

A new blueprint for Scotland's rural economy:

Recommendations to Scottish Ministers

National Council of Rural Advisers

September 2018



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FOREWORD AND INTRODUCTION

We have a **bold and ambitious** vision for the future of our rural economy – inspired by the conversations and contributions to the NCRA process, from people across Scotland.

To achieve this vision will require radical change and a new approach to policy-making and action.

Scotland's rural economy is bursting with talent and potential. With an abundance of natural capital, world-renowned heritage and vibrant, diverse communities, our rural economy is not just crucial to Scotland's national brand, it is crucial to our national prosperity.

Yet when the NCRA examined the legacy of rural policy making and listened to the voices of rural Scotland, it became apparent that whilst ambitious recommendations have been made in the past, the same challenges remain. National policy making processes do not always effectively represent rural interests and have not delivered the best economic outcomes for Scotland.

In delivering on our remit “**to provide advice and recommendations on future rural policy and support**” we recognise that only by addressing the complex structural issues that prevent change can we realise the vast opportunity that rural Scotland presents.

In our consultation paper, ‘A Rural Conversation: Together We Can, Together We Will’, we called for a Rural Economic Strategy, putting the rural economy at the heart of the national economic plan.

It is significant to see the Scottish Government embrace this idea in the Programme for Government, with the proposal for a Rural Economic Action Plan.¹ This commitment is testament to the enthusiasm and expertise gained from all those who have influenced the NCRA's work, and the opportunity presented to us by a listening government. We have achieved our aim of starting a national conversation about the future of the rural economy, and we are extremely grateful to everyone who contributed to this work. We must all now build the momentum.

We need **radical** change that redefines the rural contribution and makes clear its significance in achieving Scotland's national ambitions.

¹ Scottish Government, [*Delivering for Today, Investing for Tomorrow – the Scottish Government's Programme for Government 2018-2019*](#) (2018)



Which Way Now?

Our Recommendations

The leading recommendation is that a vibrant, sustainable and inclusive rural economy can only be achieved by recognising its strategic importance – **and effectively mainstreaming it within all policy and decision-making processes.**

When this is achieved, ultimately, there should be no need for a separate rural economic strategy – it will simply be part of ‘the way things are done’. But we know that requires a change in mindset, culture and structure, and that takes time.

That is why our second recommendation is **to develop an interim Rural Economic Framework (REF)**, aligned to the National Performance Framework. The REF will provide a structure to enable transition, including the development and implementation of **a new approach and delivery model for rural policy, development support and investment.** We have the opportunity to remove the complexity and lack of understanding surrounding rural support by clearly linking it to the achievement of national outcomes: ensuring it is well understood, accepted and celebrated for improving national economic prosperity and wellbeing. The Agricultural Champions’ report called for a transitional period before the implementation of a new approach to rural development support: the REF will align with this and work to develop a future strategy with industry and government.

The REF will be our roadmap and investment strategy for the transitional journey towards mainstreaming the rural economy.

The framework describes what needs to happen to nurture and protect our people and natural assets; with inclusive support and a robust infrastructure, while ensuring that everything we do continues to support national economic priorities. It will be the tool to leverage opportunities and demonstrate that not only can rural Scotland support national priorities, there are many areas where we can lead the way.

It also provides a mechanism by which we can hold each other to account and maintain the momentum. To that end, our third recommendation is to create a **Rural Economy Action Group (REAG)**, which has the clout to get things done and set the tone for change.

We know there have been numerous papers published in the past, calling for action that, despite everyone's best efforts, was never fully achieved. We do not want that to happen this time. For that reason, we have begun with the fundamental structural changes required but also recommend a number of specific, foundational actions for the action group to focus on from the outset.

It is time for the rural community to own its future and ensure its voice is heard, and our ambitions and potential are delivered. We all have a part to play in shaping Scotland's future into one we are proud to be involved in creating.

This is the first step in a journey towards ensuring Scotland is recognised as a world leader in rural economic development and inclusive growth – together we can, together we will.

