



# **An inquiry into the future for England's upland communities**

## **Summary Note**

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# 1. Background

## 1.1. Upland communities

- 1.1.1. England's upland<sup>1</sup> communities exist within a complex and multifunctional landscape that has long been subject to many external forces and pressures. Upland areas not only support local economies, but also generate a number of public goods such as landscape conservation, recreational activities, biodiversity, heritage, and water management.
- 1.1.2. The uplands themselves should not be defined as one single homogenous mass, but rather as a diverse mix of communities, economies, ecosystems and geology, each area having its own distinctive features. The people who live and work in the uplands have diverse lifestyles and many interests, and their interactions with the environment, economies and communities around them can be extremely complex.
- 1.1.3. Yet within these upland communities there are many common themes. Almost all upland communities hold strong traditions of self-reliance, and their culture is widely regarded as part of our nation's heritage. In each area there are examples of how people have had to adapt to considerable changes in the past. Their hardiness is renowned and illustrated by their continuing existence often in the face of serious social and economic challenges.
- 1.1.4. In each upland community there are experiences of profound social, economic and environmental change. For instance, the perceived attractiveness of upland landscapes, and their peace and quiet, has placed demand pressures on the supply of housing, as evidenced by the rise in house prices and the significant waves of in-migration in recent years. Such changes bring both opportunities and threats to communities. For instance, on the one hand, new businesses can arrive that introduce new exciting employment opportunities and ways of working that take advantage of ICT improvements. On the other hand, they can bring a greater personal mobility that may serve to extend choice and undermine the local provision of services.
- 1.1.5. Farmers and farming have, traditionally played a major role in the social fabric and cultural identity of the uplands, and they

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<sup>1</sup> For the purposes of this work, the upland areas of England are defined as the designated Severely Disadvantaged Areas (SDAs) (Appendix I).

continue to do so. But their social contribution is declining, and in some areas, there are growing conflicts between 'locals' and 'incomers'. Further, the changes in the hill farming economy and the increasing interest and concern over public goods, as discussed below, are having significant impacts on hill farming communities.

## **1.2. Hill Farming**

- 1.2.1. Hill farming is a key feature associated with upland communities, but it is no longer the dominant source of employment. Yet its continued existence has wider significance for local economies in the uplands due to the interdependence between land management, recreation and tourism. For instance, in addition to those businesses that are directly land-based (e.g. agriculture and forestry), there are many more that make use of the high quality landscape and cultural assets as key drivers for their products (e.g. tourism, recreation and heritage).
- 1.2.2. Hill farming has, for many decades, suffered fluctuating economic fortunes. As a whole, the livestock sector has declined over recent years. Farmers have responded by modifying their production systems, and some have pulled out of livestock altogether. The options for diversification are very limited in the hills, however, and hill farmers remain largely dependent on the breeding and rearing of sheep and cattle, and very vulnerable to livestock markets and prices. Although there has been a turn for the better more recently, with a rise in world sheep prices, this may or may not be sustained, and the broad picture over the last three years is one of severe decline in the income of LFA sheep and cattle farms.
- 1.2.3. Livestock farming, and hill farming in particular, has also been hit hard by animal disease, most notably FMD in 2001, but also BSE before that, and Blue Tongue at present (as well as last the recent FMD scare and movement restrictions). Animal disease remains a serious risk and source of anxiety.
- 1.2.4. The current context presents additional challenges to the above, notably related to climate change and climate change policy. In the shorter term, there is a potential demand on the hills as a carbon sink (eg via forestry and the regeneration of peatlands); in the longer term, climate change will alter the viability of current production systems.
- 1.2.5. In the face of these pressures, hill farmers have struggled to remain viable. Many have simply gone under. Many more are suffering increased levels of stress, depression, poor health and a sense of isolation and existential threat.

