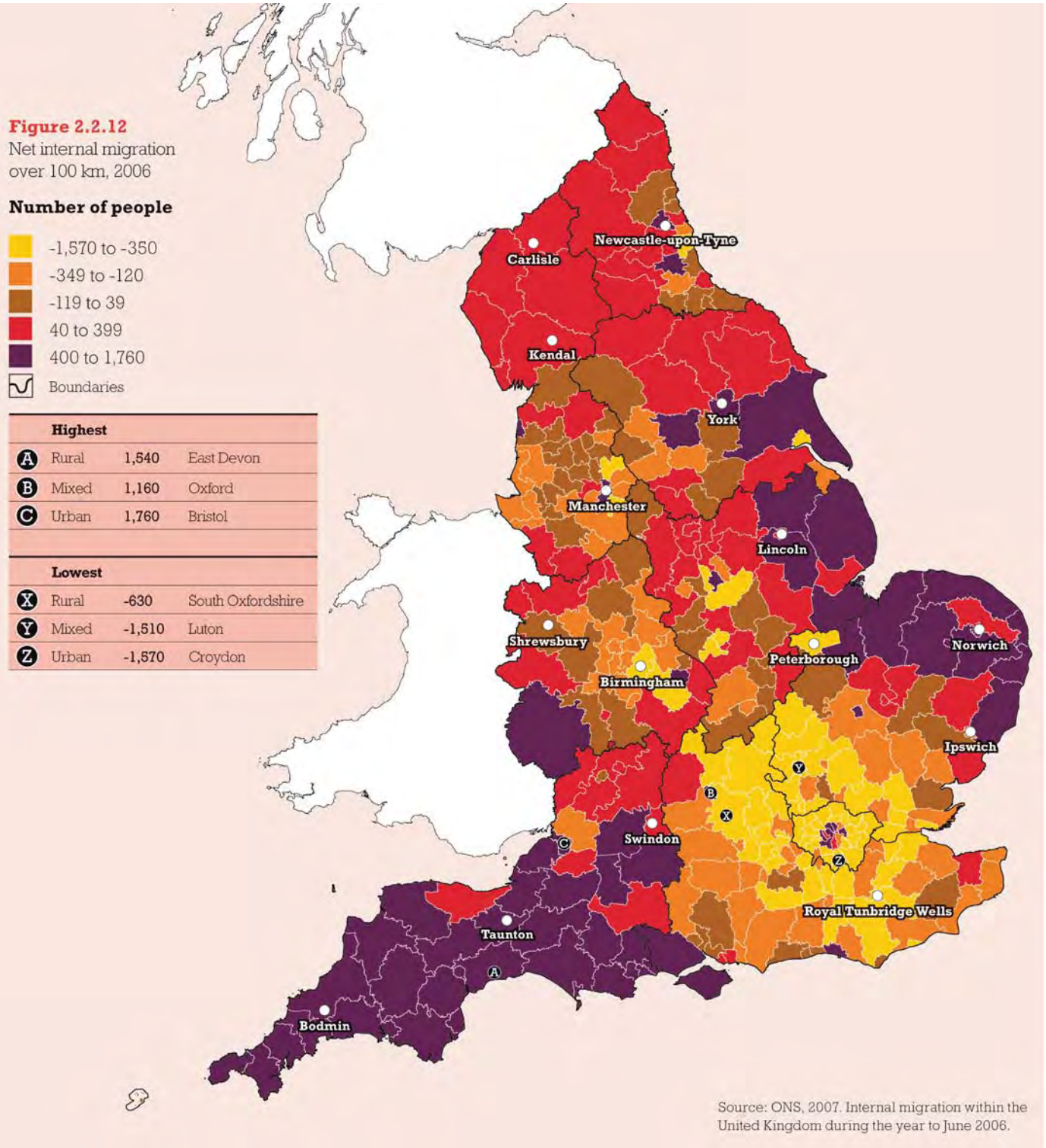
**Figure 2.2.12**

Net internal migration over 100 km, 2006

**Number of people**



Highest			
<b>A</b>	Rural	1,540	East Devon
<b>B</b>	Mixed	1,160	Oxford
<b>C</b>	Urban	1,760	Bristol
Lowest			
<b>X</b>	Rural	-630	South Oxfordshire
<b>Y</b>	Mixed	-1,510	Luton
<b>Z</b>	Urban	-1,570	Croydon

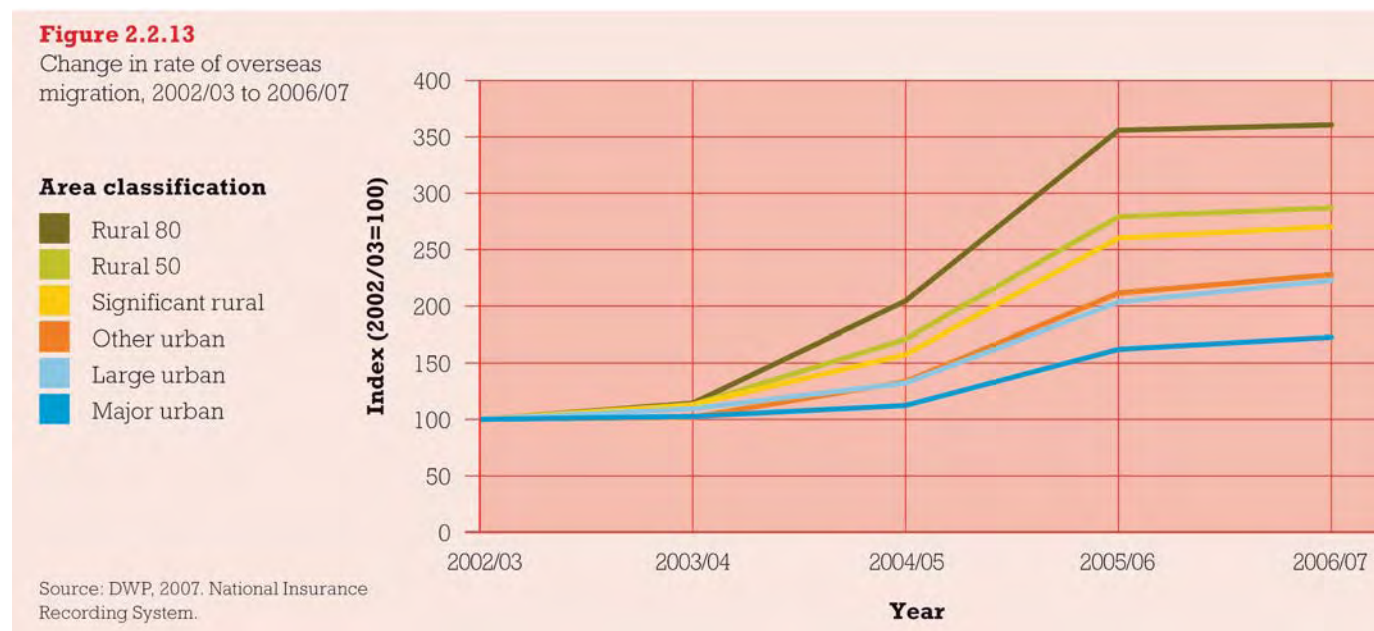


Source: ONS, 2007. Internal migration within the United Kingdom during the year to June 2006.

Figure 2.2.12 shows the net migration flows for moves of greater than 100 km distance. A strong pattern of moves out of conurbations and to more peripheral but relatively southern and coastal rural areas emerges. Of all moves over 100 km, 44% are between urban areas (mainly from major urban areas to smaller urban areas), 18% between rural authorities and 38% between urban and rural authorities. It is notable that some cities (Oxford, Cambridge, Brighton, Central London and others) do see a large net inflow of longer distance internal migrants.

## Migration from overseas

In recent years migration from overseas has risen in rural areas. The data we show here are based on registrations for National Insurance Numbers, and does not include all migration<sup>3</sup>. Between 2002/03 and 2006/07 the rate of increase was 186% in rural areas – 231% in the most rural Districts compared to 86% in urban areas (Figure 2.2.13). While the number of migrants in urban areas is still much higher with 500,000 registering in urban areas compared with 116,000 in rural areas in 2006/07, the proportional increase over the last few years has led to reported stresses on Local Authority resources for translation, housing and other services, because the infrastructure has not been in place.



In 2006/07 the country of origin for migrants was recorded in the National Insurance data and rates of inflow per 1,000 population from world regions with larger flows are shown in Figure 2.2.14. The rate of migration is highest for major urban areas, but that for all other area types is relatively similar now (compared with 2002/03). The bulk of migrants into rural areas are from the Accession 8 countries that joined the EU in 2004<sup>4</sup>,



<sup>3</sup> International migration figures at the local level are difficult to verify – work is underway, led by ONS, to improve the quality of data.

<sup>4</sup> Poland, Czech Republic, Hungary, Slovakia, Lithuania, Latvia, Estonia, and Republic of Slovenia

as well as Bulgaria and Romania that joined in 2006. The rates per thousand from these countries are fairly similar for each Local Authority type. This in itself shows that overseas migration into rural areas is now an established fact. The other regions of any significance for rural areas are from Australia and New Zealand, the 'EU15' countries<sup>5</sup>, the Indian sub-continent, and the Far East. The appearance of these latter two as significant shows that the perception of rural areas as ethnically homogeneous is no longer true – many rural areas are experiencing a more diverse mix.

**Figure 2.2.14**

Origin of overseas migrants,  
2006/07



Notes:

(i) Antipodes & South Africa – Australia, New Zealand & South Africa.

(ii) Indian Sub-Continent - India, Pakistan, Bangladesh, Nepal, Sri Lanka & Bhutan.

(iii) Far East - China, Philippines, Thailand, Malaysia, Japan, South Korea, Vietnam, Singapore, Indonesia, Taiwan, Hong Kong, Mongolia, North Korea, Cambodia, Laos and East Timor.

Source: DWP, 2007. National Insurance Recording System.

<sup>5</sup> Republic of Ireland, Sweden, Finland, Denmark, Netherlands, Belgium, Luxembourg, Germany, France, Austria, Spain, Portugal, Greece, Italy (and the UK [not included in these figures])



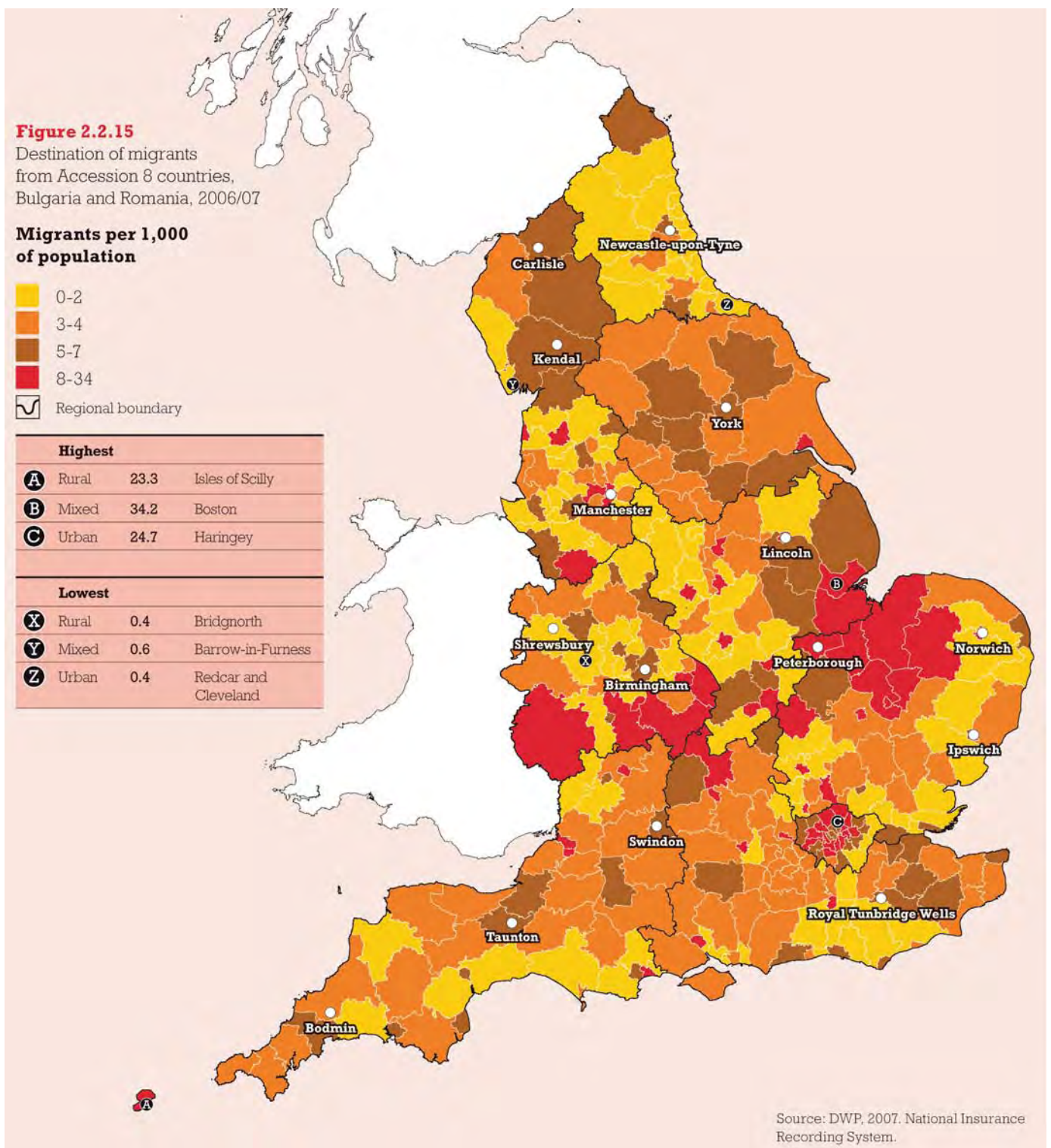
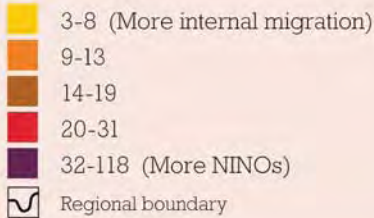


Figure 2.2.15 shows that the rate of immigration from the Accession 8 countries, Bulgaria and Romania is fastest (for rural areas) in a range of areas, but especially the area around the Wash and Herefordshire, along with other areas of the East and West Midlands.

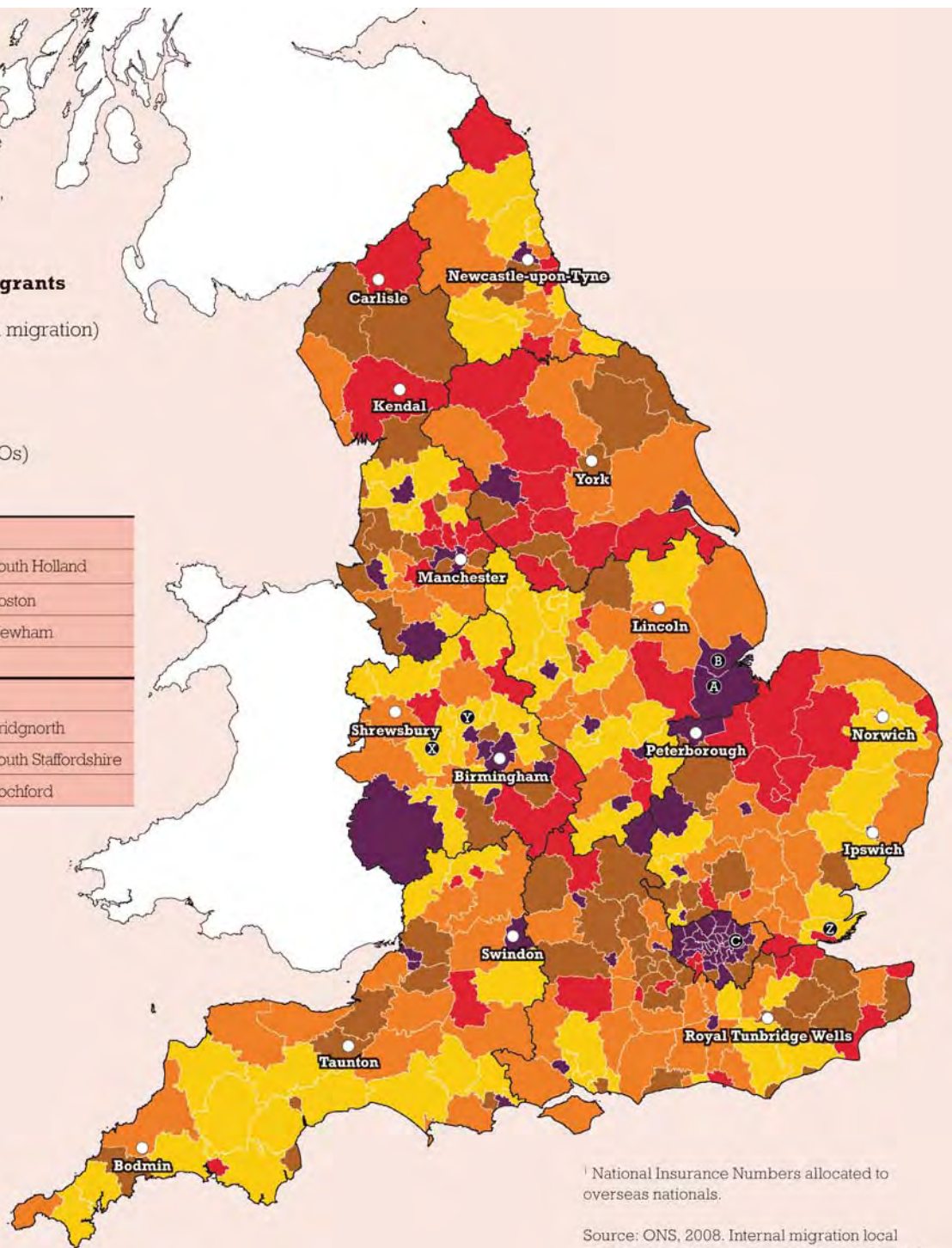
**Figure 2.2.16**

NINOs<sup>1</sup> as a percentage of internal migration to Local Authority Districts, 2005/06

**Ratio of NINOs to inflow of internal migrants**



Highest			
<b>A</b>	Rural	41.1	South Holland
<b>B</b>	Mixed	93.0	Boston
<b>C</b>	Urban	117.9	Newham
Lowest			
<b>X</b>	Rural	2.9	Bridgnorth
<b>Y</b>	Mixed	3.6	South Staffordshire
<b>Z</b>	Urban	3.3	Rochford



<sup>1</sup> National Insurance Numbers allocated to overseas nationals.

Source: ONS, 2008. Internal migration local authority flows by gender. DWP, 2007. National Insurance Recording System.

**Comparing internal and overseas migration**

The amount of internal migration exceeds the number of National Insurance registrations in all rural local authorities (Figure 2.2.16). But in some areas, notably Herefordshire and South Holland, the ratios are fairly close. The areas with a relatively high ratio are generally those with high numbers of overseas migrants, but in some areas the high level of internal migration masks the difference.

## Key summary points

- The population of rural England continues to rise at a faster rate than in the country as a whole. Most of this increase is due to internal migration by people moving out of cities rather than different birth and death rates.
- People continue to leave rural areas at around age 20. This leaves a relatively small proportion of people aged 20 to about 35, but correspondingly more people aged over 60 in the age profile.
- The median age for rural residents is nearly six years older than in urban areas (44.4 in rural and 38.5 in urban).
- Internal migration continues at a high level, although the rate has fallen in the last two years. The numbers moving to rural areas is greater than the number leaving those areas.
- Most households moving into rural England are families with young children and people aged from about 44 to 64, while most moving out are people aged 15 to 29.
- Most internal moves are over fairly short distances, and follow the pattern of people moving outwards from urban centres. Of moves not including those where a house move is within the same Local Authority area, 43% are between Local Authorities whose centre points are less than 25 kilometres apart – 26% are where the centre points are more than 100 km apart.
- Longer distance moves tend to be towards the South West and to areas such as Norfolk and Lincolnshire, from London and major cities.
- Migration from overseas has increased dramatically for rural areas over the last four years, but numbers are still below those for cities. The bulk of migrants are from countries that have recently joined the European Union, although there are now an increasing number of overseas migrants from the Indian sub-continent and the Far East in many rural areas.

See also (from recent *State of the countryside reports*)

### Population and its distribution

2007	Figure 1.1.1	Populations of rural and urban areas, 2001 census
2006	Figure 6, 7	Distribution of the rural population, 2001 regions
2005	Table 2.3	Population by gender
2005	Table 4.6	Populations of working age 2003
2005	Figure 2.6	Profile of rural settlements by region

### Population projections

2006	Figure 12	Population projections
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### Age Profile

2007	Figure 2.2.1	Median age 2001 and 2004
2007	Figure 2.2.2	Age Profile, 1985 and 2005
2007	Figure 2.2.3	Median age 2004 (map)
2005	Figure 2.1	Age profile diagram by year
2005	Figure 2.2	% of pop aged over 60 (map)
2005	Figure 2.3	Age profile of 0-18 yr olds

### Internal Migration

2007	Figure 2.2.4	Within UK migration: rural net migration by region 1997/98 to 2004/05
2007	Figure 2.2.5	Within UK migration top ten LAD/UAs migration per 10,000 people, 1997/98 to 2004/05
2006	Figure 11	Proportion of people resident in an area for 40 years or more
2006	Table 2	Main reasons why people moved to their current area

### Overseas migration

2007	Figure 3.3.5	% change in NINOs registrations in respect of non-UK nationals 2002-03 to 2005-06
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### Ethnicity

2005	Table 2.5	% of population by ethnic group
------	-----------	---------------------------------

## 2.3 Access to services

This section is about the geographical distribution of a set of key service outlets that people rely upon to support their everyday lives. We also look at access to the internet, as it is becoming a major means of accessing a variety of services for a significant proportion of people. We look firstly at the numbers of outlets before looking at the availability in terms of distance people need to travel to access these service outlets.

The basic numbers of service outlets in different types of area are shown in Figure 2.3.1. The bulk of service outlets are in urban areas, with most services having about 15% of outlets in rural areas. The percentage figures for petrol stations, post offices and primary schools remain higher in rural areas, reflecting the impact of market forces and government policies that have maintained numbers of essential services.



Some of the changes over a one year period (2007 to 2008) have been quite large (Figure 2.3.2). The number of job centres in rural areas has fallen by nearly 20%, and post offices in both urban and rural areas have fallen by over 5%. The availability of most service types has seen a decline, although supermarkets have seen increases in rural areas but not elsewhere. Our data show an increase in the number of pubs and restaurants while other non-geographic data sources show falls<sup>6</sup>.

### Distance to services

We measure 'availability' of services by the proportion of households which are within a set straight line distance of the nearest service outlet<sup>7</sup>. For nearly all service types, availability has fallen in rural areas since 2000 (Figure 2.3.3), but supermarkets and cashpoints have seen an increase. Market economics mainly drives the provision of these so numbers of outlets and availability have increased. But market forces have also seen a decline in banks and building societies and petrol stations. Availability of General Practitioners, primary and secondary schools has remained almost the same for rural areas. NHS Dentists, Post Offices and Job Centres have seen larger reductions.

<sup>6</sup> The British Beer and Pub Association report many rural pubs closing each week ([http://www.beerandpub.com/newsList\\_detail.aspx?newsId=235](http://www.beerandpub.com/newsList_detail.aspx?newsId=235)). This view conflicts with the data provided here. The difference is believed to be due to previously incomplete data and to definitions of what constitutes a 'pub' or what constitutes a closure rather than that more are opening up, in data shown here.

<sup>7</sup> We usually use 4 km but for some service outlets, depending on their distribution we use 2 km or 8 km to highlight differences.

**Figure 2.3.1**

Numbers of service outlets, 2008

Service	Less sparse				Sparse				Type of area not known	% that are in rural areas	Rural total	Total
	Hamlet and isolated dwellings	Village	Town and fringe	Urban >10K	Hamlet and isolated dwellings	Village	Town and fringe	Urban >10K				
Banks and Building Societies	27	29	1,175	9,948	2	20	226	65		13	1,479	11,492
Supermarkets	29	67	819	4,933	7	10	85	26		17	1,017	5,976
Petrol Stations	532	935	797	4,737	63	107	78	26	4	35	2,512	7,279
Principal GP surgeries	38	240	854	7,164	10	32	75	16		15	1,249	8,429
Dentists	45	102	729	7,093	4	6	86	28		12	972	8,093
Post Offices	347	2,131	1,468	5,772	116	323	84	21	1	44	4,469	10,263
Primary Schools	589	2,479	1,741	11,934	94	249	97	27		30	5,249	17,210
Secondary Schools	55	92	341	2,728	5	11	47	16	1	17	551	3,296
Job Centres	4	2	17	827	0	0	8	6	4	4	31	868
Pubs and Restaurants	2,129	5,207	3,318	22,842	226	498	263	117		34	11,641	34,600

Notes:

- (i) Figures presented here are for all outlets and may not represent unique service locations - for example where two different Banks and building societies exist in the same location.
- (ii) Cashpoint data is not used due to discrepancies in the available data.
- (iii) GP surgeries (all sites): surgeries with a permanently based member of staff.
- (iv) Primary schools: includes schools defined as 'Middle deemed primary'.
- (v) Secondary schools: includes schools defined as 'Middle deemed secondary'.

- (vi) Public houses: includes the categories 'Pubs, bars and inns' and 'Pub food restaurants' as self-defined by owners of individual establishments.
- (vii) Supermarkets: a grocery store over 3,000 sq ft.
- (viii) Service location data from: Retail Locations (Banks and building societies, and Supermarkets); Binleys (GP surgeries); DWP (Jobcentres); NHS Business Services Authority (NHS Dentists); Catalist (Petrol stations); Post Office Ltd (Post offices); Edubase (Primary and Secondary schools) and Point X (Pubs).

Source: Commission for Rural Communities, 2008. Rural Services Series. Analysis by Defra RSU.

**Figure 2.3.2**

Percentage change in the number of service outlets, 2007-08

- Rural
- Urban >10K
- England



Notes:

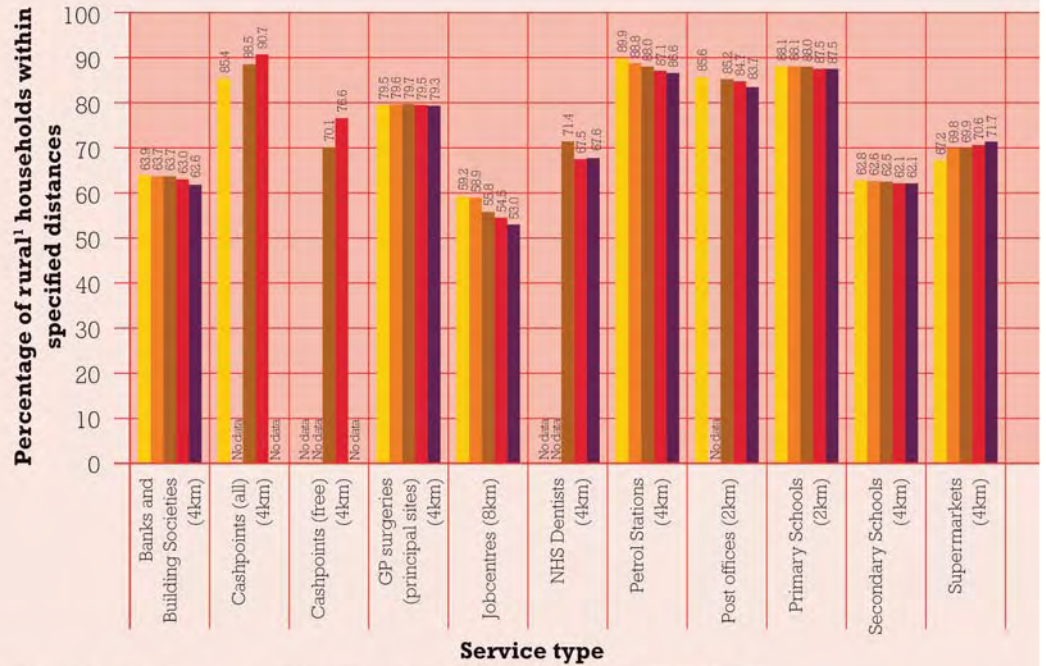
- (i) Some of the changes observed may be due to improvements in quality of the service location datasets rather than changes in service availability.
- (ii) GP surgeries (all sites): surgeries with a permanently based member of staff.
- (iii) Post offices: These figures include all post offices open on 15/02/2008.
- (iv) Primary schools: includes schools defined as 'Middle deemed Primary'.
- (v) Secondary schools: includes schools defined as 'Middle deemed Secondary'.

- (vi) Public houses: includes the categories 'Pubs, bars and inns' and 'Pub food restaurants' as self-defined by owners of individual establishments.
- (vii) Supermarkets: a grocery store over 3,000 sq ft.
- (viii) Cashpoint data is not used due to discrepancies in the available data
- (ix) Service location data from: Retail Locations (Banks and building societies, and Supermarkets); Binleys (GP surgeries); DWP (Jobcentres); NHS Business Services Authority (NHS Dentists); Catalist (Petrol stations); Post Office Ltd (Post offices); Edubase (Primary and Secondary schools) and Point X (Pubs).

Source: Commission for Rural Communities, 2008. Rural Services Series. Analysis by Defra RSU.

**Figure 2.3.3**

Availability of services,  
2000-08



<sup>1</sup> Rural households are those defined by the 2004 Rural and Urban definition as 'Hamlet and isolated dwellings', 'Village' and 'Town and fringe'.

Notes:

- (i) Some of the changes observed may be due to improvements in quality of the service location datasets rather than changes in service availability.
- (ii) NHS Dentists: the figures presented here are based on the distance to the nearest dental surgery offering some amount of NHS treatment. The data does not indicate whether or not practices are accepting new NHS patients.
- (iv) Post offices: These figures include all post offices open on 15/02/2008.
- (v) Primary schools: includes schools defined as 'Middle deemed primary'.

- (vi) Secondary schools: includes schools defined as 'Middle secondary'.
  - (vii) Public houses: includes the categories 'Pubs, bars and inns' and 'Pub food restaurants' as self-defined by owners of individual establishments.
  - (viii) Supermarkets: a grocery store over 3,000 sq ft.
  - (ix) Cashpoint data is not used due to discrepancies in the available data
  - (x) Service location data from: Retail Locations (Banks and building societies, and Supermarkets); Binleys (GP surgeries); DWP (Jobcentres); NHS Business Services Authority (NHS Dentists); Catalist (Petrol stations); Post Office Ltd (Post offices); Edubase (Primary and Secondary schools) and Point X (Pubs)
- Source: Commission for Rural Communities, 2008, Rural Service Series. Analysis by Defra RSU.

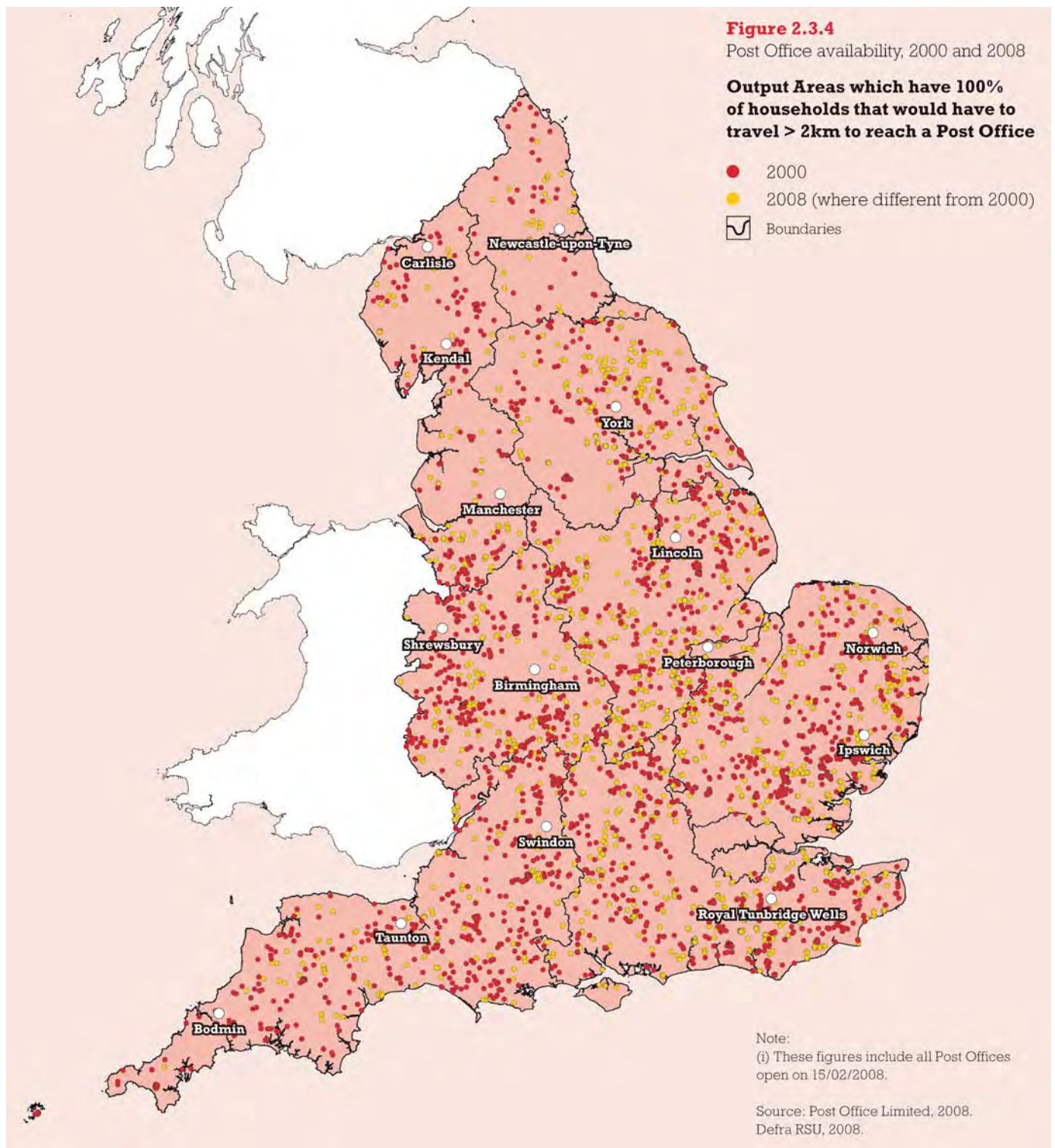


**Figure 2.3.4**

Post Office availability, 2000 and 2008

**Output Areas which have 100% of households that would have to travel > 2km to reach a Post Office**

- 2000
- 2008 (where different from 2000)
- Boundaries



Note:  
(i) These figures include all Post Offices open on 15/02/2008.

Source: Post Office Limited, 2008.  
Defra RSU, 2008.

Figure 2.3.4 shows the change in availability of Post Offices between 2000 and 2008 geographically. In 2000 the percentage of rural output areas where all residents were further than 2 km from a Post Office was 14.4% and by 2008 this had risen to 16.7%. The distribution is fairly even except in areas close to towns and cities although some areas such as parts of North Yorkshire and the Tyne valley show a greater decline than most other areas.

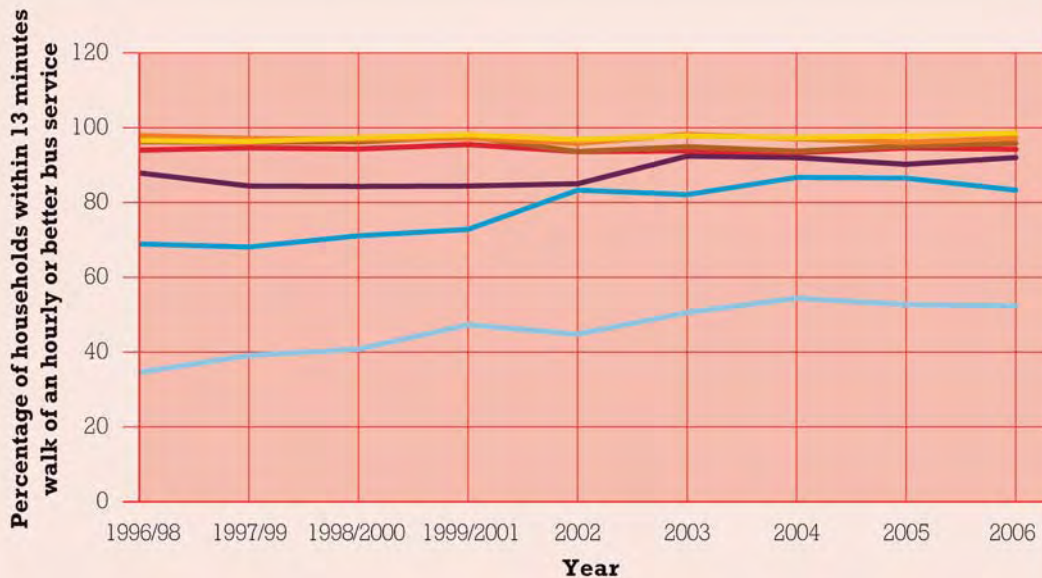
The proportion of people living in households whose nearest bus stop is within a 13 minute walk and has a service at least once an hour is used as an indicator for access to a good bus service. For rural areas the availability of a good bus service grew steadily between about 1997 and 2004. From 2004 the availability of a good bus service has appeared to stabilise (Figure 2.3.5).

**Figure 2.3.5**  
Access to bus services,  
1996/98-2006

**Settlement size**

- London
- Metropolitan
- >250,000 people
- 25,000 to 250,000 people
- 10,000 to 25,000 people
- 3,000 to 10,000 people
- Rural (<3,000 people)

Source: DfT, 2008. National Travel Survey.



**Internet access**

Many services can be accessed over the internet, but by no means all those who have internet access use it for accessing services. Internet access is higher in rural areas and has been around 70% of homes in village and hamlet areas since 2005 (Figure 2.3.6), while urban areas have seen more growth, but still to a lower level. The use of broadband has risen rapidly in all area types since 2005 but has gone from being much lower in rural areas (compared to urban) to being at a similar rate (though slightly lower in town and fringe areas). The proportion not using broadband is still somewhat higher in rural areas.

**Figure 2.3.6**  
Access to the internet at home,  
2005-07

**Access type**

- Broadband
- Other access types

Source: ONS, 2008. Omnibus Survey.





**Figure 2.3.7**

Characteristics of internet use, 2007

Area definition	Internet uses			
	Searching for information about goods or services	Internet banking	Information about education, training or education	Information from public authority websites
Village, hamlet and isolated dwellings	94%	52%	31%	53%
Town and fringe	84%	46%	30%	49%
Urban >10K	86%	45%	38%	45%

Note:

(i) Figures relate to those who have used the internet in the last 3 months.

Source: ONS, 2008. Omnibus Survey.

Rural people tend to use the internet more for looking for goods and services, but less for education and training (Figure 2.3.7). Some of this difference may reflect the older population of rural areas.

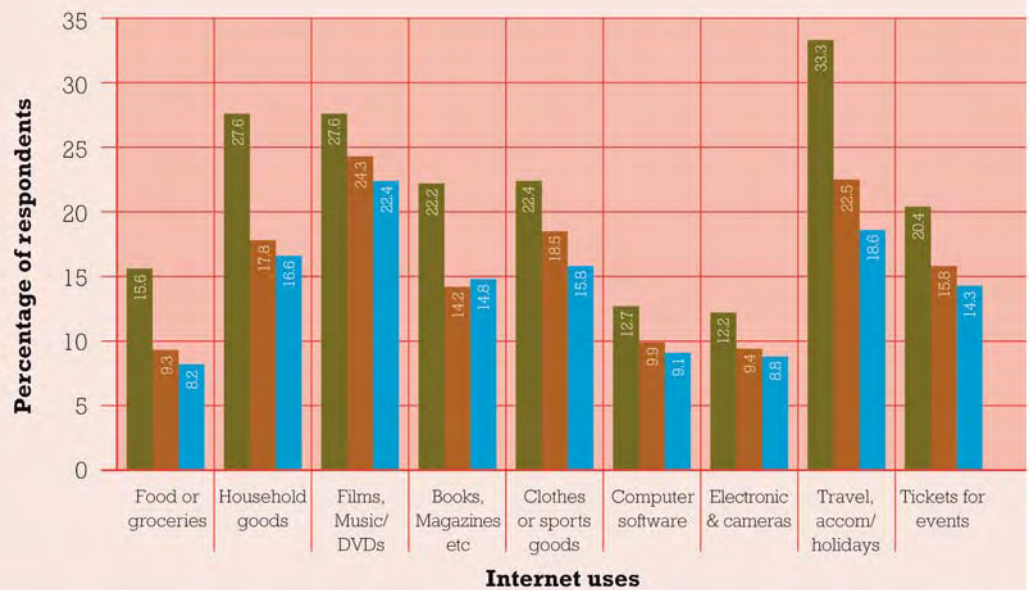
Rural people are more likely to use the internet for shopping (Figure 2.3.8). It seems logical to presume that much of this will be due to relative accessibility to shops, but there is no evidence to make such a causal link, except that the relatively higher figures for villages and hamlets against rural towns would bear this out. This relatively higher use is pronounced for food and groceries, household goods, and for travel and accommodation; much less so for music and DVDs, computer software, and electronic goods. This pattern would seem to point to both a higher proportion of older users in rural areas, and people using the internet to replace travel to essential services, but we cannot draw this definite conclusion from the data.

**Figure 2.3.8**

Percentage of people using internet to buy goods, 2007

**Area definition**

- Village, hamlet and isolated dwellings
- Town and fringe
- Urban >10K



Source: ONS, 2008. Omnibus Survey

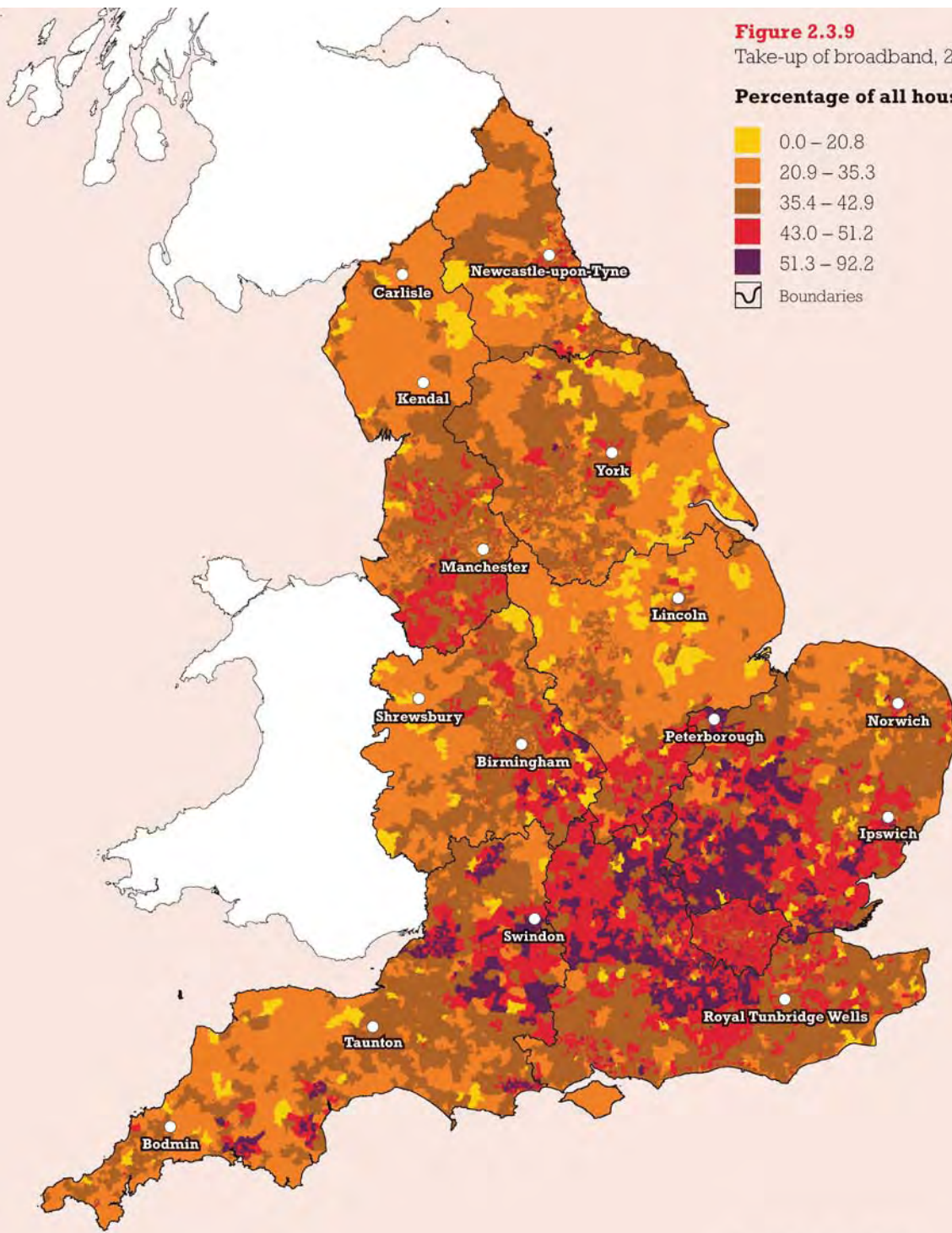
Take-up of broadband varies geographically. Broadband use is now broadly similar in rural and urban areas (on average). But Figure 2.3.9 shows that broadband use is higher in the more wealthy areas of central southern England with high levels of commuting, and lower in more remote areas, especially in the East Midlands, the South West, the North, and the Welsh Marches. It relates fairly closely to relative incomes in different areas.

While broadband access has increased in rural areas, there are still concerns over speed of access, which we reported in *State of the countryside 2007*.

**Figure 2.3.9**

Take-up of broadband, 2007

**Percentage of all households**



Source: Point Topic, 2007.



### Key summary points

- For most types of services the number of outlets continues to decline in both urban and rural areas. Because of the larger distances involved in rural areas the availability (in terms of the proportion of households within a set distance of a service outlet) falls lower and faster in rural areas (if there has been a decline in the overall number of outlets).
- Supermarkets continue to see an increase in the number of outlets, but unfortunately there is no equivalent data for smaller food shops.
- The level of access to an hourly or better bus services that had risen steadily between 1998 and 2004 has slowed and slightly reversed in the last two years for which we have data.
- Use of broadband is higher in those rural areas with high levels of commuting, and lowest in sparse rural areas. Rural internet users are more likely to use it for accessing services.

### See also (from recent *State of the countryside reports*)

#### Availability of services

2007	Figure 2.3.5	Areas lacking key financial services 2007 (map)
2007	Figure 2.3.6	Composite accessibility 2005
2007	Figure 2.3.7	Composite accessibility 2005 (map)

#### Internet access

2007	Figure 2.3.11	Proportion of internet access services assigned to households 2006
2007	Figure 2.3.12	Downstream DSL bandwidth availability 2006
2006	Figure 24	Broadband (DSL) availability (showing change 2004-5)
2006	Figure 25	Broadband availability (Cable and FWA)

#### Utilities

2006	Figure 27	Perceptions of the occurrence of power cuts
2006	Figure 28	Perceptions of the occurrence of water supply cuts
2006	Figure 29	Perceptions of the occurrence of telephone service interruptions

## 2.4 Transport and travel

The lower population densities and the distribution of service outlets are major determinants of rural travel behaviour. But there are aspects of behaviour that show a marked similarity to urban residents' travel:

- The number of trips per person per year, and the time spent travelling per person per year do not vary much, on average, and this has remained true for rural areas as much as urban.
- On average, people everywhere make around 1,000 trips per year (though people in London make fewer trips), and spend a little over an hour per day travelling (though people in London and people in rural areas spend somewhat more time).
- The main difference is in distance travelled and the modes used for travel. Rural people travel around 10,000 miles per year compared with around 7,000 for all English residents. Rural<sup>8</sup> people use cars significantly more and use public transport or walking correspondingly less. The difference is most striking for distance travelled (Figure 2.4.1), but the number of trips (Figure 2.4.2) highlights the differences in the use of transport modes other than the car.



While the distance travelled grew rapidly and car ownership was increasing markedly in the 1960s to 1980s (See DfT (2007) Transport Statistics Great Britain), the last ten years have seen no large increase in the distance travelled by rural residents for different modes of travel (Figure 2.4.3)<sup>9</sup>.

Car ownership is higher in rural areas<sup>10</sup>, which may be due to a combination of higher average incomes and a greater need for car ownership (due to the distance to services and to the lack of alternative transport). In 2005/06, 87% of residents in settlement with less than 3,000 people owned a car compared with 70% nationally – the figures for owning 2 or more cars were 54% and 32% respectively. Car ownership for the lowest income groups is much higher in rural areas than in urban areas. In rural areas car ownership has risen for those on lower incomes, with two car ownership rising especially fast (Figure 2.4.4).

<sup>8</sup> This section uses the National Travel Survey classification of area type. "Rural" is settlements category of under 3,000 people (which roughly equates to ONS villages and hamlets), while the 3,000 to 10,000 population roughly equates to ONS rural towns.

<sup>9</sup> The National Travel Survey changed from aggregating three years' data to an enlarged sample enabling analysis for a single year in 2002.

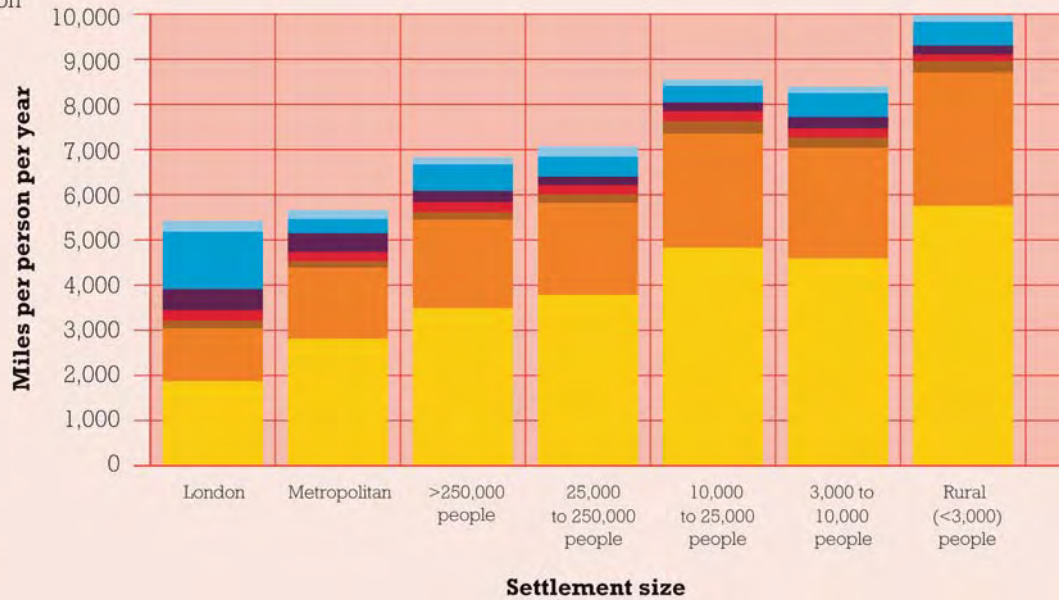
<sup>10</sup> Department for Transport (2007) Travel in urban and rural areas – Personal travel factsheet, July 2007.

**Figure 2.4.1**

Distance travelled per person per year by main mode of transport, 2006

**Main mode**

- Car/van driver
- Car/van passenger
- Other private
- Walk
- Local bus
- Rail/LU
- Other public



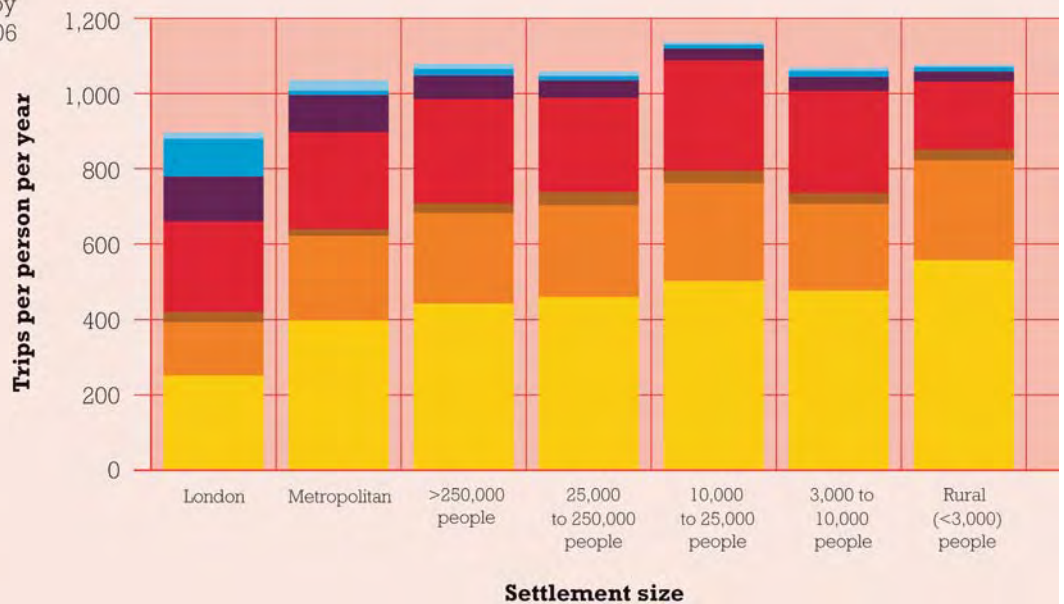
Source: DfT, 2008. National Travel Survey.

**Figure 2.4.2**

Trips per person per year by main mode of transport, 2006

**Main mode**

- Car/van driver
- Car/van passenger
- Other private
- Walk
- Local bus
- Rail/LU
- Other public



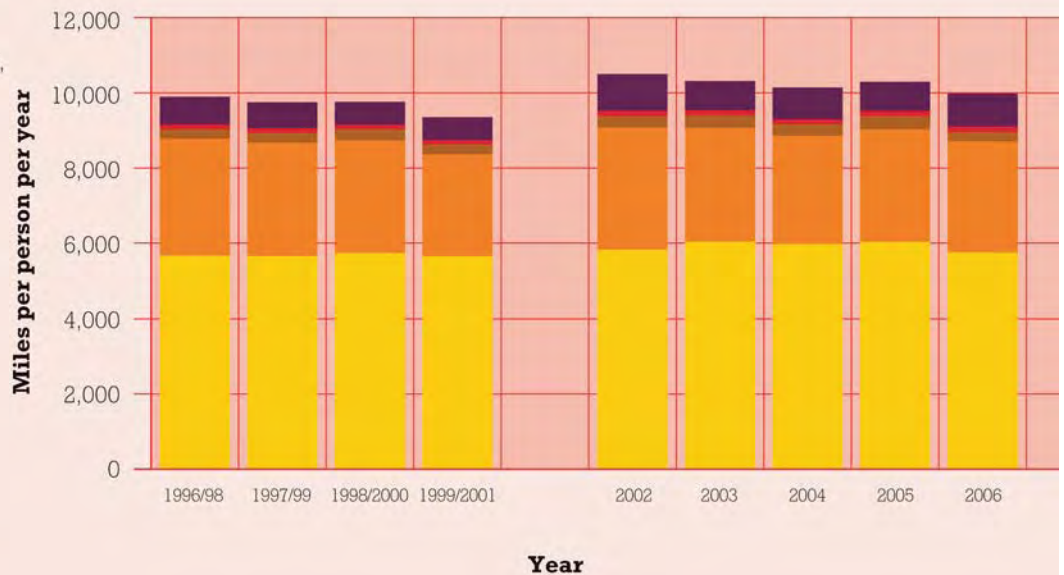
Source: DfT, 2008. National Travel Survey.

**Figure 2.4.3**

Distance per person per year by main mode of transport for rural residents, 1996/98 to 2006

**Main mode**

- Car/van driver
- Car/van passenger
- Other private
- Walk
- Public transport

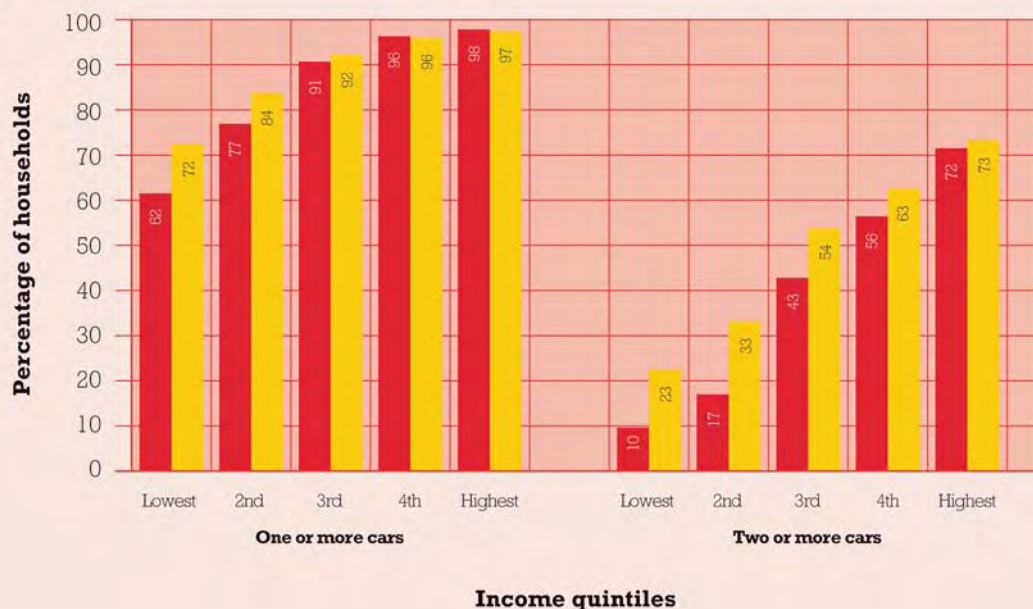


Source: DfT, 2008. National Travel Survey.

**Figure 2.4.4**

Car ownership by household income in settlements of under 3,000 people, 1995/97 and 2006

■ 1995/97  
■ 2006



Source: DfT, 2008. National Travel Survey.

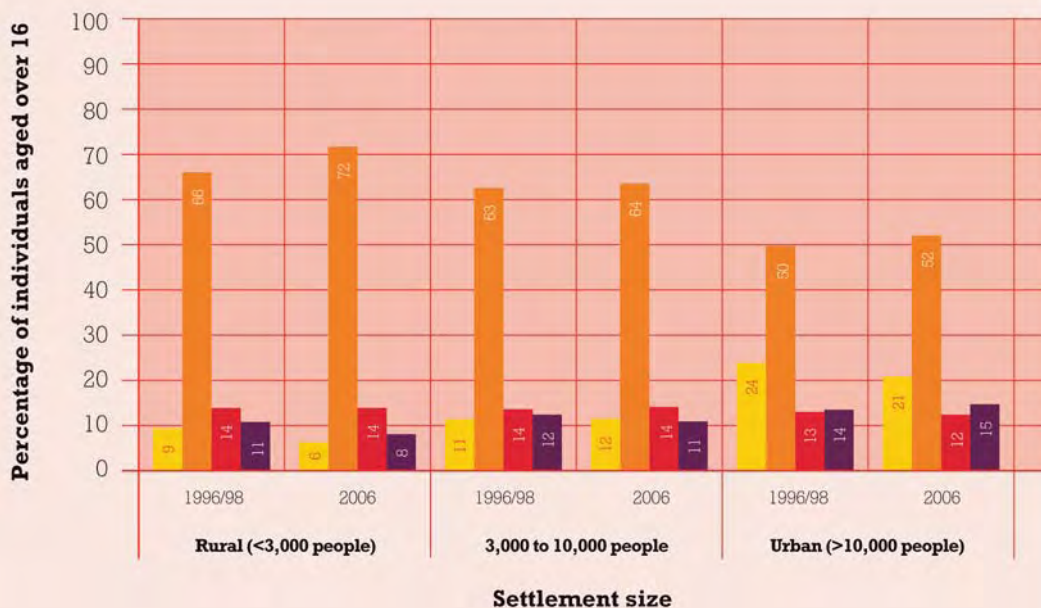
Having a car in a household does not mean that every household member has access to it. In settlements of less than 3,000 people, 28% aged over 16<sup>11</sup> are not the main driver of a household car (Figure 2.4.5) For rural towns (population 3,000 to 10,000) the figure is 37%. These figures have fallen somewhat in the last ten years. The proportion living in a household without a car has fallen in small settlements but not in rural towns.

