

Growth agenda and rural areas

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What I will cover

- The current strategic context for growth
 - Focus on RES
- Key growth issues in rural areas
- Role of Rural Forum going forward

RES - shaping the region's growth

- Growth agenda framed in terms of 'headline regional ambitions'
 - Economic growth
 - Productivity
 - Employment
 - Skills
 - Reducing inequalities
 - Protecting the environment
 - Resource use
 - Greenhouse gases
- Consistency with RSS
- Theme-based strategy
 - Enterprise
 - Innovation
 - Digital Economy
 - Resource efficiency
 - Skills
 - Economic participation
 - Transport
- But...
 - Recognition of economic geography and importance of place
 - Spatial economy goal

RES-RSS Implementation Plan

RES-RSS implementation plan

- Coherent approach to managing RES & RSS delivery
- Regional funding allocation submission (early 2009)
- Build on LAAs, IDPs and other sub-regional plans

Economy of rural areas

General performance:

- Structural convergence with 'urban' economies
- rural areas perform as well as urban areas in terms of:
 - Employment rates, skills, innovation and enterprise
 - less well in terms of competition and capital investment.
- Net in-migration

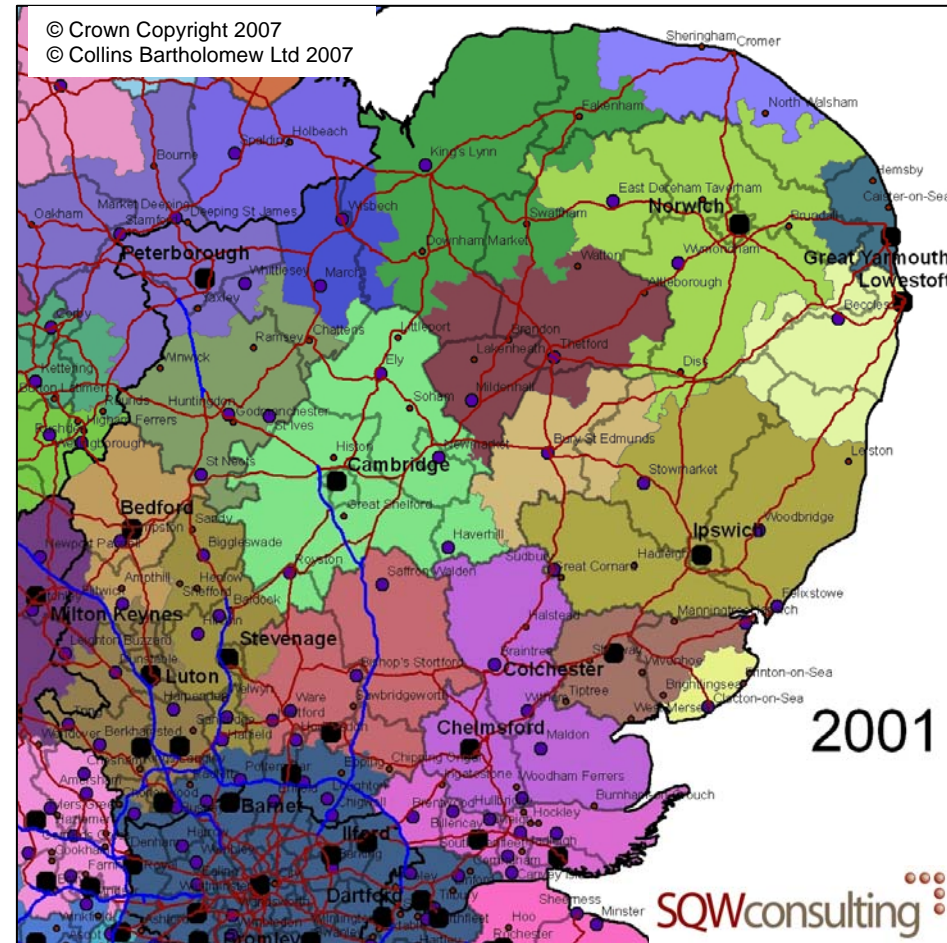
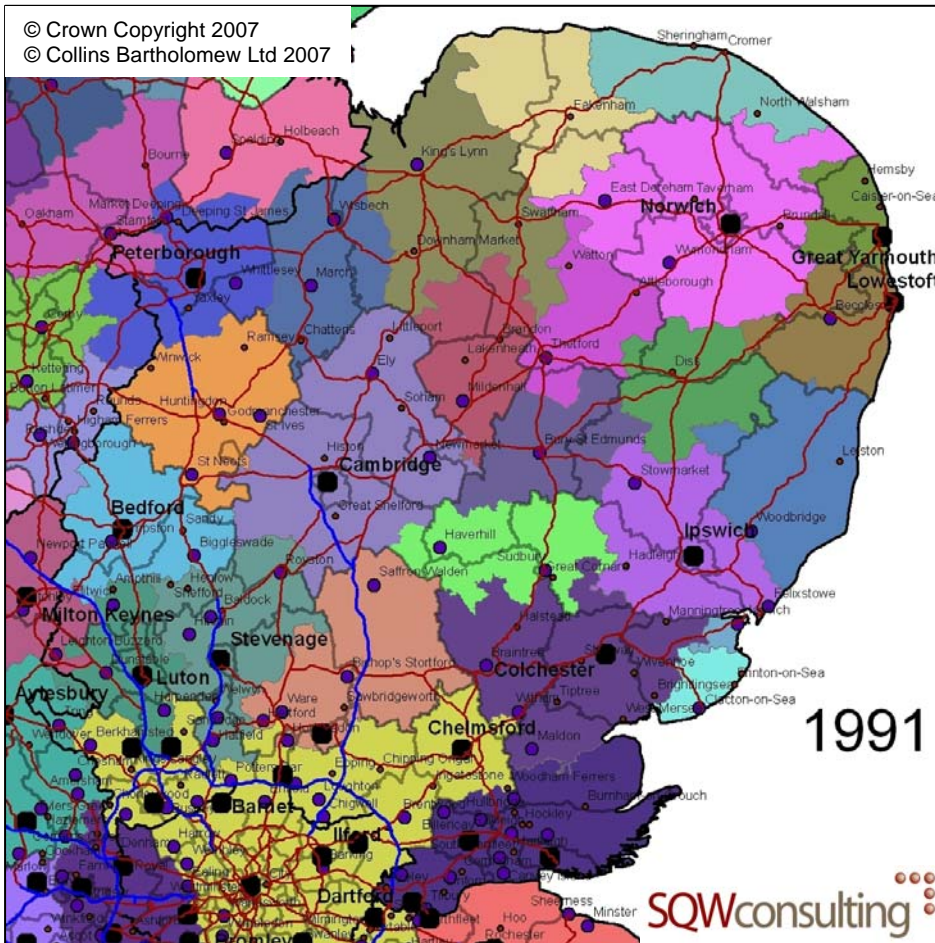
But:

