Picture of Rural East of England

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1.0 Introduction

The purpose of this document is to provide a snap shot view of rural East of England including issues, opportunities, barriers and challenges. The information given is taken in the main from the Commission for Rural Communities State of the Countryside 2008[1] and also the Rural Development Programme for England Regional Implementation Plan, 2008[2]. It is intended to give the reader bites of information that are relevant to the region.

The document is structured in the same way as the State of the Countryside for ease of reference to information on the national picture.

2.0 Overview of the East of England

2.1 The East of England is a low-lying region, with a rich diversity of rural and coastal landscapes, communities and economies. It is the driest region in England, but even so 25% of its land area is at risk from river valley or coastal flooding. Climate change presents challenges from both changing rainfall patterns and rising sea levels. There are particular issues around water security, flood management and coastal realignment.

2.2 It is also one of the fastest growing regions in the country. The region's population is growing quickly. Three of the four Growth Areas in the Government's Sustainable Communities Plan are wholly or partially within the region and three further areas have recently applied for Growth Point designation (Norwich, Haven Gateway, and Thetford (Breckland). The region is experiencing rapid change and significant development pressures are affecting many of its rural areas. This in turn, providing suitable housing for those working in rural areas at a more affordable cost and with sufficient infrastructure to support it, does present an opportunity for those who wish to live in the countryside.

2.3 A significant percentage, just over 80%, of land is in agricultural land use. Compared to other regions, the farming and food sector is characterised by larger businesses. These businesses are arable, intensive horticultural production and pigs and poultry. Agriculture businesses and the food industry are therefore significant employers of people who live in the region.

[1] http://www.ruralcommunities.gov.uk/projects/stateofthecountryside2008/overview

[2] http://www.eeda.org.uk/files/RIPv13_July08_FINAL.pdf

3.0 Living in the Countryside

3.1 Population

3.1.1 The region is characterised by a growing rural population which is increasingly deriving its income from employment outside the traditional rural economy, either by working in growing sectors of the economy such as financial services, commuting or by working remotely using ICT. As with most rural areas the region growing population is as a consequence from people moving to “the countryside “ to retire – particularly along the North Norfolk and East Suffolk Coast. The region has also experienced a net inward migration of immigrant workers from the most recent accession countries who have moved to the Fens to find work.

3.1.2 By comparison the region also suffers a high percentage of out migration from those who are moving on to further education outside of the region and not returning.

3.2 Access to Services

3.2.1 Rural areas in the region have many elderly people but also have many young people, migrants, and people in manual occupations etc all of whom have particular health issues.

3.2.2 In order to move the health agenda from an ‘illness’ service to a ‘wellbeing’ service this demands more active health monitoring, early identifications of symptoms and supportive systems to help people lead healthier lives. These newer services demand specialist support and the centralization of hospital and specialist provision is making rural access difficult. In a rural region we can end up with many rural people (of all ages) living a long way from these centers. For the old, young families and poor without personal transport access this presents real access problems.

3.2.3 Over the past 10 years local communities have suffered from losing services such as local village shops and post offices. In the East of England there are however some good examples of community shops that have been set up in response to a commercial shop having closed down. They are often found in clusters and where people have the resources to run a shop.

Mileham General Stores & Post Office, Norfolk

This shop opened in 2007 after the shop had been due to close down at Christmas in the previous year. Faced with losing the last village amenity, more than 80 people turned out for a community project to save it. Now it is owned and managed by the villagers themselves.

The community project that hopes to create a hub offering a café and internet services, and sell local craft and produce.

The shop is being set up as a community investment company where all the profits are ploughed back into the community and local people will soon have the chance to buy shares in the company and vote on its future.