**Figure 2.4.5**

Access to a household car, 1996/98 and 2006

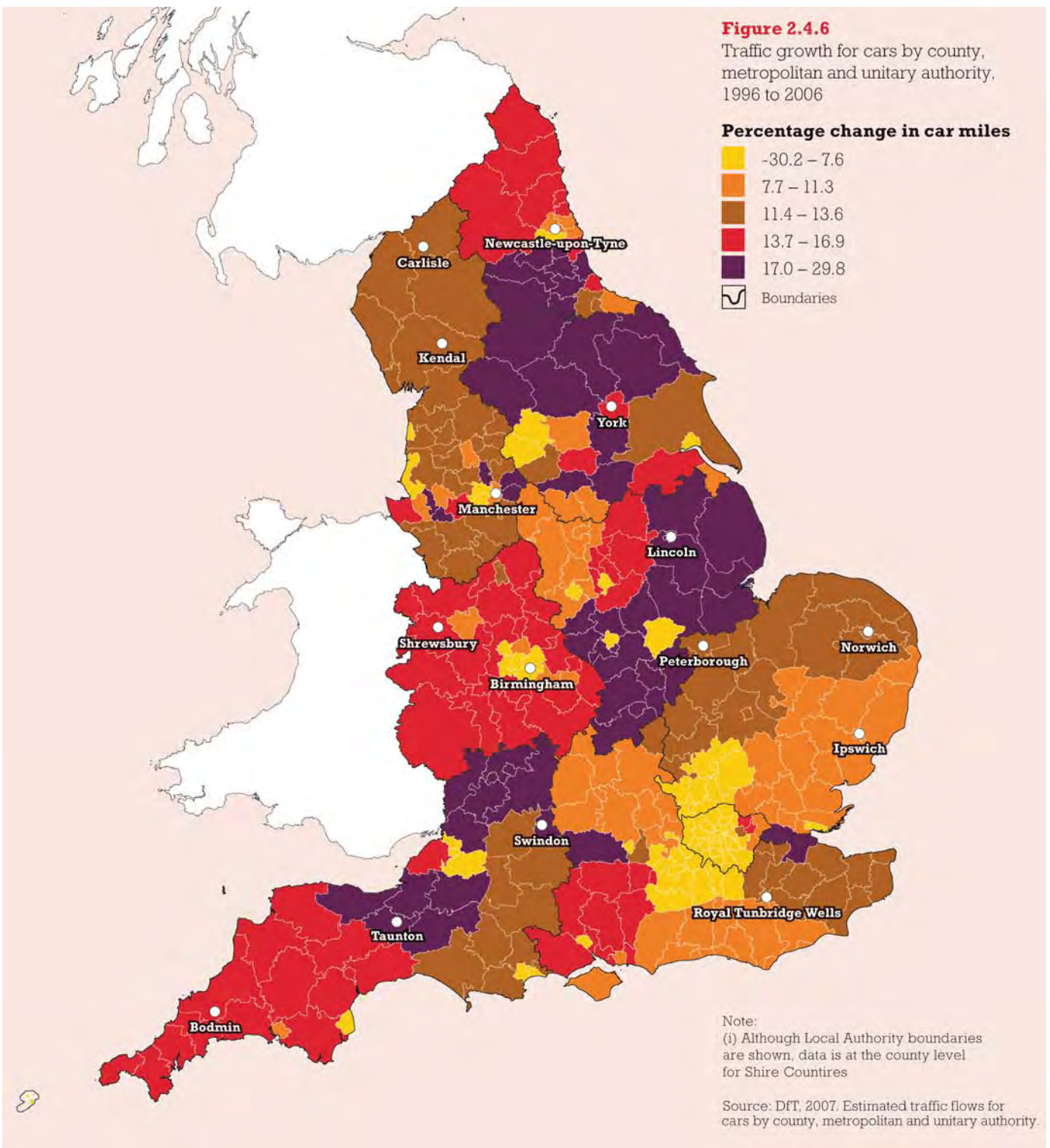
**Level of access**

■ No car in household  
■ Main driver  
■ Other driver  
■ Non-driver



Source: DfT, 2008. National Travel Survey.

<sup>11</sup> Data are available for grouped ages, so figures for those aged 17 and over (from when one can legally drive) cannot be readily identified.



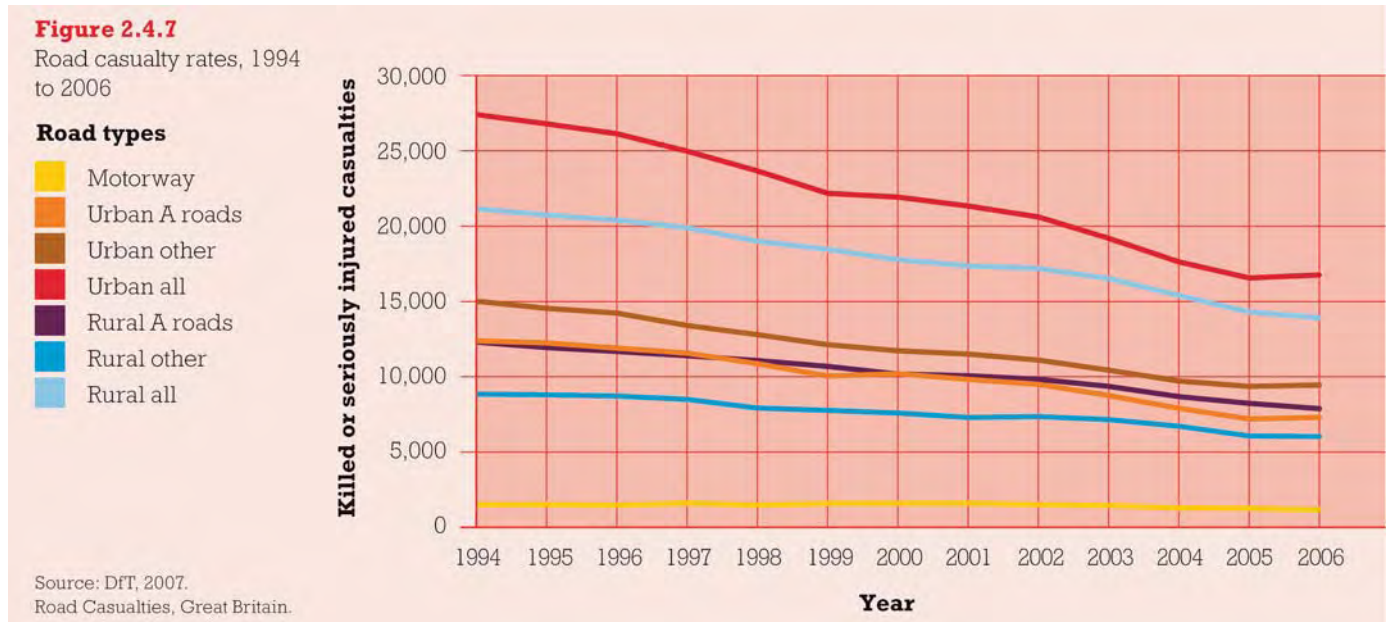
Traffic levels continue to grow more or less everywhere. Over the last ten years the growth has been fastest in the more rural counties (Figure 2.4.6). The growth tends to have been fastest in the more remote areas, possibly partly due to the relative lack of congestion (congestion having been one of the major barriers to traffic growth in urban areas).

Traffic statistics show that between the first quarters of 2006 and 2007 traffic on major and minor rural roads rose by 1% while traffic on urban major and minor roads fell by 2%. Traffic on motorways grew by 2%<sup>12</sup>.

<sup>12</sup> DfT (2008) Road traffic and congestion in Great Britain, Quarter 1, 2008, Department for Transport, 2008.

## Road casualties

The figures for people killed or seriously injured fell for nearly all categories of road type between 1994 and 2005 except for motorways where increasing mileage of motorways has meant that a fall in the rate per vehicle kilometre has led to a fairly even rate (Figure 2.4.7). In 2006 urban incidence showed a slight increase. In general, however, while casualties have fallen in all areas and on all road types, the rate of reduction has been slower on rural roads (until 2006). This is thought to relate to the higher speeds of travel on rural roads<sup>13</sup>. Rates of death in road accidents compared to slight or serious injuries tend to be higher for those involved in accidents on rural roads.



13 RoSPA (May 2007) – Road Safety Information – Rural Roads (Royal Society for the Prevention of Accidents) Factsheet



## Key summary points

- Rural residents travel greater distances and more of their travel is by car.
- The number of trips made and the use of different modes of transport by rural residents has stayed relatively stable over the last ten years.
- Car ownership relates closely to income, but in rural areas, people with low incomes are more likely to own cars than in urban areas. The growth of car ownership for those in the lowest fifth of incomes continues in rural areas, but has stabilised for those on higher incomes, and those in urban areas.
- The proportion of adults who are not main drivers of household cars in rural areas has fallen slightly over the last ten years.
- Generally, traffic growth is fastest in more remote rural areas, and slowest in major cities and areas close to them.
- During 2006 urban traffic levels fell by 2% but grew by 1% on rural roads, and 2% on motorways.
- The trend towards fewer people being killed or seriously injured in road accidents continues but slowed in 2006.

## See also (from recent *State of the countryside* reports)

### Travel behaviour

2007	Figure 2.3.9	Household car ownership by income quintile 2004/05
2007	Figure 2.3.10	Method of travel to and from school 2002/05
2006	Figure 31	Average distance travelled by main mode of travel and area type 2002-04
2006	Figure 32	Average distance to work
2006	Figure 33	People travelling to multiple locations for work
2006	Figure 34	Proportion of people travelling to work by car who feel that they have no choice
2006	Table 13	Proportion of people who always travel by car
2006	Table 14	Proportion of people making at least one trip a month over 20 miles
2005	Figure 3.9	% of population who travel 5-10 km to work (map)
2005	Table 3.16	Bus availability indicator 1991-3 to 2003
2005	Figure 3.11	Household expenditure on transport 2003-03

### Traffic levels and road safety

2006	Table 16	Traffic flows chart
2006	Figure 35	Fatal and serious accidents by road class

## 2.5 Housing and homelessness

House prices and housing affordability has been a major concern in rural areas for many years. In late 2007 and into 2008 the concern has moved to falling house prices, but the data we have are not recent enough to pick up such trends. How these trends will play out in rural areas is difficult to predict, but factors such as rates of building, the demand for second homes, and cash purchases may mean that the effects are not the same as in urban areas.

### House prices

House prices are higher in rural areas than in urban areas. In 2007 the 'average' house in a less sparse hamlet or isolated dwelling area sold for £352,705 while that in a less sparse urban area sold for £212,954. While the percentage rate of increase has been slightly slower in less sparse villages and hamlets than in less sparse towns and urban areas, the higher prices have meant that the annual increase in absolute value has been higher (Figure 2.5.1). This may be good news for those who currently own houses, but not necessarily so good for those wishing to buy in these areas.

The increase in price in sparse areas has been faster, and in sparse villages and hamlets 'average' priced houses gained more per year in value than in less sparse areas.

When we look at lower quartile house prices, the percentage price rise has been faster than for the average in all area types. This is especially so in sparse areas, and also in less sparse urban areas. But again the rise in price in terms of price paid has been faster as the prices started from a higher price, and have remained higher.



**Figure 2.5.1**

Change in average and lower quartile house prices, April 2000 to December 2007

Area definition	Average				Lower quartile				
	2000	2007	2000-07 average annual change	2000-07 average annual % change	2000	2007	2000-07 average annual change	2000-07 average annual % change	
<b>Less sparse</b>	Hamlet and isolated dwellings	£178,495	£352,705	£24,887	13.9%	£58,244	£137,105	£11,266	19.3%
	Village	£148,700	£296,682	£21,140	14.2%	£54,266	£132,819	£11,222	20.7%
	Town and fringe	£104,134	£213,142	£15,573	15.0%	£42,900	£105,948	£9,007	21.0%
	Urban >10K	£104,592	£212,954	£15,480	14.8%	£35,807	£94,906	£8,443	23.6%
<b>Sparse</b>	Hamlet and isolated dwellings	£129,721	£313,087	£26,195	20.2%	£52,917	£141,854	£12,705	24.0%
	Village	£103,277	£258,831	£22,222	21.5%	£45,745	£128,143	£11,771	25.7%
	Town and fringe	£86,286	£204,315	£16,861	19.5%	£41,150	£110,005	£9,836	23.9%
	Urban >10K	£72,355	£167,837	£13,640	18.9%	£36,259	£96,538	£8,611	23.7%
Rural	£125,618	£257,600	£18,855	15.0%	£48,180	£119,072	£10,127	21.0%	
Urban >10K	£104,488	£212,823	£15,476	14.8%	£35,808	£94,911	£8,443	23.6%	
<b>England</b>	<b>£108,508</b>	<b>£220,880</b>	<b>£16,053</b>	<b>14.8%</b>	<b>£38,167</b>	<b>£99,277</b>	<b>£8,730</b>	<b>22.9%</b>	

Source: Land Registry, 2008. Price Paid.

The actual price changes vary quite considerably from year to year, and for different area types (Figure 2.5.2) In 2006/07 the fastest rises were in sparse hamlets (12.7%), while the slowest were in sparse urban areas and sparse towns (each under 6%). But sparse urban areas that had the slowest rise in 2006/07 had the fastest rise in 2002/03 and 2003/04. Predicting the future changes in prices by different area types is especially difficult at this time, because of the level of uncertainty in the housing market as a whole.

**Figure 2.5.2**

Average annual house price rises, April 2000 to December 2007

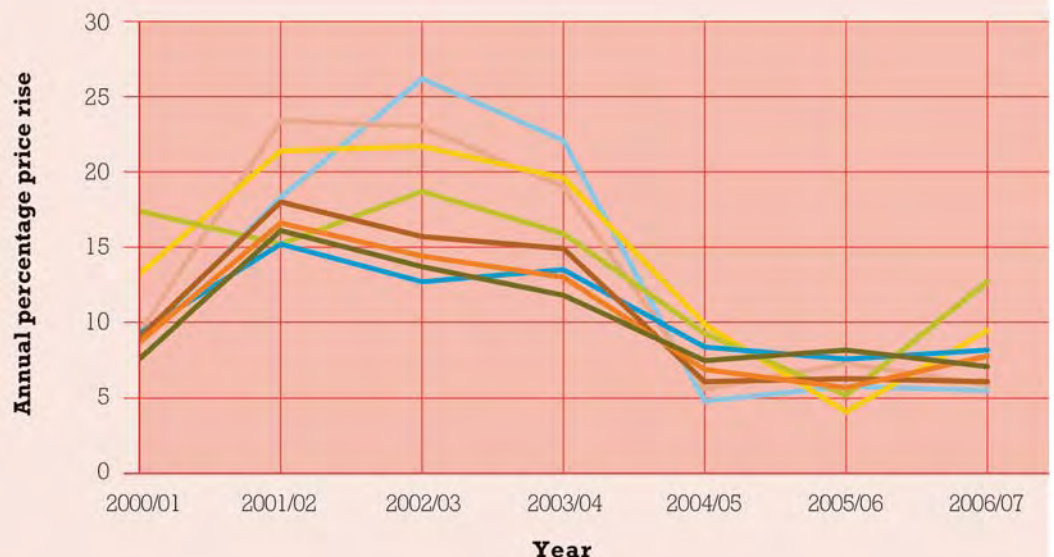
**Area definition**

**Less sparse**

- Hamlet and isolated dwellings
- Village
- Town and fringe
- Urban >10K

**Sparse**

- Hamlet and isolated dwellings
- Village
- Town and fringe
- Urban >10K



Source: HM Land Registry, 2008. Price Paid Dataset.



### Housing affordability

We measure housing affordability in terms of the price of a house divided by household incomes. We measure it for average prices compared to average incomes (the median level), and for the lowest quarter of house prices and income levels. This 'lower quartile' housing affordability measure is taken as being roughly indicative of how easy it would be for a first time buyer to enter the housing market. Lower quartile housing affordability is higher (or worse) than the average level, and for England as a whole it is 7.7 times income, compared with 5.9 for a household with an average income purchasing an average priced home (Figure 2.5.3). Housing affordability is worse in rural areas, with sparse hamlets and isolated dwellings areas having a ratio of 9.7 for the lower quartile.

**Figure 2.5.3**

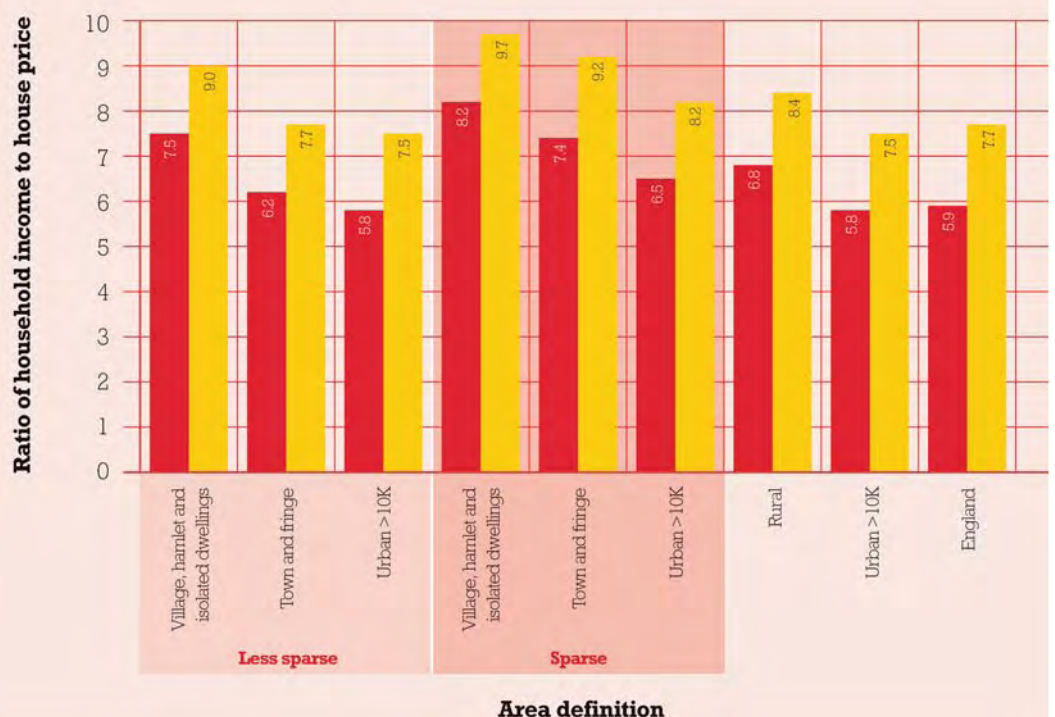
Median and lower quartile housing affordability, 2007

■ Median affordability  
■ Lower quartile affordability

Note:

- (i) Ratio calculated using postcode level house sale data and output area level household income data. Area definition ratios use the median of respective postcode ratios.
- (ii) As the affordability ratio figure increases, houses become less affordable.
- (iii) Methodology differs to previous years, when mean output area house price and household income were used, and is therefore not comparable.

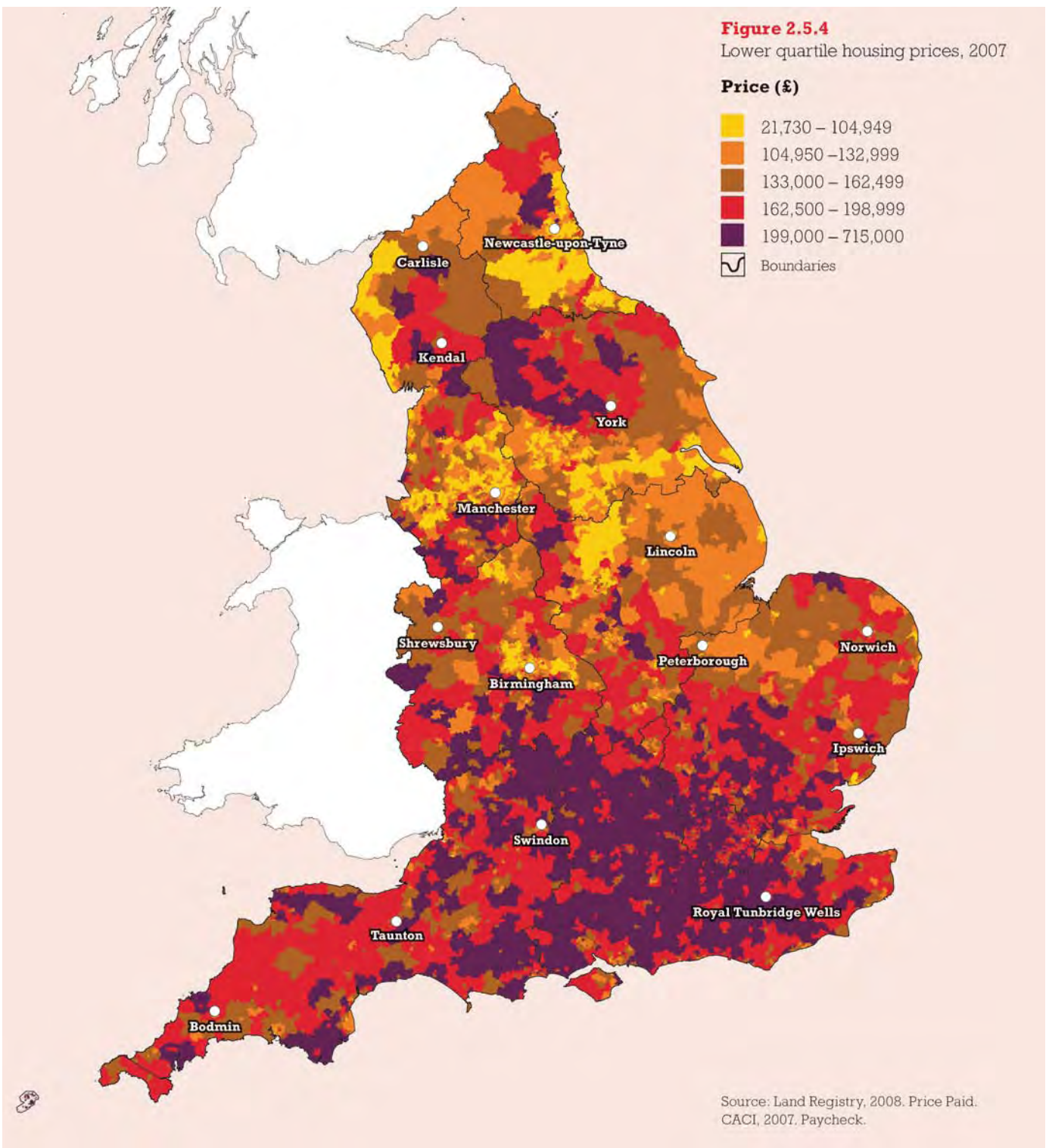
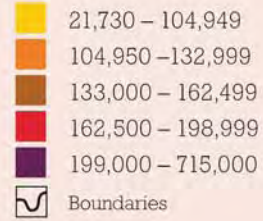
Source: Land Registry, 2008. Price Paid. CACI, 2008. Paycheck.



**Figure 2.5.4**

Lower quartile housing prices, 2007

**Price (£)**



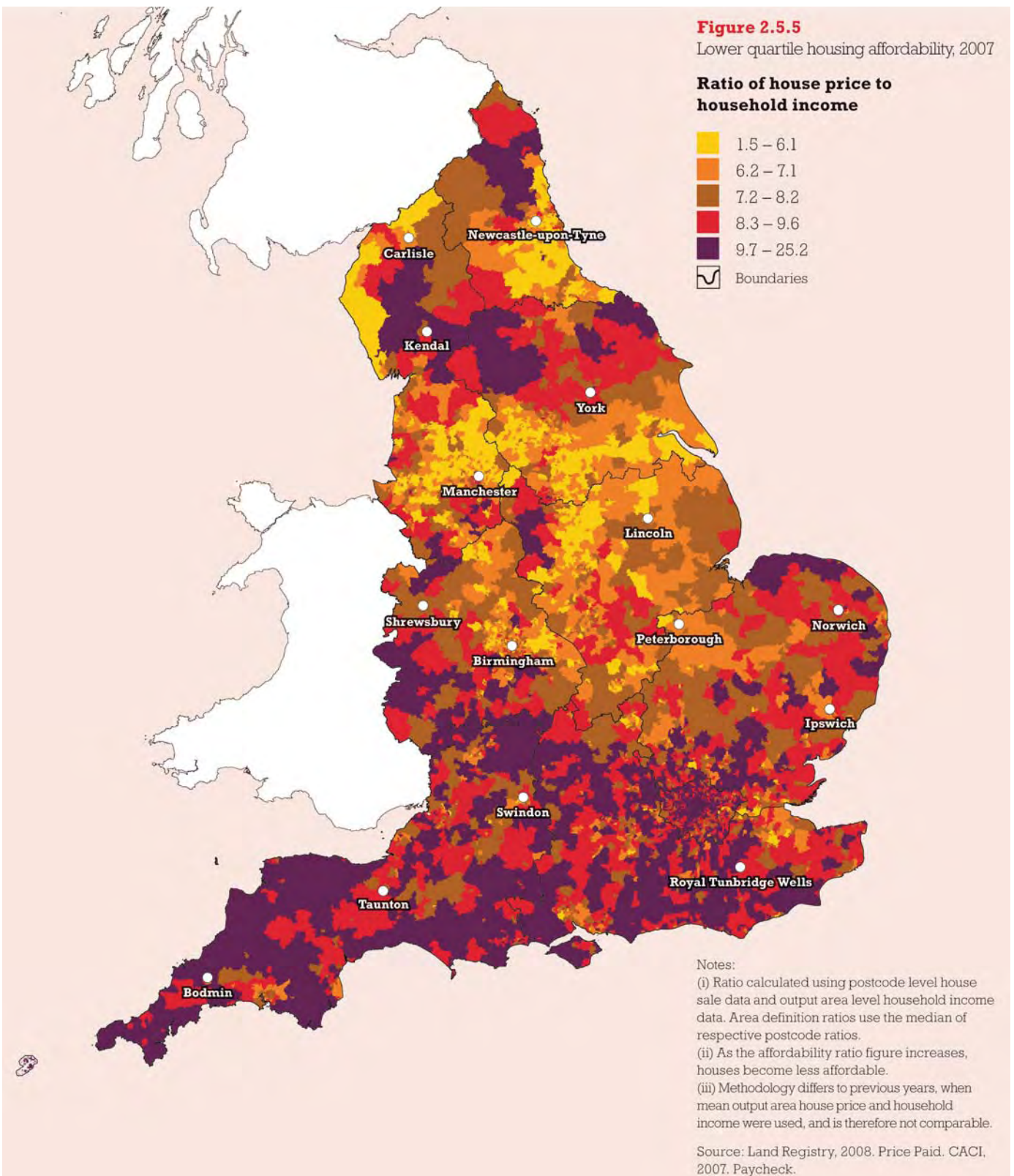
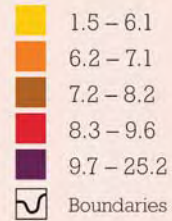
Source: Land Registry, 2008. Price Paid. CACI, 2007. Paycheck.

Lower quartile house prices and lower quartile affordability vary greatly across the country (Figures 2.5.4 and 2.5.5). The more affluent areas of central Southern England and Yorkshire support higher house prices which means that the lower quartile housing prices are also high. But many less affluent areas with lower wages such as the South West and Norfolk also have relatively high prices which means that lower quartile housing affordability is worst in all of these areas. Figure 2.5.9 (at the end of this section) shows that these tend to be areas with higher percentages of second homes.

**Figure 2.5.5**

Lower quartile housing affordability, 2007

**Ratio of house price to household income**

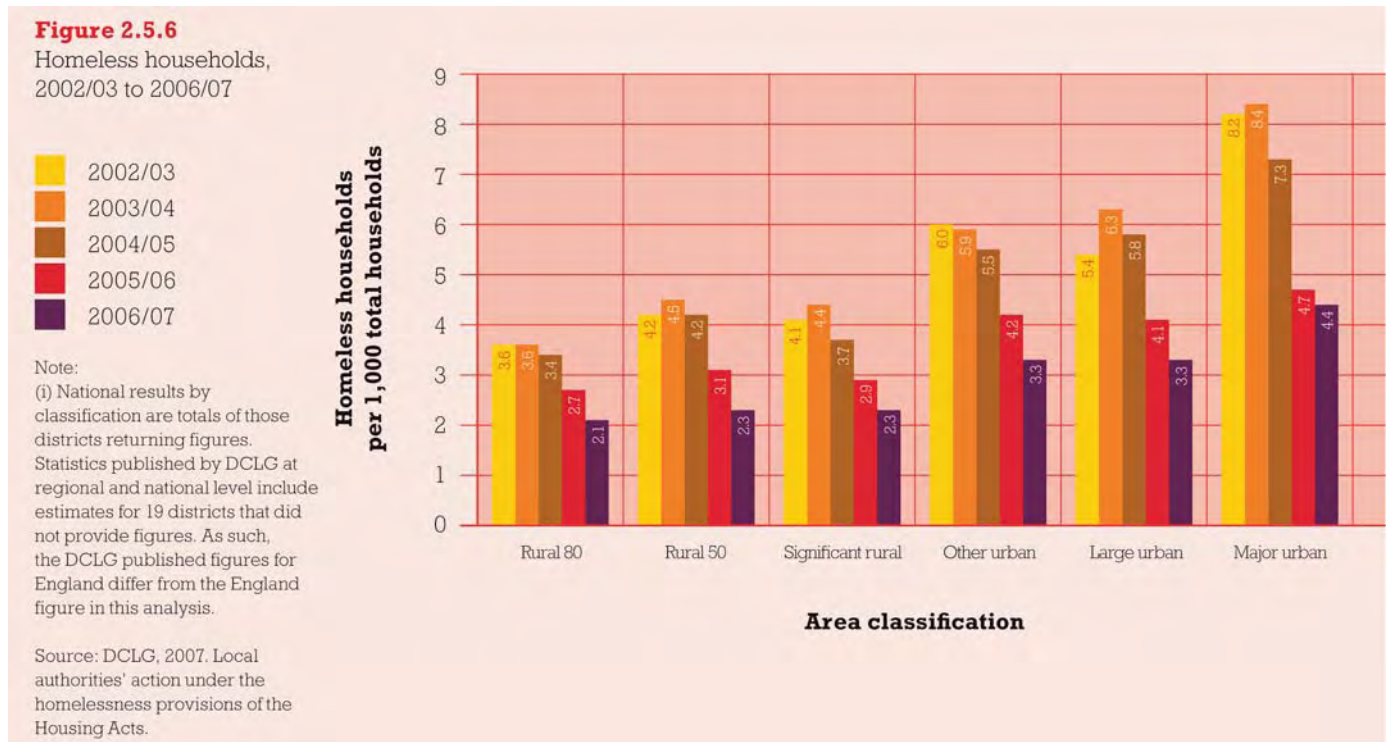


Notes:  
(i) Ratio calculated using postcode level house sale data and output area level household income data. Area definition ratios use the median of respective postcode ratios.  
(ii) As the affordability ratio figure increases, houses become less affordable.  
(iii) Methodology differs to previous years, when mean output area house price and household income were used, and is therefore not comparable.

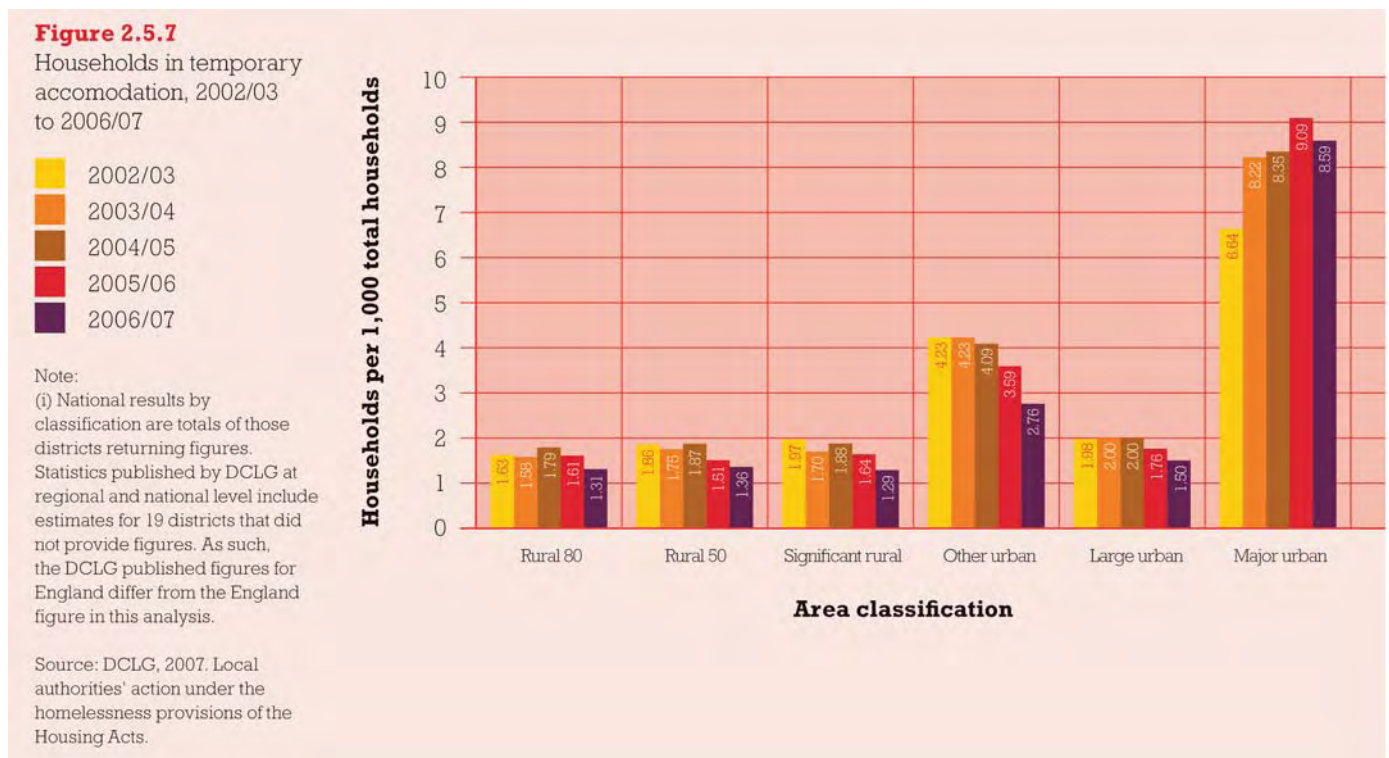
Source: Land Registry, 2008. Price Paid. CACI, 2007. Paycheck.

## Homelessness

Rates of homelessness are lower in rural areas than in other areas (Figure 2.5.6). In all types of area the rate has fallen dramatically over the last four years for which we have data, with similar rates of fall across all Local Authority district types.



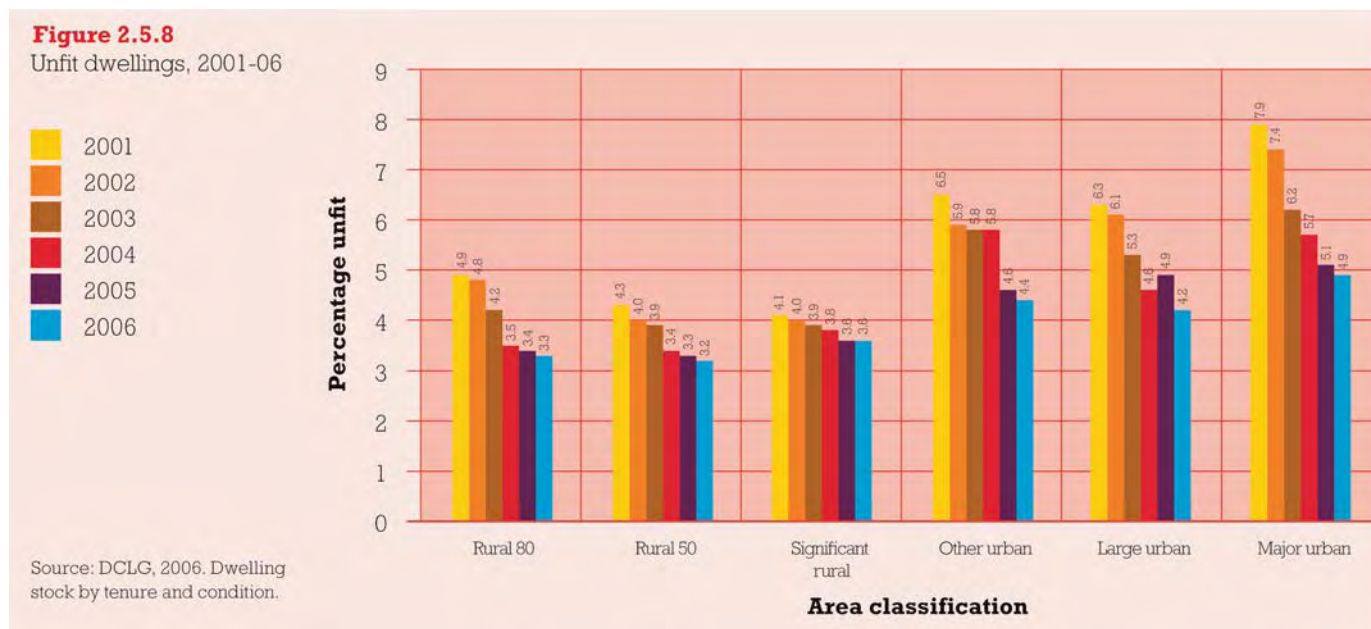
One characteristic of rural areas is that the numbers in temporary accommodation is lower (proportionately as well as absolutely) than in urban areas (Figure 2.5.7). This is probably due to a lack of temporary accommodation. Studies suggest that homeless people in rural areas rely on staying with friends or relatives to a greater extent than in urban areas<sup>14</sup>.



<sup>14</sup> For example, Countryside Agency (2003) *Hidden homelessness in rural England – homeless people staying with family and friends*. Research Note 74

## Housing condition

Up to 2006, dwellings were classified as 'unfit' if they failed to meet one or more criteria relating to structure, repair, dampness, lighting, heating, supply of wholesome water, and others. The proportion of dwellings that are 'unfit' fell considerably over the previous five years, and the largest falls were in Major urban and Large urban districts. The slowest rates of decline were in Significant rural and Rural 50 areas, but from lower levels in 2001. In each rural area type around 3.2% were unfit in 2006 compared with around 4.4% for urban areas.



## Second homes and cash purchases

While some people are homeless in rural areas, some have more than one home. Housing affordability is a problem for many rural residents while the incidence of second homes is higher in rural areas than urban areas – central London is the only urban area with high levels of second home ownership.

The proportion of houses that are second homes is heavily weighted towards coastal areas (Figure 2.5.9). Parts of Cornwall and Devon, North Norfolk and Northumberland have the highest rates, but North Yorkshire, Dorset, Somerset and Suffolk coastal areas also have fairly high rates. Besides these coastal areas, high levels are found in some national parks – the Lake District, the Peak District and the Yorkshire Dales. The Cotswolds and Herefordshire also show relatively high levels.

As we reported in our State of the Countryside Update on cash house purchases<sup>15</sup>, cash purchases are also higher in rural areas, with sparse areas of all types having notably higher rates. The geographical pattern is very similar to that for second homes. Although the data is not directly related, most areas that attract cash purchases also attract second home owners. Older purchasers are also more likely to be cash purchasers, since any mortgage is more likely to have been paid off, and older buyers are likely to be 'downsizing'. The geographical pattern of both second home and cash purchase distribution with housing affordability (Figure 2.5.3) is also similar.

15 Commission for Rural Communities (2007) State of the Countryside Update 3: Cash purchases of housing stock



**Figure 2.5.9**

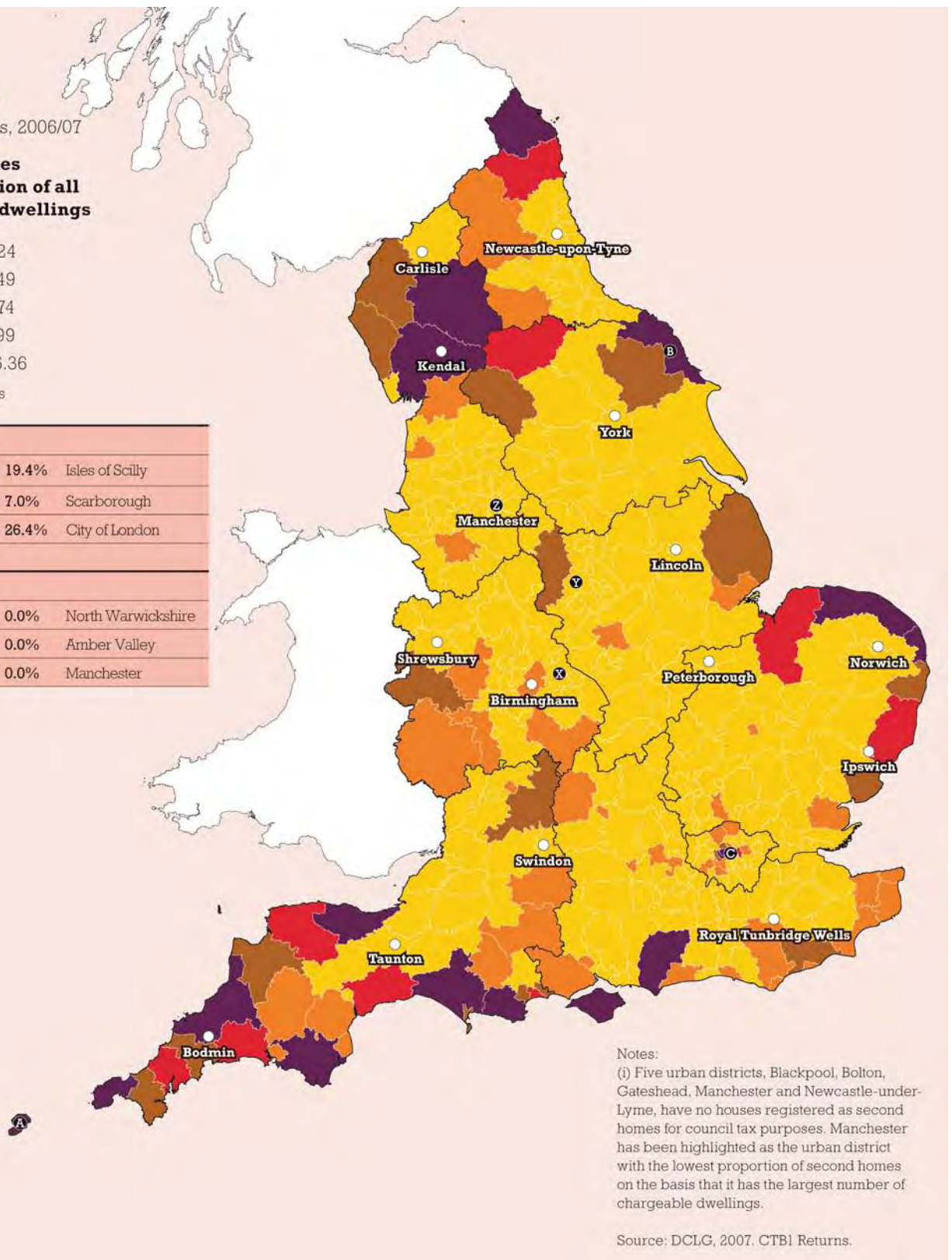
Second homes, 2006/07

**Second homes as a proportion of all chargeable dwellings**



Boundaries

Highest			
<b>A</b>	Rural	19.4%	Isles of Scilly
<b>B</b>	Mixed	7.0%	Scarborough
<b>C</b>	Urban	26.4%	City of London
Lowest			
<b>X</b>	Rural	0.0%	North Warwickshire
<b>Y</b>	Mixed	0.0%	Amber Valley
<b>Z</b>	Urban	0.0%	Manchester



Notes:  
 (i) Five urban districts, Blackpool, Bolton, Gateshead, Manchester and Newcastle-under-Lyme, have no houses registered as second homes for council tax purposes. Manchester has been highlighted as the urban district with the lowest proportion of second homes on the basis that it has the largest number of chargeable dwellings.

Source: DCLG, 2007. CTB1 Returns.



## Key summary points

- House prices continued to rise in 2007 at similar rates as in 2005 and 2006.
- Housing affordability remains a major issue in rural areas, especially for lower quartile prices and incomes. It is worst in sparse rural areas, and in the South West, Norfolk and parts of Yorkshire.
- Homelessness continues the reduction that we have seen since 2002, and the number in temporary accommodation continues to fall. A lower proportion of homeless rural households are in temporary accommodation.
- Second homes and cash house purchases are more common in rural areas, and much more common in coastal areas, such as Cornwall and North Norfolk and with somewhat higher rates in non-coastal areas popular with tourists, such as Cumbria.

## See also (from recent *State of the countryside reports*)

### House prices and affordability

2007	Figure 2.4.1	Indexed housing completions 1994/95 to 2005/06
2007	Figure 2.4.2	Affordable home completions in settlements of fewer than 3000 people 2000/01 to 2006/07
2007	Figure 2.4.4	Change in average house prices by house type 2000-06
2005	Figure 3.3	Median of quarterly house prices, 1996-2004
2005	Figure 3.4	House prices by region and classification, 2000 and 2004

### Housing tenure

2005	Table 3.1	Housing tenure, 2001 Housing affordability
2005	Figure 3.5	Average house prices and average household incomes
2005	Figure 3.6	Map of incomes against mortgage costs (map)

### Homelessness

2007	Figure 2.4.7	Homeless households in temporary accommodation 2002/03 to 2005/06
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### Housing quality

2007	Figure 2.4.9	% of households living in non-decent homes 2001 and 2004
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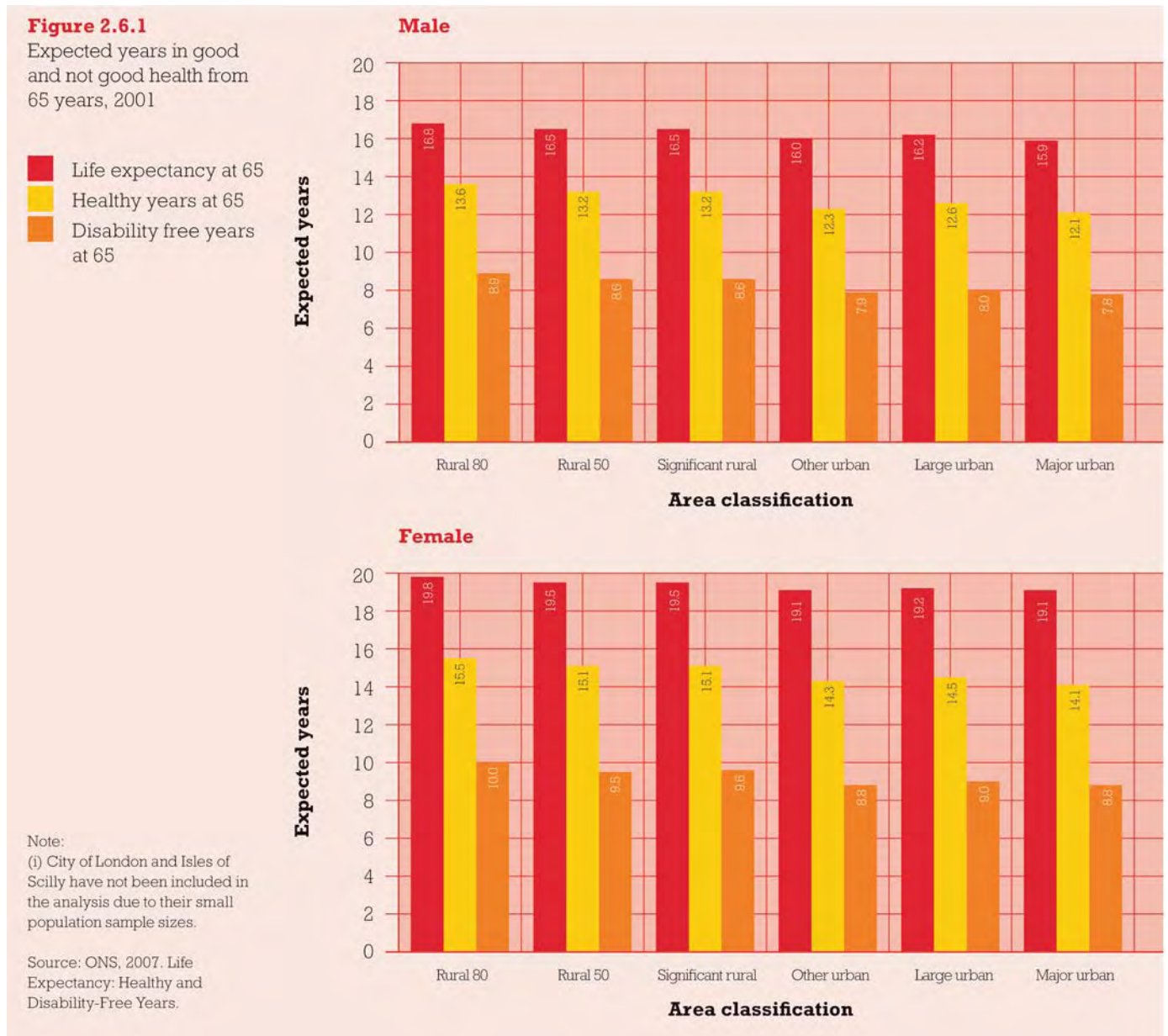
### Second homes and cash purchase of houses

2006	Figure 14	Second homes, 2004
2005	Table 3.2	% unoccupied space and 2nd homes
2005	Figure 3.2	2nd homes as % of all household space (map)
2006	Figure 15, 16	Homes purchased for cash
2006	Figure 17	Reported likelihood of moving house

## 2.6 Health

On average, people in rural areas tend to live longer and to be more healthy, for their age. There are many reasons for this, but much literature suggests that the relative incomes of urban and rural areas can generally be considered a major cause of differences, rather than any aspect of rurality itself.<sup>16</sup>

Data published in 2007 show healthy and disability free life expectancy for 2001. Figure 2.6.1 shows the life expectancy at age 65 for males and females, split between the years that are expected to be 'healthy' and those that are not. In both cases people living in the more rural Local Authority districts can expect a longer life and for more of that to be healthy.

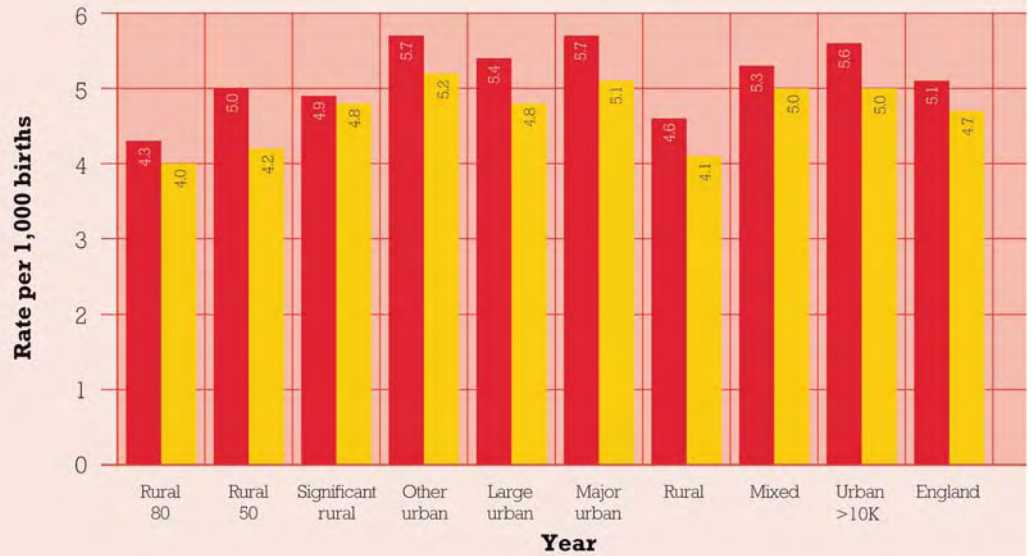


<sup>16</sup> See, for example, Wilkinson & Marmot, eds (1998) *Social determinants of health. The solid facts*. World Health Organisation, Europe, 1998

**Figure 2.6.2**

Infant mortality, 1998/2000 and 2003/05

■ 1998/2000  
■ 2003/05



Source: ONS, 2006.  
Infant Mortality.

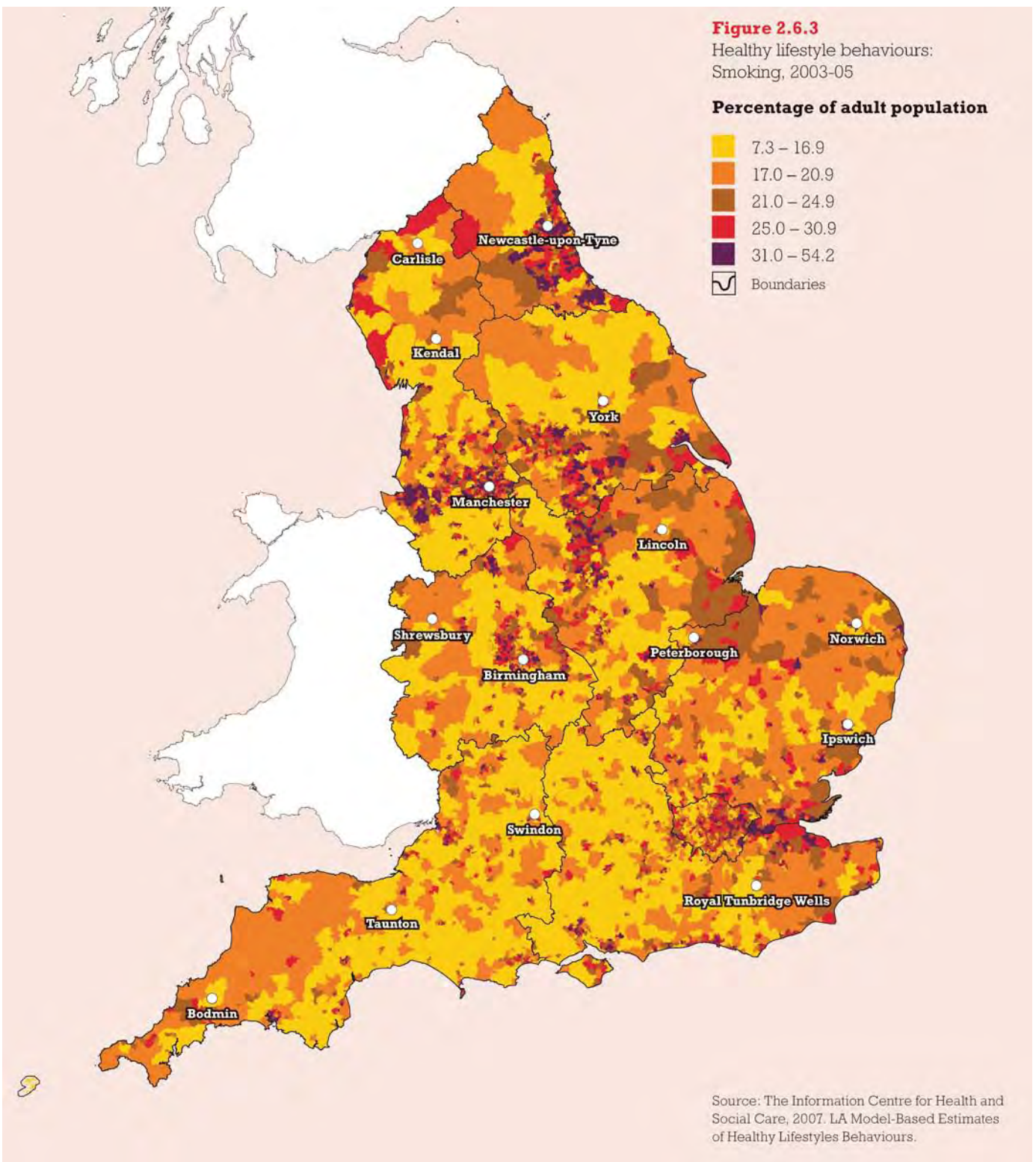
Infant mortality is also lower in rural areas and as in all area types the rate is falling (Figure 2.6.2). The rates of decline are quite variable from area to area, but generally greater in the urban areas, and in 'Rural 50' areas, than for 'Significant rural' and 'Rural 80'.

Some of the reason behind healthier lives relates to healthy lifestyles, which in turn also correlates closely with higher incomes. Rates of smoking are lower in rural areas, and eating fruit and vegetables is generally more prevalent (Figure 2.6.3 and 2.6.4). But while urban areas stand out as having less healthy lifestyles on these measures, there



**Figure 2.6.3**  
Healthy lifestyle behaviours:  
Smoking, 2003-05

**Percentage of adult population**



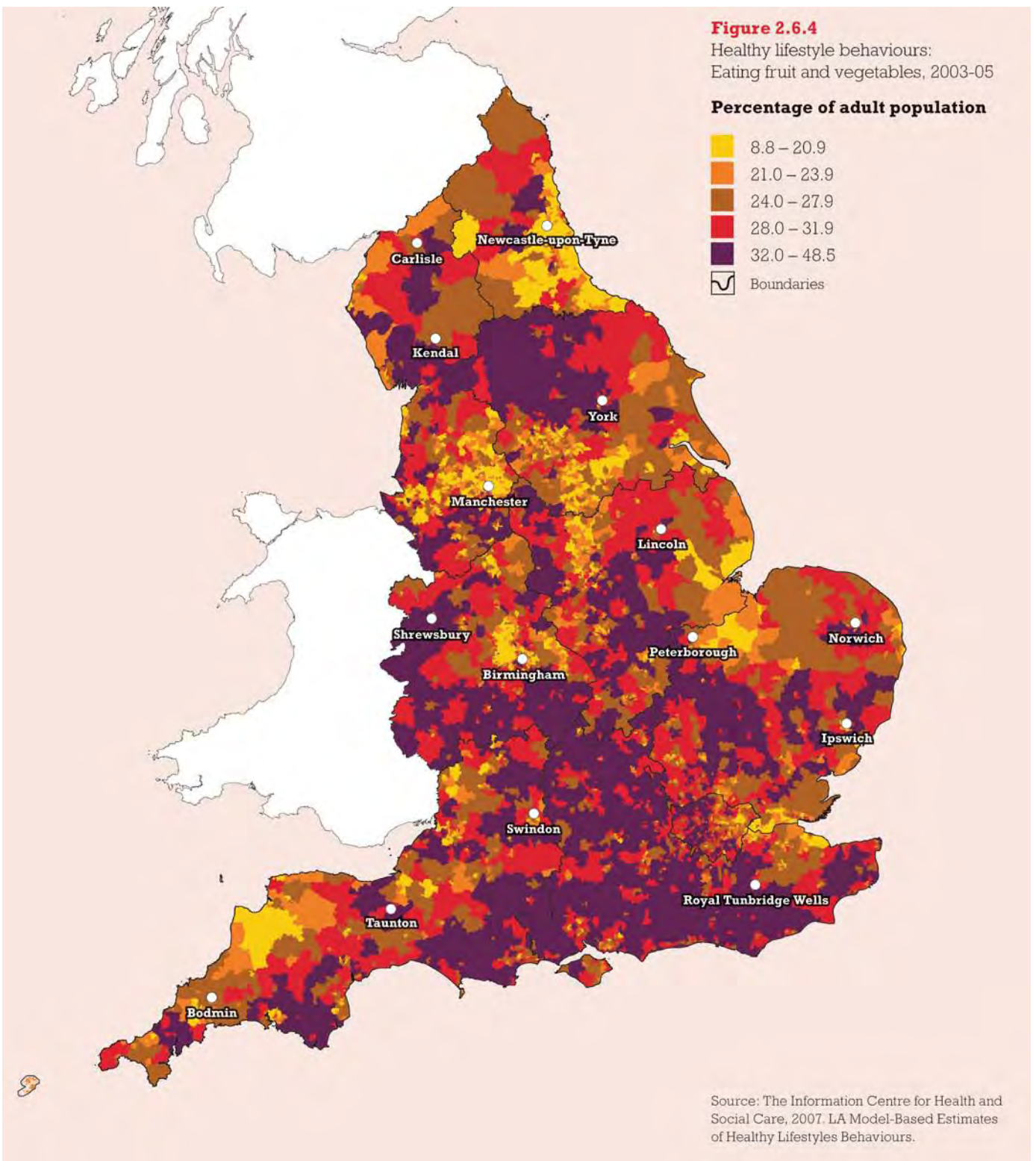
Source: The Information Centre for Health and Social Care, 2007. LA Model-Based Estimates of Healthy Lifestyles Behaviours.

are several rural areas where this is also the case. In particular, the former coalfield areas in South Yorkshire, Derbyshire and Nottinghamshire, the Fenland areas, and parts of the South West. This is particularly true of eating fruit and vegetables. On this indicator many urban areas, especially most of London, show good levels of healthy living. The maps seem to point to income having a stronger impact on healthy lifestyles than any intrinsic advantage of living in rural areas.

