SPEAK UP FOR RURAL SCOTLAND
Ministerial Foreword

Rural Scotland is a great place to be and is integral to the success of our nation. This is due to our tremendous natural assets renowned worldwide – landscape, wildlife, coasts, rivers and seas – all of which deliver vital produce and services.

Our dynamic rural population is our most valuable resource. The energy and commitment of the people of rural Scotland are key to managing and protecting these assets. Growing numbers of people are choosing to live in rural Scotland and there is evidence that they appreciate the high quality of life in our rural communities. They feel safe there, they enjoy a healthy lifestyle and they benefit from the unique attractions of Scotland’s rural places. Importantly, the spirit of enterprise and a culture of small business development are flourishing in rural Scotland, based on natural assets and natural talent. We need to make the best use of all these resources and of available finance, and to give our rural communities the confidence to participate in decision-making that affects them.

The Scottish Government is committed to supporting rural life, rural communities and the rural economy. We are working with communities and businesses to make rural Scotland even more successful. In 2008, I set up the Rural Development Council to provide me with advice on a range of issues relevant to the prosperity of rural Scotland. The members of the Council are independent and impartial and all have their own expert perspectives on rural issues. Last year I asked the Rural Development Council to provide me with specific advice on how best rural Scotland could contribute to the creation of a more successful country through sustainable economic growth, and how to face up to the challenges of the 21st century. This document outlines their views and proposals.
I am grateful to Council members who have prepared this advice. However, the future of rural Scotland is not in the Council’s hands; it is in yours. I will be giving very careful consideration to the Council’s proposals, but in order to do so, I need to know what you – and everyone who is connected in any way with rural Scotland – think about what the Council are suggesting, or what needs to be added.

I want to support rural communities and businesses in channelling their energy and ideas into making rural Scotland better than ever. But the Scottish Government cannot do this by itself – it must work together with all sectors of rural Scotland for the best results. The first step is to settle the future policy directions. Your views are critical to policy development. Policy for rural Scotland cannot be a short term fix. We are looking at a sustainable future and long term engagement of talent and energy. So please do speak up – the Scottish Government is listening.

Richard Lochhead MSP
Cabinet Secretary for Rural Affairs and the Environment
You asked us for our advice on how rural Scotland can best contribute to sustainable economic growth. This report, “Speak Up for Rural Scotland”, is our response.

Scotland’s future is now, more than ever, bound with the fortunes of rural Scotland. Climate change, the economic downturn and reduced government spending are the key global and national challenges of our times. Money needs to go further and our natural resources need to be used more sensitively and effectively. Rural Scotland has a wealth of natural assets to grow its economy and to respond to other key pressures such as the increasing demand for high quality, sustainable systems of food production and the conservation of biodiversity. But to achieve a positive outcome in these challenging circumstances, we must all – businesses; individuals; voluntary organisations; and government – be adaptable and open to creative solutions. Future success depends on the ideas, energy and commitment of our rural communities and entrepreneurs. We are keen to engage them in decisions on the way forward.

All Scots have a stake in rural Scotland and take advantage of the benefits it offers. Town and country dwellers alike enjoy the countryside and its quality of life. Rural Scotland also provides food security, renewable energy and water production for all of Scotland. But we must not take any of this for granted. Rural Scotland’s contribution to the nation’s prosperity will diminish if its economy is struggling in uncertain times and its people desert to the towns and cities. We need to ensure that rural people of all ages in Scotland can meet change with optimism and energy and can benefit from the new opportunities open to them, not least from the challenge to create a low carbon economy.

This Report contains our vision for a prosperous rural Scotland. We have also identified in graphic form what we think matters for rural Scotland as the basis for our proposals, with further detail in the web version. But, the critical content is in the section entitled “Step Changes For Rural Scotland” where we have set out the steps which seem to us to be the most important if our vision of rural Scotland is to be realised. We have not attempted to suggest how the step changes should be taken forward. Structural and attitudinal change will undoubtedly be required and these can be considered once there has been broad agreement on the direction of travel. The key theme which emerges is engagement and activity – whether in business terms or in relation to quality of life, the choices and solutions should lie with rural people. Delivering local prosperity and resilience in rural Scotland, and the satisfaction it can offer, should be in their hands.
Members of the Rural Development Council

Liam Beattie is a student and is currently the Vice Chair of the Scottish Youth Parliament. He is 18 years old and lives in Hawick in the Scottish Borders.

Kate Braithwaite is the Director of Carnegie UK Trust Rural Programme and is an acknowledged expert on rural community empowerment.

Pat Buchanan has lived and worked in rural Caithness for over 20 years. She is a former board member of Visit Scotland with a particular interest in sustaining rural tourism and developing new tourism products.