A major concern now is over the recent and impending changes in the subsidy system. The decoupling of support from production means that farmers will not farm cattle and sheep if it is not profitable to do so. Many feel that the new rules will favour larger farms and landowners. Most feel a greater sense of uncertainty. A heightened awareness of the state of England's hill farming communities, prompted particularly by the work of the Rural Advocate (see below) has been a major impetus for this present inquiry.

### **1.3. Public goods and benefits**

- 1.3.1. England's uplands include the northern spine of the Pennines, the Cumbrian fells, the upland moors of Yorkshire and the West Country, the Shropshire hills and a part of the Black Mountains in Herefordshire. Hence, they are of enormous public significance to several regions of England, as well for the nation as a whole. Indeed, recognition of their national importance as a landscape and recreational resource is reflected by the existence of national park and AONB designations covering large expanses of England's upland areas. Both traditional recreational pursuits, such as grouse shooting, and more 'modern' sporting activities are a vital part of the economy of upland areas, and more so with the downturn in farming.
- 1.3.2. Furthermore, the uplands have until recent years been considered of national importance for 'strategic' food security reasons, with hill farming communities receiving some form of public subsidy for livestock production since the 1946 Hill Farm Act.
- 1.3.3. Other public-goods and benefits of the uplands are also increasingly recognised, in particular in relation to heritage and cultural landscapes and ecosystem services, such as water catchments and storage, management of downstream water flows and flood protection, soil conservation, biodiversity and wildlife conservation, and carbon storage and sequestration.
- 1.3.4. The growing interest and concern for the uplands in recent years has been largely, though not wholly, driven by this public benefits agenda. These interests are strongly represented by major upland stakeholders, such as the National Trust and RSPB, and a major focus of Natural England's and the Environment Agency's concerns. Public benefits, most prominently the environment, are the main concern also of many recent and forthcoming studies, inquiries, conferences and strategies. And the issues are also reflected in the recent changes in the subsidy system.

In the past, the concern between these interests and farmers has been over grazing. Now, increasingly, the concern is under grazing.

- 1.4. These three phenomena - increased interest in public benefits, a downturn in hill farming, changing and challenged communities – are the context and *raison d'être* of this inquiry. Of these three, as previous studies have revealed, the community aspects are least understood and it is, therefore, the state and future of upland communities that is our special concern.

## **2. Rationale**

### **2.1. Origins**

- 2.1.1. Our wish to address the issues raised repeatedly by upland communities results from a combination of hearing, first hand, their concerns through the work of the Rural Advocate, the findings of recent research and our review of studies throughout the UK, and the statistical evidence presented in the Commission's own State of the Countryside Reports. All these sources of evidence draw attention to the three key issues above, and to the special need to address the future of the people who live and work in England's uplands. From the evidence, the uplands emerge as an arena of competing, yet potentially complementary interests.

### **2.2. The Rural Advocate's reporting**

- 2.2.1. In the Rural Advocate's report to the Prime Minister in February 2008 the challenges faced by England's uplands and hill farming communities were expressed as follows:

"I believe the future of our hill farming communities merits particular attention. There needs to be a stronger recognition that the management of these upland landscapes and environment has a real economic and social value, alongside the production of food and crops. I urge government to consider establishing a Commission on the Future of Hill Farming, to examine how such areas can be managed in the future to deliver the benefits that society wants to see."

(Report of the Rural Advocate 2007, CRC, Feb 2008 (p29))

- 2.2.2. Visits to upland communities in Cumbria, North Yorkshire, Devon and Northumberland gathered local evidence, meeting with people who are experiencing real difficulties and facing considerable challenges to continue to live and/or work in upland areas of our countryside.

2.2.3. Hearing from those who live and work in upland areas, it has been clearly apparent how interdependent their social, economic and environmental issues are. For instance, there were frequent references to in-migration, with both economically active and retired people, moving to the uplands for the attractive landscape, the peace and quiet, and the slower pace of life. This, in turn, contributed to property prices rising beyond the affordability of young local people, and consequently to so many of them leaving the area.

