



Rural Scotland Key Facts 2006

People and Communities
Services and Lifestyle
Economy and Enterprise



natural
scotland
SCOTTISH EXECUTIVE

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Introduction

Rural Scotland differs from the rest of Scotland but there are also differences within rural Scotland, for example between accessible and remote areas. The purpose of this booklet is to summarise the key facts related to rural Scotland in order to provide a picture of the lives of its people. Improving the evidence base on rural Scotland will assist us in moving towards our vision of rural Scotland: a rural Scotland where everyone matters.

Definition of Rural Scotland

Rural Scotland is defined as **settlements with a population of less than 3,000**. By analysing drive times to larger settlements we can divide rural Scotland into:

Accessible rural: those with a less than 30 minute drive time to the nearest settlement with a population of 10,000 or more;







Remote rural: those with a greater than 30 minute drive time to the nearest settlement with a population of 10,000 or more.

These definitions form part of the **Scottish Executive's urban rural classification**. The map overleaf shows the full classification. Accessible rural areas are shown in a light blue colour and remote rural areas are shown in a light yellow colour.

In order to highlight differences between rural Scotland and the rest of Scotland, this report combines the first four categories into the **Rest of Scotland** figures. The rest of Scotland therefore includes large urban areas, other urban areas, accessible small towns and remote small towns.

Map of Rural Scotland

Scottish Executive - 6-Fold Urban Rural Classification

-  Large urban areas (with a population of over 125,000)
-  Other urban areas (with a population of 10,000 to 125,000)
-  Accessible small towns (with a population of 3,000 to 10,000 and within a 30 minute drive time of a settlement with a population of 10,000)
-  Remote small towns (with a population of 3,000 to 10,000 and over a 30 minute drive time of a settlement with a population of 10,000)
-  Accessible rural (with a population less than 3,000 and within a 30 minute drive time of a settlement with a population of 10,000)
-  Remote rural (with a population less than 3,000 and over a 30 minute drive time of a settlement with a population of 10,000)

Source:
SE Urban Rural Classification - Scottish Executive 05-06

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Scottish Executive Geographical Information Service June 2006

People and Communities

Demographics

Table 1: Population by Geographic Area, 2001 and 2004

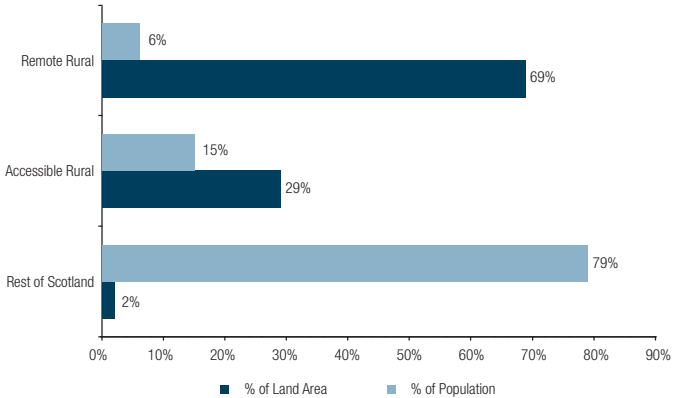
	2001	2004	% change 2001-2004
Remote Rural	290,867	300,111	3.2%
Accessible Rural	707,166	736,915	4.2%
Rest of Scotland	4,066,167	4,041,374	-0.6%
Total	5,064,200	5,078,400	0.3%

*Source: General Register Office for Scotland, 2005 (mid-year estimates based on data zones)
(Based on Scottish Executive Urban Rural Classification, 2003-2004)*

Just over 5 million people live in Scotland, with over 1 million of them living in rural areas. Table 1 shows that between 2001 and 2004, the population in rural Scotland has increased, whereas in the rest of Scotland, the population has declined.

The greatest increase in population has been in accessible rural areas, with a 4.2% increase between 2001 and 2004, compared to an increase of 3.2% in remote rural areas. Over this period, the population of the rest of Scotland decreased slightly by 0.6%.

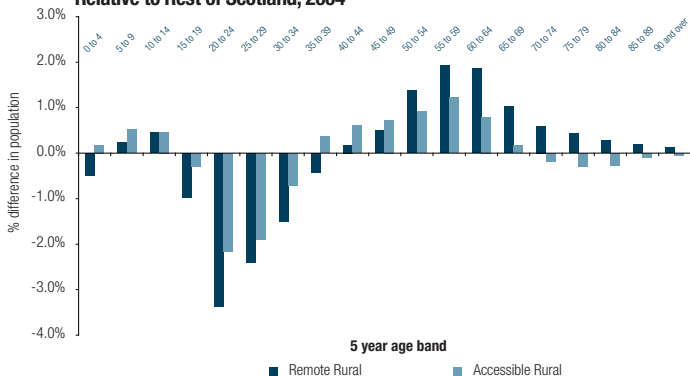
Figure 1: Percentage of Population (2004) and Land (2001) by Geographic Area



*Source: General Register Office for Scotland (based on data zones)
(Based on Scottish Executive Urban Rural Classification, 2003-2004)*

Figure 1 shows that in 2004, although rural Scotland accounts for 21% of the total population in Scotland (6% in remote rural and 15% in accessible rural), it accounts for 98% of the land mass in Scotland (69% in remote rural and 29% in accessible rural). In contrast the rest of Scotland accounts for 79% of the population of Scotland but only 2% of the land mass. The total land mass of Scotland is approximately 7.8 million hectares.

Figure 2: Differences in Age Distribution of Population of Rural Areas, Relative to Rest of Scotland, 2004



Source: General Register Office for Scotland, 2005
 (Based on Scottish Executive Urban Rural Classification, 2003-2004)

Figure 2 shows that relative to the rest of Scotland, the population of rural areas has a different age distribution. Specifically, rural areas have a lower percentage of population in the age bands 15-34 but a higher population in the age bands 40-69. This suggests that younger people are leaving rural areas and rural areas have an increasingly ageing population. This scenario is particularly apparent in remote rural areas.

Table 2: Net-Migration by Geographic Area, 2003/2004

	Remote Rural	Accessible Rural	Rest of Scotland
Net-Migration	6,689	14,828	4,480
% of Population	2%	2%	0.1%

Source: General Register Office for Scotland, 2005

(Based on Scottish Executive Urban Rural Classification, 2005-2006)

Net-migration refers to the number of in-migrants minus out-migrants. Table 2 shows that in both rest of Scotland and rural areas in Scotland, the number of in-migrants has been greater than the number of out-migrants, resulting in positive net-migration. In 2003/2004, accessible rural areas experienced the highest increase in numbers from migration of 14,828, compared to 6,689 in remote rural areas and 4,480 in the rest of Scotland.

Table 2 also shows that net-migration accounts for a relatively small percentage of the total population in all areas – 2% in rural areas, and 0.1% in the rest of Scotland.