Source: The Plunkett Foundation

3.2.4 The following table sets out the difference in availability of services between rural and urban areas.

Table 1: Proportion of households at set distances from key services, 2008[3]

Service	Rural	Urban
Banks and building societies (4km)	56.8	99.2
GP surgeries (all sites) (4km)	86.5	99.9
GP surgeries (principal sites) (4km)	78.2	99.9
Jobcentres (8km)	54.4	96.4
NHS Dentists (4km)	61.2	99.7
Petrol stations (4km)	83.6	100
Post offices (2km)	83.2	99.4
Primary schools (2km)	87.2	99.9
Public Houses (2km)	90.6	99.8
Secondary schools (4km)	60.2	99.9
Supermarkets (4km)	68.6	99.9

Source: Defra, 2008.

Notes:

(i) Figures are based on a calculation of the straight line distance from the centre of a postcode to the nearest outlet of a particular service.

(ii) The figures presented can be affected by changes in both the number and distribution of service outlets, and in the number and distribution of households.

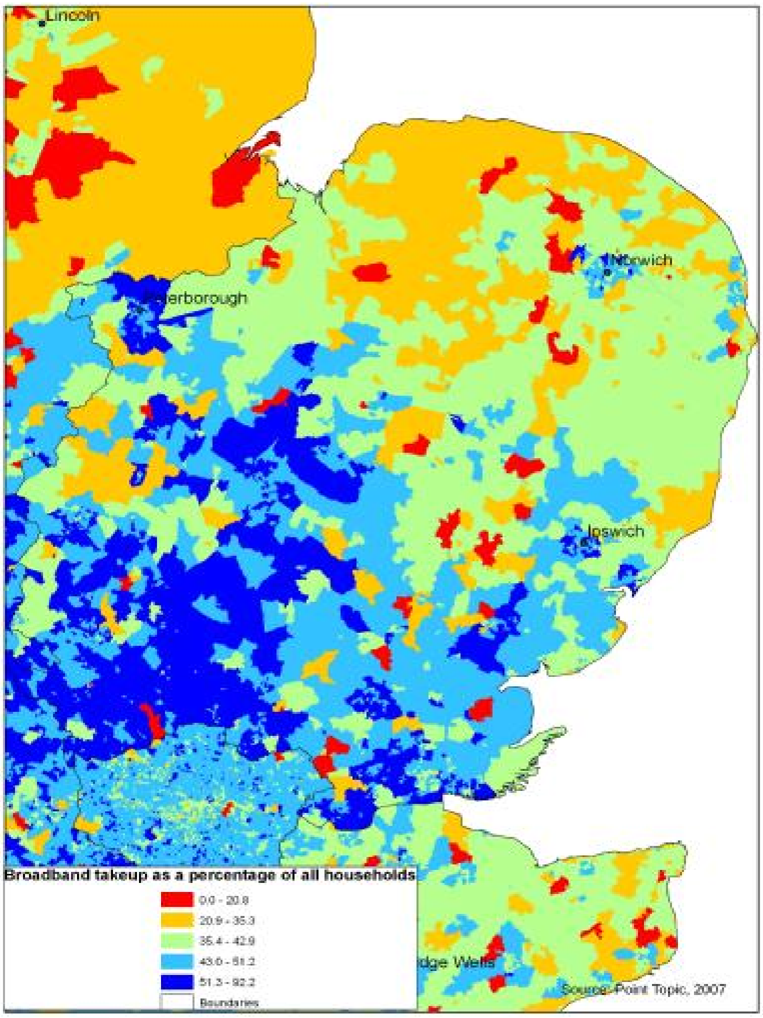
(iii) These figures give a measure of the availability of a service assuming distance is the only factor which affects whether people can make use of the service. In reality, it is usually impossible for people to travel in a straight line to a service outlet, and a combination of factors, including distance, access to transportation, cost and personal preference will affect how accessible and how widely used a particular service outlet is.

(iv) Rural households are those defined by the 2004 Rural and Urban definition as 'Hamlet and isolated dwellings', 'Village' and 'Town and fringe'.