John Ferguson lives in Ayrshire. He leads the Scottish Council for Voluntary Organisations’ Development and Rural Affairs teams and his work includes the rural dimension of Scotland’s voluntary sector.

David Fyffe owns and manages Fetternear Estate in Aberdeenshire and is a director of Scottish Rural Property & Business Association (SRPBA). He strongly advocates wider rural business opportunities in Scotland.

Sheila Garson lives on a working farm on the Orkney island of Shapinsay. Sheila is an active member of the community and her main interests are Orkney’s cultural heritage and the sustainability of the islands.

Michael Gray led the development of a Borders based company into a global enterprise. He lives in Galashiels and has been Chair of Scottish Enterprise Borders and is a former board member of Scottish Enterprise.

Alison Hay lives in the village of Minard near Inveraray, Argyll. She is an elected Councillor on Argyll and Bute Council and is the Council Of Scottish Local Authorities (COSLA) spokesperson on Regeneration and Sustainable Development.

Stuart Housden is Director of the Royal Society for the Protection of Birds (RSPB) Scotland and is particularly interested in rural Scotland and its environment. He has produced numerous articles and policy papers on land use and conservation matters.

Barbara Kelly hails from Dumfriesshire and is a former board member of Scottish National Heritage and Scottish Enterprise. Barbara works hard to ensure that the rural voice is heard at national level.

Kristiana Le Mar lives in the village of Clovenfords near Galashiels. She works full time but is heavily involved in her own project in the voluntary sector. Kristiana also represents the Scottish Youth Parliament.

Derek Logie lives in the village of West Saltoun in East Lothian. Derek is the Chief Executive of the Rural Housing Service, a charity which works to deliver affordable housing in rural areas.

Neil MacLeod lives in Stornoway on the Isle of Lewis. He is past Chair and a Director of the Scottish Crofting Federation.

Donald MacRae comes from a family farm in the Black Isle. He is Chief Economist, Lloyds Banking Group Scotland and was a member of the 2007/08 Committee of Inquiry on Crofting.

Jim McLaren is a mixed arable and livestock farmer from rural Perthshire and is currently President of the National Farmers Union (NFU) Scotland.

James McLellan is from Lochgilphead in Argyll. He has 35 years experience in Local Government and is acutely aware of the diverse challenges of providing public services to remote and island communities.

Alex Walker lives in Moray and is Chair of the Development Trusts Association. His main interests are in creating community based enterprises for renewable energy and affordable housing.
Our Vision

Active and confident communities

The best connected place

Competitive enterprises creating employment opportunities

World-rated natural and built environments

An international shop window for all of Scotland
What Matters for Rural Scotland

- Managing with Less Public Finance
- People and Nature – Realising the Potential
- Fair and Equal Opportunities
- Innovation and Adaptability
- Climate Change
- A Welcome for All
- Active Communities
- 21st Century Skills for All
- Partnerships Old and New
- Voices to be Heard
STEP CHANGES FOR RURAL SCOTLAND

The Step Changes we are proposing address the broad challenges faced by people and communities in rural Scotland. There are themes common to a number of areas. It is the people of rural Scotland who will deliver our vision and we are promoting a range of actions that will enable the best use of their talents and unlock the enterprise found so widely across the Country. We realise that this will mean a change of approach from government at all levels, looking at existing policies, making better connections, and encouraging added value from individuals and enterprises. Our Step Changes are designed to generate innovation and activity: in a world where access to public finance will necessarily be more limited, we are looking to everyone to work together, to stimulate individuals and enterprises to play their part on the road to success.
**Rural Economies**

Rural economies have a unique contribution to make to Scotland’s economic success. Rural areas provide the natural resources required for high quality food production, tourism and recreation and power-generation opportunities. There are, however, particular rural issues such as lack of critical mass, distance to markets, limited infrastructure and access to networks which can affect the ability of rural small and medium-sized enterprises to capitalise on their potential and to improve their competitiveness. Enterprise in rural areas is dominated by small businesses. They need to be profitable and they need support to fulfil their growth potential and their contribution to the wider rural economy. Enterprise and entrepreneurship need encouragement – local jobs are vital in attracting and retaining people in rural areas. Regulation should be appropriate, easy to understand and commensurate with the risks involved and those charged with regulating should offer advice and guidance to businesses.

**Step Changes**

1. We believe that developing leadership skills and business ambition is an essential ingredient for economic success. The current Rural Leadership Schemes run by Scottish Enterprise and Highlands and Islands Enterprise have been successful. Farmers and land managers are important contributors to and beneficiaries of these schemes. We see the need to significantly build on these models and to encourage collaboration and networking between like-minded rural business owners/managers.