Households

Table 3: Household Type by Geographic Area, 2005

	Remote Rural	Accessible Rural	Rest of Scotland
Single adult	13%	10%	17%
Two adults	16%	20%	17%
Three or more adults	8%	9%	9%
Single parent	3%	5%	6%
Small family	15%	16%	13%
Large family	8%	9%	7%
Two older adults	22%	17%	14%
Single Pensioner	16%	14%	17%
Total	100%	100%	100%

Source: Scottish Household Survey, 2005

(Based on Scottish Executive Urban Rural Classification, 2005-2006)

Table 3 shows that, relative to the rest of Scotland, remote and accessible rural Scotland have lower percentages of single adult households. Rural Scotland as a whole also has a higher percentage of households with ‘older adults’, that is, two adults with one or both of pensionable age.

Table 4: Household Size by Geographic Area, 2005

	Remote Rural	Accessible Rural	Rest of Scotland
One	28%	23%	33%
Two	39%	39%	35%
Three	12%	16%	15%
Four	15%	15%	12%
Five or more	6%	7%	5%
Total	100%	100%	100%

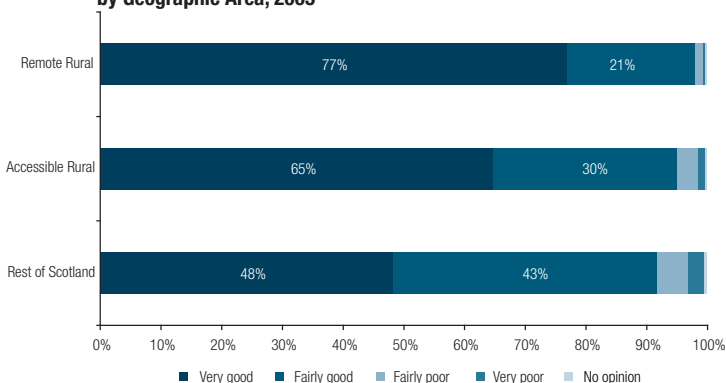
Source: Scottish Household Survey, 2005

(Based on Scottish Executive Urban Rural Classification, 2005-2006)

Table 4 shows that, relative to the rest of Scotland, there are higher percentages of households in accessible and remote rural areas with a household size of 2 or more and there are fewer single person households in rural Scotland.

Neighbourhood and Community

Figure 3: Rating of Neighbourhood as a Place to Live by Geographic Area, 2005



Source: Scottish Household Survey, 2005
(Based on Scottish Executive Urban Rural Classification, 2005-2006)

Figure 3 shows that relative to the rest of Scotland, a higher percentage of people in rural Scotland rate their neighbourhood as very good or fairly good. This is especially apparent in remote rural areas, where 77% of people rate their neighbourhood as a very good place to live, compared to 65% in accessible rural areas and 48% in the rest of Scotland. In both rural areas and the rest of Scotland though, over 90% rate their neighbourhood as at least a fairly good place to live.

Table 5: Experience of Neighbourhood Problems by Geographic Area, 2005
(% saying they have personal experience of problem)

	Remote Rural	Accessible Rural	Rest of Scotland
Noisy neighbours or regular loud parties	3%	3%	8%
Vandalism, graffiti or other deliberate damage to property	3%	6%	12%
Rubbish or litter lying around	11%	14%	21%
Neighbour disputes	2%	3%	5%
Groups or individuals intimidating or harassing others	1%	3%	6%
Drug misuse or dealing	1%	2%	6%
Rowdy behaviour	4%	8%	17%
None	84%	76%	62%

Source: Scottish Household Survey, 2005

Columns add to more than 100% since multiple responses were allowed.

(Based on Scottish Executive Urban Rural Classification, 2005-2006)

Table 5 shows that in every category of neighbourhood problems, a lower percentage of people in remote and accessible rural areas have experienced such problems. For example, only 3% in remote and accessible rural areas say they have had a problem with noisy neighbours while the figure is 8% in the rest of Scotland. Similarly, 11% and 14% respectively in remote rural and accessible rural areas, state that rubbish or litter lying around is a problem whilst 21% state this is a problem in the rest of Scotland.

Table 6: Perceptions of Safety when at Home Alone at Night by Geographic Area, 2005

	Remote Rural	Accessible Rural	Rest of Scotland
Very safe	89%	82%	75%
Fairly safe	10%	16%	22%
A bit unsafe	1%	2%	2%
Not safe at all	0%	0%	1%
Don't know	0%	0%	0%
Total	100%	100%	100%

Source: Scottish Household Survey, 2005
(Based on Scottish Executive Urban Rural Classification, 2005-2006)

Table 6 shows that, relative to the rest of Scotland, people in rural Scotland perceive where they live to be safer when at home alone at night. For example, 89% in remote rural and 82% in accessible rural feel very safe while at home compared to 75% in the rest of Scotland.

Table 7: Whether Gave Up Time to Help as an Organiser/Volunteer in the Past 12 Months by Geographic Area, 2005

	Remote Rural	Accessible Rural	Rest of Scotland
Yes	32%	24%	18%
No	68%	76%	82%
Total	100%	100%	100%

Source: Scottish Household Survey, 2005
(Based on Scottish Executive Urban Rural Classification, 2005-2006)

In rural Scotland, more people have been more likely to give up their time to help as an organiser or volunteer than the rest of Scotland. 32% of people in remote rural areas and 24% in accessible rural areas have given up time in the past 12 months to help as an organiser/volunteer, compared to 18% in the rest of Scotland.

Physical Environment

Table 8: Percentage of Population Living in Proximity to Landfill Sites (2001) and Sites on the European Pollution Emissions Register (EPER) (2002), by Geographic Area

	Remote Rural	Accessible Rural	Rest of Scotland
Proximity of Landfill Sites:			
% population within 0-500 metres	0%	1%	0%
% population within 500-1000 metres	2%	3%	2%
% population within 1000-2000 metres	5%	11%	11%
% population over 2000 metres	93%	85%	86%
Proximity of EPER Sites:			
% population within 0-500 metres	0%	1%	3%
% population within 500-1000 metres	1%	3%	9%
% population within 1000-2000 metres	2%	7%	24%
% population over 2000 metres	96%	90%	63%

Source: *Scottish Neighbourhood Statistics, 2006 (based on data zones)*
(Based on Scottish Executive Urban Rural Classification, 2005-2006)

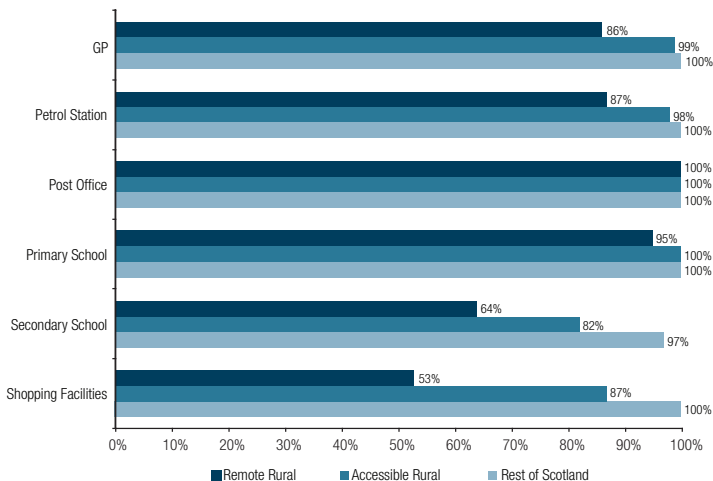
Table 8 shows that the percentages of populations living within 1000 metres of a landfill site are similar in all geographic areas though only 5% of those that live in remote rural areas live within 1000-2000 metres, compared to 11% in accessible rural areas and the rest of Scotland.