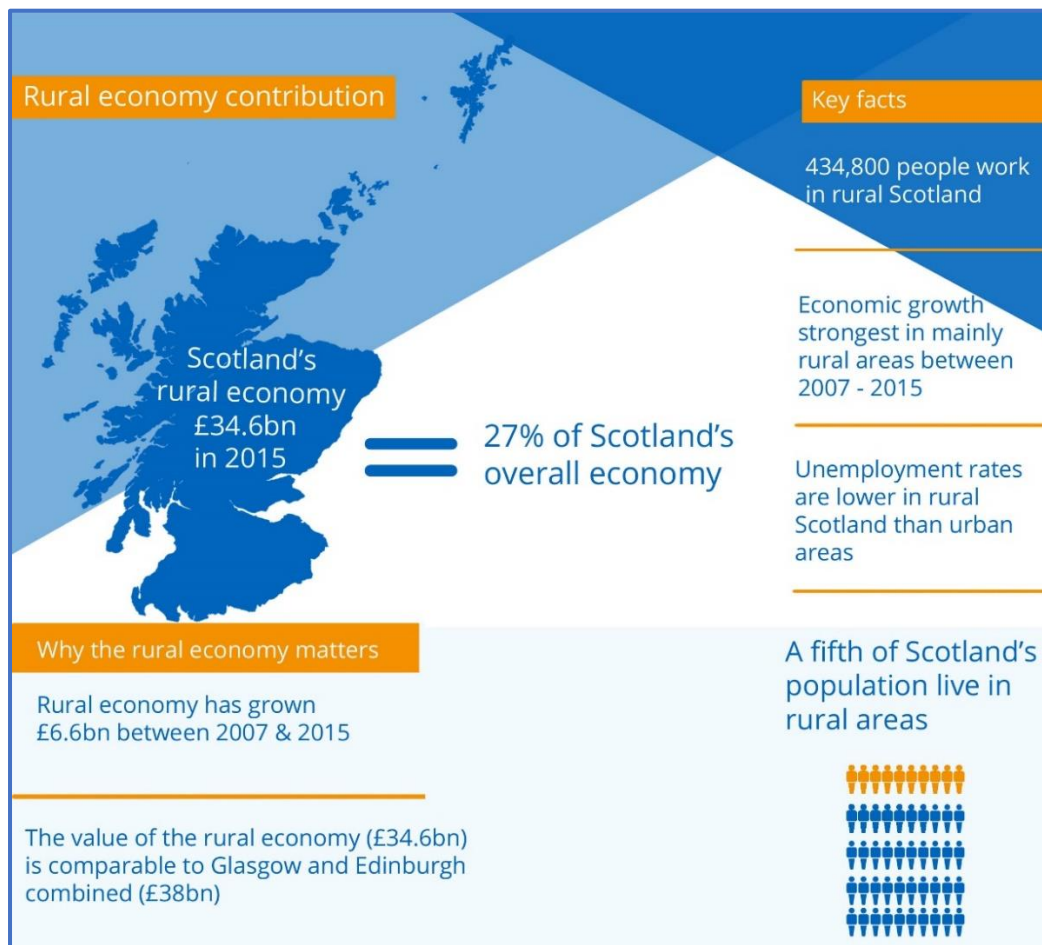


Alison Milne
Co-chair



Lorne Crerar
Co-chair

WHY RURAL MATTERS: THE RURAL ECONOMY IN NUMBERS



Share of the workforce employed in small, medium or large businesses, 2016*



68% of the workforce in remote rural and 54% in accessible rural Scotland work for small businesses compared to 32% in the rest of Scotland.

Rest of Scotland Enterprises



Accessible Rural Enterprises



Remote Rural Enterprises



■ 0-49 Employees ■ 50-249 Employees ■ 250+ Employees

9 out of 10 rural businesses are micro-businesses with fewer than 10 employees

50% of Scottish businesses are not VAT-registered

* Excludes public sector employment
Source: Inter-Departmental Business Register, 2017

The numbers give an indication of the economic significance and distinctiveness of the rural economy. The numbers tell us that, despite the challenges, there has been significant growth. It is now time to realise the impact of removing these barriers to create an even-more positive image of the rural economy in numbers.

² [Rural Scotland Key Facts 2015](#)

WHAT RURAL THINKS: THE FIVE CORE PRINCIPLES AND THE RECOMMENDATIONS

The National Conversation

In the NCRA interim report - 'Rural Conversation: Together We Can, Together We Will' we stated our belief that it is of fundamental importance we celebrate the attributes of our rural people and apportion value to their contribution in determining Scotland's economic future.

In holding true to this statement, we have developed our recommendations based on **five core principles** identified during our consultation process. The five principles represent what those who live and work in rural Scotland believe are of fundamental importance in shaping a vibrant future:

1. A vibrant, sustainable and inclusive rural economy is a critical component in achieving Scotland's future ambitions.

We know from the figures overleaf that a smart, successful Scotland depends on a thriving and profitable rural economy.

National economic growth demands that we celebrate the mutually beneficial relationships between all of Scotland's economic contributors, whether rural or urban. For that reason, the long-term ambition must be to effectively mainstream rural economic policy within the national economic agenda. It should not simply be a consideration or after-thought, but an integral part of the decision-making process in delivering Scotland's economic success.

From our workshops and consultation, we know there is a strong desire for that change to be led by rural people, businesses and communities, with a less urban-centric approach to policy-making:

“ We want to mainstream rural, we do not want it to be an add-on. We want it to be part of the full conversation.

“ We want policy to be driven by people – regulations and governance to be people-led, bottom-up.

Rural Thinks workshop participants

2. The value of shaping the future based on current thinking, cumulative learning and historic research, is recognised.

Rural Scotland has seen many policy documents published over the last 25 years, and while they have gone some way to putting rural issues on the agenda, deep-rooted structural challenges remain.

The landscape is cluttered with organisations striving for local, sectoral and regional goals, often without effective collaboration or cumulative learning, and often running counter to each other, resulting in a lack of progress.

Going forward, we must learn from what has gone before and draw on evidence-based research carried out by organisations such as [Scotland's Rural College](#) (SRUC). We look forward to exploring how the new diagnostic tool developed by [Scotland's Centre for Regional Inclusive Growth](#) (SCRIG) can assist in influencing data-led policy decisions.

We must also listen to rural-people, who can readily identify the challenges with infrastructure, business development and community resilience, as demonstrated throughout our consultation exercise.

3. Rural economic indicators need to accurately demonstrate social, environmental and economic contribution and impact, to allow robust and targeted investment decisions to be made.

To effectively mainstream rural economic policy and make strategic investment decisions, we need to improve the way we measure the rural contribution.

As we explained in our consultation paper³, traditional calculations of economic growth leave out huge areas of rural economics, such as:

- the large number of non-VAT registered businesses and microbusinesses that are prevalent in rural areas
- natural capital accounting, which measures the flow of natural resources
- the social impact of economic activity in ensuring sustainable service provision and infrastructure

Rural Thinks workshop attendees and consultation respondents agreed, urging policy-makers to redefine growth in the rural context to reflect quality, not just scale:

“ There needs to be some fresh thinking on how we properly express the value and potential within [natural capital] with respect to economic growth.

Rural Thinks workshop participants

We must therefore rethink our approach to measuring inclusive economic growth in rural areas and the economic impact of financial support and investment to Scotland.

