



CRC 8/07

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### **Is rural England facing a future without young people? State of the Countryside report 2007**

The Commission for Rural Communities (CRC) today published the 2007 State of the Countryside report giving the latest definitive picture of rural England. The report shows there are now nearly 400,000 fewer young people aged 15-29 in rural areas than just twenty years ago. This trend is set against a rising rural population overall and has contributed significantly to a rural demographic which is both older and ageing faster than urban areas. The report also shows:

- that rural areas experienced over 200% growth in the number of migrant workers in the last three years;
- the average rural household spent nearly £480 per week in 2005, £60 per week higher than was paid by the average urban household;
- that just 44% of households in sparse isolated rural areas are within easy reach of a GP;
- a near doubling of energy crops in the last year; and
- that due to the changing climate there are now nearly 400 vineyards in England and Wales.

Launching the report Dr. Stuart Burgess, Chairman of the Commission for Rural Communities and the Government's Rural Advocate, stated: "The loss of young people is a real threat to the future diversity and sustainability of rural communities. Much more needs to be done to retain young people and provide them with opportunities and incentives to return to their roots if they choose. At the other end of the age spectrum, the number of older people in rural areas is increasing markedly with the net result that the average age is nearly six years higher than in urban areas. This is pointing towards a demographic divide between rural and urban areas and is putting a severe strain on the viability of rural services, such as schools, the provision of youth services, healthcare and housing.

"State of the Countryside continues to show that many rural areas still lag behind urban England. Although many rural people enjoy relatively healthy and prosperous lifestyles there remain some significant ongoing inequities such as over 928,000 households with incomes of less than £16,500. In 2007, there were nearly 233,000 people living in 'financial services deserts'. These are areas without a Post Office within 2 km (1.25 miles), or a bank, building society or Cashpoint within 4 km (2.5 miles).

"In terms of the economy rural England continues to exhibit some inherent strengths. In 2005 employment rates were 78% for rural compared with 74% in urban areas. Contributing to this strong economic performance was the fact that between 2002/3 and 2005/6, rural areas experienced over three times the growth rate of migrant workers in comparison to urban areas. However, the sheer scale and speed of immigration has also put a big strain on rural local authorities, both in their ability to provide services and ensure that new migrants are successfully integrated into their host communities.

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“The report also illustrates the increasing pace of change in terms of use of the land in the countryside such as a 3.6-fold increase in wind power capacity over the last three years and the change of land use from food to non-food production. In 2007, over 4 million hectares of farmland was under some sort of agri-environment scheme and between 2005 and 2006 the area devoted to oil seed rape as an energy crop nearly doubled. In addition 38% of people now buying farmland in Great Britain are not farmers.

“One issue that has not changed however is the lack of affordable housing. This continues to be one of the most serious, if not the most serious, problem facing rural England today. The report indicates that although the numbers of new houses in rural areas has risen in recent years, it remains at a lower level than in the late 1990s. In comparison, the number of new houses in urban areas is now almost 17% higher than in the late ‘90s.

“In terms of the wider picture the report continues to highlight critical challenges for Government – such as the provision of youth services, changing land use, climate change, affordable housing and the availability of services. Overall the report shows that although rural England has some huge strengths and much to celebrate, big challenges remain.”

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For further information, or to request an advance PDF copy of the report, contact: Nick Milton on 07900 608349 or Chris Wynne-Davies on 01242 534070 or 07900 608030

For further information about the State of the Countryside 2007 report, see also:

<http://www.ruralcommunities.gov.uk/projects/stateofthecountryside2007/overview>

Notes to editors:

The State of the Countryside report provides a unique analysis of how rural England is changing. This year's report has three central chapters: *Living in the countryside* (social issues), *Economic wellbeing* (economic issues) and *Land and environment* (environmental issues). The report includes a number of new areas of analysis providing a continuing insight into what is happening in rural communities and the emerging trends and challenges.

The Commission for Rural Communities is an independent government body established in October 2006. Our role is to provide well-informed, independent advice to government and ensure that policies reflect the real needs of people living and working in rural England, with a particular focus on tackling disadvantage and economic under-performance.

The State of the Countryside 2007 is the first report since the CRC was established by Parliament as an independent body under the NERC Act 2006. It is one of the central ways that the CRC is delivering its role as an independent watchdog and complements its other roles as rural advocate and expert adviser.

## **State of the Countryside 2007: Key facts**

### **Living in the countryside**

#### **Population and migration**

There were just over 9.5 million people living in rural England at the time of the 2001 Census, representing over 19% of the overall English population. Within this total, just over 600,000 people live in the sparsely populated areas.

