

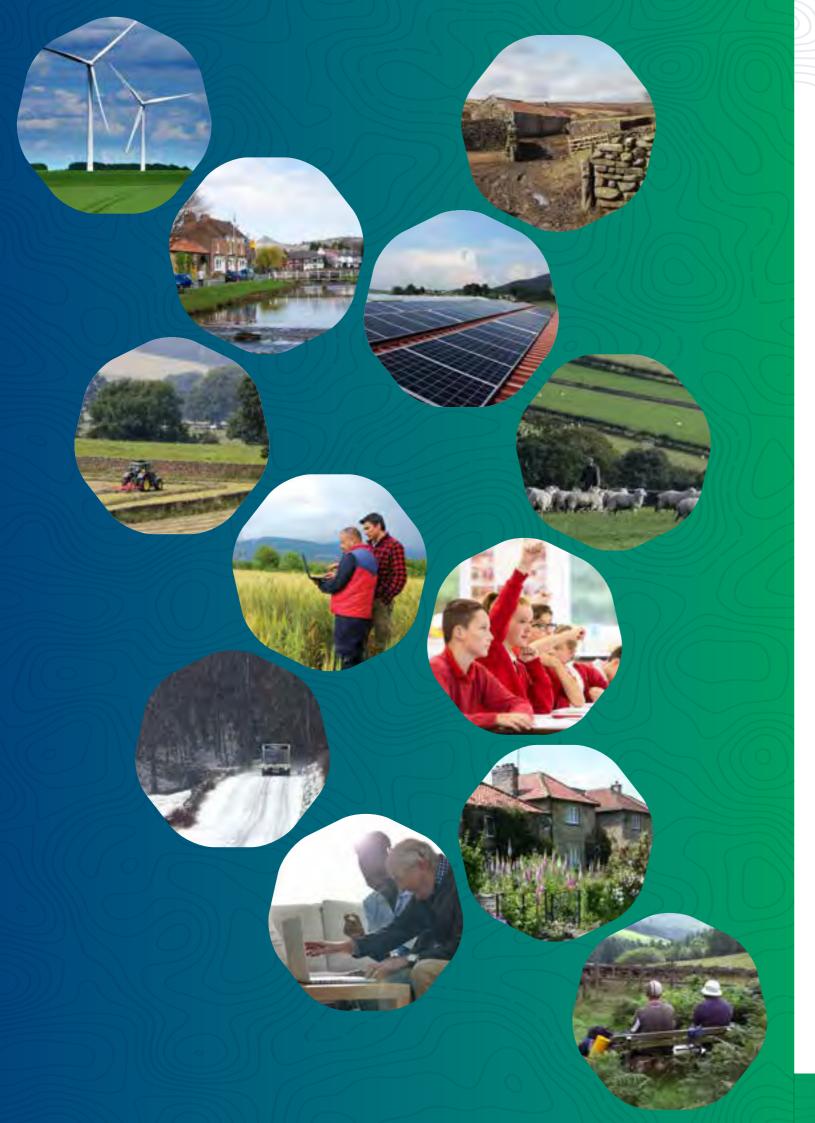


Rural North Yorkshire: The way forward

The findings and recommendations of the Rural Commission







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Foreword to the Final Report

by Johanna Ropner, The Lord-Lieutenant of North Yorkshire

I welcome this report, Vision for rural North Yorkshire: Beautiful, connected and embracing the future. I also congratulate the members of North Yorkshire Rural Commission in sharing with us a vision for the future, supported by recommendations and suggestions for how we can develop and move forward together.

Our wonderful county of North Yorkshire enjoys many advantages and opportunities, but also faces significant challenges. The beauty of spacious countryside can be the context for poor connectivity, falling rolls in remote village schools and a lack of affordable housing. North Yorkshire County Council is to be commended for taking the initiative to create an independent commission and to facilitate its work.

As we emerge from the COVID pandemic and adjust after the UK's departure from the EU, the publication of this report is very timely and hugely important. Now is a good point for the people and institutions of our county to engage with its findings and recommendations and to agree on what should be actioned in the short and medium term.

The Rural Commissioners are keen to work constructively alongside both local and national bodies towards united and thriving communities across North Yorkshire.

Their vision requires that people and organisations of our county work together in common cause for the benefit of all.

This is surely the future we would all wish to embrace.









Foreword to the Final Report

by the Chair, the Very Revd John Dobson DL, Dean of Ripon

This report is offered by the North Yorkshire Rural Commission for the benefit of all the people and communities of this great County. The vision is for a county which safeguards its undeniable beauty, secures adequate connectivity, and confidently embraces the future. To enable this vision to become reality in the years and decades ahead, we call for the devolution of significant spending and decision-making powers, and for the creation of an advisory task force to help shape the necessary strategy and plans.

North Yorkshire County Council must be given the credit for creating the Commission, the first of its kind in the country. The Council did so because those living in rural and very sparsely populated areas in North Yorkshire are getting tired of facing challenges which need solutions. The presenting issues of isolation, poor digital connectivity, threatened farm businesses, poor public transport provision, tiny schools, and a lack of affordable houses, not to mention the challenges and opportunities of climate change and the UK's departure from the EU, were obvious to everyone before we began our work. It soon became obvious to us Commissioners, however, that no part of the County can be considered in isolation from the rest. We cannot solve the problems of the super-sparse areas without attending to the challenges, and taking advantage of the opportunities, which are evident across the whole County. For each part to flourish, the whole needs to flourish.

In these pages, we share the distillation of our findings; insights, lessons and wisdom which came from many hours of active listening. These are arranged in the seven specific topic areas explored in our evidence sessions, followed by the major cross cutting themes which will need to be addressed to begin to deliver the vision. We were helped by several visits and by the written submission of evidence. Tragic though it has been, the Coronavirus pandemic has also proved instructive and enabled us to glimpse new possibilities for the County, not to mention the absolute necessity of broadband and mobile connectivity, even in the remotest of areas.

We Commissioners have not ignored the fact that North Yorkshire is in many ways a privileged and fortunate area of the country; it is certainly one of which its residents are rightly proud and in which they are delighted to live, despite the problems. But far too easily the trials and deprivations of rural living and working can be underestimated by external, often distant, observers and decision-makers, simply because the setting is beautiful or there are too few people to make the case for change. We Commissioners have attempted to be realistic about both the challenges and the advantages of North Yorkshire, seeing that they combine, with the need to respond to climate change, to make the County a land of opportunity. A sustainable, growing, green economy which benefits

all within the County, and enables North Yorkshire to make a positive contribution to the rest of the country in return, is possible.

While commending this report to those at national, regional and local levels who must now respond to its vision and recommendations, I want to thank everyone who has helped to make it possible. Page No 60 contains a long list of these people. I have already mentioned North Yorkshire County Council which has provided resource while accepting the Commission's independence and integrity. In addition, from the Council's staff, I must mention Anthony Ruddy, Senior Strategy Officer, who has worked tirelessly and with great commitment to support the work of this Commission from beginning to end; and Vanessa Glover, Head of Communications and her team for support with communications.

Finally, I am particularly grateful to my fellow Commissioners. They have been unbelievably generous with their time and considerable talents, they are a group of people, some of whom don't even live in the County, who long to see its people and communities flourish. It has been a joy and privilege to work with them. And we Commissioners are all grateful to one of our number, Prof Sally Shortall, who was prepared, at an extremely pressurised point in the academic year, to write up the final version of this report.

The full report, with all its recommendations, is unanimously endorsed by Commissioners. Our sincere hope is that, with the necessary support of national government and local communities, all dimensions of the County will be able to unite around its vision and strive together to implement its recommendations.







Rural North Yorkshire: The way forward

Vision for rural North Yorkshire: Beautiful, connected, and embracing the future.

Executive Summary

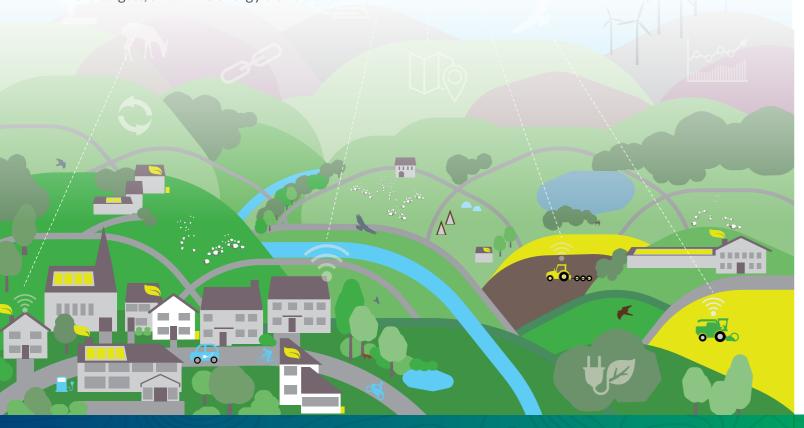
This is the first Rural Commission of its kind. Our report aims to preserve the beauty of rural North Yorkshire while embracing new ways of living and being.

The issues the Commission has examined require positive behavioural change to allow rural and remote North Yorkshire to become a leader in the green economy, have beautiful living rural spaces, to be digitally connected, farm sustainably and have vibrant services. The Commissioners believe that a thriving rural community is one in which people of all ages and backgrounds can find a home and play a part in community life.

The Commission strongly advocates for the levelling up debate not only to focus on Northern industrial regions, but also on remote and rural regions. The debate must recognise the significant potential of rural and sparsely populated rural areas to contribute to the national economy, achieve net zero targets, and drive energy transitions.

The Commission is strongly of the view that devolution is a priority for rural North Yorkshire. The Commission believes that central government must ensure additional powers and funding for the devolved authority so that it has real capacity within the region for decision-making and control of significant funding.

The Commission examined seven key themes: rural economy; energy transition; digital connectivity; farming and land management; rural schools, education and training; rural housing; rural transport. Cross cutting themes were also examined.



Key recommendations:

Rural economy: key challenge: North Yorkshire has a diverse economy.

There is high skilled employment but there is also a significant low wage economy.

What Commissioners suggest:

Devolution is critical to ensuring the right use of investment in the region and the Commission calls on the government to agree a deal as a matter of urgency.

The County Council must encourage investment in the region. This could be pursued through a mutual bank, with supporting funding from the Levelling Up Funds or the Shared Prosperity Fund.

The Commission sees a role for North
Yorkshire leading in green employment
including food, farming, forestry, and
renewable energy. The Levelling Up
Funds or the Shared Prosperity Fund
must provide seed funding support
to be match funded by industry.

Energy Transition: key challenge: Up to 47% of North Yorkshire is designated as either a National Park or Area of Outstanding Natural Beauty. Much of the rural housing stock is made of solid brick or stone walls; there is no gas grid, and weak electrical infrastructure.

What Commissioners suggest:

The Government must invest in an electricity structure that does not overlook rural and remote areas. The York and North
Yorkshire Local Enterprise
Partnership and the County
Council must advocate
for investment in rural
electricity infrastructure.

The National Parks and Areas of Outstanding Natural Beauty should execute an enabling strategy to permit the essential infrastructure and upgrades to buildings to be undertaken, to ensure a 'fit-for-purpose' future within these protected landscapes.

Digital connectivity: key challenge: The Commission acknowledges the commitment and considerable investment the County Council has made to digital connectivity in North Yorkshire. Despite the significant investment, digital connectivity remains a significant challenge, especially in rural areas.

The Commission is strongly of the view that digital connection must be considered a human right.

What Commissioners suggest:

The Yorkshire National Parks and Areas of Outstanding Natural Beauty must establish a Digital Inclusion Group to advise on a digital infrastructure that will be acceptable for these protected regions.

National government and
OFCOM must understand digital
connectivity as a human right.
This is as much a human right
for people in rural and remote
areas as it is in urban areas. The
Commission advocates that the
Government begins by connecting
its most remote citizens to avoid
the typical lagging-behind model.

The Department for Digital, Culture, Media & Sport must place a higher priority on digital inclusion in rural communities and set out a strategic approach to address the issue for North Yorkshire and other sparsely populated areas. The Shared Prosperity Fund could be used as a vehicle to address this issue.







Farming and Land Management: key challenge: North Yorkshire has a long and proud history of farming. There was a great deal of evidence that farming, and farmers are facing significant challenges and policies must be developed to assist them to meet these challenges.

What Commissioners suggest:

The Department for Environment, Food and Rural Affairs must have a more integrated approach to farming, land management and the environment. It must recognise that farming and land management practices are central to achieving environmental targets. Working with Nature, rather than substituting for it, will deliver the most profitable farms in conjunction with the most sustainable Nature.

The County Council, in conjunction with the Yorkshire Agricultural Society, should facilitate a new Farm Business Task Force to direct the culture change needed for the farming future and to ensure changed business practice meets environmental targets. This should liaise closely with the national Agricultural Productivity Task Force.

The Department for Environment, Food and Rural Affairs must provide free business coaching and mentoring support to help farm businesses survive and restructure, whilst ensuring support is in place to help farmers exit the industry with dignity.

Rural schools, education and training: key challenge: North Yorkshire has the highest number of small schools in England. Rural schools perform well. Yet, rural schools risk closure. The sustainability of rural schools is largely attributable to falling pupil rolls, financial difficulties and schools standards. Children attending small rural schools achieve better educational outcomes than urban children, yet they are less likely to go on to further and higher education when they leave school.

What Commissioners suggest:

The Commission believes that the Department for Education must revise its National Funding Formula to ensure increased support for rural super sparse secondary schools. The County Council must lead on pioneering a two-stream educational system post GCSE in rural and remote areas, with one stream focusing on vocational education while the other remains academic. The County Council and the York and North Yorkshire Local Enterprise Partnership must strengthen the offer for post-16 education and provide a better sense of future for young people.