Table 8 also shows that people in the rest of Scotland tend to live closer to sites on the EPER register, compared to those in rural areas. 36% of those in the rest of Scotland live within 2000 metres of a site on the EPER register compared to 11% in accessible rural areas and 3% in remote rural areas.

Services and Lifestyle

Access and Convenience of Services

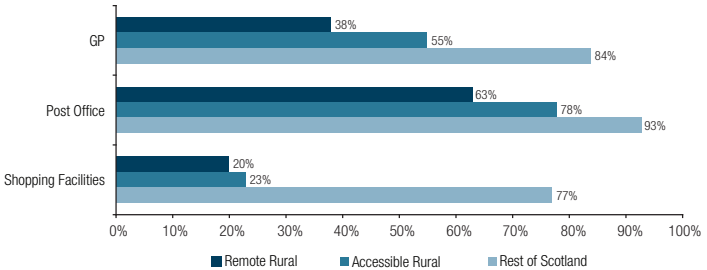
Figure 4: Percentage Within 15 Minute Drive Time of Service by Geographic Area, 2006



*Source: Scottish Index of Multiple Deprivation, 2006 (based on data zones)
(Based on Scottish Executive Urban Rural Classification, 2005-2006)*

Figure 4 shows that, in general, rural areas are less likely to be within a 15 minute drive to key services, than in the rest of Scotland. This is particularly true for remote rural areas, where only 53% are within a 15 minute drive of shopping facilities, compared to 87% in accessible rural areas and only 86% within a 15 minute drive of a GP, compared to 99% in accessible rural areas. The only service of which all areas live within a 15 minute drive, regardless of area, is the Post Office.

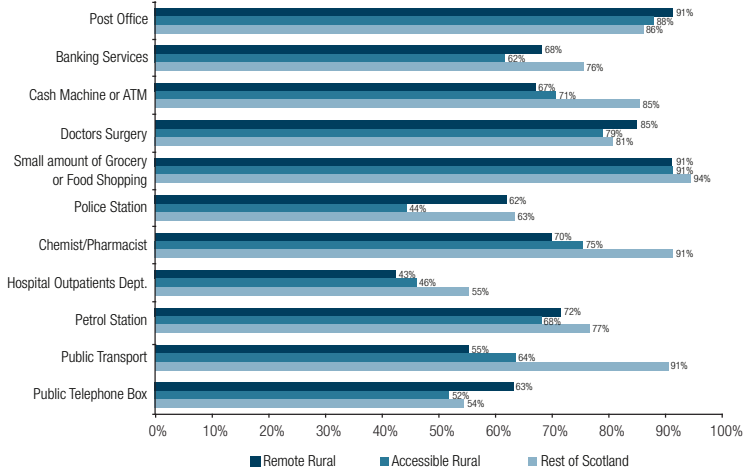
Figure 5: Percentage Within 15 Minute Drive Time by Public Transport of Service by Geographic Location, 2006



*Source: Scottish Index of Multiple Deprivation, 2006 (based on data zones)
(Based on Scottish Executive Urban Rural Classification 2005-2006)*

Figure 5 shows that a lower percentage of rural areas than those in the rest of Scotland are within a 15 minute drive by public transport of key services. For remote rural areas the percentage is particularly low, with only 38% within 15 minutes of a GP by public transport and 20% of shopping facilities. In all geographic areas, some areas are not within 15 minutes by public transport of the key services listed.

Figure 6: Percentage Finding Services Very or Fairly Convenient by Geographic Area, 2005



Source: Scottish Household Survey, 2005
(Based on Scottish Executive Urban Rural Classification, 2005-2006)

Figure 6 shows that, in general, a lower percentage of people in rural areas find that services are convenient. However, there are services such as the Post Office and the doctors surgery, which those in remote rural areas find more convenient than those in the rest of Scotland.

Table 9: Households with Home Internet Access by Geographic Area, 2005

	Remote Rural	Accessible Rural	Rest of Scotland
Yes	57%	56%	47%
No	43%	44%	53%
Total	100%	100%	100%

Source: Scottish Household Survey, 2005

(Based on Scottish Executive Urban Rural Classification, 2005-2006)

Table 9 shows that households in rural Scotland are more likely to have home internet access than those in the rest of Scotland.

Table 10: Whether Household has Broadband Connection by Geographic Area, 2005

	Remote Rural	Accessible Rural	Rest of Scotland
Yes	15%	26%	29%
No	85%	74%	70%
Don't know	0%	0%	1%

Source: Scottish Household Survey, 2005

(Based on Scottish Executive Urban Rural Classification, 2005-2006)

Table 10 shows that households in rural areas are less likely to have a broadband connection than in the rest of Scotland.

Table 11: Households Recycling Items in the Past Month by Geographic Area, 2005

	Remote Rural	Accessible Rural	Rest of Scotland
Glass bottles	58%	63%	49%
Plastic	25%	40%	36%
Metal cans	29%	44%	37%
Newspaper/magazine/paper/cardboard	55%	76%	70%
One or more of these items	73%	83%	75%
None of these	27%	17%	25%

Source: Scottish Household Survey, 2005

Columns add to more than 100% since multiple responses were allowed

(Based on Scottish Executive Urban Rural Classification, 2005-2006)

Table 11 shows that those in accessible rural areas, are more likely to recycle than those in remote rural areas and those in the rest of Scotland. Similarly, apart from glass bottles, those in the rest of Scotland are more likely to recycle items than those in remote rural areas.

Travel Patterns

Table 12: Cars Normally Available for Private Use by Geographic Area, 2005

	Remote Rural	Accessible Rural	Rest of Scotland
None	15%	16%	35%
One	50%	46%	44%
Two	29%	32%	18%
Three or more	6%	7%	3%
Total	100%	100%	100%

Source: Scottish Household Survey, 2005

(Based on Scottish Executive Urban Rural Classification, 2005-2006)

Table 12 shows that rural households have greater access to one or more cars than those in the rest of Scotland.