Between 2001 and 2004 average age increased from 42.2 to 43.6 years in rural areas and from 36.9 to 38.0 years in urban areas. The average age in rural areas is over 5 years higher than in urban areas.

In the last 20 years the proportion of young people aged 15 to 29 in rural areas has fallen from 21% to 15%.

Significant regional concentrations of older people exist, in particular in the South West where one area of East Devon has a median age of 62.9 years.

In 2004/5 net inward migration to rural areas was 75,000 – down from 105,100 in 2003/4.

#### Access to services

Between 2006 and 2007 there was a 52.6% increase in the number of free Cashpoints in rural areas.

In 2007, 67.5% of rural households were within 4 km (2.5 miles) of a NHS Dentist. In 2006 the figure was 71.4%.

Significant differences in access to services exist between settlements in sparse and less sparse areas. In 2007, 77.8% of households in less sparse hamlets were within 4 km (2.5 miles) of a GP surgery, compared with just 43.8% of households in sparse hamlets.

Between 2000 and 2007 the percentage of rural households within 8 km (5 miles) of a Jobcentre decreased from 59.2% to 54.5%.

In 2007, there are 233,000 people living in 'financial service deserts'. These are areas without a Post Office within 2 km (1.25 miles) or a Bank, Building Society or free Cashpoint within 4 km (2.5 miles).

In the smallest rural communities, 87.5% of low income households (those who earn less than £21,600 per annum) run one car and 30.6% run two. This compares to 45.9% and 8.1% respectively in urban areas.

The accessibility to an hourly or better bus services has increased for households in the most rural areas. In 2005 49.2% of households in villages and hamlets were within 13 minutes walk, as opposed to 39.7% in 2002.

54.4% of primary school pupils living in villages travel to school by car, whilst 30.9% walk.

Downstream internet bandwidth of over 4Mb/s is available to 4.3% of households in villages, hamlets and isolated dwellings and 30.0% of households in urban settlements.

## **Housing and homelessness**

Between 2000/1 and 2006/7 over 12,000 affordable homes have been completed in settlements with a population of fewer than 3,000 people.

Over the three years to 2005/6, there has been a steady increase in the total number of new housing completions in rural areas (just under 45,000 completions in 2005/6). This remains lower than the level of completions in the late 1990s.

The average rural house price, £240,222, was 22.1% higher than the average urban house price of £196,700 in 2006.

Affordability remains relatively worse in rural areas. In 2006, the ratio of average house price to median income was 8.1 in rural areas and 6.8 in urban areas.

For lower quartile income earners in sparse villages, hamlets and isolated dwellings the ratio to lower quartile house price is 9.7.

The level of homelessness decreased in all area types between 2002/3 and 2005/6. In the most rural areas, 2.7 households per 1,000 were homeless and in priority need, compared to 4.7 households in the most urban areas in 2005/6.

Fewer rural households are in temporary accommodation than in urban areas. In 2005/6 1.6 households per 1,000 in the most rural settlements were in temporary accommodation, compared to 9.1 households per 1,000 in the most urban settlements.

In 2006 90% of houses in sparse hamlets and 10% of houses in sparse urban areas were not connected to mains gas supplies.

## **Health and healthcare**

Rural areas have fewer people who suffer from mental health problems than are found in urban areas.

The mental health indicator, used in the Indices of Multiple Deprivation 1999-2003, gives a score of minus 0.28 for rural areas and 0.06 for urban areas. Zero is the average expected and a positive score indicates worse mental health, so on average, rural areas fare better. Differences exist between sparse and less sparse areas. The score for sparse towns is 0.22 compared with minus 0.20 for less sparse towns, so sparse small towns fare worse.

## **Education**

65.9% of pupils living in less sparse villages and hamlets achieved 5 or more A\* to C grades at GCSE in 2004/5, compared to 53.1% for pupils living in less sparse urban areas.

In 2005/6, 34.6 applicants per 1,000 population from less sparse villages and hamlets were successful in their applications to higher education courses, compared to 23.4 per 1,000 population in sparse urban areas.

## **Rural community and governance**

England had over 10,000 Town or Parish councils in 2004, of which approximately 9,000 were in rural areas.

In 2005 10% of residents from villages and hamlets had attended a public meeting about local services or problems, compared to 5% in urban areas.

The dominant trend in rural areas is a fall in recorded crime of up to 27%. However, a significant minority of rural districts have seen an increase and two districts in Cumbria have experienced increases of over 20%, albeit from low levels.

Over 300,000 households in rural areas in 2003/4 did not have a bank account.