**Figure 2.6.4**

Healthy lifestyle behaviours:  
Eating fruit and vegetables, 2003-05

**Percentage of adult population**

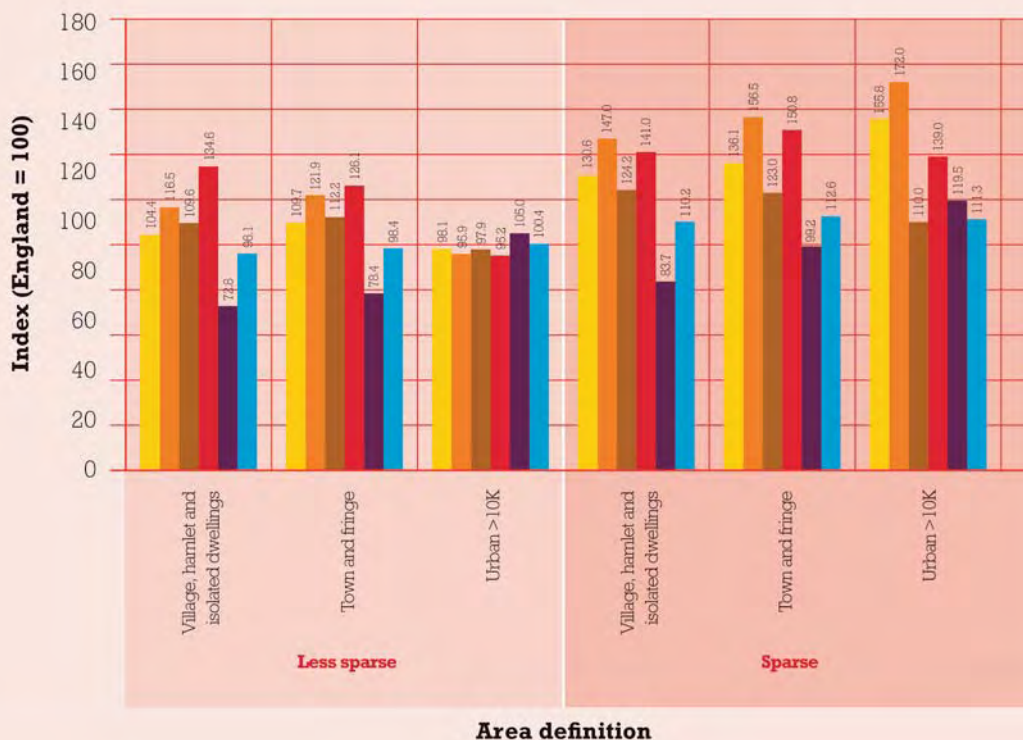


Source: The Information Centre for Health and Social Care, 2007. LA Model-Based Estimates of Healthy Lifestyles Behaviours.

**Figure 2.6.5**

Incidence of disease by location of GP practice, 2006/07

- Medical condition**
- Coronary Heart Disease
  - Stroke
  - Hypertension
  - Cancer
  - Mental Health
  - Obesity



Source: The Information Centre for Health and Social Care, 2007. National QOF Prevalence Data Tables.

### Impact of age distribution on the incidence of disease

The indicators examined above show that people in rural areas are generally healthier than those in urban areas. But the incidence of disease shows a different story, mainly because, as Section 2.2 showed, the average age in rural areas is older than in urban areas.

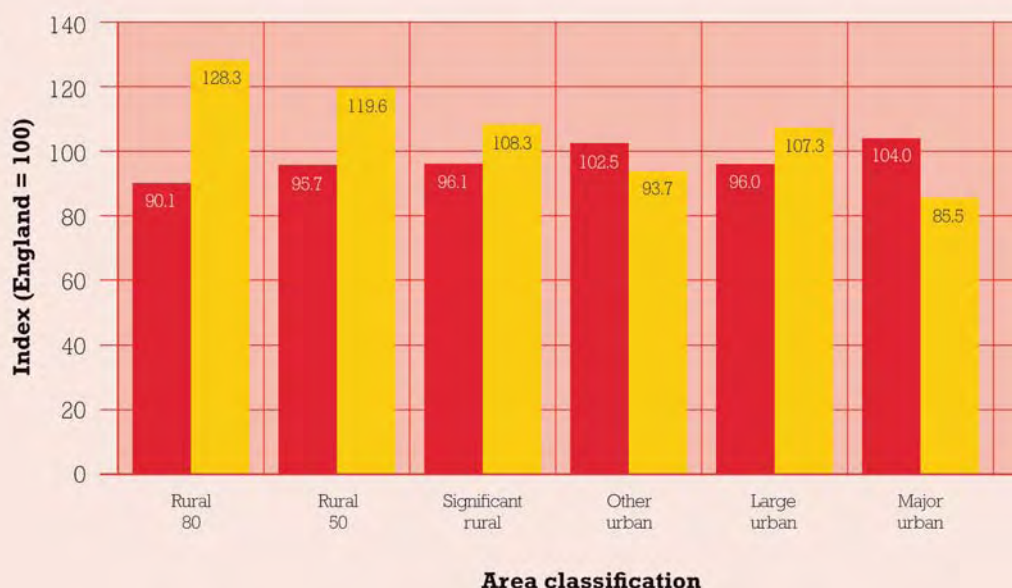
Prevalence of hypertension, stroke and cancer follow similar patterns where sparse areas show the highest rates, and towns and villages and hamlets all show higher rates than urban areas (Figure 2.6.5). Some conditions have lower prevalence in rural areas, such as mental ill-health, while obesity is found fairly evenly across geographic types. The data shown relate to the location of the GP practice rather than where people live, and it is possible that older people living in rural areas are less likely to be registered with an urban practice than younger people. But the pattern shows that rural GP practices are likely to have a higher proportion of patients with these kinds of illnesses.

**Figure 2.6.6**

Age standardised hospital admissions for stroke, 2003/04 compared with prevalence rates at GP practices, 2006/07

- Age standardised admissions to hospital
- Prevalence rates at GP surgeries

Note:  
(i) Hospital admissions data for Penrith and Isles of Scilly have been excluded due to issues of disclosure.



Source: The Information Centre for Health and Social Care, 2007. National QOF Prevalence Data Tables. The Information Centre for Health and Social Care, 2005. Hospital Episodes Statistics.

When we look at age standardised<sup>17</sup> data against prevalence of disease in the resident population as a whole we get a different picture, using stroke as an example (Figure 2.6.6). While age standardised admissions to hospital show somewhat more incidence in the more urban authorities, the percentage having had a stroke is higher in more rural authorities.

Per capita NHS funding is 30% lower for more affluent and rural areas than for more deprived and urban areas. The formula gives greater weighting to the 'additional needs' relating to deprivation, than to the demographic needs relating to the age profile of different areas. The standardised health status measures currently used are calculated to show the health needs of a population with a standard age. Rural areas, however, have more older people and since ill-health and its associated costs are strongly correlated with age, to ensure equity it can be argued that it is the actual population profile in each area that should determine the absolute, not relative, burden of illness. Under the current system rural areas receive a lower than average per capita funding even though they have higher than average absolute healthcare needs which leads to needs of older people in particular being ignored or unmet.<sup>18</sup>

### Key summary points

- Rural residents are likely to have a longer life expectancy, and more of that is likely to be lived in good health than in urban areas.
- Health levels are generally better in rural areas – this seems to relate more closely to patterns of higher incomes than to rurality itself – where rural incomes are lower, people do not have such healthy outcomes.
- Although rural populations show better health outcomes, comparative data showing prevalence of disease shows higher levels for rural populations, due to their relatively higher age profile.

### See also (from recent *State of the countryside reports*)

#### Health lifestyles

2007	Figure 2.5.1	Consumption of fruit and vegetables 2000-02
2007	Figure 2.5.2	Health negative lifestyle behaviours 2000-02
2007	Figure 2.5.5	Participation in sport 2005 (map)

#### Health outcomes

2007	Figure 2.5.3	Expected risk of obesity 2006 (map)
2007	Figure 2.5.4	Coronary heart disease mortality for age 65-74 years, 2002-04 (map)
2007	Figure 2.5.6	Mental health indicator 1999-2003
2007	Figure 2.5.7	Mental health indicator 1999-2003 (map)
2006	Figure 22	Distribution of long-term illness 2001 (map)
2006	Table 3.10	Male suicide rates

#### Health provision

2006	Figure 23	Average cost per head for out of hours care
2005	Table 3.8	Geographic availability of GP practices 2005
2005	Figure 3.7	% of households within 4 km of GP surgery (map)
2005	Table 3.9	Satisfaction with health service provision 2003-04

<sup>17</sup> Age standardised data on health shows health levels that exist for people of similar age groups.

<sup>18</sup> Commission for Rural Communities (2008) *NHS Review – a rural response*, CRC, Cheltenham



## 2.7 Education

### Educational attainment

Children living in rural areas, on average, do somewhat better at school than children living in urban areas. At GCSE level (Key Stage 4) the difference is more marked for those achieving five or more A\* to C grades than for those achieving five or more passes of any grade (Figure 2.7.1). Pupils in sparse areas tend to perform similarly well for five or more passes, but relatively worse for five or more A\* to C grades.

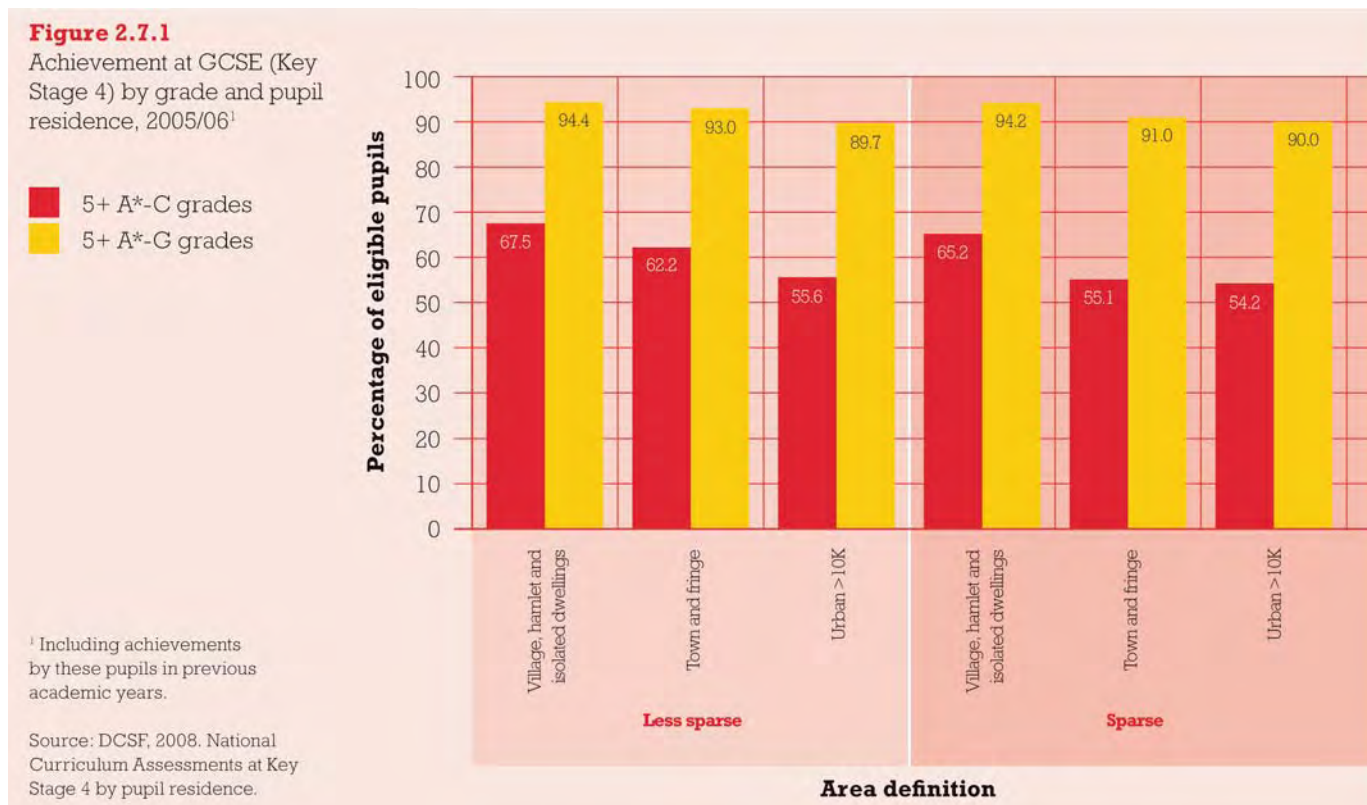


Figure 2.7.2 shows the distribution of pupils achieving five or more A\* to C graded GCSEs for rural areas and shows that the picture is quite varied. While areas that have lower incomes tend to show poorer results, the map is much more complex than income alone would show. Certainly, areas of poor economic performance tend to have lower scores, but this is also true for many areas that are relatively affluent, such as many parts of the rural South East. Several explanations are put forward for variations in educational attainment, including wealth, social class and attitudes of parents, as well as the size and nature of schools and evidence on some these can be contradictory – the map shows that the resulting geographic pattern is a complex one.

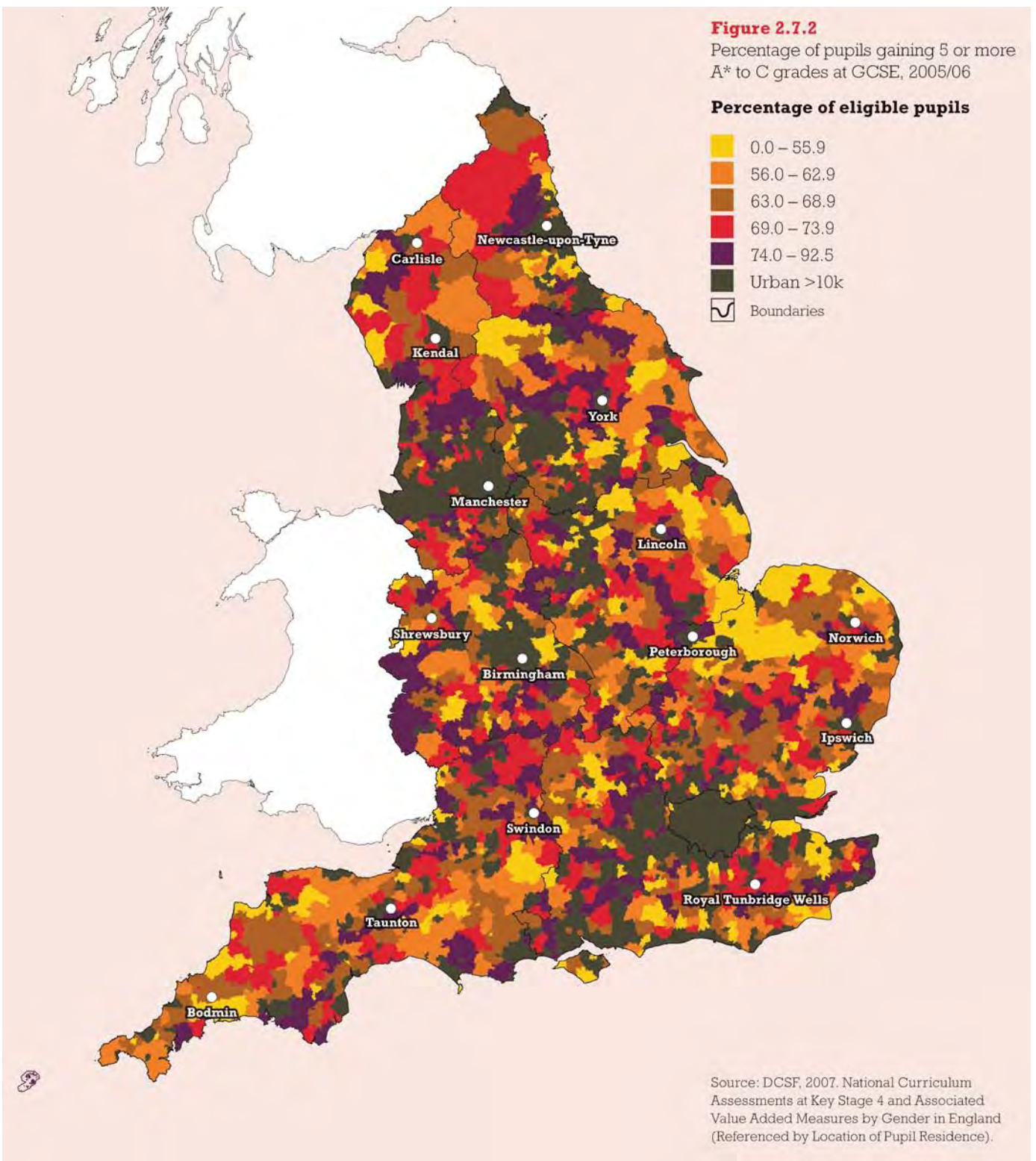
### No or low qualifications

The map of the percentage of the population with no or low qualifications (Figure 2.7.3) shows variability. However, it shows a pattern that relates more to geographical economic performance than the rate of educational attainment of pupils living in rural areas. These two maps appear to show that children's school performance does not relate closely to the economic conditions in the area, but that adults with low levels of educational attainment tend to live in areas with poorer economic performance – the maps do not provide firm evidence to make a causal link, but it would seem likely that this is the case.

**Figure 2.7.2**

Percentage of pupils gaining 5 or more A\* to C grades at GCSE, 2005/06

**Percentage of eligible pupils**

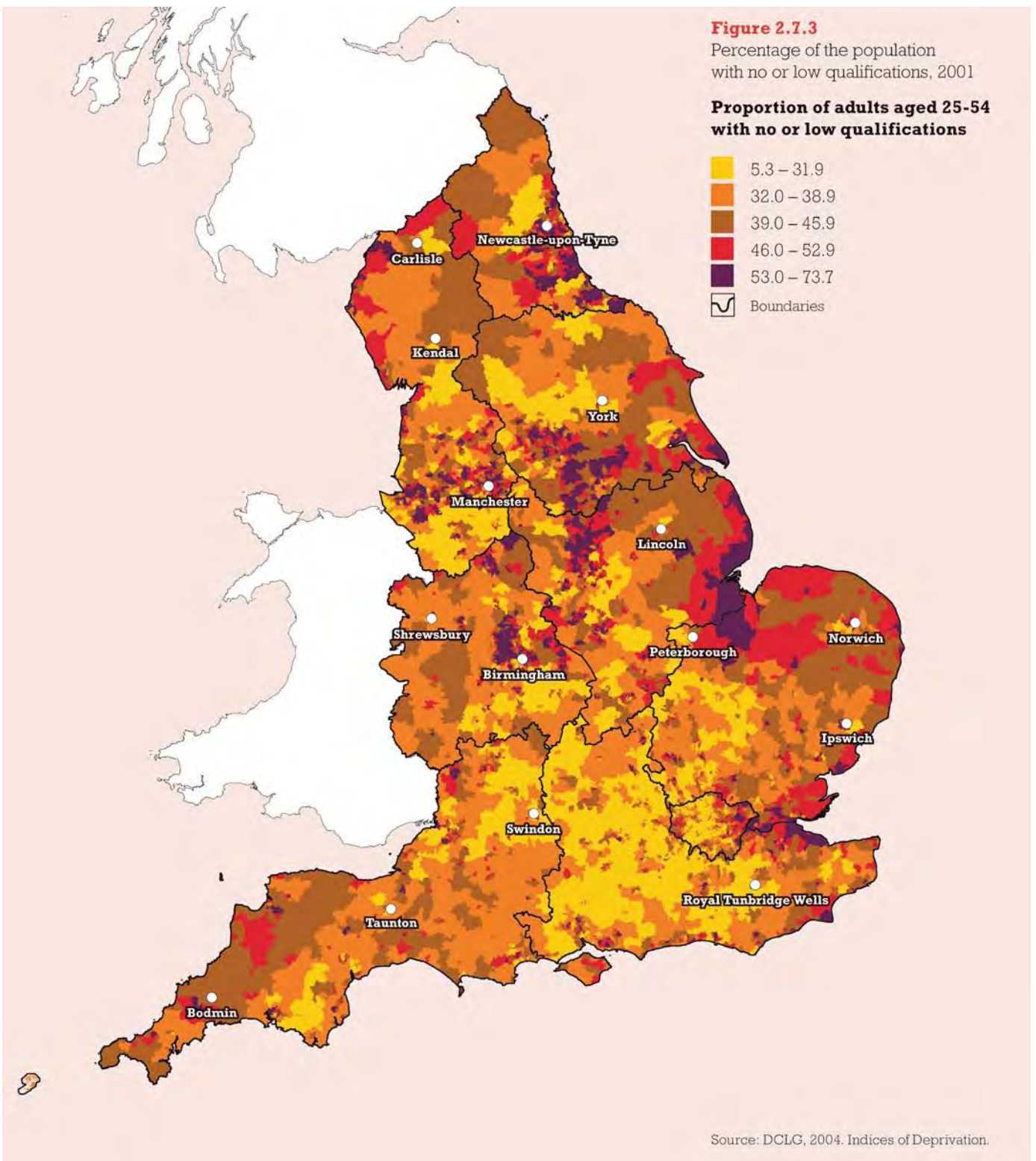


Source: DCSF, 2007. National Curriculum Assessments at Key Stage 4 and Associated Value Added Measures by Gender in England (Referenced by Location of Pupil Residence).

**Figure 2.7.3**

Percentage of the population with no or low qualifications, 2001

**Proportion of adults aged 25-54 with no or low qualifications**



Source: DCLG, 2004. Indices of Deprivation.



### Key summary points

- Children living in rural areas tend to perform better at school. Previous *State of the countryside* reports have shown that this is true for most stages of education.
- When performance is mapped, there is considerable variation, and this pattern does not coincide with the distribution of relative incomes in the area.
- The proportion of the population with no or low qualifications relates more closely to local economic performance. This could imply that those with good qualifications tend not to stay in, or move to poorly performing areas or that areas with high proportions of adults with low qualifications tend to under-perform economically.

See also (from recent *State of the countryside* reports)

#### Education

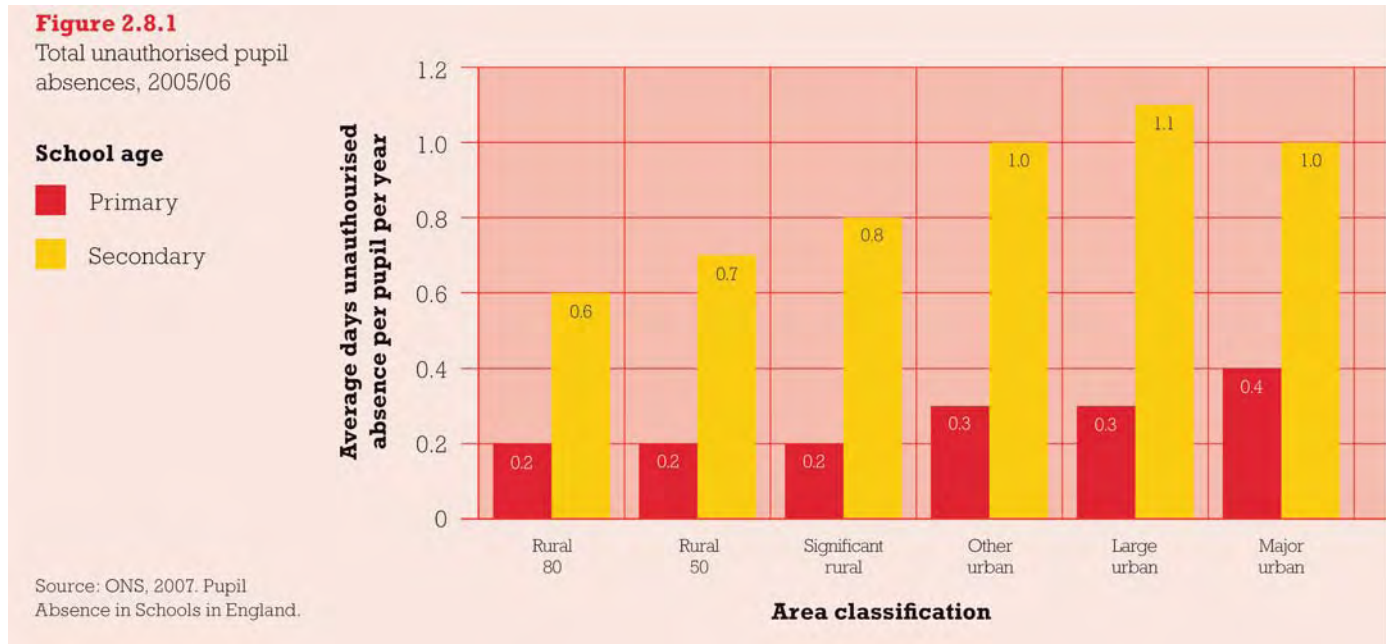
2007	Figure 2.6.2	Pupils achieving level 4 or above at Key Stage 2 by subject (2003/04 and 2004/05)
2007	Figure 2.6.3	Full time higher education applicants per 1,000 people by origin, 2005-06
2007	Figure 2.6.4	Full time higher education applicants per 1,000 people by origin, 2005-06 (map)
2005	Table 3.11	Key Stage 3 attainment by ward
2005	Figure 3.8	Education skills and training deprivation 2004

## 2.8 Community cohesion

There is no single measure of the strength or cohesion of rural communities but there are data on various aspects of the quality of life which can be used as indicators which we use here to point to various aspects of community strength. The list of tables in previous *State of the countryside* reports at the end of this section also shows other aspects that we have looked at from a rural perspective.

### Pupil absences

Unauthorised absence by school pupils may reflect the level of respect for school authority by both the pupils themselves and by their parents (Figure 2.8.1). The rates for absence from schools (by location of school) are higher for urban areas than rural areas, both for primary and secondary schools. Some variation may be due to different recording systems in different schools and education authority areas.

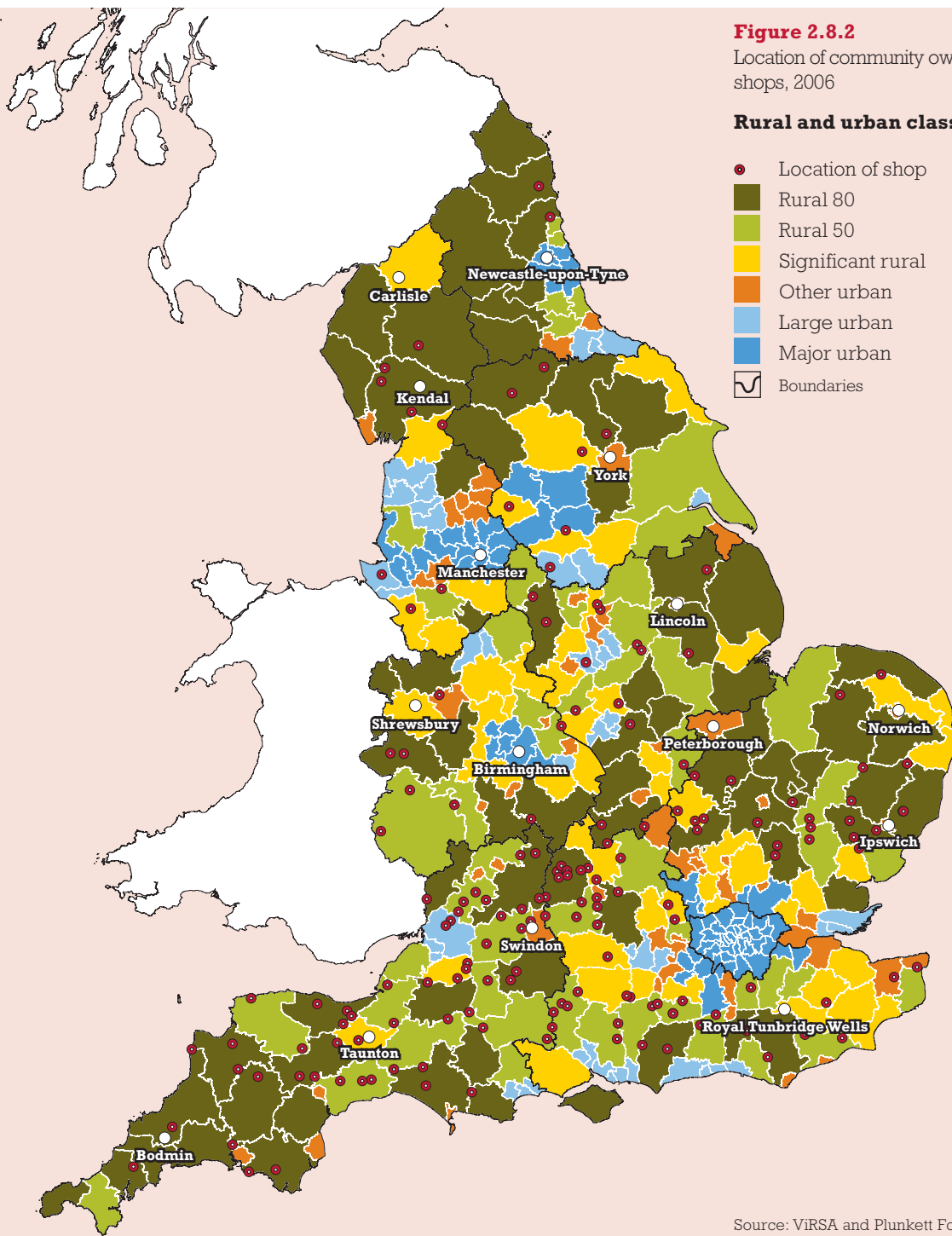


**Figure 2.8.2**

Location of community owned shops, 2006

**Rural and urban classification**

- Location of shop
- Rural 80
- Rural 50
- Significant rural
- Other urban
- Large urban
- Major urban
- Boundaries



Source: ViRSA and Plunkett Foundation, 2006.

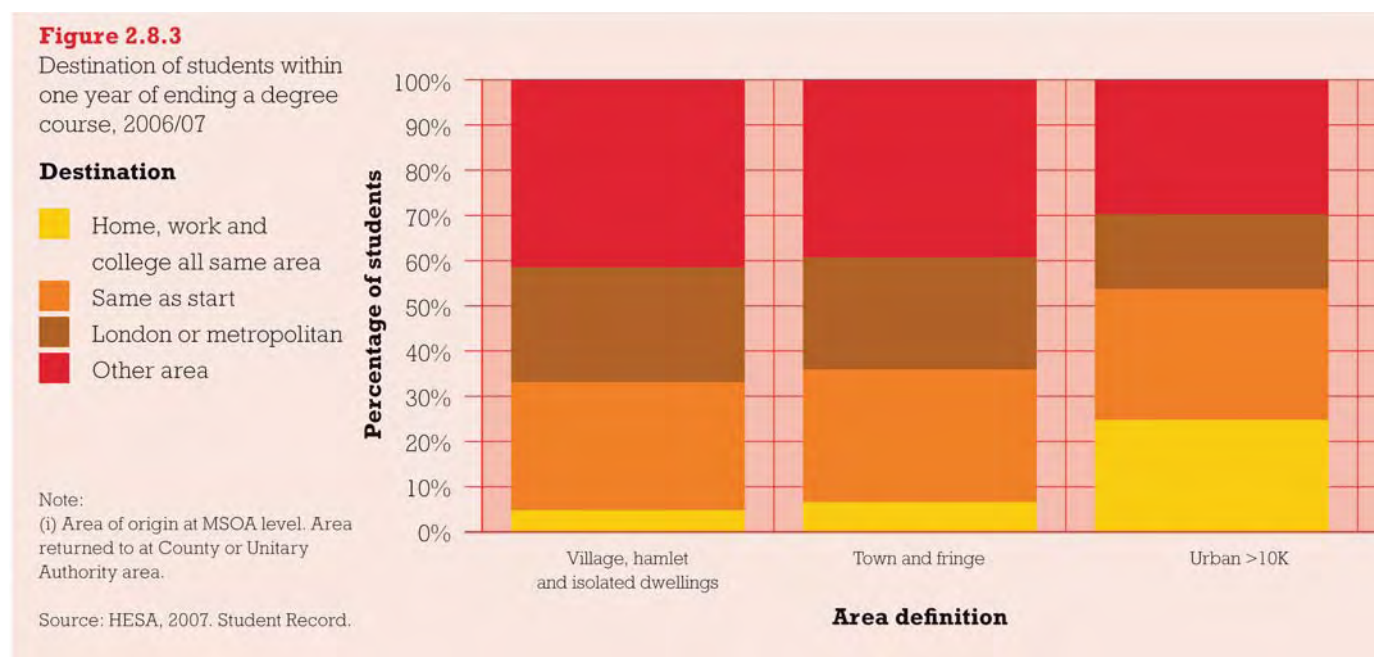
### Community shops

There are about 170 village shops owned and run by local communities. 48 of these were set up in 2000 or earlier, and 108 by 2004. The distribution of these (Figure 2.8.2) shows some clustering. An analysis and survey by the Plunkett Foundation and Village Retail Services Association (Plunkett 2006) explains the pattern as being influenced by a variety of factors including nearness to other community shops combined with areas where local people have the resources to own and run the shop.<sup>19</sup> However, while there tend to be more clusters in the more affluent central southern areas, there are many less affluent areas where shops have opened and have remained successful.

<sup>19</sup> Plunkett Foundation and Village Retail Services Association (ViRSA) 2005, Small Business Service United Kingdom Database and Survey of Community-Owned Village Shops

## Returning to home area after study

Questionnaire data of about 195,000 ex-students one year after completing a course show the locations of workplace, as well as the area from which students applied to university. For first degree students we have worked out the percentage who return to the same locality (measured as Unitary or County Authority). A simplified classification of these movements (Figure 2.8.3) shows that students from rural areas are very much less likely to study in the area they originate from (which is not surprising, since there is less likelihood of there being a university in their locality). But it shows that a similar proportion go away to study and return to their 'home' area (about 29%). The net result is that many more students from rural areas end up living in other areas than their home area. About 42% of urban students end up elsewhere, while the figures for rural areas are 62% for those from rural towns, and 65% from villages and hamlets.



There are large differences around the country, and in Figure 2.8.4 we show the highest and lowest rates for returning to the same area of the more rural areas. Cumbria has the highest for a rural area, and more remote areas often have higher proportions returning, but Northumberland is one of the lowest.

**Figure 2.8.4**  
Top and bottom 10 rural areas by percentage of first degree students returning home, 2006/07

Top 10 rural areas	% returning	Bottom 10 rural areas	% returning
Cumbria	40.2	Rutland	10.3
Northamptonshire	38.6	Leicestershire	15.2
Norfolk	36.9	Nottinghamshire	15.9
Oxfordshire	34.9	Northumberland	18.7
Isle of Wight	34.6	East Riding of Yorkshire	19.0
Lancashire	33.0	Derbyshire	19.9
Cambridgeshire	33.0	West Berkshire	20.4
Gloucestershire	32.8	Dorset	20.4
North Somerset	32.4	Buckinghamshire	21.3
Kent	30.5	Wiltshire	22.3

Source: HESA, 2007. Student Record.

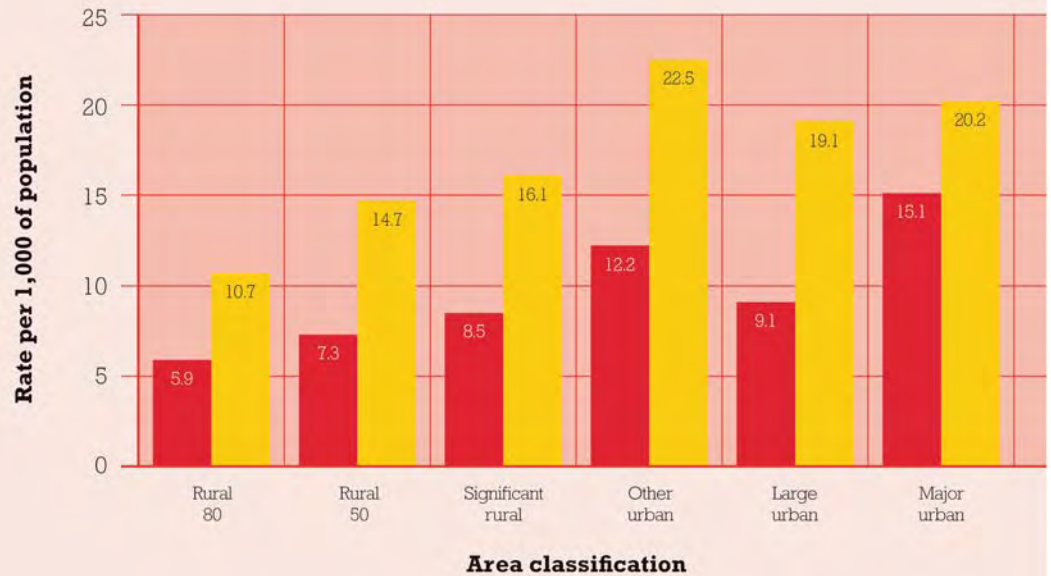
## Levels of crime

Crime levels are lower in most rural areas than in most urban areas. Most types of crime have seen a decline in rates per person between 2001 and 2006. Some have risen, including violence against the person. Figure 2.8.5 shows that rates of this offence have risen in all types of area, districts classified as 'Other urban' have seen the largest proportionate rate rise, districts classified as 'Rural 80' have seen the smallest proportionate rate rise. All other area types show a similar rate of increase. Earlier *State of the countryside* reports have provided findings from the British Crime Survey which show that people's perception and fear of crime is lower in rural areas, but not as low as the differences in levels of crime might lead one to expect.

**Figure 2.8.5**

Violence against the person,  
2001 and 2006

■ 2001  
■ 2006



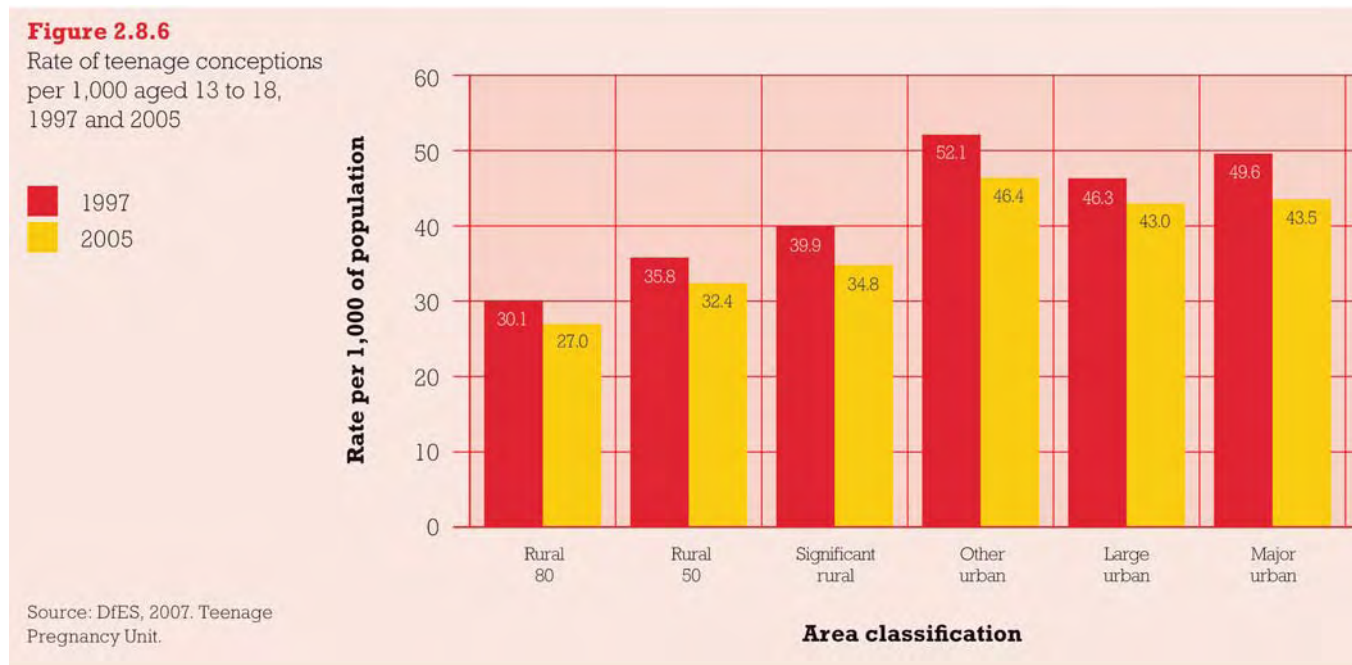
Source: Home Office, 2007.  
Notifiable Offences Recorded  
by the Police.





## Teenage conceptions

Teenage conceptions occur at a much lower rate per 1,000 females aged between 13 and 18 in rural areas than in urban areas, with the rates typically about 30% lower than those for urban areas (Figure 2.8.6). For rural authorities, the more rural, the fewer conceptions, but the highest rates are found in 'Other urban' areas rather than the larger urban areas. All area types have seen a fall in the rate since 1997. Around the same proportion are terminated by abortion, but slightly more teenage conceptions in rural areas result in births to married or unmarried couples rather than single parents.



Earlier *State of the countryside* reports have looked at issues related to community cohesion, and have found:

- more people taking part in local political action (*State of the countryside 2007*);
- higher levels of volunteering (40% in rural areas, 36% in urban areas) (*State of the countryside 2006*);
- more people involved in local organisations (*State of the countryside 2006*);
- a greater perception of community strength, especially in sparse villages and hamlet areas (*State of the countryside 2006*);
- higher levels of church affiliation (*State of the countryside 2006*);
- lower levels of fear of crime (*State of the countryside 2006*); and
- a slightly higher rating for the performance of police forces in rural areas (*State of the countryside 2005*).

But also:

- less social contact in smaller communities (*State of the countryside 2005*).

## Key summary points

- The patterns we have seen tend to show strong communities in rural areas on most measures but this picture is not universal.
- Indicators that reflect community strength are difficult to interpret and most show a more complex pattern than other indicators, mainly because they are attempting to capture a multi-dimensional and complex aspect of social life.
- Students from rural areas tend to return to their county of origin to a lesser degree than students from urban areas.
- Community shops tend to be found in more affluent rural areas where local people are able to afford to buy a shop and run it, but they are also sited in less affluent areas.
- Levels of crime are generally lower than in urban areas, although the situation does not give cause for complacency as rates are rising in some areas and for some forms of crime.
- Unauthorised pupil absences from school tend to be lower in rural areas, with some localised higher absence rates.
- Rates for teenage conceptions tend to be lower in rural areas.

## See also (from recent *State of the countryside reports*)

### Voluntary activity

2007	Figure 2.7.4	Indicators of participation and civic consultation 2005
2006	Figure 36	Regular participation in voluntary activities in the last 12 months, 2001 & 2003
2006	Figure 37	% of people involved in any local organisation in last 3 years
2006	Table 17	Socio/political activity
2006	Table 18	Perception of community strength

### Religious activity

2006	Table 19	Church affiliation
2005	Table 2.6	Religious affiliation

### Neighbourhood

2005	Table 3.22	Respondents satisfaction with the area they live in
2005	Table 3.23	View on whether area has improved or deteriorated
2005	Table 3.17	Respondents view of their local neighbourhood
2006	Table 3	What makes a place a good place to live?
2006	Figure 13	Where would you like to move to?

### Crime

2007	Figure 2.7.5	% change in reported crime 2003/04 to 2004/05 (map)
2006	Table 20	Reported crime
2006	Table 21	Fear of crime table
2005	Table 3.19	Feelings of personal safety 2001/02 to 2003/04
2005	Table 3.20	Perception of the risk of victimisation 2001/02 to 2003/04
2005	Figure 3.12	Experience of crime
2005	Table 3.21	Rating of local police 2001/03

### Local governance

2007	Figure 2.7.1	Hours per week that parish clerks are contracted to work, 2006
2007	Figure 2.7.2	Parish and town council sources of income 2005/06
2007	Figure 2.7.3	Change in Band D Council Tax 1998/99 to 2006/07 (map)
2005	Table 2.9	Civil and non civil parish communities

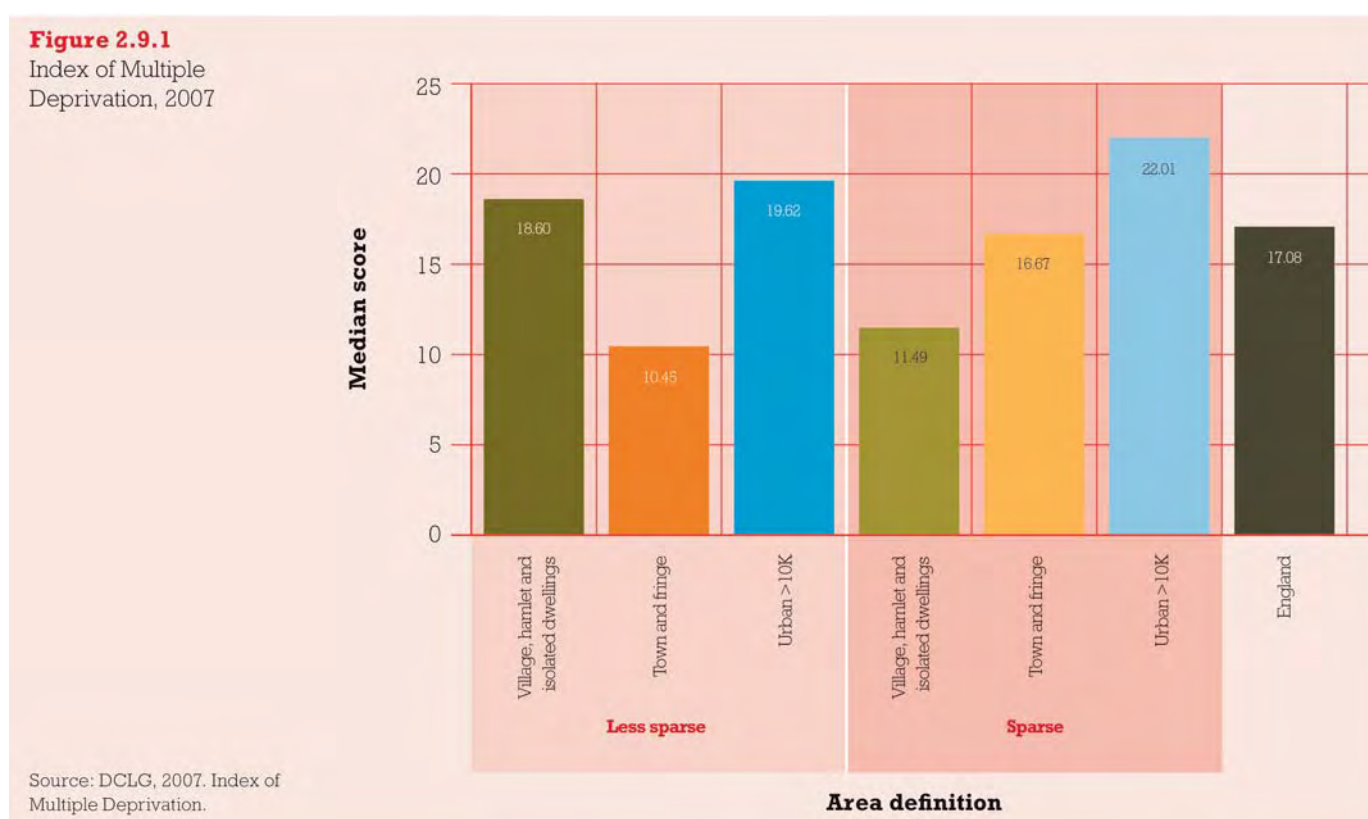
## 2.9 Disadvantage

The CRC's Disadvantage Study<sup>20</sup> identified three critical factors for rural people, in both experiencing and escaping disadvantage – financial poverty, relating to income and employment, access poverty relating to access to transport and other services, and network poverty relating to contact with, and help from, friends, neighbours and others. This section focuses on financial poverty.

On average, rural areas face proportionally lower levels of disadvantage than urban areas. On most indicators rural disadvantage is found at rates of roughly two-thirds to three-quarters of that for the national level. However, while disadvantage in some rural areas is not as marked as in urban areas where it can be concentrated, it does still exist and has a similar impact on the availability of opportunity for the people and communities concerned as in urban areas. In this section we look at a number of sources of information on disadvantage and consider issues of geographical concentration and dispersal.

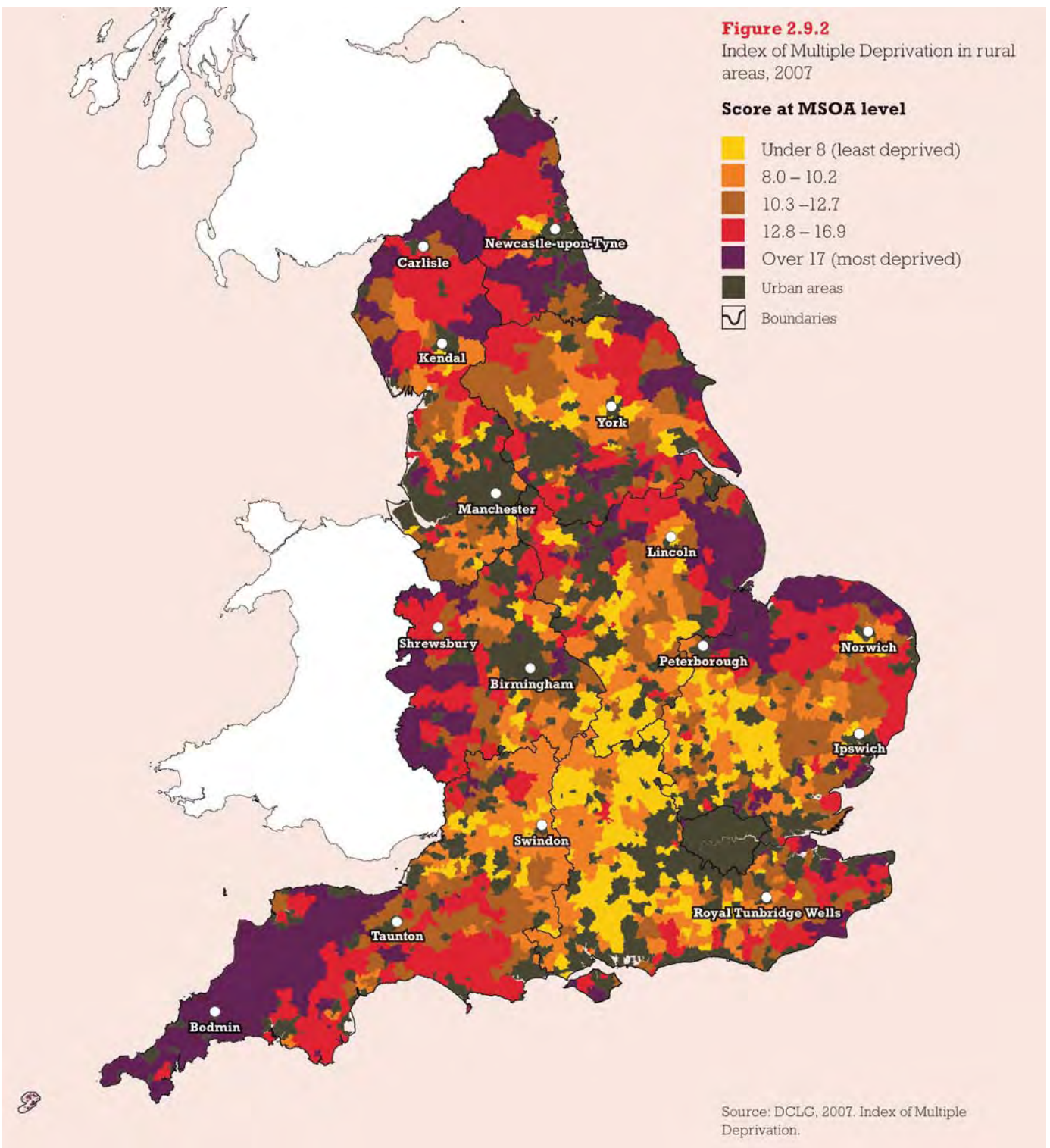
### Index of Multiple Deprivation

The latest Index for Multiple Deprivation (IMD) was published in December 2007, with the full report in March 2008<sup>21</sup>. This measures deprivation within each Lower Level Super Output Area (of which there are about 32,000 in England each with a population of around 1,600 people). Each area is ranked from the most to the least deprived but here we use the actual scores – where a higher score means more deprivation. On this measure rural England is shown as having lower levels of deprivation (Figure 2.9.1), but sparse towns and villages have levels that approach that for urban areas, and are around the national level.



20 Commission for Rural Communities (2006), Rural Disadvantage: Reviewing the Evidence, CRC

21 Department for Communities and Local Government (2008) The English Indices of Deprivation 2007, London, March 2008

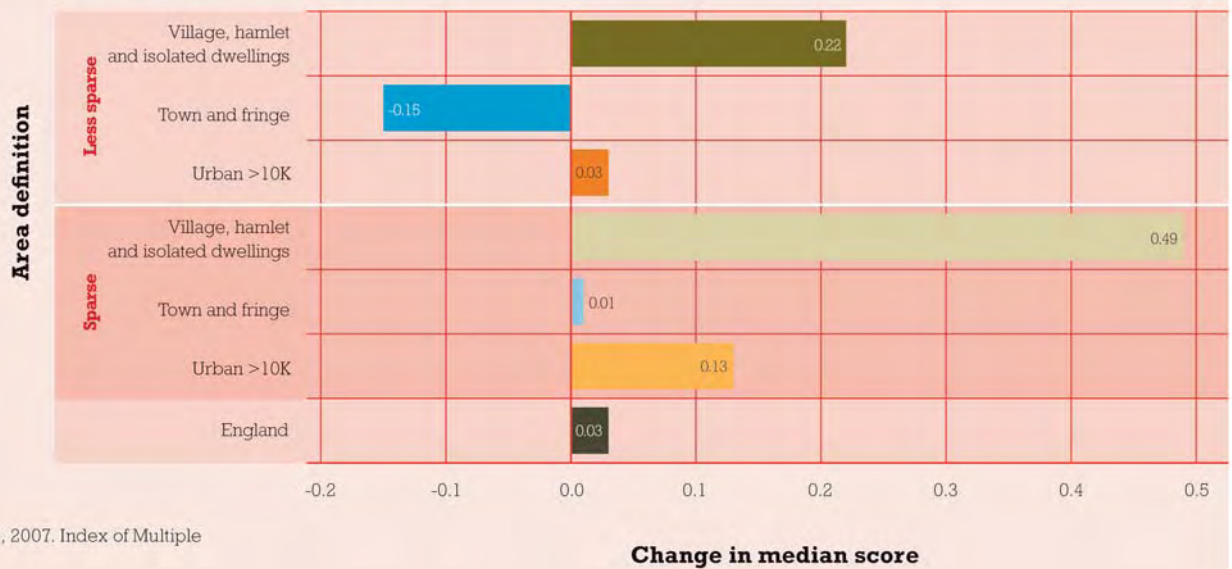


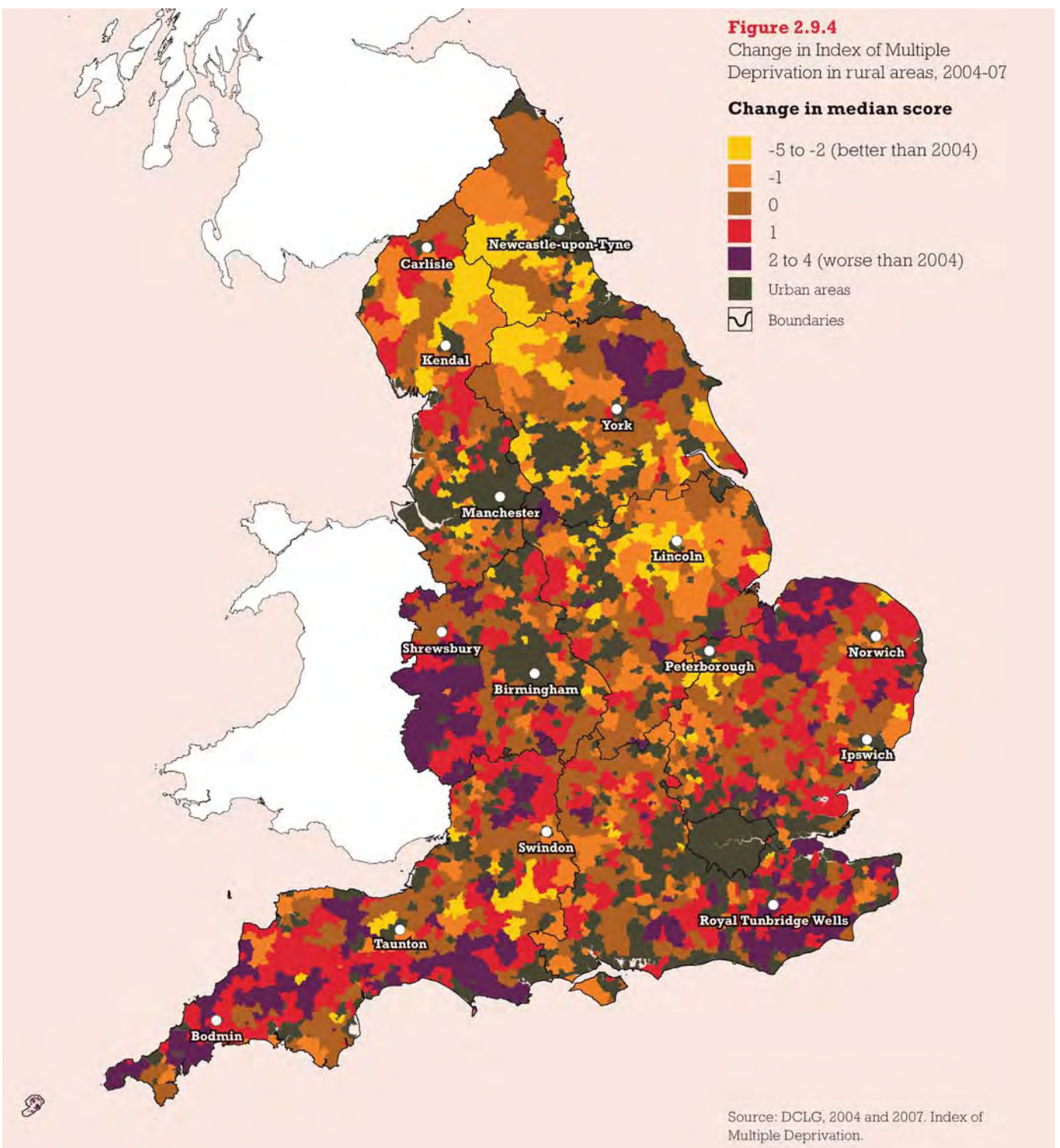
The IMD is made up of a number of 'domains' and income, employment and education account for 60% of the weighting. These three dimensions are all very closely correlated, so the distribution of IMD shows those areas that have the lowest levels of income, employment and levels of education, concentrating on income rather than access or network poverty. Mapped for the rural areas alone (Figure 2.9.2) we see that the worst levels are found in sparse areas such as the Fens, Cornwall, and West Cumbria. The areas suffering least are in 'commuter belt' areas and areas in the central South of England where incomes are highest. It should be noted that if urban areas were included many more rural areas would be shown as not suffering deprivation since there is more deprivation in urban areas.



When we look at the changes since 2004 (Figure 2.9.3) we see that the median score on the Index for all types of area added together has become worse (by a score of 0.03 – a small amount which can be interpreted as no real change). However, this aggregate figure masks considerable variation. The Index for sparse and less sparse villages and hamlets has worsened to a much greater extent as have sparse urban areas. The only area type to have improved scores are the less sparse rural towns.

**Figure 2.9.3**  
Change in Index of Multiple Deprivation, 2004-07





As with scores on the Index itself, the geographic pattern of change shows large differences within different types of rural area (Figure 2.9.4). In the North of England rural areas have tended to improve while the South has seen more areas becoming worse (higher scores). This data does not show a simple trend of evening out as the more deprived areas in the South seem to be those that have suffered most – the Fens, Herefordshire, parts of the South West – and at the same time Kent, East Sussex and Gloucestershire, which are less deprived, have also become worse.