[3] Source: Table from CRC State of the Countryside 2008

3.2.5 In rural areas the use of the internet has increased over the past 5 years as it has in urban areas. The main use in rural areas appears to be for on line shopping, predominantly food and groceries, household goods and travel and accommodation. It is believed that a higher proportion of users are older people who would find it an alternative to travelling further for shopping as a consequence of remoteness from shops. In the East of England the CLA has recently carried out a survey on its members who report that broadband is very patchy in coverage and, where it is accessible, it is very slow, thus making it difficult for example for children to “keep up with their peers” as homework is more ICT based.

Figure 1: Broadband take-up as a proportion of all households (LSOA), 2007



Source: Point Topic, 2007.

3.3 Housing

3.3.1 Rural areas are popular places to live for people who work in the cities. The coastal and more remote places in the region also provide the opportunity for 2nd homers to have a property. This presents a set of issues around sustainability of communities and viability of service. The key areas in the region affected are near to the main line train lines to London and in North Norfolk and East Suffolk. As a consequence the price for houses over the past 10 years has continued to rise forcing the young to move out of their home villages[4]. The region has a number of successful housing associations to support those who want to remain living and working in the rural areas.

3.4 Education and Employment

3.4.1 Children tend to do better at school in rural areas than those living in urban areas. This is particularly so at GCSE level[5]. However after they leave for university a small percentage return home – in Norfolk it is 36% and in Cambridgeshire only 33%[6]. The perceived lack of opportunity for jobs is the reason for this trend.

3.4.2 Most employment is now in wholesale, retail and distribution or the public sector, even in areas which are still perceived as being dominated by the food and farming sector, such as the North Cambridgeshire Fens.

3.4.3 The skills base in the land-based sector is a continuing concern in terms of both the need for enhanced skills for existing enterprises and the challenges of restructuring and new enterprises. Some of the region's most rural areas in the Fens and North West Norfolk are amongst the worst in England for the proportion of the adult workforce with no recognised qualifications (Countryside Agency State of the Countryside report 2004).

3.4.4 There are needs in up-skilling and an imperative to recognise the increasingly critical role played by migrant workers, together with developing extra skills in environmental and sustainability management, managerial disciplines, adding value and the management of new enterprises.

3.5 Rural deprivation

3.5.1 Financial poverty is measured in terms of income, employment and access to transport and services. According to the Index of Multiple Deprivation, 2008, the Fens is one of the worst areas affected by rural deprivation in the UK. The sparcity and remoteness of this area is a major contributory factor. The Commuter belt in the region appears to be the best off although there are hidden pockets of deprivation in these areas too.

3.6 Fuel Poverty

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[4] Source: Land Registry. 2008. Price Paid

[5] Source: DCSF, 2008, National Curriculum Assessments at Key stage 4

[6] Source: HESA, 2007. Student Record

3.6.1 Fuel poverty arises as the percentage of household income spent on fuel exceeds 10% of the total income. Factors to affect this include the income of the household, the cost of fuelling the home and access to heating it – i.e. supplied for example to mains gas. Fuel poverty is high in the regions scarce populated areas. In the region this includes north Norfolk, the Fens, south east Norfolk and east Suffolk and the Brecks. Opportunities such as renewable energy from for example wind and wood could help alleviate this issue.

4.0 Economic Wellbeing

4.1 Incomes and Expenditure

4.1.1 On average rural areas tend to have higher household incomes[7] . The income is not however necessarily "generated" where people live – but from jobs where rural dwellers commute to. The difference however is far greater in levels of household income between less sparse rural areas and sparse rural areas. This is far more significant than the urban /rural split. This is due to the detachment from the periphery of towns and cities. Therefore in the region this is particularly noticeable from areas in the Norfolk and Cambridge Fens to areas around major cities such as Cambridge, Ely and Norwich.[8]