Rural housing: key challenge: in North Yorkshire there is a significant shortage of affordable homes in large parts of the County and an acute housing shortage within the national parks. The general high cost of rural housing means that the region is unaffordable for low- and medium-income families.

What Commissioners suggest:

The formula for designating affordable housing must be revised by the Ministry of Housing, Communities & Local Government so that it does not reflect market value in an area but rather average income in the area.

The County Council should be enabled to have the power to levy a charge on second homes which must stay in the county and be used to further affordable housing. Each parish in rural North Yorkshire should build five houses over a ten-year period. 40% of this housing stock must be affordable or available for rental.

Rural transport; **key challenge**: People who live in super sparse and rural areas need to travel for school, employment, shopping, and health facilities. This raises issues that include accessibility, affordability, and environmental impact.

What Commissioners suggest:

The Commission believes that the Department for Environment, Food and Rural Affairs must make it clear what rural fund will replace the loss of the EU Rural Development Programme funding which allowed local communities to respond imaginatively to local needs around transport.

Until the devolved authority is established, the County Council must have the power to use Shared Prosperity Funds and Levelling Up funds to design relevant schemes for rural and remote areas in North Yorkshire.

The Commission believes that the County Council should take up the opportunity to provide more innovative passenger transport such as demand responsive transport across the county.

Cross cutting themes; key challenge: The Commission identified a number of issues for the region that are impacted by all of the previous themes. These are the demographic challenge and the missing generations; leadership; the importance of community and climate change.

What Commissioners suggest:

Devolution is critical to securing long-term investment into the region and the Commission calls on the Government to agree a deal as a matter of urgency. This will allow North Yorkshire to ensure best use of Levelling Up Funds for its remote and rural regions.

The County Council must establish an Advisory Task Force to include civil servants, rural business, banking and industry, academic and scientific expertise, and communities to take forward our recommendations.

The Commission urges the Government to ensure Levelling Up funds recognise the needs of sparsely populated northern regions as much as the needs of northern industrial regions.

Community and social infrastructure are critical. The Government must ensure Levelling Up funds protect social infrastructure in remote and rural regions.





Rural North Yorkshire: The way forward

Vision for rural North Yorkshire: Beautiful, connected, and embracing the future.

Introduction

The Rural Commissioners are deeply committed to a thriving future for rural and remote North Yorkshire. All live in or have close connections with the region. Considerable work and reflection have gone into this report. This is the first Rural Commission of its kind.

Rural North Yorkshire is beautiful. It has picturesque landscapes, areas of outstanding beauty, moors, dales, and pretty villages. This is one of the region's greatest assets, making it a wonderful place to live and work and to visit; tourism contributes significantly to the local economy. This asset has also acted as a barrier. Maintaining the beauty often means reaching for tradition and preserving the countryside. This can lead to a fear of change and a reluctance to embrace new ways of living and being.

The issues the Commission has examined require positive behavioural change to allow rural and remote North Yorkshire to become a leader in the green economy, have a vibrant and living rural space, to be digitally connected, farm sustainably and have high quality and innovative services.

The Commission believes that local and regional community leaders are central to achieving the desired change and that a thriving rural community is one in which people of all ages and backgrounds can find a home and play a part. The vital role of community organisations, the Church and other faith groups, and the County's extensive voluntary sector in maintaining the rural social infrastructure, was highlighted in evidence sessions.

The evidence the Commission heard indicates that when communities are involved in the process from the beginning, developments are more positive and successful. The knowledge and skills of communities must be acknowledged.

A key challenge for rural North Yorkshire is the missing generations of young people who do not live and work in the region. This raises difficult and hard policy questions that must be addressed, and the Commission's recommendation are hard-hitting.

Affordable rural housing must become a reality rather than an aspiration and this will require more houses in rural and remote areas rather than on the edges of market towns. The Commission believes it is possible to achieve this objective without compromising the region's beauty.

The Commission firmly supports the region's ambition to become a 'green lung' and to lead on employment in the green economy and on revolutionary energy transition.

Addressing climate change is a priority for the county. Farming needs radical change to be sustainable for the future. Digital connection underpins many of these ambitions. The Commission believes that digital connection must be understood as a human right.

It is our belief that this type of future rural North Yorkshire will flourish, attract our missing generation who will bring vibrancy, energy, and vision to the region. It will mean that current policy problems such as school closures will be reduced significantly.

The Commission strongly advocates for the levelling up debate to focus on remote and rural regions as well as Northern industrial regions. The debate is dominated by the economic and social needs of urban areas rather than recognising the significant potential of rural and sparsely populated rural areas to contribute to the national economy, achieve net zero targets, and drive energy transitions.

Through its deliberations, the Commission concludes that the national policy of rural proofing is ineffective; it is unable to identify the specific issues and priorities of different rural areas.

Similarly, Commissioners believe that levelling up will be less effective if it is delivered from central government. Current levelling up objectives and plans are unclear and there is no evidence of any consideration for rural and remote North Yorkshire.

The Commission is strongly of the view that devolution is therefore a priority for North Yorkshire and that central government must ensure additional powers and funding for the devolved authority. In this way it will have real capacity within the region for decision-making and control of significant funding.

This devolved authority must be advised by an Advisory Task Force to help implement the recommendations of this report. The Task Force would include civil servants, rural business, banking and industry, academic and scientific expertise, and local communities.

The Commission was originally tasked with identifying time frames for its recommendations. It is our view that it is more appropriate for the Advisory Task Force to work with and

advise the County Council and the future devolved administration on detailed time frames when it is clearer what capacity or budget will be given to the region.

Rural North Yorkshire is keen to drive and invest in its future. The Commission heard evidence about how small businesses in sparse areas can be critical to maintaining the employment structure and how lower-output agriculture is often more sustainable and profitable.

The region has considerable wealth and the Commission sees a mutual bank as a means for intra-county investing in levelling up our sparse areas. Often smaller initiatives seeking seed funding have less success with mainstream banks. Local solutions are needed for our region; developed by ourselves.

Rural North Yorkshire has urban-adjacent rural areas and some of the most remote sparsely populated areas in the country. Specific issues in sparse areas need to be targeted, but many objectives will be achieved in conjunction with rural and urban areas. Sparsely populated rural areas are part of a living, breathing country.

The report is structured around themes. For each theme, the Commission received briefing reports drawing together existing policies, statistics and other relevant evidence. It also took evidence from experts and for each theme this typically included business, industry, academic and scientific expertise, and communities.

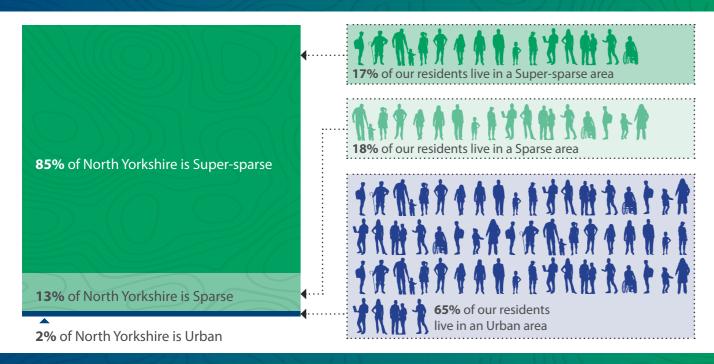






About North Yorkshire

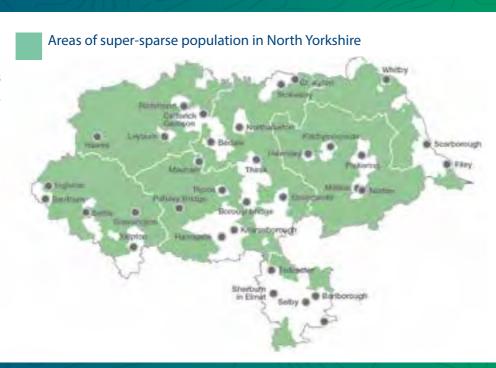
North Yorkshire is the largest geographical county in England. Situated on the south side of the Tees Valley basin, it stretches almost 100 miles across the width of the country, from the east coast to the Lancashire border, down to Selby in the south of the County.



The County covers more than 3,000 square miles (8,000 S-KM) of urban, coastal, and rural terrain, including two National Parks and three Areas of Outstanding Natural Beauty (AONB).

The current population of North Yorkshire is estimated at 618,000 residents, with two thirds of these choosing to live in larger urban or coastal places and the remaining third or so situated in market towns and smaller rural villages.

Given its large geographical size, most of North Yorkshire (85%) is classed as super-sparse, with less than one person per hectare living in super-sparse areas. In addition, population density in North Yorkshire is more than five times lower than the England average. The national average number of people per square-KM in England is 430 compared with just 76 for North Yorkshire and as low as 36 in Ryedale.





















RURAL COMMISSION

Digital | Economy | Education | Energy | Farming | Housing | Transport

The Rural Commission is an independent group, which is self-governing, impartial, and non-political. The Rural Commission is not part of or aligned to the County Council or any other partner organisation. The Commission provided updates to a Reference Group that was set up to act as a sounding board for the Commission. The Rural Commission was supported in its work by a Secretariat from within the County Council, which helped to organise the various meetings and manage the communications and media that was generated from the work of the Commission. The Secretariat also supported the Commission to bring together and organise the evidence base and to help with the collation of extensive information analysed by the Commissioners.

The Commission met twenty times, taking evidence from over seventy participants. Commissioners met twice with their reference group, once with MPs, and twice with Defra officials. Three visits were made to rural communities; 27 written submissions were considered.





Key findings and recommendations by policy theme



• Rural economy



•• Energy transition



• Digital connectivity



• Farming and Land Management



• Rural schools, education and training



Rural housing



• Rural transport

Rural economy

North Yorkshire has a diverse economy. Compared to other parts of the country employment is high in North Yorkshire with lower unemployment¹. Many high earners live within the County and many of these work in nearby conurbations and neighbouring authorities.

Economic productivity in North Yorkshire is relatively high, compared with other parts of the Yorkshire and Humber region. The County generates over £13bn of Gross Value Added (GVA) per annum and GVA per head of population is higher than the regional average.

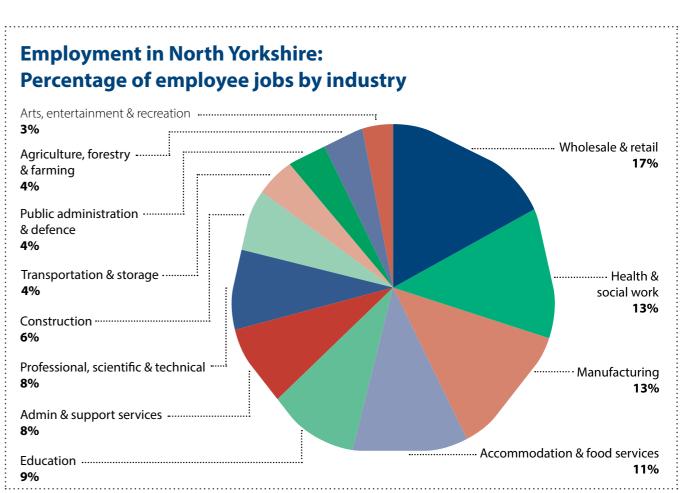
North Yorkshire has a vibrant and valuable manufacturing sector, worth around £1bn annually. There are numerous examples of innovative, technical engineering businesses

situated in rural business parks and there are high value, advanced manufacturing businesses, operating in international markets and supplying companies, including Jaguar, Land Rover, and Boeing.

The County also has a strong and globally recognised food and drinks manufacturing sector. North Yorkshire is the home of companies including McCain Foods, Taylors of Harrogate, T&R Theakston Limited and Black Sheep Brewery, Froneri Ice Cream and the Karro Food Group in Malton.

Alongside this, there is a significant low-wage economy in the County. There are high rates of employment in caring, leisure, accommodation and food services, reflecting the County's dependence on low-wage sectors such as

1 NOMIS 2019 Labour Market Profile - North Yorkshire.



The two-tier wage economy in North Yorkshire

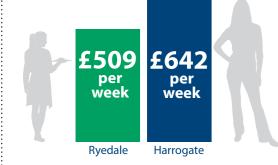


Employment levels are high in North Yorkshire but earnings are lower than national averages and vary significantly between rural and urban areas and different sectors of the economy – weekly average earnings in North Yorkshire (£536) are less than national average earnings (£587).



North Yorkshire

National average



Residents in urban districts earn significantly more than rural counterparts, reliant on low wage sectors such as agriculture and tourism – weekly average earnings in Ryedale (£509) are significantly less than residents in Harrogate (£642) – equivalent to 7K less for rural dwellers.

Data source: ONS Survey of Hours & Earnings (2020).

agriculture, tourism and the visitor economy. North Yorkshire has a two-tier labour market, with high earners on the one hand, and on the other a rural labour market characterised by part-time, seasonal, low-paid work, underemployment and financial insecurity.

While employment is high, earnings are noticeably lower, and the County's workforce is significantly less qualified than the national average². The population is also older; in North Yorkshire 25% of the economically inactive are retired compared to a national average of 13.6%. These factors present particular difficulties for the County's economy.

The Commission heard evidence that the ageing population presents a challenge for the County to retain its young people. The cost of housing is higher than average, despite wages being lower. Talented young people leave because they cannot afford to live locally.

The Commission heard repeatedly that national government does not understand the challenges faced by rural economies and particularly sparse remote rural economies.

Contributors to the Commission made it clear that many of the issues faced by rural dwellers do not usually feature in national debates about economic development, which are usually urban-centred and focused on the competitive economy in London and the South-East.