Further analysis of indicators of disadvantage has been carried out for the CRC by Oxford Consultants for Social Inclusion (OCSI) and JH Research<sup>22</sup>. This analysis points to the less concentrated nature of rural deprivation. On the IMD, of the 6,496 of the 20% of most deprived Lower Level Super Output Areas in England, only 158 (or 2.4%)

<sup>22</sup> Commission for Rural Communities, 2008, forthcoming. Deprivation in rural areas: Quantitative analysis and socio-economic classification, Oxford Consultants for Social Inclusion (OCSI)

are rural. However, the OCSI analysis shows that the percentage of those suffering disadvantage that live in rural England include:

- 18% of all people with limiting long-term illness in England;
- 16% of those on pension credit guarantee;
- 15% of all adults with no qualifications;
- 13% of benefits claimants; and
- 14% of those in housing with no central heating

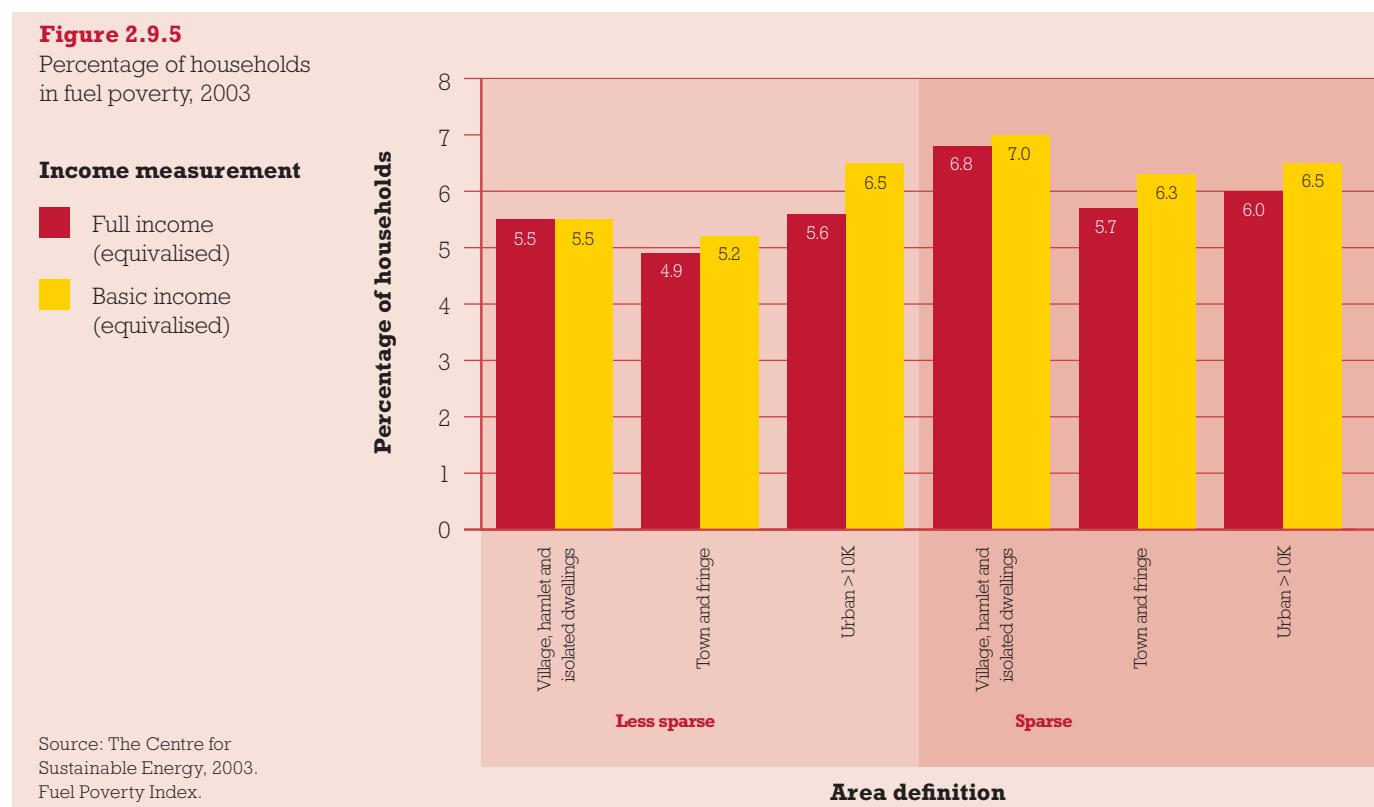
When analysed at the Census Output Area level (populations of about 250 to 300) around 3.6% of the most deprived 20% are in rural areas, which means that more, but by no means all deprivation is picked up.

Furthermore, the analysis shows that many deprived households are not located in the most deprived areas. The OCSI report on the rural share of deprivation in Norfolk<sup>23</sup> shows that this pattern is more prevalent in rural than urban areas.

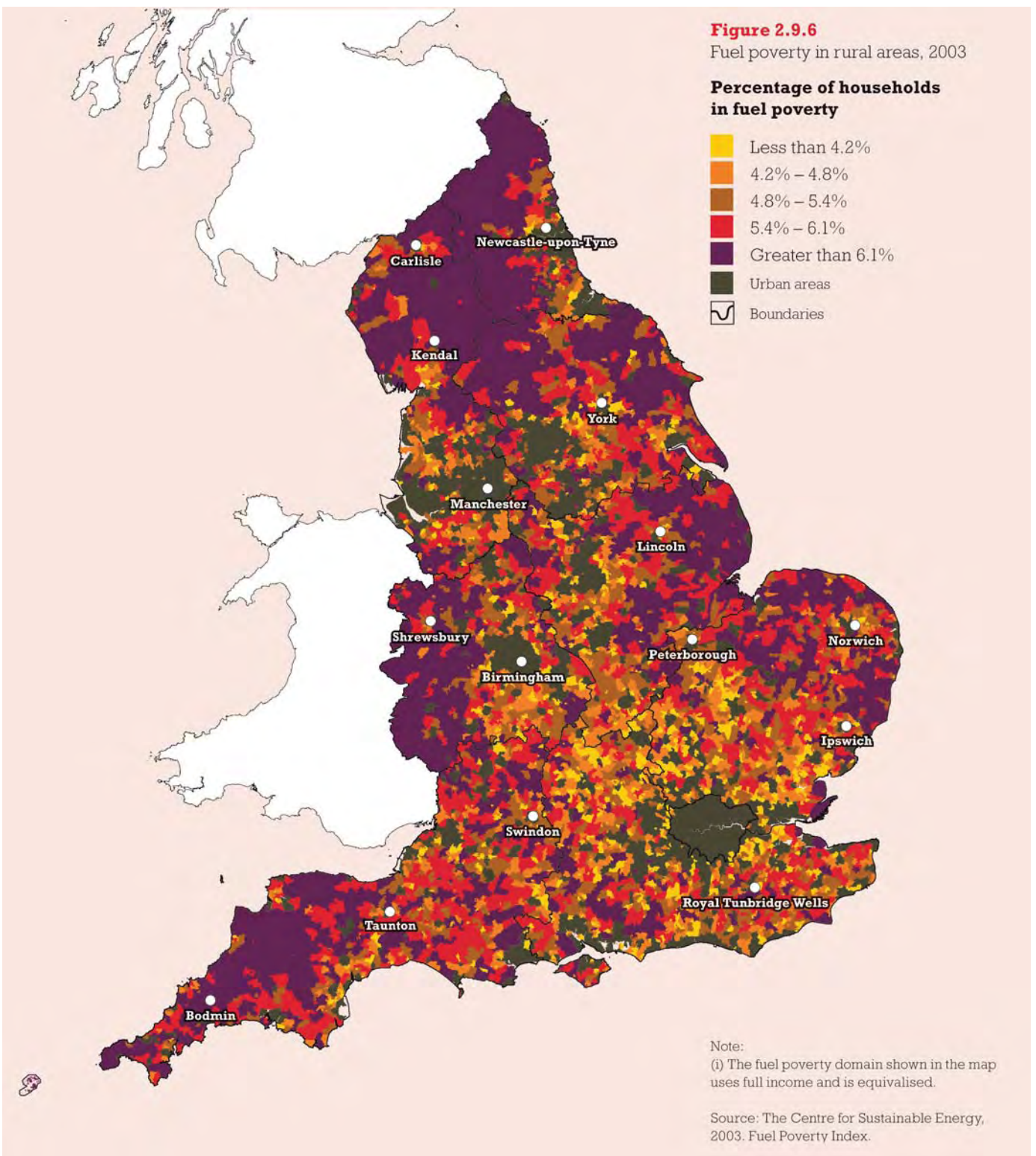
Similarly, DWP estimated that in 2006/07, 19% of households in rural areas were living under the poverty line – households with an income of less than 60% of the median income after levels are adjusted to take account of housing costs and household size (known as ‘equivalisation’) – see Figure 3.2.3 in the next chapter.

### Fuel poverty

Fuel poverty is generally defined as being a situation where a household has to spend more than one tenth of its income in order to keep the home at a temperature of 20°C. The factors that affect this are people's incomes, the cost of fuel for heating and the relative ease of heating a home. Solid walled housing and not being on mains gas supply are a major factor in increasing fuel costs in rural areas. The Centre for Sustainable Energy publishes a Fuel Poverty Index which shows how this varies. The area type with the lowest levels of fuel poverty is less sparse rural towns, while less sparse villages and hamlets have levels similar to less sparse urban areas (Figure 2.9.5). Sparse areas tend to have higher levels of fuel poverty.



23 [www.norfolk.gov.uk/ruraldeprivation](http://www.norfolk.gov.uk/ruraldeprivation)




Geographically (Figure 2.9.6), rural fuel poverty can be seen to a greater degree in sparse rural areas, but it also features in 'less sparse' areas that are more distant from major conurbations. The pattern implies that income is a major factor (as one would expect) but that the relative cost of heating many rural homes is a key factor due to the construction of houses and the lack of cheaper fuels. Last year's *State of the countryside* contained information on hard to heat homes, showing that rural areas had proportionately more solid walled homes and many fewer were on mains gas supply.



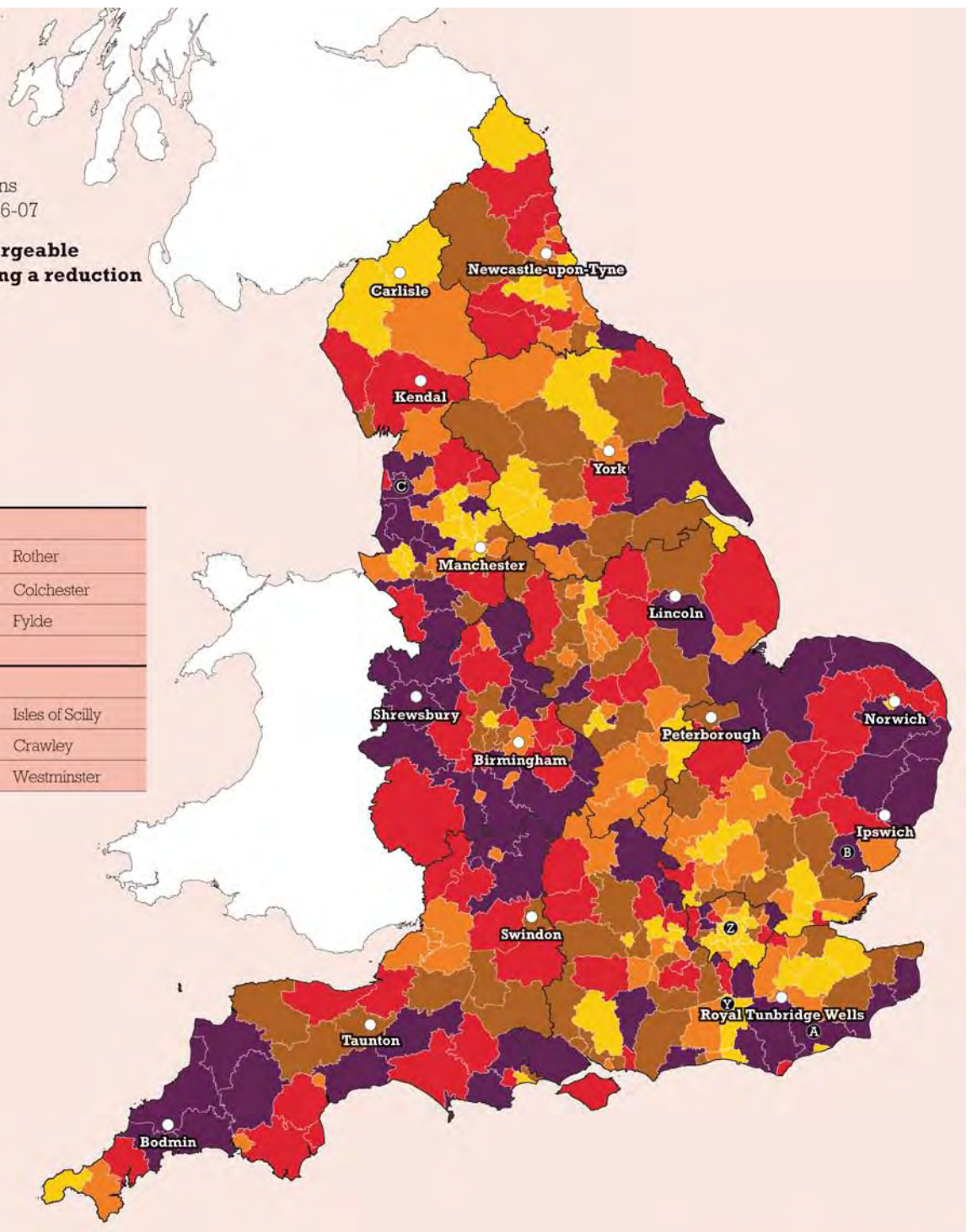
**Figure 2.9.7**  
Council tax reductions  
due to disability, 2006-07

**Percentage of chargeable dwellings receiving a reduction**

- 0.17 – 0.44
- 0.45 – 0.54
- 0.55 – 0.62
- 0.63 – 0.72
- 0.73 – 1.10

 Boundaries

Highest			
<b>A</b>	Rural	1.10%	Rother
<b>B</b>	Mixed	1.04%	Colchester
<b>C</b>	Urban	1.04%	Fyde
Lowest			
<b>X</b>	Rural	0.18%	Isles of Scilly
<b>Y</b>	Mixed	0.35%	Crawley
<b>Z</b>	Urban	0.17%	Westminster



Source: DCLG, 2007. CTBI Returns.

**Disability**

One indicator of disability is provided by the proportion of properties that receive a reduction in council tax as a result of a member of the household having a disability (Figure 2.9.7). The distribution varies but the areas with the highest levels are found in certain rural areas, notably, but not exclusively those with more ageing populations.



### Key summary points

- The 2007 Index of Multiple Deprivation shows rural areas to have, on average, less concentrated deprivation than urban areas.
- Since 2004 inequalities between rural areas have tended to increase.
- Only 2.4% of the small areas with scores within the worst 20% of deprived areas are found in rural areas – but other indicators based on individual level data show that 15% of deprived individuals live in rural areas.
- The data also highlights the fact that rural deprivation tends not to be concentrated in particular geographic areas to a greater extent than for urban areas.
- Fuel poverty is more common in sparse areas.
- Levels of people with a disability are found to be higher in rural areas than in urban areas. Much of this will be due to the older population in rural areas. This poses particular issues for those providing services in rural areas.

### See also (from recent *State of the countryside* reports)

#### Income deprivation

2007	Figure 2.7.6	Issues discussed with Citizens Advice Bureau, 2006
2007	Figure 2.7.7	FSA Authorised Credit Unions, 2007
2005	Figure 3.14	English indices of multiple deprivation (IMD) 2004
2005	Table 3.25	Regional distribution of the most disadvantaged areas (IMD 2004)
2005	Figure 4.8	Economic deprivation, 2004

#### Fuel poverty

2007	Figure 2.4.10	% of homes with solid walls and not on mains gas
2005	Table 2.11	Central heating fuel 2.4

## 2.10 Living in the countryside – a ten year perspective

Rural areas continue to fare better on most measures of quality of life than urban areas in England. In this chapter we have found when data are analysed using the rural:urban definition, most of the indicators have more positive values for rural areas. Rural areas are characterised by having an older age profile, more people moving in than moving out, fewer homeless people, more healthy lifestyles, better educational achievement, lower crime, and less deprivation than urban areas. But they also have worse access to services, worse housing affordability, and the greater numbers of older people mean that illness is more prevalent for many diseases.

We have also found that sparse and remote areas often fare worse on indicators, and when mapped, there are areas that show up consistently as offering a poorer quality of life. Besides the sparse areas, there are areas such as Herefordshire, parts of Lincolnshire and Norfolk and South West, as well as the former mining and industrial declining areas such as Durham, Derbyshire, Nottinghamshire that consistently show worse levels. Rather perversely, many of these areas are those favoured for retirement and second homes, which can exacerbate some of the problems such as poor housing affordability that occur there.

We also know that much deprivation in rural England is not picked up by even small area analysis – 2.4% of the most deprived 20% of Lower Level Super Output Areas are in rural areas, but about 15% of deprivation measured at the individual level is found in rural areas. So, much rural deprivation will not be identified even by small area mapping and analysis.

That said, many rural areas are thriving and polarisation both between areas, and within areas seems to be more of an issue than widespread deprivation and disadvantage.

The picture given is that rural areas are not universally better off than urban areas, and that we should not assume that because rural areas are better off, on average, that there is no need to take action to address problems there. Over the ten *State of the countryside* reports that have been produced, some of the most serious issues – of housing affordability, access to services, and a lack of public transport – have continued as major issues. Our recent report on financial inclusion<sup>24</sup> highlighted issues of access to financial services.

While few would argue that there is no need for action to address the issues that rural disadvantage poses, there is often a lack of priority and focus given to them given that urban deprivation is more visible. While urban disadvantage tends to be concentrated in particular areas where localised action can be taken to address poor quality of life and limited opportunities, geographically targeted solutions are less likely to be effective in rural areas where disadvantage can be hidden and is more dispersed.

<sup>24</sup> Commission for Rural Communities (2007) Promoting Financial Inclusion in Rural Areas. November (prepared by SQW Ltd) 2007



# THREE

# Economic wellbeing

## 3.1 Introduction

Since the start of our *State of the countryside* reporting in 1999 the UK government has made several changes in the focus of economic policies, in their structures, levels and instruments of development and delivery. This in turn led to improvements in evidence and indicators, enabling a better analysis of rural economic performance and wellbeing. They have:

- contributed to and adopted the Lisbon Strategy to achieve 'full and fulfilling' employment and enhance competitiveness;
- acknowledged and promoted UK cities as drivers of the economy, assisted by the first State of the Cities analysis and report; and
- devolved governance across the UK, which in England has been supplemented by additional economic and business support structures, including creation of Regional Development Agencies, Small Business Service, Business Links, Learning and Skills Council, and the provision of powers under the Local Government Finance Act 2000 for Local Authorities to promote economic wellbeing (and social and environmental wellbeing).

These structures have been accompanied by a suite of Public Service Agreements, Economic, Enterprise and Innovation Strategies, Commissions and Reviews, that have put the spotlight on economic strengths and challenges. These in turn have generated a raft of economic research, evidence and data which have all served to increase the evidence base that we can draw on.

Some key evidence and data of the economic health of rural economies remains beyond the reach of such rural:urban analysis (such as information on training and skills), but in this chapter we are able to present evidence from the core measure of economic growth and productivity, Gross Value Added (GVA), at the Local Authority level for the first time. This shows that rural districts have overtaken England's major cities and urban areas outside of the capital as drivers of the national economy in many respects.

The chapter is split into three main sections:

**3.2 Income and expenditure** – sources of income, household and personal income, households with incomes below 60% of the English median, and expenditure for those on different incomes. It also looks at business earnings and turnover, and looks beyond traditional economic measurements of performance towards measures of economic wellbeing.

**3.3 Employment** – levels of employment, economic inactivity and work in different industrial sectors.

**3.4 Enterprise and entrepreneurship** – changes in numbers of businesses, turnover per employee, changes for different sectors and the aspirations of businesses.

## Section includes:

3.1	Introduction	75
3.2	Incomes and expenditure	76
3.3	Employment	94
3.4	Enterprise and entrepreneurship	103
3.5	Economic wellbeing – a ten year perspective	109

## 3.2 Incomes and expenditure

### Introduction to sources and measures of income

Income in rural areas is made up of household income, and income earned and wealth created by rural businesses from the production of goods and services. Income earned by households derives from wages, business earnings, social transfer payments, investments and pensions. Income earned by businesses arises from sales revenues, through capital and revenue investment payments and through public sector transfer payments.

Many of these flows of income are recorded by two core indicators – Disposable Household Income (DHI) and Gross Domestic Product (GDP), or at the sub-national level by Gross Value Added (GVA) which encompasses all income earned from goods and services. There are four components:

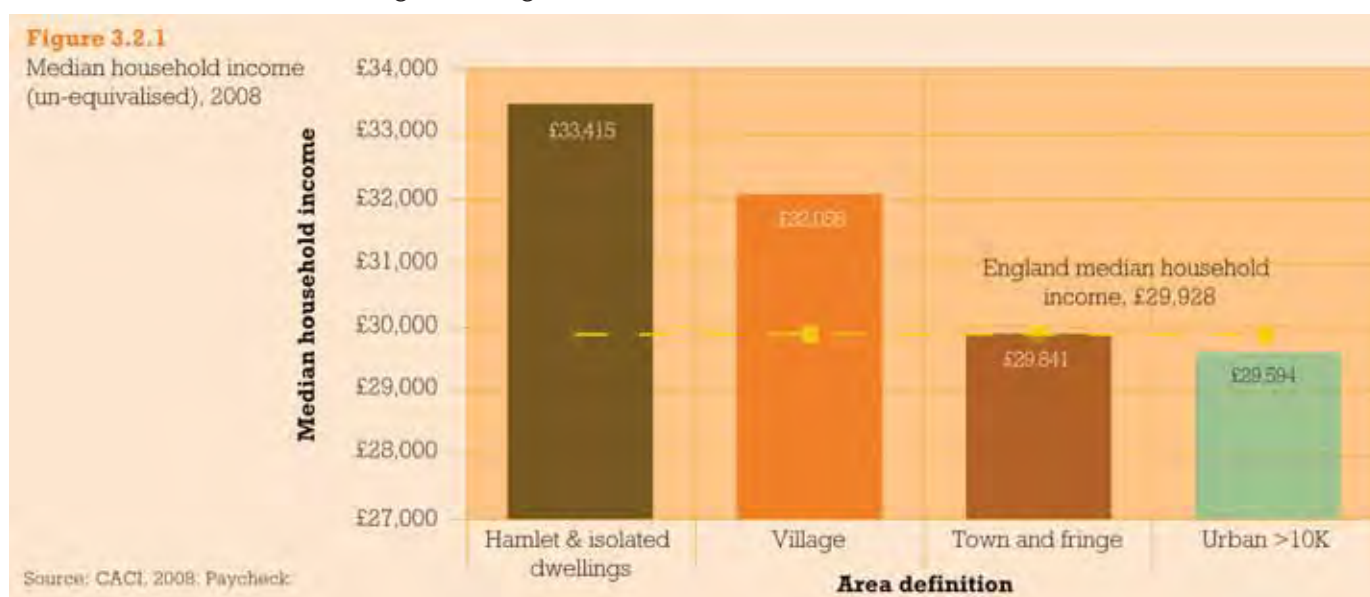
- income from employment;
- income from self employment;
- profits and surpluses; and
- rents.

Some of these components will be unpicked in this chapter.

### Household income for rural residents

In 2008, rural households had higher average gross incomes than those living in urban England. According to DWP data, the median equivalised<sup>1</sup> household disposable income in England before housing costs in rural areas was £21,500, compared to £19,500 in urban areas. After housing costs the median income was £18,700 in rural areas compared to £16,400 in urban areas. The mean equivalised household disposable income in England before housing costs in rural areas was £26,600, compared to £24,000 in urban areas. After housing costs basis the mean income was £23,200 in rural areas compared to £20,400 in urban areas.

According to CACI, an alternative source that allows a breakdown into smaller geographies, the rural median household income of £31,227 per annum compares with £29,594 for urban areas, while the rural mean of £35,539 compares with £33,596 for urban residents<sup>2</sup>. Median incomes for different rural and urban categories are shown in Figure 3.2.1. It is important to note that these are the incomes of people who live in rural areas, and includes earnings other than wages, and that many rural residents commute to relatively well-paid jobs in urban areas – as later sections will show it does not mean that wages are higher in rural areas.



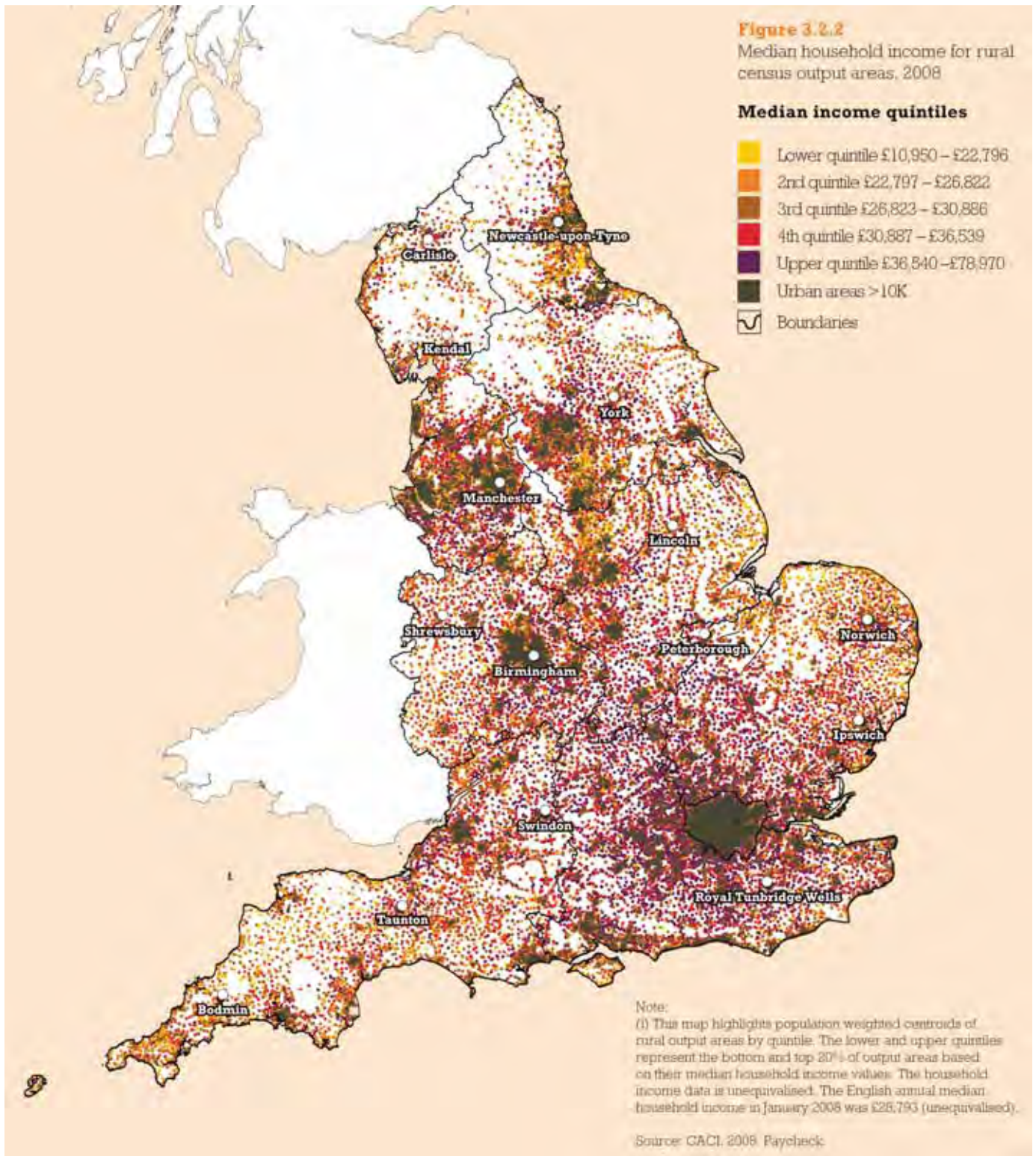
- <sup>1</sup> "Equivalised" incomes take household size into account. For the purposes of calculating relative poverty the figures assume that a smaller household needs less income than a larger household. For more details see DWP (2008) Households below average incomes, First release, June 2008.
- <sup>2</sup> Mean incomes are higher than medians since the high earnings of a small proportion of people have little effect on a median average but increase the mean average

**Figure 3.2.2**

Median household income for rural census output areas, 2008

**Median income quintiles**

- Lower quintile £10,950 – £22,796
- 2nd quintile £22,797 – £26,822
- 3rd quintile £26,823 – £30,886
- 4th quintile £30,887 – £36,539
- Upper quintile £36,540 – £78,970
- Urban areas >10K
- Boundaries



These higher average levels of household income mask differences across the rural:urban geography and within rural areas. Sparse areas, especially have fewer households in the top 20% and a greater share of those in income poverty than those within less sparse settlements (Figure 3.2.2). Sparsity and the extent to which rural areas are detached from core cities or the peripherality of their locations appears to provide significant influences on areas' household incomes. The difference between household incomes in less sparse and sparse rural settlements exceeds that between rural and urban output areas. However, it is notable that within areas of generally higher incomes some output areas are found with low incomes (and vice versa).

Income poverty exists to a greatest extent in sparse rural towns (and urban settlements) than in the other rural area types. In 2006, 21.4% or 906,101 households in

rural England were estimated to have incomes of less than 60% of the English median 'un-equivalised' household income, compared with nearly 4.25 million or 24.2% of urban households. The rural differences ranged from 17.5% in hamlets and dispersed dwellings in less sparse rural areas to 31% in sparse rural towns and fringes. The comparable gradient across urban areas was 24.2% to 32.2%<sup>3</sup>.

The data below is sourced from the Households Below Average Income series publication. This is a National Statistics product from the Government Statistical Service and is produced in compliance with the National Statistics Code of Practice. This dataset is used to monitor Public Service Agreements covering child and pensioner poverty. Using equivalised incomes shows lower figures of relative poverty for both urban and rural areas than the un-equivalised data (since smaller households are more likely to have lower incomes). DWP data shows that 18% of households in rural areas were below the 'poverty line'<sup>4</sup> in 2006/07 compared to 19% in urban areas (Figure 3.2.3). The rural percentage has increased from 16% in 2004/05. When we take housing costs into account the rural percentage rises to 19% (while that for urban

**Figure 3.2.3**

Proportion of various groups below 60 per cent of median income by whether in rural or urban areas, 2004/05 to 2006/07

**Before housing costs**

		Households	People				
			All	Children	Working Age	Pensioners	
2004/05	Urban >10K	18	18	23	14	22	
	Rural	All	16	14	11	19	
		Sparse	19	18	ss	ss	
		Less Sparse	15	13	14	10	19
2005/06	Urban >10K	19	18	23	15	21	
	Rural	All	16	14	15	12	18
		Sparse	19	17	ss	ss	ss
		Less Sparse	15	14	15	12	18
2006/07	Urban >10K	19	18	23	15	23	
	Rural	All	18	16	17	13	23
		Sparse	26	26	ss	ss	ss
		Less Sparse	18	16	16	12	23

**After housing costs**

		Households	People				
			All	Children	Working Age	Pensioners	
2004/05	Urban >10K	22	22	31	20	18	
	Rural	All	16	15	19	14	16
		Sparse	22	20	ss	ss	ss
		Less Sparse	16	15	19	13	15
2005/06	Urban >10K	22	23	32	21	17	
	Rural	All	17	17	21	16	15
		Sparse	22	22	ss	ss	ss
		Less Sparse	17	17	21	16	15
2006/07	Urban >10K	23	24	33	22	19	
	Rural	All	19	18	22	16	19
		Sparse	24	26	ss	ss	ss
		Less Sparse	18	17	22	16	19

Notes

- (i) The reference period for Household Below Average Income figures is single financial years.
- (ii) The income measures used to derive the estimates shown employ the same methodology as the Department for Work and Pensions publication 'Households Below Average Income' (HBAI) series, which uses disposable household income, adjusted (or 'equivalised') for household size and composition, as an income measure as a proxy for standard of living.
- (iii) The figures are based on OECD equivalisation factors.
- (iv) Incomes are presented net of income tax payments, National Insurance contributions and Council tax. Figures have been presented on both a Before Housing Cost and After Housing Cost basis. For Before Housing

- Cost, housing costs (such as rent, water rates, mortgage interest payments, structural insurance payments and ground rent and service charges) are not deducted from income, while for After Housing Cost they are. This means that After Housing Cost incomes will generally be lower than Before Housing Cost.
- (v) All figures have been rounded to the nearest 100,000 or percentage point.
- (vi) Small changes should be treated with caution as these will be affected by sampling error and variability in non-response.
- (vii) Data are only available from 2004/05.
- (viii) Small sample size = ss.

Source: DWP, 2008. Households Below Average Income.

3 CACI (2008) Paycheck data

4 The poverty line is here defined as having an income of less than 60% of median household income across the UK after equivalisation.



areas is 23%). Sparse rural areas have proportions on low incomes that are similar to urban areas in this respect. The total number of people in rural areas under the poverty line equates to 1.6 million.

### Personal income – earnings from jobs in rural areas

Personal income is derived from a variety of earned and unearned sources. Of these, wages remain the main source for those of working age. Over the last decade wage levels have risen across England, but disaggregation by rural:urban categories, by residents and workplace pay levels, and by hourly, weekly and annual pay levels reveals some interesting patterns. There is a key difference between the incomes of people living in rural areas and the incomes of people working in rural areas, which the following illustrates.

In the first *State of the countryside* report in 1999 we reported that the lowest levels of average full-time weekly pay were found in peripheral rural counties. The five counties of Cornwall (£88 per week less than national average), Isle of Wight, Northumberland, Shropshire and Devon, recorded the lowest weekly wage levels. By 2007 the overall situation had not changed and the lowest wage levels were still to be found amongst residents in such counties. In 2007 the mean weekly pay for England was £461.30. The bottom Local Authorities by this measure were peripheral rural areas, the lowest being Berwick-upon-Tweed, Northumberland (£292.10), and Penwith, Cornwall (£302.40/week).

**Figure 3.2.4**

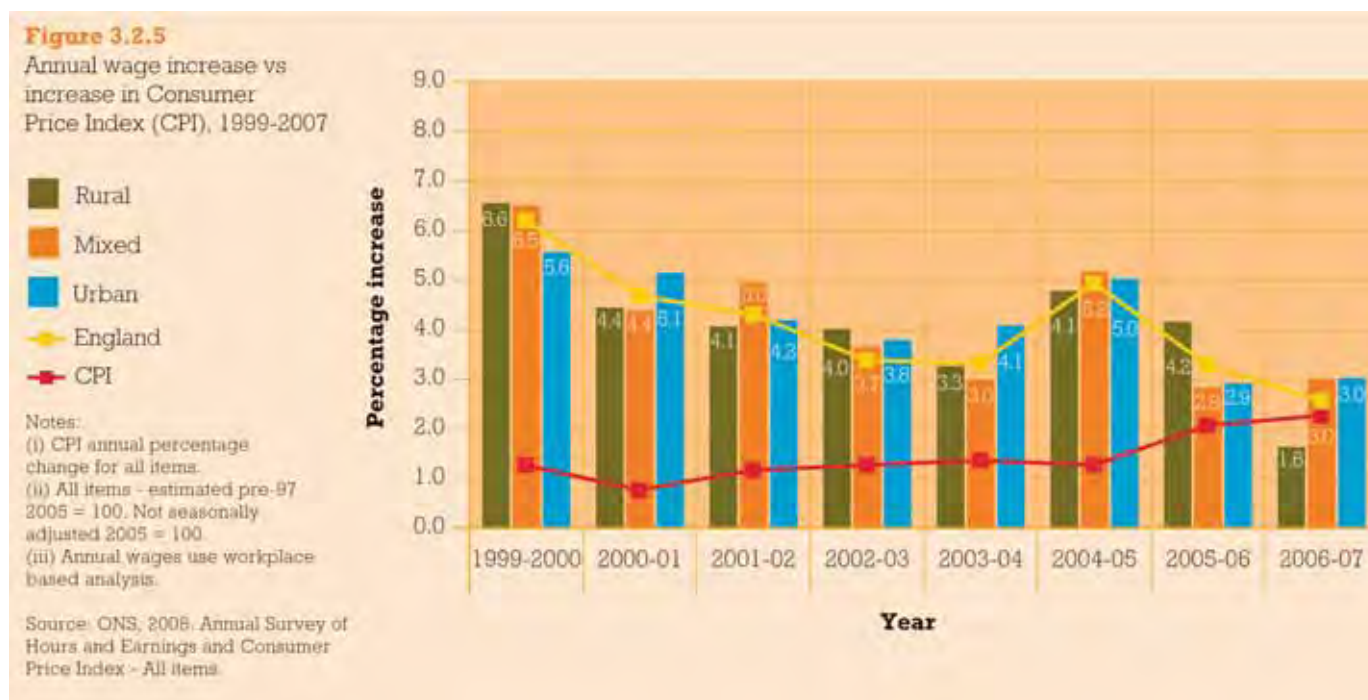
Change in resident and workplace mean weekly gross pay (£), 2002-07

Year	Analysis type	Rural	Mixed	Urban	England
2002	Resident	383.0	385.1	418.6	401.0
	Workplace	337.4	369.2	400.9	399.5
2003	Resident	401.6	401.8	430.8	414.7
	Workplace	353.2	384.5	413.8	412.4
2004	Resident	406.6	412.8	444.5	423.9
	Workplace	360.0	390.8	424.3	421.9
2005	Resident	415.0	418.1	459.6	432.6
	Workplace	366.0	396.8	436.8	430.1
2006	Resident	433.7	433.5	471.2	449.2
	Workplace	383.8	414.3	453.6	448.0
2007	Resident	444.6	444.3	480.2	461.3
	Workplace	391.4	428.1	463.3	460.3
Change 2002-07	Resident	61.6	59.2	61.6	60.3
	Workplace	54.0	59.0	62.4	60.8
Percentage change 2002-07	Resident	16.1%	15.4%	14.7%	15.0%
	Workplace	16.0%	16.0%	15.6%	15.2%

Source: ONS, Annual Survey of Hours and Earnings, 2007.

Nevertheless, during the period 2002-07 most rural (Rural 80 and Rural 50) Local Authorities have generally witnessed increases in weekly pay greater than the national weekly average (Figure 3.2.4). But this pattern has been variable from year to year. Across England, the rate of annual wage increases has fallen and over the last 8 years rural areas appear to have experienced greater volatility in wage rises than elsewhere (Figure 3.2.5). By 2007 rural wages rises alone had fallen below one of the Government's indicators of inflation – the Consumer Price Index.

Not all of this volatility can be attributed to pay settlements negotiated in rural firms, as some rural areas witness a large share of their employees commuting to urban and distant labour markets.

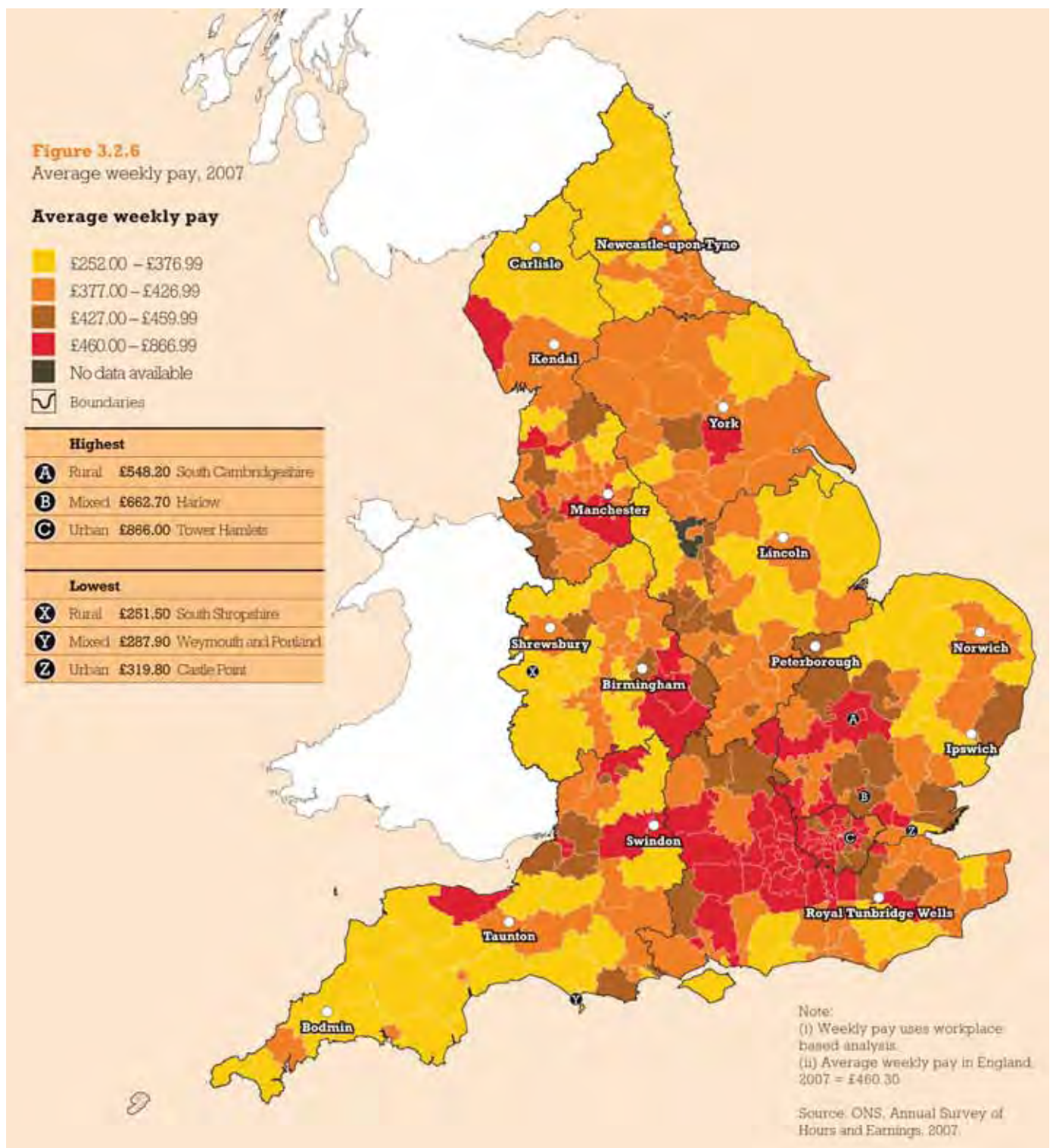


### Wages in rural areas – working locally versus working in other areas

Because of the high levels of commuting by those in generally better paid jobs from rural to urban areas, pay rates gained by a resident in all types of rural area are higher than pay rates for those working within comparable rural districts – this is also true of major urban, and other urban areas. Only in large urban areas is this pattern broken, with residents and workers securing similar average pay rates. The greatest disparities affect those in the predominantly rural areas, where employees' pay lags considerably behind those of rural residents who work in more urban locations.

Those who are residents and employees in major urban areas earn noticeably larger amounts than those in rural districts. Increases in pay have been broadly similar across England over the 9 years to 2007 (when measured at the workplace), but the rate of increase has been slower in Rural 50 districts. In contrast, residents of such districts have enjoyed growth in wage rates higher than national and urban averages. This may reflect shifts in the employee profile of such rural districts. It may result from in-migration particularly of employees into such areas, shown in Figures 2.2.11 and 2.2.12, being in higher paid jobs.

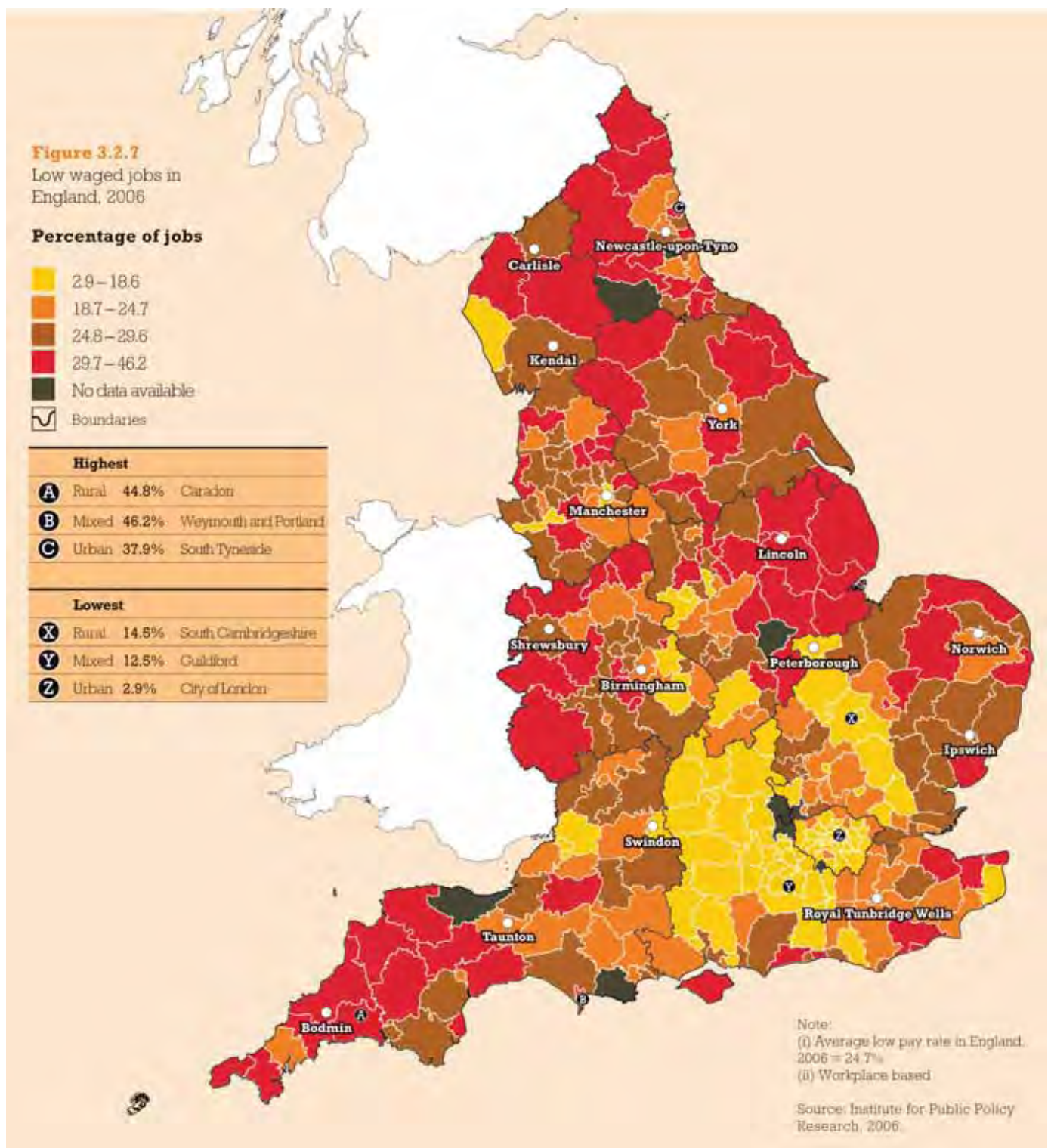
As these are aggregate returns from all employees in all occupations and sectors, changes in the balance of male and female employees, hours worked by residents and workers, and different sectors and occupations are other possible explanations for these variations.



When mapped, geographical differences within rural areas show up (Figure 3.2.6). The highest pay rates are generally found in the central South of England, and the lowest rates in the more peripheral areas. There are some exceptions to this rule, with areas such as West Cumbria having higher than average pay rates for rural areas, but areas of Sussex having lower rates.

The picture of peripheral rural areas struggling to achieve parity with national average weekly wages and those earned in more urban districts, is reinforced by analysis of the proportions of employees earning low levels of pay. Recent work by IPPR<sup>5</sup> has explored the levels and profiles of workers earning wages of less than 60% of median pay.

5 Institute for Public Policy Research (2007) – Working poverty; a study of the low paid and the 'working poor', IPPR, London



In 2006 22.9% of employees resident in rural Local Authorities, earned wages below this level. The percentage for employees working in rural workplaces was higher – Rural 80 (28%) and Rural 50 (25%) authorities – but lower in urban authorities (19%). Five Local Authorities recorded more than 40% of workers with low pay. Of these, three were predominantly rural – Caradon in Cornwall (45%); Berwick-upon-Tweed, and Torrridge in Devon (both 44%). In contrast only 22 of the 123 most rural (Rural 80 and Rural 50) authorities had lower percentages than the English average (21%) of employees earning wages of less than 60% of median pay, and only a handful are located outside of the most prosperous regions of South East and East of England. (Figure 3.2.7).

Across rural England 1,020,000 employees earned less than 60% of the English median hourly wage. In contrast there were 1,930,000 million employees living in urban authorities (a much smaller proportion of the available jobs).

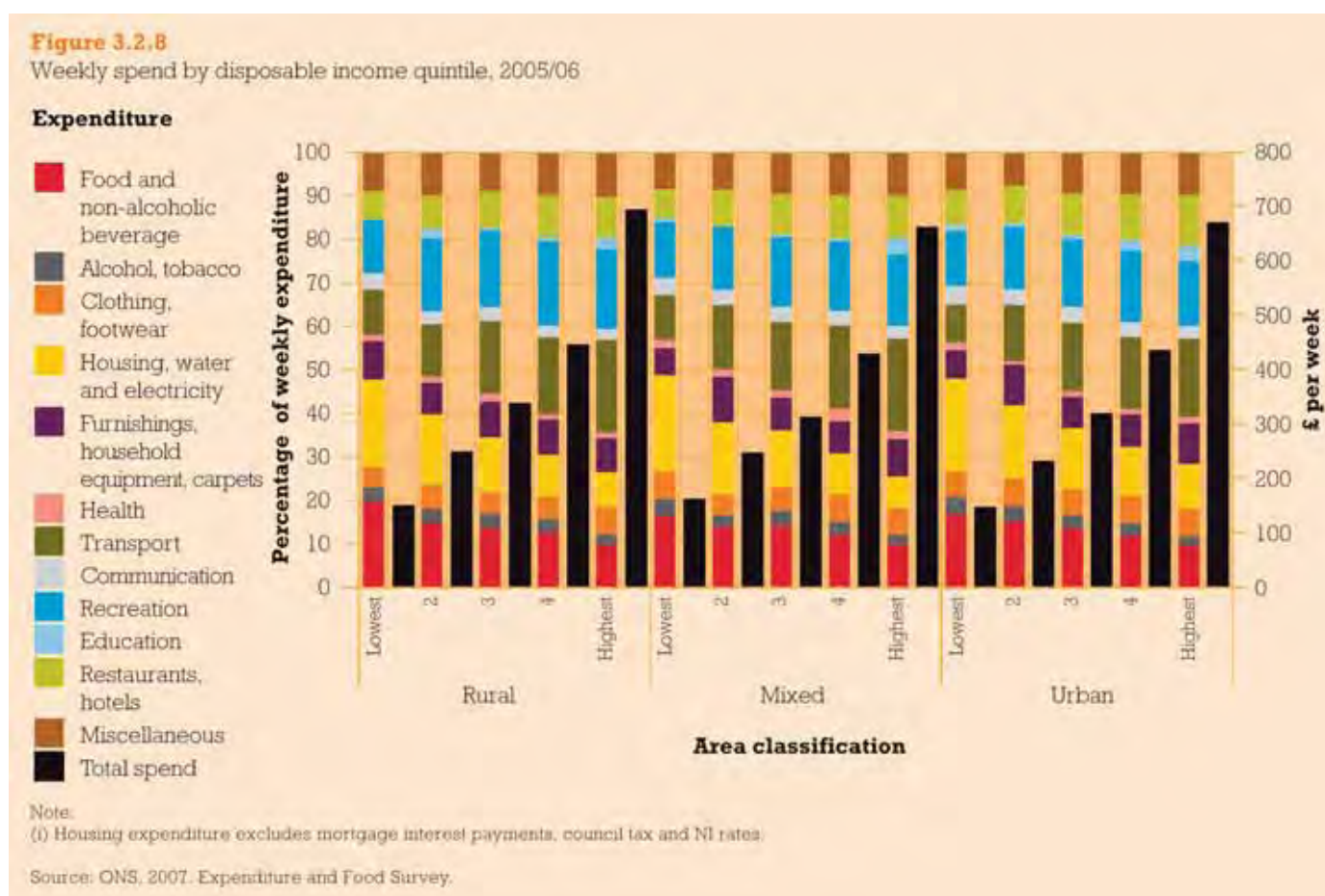
## Rates of claiming benefits

The proportions of rural residents claiming Income Support appears to be less than half the proportion of urban residents. In 2006 rural areas hosted some 156,900 Income Support claimants compared with 1,634,000 claimants in urban settlements – this equates to 2.5% of the rural residents between 16 and 60 compared with 6.1% in urban areas. While the proportion who are entitled to benefits is lower in rural areas, our recent report on uptake of pension credit<sup>6</sup> shows that take up by those eligible in rural villages and hamlets is lower than should be expected.

## Consumption and expenditure

In last year's *State of the countryside* report we reported how rural households, on average, earned more, had more disposable income and spent more, amounting to an additional average spend of about £60 per week. This year we have broken down data on expenditure from the Expenditure and Food Survey (EFS) by income bands and by Local Authority type. Within each income band (except for the lowest income quintile) rural households spend slightly more than households in mixed and urban areas (total spend in Figure 3.2.8). For the lowest income quintile it is the mixed areas that have the highest spend.

People on lower incomes use a higher proportion of their spend on food, clothing and footwear, water and fuel, and a lower proportion on transport and recreation or culture. Rural households in the lower income bands spend more than their counterparts in other area types on food and non-alcoholic drinks, and transport, but slightly less on housing. Although housing affordability is worse in rural areas (Section 2.5) people in rural areas tend to be older and are more likely to own a property outright. The evidence would seem to point to the cost of living being higher in rural areas for 'essentials'. Those in the lowest income quintile spend 19.7% of their disposable income on food and non-alcoholic drinks compared with 16.5% and 16.8%

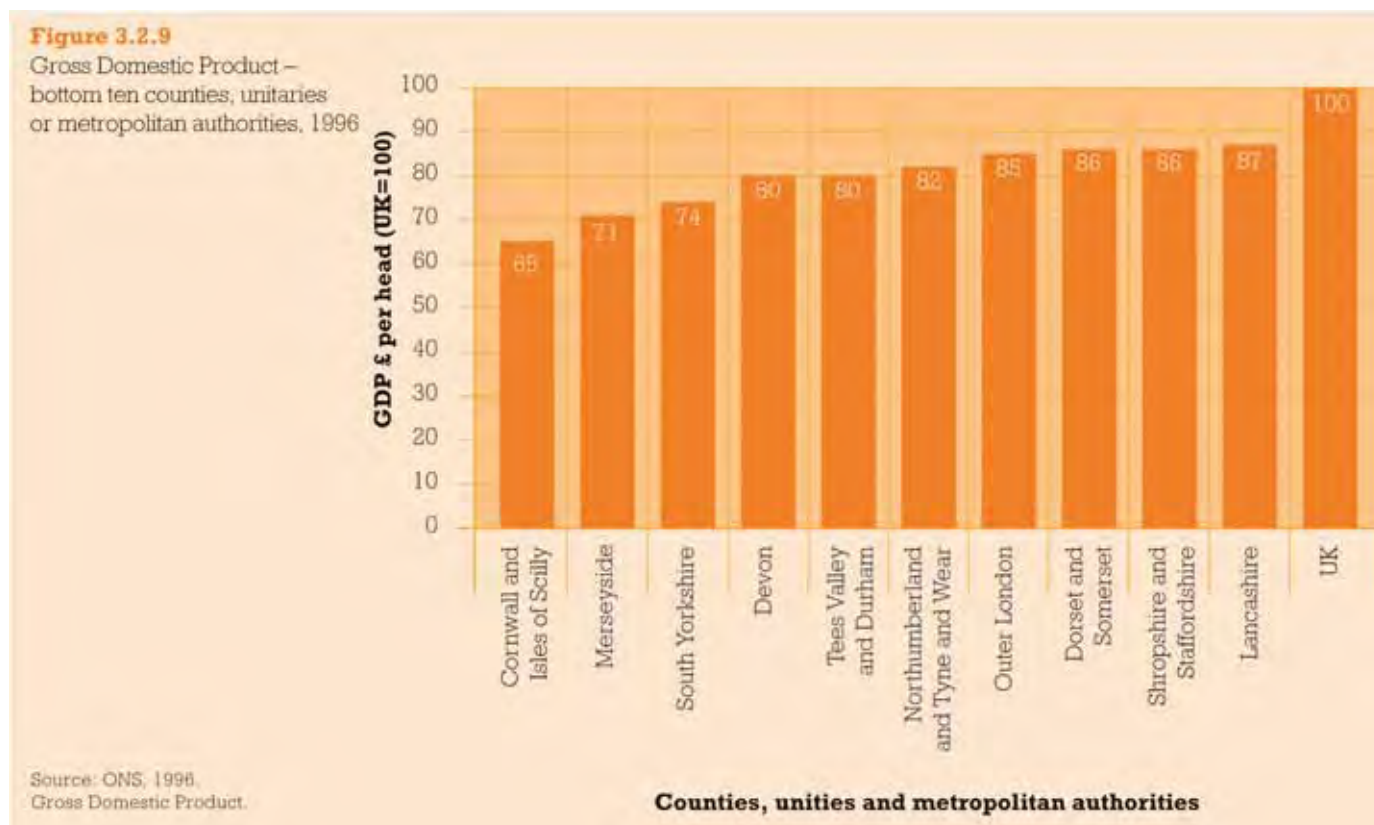


6 Commission for Rural Communities (2007) state of the countryside update 4: Pension credit take-up in rural areas

in mixed and urban authority areas. They spend 10.0% on transport compared with 10.3% and 8.9% in mixed and urban areas.

### 'Economic prosperity' and growth

For all of the previous economic cycle, GVA and GVA per worker data were unavailable below NUTS 3 level units (County and Unitary Authorities). At this level it is not possible to provide a reliable rural:urban classification, so we have been unable to describe the levels of change in economic performance or growth using these indicators. Many economic policies and programmes are dedicated to achieving economic growth – as measured by higher GVA per worker, and this weakness has hampered national and regional agencies promoting the outcomes of rural economies, and targeting strong or weak areas. Similar limitations have affected our abilities to present other income data at meaningful local level.



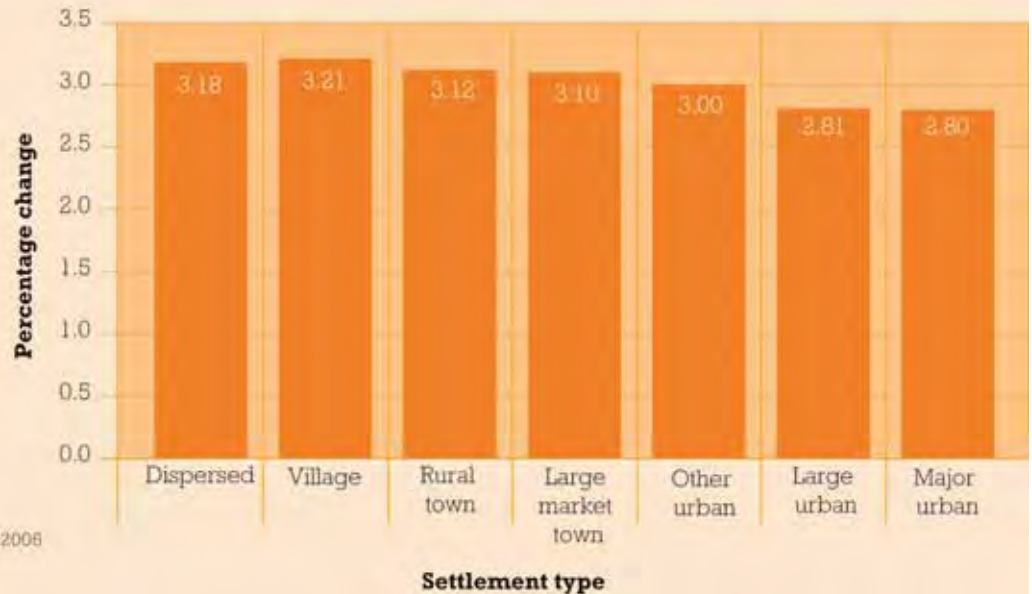
In *State of the countryside* 1999 we described the eight least prosperous areas using GDP per head of which six were predominantly rural: Cornwall, Devon, Tees Valley and Durham, Northumberland, Dorset and Somerset and Shropshire and Staffordshire (Figure 3.2.9).

Commercial consultants have estimated GVA to lower levels of Local Authority classification or definition than data released from the Office of National Statistics. Such data have been analysed, for example, in regional rural evidence reports or national studies, and confirm intra-regional diversity, and rates of growth in rural areas that are comparable with or exceed those from urban settlements. A report to national and regional agencies on economic contribution and potential from creative industries produced by BOP and Experian<sup>7</sup> (Figure 3.2.10) shows that between 1995 and 2005 rural areas experienced a faster rate of growth than large and major urban areas, with the smallest settlement types experiencing slightly faster rates than other urban areas.

<sup>7</sup> BOP and Experian (2007) *Creative Countryside: Creative industries driving new rural economies*. Multi-client study for One Northeast, Scottish Enterprise, Highlands and Islands Enterprise, East Riding Council and Lancashire County Council

**Figure 3.2.10**

Average annual GVA growth, 1995-2005



Note:  
(i) Based on data from ONS in Spring 2006

Source: Experian, 2006.