³ [National Council of Rural Advisers 'A Rural Conversation: Together We Can, Together We Will' \(2018\)](#)

4. Rural economic outcomes are linked to national outcomes to clearly demonstrate value and strategic importance.

Through the [National Performance Framework](#), the Scottish Government has made clear its ambition to create a more successful country with opportunities for all to flourish, through increased wellbeing and sustainable and inclusive economic growth.

This is reinforced in the Enterprise and Skills Strategic Board's ambition that 'Scotland will be among the top quartile of Organisation for Economic Cooperation and Development (OECD) countries for productivity, equality and wellbeing, and sustainability.'⁴

Our message to Scottish Ministers is that our rural economy can help you achieve these ambitions.

We recommend aligning all rural economic development activities and support to these national ambitions, so that action and investment is focused on the same shared outcomes.

Moreover, leadership was a key theme across consultation responses, with participants identifying the need for a strong and clear commitment from the Scottish Government, and calling for greater scrutiny, measurement and allocation of responsibility. In our view, a coordinated cross-Ministerial approach is the best route to providing such leadership and accountability.

5. Recommendations provide clear direction on timescales, accountability and measurements of success.

The NCRA concludes that a vibrant, sustainable and inclusive rural economy can be achieved through the creation of a Rural Economy Framework (REF). The REF will be aligned to the National Performance Framework, ensuring Scotland's rural economy is well-positioned to make a strong contribution to, and benefit from Scotland's economic growth.

As we discuss in the next section, the REF provides a clear description of our overarching vision and tells us what success looks like, through 10 outcomes-based approaches to addressing the development needs of the rural economy.

A Rural Economy Action Group, including representation from across government, and a newly-appointed Scottish Government officer to coordinate REF activity from within Scottish Government, will provide the accountability to ensure REF is delivered.

⁴ Enterprise and Skills Strategic Board, [Working collaboratively for a better Scotland: outline strategic plan](#) (2018)

We have an opportunity to build on changing public perceptions about rural Scotland's economic potential, and present a new, positive and exciting image – one that celebrates rural Scotland's contribution to our national economic wellbeing. With leadership and commitment across government, we are confident we can achieve even more.

The NCRA call on Scottish Government to commit to the following recommendations:

1. Development of rural outcomes, indicators and actions that are embedded in the National Performance Framework and National Economic Strategy.
2. Development of a new approach and model for delivering support to the rural economy, aligned to the achievement of national outcomes.
3. The rural economic policy must be mainstreamed within the national economic agenda.
4. A Rural Economy Framework (REF) is needed to guide activity **to complete the transition by 2020**.
5. A Rural Economy Action Group should be convened to drive forward progress, supported by a Scottish Government Officer to coordinate REF from within Scottish Government.
6. To ensure the Action Group can begin work immediately, a number of foundational actions are detailed below in the How To Make It Happen section, to inform an initial action plan. These are the things that need to be in place to make progress in delivering the REF. This plan should be reviewed annually.



WHAT RURAL NEEDS: A RURAL ECONOMY FRAMEWORK (REF)

REF Explained

The REF is an outcomes-based approach aligned to the National Performance Framework. This will ensure Scotland's rural economy can continue to contribute to, and maximise Scotland's economic growth. The framework is based on;

- exploring how best to support and develop the rural economy, to ensure its successful contribution to Scotland's Economic Strategy
- identifying opportunities within the rural economy that align to Scotland's Economic Strategy
- understanding how National Performance Framework outcomes can be most successfully achieved in rural Scotland

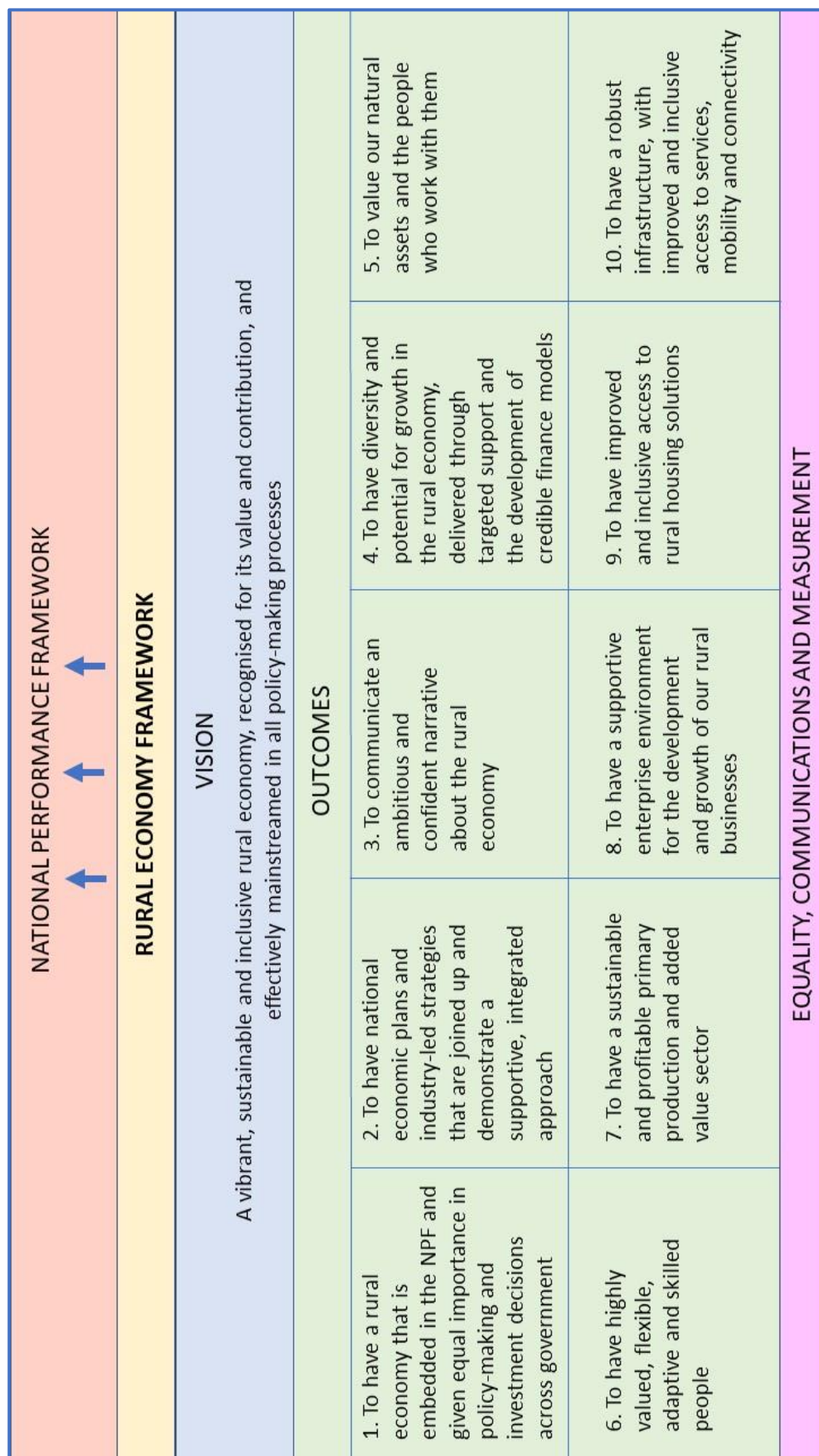
The REF describes our overarching vision and ten outcomes that tell us what success will look like. These outcomes have been identified through the insights gathered through our consultation process and research carried out by the NCRA, and are also informed by previous policy development work, for example the 2008 OECD review⁵, which remains relevant today.