The Commission was told that other factors have an impact on the rural economy in North Yorkshire. Challenges include poor broadband and mobile connectivity; poor public transport and road accessibility; the expensive cost of housing that prevents people from living and working in North Yorkshire (especially younger adults); the impact of climate change and EU-Exit. The rural economy encompasses many complex issues that are multi-faceted as national issues and international developments also effect people in sparse communities in the County.

The Commission was given evidence of the need for good quality business support for small and medium sized businesses, of which North Yorkshire has a proportionally higher percentage than the national average.

There is a demand for help and training with start-up finance, business mentoring and coaching. Business development opportunities, business support packages and skills training are critical to help begin, sustain, and develop rural businesses. Foundation capital investment is crucial for business start-ups and a bespoke business friend can provide the constructive challenge and encouragement needed to develop the business. Skills training is another critical component of the business support package and this will need to be tailored to fit the different skill sets needed for new or existing businesses.

The Commission heard evidence that restrictive planning legislation hinders the development of the County's economy. Some businesses cannot expand or relocate to rural areas due to the unhelpful planning restrictions which impede the development and diversification of rural businesses. The Commission welcomes the recent announcement to revise planning regulations and counsels that plans are designed in cooperation with local councils and communities.

The Commission advocates research into the formation of a regional mutual bank to invest in and support local economic development and businesses. The Commission is of the view that imaginative financial models will support smaller, local businesses to thrive and provide more financial support to their clients compared to the bigger banks who tend to favour city/international and larger projects. People are encouraged to invest in their region, and it provides a means to access the community wealth in the County to reinvest in the County.

The Rural Commission believes a mutual bank would be a powerful tool for the local economy and would help the County to diversify its economy in a novel and sustainable way. Positive examples of this include the Whitby Esk Energy and Settle hydroelectric turbine partially funded by community shares, and over six community pubs in rural North Yorkshire that are partly or wholly funded by their communities. The Commission is of the view that a mutual bank can drive business diversification and ensure North

Yorkshire leads on the development of the green economy.

This chimes with the York and North Yorkshire Local Enterprise Partnership's ambition for North Yorkshire to be the first carbon negative region in England, with the region becoming a 'giant green lung'. Future employment will reflect the changes this brings and develop, for example, work in biofuels, sustainable forestry, renewable energy, and

environmental management.

The Commission heard evidence of the importance of tourism for the economy in North Yorkshire. Prior to Covid-19, certain parts of the County, especially Scarborough and other coastal communities, have seen the decline of tourism and struggle with general deprivation. The County was adversely impacted by Covid-19.

The York and North Yorkshire Local Enterprise Partnership (YNY LEP) has developed a region-wide plan that will reshape the region's economy after the pandemic. In response to the COVID-19 crisis, the plan to redesign the regional economy in line with the Government's own economic agenda will support businesses to overcome the challenges caused by the pandemic. The plan will have a key focus on stimulating and accelerating growth towards a carbon negative economy and a greener, fairer, and stronger economic recovery³.

² NOMIS 2019 Labour Market Profile - North Yorkshire.

³ www.businessinspiredgrowth.com/covid-19/a-plan-to-reshape-our-economy





The YNY LEP's York and North Yorkshire Covid-19 Reshaping Plan highlights the value of the County's natural landscapes and green spaces and sets out how the County could capitalise on this as part of a greener, more sustainable economy. In line with the lessons learned from the pandemic, the Reshaping Plan includes a pledge to maximise the economic and social value of the natural environment through continued investment in natural capital assets and utilising the opportunities of sustainable tourism ventures in order to boost growth locally within the region.

The Rural Commission welcomes these developments from the YNY LEP and endorses the view that well-managed, sustainable tourism, which maximises the value of the County's natural assets and utilises the cultural and heritage assets of North Yorkshire, could be a major catalyst for growth within the County.

The Commission visited thriving market towns to learn about their role in the development of sparse communities. They are often the focal point for sustaining development and growth in the rural hinterlands as well as serving the towns. Malton in Ryedale is an excellent example of a revitalised, thriving market town. It exemplifies the importance of local investment, leadership, and vision to transform a town that was previously neglected and failing.

The Commission welcomes the Future Towns programme that was initiated by the YNY LEP. The programme's main purpose is to maximise the contribution of the region's towns to economic growth. The Future Towns workstream includes an ambitious programme to achieve the economic transformation set out in the Local Industrial Strategy. The focus of the recommendations, which are set out in the YNY LEP's report, 21st Century Towns, is centred on raising productivity within the County's towns. The report presents a holistic view of how to achieve this, which recognises the synergies and interplay between the various major policy challenges⁴.

4 www.businessinspiredgrowth.com/future-towns



Rural economy Specific Actions:

 Devolution is critical to ensuring the right use of investment in the region and the Commission calls on the Government to agree a deal as a matter of urgency.

.....

.....

- The County Council must encourage investment in the region. This could be pursued through a mutual bank, with supporting funding from the Levelling Up Funds or the Shared Prosperity Fund.
- The Commission sees a role for North Yorkshire leading in green employment including food, farming, forestry, and renewable energy. The Levelling Up Funds or the Shared Prosperity Fund must provide seed funding support which will then be used to seek match funding from industry and business to develop the relevant skills.

- The Commission believes that greater business support is needed for small to medium enterprises. Mentoring, coaching, and skills, from accessing finance to marketing, are required. There is scope for the Levelling Up Funds and the Shared Prosperity Fund to provide investment for the business and training needs of businesses in rural and remote rural areas. This funding must be targeted and directed locally, using local knowledge from the YNY LEP, business and councils.
- The County Council must work with local groups and businesses to put in place development plans for each market town that are regularly refreshed.
- The YNY LEP must lead on the development of a clear, co-ordinated plan that
 sets out the strategic direction for the region to capitalise on the economic
 opportunities of the County's natural capital, including carefully managed,
 sustainable tourism ventures. The strategy should outline the steps needed
 to reduce the negative impacts caused by tourism as well as the benefits.



Supported by North Yorkshire County Council

Case Study

'We love Malton' - A revitalised market town and 'food capital of Yorkshire'

In the early years of this century Malton was affected by the same decline as most market towns in England but has been revitalised with a careful strategy which has brought businesses and visitors back.

The tactics were simple but effective - to make the most of the wealth of quality produce and expert businesses the area has to offer.

In little more than a decade, it has gone from the first tentative steps of a food festival which attracted around 1,000 people to regular events which can draw in up to 40,000 and shops now packed with artisan food businesses where customers can chat to those producing the goods they buy.

That helps ensure constant 'footfall' throughout the week and the seasons, allowing businesses from bakers and gelato producers to thrive alongside an interesting mix of restaurants.

The transformation is down to a deliberate policy adopted by the Fitzwilliam Malton estate and the district council to seize the opportunity Yorkshire's position as a quality food producer offered.

Now they are looking to the future, with a Local Plan which runs until 2027 which aims to promote Malton and Norton as the area's main focus for future growth in retail, employment and housing. Change started just over a decade ago when the first food festival was organised.

Estate director Tom Naylor-Leyland said he was "intrigued" by the range of quality foodstuff produced in the area and had also been struck by traders at a fashionable London market calling out with pride details of the provenance of their Yorkshire stock.

He saw that as a potential antidote to the problem of empty shops and customers moving increasingly to out of town centres and online.

"It was all about bringing footfall into the centre," he said, "How do you bring it in?"

"I was intrigued by how much natural produce came from the area. The simple concept was to promote Yorkshire food in Yorkshire, making Malton a food destination is something I was passionate about.

"It is so important for Malton to keep innovating."

"Understanding the process of how things are made creates a closer bond between the consumer and producer and my dream was to see a market town with producers in the centre."

The first step was a food market in 2009 with 25 stalls attracting 1,000 visitors, which was regarded as a success despite being dwarfed by more recent events which can bring in 40,000 over two days.

Monthly markets now eclipse the success of those early events but the estate and the town's Visit Malton community interest company are pushing further.

The estate took over the Talbot Hotel and ran it for seven years, putting Malton born TV chef James Martin in charge of the kitchen and setting up a cookery school.

"The most exciting part has been in the last five years; we actively went out, having built a reputation with the food fair, market and Talbot, to get producers to open a shop and make their products in the centre of town," said Tom.

The result has been 26 food related businesses opening in town, with the aim of expanding further.

"I think we should be trying to be one of the leading food destinations in the UK," he said, "It is so important for Malton to keep innovating."

The next step is a music festival, which will feature the Lightning Seeds and 1960s legend Arthur Brown and the Marathon du Malton, a 10k run with regular stops for participants to sample high quality food and drink.

The picture below shows members of the Rural Commission with the Mayor of Malton, Paul Emberley (left) and local butcher Paul Potts (centre) during the Commission's visit to Malton in August 2020. The visit included a guided walkabout around Malton's thriving food economy.



Energy transition

The transition to net zero greenhouse gas emissions will have a profound effect on all our lives in the next 20 years. The UK has a commitment to net zero by 2050. Authorities and Local Enterprise Partnerships within North and West Yorkshire are also committed to local emissions reduction and, through the declaration of a Climate Emergency, they have set targets to reach net zero carbon emissions by 2038.

The Commission particularly welcomes the North & West Yorkshire Emissions Reduction Pathways' final report from the study commissioned by the YNY LEP on Carbon Abatement Pathways Study⁵(hereafter called the "Emissions Reduction Report"). This study provides potential futures for the energy system through the use of scenarios. It does not advocate which scenario to pursue; rather it notes that evidence is still being gathered and important national decisions over the next few years will shape the best action to take in North Yorkshire. The report does not suggest taking no action but advises taking low-regrets actions which can support any pathway⁶.

The Emissions Reduction Report notes that meeting maximum ambition targets requires changes in four areas: (1) transport, (2) buildings and industry, (3) land use and agriculture, and (4) power. The report explains the radical transformations needed. The impact of energy transition in these four areas will be especially felt in our rural communities due to the reality of everyday life in these sparsely populated areas and it is on these areas, and the energy transition within them, that the Commission focussed.

Up to 47% of North Yorkshire is designated as either a National Park or Area of Outstanding Natural Beauty. Much of the rural housing stock is made of solid brick or stone walls, with poor levels of insulation. No gas grid means that most heating is by oil. Public transport is limited, private cars need to cater for winter conditions



and diesel is used in agricultural machinery. The Commission heard that, for example, the average Ryedale resident contributes 9 tonnes CO2 equivalent to the atmosphere a year, almost double the national average.

As there is no natural gas grid to be readily repurposed to zero carbon hydrogen fuels, one solution to heating homes and businesses and also to transportation will be through electrification, alongside improved efficiency and renewable heat.

This poses a significant challenge; the existing electricity distribution network is not fit for purpose in many places. Designed to deliver power from large power stations to end use

⁵ www.businessinspiredgrowth.com/carbon-abatement-pathways

⁶ www.businessinspiredgrowth.com/carbon-abatement-pathways





consumers, even with modern smart meter management (assuming broadband connection is in place), the current infrastructure will sometimes not be able to cope with demand for widespread heat pump heating together with electrical vehicle (EV) charging.

In addition there is the need for a major ramp up in grid connection to enable localised electricity generation (e.g. wind power and solar photovoltaic (PV) panel arrays). The Commission were told that the traditional energy technologies are largely obsolete; they are not cost-effective and will be socially unacceptable within 20 to 25 years. The Commission were told that without a more reliable infrastructure to transport the energy to the grid to make it a commercial enterprise, rural areas face being left behind and unable to exploit environmental and economic possibilities.

The shift to net zero is a challenge and an opportunity. It requires extra investments but this in turn creates opportunities. Infrastructural challenges could see rural areas being left behind and as the result the could get more of the costs and less of the benefits.

The Commission heard of a welcome shift in thinking by the major network providers and the national regulator. They appear to be moving away from a demand-led system of energy provision to a new, needs-driven approach. This puts investment in infrastructure up front to accelerate progress and respond to local need.

Northern Powergrid (NPG) told the Commission that the regulatory regime to date has been to encourage investment just-in-time but this is now changing significantly. For the next regulatory period (that will run from 2023 to 2028) NPG is involved in talks with the regulator about a programme of what is effectively strategic investment. The Commission welcomes this progress. The Emissions Reduction Report notes that to reach the maximum ambition scenario, electricity demand will double between 2020 and 2038. Even in the high hydrogen scenario, the increase in electricity demand is 46%.

As the Report notes, future directions will depend on national decisions over the next few years. NPG indicated that thinking was changing for the next Ofgem licence, but this cannot be via a piecemeal or competitive auction if fair and timely decarbonisation is to happen in rural areas.

The Commission believes that there must be critical independent evaluation of the County's electricity infrastructure backed by investment to avoid rural areas being left behind, as with broadband...

The new infrastructure that will be needed to generate and transport electricity needs careful siting. It is vital that our protected landscapes have an enabling strategy, to ensure the essential changes are accommodated, albeit in the most empathetic manner.

Despite the challenges, the Commission notes that the Emissions Reduction Report states that York and North Yorkshire could be a net negative region by 2034.

The expanse of North Yorkshire offers exciting possibilities for clean electricity generation. Also, rural areas naturally lend themselves to storing energy. There are exciting opportunities to develop new businesses as a direct consequence of energy transition. These could include business designing, supplying, fitting, and maintaining alternative heating technologies and electric vehicle charging infrastructure. They could include new businesses generating clean electricity, producing hydrogen/ammonia fuel systems and new services offering electrical storage and demand balancing capability.

Some of these new energy businesses could offer new income streams to landowners, diversifying their business portfolios and in sync with proposed changes in farming, peatland restoration and biodiversity practices.

All these new business areas will bring many new highly skilled jobs to the region, and also offer a foundation for stronger local vocational education and training.