Defra and ONS have recently developed and released analysis for GVA and GVA per workforce job to which their rural:urban classification could be applied. The estimates are based on Local Authority level data, although it will not be published at this level due to methodological issues surrounding robustness and confidentiality. These data will be used for reporting against Defra's Departmental Strategic Objective – Strong Rural Communities.

**Figure 3.2.11**

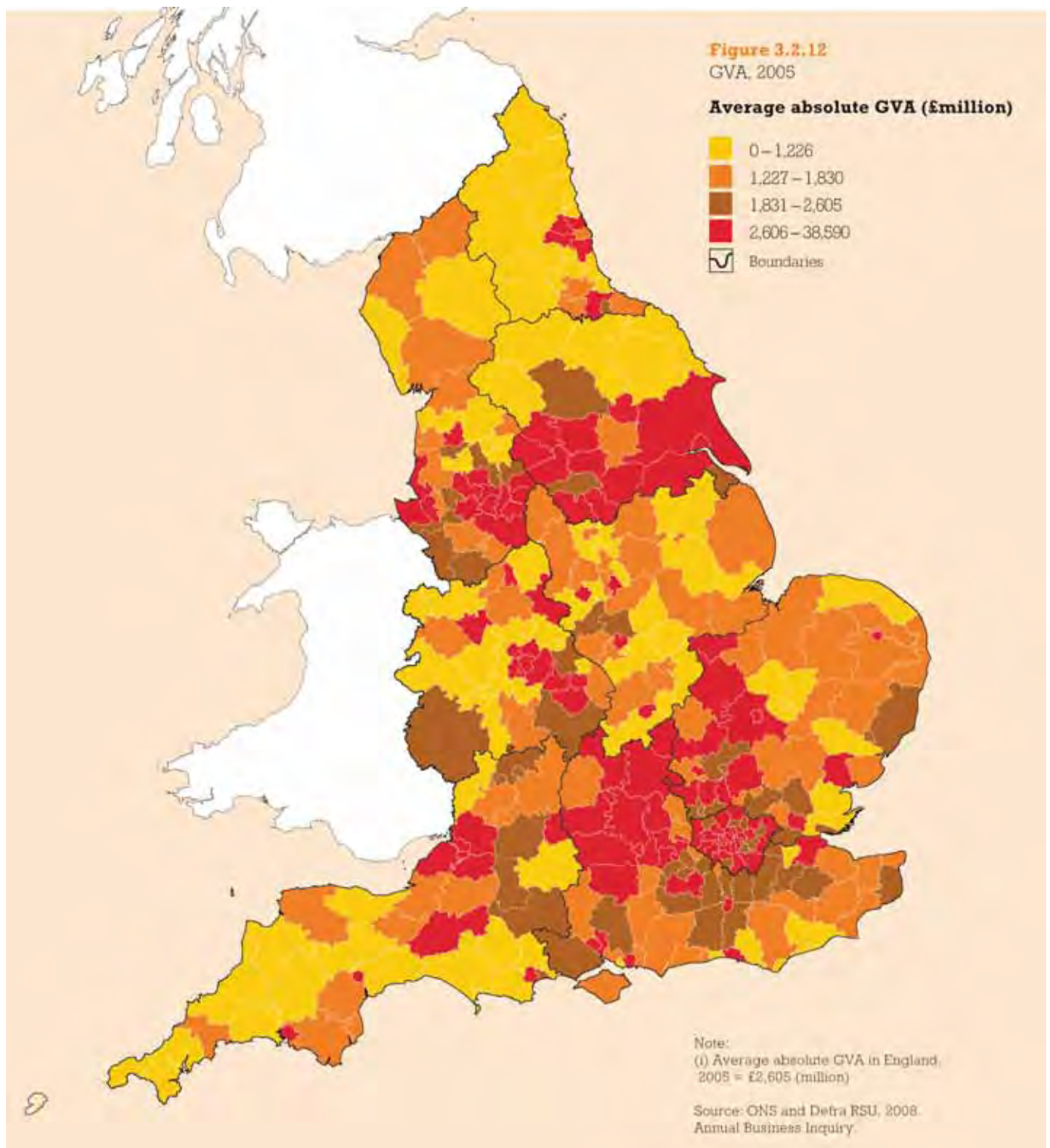
Absolute GVA in 2005, and percentage change in GVA, 2002-05



Note:  
(i) Deflators, which remove the effects of inflation, are not available at a regional level. As such, the change from year to year is exaggerated as price increases are not reflected. Furthermore, regional differences will be exaggerated if there are regional differences in price changes. For example, prices in London are regarded as higher compared to the North East, and are translated as faster productivity changes.

Source: ONS and Defra RSU, 2009. Annual Business Inquiry. ONS, 2009. Consumer Price Indices.

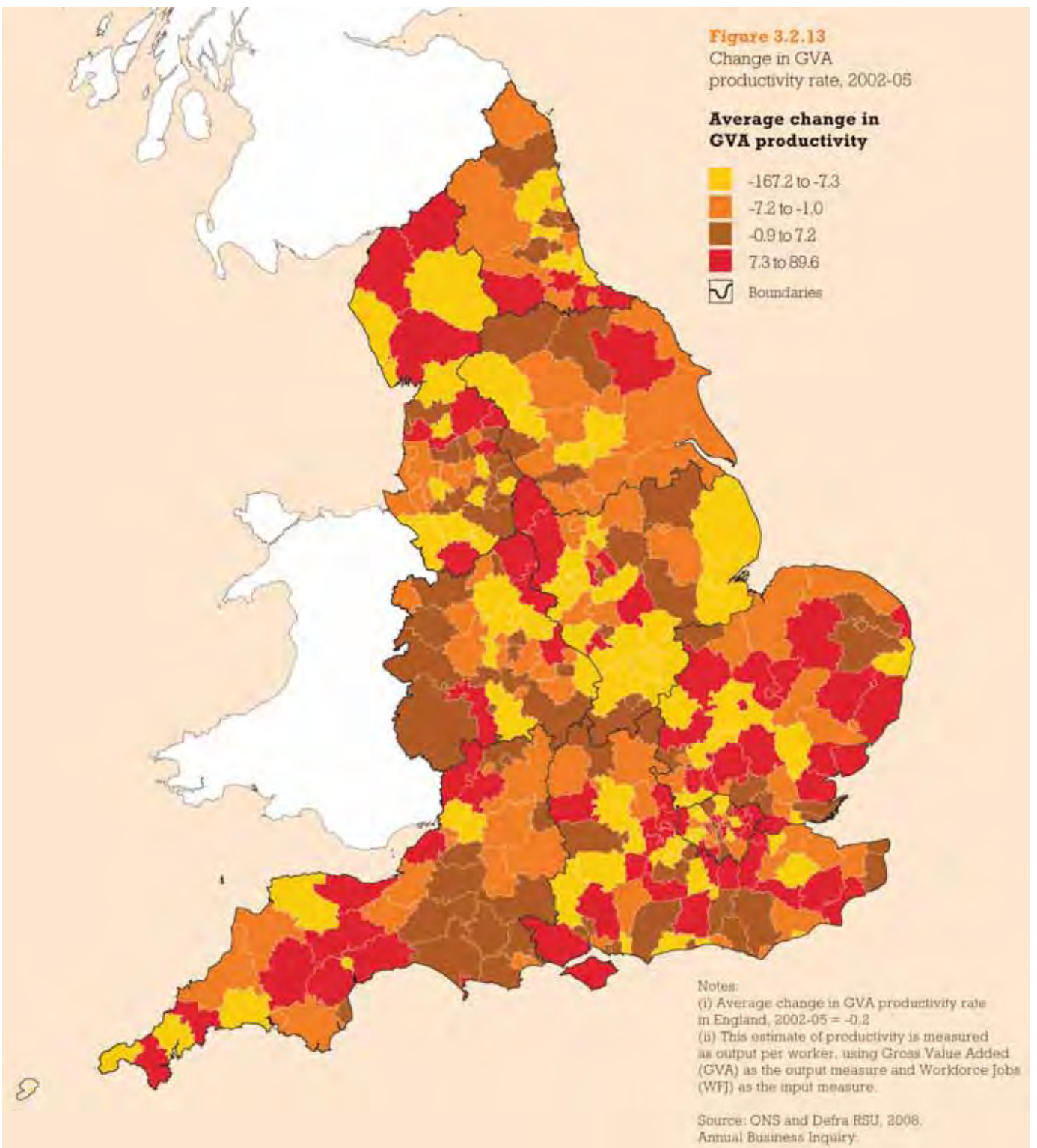
Data show that in recent years the increases in GVA from the most rural districts (Rural 80 and Rural 50) has been higher than all other parts of the economy, including London (Figure 3.2.11). By 2005 GVA from rural areas exceeded that from England's major urban areas outside of London, amounting to £178.7 billion. This represents some 19.4% of England's GVA.



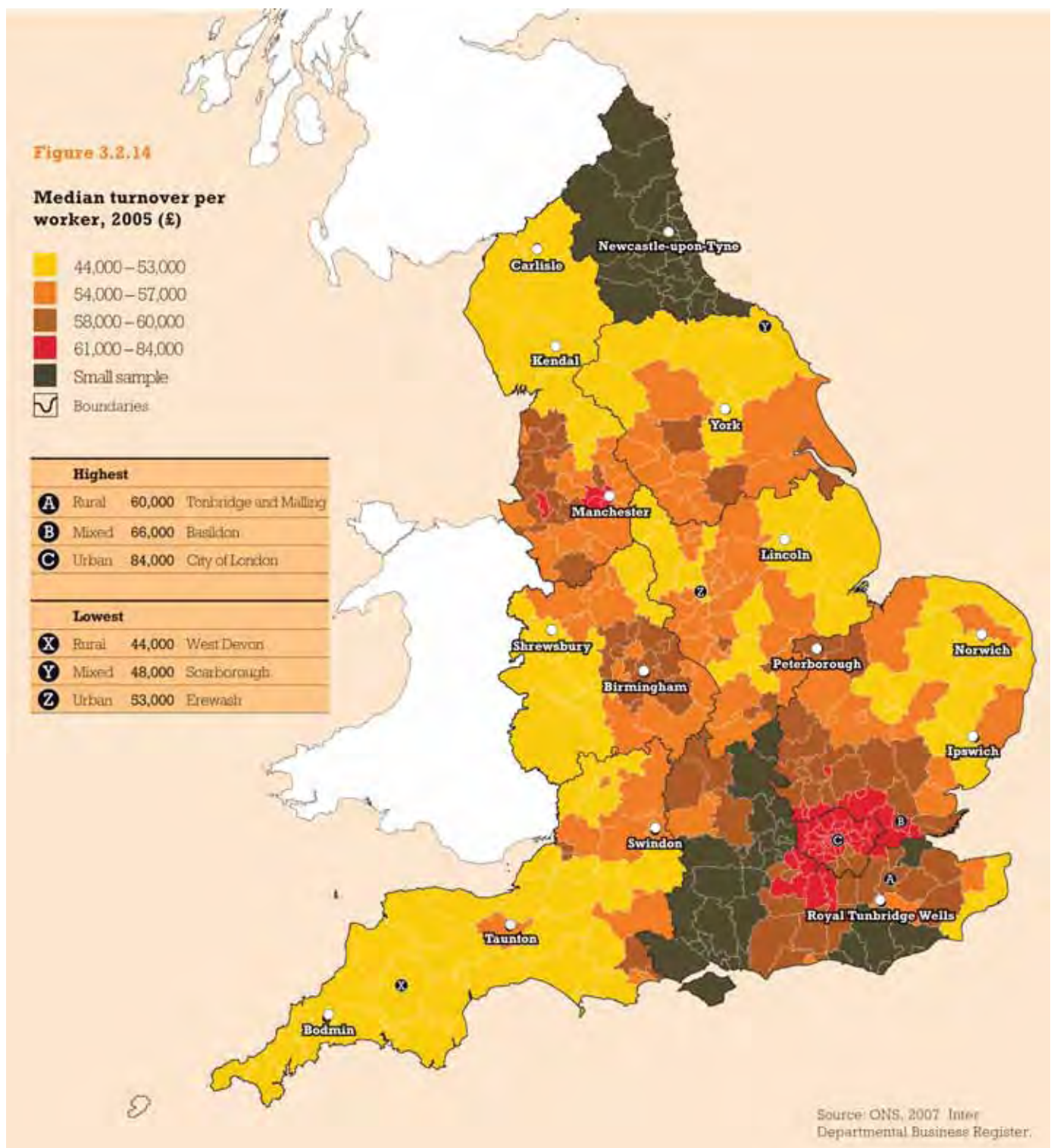
The geographical distribution (Figure 3.2.12) broadly shows the central south, and a band from Manchester to East Yorkshire having the highest levels of Gross Value Added (for rural areas), with the lowest rates in more peripheral areas.

Despite this healthy contribution to national economic output and growth, levels of productivity – as measured by GVA per worker – in rural districts was marginally lower in 2005 than the English average. Across England as a whole GVA per worker in 2005 amounted to £35, an amount exceeded in London (£45), whilst rural districts marginally under attained at £34 (Rural 50) and £31 (Rural 80). Productivity has been rising at faster rates in rural areas, with productivity growth between 2002 and 2005 in Rural 80 districts of 4%, slightly exceeding even that in London (3.9%) over this period. The geographical distribution of change in GVA is more complex than the patterns of absolute GVA. Figure 3.2.13 is difficult to interpret fully, but it seems that the areas faring





best tend to be those that are between the relative affluence of the central south, and those that are very peripheral, but there are some regional patterns with the far North West, parts of East of England and Devon seeing larger increases, while the North East and Fens areas have seen slower growth or reductions.



### Business turnover and income

In 2006 rural firms registered for VAT or PAYE earned at least £321 billion. This represented 10% of turnover earned by English firms. Over the 4-year period from 2003 to 2006 the turnover in the businesses in predominantly rural districts has marginally declined by £4.3 billion (-1.3%). Whilst this rate is less of a decline than in significant rural and large urban districts, it contrasts with increases of over 11.21% (£373 billion) across England.

Wages are in part determined by the earnings of businesses. Analysis of the earnings or turnover per worker (including employees and business owners to allow for self-employed and sole traders) in Figure 3.2.14 shows similarities with the pattern of low wages (Figures 3.2.5 and 3.2.6). Median turnover per worker is highest in London and the Home Counties and other major cities such as Birmingham and Manchester, and lowest in peripheral rural and urban areas.

### **'Economic growth' or 'Economic wellbeing'?**

The analyses presented in this section relating to levels of income and expenditure use traditional and core measures of consumer and business income. Economists and others have started to re-examine some of the basics of the theory and indicators of prosperity and 'economic growth' and are asking questions such as:

- Does growth in income or output result in more satisfied or happier employees and citizens?
- Is GVA an adequate measure of the wealth or income from an area?
- Are their hidden environmental and societal costs (or benefits) that are not captured by this focus on the value of goods and services produced or wages earned?

Some of this debate has particular resonance or impacts in rural economies – for example, GVA measures the value of goods and services in the locations they are produced and measures wages at the point at which they are earned. So the value of goods and services produced in distant urban locations but consumed by rural residents are not captured in the rural GVA figures, but nor do urban GVA data recognise the value of rural commuters to firms and services in those areas. Similarly GVA in rural areas might not adequately capture unearned household income which for some rural areas constitutes substantial proportions, through private and public pensions, receipts from property and other investments, savings and benefit payments. Nor does economic growth capture environmental costs of achieving this when GVA is the core indicator. This limitation also relates to the environmental and social costs of, for example, commuting from rural to urban areas.

Focussing on 'economic wellbeing' is a way of capturing more of these 'missing' components, including social capital. It has been given a place in the policy agenda for England, through powers given to Local Authorities under the Local Government Act 2000 to promote economic wellbeing as well as social and environmental wellbeing, and reinforced in the 2007 Review of sub national economic development and regeneration<sup>8</sup>. This review has laid the foundation for devolving the economic agenda below the regional level – local government will be equipped to define and resource priorities for local economies under this 'economic wellbeing' heading. They can select indicators from a wider bundle than traditional ones such as rates of business start-ups, employment and productivity rates, used for recording prosperity or measuring 'economic growth'.

Leading exponents have been working on articulating and illustrating the case for a shift and on developing new indicators. Some of this has been brought together in two 'think pieces' commissioned by the CRC and presentations given at a roundtable event hosted by us in April 2008<sup>9</sup>.

As consumers and their choices are given a more central position in an economic wellbeing focus than an economic growth one, indicators of household income rather than productivity or business outputs become more important. One of these new indicators, developed by Regeneris Consulting Ltd, is their Sustainable Prosperity Index (SPI) (Figure 3.2.15). Another, developed by the New Economics Foundation (NEF) and Regional Development Agencies led by the East Midlands Regional Development Agency (emda), is the Regional Index of Sustainable Economic Wellbeing.

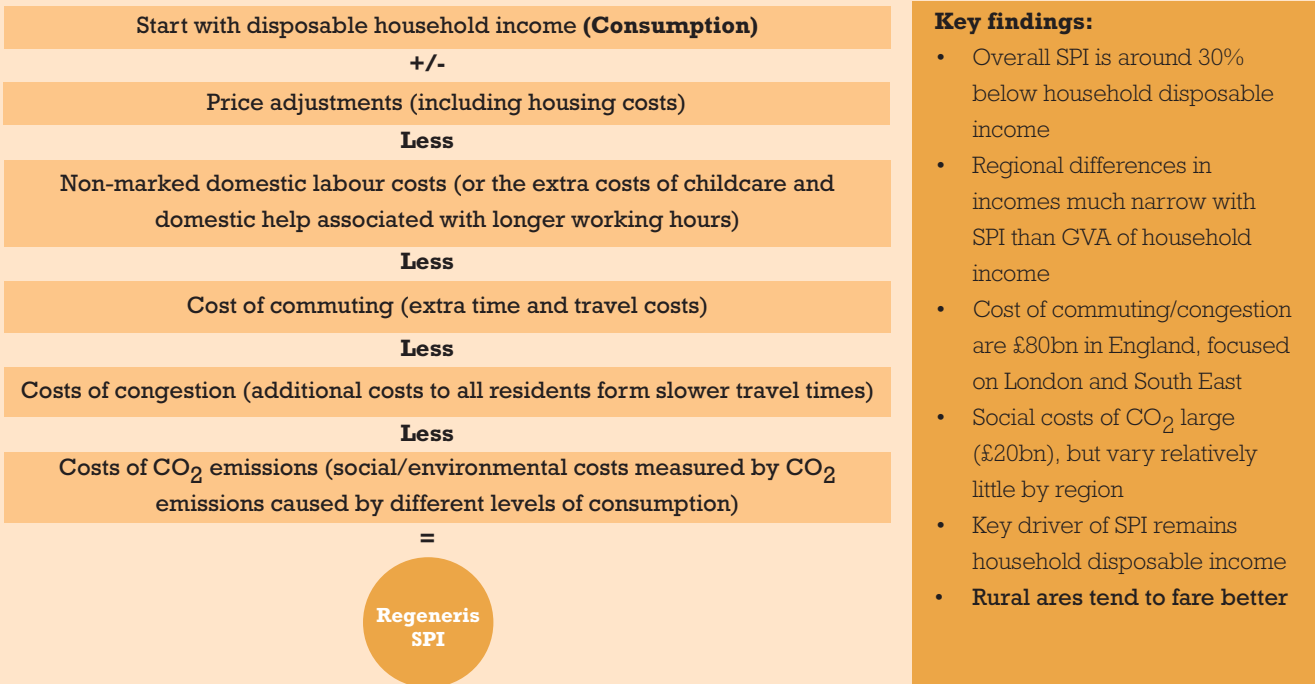
<sup>8</sup> HM Treasury, CLG and BERR (2007) Review of sub national economic development and Regeneration

<sup>9</sup> Available from [www.ruralcommunities.gov.uk/events/economicwellbeingroundtable](http://www.ruralcommunities.gov.uk/events/economicwellbeingroundtable)

Using the Regeneris Sustainable Prosperity Index reduces disposable household income overall due to high costs associated with congestion, commuting and CO<sub>2</sub> emissions. On the other hand the national performance or ranking of some poor performing rural Local Authorities is enhanced, as shown in Figure 3.2.16 below.

**Figure 3.2.15**

Sustainable prosperity index, 2007 – key findings



Source: Regeneris, 2007. Sustainable Prosperity Index.

**Figure 3.2.16**

Sustainable prosperity index, 2007 – selected rural Local Authority rankings

Local authority	Region	SPI		Household disposable income (est.)	
		£000's/pc	Rank	£000's/pc	Rank
Harrogate	Yorkshire and the Humber	12.1	36	15.0	74
Hambleton	Yorkshire and the Humber	11.2	73	14.0	124
Selby	Yorkshire and the Humber	11.0	82	14.2	112
Barnsley	Yorkshire and the Humber	8.9	304	10.6	316
North East Lincolnshire	Yorkshire and the Humber	8.8	315	10.5	314
Kingston upon Hull	Yorkshire and the Humber	8.8	317	10.1	351
Christchurch	South West	11.8	46	14.5	135
East Dorset	South West	11.7	51	14.8	113
North Somerset	South West	11.0	85	14.0	95
Restormel	South West	8.8	318	11.1	327
Penwith	South West	8.8	320	11.0	333
Torrige	South West	8.7	322	11.3	320
<b>England</b>		<b>10.1</b>		<b>13.0</b>	

Source: Regeneris, 2007. Sustainable Prosperity Index

The regional index of sustainable economic wellbeing (prepared by the New Economics Foundation and Regional Development Agencies) has only been prepared at the regional level to date. Thus we are unable to present data to show its scale or impact in England's rural economies. But Figures 3.2.17 and 3.2.18 below produced by East Midlands Development Agency's chief economist for the CRC economic wellbeing roundtable explains the adjustments of costs and benefits that need to be made to GVA in the region to be a reflection of the economic wellbeing of the regional economy. Increasing GVA and GVA per worker or per hour (productivity) are central measures behind the current remit upon RDAs as captured in the Regional Public Service Agreement 7 agreed in the Comprehensive Spending Review 2007, which is to:

“Improve the economic performance of all English regions and reduce the gap in economic growth rates between regions.”

Through the addition of economic, social and environmental costs and benefits that are not or inadequately captured in GVA data, the level of economic wellbeing falls across, for example, the East Midlands as a whole (Figure 3.2.18).

**Figure 3.2.17**

Components used in the regional index of sustainable economic wellbeing, 2007

	Benefits	Costs/adjustments
<b>Economic</b>	Personal consumption	Capital investment Net international position Services - consumer durables
<b>Social</b>	Unpaid domestic labour Voluntary work Public health and education Expenditure	Family breakdown Crime Inequality Commuting Car accidents Noise pollution
<b>Environmental</b>		Climate change Land loss Water & air pollution Resource depletion

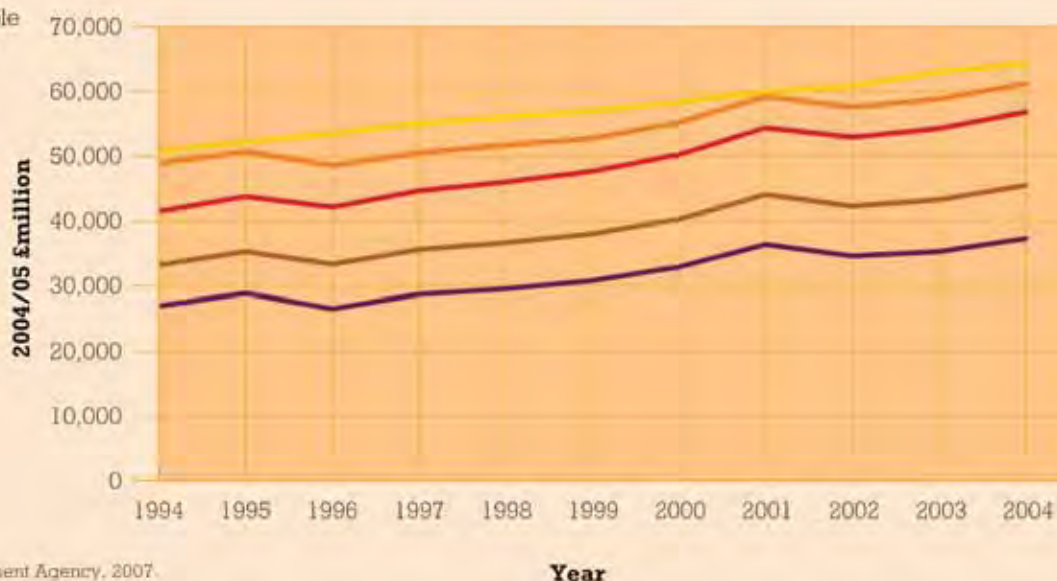
Source: East Midlands Development Agency, 2007.

**Figure 3.2.18**

Regional index of sustainable economic wellbeing in the East Midlands, 1994-2004

**Index categories**

- GVA
- Economic and social
- Local environment
- Global environment
- Resource depletion



Source: East Midlands Development Agency, 2007.



### Key summary points

- Rural households have higher gross incomes than those living in urban England. The equivalised median household income before housing costs in rural England (£21,500) exceeds that of urban residents (£19,500).
- These higher average levels however mask gradients across the rural:urban geography and within rural areas.
- 18% of households in rural areas were below the 'poverty line' in 2006/07 compared to 19% in urban areas. When we take housing costs into account the rural percentage rises to 19%. Sparse rural areas have proportions on low incomes that are similar to urban areas.
- The percentage of rural residents in poverty has risen from 16% to 18% between 2004/05 and 2006/07. After housing costs are taken into account the increase is from 16% to 19%. This is a faster percentage rise than in urban areas (1%).
- While people living in rural areas, on average earn more than those in urban areas, wages for jobs located in rural areas are lower than for urban areas, and lowest in the peripheral areas such as Northumberland and Cornwall (the difference is explained in part by commuting patterns).
- Low paid jobs are found more in rural areas. Five Local Authority areas recorded more than 40% of workers with low pay. Of these, three (Caradon 45%; Berwick-upon-Tweed (44%); and Torrridge (44%)) were predominantly rural. In contrast

only 22 of the 123 most rural (Rural 80 and Rural 50) authorities had lower proportions than the English average (21%) of employees working in their businesses.

- Expenditure on food and on transport amongst the lowest income quintile in rural Local Authorities is higher than in mixed and urban authorities.
- Between 1995 and 2005 rural areas experienced a faster rate of economic growth than large and major urban areas, with the most rural settlement types experiencing slightly faster rates than other urban areas.
- Turnover per worker by businesses tends to be lower in rural areas. The highest rates are found in London and the Home Counties, and selected major cities.
- Methods for measuring 'economic wellbeing' are being developed which should provide more insight into rural economic issues.

### See also (from recent *State of the countryside reports*)

#### Expenditure

2007	Figure 3.2.6	Proportion of average weekly household expenditure by rural and urban areas 2005-06
2007	Figure 3.2.7	Average weekly household expenditure 2005-06
2007	Figure 3.2.8	Proportion of tax paid on average personal income, 2004-05
2007	Figure 3.2.9	Summary financial statement for average rural and urban households, 2005-06
2005	Table 3.24	Average weekly expenditure by category
2005	Figure 3.13	Household fuel expenditure

#### Incomes and pay

2007	Figure 3.2.1	Mean household income, 2004-07
2007	Figure 3.2.2	Change in median household income, 2004-07
2007	Figure 3.2.3	Op and bottom regions by change in median household income 2004-07
2007	Figure 3.3.4	Mean personal; income from principal economic activities 2004-05
2007	Figure 3.2.5	Upper and lower quintile median household income, 2007 – rural areas only (map)
2007	Figure 3.2.10	Sources of household income, 2005-06
2007	Figure 3.2.11	Total income and tax, 2004-05
2007	Figure 3.2.12	Total income from principal economic activities, 2004-05
2007	Figure 3.2.13	Gross disposable household income, 2004 (map)
2007	Figure 3.2.14	Equivalised average income components for those aged over 50, 2005
2006	Table 22	Change in median incomes across regions
2006	Figure 40	Proportion of households in income poverty 2006
2006	Figure 41	Proportion of households on low incomes 2006 (map)
2006	Figure 45	Changes in mean weekly pay 1998-2005 (map)
2006	Table 23	Weekly pay – top and bottom 10 districts
2005	Figure 4.1	Median gross weekly pay 2002 and 2004
2005	Figure 4.2	Gross mean weekly earnings (map)
2005	Table 4.2	Lowest and highest earning districts
2005	Figure 4.4	Income deprivation 2004

#### Benefits

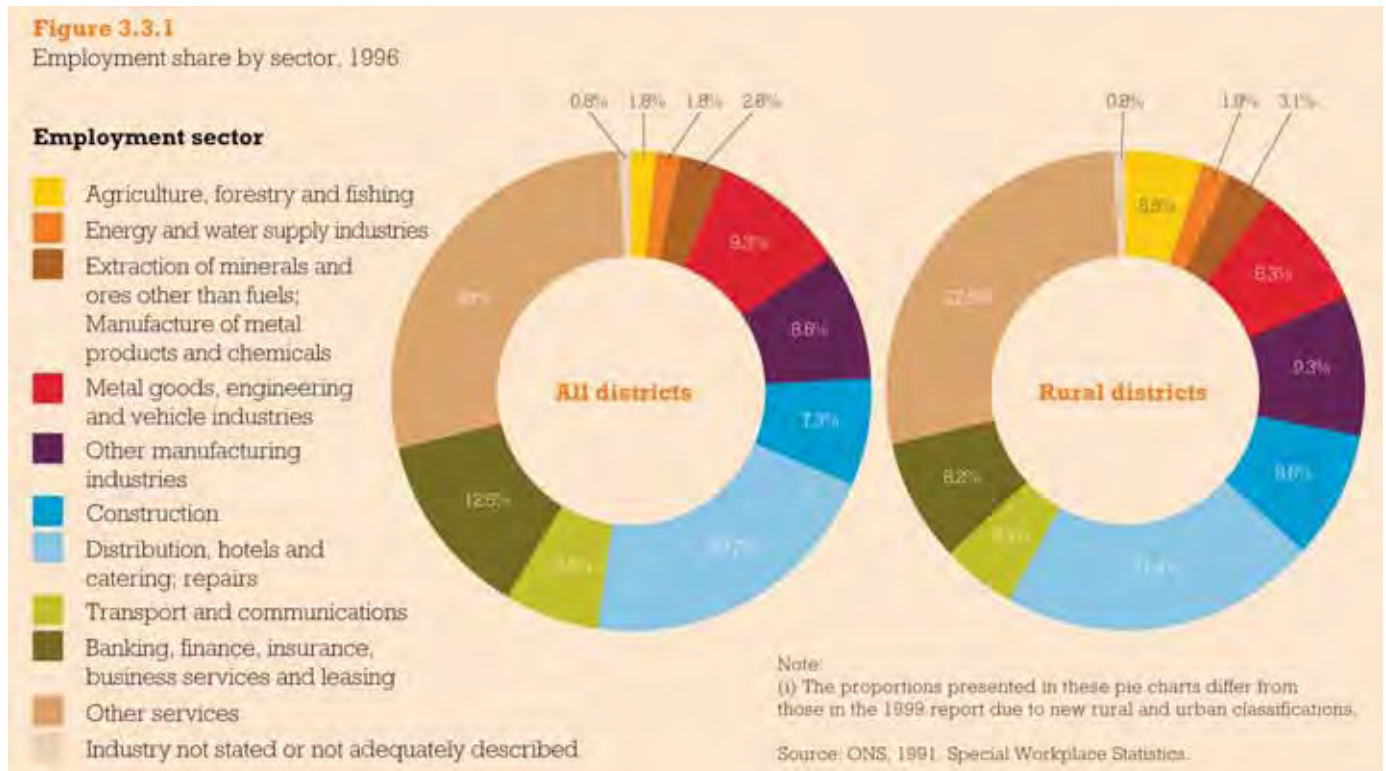
2006	Figure 46	Income support claimants 2004
2006	Figure 47	Proportions of incapacity benefit 2004
2006	Figure 48	State pension claimants 2004
2006	Table 24	Current pension scheme membership
2005	Table 2.7	Claimants of disability living allowance
2005	Table 4.4	Benefit claimants 2003
2005	Table 4.5	Actual and % change in income support claimant numbers

### 3.3 Employment

#### Introduction

In *State of the countryside* 1999 we reported that rural districts employed 5.2 million people, levels of self-employment, part-time working and home working were higher, unemployment was lower than across England and micro-businesses (1-9 employees) employed over 90% of all workers.

The sectoral employment profile (Figure 3.3.1) showed that agriculture, forestry and fishing accounted for just 1.8% of employment in England.



Over the the last decade, Government has committed itself to achieving 80% employment amongst the working age population, increasing the skill levels, training and qualifications of those in work, and raising expectations that as we live longer more of us should expect to work beyond the former state retirement ages of 60 for women and 65 for men. Some of this employment drive has been encouraged and supported by the EU Lisbon Strategy for Jobs and Competitiveness and national reform programmes, to achieve 'full and fulfilling employment'. The spotlight has recently been turned on reducing worklessness and helping those on Incapacity Benefit to enter or re-enter the workforce. It has also focused on reducing the numbers on benefits and out of work by welfare reform.

Over the last 10 years we have reported some of these elements. We repeat and extend the analysis of some of these components in this section.

#### Employment levels

By 2007 rural districts hosted 5.5 million employees (residence based) while firms located in rural areas employed 4.7 million workers and owners (workplace).

In 2007 the most rural districts (Rural 80) supported the highest rate of employment with 78.2% of the working age population living in these districts in work, education or government approved training<sup>10</sup>. The average employment rate declines with increased degree of urban character. The relationship between rurality and unemployment rate was inverse, with 4% of those of working age officially unemployed in rural districts, and 6.8% in the major urban areas. Unemployment has been

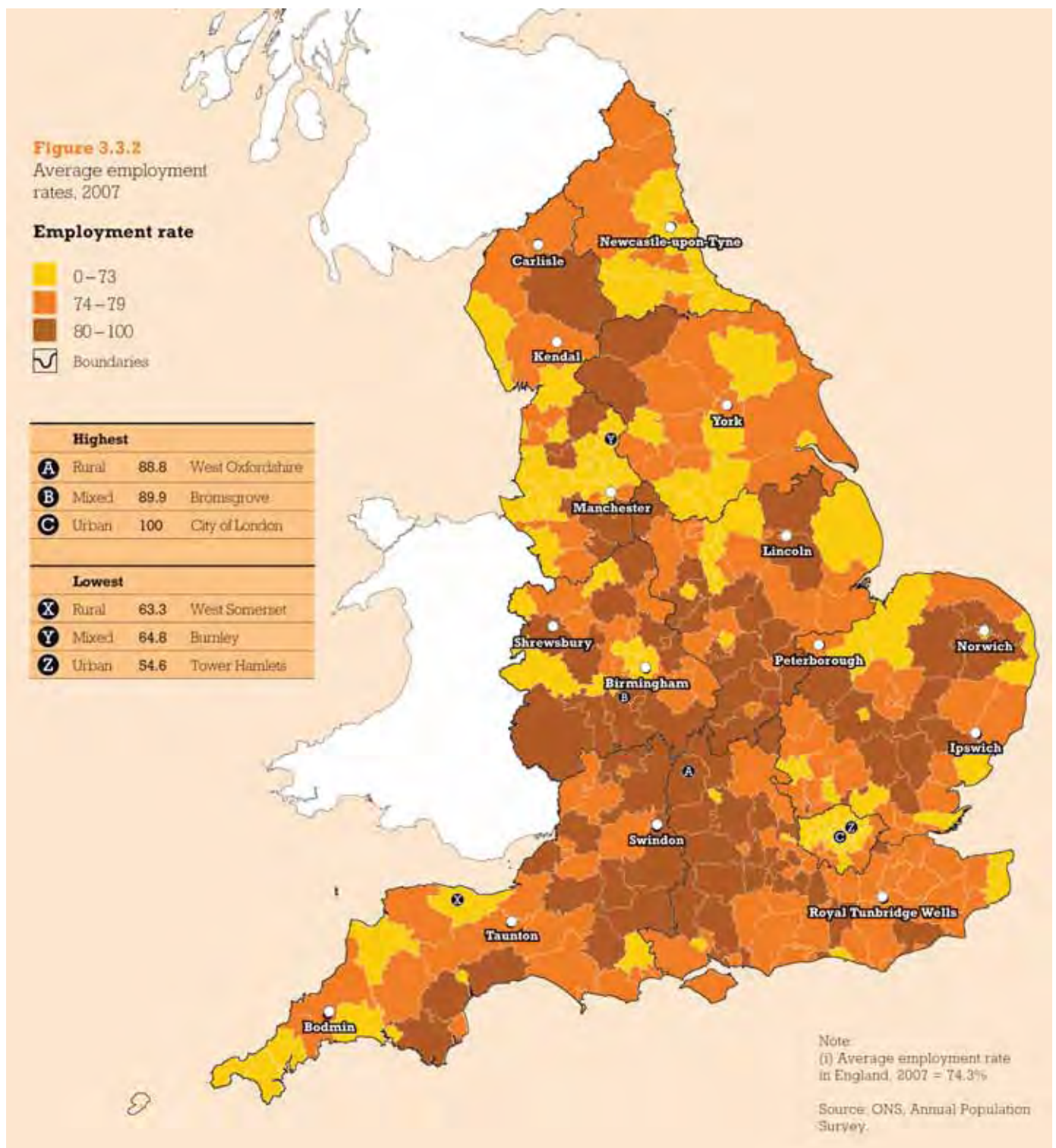
10 ONS (2008) Annual population survey



increasing in all area types in recent years. Self-employment has also increased across the rural:urban categories and here also rural has outperformed urban England, with over 850,000 (11.7%) in Rural 80 and Rural 50 districts.

Aggregate data again conceals significant variation across rural England (Figure 3.3.2). The lowest levels of rural employment are found in Rural 50 districts of North East England (72% in 2007), though the lowest individual rate for a rural area is found amongst residents of West Somerset (63%) while the lowest urban is Tower Hamlets with 55%. In contrast over 81% of residents in Rural 50 districts in the West Midlands are employed. The highest employment rate was recorded in West Oxfordshire with 89% (lower than the highest mixed or urban areas (Bromsgrove and City of London) – see Figure 3.3.2.





More rural districts in England have achieved the ‘full employment’ (80%) levels than urban England in recent years (Figure 3.3.3). Many rural districts greatly exceed this target. However, several areas of rural England fall short of this target, many of which are in peripheral or remote districts, as depicted in Figure 3.3.2.

### Where do rural people work?

Not all rural employees work in rural businesses, with many commuting to urban centres. Whilst regional and Local Authority rural evidence reports and economic strategies record the levels of out-commuting, from rural to urban centres, at the national level, in between national censuses, we can only hint at the scale of such movements. In 2006 the Annual Population Survey (aggregated to give national figures) estimates 4,618,000 employees live in rural districts with a further 793,000 self-employed. In contrast, firms registered for VAT and PAYE in Rural 80 and Rural 50

**Figure 3.3.3**

Proportion of local authorities with 80% and above employment rate, 2005-07

Area Classification	2005		2006		2007		Change 2005-07	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Rural 80	24	32.9%	30	41.1%	27	37.0%	3	4.1%
Rural 50	16	30.8%	20	38.5%	17	32.7%	1	1.9%
Significant rural	20	37.7%	23	43.4%	14	26.4%	-6	-11.3%
Other urban	7	12.7%	7	12.7%	10	18.2%	3	5.5%
Large urban	11	24.4%	13	28.9%	11	24.4%	0	0.0%
Major urban	7	9.2%	10	13.2%	6	7.9%	-1	-1.3%
Rural	40	32.0%	50	40.0%	44	35.2%	4	3.2%
Mixed	27	25.0%	30	27.8%	24	22.2%	-3	-2.8%
Urban	17	14.0%	22	18.2%	16	13.2%	-1	-0.8%
<b>England</b>	<b>83</b>	<b>23.4%</b>	<b>101</b>	<b>28.5%</b>	<b>83</b>	<b>23.4%</b>	<b>0</b>	<b>0.0%</b>

Source: ONS, 2008. Annual Population Survey.

districts hosted 3,423,000 employees and employers. This implies that net commuting to urban areas represents 17% of all employment for rural residents.

The Inter Departmental Business Register allows an insight into the scale and type of firms that employ rural workers. Across England as a whole, employment in sole traders, partnerships and micro-businesses registered for VAT/ PAYE, formed 15.5% of total employment (Figure 3.3.4).

### Who are the inactive or potential employees?

In 2007 nearly 1.3 million working aged residents in rural districts were 'economically inactive' and a further 2.2 million were above retirement age. The largest decline in worklessness in rural areas was experienced in the 25-49 age groups. Across the rural:urban categories around a quarter of those who are inactive want a job and this makes up the largest single group. More than 310,000 economically inactive residents in rural England wanting a job represents a sizeable unfulfilled potential for rural economies.

**Figure 3.3.4**

Proportion in employment by business sizeband, 2006

Area definition		Business sizeband					
		Large	Medium	Micro	Partnership	Small	Sole Trader
<b>Less sparse</b>	Hamlet and isolated dwellings	33.3%	15.2%	23.9%	4.6%	20.1%	2.9%
	Village	30.2%	15.0%	26.8%	4.3%	20.4%	3.3%
	Town and fringe	32.2%	14.4%	26.8%	2.5%	21.4%	2.7%
	Urban >10K	63.9%	11.8%	11.0%	0.7%	11.7%	0.9%
<b>Sparse</b>	Hamlet and isolated dwellings	0.0%	16.2%	35.5%	18.4%	22.3%	7.5%
	Village	0.0%	15.5%	39.3%	12.1%	27.0%	6.1%
	Town and fringe	0.0%	20.2%	39.0%	4.0%	33.9%	3.1%
	Urban >10K	0.0%	20.3%	37.7%	3.2%	36.3%	2.3%

Notes:

(i) IDBR data only includes those businesses registered for VAT and PAYE.

(ii) Where Counts of Businesses supplied, all counts have been rounded to nearest five.

(iii) Where Employment counts are supplied, all values from less than 20 Businesses must have an asterisk replacing the value of all employment/employee figures.

Source: Inter Departmental Business Register, ONS 2008.

Evidence presented in Figure 3.3.5 drawn from the annual population survey shows that 'economic inactivity' by choice is more common than seeking work in all area types – slightly higher in rural areas. This may represent, say early retirement, mothers looking after children or elderly parents or sick family members. Long term sickness as a reason for not looking for work is slightly more common in rural areas, while looking after family or home or being a student is less common.

**Figure 3.3.5**

Reasons for economic inactivity, 2007

Area Classification	Who want a job		Who do not want a job		Want job – not looking (discouraged worker)		Want job – not looking (long term sick)		Want job – not looking (family/home care)		Want job – not looking (student)		Want job – not looking (other)		Want job – (but not available to start)	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Rural 80	149,900	23.6	485,700	76.4	2,100	0.3	42,200	6.6	42,100	6.6	17,300	2.7	30,500	4.8	15,700	0.2
Rural 50	164,500	25.0	494,800	75.0	2,100	0.3	52,400	8.0	34,700	5.3	21,900	3.3	30,700	4.7	22,700	0.3
Significant rural	184,400	24.8	559,500	75.2	3,200	0.4	52,900	7.1	55,000	7.4	22,200	3.0	29,600	4.0	21,500	0.3
Other urban	229,000	26.4	638,200	73.6	2,700	0.3	69,400	8.0	57,900	6.7	32,100	3.7	38,600	4.5	28,300	0.4
Large urban	250,400	25.6	728,100	74.4	2,000	0.2	73,400	7.5	65,800	6.7	34,000	3.5	48,600	5.0	26,600	0.4
Major urban	684,600	25.4	2,012,400	74.6	8,900	0.3	169,400	6.3	175,400	6.5	118,400	4.4	135,600	5.0	76,900	1.2
Rural	314,400	24.3	980,500	75.7	4,200	0.3	94,700	7.3	76,800	5.9	39,200	3.0	61,200	4.7	38,300	0.6
Mixed	413,500	25.7	1,197,700	74.3	5,900	0.4	122,300	7.6	112,900	7.0	54,300	3.4	68,300	4.2	49,800	0.8
Urban	935,000	25.4	2,740,500	74.6	10,900	0.3	242,700	6.6	241,200	6.6	152,400	4.1	184,200	5.0	103,600	1.6
England	1,662,900	25.3	4,918,700	74.7	21,000	0.3	459,700	7.0	430,900	6.5	246,000	3.7	313,700	4.8	191,600	2.9

Source: ONS, 2008. Annual Population Survey.

Those economically inactive are a target for the Government's current welfare reform programme, which particularly seeks to discourage benefit claimants unnecessarily relying on these benefits.

In rural England, between March 1998 and February 2008, the level of Job Seekers Allowance claimants has fallen by over 41% from 163,000 (Figure 3.3.6) This is substantially greater than the decline in England (34%) and urban and mixed areas (33%). Whilst this is not an official measure of unemployment it is derived from Job

**Figure 3.3.6**

Job seekers allowance claimants, 1998-2008



Source: ONS, 2008. Claimant Counts and Rates.

Centre Plus records and does allow a sub-regional profile to be developed. Over this period the numbers of claimants have declined across the rural and urban categories until 2004/05, since when it has crept upwards in all categories. The numbers of claimants in major urban authorities considerably outweighs levels in all other categories.

### **Changes in employment by industry type**

The series of *State of the countryside* reports and separate sectoral studies have shown the scale and profile of key employing sectors in rural areas – from public services sectors, retail, construction, transport, traditional rural industries to textiles. Two groups have almost become icons of change. The fortunes of the land-based industries, deeply indicative of much of our countryside character; and knowledge-dependent industries, Knowledge Intensive Business Sectors (KIBS) and Knowledge Intensive Public Sectors (KIPS) are indicative of the national and regional economies seeking to maintain a competitive advantage in global economy and trade.

These industrial sectors have taken deeply contrasting directions, with agricultural employment and business numbers declining and the levels of employment and business stock in both KIBS and KIPS increasing rapidly.



In 1997 over 379,018 were employed in farming in England and although this represented less than 2% of the national workforce, in those districts with the highest proportions of agricultural workforce such as South Holland, Lincolnshire and Herefordshire it constituted 15%. By 2007 the total agricultural labour force in England had declined to 353,061 (Figure 3.3.7), down by 7% since 1999. This decline is made up of an increase in farm owners and managers, a 13% fall in part time workers, but a 39% fall in full time farm workers. The total represents less than 6.5% of the rural workforce.

**Figure 3.3.7**

Labour force on agricultural holdings in England, 1999-2007

	1999	2003	2007	Change 1999-2007	Percentage change 1999-2007
Farmers, business partners, directors and spouses	203,362	219,123	219,004	15,642	7.7%
<i>Full time</i>	114,068	100,468	91,758	-22,310	-19.6%
<i>Part time</i>	89,294	118,655	127,246	37,952	42.5%
Salaried managers	12,502	11,562	15,030	2,528	20.2%
<i>Full time</i>	9,516	8,877	10,323	807	8.5%
<i>Part time</i>	2,986	2,685	4,707	1,721	57.6%
<b>Other workers</b>					
Full time	74,169	52,636	45,300	-28,869	-38.9%
<i>Male</i>	63,944	44,635	37,611	-26,333	-41.2%
<i>Female</i>	10,225	8,001	7,690	-2,535	-24.8%
Part time	36,005	26,162	31,376	-4,629	-12.9%
<i>Male</i>	17,357	12,843	18,058	701	4.0%
<i>Female</i>	18,648	13,320	13,318	-5,330	-28.6%
Casual workers	52,980	44,933	42,351	-10,629	-20.1%
<b>Total labour</b>	<b>379,018</b>	<b>354,381</b>	<b>353,061</b>	<b>-25,957</b>	<b>-6.8%</b>

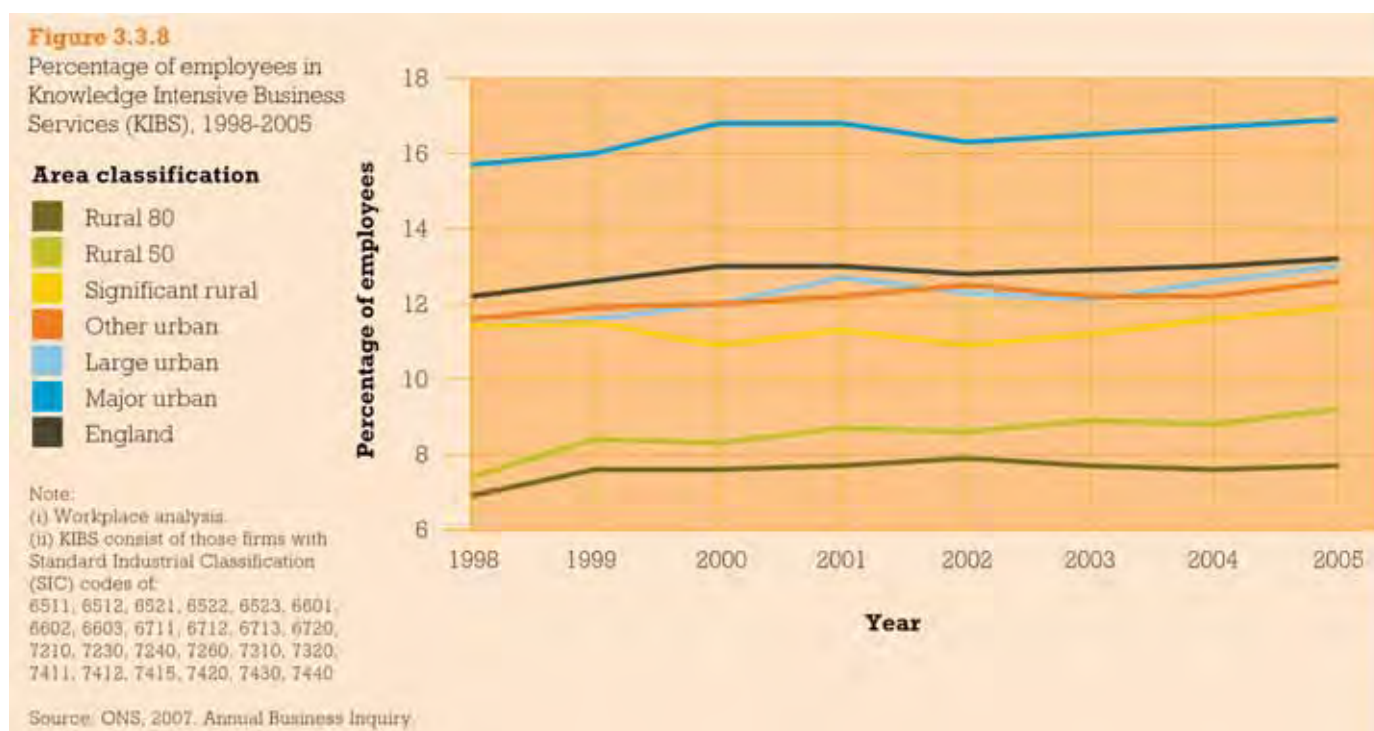
Source: Defra, 2008. Survey of Agriculture and Horticulture.



Diversification of many national and regional economies by attracting or growing higher-value, knowledge-dependent firms such as computing, design and creative industries, education and business services has been seen as an important way of creating or maintaining competitive advantage over countries with cheaper labour and manufacturing capacities and skills.

At the start of this decade, KIBS firms in rural districts employed 295,000 people, just 11.4% of all such employment in England. Public services sector employment has always been a substantial part of rural employment – and in 1998 employment in the KIPS amounted to just under 960,000 or 19.6% of rural employment. Over the decade an additional 291,000 people have taken employment in these knowledge-dependent sectors in rural districts. Despite the growth in KIBS, rural England has failed to keep pace with national growth rates in these sectors (Figure 3.3.8).

However, the greatest growth in employment in KIBS and KIPS over the period 1998 to 2005 has been in Rural 50 (24.3%), closely followed by Rural 80 (22.1%) districts.



## Key summary points

- In 2007 the most rural districts (Rural 80) supported the highest rate of employment with 78.2% of the working age population living in these districts in work, education or government approved training. The average employment rate declines with increased degree of urban character.
- Unemployment rates are lower in rural areas – 224,000 (4% of those of working age) are officially unemployed in rural districts, and more than half a million unemployed in the major urban areas (6.8% ).
- Self-employment has increased across the rural:urban categories and here also rural has outperformed urban England, with over 850,000 representing 11.7% in Rural 80 and Rural 50 districts.
- There are important local differences; many rural areas have relatively low rates of employment.
- Net commuting to urban areas represents 17% of all employment for rural residents
- Employment in agriculture has fallen by about 7% since 1999, and by 39% for full-time farm workers. For the Knowledge Intensive Business sector there have been increases of up to 22% in Rural 80 areas between 1998 and 2005.

## See also (from recent *State of the countryside reports*)

### Employment and unemployment

2007	Figure 3.2.15	Labour market exits of older workers, 2002-03 to 2004-05
2007	Figure 3.3.1	People who live and work in the same local authority area, 2006
2007	Figure 3.3.2	Top and bottom local authority areas by employment, 2005-06
2007	Figure 3.3.3	Proportion of local authority areas with over 80% employment, 2005-06
2007	Figure 3.3.4	Working age households by combined economic activity status of household
2007	Figure 3.3.6	Household members and friends working in businesses 2005
2007	Figure 3.3.7	Activities of older residents exiting the labour market
2006	Table 25	Employment pattern 2005
2006	Figure 49	Unemployment rate 1994-2005
2006	Figure 50	Economic inactivity rate 1994-2005
2006	Figure 53	Part-time employment 2004-05
2006	Figure 54	Percentage of part-time employed people preferring to stay part time
2006	Table 26	Distribution of jobs by sector 2004
2006	Figure 56	Distribution of Jobs Density by district classification 2000-04
2006	Figure 57	Jobs Density by district type by region 2000-04
2006	Figure 58	Changes in Jobs Density against regional averages
2006	Table 27	Regional rural/urban employment flows
2005	Table 4.7	Working age pop by economic status
2005	Figure 4.6	Unemployment rates 1995-2004
2005	Figure 4.7	Unemployment rates 2001
2005	Table 4.9	Economic activity over retirement age 2003
2005	Figure 4.10	Full time employees working over 49 hrs 2001
2005	Figure 4.11	Working at or from home 2001
2005	Table 4.10	Employment by Standard Industrial Classification 2001
2005	Table 4.11	Distribution of job types 2001
2005	Figure 4.5	Jobs Density across English regions

### Self-employment

2006	Figure 51	Self-employment levels
2006	Figure 52	Percentage of self-employed people who would prefer to become employed
2005	Figure 4.9	Self-employment 2001



### 3.4 Enterprise and entrepreneurship

Rural areas have long been recognised as nurturing and supporting enterprising spirit. Over the years we have presented evidence showing:

- more businesses per head of population;
- a greater proportion of self-employment;
- higher rates of home working and of women starting businesses;
- higher survival rates of rural firms than those in urban areas; and
- growth in some economic sectors, but decline of others.

We have also described the impact of using indicators of enterprise other than reliance on official statistics of registration and de-registration rates for VAT. Using data from the high street banks of new business accounts (*State of the countryside, 2007*), we were able to report higher levels of new firm formation, and also the spatial pattern of such enterprises. This suggests that many rural districts with apparently low levels of VAT registration were witnessing some of the highest area levels of new firm formation.

#### Numbers and changes of new firms registering for VAT

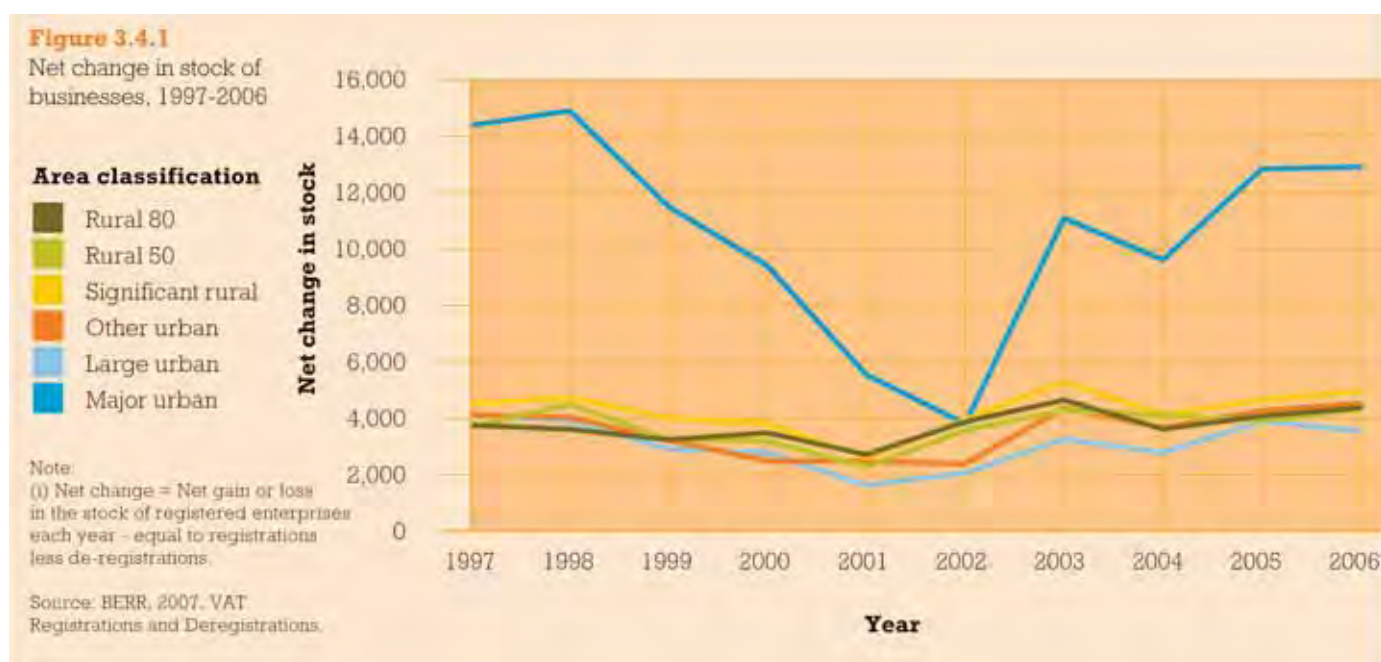
Between 1998 and 2006 there was a marginal decline in the numbers of new firms registering for VAT each year (-0.3%) at the national level. The direction and rates of change over this period in rural districts is in marked contrast with those in urban England. Whilst rural districts have supported a growth in new firm formation of 2.7% over this period, in urban boroughs new registrations have declined by 2.3%. In 2006 new firm registrations in urban districts slightly exceeded 80,000, compared with just under half this number in the most rural districts (80,325 urban; 39,995 mixed; 39,005 rural).

Each year, thousands of firms close or fall below the level of turnover needed for VAT registration (de-registration). When combined, registrations and de-registration rates determine the net stock of enterprises. Over the 1998-2006 period rural districts have hosted a 23% increase in the numbers of VAT registered firms contrasting with a decline of more than 8% in urban Local Authorities. As a result the net change in registered firms in rural districts in 2006 had more of an influence on the change in England's business stock than at the beginning of the period, accounting for over 25%



of the change, up from 21% at the beginning of the period; whilst the urban districts contributed only 47.5% of the change, down from 53% in 1997.

Net change in the stock of firms registered for VAT over the economic cycle (Figure 3.4.1) demonstrates that growth in business stock in major urban districts suffered a steeper reversal than all other authority types after 1998, and that this lasted a year longer after the general upturn in 2001. Since then major urban areas have achieved stronger growth, aided by a more marked reduction in business de-registrations or closures. Despite these different profiles of growth and decline, firms in rural districts only maintained their share of England's total business stock over the economic cycle, with 456,000 firms constituting 29% of the stock of VAT registered business addresses in 2006.



### The make up of rural businesses

Rural firms are found in every sector of economic activity, mirroring closely the broad industrial sectors found in the national and urban economies. In 2006, taking all workplaces together, the split of rural to urban firms was 21.5% in rural areas; and 78.5% in urban districts<sup>11</sup>. There are slightly more businesses per head of population in rural areas (but they are smaller firms on average). As would be expected the proportion of firms in land-based industries is higher than for all workplaces in England. In contrast the 152,571 urban workplaces in public administration, education and health sectors form over 81% of all firms in these industries nationally. Perhaps unexpectedly, in 2006 rural areas supported more than the national share of workplaces in energy and utilities, construction, transport and communications and manufacturing (Figure 3.4.2).

<sup>11</sup> The figures for VAT registered business addresses give different figures to the numbers of workplaces. In this section we use the more detailed ONS rural:urban definition rather than the Local Authority District classification. Registered businesses can also have multiple workplaces, and the thresholds for businesses being registered in the databases also varies.