4.1.2 Sparse rural market towns also have a higher level of poverty than in other rural area types. This is particularly relevant to the East of England where the region contains nearly a quarter of England's Market Towns. These are adapting to economic changes which have redefined their role and function. The East of England Rural Forum has supported a Position Paper from the Market Towns Initiative that sets out through exemplar practice the opportunities that could arise from attracting inward investment.http://www.eerf.org.uk/Documents/Position-papers/Inward%20Investment%20Final%20Report%20oct%2008.pdf

4.2 Wages

4.2.1 Wage levels in rural areas are much lower than regional averages and there are major challenges relating to the affordability of housing (parts of the North Norfolk coast now have average prices which are nearly 10 x average incomes) and poor access to services.[9]

4.2.2 North Norfolk, Suffolk and North Cambridgeshire have the lowest level of wealth as a measurement, whereas the district of South Cambs has the highest levels. In the Cambridgeshire and Norfolk Fens and also parts of Suffolk agriculture is a core primary industry and is the dominant land user in the region. The industry remains an important part of the rural economy and has restructured dramatically over the last decade. It however is now reliant on gang work force that in

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[7] Source: DWP data

[8] Source: CACI, 2008. Paycheck

[9] Source: ONS, Annual Survey of Hours and Earnings

the main comprise of unskilled migrant workers. The wage levels in these areas therefore reflect the combination these issues.

4.2.3 Those on low wages in these areas will tend to spend their income on food, and transport. The cost of living for essentials is thought to be higher in rural areas with less convenience to shop as an additional factor.

4.3 Employment

4.3.1 Agriculture dominates the region as the main land user – over 80% of the region is in agricultural production. It however only accounts for less than 2% of the employment for the region. Farming has had to become a competitive industry and in the late 1980's early 1990's the industry began to restructure – and continues today – to form larger businesses. The average land area for individual holdings is 73 hectares compared with 55 hectares for England as a whole (Agricultural Census 2004, DEFRA). Despite this growth in average size the region has also seen a trend towards more diversity in farm size. Whilst the number of very large arable units (over 2,000ha) has been growing, with some now over 5,000ha under single management, the number of farm holdings in the region has also increased with a marked increase in small part time farms. The sector is dividing into commercial farms which are growing in size and those being run as adjuncts to other employment or diversification.

4.3.2 Tourism accounts for just over 20% of rural areas employment across the region; whilst energy and waste supply industries only support just under 2%[10] In the East of England the renewable industry provides the opportunity to generate 100,000 jobs either on or off shore through the development of technologies[11]. The issues facing such large scale development is opposition from local residents.

4.3.3 The CAB at the EERF Annual Conference in March 2009 reported that unemployment as a result of the 2009 Recession was on the increase. It was reported that enquiries with regard to redundancy advice had doubled in the region since April 2008. This was supported by the example from Bedfordshire that over the last 12 months just over 900 redundancies have been reported of which 45% have come from Mid Beds, the most rural district in the county. Projects are also experiencing problems in securing job placements. Advice agencies and volunteer bureaux have seen an increase in demand for business start ups.

4.4 Skills

4.4.1 The skills base in the land-based sector is a continuing concern in terms of both the need for enhanced skills for existing enterprises and the challenges of restructuring and new enterprises. Some of the region's most rural areas in the Fens and North West Norfolk are amongst the worst in England for the proportion of the adult workforce with no recognised qualifications Countryside

[10] Source: ONS, 1991. Special Workplace Statistics

[11] Source: Renewables East. EERF Annual Conference 2009

Agency (State of the Countryside report 2004 http://www.ruralcommunities.gov.uk/publications/ca170stateofthecountryside2004

4.4.2 Across the land-based sector, there are problems in accessing appropriate semi-skilled staff - although in large scale arable farming the rapid increase in contract farming is addressing these problems for some businesses.

4.4.3 Larger businesses are also experiencing problems in finding appropriate qualified managers, particularly in the more intensive production sectors where large teams of staff need to be managed. In response the largest farming businesses have created in house management development schemes to meet this need but struggle to find enough suitable candidates from the UK.