The Commission welcomes an initiative by the Farm Carbon Toolkit which is working with ten farms in the Yorkshire Dales National Park and AONBs to undergo carbon audits and achieve net zero.

The Commission notes that there are two distinct strands to the energy transition strategy, which can be developed in parallel.

The first strand is the decarbonisation of existing assets. Converting the County's extant assets (homes, buildings and cars) to clean energy, is a significant challenge but also a real business opportunity. No single technology will deliver the home and business heating transition in North Yorkshire, but buildings will likely transition to heat pumps or biomass solutions once upgraded building fabric (to improve insulation and ventilation) has been undertaken.

The Commission heard that the role of communities in the energy transition partnership is critical Community investment and ownership of renewables in rural areas could be a major opportunity; this is how Denmark became the world leader in wind. Major behavioural changes will only happen fairly if community engagement is embedded in all pathways. The opportunity and facilitation of new community energy schemes will ensure benefits are shared locally and encourage rural communities to embrace new technologies.

Communities can advise on opportunities for local heat networks, local energy generation and helping vulnerable residents through energy transition. People will embrace changes that are devised 'with' them, rather than done 'to' them. The psychology of change is all-important and addressing this upfront is essential.

A Community Champion could fuse knowledge of potential technical options, show empathy for community needs and have the ability to merge these to achieve best practice results. Many communities have philanthropic residents keen to help with climate change initiatives. A Community Champion can ensure the voice of communities is at the top table.

Research and experience show a willingness of residents to be involved in community energy schemes, as financial donors and as volunteers. In the absence of a national policy of support for community energy schemes, there is scope to develop financial instruments to facilitate local investment in new schemes.

Energy transition is expected to generate new employment opportunities in the region. For example, electrical engineers will be needed to design and manage wind turbines, PV array and EV charging station installations. Electricians will be needed to fit heat pumps and domestic PV systems, and heating engineers and plumbers for the design and execution of new district heating systems as well as the installation of rooftop solar thermal panels for domestic hot water.







The Commission welcomes the Energy Systems Catapult report on the societal change required in energy transition. It underlines the evidence heard by the Commission of the specific challenges and barriers that rural communities face in reducing carbon demand and adopting low carbon technologies, and the multi-pronged approach that will be required.

The second strand to the energy transition strategy involves defining the opportunities for new business development by harvesting the benefits of the County's extensive rural landmass and topography.

Despite the challenges that confront the County, North Yorkshire has natural advantages to exploit in becoming a centre for the production and storage of clean energy. The rural landscape has the potential for the development of a hydrogen (or possibly ammonia) fuel economy, using new renewable (wind/solar) energy farms to provide power in the production of zero carbon

fuels. Such fuels are an essential alternative for equipment that cannot readily be electrified, such as agricultural machinery and heavy road haulage vehicles.

The Commission agrees with the Emissions Reduction Report that ambitious leadership, policy and investment is needed to achieve the maximum ambition scenario, with considerable investment in upgrading the regional electricity infrastructure. The Commission also agrees that behavioural change represents a significant challenge and is supportive of the ongoing work the YNY LEP is doing in validating scenarios through stakeholder engagement.

The Rural Commission welcomes the new Yorkshire and Humber Climate Change Commission and welcomes the opportunity to exploit the synergies between the two Commissions.

The Rural Commission is ambitious for North Yorkshire to become an exemplar in the energy transition process for rural economies and concludes that radical change is needed. Large-scale investment in new technologies and infrastructure is necessary to move towards a new model, based on projected need rather than current demand, and this will need to be scaled up at pace.

Energy transition is a bold but essential ambition. The Commission recognises that rural and remote areas have distinct challenges, but equally, have opportunities to bring new business, new jobs, and new people to invigorate this beautiful area. Partners must bring rural communities along with them on the energy transition journey and they must offer the County's residents a new and better way of life.

Energy transition Specific Actions:

- The Government must invest in an electricity infrastructure that accommodates rural and remote areas.
- The YNY LEP and North Yorkshire County Council must advocate for investment in rural electricity infrastructure to ensure new clean energy technology is a viable commercial enterprise for the County. Levelling Up funds/ Shared Prosperity funds must invest in the particular needs of rural and remote North Yorkshire to ensure it is not left behind.
- The National Parks and Areas of Outstanding Natural Beauty should execute an enabling strategy to permit the essential infrastructure and upgrades to buildings to be undertaken, to ensure a 'fit-for-purpose' future within these protected landscapes.

.....

- The Yorkshire and Humber Climate Commission will ensure the specific rural challenges and opportunities are fully reflected through invited representation on (1) the net zero working group and (2) the land and nature panel.
- Levelling Up Funds/ Shared Prosperity Funds must invest in research on behavioural change in remote and rural areas to meet net zero ambitions.
- Levelling Up Funds/ Shared Prosperity Funds must be used to seed matched funding to work with the Tees Valley Innovation Network and Teesside University to investigate new business opportunities for rural and remote areas in pursuing net zero targets.
- The YNY LEP must be resourced and facilitated to continue its work on emissions reduction pathways and to ensure changes are implemented at pace.

 The YNY LEP must be resourced to have a Rural Energy Community Champion who will be a fundamental contributor to further work and provide a voice for rural communities.

Digital connectivity

The Commission is strongly of the view that digital connection must be considered a human right.

Digital connectivity now touches all aspects of our lives including business, education, social inclusion, medicine, and banking. The pandemic has heightened the urgency for digital inclusion of all North Yorkshire citizens. It highlighted the digital divide and the implications of digital exclusion for those in remote and sparse rural areas.

Covid-19 has changed the way society is organised and how life and work will be organised in the future. The Commission is convinced that connecting rural and remote North Yorkshire is a burning priority.

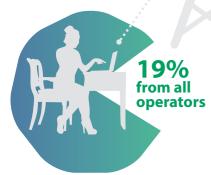
The Commission acknowledges the commitment and considerable investment the County Council has made to digital connectivity in North Yorkshire. The County's £85 million investment in broadband is a reflection of the responsibility shown by the County Council and by NYnet Limited, established by the County Council to improve digital connectivity and broadband services across the region.

Spatial inequality in digital connectivity in North Yorkshire

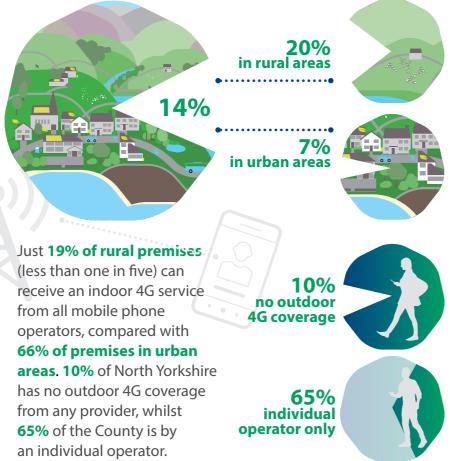
Broadband and mobile connectivity varies significantly between urban and rural areas.

14% of all premises in North Yorkshire have no broadband coverage at all, including 20% in rural areas and 7% in urban areas.

This is equivalent to 48,911 premises in North Yorkshire with no broadband, and most of these (38,444) are situated in rural areas.



Data source: Ofcom (2020) for mobile data; NYnet (2020) for superfast broadband.



Despite the significant investment, digital connectivity remains a significant challenge, especially in rural areas. In North Yorkshire, 20% of rural areas have no broadband connection, compared with 7% in urban areas.

Average broadband speeds are also much slower in North Yorkshire than nationally and this slower performance is mainly concentrated in the super-sparse areas of the County. The national average download speed is 45 mega-bits per-second, but North Yorkshire has average speeds of just 30.

In addition, more than one third of North Yorkshire (35%) has no mobile phone coverage; this deficiency is also mainly concentrated in sparse places. The big four network providers cover less than half of the landmass of North Yorkshire. The Commission notes the recent announcement by BT and OneWeb which recognises the critical broadband issues in rural areas. The Commission believes new solutions must be rolled out at pace.

The Commission heard of the frustrations and difficulties of poor mobile phone coverage. It was described as 'hopeless.' Commissioners heard that so-called 'not-spots' and 'drop-outs' are common, where coverage is occasional or intermittent, and there is a complete absence of coverage in certain places. The Commission was told of particular difficulties with connectivity in old buildings, traditional homes and outside spaces.

The Commission heard evidence of the work that North Yorkshire has undertaken over the years with piloting new approaches to infrastructure with Government support. The original approach to the national broadband programme, led by the Department for Digital, Culture, Media and Sport, chose North Yorkshire as one of its original pilot areas for the rural broadband programme.





This trusted relationship has continued with North Yorkshire receiving the second highest grant behind Greater Manchester in the first wave of the Local Full Fibre programme and then latterly in the innovative 5G pilots as part of the MANY (Mobile Access North Yorkshire) consortium.

The Commission welcomes the House of Commons DCMS Select Committee report on 'Broadband and the road to 5G' ⁷. The Commission notes with disappointment that North Yorkshire is not one of the areas included in the Project Gigabit Phase One Delivery Plan.

However, the Commission welcomes the funding Project Gigabit has made available to encourage industry to use new technology such as low orbit satellites and high-altitude platforms to deliver faster connections to rural homes and businesses.

The recent ruling to allow phone masts to be taller in rural England met with considerable opposition in the Yorkshire Dales National Park. Residents value the natural beauty of the Dales and fiercely oppose infrastructure that will damage this beauty, even if it leads to better digital inclusion.

The Commission does note with concern the DCMS report's critical comment that it is hard to see how the Government will deliver gigabit broadband to the hardest to reach 20% of premises when there so little funding for investment in digital infrastructure.

⁷ https://committees.parliament.uk/publications/4109/documents/40723/default





Digital connectivity is a revolutionary opportunity for North Yorkshire. It is one of the major drivers for economic growth, and spans across and intersects with so many other aspects of our lives. It can transform the rural economy and the ability to work in rural communities. It saves time, travel, and is beneficial for the environment. Digital connectivity facilitates this process. The Commission was told by one participant giving evidence that: "All businesses and communities must have the ability to access high quality broadband so they can enjoy the same social, economic and environmental benefits available to other parts of the country."

The Commission welcomes the County Council's far-reaching North Yorkshire Digital Strategy. The County Council will work with the Good Things Foundation to ensure the delivery of digital skills. It will develop Digital Champions to lead on digital education. The Strategy recognises the need for digital connection for young people, to guard against the isolation of the elderly, as well as highlighting the economic importance of digital connection for business, farming, tourism and managing our future zero carbon infrastructure.

No-connectivity areas also pose personal safety concerns, especially within the farming, forestry and tourism industries.

The Commission welcomes North Yorkshire's creation of, and engagement with, smaller suppliers to the market. These small fast-moving entrepreneurs are important to filling the digital gap. NYnet have fostered the creation of four Fixed Wireless Access providers.

The Commission heard from faith communities that they are keen to partner with digital providers to use church buildings to provide digital connection in remoter areas.

It was clearly apparent to the Commission that two types of digital inequality that must be addressed.

The first is spatial inequality. The main providers have prioritised urban areas where population density means achievable economies of scale and reduced costs of rolling out the network.



As a consequence, there has not been the same commitment to ensuring connection in remote and sparsely populated rural areas. The Commission is highly concerned that DCMS's report states that it is likely that remote rural areas will again lag behind in the context of 5G and gigabit-capable networks.

The Commission fully supports the report's statement that rolling out provision to rural areas must not come with a trade-off in performance or longevity. Any technologies used to deliver gigabit connectivity must be future-proof. The Commission endorses the view that remote and rural connectivity requires political commitment. Rural Cornwall is the most digitally connected rural area in Europe because a commitment was made in Cornwall over ten years ago to ensure this was the case.

The second form of digital inequality links to poverty. Currently, poor people pay more for digital connection through pay-as-you-go packages which are more expensive than having a contract. The take-up of faster broadband speeds will be impeded for poorer people if they are more expensive. The Commission strongly advocates the development of measures to negate digital inequality linked to poverty.

Digital connectivity Specific Actions:

- The North Yorkshire National Parks and AONB must establish
 a Digital Inclusion Group to advise on a digital infrastructure
 that will be acceptable for these protected regions.
- National government and OFCOM must understand digital connectivity as a human right. This is as much a human right for people in rural and remote areas as it is in urban areas. The Commission advocates that the Government begin by connecting its most remote citizens to avoid the typical lagging-behind model.
- DCMS must place a higher priority on digital inclusion in rural communities and set out a strategic approach to address the issue for North Yorkshire and other sparsely populated areas. The Shared Prosperity Fund could be used as a vehicle to address this issue.
- The County Council must follow best practice and work with alternative providers that are committed to connecting remote and rural areas.
- The County Council must work with village hall trustees and faith communities to develop a strategy to invest in and use their buildings to ensure remote rural communities are connected.
- The County Council must, as planned, lead on digital education, digital champions and ensure rural and remote North Yorkshire understands the benefits of superfast broadband.
- Having the skills to use digital and the knowledge of what it can achieve, are just as
 important as having access. The County Council must ensure that a comprehensive
 training programme is delivered to ensure residents of all ages, in rural and remote
 areas have the necessary skills to maximise the benefit of digital connectivity.

- The County Council must follow best practice and work with smaller, entrepreneurial providers, including those based locally within the County, to install digital technology in the hardest-to-reach rural places. Community facilities must be fully utilised and financially supported in order to promote digital inclusion.
- The Council must encourage businesses and industry to apply for the funding Project Gigabit has made available to encourage industry to use new wireless equipment, low orbit satellites, or high-altitude platforms to connect remote communities.
- The Commission would like to see central government continue the investment into North Yorkshire, utilising the capabilities within the wider partnership to run exciting and innovative digital trials.