**Figure 3.4.2**

Proportional distribution of businesses by sector, 2006

**Business sector**

- Agriculture and fishing (SIC A,B)
- Energy and water (SIC C,E)
- Manufacturing (SIC D)
- Construction (SIC F)
- Distribution, hotels and restaurants (SIC G,H)
- Transport and communications (SIC I)
- Banking, finance and insurance (SIC J,K)
- Public administration, education & health (SIC L,M,N)
- Other services (SIC O,P,Q)



Note:  
(i) Workplace analysis.

Source: ONS, 2008, Annual Business Inquiry.

Over the four years from 2003 rural areas supported a net increase of just 1,224 enterprises. The greatest declines in numbers were experienced in the agriculture, energy and transport sectors. In contrast 79% of the 19,289 additional workplaces were in banking, financial and insurance sectors. By 2006 workplaces in this sector made up close to one third of all workplaces in rural areas, only marginally less than the share of urban firms. Urban areas in contrast supported nearly 31,300 additional workplaces at the end of this period, but here also growth depended heavily on these financial services sectors which accounted for almost 7 in 10 of the additional places.

**Figure 3.4.3**

Growth in Knowledge Intensive Business Services (KIBS) sectors, 1998-2005



Note:  
(i) Workplace analysis.  
(ii) KIBS consist of those firms with Standard Industrial Classification (SIC) codes of: 6511, 6512, 6521, 6522, 6523, 6601, 6602, 6603, 6711, 6712, 6713, 6720, 7210, 7230, 7240, 7260, 7310, 7320, 7411, 7412, 7415, 7420, 7430, 7440

Source: ONS, 2007, Annual Business Inquiry.

This profile partly accounts for the larger growth in the KIBS sectors in rural than urban districts witnessed between 1998 and 2007 as shown in Figure 3.4.3. These sectors – together with those for KIPS such as education, health and administration – are increasingly monitored by central government as illustrative of the move from secondary and tertiary industries to higher value, higher waged economic activity on which our global competitiveness should be founded.

Taken together, villages, hamlets and dispersed dwellings in less sparse rural areas witnessed the greatest rates of growth in workplaces with financial services sector enterprises accounting for over half of new rural workplaces, whilst retail, wholesale, hotels and catering firms in sparse villages, hamlets and dispersed settlements witnessed the largest loss of workplaces over this period.

### Are rural firms growing?

Evidence in this chapter has shown that rural areas are supporting more firms, more employment, more firms in key knowledge sectors and producing more output per worker over time – but do rural entrepreneurs aspire to grow and achieve urban scale of business size and productivity?

Aspirations to grow appear to vary by size and sector – and by degree of rurality, although this also may reflect the size and sectoral profile of rural and urban businesses. The Annual Small Business Survey undertaken by the former Small Business Service (SBS) (now Enterprise Directorate of the Department of Business, Enterprise and Regulatory Reform – BERR) has asked about small firms' growth aspirations in 2004 and 2005. Aspirations to grow increased with degree of urbanity (Figure 3.4.4). Using a small sample, a larger proportion of firms in financial services, business services and manufacturing aimed to grow in the following 3 years more than the average for England, while a smaller than average proportion of firms in farming, construction, hotels and catering and wholesale and retail sectors aimed to grow.

**Figure 3.4.4**

Aspirations for small businesses, 2005

Area definition		Aim to grow the business		Will not grow the business	
		Number	Percent	Number	Percent
<b>Less sparse</b>	Hamlet and isolated dwelling	239	54.7%	198	45.3%
	Village	335	54.1%	284	45.9%
	Town and Fringe	376	58.2%	270	41.8%
	Urban >10K	2,967	60.5%	1,938	39.5%
<b>Sparse</b>	Hamlet and isolated dwelling	59	40.4%	87	59.6%
	Village	54	52.9%	48	47.1%
	Town and Fringe	85	62.5%	51	37.5%
	Urban >10K	23	56.1%	18	43.9%
<b>England and Wales</b>		<b>5,060</b>	<b>58.6%</b>	<b>3,580</b>	<b>41.4%</b>
<b>Rest of UK</b>		<b>922</b>	<b>57.3%</b>	<b>686</b>	<b>42.7%</b>

Notes:

(i) Findings are based on a large sample of 8,640 small and medium enterprises (SMEs). For the purposes of this report, an SME is any business with zero to 250 employees, the term 'all businesses' refers to businesses in that size band, and 'employers' refers to businesses employing one to 250 people.

(ii) Whole of the UK was covered.

(iii) Sample was weighted to be representative of SMEs in the UK.

(iv) Fieldwork was undertaken between October 2005 and January 2006.

Source: BERR, 2006. Annual Small Business Survey.

**Figure 3.4.5**

Growth in numbers of businesses of different sizes, 1998-2006

Area Classification	Year	1-10 employees	11-49 employees	50-199 employees	200 or more employees	Total businesses
Rural	1998	372,694	52,661	9,986	1,952	437,293
	2006	455,073	58,235	11,339	2,185	526,832
	1998 - 2006 % change	22.1	10.6	13.5	11.9	20.5
Mixed	1998	386,788	65,200	15,297	3,601	470,886
	2006	454,970	68,900	16,675	3,774	544,319
	1998 - 2006 % change	17.6	5.7	9.0	4.8	15.6
Urban	1998	750,006	118,474	28,046	7,192	903,718
	2006	845,346	119,906	30,657	7,622	1,003,531
	1998 - 2006 % change	12.7	1.2	9.3	6.0	11.0
<b>England</b>	<b>1998</b>	<b>1,509,488</b>	<b>236,335</b>	<b>53,329</b>	<b>12,745</b>	<b>1,811,897</b>
	<b>2006</b>	<b>1,595,365</b>	<b>238,381</b>	<b>58,712</b>	<b>14,820</b>	<b>1,907,278</b>
	<b>1998 - 2006 % change</b>	<b>5.7</b>	<b>0.9</b>	<b>10.1</b>	<b>16.3</b>	<b>5.3</b>

Note:

(i) Workplace analysis

Source: ONS, 2008. Annual Business Inquiry.

In contrast with stated aspirations, businesses in hamlets and isolated dwellings and in rural towns were just as likely to have stayed the same size (in terms of numbers employed) over the 12 months prior to the survey, with more firms having achieved employment growth in urban areas and rural villages.

When viewed across the eight years to 2006 growth was highest in micro-firms (1-10 employees) in rural districts (22%) and lowest in small firms (11-49 employees) in urban areas (1.2%) – Figure 3.4.5.



## Key summary points

- Rural districts supported a growth in new firm formation of 2.7% between 1998 and 2006, while in urban districts new VAT registrations declined by 2.3%.
- In 2006 new firm registrations in core cities and principal urban areas slightly exceeded 80,000, compared with just under half this number in the most rural districts (80,325 urban; 39,995 mixed; 39,005 rural).
- Rural firms are found in every sector of economic activity, mirroring closely the broad industrial sectors found in the national and urban economies.
- Perhaps unexpectedly, in 2006 rural areas supported more than the national share of workplaces in energy and utilities, construction transport and communications and manufacturing.
- 79% of the 19,289 additional workplaces between 2003 and 2006 in rural areas were to be found in banking, financial and insurance sectors. By 2006 workplaces in this sector made up close to one third of all workplaces in rural areas, marginally less than their share of urban firms.
- When viewed across the eight years to 2006 growth was highest in micro-firms (1-10 employees) in rural districts at 22%.

## See also (from recent *State of the countryside reports*)

### Businesses

2007	Figure 3.4.1	VAT registrations per 1,000 people of working age, 2005
2007	Figure 3.4.2	Barclays Bank start-up rates per thousand people of working age, 2005
2007	Figure 3.4.3	Early stage entrepreneurial activity, 2005
2007	Figure 3.4.5	One and three year survival rates for businesses
2007	Figure 3.4.8	Locality of main customer base, 2007
2007	Figure 3.4.12	Competitiveness Index ranking 2006 (map)
2007	Figure 3.4.13	Competitiveness Index in rural areas - components
2006	Table 28	Business stock 2005 (by rural district type)
2006	Figure 61	Profile of the business stock across sectors 2004
2006	Figure 62	Map of changes in rural business stock, 1994-2004 (map)
2006	Figure 63	Map of changes in rural business stock against regional averages, 1994-2004 (map)
2006	Table 29	% changes in the business stock 1994-2005 (by rural district type)
2006	Figure 64	Net changes in the business stock 1994-2005
2006	Figure 65	Change in National Insurance registrations by non-UK nationals 2002/03 to 2004/05
2005	Table 2.12	Business stock
2005	Figure 4.12	Businesses per 10,000 people 2003
2005	Figure 4.13	VAT registrations 2000-03
2005	Figure 4.14	VAT deregistrations 2000-03
2005	Table 4.12	Change in stock of businesses by Standard Industrial Classification 1994-2003

### Lagging areas

2006	Figure 66	Public Service Agreement (PSA) districts (map)
2006	Figure 67	Productivity of PSA districts 1999/2000 to 2003/04
2005	Figure 4.15	PSA indicator districts (map) City regions
2006	Figure 59	English city regions (map)
2006	Figure 60	Occupational breakdown (SEG) by city region nature

### 3.5 Economic wellbeing – a ten year perspective

Many spatial and economic studies have reinforced the inadequacy of the label 'The Rural Economy' to describe economic activity and health in rural England – multiple 'Rural Economies' is a more appropriate label. Since the first *State of the countryside* report in 1999, we have tried to reflect the value of and need for detailed assessment and description of the dynamics of rural economies at local level. We have stressed the importance of rural:urban interdependencies, two-way flows of goods, services, people and ideas that reinforce economic and social activity in both rural and urban communities.

The contribution made by rural areas to some of the Government's core targets for 'economic growth' has increased over the last ten years. Taken collectively, England's rural economies have achieved levels of growth and outputs that have matched or exceeded those achieved even in our core cities outside of London. Levels of new enterprises have exceeded those in urban areas. Employment rates exceed the English and urban averages, with more rural authorities having achieved the target of full employment.

By several measures when viewed in aggregate, rural England and not our cities have become drivers of the national economy. To many residents and employees in rural areas, such prosperity manifests itself in higher household and personal incomes.

On the other hand, sparse rural settlements and peripheral rural districts remain amongst the least prosperous economies in England, with lowest levels of GVA, employment, productivity, VAT registration rates and highest rates of households on less than 60% of the English median household income. Benefit claimant rates, proportions of employees on low wages, and economic inactivity rates are also highest in these sparse settlements and peripheral districts. Such areas are also more likely to be characterised by lowest levels of business revenue per worker, and of districts failing to reach rates of 'full employment' levels.

Despite this, these rural settlements and districts often support the highest rates of growth within the same measures, suggesting convergence with other rural areas and the English average. Convergence has also been apparent in the types of businesses and employment, with declines in the rurally-distinct business sectors of farming and the more rapid growth in the banking and other financial and business services, usually associated with urban areas.

Despite convergence between urban and rural economies and the spread of better performance across many rural areas, the persistence of two indicators of poverty over the decade suggests the need for new approaches. Wage levels in rural workplaces have remained stubbornly lower than those of residents of many rural areas and those earned in urban workplaces. Work is not proving to be a route out of poverty for a very high a proportion of rural employees and residents. The second challenge is the location of England's poor performing areas. Whilst urban areas can identify and count on public recognition and support for neighbourhoods of economic and social disadvantage, in many rural districts dispersal of disadvantage, smaller scale of firms and employment and more economic activity operating below the radar of attention and support, contributes to persistence of problems and slower change. The list of worst performing areas remains remarkably similar.

During this economic cycle the Government shone a spotlight on raising productivity in the poorest performing rural economies through one of Defra's Public Service Agreements. Today this has been replaced with a lower-tier Departmental Strategic Objective. Enhancing economic performance in future perhaps depends on four routes:

- Re-orientating the spatial context for identifying and tackling the lowest performing rural areas away from comparing all areas to an imaginary English median to one of identifying and monitoring performance within a regional context.
- Enabling and resourcing Local Authorities in low performing and peripheral districts to identify the priorities and forms of intervention that tackle weaknesses and raise economic health in their economies.
- Shifting the focus from assessment and reporting of individual indicators to develop models that show the dynamics and interactions of indicators in rural economies, for example between changes in wage levels, employment and economic activity rates and occupational profiles, as well as demonstrating interdependencies between places.
- Broadening the focus of economic policies and intervention away from economic growth to economic wellbeing. This would allow truer reflection of social and environmental costs and benefits, recognising the importance of families or households rather than individuals in determining the levels and use of disposable income, improve integration of action on business and employment, performance on many of the issues reported in the 'Living in the countryside' chapter.

England's rural economies have become more visible over the last decade through wider availability of evidence and data that can be disaggregated through use of the rural:urban definition, as demonstrated in our *State of the countryside* reports. This visibility should encourage decision-makers to discard the label 'The Rural Economy' as being unrepresentative of economies that are diverse, vibrant and connected – but as yet not for all residents.







# FOUR

## Land and environment

### 4.1 Introduction

England's countryside provides the backdrop against which rural communities live and work. Although rural areas may be sparsely populated, they nevertheless face a breadth of often conflicting public and private expectations. Despite increasing food imports, the English countryside still produces the majority of the nation's food. It provides a wide range of environmental services such as clean water, space for public recreation and a store for atmospheric carbon. And rural England's natural and cultural character defines one of the quintessential identities of the nation.

As this chapter shows, the pressures facing the countryside are increasing. Rising prices of many global food commodities are leading to a resurgence of some farming sectors after many years of decline. Expectations on the quality of the environment and natural resources are also increasing. And high public demand by people to own their own piece of the countryside is increasing the value of land.

The chapter is split into five sections:

**4.2 Land use and development** – the broad categories of land use and recent trends in changes of use of land, particularly those happening at the urban fringe.

**4.3 Farming and forestry** – the types of farming and forestry and trends in the area of different crops; how changing markets and public policies are affecting agriculture and forestry.

**4.4 Leisure and recreation** – public access in the countryside and the key types of outdoor recreation, focussing on different country pursuits.

**4.5 Environmental quality** – indicators of environmental quality covering landscape character, tranquillity, cultural heritage, air and water quality and biodiversity.

**4.6 Climate change and renewable energy** – the evidence for the changing climate in the countryside and analysis of how rural areas contribute to and help mitigate climate change, focussing particularly on renewable energy generation.

### Section includes:

4.1	Introduction	113
4.2	Land use and development	114
4.3	Farming and forestry	119
4.4	Leisure and recreation	128
4.5	Environmental quality	134
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4.7	Land and environment – a ten year perspective	152

## 4.2 Land use and development

### Introduction

This section provides an overview of the way England's rural land is used and how this is changing. More detailed analysis of the main forms of rural land use, agriculture and forestry are covered in section 4.3.

### Land use

Across England as a whole, 8.6%<sup>1</sup> of the country lies within built-up settlements although half of this is maintained as gardens and green space (Figure 4.2.1). The major conurbations and cities (with populations over 100,000) occupy about 5.3% of the land, while other urban areas (populations above 10,000 up to 100,000) cover a further 2.2%, rural towns 0.8% and villages and hamlets a further 1.0% (Figure 4.2.2). Outside the built up areas, agriculture is the major land use, covering about 70% of the land area. Forestry and woodland cover a further 8%. These overall proportions obviously vary considerably across the landscape. The South East region is the most built up (outside London), whereas the North East is the least (Figure 4.2.1).

**Figure 4.2.1**

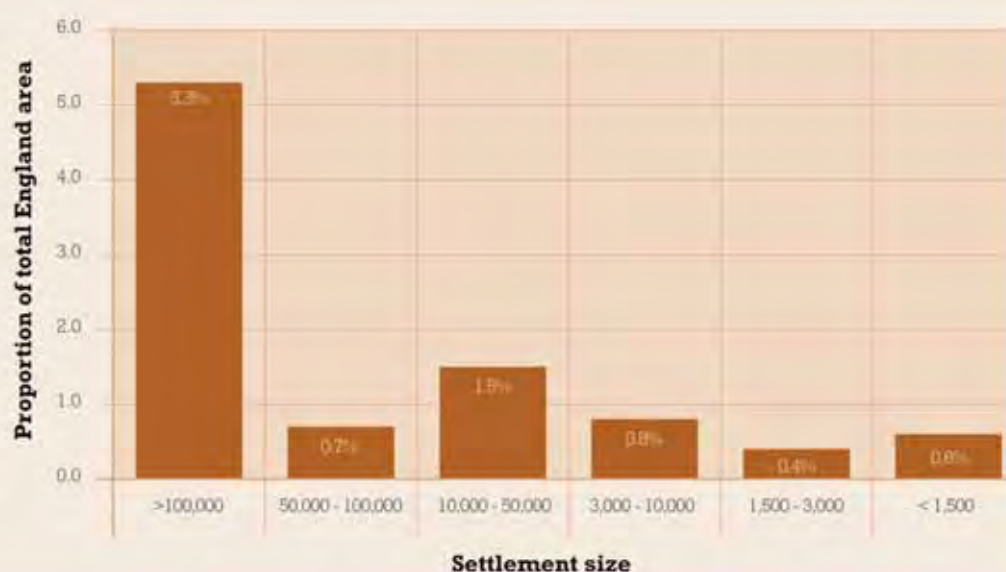
Proportion of total land area under different forms of development, 2005

Government Office Region	Buildings	Roads, paths and rail	Gardens
East Midlands	1.5%	2.0%	3.5%
East of England	1.5%	2.0%	4.1%
London	13.4%	14.1%	23.8%
North East	1.4%	2.2%	2.4%
North West	2.2%	3.0%	4.2%
South East	2.0%	2.7%	6.2%
South West	1.2%	1.9%	3.1%
West Midlands	2.1%	2.7%	4.9%
Yorkshire and the Humber	1.6%	2.3%	3.3%
<b>England</b>	<b>1.8%</b>	<b>2.5%</b>	<b>4.3%</b>

Source: ONS, 2005. Generalised Land Use Database.

**Figure 4.2.2**

Areas of land occupied by different sizes of settlement, 2001



Note:  
(i) Different methodologies mean that the total urbanised area in this figure is slightly larger than that in Figure 4.2.1.

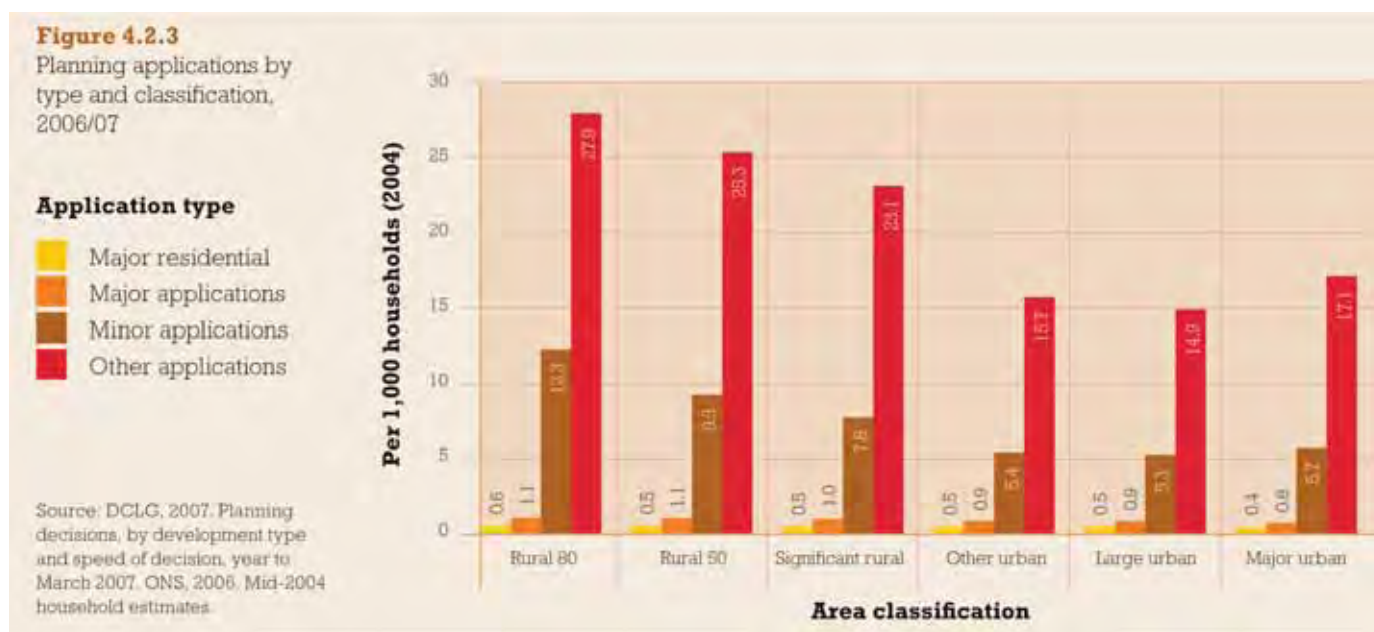
Source: ONS, 2001.

1 Note: The figure of 19% in Figure 4.2.1 of *State of the countryside 2007* (sourced from Defra) related to the area not in agriculture, forestry or open water, whereas this year we show built up areas.

## Changes in land use

The conversion of open countryside to urban areas and roads attracts much attention from the public and policy makers alike. Government guidance to planning authorities sets a target of at least 60% of new housing to be built on previously developed (or 'brownfield') land. The *State of the countryside 2007* report (Figure 4.2.3) showed that there has been an increase in the area of brownfield land that has been redeveloped between 1998 and 2005 and that this has occurred more in urban than rural areas.

The countryside faces high demand for housing and this is having an impact on house prices and the character of rural areas. Analysis of the number of planning applications shows that there are significantly more applications per household to change the use of land and for permission to build or develop dwellings in rural than urban areas with activity being highest in the most rural areas (Figure 4.2.3).



The higher relative level of development activity in rural areas is confirmed by other research<sup>2</sup> which concludes that the broader countryside has accommodated more newly built dwellings and seen a greater net increase in the dwelling stock than has the urban margin (Figure 4.2.4). This same research shows that in hamlets and isolated rural dwellings gains from conversion and subdivision of existing buildings have exceeded that of new building by a factor of four.

**Figure 4.2.4**  
New construction and net-change in dwellings, 1998-2003

Context	1998 stock	Built 1998-2003	Net Change 1998-2003 (%)	Share of total new built stock (%)
Rural	4,486,063	303,561	5.9	37.5
Urban Fringe	763,736	60,138	6.9	7.4
Pen-Urban	358,283	56,423	11.7	7.0
Rural town	1,573,141	92,972	4.7	11.5
Other rural	1,790,903	94,029	5.4	11.6
Urban	16,295,970	506,000	2.2	62.5
<b>England</b>	<b>20,782,033</b>	<b>809,561</b>	<b>3.0</b>	<b>100.0</b>

Source: Natural England, 2006. Countryside Quality Counts Report.

<sup>2</sup> Countryside Quality Counts (CQC) report on *Land Use Change at the Urban: Rural Fringe and in the Wider Countryside* (2006) between 1998 and 2003



Greenbelts have been used as a planning control around large urban areas since 1935. In 2007, designated greenbelt land amounted to 1,635,670 hectares, which represents around 13% of the land area of England. In the South East a quarter of the region is designated greenbelt and in the West Midlands the figure is a fifth. 2007 saw renewed debate about the purposes of, and the threats facing, greenbelts. Government responded to the recommendations made in the Barker review of housing by confirming its commitment to greenbelts, but a range of organisations, including Natural England and CPRE have acknowledged that more flexible approaches to protecting the character of greenbelt land are needed, given the high demand for housing close to urban areas.

The floods that occurred in the summer of 2007 in areas such as Gloucestershire, Oxfordshire, South Yorkshire and Hull have focussed attention on the development of land in flood plains. Data for the period 1996-2005 show that in some regions such as

**Figure 4.2.5**  
Percentage of land changing to residential use within Flood Risk areas by region, 1996-2005

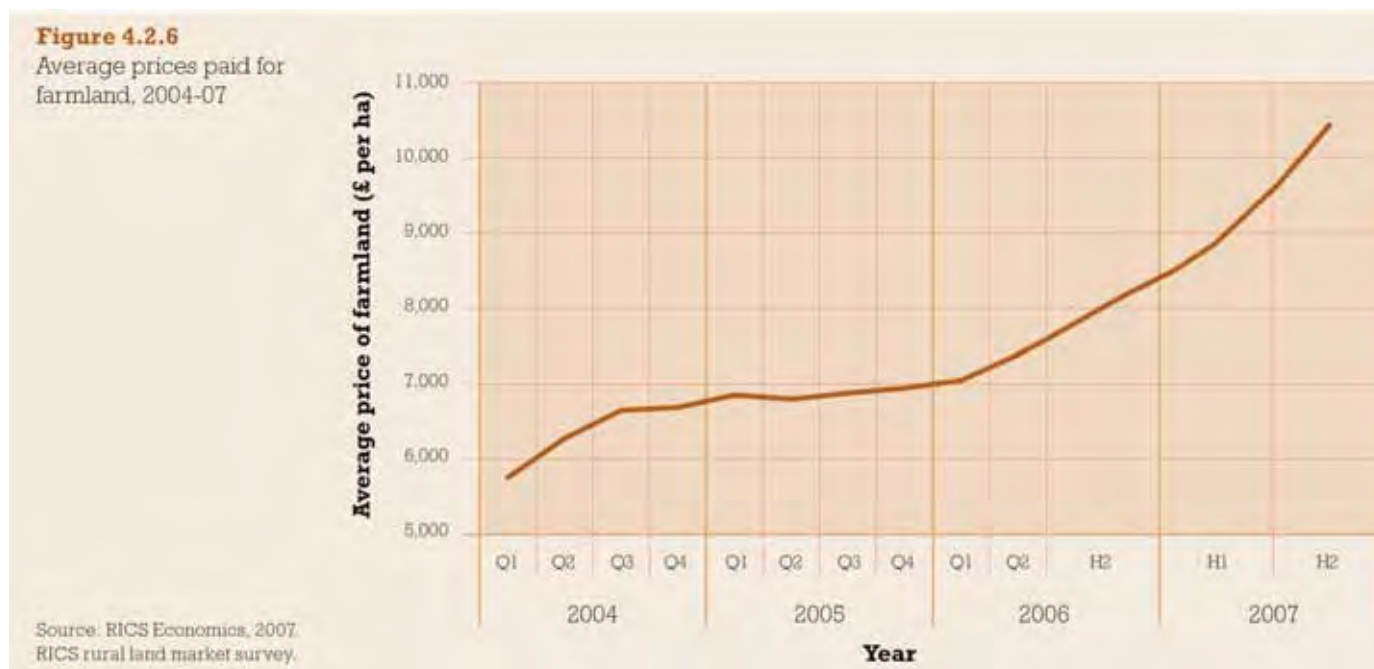
Government Office Region <sup>1</sup>	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
East Midlands	12.0	12.6	6.7	8.4	11.2	10.8	15.8	13.4	11.9	9.2
East of England	5.8	5.7	5.8	6.7	5.8	5.3	7.1	5.9	5.8	8.3
London	21.1	22.0	18.6	15.6	15.2	13.5	15.9	17.0	14.6	10.6
North East	4.6	2.7	1.1	1.7	0.4	1.3	1.7	1.7	1.3	1.3
North West	4.1	4.6	5.9	4.3	5.7	4.7	5.0	5.9	5.6	4.3
South East	4.8	6.3	6.7	8.3	6.7	7.0	5.5	6.0	5.4	5.3
South West	4.1	5.2	4.6	6.8	6.1	7.1	7.8	5.9	6.0	4.9
West Midlands	5.7	3.6	4.8	4.6	2.5	2.4	3.8	3.2	3.2	3.3
Yorkshire and the Humber	10.5	9.4	6.5	8.5	10.0	9.2	10.1	10.2	8.0	9.8
<b>England</b>	<b>7.0</b>	<b>7.3</b>	<b>6.3</b>	<b>7.0</b>	<b>6.9</b>	<b>6.9</b>	<b>8.0</b>	<b>7.4</b>	<b>6.8</b>	<b>6.3</b>

<sup>1</sup> Comparisons between regions are affected by the varying proportions of Green Belt land in each region.  
Source: DCLG, 2006. Land Use Change in England to 2006.

London, the East Midlands and Yorkshire and the Humber, a high proportion of land changing to residential use is located within flood risk areas (Figure 4.2.5). Across England as a whole over the ten year period to 2005 there was no significant reduction in the proportion of development taking place on land at risk of flooding. Data collected by the Environment Agency on a sample of 580 of the approximately 19,000 properties directly flooded by rivers indicate that around 28% of these were built in the last 25 years.

### Land values

Changes in the value of house prices are covered elsewhere in this report (Chapter 2). Rising property prices were broadly matched in 2007 by rises in the value of farmland although the reasons for this increase were different. According to the rural market survey undertaken by the Royal Institute for Chartered Surveyors (RICS) farmland prices continued to gather momentum, with prices rising by 27.9% in the second half of 2007 on top of a rise of 22.6% in the first half (Figure 4.2.6). The RICS suggests that this growth has been driven by two factors. Firstly, sharp increases in the prices of agricultural commodities (particularly cereals and milk) have increased confidence amongst farmers, particularly in the second half of 2007. Secondly, it is said that record bonuses received by people working in the City of London and other financial centres have contributed to high demand for 'lifestyle' rural properties with land. Following the financial downturn caused by the 'credit crunch' in 2007, it would appear that agricultural land in England is being seen as a relatively secure investment, driving further increases in land prices during the first half of 2008. During 2007, the highest average prices were paid for pasture land in the North West region, while arable land was most expensive in the West Midlands.



## Key summary points

- Built-up areas cover around 8.6% of England, with half of this area being maintained as gardens and green space. Rural towns, villages and hamlets account for about a quarter of the total built-up area, or less than 2% of the land area.
- Demand for new development is significantly higher (per household) in rural areas than urban areas and the countryside has seen a greater number of new houses built in it than the urban fringe in recent years.
- Outside the towns and villages, agriculture is the major land use, covering about 70% of England. Woodland and forestry covers a further 8%.
- The value of agricultural land rose sharply during 2007, mainly due to increases in the prices of agricultural commodities and to high demand for 'lifestyle' rural properties with land.

## See also (from recent *State of the countryside* reports)

### Land use

2007	Figure 4.2.2	Make up of land use rural and urban areas 2001
2007	Figure 4.2.3	Development on previously developed land 1998-2001 and 2002-05
2007	Figure 4.2.4	Density of new building (Housing) 1998-2001 and 2002-05
2005	Table 2.14	Specific institutional land holdings in England 2006 Table 36
2006	Table 36	Extent of protected landscape designations
2006	Figure 90	Location of protected landscape designations (map)
2005	Figure 2.8	Countryside Agency countryside and coastal designations (map)
2005	Table 2.16	Areas of registered common land and open country



## 4.3 Farming and forestry

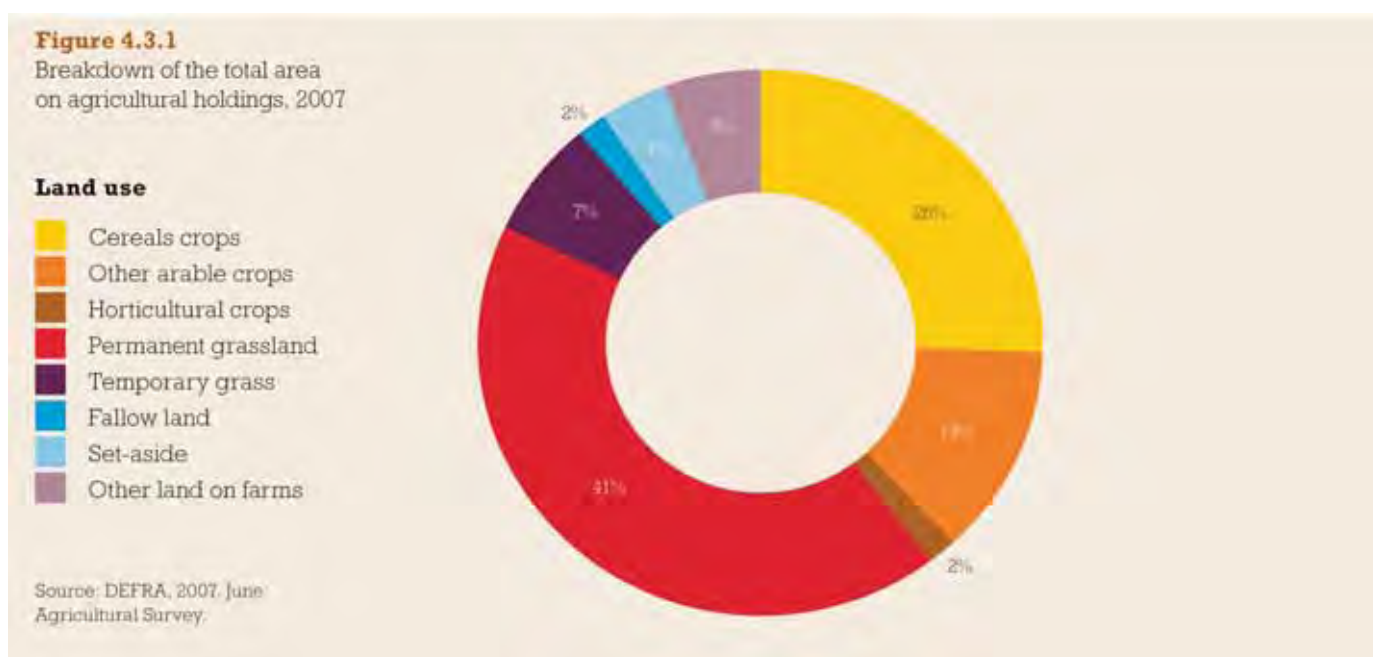
### Introduction

Farming and forestry account for almost all land use outside settlements in rural areas. Although the level of direct employment in these land-based sectors is now relatively insignificant (being less than 5% of employment in all but the most remote rural areas), they define the landscape and environmental character of rural England and, during a period of rising world food commodity prices, there is increasing policy interest in the strategic importance of domestic food production. This section provides an overview of the changing nature of agriculture and woodland management and the contribution these make to rural landscapes and communities.

### Farming land use

Almost half of England's farmed land is used for grazing livestock, either as grassland or rough grazing (this area does not include common land grazing). Arable cropping makes up a further 39% of farmed land, the large majority of this being cereals and oilseed crops (Figure 4.3.1). Broadly speaking, arable cropping predominates in the drier east of the country and grassland predominates in the wetter west (*State of the countryside 2006*, Figure 69). Horticultural crops (such as vegetables, orchards, soft fruit and crops grown under glass) account for only 2% of the area of farmed land but are more common in areas such as Kent and the Vale of Evesham. Fallow land and set-aside covers a further 6% of farmed land.

Since 2000 there has been a gradual rise in the area of grassland and a fall in the area of arable crops, although these trends were reversed slightly in *State of the countryside 2007* (Figure 4.3.2). A significant change in 2007 was the sharp fall, by over a fifth, in the area of un-cropped land (set-aside and fallow land). This was the result of rising cereal prices which have encouraged arable farmers to bring some of their more marginal land back into production after a prolonged period of depressed prices. In addition, there was a sharp increase in the area of industrial crops grown on land that had previously been set-aside. Further rises in cereal prices and the removal of the requirement for farmers to set-aside land under the Common Agricultural Policy has led to further large reductions in the area of uncropped land. Crop forecasts based on responses from a panel of farmers suggest that 2007/08 will see a 40% drop in un-cropped land<sup>3</sup>. The sight of set-aside land which was common in arable farming areas during the 1990s looks set to become a rarity.



<sup>3</sup> Defra, Change in the Area and Distribution of Set-Aside in England (January 2008)

**Figure 4.3.2**  
Trends in key farm land uses, 2000-07

**Land use**

- Grassland and rough grazing
- Combinable crops
- Horticultural crops



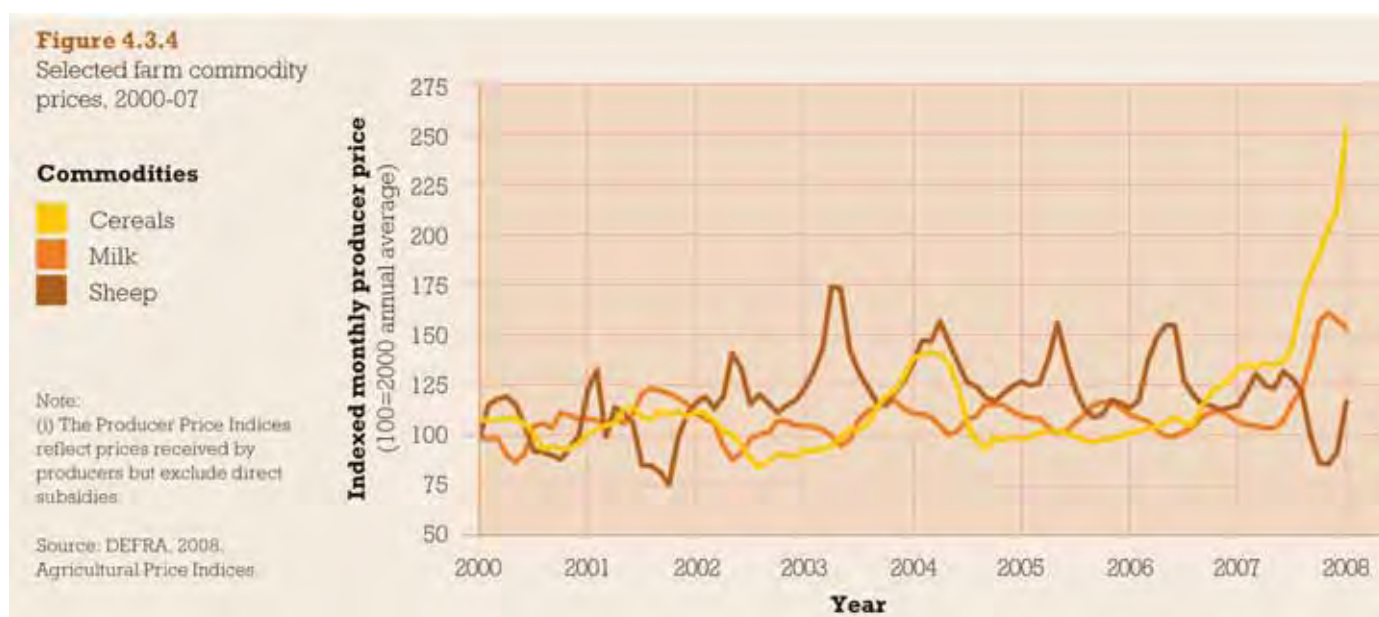
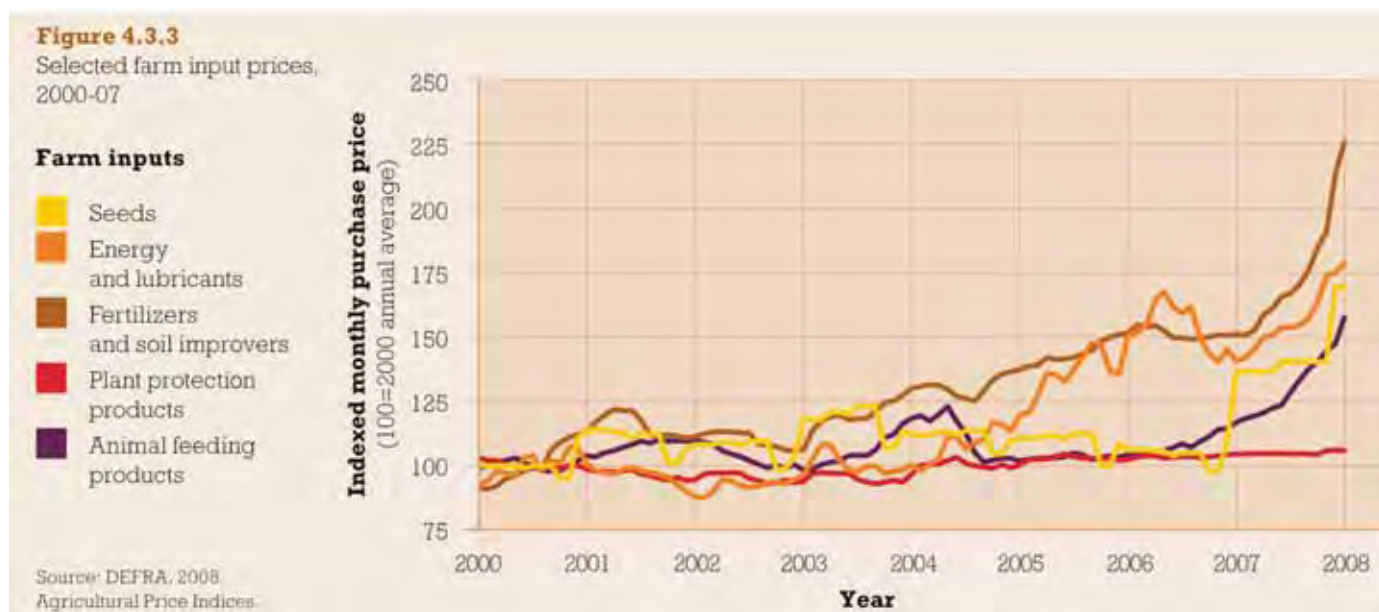
Source: DEFRA, 2007, June  
Agricultural Survey.

### The impact of commodity prices on land management

While payments to farmers under the CAP continue to be a major factor in determining their business and land management decisions, the ‘decoupling’ (switch from subsidy of food production to payments per hectare and land stewardship) of agricultural support in 2005 means that the market prices of crops and livestock and the cost of farm inputs have a growing influence on the way the land is farmed. Many agricultural prices have been depressed for a number of years while farmers’ input costs, particularly energy and fertiliser, have continued to rise (Figure 4.3.3), encouraging many farmers to adopt less intensive farming methods. However, 2007 saw sharp rises in the prices received by arable and dairy farmers (Figure 4.3.4). The world wheat price has more than doubled during 2006 and 2007 as a result of rising demand from China, poor harvests in Australia and the diversion of cereal crops to produce bioenergy in the United States.



As noted above, this is encouraging farmers in England to increase the area of land they use to grow cereals. Milk prices have also risen sharply as a result of increasing demand from countries like China and this can also be seen in the rising price of good pasture land in England. More local issues also have an impact on farm prices, as shown by the depressed period of lamb prices in the second half of 2007 when exports were banned following the outbreak of Foot and Mouth Disease in Surrey.



### Marketing of food from the countryside

Production of food is the principal output of farming and food processing and retailing is a key part of the rural, as well as the national, economy. The UK's self-sufficiency in food continues to decline, both for all types of food and those that can be produced in the UK (see Figure 4.3.1 in *State of the countryside 2007*). However, there is growth in those sectors and products that seek to add value through higher quality or by guaranteeing traceability to a local source. An example of this is the Quality Standard scheme launched by the English Beef and Lamb Executive in 2005. By January 2008 2,700 members were selling their beef and lamb, through over 10,500 outlets.

As noted in *State of the countryside 2007*, organic farming continues to increase its share of food production and sales, although it remains a niche sector, accounting for

just over 3% of the total agricultural area across the country as a whole. However, there is significant variation between the regions. In general, organic production is least common in areas where arable farming dominates (such as the East of England where it covers 1% of the agricultural area) and is more common in grassland areas (such as the South West where it covers nearly 7%) (Figure 4.3.5).

**Figure 4.3.5**

Organic and in-conversion land by region, 2007

Region	Land in-conversion (ha)	Certified organic land (ha)	Total organic (ha)	Total agricultural area (ha)	% of total agricultural area
East Midlands	2,061	12,465	14,526	1,229,436	1.2%
East of England	3,630	10,785	14,415	1,432,429	1.0%
North East	6,923	22,618	29,540	589,077	5.0%
North West	1,781	19,438	21,219	935,870	2.3%
South East	13,181	35,798	48,979	1,206,867	4.1%
South West	31,588	93,415	125,003	1,877,866	6.7%
West Midlands	3,974	26,310	30,284	959,623	3.2%
Yorkshire and the Humber	3,387	9,032	12,419	1,097,396	1.1%
<b>England</b>	<b>66,525</b>	<b>229,861</b>	<b>296,386</b>	<b>9,328,564</b>	<b>3.2%</b>

Source: DEFRA, 2007, OASIS

Farmers' markets have been one of the rural phenomena of the last ten years. Growing from the first farmers market held in Bath in 1997, the National Farmers' Retail and Markets Association (FARMA) calculates that, in 2006, farmers markets were held in 550 locations over 9,500 market days. In that year, some 10,000 farmers and food producers took part in farmers' markets which generated £220 million annually. Although these markets account for only a small proportion of food sales, they are a strong indication of the growing interest from consumers in local food bought direct from the producer.

**Figure 4.3.6**

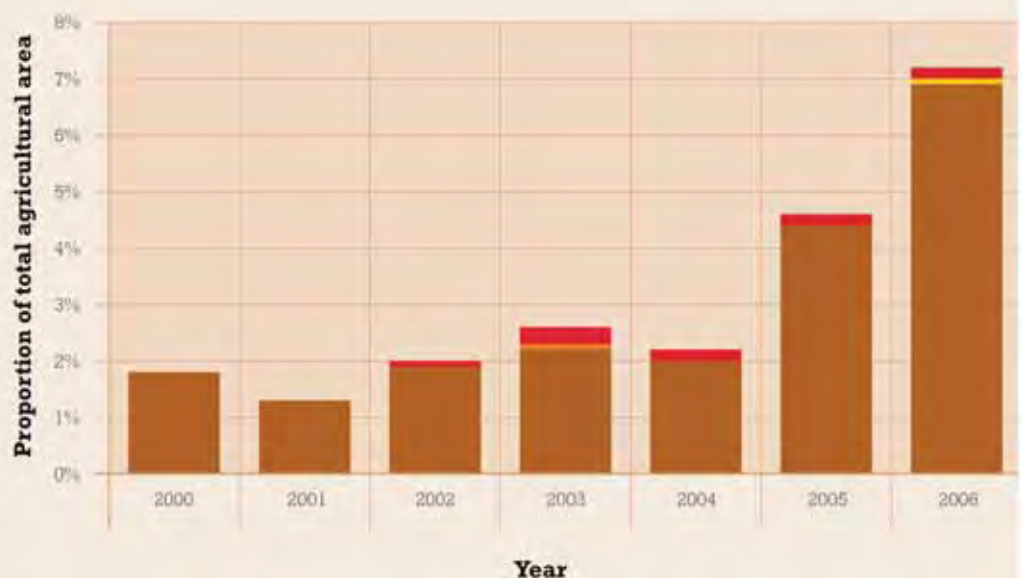
The area of crops grown for industrial oils, fibre and energy under CAP schemes, 2000-06. United Kingdom

**Crops**

- Oil seeds
- Short rotation coppice and miscanthus
- Flax and hemp
- Other non-food crops

Note:  
(i) Data relates to non-food crops grown on set-aside land, and crops grown under the Energy Aid Payment, Energy Crops Scheme and Fibre Processing Scheme.

Source: Rural Payments Agency, Forestry Commission, Rural Development Service and DEFRA, 2007. Report by the Central Science Laboratory on behalf of the National Non Food Crops Centre.



## Non-food crops

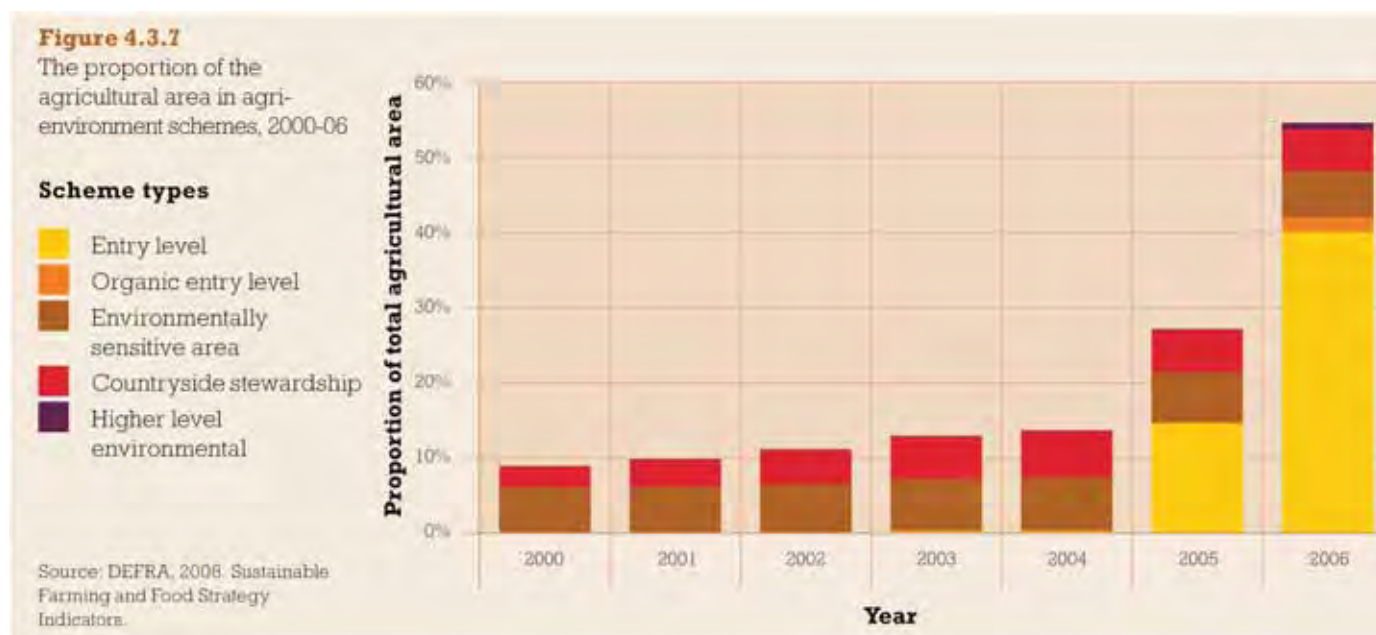
A small but growing amount of land is used to grow crops for industrial, pharmaceutical and energy uses. A concession under the Common Agricultural Policy (CAP) has allowed farmers to grow certain crops for 'non-food' uses on land they were required to set-aside from other arable crops. In addition, schemes have been introduced in recent years to encourage production of crops for energy use (the Energy Aid Payment and Energy Crops Scheme) and for industrial or clothing fibres (the Fibre Processing Scheme). Figure 4.3.6 shows the area of crops under these schemes as a proportion of the total agricultural area. This shows that the large majority of these non-food crops are oilseeds (oilseed rape and linseed) grown for industrial oils and for biodiesel. Small but increasing areas of flax and hemp have been grown for fibre, and short rotation coppice and miscanthus (a type of elephant grass) for energy use. The production of bioenergy is covered further later in this chapter.

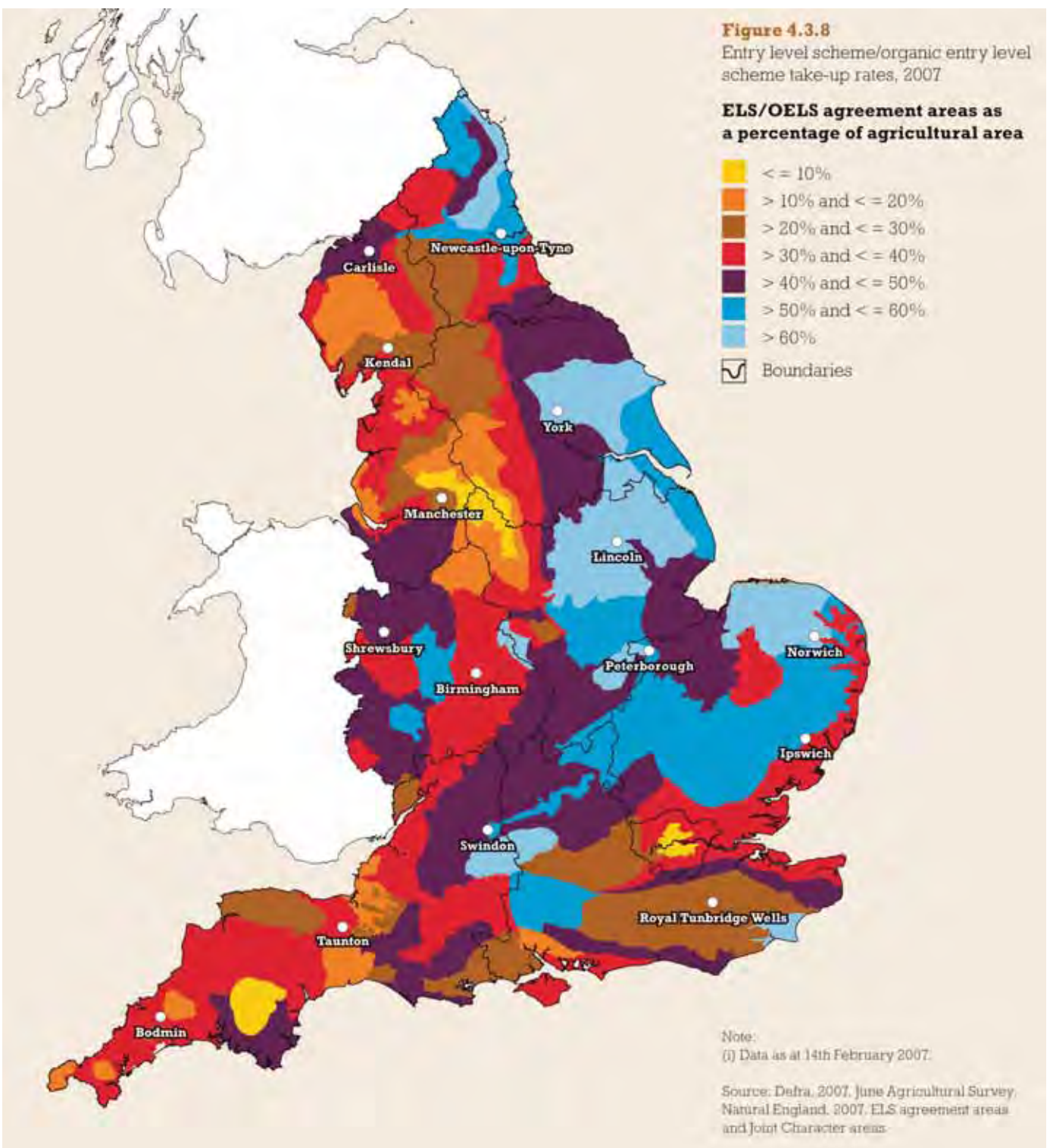
In addition, there is a small but high value market for crops grown for pharmaceutical and medicinal extracts, essential oils, dyes, flavours and fragrances, cosmetics and the nutritional supplements. Examples of speciality crops include borage, camelina and echium, which are grown for their oil, or dill, foxglove and chamomile which are grown for high-value medicinal or herbal extracts.

## Support payments to farmers and land managers

Since the reform of CAP in 2005, the main payments made to farmers come through the Single Payment Scheme. Payments are based partly on each farmer's historic receipt of subsidies under previous schemes, and partly on new standard area payments. Recipients must comply with a range of conditions to ensure basic standards of environmental management, animal welfare and food safety.

Farmers and other land managers are also able to apply for environmental payments which are funded from the Common Agricultural Policy's Rural Development Programme. Figure 4.3.7 shows that, in 2006, these covered over half of all agricultural land. A new scheme, Environmental Stewardship, was introduced in 2005 and in 2006 the Entry Level of this scheme covered over 40% of England's agricultural area. These areas are mapped in Figure 4.3.8. The Higher Level of Environmental Stewardship has a relatively low coverage to date, but over time will replace the Countryside Stewardship and Environmentally Sensitive Area Schemes.



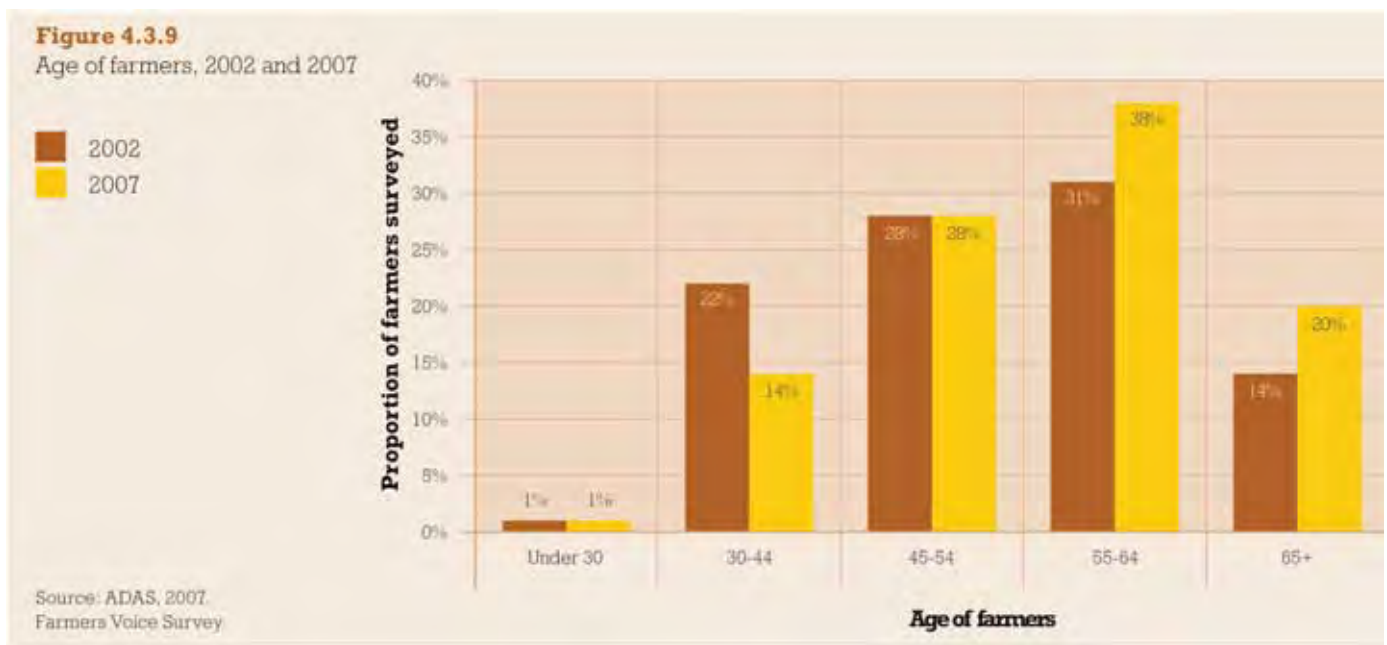


### Changing aspirations of farmers

A national survey of farmers' views of the future of their businesses, conducted in 2007 and updating previous surveys, found most to be more optimistic about the future than on previous occasions<sup>4</sup>. A quarter stated they were 'happy to stay as they are' and a fifth 'expect to have to change farming practice'. Only 4% of farmers intend to give up farming which is the lowest proportion since the survey was first undertaken.

Compared to 2006, there was a slight increase in the proportion wanting to increase the size of their farm business (11%, up from 8%). However, the same survey also showed that the average age of farmers has increased considerably since 2002, reflecting the low number of young people coming into the industry. In 2007, the average age of farmers was 57 (up from 53 in 2002). One in five farmers were aged 65 or above and only 1% were aged under 30 (Figure 4.3.9).

4 ADAS, 2007. Farmers Voice Survey 2007.



### Woodland and forestry

There has been little change in the area of woodland in England in recent years. Overall there are 1.1 million hectares of woodland and forestry covering 8.4% of the country. The large majority of this consists of broadleaved woodland in private ownership, distributed across the countryside in relatively small blocks. The Forestry Commission is the largest commercial woodland manager with 223,000 hectares of woodland, three quarters of which is coniferous and tends to occur in large blocks. High concentrations of broadleaved woodland occur in areas such as the Weald in Sussex, the New Forest in Hampshire and the Forest of Dean in Gloucestershire. Large areas of commercial conifer forestry occur on the Breckland heaths in Suffolk and Kielder in Northumberland.

The economic viability of woodland management has been difficult for many years, with English timber producers competing with low priced imports from Baltic countries. Government policy has emphasised the broad benefits of woodlands to the landscape, biodiversity, as a location for public recreation and as a source of employment, with the England Woodland Grant Scheme providing financial support to woodland owners seeking to deliver these benefits.

Recent attention has focussed on the contribution of woodland to mitigating climate change, both as a store for atmospheric carbon and as a source of renewable fuel. The Forestry Commission in England published its Woodfuel Strategy in 2007. This focuses on the potential to harvest an additional 2 million tonnes of woodfuel from under-utilised woodlands. The role of bioenergy from the countryside is covered further towards the end of this chapter.