4.4.4 The EERF has produced a position paper on Learning and Skills. It sets out to address the issue that, whilst average skills attainment figures for rural areas are broadly similar to urban areas, within the East of England the average masks a significant under-performance in peripheral, more remote & coastal areas which are creating long term economic & social problems for these areas. The full document can be found at http://www.eerf.org.uk/Documents/Position-papers/position%20paper%20on%20skills%20v3%20Final.pdf

4.5 Enterprise and Entrepreneurship

4.5.1 Rural districts supported a growth in new firm formation between 1998 and 2006 of 2.7% whereas in urban districts in the same period new VAT registrations declined by 2.3%[12] . The CAB at the EERF Annual Conference reported a recent increase in numbers of enquiries for advice about self employment. The full figures can be found at http://www.eerf.org.uk/Documents/conferences/annual-2009/CAB%20Sue%20Wigley.pdf

Table 2: Net change in stock of businesses, 1997-2007[13].

Area Classification	Number	Rate per 10,000 of working age
Rural 80	4,640	55
Rural 50	1,460	49
Significant rural	4,605	57
Other urban	3,730	43
Large urban	965	51
Major urban	2,090	68

[12] Source: BERR, 2007. VAT Registrations and Deregistration

[13] Source: Table from CRC State of the Countryside 2008

Rural	6,100	37
Mixed	8,335	73
Urban	3,055	62
England	159,325	53

Source: BERR, 2007. VAT Registrations and Deregistrations.

Note:

VAT registrations. The number of enterprises registering for VAT each year is an indicator of the number of business start-ups. It excludes most of the very smallest one-person businesses. Numbers are rounded, to the nearest five, in order to avoid disclosure. Consequently, totals may not exactly match the sum of their parts.

4.5.2 There has been a shift in types of rural businesses with a decline in numbers from the agricultural, energy and transport sector. There has in contrast been an increase in banking, financial and insurance sectors.

5.0 Land and Environment

5.1 Land Use and Development

5.1 The countryside is facing increasingly high demand for housing. The Regional Spatial Strategy has identified key growth areas in the region that will have an effect on rural areas. EERF has produced a position Paper on Growth which has identified key issues and recommendations. http://www.eerf.org.uk/Documents/Position-papers/position%20paper%20on%20growth%20v3.pdf

5.1.2 The following table sets out the change in landscape since 1981 with a total increase in urban area across the region from 115,700ha in 1981 to 134,900ha in 2001.

Table 3: Urban area size (in hectares), 1981 to 2001[14]

COUNTY	Area of Urban land [1]			Total area
	1981	1991	2001	
	hectares			hectares
Bedfordshire	10,600	11,300	12,700	123,600
Cambridgeshire	15,900	17,800	19,700	340,000

[14] Source: Table from CRC State of the Countryside 2008

Essex	34,000	35,600	38,000	367,500
Hertfordshire	25,600	26,400	25,800	163,900
Norfolk	16,200	18,000	20,900	537,200
Suffolk	13,600	15,100	17,900	379,800
Total	115,700	124,200	134,900	1,912,000

Source: CLG, Urban area polygons, 2001.

Notes:
(i) Urban areas with a population of 1,000 or more (source Office for National Statistics).
(ii) Boundaries of urban land are digitised for the ODPM by Ordnance Survey.
(iii) Individual urban settlement figures (populations of 10,000 and above) will be published later this year by ONS.

5.1.3 A key issue facing these newly populated areas is that of providing adequate services that range from sufficient water supplies to adequate road and transport routes as well as reliable broadband access. These are issues that those who live and work in the region face. Good planning is required in these additional areas that have been identified for growth in order not to jeopardise the regions scare resource.

5.2 Land Values

5.2.1 The price of land is influenced by many factors, chief of which has always been the cost of wheat. Despite poor weather, the 2008 UK cereal harvest produced a good crop. However, costs such as fertiliser remain high, which is likely to lead to lower productivity in 2009 and hence upward pressure on prices. Furthermore, it is predicted that global stocks of grain will fall unless the favourable weather conditions worldwide are repeated this year. The last sentence seems to contradict the second sentence in this paragraph.