Table 13: How Adults Usually Travel to Work/Education by Geographic Area, 2005

	Remote Rural	Accessible Rural	Rest of Scotland
Walking	9%	6%	17%
Driver car/van	73%	74%	53%
Passenger car/van	5%	6%	8%
Bicycle	1%	1%	2%
Bus (ordinary, school or works)	7%	9%	14%
Rail	0%	3%	5%
Other	4%	2%	2%
Total	100%	100%	100%

Source: Scottish Household Survey, 2005

(excluding those who work from home)

(Based on Scottish Executive Urban Rural Classification, 2005-2006)

Table 13 shows that people in rural areas are more likely to drive to work/education than people in the rest of Scotland. The table also shows that people in the rest of Scotland are more likely to walk, car share, cycle or take public transport to work/education.

Table 14: How School Children Normally Travel to School by Geographic Area, 2005

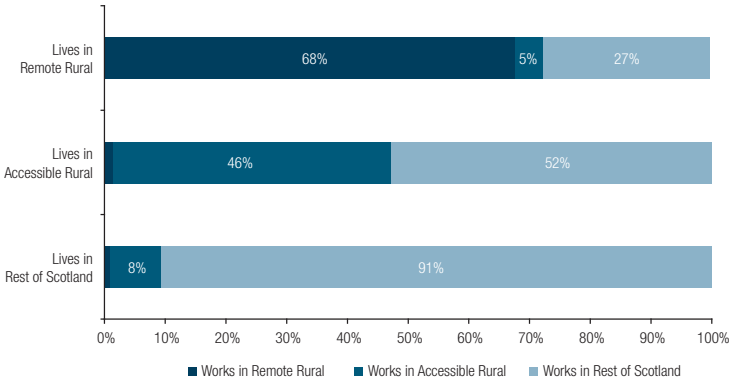
	Remote Rural	Accessible Rural	Rest of Scotland
Walking	21%	33%	58%
Driver car/van	17%	19%	21%
Bicycle	0%	1%	1%
Bus (ordinary, school or works)	60%	42%	18%
Rail	0%	1%	1%
Other	2%	4%	1%
Total	100%	100%	100%

Source: Scottish Household Survey, 2005

(Based on Scottish Executive Urban Rural Classification, 2005-2006)

Table 14 shows that children in rural areas are more likely to travel to school by bus, whereas children in the rest of Scotland are more likely to walk or drive/be driven to school in a car/van.

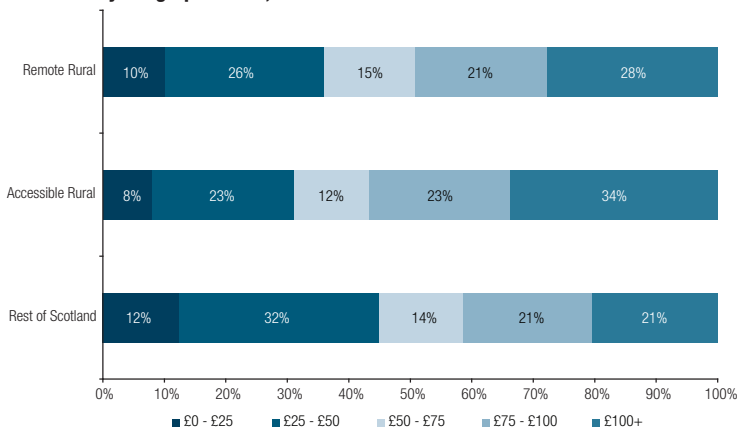
Figure 7: Percentage of Working Population Living and Working in Area by Geographic Area, 2001



*Source: General Register Office for Scotland, 2001 Census
(Based on Scottish Executive Urban Rural Classification, 2003-2004)*

Figure 7 gives an indication of the relationship between where people live and where they commute to work. For those living in remote rural areas, the majority also work in remote rural areas (68%). For those living in accessible rural areas, 46% work in accessible rural areas, but 52% commute to work in the rest of Scotland. For those living in the rest of Scotland, 91% also work in the rest of Scotland. Therefore, commuting out of area of residence is more common in accessible rural areas.

Figure 8: Total Expenditure on Fuel for Cars per Month by Geographic Area, 2005



Source: Scottish Household Survey, 2005
 (Based on Scottish Executive Urban Rural Classification, 2005-2006)

Figure 8 shows that residents in rural Scotland are more likely than those in the rest of Scotland to spend over £100 per month on fuel for their cars. This is particularly true in accessible rural Scotland with 34% of respondents indicating that they spend over £100 per month on fuel. 28% of respondents in remote rural Scotland spend over £100 a month, with only 21% of respondents in the rest of Scotland indicating that they spent over £100 per month.

Childcare and Education

Table 15: Availability of Places at Childminders and Childcare Centres by Geographic Area, 2005

	Remote Rural	Accessible Rural	Rest of Scotland
Percentage of of all places that are with childminders	15%	20%	14%
Percentage of of all places that are at childcare centres	86%	80%	86%

*Source: Scottish Executive, Pre-School and Childcare Statistics, 2005
(Based on Scottish Executive Urban Rural Classification, 2003-2004)*

Table 15 shows that, of all places available for pre-school childcare, childcare centres provide the majority of places in both rural areas and the rest of Scotland.

Table 16: Highest Qualification Held by Geographic Area, 2005

	Remote Rural	Accessible Rural	Rest of Scotland
O Grade or equivalent	15%	18%	19%
H Grade/A level or equivalent	24%	21%	23%
HNC/HND or equivalent	15%	12%	10%
Degree, professional qualification or higher	26%	28%	22%
None of these	20%	21%	27%
Total	100%	100%	100%

Source: Scottish Household Survey, 2005

Columns add to more than 100% since multiple responses were allowed
(Based on Scottish Executive Urban Rural Classification, 2005-2006)

Table 16 shows that a higher percentage of adults in rural areas hold further/higher education or professional qualifications than in the rest of Scotland. In the rest of Scotland, a higher percentage of adults hold O-Grades or equivalent as their highest qualification obtained, compared to those in accessible and remote rural areas. The proportion of adults that hold Highers, A levels or equivalent as their highest qualification obtained is fairly consistent across all geographic areas.

Table 17: Destination of School Leavers from Public Funded Secondary Schools by Geographic Area, 2003/2004

	Remote Rural	Accessible Rural	Rest of Scotland
Higher Education	32%	32%	31%
Further Education	18%	20%	22%
Training	2%	5%	5%
Employment	34%	26%	26%
Unemployed, actively seeking employment	5%	10%	10%
Unemployed, not actively seeking employment	5%	4%	3%
Not known	3%	3%	3%
Total	100%	100%	100%

*Source: Scottish Executive, Destination of Leavers from Scottish Schools, 2004/2005
(Based on Scottish Executive Urban Rural Classification, 2003-2004)*

Table 17 shows that rural areas have a slightly higher percentage of school leavers going into full-time higher education than the rest of Scotland, though the rest of Scotland has a higher percentage going into further education and training.