### Key summary points

- 2007 saw significant changes in agricultural commodity prices and in elements of agricultural policy which are likely to have a visible impact on the way England is farmed.
- The doubling in the price of wheat, coupled with the removal of the requirement for farmers to set-aside land will result in an increase in the proportion of land that is cultivated for arable crops.
- A sharp rise in UK milk prices during 2007 has returned profitability to dairy farming, encouraging investment in more intensive grassland management. This is tempered by the high cost of fertiliser, a result of rising energy prices. The sight of unused agricultural land will become rarer.
- Continuing demand by consumers for high quality differentiated foods is maintaining interest in organic farming, farmers' markets and other marketing and accreditation initiatives.
- Over half of agricultural land now receives payments to provide environmental benefits (the majority of this under the Environmental Stewardship scheme).
- These changes have resulted in many farmers being more optimistic about the prospects for their businesses, with fewer planning to give up farming. However, the average age of farmers continues to rise.
- The area of woodland in England remains stable and is dominated by broadleaved woodland in private ownership. However, there is growing interest in the role of England's woodland and forestry in mitigating climate change, both as a store of atmospheric carbon and a source of renewable energy in the form of woodfuel.



## See also (from recent *State of the countryside reports*)

### Agricultural land use

2007	Figure 4.2.7	Farmland use 2004-06
2007	Figure 4.4.4	Area under ELS and OHLS agreements, 2007
2006	Table 30	Agricultural land use in England 2005
2006	Figure 69	Relative importance of grassland in agricultural land use (map)
2006	Figure 70	Relative annual changes in the area of agricultural crop types 2000-05
2006	Figure 71	Changes in the relative density of grazing livestock 1990 to 2004 (map)
2006	Figure 72	Changes in number of cropping farms
2006	Figure 73	Changes in number of livestock farms
2007	Figure 4.2.9	Trends in the area of tenanted land 1980 to 2006
2006	Figure 77	Trends in the sales and value of farm land 1995-2004

### Forestry and Woodland

2007	Figure 4.2.10	Areas of new woodland planting and restocking 1976-2006
2006	Figure 82	Density of woodland cover across England (map)
2006	Figure 83	Variation in woodland area across rural areas

### Agricultural use of land

2007	Figure 4.2.8	Buyers of agricultural land, 2006
2007	Figure 4.3.1	Changes in UK self-sufficiency in foodstuffs 1988 to 2006
2007	Figure 4.3.2	Organic land 2003-06
2007	Figure 4.3.3	Organic producers and growers 2003-06
2006	Figure 81	Changes in the area of land under agri-environmental scheme agreements, 1999 to 2005
2006	Table 32	Regional variation in area of land in agreement under Countryside Stewardship & Environmentally Sensitive Area Schemes to 2005
2005	Table 5.1	Land receiving CSS higher tier payments

### Farm incomes and workforce

2006	Figure 74	Changes in net farm income in England 1998 to 2005
2006	Figure 75	Distribution of size of net farm income 1999/2000 to 2004/05
2006	Figure 78	Changes in the farming workforce 1983-2005
2006	Figure 79	Social contact with farmers and others who work on the land
2006	Table 31	Number of employees in selected industrial sectors in England, 2004
2005	Table 5.2	Labour force on agricultural holdings
2005	Figure 5.3	No of holder managers engaged in other gainful activities

### Non food crops and energy production

2007	Figure 4.3.4	Area devoted to non food crops 2003-05
2007	Figure 4.3.5	Annual increase in wind farm generation capacity 1991-2006
2006	Figure 88	Distribution of biomass crops 2004. (map)

### Organic land

2007	Figure 4.3.2	Organic land 2003-06
2007	Figure 4.3.3	Organic producers and growers by region, 2003-06

## 4.4 Leisure and recreation

### Introduction

There is increasing policy interest being shown in the benefits to people's health and wellbeing from regular active recreation. This section provides an overview of the many different opportunities for recreation in rural areas. It starts by examining levels of access to the countryside, then looks at key types of recreation.

### Access to the countryside

There are around 188,700 km of public rights of way in England, the large majority of which (78%) are public footpaths giving a right of way on foot. 17% are bridleway giving access to pedestrians, horse riders and cyclists and 5% are restricted byways along which vehicles may travel<sup>5</sup>.

Since 2000, with the implementation of the Countryside and Rights of Way Act 2000, the public has gained access to around 566,300 hectares of 'mountain, moor, heath and down' and a further 369,000 hectares of registered common land (together accounting for 7% of England's land area).

Figure 4.4.1 shows the density of public rights of way and the location of open countryside and common land. Highest densities of rights of way occur between the Manchester and South Yorkshire conurbations, in the West Midlands and the counties of Somerset, Dorset and Sussex. Lower densities are found in the East Midlands, Yorkshire and the Humber and counties such as Devon and Norfolk. The largest areas of open countryside and common land occur along the upland spine of the Pennines, in the Lake District and on Dartmoor.

In September 2007, following a consultation on proposals to improve public access to the English coast, the Government announced that legislation will be introduced giving the public the right to walk around the coastline. Prior to this announcement, a review by Natural England had found that 70% of the coast has some access provision but this is often fragmented, with approximately 1,000 places around the coastline where access on foot is interrupted. Coastal access for cyclists, horse riders and others such as disabled vehicle users is poor, with only 7% of the public rights of way around or near the coast open to these people.



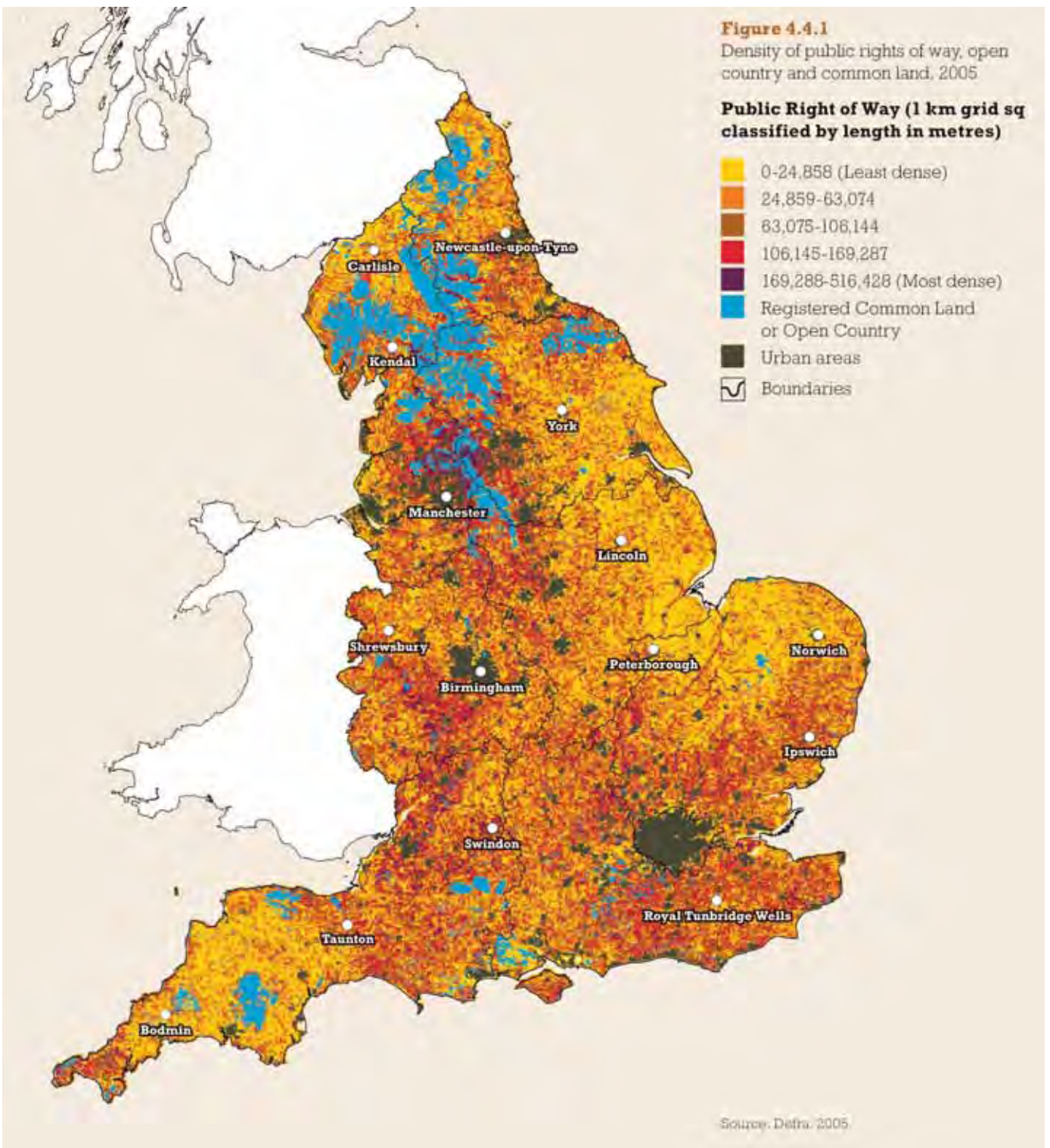
5 [www.defra.gov.uk/wildlife-countryside/issues/public/index.htm](http://www.defra.gov.uk/wildlife-countryside/issues/public/index.htm)

**Figure 4.4.1**

Density of public rights of way, open country and common land, 2005

**Public Right of Way (1 km grid sq classified by length in metres)**

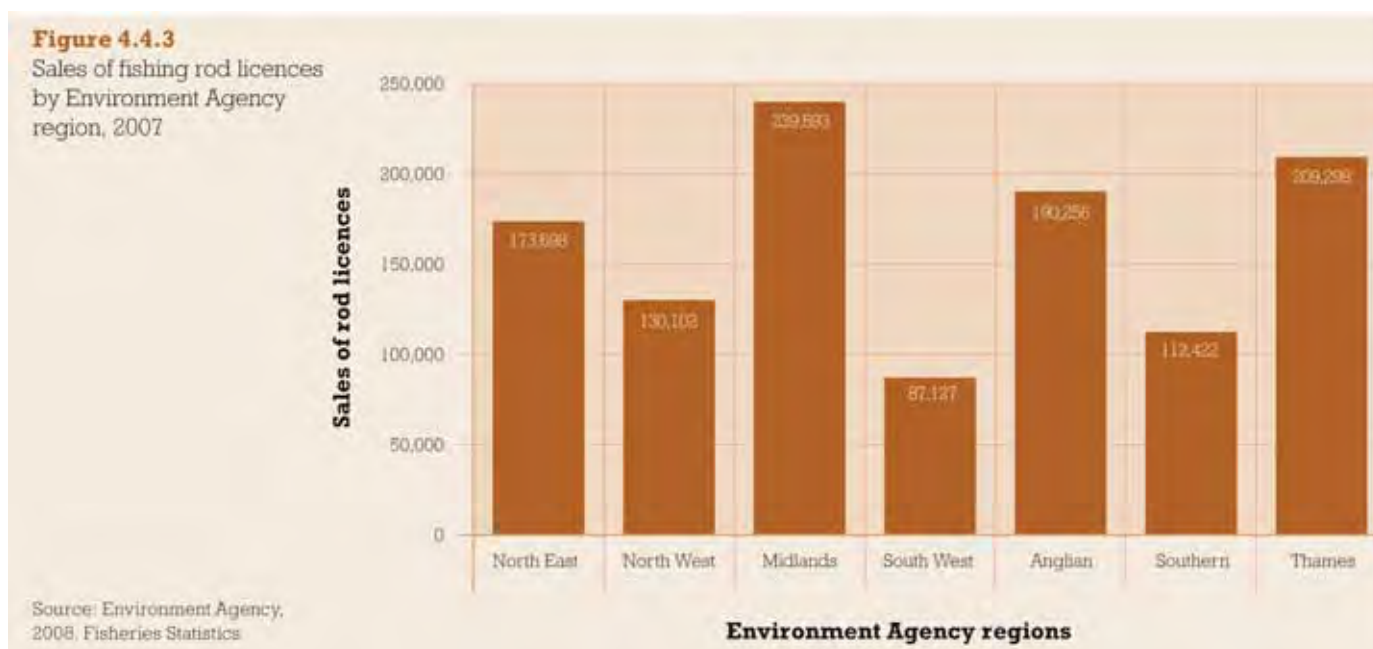
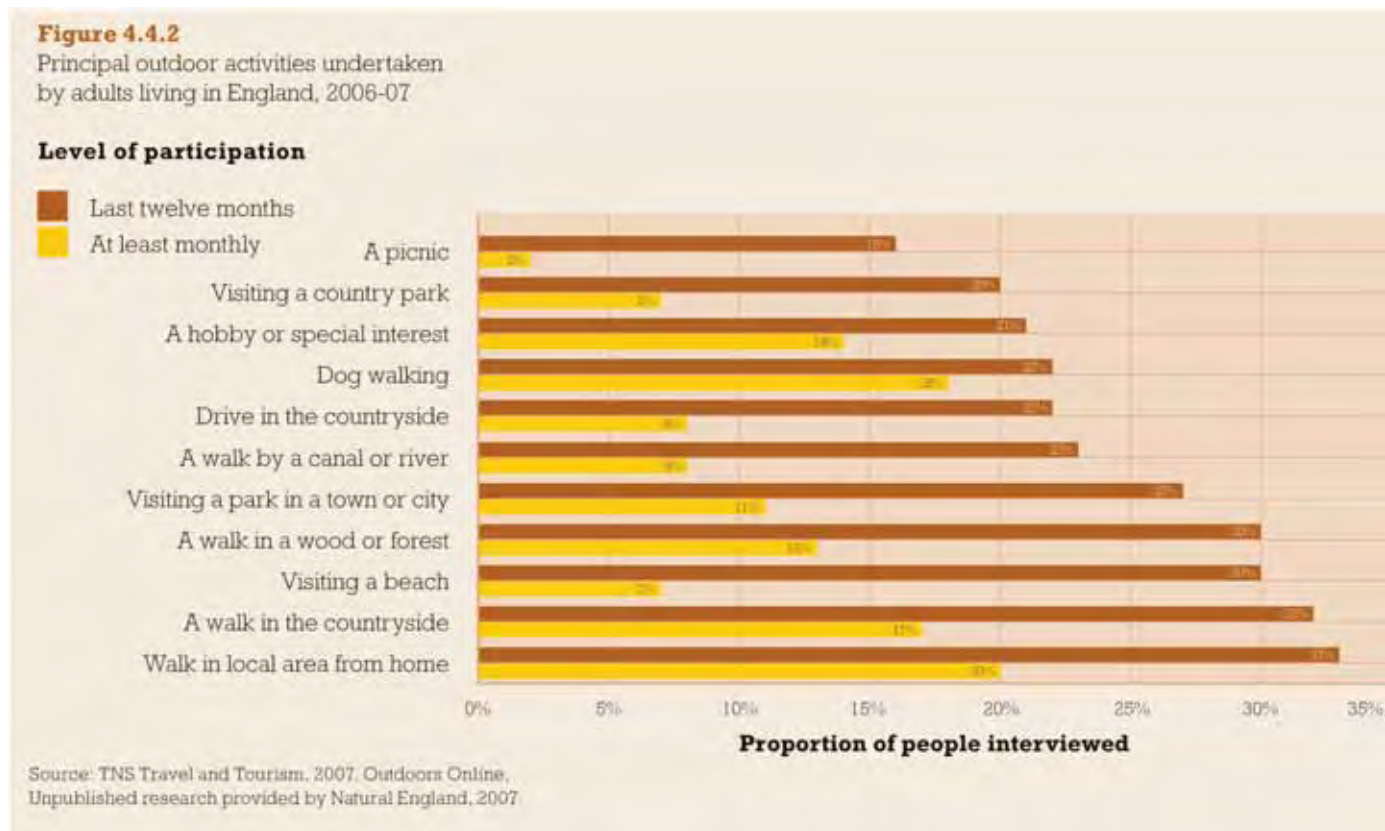
- 0-24,858 (Least dense)
- 24,859-63,074
- 63,075-106,144
- 106,145-169,287
- 169,288-516,428 (Most dense)
- Registered Common Land or Open Country
- Urban areas
- Boundaries



Source: Defra, 2005.

## Outdoor recreation

The large majority of people living in England take part in some form of outdoor recreation. A survey conducted in 2007<sup>6</sup> found that a third of the adults surveyed had taken a walk in the countryside at least once in the preceding year and 17% had done so in the preceding month (Figure 4.4.2). Levels of participation in outdoor recreation were highest amongst people with children aged between 10 and 15, older independent couples and people with access to a car. Conversely, participation was lowest amongst people in the lower social classes (C2, D and E), single people aged 35 or over without children, those aged 65 or over, people with a long-term illness or disability and members of non-white ethnic groups.



6 Outdoors on-line (September 2007) TNS Travel and Tourism.



### Country pursuits

Angling, horse riding and game shooting are popular pastimes in the English countryside. Research into freshwater angling by the Environment Agency<sup>7</sup>, found that, in 2005, a fifth of people in England and Wales had been fishing in the preceding 10 years and 8% had done so in the preceding two years. Fishing is particularly popular with young people aged 12 to 15 (19% of those in the survey had been fishing in the last two years and a further 20% were interested in going fishing in the future). Figure 4.4.3 shows that angling, as measured by the number of rod licences purchased in 2007, is most popular in the Environment Agency's Midlands and Thames regions.

As noted in last year's *State of the countryside* report, a survey by the British Equestrian Trade Association (2006) estimated that 4.4 million people (or 7% of the GB population) had ridden in the previous 12 months. Of these, 1.1 million are estimated to be 'regular riders'. Since March 2005, everyone owning a horse in England has been required to register with Defra and obtain a 'passport' for each animal. Figure 4.4.4 shows the number of horses per 1,000 population registered with Defra by region (allocated to the registered address of the owner, not necessarily where the horses are kept). It shows that the South East and South West have the highest numbers of registered horses,

**Figure 4.4.4**  
Number of horses, 2008

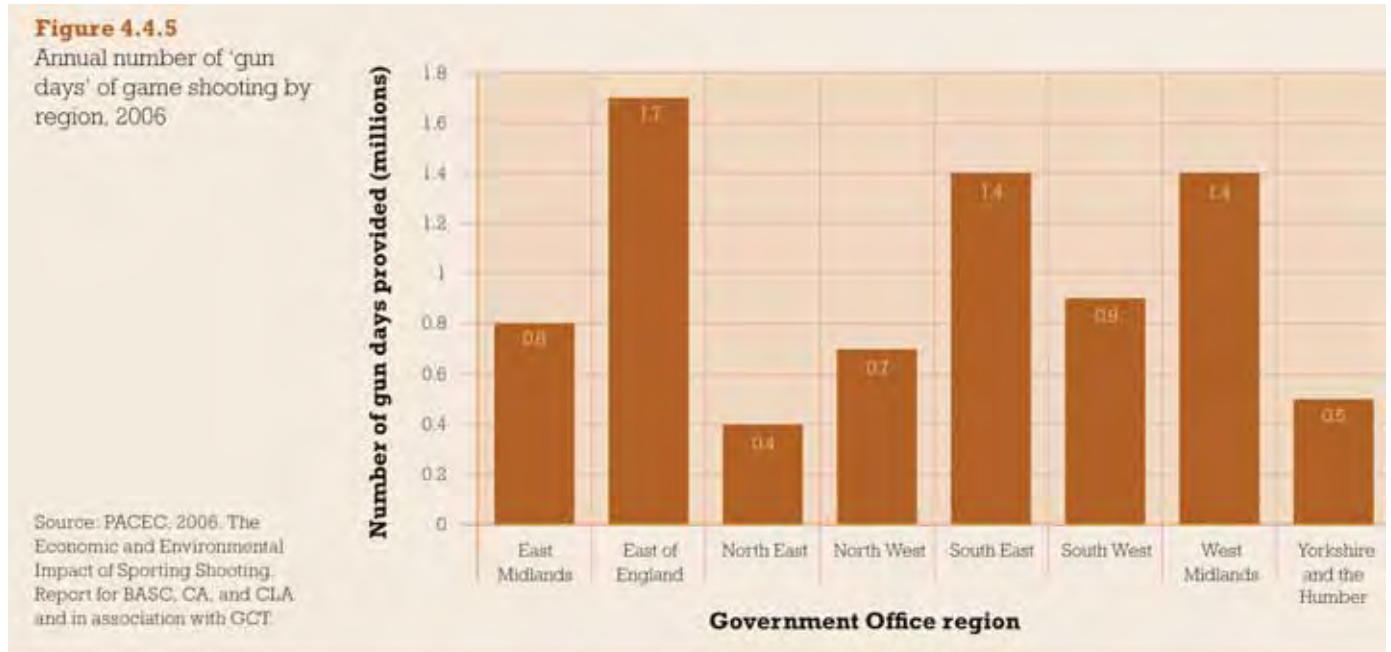
Region	Horses owned	Horses per 1,000 of population
East Midlands	50,937	12.2
East of England	93,474	17.3
London	19,943	2.8
North East	31,981	12.7
North West	70,142	10.4
South East	135,983	17.0
South West	134,340	27.3
West Midlands	79,072	15.0
Yorkshire and the Humber	63,176	12.7

Source: National Equine Database, 2008.

7 Environment Agency, 2005. Public attitudes to Angling 2005.

while numbers are very much lower in the North East. The South West has the greatest number per head of population, followed by the East of England and the South East, while outside London, the North West has the lowest levels of ownership.

A study for the British Association of Shooting and Conservation into the economic and environmental impacts of sporting shooting<sup>8</sup> estimated that around 370,000 people regularly shoot game in England and that this activity supported around 54,000 full-time equivalent jobs and influenced the management of over 8.5 million hectares of countryside. A breakdown of the amount of shooting taking place in each region measured as 'gun days' (Figure 4.4.5), shows that most game shooting takes place in the East of England, the West Midlands and the South East.



8 PACEC, 2006. The Economic and Environmental Impacts of Sporting Shooting. Research for the British Association of Shooting and Conservation, County Land and Business Association and Countryside Alliance, with in association with the Game Conservancy Trust.

## Key summary points

- The public has open access to nearly 1 million hectares of land, most of which is concentrated in the unenclosed uplands of England. Access to the enclosed countryside in the lowlands is provided along nearly 190,000 km of public rights of way, most of which are public footpaths.
- Outdoor recreation is a popular form of leisure, with around a third of adults in a recent survey taking a walk in the countryside at least once a year. Participation in outdoor recreation is lowest in the lower social classes, amongst single people without children and those aged over 65.
- Angling, horse riding and game shooting are popular country pursuits with direct impacts on the way the countryside is managed as well as providing a significant contribution to employment and the rural economy.

## See also (from recent *State of the countryside reports*)

### Recreation

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2007 Figure 4.3.7	Visits to the countryside, coast, and wood/ forest by Acorn Category 2006
2007 Figure 4.3.8	Trips per year to the countryside coast or wood/ forest by access to a car 2006
2006 Table 33	Extent of open access land in England, 2005
2006 Table 34	Registered land defined as open countryside and registered common land under CROW Act 2000
2006 Figure 85	Access to open countryside and registered common land (map)
2006 Figure 86	Availability of open access land within 20 km

## 4.5 Environmental quality

### Introduction

Government has set targets for protecting and improving the quality of the environment in many different areas. As this section shows, the environmental condition of rural areas is generally improving, although pressure from development and transport is making the countryside a 'busier' place.

### The changing character of the countryside

The 'Countryside Quality Counts' project was established following a recommendation of the Rural White Paper, 2000, to determine how the character of the English landscape is changing. In June 2007, the project reported on the second round of assessments of this change, covering the period 1999 to 2003. The assessment is based around the 159 separate Character Areas in England and draws on a range of data such as the Countryside Survey, DCLG Land Use Change statistics, Defra's June Agricultural Survey and Environment Agency river quality data. Using these data, a judgement is made on whether any observed change in the countryside is consistent or inconsistent with its landscape character.

The Second Assessment report (Natural England (2007) Countryside quality counts: second assessment report) concluded that 61% of the character areas were diverging; that is, the character of the area was being transformed, with new patterns of settlement developing. The remaining 39% of the character areas were judged as maintained with the precious character of settlement remaining predominant in the landscape. Diverging areas tend to be either lowland landscapes or those associated with major route corridors whilst the maintained areas tend to be the upland landscapes or landscapes associated with protected areas such as National Parks or Areas of Outstanding Natural Beauty. (See Figure 4.4.8 in *State of the countryside 2007*)

### The tranquillity of rural areas and intrusion from development

Tranquillity is often cited as one of the quintessential qualities of the countryside, especially when compared to urban areas. A methodology for showing the distribution of this tranquillity across England has been developed and a map was included in *State of the countryside 2007* (in Figure 4.4.9). During 2007, the Campaign to Protect Rural England (CPRE) published maps that used a different methodology to indicate the levels of visual and noise intrusion experienced by people across England (Figure 4.5.1). These maps show the extent of the urban, industrial and infrastructure 'shadow' cast by built development (such as housing, warehouses, major roads, airfields and electricity power lines). They allow comparison of the level of visual and noise disturbance between the early 1960s, early 1990s and 2007 (Figure 4.5.2).

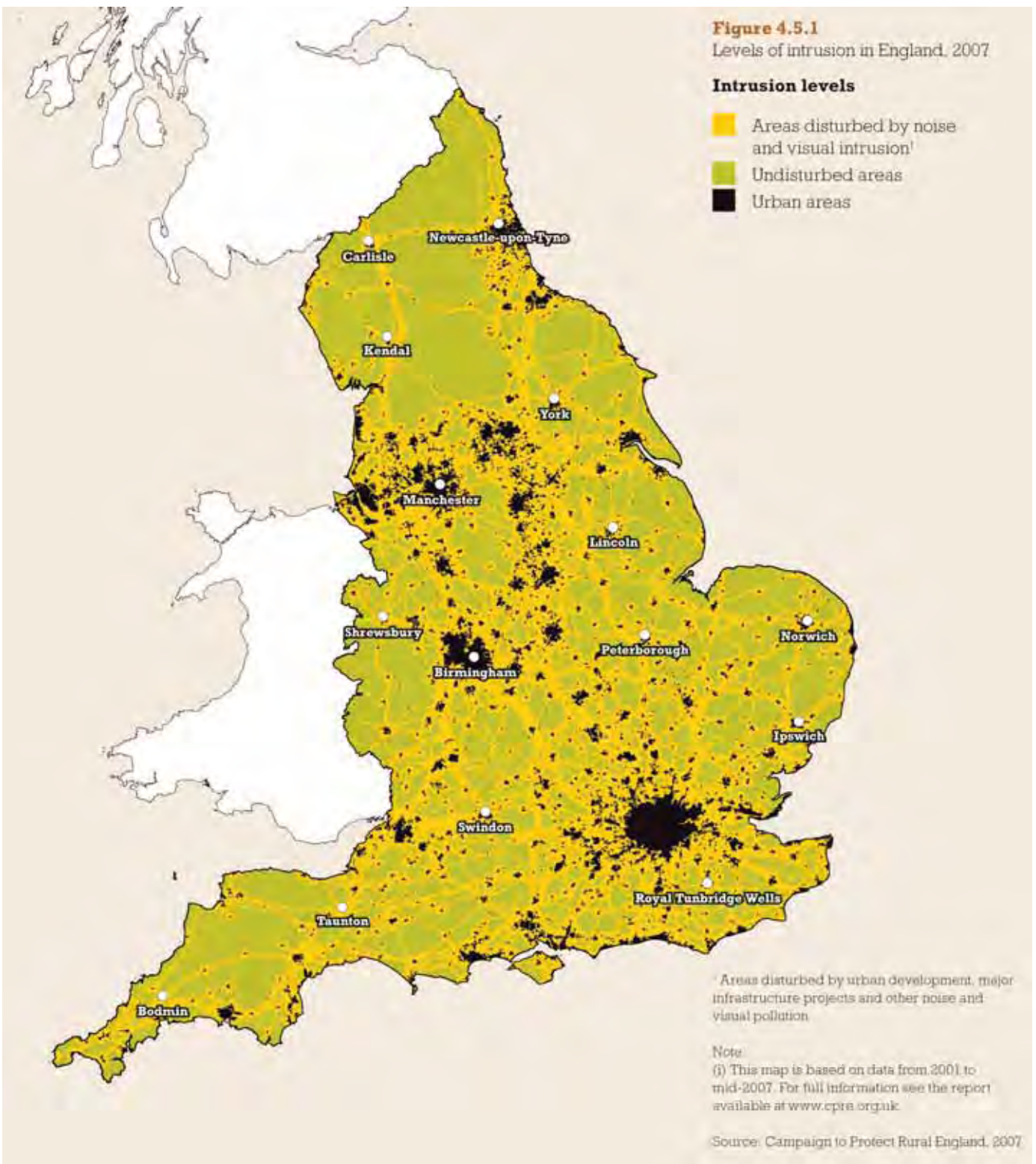


**Figure 4.5.1**

Levels of intrusion in England, 2007

**Intrusion levels**

- Areas disturbed by noise and visual intrusion<sup>1</sup>
- Undisturbed areas
- Urban areas



**Figure 4.5.2**

Change in the level of intrusion by region, early 1960s to 2007

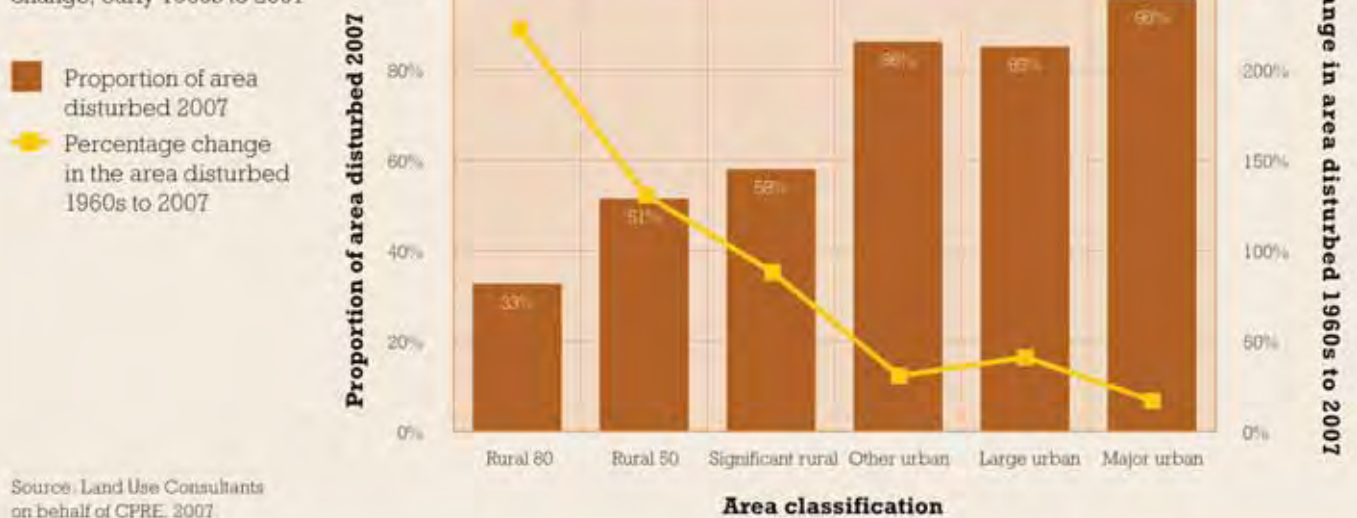
Region	Early 1960s		2007		Percentage change 1960s - 2007
	disturbed area (km <sup>2</sup> )	% of region	disturbed area (km <sup>2</sup> )	% of region	
East Midlands	4,080	25.8%	7,934	50.2%	94.5%
East of England	4,276	21.8%	9,715	49.6%	127.2%
North East	2,127	24.5%	3,010	34.7%	41.5%
North West	4,549	30.5%	7,245	48.6%	59.3%
South East and London	7,947	37.8%	14,541	69.2%	83.0%
South West	3,565	14.6%	10,356	42.5%	190.5%
West Midlands	3,650	28.1%	6,397	49.2%	75.2%
Yorkshire and the Humber	3,739	24.0%	7,141	45.9%	91.0%
<b>England</b>	<b>33,934</b>	<b>25.5%</b>	<b>66,340</b>	<b>49.9%</b>	<b>95.5%</b>

Source: Land Use Consultants on behalf of CPRE, 2007.

Analysis of the level of noise and visual intrusion for different types of rural and urban area shows that, as expected, urban areas have much higher levels of intrusion (Figure 4.5.3), but that, over the period from the 1960s to 2007, the growth in the level of intrusion (or disturbance to tranquillity) has been much greater in rural areas. Even though Rural 80 districts still have the lowest levels, the area classified as ‘disturbed’ by noise and visual intrusion has increased by more than three-fold over the period, whereas in urban areas it has increased by no more than 40%.

**Figure 4.5.3**

Levels of intrusion and relative change, early 1960s to 2007



Source: Land Use Consultants on behalf of CPRE, 2007.

### Cultural heritage

A report by English Heritage on the state of England’s historic environment<sup>9</sup> paints a mixed picture. On the one hand, the number of sites that receive protection as listed buildings, scheduled monuments and historic parks and gardens increased slightly between 2002 and 2007 and the proportion of buildings listed as Grade I and II\* and judged to be at risk fell from 3.8% in 1999 to 3.2% in 2007. The greatest improvement was in Yorkshire and the Humber region and the only region with no significant improvement was the East of England. On the other hand, English Heritage found that

9 English Heritage (2007) Heritage Counts report.

there has been a fall of 13% in the number of starting apprentices and trainees in heritage-related craft skills in England between 2005/06 and 2006/07 and half of all local authorities surveyed in 2006 said they faced recruitment difficulties for management and professional posts in planning. Funding from the Heritage Lottery Fund declined by 13% and English Heritage grants declined by 11% in real terms over the period from 2001/02 to 2006/07. This amounts to a total reduction in funding in real terms of £50 million.

### **Air quality**

Air quality is measured as one of the 68 indicators of the Government's Sustainable Development Strategy. Assessments are made of annual levels of pollution from particulates (PM10) and ozone (O<sub>3</sub>), the two pollutants thought to have the greatest health impacts, as well as the number of days on which levels of any one of a basket of five pollutants were 'moderate or higher'. While pollution from particulates is less in rural areas than in urban areas due to lower levels of road traffic and industrial emissions, ozone levels tend to be higher since, in urban areas, it is destroyed by nitrogen oxides emitted from vehicles.

There has been little change in pollution from particulates in rural areas (or in urban areas) in the last ten years. However, ozone levels tend to fluctuate significantly depending on the weather, more being created on hot, still, sunny days. The relatively cool summer meant that ozone levels were lower in rural areas in 2007 than they had been since 2001. The wet and cool summer was also responsible for a significant fall in the number of days when pollution (measured by a basket of five pollutants) was considered to be 'moderate or higher'. Across rural areas the average number of days of moderate or higher pollution experienced was only 26 in 2007 compared to 56 days in 2006 and 40 days in 2004.

### **River water quality**

River water quality is measured by the Environment Agency using a number of indicators and most of these continue to show an improvement in quality, following the long-term trend of the last 20 years. In general, rural rivers are in better condition than those flowing through urban areas although, as noted below, agriculture continues to be a major source of diffuse pollution (diffuse meaning that the precise source can not be identified).

The overall chemical quality of rivers improved in 2006 compared to previous years, with falls in the length of river with high levels of phosphate, the majority of which originates in urban areas and from industry. However, there was no significant improvement in the level of nitrate in rivers, much of which originates from agriculture. The regions with the highest levels of nitrate levels in river water (the Environment Agency's Anglian, Midlands and Thames regions) are those where land use is dominated by arable farming. In these regions, 20% or more of river lengths were judged to have excessively high levels of nitrate, compared to less than 10% in other regions.

Prosecutions for pollution incidents originating on farms have fallen significantly in recent years<sup>10</sup> but one of the difficulties in tackling nitrate pollution is identifying the precise sources and activities that cause it. During 2007 the Government consulted on proposals to extend the area of 'Nitrate Vulnerable Zones' in England, bringing many more farmers within the controls on application of animal manures and nitrogen fertilisers that apply in these areas. A decision is awaited. Another approach to reducing the diffuse pollution of rivers and ground water has been the England Catchment Sensitive Farming Delivery Initiative which was launched in 2005. A key aim of this initiative is to raise awareness of diffuse pollution from agriculture and to encourage early voluntary action by farmers in 40 priority catchments across England and a further 20 project areas. These catchments are shown in Figure 4.5.4. In these areas, project officers have been employed to provide advice, workshops and demonstrations to farmers, backed up in the priority catchments by a capital grants scheme.

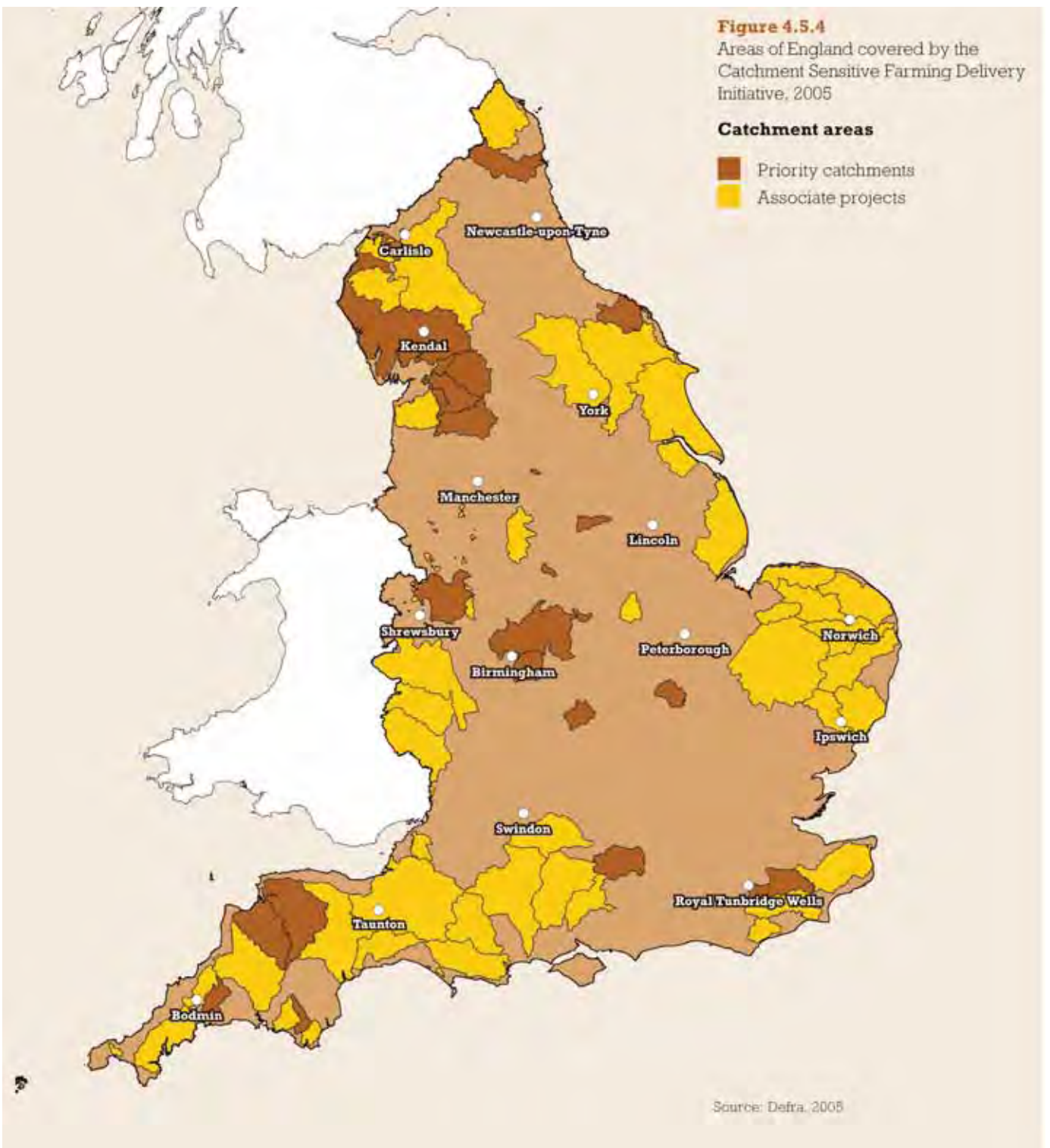
10 Serious (category 1 and 2) pollution incidents to water in England and Wales, 1993 to 2006

**Figure 4.5.4**

Areas of England covered by the Catchment Sensitive Farming Delivery Initiative, 2005

**Catchment areas**

- Priority catchments
- Associate projects

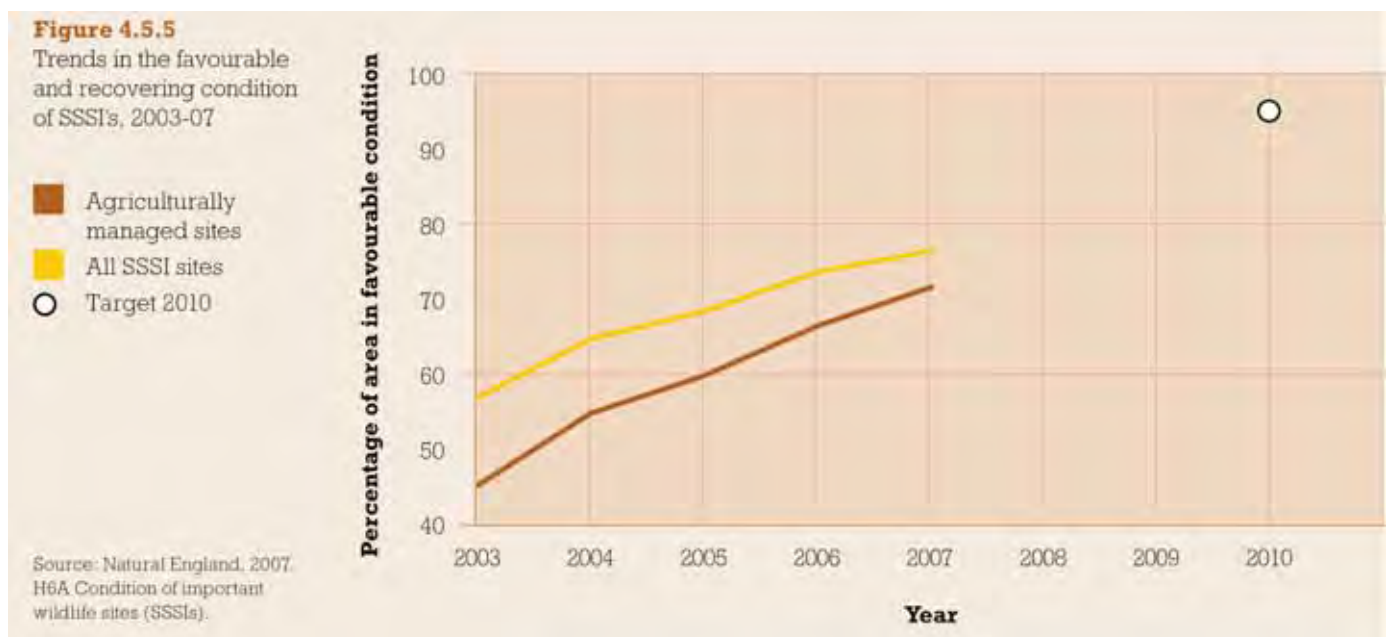


Source: Defra, 2005

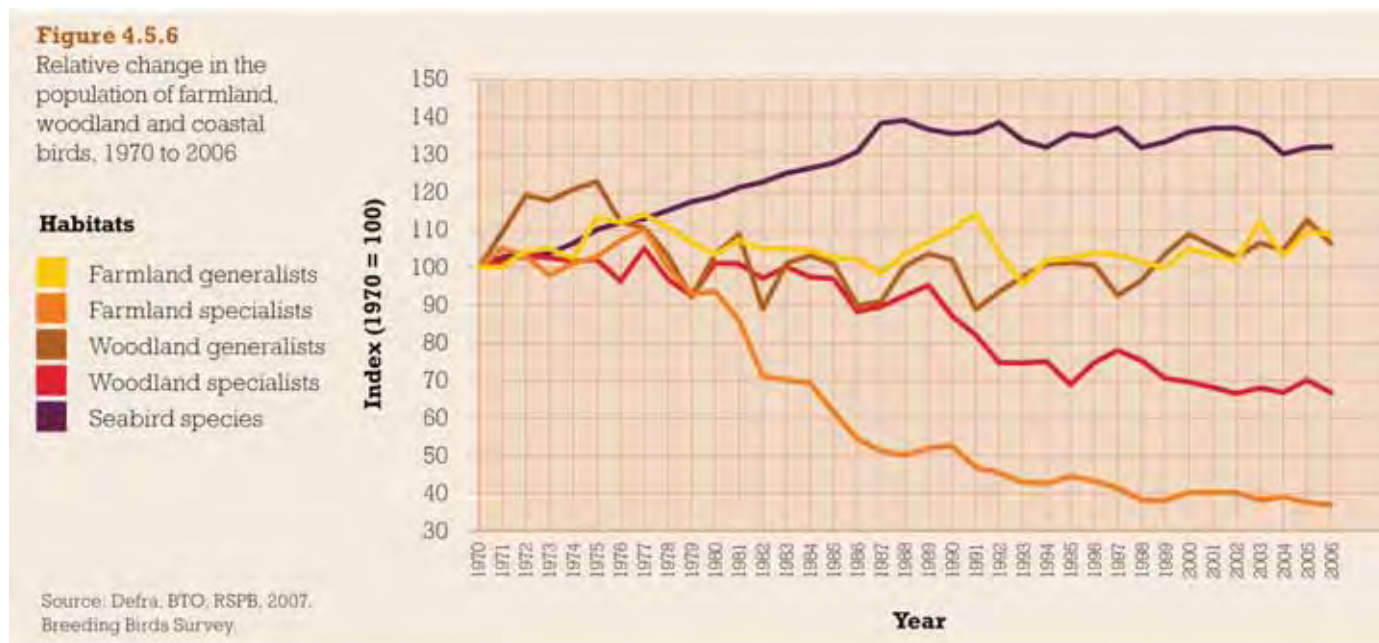


## Biodiversity

England's most precious wildlife habitats are designated as Sites of Special Scientific Interest (SSSIs). There are over 4,000 of these sites occupying just over 1 million hectares. Their condition is monitored by Natural England against the target set by Government that 95% of all sites under agricultural management should be in favourable or recovering condition by 2010. 2007 saw continued improvements in the condition of SSSIs in England but further major improvements are needed if the target is to be met (Figure 4.5.5). In 2007, 76% of all sites and 72% of agricultural managed sites were in favourable or recovering condition. The greatest challenges remain on upland moorland habitats where a third of the area is in unfavourable condition. The main reasons for unfavourable condition are overgrazing and inappropriate moor burning.



Another key area of interest, and an indicator of the overall biological health of the countryside, has been the numbers of wild bird species. There has been a steep decline in the number of wild birds in England since the 1970s, principally amongst species that are found in farmland habitats ('farmland specialists') and, to a lesser extent, those found principally in woodland (Figure 4.5.6). The most severe decline in farmland specialists occurred during the 1980s, related strongly to the intensification of farming activities and the loss of habitats. The decline in both farmland and woodland specialist birds slowed during the 1990s and 2000s probably due to a reduction in the intensity of farming practices and the introduction of set-aside and agri-environment schemes. It remains to be seen whether the removal of the set-aside requirement in 2007 and the predicted increase in cereal production in 2008 (responding to high prices) will result in further decline in farm and woodland specialist birds.



## Key summary points

- The character of large parts of England's countryside is changing as a result of built development particularly in the lowlands and areas beside major transport corridors. Comparison of the levels of visual and noise intrusion since the 1960s shows that rural areas have become much busier (with a three-fold increase in the 'disturbed' areas in the most rural districts).
- Air quality in rural areas is generally good although levels of ozone (which is naturally occurring but toxic) can be higher than in urban areas, where the ozone is broken down by nitrogen oxides emitted by vehicles.
- River water quality is generally improving, but concerns remain about the diffuse pollution, particularly from nitrates, arising from agriculture. A revision of the areas designated as 'Nitrate Vulnerable Zones' is awaited.
- The condition of designated sites is generally improving (both for sites designated for their nature conservation and historic interest) although the Government's target for the favourable condition of Sites of Special Scientific Interest is some way from being achieved.
- The recent declines in populations of bird species which are regarded as key indicators of biodiversity in the countryside (the specialist farmland and woodland species) appear to have halted. However, it remains to be seen whether the predicted intensification of agricultural land use will trigger further declines.

### See also (from recent *State of the countryside reports*)

#### Water

2007	Figure 4.4.1	% of river length with average nitrate concentrations greater than 30mg, 1995, 2000 and 2005
2006	Figure 94	% of river and canal length of good or fair biological and chemical water quality
2006	Figure 95	Comparison of the chemical quality of rivers in rural and urban areas, 2004

#### Air

2007	Figure 4.4.2	Combined air quality indicator, 2003 (map)
2007	Figure 4.4.3	Air quality for Nitrogen Dioxide, particulates and ozone, 2005 (maps)
2006	Figure 96	Days when air pollution was moderate or worse, 1993 to 2005.

#### Biodiversity

2007	Figure 4.4.7	National otter surveys 1977-99 to 2000-02, Great Britain
2005	Figure 5.8	Countryside Quality Counts headline indicator 1990-98 (map)
2006	Table 37	Changes in the condition of Sites of Special Scientific Interest, 2004 and 2005
2006	Figure 91	Condition of the main Biodiversity Action Plan habitats in SSSIs, 2005
2006	Figure 93	Regional variations in wild bird numbers, 1994-2004
2005	Figure 5.15	Location of vehicle deer collisions (map)

#### Tranquillity

2007	Figure 4.4.9	National relative tranquillity, 2006 (map)
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## 4.6 Climate change and renewable energy

### Introduction

The dangers posed by the anticipated rise in global temperatures are now one of the most pressing policy prerogatives for government. The implications of adapting to, and seeking to mitigate, these changes to the climate will affect all rural communities. This section looks at the impact of rural areas on climate change and the potential role that rural England can play in helping equip the country to cope with these changes.

### Evidence of climate change

There is growing scientific and political consensus that the world's climate is changing as a result of human activity, particularly the burning of fossil fuels and the resulting increase in carbon dioxide in the atmosphere. In rural England, these changes can be seen in rising average annual temperatures (see Figure 97 in *State of the countryside 2006*) and in the length of the growing season. Figure 4.6.1 shows a gradual upward trend in the growing season since the start of the twentieth century which appears to be accelerating. Over the last century the growing season has extended by around a month. The length of the growing season is a major factor influencing which crops can be grown. Soya and sunflowers could well become a familiar sight in southern England in coming decades.

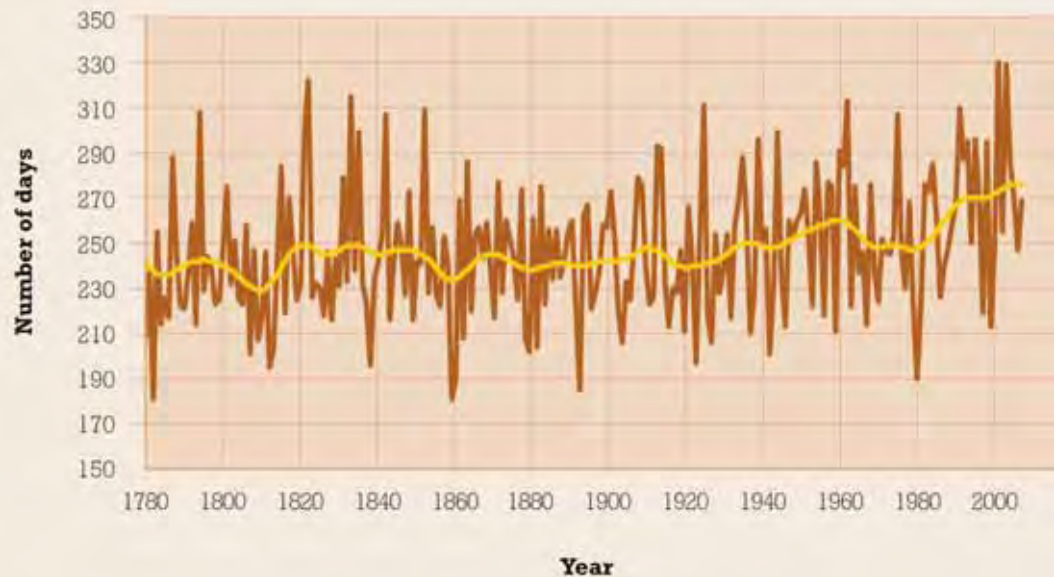
Rising temperatures are also affecting the onset of the seasons and the life cycles of wildlife. Figure 4.6.2 shows how swallows, a key harbinger of summer in the English countryside, have been arriving in England earlier, by about ten days, over the last fifty years.





**Figure 4.6.1**  
Trend in the length of the growing season in the UK, 1780 to 2006

■ Annual data  
■ Smoothed trend



Source: Met Office, Mitchell, T. D., Hulme, M., 2002; Length of the growing season. *Weather* 57.

**Figure 4.6.2**  
Date when the Swallow was first seen at coastal observatories in Britain, 1959 to 2007



Source: Centre for Ecology and Hydrology, 2007.

A report published in 2007<sup>11</sup> examined the likely change in the distribution of 120 species of particular wildlife interest in the UK. Based on climate change forecasts made by the UK Climate Impacts Programme, this study anticipated that a northward shift in suitable climate space for many species, some of which have the potential to extend their range within Britain and Ireland. Birds such as the stone curlew, corn bunting, turtle dove, and butterflies such as the pearl-bordered fritillary, silver-spotted skipper and adonis blue are predicted to extend their range in the UK. However, birds like the skylark and song thrush will have a reduced range and become rare in parts of the country.

11 Modelling Natural Resource Responses to Climate Change (MONARCH): a synthesis for biodiversity conservation' (2007)

## The impact of rural communities on climate change

There are several sources of information on emissions that relate to greenhouse gases, but the ability to calculate a carbon footprint for rural and urban residents is currently limited. Here we look at:

- data on emissions from each Local Authority area (irrespective of the whether the emissions are produced by people living there);
- evidence of use of fuel for housing and transport fuels that use the ONS rural:urban definition; and
- estimations of tonnes of carbon used per person at the Local Authority level, taking non-direct uses into account (such as energy used in the manufacture of goods such as cars, which will be elsewhere).

Experimental statistics produced for Defra by AEA Energy and Environment estimates the amount of carbon dioxide produced from each Local Authority. These estimates distinguish between different sources of carbon dioxide (for instance from domestic, industrial and transport sources). Rural Local Authority areas emit a higher level of carbon dioxide than urban areas with most of the difference being for transport, and smaller differences for domestic (Figure 4.6.3). Land use and management play a relatively minor role, although emissions tend to be higher in rural areas (covered further below). Transport is very much higher mainly because motorways and other major routes pass through rural areas, but also because of higher levels of car ownership and use. This could be taken to imply that people living in rural local authorities have a significantly higher carbon footprint than those in urban local authorities with transport contributing most to this difference<sup>12</sup>, but direct carbon emissions are only part of the story.

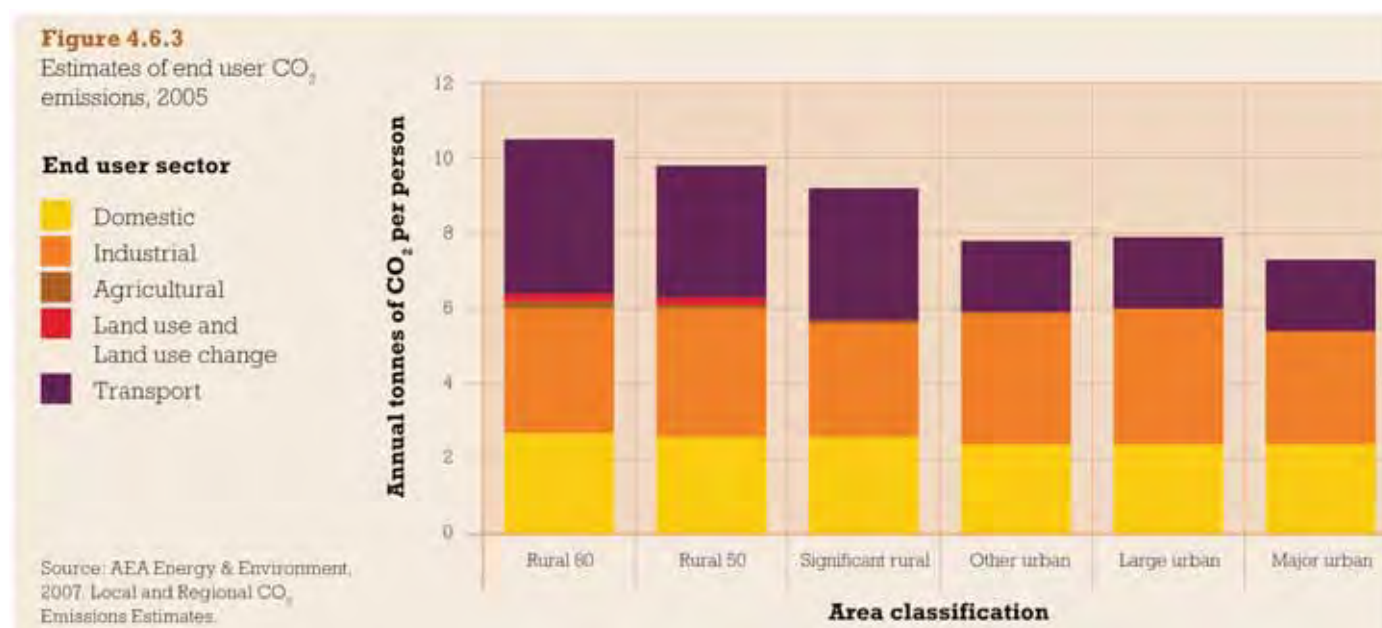


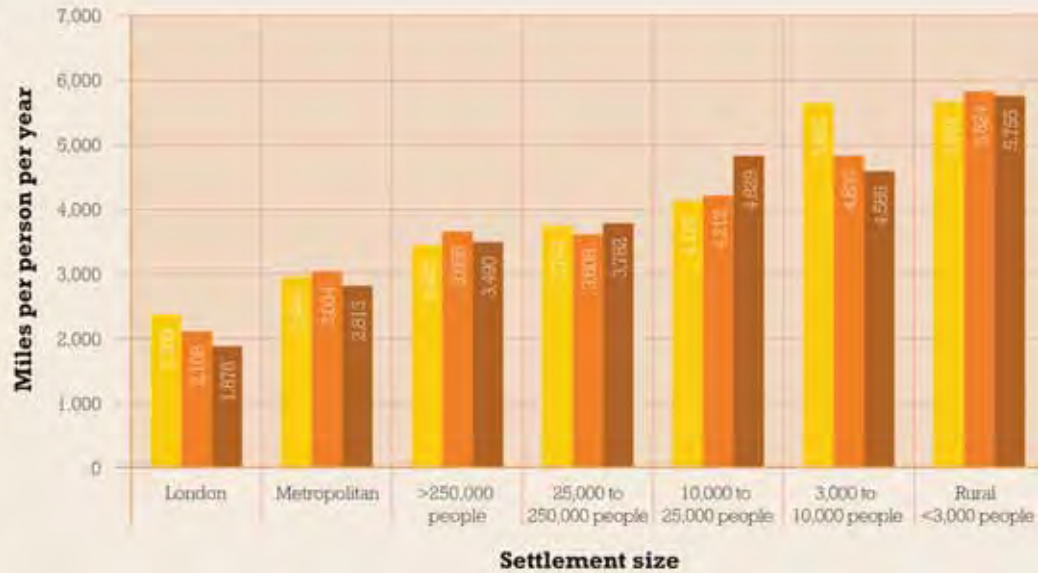
Figure 2.4.1 showed that people living in rural areas carry out much more of their travel by car. While the average London resident travels 1,876 miles a year as a car driver the average for people living in settlements of under 3,000 people is 5,755 miles. However, it also showed that it is only in the largest cities that car driver mileage is appreciably lower. Those living in small urban areas (10-25,000 people) drive further than those living in rural towns (3-10,000 people). Figure 4.6.4 shows that these mileages have not changed greatly over the last ten years, but London boroughs and small rural towns have experienced decreases.

<sup>12</sup> Note that while carbon footprint includes carbon production by goods purchased from overseas, carbon production figures shown here are related to carbon production within England.

**Figure 4.6.4**

Change in car driver miles by type of area, 1996/8, 2002 and 2008

1996/98  
2002  
2008



Source: Department for Transport, 2008. National Travel Survey.

Recent research by the Centre for Sustainable Energy<sup>13</sup> analysed expenditure on fuel for transport and within the home by a variety of variables, including income, number of adults, number of cars, dwelling type, number of rooms, and rurality. These fuels account for about one third of a person's total carbon footprint (about 4 tonnes per person per year out of a total of about 12). It found that residents in villages and hamlet settlements used over 70% more fuel for these purposes than the average, with housing fuel making the most difference. But when analysis was carried out it was found that the variable for rural:urban had a relatively small effect, after the number of household cars, the number of rooms, income, dwelling type and many others. There is a large amount of cross-correlation between rurality and these other variables, so while the appearance is that rural households have some of the highest carbon production rates (for transport and home fuel use), much of this is because many rural residents also live in detached houses that are harder to heat, have higher incomes, and have more cars than average. The report also concluded that under a personal carbon trading scheme "of the 2.1 million low-income households that would receive insufficient allowances to meet their current emissions, a high proportion live in rural areas (where often solid walled homes are typically harder to heat and a lack of access to mains gas has led to the use of more carbon intensive fuels)."