5.2.2 In the Eastern Region land values fell by 11% between 2007 and 2008. It is suggested that values may fall slightly in the short term, but the prospect of persistent low interest rates and continued interest from overseas buyers means that land remains an attractive long-term investment.

5.3 Farming and Forestry

5.3.1 With particular concentrations of intensive cropping and intensive livestock enterprises, linked to supply chains that are increasingly integrated, the region is potentially better equipped to cope with the challenges of globalisation than most other regions in Europe. However, increasing environmental and regulatory burdens, variable commodity prices and rising costs are making much of the region’s commodity food and farming sectors uneconomic.

5.3.2 A recent survey by a major accountancy firm (Larking Gowen 2006) showed that across 112 farms in the East of England Region, on nearly 26,000ha average profits in 2005 were less than 1/3rd of the results achieved in 1995, with the average farm now losing £40 per hectare before receiving payment under the Single Payment Scheme. Many of the more intensive farming businesses are also looking to diversify their income stream by utilising existing assets in new ways and by joining environmental stewardship schemes.

5.3.3 The region's livestock sector is concentrated on pig (28% of the total English herd) and poultry production (30% of England's total broilers, 38% of the geese flock and 53% of the duck flock) much of which is vertically integrated. The region also includes some sheep and cattle production but these are relatively much less important than in other areas of the country - with the region only having 2% of the English sheep flock, 2% of its dairy production and 4% of the beef herd. Most grazing livestock is still managed in small units, often as adjuncts to other larger farming enterprises (the average English sheep flock is 326 head but in the East of England it is only 135, and for cattle the figures are 75 in the region against 100 nationally). Many of the region's most valuable and sensitive grassland (in biodiversity and landscape terms) is dependent on seasonal grazing by small flocks and herds.

5.3.4 Amongst smaller farming businesses, particularly those under 100 hectares, the trend has been more focused on developing new income streams – whether linked to managing the landscape (e.g. stewardship agreements), adding value to farm products (e.g. food processing, direct sales), through to the development of other enterprises or off farm jobs. Whilst this trend is region wide, it has been particularly marked in the south of the region in areas of higher population density closer to London. CAP reform and moves to more global free trade in agricultural products will encourage more, smaller businesses to pursue these options as their ability to compete in global markets becomes constrained by their lack of economies of scale, particularly where they have produced commodity products in the past.

5.3.5 In contrast, woodland ownership is generally small scale and as woodlands are sold they are often split between numerous purchasers - making it hard to create viable supply chains for woodland products. They are also often inaccessible making it difficult to justify for some landowners the benefit of managing them appropriately

5.4 Marketing and food from the countryside

5.4.1 Conditions in the agricultural and food markets have changed over the last 2 years. From low and relatively stable prices in late 2006, we have witnessed first a substantial peak in agricultural prices starting in spring 2007, followed by a subsequent collapse for many commodities back to levels similar to those seen in 2006. Unfortunately, many costs of production which spiked upwards have failed to fall back as rapidly and many farmers are now facing the prospect of substantial losses in the 2009 'crop' year. The underlying causes for this market turbulence are complex. They were the subject for debate at the "Growing our Future Food Conference in November 2008 (http://www.eerf.org.uk/Documents/sffs/2008/Growing%20our%20future%20food%20conference%20report.pdf)

5.4.2 Organic farming is currently suffering a stagnant phase. It has, until the 2009 recession, continued to increase its share of food production and sales nationally. According to Tesco's the supermarket buyer is now moving away from Organic produce and favouring "local" brands. Organics does remain a niche sector with just over 3% of English agriculture in organic production.

5.4.3 Organic farming is less dominant where arable farming dominates. Therefore in 2007 1% of the land area in the East of England region was in organic production compared to the south west where the figure is 7%.