2.2.4. From the Rural Advocate's visits<sup>2</sup> to Devon, Cumbria, North Yorkshire and Northumberland a clear and repeated message is the concern from land managers and hill farmers that society does not fully understand nor appreciate the role they play in maintaining and enhancing a "managed environment". Comments from all four counties suggested current payments received through agri-environment schemes did not adequately reflect the public benefits derived from well-managed uplands.

### 2.3. Evidence from research

2.3.1. The evidence emerging from the reports of recent studies and publications have been captured for the CRC by the University of Worcester<sup>3</sup>. The main findings can be summarised as a series of key points of relevance here:

Rural restructuring and locational disadvantage in the uplands	<ul style="list-style-type: none"> <li>• Profound social and economic changes</li> <li>• Decline in hill farming</li> <li>• Growing diversity of businesses &amp; employment</li> <li>• Expansion &amp; use of ICT</li> <li>• Growth in services &amp; tourism</li> <li>• In-migration &amp; change in social composition</li> <li>• Socio-cultural significance of farming remains very strong</li> <li>• Regional variations; uplands not all same</li> <li>• Upland communities associated with marginalisation, poverty &amp; poor services</li> <li>• Impacts of change &amp; decline often negative</li> </ul>
Policy Reform and upland management	<ul style="list-style-type: none"> <li>• Sea-change in agricultural policy (CAP)</li> <li>• Shift in subsidies to confront new set of challenges, e.g biodiversity, water management.</li> <li>• End of the Hill Farm Allowance in 2009</li> </ul>

<sup>2</sup> CRC compiles its own notes recording the key points arising out of the Rural Advocate's visits

<sup>3</sup> Hill Farming and Rural Communities, report to the CRC, University of Worcester, September 2008

Farming connections with communities	<ul style="list-style-type: none"> <li>• Lack of literature on this topic</li> <li>• Hill farmers contribute to local economies but declining in importance</li> <li>• Similar decline in levels of involvement in community activities such as parish councils</li> <li>• Evidence of tensions between farmers and those 'new' to upland communities</li> </ul>
Future prospects for upland communities	<ul style="list-style-type: none"> <li>• Funding schemes to deliver public benefits need further reform and targeting</li> <li>• Call for greater recognition of need to address cultural (as well as environmental) health of upland communities.</li> </ul>

## 2.4. The State of the Countryside reports

2.4.1. Ten years of State of the Countryside reporting highlight changes that are especially significant and pertinent to this inquiry.

“The impact of peripherality. On most measures, communities and people living in sparse rural areas fare much worse than those in less sparse areas...”

(State of the Countryside 2008, CRC, July 2008 (p.160))

2.4.2. Upland areas of England are generally remote and peripheral, and are predominantly defined as ‘sparse, village, hamlet and isolated dwellings’ according to the ONS urban-rural definition. On this basis, it is possible to make some fairly crude, but nonetheless informative, assumptions about the challenges facing upland communities.

2.4.3. In comparison with urban and less sparse rural areas, the ‘sparse’ upland areas demonstrate: lower densities of population; an older age profile with fewer young people; fewer service types available; more reliance on cars for transport; greater travelling distances; a faster rise in house prices; lower household incomes; a greater share of those in income poverty; worse housing affordability ratios; and the lowest levels of average full-time weekly pay.

2.4.4. Significantly, the change in the Index of Multiple Deprivation between 2004 and 2007 suggests that the situation in sparse villages and hamlets has worsened to a much greater extent than elsewhere<sup>4</sup>.

<sup>4</sup> State of the Countryside 2008, CRC, July 2008 (p67)

Anecdotal evidence from the Rural Advocate's visits to rural communities appears to substantiate these statistics, as illustrated by the concerns expressed by upland communities and hill farming families.<sup>5</sup>

2.4.5. As this early analysis relies heavily on a number of assumptions about remoteness and peripherality, it would be useful to produce a State of the Countryside update report, focusing on the English uplands, to paint a more accurate picture of circumstances faced by the people who live and work there. This will provide useful baseline data for the inquiry, as well as assisting the framing of questions for the inquiry itself.