A fuller perspective on the carbon footprint of different communities is provided by research from the Stockholm Environmental Institute (covered in *State of the countryside 2007* and due to be updated in the summer of 2008). Re-analysis of this Local Authority based data has created 12 different types of district (Figure 4.6.5). Those with the lowest footprints are classified as 'Industrial Hinterlands' while the highest is 'Prospering Southern England'. Although three of the top five categories of district tend to be rural, it would appear that household income, rather than rurality per se is the more important contributory factor. However, it confirms that many rural communities face a challenge if they are to move to lower carbon lifestyles.

Looking at the evidence presented above it seems likely that a full analysis of carbon footprints in rural areas would show rural residents to have higher levels of emissions, but that the differences are between those implied by current Local Authority estimates and the evidence from the Expenditure and Food Survey. Residence in a rural area does involve higher energy use for domestic fuel use and transport, but these are related more strongly to income levels, car ownership, and the size and type of house. Living in a rural area does tend to mean a need for more travel, and houses in rural areas are more likely to hard to heat (due to construction and fuel availability), but higher footprints may relate more to higher incomes in rural areas than these factors.

13 Defra (2008) Distributional impacts of personal carbon trading

**Figure 4.6.5**  
Carbon footprint by category  
of local authority, 2007



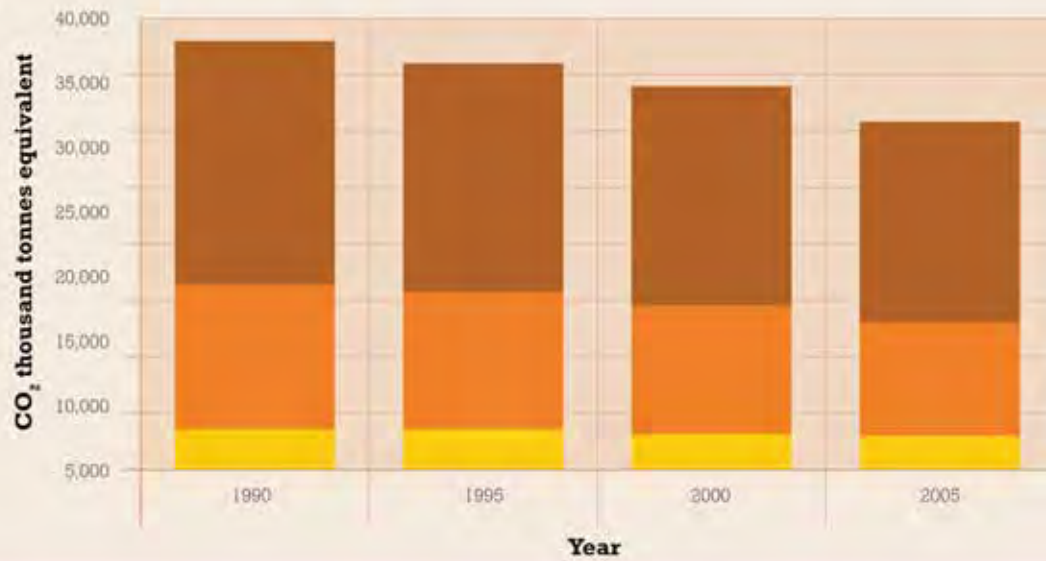
Source: WWF and SEI, 2007. The Right Climate for Change. Using the carbon footprint to reduce CO<sub>2</sub> emissions. A guide for local authorities.

As noted above, agriculture and other forms of land use are a relatively insignificant source of carbon emissions (producing about 3% of the carbon in rural areas and about 1% of that for the UK overall). However, again the picture is more complex. Agriculture produces other greenhouse gasses, particularly methane from livestock and organic wastes and nitrous oxide from soils. For the latter two sources, agriculture is a major source of the UK's emissions (23% of methane and 63% of nitrous oxide). Figure 4.6.6 shows how the amount of these greenhouse gasses has been falling since 1990, largely as a result of a reduction in the intensity of agricultural production. The overall impact of home-grown versus imported food production also needs to be taken into account, particularly for products such as fresh fruit and vegetables that are flown into the UK.

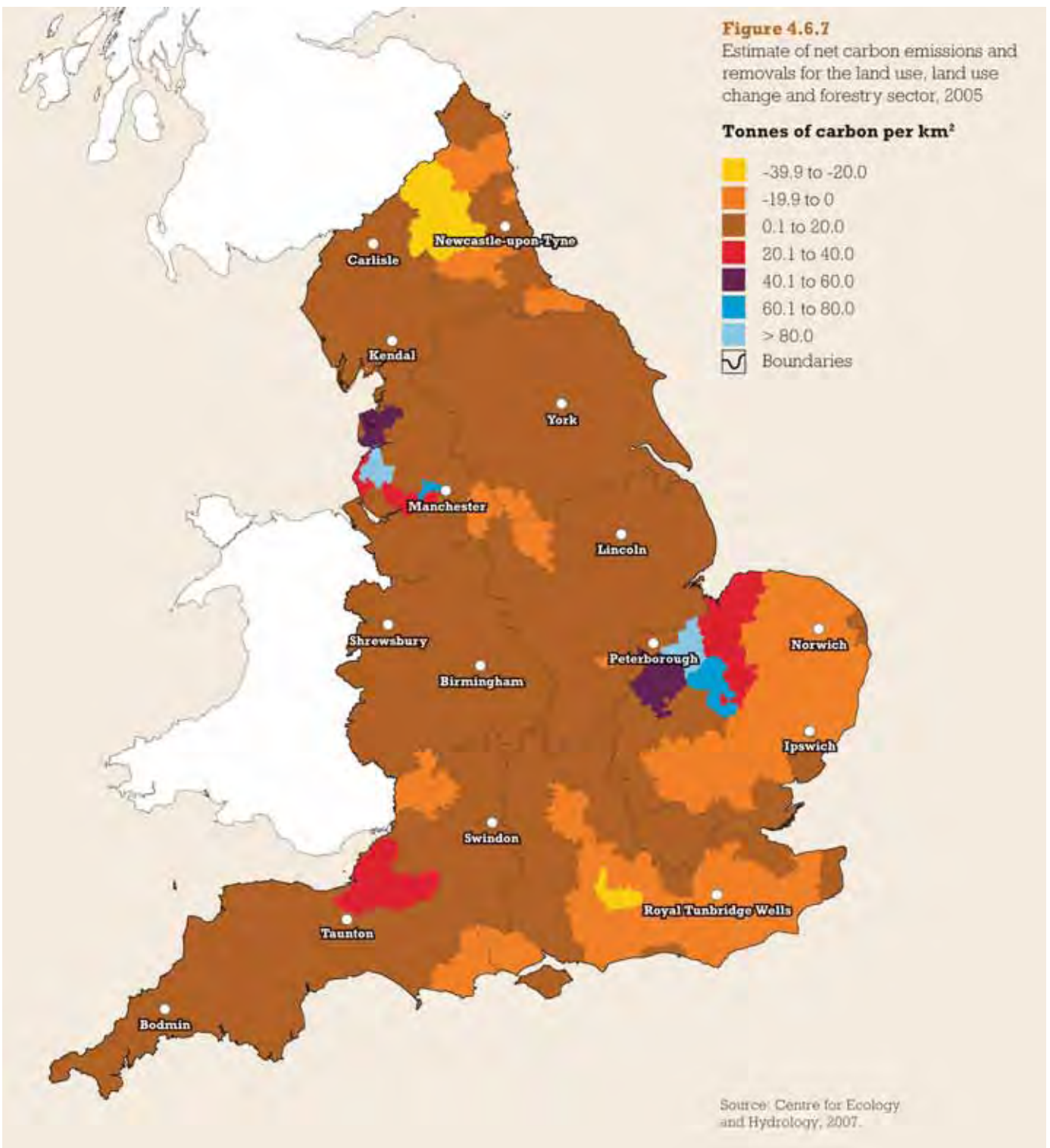
**Figure 4.6.6**  
Greenhouse gas emissions  
from agriculture in the UK,  
1990 to 2005

**Greenhouse gases**

- Nitrous Oxide (N<sub>2</sub>O)
- Methane (CH<sub>4</sub>)
- Carbon



Source: National Atmospheric Emissions Inventory, 2007.



The countryside and rural land use also provide opportunities for off-setting the impacts of climate change by storing carbon from the atmosphere in plants and soils. It has been estimated that most carbon is stored in soils, particularly peat and organo-mineral soils that occur in the uplands. Forestry is also a significant 'sink' for atmospheric carbon. Research by the Centre for Ecology and Hydrology has sought to quantify the overall carbon impacts of land use (principally agriculture and forestry) and land use change (for instance converting grassland to built development). Figure 4.6.7 maps the overall conclusions of this research at the level of local authorities in England. Net losses of carbon occur in areas where drainage of peat soils is resulting in the release of stored peat (such as the Fens, Lancashire Mosses and Somerset Levels). Greatest net gains of carbon occur in areas with actively growing woodland and forestry such as the Weald in Kent and Thetford Forest in Suffolk.

## Renewable energy

2007 saw growing public debate about the role of renewable energy in the UK, particularly that produced from the land in the form of crops. The impact on rising demand for biofuels on global food commodity prices has already been noted. The Government published its UK Biomass Strategy and, as noted earlier, the Forestry Commission produced its Woodfuel Strategy for England to address these issues.

## Bioenergy

Energy in the form of heat and electricity produced by biological sources (plants and waste materials) have the potential to produce significant savings in terms of greenhouse gas emissions compared to fossil fuels (oil, coal and gas). Targets adopted by the EU require electricity generators and transport fuel companies to increase the proportion of electricity and fuel they produce from renewable sources (with UK targets for 10.4% of electricity by 2011 and 5% of all road transport fuel by 2010). These targets have become controversial, and are under review, because of the impact that demand for biofuels is having on both world grain prices and on the exploitation of environmentally sensitive habitats.

All forms of bioenergy currently account for less than 1% of the UK's energy utilisation<sup>14</sup>. As Figure 4.6.8 shows, natural gas tapped off from landfill waste sites is the largest single source of bioenergy used in the UK. The burning of plant material in conventional power stations (known as 'co-firing') is the second largest source but the majority of this material is currently imported (half coming from waste material from olive and palm oil processing).

**Figure 4.6.8**

Biofuels used to generate electricity and heat in the UK, 2001-06 (thousand tonnes of oil equivalent)

	2001	2002	2003	2004	2005	2006
<b>Electricity</b>						
Landfill gas	822.2	878.5	1,074.5	1,313.1	1,407.2	1,451.1
Sewage sludge digestion	119.0	120.6	112.5	124.1	131.1	152
MSW combustion	387.1	420.2	445.8	429.5	426.3	479
Co-firing with fossil fuels	-	94.0	197.3	335.1	830.7	829
Other	282.2	273.6	304.3	301.1	286.7	267.5
<b>Total</b>	<b>1,610.5</b>	<b>1,786.8</b>	<b>2,134.5</b>	<b>2,502.9</b>	<b>3,081.9</b>	<b>3,178.6</b>
<b>Heat</b>						
Landfill gas	13.6	13.6	13.6	13.6	13.6	13.6
Sewage sludge digestion	49.4	53.4	52.5	52.5	48.0	48.3
Domestic wood	204.2	204.2	204.2	204.2	204.2	204.2
Industrial wood	195.6	195.6	195.6	195.6	80.9	80.9
Straw, farm waste AD and SRC	72.2	72.2	72.2	73.9	73.9	73.9
MSW combustion	26.2	33.7	33.7	33.7	33.7	33.7
<b>Total</b>	<b>561.1</b>	<b>572.8</b>	<b>571.9</b>	<b>573.6</b>	<b>454.3</b>	<b>454.6</b>
<b>Total (thermal and electric)</b>	<b>2,171.6</b>	<b>2,359.6</b>	<b>2,706.3</b>	<b>3,076.4</b>	<b>3,536.2</b>	<b>3,633.1</b>

Source: Digest of UK Energy Statistics (DUKES), 2006.

Very little bioenergy is produced from crops or animal waste produced in the English countryside. This is in contrast to countries such as the US (where a quarter of maize grown in 2007 was converted to bioethanol) and Brazil (where nearly half of all fuel in cars is produced from sugar cane).

14 BERR. Renewable Energy Statistics (RESTATS).

The Department for Transport estimates that in 2005 biofuels contributed 0.24% of total UK road fuel sales. This was equivalent to annual use of 33 million litres of biodiesel and 85 million litres of bioethanol (all of the latter from imports)<sup>15</sup>. This is much less than some other EU countries (for instance, in 2003 France and Germany produced a combined biofuel output of more than one million tonnes or 1.3 billion litres<sup>16</sup>). During 2007, biodiesel plants were opened at Teeside and Immingham and other plants are planned to open in 2008. However, these plants will source the large majority of their raw materials from overseas (such as palm oil) and from recycled vegetable oil rather than from the English countryside.

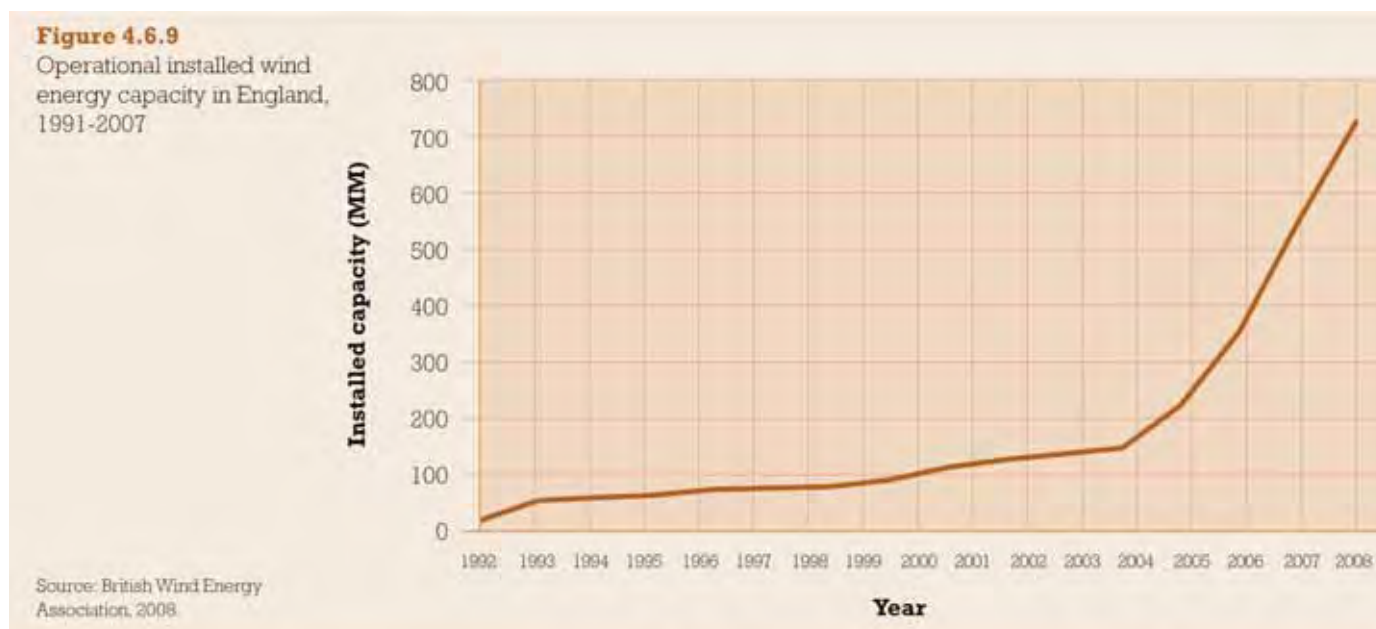
As noted earlier, the Forestry Commission's Woodfuel Strategy for England, published in 2007, identified the potential to harvest an additional 2 million tonnes of woodfuel from under-utilised woods and forests. Direct heat and electricity produced from this woodfuel is capable of supplying the equivalent of 250,000 homes with energy, replacing 3.6 million barrels of crude oil.

### Wind power

Operational wind generation capacity in the UK as a whole is 2,133 Megawatts (MW) or enough to power about 300,000 homes (BERR, 2007<sup>17</sup>). Figure 4.6.9 shows that the installed capacity in England has increased substantially in the last 15 years, with most of the increase occurring in the last 4 years.

Figure 4.6.10 shows that on-shore sites tend to be clustered in the uplands (such as in Cumbria and Northumberland), in coastal areas facing the prevailing South West winds (such as Cornwall) and in flat countryside (the Cambridgeshire Fens).

Generating capacity continues to expand with 14 wind farms (with a combined capacity of 393 MW) currently under construction, including large sites at Lynn and Inner Dowsing in Lincolnshire and Scout Moor in Lancashire.



15 DfT, (2006), Promotion and Use of Biofuels in the UK. Report for the European Commission by the Department for Transport, June 2006.

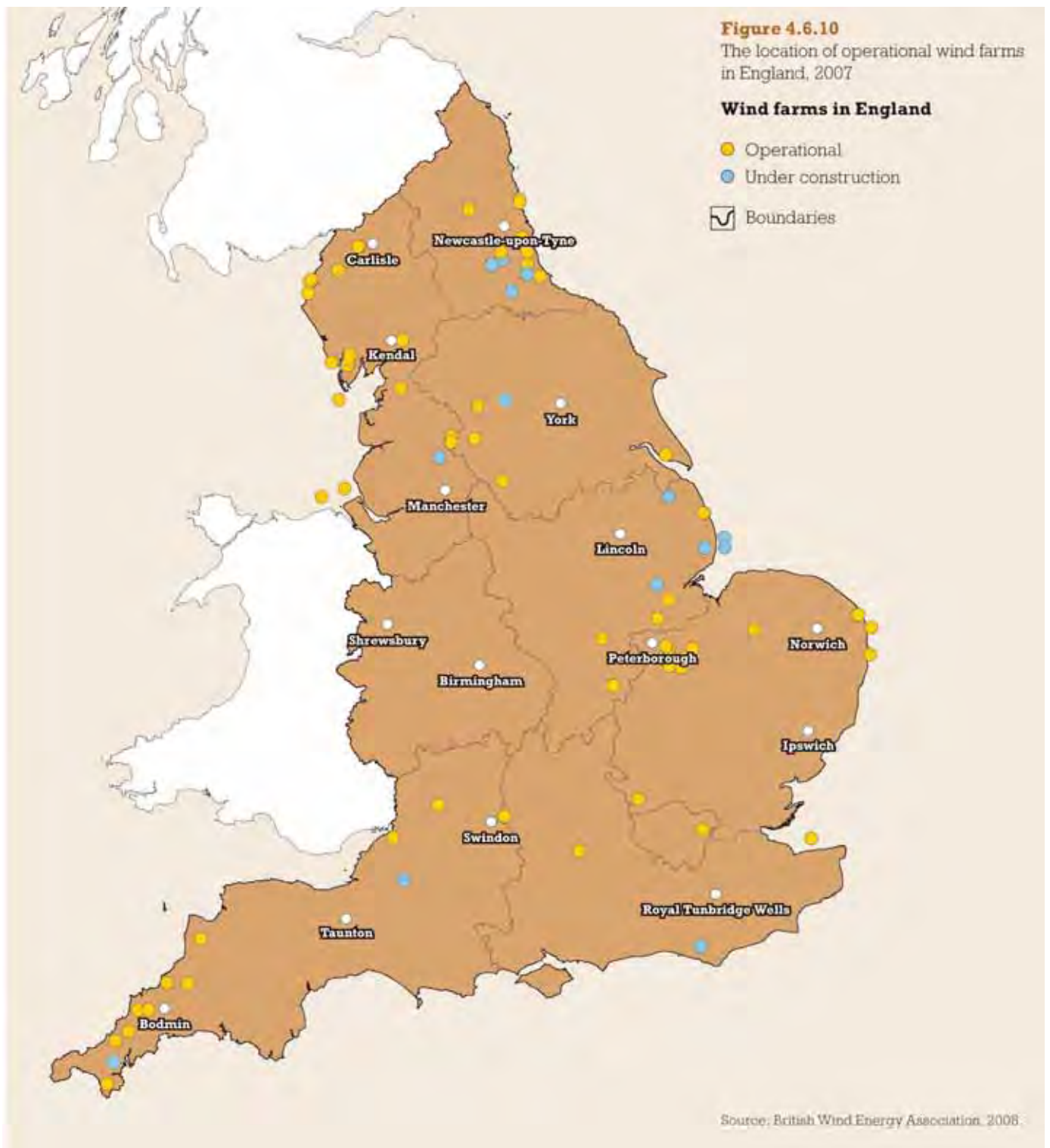
16 Quoted in EFRA, (2006).

17 Digest of UK Energy Sources (DUKES), Renewable Energy Stats, July 2007

**Figure 4.6.10**  
The location of operational wind farms in England, 2007

**Wind farms in England**

- Operational
- Under construction
- ☑ Boundaries



Source: British Wind Energy Association, 2008.



## Key summary points

- The growing season for crops has increased by around one month in the last century and swallows arrive ten days earlier than they did fifty years ago. Many species of wildlife are extending their range northwards and some, such as the skylark and song thrush, will become rare in part of the country as a result.
- Rural areas have a significantly higher carbon production rate per person than urban areas. This is principally due to generally higher income and per capita consumption and because of the higher emissions from heating homes and transport in rural areas.
- While agriculture and other forms of rural land use are relatively minor emitters of carbon dioxide, they have a more significant direct impact from emissions of methane from livestock and organic wastes and from nitrous oxide from soils. These emissions have been falling in recent years.
- Large reserves of stored carbon are contained in organic material in soils and in woodland. Land drainage in areas such as the Fens is leading to the release of high levels of carbon dioxide whereas wooded areas such as the Weald are 'sequestering' (locking up) carbon dioxide.
- A full overview of the contribution of rural land use to climate change needs to take account of the impact of imported foods and timber (in terms of both production and transport).
- The English countryside is capable of providing significant quantities of energy from renewable sources including wind and biomass. But there is growing public debate about the wisdom of diverting land from food to energy production.
- Bioenergy (heat and electricity from biological sources) currently generates less than 1% of the UK's energy and most of this comes from natural gas tapped from landfill waste sites.
- There has been a large increase in the number of wind farms in the English countryside in the last four years, with clusters on high ground on coasts facing prevailing winds and in flat landscapes.

## See also (from recent *State of the countryside reports*)

### Climate change

2007	Figure 4.5.1	Carbon Footprint, 2001 (map)
2007	Figure 4.5.2	Carbon dioxide emissions per capita, 2001
2007	Figure 4.5.3	Top 5 factors contributing to carbon footprint, 2001
2006	Figure 97	Average annual temperature in the Central England triangle, 1700 to 2005
2006	Figure 98	Trends in summer-autumn/ winter-spring rainfall since 1935 (20 year moving average)
2005	Figure 5.14	Phenological response to climate change – Ash and Oak in Surrey

### Recycling/waste disposal

2006	Figure 89	% of household waste recycled and composted by Local Authorities, 2004/05
2005	Figure 5.7	Distribution of fly tipping incidents, 1999-2003 (map)

## 4.7 Land and environment – a ten year perspective

The data presented in this chapter show that, although the rural environment is often regarded as a relatively stable part of our society, it is changing and, in many respects, the pace of change is accelerating.

The popularity of rural England as a place to live has brought strong pressure for new housing. Planning policies have shaped rather than prevented development and most towns and villages have seen small-scale residential 'infilling' and the redevelopment and subdivision of buildings for housing. As noted in Chapter 2, the high cost of rural houses relative to local earnings has grown as a social and economic issue and, looking to the future, the resolution of this issue is likely to have further consequences on the character of rural settlements.

Farming, which is the major human influence on the changing face of the landscape, is currently undergoing a shift in direction. For much of the last ten years almost all sectors of farming have experienced a period of low incomes and retrenchment. However, a tightening of global supply and demand for many agricultural commodities over the last two years, coupled with the growth of new markets for renewable energy, has seen a significant rise in agricultural prices and a return of confidence, with land values rising at their fastest for many years.

Recreational activities in the countryside have increased in the last ten years, mainly as a result of the opening up of access to mountain, moor, heath, down and common land. Government plans to improve access along the coast will further increase these opportunities. While surveys show that a high proportion of the population take part in outdoor recreation, there is little evidence to show a significant increase either in the number of people or the intensity of use of the countryside. This is despite a growing focus in public policy on the benefits of outdoor exercise and leisure.



Environmental regulations and incentives have become increasingly sophisticated and, across a basket of indicators, the condition of the rural environment has either improved or remained stable. The environmental implications of the current improvement in the fortunes of farming are unknown, but intensification in the way farmland is managed is likely to put pressure on environmental quality.

The greatest new driver of public policy for rural communities, as for the nation as a whole, is climate change. The ramifications on rural England of a warming climate, and of the policies that will be introduced to mitigate this, are not clear. Climate change poses particular challenges for rural communities, both in terms of the sustainability of people's car-reliant lifestyles and in the way landscapes and biodiversity will adapt. The food versus fuel debate (the conflicting demands for land to be used to grow food or renewable energy) that has emerged recently is just the first of a new set of sustainability issues that will shape the countryside's contribution to society.



# FIVE

# Discussion

## Introduction

For the last ten years the *State of the countryside* report has presented numerous facts and figures to provide an analysis of the social, economic and environmental condition of rural England. The reports have also considered what this evidence tells us about change, and its implications for people living and working in the countryside, now and in the future. The data and the indicators that we use inevitably focus on what we can measure and some of the most significant developments are not always easily summed up by quantitative data alone. However, examining this material is essential to understanding how changes, such as in the population, the economies and the physical environment of rural areas, can be addressed by policy makers and others concerned with the wellbeing of rural communities.

Drawing together what we have observed this year with what we have learnt in the last ten years offers us a unique opportunity to consider the significance of particular aspects of change in rural areas. Although we cannot know what will happen in the future for certain, we can seek to understand more about the factors that will influence what happens. Throughout this report we have examined how specific features of modern life, such as housing affordability, productivity growth or developments in renewable energy impact on rural England. This material can be used to underpin an evidence based debate enabling us to conclude what is important now and what should be done to ensure that rural people's needs and circumstances are addressed.

## Section includes:

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## New evidence in this year's report

Year on year we report data and analysis which updates those presented in previous years. In many cases the trends remain constant, or change slowly. This year, as in others, we also present findings that we have not been able to show before.

These include:

- Internal migration has slowed in the last two years, and overseas migration has slowed in the last year, following a sharp increase from 2004. Comparing internal with overseas migration shows that in very few areas does the level of migration from overseas approach that resulting from internal migration.
- While rural areas have, on average, better health outcomes (which is related to the higher average incomes of rural areas) there is also a higher incidence of disease (which is related to the older population profile).
- While rural disadvantage is generally found to a lesser extent than urban disadvantage, the actual volume is not picked up in most area-based analysis. This is because it is not concentrated in specific geographic areas but dispersed across rural settlements. Also, our new analysis seems to show increasing inequality within rural areas.
- Poverty appears to be increasing in rural areas, and more than in urban areas. Over the last two years for which data are available the percentage of population under the poverty line rose 3% in rural areas compared to 1% in urban areas.
- Most measures of economic performance show rural England to have a vibrant and active economy, but output per employee is not as high as in urban areas. Wages for jobs that are in rural areas tend to be lower.
- Work is not proving to be a route out of poverty for many rural employees and residents due to low pay in rural areas.
- The number of people working in knowledge-based industry continues to grow while the number employed in land-based industry continues to decline.
- A sharp increase in the value of agricultural land and rising commodity prices has taken place over the last year.
- The need to adapt to and mitigate climate change is a major challenge for rural communities.

## The past as a clue to the future

Throughout ten years of *State of the countryside* reporting we have identified a range of factors that have affected rural England. These include many that have remained important over the period and some that have not materialised as significant. There are also new issues coming to the fore that were not considered to be noteworthy for rural areas previously.

These factors provide the context for a broader analysis of future change, reflecting largely national and local conditions, evident in the first report published in 1999 but still current. These are mixed with some of the newer trends examined in the last couple of reports which reflect systemic shocks, largely flowing from global and more long-term conditions, including climate change or developments in the international economy, such as growing consumption by nascent middle-classes in developing countries. Some of the trends we note are clear eg declining availability of services – some less clear, such as the impact of changing use of and demand for land.

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**The key challenges presented in the first report in 1999 were:**

- sustaining enterprise and prosperity;
- forging a new role for agriculture;
- meeting housing needs;
- creating towns and villages fit for future generations;
- reducing traffic growth and revitalising public transport; and
- empowering communities and individuals.

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**Issues and trends that have remained important since 1999 include:**

- an ageing rural population;
- a desire to live in the countryside and the consequent migration of people to rural areas, coupled with a trend of young people leaving rural areas for work and for study;
- concern about the quality of the countryside;
- the relative similarity in the make-up of urban and rural employment, with agriculture employing a relatively small number of people;
- a growing rural economy with many small businesses and self-employed people, but with lower wages than in urban England;
- housing affordability issues, fed by increasing demand for housing, and the demand for second homes;
- fewer outlets for many services in rural areas;
- poor accessibility to services for those without access to cars;
- less funding per head for many rural authorities;
- faster traffic growth in rural areas; and
- rural communities described as being stronger or more vital.

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**Issues and trends that have declined in importance since 1999 include:**

- recorded homelessness was rising faster than the national average – homelessness has fallen and is lower in rural areas, but there is evidence of homeless people being more likely to stay with friends than go to official temporary accommodation; and
- an absence of public transport – initiatives started in 1998 mean that the percentage of people within 10 minutes of an hourly or better bus service has risen. However, the issue is still very much of concern with many still not well served by public transport.

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**Issues and trends that have come to the fore since 1999 include:**

- climate change was known about in 1999, but the implications (especially for rural areas) were only appreciated at the time by a small number of commentators – now it is a key policy driver for all types of area;
- use of the internet to access services – growth has been dramatic, but it has also raised the issue of service availability for those unable to access the internet, and impacts on the viability of more traditional methods of service delivery;
- polarity of rural affluence and disadvantage – it is now possible to map much more data than was the case ten years ago, and the differences between different types of rural area are becoming more apparent. Peripheral and sparse rural areas show very different patterns to the more affluent commuter areas;
- migrant workers – the expansion of the EU and greater worldwide migration has meant that rural areas have been affected by migration from overseas to a far greater extent than would have been imagined; and
- food security – three years ago food security was largely perceived as a 'non issue', but with changes in the world economy and international security, combined with competing demands for rural land, it is beginning to drive policy again.

## Changes in emphasis in the nature of issues over ten years

In addition to changes in the trends themselves, there have also been various changes in emphasis in how the main issues are perceived, and consequently analysed, in various *State of the countryside* reports.

### Declining access to services

There has been considerable change and mostly decline in the numbers and availability of service outlets. Availability of all services has fallen since 2000, except cashpoints and supermarkets, which have risen mainly due to market forces. Schools and GP practices' availability has been stable. There has also been an increase in bus accessibility – all of these services have been protected by active public policy.

Access to the internet has increased greatly with technological developments. First figures were available in 2002, when rural usage was at 44% of rural people; this rose to 62% in 2007<sup>1</sup>. A 'digital divide' has emerged with younger and wealthier people having greater access. Also, access to broadband at sufficient speed has emerged as an issue for rural households and businesses.

### Housing

Affordability was raised as an issue in 1999, but the measure of the ratio of prices to incomes was not available until 2002. House prices since 2000 have greatly increased and more so in less sparse hamlets. There were estimated to be about 47,000 second homes in rural areas in 2000, and about 94,000 in 2006/07<sup>2</sup>. About 16,000 rural households were classified as homeless in 2000, but by 2006/07 the estimate was about 11,000<sup>3</sup>.

### Community

There has been considerable change in what is seen to be important about community, reflecting developments in the Government's policy agenda. In 1999 there was interest in community action, village halls and parish appraisals. This concern has now shifted towards issues such as cohesion and empowerment, and questions of community strength have risen to the fore, embodied in Defra's Departmental Strategic Objective for rural communities. But this is still difficult to measure, and there are contested views of the character of rural communities and cultural distinctiveness.

### Disadvantage

In 1999 the focus was on social groups disadvantaged by their characteristics, such as being older, younger or having a disability and therefore more in need of services and support. Now the consideration of rural disadvantage concerns material deprivation, income inequalities and fuel poverty. The Index of Multiple Deprivation was first produced in 2001, and updated in 2004 and 2007. This area-based measure is not so useful as a way of identifying rural deprivation although social circumstances, such as low income, age and housing type seem to offer some potential as ways of demonstrating the existence of rural disadvantage.

### Rural economies – enterprise and prosperity

Since 1999 the economic picture across the whole of England has shown improvements, with declining unemployment and increasing personal incomes. Rural economies mirror this, except that people who both live and work in rural areas tend to have lower pay, and there is a lower level of growth in prosperity in peripheral areas. The proportion of people working in agriculture has declined further and those working in knowledge-based industries has increased.

- <sup>1</sup> The figures used for internet access level are from two different sources and therefore should be treated with caution.
- <sup>2</sup> The method used for estimating second homes has changed between 2000 and 2007 so these differences should be treated with caution.
- <sup>3</sup> These figures used different methods for calculation and somewhat different definitions about what is 'rural'. They should not be used as definitive statistics.



## Farming and forestry

There have been clear changes in farming, with Foot and Mouth Disease in 2001 and CAP reform creating a major shift in the nature of this industry and its impact on the countryside. Recently there has been a sharp fall in uncropped land that was set aside and fallow due to increase in crop prices and the removal of CAP subsidies. Commodity prices have risen sharply over the last year, along with the growth of non-food crops and the use of land for energy generation.

## Leisure and recreation

There has been a great expansion in access to the countryside due to creation of access beyond designated rights of way. Walking remains the main activity.

## Environmental quality

159 countryside character areas were identified in 1998. The 'Countryside Quality Counts' initiative assessed change between 1999-2003 and shows that 51% of character areas were diverging (ie the character is being transformed and new patterns of settlement developing), while the remaining 49% remained broadly the same. Uplands and protected areas tended to have experienced little change. Biodiversity has remained broadly static with a slow down in the numbers of wild birds that had reduced in the decades before 1999, especially from farmland and woodland.

These issues all imply challenges for policy makers to tackle current national issues relating to climate change, rising food and fuel prices, and pressures on land use in a way which benefits all communities, including those in rural areas. Rural England can offer solutions to many of these issues and while they present a major challenge, this could also present an opportunity to engage rural residents more fully.

## What can the *State of the countryside* tell us about the future of rural England?

It is apparent that most trends and issues that were identified 10 years ago are still current. So we can probably predict with some certainty that rural areas will, for example, continue to have a more ageing population than urban areas. While we cannot predict the future we can use what we have learnt to identify some of the key drivers that may affect change over the next ten or twenty years. The list of key challenges from the 1999 report show that many of the issues are similar. However, some of those that have emerged since are issues of growing concern.

We have become used to many rural areas of England being more affluent than urban areas, and being the home for commuters to major urban areas, or more recently, to a wider range of edge of town and suburban areas. Agriculture is still seen as the major influence on our landscape, but it has become apparent that its influence on rural people as a whole is much diminished in many areas – the proportion employed in agriculture is a minority in all rural areas. In policy terms, what a rural area produces has been seen of less importance, but what it offers to urban areas in terms of a dormitory and recreation has become more important.

Just as these views have become more widespread, subjects such as climate change and security are making many question this view of the function of rural areas (as a place of beauty and a place for leisure), and the role it can play is changing. In the week in which *State of the countryside 2007* was published a single rainstorm caused devastating flooding across many urban and rural areas in the south of England following earlier floods in parts of the north. During the summer, Foot and Mouth and Bluetongue hit farming communities, and later in the year more outbreaks of avian flu occurred. During the winter and spring, rising commodity prices and fears of world recession have brought issues such as our self-sufficiency in food into focus.

In terms of the CRC's particular focus on tackling rural disadvantage and concern with economically underperforming areas a number of specific aspects of change shown from ten years of *State of the countryside* reporting are especially significant:

- The impact of peripherality. On most measures, communities and people living in sparse rural areas fare much worse than those in less sparse areas, and these tend to be further away from the main centres of population.
- Inequalities are also a major issue – while in the more peripheral areas it is apparent that many people are not well-off and policy may take account of this, in more geographically central areas and those closer to cities where commuting predominates, disadvantage exists. However, here it tends to be masked by the averages used in area-based statistics, such that poor rural people's needs are not recognised in policy.
- There are specific impacts of wider social changes on rural communities – increasing personal mobility, migration, ageing, individualisation and patterns of consumption mean that traditional ways of rural life have become marginalised in the minds of many rural inhabitants.
- Changes in the availability of rural services, largely due to changes in policy approaches to providing public support and investment, have meant maintaining the level of some services but the loss of others. Market forces have either promoted or reduced availability – supermarkets and cashpoints have seen growth, while banks, local shops and pubs have seen decline.
- Rural economies deliver economic wellbeing as well as growth. But there is continuing inequality between local areas and households – some areas have fared very well, while others have not, and the chances of an area doing well seem largely related to factors outside the control of local actors.
- Changes in land use and environment are occurring due to the impact of global trends and to changes in perceptions of what rural areas are for. Rural communities are often seeing pressures for land use change that are not in keeping with how they have viewed rural areas in the past.

To take our analysis of future trends further we will be systematically looking at key questions about the future of rural areas over the next few years. We will limit our focus to issues that affect rural areas in particular; that are important for rural people's lives; and are relevant to CRC's remit. Through this work we will not be able to predict how rural areas will change but we hope to be able to better understand the key drivers that will affect diverse rural communities and areas. We also hope to better describe the different dimensions and manifestations of inequality and disadvantage.

Finally, we will endeavour to continue to provide evidence about how the major public policy concerns play out in rural areas, making official information more relevant and amenable to the 'mainstreaming' of rural policy. The key policy challenges addressed through our policy programme work will be informed by this analysis, and will underpin the CRC's ability to fulfil its role in advising government and others so that the needs and circumstances of rural people are represented more fully.





# ANNEX 1

Section	Figure	Type	Title	Source	Definition used
Introduction	1.1	map	ONS Rural and Urban Definition, 2004	Office for National Statistics, 2004. Rural and Urban Definitions.	Census Output Area
	1.2	map	Classification of Local Authority District and Unitary Authorities, 2005	Defra, 2005. Classification of Local Authority District and Unitary Authorities	UA/LAD
Living in the countryside	2.2.1	table	The population of England, 2005	ONS, 2008. Resident Population Estimates, All Persons, Mid 2005.	Census Output Area
	2.2.2	chart	Rate of population increase, 2001-05	ONS, 2008. Resident Population Estimates, All Persons, Mid 2001-05.	Census Output Area
	2.2.3	map	Population change, 2001-05	ONS, 2006. Resident Population Estimates	MSOA
	2.2.4	map	Population density for rural areas, 2001	ONS, 2001. Census of population. DCLG, 2003. Urban areas 2001.	UA/LAD
	2.2.5	chart	Household structure, 2006	ONS, 2006. General Household Survey.	UA/LAD
	2.2.6	table	Population weighted median and mean age, 2006	ONS, 2008. Unpublished median age figures.	LSOA
	2.2.7	chart	Age profile by type of area, 2005	ONS, 2008. Resident Population Estimates, All Persons, Mid 2005.	LSOA
	2.2.8	chart	Trends in net internal migration between Local Authority areas 1997-2006	ONS, 2008. Internal Migration Local Authority Flows by Gender.	UA/LAD
	2.2.9	table	The largest net migration flows between Local Authority districts (involving a Rural Local Authority) 2005/06	ONS, 2007. Movements between Local Authorities in England and Wales during the year ending June 2006.	UA/LAD
	2.2.10	chart	Net internal migration by age group, 2005/06	ONS, 2008. Internal Migration Local Authority Flows by Gender.	UA/LAD
	2.2.11	map	Net internal migration, 2006	ONS, 2007. Resident Population Estimates, All Persons, Mid-2006. ONS, 2008. Internal Migration Local Authority Flows by Gender.	UA/LAD
	2.2.12	map	Net internal migration over 100 km, 2006	ONS, 2007. Internal Migration within the United Kingdom during the year to June 2006.	UA/LAD
	2.2.13	chart	Change in rate of overseas migration, 2002/03 to 2006/07	DWP, 2007. National Insurance Recording System.	UA/LAD
	2.2.14	chart	Origin of overseas migrants, 2006/07	DWP, 2007. National Insurance Recording System.	UA/LAD
	2.2.15	map	Destination of migrants from Accession 8 countries, Bulgaria and Romania 2006/7	DWP, 2007. National Insurance Recording System.	UA/LAD
	2.2.16	map	NINOs as a percentage of internal migration to Local Authority districts, 2005-06	ONS, 2008. Internal Migration Local Authority Flows by Gender. DWP, 2007. National Insurance Recording System.	UA/LAD
	2.3.1	table	Numbers of service outlets, 2008	Commission for Rural Communities, 2008. Rural Services Series. Analysis by Defra RSU.	Output Area
	2.3.2	chart	Percentage change in Numbers of outlets 2007-08	Commission for Rural Communities, 2008. Rural Services Series. Analysis by Defra RSU.	Output Area
	2.3.3	chart	Availability of services, 2000-08	Commission for Rural Communities, 2008. Rural Services Series. Analysis by Defra RSU.	Output Area
	2.3.4	map	Post Office availability	Post Office Ltd, 2008. Defra RSU, 2008.	Output Area
	2.3.5	chart	Access to bus services over time, 1998/08 to 2006	DfT, 2008. National Travel Survey.	DfT Settlement Type
	2.3.6	chart	Access to the internet at home 2005-07	ONS, 2008. Omnibus Survey.	Postcode
2.3.7	table	Characteristics of internet use, 2007	ONS, 2008. Omnibus Survey.	Postcode	
2.3.8	chart	Percentage of people using internet to buy goods, 2007	ONS, 2008. Omnibus Survey.	Postcode	
2.3.9	map	Take-up of broadband, 2007	Point Topic, 2007.	MSOA	
2.4.1	chart	Distance travelled per person per year by main mode of transport, 2006	DfT, 2008. National Travel Survey.	DfT Settlement Type	
2.4.2	chart	Trips per person per year by main mode of transport, 2006	DfT, 2008. National Travel Survey.	DfT Settlement Type	

Section	Figure	Type	Title	Source	Definition used
	2.4.3	chart	Distance per person per year by mode of transport for rural residents, 1996/08 to 2006	DfT, 2008. National Travel Survey.	DfT Settlement Type
	2.4.4	chart	Car ownership by household income in settlements of under 3000 people, 1995/07 to 2006	DfT, 2008. National Travel Survey.	DfT Settlement Type
	2.4.5	chart	Access to a household car, 1996/98 and 2006	DfT, 2008. National Travel Survey.	DfT Settlement Type
	2.4.6	map	Traffic growth for cars by county, metropolitan and unitary authority, 1996 to 2006	DfT, 2007. Estimated traffic flows for cars.	N/A
	2.4.7	chart	Road casualty rates 1994 to 2006	DfT, 2007. Road Casualties, Great Britain.	DfT Road Type
	2.5.1	table	Change in average and lower quartile house prices, April 2000 to December 2007	Land Registry, 2008. Price Paid.	Postcode
	2.5.2	chart	Average annual house price rises, April 2000 to December 2007	Land Registry, 2008. Price Paid.	Postcode
	2.5.3	chart	Median and lower quartile housing affordability, 2007	Land Registry, 2008. Price Paid. CACI, 2007. Paycheck.	Postcode
	2.5.4	map	Lower quartile housing prices, 2007	Land Registry, 2008. Price Paid. CACI, 2007. Paycheck.	Postcode
	2.5.5	map	Lower quartile housing affordability, 2007	Land Registry, 2008. Price Paid. CACI, 2007. Paycheck.	Postcode
	2.5.6	chart	Homeless households, 2002/03 to 2006/07	DCLG, 2007. Local authorities' action under the homelessness provisions of the Housing Acts.	UA/LAD
	2.5.7	chart	Households in temporary accommodation, 2002/03 to 2006/07	DCLG, 2007. Local authorities' action under the homelessness provisions of the Housing Acts.	UA/LAD
	2.5.8	chart	Unfit dwellings, 2001-06	DCLG, 2006. Dwelling stock by tenure and condition.	UA/LAD
	2.5.9	map	Second homes, 2006-07	DCLG, 2007. CTB1 Returns.	UA/LAD
	2.6.1	chart	Expected years in good and not good health from 65 years, 2001	ONS, 2007. Life Expectancy: Healthy and Disability-Free Years.	UA/LAD
	2.6.2	chart	Infant mortality, 1998/2000 and 2003/05	ONS, 2006. Infant Mortality.	UA/LAD
	2.6.3	map	Healthy lifestyle behaviours: Smoking, 2003/05	The Information Centre for Health and Social Care, 2007. LA Model Based Estimates of Healthy Lifestyles Behaviours.	MSOA
	2.6.4	map	Healthy lifestyle behaviours: Eating fruit and vegetables, 2003/05	The Information Centre for Health and Social Care, 2007. LA Model Based Estimates of Healthy Lifestyles Behaviours.	MSOA
	2.6.5	chart	Incidence of disease by location of GP practice, 2006/07	The Information Centre for Health and Social Care, 2007. LA Model Based Estimates of Healthy Lifestyles Behaviours.	MSOA
	2.6.6	chart	Age standardised hospital admissions for stroke, 2003/04 compared with prevalence rates at surgeries, 2006/07	The Information Centre for health and social care, 2007. National QOF Prevalence Data Tables. The Information Centre for health and social care, 2005. Hospital Episodes Statistics.	UA/LAD
	2.7.1	chart	Achievement at GCSE (Key Stage 4) by grade and definition of pupil residence, 2005/06	DCSF, 2008. National Curriculum Assessments at Key Stage 4 by pupil residence.	Postcode
	2.7.2	map	Percentage of pupils gaining 5 or more Grade A* to C GCSEs, 2005/06	DCSF, 2007. National Curriculum Assessments at Key Stage 4 and Associated Value Added Measures by Gender in England (Referenced by Location of Pupil Residence).	Postcode
	2.7.3	map	Percentage of population with no or low qualifications, 2001	DCLG, 2004. Indices of Deprivation.	MSOA
	2.8.1	chart	Total unauthorised pupil absences, 2005/06	ONS, 2007. Pupil Absence in Schools in England.	MSOA
	2.8.2	map	Location of community owned shops, 2006	ViRSA and Plunkett Foundation, 2006.	UA/LAD
	2.8.3	chart	Destination of students within one year of ending a degree course, 2006/07	HESA, 2007. Student Record.	Postcode
	2.8.4	table	Top and bottom 10 rural districts by percentage of first degree students returning home, 2006/07	HESA, 2007. Student Record.	Postcode
	2.8.5	chart	Violence against the person, 2001 and 2006	Home Office, 2007. Notifiable Offences Recorded by the Police.	UA/LAD
	2.8.6	chart	Rate of teenage conceptions per 1000 aged 13 to 18, 1997 and 2005	DfES, 2007. Teenage Pregnancy Unit.	UA/LAD
	2.9.1	chart	Index of Multiple Deprivation, 2007	DCLG, 2007. Index of Multiple Deprivation.	LSOA
	2.9.2	map	Index of Multiple Deprivation in rural areas, 2007	DCLG, 2007. Index of Multiple Deprivation.	LSOA

Section	Figure	Type	Title	Source	Definition used
	2.9.3	chart	Change in Index of Multiple Deprivation, 2004-07	DCLG, 2007. Index of Multiple Deprivation.	LSOA
	2.9.4	map	Change in Index of Multiple Deprivation in rural areas, 2004-07	DCLG, 2004 and 2007. Index of Multiple Deprivation.	LSOA
	2.9.5	chart	Percentage of households in fuel poverty, 2003	The Centre for Sustainable Energy, 2003. Fuel Poverty Index.	LSOA
	2.9.6	map	Fuel poverty in rural areas, 2003	The Centre for Sustainable Energy, 2003. Fuel Poverty Index.	LSOA
	2.9.7	map	Council tax reductions due to disability, 2006/07	DCLG, 2007. CTB1.	UA/LAD
Economic wellbeing	3.2.1	chart	Median household income, 2008	CACI, 2008. Paycheck 2008.	Census Output Area
	3.2.2	map	Median household income for rural census output areas, 2008	CACI, 2008. Paycheck 2008.	Census Output Area
	3.2.3	table	Households with less than incomes less than 60% of the median, 2005/06 to 2005/06 (equivalised data)	DWP, 2008. Households Below Average Income.	MSOA
	3.2.4	table	Change in resident and workplace mean weekly gross pay (£), 2002-07	ONS, 2007. Annual Survey of Hours and Earning.	UA/LAD
	3.2.5	chart	Annual wage increase compared with increase in Consumer Price Index (CPI), 1999-2007	ONS, 2008. Annual Survey of Hours and Earnings and Consumer Price Index - All items.	UA/LAD
	3.2.6	map	Average weekly pay, 2007	ONS, 2007. Annual Survey of Hours and Earnings.	UA/LAD
	3.2.7	map	Low waged jobs, 2006	Institute for Public Policy Research, 2006.	UA/LAD
	3.2.8	chart	Weekly spend by disposable income quintile, 2005-06	ONS, 2007. Expenditure and Food Survey.	UA/LAD
	3.2.9	chart	Gross Domestic Product - bottom ten counties, unitary or metropolitan authorities, 1996	ONS, 1996. Gross Domestic Product.	N/A
	3.2.10	chart	Average annual GVA growth, 1995-2005	Experian, 2006.	N/A
	3.2.11	chart	Absolute GVA in 2005, and percentage change in GVA, 2002-05	ONS and Defra RSU, 2008. Annual Business Inquiry. ONS, 2008. Consumer Prices Indices.	UA/LAD
	3.2.12	map	GVA, 2005	ONS and Defra RSU, 2008. Annual Business Inquiry.	UA/LAD
	3.2.13	map	Change in GVA productivity rate, 2002-05	ONS and Defra RSU, 2008. Annual Business Inquiry.	UA/LAD
	3.2.14	map	Median business earnings (turnover) per worker 2005	ONS, 2007. Inter Departmental Business Register.	UA/LAD
	3.2.15	table	Sustainable prosperity index, 2007 – key findings	Regeneris, 2007. Sustainable Prosperity Index.	N/A
	3.2.16	table	Sustainable prosperity index , 2007 – selected rural Local Authority rankings	Regeneris, 2007. Sustainable Prosperity Index.	N/A
	3.2.17	table	Components used in the regional index of sustainable economic wellbeing, 2007	East Midlands Development Agency, 2007.	N/A
	3.2.18	table	Regional index of sustainable economic wellbeing in the East Midlands, 1994-2004	East Midlands Development Agency, 2007.	N/A
	3.3.1	chart	Employment share by sector, 1999	ONS, 1991. Special Workplace Statistics.	UA/LAD
	3.3.2	map	Average employment rates in England, 2007	ONS, Annual Population Survey, 2008.	UA/LAD
	3.3.3	table	Proportion of local authorities with 80% and above employment rate, 2005-07	ONS, Annual Population Survey, 2008.	UA/LAD
	3.3.4	table	Percentage in employment by business sizeband, 2006	ONS, 2007. Inter Departmental Business Register.	Census Output Area
	3.3.5	table	Reasons for economic inactivity, 2007	ONS, Annual Population Survey, 2008.	UA/LAD
	3.3.6	chart	Job seekers allowance claimants, 1998-2008	ONS, 2008. Claimant Counts and Rates.	UA/LAD
	3.3.7	table	Labour force on agricultural holdings, 1999-2007	Defra, 2008. Survey of Agriculture and Horticulture.	N/A
	3.3.8	chart	Percentage of employees in Knowledge Intensive Business Services (KIBS), 1998-2005	ONS, 2007. Annual Business Inquiry.	UA/LAD
	3.4.1	chart	Net change in stock of businesses for Local Authority Districts 1997-2006	BERR, 2007. VAT Registrations and DeRegistrations.	UA/LAD
	3.4.2	chart	Proportion distribution of businesses by industrial sector, 2006	ONS, 2008. Annual Business Inquiry.	UA/LAD
	3.4.3	chart	Growth in Knowledge Intensive Business Services (KIBS) sectors, 1998-2005	ONS, 2007. Annual Business Inquiry.	UA/LAD
	3.4.4	table	Aspirations for small businesses, 2005	BERR, 2006. Annual Small Business Survey.	Census Output Area

Section	Figure	Type	Title	Source	Definition used
	3.4.5	table	Growth in numbers of businesses of different sizes 1998-2005	ONS, 2008. Annual Business Inquiry.	UA/LAD
Land and environment	4.2.1	table	Proportion of total land area under different forms of development, 2005	ONS, 2005. Generalised Land Use Database.	N/A
	4.2.2	chart	Areas of land occupied by different sizes of settlement, 2001	ONS, 2001.	N/A
	4.2.3	chart	Planning applications by type and classification, 2006/07	DCLG, 2007. Planning decisions, by development type and speed of decision, year to March 2007. ONS, 2006. Mid-2004 household estimates.	UA/LAD
	4.2.4	table	New construction and net-change in dwellings, 1998-2003	Natural England, 2006. Countryside Quality Counts Report.	N/A
	4.2.5	table	Percentage of land changing to residential use within Flood Risk areas: 1996-2005 by region	DCLG, 2006. Land Use Change in England to 2006.	N/A
	4.2.6	chart	Average prices paid for farmland, 2004-07	RICS Economics, 2007. RICS rural land market survey.	N/A
	4.3.1	chart	Breakdown of the total area on agricultural holdings at June 2007	DEFRA, 2007. June Agricultural Survey.	N/A
	4.3.2	chart	Trends in key farm land uses 2000-07	DEFRA, 2007. June Agricultural Survey.	N/A
	4.3.3	chart	Selected farm input prices, 2000-07	DEFRA, 2008. Agricultural Price Indices.	N/A
	4.3.4	chart	Selected farm commodity prices, 2000-07	DEFRA, 2008. Agricultural Price Indices.	N/A
	4.3.5	table	Organic and in-conversion land by region, January, 2007	DEFRA, 2007. OASIS.	N/A
	4.3.6	chart	The area of crops grown for industrial oils, fibre and energy under CAP schemes, 2000-07	Rural Payments Agency, Forestry Commission, Rural Development Service and DEFRA, 2007. Report by the Central Science Laboratory on behalf of the National Non Food Crops Centre.	N/A
	4.3.7	chart	The proportion of the agricultural area in agri-environment schemes, 2000-06	DEFRA, 2008. Sustainable Farming and Food Strategy Indicators.	N/A
	4.3.8	map	Entry level scheme/organic entry level scheme take-up rates, 2007	Defra, 2007. June Agricultural Survey. Natural England, 2007. ELS agreement areas and Joint Character areas.	N/A
	4.3.9	chart	Age of farmers, 2002 and 2007	ADAS, 2007. Farmers Voice Survey.	N/A
	4.4.1	map	Density of public rights of way, open country and common land, 2005	ONS, 2006.	N/A
	4.4.2	chart	Principal outdoor activities undertaken by adults living in England, 2006-07	TNS Travel and Tourism, 2007. Outdoors Online.	N/A
	4.4.3	chart	Sales of fishing rod licences in 2007, by Environment Agency region, 2007	Environment Agency, 2008. Fisheries Statistics.	N/A
	4.4.4	table	Number of horses by region, 2008	National Equine Database, 2008.	N/A
	4.4.5	chart	Annual number of 'gun days' of game shooting by region, 2006	PACEC, 2006. The Economic and Environmental Impact of Sporting Shooting. Report for BASC, CA, and CLA and in association with GCT.	N/A
	4.5.1	map	Levels of intrusion in England, 2007	Campaign to Protect Rural England, 2007.	N/A
	4.5.2	table	Change in the level of intrusion by region, early 1960s to 2007	Land Use Consultants on behalf of CPRE, 2007.	N/A
	4.5.3	chart	Levels of intrusion and relative change by rural and urban local authorities, early 1960s to 2007	Land Use Consultants on behalf of CPRE, 2008.	UA/LAD
	4.5.4	map	Areas of England covered by the Catchment Sensitive Farming Delivery Initiative, 2005	Environment Agency, 2007. Catchment Sensitive Farming Delivery Initiative.	N/A
	4.5.5	chart	Trends in the favourable and recovering condition of SSSIs, 2003-07	Natural England, 2007. H6A Condition of important wildlife sites (SSSIs).	N/A
	4.5.6	chart	Relative change in the population of farmland and woodland birds, 1970 to 2006	Defra, BTO, RSPB, 2007. Breeding Birds Survey.	N/A
	4.6.1	chart	Trend in the length of the growing season in the UK, 1780 to 2006	Met Office, Mitchell, T. D. , Hulme, M., 2002: Length of the growing season. Weather 57.	N/A
4.6.2	chart	Date when the swallow was first seen at coastal observatories in Britain, 1959 to 2007	Centre for Ecology and Hydrology, 2007.	N/A	
4.6.3	chart	Estimates of end user CO <sub>2</sub> emissions, 2005	AEA Energy & Environment, 2007. Local and Regional CO <sub>2</sub> Emissions Estimates.	UA/LAD	
4.6.4	chart	Change in car driver miles by type of area 1996/98, 2002 and 2008	DfT, 2008. National Travel Survey.	DfT Settlement Type	
4.6.5	chart	Carbon footprint by category of local authority, 2007	WWF and SEI, 2007. The Right Climate for Change. Using the carbon footprint to reduce CO <sub>2</sub> emissions. A guide for local authorities.	N/A	
4.6.6	chart	Greenhouse gas emissions from agriculture in the UK, 1990 to 2005	National Atmospheric Emissions Inventory, 2007.	N/A	



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	4.6.7	map	Estimate of net carbon emissions and removals for the land use, land use change and forestry sector, 2005	Centre for Ecology and Hydrology, 2007.	N/A
	4.6.8	table	Biofuels used to generate electricity and heat in the UK 2001-06	Digest of UK Energy Statistics (DUKES), 2006.	N/A
	4.6.9	chart	Operational installed wind energy capacity in England, 1991-2007	British Wind Energy Association, 2008.	N/A
	4.6.10	map	The location of operational wind farms in England, 2007	British Wind Energy Association, 2008.	N/A

# ANNEX 2

## Signposts

A great deal of data goes into making the *State of the countryside* report every year, and we are unable, for space reasons, to include everything we would like to. For those wishing to pursue rural statistics further, either at national or regional levels, we recommend the following links as an excellent place to start:

## National Links

### Neighbourhood Statistics:

<http://neighbourhood.statistics.gov.uk>

### National Statistics Rural and Urban Definitions:

<http://www.statistics.gov.uk/geography/nrudp.asp>

### Defra Local Authority Classification:

<http://www.defra.gov.uk/rural/ruralstats/rural-definition.htm>

### Rural Evidence Base:

<http://www.defra.gov.uk/rural/research/default.htm>

### Rural Evidence Hub:

<http://www.defra.gov.uk/rural/ruralstats/reh.htm>

### Department for Work and Pensions Research and Statistics:

[http://www.dwp.gov.uk/resourcecentre/research\\_analysis\\_stats.asp](http://www.dwp.gov.uk/resourcecentre/research_analysis_stats.asp)

### CRC SOCR Data:

<http://www.ruralcommunities.gov.uk/projects/stateofthecountryside/overview>

### Countryside Quality Counts:

<http://www.cqc.org.uk/>

## Regional Links (regional information hub and government office)

### East Midlands

<http://www.intelligenceeastmidlands.org.uk/>

<http://www.gos.gov.uk/goem/>

### East of England

<http://eastofenglandobservatory.org.uk/>

<http://www.gos.gov.uk/goeast/>

### London

<http://www.regionalobservatories.org.uk/Regional%20Observatories/London.html>

<http://www.gos.gov.uk/gol/>

### North East

<http://www.nerip.com/>

<http://www.gos.gov.uk/gone/>

### North West

<http://www.nwriu.co.uk/>

<http://www.gos.gov.uk/gonw/>

### South East

<http://www.see-in.co.uk/welcome.html>

<http://www.gos.gov.uk/gose/>

### South West

[http://www.regionalobservatories.org.uk/Regional%20Observatories/South\\_West.html](http://www.regionalobservatories.org.uk/Regional%20Observatories/South_West.html)

<http://www.gos.gov.uk/gosw/>

### West Midlands

<http://www.wmro.org/homeTemplate.aspx/Home>

<http://www.gos.gov.uk/gowm/>

### Yorkshire and the Humber

<http://www.yorkshirefutures.com/>

<http://www.gos.gov.uk/goyh/>





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