Rural Economy Framework Outcomes:

1. To have a rural economy that is embedded in the National Performance Framework and given equal importance in policy-making and investment decisions across government
2. To have national economic plans and industry-led strategies that are joined-up and demonstrate a supportive, integrated approach
3. To communicate an ambitious and confident narrative about the rural economy
4. To have diversity and potential for growth in the rural economy, delivered through targeted support and the development of credible finance models
5. To value our natural assets and the people who work with them
6. To have highly valued, flexible, adaptive and skilled people
7. To have a sustainable and profitable primary production and added value sector
8. To have a supportive enterprise environment for the development and growth of our rural businesses
9. To have improved and inclusive access to rural housing solutions
10. To have a robust infrastructure, with improved and inclusive access to services, mobility and connectivity

All activity should be underpinned by a commitment to equality, open and proactive communication, and credible measurement.

⁵ [OECD Rural Policy Reviews: Scotland, UK 2008](#)



Who will make it happen?

Making recommendations is the simple part. The challenge lies in turning these recommendations into reality, by harnessing the enthusiasm surrounding this work so far.

To that end, the NCRA suggests a robust governance structure should be in place to provide accountability and drive progress, including;

- an REF Action Group, accountable to Cabinet Ministers, with the authority to make quick, effective decisions and provide leadership across the organisation
 - Membership should include representation at Director level across government, the Chief Economic Adviser, a member of the Strategic Board, the Scottish Government officer coordinating REF activity and three independent advisers
 - The action group will co-ordinate, reinforce and complement the aims and objectives of relevant government and industry strategic plans to ensure REF outcomes are achieved
- appointment of a Scottish Government official to coordinate REF activity
- an annual action plan, to provide a mechanism for reviewing progress and priorities, aligned to the Programme for Government and the Strategic Board Enterprise and Skills Strategy



HOW TO MAKE IT HAPPEN

As noted, we do not want these recommendations to end up gathering dust on a shelf. There is momentum behind this work. The many people we have spoken to over the last year share an eagerness about the prospect of real change and an excitement about helping to shape what comes next.

Our intention from the outset was to create a set of recommendations that were ambitious and radical, but also practical and action-focused. For that reason, here we supplement our recommendation for a Rural Economy Framework with some key actions which we see as the foundations for its implementation. We believe these will allow the action group to get off to a strong start and see early success.

These actions have been identified through our comprehensive engagement process, academic and policy research and through an analysis of existing government commitments. The sheer volume of policies, strategies and stakeholder positions that shape and interact with the rural economy make it impossible to have complete and comprehensive actions - this will be the role of the REAG.

Outcome	1. To have the rural economy embedded in the National Performance Framework and given equal importance in policy-making and investment decisions across government
Actions	<p>1A. Rural representation on the Enterprise and Skills Strategic Board is needed to ensure they call to account the Scottish Government and its agencies to deliver our recommended outcomes, indicators and actions</p> <p>1B. To create a Rural Economy Action Group to develop and deliver the Rural Economy Framework</p> <p>1C. To develop a new approach to delivering rural financial support and investment, aligned to the National Performance Framework</p>
Outcome	2. To have national economic plans and industry-led strategies that are joined up and demonstrate a supportive and integrated approach
Actions	2A. All government Ministers and officials to ensure new policies and strategies deliver for rural economic interests and contributions, supported by the REAG
Outcome	3. To communicate an ambitious and confident narrative about the rural economy
Actions	<p>3A. Develop an education and communications plan to tell the positive story of Scotland's rural economy to attract young people and new businesses</p> <p>3B. Engage and influence media channels to develop positive rural messages, reflecting the diversity of the rural economy</p>