Remote rural areas have the highest percentage of school leavers going into employment, though of those unemployed, accessible rural areas and the rest of Scotland have a higher percentage that are actively seeking employment.

Table 18: Average Tariff Score of S4 Pupils and Percentage Registered for Free School Meals by Geographic Area, 2004/2005

	Remote Rural	Accessible Rural	Rest of Scotland
Number of Pupils	2,041	5,110	51,695
Average Tariff Score	189	178	168
Percentage Registered for Free School Meals	8%	11%	16%

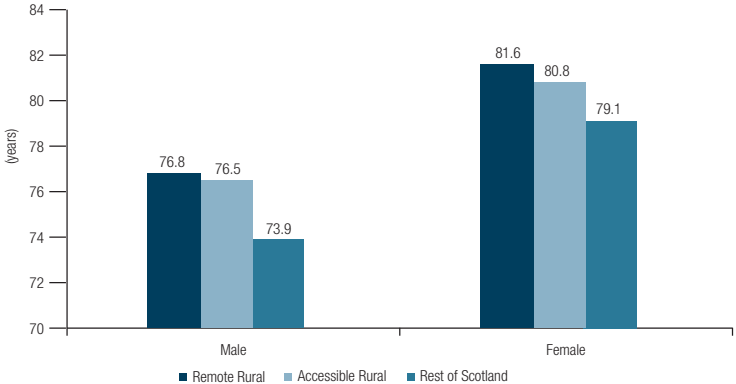
*Source: Scottish Executive, Destination of Leavers from Scottish Schools, 2004/2005
(Based on Scottish Executive Urban Rural Classification, 2003-2004)*

Table 18 shows that pupils in S4 at schools in rural areas have higher average tariff scores than equivalent pupils in the rest of Scotland.

Table 18 also shows that a lower percentage of pupils in S4 are registered for free school meals in rural areas than in the rest of Scotland.

Health

Figure 9: Life Expectancy at birth by Geographic Area, 2004



Source: General Register Office for Scotland
(Based on Scottish Executive Urban Rural Classification, 2003-2004)

Figure 9 shows that in all areas of Scotland, the life expectancy of females is higher than that of males. It can also be seen that the life expectancy of males and females in Scotland is higher in remote and accessible rural areas than in the rest of Scotland.

Remote rural areas have the highest life expectancy for both males and females. For males, the life expectancy in remote rural is 76.8 years, approximately 3 years more than in the rest of Scotland. For females, the life expectancy in remote rural is 81.6 years, which is also almost 3 years more than in the rest of Scotland.

Table 19: Rate of Hospital Admissions (Emergency and Cancer) and % of Population Prescribed Drugs for Anxiety, Depressions or Psychosis

	Remote Rural	Accessible Rural	Rest of Scotland
Emergency Admissions (both sexes, all ages) Rate per 100,000 population (2004)	8,606	7,799	9,524
Cancer Admissions (both sexes, all ages) Rate per 100,000 population (2004)	2,537	2,584	2,759
% of Population Prescribed Drugs for Anxiety, Depression or Psychosis (2002)	6%	7%	8%

Source: Scottish Neighbourhood Statistics, 2006 (based on data zones)
(Based on Scottish Executive Urban Rural Classification, 2003-2004)

Table 19 shows that remote and accessible rural areas have lower rates of emergency admissions, cancer admissions, and prescribing of drugs for anxiety, depression or psychosis than the rest of Scotland.

Table 20: Whether Respondent Smokes by Geographic Area, 2005

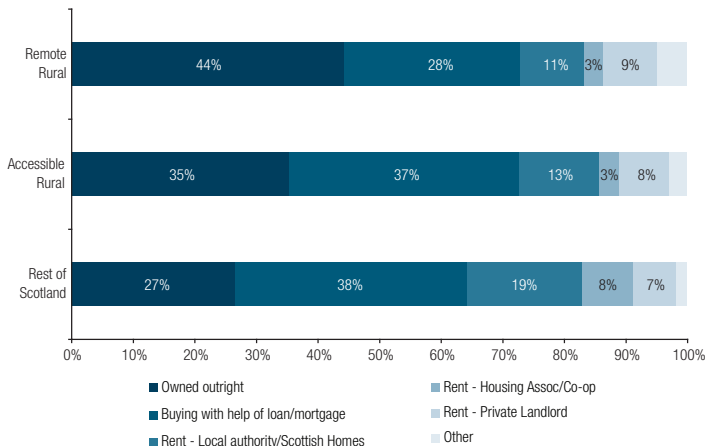
	Remote Rural	Accessible Rural	Rest of Scotland
Yes	17%	23%	27%
No	83%	77%	73%
Total	100%	100%	100%

Source: Scottish Household Survey, 2005
(Based on Scottish Executive Urban Rural Classification, 2005-2006)

Table 20 shows that a higher percentage of people in the rest of Scotland are likely to smoke, compared to people in rural areas. Overall, remote rural areas have the fewest people who are likely to smoke.

Housing

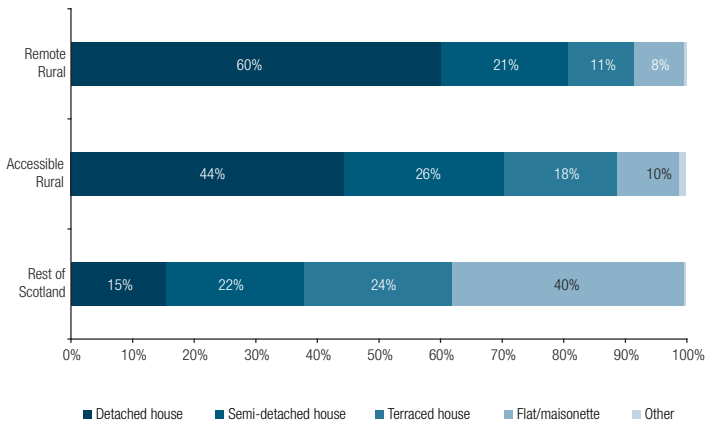
Figure 10: Housing Tenure by Geographic Area, 2005



Source: Scottish Household Survey, 2005
 (Based on Scottish Executive Urban Rural Classification, 2005-2006)

Figure 10 shows that more people own their homes in rural Scotland, either outright or with the help of a loan/mortgage, than in the rest of Scotland. Renting housing from Local Authorities/Scottish Homes or housing associations/Co-op is less common in rural Scotland relative to the rest of Scotland.

Figure 11: Property Type by Geographic Area, 2005



Source: Scottish Household Survey, 2005
(Based on Scottish Executive Urban Rural Classification, 2005-2006)

Figure 11 shows that the houses in rural Scotland tend to be detached or semi-detached unlike the rest of Scotland where terraced houses or flats/maisonettes are more common.