2. All rural businesses should be challenged to add greater value to their products and services. This could be achieved by a dynamic business developing new initiatives on its own, but at times could also involve several entrepreneurs working together or forming joint ventures to develop market-orientated solutions. There are already successful models, e.g. a Scottish Enterprise Planning to Succeed Tourism Group in Breadalbane has led to twelve rural businesses collaborating on marketing, new product development, transport and customer research.

3. There should be a requirement for public authorities to make tendering processes easily accessible and manageable for small businesses to bid for contracts. A toolkit and skills training should be devised which would assist them to respond.

4. Roles and responsibilities in relation to business advice and support should be clarified for those who use these services, especially social enterprises and small businesses.
We are not convinced that we are making the most of the remarkable natural and cultural assets of rural Scotland. We have some suggestions to offer relating to the tourism and food and drink sectors. We welcome the publication of the “National Food and Drink Policy” and the Scottish Government’s commitment to supporting the sustainable economic growth of our food and drink sector. We believe that a thriving local food and drink industry is also essential to the vibrancy of the rural economy. Primary producers will need to add value in a world where grant support will lessen.

With tourism, our view is that this is an area where despite the successes, we nonetheless have a lot to learn from others and we could do better. The Scottish tourism industry employs 200,000 people and generates £4.1 billion of annual revenue. Rural Scotland is a major attraction: 90% of visitors rate the scenery as an important draw and almost the same percentage say they are satisfied with what they find. Tourism is of particular importance to the rural economy. The business opportunities are there to be taken, but at local level we believe that many businesses would benefit from a more joined-up approach. As competition increases it is even more important that the marketing and development areas of the tourism industry work closely together.

**Step Changes**

5. We encourage more local producers to grow markets for their products and consider opportunities to develop alternative routes to new markets, building on the growth of Farmers’ Markets and farm shops.

6. Destination organisations around Scotland are already making a difference in developing local tourism initiatives. We want to see effective partnerships getting local people together to reap the local benefits from national tourism initiatives. The Destination Development guide produced by Visit Scotland, Scottish Enterprise and Highlands and Islands Enterprise, is a useful toolkit to get this started.

7. Tourism organisations and businesses need to do more local joint marketing and cross-selling, adding value with joined-up offers, with providers ready to recommend related products and services. At the moment Historic Scotland is working alongside other national and local organisations to develop cultural and tourism hubs. One example of this is the Orkney World Heritage Site where Historic Scotland works alongside Orkney Islands Council, Scottish Natural Heritage and the Royal Society for the Protection of Birds to promote the archaeology, natural environment and bird life of this location.

8. Community events have developed into major attractions with 23 book festivals in Scotland and success stories like the Spring Fling in Dumfries and Galloway. Each local area should be inspired to make the most of their local natural and cultural assets – with stronger partnerships as a consequence.

9. We recognise the efforts of the performing arts community, one example being Scottish Opera, to visit rural Scotland. We would encourage major art collections, especially those with rural origins, and the performing arts to tour rural areas to create additional attraction, strengthen interest and contribute to local festivals.
**Multipurpose Land Use**

Land is the basis for much that is successful in the rural economy. Land has cultural, environmental and social qualities that communities value and which visitors enjoy. Farmers and land managers have an opportunity to demonstrate best practice in land use to all by welcoming visitors and leading by example. There are already striking examples of an entrepreneurial approach involving multiple land uses. This can add value to the products of the land when processed and sold locally, and also to the biodiversity supported by the land itself. Land use policy needs to be directed to keeping economically active people in rural areas, and supporting viable rural businesses which generate and spend money and employ people. Future land use should not be a choice between farming or forestry, renewables or conservation and should reflect the need for long-term food and environmental security. All can be accommodated if we optimise the use of our land, plan wisely and work to deliver the multiple benefits it offers. We hope that the Scottish Government’s Land Use Strategy will carry a similar message.

**Step Changes**

10. Eligibility for financial support should depend on active use of land which generates identifiable outcomes and public benefits.

11. Land managers should be supported with appropriate training in taking the opportunities offered to integrate forestry with other land uses. This should include help in identifying the best sites and appropriate scale for forestry planting.

12. A review of the range of options to achieve the current 25% forest cover target could, in our view, help to encourage the multiple land use approach without compromising carbon reduction objectives. The emphasis should be on an integrated approach to forest expansion with the aim of establishing more woodlands, enhancing the management of existing woodlands especially on farms, and seeking to encourage mixed land use that delivers appropriate woodlands of the right scale and species composition in the right places.