## **Economic wellbeing**

### **Income, wealth and consumption**

As a whole, rural areas have higher average incomes than urban areas, although in sparse areas, incomes are consistently lower.

In 2007 928,00 (32% of all rural households) had a household income less than £16,500 per annum (equivalent to 60% of the English median income).

The average weekly expenditure by rural households was £479.70 per week in 2004/05, £60 higher than spent by the average urban households, with higher payments being made for 6 commodities and services such as transport.

England's rural households earned over £143 billion in 2005 and paid more than £25.4 billion in income related tax.

In 2005 more than 2.3 million rural residents claimed benefits or credits.

Average weekly income for rural residents aged between 50 and 65 was £394, declining to £188 per week for those over 75 years.

Asset income amongst 50 to 65 year old rural residents made up 16% of their total income.

### **Full and Fulfilling employment**

Rural England supports 5.4 million employees. 74 % are employed full-time and 26% part-time.

2.7 million rural residents work and live in the same local authority area.

In 2005 employment rates were 78% for rural, 77% for mixed and 74% in urban districts.

More rural local authority districts than urban districts reached the EU and UK government targets for *full employment* (ie. 80% of working age population) (43% rural; 22% mixed; 18% urban)

1 in 3 rural households (1.38 mill. rural households) are 'workless', with no adult of working age in work.

Twice as many rural men stay in work after state retirement age than in urban areas.

Between 2002/3 and 2005/6, rural local authorities experienced a 209% growth in non-UK migrant workers compared with 67% growth in urban areas.

In 2005 the average rural business employed 6 employees. This compares with 16 employees in urban firms.

## **Enterprise and entrepreneurs in rural England**

Between 1995 and 2004 rural districts saw an increase of over 7% (or 37,000 per year) in the number of new businesses registering for VAT. New business accounts opened in high street banks, indicate that roughly 3 times as many new businesses were created each year than VAT statistics suggest, with strongest growth rates in many rural peripheral districts.

Firms registered for VAT or PAYE with rural Head offices earned revenue from sales of goods or services of £304 billion in 2005

Over 1.5 million firms only have a single location, (Rural-433,809; Urban-1.097 million). But 13,350 businesses operate almost 300,000 business units in both rural and urban locations, demonstrating the significant scale of urban/ rural linkages.

The three-year survival rate of enterprises registering in 2002 in rural areas was 76% (6% higher than urban districts).

Entrepreneurial activity amongst rural women is about double that of urban women at 6.6%.

Over the three-year period to 2005, enterprises with postcodes in sparse hamlets achieved the greatest percentage growth in turnover at 83%.

73% of business owners in the smallest settlements aimed to grow in the next two to three years. This figure fell to 64% in rural towns.

## **Land and environment**

### **Land use**

19% of England is 'urban' or 'built up'; 71% is agricultural; 9% is woodland.

The proportion of development taking place on previously developed land has increased in the most rural areas to 50%.

38% of purchasers of farmland are non-farmers.

### **Value of the land**

UK self-sufficiency currently stands at around 60% of all foods.

3.1% of total agricultural land is organically farmed or in-conversion to organic, and increase from 2.7% in 2003.

In 2005, 2.2% of all farmland was used for 'industrial' crops (including energy crops). Provisional figures for 2006 indicate a near doubling of the area devoted to oilseed rape for energy in Great Britain to 187,000 hectares, since 2005.

Wind power has grown rapidly in recent years (enough to supply around 300,000 homes) and will continue to expand, though the bulk is likely to be offshore.

The majority of trips to the countryside for recreation are short and take place near home (just under half of day leisure visits to rural areas are under two hours duration and two thirds involve a round trip of less than 20 miles).

Game management provides 31,000 direct jobs in the UK and contributes an estimated £1.1million/year to the economy in England.

Over one third of people aged 15 and over participate in some sort of outdoor activity, the most popular being hiking and fell walking.

### **Environmental quality**

In early 2007, 4 million hectares of farmland was under some sort of agri-environment scheme.

95% of all rivers are 'good or fair' in terms of both chemical and biological quality.

In 1977-9, otters were found in only 6% of river stretches surveyed in England, but by 2000-2, it had increased to 36% of surveyed river stretches.

Between 1993 and 2000 there has been an estimated 24% increase in light pollution.

### **Climate Change**

In rural areas, the estimated level of carbon dioxide emissions is just over 12 tonnes per person; in urban areas the figure is 11.7 tonnes per person.

Due to the changing climate, there have been changes to farming practices and there are now nearly 400 vineyards in England and Wales.