



### NEW REPORT SHOWS 'HIDDEN' HOME BASED BUSINESSES HELP DRIVE THE RURAL ECONOMY

“With 12% (1 in 9) of working people in rural areas working from home (638,000) in England, home based employees and businesses are a hidden engine in the creation of thriving rural communities”, says Paul Pennycook, senior policy adviser at the Commission for Rural Communities (CRC). “Yet, evidence in the CRC’s newly published ‘Under the Radar’ report shows that government and business support agencies don’t adequately understand this growing sector of the economy.”

According to ‘Under the Radar,’ home-based working is on the increase. Numbers have risen across all England from 2.9m in 1999 to 3.3 m in 2004, but home based workers and businesses remain hidden from central and local government.

The report highlights how home based working brings many benefits to rural communities including helping reduce commuting, concentrating money into the local economy and helping diversify the rural business base.

A national conference, on Friday 17 March, at the Watershed in Bristol will formally launch the report and use its findings to demonstrate the contribution of rural home based workers and businesses to their local economies. The conference also aims to stimulate debate about how best to support home based businesses and influence policy.

Under the Radar has been jointly published by the CRC and the Live/Work Network. It shows that the rising trend of home-based working is driven by a number of factors. These include; a growing desire to meet the needs of family circumstances, childcare and care of elderly relatives flexibly, avoid stressful and time consuming commuting to work, high property costs which make a combined work/home base cost effective, advances in technology, with broadband now widely available.

Paul adds; "More and more people are choosing to work from home, either as employees or self employed. In rural areas traditional economies are changing and adapting, so home based working is good news and ought to be welcomed by central and local government and other key agencies.

"It should also be noted that a growing number of home based businesses are started by in-migrants. One of the main hopes for direct job creation in rural England comes from the in-migration of people who bring their businesses with them, many of them self employed."

However, according to the CRC, economic development and support agencies have so far largely failed to track, understand or support those who work or run their businesses from home. The sector has almost three quarters of a million workers yet there is virtually no specifically targeted assistance from government agencies and local government.

CRC research shows that of 145 rural district economic development departments over half did not use readily available information on home based working to inform their policies and strategies.

Paul adds, "We need a change in the attitude of policy makers at local, regional and national level. At a strategic level, for instance, almost all regional development agencies, district councils, business links and other agencies have no requirement to address the needs of home based working and businesses.

"In addition, planning and economic development departments are not doing enough to connect together the issues of home based working and sustainability. Traffic movements and congestion could be reduced substantially, for example, if support was given to encouraging an increase in home working.

"The goal for central government should be to support home based business in rural areas the same as traditional businesses. The goal for local authorities should be to ensure that home based businesses can access appropriate and ongoing business support of equivalent quality and value to that enjoyed by traditional businesses."

The number of people working from home (self employed and employed) in rural areas based on ONS 2001 census information - East of England 98,900 (11% of

workforce) - East Midlands 80,900 (11%) - North East 29,700 (9.5%) - North West 38,500 (12%) - South East 123,700 (11.5%) - South West 165,300 (13%) - West Midlands 58,000 (13%) - Yorkshire/Humber 42,700 (11.6%)

The Homes Means Business conference on 17 March in Bristol will explore the contribution of rural home based businesses and live/work property to dynamic local economies. Aimed at policy makers and practitioners themselves, the conference will also look at how home based businesses and workers can be helped to gain improved access to markets as well as the chance to network and share skills and knowledge. Speakers are from, Small Business Service, Duchy of Cornwall, Countryside Agency, Enterprising Britons project, EcoHomes, Huddersfield media centre, Carrick district council, Digital Peninsula Network. For more information contact 0870 990 5151

Regional hot spots

Case study examples

East of England

East Midlands

North East

South East

#### **North West –Publisher supports local economy but needs business support**

Catherine Cannon, Red Wellies Publishing,. Children's book publisher has worked from home in Great Strickland, Cumbria since 2004. Uses local illustrators and printers but in order to expand she needs business support and training. Currently gains support through the independent Rural Women's Network, thanks to its flexibility of approach not offered by other agencies.

Contact

#### **South West –An independent business network which proves support for home businesses and workers is worthwhile.**

Digital Peninsular Network, Cornwall. A private sector business network has used EU Objective One and other funding to link over 170 micro businesses-most of which are home based. DPN has been active since 1999 and encourages face to face networking, offers members training, newsletters and a hub drop in centre as a second office.

Today it is a nationally significant model for supporting IT and creative micro businesses in urban as well as remote areas. Its approach is based on enabling self employed people and micro businesses to network with one another - particularly where such an infrastructure does not already exist. Contact Lynda Davis 01736 333700

### **West Midlands – New start up for beauty and health therapist, Shropshire**

Rebecca Lee launched her company called Equilibrium in 2005. Rebecca is a fully qualified therapist and now offers a full range of beauty and health treatments in clients' homes.

This mobile service encompasses a wide range of luxury treatments and therapies, all at affordable prices. From tanning and bodywraps to Indian head massage and makeovers, and prices from £5.50 upwards - Rebecca's business is set to soar.

Her mission is to help clients 'balance their inner and outer beauty' and from the peace and seclusion of your own home – what could be more inviting?

Contact 07968 145404 or see [www.equilibrium-beauty.co.uk](http://www.equilibrium-beauty.co.uk)

### **Yorkshire and the Humber – Public relations consultancy, Robin Hoods Bay**

Paul Johnston runs Navigator PR from the coastal village of Robin Hoods Bay. He moved his family and business to the area four years ago. Despite bringing a significant all year round turnover to this tourist area, and using a network of local suppliers, he received no local government or business support to assist with the move or business development. Yet, a community network helped source broadband to help the business thrive, many months before BT connected the village. Contact 01947 880513 [www.navigatorpr.com](http://www.navigatorpr.com)

### **Ends**

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**Press comment from the Commission for Rural Communities and the Live/Work Network can be arranged through:**

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