13. Rural partnerships – between farmers, foresters, conservation bodies, communities and the state – should be encouraged, working at a landscape scale to deliver wide-ranging benefits from the conservation of biodiversity, flood protection and carbon sequestration through better management of soils and peatlands. Maintaining the natural assets of Scotland’s land is an expensive business and we need to look at how other countries fund this cost from contributions from visitors.
Renewable Energy

Rural Scotland is a hugely important source of renewable energy – wind, wave, tidal, hydro and biomass. In rural Scotland, renewables can generate important employment opportunities, both directly and through the supply chain. These should be pursued with vigour. Community renewable energy projects contribute to Scotland’s carbon reduction targets and generate an ongoing income stream. We want to see an entrepreneurial approach being encouraged and backed up with appropriate skills training and support for business start-ups.

Step Changes

14. We want to see co-operation between local communities, land managers, planners and developers in identifying appropriate sites and opportunities. A ‘countryside map’ identifying potential for renewable energy development in an open and transparent way, as well as clear guidance on best practice, preferred locations and standards, should be prepared and published to enable the maximum contribution to the climate change agenda.

15. The link between communities, land managers and developers should be encouraged by national and local planners in order to reduce adverse impacts and speed the consents process. A stake-holding or other ongoing financial benefit for affected communities should be seen as best practice on large developments. This could support investment in local infrastructure and natural and cultural assets.

16. For small-scale community projects, the consents process should be simplified as far as possible and aligned with planning requirements. Fees and charges should be minimised.

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Empowered Communities

The wealth of talent and diversity in local communities is one of rural Scotland’s greatest strengths. We want to encourage dynamism and resilience and further develop a can-do culture.

Step Changes

17. We want local people to be encouraged to get involved, and to acquire training in the skills necessary to grow their community.

18. Well-publicised success stories and effective networking can inspire others. The Scottish National Rural Network’s website has been a great success since its launch in April 2009. We want to see all rural communities in Scotland actively involved in the network; and we want to see the Network developed further to facilitate study visits to successful communities; to provide a one-stop shop for assistance (linking to other sources of advice); and to encourage the community to produce action plans.

19. Empowering communities will require a significant change in the attitudes of many, not least amongst those in the public sector. Community collaboration and action should be reflected in Single Outcome Agreements and recognised by community planning partnerships and public sector staff. In particular, local authorities need to consider how they will work efficiently and consistently with communities in planning the procurement and delivery of services; and in allocating resources against the background of limited public finance.
Sustaining Rural Communities

Providing work and somewhere to live in rural communities is vital to rural sustainability. Young people will often leave the communities in which they have been raised and it is right that they should have the opportunity to gain experience in the wider world. But a thriving, resilient community will attract others, who are looking for a different quality of life, and will create opportunities that encourage people to return, bringing with them acquired skills and experience.

The statistics tell us that the population of rural Scotland is growing. However, this population growth has led to a lack of affordable rural housing, resulting in people who grew up or who work in rural Scotland not being able to afford to live there; whilst a shortage of rented housing means there are few alternatives to buying a house. A key ingredient to sustainable rural communities is the provision of the right kind of housing in the right places. This must meet the needs of an ageing population, ensuring that older people are able to remain in their own communities – whilst also helping younger people to stay and make their lives in rural Scotland.

Rural communities are traditionally self-reliant and many have demonstrated their ability to provide high quality community and leisure facilities. We believe that there are further opportunities which Development Trusts are particularly well placed to take.
Step Changes

20. Every village and town should have space for affordable housing. This can be achieved through allocation of land by planning authorities, or with policies that allow for small-scale affordable housing development, e.g. rural exceptions sites policies. Planners at national and local level need to give priority to the development of affordable housing where needs are identified. Both private landowners and communities should be involved in the preparation of community housing plans, and all should work together to increase the availability of land.

21. The Rural Homes for Rent Scheme is a good example of what can be achieved and its principles should be taken further, to give greater opportunities for affordable housing to meet local housing need, including community-owned housing schemes.

22. We suggest that both local and central government consider innovative solutions to housing provision – for example, freeing up more land for housing through long leases or partnership working. Government should also support the development of the “gateway house” idea – where a number of innovative island communities are already enabling prospective island-dwellers to come and live on the island for a few months before committing to a permanent move.

23. We think that communities, through Development Trusts, could generate more community activity and income, and make our small towns and villages even better places to stay. We believe that Development Trust activities should be guided by democratic processes and should be inclusive and transparent. A national rural Parliament could provide a focus for all these groups and a means of enlivening local democracy.