Outcome	4. To have diversity and potential for growth in the rural economy, realised through targeted support and the development of credible finance models
Actions	<p>4A. Scottish Centre for Inclusive Growth must assess the credibility of measurement tools for identifying small/micro business activity in the rural economy</p> <p>4B. Ensure equitable access to finance for rural communities and businesses, including a simplified grants system</p> <p>4C. A Rural Challenge Fund for communities and small/micro-enterprises to be established in 2019, to ensure no hiatus in LEADER, EMFF and other Rural Development Programme funding</p> <p>4D. The National Investment Bank Strategy and Implementation Plan must consider the REF outcomes, ensuring an accessible offering for rural businesses, particularly small and micro-enterprises</p> <p>4E. Inward investment plans must encourage sectoral diversity, recognising the opportunities for growth in non-traditional rural industries</p> <p>4F. Address the rural gender pay gap by providing female-focused enterprise programmes and support for women returning to the workforce</p> <p>4G. Develop a strong and adequately financed policy and delivery framework to ensure a sustainable funding position post Brexit. Refer to the NCRA's paper on the implications of Brexit for the rural economy, for further details</p>

Outcome	5. To value our natural assets and the people who work with them
Actions	<p>5A. Review existing data to develop improved measurement of rural economy and inclusive growth, and provide evidence base for targeted investment and improved data sets, including migration patterns (also contributes to outcome 4)</p> <p>5B. Better use of support mechanisms for local leadership, such as community plans, collaborative working, collective purchasing and supporting community access to funding</p> <p>5C. Recognise the value of Community-Led Local Development (CLLD) principles espoused in LEADER and other programmes</p> <p>5D. The REAG to support the National Rural Mental Health Forum in developing a campaign on rural mental health. Support the development of a policy programme that influences policy makers and decision makers to increase and channel resources in ways that bring change</p>

Outcome	6. To have highly valued, flexible, adaptive and skilled people
Actions	<p>6A. Create rural skills work experience opportunities</p> <p>6B. Promote rural areas as centres of excellence for 'non-traditional' rural sectors such as advanced manufacturing, digital technologies, and e-commerce, as part of a wider Economic Strategy</p> <p>6C. Encourage future entrepreneurship by ensuring the Scottish Government's rural skills action plan meets the needs of the rural economy</p> <p>6D. Promote innovative recruitment strategies and create a rural talent attraction programme</p> <p>6E. Develop a rural-skills careers and opportunities plan for schools with REAG support</p>

Outcome	7. To have a sustainable and profitable primary production and added value sector
Actions	<p>7A. Work with all primary production sectors across all farming enterprises and major sectors such as forestry, aquaculture and energy. Work in conjunction with their respective industry bodies and the Enterprise networks to present and promote the diverse and resilient nature of the Scottish rural economy</p> <p>7B. Create communities of interest (hubs, digital and/or physical) where collaborative and cooperative endeavours can be encouraged and supported by government agencies. These should be used to incubate and promote new start-ups</p> <p>7C. Develop sectoral plans that identify opportunities for the improved productivity, profitability and competitiveness of our primary producers</p> <p>7D. Consistent with sectoral plans, develop eco system services and climate change mitigation actions that reflect best land-use practice</p> <p>7E. Government to ensure Scottish Agriculture and Scotland's rural network receive all post-CAP transition funds they are entitled to</p>

Outcome	8. To have a supportive enterprise environment for the development and growth of our rural businesses
Actions	<p>8A. Work with business stakeholders to present the business case for what rural Scotland has to offer to start-ups and growing businesses</p> <p>8B. Ensure small and micro-enterprises have access to appropriate business support, including targeted support for women and young people</p> <p>8C. Create communities of interest, both digital and physical, where businesses and people can come together to solve problems, share ideas and understand opportunities. Create business hubs and incubators and promote opportunities to work remotely</p> <p>8D. Develop opportunities for the businesses of urban and rural Scotland to share ideas and work together</p> <p>8E. Each local authority should develop a localised rural economic strategy, encouraging inward investment and regional collaborations</p> <p>8F. Recognise and support new and developing sectors in the rural economy such as creative services and social care & wellbeing</p>

Outcome	9. To have an improved and inclusive access to rural housing solutions
Actions	<p>9A. Address restrictive regulations that affect housing (such as retirement options for tenant farmers without capital) and remove regulatory barriers to collaborative planning</p> <p>9B. Work with rural housing developers and Housing Associations to improve standards and availability of new builds</p> <p>9C. Ensure Rural and Islands Housing Funds are delivered in line with REF outcomes</p> <p>9D. Explore options to improve energy efficiency in housing to mitigate fuel costs for families and individuals</p> <p>9E. Government to seek VAT exemption on rural housing renovation/restoration projects that can effectively demonstrate, consistent with Local Structure Plans and National Planning Guidelines (NPG) that they can return poor housing stock to habitable condition</p> <p>9F. Improve transport links and public transport to match evolving seasonal demand</p> <p>9G. Collaborate with Local Authorities, residents, their families and key stakeholders, to find innovative housing solutions to adapt housing that meets the needs of the ageing, and the young, rural population</p>

Outcome	10. To have a robust infrastructure, with improved and inclusive access to services, mobility and connectivity
Actions	<p>10A. Improve broadband services and digital connectivity</p> <p>10B. Improve transport links and public transport</p> <p>10C. Prioritisation of R100 in rural areas, and focus on enhancing and improving digital skills within rural communities</p> <p>10D. City and Region deals must consider and reflect REF outcomes</p> <p>10E. Align rural low carbon infrastructure opportunities to NPF3 targets and UN sustainable goals</p> <p>10F. Demonstrate broader economic benefits of rural infrastructure investment (such as transport and harbours), for example through tourism</p> <p>10G. Ensure local communities benefit from investment in tourist attractions, for example through improved transport links</p> <p>10H. Increase usage of the Growth Accelerator model for rural infrastructure investment</p> <p>10I. Launch the rural electrical charging plan, based on a social enterprise model where spend is retained in community</p> <p>10J. Replicate the Scottish Cities Alliance model for rural economy, to bring together rural interests to grow, promote and encourage investment in Scotland's rural economy</p> <p>10K. Extend and support the currently embryonic automated rural filling station network, centred on community hubs servicing local demand and seasonal tourist influxes. E.g. Gairloch, Birnam</p>

ANNEX 1: Background to NCRA and its work

Who are the National Council of Rural Advisers?