Farming and Land Management

North Yorkshire has a long and proud history of farming. For the Yorkshire & Humber region total income, including support, from farming increased by 26% between 2015 and 2019 to £452 million.

In the Yorkshire & the Humber the average farm size in 2019 was 93 hectares. This is larger than the English average of 87 hectares. Predominant farm types in the Yorkshire & the Humber region in 2019 were grazing, livestock farms and cereals farms. These accounted for 32% and 30% of the farmed area in the region. Although pig farms accounted for a much smaller proportion of the farmed area, the region accounted for 37% of the English pig population8.

The Commission heard evidence from farmers. farmer organisations, and others with an interest in and knowledge of land use. Two of the Commissioners are farmers and brought their expertise and experience to the table. There was a great deal of evidence that farming and farmers are facing significant challenges and policies must be developed to assist them to meet these challenges.

Hill farming and livestock farming will be the sectors hardest hit by EU-Exit, especially sheep but also cattle. Upland livestock farms face challenges because without subsidies

they will find it hard to break even. The current value of direct payments to farmers in North Yorkshire is around £170 million each year. Even with support, approximately 80 per cent of upland farmers struggled to be viable and very few were truly profitable.

Despite these problems, the County produces some of the best quality food in the world, although it is often poorly marketed.

The Commission concludes that many of the underlying challenges within farming reflect the shortcomings of a subsidised industry, which has often enabled inefficient farming practices to continue and made it even harder for progressive farming practice to develop. This situation will require some degree of structural change and national intervention to resolve.

The Commission heard evidence from farmers that a 'shift in mind-set' was needed within the industry. The Commission endorses the new environmental objectives and the idea of restructuring the farming industry and the opportunities that restructuring presents.

The Commission concludes, with some notable exceptions, that many good farmers do not fully understand the farming business process and need help in order to develop sustainable and profitable farms.

The heavy burden of fixed costs in farming is a major contributor to overall un-profitability. Farms are typically too small to carry this burden and the aggregation of farms into larger units is to be expected. The Commission recognises the quality of some farming businesses, especially larger farms, but considers these types of thriving farms to be in a minority, with most farms unable to return a profit due to the absence of fully developed business skills.

Farmers need help to enable them to develop their farms so that they can face the future with certainty and security, whether this is to expand, modernise, diversify, or retire. The Commission advocates training and mentoring to assist farmers to understand their farming business and the business planning process in order to succeed and thrive.

The Commission welcomes Defra's Future Farming Resilience Fund (FFRF) and the Agricultural Productivity Task Force (APTF). The FFRF will work with farmers to understand the impact of direct payments on their business, how business models need to adapt, and provide business training and succession planning. The APTF is a collaboration between the agricultural industry and Government to design and deliver policy change that supports sustainable productivity in England. The Commission believes both of these positive initiatives must deal with the farm family rather than an individual farmer.

The Commission is of the firm opinion that a new business model for the farming community could help resolve the major challenge of sustaining most, but not all, farming livelihoods, while also helping to achieve environmental targets.

Contrary to the conventional approach to farm economics, which is based on the instinctive idea of scaling up the farming business in order to increase income and profits, the Commission proposes that the leading farming organisations encourage farm businesses to concentrate on driving margin rather than output in order to improve the viability of farm businesses.

There are natural limits to the degree of intensification that can be achieved: forced intensification which can deliver short-term improvements risks longerterm damage to natural fertility. When agricultural practices work in full harmony with nature, profit is maximised and the proper balance with nature is restored.

There is some excellent and continually emerging science behind this new model9 which is reflected in all types of farming. The Commission believes that the Department for Environment, Food & Rural Affairs will benefit from a more holistic approach to farming. It must recognise that changing farming practices and business models are fundamental to achieving environmental targets.

8 Defra statistics: Agricultural facts - Yorkshire & the Humber 2019

The business model of the farming industry

80% of farms already

struggling to survive



Value of direct payments to farmers in North

£170million

under that scheme -Yorkshire is and just **2%** of farms £170m annually. are flourishing.

2% thriving 80% struggling

DEFRA estimates that 25%-35% of all farms will fail by 2035.

Data source: Defra (2020); Grow Yorkshire (2019) for farm subsidies info. relates to YNYER.

⁹ www.nffn.org.uk/wp-content/uploads/2020/09/Less-is-More.pdf



The Commission believes that agricultural colleges must ensure that their courses are relevant to the farming practice of today. Farming in balance with nature, along with the promotion of native breeds of animals, will help to achieve environmental targets around regenerative farming.

The Commission concludes that there needs to be greater collaboration amongst farmers. The Commission encourages farmers in North Yorkshire to form producer groups and networks in order to understand the farming business as a whole, rather than just production.

Farming in North Yorkshire should move towards a future where it commands a greater share of the added-value chain and improves its prospects for higher margins and premium prices: a move away from commodities to branded produce and where branding articulates an implied guarantee of quality and consistency in a product produced in North Yorkshire. A regional mutual bank could be an ideal catalyst to fund the County's food supply chains, including new producer groups to deliver branded products.

The role played by abattoirs in the supplychain needs a complete revision; abattoirs act as speculators and reinforce the position of farm output being treated as a commodity driven entirely by price. This inhibits and prevents the development of branded goods. Abattoirs must be limited to offering a feebased service for slaughter in order to leave the producer group with title to the goods.

The abattoir is essentially a factory, dealing with a high-volume throughput and so achieves economies of scale. This does not work for farm businesses; their small size prevents an economy-of-scale approach. The slaughter sector behaves as a bottleneck in the overall supply chain and when significant transportation of live animals is involved it has a detrimental effect on animal welfare.

North Yorkshire's farming industry needs policies that will promote a seismic shift in culture and attitude within the industry to move away from outdated and unprofitable practices. The Commission advises an approach that deals with the farm family rather than an individual lone 'farmer'.

Spouses and partners bring a different perspective to the farm enterprise and more readily see it as a business than a way of life. Research with women farm entrepreneurs included a Yorkshire focus group and found women were innovative and resilient. They brought a fresh outlook to the business and identified the value of disused assets on the farm. They also led on regenerative farming practices¹⁰.

Younger, next-generation family members also tend to have innovative perspectives on diversifying the business, contributing to longer-term farm viability. The Commission wants farmers to maximise opportunities to generate new income streams from their farming business, not just food production. Farmers are resilient and innovative people who could be successfully supported to diversify and modernise

The Rural Commission considers innovation, modernisation, and diversification in farming as a key feature of the vison for North Yorkshire. There is scope for North Yorkshire to develop solar and energy farms. Farm diversification activities have always been an important source of revenue for farms in the County and support must be provided to ensure these continue to be innovative and sustainable.

Sustainable management of moors is very important to North Yorkshire and the Commission welcomes the publication of Defra's 'England Peat Action Plan'. This report details the Government's long-term strategy for the management, protection and restoration of England's peatlands to enable a wide range of benefits to wildlife, people and the planet.

The Peat Action Plan includes a commitment to phase out a number of damaging practices over time and to protect peat from fire by both phasing out managed burning and reducing the risk of wildfire. One key feature of the Plan includes the introduction of new legislation to bring an end to managed burning on protected blanket bog unless covered by a license issued by the Secretary of State.

The Commission encourages the planting of suitable trees and forests, in the right place, as an alternative land use to unprofitable and unviable farming. There are multiple benefits of well-planned, well-managed, and well-utilised trees, woodlands and forests. Trees remove carbon from the atmosphere, contributing to our net zero efforts to address climate change. Properly managed and protected, they can provide renewable products to reduce our reliance on carbon-intensive materials and imports and create green jobs in North Yorkshire. They encourage and support biodiversity, of both plant and animal life.

Landowners may also be able to generate income from new tree planting under schemes such as the England Woodland Creation Offer and the Woodland Carbon Code. This voluntary code encourages a consistent approach to woodland carbon projects. New woodlands, which meet the standards set out in the Woodland Carbon

Code, could provide an alternative to agricultural income, with additional income paid upfront to help with the establishment of a new woodland. Added to this and depending upon how the woodland is managed, there is the potential of future income streams from the sale of timber products from saw logs to wood fuel. The UK imports 80% of its timber from overseas and therefore growing our own timber sector would reduce imports from less sustainable sources.

The Commission welcomes the various new payment schemes such as the Sustainable Farming Incentive (a precursor to the Environmental Land Management scheme). The Sustainable Farming Incentive is being piloted this year and will be rolled out in 2022. The policy is the first of three new programmes that will operate together and pay farmers for sustainable farming practices, improving animal health and welfare, improving environmental outcomes, and reducing carbon emissions.

The scheme will pay farmers for the actions they take to manage their land in an environmentally sustainable way. The Sustainable Farming Incentive will be open to all farmers, but initially it will only be open to BPS (Basic Payment Scheme) recipients.

There is an ageing farming population in North Yorkshire and many older farmers who have not considered succession, cannot afford to retire, or have not planned for housing needs when relinquishing their tenancy. Accessibility

tenancy. Accessibility
to available land
subsequently becomes
a barrier for younger
farmers and farmers
wanting to expand
their businesses.
The Commission
welcomes the
Agriculture Act
which offers
positive options for
retiring tenant farmers.

rs.

10 Shortall, S., Budge, H. and M.Adesugba. 2021. Women entrepreneurs in farm businesses. Report for Defra





Farming and Land Management Specific Actions:

- Defra must have a more integrated approach to farming, land management and the environment, looking at the whole holding rather than just parts of it. It must recognise that farming and land management practices are central to achieving environmental targets. Working with Nature, rather than substituting for it, will deliver the most profitable farms in conjunction with the most sustainable Nature.
- The County Council, in conjunction with the Yorkshire Agricultural Society, should facilitate a new Farm Business Task Force to direct the culture change needed for the farming future and to ensure changed business practice meets environmental targets. This should liaise closely with the national Agricultural Productivity Task Force.

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- DEFRA must provide free business coaching and mentoring support to help farm businesses survive and restructure, whilst ensuring support is in place to help farmers exit the industry with dignity.
- Defra business mentoring must be targeted at the farm family rather than a 'farmer' to achieve culture change.
- Agricultural colleges must revise the curriculum to ensure it is fit for the needs of future farm businesses.
- The Yorkshire Agricultural Society must continue to lead by example and help establish producer groups that focus on the whole food cycle, its relationship to Natural Capital and not just an economies-of-scale production approach.
- Defra, the Forestry Commission, landowners, interest groups and the public must work together to ensure North Yorkshire's trees, woodlands and forests meet the evolving needs and requirements of the region.

Rural schools, education and training

North Yorkshire has the highest number of small schools in England. Geographically, almost all of North Yorkshire is designated as either super-sparse (84.8%) or sparse area (12.7%). There are 356 state schools in North Yorkshire, including 303 primary schools, 43 secondary schools and 10 special schools. Over a third of these are church schools and 122 (34%) are academies. The Government has recently restated its commitment to seeing the proportion of academies rise.

Consequently, while the Local Authority retains significant statutory responsibilities for the overall provision of education in all parts of the region, its capacity to influence strategic planning will be depleted.

Rural schools perform well, yet, rural schools risk closure.

The sustainability of rural schools is largely attributable to three interconnecting risk factors, including falling pupil rolls, financial difficulties and schools standards - in the past three years in North Yorkshire there have been eight school closures across the County and in all of these instances these three main risk factors have all been prevalent. The Commission heard evidence about the quality of teaching in small rural primary schools, and the expertise, dedication and detailed planning that allowed for innovative thinking to keep two primary schools open by sharing resources.

The Commission heard evidence that the continuing fall in the overall rural population is the fundamental challenge for small rural schools in North Yorkshire. While the number of elderly people living in the county continues to increase, the number of working-age families, with young children, continues to fall. This results in a significant surplus capacity in many of the small rural schools because there are simply not enough families with primary aged children living in rural communities. The cost of the rural housing market discourages young families from living in rural areas.

It is clear from the evidence heard that the closure of rural schools is a highly charged political issue. The Commission welcomes and supports the Bennett Institute for Public Policy report which advocates the importance of social infrastructure for levelling up leftbehind areas, including community centres, churches, pubs, and cafes. The Commission heard evidence that many believe the rural school is at the heart of rural communities.







Funding allocations for rural areas and rural schools

Small secondary schools face challenges in providing a good

challenges in providing a good or outstanding education, with a broad and balanced curriculum.





Small, rural schools face diseconomies of scale in remaining financially sustainable.





New report on school funding by the NAO (National Audit Office, July 2021) provides an update to a seminal study in 2016:



- After real-term reductions in school funding in the two years to 2018-19, the
 Department has since increased funding and plans further rises. However,
 because of growing pupil numbers, average per-pupil funding was
 virtually unchanged in real terms between 2014-15 and 2020-21.
- The increases in cash funding did not cover estimated cost pressures between 2015-16 and 2019-20 but were projected to exceed them in 2020-21, although the Department has not factored in the potential impact of Covid-19 in this assessment.



The Commission is of the view that the primary principle for all schools, rural and urban, must be about quality of education, including social and emotional. Questions must be asked about the quality of social and emotional learning offered to children if they are the only one in their class. The Commission also notes that often it is rural and community groups who are lobbying against school closures, while parents are choosing not to send their children to the local school but rather one further away because it offers a better-quality education. Often schools wither on the vine rather than closures being the result of strategic decisions.

The national expectation of travel times for children state that children should not have to make several changes on public transport. Best practice is that each way a journey for primary school age children should not exceed 45 minutes, and for secondary school age 75 minutes. An expert on the subject noted that sometimes journey times are longer because children are going to schools other than their local one because of parental preference.