24. Community ownership or management of local assets such as a shop or a post office is an incentive to get involved, offers a way of providing community services and often generates an income stream as well. It can assist in the development of social enterprises, open up affordable housing options and enable local people to develop capacity and skills. Accordingly, we encourage the various arms of the public sector to consider asset transfer to community bodies where circumstances are appropriate.

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Infrastructure and Services

Thriving rural communities and businesses need infrastructure that is fit for purpose to enable communication within and beyond the community. This is particularly important for remote and island communities. The importance of e-commerce to the tourism industry in particular, must not be underestimated. Leadership at a national level is essential in this area if we are to ensure that rural Scotland is not left behind or left at a disadvantage. Without access to high speed broadband, young people’s expectations of a digital society will be disappointed as far as rural Scotland is concerned.

Step Changes

25. We see access to high-speed broadband as a fundamental requirement for 21st-century rural Scotland. We encourage the Scottish Government to enable the provision of high-speed broadband to all in rural Scotland who wish to use it, and to do so significantly ahead of the UK national timeline targets.

26. We propose that the Enterprise Agencies and Higher Education Institutes should research alternative technologies for access to high-speed broadband in rural locations, which may offer market opportunities globally. Action should be taken to always “plan rural” as new technologies come on stream to ensure adequate opportunities are provided to rural communities and businesses.

27. Where facilities do not exist, public and private sector organisations (like schools and banks) should be encouraged to allow appropriate access to their technology infrastructure, e.g. video conferencing in remote areas.

Another key ingredient for rural growth is education and training. We have been impressed by the impact of local colleges, such as those in Argyll, Skye and the Crichton Campus in Dumfries, not only on educational opportunities but also on the communities they serve. The University of the Highlands and Islands is another fine example of dispersed learning opportunities, which is now attracting international students and staff and promoting specialist courses in areas particularly relevant to rural Scotland – such as marine science and rural studies.
Step Change

28. Sometimes the nature of courses is not well adapted to local needs and we think that better dialogue is required between course providers, local authorities and communities, in order to meet the needs of business, rural industries and communities.

Effective transport links support the speedy and cost-effective transportation of goods to and from rural areas, and they enable tourism. They can reduce the cost of living for rural households, as well as providing lifeline services – especially for our island communities.

Step Changes

29. Contracts for public transport should include a condition that requires providers (of ferries, buses and trains) to coordinate the timings of all their services with those of private and community providers.

30. Communities should talk to each other about their needs and look for joint solutions – the Community Transport Association is a good source of information.

31. We want to see maximum use being made of available vehicles, e.g. school buses, electric vehicles, shared delivery arrangements and hospital transportation becoming available for the wider community through brokerage schemes.

32. The Road Equivalent Tariff scheme should be rolled out to as many ferry routes as possible with priority given to the most remote routes.
Working Together

For rural Scotland to get the most from government spending and public services, we think that there is a need to strengthen the relationships between a wide range of public and local authority sectors, e.g. central and local government, quangos, the Third Sector, community councils, local communities and Development Trusts. There also needs to be greater clarity about who does what. We also need to broaden the base of who is involved in participative local economic decision making to include the private sector, including land managers, farmers and other land-based businesses. In the current economic climate, the Third Sector may well have an even more important role in delivering services. But Third Sector involvement is much more than that. Volunteering in the local community can strengthen the sense of togetherness, foster pride in local environments and historic buildings and tackle isolation and social issues in a humane and non-bureaucratic way.

Step Changes

33. We want to see a growing resilience in rural communities with social enterprises and Development Trusts taking on the provision of many more rural services. This will create new employment opportunities and income streams, but will require technically competent professional support to assist with the requirements of procurement and regulatory regimes.

34. Advice is available for communities but it is sometimes difficult to reach the right source. The agencies and organisations who offer advice need to get together to co-ordinate their contributions and make things clear for their customers. Links between the various existing sources of advice should be improved and gaps identified and filled.

35. We see a need to protect the quality of services, particularly in the face of reduced government spending. To this end, there should be greater collaboration between public, private and the Third Sector in the delivery of services – in a way that avoids a silo mentality and encourages an innovative approach.

36. We think there is scope for innovative social enterprises to support individuals in need of care services. For instance, one health care professional could provide benefit advice and liaise with housing authorities as well as providing clinical support.

37. What we want to see is the best use being made of the combined resources of public authorities and all the stakeholders in rural communities – through open discussion, innovative joint solutions will emerge. For example, a combination of locally available skills and distance learning could enhance the educational experience for children and adults. Public sector bodies should consider producing a menu of services which could be devised, delivered or managed through the community – with a view to encouraging entrepreneurial activity from local people.