- Considerable variation in performance between rural areas
 - Lagging districts, weak skills base, low business density
- Different dynamics e.g. poverty and exclusion

Agriculture (UK 2006)

- Farm incomes rose by 6.9%
- Share of national GVA up
- Share of national employment down
- Food, feed and drink exports up to £9.9bn, but imports £23 billion and trade gap widening
- Total productivity up 2.1% and labour productivity up 13%
- But historically lag leading competitors
- Very sensitive to exchange rates, commodity prices and oil prices

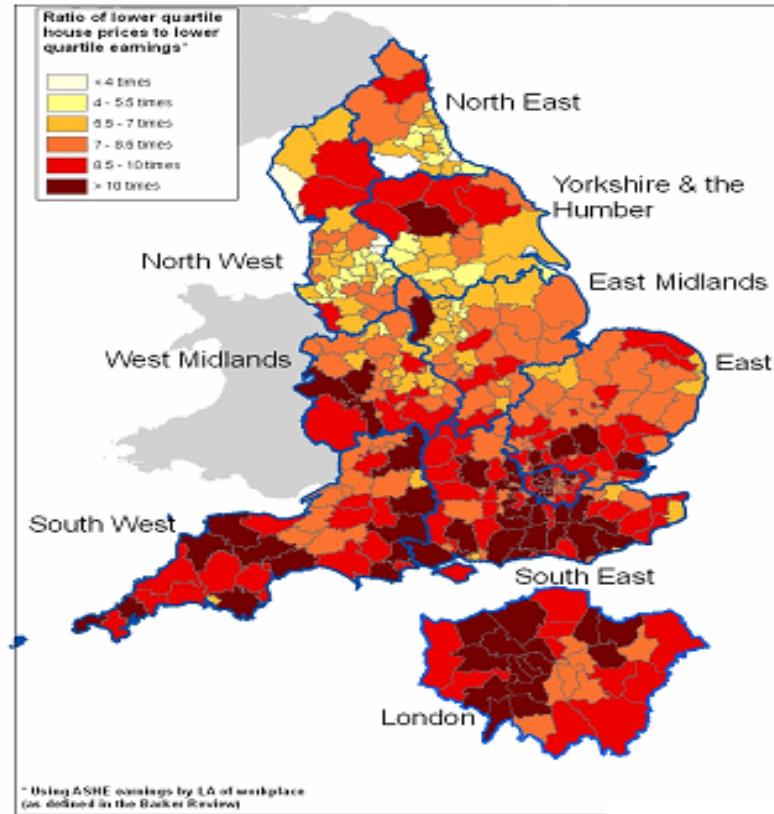
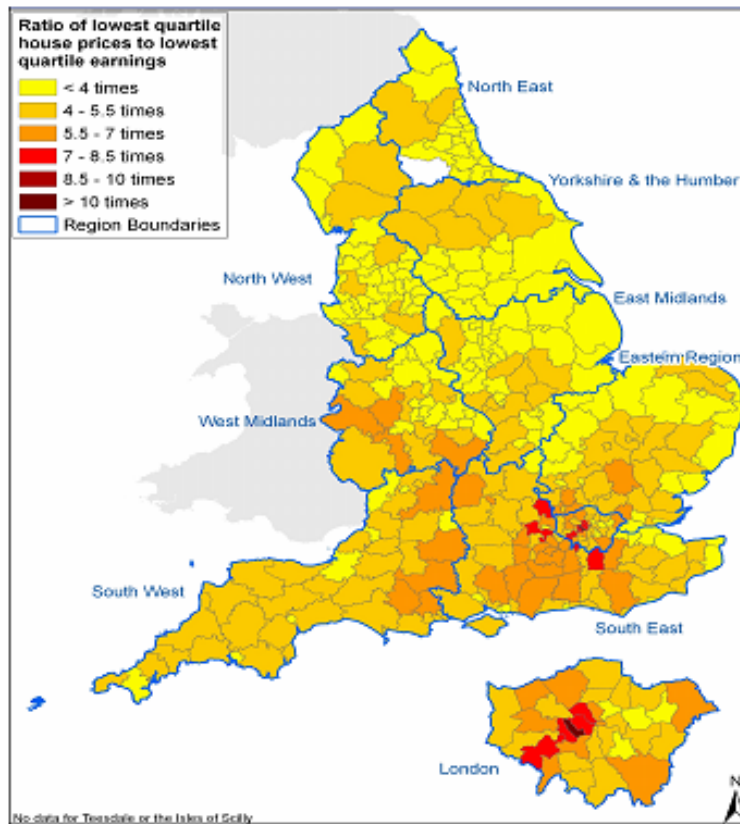
Market towns – growing sub-regional centres



2001 Census-based TTWA Map – published Oct 2007

Housing Affordability

Ratio of house prices to earnings (lower quartile): 1999 and 2006



Source: CLG Analytical Services Directorate

Rural Forum's role going forward

Key roles:

- RES-RSS Implementation Plan
- RSS Review
- Single Regional Strategy
- Influencing LAAs, MAAs and local economic assessments

Key questions:

- What is the contribution of rural areas to 'city-regions' (thinking beyond a 'passive hinterland' approach)?
- Does the current spatial planning approach work for rural areas?
- How do we best stimulate the economies of lagging rural districts?