2.5. Each of these sources of evidence draws attention not only to the threats to the future of upland communities generally, but also to the diversity of situations, which will require distinctive approaches in different areas. However, many questions remain unanswered, there are clearly gaps in our knowledge and understanding, and there also appear to be opportunities to make best use of the potential of the uplands that merit further exploration. This brief outlines our proposal to address those deficiencies and develop these opportunities.

### **3. Aims and outcomes**

3.1. The primary goal for this inquiry is:

“To identify and evaluate drivers of change in the upland communities of England, and to develop and promote realistic policy recommendations that enable and equip these communities to move towards more secure, economically prosperous and sustainable futures.”

3.2. This inquiry will be delivered through the Commission for Rural Communities as a core activity within its Sustainable Rural Communities in the 21<sup>st</sup> Century policy programme and, as such, sits within a programme of activities that collectively contribute to Strategic Outcome 1 as presented in the CRC's current Corporate Plan 2008-11.

Broad, positive consensus on the future for rural communities in the context of changing demographic, environmental and land use pressures, including housing, planning and transport.

3.3. This inquiry will be outcome focused, aiming to secure the following three proposed outcomes:

1. The policymaking and decision taking of national, regional and local stakeholder bodies are much better informed.

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<sup>5</sup> Report of the Rural Advocate 2007, February 2008 (p29)

2. There is a greater clarity and an enhanced understanding of how upland communities function and an improved awareness of what choices or options are available for their futures (including the opportunities for innovative approaches to addressing their needs and aspirations)
  3. Future upland strategies reflect the views and aspirations of the wide ranging interests of stakeholders integrating social, economic and environmental goals
- 3.4. To secure these outcomes the most significant output delivered through the inquiry will be an authoritative report of findings, which describes in more precise terms what are the most pressing challenges faced by upland communities, explaining how they currently function, and proposing actions on the changes required to secure the goal referred to above.
  - 3.5. Supplementing the production of the report will be a sub-set of outputs that serve to raise the profile of the challenges faced by the uplands, further our understanding of ways to deal with them, highlight good practice and place the emphasis on finding solutions. This is expected to include a special 'state of the uplands' publication, seminars, research reports, media events and regional hearings/consultations, though the precise outputs should be informed by stakeholders as part of the detailed planning for this inquiry.

## **4. Approach**

### **4.1. Defining the problem**

- 4.1.1. A priority for this inquiry will be getting to grips with 'the problem' through a systematic investigation of the issues and the challenges faced by upland communities in 21<sup>st</sup> Century England. Initiating this inquiry will begin a process of climbing a learning curve that could quite possibly require us to define then perhaps redefine what we understand 'the problem(s)' to be.
- 4.1.2. Our approach to the inquiry will be place-based, focusing on the people who live and work in the uplands of England to provide an holistic consideration of both the issues and the potential solutions in contrast to undertaking a sector by sector approach evident in so many previous studies.
- 4.1.3. At this early stage, we have completed some initial scoping of the problems, undertaken by a working group of CRC Commissioners with officer support. This has already revealed some of the key areas for further investigation, including:

## 4.2. Understanding upland communities

4.2.1. To develop policy recommendations that will help upland communities to become 'more secure, economically prosperous and sustainable', we need to understand better their strengths, and the factors that have enabled their continued existence in the face of so many changes beyond their control.

4.2.2. We need, also, to understand and be more precise about these communities' fundamental weaknesses, and the threats both to their existence and to their role within society as a whole. But most importantly we will need to identify the opportunities and bring together the concepts, the ideas, and the plans that will foster a sharing of knowledge to stimulate new investment in the future.