The Commission heard evidence about the difficulty of recruitment and retention of staff. Teaching posts in small and remote schools are often less attractive to newly qualified members of staff due to limited career progression opportunities, high housing costs in many rural areas, commute time to work and accessibility of public transport. Often there is limited staff turnover resulting in a more experienced, but more expensive teaching staff.

The Commission notes that the Department for Education, through the National Funding Formula, provides additional resources to help maintain rural schools with lower numbers. There is a particular need to support small, remote secondary schools operating in rural areas of North Yorkshire.

Small secondary schools are a necessity in rural areas where there are significant distance challenges in terms of mileage, rural roads, and travel time to reach the next nearest alternative secondary school. These schools are small due to their geographical location and the remote communities that they serve rather than as a result being unpopular. Pupils living in remote, rural areas who attend a small secondary school have an equal right to access a high quality, broad curriculum as their urban peers. The small, rural, sparse secondary schools within North Yorkshire are the schools facing the greatest financial challenges.

The three smallest local authority maintained secondary schools within North Yorkshire currently have a forecast accumulated budget deficit of £2.1m across the three schools by 31st March 2023. Rural secondary schools often have large catchment areas, for example, the Wensleydale school catchment area alone is bigger than the whole of Birmingham. Collaboration with other secondary schools is more difficult, due to the distance between school sites, reducing the opportunities for the sharing of staff and resources, and pupils accessing jointly-delivered curriculum provision.

The Commission heard evidence that while children attending small rural schools receive good quality of education and achieve good educational outcomes, they are less likely to go on to further and higher education when they leave school. This is an issue that must be addressed.

In North Yorkshire, there are 43 secondary schools in total, with 18 categorised as rural, and 11 of these have 6th form provision, and the curriculum tends to be narrowly academic. The choice of continuing education is made harder and less attractive for rural teenagers. The Commission believes that imaginative and innovative solutions are needed.

The Commission firmly believes that North Yorkshire's rural and remote schools should pioneer a two-stream post GCSE educational offering, with one being toward A-Levels, and the other being vocational. The Commission believes that if the vision for the economy, green energy and job creation comes to fruition, the secondary schools in the County have a key role to play in educating young people for these jobs. North Yorkshire companies must be encouraged to provide apprenticeships and internships.





Rural schools, education and training **Specific Actions:**

• The Commission believes that the Department for Education (DfE) must revise its National Funding Formula to ensure increased support for rural super sparse secondary schools. The Commission fully endorses the County Council's request to consider providing a weighting of 3 to the sparsity funding level of small, rural, "super sparse" secondary schools where the average sparsity road distance is greater than 9 miles (3 times the standard 3 miles distance). This would provide the necessary funding to ensure the future of these secondary schools.

- The Commission believes that the National Funding Formula for schools must take account of the quality of rural roads as well as distance.
- The County Council must lead on pioneering a two-stream educational system post GCSE in rural and remote areas, with one stream focusing on vocational education while the other remains academic.
- The Commission believes that the Council must invest in career guidance for young people in rural and remote schools.
- The County Council and the YNY LEP must strengthen the offer for post-16 education and provide a better sense of future for young people. They must strengthen relationships with business and industry and exploit opportunities for apprenticeships, employment and career development. In line with the learning from Northumberland County Council (Pathways with Pride), the County should work with large employers to provide sponsorships for higher education within regional universities and work with universities to build the school and college curriculum.
- The DfE must provide innovation funding for rural areas to pilot innovative technology solutions for expanding post-16 opportunities.
- To overcome the issue of recruitment of teachers, the Commission advocates that the School Teachers' Review Body recommend to the Secretary of State that a rural stipend to teachers' salaries must be provided to help off-set the cost of housing and transport.

Rural housing

Affordable rural housing is an English policy problem, with a report finding England as the only place in the OECD where it is more expensive to live in rural areas rather than urban ones11.

This problem is replicated in North Yorkshire where there is a significant shortage of affordable homes in large parts of the County and an acute

housing shortage within the National Parks. Some Housing Associations are reluctant to commit to rural affordable housing development due to concerns about future sustainability. It is unclear if there will be sufficient rental income in future years. This is a particular concern in remote rural areas if populations decline. Average house prices in the

Yorkshire Dales are around one third higher than the County average and in some parts of the County, the average cost of a house is more comparable with houses prices in Kent and the South East of the country than northern England. Affordability ratios in some parts of the County, such as Ryedale, are amongst the highest in northern England and it is not unusual for a typical resident, on average earnings, to have to pay up to ten times their annual salary in order to buy a house in some parts of the County. The difficulty is that 'affordable' homes are decided

The general high cost of rural housing means that the region is unaffordable for low- and medium-income families. In some of the most desirable districts to live in North Yorkshire, the average property costs nearly £400,000 while the weekly wage in the county is just over £530.

The outcome is that rural and remote areas of the county are ageing, and the younger generation is missing. This has implications for the viability of schools and other services. There is a missing demographic but also an absence of diversity and mixed social class which contribute to the sustainability and well-being of communities.



¹¹ OECD, 2011. OECD Rural Policy Reviews: England, United Kingdom. OECD Publishing.





North Yorkshire and the National Parks in particular, are areas of exceptional beauty. Traditional buildings are stone, and the Commission heard evidence that there is sometimes fierce opposition from local communities to more development.

The Commission heard other evidence of where the local community has been supportive of development, and the level and quality of consultation is very important. Consultation must happen early, and examples of successful housing developments elsewhere should be showcased.

The Commission is supportive of the North Yorkshire and East Riding Rural Housing Enabler Network. Their Rural Housing Enablers bring together the three key ingredients for rural housing schemes, local communities, landowners, and developers. They have successfully delivered affordable rural homes.

They monitor new housing completions on a half-yearly basis and note that in urban areas completions are 80% but only 20% for rural areas. Significant steps are needed to get rural housing up from its 20% share.

There is a high demand for second homes, increasing the strain on an already limited housing stock. The Commission believes that a charge should be levied on second homes which must stay in the county and used to increase the availability of affordable housing.

To date, rural England is protected space with a reluctance to change the landscape. The Commission welcomes the Government's proposed relaxation of planning regulations and advises that the planning authorities within the County, including district authorities and the National Park authorities, work more closely and flexibly in the future.

Currently, new housing developments tend to be on the outskirts of market towns. The Commission believes this is damaging rural and remote villages. In these places, a policy to build a little (five houses) more often (every ten years) could facilitate building homes sensitive to the village and allow a gradual and gentle transformation.



Photographer: Jonathan Gawthorpe/Yorkshire Post

There are examples of this type of development by some estate owners in North Yorkshire.

Given the Commission's ambitions for North Yorkshire to lead on being a green economy, it is our view that rights to new remote houses could be tied through a points system to people taking one of these jobs.

The Commission welcomes the recent approval of an application for five affordable homes in Bainbridge and notes that these are shared ownership homes making them more affordable. The Commission also heard evidence that rural and remote areas need to develop a greater stock of properties for rent, as well as homes suitable for ageing and downsized families. Security of rental properties will be essential for this to help address the affordable rural housing problem.

The Commission believes there is scope for North Yorkshire to provide leadership to the country by engaging in radical action to address the rural housing challenges. It notes, for example, that the Yorkshire Dales have 100 parishes, and advocates that each parish should build five houses over the next ten years. These need to be designed empathetically to the environment, and they should be beacons of how to design the energy efficient homes needed for our future.

Evidence of land banking in North Yorkshire



Number of building plots with planning permission granted is double the number of completions.

Between 2015-2020 the total permissions granted was **52,423** and the number of completions was **25,784** (fewer than half).

26,639 building plots with planning permission that were not completed.



Data source: YNYER Strategic Housing Partnership (2020).

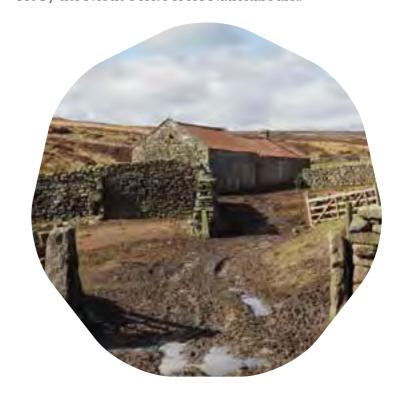
This should be replicated across all of rural North Yorkshire, with each of the 730 parishes building five houses over a ten year period which would mean 3,650 new homes; 40% of which should be affordable.

The Commission welcomes the call in February 2021 by the Commission of the Archbishops of Canterbury and York on Housing, Church and Community for a review to be carried out to examine how the Church Commissioners' strategic land can be used to deliver more truly affordable housing.

The Commission heard evidence of the central role played by communities in addressing rural housing issues. Community-led housing structures and processes can remove concerns over perceptions that development may be to the detriment of the area. It can also be more successful in retaining and attracting the families that communities often need to survive and thrive. Local community leaders, community development associations and Parish councils could be enablers for community ownership of land and housing.

The Commission was told about the problems of 'land banking', where land is owned and planning permission has been granted, but the developer waits for the value of land to increase before building homes. This practice must be challenged to allow the rural housing crisis to be addressed.

The Commission heard that in some areas, barn or farm building conversions are only possible for holiday lets and it is not possible to convert for long-term rental. The Commission understands that planning regulations and their application differs from one planning authority to another. The Moors in their Local Plan allow rural buildings on farmsteads to be converted to either holiday units or lone occupancy dwellings and the tenure is irrelevant for planning purposes; they can be permanent, owner occupied or rented dwellings. The Commission believes all of North Yorkshire should follow the best examples set by the North York Moors National Park.







Rural housing Specific Actions:

- The formula for designating affordable housing must be revised by The Ministry of Housing, Communities and Local Government so that it does not reflect market value in an area but rather average income in the area.
- The local authority should be enabled to have the power to levy a charge on second homes which must stay in the County and be used to further affordable housing.

.....

- Each of the 730 parishes in rural North Yorkshire should build five houses over a ten-year period, leading to 3,650 new homes. 40% of this housing stock must be affordable or available for rental.
- A scheme must be developed which prioritises the access of essential and low-paid workers to affordable homes in rural and remote areas.
- The District Council must ensure housing is affordable through the promotion of shared ownership, community led housing initiatives, and adequate property for rental available on the market.
- The Country Land and Business Association (CLA) should work with the local planning authorities to encourage landowners to increase housing provision in estate villages. Examples of good practice must be shared.
- Local authorities must work with estate owners to establish 10/20/50 year plans for estate villages.
- The County Council needs to understand the challenges of managing old properties and provide free advice on how to improve their energy performance.

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Case Study

North Stainley's 50-year place-making vision to be one of the greenest and most sustainable rural communities in the UK.

"Completion of the 50 year vision will demonstrate how to deliver new housing, education and elderly care, free from the tax payer's purse in rural locations."

The Commission has bold ambitions for North Yorkshire and proposes that the County should consider the sensitive enlargement of existing villages to house a new generation of rural dwellers. To achieve this, the Commission would urge the local planning authorities to work more closely with and utilise the good will of the County's large estates.

North Stainley Estate, situated in Harrogate district, is an excellent case in point. For the past 40 years, the estate's owners have worked continuously and sensitively towards a 50-year place-making vision that should result in the village of North Stainley being recognised as one of the greenest and most sustainable rural communities in the UK – a community being built around a zero carbon future.

The village has been transformed from a roadside hamlet to a growing and a popular community of circa 750 people.

Proof of the positive impact that new housing and associated development can have is



reflected in the attractive built environment, a plethora of green open spaces and countryside access, and a multitude of social clubs and societies. The Commission proposes that North Stainley is adopted as a template for partners to replicate in other places across the County.



Rural transport

Transport is a complex topic and the Commission focused specifically on rural transport and the needs of people living in rural areas.

People who live in super sparse and rural areas need to travel for school, employment, shopping, and health facilities. This raises issues that include accessibility, affordability, and environmental impact. Transport, particularly public transport, is commonly cited as one of the major difficulties for rural life.

The Commission heard evidence that many transport models are urban-centred and do not take account of the rural dimension and the lived realities of rural dwellers in sparse areas. For the majority in these places their journey will begin in a car. For environmental reasons, the priority will be to get these people onto public transport as quickly as possible.

The Commission was told that often rural travellers do not go to their nearest railway station because they are not assured of a parking space, and they travel further to the next station where they are guaranteed a parking space. Availability (and cost) of carparking spaces at railway stations can be a major challenge for commuters and expanding

car parks on rural land is a challenge for transport providers (e.g. finding suitable land from third parties). Accessibility for particular service users, such as wheelchair users, is still a major issue at many rural rail stations.

Bus Back Better is the Government's new £3bn strategy for bus passenger transport across the country. Reforms include simpler fares, higher frequency of buses and more new buses, and improved routes. The Commission welcomes the strategy's commitment to the use of more demand-responsive services, offering a more personal, on-demand service, to people in places with low population density. The Commission notes the strategy but would like to have seen a stronger rural focus in the various strands and more designated funding for rural transport.

The Commission firmly believes that many types of transport provision are the solution that is needed for rural North Yorkshire. The Commission welcomes the County Council's on-demand bus service that allows users to choose when and where they want to travel. This is currently being piloted in the Ripon, Bedale and Masham area and it will allow users to book via a dedicated app. 'YorBus' is fully



accessible, with low floor access and a ramp access for users of wheelchairs, pushchairs and those with mobility difficulties.

The Commission heard evidence of the important role rural communities can play in identifying the transport needs of their neighbours and in designing creative solutions. Rural community transport partnerships develop flexible and creative means to address rural transport needs through on demand car transport, similar to a community run uber-style transport service. These initiatives in rural areas were previously developed using European Union (EU) Rural Development Programme (RDP) money. Unlike agricultural subsidies this fund is not being phased out, it has terminated.