Table 21: Use of Housing Stock by Geographic Area, 2001

	Occupied Household Space	Unoccupied Household Space	Unoccupied space. Second Residence/ Holiday Accommodation	Unoccupied space. Vacant Household Space
Remote Rural	84%	16%	11%	5%
Accessible Rural	94%	6%	2%	4%
Rest of Scotland	96%	4%	0%	4%

*Source: General Register Office for Scotland, Census 2001
(Based on Scottish Executive Urban Rural Classification, 2003-2004)*

Table 21 shows the percentage of the housing stock that is occupied and unoccupied by geographic area. Remote rural areas have the lowest percentage of occupied household space with 84% occupied. Of the 16% unoccupied space in remote rural areas, 11% is unoccupied as a result of second residence/holiday accommodation and 5% is vacant. There are much lower percentages of unoccupied household space in accessible rural areas and the rest of Scotland, but that which is unoccupied, tends to be vacant.

Table 22: House Sales (Average Prices and Total Number) by Geographic Area, 2004

	Remote Rural	Accessible Rural	Rest of Scotland
Total Number of House Sales	6,747	20,439	127,241
Average Price (£)	141,000	145,414	116,100
Median Price (£)	105,000	115,500	84,000

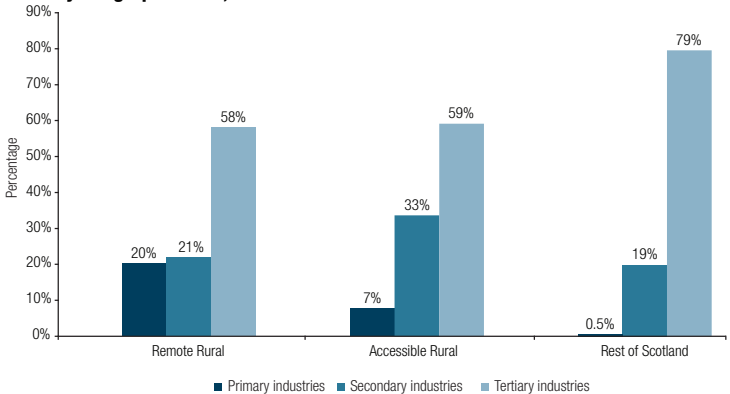
*Source: Scottish Neighbourhood Statistics, 2006 (based on data zones)
(Based on Scottish Executive Urban Rural Classification, 2005-2006)*

Table 22 shows total house sales by geographic area and the average and median house prices for those sales. As expected, the vast majority of house sales are in rest of Scotland, but average house prices are lowest in this area. The highest average price is in accessible rural areas, £4,414 higher than in remote rural areas and £29,314 higher than in rest of Scotland. It is important to note that these prices are based only on prices for properties sold and not values of all properties in the area.

Economy and Enterprise

Industry Significance

Figure 12: Significance of Primary, Secondary and Tertiary Industries by Geographic Area, 2004

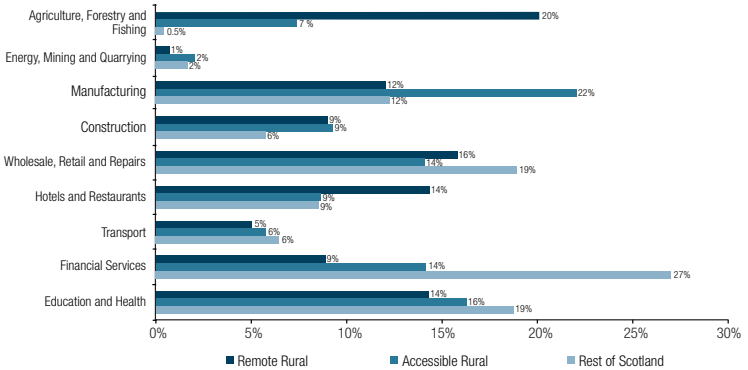


Source: Scottish Executive, ONS (IDBR) (based on number of employees)
(Based on Scottish Executive Urban Rural Classification, 2003-2004)

Primary industries are defined as agriculture, forestry and fishing. Secondary industries include energy, mining and quarrying, manufacturing and construction. Tertiary industries are made up of wholesale, retail and repairs, hotels and restaurants, transport, financial services and education and health.

Figure 12 shows that the most significant industries in all areas in Scotland (based on employment), are tertiary industries, followed by secondary industries. The least significant industries in all areas, are primary.

Figure 13: Industry Significance by Geographic Area, 2004

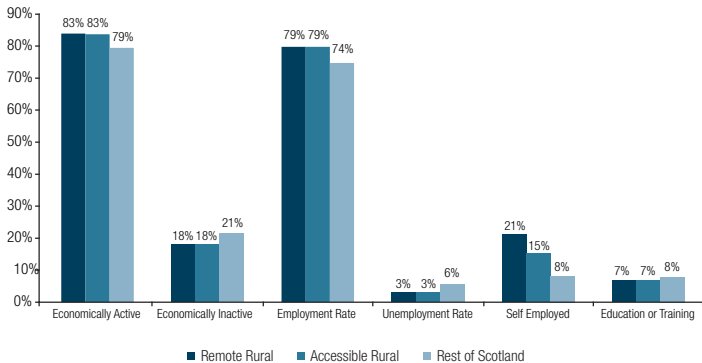


Source: Scottish Executive, ONS (IDBR), 2004, based on number of employees
 (Based on Scottish Executive Urban Rural Classification, 2003-2004)

Figure 13 shows that agriculture, forestry and fishing are the most significant industry in remote rural areas (in terms of number of employees) followed by wholesale, retail and repairs. Manufacturing is the most significant industry in accessible rural areas followed by education and health. Financial services is the most significant industry in the rest of Scotland, followed by wholesale, retail and repairs. The least significant industry in remote and accessible rural areas is energy, mining and quarrying, whereas agricultural, forestry and fishing is the least significant in the rest of Scotland.

Economic Activity

Figure 14: Economic Activity by Geographic Area, 2004



Source: Annual Population Survey in Scotland, 2005
(Based on Scottish Executive Urban Rural Classification, 2003-2004)

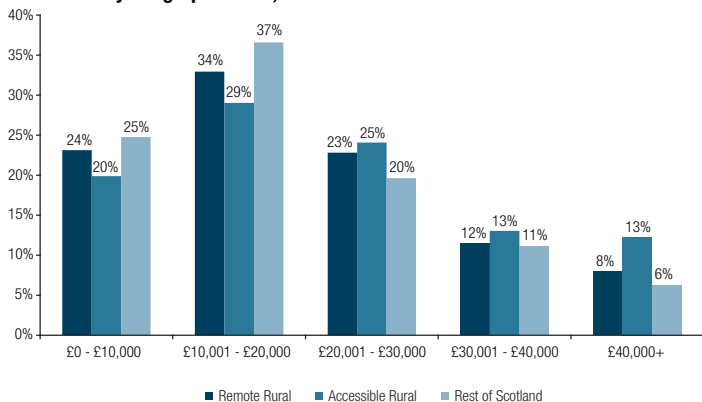
Figure 14 shows that a higher proportion of people in rural areas are economically active (those employed or looking for work) than in the rest of Scotland. Inactivity rates (those neither employed or unemployed) are lower in rural Scotland than in the rest of Scotland. The main reasons for being economically inactive are long term sickness or disability, being a student and looking after family. In keeping with these figures, a slightly higher percentage of the working age population are in full time education or training in rest of Scotland than in rural areas.