4.2.3. As an essential first stage of the inquiry, and to develop an understanding of the strengths, weaknesses, opportunities and threats facing upland communities we shall:

- review and analyse the current situation and how we got here, encompassing the three main dimensions of:
  - i) farming/economy;
  - ii) public goods/environment;
  - iii) communities/society;and aiming to present an authoritative, evidence-based assessment of the '**state of the uplands**' (see comments above re State of the Countryside reporting).
- analyse the present and future effects of **CAP reform** and EU rural policy - what might a shift from subsidy to market investment in upland communities look like?
- examine the potential impacts, implications and opportunities of climate change and **climate change policy**;
- investigate the meaning and significance of '**public goods**', how a public goods perspective applies to the uplands and how society understands and values the uplands - how might we pay for the public benefits provided by the uplands and what resources are needed?

## 4.3. Drivers of change and future scenarios

4.3.1. A second stage of the inquiry will use what we have learned from the review, together with the state of the uplands analysis to identify the main drivers of change.

#### 4.4. Engaging with stakeholders

- 4.4.1. To conduct such an inquiry into a topic of public interest will require a methodology that seeks a wide and inclusive engagement of those with a stake in the future of the uplands. It will require a process that seeks out knowledge and information, asking challenging questions, searching for facts and evidence and examining them. The investigations will probably require the commissioning of new research to complete the picture, filling the essential and most important gaps in knowledge.
- 4.4.2. The CRC has valuable experience in running inquiries, and has investigated topical rural issues such as affordable housing and public participation in recent years. We have learned from those experiences and can now set out the guiding principles we should seek to deliver from an inquiry:-
- *Visible* presence for the CRC in rural communities, listening without prejudice to their concerns and their thoughts and ideas for the future.
  - *Transparency* through easily accessible information about the inquiry, who we're talking to, where we're going, what we're finding, and open to scrutiny.
  - *Live* reporting on progress and sharing findings as they happen.
  - *Open* and welcoming of all views and perspectives.
  - *Targeted* at those who are seldom heard and/or hard to reach by seeking new ways to engage with individuals and groups.
  - *Listening* to and demonstrating recognition of others experiences.
  - *People perspective*, giving prominence to the people who live and/or work in upland communities and what really matters to them.
- 4.4.3. Key partners in government, specifically Defra, Natural England, the Regional Development Agencies and representatives of local authorities, will be engaged throughout this process as a means to secure an ongoing dialogue, a strategic fit with their own upland activities (e.g. Natural England's 'Upland futures' project) and most importantly, their "buy-in" to the proposed outcome and actions required/recommended by this inquiry.

4.4.4. The most important stakeholder engagement will, however, be with people in rural communities themselves, achieved through a series of visits to locations across the uplands of England. These will inform both the development of an understanding of the state of the uplands and the identification of drivers of change and future scenarios. One aim will be to continue to 'listen' to the concerns of people in upland communities and to gather further evidence. However, we will also consider the scope to use these visits to test ideas and approaches emerging from the earlier stages of the work.

4.4.5. An important output of this part of the work will be the identification and development of a stakeholder constituency. This will play an essential role in enabling the recommendations of the inquiry to be disseminated, tested and implemented.

#### **4.5. Innovation**

4.5.1. The inquiry will prioritise the search for innovative approaches to the challenges faced by upland communities, unconstrained by conventional methods and open to creative thinking. We will, therefore, explore ideas and experience with respect to uplands from outside of England and the UK and also from cognate phenomena in other sectors and spheres.

### **5. Scope**

5.1. The scope of this inquiry will be framed within a set of parameters that are essentially those determined by the intended outcomes and primary aim of the inquiry, summarised as follows:

5.1.1. Address the apparent absence of, and need for, a more sophisticated **analysis of the changes and issues** affecting upland communities in order to develop our understanding of the issues and how they influence the future sustainability of upland communities.

5.1.2. Take the concept of **public goods and benefits** further, prepared to challenge narrow interpretations of what they are or could be.

5.1.3. Introduce some fresh **economic modelling** aimed at clarifying how upland communities work within the wider rural and overall economy.

5.1.4. Use futures thinking and methods to develop and test **future scenarios**, and use these as a basis for developing policy options.