In evidence to the Commission the question was raised about what would replace this funding. Flexible rural community transport initiatives assist with the well-being of remote communities, reducing social isolation of older people, teenagers, and people with mobility issues.

The paradigm shift to on-demand transport for remote rural areas is dependent on digital connectivity to enable the rural dweller to dial up their local uber-share vehicle that will take them on to their destination. A new transport model relies on digital connectivity.



The Commission's support for the ambition for North Yorkshire to be the first carbon negative region in England has implications for rural transport. The Commission examined evidence of best practice from France where (with seed funding from the EU's Rural Development Programme) a remote community purchased a number of electric cars which were available for rent. This type of green solution for people in remote and rural areas is dependent on having an electric charging point.

'Charge my Street' is a community benefit society which installs and operates community charge points, raising money through community share. This is an excellent case-study of electric vehicle charging infrastructure that the Commission believes should be replicated across the County.

The Commission sees a role for increased active transport. Cycling is a means of transport, not just for recreation, but for shopping and commuting. Cycling is part of the solution to low carbon and healthy transport. The advent of the electric bike makes cycling in hilly places more possible. The Commission's ambition to increase the number of young adults in the County will mean a cohort for whom cycling to work, or the shops is an attractive and viable alternative to driving or catching the bus. This requires a revised active transport infrastructure.

Business model for public passenger transport

Passenger transport patronage down dramatically by 90% at height of the pandemic – enduring reductions estimated at up to 35%.



Unsustainable commercial model propped up by huge amounts of government funding –

£1 billion + for bus passenger transport

£4 billion + for rail passenger transport in 2020.



New national bus strategy does not reflect the needs of rural areas

 only £20 million allocated for rural areas out of £3 billion.

Data source: North Yorkshire County Council, Strategic Support Service (2021).

Supported by North Yorkshi County Counci

Case Study

'Charge my Street' – 'Leading the charge' for EV charging infrastructure in rural areas

North Yorkshire has an ambition to be the first carbon negative region in England and this will require innovative and ambitious solutions for rural transport. Commissioners examined best practice across Europe and believe a scheme in France, where a remote community has purchased a number of electric cars for the community to rent, could be successfully replicated in very rural North Yorkshire. However such a green solution depends on the availability of electric charging points.

The Commission's vision of a green economy, grounded on the production of clean energy supplies and a shared aspiration to be the first carbon-negative County in England, will be heavily reliant on the installation of a widespread fast charging infrastructure to stimulate demand for electric vehicles.

"The lack of charge points where people need them is one of the biggest barriers to the electric vehicle revolution, a revolution that will help to reduce air pollution and control greenhouse gasses. Together we can change that".

The Commission believes that 'Charge my Street', a community benefit society which installs and operates community charge points, should play a key role across North Yorkshire.

The scheme, which raises money through community shares, installs charging points nationally across the UK, including rural locations. Charge my Street aims for every home in the UK to be within a five-minute walk of a charging point, which provides residents without off-street parking with the opportunity to switch to an electric vehicle.



"Many companies currently prefer to install their charge points only in dense urban areas with the highest rates of commercial return. This leaves significant gaps in the overall network, particularly across rural areas, which are often perceived to be less commercially attractive."

The scheme is backed by government and is being scaled up in areas across northern England. The Commission believes it should also be carried out in locations across North Yorkshire as an excellent example of electric vehicle charging infrastructure that specialises in sparse areas.



Rural transport
Specific Actions:

• The Commission believes that Defra must make it clear what rural fund will replace the loss of the EU Rural Development Programme funding which allowed local communities to respond imaginatively to local needs around transport.

- Until the devolved authority is established, the County Council must have the power to use Shared Prosperity Funds and Levelling Up Funds to design relevant schemes for rural and remote areas in North Yorkshire.
- The Commission believes that the County Council should take up the opportunity to provide more innovative passenger transport such as demand-responsive transport across the county, as outlined in the Government's national bus strategy, Bus Back Better, opening up the travel choice options of rural and remote areas. The Bus Back Better funding must invest in these services and the technology required to support them, together with innovative improvements to promoting these and other services.
- The Commission supports the installation of fast charging infrastructure for electric vehicles, with financial support to buy a number of electric vehicles which can be made available for community rental. The Levelling Up/ Shared Prosperity Fund must provide some seed funding to allow the raising of matched funding from business and industry.
- The Commission recommends that the County Council reviews the need for car parking spaces at train stations and invests in expanding provision where needed.
- The Commission expects large rural employers to work collaboratively with regional councils and communities to help identify innovative travel-to-work solutions in rural areas.
- The Commission believes that the County Council should promote active transport where appropriate. To facilitate this, the County Council must examine and develop the necessary infrastructure; more cycle lanes, cycle routes and safe places to "park" a bike.





Cross cutting themes

The Commission's work was organised around seven key themes that will shape the economic, social and environmental future and well-being of rural and remote North Yorkshire. These themes are not silos and they all interact and impact on each other. The themes also impact on what the Commission views as some of the crucial challenges to address for rural and remote North Yorkshire.



The demographic challenge and the missing generations



•····• Leadership



• The importance of community



• Climate Change

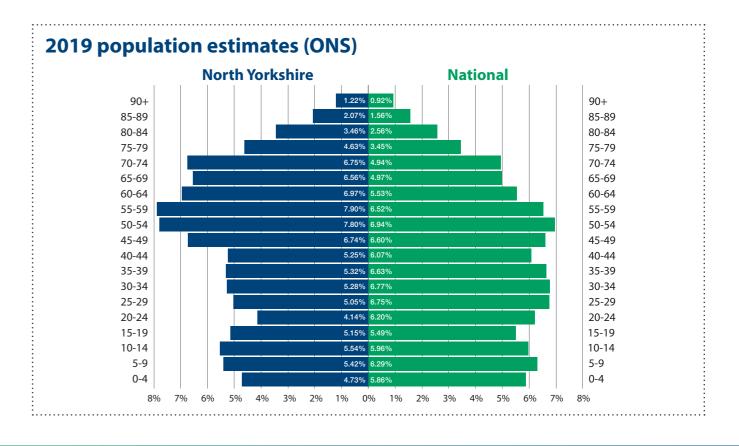
The demographic challenge and the missing generations

The age profile of residents is a key challenge for North Yorkshire. On the one hand, there is a large and growing elderly population in North Yorkshire, with 152,675 older people, aged 65 years or over. This is equivalent to one-in-four (25%) of the total population and it is expected to increase significantly in the next 20 years. On the other hand, the proportion of residents who make up the younger working age population is significantly less and is forecast to fall even further over the same period.

This diagram shows that for all age categories up to 44 years-old there are significantly fewer people living in North Yorkshire compared with the same figures for England. If North Yorkshire had the same percentage of younger adults as the national figure, there would be 45,551 additional younger working age adults living in the County than there are today. Without intervention, the number of younger workers in North Yorkshire will decrease further. Missing this age group subsequently means we are missing young children and teenagers.

Without the contribution of this missing generation, the annual cost to North Yorkshire's economy is significant. According to the ONS, in 2020, the average UK salary for a full-time worker in this broad age category was £32,739. If this figure is multiplied by the estimated number of missing younger workers, the Commission estimates that the current size of the hole in North Yorkshire's economy is approximately £1.5 billion, annually, and increasing year on year.

At the heart of this report is the fundamental belief that people are the greatest asset in North Yorkshire. They build community, economy and a good life. The missing generation of younger workers in North Yorkshire hinders the ability of North Yorkshire to achieve the full potential of an effective economy. This missing generation relates to all of the themes examined by the Commission; unaffordability of housing for this age group, school closures because of lack of demand, the people to drive a forward-looking green economy, depleting services because of declining population, and a skewed older age group.





Economic cost of the missing generation to North Yorkshire's economy If North Yorkshire had the same percentage of younger adults as the national figure, there would be 45,000 additional people living in the County than there are today. This creates an economic hole of £1.5 billion, annually, which is growing year on year. Data source: ONS population estimates (2019); ONS UK average earnings (2020).

Significant demographic change will not take place in the short term and will not come into being by itself. North Yorkshire is demographically monochrome in other ways with little diversity. The Rural Commission believes North Yorkshire must be more demographically diverse for economic, social, and environmental reasons, and also because diverse communities build better societies. The Commission calls on the County Council to actively promote the idea of inclusivity in order to tackle the demographic challenge.



Leadership

The Commission believes devolution is critical to enable the region to secure long-term investment and drive for a better future. The Commission calls for strong leadership that builds layers of inclusive governance to agree and achieve a shared vision.

In evidence sessions, the Commission heard from participants about the value and strength of collaboration to tackle large scale structural challenges. These collaborations should be wide-ranging and inclusive, and include partners from four different areas of expertise, including national and local government, partners from business, banking and industry, those with leading academic and scientific expertise, and local communities.

The Commission believes that an Advisory Task Force could help the County Council in the first instance, and eventually the devolved authority, to formulate the strategy needed to achieve the vision for North Yorkshire of a beautiful connected place that is embracing the future and attractive to the missing generation. This task force would include civil servants, rural business, banking and industry, academic and scientific expertise, and local communities.

The Commission was originally tasked with identifying time frames for its recommendations. It is our view that it is more appropriate for the Advisory Task Force to work with and advise the County Council and subsequently the devolved administration on detailed time frames when it is clearer what capacity or budget will be given to the region.

The Commission is strongly of the view that the devolved authority must have real capacity within the region for decision-making and control of significant funding.

Our vision for North Yorkshire sets out the shared values and beliefs that we feel will tackle the challenges that we were tasked to investigate. Our dream for North Yorkshire is characterised by notions of generosity and goodwill, as well as hard work and responsibility, 'in giving, we receive.' The Commission wants to utilise this goodwill and the general kindness of the County's wealthier citizens to help resolve some of these challenges.



The importance of community

The Commission is firmly of the opinion that strong community is central to the flourishing of life at local, regional, and national levels. The Commission believes that a thriving rural community is one in which people of all ages and backgrounds can find a home and play a part in community life. Communities are the heart of rural and remote Yorkshire.

The Commission heard evidence from community organisations, the Church and other faith groups, and the County's extensive voluntary sector, about their role in building and protecting community life. The Commissioners were given many examples of communities taking the lead, including community-led housing projects and community pubs.



place, and the Commission saw evidence that when community acts toward a common goal, achievements are significant and inclusive.

a common identity of

However, they do not necessarily speak with one voice. Communities are drivers of change, but they can hold onto tradition and this can lead to a fear of change. As rural and remote North Yorkshire embarks on the most significant changes of its time on energy transition, housing ambitions and a seismic shift in agricultural practice; communities must be front and central.

All of the evidence the Commission heard indicates that when communities are involved in the process from the beginning, developments are more positive and successful. The knowledge and skills of communities must be acknowledged.

The Commission welcomes and supports the work of the Bennett Institute in Cambridge University¹² which underlines the importance of social infrastructure alongside economic infrastructure to successfully achieve levelling up ambitions. Maintaining pubs, community hubs, churches and cafes are essential.

The Commission agrees that social infrastructure fosters powerful local identities, pride in place and the confidence and well-being of local people.

As the Bennett Institute notes, these assets underpin the sense of mutual respect and social solidarity which is so crucial for the healthy functioning of our civic and demographic life.

Many of the debates on social infrastructure relate to declining market towns. The Commission urges the Government to recognise that a vibrant social infrastructure is just as, and possibly, more important for the wellbeing of remote and rural communities. People living in sparse areas must have community places to meet, build identity, and agree a dynamic future together.

The Commission welcomes the House of Lords Public Service Committee report to Government on levelling up and public services¹³. The report underlines the importance of childcare services, libraries, youth and community centres and higher education institutions to levelling up. The Committee also calls for funding for a strong social infrastructure.

The Commission agrees that the levelling up agenda lacks clear goals and a plan to achieve them. The importance of listening to communities is underlined both to understand and to bring communities into the process.

The Commission agrees that devolution, along with the necessary resources, is critical to achieving levelling up. No single measure can cover every local priority, and devolution will allow North Yorkshire to best tackle its issues to achieve levelling up. It will also ensure that levelling up is not just about industrial regions, but also about levelling up for rural and remote areas and communities. It is the view of the Commission that current levelling up debates do not take sufficient account of sparsely populated areas.

Climate Change

All of the themes considered by the Commission relate to climate change. This existential force has shaped every aspect of the Commission's work. Many of the issues considered, such as the necessity of an energy transition, sustainable agriculture, and the design of future homes, all speak to a national and regional commitment to achieve net zero.

The region has grown used to a life reliant on fossil fuels, fertilizers and diesel vehicles. The technology for change is rapidly becoming available. It is willingness to change behaviour that will be the biggest hurdle to overcome. The Commission acknowledges that new and sustainable ways of farming, managing land and ensuring a just and fair transition

to renewable energy for heat, transport and machinery will demand widespread consultation, inclusion and empathetic leadership.

The Commission firmly believes that embracing this change will mean that rural areas benefit from exciting opportunities for new businesses, jobs, upskilling and education as a more sustainable life is embraced.

The Commission firmly believes that actions to mitigate climate change, whether planting new swathes of trees, restoring peat, championing a radical improvement in biodiversity, making homes warmer and transport cleaner, will only serve to enhance North Yorkshire.

Taking on the challenges of climate change will make North Yorkshire an even better place to live, learn, relax, work and visit.