The NCRA was convened in June 2017, at the request of Mr Ewing, Cabinet Secretary for the Rural Economy. Co-chaired by Alison Milne and Lorne Crerar, it brings together a further 12 independent members from across Scotland, with expertise ranging from agriculture, forestry, and microbusiness through to social enterprise and financial services.⁶

Our remit was:

- to provide advice on [the potential implications of Brexit for rural Scotland](#), and;
- to provide advice and recommendations on future rural policy and support which would help create a vibrant, sustainable and productive rural economy

Over the last year, we have been working hard to fulfil the second part of that remit – speaking to people and organisations across the length and breadth of Scotland, to understand the opportunities to support and improve the lives of people living in rural Scotland, and create an ambitious blueprint for the rural economy.

Our vision for the rural economy:

‘A vibrant, sustainable and inclusive rural economy, recognised for its value and contribution, and effectively mainstreamed in all policy-making processes.’

We believe the rural economy is one of Scotland’s greatest assets. Our rural industries feed and fuel homes and businesses across the country. Our rural landscapes attract tourists from across the world. Our rural communities are brimming with creativity, resilience and entrepreneurial spirit.

And according to the latest figures, our rural economy contributes over a quarter of the total value of the Scottish economy – £34.6bn in 2015, which was almost as much as Edinburgh and Glasgow combined (£38.1bn).⁷

Rural Scotland is well placed to deliver even more economic, social and environmental impacts that benefit the whole country. But without a cohesive vision and strategic support that recognises and grows the rural economy’s substantial contribution, these opportunities will be missed.

We need decisions and structures that support rural businesses and communities, while recognising and growing the contribution of the rural economy.

⁶ See Appendix 1 for member biographies

⁷ Scottish Government, [Understanding the Rural Economy](#) (2018)

It is clear from our consultation process that the Scottish Government's ambition to mainstream rural has not been effective in the eyes of rural Scotland. This must change. It is difficult to point to a piece of government policy that does not interact with rural so effective mainstreaming is absolutely critical.

Rural Scotland should be the first stop on the investment train.

Telling a new story about rural Scotland

Scotland is famous for its landscapes, but it is the people of rural Scotland who are its custodians. Rural communities are the lifeblood of many of Scotland's industries, but without offering young people, families and businesses the opportunities, infrastructure and services they need, we will fail to attract and retain a thriving population.

For too long, 'rural' has been synonymous with burdens and difficulties. The challenges are often complex and systemic, but there is also an abundance of diversity, innovation and economic opportunity – rural Scotland is a fantastic place to live and work, and it is time for a rebrand.

Therefore, we want this work to help tell a new story about rural Scotland, which starts with demonstrating the value of rural business, in terms of:

- **The economy** – as noted, the rural economy contributed a quarter of the total value of the economy in 2015, and economic growth between 2007 and 2015 was strongest in mainly rural areas⁸
- **The environment** – rural businesses protect our landscapes, wildlife and natural resources. Our natural environment is worth more than £20bn per annum and supports more than 60,000 direct jobs – forestry alone contributes £1bn per year. Three of Scotland's key growth sectors (food and drink, energy and tourism) are sustained by Scotland's natural assets
- **Our society and culture** – rural businesses sustain local communities, contribute to population wellbeing, and provide the backdrop for our world-famous national brand

It is time to recognise the true value of the rural economy.

⁸ Scottish Government, [Understanding the Rural Economy](#) (2018)

Our approach

The future of the rural economy should be shaped by those who live and work within it. Our recommendations have been developed in conversation with the people of rural Scotland, through the following channels:

- Co-Chair, Alison Milne, chaired 11 ‘Rural Thinks’ workshops across Scotland, to gather views from both rural and urban communities around the themes of vision, people and infrastructure. 127 individuals participated, including representatives and locals from a wide range of backgrounds and interests
- Following the stakeholder workshops, we launched a public consultation, ‘*A Rural Conversation: Together We Can, Together We Will*’, to give the wider community the opportunity to contribute to the discussion. The consultation ran from 12 June 2018 to 24 July 2018. A total of 130 responses were received, including 63 from individuals and 67 from organisations
- We led discussions at a membership stakeholders’ workshop, an Agricultural and Rural Development stakeholders’ workshop, and with organisations at the National Economic Forum in May 2018. Two specific workshops on ‘A Rural Economic Strategy’ and ‘Our Future, Our People’ focused on the business support and training environment
- We ran a session to listen to the views of the [Scottish Local Authorities Economic Development Group \(SLAED\)](#). The group focuses on excellence in delivery of local economic development services by local authorities across Scotland. Their views helped to inform our recommendations
- We consulted young people and equalities groups, and linked with the Rural Youth Project survey, which reached thousands of young people, to ensure we captured the voice of rural young people in the process
- In our regular meetings over the last year, we heard from a range of experts in rural economic policy and inclusive growth, and delved into the wealth of academic research on the topic
- And finally, we have drawn on our own lived experience of the rural economy, as well as gathering insights and ideas from our broader networks

We now have a huge body of evidence for policy-makers to draw on as they develop the Rural Economy Action Plan. We urge those leading that work to continue to listen to rural voices, and keep the conversation going.

ANNEX 2: WHAT RURAL THINKS: FINDINGS FROM OUR NATIONAL CONVERSATION

Our consultation process was built around three themes:

- **Vision** – creating a narrative for rural Scotland
- **People** – investing in talent and creating opportunities in rural Scotland
- **Infrastructure** – enabling success in rural Scotland

In this section, we outline some of the key messages shared with us by participants in our workshops and in response to the consultation paper, and describe how these have shaped our recommendations.⁹

Shaping a bold vision

Support for an ambitious vision for Scotland's rural economy was unanimous amongst those we consulted. There is now a mandate to approach rurality in a different way, that delivers results for all of Scotland.