The employment rate (the number of people employed as a percentage of the total population of working age) is again higher in rural Scotland than in the rest of Scotland. The unemployment rate (the number of people unemployed as a percentage of the number of economically active) is lowest in rural areas.

Of those employed, self-employment is higher in rural Scotland than in the rest of Scotland.

Income

Figure 15: Annual Net Income of Highest Income Householder and Partner by Geographic Area, 2005



Source: Scottish Household Survey, 2005
(Based on Scottish Executive Urban Rural Classification, 2005-2006)

Figure 15 presents net household income figures (for head of household and partner) by geographic area. The income figures include income from employment, benefits and other sources (after taxation and other deductions). The figures indicate that, in all areas, the highest proportion of households earn between £10,001 and £20,000.

Relative to the rest of Scotland, there is a higher percentage of households in rural areas with a net annual household income of over £20,000, especially in accessible rural areas.

Table 23: Income and Employment Deprivation by Geographic Area, 2006

	Remote Rural	Accessible Rural	Rest of Scotland
Number of Income Deprived	29,976	49,571	628,181
Number of Employment Deprived	17,191	31,579	361,137
Percentage of Total Population that are Income Deprived	9%	8%	15%
Percentage of Working Age Population that are Employment Deprived	9%	8%	12%

*Source: Scottish Index of Multiple Deprivation, 2006 (based on data zones)
(Based on Scottish Executive Urban Rural Classification, 2005-2006)*

Income deprivation is comprised of eight indicators including Income Support, Working Families Tax Credit, Job Seekers Allowance and Disability Tax Credits.

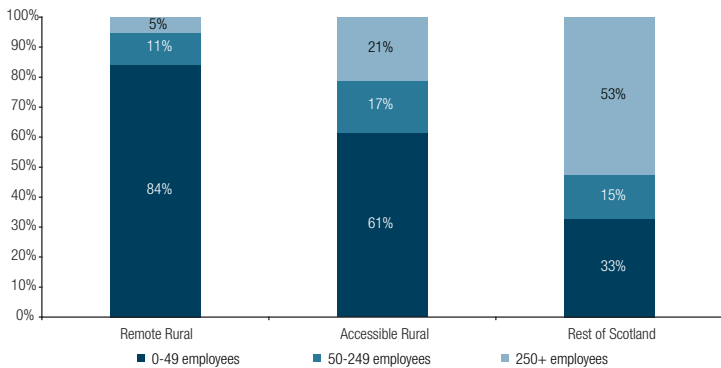
Employment deprivation is comprised of four indicators that identify those people that want to work, but due to unemployment, ill health or disability are excluded from the labour market. The indicators used are Unemployment Claimant Count, Incapacity Benefits, Disablement Allowance and Compulsory New Deal Participants.

Table 23 shows that the percentage of the total population that is income deprived is lower in rural areas than the rest of Scotland, and is lowest overall in accessible rural areas.

The percentage of the working age population that are employment deprived is also lower in rural areas than in the rest of Scotland.

Size of Business

Figure 16: Size of Firm by Geographic Area, 2004



Source: Scottish Executive, ONS (IDBR), 2004
(Based on Scottish Executive Urban Rural Classification, 2003-2004)

Figure 16 shows that small businesses (those with 0-49 employees) account for a particularly high percentage of businesses in remote rural areas (84%) but are also common in accessible rural areas (61%). Large businesses (those with over 250 employees) are more common in the rest of Scotland.

Rural Scotland – Key Facts

Table 24: Enterprise Start-ups by Geographic Area, 2004

	Remote Rural	Accessible Rural	Rest of Scotland
Number of registrations	1,630	3,965	5,960
% of all registrations	14%	34%	52%
Area population aged 16+	227,317	531,114	3,331,515
Start ups per 10,000 population	72	75	18
Start ups per 1,000 firms	55	74	91

Source: Scottish Executive, ONS (IDBR), 2004

(Based on Scottish Executive Urban Rural Classification, 2003-2004)

Table 24 shows that rural areas accounted for 48% of all new business registrations in 2004. The start-up rates per head of population are higher in rural areas, suggesting that rural areas are entrepreneurial. The start-up rates per 1,000 firms are lower in rural areas than in the rest of Scotland reflecting the smaller size of the business stock.

Table 25: Growth Patterns of Scottish Businesses by Geographic Area, 2003

	Remote Rural	Accessible Rural	Rest of Scotland
Sustained growth	10%	13%	11%
Contained growth	7%	7%	9%
New growth	15%	18%	23%
No growth	68%	62%	57%

Source: Annual Survey of Small Businesses, 2003

(Based on Scottish Executive Urban Rural Classification, 2003-2004)

Table 25 suggests that businesses in rest of Scotland are more likely to experience new growth, than those in rural areas. Businesses in rural areas are also more likely to experience no growth than businesses in the rest of Scotland.

Table 26: Recruitment of New Employees in the Past 12 Months by Geographic Area, 2003

	Remote Rural	Accessible Rural	Rest of Scotland
Yes	55%	50%	49%
No	45%	50%	51%

Source: Annual Survey of Small Businesses, 2003
(Based on Scottish Executive Urban Rural Classification, 2003-2004)

Table 26 suggests that a higher percentage of businesses in rural areas recruited new employees in the past 12 months than businesses in the rest of Scotland.

Table 27: Work Done by Small Business for Public Sector in the Last 12 Months, 2003

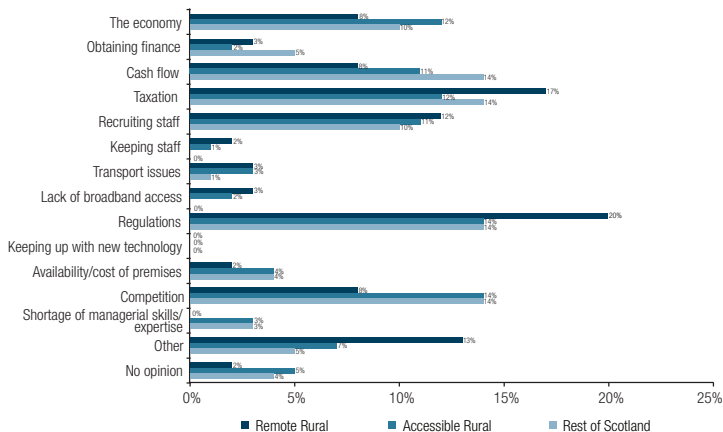
	Remote Rural	Accessible Rural	Rest of Scotland
Yes	98%	98%	84%
No	2%	2%	16%

Source: Annual Survey of Small Businesses, 2003
(Based on Scottish Executive Urban Rural Classification, 2003-2004)

Table 27 shows that almost all businesses in rural areas undertook work for the public sector in the previous 12 months. This is higher than in the rest of Scotland where 84% of businesses surveyed had undertaken work for the public sector.