¹² www.bennettinstitute.cam.ac.uk/blog/levelling-after-covid-value-social-infrastructure

¹³ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/966138/Levelling_Up_prospectus.pdf





Cross-cutting themes Specific Actions:

- Devolution is critical to securing long-term investment into the region and the Commission calls on the Government to agree a deal as a matter of urgency. This will allow North Yorkshire to ensure best use of Levelling Up Funds for its remote and rural regions.
- The County Council must establish an Advisory Task Force to include civil servants, rural business, banking and industry, academic and scientific expertise, and communities. This Task Force will advise how to take forward the recommendations of the Rural Commission and advise on appropriate time frames when the capacity and budget of the devolved authority becomes clear. It will advise the County Council and the devolved administration. It must be chaired by the Chief Executive Officer of the County Council, and subsequently the Mayor.
- The Commission urges the Government to ensure Levelling Up Funds recognise the needs of sparsely populated northern regions as much as the needs of northern industrial regions.
- Community and social infrastructure are critical. The Government must ensure Levelling Up Funds protect social infrastructure in remote and rural regions.

Conclusion

The North Yorkshire Rural Commission is proud to be the first of its kind. It has been our intention to propose meaningful and realistic ways for rural North Yorkshire to maintain its beauty but also to embrace change. It is our belief and hope that our recommendations will lead to a connected region, that has a thriving community in which people of all ages and background can find a home and play a part in community life.

What do we hope for in a decade? It is our hope that digital connection will have been executed as a human right. We hope that rural North Yorkshire will be flourishing, be diverse and have a wide mix of age groups who will have brought vibrancy, energy, and vision to the region. We hope that more sensitively designed houses will have been built in rural and remote areas. We expect rural North Yorkshire to be a green lung, to have led on imaginative energy transition, and have a diverse green labour force.

We anticipate that the success of the region will be due in part to rural North Yorkshire having invested in its future. We want young people to have better education options. We aspire to the region having sustainable agriculture that works with nature. We want remote and rural areas to be connected by appropriate models of transport.

We expect that this will be delivered by a devolved authority that has real capacity within the region for decision-making and allocating significant funding. We anticipate that communities will have played a key role in embracing and achieving these changes.

The Rural Commissioners hope that their work and recommendations will help ensure the way forward for rural North Yorkshire to be economically robust, fully connected, and sustainably beautiful.





The Rural Commission

North Yorkshire County Council convened the Rural Commission in 2019. Membership of the Commission is comprised of seven key regional figures from business, farming, religion, academia, community development and journalism. Members include Martin Booth, Chris Clark, Very Reverend, Dean John Dobson, DL (Chair), Jean MacQuarrie, Professor Sally Shortall, Dr Debbie Trebilco and Sir William Worsley Bt DL.

The Rural Commission is an independent group, which is self-governing, impartial and non-political. The Rural Commission is not a part of, or aligned to the County Council or any other partner organisation in any way. The County Council did provide administrative support to the Rural Commission and the Commission did provide updates on its progress and achievements to a Reference Group that was set up to encourage the Commission and to act as a sounding board for the Commission. However, the Commission is not accountable to and does not report to the Reference Group or to the County Council. The Rural Commission was supported in its work by a Secretariat from within the County Council, which helped to organise the various meetings of the Commission and manage the communications and media that was generated from the work of the Commission. The Secretariat also supported the Commission to bring together and organise the evidence base and to help with the collation of extensive information (but not with the interrogation or the analysis of the data, which was the responsibility of the Commissioners).

The Very Reverend John Dobson DL - Chair of the Rural Commission

The Dean of Ripon, John Dobson, was appointed as the chairman to oversee the North Yorkshire Rural Commission ahead of its launch in November 2019.

After a quarter of a century of ministry in the Diocese of Durham, he was appointed as the Dean of Ripon in June 2014. He is glad to be ministering in his native Yorkshire at a Cathedral that has been important to him since his childhood and which serves a vast rural area as well as the whole of West



Yorkshire – all within the Diocese of Leeds. While at Ripon, he has led the Cathedral community in an envisioning process that has resulted in the strategy 'Growing God's Kingdom'. This is shaping the growing and nurturing of the congregation, the development of the Cathedral as a centre of heritage, pilgrimage and tourism and the mission extended through the Cathedral to the people and communities of the region. In 2018 the Cathedral created the Ripon Cathedral Rural Forum under the Dean's chairmanship. He has much experience in growing congregations, building developments, community engagement, diocesan strategy and committees, and partnership working with all sectors. John is married to Nicola who is the head teacher of a North Yorkshire C of E aided primary school. They have two children who, as young graduates, are establishing their careers in London.

Martin Booth

Martin Booth is an experienced community worker, project manager, trainer and social entrepreneur. He has worked for both local authorities, housing associations and also in the voluntary sector. Apart from two years volunteering in Rwanda, Martin has lived in the rural North Yorkshire Village of Hudswell for the past 16 years where he was instrumental in setting up Hudswell Community Pub Ltd. HCP owns the village pub and provides a village shop, allotments, an apiary, orchard and wood. He is also the secretary of Hudswell Community Charity, which manages six units of social housing in the village, three of which were constructed in 2017. Prior to and alongside this work most of Martin's regeneration and community work experience has been in urban settings, where he has managed community work teams, project evaluations, consultancy contracts and major regeneration projects in Middlesbrough, Sunderland and Hartlepool. Martin currently works, on an occasional basis, for the Plunkett Foundation, advising on rural community enterprise and part time for Justice First Ltd, who support asylum seekers.

Chris Clark

Chris Clark and his wife, Fiona, owned and managed 420 acres of land at Nethergill Farm at Oughtershaw, near Skipton.

The couple built an eco-hill farm business with a sustainable meat venture, an educational and field study facility and ecotourism holiday lets, and have recently moved to another farm in Devon where they are involved in conservation schemes for ancient woodlands and hay meadows as well as creating wildlife ponds.

He is a Partner in Nethergill Associates, a business management consultancy which is assisting with the management of farming in the Yorkshire Dales, Nidderdale, the North York Moors, the Lake District and Surrey.

A former farm tenant and farm manager, Mr Clark has 30 years of business management experience.



Heather Hancock - former Commissioner

Heather Hancock was a member of the North Yorkshire Rural Commission until late last year, when she took up a new position as the Master of St John's College in Cambridge.

The executive director of the former regional development agency, Yorkshire Forward, and a former chief executive of the Yorkshire Dales National Park Authority, she was also a founding member of the Yorkshire Dales Millennium Trust. F rom 2003 to 2010, Mrs Hancock chaired the BBC's independent Rural Affairs Committee, and in 2014 she was commissioned by the BBC Trust to report on bias and impartiality in the corporation's rural affairs output. Heather was the chair of governors for Giggleswick School in North Yorkshire from 2013 to 2019, having been appointed in 2007, and is a Vice President of Upper Wharfedale Agricultural Society. In addition to her public sector career, she has extensive business experience as a former Managing Partner of Deloitte, the global professional services firm .





Jean MacQuarrie

With a journalism career stretching back more than 40 years, Jean MacQuarrie has spent the vast majority of her time in the Harrogate district of North Yorkshire.

Up until April this year, she was the editor-in-chief of JPIMedia Yorkshire's 18 weekly titles in the Harrogate and Scarborough districts of North Yorkshire and in Wakefield, Pontefract, Dewsbury, Halifax and across Calderdale in West Yorkshire.

She was also an editorial director on the editorial board for JPIMedia, which also owns The Yorkshire Post.

Ms MacQuarrie is from a farming background in North Yorkshire, and is a former trustee of Saint Michael's Hospice.



Professor Sally Shortall

A leading voice in academia specialising in rural affairs, Professor Sally Shortall took up the post as the Duke of Northumberland's Chair of Rural Economy at Newcastle University in October 2016.

Her studies on rural development policy and practice, the role of women on farms and in rural development, and social changes in farming practice have been widely published.

Professor Shortall has carried out research on women in agriculture for the European Parliament, the European Commission and the Food and Agricultural Organisation.

Her current research considers rural proofing, the lived experience of English rural communities, and the role of women in English farms. She is a Fellow of the Academy of Social Sciences.

Dr Debbie Trebilco

With a scientific career spanning both sides of the Atlantic, Dr Debbie Trebilco has held senior business roles in Teesside and then in the United States.

She served as the chief executive officer of a US-based, global electronic materials company, and has travelled widely in Japan, China and Korea working with leading firms in the development of LED lighting technology, smart phones and automotive control systems.

She is a Fellow of the Royal Society of Chemistry and a Fellow of the Royal Society of Arts.

With her husband, Mike, she shares a passion for renewable energy, and their home dating from the 1850s now runs on sustainable energy. They also helped to develop the community owned hydro-electric turbine near Whitby.

Dr Trebilco serves as a director of Community Energy England and of the North York Moors National Park Trust.

She is a lover of music and sings with the York Musical Society.



Sir William Worsley Bt DL

William Worsley is the Chair of the Forestry Commission and of Hovingham Estate. He is President of the Yorkshire Agricultural Society and was until recently the Government's National Tree Champion and Chair of the National Forest Company. He is a Lay Cannon of York Minster and a member of Chapter. He is Chairman of the Howardian Hills AONB Joint Advisory Committee and is a former member of the North York Moors National Park Authority. He is a member of the Court of the Merchant Taylors Company in London and Chairman of its property committee. He is a Fellow of the Royal Institution of Chartered Surveyors and of the Royal Agricultural Societies. He is a Deputy Lieutenant of North Yorkshire. He is a former President of the CLA, the Country Land and Business Association, the representative organisation of the rural economy, a former Chairman of the Scarborough Building Society and a former director of the Skipton Building Society, The Brunner Investment Trust plc and the Private Banking Board of Merchant Bank Guinness Mahon. He is also former Honorary Colonel of the Yorkshire Squadron of the Queen's Own Yeomanry.



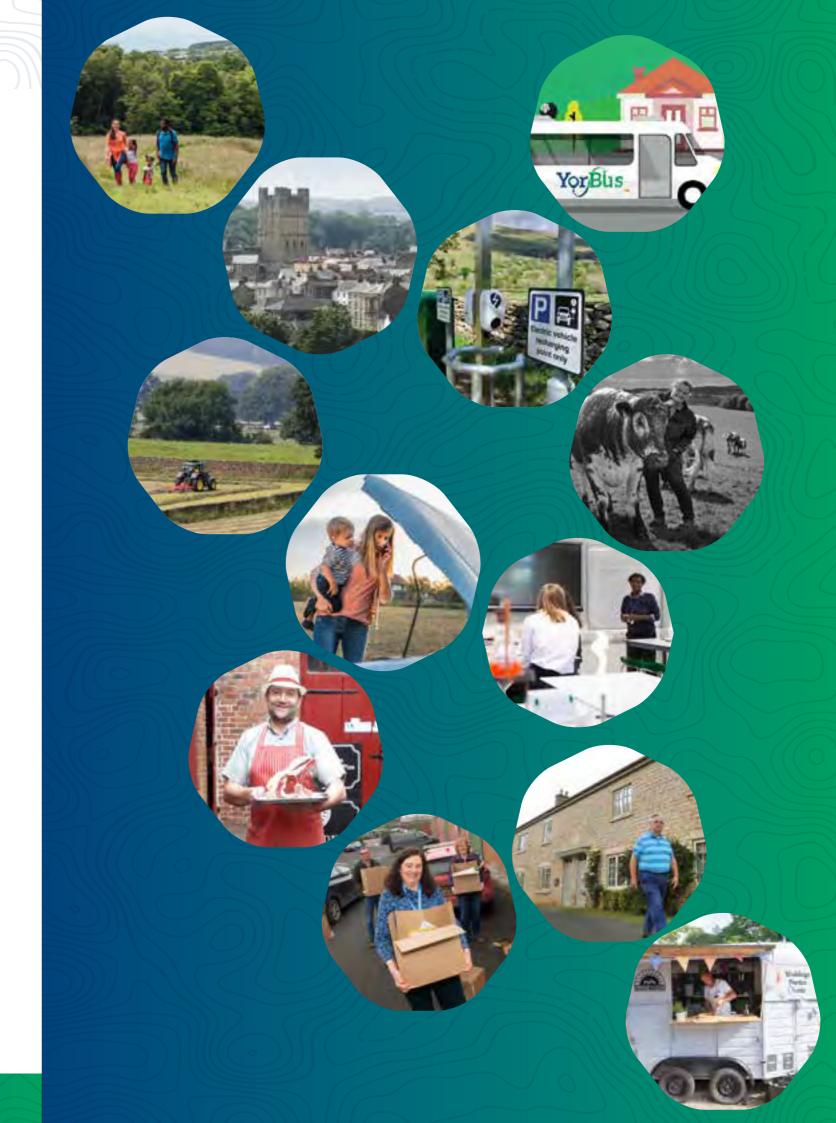
Acknowledgements



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We are grateful to North Yorkshire County Council for setting up the Commission in the first instance and for the resources that made it possible for the Commission to undertake its task. We would particularly like to thank Richard Flinton (CEO) and Neil Irving (Assistant Director, Policy, Partnerships and Communities) for their support and input throughout the process and Cllr Carl Les (Leader of the Council) for his role as Chair of the Reference Group.

We would like to thank the officers of the Secretariat including Deborah Hugill and Louise Rideout. A very special note of thanks goes to Anthony Ruddy who has gone beyond the call of duty in providing excellent secretariat service to the Commission. We are grateful for the help of the communications team at the Council; Martin Feekins, Vanessa Glover, Elaine Williams and Jessica Highfield. Finally, we would like to thank the numerous officers who provided background information and intelligence briefings for the Commission, including Hugh Clear-Hill, Mark Kibblewhite, John Laking and Mark Rushworth. Any omissions or mistakes in the report are ours.



¹⁴ www.northyorks.gov.uk/ruralcommission

¹⁵ www.northyorks.gov.uk/ruralcommission

¹⁶ www.northyorks.gov.uk/ruralcommission

¹⁷ www.northyorks.gov.uk/ruralcommission



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