In particular, respondents pointed to the need for this vision to embrace innovation and collaboration, and to look to new sectors for new opportunities.

“ *It is important to work together, building on each other's expertise and findings and being careful to avoid the creation of new organisations which duplicate work and lack joined up thinking. ... We stress the importance of collaboration and having a united approach from a government level and down to grassroots organisations for this to be achieved.*

Scottish Land and Estates

“ *The jobs of the future will be located in rural as well as urban areas. The importance of innovation in supporting economic growth is equally important in the rural setting. There is a growing application of digital technologies to the rural setting whether through the use of satellite navigation for crop management and harvesting, the use of drones for asset survey and management and new packaging techniques that enhance the life of products.*

Tayside and Central Scotland Transport Partnership

Investing in the people of rural Scotland

Consultation respondents told us we must do more to meet the unique needs of the rural labour market through the creation of quality job opportunities that are well paid, flexible, and purposeful. Engaging the education sector and promoting skills development will allow businesses to connect and grow. And through better use of

⁹ [The Lines Between, Analysis of Responses to the National Consultation – ‘A rural conversation: together we can, together we will’ \(2018\)](#)

data, we must do more to tackle exclusion and inequality, supporting economic and social development as well as quality of life.

Investing in our social infrastructure and showcasing the advantages of rural life will help attract and retain a new generation who are excited to live in rural Scotland, in turn creating a sustainable workforce and helping local businesses and communities thrive.

“ In food and drink manufacturing we have a skills shortage and will need to recruit 19,000 new people to the industry by 2024. We have a shortage of STEM qualified people particularly engineers and food technologists. There is good provision for young people who want to enter the food and drink industry.

Food and Drink Federation

“ One of the main challenges facing island and rural communities is retaining an economically active population. This will require innovative solutions from a range of partners in relation to employment, affordable housing, quality child and health care, affordable and reliable transport links and connection to high speed broadband and mobile services.

Bòrd na Gàidhlig

Creating an effective rural infrastructure

There are many advantages to living and working in rural Scotland, but access to services often falls short compared to urban areas. It may not be realistic to expect equivalence of provision, but we must strive for equivalence of outcome.

Regulation across a range of issues – particularly in relation to housing and business support – is often impractical or even damaging in rural areas. And at the community level, there are opportunities where we must do more to support collaborative solutions and community access to sustainable funding.

Improvements to digital and physical connectivity are essential. We need place-based solutions to provide reliable, affordable transport links and fast broadband.

“ The procurement and commissioning policies of many Councils, NHS services and other public bodies undermine the rural economy rather than support it. There would be a significant impact if they did more to encourage small, micro and family businesses, and locally based providers.

Outside the Box

“ Opportunities to share ideas and closer working between rural and urban Scotland could come from the concept of “business accelerators”, with its emphasis upon peer to peer learning. However, the majority of such organisations in Scotland are based in urban areas. Therefore, we suggest the addition to the model of an urban-rural knowledge exchange dimension.

James Hutton Institute

APPENDIX 1: NCRA MEMBER BIOGRAPHIES

Lorne Crerar (Co-Chair)

Lorne is a founding partner and chairman of leading Scottish commercial law firm Harper Macleod LLP. Lorne has wide experience of the operations of the public sector and has been appointed by the Scottish Government to undertake a number of independent reviews including the Enterprise and Skills Review in 2017 and his Review of Regulation, Audit, Inspection and Complaints handling of public services in Scotland in 2010. Lorne joined the board of Highlands and Islands Enterprise (HIE) in April 2008 and was appointed as chair in March 2012.

Alison Milne (Co-Chair)

Alison is a self-employed consultant, currently representing the Scottish Tenant Farmers Association on matters relating to agricultural policy. Alison also farms a mixed arable and livestock business, in partnership with her husband, mother and father-in-law. In this role Alison was a driving force in hosting the Fife HGCA arable Monitor Farm from 2013 to 2016.

Jackie Brierton

Jackie Brierton has been CEO of GrowBiz since 2012 – a community-based enterprise support organisation in rural Perthshire. She is also chair of the Rural Perth and Kinross LEADER Local Action Group, and founder and vice-chair of Women's Enterprise Scotland CIC. She has more than 30 years' experience in business, enterprise and policy development, including a period as adviser in the DTi's Small Business Service between 2002 and 2006. She developed the UK government's first 'Strategic Framework for Women's Enterprise' in 2003 and managed two centres of enterprise expertise for young people and women in the West Midlands between 2007 and 2010. Until recently, Jackie was chair of Community Enterprise Ltd, and is passionate about the role of local enterprise development in the strengthening of the rural economy in Scotland.

Willie Cameron

Willie was the founding director of the 'Cobbs' Group of companies and is now their business development director. He had 25 years' experience in financial services before establishing Loch Ness Marketing – a service company to film, TV and media. Willie went on to be the director of the Highland Feast Food and Drink Festival of the Highlands for 10 years, and director of the Highlands and Islands Tourism Awards. He also sat on the board for the University of the Highlands and Islands – Inverness College. In 2005, Willie was voted Highland Ambassador of the Year for services to tourism, and in 2016 was voted Highlands and Islands Food and Drink Ambassador.

Archie Gibson

Archie Gibson is a director of the James Hutton Institute and former chair of the Food & Drink Federation Scotland. He is also the managing director of Agrico UK Ltd, a subsidiary of a Dutch farmers' cooperative with 800 members. Archie gained experience in a variety of land management roles producing store lambs and cattle before joining the food industry in 1999. He represented Scottish supply chain interests in a far-reaching review on food defence and resilience led by the Centre for the Protection of National Infrastructure (CPNI) and British Standards Institute (BSI). He is a director of the James Hutton Institute.