5.5 Landscape and wildlife

5.5.1 The East of England region has a rich and diverse natural environment that supports many of the UK's rarest and best loved habitats and species. It is a region of dramatic and often sharp contrasts with landscapes ranging from a long, low-lying coastline (featuring windswept beaches, dunes and marshes), to large scale arable farmland, extensive lowland heathland, and a more intimate mosaic of mixed woodlands and hedgerows.

5.5.2 Previous agricultural policies and low commodity prices have accelerated the loss of mixed farming and favoured intensive single enterprise regimes. These changes in agriculture over recent decades led to very significant declines in biodiversity and landscape quality in the region.

5.5.3 National landscape designations cover about 7.3% of the region (i.e. 142,000ha comprising: the Broads National Park (about 30,000ha), Dedham Vale AONB (about 9,000ha), Suffolk Coast and Heaths AONB (about 40,000ha), Norfolk Coast AONB (about 45,000ha) and parts of the Chilterns AONB (about 18,000ha)).

5.5.4 The region's most important sites for habitats and species are designated as Sites of Special Scientific Interest (SSSIs). They are an indication of the health of biodiversity more generally. SSSIs constitute some 6.6% of the region's land cover (about 128,000 ha) in 570 different sites. Of these about 78% are in good condition (compared with a national figure of about 70%). The national Government target is to get 95% of SSSIs into good (or favourable) condition by 2010.

5.5.5 The remaining areas of high biodiversity value are concentrated in the low lying coastal and river floodplains, such as the Broads and the coastal zones in Norfolk, Suffolk and Essex.

The main reasons for SSSIs being in unfavourable condition are:

- Modification of flood plains by flood defences and drainage for agriculture;
- Decline in water quality through diffuse agricultural pollution;
- Competition for water supply;
- Undergrazing and over-browsing; and
- The effects of climate change.

5.5.6 Coastal squeeze, resulting from sea level rise, affects 17,000 ha of SSSIs, while water pollution, inappropriate water levels and drainage affects over 12,000 ha. Restoration of naturally functioning flood plains will assist with responses to climate change and help conserve water and soil resources. Again these issues are indicative of issues affecting other areas of high biodiversity value across the region.

5.5.7 Grasslands and heathlands – that occupied extensive areas of the region until the mid 20th century – are now found in small and dispersed fragments. There have been insufficient grazing livestock to maintain conservation grazing, which has contributed to some 4000ha of SSSIs being affected by undergrazing and scrub invasion.

5.5.8 At the other extreme, there are problems with high deer populations causing over-browsing in woodlands. This is preventing tree regeneration and causing deterioration of the flora and fauna in established woodlands. The Deer Initiative through support from the Forestry Commission is looking at ways in which to manage culling of wild venison more effectively and to produce a regional branded product.

5.5.9 Some arable cropping practices, such as the prevalence of winter cereals and the loss of mixed farming, has resulted in a severe decline of once-common and widespread species of farmland birds such as skylarks and lapwing. Restoration of farmland biodiversity will be a key to allowing nature to adapt to a changing climate.

5.5.10 The historic environment of the region is rich and varied and important both for its own sake and because it is a significant driver of economic and social objectives. It contributes to the quality of life of all, whether local residents, visitors from the wider region or tourists.

5.5.11 It is significant that the historic environment cuts across and unites environmental, social and economic issues. Examples are the important role it plays in tourism, education and outreach; the re-use of historic farm buildings for new businesses; and training in historic building repair methods which both develops skills and contributes to the conservation of important buildings.

5.5.12 The region's most cherished landscapes are the most important for the tourist industry and are largely reliant on farming, particularly grazing livestock, for their maintenance. However, there is little consumer awareness of the availability of local produce and added value products from "conservation farmed land". In part this is created by a lack of reliable local supplies which are clearly branded with their origin, and recent surveys have shown that most consumers would like to consume more local products but do not always source them out effectively