5.1.5. Draw upon **international experience** in the search for innovative approaches and solutions.

5.2. In keeping with the statutory purposes of the CRC, the inquiry will address the uplands environment and land management not for its own sake, but to understand how it affects rural communities.

5.3. This inquiry provides an opportunity to build upon the work the CRC has already done on rural economies, services, disadvantage, housing, community planning and participation, within the defined spatial context of the English uplands.

## 6. Stakeholders

6.1. During the course of planning and implementing the inquiry the CRC will proactively seek to engage with and inform many other stakeholder bodies. For instance this will include, but by no means be exclusively with, the following:

	Public	Private	VCS
International	European Commission		
National	Defra Natural England Environment Agency Forestry Commission Ministry of Defence Tim's Upland APPG	National Trust NFU CLA RSPB TFA	ACRE CPRE
Regional	Regional Development Agencies Govt Offices	Utility Companies Tourist Boards Universities	RRAFs
Local	Local Authorities National Park Authorities	Farmers Land agents Commoners Retailers Hoteliers	RCCs Farmer Support Networks

6.2. This inquiry is expected to be of interest to a multiplicity of stakeholders who will, wherever possible, be engaged and consulted through the inquiry's organisational arrangements and planned activities.

## 7. Timeline

7.1. The planned timeframe for the inquiry is approximately 12/13 months beginning August 2008 and ending September 2009. The provisional timetable for activities during this period can be summarised, first in terms of the four stages of the process itself and, secondly, by identifying the key milestones to be reached over the coming months.

Stage 1: Planning and initiation	Scoping of issues by September 2008.
	Terms of Reference for the inquiry prepared by September 2008.
	Public announcement of inquiry into the future of England's upland communities delivered by October 2008.
	Project Initiation Document (PID) setting out a detailed plan of the <i>what, when</i> and <i>how</i> for implementing the inquiry by November 2008.
Stage 2: Evidence gathering	'State of the uplands' report commissioned by October 2008 for completion in March 2009.
	Rural Insights survey by December 2008.
	Programme of research commences February 2009 and delivers by June 2009.
	Public Call for Evidence issued by February 2009 for completion by June 2009.
	Regional Hearings gathers evidence from each of the six regions with uplands between February and June 2008.
	Series of Expert Seminars between February and May 2009.
	Reference Group network contacted from February 2009 onwards.
Stage 3: Evaluation of research and evidence	Initial appraisal of evidence gathered during May and June 2009.
	Full evaluation of evidence gathered by June 2009.
	1 <sup>st</sup> National Seminar held to debate early findings of the inquiry by July 2009.
Stage 4: Conclusions and report	Initial draft report outlining proposed recommendations by July 2009.
	Final draft report produced by August 2009.
	Final report published and submitted to Prime Minister's office by September 2009.
	2 <sup>nd</sup> National seminar held to share conclusions reached by September 2009.

KEY MILESTONES	A	S	O	N	D	J	F	M	A	M	J	J	A	S
Scoping of the inquiry concluded		◆												
Terms of Reference (Project Brief) completed		◆												
Initial literature review of hill farming and rural communities concluded .		◆												
Public launch/announcement of project.			◆											
Organisation structure and management arrangements confirmed			◆											
Schedule of dates for 2009 agreed with panel of Commissioners			◆											
Project plan (PID) confirmed and resources agreed				◆										
Establish stakeholder groups for expert advice and reference						◆								
A 'State of the Uplands' report completed in-house.								◆						
Up to 4 Expert Adviser seminars organised and implemented									◆					
National 'Call for Evidence' completed										◆				
Research programme conducted into future of uplands											◆			
Up to 6 regional evidence gathering visits organised and implemented											◆			
Report of findings drafted & submitted for approval.												◆		
Report submitted to Government seeking a response													◆	
Prepare and deliver 2 national seminars .												◆		◆
Public launch of report														◆

**Appendix I: Map of Uplands in England – Severely Disadvantaged Areas**