Henry Graham

Henry Graham runs a 450-acre mixed farm in Midlothian in partnership with his wife and is an experienced figure from the world of rural banking and agriculture. He has held senior roles in the Royal Highland Agricultural Society, Quality Meat Scotland, Scottish Agricultural College and banking, specialising in agricultural business. Henry is also a member of Forestry Commission Scotland's National Committee and is a trustee of Lantra (U.K.) acting as national chair for Scotland.

John Kinnaird

John Kinnaird is a partner in 240 hect. family arable and beef farm and was president of the National Farmers' Union Scotland from 2003 to 2007, representing Scotland's farmers at a time of significant change. Since then John has taken on other challenges, including committee member of AgriScot, local director of NFU Mutual, director of the Moredun Research Institute, chair of the Scottish Government's Scottish Appeals Procedure Panel, chair of RSABI, and Guardian member at Scotland Food and Drink. John also chaired a review of veterinary surveillance and is the vice-president of the RHASS, Deputy Lieutenant – East Lothian and a Fellow of Royal Agricultural Societies.

Alan Laidlaw

Alan Laidlaw is chief executive of the Royal Highland and Agricultural Society of Scotland (RHASS) – a registered charity with a remit to promote and protect the interests of rural Scotland. Alan was appointed to the role in August 2016 after spending 11 years with the Crown Estate Scotland, latterly as head of property. He is rural practice surveyor, founding director of a community woodland, former director of the Oxford Farming Conference and an Associate of the Royal Agricultural Societies (ARAgS).

Lynn Mann

Lynn Mann is the co-owner of Supernature Oils. The company is based in Midlothian and is a farming enterprise (cereals) which has diversified into a food product. Supernature Oils specialise in cold pressed rapeseed oil, which is the fastest growing sector of the oils category in the UK. Lynn is the driver behind the company and has recently been successful in getting listings in the UK and opening several export opportunities. Lynn is also an ambassador for Women's Enterprise Scotland and on the board of Interface.

Marion McCormick

Marion MacCormick previously worked for ALDI (Scotland) and was responsible for growing and developing a comprehensive Scottish fresh meat range, capitalising on a comprehensive local network to develop a fresh meat and with quality, freshness and the local customer at its heart. Marion also developed the strategy for marketing the Aldi brand in Scotland and building confidence in the brand.

Jim McLaren

Jim McLaren was appointed chairman of Quality Meat Scotland in April 2011. He runs a mixed arable and livestock business in Perthshire. The main arable enterprise is the production of spring malting barley, with the livestock side of the business including a pedigree Simmental herd. Jim was NFU Scotland President from 2007 to 2011.

Sarah Millar (formerly Allison)

Sarah Allison comes from an agricultural background having grown up and worked on her family's organic farm and food business. She worked with farmers in England and Scotland before joining the Soil Association Scotland in 2017. Sarah is a keen member of the Scottish Association of Young Farmers Clubs (SAYFC), recently retiring as chair of the SAYFC Agri and Rural Affairs Committee.

Sarah Simpson

Sarah Simpson is a director of a dairy farm at Garlieston, near Newton Stewart in Galloway, together with her husband Peter. She also works as a consultant to a group of dairy farms within Dumfries and Galloway providing benchmarking advice and information. Prior to farming, Sarah was director of policy with NFU Scotland.

David Sulman

David Sulman is executive director of the United Kingdom Forest Products Association (UKFPA) which represents the technical and commercial interests of processors of British-grown timber and secretary to the Scottish Timber Trade Association, the trade association which represents the interests of timber importers and merchants in Scotland. He is a member of various Forestry Commission expert groups/committees, is involved in skills development matters, is a member of the Timber Transport Forum and chairman of its Technical Working Group and also chairman of the Scottish Strategic Timber Transport Scheme's Assessment Panel. David is involved in the work of the Forest Industry Safety Accord.



APPENDIX 2: FURTHER READING

National Council of Rural Advisers, ['A rural conversation: together we can, together we will'](#) (2018)

National Council of Rural Advisers, [Potential implications for rural Scotland of the UK leaving the EU](#) (2018)

Scottish Government, [A future strategy for Scottish agriculture: final report by the Scottish Government's Agricultural Champions](#) (2018)

Scottish Government, [Delivering for Today, Investing for Tomorrow – the Scottish Government's Programme for Government 2018-2019](#) (2018)

Scottish Government, [Rural Scotland Key Facts 2015](#) (2015)

Scottish Government, [Scotland's National Performance Framework](#) (2017)

Scottish Government, [Understanding the Rural Economy](#) (2018)

The Lines Between, ['Rural Thinks' Consultation and Engagement Workshops. Report for the National Council of Rural Advisers](#) (2018)

The Lines Between, [Analysis of Responses to the National Consultation – 'A rural conversation: together we can, together we will'](#) (2018)

APPENDIX 3: PHOTO CREDITS

Front Cover. Alison Milne, NCRA Co-chair, and others, showcasing rural products and activities – credit: NCRA

Page 4. Arran road signs – credit: Scottish Government

Page 5. NCRA Co-chairs portraits – credit: NCRA

Page 6. The Rural Economy in Numbers – credit: Scottish Government

Page 11. Forestry – credit: NCRA

Page 13. Rural Economy Framework – credit: NCRA

Page 15. Tobermory, Scotland – credit: Community Land Scotland

Page 21. Rural landscape with bench – credit: NCRA

Page 25. Knoydart Bunkhouse – credit: Community Land Scotland

Page 28. Loch Landscape – credit: NCRA

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