Obstacles to Success of Business

Figure 17: Greatest Obstacle to Success of Business by Geographic Area, 2003



Source: Annual Survey of Small Businesses in Scotland, 2003
(Based on Scottish Executive Urban Rural Classification, 2003-2004)

Figure 17 shows that in remote rural areas, the greatest obstacle to success of a business is perceived to be regulation. In accessible rural areas, the greatest obstacle to success of a business is perceived to be either regulation or competition. Recruiting and keeping staff is more likely to be identified as an obstacle to success by businesses in remote rural areas.

Table 28: Whether Current Public Transport Affects Ability to Recruit Staff, 2003

	Remote Rural	Accessible Rural	Rest of Scotland
Yes	15%	23%	29%
No - adequate public transport but other recruitment problems	4%	5%	5%
No - we have no recruitment problems	80%	72%	66%
Don't know	2%	2%	0%

Source: Annual Survey of Small Businesses, 2003

(Based on Scottish Executive Urban Rural Classification, 2003-2004)

Table 28 shows that public transport provision is more likely to affect the recruitment of staff in rest of Scotland than in rural areas. This is reflected in the fact that a higher percentage of firms in rural areas indicate they have no recruitment problems, and also may reflect the higher use of private cars/vans in rural areas.

Table 29: Difficulty in Obtaining Finance from First Source, 2003

	Remote Rural	Accessible Rural	Rest of Scotland
Yes, unable to obtain any finance	16%	12%	13%
Yes, obtained some but not all	5%	3%	8%
Obtained all finance but with problems	1%	7%	7%
No difficulties	77%	77%	69%
Don't know	1%	3%	1%
Unwilling to answer	0%	0%	3%

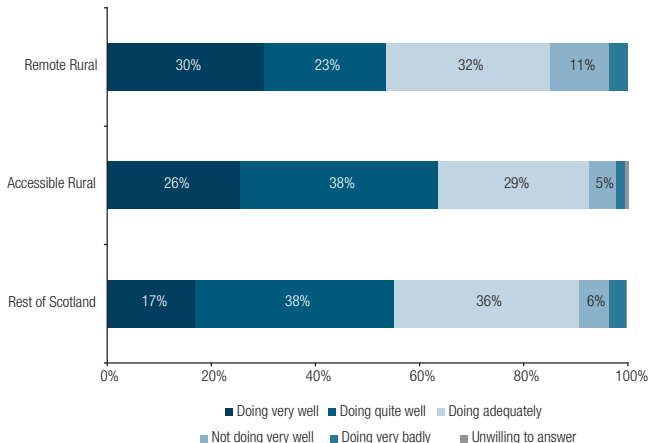
*Source: Annual Survey of Small Businesses, 2003
(Based on Scottish Executive Urban Rural Classification, 2003-2004)*

Table 29 shows whether businesses had experienced any difficulties in obtaining finance from the first source they approached.

It can be seen that a higher percentage of businesses in remote rural areas, relative to other areas, were unable to obtain any finance from their first source. Despite this, businesses in remote rural areas were most likely to obtain finance from their first source with no difficulties.

Businesses in accessible rural areas and rest of Scotland were more likely to obtain all their finance from their first source, but with difficulty. In the case of businesses in the rest of Scotland, they were more likely to receive some, but not all, of their finance from their first source.

Figure 18: Health of the Business by Geographic Area, 2003



*Source: Annual Survey of Small Businesses in Scotland, 2003
(Based on Scottish Executive Urban Rural Classification, 2003-2004)*

Figure 18 shows business perceptions about the health of their business. Businesses in remote rural areas had the highest percentage saying their business was doing very well, but also the highest percentage saying their businesses was not doing very well. In accessible rural areas and in rest of Scotland, businesses were more inclined to say their businesses were either doing quite well or adequately.

Notes

Background

This is the third edition of 'Rural Scotland Key Facts' – a publication intended to be an easily accessible reference for statistics on rural Scotland. This 2006 version updates statistics from the second edition where new statistics have become available. Some new items have also been introduced.

For hard copies of this publication or for further information on any of the tables/figures presented, please contact the Analytical Services Division of the Scottish Executive Environment and Rural Affairs Department. Telephone 0131 244 6143.

Sources

For tables/charts sourced from the **Scottish Household Survey**, the unweighted base numbers for households population are 1,358 for remote rural, 1,652 for accessible rural, and 12,384 for the rest of Scotland. There are occasional variations in base sizes for individual tables/figures. Further detail on the base numbers are available in 'Scotland's People: Results from the 2005 Scottish Household Survey'. The sample sizes are smallest for remote rural areas suggesting that there is less precision in the statistics for this area than for the rest of Scotland figures.

Statistics sourced from **Scottish Neighbourhood Statistics** (including the Scottish Index of Multiple Deprivation) are based on data zones – the small area statistical geography in Scotland. Further information on Scottish Neighbourhood Statistics is available from www.sns.gov.uk

For tables/charts sourced from the **Inter Departmental Business Register**, these figures include all businesses with at least one employee paid under PAYE or with a turnover above £55,000 (these account for about 95% of employment in Scotland). Figures from IDBR relate to 2004; new data become available in December 2006.

Scottish Executive Urban Rural Classification

Further information on the Scottish Executive Urban Rural Classification 2005-2006 is available on the Scottish Executive website:

<http://www.scotland.gov.uk/Publications/2006/07/31114822/0>.

The Scottish Executive Urban Rural Classification 2005-2006 updates the 2003-2004 version with the latest available population settlement and drive time estimates. The definitions of urban and rural areas underlying the classification are unchanged. Two main criteria have been used to produce the Scottish Executive Urban Rural Classification: settlement size as defined by the General Register Office for Scotland (GROS) and accessibility based on drive time analysis to differentiate between accessible and remote areas in Scotland. The changes between the 2003-2004 and the 2005-2006 classifications stem from settlements whose population fluctuates around the 10,000 and 3,000 marks as these are the population thresholds used to distinguish between urban and rural areas. Further information on this is available from the above publication.

Further information on the Scottish Executive Urban Rural Classification 2003-2004 is available on the Scottish Executive website:

<http://www.scotland.gov.uk/library5/rural/seurc-00.asp>

With the exception of data sourced from Scottish Neighbourhood Statistics, all data used have been assigned an Scottish Executive Urban Rural Classification based on unit post codes. For statistics based on Scottish Neighbourhood Statistics, data zones are classified into the Scottish Executive Urban Rural Classification using 'best fit' methods. Further information on this is available from the publication on Scottish Executive Urban Rural Classification 2005-2006.

Acknowledgments

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